"This Plan Has Been Amended"

CONDOMINIUM OFFERING PLAN

BADGE BUILDING
LONG ISLAND CITY

THE BADGE BUILDING

10-55 47TH AVENUE
LONG ISLAND CITY, NEW YORK 11101

Total Amount of Offering for 44 Residential Units $26,600,000.00

SPONSOR

The Badge Development LLC
165 Williams Avenue
Brooklyn, New York 11207
(718) 485-5003

SELLING AGENT

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

Filing Date of this Offering Plan: June 6, 2006

This Offering Plan may not be used after June 5, 2007, unless this Offering Plan is extended by amendment.

This Offering Plan contains Special Risks to Purchasers. See Page 1.

THIS OFFERING PLAN IS SPONSOR'S ENTIRE OFFER TO SELL THESE CONDOMINIUM UNITS. NEW YORK LAW REQUIRES SPONSOR TO DISCLOSE ALL MATERIAL INFORMATION IN THIS OFFERING AND TO FILE THIS OFFERING 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 OF LAW OR ANY OTHER GOVERNMENT AGENCY HAS APPROVED THIS OFFERING.

TABLE OF CONTENTS

PART I

SPECIAL RISKS 1
INTRODUCTION 6
DEFINITIONS 11
DESCRIPTION OF PROPERTY AND IMPROVEMENTS 15
LOCATION AND AREA INFORMATION 18
SCHEDULE A – PURCHASE PRICES OF UNITS AND RELATED INFORMATION 21
SCHEDULE B – FIRST YEAR'S BUDGET 33
SCHEDULE B-1 43
COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-I AND OPINION OF COUNSEL 53
CHANGES IN PRICES AND UNITS 58
INTERIM USE AND OCCUPANCY AGREEMENTS 60
PROCEDURE TO PURCHASE 61
ESCROW AND TRUST FUND REQUIREMENTS 65
ASSIGNMENT OF PURCHASE AGREEMENTS 69
EFFECTIVE DATE 70
CLOSING OF TITLE TO UNITS AND TERMS OF SALE 71
CLOSING COSTS AND ADJUSTMENTS 76
RIGHTS AND OBLIGATIONS OF SPONSOR 83
CONTROL BY SPONSOR 92
CONDOMINIUM BOARD 94
RIGHTS AND OBLIGATIONS OF UNIT OWNERS 96
RIGHTS AND OBLIGATIONS OF THE CONDOMINIUM BOARD/ SUMMARY OF BY-LAWS 104
REAL ESTATE TAXES 110
INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM 112
ATTORNEY'S INCOME TAX OPINION 115
WORKING CAPITAL FUND AND APPORTIONMENTS 121
RESERVE FUND 123
AGREEMENTS AFFECTING BUILDING OPERATIONS 124
IDENTITY OF PARTIES 126
REPORTS TO UNIT OWNERS 128
DOCUMENTS ON FILE 129
GENERAL 130
SPONSOR'S STATEMENT OF BUILDING CONDITION 131

PART II

DESCRIPTION OF PROPERTY AND BUILDING CONDITION 135
FLOOR PLANS, ROOF PLAN AND PLOT PLAN 191
FORMS ACP-5 AND ACP-7 REGARDING ASBESTOS 253
PURCHASE AGREEMENT 259
PARKING SPACE, CABANA AND STORAGE ROOM LICENSE AGREEMENTS 287
UNIT DEED 299
LEAD PAINT PAMPHLET 305
LETTER OF TUCHMAN, KATZ, SCHWARTZ, GELLES, KORNGOLD & WEISS, LLP 323
DECLARATION OF CONDOMINIUM 335
CONDOMINIUM BY-LAWS 361
UNIT OWNER POWER OF ATTORNEY 415
UNIT OWNER'S SPECIMEN TITLE POLICY 419
FORM W-8BEN (CERTIFICATE OF FOREIGN STATUS OF BENEFICIAL OWNER FOR UNITED STATES TAX WITHHOLDING) 429
FORM W-9 (REQUEST FOR TAXPAYER IDENTIFICATION NUMBER) 439
APPLICATION TO ATTORNEY GENERAL FOR DETERMINATION OF THE DISPOSITION OF DOWNPAYMENTS 445
ESCROW AGREEMENT 453
CERTIFICATION OF SPONSOR AND PRINCIPALS 463
CERTIFICATION OF ARCHITECT 467
CERTIFICATION OF BUDGET EXPERT 471
REAL PROPERTY LAW SECTION 339-KK 475
CERTIFICATE OF OCCUPANCY SEARCH RE: ADJOINING PROPERTIES 479

PART I

CONDOMINIUM OFFERING PLAN

THE BADGE BUILDING

10-55 47TH AVENUE
LONG ISLAND CITY, NEW YORK 11101

SPECIAL RISKS

1. The purchase of a condominium unit has many significant legal and financial consequences and may be one of the most important financial transactions of your life. The Attorney General of the State of New York strongly urges you to read this offering plan carefully and to consult with an attorney before signing an agreement to purchase a condominium unit.

2. At the time a Purchase Agreement is executed, a Purchaser is required to make a Deposit in an amount equal to 10% of the purchase price. If a Purchaser defaults under his Purchase Agreement, time being of the essence with regard to the obligations of the Purchaser thereunder, and does not cure such default within 30 days after Sponsor gives written notice to the Purchaser of such default, Sponsor may, at its option, either (i) cancel such Purchase Agreement and retain, as liquidated damages, the Deposit, together with interest earned thereon, if any, or (ii) bring an action against such Purchaser for specific performance, in which event Purchaser could be compelled to complete the transaction (See the Section of the Plan entitled "Procedure to Purchase" for further details).

3. The signing of the Purchase Agreement signifies the Purchaser's acceptance of the condition of the Property (as represented by Sponsor in the Plan). Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Building, the Unit or the Facilities, except as may otherwise be set forth in the Plan. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details).

4. If a 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 in which the Deposit is held when added to the Deposit exceeds $100,000, the amount in excess of $100,000 will not be federally insured. Additionally, while the Deposit is in the non-interest bearing position of the Master Escrow Account, the Deposit may not be federally insured even if the Deposit does not exceed $100,000. No representation or guaranty is made by Sponsor that the Federal Deposit Insurance Corporation will insure any depositor's funds, if and when called upon to do so.

5. Purchasers will earn no interest on deposits that are deposited in Sponsor's construction fund account (except during such periods as the deposits are placed in the interest bearing portion of the Master Escrow Account). (See the Section of the Plan entitled "Escrow and Trust Fund Requirements" for further details).

6. Time is of the Essence as to Purchaser's obligations under the Purchase Agreement, including without limitation, for the payment of all deposits and the balance of the purchase price. If a Purchaser fails for any reason to close title to his Unit within 10 days of the originally scheduled date of closing ("Scheduled Closing Date") and Sponsor elects not to cancel the Purchaser's Purchase Agreement as a result of the same, (a) the apportionments to be made at the Closing will be made as of midnight of the day preceding the Scheduled Closing Date, and not as of midnight of the day preceding the actual date of closing ("Actual Closing Date"), and (b) the Purchaser will be required to pay to Sponsor an amount equal to 0.03% of the purchase price of his Unit per day commencing with the Scheduled Closing Date through the Actual Closing Date. (See the Section of the Plan entitled "Procedure to Purchase" for further details).

7. The purchase of a Unit will not be contingent upon Purchaser obtaining a commitment for mortgage financing. If Sponsor should agree otherwise, Purchaser and Sponsor shall execute the Financing Rider annexed to the Purchase Agreement set forth in Part II of the Plan. The Financing Rider provides in pertinent part for a thirty (30) day period within which the Purchaser can apply for a mortgage commitment through The Manhattan Mortgage Company. If the commitment is not obtained, then Purchaser can cancel the Purchase Agreement provided that Sponsor has not extended the thirty (30) day period, or requested Purchaser to make an application to another Lender. Neither Sponsor nor Selling

Agent makes any representations as to the terms or availability of any mortgage financing. Prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be limited, and it could expire before the Closing. If Purchaser and Sponsor do not execute the Financing Rider, the Purchase Agreement will not be contingent upon Purchaser obtaining financing for the purchase of the Unit. (See the Section of the Plan entitled "Procedure to Purchase" and the Purchase Agreement contained in Part II of the Plan for further and more specific details).

8. Purchasers will be required to pay at the closing of their Units all New York City Real Property Transfer Taxes, New York State Real Estate Transfer Taxes and New York State Additional Real Estate Transfer Taxes imposed on their purchase (See the Section of the Plan entitled "Closing Costs and Adjustments" for further details).

9. Sponsor will control the Condominium Board until the earlier of: (i) the Closing of Title with Purchasers under the Plan to Residential Units having more than 90% of the aggregate Common Interests appertaining to all Residential Units, or (ii) 5 years after the First Closing ("Initial Control Period"). After the Initial Control Period, Sponsor, as owner of Unsold Units, shall have the right to designate one member of the Condominium Board for so long as Sponsor owns at least 1 Unsold Residential Unit. (see the Section of the Plan entitled "Control By Sponsor" for further details).

10. During the period that Sponsor controls the Condominium Board, Sponsor will have control of maintenance, facilities and services to be provided to Unit Owners and will determine the Common Charges to be paid by all Unit Owners. (See the Section of the Plan entitled "Control By Sponsor" for further details).

11. So long as Sponsor owns any Residential Unsold Unit, but in no event later than 5 years after the First Closing, the Condominium Board may not take any of the following actions without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit, unless the same are required by Law or (b) assess any Common Charges for the creation of, addition to, or replacement of, all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees employed for the Condominium at the time of the First Closing, or (d) enter into any service or maintenance contract for work or otherwise provide services in excess of those initially contracted for the Condominium, except as is required to reflect normal annual increases in operating services, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, nor shall sponsor exercise veto power over the expenses described in Schedule B or expenses required to enable the Condominium Board to comply with Law, remedy any notice of violation or remedy any work order of the Condominium's insurer (See the Section of the Plan entitled "Control By Sponsor" for further details).

12. No provision is made for a reserve fund to be used for capital replacements or repairs of the common elements. The Condominium Board, in its discretion, and subject to certain restrictions contained in the By-Laws, may decide in the future to create a reserve fund by special assessment or by increases in Common Charges. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for further details).

13. A Purchaser of a Unit shall be required to make a contribution at the Closing of Title to his Unit to the Working Capital Fund of the Building. Such contribution shall be in an amount equal to two (2) months' Common Charges in effect for such Unit. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for further details).

14. No bond or other security has been posted by Sponsor to secure its obligations under the Plan. The ability of Sponsor to perform its obligations under the Plan will partly depend upon its

financial condition at the time it is called upon to perform. No representation can be made that it will be financially able to perform any or all of such obligations. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details).

15. Sponsor anticipates that the First Closing will take place on August 1, 2007. However, units will be completed at different times over a period that may extend significantly beyond that date. (See Section entitled "Introduction" for further details). Prospective Purchasers are advised that for a period of no more than six (6) months from the First Closing, some of the services and facilities described in the Plan (such as the anticipated staff of Building personnel) may not be available. The interim level of staffing will at all times be adequate to maintain the Building during this period (See the Section of the Plan entitled "Description of Property and Improvements" for further details.)

16. No amendment, modification addition, or deletion of the Declaration, By-Laws or any Rules and Regulations (other than those required by Law) shall be effective against Sponsor or its designees or any Unsold Unit unless Sponsor has given its written consent thereto. (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" for further details.)

17. Sponsor performed a certificate of occupancy search of records at The Department of Buildings of The City of New York on November 8, 2005, for the purpose of determining whether there were any open permits for work to be done on 46-36 11th Street (also known as 46-32/36 11th Street), 10-47 47th Avenue, 10-54 46th Road and 10-52 46th Road, which share a boundary line with the Building which work would increase the size of the buildings on the adjoining properties. A copy of the search is set forth in Part II.

18. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each member of the Condominium Board against any liability or claim except those arising out of such member's own bad faith or willful misconduct.

19. At the First Closing, certain apportionments will be made between the Sponsor and the Condominium, as more fully set forth in the Section of the Plan entitled "Working Capital Fund and Apportionments". If the result of the closing adjustments is a net credit in favor of Sponsor, the payment of any net credit shall be deferred and paid to Sponsor by the Condominium in one installment on the first anniversary of the First Closing, without interest, pursuant to an unsecured, negotiable, promissory note to be executed by the Condominium Board and delivered to Sponsor at the First Closing. Such promissory note may be prepaid by the Condominium in full at any time, or in part from time to time, without penalty.

20. Pursuant to existing law and regulation the Sponsor may declare the Plan effective by entering into Purchase Agreements for the sale of a minimum of 15% of the Residential Units in the Building but reserves the right to declare the Plan effective at a greater number of Purchase Agreements. Even if the Plan is declared effective with a minimum number of sales, it is possible that the Sponsor may be able to convert the Building with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately purchase a Unit. (See the Section of the Plan entitled "Effective Date" for further details).

21. Purchasers should note that in the current real estate market, banks and other lenders may impose various restrictions on loans. Such restrictions include requiring that a certain percentage (such as 35% or 50%) of the units in a building be sold or under contract to be sold before the lender will consider making a loan. Thus it may be possible for a purchaser to experience difficulty obtaining a loan for a Unit if the percentage of Units purchased is lower than a lender's particular sales minimum.

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

22. Sponsor reserves the right to sell the Units in one or more bulk sales. (See the Section of The Plan entitled "Introduction" for further details). While there are not any mortgages presently encumbering the Property, the Sponsor reserves the right to place mortgages upon the Property. The Sponsor is obligated to have an individual Unit released from the lien of any mortgage made by the Sponsor before Closing of Title to such Unit or to satisfy such mortgage. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details.)

23. Sponsor will have no obligation to correct or repair any defective condition in the Building (including Units and Common Elements), or in or with respect to its installations, apparatuses, fixtures, finishes, materials and appurtenances except as specifically set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor".

24. Members of the Condominium Board designated by Sponsor may only be removed by the affirmative vote of a majority of Unit Owners for cause. The replacement members shall be designated by Sponsor.

25. All funds received by Sponsor for upgrades or extras will be placed in the Master Escrow Account. However, Purchasers should note that such funds may be released from the Master Escrow Account by Escrow Agent to Sponsor provided that Sponsor uses the funds for such upgrades or extras. As a result, in the event a Purchaser is entitled to rescind the Purchase Agreement in accordance with the Plan, the Purchaser will not receive a refund of any funds used for such upgrades or extras. (See the Section of the Plan entitled "Escrow and Trust Fund Requirements" for further details.)

26. Sponsor shall have an easement to erect, use, lease, maintain, repair, replace and operate antennae, satellite dishes and other communications equipment, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith. Sponsor shall be entitled to utilize such easement for its own account or the account of any tenants or licenses of Sponsor, provided however that the easement shall not be used for the operation of a telecommunications company or any other business whose primary purpose is the broadcasting of telephone, radio communications or other signals. (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board" for further details.)

27. The Property was originally constructed prior to 1958 and therefore either the Property or the Units may contain lead paint. Sponsor has not undertaken any investigation or risk assessment as to the presence of lead paint. If Purchaser wants to perform a lead paint assessment, it should do so before the Purchase Agreement is executed.

28. Sponsor will apply for partial exemption from real estate taxes attributable to the Residential Units pursuant to Section 421-a of the New York Real Property Tax Law and should obtain a preliminary Certificate of Eligibility. Nevertheless, there can be no assurance that a Certificate of Eligibility will be granted. If for any reason the aforementioned application is not granted, there will be no exemption from real estate taxes on the Residential Units. Such exemption, if granted, will be for a limited period of 15 years and will decrease progressively during such period. Neither Sponsor, Sponsor's counsel, Tuchman, Katz, Schwartz, Gelles, Korngold & Weiss, LLP, the Selling Agent, the Managing Agent or any other person makes any warranty that the partial exemption from real estate taxes under Section 421-a will be granted or as to the amount, if any, of the minimum tax that will be assessed

against the Units or the amount of real estate taxes payable at any time by any Unit Owner. (See the Section of the Plan entitled "Real Estate Taxes", and the letter from Tuchman, Katz, Schwartz, Gelles, Korngold & Weiss, LLP, regarding real estate taxes both with and without Section 421-a tax exemption benefits, set forth in Part II of the Plan, for further details.)

29. Lot Line Windows are windows located on an exterior wall abutting or within a specified distance from a property line, where the adjacent property is owned by others. While such windows provide views, light and air to spaces within, they cannot be utilized to meet light and ventilation required by the Building Code of the City of New York. Lot Line Windows are considered amenities that can be closed if an adjacent property owner builds a structure covering up the windows. The following Units contains Lot Line Windows: 2G, 3G, 4G, 2F, 3F, 4F, 5F, 6F, 7F and 8F. The existence of Lot Line Windows will have no effect on the issuance of a Temporary or Permanent Certificate of Occupancy, or on the Building's eligibility to receive real estate tax benefits pursuant to Section 421-a of the New York State Real Property Tax Law, or on a room's permitted use.

In the event that any or all of the Lot Line Windows must be sealed, all construction to enclose the windows shall be performed by the Board of Managers of the Condominium. The cost and expense of such construction shall be the sole responsibility of the Unit Owner or Owners affected and the cost shall be charged to the affected Unit Owner as a Special Assessment. The expense of sealing a Lot Line Window as of the date of acceptance of this Plan is approximately $1,500.00 per window (See the Section of the Plan entitled "By-Laws" for further details). (See the Description of Property and Building Condition set forth in Part II of the Plan for a list of the Units which have lot line windows and the total number of lot line windows in those Units).

30. Sponsor reserves the right to sell the Units in one or more bulk sales. Sponsor will place a mortgage on the Property, in the principal amount of $8,000,000.00, which mortgage will secure a construction loan from TD Banknorth, N.A. While the Sponsor reserves the right to place additional mortgages upon the Property, the Sponsor is obligated to have an individual Unit released from the lien of any mortgage made by the Sponsor before Closing of Title to such Unit or to satisfy such mortgage. It is the Sponsor's intent to sell, rather than rent, the Residential Units and Sponsor will endeavor in good faith to sell, rather than rent, the Residential Units. However, Sponsor cannot project, and makes no representation that market conditions will permit the sale of all of the Residential Units or how long it will take to sell all of the Residential Units. Sponsor reserves the right to rent, rather than sell Residential Units if there is a decline in market values of at least 10% from the offering prices set forth in the Purchase Agreements counted towards declaring the Plan effective. (See the Sections of the Plan entitled "Introduction" and "Rights and Obligations of Sponsor" for further details.)

31. As indicated in the Description of Property and Building Condition, contained in Part II of the Plan, the approximate Unit square footage is measured, horizontally, to the exterior face of any exterior walls directly enclosing a Unit; to the centerline of any wall or partition separating one Unit from another Unit; to the non-unit side of any wall or partition separating the Unit from any corridor, stair, elevator or mechanical space, where these elements do not exclusively serve the Unit. Therefore, the useable area of each Unit is less than the square footage shown on Schedule A and in the Description of Property and Building Condition. (See the Section of the Plan entitled "Schedule A" in Part I of the Plan and see the Description of Property and Building Condition set forth in Part II of the Plan for further details.)

INTRODUCTION

Nature of the Transaction

The Badge Development LLC ("Sponsor"), a New York limited liability company, hereby presents this offering plan ("Plan") for the establishment of condominium ownership of the land ("Land") together with the Building located thereon known as and having a street address of 10-55 47th Avenue, Long Island City, New York ("Building") (the Land, Building, and the appurtenances thereto are collectively referred to as the "Property") pursuant to the terms of Article 9-B of the Real Property Law of the State of New York ("Condominium Act"). The Sponsor obtained title to the Property on September 6, 2005. The Condominium will be known as "The Badge Building" and is being referred to herein as the "Condominium". The Condominium will consist of 44 Residential Units (the "Residential Units" or the "Units").

The Condominium Offering Plan

The purpose of the Plan is to set forth in detail all material facts relating to the offering by Sponsor of the Units in the Condominium. The Plan contains all of the detailed terms of the transaction.

Sponsor may from time to time amend the Plan by filing an amendment with the New York State Department of Law ("Department of Law") and serving such amendment on Purchasers and Unit Owners.

The Plan is presented in two parts which together constitute the entire Plan. Part I sets forth the material terms of the offer and Part II contains the basic documents necessary to create the Condominium and to otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed description of the Property, legal opinion as to certain tax matters discussed in the Plan, and certifications of Sponsor and certain experts. Copies of the Plan, including all documents referred to herein and all Exhibits submitted to the Department of Law in connection with the filing of the Plan will be available for inspection by prospective Purchasers and their attorneys without charge. The Exhibits will be available to prospective Purchasers for copying at a reasonable charge at the sales office. The Plan and the Exhibits are also available for inspection and for copying at a reasonable charge at the Department of Law. All of these documents are important and should be carefully read by prospective Purchasers. Prospective Purchasers are also advised to consult with their own attorneys or other advisers before agreeing to purchase. A prospective Purchaser may obtain the Plan upon payment of a $150 deposit, which amount will be fully refunded upon either (i) the prompt return of the Plan within 14 days after receipt of the Plan, in good condition, or (ii) the execution by the prospective Purchaser of a Purchase Agreement subsequently accepted by Sponsor.

All capitalized terms used in the Plan shall have the meanings ascribed thereto in the Section entitled "Definitions", unless otherwise defined.

The Property

It is the intention of Sponsor to renovate the existing building and enlarge same with a connected vertical extension of eight levels and a vertical extension of two levels above the existing four (4) story structure, so that, when completed, it shall consist of 44 Residential Units in a building which will include a partial lower level.

Based upon the current construction schedule, Sponsor contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery or inability to obtain materials, governmental restrictions, or other events reasonably beyond its control, construction of

the Building will be sufficiently completed to permit closings of Units to begin on or about August 1, 2007. Prospective Purchasers should note, however, that the Units will be completed at different times over a period that may begin prior to and/or extend significantly beyond such date. 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 the Unit or otherwise be relieved from any obligations under the Purchase Agreement, if the First Closing occurs earlier or later than the projected date, or the time to complete or to close title to any Unit is delayed or postponed by Sponsor. In the event the actual or anticipated commencement date of the first year of condominium operation is to be delayed by six (6) months or more, Sponsor will amend the Plan to include a revised budget with current projections, and, if (i) Unit Owner's monthly Common Charges in the amended budget exceed those in the latest projected budget set forth in the Plan by 25% or more, or (ii) the First Closing does not occur within 12 months after August 1, 2007, the date set forth in Schedule B as the commencement date for the first year of condominium operation, then in either case, Sponsor will offer all Purchasers the right to rescind their Purchase Agreements within no less than 15 days after the Presentation Date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their Deposits and any interest accrued thereon returned.

Sponsor reserves the right to change the number of Units from time to time by subdividing and/or combining Units, even after the Condominium is created, unless a binding Purchase Agreement for such Unit has been entered into and the Purchaser does not consent to such change. (See the Section of the Plan entitled "Changes in Prices and Units" for further details.)

A detailed description of the Property is contained in the Section of the Plan entitled "Description of the Property and Improvements" and in the Description of Property and Building Condition set forth in Part II of the Plan.

Offering of Units for Sale

Sponsor hereby offers the Units for sale under the Plan. The price for each of the Units is listed in the Section of the Plan entitled "Schedule A - Purchase Prices And Related Information" ("Schedule A"). THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Sponsor reserves the right to offer the Units in such order of priority as it may determine. In addition, Sponsor has the right to limit the number of Units sold to any Purchaser and to make one or more bulk sales of Units. In the event Sponsor makes a bulk sale of all or some of the unsold Units, any transferee successor Sponsor will be bound by the Sponsor's representation regarding Sponsor's commitment to sell, rather than rent Units.

A Unit shall be used only as a residence for a single family and in compliance with the Bylaws and Law.

Sponsor represents that it is the Sponsor's intent to sell, rather than rent, the Residential Units and Sponsor will endeavor in good faith to sell, rather than rent, the Residential Units. However, Sponsor cannot project, and makes no representation that market conditions will permit the sale of all of the Residential Units or how long it will take to sell all of the Residential Units. Sponsor reserves the right to rent, rather than sell Residential Units if there is a decline in market values of at least 10% from the offering prices set forth in the Purchase Agreements counted towards declaring the Plan effective.

Offering of Licenses for Parking Spaces, Cabanas and Storage Rooms

Sponsor hereby offers to Purchasers of Units on a "first-come, first-served basis" the opportunity to purchase the rights to use a Parking Space, a rooftop Cabana and/or a Storage Room for the purchase

prices set forth in Schedule A. There are fifteen (15) Parking Spaces, seven (7) rooftop Cabanas and two (2) Storage Rooms. THE PRICES FOR THE RIGHT TO USE THE PARKING SPACES, CABANAS AND STORAGE ROOMS HAVE BEEN SET BY THE SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY.

The initial monthly license fee to be paid by a Unit Owner for the use of a Parking Space is $250.00. The initial monthly license fee to be paid by the Unit Owner for the use of a Cabana is $200.00. The initial monthly license fee to be paid by the Unit Owner for the use of a Storage Room is $50.00. Storage Rooms may be used only for the purposes set forth in the Plan and the respective License Agreement. Cabanas may be used primarily for sunbathing. A copy of each License Agreement is contained in Part II of the Plan.

Parking Spaces, Cabanas and Storage Rooms cannot be licensed independently of the ownership of a Unit. With the exception of the Sponsor, Parking Spaces, Cabanas and Storage Rooms cannot be sub-licensed or sub-let. In no event may any Parking Space, Cabana or Storage Room be licensed, or in regard to Sponsor, be sub-licensed or sub-let, to anyone other than a Unit Owner.

Sponsor will execute applicable License Agreements for any unsold Parking Spaces, Cabanas and Storage Rooms at the First Closing and will be subject to payment of the monthly license fee. Sponsor shall, however, have the option of surrendering to the Condominium, at any time from and after the First Closing, any and all License Agreements for unsold Parking Spaces, Cabanas and Storage Rooms. Upon such surrender, any such License Agreement executed by the Sponsor will be deemed cancelled and Sponsor shall have no further obligation to pay any applicable license fee.

Features of Condominium Ownership

The ownership of a Unit is similar in many respects to the ownership of a 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 the owners of all other Units, an undivided interest in (and right to use) the Common Elements. The Common Elements are comprised of: (i) portions of the Property serving and benefiting all Units, generally, including, for example, the Land upon which the Building stands, the roofs, exterior walls and foundations and supports of the Building, hallways and corridors, these Common Elements being more specifically designated as "General Common Elements", and (ii) portions of the Building serving and benefiting certain Units, exclusively, such as Parking Spaces, Cabanas, Storage Room, terraces, balconies and yards, are more specifically designated as "Limited Common Elements".

Each Unit Owner is obligated to comply with the Declaration of Condominium, as well as the rules and regulations of the Condominium, as the same may be amended from time to time by the Condominium Board.

Subject to certain conditions contained in the By-Laws, each Unit Owner may mortgage his Unit with such lender and in such amount as he chooses. However, Sponsor makes no representations about the financeability of any Unit. There are no limitations or restrictions upon the rights of Sponsor to mortgage Unsold Units. Each Unit is separate and will not be subject to the lien of any mortgage placed by other Unit Owners on their respective Units.

The affairs of the Condominium shall be governed by the Condominium Board, who shall be elected by the Unit Owners and Sponsor in accordance with the By-Laws of the Condominium (See the Sections of the Plan entitled "Control By Sponsor" and "Condominium Board" for further details.)

A Unit Owner may decorate and construct the interior of his Unit in any way he desires, subject to compliance with the By-Laws, the Rules and Regulations and Law, and will be solely responsible for

the cost of maintenance and interior repairs to his Unit after Closing. Each Unit Owner has exclusive use of any balcony or terrace appurtenant to his Unit, as shown on the Floor Plans included in Part II of the Plan, and is responsible for all normal maintenance, repairs and replacements thereto. Nevertheless, the costs and expenses of any structural or extraordinary repairs or replacements to any balcony or terrace (including any leaks which are not caused by the negligence of the Unit Owner having access to such balcony or terrace) shall be charged to all Residential Unit Owners as a Common Expense, provided however, the cost of any structural or extraordinary repair or replacement necessitated by the negligence of a Unit Owner shall be paid by such Unit Owner. The type, size and quantity of plantings and other installations to be placed on balconies or terraces shall be subject to the prior written approval of the Condominium Board.

Each Unit will be taxed as a separate tax lot for real estate tax purposes, and a Unit Owner will not be responsible for the payment of, nor will his Unit be subjected to any lien arising from the non-payment of real estate taxes assessed against other Units. In the opinion of special tax counsel to Sponsor, which opinion is set forth in full in Part I of the Plan, a Residential Unit Owner who itemizes deductions may be eligible, under current law, to deduct from his income for income tax purposes, his real estate taxes and the interest paid on his mortgage, subject to certain exceptions and limitations discussed in the "Attorney's Income Tax Opinion" set forth in Part I of the Plan. (See also the Section of the Plan entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" for further details.)

With certain exceptions, any sale or lease of a Unit will be subject to a right by the Condominium Board 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. Sponsor and its designees may sell or lease any Unsold Units without any restriction or limitation. (See the Section of the Plan entitled "Rights and Obligations of Unit Owner - Sales and Leases of Units" for further details.)

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

The cost of operating the Building will be borne entirely by the Unit Owners in accordance with the allocations set forth in the "Schedule B – Projected Budget for First Year of Condominium Operation". As more particularly set forth in the By-Laws, the Condominium Board will determine the amount of Common Expenses. On a monthly basis or at such other times as the Condominium Board determines, the Condominium Board will assess Unit Owners for Common Charges to meet Common Expenses in accordance with Sections 339(i) and (m) of the Condominium Act. Common Charges will be assessed against Unit Owners in accordance with the Schedule B allocations. The estimated Common Charges for each Unit for the first year of Condominium operation are set forth in Schedule A.

The undivided percentage interest of each Unit in the Common Elements ("Common Interest" of such Unit) has been determined upon the basis of such Units floor space, location, uniqueness, overall dimensions and similar factors of relative value to other space in the Condominium pursuant to the Condominium Act.

The percentage of Common Interests are the basis for determining a Unit Owners share of distribution upon termination of the Condominium. Each Unit's Common Interest and estimate of the Common Charges that will be payable by the owner of each Unit during the first year of condominium

operation of the Property subsequent to the First Closing are set forth in the Section of the Plan entitled "Schedule A – Purchase Prices of Units and Related Information".

After the closing of title to a Unit, a Unit Owner will be solely responsible for maintaining casualty insurance with respect to the fixtures, equipment and personal property situated within his Unit as well as liability insurance with respect to occurrences in or about the Unit. The Condominium Board will be solely responsible for maintaining casualty and liability insurance with respect to the Common Elements, in accordance with the provisions of the By-Laws. See the Section of the Plan entitled "Rights and Obligations of the Condominium Board" for further details.)

Each Purchaser of a Unit will be required to make a contribution to the Working Capital Fund of the Condominium. Such contribution, to be made at the time of Closing of the Unit, shall be in an amount equal to two (2) month's Common Charges in effect at the time of closing for each Unit purchased. (See the Section of the Plan entitled "Working Capital Fund" for further details).

In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes which will be separately assessed against such Unit Owner's Unit, interest and amortization payments on the mortgage, if any, which such Unit Owner may, at his option, obtain, and charges for electricity consumed in such Unit Owner's Unit.

There are no limitations on who may purchase Units. Under the New York Real Property Law, a condominium unit may be owned by an individual, a corporation, a partnership, an association, a trust or any other entity which is permitted to take title pursuant to New York law. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without the consent of any of the Condominium Board, any Unit Owner or mortgagee, to refuse to approve and execute Purchase Agreements for one or more Units to any person or entity. Since there are no limitations on the number of Unit Owners who may purchase for investment rather than for personal occupancy, there may always be a substantial percentage of Unit Owners who do not reside in their Units. Unit Owners, other than Sponsor, must, of course, comply with the Condominium Board's regulations regarding renting Units, which regulations are contained in the Condominium's By-Laws set forth in Part II of the Plan. Sponsor shall not discriminate against any person because of his or her race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law. No binding obligation will arise for the sale of a Unit unless and until a Purchase Agreement executed by both Purchaser and Sponsor has been exchanged and Sponsor has collected the funds constituting Purchaser's required deposit thereunder (see the Section of the Plan entitled "Procedure to Purchase" for further details). Sponsor will not accept an offer of purchase from an individual younger than 18 years of age or an incompetent under Law.

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

DEFINITIONS

For convenience of presentation, general definitions of certain of the terms used in the Plan are set forth below, which definitions are subject in most cases to the more particular definitions of such terms set forth in the Declaration, the By-Laws and the Condominium Act. They include the following:

"Adverse Effect", or "adverse effect", as used in the Condominium Documents, shall mean, with respect to any action or proposed change and with respect to any Unit Owner or Unit Owners, that such action or change could, if realized, (i) increase the Common Charges payable by such Unit Owner or Unit Owners by more than 25%, (ii) materially interfere with such Unit Owner's access to his Unit, (iii) obstruct or degrade the view from the windows of such Unit Owner's Unit, (iv) decrease the useable square footage of a Unit by 5%, or (v) otherwise materially diminish such Unit Owner's use and enjoyment of his Unit.

"Building" shall mean the Building known as The Badge Building, a Condominium located at 10-55 47th Avenue, Long Island City, New York, in which the 44 Units of the Condominium will be located.

"Building Department" shall mean the Department of Building of The City of New York or any successor agency.

"By-Laws" shall mean the By-Laws governing the operations of the Condominium, which are set forth as Exhibit D to the Declaration, as the same may be amended from time to time.

"Cabana" shall mean the individual cabanas allocated as Limited Common Elements. Seven (7) Cabanas are licensed to Unit Owners on a first come-first served basis.

"Closing of Title" or "Closing" shall mean the date upon which, among other things, a Unit and its appurtenant Common Interest is conveyed to a Purchaser by the delivery by Sponsor to a Purchaser of a deed upon payment by a Purchaser to Sponsor of the balance of the purchase price for the Unit.

"Common Charges" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata, in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the By-Laws or in the First Year's Budget) to meet the Common Expenses.

"Common Elements" shall mean the Property, other than the Units themselves, being comprised of the General Common Elements and the Limited Common Elements.

"Common Expenses" shall mean all costs and expenses to be incurred generally by the Unit Owners pursuant to the Declaration and/or the By-Laws in connection with: (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Common Elements; (ii) the establishment and/or maintenance of a general operating reserve, or a reserve fund for working capital, for replacements with respect to the Common Elements, or to make up any deficit in the Common Charges for any prior year(s); and (iii) generally, the conduct of the affairs of the Condominium.

"Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, in the Common Elements appurtenant to each Unit, as determined in accordance with the Declaration. The total of all Common Interest percentages appurtenant to all Units equals 100%. The Common Interest attributable to each Unit is set forth on Exhibit B annexed to the Declaration.

"Condominium" shall mean The Badge Building, a Condominium which was established pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws.

"Condominium Act" shall mean the New York Condominium Act, as amended from time to time, and presently found in the New York Real Property Law, Article 9-B.

"Condominium Board" shall mean the board of managers of the Condominium who will manage the affairs of the Condominium.

"Declaration" shall mean the instrument creating the Condominium, as the same may be amended from time to time.

"Deposit" shall mean all deposits, downpayments, advances or payments made by Purchasers prior to the closing of each individual transaction.

"Effective Date" shall mean the date upon which Sponsor has declared the Plan effective pursuant to the provisions of the General Business Law.

"Facilities" shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Building and either existing for the common use of the Units or the Unit Owners or necessary or convenient for the existence, maintenance, or safety of the Property. For purposes of illustrating the broad scope of such term and without intention to limit the generality of the foregoing in any respect, the term "Facilities" shall include all systems, equipment, apparatus, convectors, radiators, heaters, converters, heat exchangers, mechanisms, devices, machinery, induction units, fan coil units, motors, pumps, controls, tanks, tank assemblies, installations, condensers, compressors, fans, dampers, blowers, thermostats, thermometers, coils, vents, sensors, shut off valves, other valves, gongs, panels, receptacles, outlets, relays, alarms, sprinkler heads, electric distribution facilities, wiring, wireways, switches, switchboards, circuit breakers, transformers, fittings, siamese connections, hoses, plumbing fixtures, lighting fixtures, other fixtures, bulbs, signs, antennae, telephones, intercom equipment, playground equipment, meters, meter assemblies, scaffolding, piping, lines, ducts, conduits, cables, risers, mains, shafts, pits, flues, locks, hardware, racks, screens, strainers, traps, drains, catch basins, leaders, filters, incinerators, canopies, closets, cabinets, doors, railings, copings, steps, furniture, mirrors, furnishings, appurtenances, urns, baskets, mail chutes, mail boxes, carpeting, tiles, floor coverings, draperies, shades, window coverings, wallpaper, wallcoverings, trees, shrubbery, flowers, plants, horticultural tubs and horticultural boxes.

"Family Members" shall mean the spouse, children (natural and adopted), stepchildren, grandchildren, siblings, nieces, nephews, parents, parents-in-law, and grandparents of a Unit Owner who reside in such Unit Owner's Unit.

"Filing Date" shall mean the date a letter is issued by the Department of Law accepting the Plan or an amendment to the Plan, as the case may be, for filing.

"First Closing" shall mean the Closing of Title with respect to the first Residential Unit to be conveyed to a Purchaser pursuant to the terms of the Plan.

"First Year's Budget" shall mean the Section of the Plan entitled "Schedule B - First Year's Budget". First Year's Budget is sometimes referred to herein as "Schedule B".

"Floor Plans" shall mean the floor plans of the Units certified by a professional engineer or licensed architect, filed in the Register's Office simultaneously with the recording of the Declaration, together with any supplemental floor plans thereto.

"Force Majeure" shall mean delays caused by weather, casualty, labor, difficulties, (including work stoppages and strikes), late delivery or inability to obtain materials, government restrictions or other events beyond Sponsor's reasonable control.

"General Common Elements" shall mean those certain portions of the Property (other than the Units and the Limited Common Elements), as well as those Facilities therein, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property, as more particularly described in the Declaration.

"Initial Control Period" shall mean the period ending on the earlier of: (i) the closing of title with Purchasers under the Plan to Residential Units having at least 90% of the aggregate Common Interest appertaining to all Residential Units, or (ii) 5 years after the First Closing.

"Land" shall mean the land located in Section 01 of the Borough of Queens on the Tax Map of the Real Property Assessment Department of The City of New York as Block 47, Lot 21 and more particularly described in Exhibit A to the Declaration.

"Law" shall mean the laws and ordinances of any or all of the Federal, New York State, New York City, County and Borough governments, the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental, public or quasi-public authorities having jurisdiction over the Property and/or the Condominium and/or the direction of any public officer pursuant to law.

"Limited Common Elements" shall mean those portions of the Property (other than the Units) existing for the use and enjoyment of certain Residential Unit Owners or one or more specified Residential Units to the exclusion of all other Unit Owners, as more particularly described in the Declaration. By way of example, the Parking Spaces, Cabanas, Storage Rooms, balconies, terraces and yards appurtenant to certain Units are Limited Common Elements.

"Managing Agent" shall mean the managing agent or manager named in the Plan or any successor managing agent at the time in question.

"Parking Spaces" shall mean the individual parking spaces allocated as Limited Common Elements and licensed to Unit Owners on a first come-first served basis.

"Permitted Encumbrances" shall mean those matters encumbering title to a Unit subject to which a Purchaser agrees to take title, as more particularly described in the Section of the Plan entitled "Closing of Title to Units and Terms of Sale" and on Schedule A annexed to the form of Purchase Agreement.

"Permitted Mortgage" shall mean a first mortgage permitted to be placed upon a Unit pursuant to the provisions of the By-Laws.

"Plans and Specifications" shall mean the plans and specifications for the renovation of the Building which (to the extent required by Law) have been or will be filed with the Department of Building and which may from time to time be amended in accordance with the provisions of the Plan.

"Presentation Date" shall mean the date on which the Plan or an amendment thereto, as the case may be, is personally delivered or the 5th day after mailing to prospective Purchasers and Unit Owners following acceptance of the Plan or an amendment thereto for filing with the Department of Law.

"Property" shall mean the Land, the Building (and any structures attached thereto), all the improvements erected or to be erected on the Land, all easements, rights and appurtenances pertaining thereto and all other property, real, personal, or mixed, used or intended to be used in connection therewith.

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

"Purchaser" shall mean a Purchaser of a Unit under a Purchase Agreement.

"Register's Office" shall mean the Queens County Office of the Register of The City of New York.

"Residential Unit" shall mean any space designated as a Residential Unit or a Unit in the Declaration together with its Common Interest. All such Residential Units, are collectively, referred to as the "Residential Units" or as the "Units".

"Rules and Regulations" shall mean the rules and regulations of the Condominium, which are annexed as an addendum to the By-Laws, as any of the same may be amended, modified, added to, or deleted from time to time pursuant to the terms of the By-Laws, provided that they are not in conflict with the terms of the Condominium Act, the Declaration, or the By-Laws.

"Sales Office" shall mean the sales office for the Sponsor or Selling Agent, at a location to be designated by either Sponsor or Selling Agent from time to time. Initially, the Sales Office will be located at the Building.

"Schedule A" shall mean the Section of the Plan entitled "Schedule A - Purchase Prices and Related Information".

"Schedule B" shall mean the Section of the Plan entitled "Schedule B - First Year's Budget". Schedule B is sometimes referred to herein as the "First Year's Budget".

"Schedule B-1" shall mean the section of the Plan entitled "Schedule B-1 for Individual Energy Costs".

"Selling Agent" shall mean the selling agent named in the Plan or any successor selling agent at the time in question.

"Sponsor" shall mean The Badge Development LLC and any of their designees, successors, assigns, officers, directors, shareholders, members, principals or affiliates.

"Storage Room" shall mean the individual storage rooms allocated as Limited Common Elements and licensed to Unit Owners on a first come-first served basis.

"Unit" shall mean any space designated as a Unit or Residential Unit in the Declaration together with its percentage of Common Interest. All such Units, are collectively, referred to as the "Units" or as the "Residential Units".

"Unit Owner" shall mean any owner of a Unit. All such owners of Units are, collectively, referred to as "Unit Owners" or as the "Residential Unit Owners".

"Unsold Unit" shall mean any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor at the time in question. All such Unsold Units are, collectively, referred to as the "Unsold Units".

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The following is a general description of the Property, including the Land, Building, Units and Common Elements as well as certain facilities and services to be provided at the Condominium. For a more detailed description of the Property, see the "Description of Property and Building Condition" contained in Part II of the Plan.

Location and Zoning

The Condominium is located at 10-55 47th Avenue, in the Borough of Queens, City of New York. The Building will consist of one (1) partial lower level, an eight (8) floor structure, including the ground level floor, and a six (6) floor structure, including the existing ground through fourth floors. The Property is located within an M1-4/R7A Zoning District, in the Hunter's Point Sub-District of the Special Long Island City Mixed Use District, which permits residential use as of right.

Improvements - General Description of Units

It is the intention of the Sponsor to renovate the existing Building and enlarge same, so that, when completed, it shall consist of 44 Residential Units. There will be fifteen (15) Parking Spaces, ten (10) of which are covered and five (5) of which are exterior uncovered Parking Spaces. There will be seven (7) rooftop Cabanas and two (2) Storage Rooms. The aforementioned Parking Spaces, Cabanas and Storage Rooms are being offered on a first-come, first-served basis. See the sub-section entitled "Services and Facilities" for further details.

Residential Units

There will be 44 Residential Units, located on the 1st through 8th floor levels. The Residential Units will have either 1 or 2 bedrooms. Balconies, yards, Storage Rooms, Cabanas, Parking Spaces and terraces which are for the exclusive use of a particular Residential Unit are deemed Limited Common Elements appurtenant to the applicable Residential Unit. Purchasers are advised to consult the Floor Plans contained in Part II of the Plan for more details regarding the Residential Units.

Construction Data for Units and Common Elements

Sponsor has engaged Bricolage Designs, A.I.A., as the architect of record, LMW Engineering Group, as structural engineer, and Engineering Solutions, PLLC, as mechanical engineer. (See the Section of the Plan entitled "Identity of Parties" for further details.) The Plans and Specifications have been prepared by such architect and engineers.

Renovation of the Building, including the individual Units and Common Elements, will be completed substantially in accordance with the Plans and Specifications, and all applicable Laws. However, Sponsor reserves the right to amend or modify, in any way, the Plans and Specifications (including, without limitation, changing materials, appliances, equipment, fixtures and other construction details) and substitute in place of any materials, appliances, equipment and fixtures set forth in the "Description of Property," set forth in Part II of the Plan, items of substantially equal or better quality, provided, however: (i) any material change shall be set forth in an amendment to the Plan; (ii) any necessary approval of any governmental authority having jurisdiction is first obtained; and (iii) no such amendments, modifications or substitutions may be made if the same would materially and adversely affect any binding Purchase Agreement unless the same is dictated by construction conditions at the Property, and in such event, Sponsor will, in the amendment disclosing such change and delivered to the Purchaser(s), offer the affected Purchaser(s) the right, for at least 15 days, to rescind their Purchase Agreement(s) and receive a refund of their Deposit, together with all interest earned thereon.

Based upon the current construction schedule, Sponsor contemplates that, unless delayed by Force Majeure, construction of the Building will be sufficiently completed to permit closings of Units to begin on or about August 1, 2007. Prospective Purchasers should note, however, that the Units will be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date. 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 Unit or otherwise be relieved from any obligations under the Purchase Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to their Unit is delayed or postponed by Sponsor. In the event the actual or anticipated commencement date of the first year of condominium operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections and, if (i) Unit Owner's monthly Common Charges in the amended budget exceed those in the latest budget set forth in the Plan by 25% or more, or (ii) the First Closing does not occur within 12 months after August 1, 2007, the date set forth in Schedule B as the commencement date for the first year of condominium operation, then in either case, Sponsor will offer all Purchasers the right to rescind their Purchase Agreements within no less than 15 days after the Presentation Date of the amendment containing such revised budget. Any Purchasers electing rescission pursuant to such offer will have their Deposits and any interest accrued thereon returned.

Services and Facilities

The services and facilities described below will be provided to Unit Owners at no additional cost (other than Common Charges), unless otherwise specified below.

a. Elevator Service

There will be two (2) automatic passenger elevators which will be in service 24 hours a day, 7 days a week. The elevators will not access the lower level of the Building.

b. Telephone, Cable Television and Internet Service

The Building will be pre-wired with risers and multiple outlets on each floor for a telecommunications system which will provide cable television and telephone services to the Unit Owners ("Telecommunications System"). Internet services shall be available through the telephone or cable system. The charges for primary connections and subsequent monthly fees related to the Telecommunications System will be determined by, and payable by the Unit Owners directly to the provider(s) servicing the Building.

c. Intercom and Security System

The Building shall be equipped with an audio intercom system at the main entrance which will be connected to panels within each Unit.

d. Mail and Packages

All incoming mail and packages will be delivered to the Unit Owner by the United States Postal Service and deposited by its personnel in mail boxes located at a central location in the first floor level of the Building.

e. Building Staff

The Building staff will consist of a non-resident, part time superintendent who will work a twenty (20) hour week and a non-resident part-time porter who will work a twenty (20) hour week. The Building staff will also consist of a full-time lobby doorman, working an eight (8) hour a day, Monday through Friday, and a weekend doorman, working a twelve (12) hour day on Saturday and Sunday. The

Managing Agent will provide all Unit Owners with 24 hour contact information to be used in the event of an emergency.

f. Laundry

Each Residential Unit will contain a hook-up for a stackable clothes washer and a clothes dryer. There will not be a separate laundry room in the Building.

g. Refuse Disposal

There will be access to refuse chutes located in refuse storage areas on each floor above the first floor level. Occupants of Units on the first floor level will put their refuse in the refuse room located on the first floor level. Refuse will be transported to trash compacter rooms on the first floor and refuse will then be taken outside the Building for removal by the New York City Department of Sanitation on designated days.

h. Smoke and Carbon Monoxide Detectors

Smoke detectors and carbon monoxide detectors will be provided in each Residential Unit in compliance with the Law.

i. Parking Spaces, Cabanas and Storage Rooms

There will be fifteen (15) Parking Spaces, ten (10) of which are covered and five (5) of which are exterior uncovered Parking Spaces. There will be seven (7) rooftop Cabanas and two (2) Storage Rooms located on the First Floor. The right to use the Parking Spaces, Cabanas and Storage Rooms will be offered by Sponsor to Unit Owners, on a first-come, first-served basis, at the prices set forth on Schedule A. The initial monthly license fee for the use of a Parking Space, Cabana and Storage Room are $250.00, $200.00, and $50.00, respectively.

While it is anticipated that the services described above will be available at the time of the First Closing, prospective Purchasers should note that some of these services (such as the anticipated staff of Building personnel) may not be available until a later date (in no event later than 6 months from the First Closing). The interim level of staffing will be adequate to maintain the Building during this period.

LOCATION AND AREA INFORMATION

Location and Surrounding Areas

The Condominium is situated at 10-55 47th Avenue, in Long Island City, New York. Long Island City is within the borough of Queens. Located directly across the East River from the borough of Manhattan, Long Island City is a sprawling, largely industrial neighborhood that has served as a vital lifeline for manufacturing and distribution for New York and the metropolitan area. Within this landscape, walk-up residential buildings and retail businesses have co-existed since the neighborhood's founding in the late 1800s.

The introduction of cultural institutions to this mix of industrial, residential and commercial uses began in the late 1970s and early 1980s. Attracted in part by the neighborhood's proximity to Manhattan and its relatively lower cost of real estate, Long Island City became home to several prominent art institutions such as Contemporary Arts Center, The American Museum of the Moving Image, ArtFrenzy's LIC Virtual Art Gallery, Bernard Gallery, Crane Street Studios, Eugene Binder Gallery, Fisher Landau Center for Art, Flux Factory, Socrates Sculpture Park, Thalia Spanish Theatre and The Opera Company of Astoria. The existence of these institutions, combined with affordable available space has over the past few years spurred new institutions to relocate into Long Island City and has drawn an increasing number of artists to live and/or work in the neighborhood.

Near the Condominium there are, in addition to similar residences, theaters, museums and art galleries, restaurants, religious institutions, banks and a collection of fine retail establishments. Local restaurants and bars include, among others, Jackson Ave Steakhouse, Manducatis, Manetta's Ristorante, Ten63, The Chipper, Tournesol, Wasabi Boy, Waterfront Crabhouse and Willow Creek.

Just minutes away from Long Island City is Manhattan, the leading cultural center of the world, with the finest universities, museums, libraries, theaters and cultural institutions, attracting national and international tourists. Manhattan is the nation's center for communications, publishing, advertising, the stock market and other financial services, visual and performing arts and the fashion industry.

Medical, Educational and Religious Facilities

A number of excellent medical centers, such as Mount Sinai Hospital of Queens, 25-10 30th Avenue, New York Foundling Hospital, 11-43-47th Avenue, and many more institutions, are close by. The Condominium's proximity to Manhattan allows easy access to some of the best medical centers in the country.

In addition to New York City's prestigious institutions of higher learning that are easily accessible from the Condominium, La Guardia Community College (CUNY) is located in Long Island City at 31-10 Thomson Avenue.

Local New York Public Schools include PS 111 at 37-15 13th Street and PS 112 at 25-05 37th Avenue.

Long Island City's public library is also within walking distance at Court Square, 25-01 Jackson Avenue.

Houses of worship in Long Island City include:

Bayanihan Seventh Day Adventist Church
3949 29th Street, Long Island City, New York 11101;

East Gospel Mission Inc.
11-17 43rd Avenue, 2nd Floor, Long Island City, New York 11101;

Friendship Baptist Church
38-35 12th Street, Long Island City, New York 11101;

Ministerio El Shadday
33-24 Northern Boulevard, Long Island City, New York 11101;

Most Precious Blood Roman Catholic Church
32-23 36th Street, Long Island City, New York 11106; and

New York Presbyterian Church
43-01 37th Avenue, Long Island City, New York 11101

Sponsor makes no representation as to the continued existence of any of the named establishments.

Transportation

Transportation to and from The Badge Building is available by public transportation, taxi and limousine services. Subway and bus services are readily available: The G, E, V and 7 subway lines service the area. Public buses, such as QM1A, Q101 and B61 regularly run in the vicinity of the Condominium. Furthermore, a number of commercial parking garages are located nearby.

Long Island City is served by three major airports: La Guardia Airport, John F. Kennedy International Airport and Newark International Airport.

Plans are underway to connect Long Island City and Manhattan via a new tunnel which will access Manhattan's 63rd street and then loop around into the North Side of Grand Central Station. It is anticipated that there will be 24-trains-per-hour heading to Grand Central Station and about 40 going to Penn Station, during peak hours.

Municipal Services

These services are provided by The City of New York and all charges (except water) are financed through real estate taxes paid by Unit Owners. The 108th police precinct is located at 5-47 59th Avenue and the neighborhood's famous beautiful firehouse is still the home for FDNY's Engine 258/Ladder115 located at 10-42 47th Avenue. The post office is only one block away at 46-02 21st Street.

SCHEDULE A – PURCHASE PRICES OF UNITS AND RELATED INFORMATION

SCHEDULE A

THE BADGE

10-55 47TH AVE., LONG ISLAND CITY, NEW YORK 11101

OFFERING PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION

AUGUST 1, 2007 TO JULY 31, 2008

		[1]		[2]		[3]	[4]	[5]	PROJECTED MONTHLY REAL ESTATE TAXES		PROJECTED MONTHLY TOTAL CARRYING CHARGES	
		NUMBER OF		APPROXIMATE TOTAL SQ. FT.				PROJECTED	[6]	[7]	[8]	[9]
		BEDROOMS/				OFFERING	RESIDENTIAL	MONTHLY	ASSUMING	ASSUMING NO	ASSUMING	ASSUMING NO
UNIT #		BATHROOMS		INTERIOR SQF	EXTERIOR SQF	PRICE	% OF COMMON INTEREST	COMMON CHARGES	BENEFITS UNDER SEC. 421-a	BENEFITS UNDER SEC. 421-a	BENEFITS UNDER SEC. 421-a	BENEFITS UNDER SEC. 421-a
1	A	1/1		722		$450,000	1.5868%	$475	$66	$269	$540	$743
1	B	2/1		978		$480,000	2.1495%	$643	$89	$364	$732	$1,007
1	C	1/1		897		$450,000	1.9714%	$590	$82	$334	$671	$924
1	D	2/2	G	1,221	800	$740,000	2.6837%	$803	$111	$454	$914	$1,257
2	A	1/1		713		$460,000	1.5670%	$469	$65	$265	$534	$734
2	B	2/2		1,200		$590,000	2.6374%	$789	$109	$446	$898	$1,235
2	C	2/2		1,135		$550,000	2.4945%	$746	$103	$422	$849	$1,169
2	D	2/2	T,G	1,215	T-144, G-500	$770,000	2.6703%	$799	$110	$452	$909	$1,251
2	E	1/1	T	826	425	$520,000	1.8154%	$543	$75	$307	$618	$850
2	F	1/1.5	T	947	425	$580,000	2.0813%	$623	$86	$352	$709	$975
2	G	1/1.5	B	896	63	$460,000	1.9692%	$589	$81	$333	$671	$922
2	H	1/1		814		$400,000	1.7890%	$535	$74	$303	$609	$838
3	E	1/1	B	826	63	$440,000	1.8154%	$543	$75	$307	$618	$850
3	F	1/1.5	B	947	63	$500,000	2.0813%	$623	$86	$352	$709	$975
3	G	1/1.5	B	896	63	$470,000	1.9692%	$589	$81	$333	$671	$922
3	H	1/1	B	814	63	$430,000	1.7890%	$535	$74	$303	$609	$838
4	A	1/1		713		$460,000	1.5670%	$469	$65	$265	$534	$734
4	B	2/2		1,200		$610,000	2.6374%	$789	$109	$446	$898	$1,235
4	C	2/2		1,135		$570,000	2.4945%	$746	$103	$422	$849	$1,169
4	D	2/2		1,215		$630,000	2.6703%	$799	$110	$452	$909	$1,251
4	E	1/1	B	826	63	$460,000	1.8154%	$543	$75	$307	$618	$850
4	F	1/1.5		947	63	$520,000	2.0813%	$623	$86	$352	$709	$975
4	G	1/1.5	B	896	63	$480,000	1.9692%	$589	$81	$333	$671	$922
4	H	1/1	B	814	63	$440,000	1.7890%	$535	$74	$303	$609	$838

UNIT #		[1] NUMBER OF BEDROOMS/ BATHROOMS		[2] APPROXIMATE TOTAL SQ. FT. INTERIOR SQF	[2] APPROXIMATE TOTAL SQ. FT. EXTERIOR SQF	[3] OFFERING PRICE	[4] RESIDENTIAL % OF COMMON INTEREST	[5] PROJECTED MONTHLY COMMON CHARGES	PROJECTED MONTHLY REAL ESTATE TAXES [6] ASSUMING BENEFITS UNDER SEC. 421-a	PROJECTED MONTHLY REAL ESTATE TAXES [7] ASSUMING NO BENEFITS UNDER SEC. 421-a	PROJECTED MONTHLY TOTAL CARRYING CHARGES [8] ASSUMING BENEFITS UNDER SEC. 421-a	PROJECTED MONTHLY TOTAL CARRYING CHARGES [9] ASSUMING NO BENEFITS UNDER SEC. 421-a
5	A	1/1		713		$480,000	1.5670%	$469	$65	$265	$534	$734
5	B	2/2		1,200		$660,000	2.6374%	$789	$109	$446	$898	$1,235
5	C	2/2		1,135		$610,000	2.4945%	$746	$103	$422	$849	$1,169
5	D	2/2		1,215		$710,000	2.6703%	$799	$110	$452	$909	$1,251
5	E	2/2	B	1,253	63	$710,000	2.7538%	$824	$114	$466	$938	$1,290
5	F	2/2	B,T	1,320	B-63, T-144	$770,000	2.9011%	$868	$120	$491	$988	$1,359
5	H	1/1	B	826	63	$450,000	1.8154%	$543	$75	$307	$618	$850
6-PH	A	2/2	T	1,214	1232	$930,000	2.6681%	$798	$110	$452	$909	$1,250
6-PH	B	2/2	T	1,225	599	$950,000	2.6923%	$805	$111	$456	$917	$1,261
6	E	2/2	B	1,247	63	$720,000	2.7407%	$820	$113	$464	$933	$1,284
6	F	2/2	B	1,320	63	$730,000	2.9011%	$868	$120	$491	$988	$1,359
6	H	1/1	B	822	63	$460,000	1.8066%	$540	$75	$306	$615	$846
7	E	2/2	B	1,247	63	$730,000	2.7407%	$820	$113	$464	$933	$1,284
7	F	2/2	B	1,320	63	$750,000	2.9011%	$868	$120	$491	$988	$1,359
7	H	1/1	B	822	63	$470,000	1.8066%	$540	$75	$306	$615	$846
8-PH	A	2/2	T	1,214	227	$800,000	2.6681%	$798	$110	$452	$909	$1,250
8-PH	B	2/2	T	1,225	145	$840,000	2.6923%	$805	$111	$456	$917	$1,261
8-PH	E	2/2	B,C	1,247	B-63, C-541	$900,000	2.7407%	$820	$113	$464	$933	$1,284
8-PH	F	2/2	B,C	1,320	B-63, C-509	$870,000	2.9011%	$868	$120	$491	$988	$1,359
8-PH	H	1/1	B,C	822	B-63, C-450	$600,000	1.8066%	$540	$75	$306	$615	$846

UNIT #	[1] NUMBER OF BEDROOMS/ BATHROOMS	[2] APPROXIMATE TOTAL SQ. FT. INTERIOR SQF	EXTERIOR SQF	[3] OFFERING PRICE	[4] RESIDENTIAL % OF COMMON INTEREST	[5] PROJECTED MONTHLY COMMON CHARGES	PROJECTED MONTHLY REAL ESTATE TAXES [6] ASSUMING BENEFITS UNDER SEC. 421-a	PROJECTED MONTHLY REAL ESTATE TAXES [7] ASSUMING NO BENEFITS UNDER SEC. 421-a	PROJECTED MONTHLY TOTAL CARRYING CHARGES [8] ASSUMING BENEFITS UNDER SEC. 421-a	PROJECTED MONTHLY TOTAL CARRYING CHARGES [9] ASSUMING NO BENEFITS UNDER SEC. 421-a
P	1		153	$40,000						
P	2		153	$40,000						
P	3		153	$40,000						
P	4		153	$40,000						
P	5		153	$40,000						
P	6		153	$40,000						
P	7		153	$40,000						
P	8		153	$40,000						
P	9		153	$40,000						
P	10		153	$40,000						
P	11		153	$40,000						
P	12		153	$40,000						
P	13		153	$40,000						
P	14		153	$40,000						
P	15		153	$40,000						
S	1	70		$8,000						
S	2	81		$10,000						
C	1		236	$40,000						
C	2		253	$35,000						
C	3		296	$35,000						
C	4		332	$50,000						
C	5		386	$40,000						
C	6		398	$40,000						
C	7		498	$70,000						

UNIT #	[1] NUMBER OF BEDROOMS/ BATHROOMS	[2] APPROXIMATE TOTAL SQ. FT. INTERIOR SQF	EXTERIOR SQF	[3] OFFERING PRICE	[4] RESIDENTIAL % OF COMMON INTEREST	[5] PROJECTED MONTHLY COMMON CHARGES	PROJECTED MONTHLY REAL ESTATE TAXES [6] ASSUMING BENEFITS UNDER SEC. 421-a	[7] ASSUMING NO BENEFITS UNDER SEC. 421-a	PROJECTED MONTHLY TOTAL CARRYING CHARGES [8] ASSUMING BENEFITS UNDER SEC. 421-a	[9] ASSUMING NO BENEFITS UNDER SEC. 421-a
TOTAL:					**100.00%**	**$29,918**	**$4,134**	**$16,927**	**$34,052**	**$46,845**
	Residences	**45,500**		**$26,600,000**						
	Parking Space		**2295**	**$600,000**						
	Storage Room	**151**		**$18,000**						
	Cabanas		**2399**	**$310,000**						
				$27,528,000						

The symbols used in the Schedule "A" herein have the following meaning:

"T" denotes Terrace
"B" denotes Balcony
"S" denotes Storage Room
"C" denotes Cabana
"P" denotes Parking Space
"G" denotes Private Garden

NOTES TO SCHEDULE A

(1) Prospective Purchasers should refer to the Floor Plans included in Part II of the Plan for an approximation of the dimensions and typical layouts of Units. Each Unit should be inspected to determine its actual dimensions, layout and physical condition prior to Closing.

(2) The square foot area and dimensions of the Units listed in Schedule A or in the Declaration are approximate. They were obtained by using the methods described in the Declaration and which methods are customarily used in New York City to measure condominium apartments. As is customary in measuring residential square footages in the City of New York, estimated dimensions and floor area will exceed the Unit's useable floor area. Any Common Elements located within a Unit, such as the exterior face of an exterior wall of the Building, shall not be considered a part of such Unit. In addition, the square foot areas allocated to terraces, balconies, private gardens, Parking Spaces, Cabanas and Storage Rooms are deemed Limited Common Elements and are not included in a Unit's square foot calculation.

The actual dimensions, configuration and fenestration (collectively, "unit layout") of a Unit may vary from its Floor Plan due to: (a) changes required by the Buildings Department or other government authorities having jurisdiction; (b) site or other construction conditions; (c) normal construction allowances and variances; and (d) varied masonry bearing wall thicknesses. Purchasers will not be excused from their obligations under the Purchase Agreement: (a) in the event of minor inaccuracies in a Unit's size (a diminution of size of less than 5% of the useable floor area of the Unit, exclusive of interior partitions) or (b) if the Unit is sufficiently completed (with boundary walls and interior partitions installed) and available for inspection before a Purchase Agreement is executed, in which case the unit layout as actually constructed shall supercede and govern any variation, substantial or otherwise, from any and all Floor Plans, drawings and diagrams. In the event the actual useable square footage of the Unit, using the methods described in the Declaration is diminished by more than 5% of the square footage set forth on the Floor Plans, then Purchaser's sole remedy shall be to rescind the contract and receive its Deposit and any interest earned thereon.

The ceiling heights for the Units and/or Common Elements as set fort in the "Description of Property and Building Specifications" or the Floor Plans in Part II of the Offering Plan are approximate and may vary in certain areas due to filed conditions at the Property.

(3) The purchase prices and other terms of sale (as more fully set forth in the Section of the Plan entitled "Changes in Prices and Units") of Units may be negotiated by Sponsor and, therefore, may be changed. Accordingly, Purchasers may pay different purchase prices for similar Units. The effect of this, as well as the right of Sponsor to change purchase prices, is more particularly discussed in the Section of the Plan entitled "Changes in Prices and Units." In addition to the payment of the Purchase Price, each Purchaser will be responsible for the payment of certain closing costs and expenses at the time of Closing, as explained in the Section of the Plan entitled "Closing Costs and Adjustments." If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of additional closing costs and expenses relating to such loan. There will be an apportionment of certain charges relating to the Unit at the time of Closing. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY.

(4) The percentage interest of each Unit in the Common Elements ("Common Interest") 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 in

accordance with the provisions of subsection 339-i(1)(iv) of the Condominium Act. The Common Interest is used for computing the monthly common charges to be paid by all Unit Owners.

(5) The estimated monthly Common Charges for each Unit are based on the Schedule B - First Year's Budget prepared by Sponsor's Condominium Budget Expert on the assumption that the first year of Condominium operation will be the year from August 1, 2007 through July 31, 2008. The actual first year of Condominium operation may be earlier or later than such year. In addition to these estimated payments, each Unit Owner will be responsible for real estate taxes on their respective Unit, mortgage payments under a loan, if any, obtained to finance the purchase of his Unit, the cost of electricity and gas supplied to his Unit which will be separately metered and payable directly to the utility company, the cost of any insurance which he may wish to obtain for his Unit (and which Sponsor strongly urges each Unit Owner to obtain) and the cost of interior repairs and decorations to his Unit. See the Section of the Plan entitled "Schedule B-1 – Budget for Individual Energy Costs" concerning estimates of certain electric costs and gas for the Units.

As discussed in the Section of the Plan entitled "Description of Property and Improvements" subsection "Services and Facilities", the full range of services and facilities described in the Plan may not be provided until a later date (but in no event later than six (6) months after the First Closing).

(6) and (7) Real estate taxes payable with respect to all Residential Units for the first year of Condominium operation commencing August 1, 2007 and ending July 31, 2008 have been estimated both with and without Section 421-a tax exemption benefits by Tuchman, Katz, Schwartz, Gelles, Korngold & Weiss, LLP ("Tuchman"), 6 East 45th Street, New York, New York 10017. As indicated in the real estate tax projection opinion of Tuchman, dated May 8, 2006, and set forth in Part II of the Plan, the assessed valuation of the Property for the 2007/2008 tax year is estimated to be $1,500,000.00 and the assessed valuation of the Property for the 2008/2009 tax year is estimated to be $3,000,000.00.

Tuchman indicates that residential condominium units will be designated as a Tax Class 2 property and will pay real estate taxes at the Class 2 Tax Rate. The 2005/2006 Class 2 Tax Rate is equal to $12.396 for each $100 of assessed valuation.

Assuming the Class 2 Tax Rate increases to $12.500 for each $100 of assessed valuation, Tuchman estimates that the real estate taxes, prior to any tax exemptions or abatements for the first year of Condominium operation, August 1, 2007 through July 31, 2008, will be as follows:

	2007/2008 (11 Months)	
Assessed Value	Tax Rate	11 Months Tax
$1,500,000	.125	$171,875
	2008/2009 (1 Month)	
Assessed Value	Tax Rate	1 Month Tax
$3,000,000	.125	$31,250
Estimated total tax for the first budget year of August 1, 2007 through July 31, 2008		$203,125

As further indicated in the real estate tax projection of Tuchman, Sponsor intends to apply for real estate tax exemption benefits pursuant to Section 421-a of the Real Property Tax

Law of the State of New York and the Rules and Regulations promulgated thereunder (the "421-a Program").

Under the 421-a Program, real estate taxes are based initially on the assessed value on the Property for the year prior to commencement of construction multiplied by the current tax rate. This tax is sometimes known as the mini-tax. Since work commenced during the 2005/2006 tax year, the mini-tax will be determined by multiplying the 2004/2005 transition assessed value by the current tax rate. For 2004/2005, according to the Department of Finance, the transition assessment was $396,900. Therefore, assuming the tax rate is $12.50 per one hundred dollars of assessed valuation, the mini-tax shall be $49,612.

Tuchman estimates that real estate taxes on the Property with the 421-a Program benefits will be as follows:

2007/2008 (11 Months)

Assessed Value	Exempt Value	Taxable Value	Tax Rate	Tax (11 Months)
$1,500,000	$1,103,100	$396,900	.125	$45,478

Tuchman indicates that it is likely that the 2006/2007 exemption will be placed retroactively.

2008/2009 (1 Month)

Assessed Value	Exempt Value	Taxable Value	Tax Rate	Tax (1 Month)
$3,000,000	$2,603,100	$396,900	.125	$4,134

Estimated total tax for the first budget year of August 1, 2007 through July 31, 2008	$49,612

Tuchman indicates that the 421-a Program tax exemption benefits will last for a period of 15 years, as follows:

Year	Percent of Increased Assessed Valuation Which is Exempt
1-11	100%
12	80%
13	60%
14	40%
15	20%
16	0%

No warranty or guarantee is made as to the amount of any tax exemption that will actually be received. In addition, no warranty or guarantee is made that the actual assessed valuation or the assessed valuation for the Property if the 421-a Program benefits are granted will be as projected above, that the projected tax rate will be in effect for all or any portion of the Property during the first year of Condominium operation or the real estate taxes will be allocated among Units in proportion to the appurtenant Common Interests. In no event will Sponsor, Sponsor's counsel, Sponsor's real estate tax consultant, the Selling Agent or any offeror hereunder be liable to any Purchaser, nor will any Purchaser have the right to rescind his

Purchase Agreement, in the event the 421-a Program benefits are not granted or, if granted, in the event the amount of such exemption and the resulting taxes differ from those projected.

In arriving at the assessed valuation for each unit in the Condominium, the Building is first assessed as an entity. This overall assessment is then apportioned among the respective units, each of which will be assigned a tax lot designation once the Declaration has been recorded and the Floor Plans are filed with the Office of the City Registrar. It is expected that the apportionment will be based on the Common Interest percentages set forth in the Condominium Declaration if such percentages are rationally and fairly determined.

At such time as the Units have been separately assessed for real estate tax purposes, each Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible for the payment of, nor will his Unit be subject to any lien arising from the non-payment of real estate taxes assessed against other Units.

Neither Sponsor, Sponsor's counsel, Sponsor's real estate tax consultants or Selling Agent make any representations or warranties that the projected tax rates for the tax years 2006/2007, 2007/2008, 2008/2009 and subsequent years will be adopted by the New York City Council. As such, the projected real estate taxes set forth herein may vary greatly. In no event will Sponsor, Sponsor's counsel, Sponsor's real estate tax consultant, the Selling Agent or any offeror hereunder be liable to any Purchaser, nor will any Purchaser have the right to rescind his Purchase Agreement, in the event projected tax rates vary.

There can be no assurance that there will not be a further increase in the assessed valuation of the Units comprising the Property and/or an increase in the tax rate above those projected for tax years 2006/2007, 2007/2008, 2008/2009 or subsequent years.

If on the date of the First Unit Closing each of the Units shall not have been separately assessed as an independent tax lot, then until such time as said independent tax assessment shall be made and in effect, each Residential Unit Owner, including Sponsor, shall be nonetheless responsible for the cost of their proportionate amount of the aggregate real estate tax for the Property as determined by their percentage of Common Interest, multiplied by the aggregate real estate taxes assessed against the entire Property as apportioned to all the Residential Units.

In the event the Units have not been separately assessed as independent tax lots at the First Unit Closing, Sponsor shall place in escrow at such time an amount equal to the unpaid real estate taxes for the period of six months from the First Unit Closing. In addition, Sponsor will collect at closing from each Purchaser, and hold in escrow or in the alternative, the Condominium shall collect from each Unit Owner on a monthly basis, such Purchaser's proportionate share (based upon the percentage of Common Elements owned by such Unit Owners) of the amount of real estate taxes that may be owed for the period after said six months until the Units are to be separately assessed. In either event, Sponsor or the Condominium will pay the real estate taxes as they become due and payable from a combination of the funds deposited by Purchasers and Sponsor.

At Unit closings, individual purchasers shall adjust real estate taxes with the Sponsor from the midnight preceding the date of the Unit closing through the end of the tax period within which the closing date occurs. If no separate Unit apportionment has yet occurred, such adjustment shall be on the basis of the percentage of Common Interest attributable to such Unit. If a subsequent adjustment need be made when the tax lots are apportioned to correct any discrepancy between the adjustment on the basis of actual apportionment, it shall be made at that time. Should tax lots not be apportioned by the end of the tax period in which a Unit closing occurs, or such later period for which Sponsor has not collected an escrow or for which the

Condominium has not collected from a Unit Owner, Sponsor shall be entitled to reimbursement from the Unit Owner for taxes as they are paid by Sponsor. Such reimbursement shall be per such Unit Owner's percentage of Common Interest.

As indicated in the Income Tax Opinion of Olshan Grundman Frome Rosenzweig & Wolosky LLP (the "Attorney's Income Tax Opinion") set forth in Part I of the Plan, a Unit Owner who itemizes deductions will, subject to certain exceptions and limitations which are more particularly discussed in the Attorney's Income Tax Opinion, for Federal and New York State income tax purposes, be entitled to a deduction for real estate taxes assessed against the Unit in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers.

Applicable deductions for real estate taxes may vary in future years as a result of changes in real estate taxes resulting from (i) expiring benefits, if any, under the 421-a Program, (ii) changes in assessed valuation, (iii) changes in the tax rate, and (iv) changes in the method of assessing the Property.

(8) and (9) These figures represent the aggregate estimated monthly carrying charges which include estimated Common Charges and estimated real estate taxes. Reference should be made to note (5) of these Notes for certain other "home ownership" costs that may be incurred by Unit Owners.

A Purchaser of a Unit will be required to make a contribution at the Closing of Title to his Unit to the Working Capital Fund of the Building. The contribution shall be in an amount equal to two (2) months' Common Charges in effect at the time of the Closing of such Unit. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for further details).

SCHEDULE B – FIRST YEAR'S BUDGET

SCHEDULE B

PROJECTED BUDGET

The Badge
10-55 47th Avenue
Long Island City, NEW YORK

ESTIMATED SCHEDULE OF RECEIPTS AND EXPENSES
FOR FIRST FULL YEAR OF OPERATION

(BEGINNING August 1, 2007)

RECEIPTS		**Receipts**		
COMMON CHARGES - RESIDENTIAL	(Note 1)	$	359,017	
TOTAL RECEIPTS				
EXPENSES		**Total**		
WAGES & BENEFITS	(Note 2)	$	128,671	
NATURAL GAS	(Note 3)	$	54,470	*
ELECTRICITY	(Note 4)	$	41,184	*
WATER & SEWER	(Note 5)	$	26,620	*
SERVICE CONTRACTS	(Note 6)	$	11,150	
REPAIRS, MAINTENANCE & SUPPLIES	(Note 7)	$	15,000	
INSURANCE	(Note 8)	$	30,965	*
MANAGEMENT FEE	(Note 9)	$	30,000	
LEGAL & ACCOUNTING	(Note 10)	$	7,500	
ADMINISTRATIVE	(Note 11)	$	3,000	
CONTINGENCY	(Note 12)	$	10,457	
TOTAL OPERATING EXPENSES		**$**	**359,017**	

* *Utilities (Natural Gas, Electricity and Water & Sewer) and Insurance estimates increased by 10% to represent reasonably anticipated increases.*

FOOTNOTES FOR SCHEDULE B

	Total
(1) **Common Charges – Residential**	**$359,017**

Total

(2) **Wages & Benefits** **$128,671**

The figure shown includes wages, workers' compensation and disability insurance, payroll taxes and payroll processing. It also includes five (5) sick days and five (5) personal days for each employee, and two weeks vacation time for each employee have been factored in. The Condominium staff will consist of one part-time superintendent non-resident, working twenty (20) hours per week with an annual salary of $45,000. The Building will have a part-time porter working twenty (20) hours per week with an annual salary of $25,000. The Building will also have a full-time doorman (Monday-Friday, 8 hours per day and a weekend doorman at 12 hours per day for Saturday and Sunday).

The level of staffing complies with all applicable housing and labor laws. As shown below, the labor budget includes benefits required by local, state, or federal law. The budget reflects current wage rates and payroll tax rates applicable for the budgeted year. No increases to the labor budget are included as there is no applicable labor contract which mandates increases. The labor wages meet state minimum wage laws.

The projected expenses, labor wages, salary, as well as assumptions described herein, are believed to be reasonable and reflect the experience of Sponsor's budget expert, Taube Management Corp., in managing comparable buildings. However, such projections and actual labor and related expenses are not assured or warranted.

Wage and Payroll Tax Details:

	Total
Doormen	$42,120
Superintendent	$45,000
Porter	$25,000
Gross Annual wages	**$112,120**
FICA	$8,577
FUTA	$224
SUI	$1,394
Disability	$240
Worker's Compensation	$6,116
TOTAL FOR SUPERINTENDENT/PORTER	***$128,671***

(3) **Natural Gas** **$54,470**

a. **Heating Cost Building**

Therms/yr = (24 hrs/day x Q / 100,000 btus/therm) x (D/tr - to)

Q = Btu/HR heat loss for max day 1,600,000
Tr = Temperature inside 70F
To = Temperature outside 0F
D = Degree Days NYC 5350 (A constant determined by degrees difference in temperature between the average outside air temperature, taken over a 24-hour period, and a temperature of 65F)

29,349 Therms per Year
Based on an average rate of $1.40 per therm
Cost = 29,349 Therms x $1.40/Therm = $41,088 / Year

b. **Hot Water Cost Building**

44 apartments using 9 gal per hour for 5 hours per day 365 days / year
396 gallons per hour or 6.6 GPM
Q = 500 x 6.6. x temp rise (100F)
Q = 330,000 btus/hr

Therms/Yr = (330,000 x 5 Hrs/Day x 365 Days/year) / 100,000 Btus/Therm = 6,022
Cost = 6,022 Therms x $1.40/Therm = $8,430 / Year

TOTAL RESIDENTIAL NATURAL GAS COST (+10%) = $54,470 / year

The numbers shown here are estimated based on averaging, rates as shown and some assumptions could be larger or smaller than real meter readings in occupied building. Estimate increased by 10% to represent reasonably anticipated increases.

In view of the current energy situation, it is not possible to predict with certainty whether the budgeted figure for utilities will reflect the actual cost to be incurred during the first year of the Condominium operation. The actual charges may exceed the budgeted amount if utility rates increase. Utility rates are affected by increases in the fuel rates paid by the utility, as well as other factors.

The estimated cost for natural gas was provided by Engineering Solutions, PLC, 1140 Broadway, Suite 204, NY, NY 10001.

(4) Electricity **$41,184**

Electrical For Common Areas:
Based on the average lighting in the lobby, cellar, ground floor, corridors, outdoor lighting, boilers, hot water circulation pumps, domestic water pumps, one elevator, exhaust fans, we estimate a total demand load of 60KW and full load usage of 150 hours per month. The demand estimate is $1,200 per month or $14,400 per year and the usage estimate is 12,000 KWH or $1,920 per month using Con Edison Rate Schedule #9 averaging $0.16 per KWH. The annual estimate for energy usage is $23,040. The total estimated usage is $37,440 per year.

Total Annual Electrical For Common Areas (+10%) = 41,184

In view of the current energy situation, it is not possible to predict with certainty whether the budgeted figure for utilities will reflect the actual cost to be incurred during the first year of the Condominium operation. The actual charges may exceed the budgeted amount if utility rates increase. Utility rates are affected by increases in the fuel rates paid by the utility, as well as other factors. Estimate increased by 10% to represent reasonably anticipated increases.

The estimated cost for electricity was provided by Engineering Solutions, PLC, 1140 Broadway, Suite 204, NY, NY 10001.

(5) Water & Sewer **$26,620**

The annual water meter consumption per apartment with a family of four was estimated to be 20,000 cu ft/yr at a total Sewer/Water fee of $2.75 per 100 cu ft.

44 Apartments x 20,000 cu ft x $2.75/100 cu ft =

Total Annual Cost (+10%) = $26,620 / Year

Estimates may vary from actual usage due to variables involved, such as user's habits, etc. The cost may also be different due to rate changes. Estimate increased by 10% to represent reasonably anticipated increases. The estimated costs for water and sewer usage were provided by Engineering Solutions, PLC, 1140 Broadway, Suite 204, NY, NY 10001.

(6) Service Contracts **$11,150**

- No service contracts currently exist between the Condominium and any service provider.
- This figure is intended to cover annual service contracts for repair and maintenance of the following systems in the Condominium:
  - Exterminating $ 1,500
  - Alarm Monitoring 1,250
  - Elevator 8,400
- Estimate on the service contracts above were provided by the following sources:
  - Exterminating estimate provided by Assured Environments, 360 Lexington Avenue, New York, NY 10017. Currently there is no service contract that exists between the Condominium and the service provider.
  - Fire alarm monitoring estimate provided by AFA Protective Systems, Inc., 155 Michael Drive, Syosset, NY 11791.
  - Elevator estimate provided by Pro Elevator Services, Inc., 171 West Street, Suite 311, Brooklyn, NY 11222.

(7) Repairs, Maintenance & Supplies **$15,000**

- Includes normal repairs, maintenance and supplies with respect to Common Areas of the Building including lighting, public walkways and stairways, maintenance and painting of entrances, roof and building structure, and all building supplies. No amount is included for items covered by construction warranties or for the cost of any major capital expenditure in the Building. The budgeted number does not include repairs, painting, maintenance or supplies (including appliances) for individual Units, which are the responsibility of the individual Residential Unit owner.
- During the first year of operation, major repairs are not expected to be necessary, as the Condominium will have been substantially renovated.

(8) Insurance* **$30,965**

The budget number is projected on the basis of a preliminary quotation of insurance costs provided by Fillmore Agency Inc., 3128 Avenue U, Brooklyn, NY 11229.

Coverages:

Building	$	10,000,000	
Replacement Cost/Agreed Amount		Included	
Common Charge	$	1,000,000	
Co-Insurance		Waived	
Deductible	$	5,000	

Building limit based on an 8 story, non-combustible, sprinklered building with 44 residential condo units. Total square footage 53,000.

Business Income/Extra Expense	Actual Loss		
Flood & Earthquake	$	500,000	- $5,000 deductible
Demolition & Increased Cost of Renovation	$	500,000	
LIABILITY:			
General Aggregate	$	2,000,000	
Each Occurrence	$	1,000,000	
Personal & Advertising Injury	$	1,000,000	
Hired & Non-Owned Autos	$	1,000,000	
Medical Payments	$	5,000	
Fire Damage Legal Liability	$	50,000	
Directors and Officers	$	1,000,000	
Deductible	$	2,500	
Employee Dishonesty (Fidelity)	$	100,000	
Deductible	$	1,000	
Umbrella	$	75,000,000	
Boiler and Machinery		Building Limit	
Business Income		Included	
NY State Disability		Not Included	
Workers Compensation (Tower Ins)		Based on payroll and Number of Employees	
THE ANNUAL ESTIMATED PREMIUM:	**$**	**30,965**	

Note: Premium and Coverages can change due to market conditions. Estimate increased by 10% to represent reasonably anticipated increases.

Note: This proposal is for Illustration Purposes Only. There is NO COVERAGE BOUND AT THIS TIME. Coverages are subject to the terms and conditions as set forth by the Insurance Company.

The fire and casualty insurance policy shall provide that each Unit Owner will be an additional insured and that there will be no cancellation without notice to the Condominium Board and the Unit Owners. In addition, the policy will contain a waiver of subrogation, a waiver of invalidity because of acts of the insured and Unit Owners a waiver of pro-rata reduction if unit owners obtain additional coverage. In addition, no liability of coverage for an individual Unit Owner is included in the coverage provided above. Purchasers should consult their insurance agent or attorney to determine whether they should obtain their own liability or fire and casualty insurance.

By carrying $10,000,000 (this would be at a replacement cost of $185 per square foot), the hazard insurance company will include a provision known as an "Agreed Amount & Replacement Cost" endorsement, whereby the carrier agrees to reimburse the insured for property losses up to the full amount of the policy regardless of the actual replacement value of the Building. This clause has the effect of "waiving" any co-insurance penalty that the insurer might otherwise invoke. This clause does <u>not</u> mean that the Condo Association would receive sufficient proceeds to actually rebuild the entire building in the event of a substantial loss or total destruction of the Building. The Condo Association should periodically review the amount of insurance for the building to insure that the amount of coverage carried is sufficient.

The above insurance will meet the requirements of any mortgage lender procured by Sponsor including Sponsor's construction lender. The fire, casualty and general liability insurance will be on terms that provided that each Unit Owner is an Additional Insured; that there will be no cancellation without notice to the Board of Managers; a waiver of subrogation; a waiver of invalidity because of the acts of the Insured and Unit Owners; and a waiver of pro-rate reduction if Unit Owners obtain additional coverage.

Each individual Unit Owner should consider the desirability of obtaining additional insurance at his own cost for the following coverage, which is not included in the above Letter of Adequacy:

1. *Fire or casualty losses to the contents of his Unit including replacements, additions, upgraded fixtures and improvements therein; and*
2. *Liability for personal injury or property damage as a result of occurrences in Unit, including water damage legal liability to cover damage arising from leaks or other conditions within the limit.*

The above quotations are based upon premiums charged in November 2005. The insurance market is extremely volatile and rates can change substantially. The above quote can be significantly higher or lower depending on market conditions at the time of the first closing. It includes coverage for elevator liability and collision, plate glass, water damage, and workers compensation.

(9) Management Fee **$30,000**

The Condominium will be managed by Taube Management Corp. who is independent of the Sponsor, having principal offices at 204 East 83rd Street, New York, NY 10028. The period of the initial management agreement shall be $30,000 per annum. This management fee reflects the prevailing cost for similar services. It is based on the size of the building, number of Residential Units, the commercial unit, and the level of service to be provided.

(10) <u>Legal & Accounting</u> **$7,500**

All Condominium Unit Owners are entitled to receive annually from the Condominium at the Condominium's expense an annual audited statement prepared by an independent certified public accountant. Estimates have been obtained with respect to professional fees as follows:

- The amount set aside for Accounting services is $5,000 based upon a proposal received from Paritz & Company, P.A., 15 Warren Street, Suite 25, Hackensack, NJ 07601.
- Legal fees of $2,500 will also be set aside, both to engage counsel on retainer and to cover miscellaneous legal matters which may arise during the first year of operation.

(11) <u>Administrative Expenses</u> **$3,000**

Administrative costs cover photocopying, faxing and postage, fees, permits and filings as well as messenger services as required. Bank fees and charges are also included.

(12) Contingency **$10,457**

The Contingency provides a fund for possible expenses not included in the projected budget, or possible increases in one or more categories of operating expense beyond the projected amounts. There can be no assurance that such fund will be sufficient to pay for major capital repairs or replacement items which may be needed within the first five years of the Condominium's operation. If additional funds are required over and above these funds, it may be necessary to increase Common Charges or separately assess all unit owners.

IF THE ACTUAL OR ANTICIPATED DATE OF COMMENCEMENT OF THE FIRST YEAR OF CONDOMINIUM OPERATION IS TO BE DELAYED MORE THAN 6 MONTHS FROM AUGUST 1, 2007, THE PLAN WILL BE AMENDED TO INCLUDE A REVISED BUDGET DISCLOSING CURRENT PROJECTIONS. IF SUCH AMENDED PROJECTIONS EXCEED THE ORIGINAL PROJECTIONS BY 25% OR MORE, THE SPONSOR WILL OFFER ALL PURCHASERS THE RIGHT TO RESCIND AND A REASONABLE PERIOD OF TIME THAT IS NOT LESS THAN 15 DAYS AFTER THE DATE OF PRESENTATION TO EXERCISE THE RIGHT. WHETHER OR NOT SPONSOR OFFERS TO GUARANTEE THE PREVIOUS BUDGET PROJECTION, SPONSOR WILL RETURN ANY DOWN PAYMENT OR DEPOSIT PROMPTLY TO SUBSCRIBERS WHO RESCIND.

Sponsor represents that in the event that the commencement date of the First Year of condominium operation is delayed more than six (6) months from the budget year projected in the Plan, the Plan will be amended to include a revised projected budget. If such amended projections exceed the projections set forth above by twenty-five percent (25%) or more, each Purchaser shall have the right for fifteen (15) days subsequent to the date of mailing or personal delivery of a copy of such amendment to him to rescind his Purchase Agreement, and, if not otherwise in default, have his deposit refunded. Sponsor has attempted to make accurate estimates.

The budget is not intended, and should not be taken, as a guaranty by anyone that the annual Common Charges or Common Expenses for the first or any subsequent year of operation of the Property will be as set forth in the budget. In fact, it is likely that the actual income and expenses for the first year of Condominium operation will vary from the amounts shown in the budget.

SCHEDULE B-1

SCHEDULE B-1

The Badge
10-55 47th Avenue
Long Island City, NEW YORK
PROJECTED ENERGY CONSUMPTION COSTS
FOR Residential Units
(Individually metered)

The following is an estimate of annual energy costs for lighting and operating of typical appliances located in Residential Units provided by Engineering Solutions, PLC, 1140 Broadway, Suite 204, NY, NY 10001.

The projected rates are not guaranteed and it must be expected that these rates will increase with the passage of time and may be affected by many factors which are beyond the control of the Sponsor. Purchasers are advised that the projections are only estimates and actual consumption will be metered and will vary based on the individual needs of Unit Owners and weather conditions.

Electrical For Individual Apartments:
The following is an estimate of the electrical consumption and annual cost for individual apartments. Air conditioning costs depend on comfort level and individual usage. We assume 1080 full load hours for the cooling season (May – October). The system is individual through the wall packaged units ("PTAC"). We estimated a connected load of 2 watts per square foot for general lighting and appliances @ 150 hours per month. Clothes Dryer @ 5 KW assumes (1) hour per day (3) days per week for a total of 780 KWH per year.

First Floor "Unit 1A" (722 sq. ft.)		
Air Conditioning	2,450 KWH	
General Lighting & Appliances	2,400 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$1,239**
First Floor "Unit 1B" (978 sq. ft.)		
Air Conditioning	5,050 KWH	
General Lighting & Appliances	3,300 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$2,000**
First Floor "Unit 1C" (935 sq. ft.)		
Air Conditioning	4,180 KWH	
General Lighting & Appliances	3,270 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$1,800**
First Floor "Unit 1D" (1,221 sq. ft.)		
Air Conditioning	5,800 KWH	
General Lighting & Appliances	4,020 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$2,332**

Second Floor "Unit 2A" (713 sq. ft.)		
Air Conditioning	2,450 KWH	
General Lighting & Appliances	2,400 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$1,239**
Second Floor "Unit 2B" (1,200 sq. ft.)		
Air Conditioning	5,050 KWH	
General Lighting & Appliances	4,020 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$2,169**
Second Floor "Unit 2C" (1,135 sq. ft.)		
Air Conditioning	4,180 KWH	
General Lighting & Appliances	4,020 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$2,169**
Second Floor "Unit 2D" (1,215 sq. ft.)		
Air Conditioning	5,800 KWH	
General Lighting & Appliances	4,020 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$2,332**
Second Floor "Unit 2E" (826 sq. ft.)		
Air Conditioning	3,360 KWH	
General Lighting & Appliances	2,880 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$1,544**
Second Floor "Unit 2F" (947 sq. ft.)		
Air Conditioning	3,360 KWH	
General Lighting & Appliances	2,880 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$1,544**
Second Floor "Unit 2G" (896 sq. ft.)		
Air Conditioning	3,360 KWH	
General Lighting & Appliances	2,880 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$1,544**
Second Floor "Unit 2H" (814 sq. ft.)		
Air Conditioning	3,360 KWH	
General Lighting & Appliances	2,880 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$1,544**

Fourth Floor "Unit 4A" (713 sq. ft.)		
Air Conditioning	2,450 KWH	
General Lighting & Appliances	2,400 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$1,239**
Fourth Floor "Unit 4B" (1,200 sq. ft.)		
Air Conditioning	5,050 KWH	
General Lighting & Appliances	4,020 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$2,167**
Fourth Floor "Unit 4C" (1,135 sq. ft.)		
Air Conditioning	5,800 KWH	
General Lighting & Appliances	4,020 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$2,332**
Fourth Floor "Unit 4D" (1,215 sq. ft.)		
Air Conditioning	5,800 KWH	
General Lighting & Appliances	4,020 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$2,332**
Fourth Floor "Unit 4E" (826 sq. ft.)		
Air Conditioning	3,360 KWH	
General Lighting & Appliances	2,880 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$1,544**
Fourth Floor "Unit 4F" (947 sq. ft.)		
Air Conditioning	3,360 KWH	
General Lighting & Appliances	2,880 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$1,544**
Fourth Floor "Unit 4G" (896 sq. ft.)		
Air Conditioning	3,360 KWH	
General Lighting & Appliances	2,880 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$1,544**
Fourth Floor "Unit 4H" (814 sq. ft.)		
Air Conditioning	3,360 KWH	
General Lighting & Appliances	2,880 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$1,544**

Third Floor "Unit 3E" (826 sq. ft.)		
Air Conditioning	3,360 KWH	
General Lighting & Appliances	2,880 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$1,544**

Third Floor "Unit 3F" (947 sq. ft.)		
Air Conditioning	3,360 KWH	
General Lighting & Appliances	2,880 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$1,544**

Third Floor "Unit 3G" (896 sq. ft.)		
Air Conditioning	3,360 KWH	
General Lighting & Appliances	2,880 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$1,544**

Third Floor "Unit 3H" (814 sq. ft.)		
Air Conditioning	3,360 KWH	
General Lighting & Appliances	2,880 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$1,544**

Fifth Floor "Unit 5A" (713 sq. ft.)		
Air Conditioning	2,450 KWH	
General Lighting & Appliances	2,400 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$1,239**
Fifth Floor "Unit 5B" (1,200 sq. ft.)		
Air Conditioning	5,050 KWH	
General Lighting & Appliances	3,300 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$2,000**
Fifth Floor "Unit 5C" (1,135 sq. ft.)		
Air Conditioning	5,800 KWH	
General Lighting & Appliances	4,020 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$2,332**
Fifth Floor "Unit 5D" (1,215 sq. ft.)		
Air Conditioning	5,800 KWH	
General Lighting & Appliances	4,020 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$2,332**
Fifth Floor "Unit 5E" (1,235 sq. ft.)		
Air Conditioning	5,050 KWH	
General Lighting & Appliances	3,300 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$2,000**
Fifth Floor "Unit 5F" (1,320 sq. ft.)		
Air Conditioning	4,190 KWH	
General Lighting & Appliances	3,300 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$1,819**
Fifth Floor "Unit 5H" (826 sq. ft.)		
Air Conditioning	3,360 KWH	
General Lighting & Appliances	2,880 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$1,544**

Sixth Floor "Unit 6A" (1,214 sq. ft.)		
Air Conditioning	5,800 KWH	
General Lighting & Appliances	4,020 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$2,332**
Sixth Floor "Unit 6B" (1,225 sq. ft.)		
Air Conditioning	5,800 KWH	
General Lighting & Appliances	4,020 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$2,332**
Sixth Floor "Unit 6E" (1,247 sq. ft.)		
Air Conditioning	5,050 KWH	
General Lighting & Appliances	3,300 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$2,000**
Sixth Floor "Unit 6F" (1,320 sq. ft.)		
Air Conditioning	4,190 KWH	
General Lighting & Appliances	3,300 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$1,819**
Sixth Floor "Unit 6H" (822 sq. ft.)		
Air Conditioning	3,360 KWH	
General Lighting & Appliances	2,880 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$1,544**

Eighth Floor "Unit 8A" (1,214 sq. ft.)		
Air Conditioning	5,800 KWH	
General Lighting & Appliances	4,020 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$2,332**
Eighth Floor "Unit 8B" (1,225 sq. ft.)		
Air Conditioning	5,800 KWH	
General Lighting & Appliances	4,020 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$2,332**
Eighth Floor "Unit 8E" (1,247 sq. ft.)		
Air Conditioning	5,050 KWH	
General Lighting & Appliances	3,300 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$2,000**
Eighth Floor "Unit 8F" (1,320 sq. ft.)		
Air Conditioning	4,190 KWH	
General Lighting & Appliances	3,300 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$1,819**
Eighth Floor "Unit 8H" (822 sq. ft.)		
Air Conditioning	3,360 KWH	
General Lighting & Appliances	2,880 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$1,544**

Seventh Floor "Unit 7E" (1,247 sq. ft.)		
Air Conditioning	5,800 KWH	
General Lighting & Appliances	4,020 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$2,332**

Seventh Floor "Unit 7F" (1,320 sq. ft.)		
Air Conditioning	4,950 KWH	
General Lighting & Appliances	4,020 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$2,145**

Seventh Floor "Unit 7H" (822 sq. ft.)		
Air Conditioning	3,360 KWH	
General Lighting & Appliances	2,880 KWH	
Electric Dryer:	780 KWH	
Total Cost per year @ $0.22/KWH:		**$1,544**

Cooking Per Apartment

Each apartment with a 4 burner stove/oven assume @ 60MBH total input, operating (12) full load hours per week, (52) weeks per year.

(18,000 btu/h x 52 weeks x 12 hrs/week) / 100,000 Btus/Therm = 112 Therms
112 Therms x $1.40/Therm = $157.00

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i AND OPINION OF COUNSEL

Prudential Douglas Elliman Real Estate | DEVELOPMENT MARKETING GROUP *Building Success*

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

August 18, 2005

New York State Department of Law
120 Broadway, 23rd Floor
New York, New York 10271

Attention: Real Estate Financing Bureau

Re: Condominium Offering Plan
The Badge a condominium located at 10-55 47th Ave Queens, New York (the "Property")

Dear Sir/Madam:

The Badge Development, LLC ("Sponsor") of the Condominium Offering Plan ("Offering Plan") for the Property retained Douglas Elliman ("Firm") to review the percentage of Common Interest in the Common Elements allocated to each Unit in the Property set forth in Schedule A of the Offering Plan.

The Firm is licensed as a real estate brokerage firm in the State of New York. The principals of the Firm have been engaged in the real estate and brokerage business for over twenty (20) years and have been actively associated with sale and management of condominium and cooperative buildings.

The Firm has been advised by Sponsor that the Common Interest of each Unit has been determined in accordance with Real Property Law Section 339-i(1)(iv) 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 in accordance with subsection (iv).

In the Firm's opinion, within the framework of Real Property Law Section 339-i (1)(iv), this method of determining Common Interest is reasonable and equitable.

The Firm certifies that it is not owned or controlled by Sponsor and that it has no financial interest in the offering other than its fee for services rendered in connection with the preparation of this letter (and acting as Selling Agent under the Offering Plan). The Firm understands that a copy of this letter is intended to be incorporated into the Offering Plan.

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

All information furnished regarding property for sale, rental or financing is from sources deemed reliable. No representation is made as to the accuracy thereof and it is submitted subject to errors, omissions, change of price, rental, commission or other conditions, prior sale, lease or financing, or withdrawal without notice.

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

Very truly yours,

DOUGLAS ELLIMAN

By: _____
Name: Andrew Gering
Title: Managing Director

All information regarding a property for sale, rental or financing is from sources deemed reliable. No representation is made as to the accuracy thereof, and such information is subject to errors, omissions, change of price, rental, commission or other conditions, prior sale, lease or financing, or withdrawal without notice.

CHANGES IN PRICES AND UNITS

Purchase prices for the Units offered hereby are negotiable and Sponsor reserves the right, at any time and from time to time before and after the recording of the Declaration, without giving prior notice (except as otherwise provided herein) and without the consent of the Condominium Board, any Unit Owner or mortgagee, to change the price, including, without limitation, the manner of payment thereof and other terms of sale of any Unit, except that no such change with respect to any Unit for which a Purchase Agreement is then in effect may be made without the consent of the Purchaser. No such change will be made other than pursuant to a duly filed amendment to the Plan filed in advance of any such change, except that Sponsor reserves the right to decrease purchase prices of individually negotiated transactions or modify other terms of sale without filing an amendment to the Plan at any time during the offering period so long as the decrease in the purchase price or modification of such other terms of sale does not constitute an across the board change affecting one or more lines of Units or is to be advertised. If any change in purchase price is made, a Purchaser of a Unit affected thereby may pay more or less than other Purchasers under the Plan for similar Units, but this will not affect any prior or subsequent sale of Units which are not the subject of such change.

Sponsor reserves the right to negotiate with each Purchaser the following terms and conditions of the Purchase Agreement: purchase price; the amount of the Deposit; the availability of financing contingencies; the payment of Purchaser's financing fees and other closing costs; the availability of Common Charge rebates, purchase price rebates and subsidies payable as a credit against the purchase price or on a periodic basis; extensions of time periods within which to perform obligations under the Purchase Agreement; the availability of use and occupancy agreements and the amount of interim rent thereunder and the application of interim rent toward the purchase price.

Sponsor reserves the right from time to time to add and/or delete negotiable terms from the list set forth above for all or some Purchasers by a duly filed amendment to the Plan. No Purchaser will benefit from any terms and conditions negotiated with any other Purchaser, and a Purchaser's failure to so benefit will not give rise to any right of rescission under a Purchase Agreement.

The location in the Building, size and, layout of the Units are shown on the Floor Plans set forth in Part II of the Plan. In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor reserves the right (except to the extent prohibited by Law) at any time and from time to time, before and after the recording of the Declaration, without giving prior notice and without the consent of the Condominium Board, any Unit Owner or mortgagee, to (a) change the size, layout and square footage of, or number of rooms in, any Unsold Unit, (b) change the size and/or number of Unsold Units by dividing one or more such Units into two or more separate Unsold Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Unsold Units, altering any boundary walls between one or more Unsold Units, or otherwise, including incorporating Common Elements (such as a portion of a hallway) which exclusively benefit an Unsold Unit into such Unsold Unit, and (c) if appropriate, reapportion among the Unsold Units affected by any such change, their aggregate Common Interests. In the event of any change pursuant to either (b) or (c) above, such change shall be disclosed in a duly filed amendment to the Plan. No such change, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Unit, will be made with respect to such Unsold Unit for which a Purchase Agreement is then in effect and the Purchaser thereunder is not in default which increases or decreases the useable square foot area (excluding interior partitions) or Common Interest by more than 5%, or materially changes the layout of such Unsold Unit, unless the Purchaser consents to such changes. Provided Purchaser's consent is not required, a Purchaser will not be excused from purchasing his Unit and will not have any claim against Sponsor as a result of any such change and no such change will affect a Purchaser's obligations under the Purchase Agreement or the Plan. If Purchaser's consent is required as a result of such change and Purchaser refuses to consent, then

GERSTEIN STRAUSS & RINALDI LLP
ATTORNEYS AT LAW
57 WEST 38th STREET, 9th FLOOR, NEW YORK, NEW YORK 10018
TELEPHONE (212) 398-7900 • FACSIMILE (212) 575-2387

December 15, 2005

The Badge Development LLC
165 Williams Avenue
Brooklyn, New York 11207

Re: The Badge Building (the "Condominium")

Gentlemen:

You have requested our opinion regarding the allocation of common interests to the Units at the Condominium as required by NYCRR Section 20.3(y)(5). Except where otherwise indicated, the terms used in this opinion shall have the same meaning as set forth in the Offering Plan ("Plan") for the Condominium.

In connection with rendering this opinion we have reviewed the allocation of Common Interests as shown on Schedule A of the Plan and the Declaration establishing the Condominium. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is based upon the factual determinations made by Douglas Elliman, as set forth in its opinion contained in the Plan as required by NYCRR Section 20.3(i). We have made no independent investigation of the truth or accuracy of the factual determinations of Douglas Elliman.

Based upon our review of the foregoing, we have determined that Common Interests were allocated pursuant to the method set forth in Real Property Law ("RPL") Section 339-i(1)(iv), i.e., 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.

Accordingly, based on the foregoing it is our opinion that RPL Section 339-i has been complied with in assigning Common Interests to the Units. This opinion, while based upon existing rules of law applied to the facts and documents referred to above, is not a guarantee to Purchasers. In no event will the Sponsor, Gerstein Strauss & Rinaldi LLP, the Selling Agent, the Managing Agent or the Condominium Board be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in RPL Section 339 or other applicable law.

The opinion expressed herein is based solely on New York law.

Very truly yours,

GERSTEIN STRAUSS & RINALDI LLP

Gerstein Strauss & Rinaldi LLP

in such event, Sponsor's sole obligation shall be to refund to Purchaser the Deposit made under the Purchase Agreement and any interest earned thereon.

Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the purchase price for this Unit or otherwise be relieved from any obligations under the Purchase Agreement, by virtue of a minor inaccuracy or error in the Floor Plans.

Once the Declaration is recorded, no change may be made in the number of Units or number of rooms within a Unit, nor may the size of any Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid or otherwise, nor may the Common Interest of any Unit be changed, unless, in each such event, the Declaration and Floor Plans and the Plan are amended with the consent of each Unit Owner whose Unit is directly affected by such change. In the case of a material and adverse change in the size or quality of the Common Elements, no such change shall be made without the consent of every Unit Owner. Sponsor will have the right to amend or to cause the Condominium Board to amend the Declaration to reflect any such material and adverse change and to file such amendment and any necessary plans and specifications in connection therewith.

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

INTERIM USE AND OCCUPANCY AGREEMENTS

Once a Purchase Agreement is signed for a vacant Unit, and for so long as such Purchase Agreement is in effect, such Unit at Sponsor's sole option may only be rented to the Purchaser thereof. Such agreement (an "Interim Use and Occupancy Agreement") will be for such use and occupancy fee, but not to exceed the maximum of such fee legally collectible, and upon such other terms as may be mutually agreed upon. The term of such Interim Use and Occupancy Agreement, if any, shall be for a period which will expire on the earlier of the date of the closing of such Unit or such other date as is agreed to by Sponsor and the occupant. In the event this Plan is abandoned, the Purchaser may, at any time at his or her sole option, cancel the Interim Use and Occupancy Agreement, if any, and remove from the Building upon thirty (30) days prior written notice to the Sponsor at the address set forth on the cover page of this Plan. Additionally, in the event of such abandonment, the Purchaser who has entered into an Interim Use and Occupancy Agreement shall continue to be subject to whatever rental laws he or she was subject to prior to such abandonment, if any. Should Purchaser rescind his or her Purchase Agreement pursuant to any permitted rescission, the Interim Use and Occupancy Agreement shall terminate thirty (30) days thereafter and Purchaser shall be obligated to vacate the apartment no later than that time.

An Interim Use and Occupancy Agreement will provide that an uncured default by the Purchaser under the Purchase Agreement will constitute a default under the Interim Use and Occupancy Agreement, entitling the landlord (i.e., Sponsor), at its sole option, to terminate the Interim Use and Occupancy Agreement. The Purchase Agreement shall also contain a similar cross-default provision entitling Sponsor to cancel the Purchase Agreement in the event that the Purchaser fails to cure a default under the Interim Use and Occupancy Agreement within any applicable grace period. However, before the Sponsor may utilize a default under the Interim Use and Occupancy Agreement to declare a default under the Purchase Agreement, the Sponsor must (i) obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the interim occupant or (ii) the interim occupant must have vacated the Unit. The interim occupant must vacate the Unit within five (5) days after any default under the Purchase Agreement which remains uncured after five (5) days. No portion of the rental paid under an Interim Use and Occupancy Agreement will be credited toward the Unit's purchase price.

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

PROCEDURE TO PURCHASE

A prospective Purchaser desiring to purchase a Unit will be required to execute a Purchase Agreement, which will be in the form set forth in Part II of the Plan.

A prospective Purchaser may obtain the Plan upon payment of a $150 deposit, which amount will be fully refunded upon either (i) the prompt return of the Plan in good condition, or (ii) the execution by the prospective Purchaser of a Purchase Agreement subsequently accepted by Sponsor. Prospective Purchasers shall be afforded no less than 3 business days to review the Plan and all amendments thereto prior to executing a Purchase Agreement. If a Purchaser has not been afforded at least three (3) business days prior to executing a Purchase Agreement, such Purchaser shall have seven (7) days after delivering an executed Purchase Agreement together with the Deposit to rescind the Purchase Agreement and have the Deposit refunded promptly. If Purchaser elects to rescind the Purchase Agreement within such 7 day period, Purchaser must either personally deliver a written notice of rescission to the Sponsor or Selling Agent within the 7 day period or mail the notice of rescission to the Sponsor or Selling Agent and have the mailing postmarked within the 7 day period.

The Purchase Agreement sets forth in detail the terms of sale with respect to each Unit and should be read carefully by each prospective Purchaser. Prospective Purchasers should be aware that if any conflict exists between the Plan and the Purchase Agreement, the provisions of the Plan shall in all events control.

Although a Purchaser may obtain financing from a lending institution or any other source, Purchaser's obligation to purchase a Unit pursuant to the Purchase Agreement shall not be contingent on Purchaser obtaining financing for such purchase. Accordingly, the terms and provisions of the Purchase Agreement and Purchaser's obligations under the Purchase Agreement are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof). Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations under the Purchase Agreement. Neither Sponsor nor Selling Agent makes any representations as to the terms or availability of any mortgage financing.

Notwithstanding the foregoing, if Sponsor and Purchaser negotiate that the Purchase Agreement should be contingent on financing and accordingly execute the Financing Rider annexed to the Purchase Agreement as Schedule C, the Purchase Agreement shall be contingent on financing provided that: (i) Purchaser submits an application to the Lender through The Manhattan Mortgage Company (the "Mortgage Broker"), 555 Madison Avenue, New York, New York 10022 within 5 business days after a fully executed Purchase Agreement is delivered to Purchaser; and (ii) Purchaser otherwise complies with the Financing Obligations set forth in the Financing Rider.

The Financing Rider provides, in pertinent part, that Purchaser shall have 30 calendar days after a fully executed Purchase Agreement is delivered to Purchaser ("Commitment Date") to obtain a written loan commitment for financing ("Commitment"). If a Commitment is not obtained within said 30 day period, the Sponsor shall have the right to extend the Commitment Date or submit a second application through the Mortgage Broker. If the Purchaser fails to receive the Commitment by the Commitment Date, as same may be extended, and provided that Purchaser is not otherwise in default under the terms of the Purchase Agreement, Purchaser shall have the right to cancel the Purchase Agreement by giving notice to Sponsor within 5 business days after the Commitment Date (as same may be extended), time being of the essence. If Purchaser gives such notice of cancellation, the Purchase Agreement shall be deemed cancelled and Sponsor shall be obligated to refund the Deposit to Purchaser within 20 days thereafter.

Purchase Agreements will not be binding on Sponsor until approved and executed by it, and delivered by Sponsor to the prospective Purchaser. Sponsor will have 30 days after delivery by Purchaser

of an executed Purchase Agreement and the Deposit required thereby, within which to accept or reject such Purchase Agreement. Sponsor reserves the right to request thorough identification and financial information (including credit reports) concerning any prospective Purchaser, subject to any limitations and requirements imposed by Law.

If a Purchase Agreement is not accepted by Sponsor within the aforesaid 30 day period, the Purchase Agreement shall be deemed to have been rejected and cancelled and the Deposit shall be returned to Purchaser within 30 days thereafter. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, to refuse to approve and execute (a) a Purchase Agreement for any Unit, except as prohibited by Law, and (b) a Purchase Agreement(s) for more than one Unit to any one person or entity.

The Purchase Agreement shall not contain, and shall in no event be modified to contain, a provision waiving the Purchaser's rights or abrogating Sponsor's obligations under the Plan or under Article 23-A of the General Business Law of the State of New York.

At the time of execution of a Purchase Agreement, a Purchaser will be required to make an initial Deposit in an amount equal to 10% of the purchase price by an official bank endorsed certified check or check drawn on or issued by a United States Bank or trust company which is a member of the Federal Reserve System. The Deposit must be made payable to the direct order of "GERSTEIN STRAUSS & RINALDI LLP, ESCROW AGENT". All checks delivered in payment of the Deposit shall be accepted by Sponsor subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem such Purchase Agreement to be cancelled and of no further force or effect.

Any Deposit made pursuant to a Purchase Agreement is subject to the requirements of Section 71-a(3) of the State of New York Lien Law and 352-e(2)(b) and 352-h of the General Business Law of the State of New York. Pursuant to these Laws, Sponsor will cause all Deposits received by it directly or by its agents or employees to be promptly deposited and held in accordance with the procedures set forth in the Section of the Plan entitled "Escrow and Trust Fund Requirements" which is the next section.

The balance of the purchase price shall be payable simultaneously with the delivery of the deed to the Unit by wire transfer, official bank check or unendorsed certified check drawn on or issued by a New York bank or trust company which is a member of The New York Clearinghouse Association and shall be payable to the direct order of Sponsor, or otherwise if Sponsor should so notify Purchaser. The deed will be substantially in the form set forth in Part II of the Plan. Interest, if any, on Purchaser's Deposit will be credited or paid to Purchaser at Closing.

TIME IS OF THE ESSENCE AS TO PURCHASER'S OBLIGATIONS PURSUANT TO THE PURCHASE AGREEMENT, INCLUDING, WITHOUT LIMITATION, FOR THE PAYMENT OF ALL DEPOSITS AND THE BALANCE OF THE PURCHASE PRICE. FUNDS DRAWN ON FOREIGN BANKS WILL NOT BE ACCEPTED IN PAYMENT OF THE PURCHASE PRICE.

After the Plan is declared effective, Purchaser will receive at least 30 days' prior notice of the Closing Date ("Scheduled Closing Date"). If Purchaser fails to close title to its Unit on the Scheduled Closing Date or otherwise fails to perform any other obligations under its Purchase Agreement, and if Purchaser does not cure such default within 30 days after Sponsor gives written notice to Purchaser of the default, with time being of the essence, Sponsor may, at its option, either (a) cancel the Purchase Agreement and retain the Deposit together with any interest earned thereon, as liquidated damages, in which event all rights, obligations and liabilities of Sponsor and Purchaser shall wholly cease and terminate or (b) bring an action against Purchaser for specific performance. In addition, Sponsor shall also be entitled to retain any amount paid by Purchaser to Sponsor for special work requested by Purchaser.

Prior to the closing of title to a Unit, the Purchase Agreement prohibits a Purchaser from listing the Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease, without Sponsor's prior written consent. Any listing of the Unit for sale and/or advertising by Purchaser in violation of the terms of the Plan will be deemed a material default under the Purchase Agreement, and Sponsor may, at its option, cancel the Purchase Agreement and retain, as liquidated damages, the entire Deposit made by the Purchaser, together with interest earned thereon.

Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) shall expressly and voluntarily waive such immunity and consent to any suit, action or proceeding arising out of or relating to the Purchase Agreement being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of, or connected with the Purchase Agreement. Any such Purchaser shall designate and authorize a lawful agent to receive process for and on behalf of Purchaser in any State or Federal suit, action or proceeding in the State of New York based on, arising out of, or connected with the Purchase Agreement.

If a Purchaser fails for any reason to close title to his Unit within 10 days of the Scheduled Closing Date, (a) the closing apportionments described in the Section of the Plan entitled "Closing Costs and Adjustments" will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and the Plan, an amount equal to 0.03% of the purchase price of his Unit for each day starting from (and including) the originally Scheduled Closing Date to (and including) the day before the actual Closing Date. If Sponsor adjourns the closing, through no fault of Purchaser, the provisions of this paragraph shall apply to the adjourned Closing Date.

If a Purchaser has entered into Purchase Agreements to purchase more than one Unit, a default by Purchaser in the payment or performance of any obligations under any of such Purchase Agreements, beyond any applicable grace periods, shall be deemed a default under the other Purchase Agreement(s). In the event of such a default, Sponsor may, at its option, cancel each such Purchase Agreement(s) and retain, as liquidated damages, the entire Deposit made by Purchaser, together with any interest earned thereon, if any, under each of such Purchase Agreement(s) or bring an action against Purchaser for specific performance.

If the Plan is withdrawn or abandoned, the Deposit previously paid to and actually collected by Sponsor together with any interest earned thereon, shall be returned to Purchaser in accordance with the provisions herein set forth.

Based upon its current construction schedule, Sponsor contemplates that, the construction of the Building will be sufficiently completed to permit closings of Units to begin on or about August 1, 2007. If the First Closing does not occur within 12 months after August 1, 2007 Sponsor will offer Purchasers the right, for 15 days, to rescind their Purchase Agreements and receive a refund of their Deposit, together with any interest earned thereon.

From and after the Closing of each Unit, Purchaser will become obligated for the payment of Common Charges, real estate taxes and assessments (including water charges and sewer rents, if separately assessed) and all other expenses with respect to his Unit, whether or not he has taken possession of his Unit, and whether or not all work required to be performed by anyone in or to his Unit has been completed.

The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit, at which time such risk shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. (See Section entitled "Closing of Title to Units and Terms of Sale" for more details.)

As indicated in Article 7.2 of the Purchase Agreement, at Closing, a Purchaser shall execute a Unit Power of Attorney to the Condominium Board, substantially in the form set forth in Part II of the Plan. As indicated in Article 14.1(ii) of the Purchase Agreement, the failure to perform or observe any of Purchaser's obligations under the Purchase Agreement shall be an "Event of Default" under the Purchase Agreement.

ESCROW AND TRUST FUND REQUIREMENTS

All deposits, downpayments, advances and payments made by Purchasers prior to the closing of an Unsold Unit ("Deposits") will be held in escrow in conformity with the disclosure contained in this section of the Plan.

Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto and Section 71-a(3) of the State of New York Lien Law.

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

All Deposits made by Purchasers prior to the Closing of each individual transaction will be placed in a segregated special escrow account of Gerstein Strauss & Rinaldi LLP, the escrow agent ("Escrow Agent"), whose address is 57 West 38th Street, New York, New York 10018 and whose telephone number is (212) 398-7900. The attorneys who are signatories on this account authorized to withdraw funds, acting singly, are: Victor R. Gerstein, Esq., Gary J. Strauss, Esq. and Lisa J. Rinaldi, Esq. Escrow Agent has established a master escrow account entitled "Gerstein Strauss & Rinaldi LLP, Escrow Account" ("Master Escrow Account") at Bank Leumi located at 562 Fifth Avenue, New York, New York ("Escrow Bank"). The Deposit will be placed in the Master Escrow Account within 5 business days after tender of the Deposit by Purchaser to Sponsor or Selling Agent. Any subsequent Deposit tendered by Purchaser after the Initial Deposit will be placed in the Master Escrow Account within 10 business days after tender by Purchaser to Sponsor or Selling Agent.

All Deposits will be placed initially in the non-interest bearing portion of the Master Escrow Account. Each Purchaser is required to deliver a completed and signed Form W-9 (Request for Taxpayer Identification Number) or a Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding) in the forms set forth in Part II to the Plan, to Sponsor or Selling Agent at the time Purchaser tenders the Deposit and the Purchase Agreement. If a Deposit is accompanied by a completed and signed Form W-9 or Form W-8BEN, the Deposit will thereafter be promptly transferred to an individual interest bearing sub-escrow account in the name of Purchaser. If a Purchaser does not deliver the Form W-9 or Form W-8BEN, the Deposit will remain in the non-interest bearing portion of the Master Escrow Account. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow account to the non-interest bearing portion of the Master Escrow Account so that checks may be drawn thereon.

The sub-escrow account number and the initial interest rate, if any, will be disclosed to each Purchaser, as appropriate, in a letter from Escrow Agent to each Purchaser sent within 10 business days after the tender of the Deposit. If Purchaser does not receive notice that the Deposit has been placed in the Master Escrow Account within 15 business days after tender of the Deposit, Purchaser may cancel the Purchase Agreement and rescind so long as the right to rescind is exercised within 90 days after tender or crediting of the Deposit or Purchaser may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited and requisite notice was timely mailed to Purchaser in conformity with the Attorney General's regulations. Escrow Agent will not be required to send the letter to each Purchaser referred to above in connection with any subsequent Deposits tendered by Purchaser after the initial Deposit to Sponsor or Selling Agent and deposited into the Master Escrow Account prior to the Closing.

The Escrow Bank is covered by federal bank deposit insurance to a maximum of $100,000 per individual Deposit. The following are SPECIAL RISKS of this offer: (i) if a Purchaser makes a Deposit in excess of $100,000 such Deposit will not be federally insured in excess of $100,000; and (ii) while the Deposit is in the non-interest bearing portion of the Master Escrow Account, the Deposit may not be fully federally insured even if the Deposit does not exceed $100,000. No representation or guaranty is made by Sponsor that the Federal Deposit Insurance Corporation will insure any depositor's funds, if and when called upon to do so.

The Deposit may be tendered by Purchaser to Sponsor or Selling Agent by either personal delivery, delivery by messenger or courier service or mailed by certified mail, return receipt requested, overnight courier or express mail service. The Deposit shall be deemed tendered by Purchaser on the date it is actually received by Sponsor or Selling Agent.

Acceptance of the Deposit by Sponsor or Selling Agent and the Deposit thereof by Escrow Agent into escrow shall not be deemed a binding agreement by Sponsor to sell to Purchaser unless and until Purchaser executes a Purchase Agreement and Sponsor or Selling Agent executes a duplicate thereof and delivers the Purchase Agreement to Purchaser in accordance with the terms of the Plan.

If a Purchaser tenders a Deposit without an executed Purchase Agreement, Sponsor shall have the right to reject the Deposit and return it to Purchaser: (i) within 5 business days after tender, if the Deposit has not been deposited into escrow; and (ii) within 10 business days at any time, if the Deposit has been deposited into escrow and the Purchase Agreement has not yet been delivered by Purchaser.

The checking account portion of the Master Escrow Account will not be interest-bearing. The sub-escrow account portion of the Master Escrow Account will be interest-bearing. Deposits will not earn interest until such time as Purchaser has delivered to Escrow Agent a fully completed W-9 or W-8 form. All interest will be credited to Purchaser at such time as: (i) there is a closing under the Purchase Agreement; or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to Sponsor only in the event there is a "consummation of the Plan" (as such term is defined in the Attorney General's regulations) and Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts. Interest will begin to accrue within: (i) 3 business days, if the Deposit is cash or cash equivalent; or (ii) 5 business days, if the Deposit is other than cash or cash equivalent, of the transfer of the Deposit from the checking account portion of the Master Escrow Account into the sub-escrow account portion of the Master Escrow Account.

All instruments shall be made payable directly to the order of "Gerstein Strauss & Rinaldi LLP, as Escrow Agent." Endorsed instruments will not be accepted.

If a check delivered by a Purchaser fails for collection, the Purchase Agreement will be deemed void ab initio (as if the Purchase Agreement had never been executed) at the option of Sponsor, who reserves the right to exercise this option in its discretion by written notice to Purchaser given within 10 business days of Sponsor receiving notice from Escrow Agent of such failure of collection.

Escrow Agent will hold the Deposit in escrow and in no event shall any disputed funds be paid to the Purchaser until otherwise directed in:

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

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

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

If there is no written agreement between the parties to release the Deposit, Escrow Agent will not pay the Deposit to Sponsor until Escrow Agent has given Purchaser written notice of not fewer than 10 business days. Thereafter, the 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 Attorney General's regulations and has so notified Escrow Agent in accordance with such provisions and Escrow Agent has received such notice. Notwithstanding the foregoing, the Deposit of a defaulting Purchaser will not be released to Sponsor until after the Plan is declared effective.

Sponsor will not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Deposit to:

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

(ii) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an amendment to the Plan,

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

The Purchase Agreement provides that Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of the Deposit to Sponsor in the event Sponsor and Purchaser close title under the Purchase Agreement.

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

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

If the application for the release of Deposit is granted, the Deposit and any interest thereon shall be released in accordance with the determination of the Attorney General.

If the application seeking release of the Deposit is denied, Escrow Agent shall continue to hold the Deposit and any interest earned thereon until:

(i) both Sponsor and Purchaser direct payment to a specified party in accordance with a written direction signed by both the Sponsor and Purchaser; or

(ii) a judgment or order of a court of competent jurisdiction is served on the Escrow Agent; or

(iii) the Escrow Agent deposits the disputed amount into court.

Set forth in Part II of the Plan is a copy of the form of escrow agreement between Sponsor and Escrow Agent which incorporates the terms of the Attorney General's regulations.

Escrow Agent shall be permitted to act as counsel to Sponsor in any dispute as to the disbursement of the Deposit or any other dispute between Sponsor and a Purchaser whether or not Escrow Agent is in possession of the Deposit and continues to act as Escrow Agent.

Escrow Agent is acting merely as a stakeholder. Upon payment of the Deposit pursuant to the Plan, Escrow Agent shall be fully released from all liability and obligation with respect to the Deposit. Escrow Agent shall accept a Deposit made by check, subject to collection.

Sponsor has agreed to indemnify Escrow Agent from all costs, claims, expenses and damages incurred in connection with or arising out of the escrow agreement or the performance or non-performance of Escrow Agent's duties under the escrow agreement, except with respect to actions or omissions taken or suffered by Escrow Agent in bad faith or in willful disregard of the escrow agreement or involving gross negligence of Escrow Agent.

Sponsor has agreed to compensate Escrow Agent for services rendered in connection with Escrow Agent's duties under the escrow agreement. Escrow Agent's fees and disbursements will neither be paid by Sponsor from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

Escrow Agent shall make available to the Attorney General, upon request, all books and records of Escrow Agent relating to the escrow funds.

Escrow Agent will maintain all records concerning the Master Escrow Account for 7 years after the release of funds.

In the alternative to placing the Deposit in Escrow, Sponsor may apply to the Department of Law to use security in the form of surety bonds or a letter of credit in lieu of escrow of such funds. If Sponsor's application to use alternative security is approved by the Department of Law, Sponsor shall file an amendment to the Plan, which amendment will (i) include the terms of such alternative security, (ii) annex a form for the written consent of each affected Purchaser to withdraw the funds from escrow and (iii) provide for the continuation of escrow of funds of any Purchaser who does not execute and deliver such written consent to Sponsor.

ASSIGNMENT OF PURCHASE AGREEMENTS

Purchaser does not have the right to assign the Purchase Agreement without the prior written consent of Sponsor, which consent may be unreasonably withheld or delayed. Any purported assignment by Purchaser in violation of this Section will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel the Purchase Agreement or give rise to any claim for damages against Sponsor. Under no circumstances will Sponsor consent to an assignment of a Purchase Agreement in which Purchaser will receive consideration. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement, then Purchaser shall be required to pay Sponsor's attorneys fee of $750, in advance, for preparation of an assignment and assumption agreement. Any purported assignment by Purchaser in violation of this Section shall be a default by Purchaser, entitling Sponsor to the remedies set forth in the Section entitled "Procedure to Purchase", and shall be voidable at the option of Sponsor.

Notwithstanding anything to the contrary contained above, if Purchaser has signed the Purchase Agreement in an individual name (and not in the name of an entity), and provided that Purchaser has obtained consent from its Lender, if any, then Purchaser shall have a one time right to assign Purchaser's rights under the Purchase Agreement, in whole, but not in part, to an entity "controlled" (as such term is defined below) by Purchaser (the entity to which the rights are assignable may be a trust, limited liability company or a corporation) or to member(s) of Purchaser's immediate family, provided that (i) Purchaser designates such assignee at least 5 business days prior to the Closing Date; (ii) Purchaser delivers to Sponsor's counsel a fee in the amount of $750 for its services required in connection with the preparation of the assignment and assumption agreement; (iii) the Closing will not be delayed as a result of such assignment , (iv) the assignee of the Purchase Agreement assumes in writing, by an instrument prepared by Sponsor's counsel, the obligations of Purchaser under the Purchase Agreement, and (v) the assignment is made without consideration. As used in this paragraph, the term "control" shall mean the control, either directly or indirectly, of at least 51% percent of the voting shares or equity interests of such assignee, together with the authority to direct and manage the affairs of such assignee, which shall include Purchaser, being the managing general partner of such partnership or the principal manager or managing member of such limited liability company. Any obligations of Purchaser may be performed by such assignee, and Sponsor agrees to accept such performance as if it were the performance of Purchaser. No such assignment shall modify Purchaser's obligations under the Purchase Agreement, including without limitation, Purchaser's indemnity obligations contained in the Purchase Agreement, reduce or limit any liability or obligation of Purchaser who shall remain primarily liable notwithstanding any liability assumed by assignee. Unless Purchaser complies with the provisions of this paragraph, any purported assignment by Purchaser shall be null and void and of no effect as against Sponsor.

No Advertising

Prior to the Closing of Title, Purchaser shall not list the Unit for resale or rental with any broker or advertise or otherwise offer, promote or publicize the availability of the Unit for sale or lease, without Sponsor's prior written consent. Any listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser prior to the Closing of Title shall be a default by Purchaser, entitling Sponsor to the remedies set forth in the Section entitled "Procedure to Purchase".

EFFECTIVE DATE

The offering by Sponsor under the Plan is contingent upon the Plan being declared effective and the First Closing shall not occur until the Plan has been declared effective. The Plan may be declared effective, at Sponsor's option, at any time when bona fide Purchasers, including investors, have executed Purchase Agreements with respect to no less than 15% of all Residential Units, i.e., 7 Residential Units. The Plan must be declared effective at such time as Purchase Agreements have been executed and are in effect with respect to 80% of all Residential Units, i.e., 35 Residential Units. The Plan will be declared effective by a duly filed amendment and a copy of such amendment will, thereafter, be delivered to all Purchasers. Sponsor will submit to the Department of Law, if requested to do so, copies of all Purchase Agreements (and any amendments or modifications thereto) within 5 business days after such request is made.

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) signed by Purchasers who have not been afforded at least 3 business days to review the Plan and all filed amendments prior to executing a Purchase Agreement or at least 7 days to rescind; or (iii) signed by any Purchaser who is Sponsor, the Selling Agent, the Managing Agent or a principal of either, or is related by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner of Sponsor, the Selling Agent, the Managing Agent or a principal of either, except that such a Purchaser (other than Sponsor or a principal of Sponsor) may be counted only if Sponsor has submitted proof satisfactory to the Department of Law establishing that the Purchaser is bona fide.

The Plan may be withdrawn or abandoned by Sponsor for any reason whatsoever at any time prior to its being declared effective, in which event Purchasers will be notified by Sponsor in writing, by registered or certified mail.

Once the Plan has been declared effective, it may not thereafter be abandoned or withdrawn, except that, prior to the First Closing, the Plan may, at the option of Sponsor, be abandoned in the event of: (1) the existence of one or more title defects (including violations of record or work orders of a mortgagee or insurance carrier) affecting any one or more Residential Units or the Property that cannot be removed, cured or complied with prior to the date set for the First Closing without litigation or for less than one half of one percent (.5%) of the total offering amount in the aggregate, and which are not waived by the Purchasers thereof; (2) a substantial damage to or destruction of any of the Building (or any portion thereof) by fire or other casualty that cannot be repaired prior to the date set for the First Closing for less than one half of one percent (.5%) of the total offering amount in the aggregate; or (3) a taking of a material portion of the Property in condemnation proceedings or by eminent domain. Excluded from the dollar amounts set forth in (1) and (2) above are attorneys' fees and title defects or determinations of any authority or regulatory association which exist on the Filing Date of the Plan and are either known to Sponsor or are a matter of public record.

If the Plan is withdrawn or abandoned, all Deposits, together with any interest earned thereon, will be returned to Purchasers within 30 days following such withdrawal or abandonment. Upon the return of the Deposits, together with any interest earned thereon, the Purchase Agreement will be null and void and Sponsor will have no further obligation or liability to Purchaser under the Plan or the Purchase Agreement. Sponsor shall promptly submit an amendment to the Department of Law confirming such abandonment or withdrawal and shall file a notice of abandonment on form RS-3 or such other form as the Department of Law may require and explain the reason for the abandonment and disposition of all Deposits received, and any interest earned thereon.

CLOSING OF TITLE TO UNITS AND TERMS OF SALE

The Closing of Title to each Unit shall be held at the offices of Sponsor's attorneys, Gerstein Strauss & Rinaldi LLP, 57 West 38th Street, New York, New York or at such other place as Sponsor may designate. The Closing to each Unit shall take place only after or concurrently with the following events:

(a) the Plan has been declared effective in accordance with its terms and the amendment to the Plan disclosing same has been accepted for filing by the Department of Law;

(b) a temporary or permanent certificate of occupancy for the Residential Unit is in effect;

(c) the recording or filing of the Declaration, By-Laws, Floor Plans and engineer's and tax authority certifications required by Section 339-p of the New York Condominium Act or other applicable Law and such other documents as may be required by Law;

(d) the release of the Unit and its Common Interest from the lien of all mortgages, if any;

(e) the delivery to Purchaser of written notice of the time and place of the Closing to his Unit at least 30 days prior to the Scheduled Closing Date specified therein, including a reasonable opportunity, upon written request of Purchaser, for Purchaser to examine his Unit and the Property, during normal business hours and in the company of Sponsor's agent, prior to Closing;

(f) the delivery to Purchaser of a bargain and sale deed with covenant against grantor's acts, in proper form for recording and containing the provisions set forth in subdivision 5 of Section 13 of the Lien Law upon delivery to Sponsor of the balance of the purchase price and such other checks and documents required pursuant to the Plan and the Purchase Agreement.

(g) the execution and delivery by Purchaser of the Unit Owner's Power of Attorney, the form of which is set forth in Part II of the Plan;

(h) if Purchaser has requested title insurance, the issuance to Purchaser (at Purchaser's sole expense) of a policy of title insurance in at least the amount of the purchase price of the Unit, insuring that (i) Purchaser has fee title to his Unit free and clear of all liens and encumbrances except for (1) Permitted Encumbrances and standard printed exceptions, (2) liens and encumbrances (other than Permitted Encumbrances) to which his Unit's title is subject, which have been expressly accepted by Purchaser, and (3) any mortgage and related security documents that Purchaser executes in connection with the financing of the purchase price of his Unit and (ii) the Condominium has been validly created pursuant to the Condominium Act.

Sponsor shall be entitled to deliver the 30 day closing notice prior to the occurrence of the events listed in items (b) through (h) above.

All personal property, including but not limited to the appliances, equipment or fixtures installed in the Unit shall be included in the conveyance of the Unit, unless specifically excepted in the Plan and all appliances, equipment or fixtures installed in the Common Elements on the date the Declaration shall be assigned to the Condominium Board at the First Closing.

In the event of the existence of any lien or encumbrance other than Permitted Encumbrances, the sole remedy of Purchasers under the Plan will be to rescind their respective Purchase Agreements within 15 days after receipt of notice or an amendment disclosing such lien or encumbrance. A Purchaser electing to proceed with the purchase of his Unit will not be entitled to any credit against, or abatement

of, the purchase price set forth in his Purchase Agreement and will have no claim or right of action against Sponsor by reason thereof. Sponsor has no obligation to institute any action or proceeding or to expend any sum of money to make title marketable or to eliminate any encumbrances or title defects, except to incur expenses up to the aggregate amount of one half of one percent (.5%) of the total offering amount in respect of any one or more Units or the Property.

The Permitted Encumbrances are detailed and described in the last paragraph of this Section of the Plan and on Schedule A to the Purchase Agreement which Purchase Agreement is set forth in Part II of the Plan. If Sponsor fails or refuses to correct any title defect, then, provided Purchaser is not then in default, the Purchaser's sole right will be to either (i) take title subject to the title defect (without abatement in or credit against the Purchase Price or claim or right of action against Sponsor for damages or otherwise) or (ii) cancel the Purchase Agreement. If Purchaser elects to terminate the Purchase Agreement, Sponsor shall cause the Deposit together with any interest earned thereon, to be returned to Purchaser, within 30 days after receipt of Purchaser's termination notice. Upon making such refund, Sponsor and Purchaser shall be relieved of all further obligations and liabilities under the Purchase Agreement and the Plan. The foregoing option must be exercised by Purchaser in writing sent to Sponsor within 15 days after the giving of Sponsor's notice of refusal to remedy the title defect. IF THE PURCHASER FAILS TO NOTIFY SPONSOR OF HIS ELECTION WITHIN 15 DAYS AFTER SPONSOR NOTIFIED PURCHASER OF SPONSOR'S REFUSAL TO REMEDY THE TITLE DEFECT, IT WILL BE CONCLUSIVELY DEEMED THAT PURCHASER ELECTED TO ACQUIRE TITLE SUBJECT TO THE TITLE DEFECT.

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

The acceptance of a deed by a Purchaser shall be deemed an acknowledgment that Sponsor has performed and discharged every agreement and obligation on the part of Sponsor to be performed under the Plan except those (if any) which may be expressly stated in the Plan, in the Purchase Agreement, in 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and in General Business Law Section 352-e to survive delivery of the deed.

The Sponsor represents that, until it no longer controls the Board of Managers, the Property will be maintained, repaired, cared for and operated in substantially the same condition and manner as it was on the date of the First Closing, subject to strikes, lockouts, labor difficulties, acts of God, fire or other casualty, storm, riots, insurrection, inability to obtain materials, equipment or labor, governmental restrictions or any other acts over which the Sponsor is reasonably unable to exercise control. If the Sponsor is prevented from so maintaining the Property for any of these reasons other than fire or other casualty, the Sponsor will make any repairs subsequent to the First Unit Closing that it was obligated to make as of the First Closing.

The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until a Purchaser takes possession of such Unit, at which time such risk shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Purchase Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the purchase price for the Unit. In such event, Sponsor shall be entitled to a reasonable

period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of the Condominium Board"), the Purchase Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return the Deposit, together with any interest earned thereon, to Purchaser, whereupon Sponsor and Purchaser shall be released and discharged from all obligations and liability under the Purchase Agreement and the Plan; provided, however, if Purchaser is then in default under the Purchase Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

Sponsor is obligated to provide only the equipment, fixtures and furnishings set forth in the "Description of Property and Building Condition" set forth in Part II of the Plan. If a person desiring to purchase a Unit requests that Sponsor perform special or additional work on such Unit or provide extra furnishings, including, but not limited to, any deviation from the materials or specifications described in the Description of Property and Building Condition set forth in Part II of the Plan, and Sponsor agrees to perform such work and/or provide such furnishing, then Sponsor may require such person to deposit an amount greater than the Deposit required under the Purchase Agreement. All funds received by Sponsor for such upgrades or extras will be placed in the non-interest bearing portion of the Master Escrow Account. Such funds may be released by Escrow Agent to Sponsor provided that Sponsor uses the funds for upgrades or extras. If such funds are released to Sponsor and the Purchaser is entitled to rescind the Purchase Agreement in accordance with the Plan, neither Sponsor nor the Escrow Agent shall return such funds to Purchaser.

SPONSOR SHALL IN NO WAY BE OBLIGATED TO PERFORM ANY SPECIAL OR ADDITIONAL WORK TO A UNIT OTHER THAN AS REQUIRED BY THE TERMS OF THE PLAN AND THE DESCRIPTION OF PROPERTY AND BUILDING CONDITION SET FORTH IN PART II OF THE PLAN.

Each Purchaser of a Unit shall be given a reasonable opportunity to examine his Unit prior to the Closing and is urged to make a careful inspection thereof. At the Closing, each Purchaser shall be required to sign and deliver to Sponsor an Inspection Statement in substantially the form set forth in Part II of the Plan wherein the Purchaser acknowledges the condition in which he has inspected his Unit. Under no circumstances shall any item included on an Inspection Statement constitute grounds for a Purchaser to postpone or otherwise delay the date scheduled for the Closing to his Unit or obligate Sponsor to escrow funds to secure the completion of such items.

In the event any mortgages encumbering the Property will not be satisfied at or prior to the First Closing, the holder of any such mortgage, will, at or prior to the First Closing, either (i) consent to the formation of the Condominium and acknowledge that its lien will be limited to Unsold Units; (ii) subordinate the lien of its mortgage to the Declaration; or (iii) release its lien on the Unit being conveyed and its interest in the Common Elements.

The following are the Permitted Encumbrances:

1. Building restrictions and zoning and other regulations, resolutions, ordinances, certifications and any amendments thereto now or hereafter adopted.

2. Any state of facts which an accurate survey or personal inspection of the Property would show, provided that any encroachments by the Unit upon adjoining Condominium Units or upon the

Common Elements, may remain undisturbed as long as they may stand and such state of facts would not render title to the Unit uninsurable.

3. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the By-Laws (and the Rules and Regulations made thereunder), the Power of Attorney from the Purchaser to the Condominium Board, and the Floor Plans as all of the same may be amended from time to time.

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

5. Any easement or right of use in favor of any utility company for construction, use, maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

6. Variation in measurements between tax map lines and record description.

7. Revocability of licenses for vault space, if any, under the sidewalks and streets.

8. Any easement or right of use required by Sponsor or its designee to obtain a temporary, permanent or amended Certificate of Occupancy for the Building or any part of same.

9. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property, and the rights of governmental authorities to require the removal of any such projections and variations.

10. Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

11. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, or vault charge, provided the same are adjusted at the closing of title.

12. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that the Sponsor shall pay all such assessments due prior to the Closing Date (with the then current installment to be apportioned as of the Closing Date) and the Purchaser shall pay all assessments due from and after the Closing Date.

13. Any declaration or other instrument affecting the Property which the Sponsor deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Building, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building.

14. Any encumbrance as to which Kensington (or such other New York Board of Title Underwriters member title insurance company which insures the Purchaser's title to the Unit), would be willing, in a fee policy issued by it to the Purchaser, to insure the Purchaser that such encumbrance (a) will not be collected out of the Unit if it is a lien or (b) will not be enforced against the Unit if it is not a lien.

15. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for dwelling purposes.

16. Any lease covering the Unit(s) made from the Sponsor to the Purchaser.

17. Any violation against the Property (other than the Unit) which is the obligation of the Condominium Board, or another Unit Owner to correct.

18. Standard printed exceptions contained in the form of fee title insurance policy then issued by the Title Company.

19. Any certificate of occupancy for the Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

20. Encroachment Agreement recorded in Liber 1451 cp 182.

21. Survey made by Angelo J. Fiorenza, Surveying, P.C., dated May 6, 2006, shows:

A four story reinforced concrete building:

Survey further shows:

Southerly wall of building on the record line of title.

Wooden fences vary with the southerly and westerly record lines of title.

Concrete wall on the westerly record line of title.

Concrete wall on the northerly record line of title.

Remains of a reinforced concrete foundation on the northerly record line of title.

Remains of a concrete foundation along the easterly record line of title.

Projections onto 47th Avenue:

Roll up gates	1'-6"
Roof Cornice	2'-0"
Sewer vent	0'-8"
Conduit	0'-4"
Lights	1'-0"
Oil fill	0'-6"
Scaffold	14'-6"

CLOSING COSTS AND ADJUSTMENTS

Closing Costs

As more particularly set forth in the Purchase Agreement, in addition to the Purchaser's legal fees, the Purchaser will pay the following estimated closing costs and expenses at the time of the Closing of Title of his Unit. Recording charges, fees, title costs and taxes are based on rates in effect on the date of the Plan and are subject to change without notice.

(a) A contribution to the Working Capital Fund of the Condominium in an amount equal to two (2) months' Common Charges then applicable to each Unit being purchased.

(b) If Purchaser elects to obtain fee title insurance, Purchaser will pay the premium therefore, which will vary depending upon the amount requested. If ordered from Kensington Title Agency, having an office at 276 Fifth Avenue, New York, New York 10001, (212) 561-6420 ("Kensington"), the premium will be calculated at a discounted rate of 70% of the standard fee policy rates in accordance with the following discounted rate schedule:

FEE BULK RATE SCHEDULE
(70% Rate)

AMOUNT OF INSURANCE	PREMIUM
First $35,000 or less	$281.00
From $35,001 to $50,000	$4.67 per Thousand
From $50,001 to $100,000	$3.80 per Thousand
From $100,001 to $500,000	$3.05 per Thousand
From $500,001 to $1,000,000	$2.79 per Thousand
From $1,000,001 to $5,000,000	$2.56 per Thousand
From $5,000,001 to $10,000,000	$2.28 per Thousand
From $10,000,001 to $15,000,000	$2.15 per Thousand
From $15,000,001 and up	$1.93 per Thousand

Note - The minimum Premium for a fee policy is $402.

(c) If Purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance from Kensington, the premium for the fee title insurance will be calculated as described in paragraph (a) above. The premium for the mortgage title insurance that does not exceed the fee policy will be calculated at a discounted rate of 21% of the standard mortgage policy rates in accordance with the following discounted rate schedule:

SIMULTANEOUS MORTGAGE BULK RATE SCHEDULE
(21% Rate)

AMOUNT OF INSURANCE	PREMIUM
First $35,000	$72.00
From $35,001 to $50,000	$1.17 per Thousand
From $50,001 to $100,000	$ .95 per Thousand
From $100,001 to $500,000	$ .77 per Thousand
From $500,001 to $1,000,000	$ .70 per Thousand
From $1,000,001 to $5,000,000	$ .64 per Thousand
From $5,000,001 to $10,000,000	$ .57 per Thousand
From $10,000,001 to $15,000,000	$ .54 per Thousand
From $15,000,001 and up	$ .49 per Thousand

A form of Unit Owner's Specimen Title Policy, if title insurance is ordered from Kensington is set forth in Part II of the Plan.

(d) A fee for recording the deed and Unit Owner's power of attorney, being $42.00 for each instrument plus $5.00 per page together with a fee of approximately $75.00 for filing the New York City Real Property Transfer Tax return ("City Tax Return").

(e) New York State Real Estate Transfer Tax ("State Transfer Tax") currently equal to $2 per $500 of purchase price plus, if applicable, a Special Additional Tax of 1% where the purchase price equals $1 million or more ("Mansion Tax") and the New York City Real Property Transfer Tax ("RPT Tax") currently equal to 1% of the purchase price where the purchase price is $500,000 or less and 1.425% of the purchase price where the purchase price is more than $500,000.

The New York City Department of Finance has taken the position that where the Purchaser of property assumes the obligation for the State Transfer Tax and the RPT Tax, the amount of the tax which would otherwise be payable if the seller were to pay such taxes, will be treated as additional consideration for the transaction subject to tax. Consequently, the amount of the RPT Tax is computed as follows:

	Purchase Price $500,000 or less	Purchase Price Greater than $500,000
Tentative City Tax:		
Consideration	$400,000	$ 600,000
Tax Rate	x 1%	x 1.425%
Tentative tax	$ 4,000	$ 8,550
Tentative State Tax:		
Net Consideration	$ 400,000	$ 600,000
Rounded to nearest $500	$ 400,000	$ 600,000
Tentative tax ($2 per $500)	$ 1,600	$ 2,400
City Tax:		
Consideration	$ 400,000	$ 600,000
Tentative taxes	+ 5,600	+10,950
Taxable Consideration	$ 405,600	$ 610,950
Tax Rate	x 1%	x 1.425%
City Tax	$ 4,056	$ 8,706
State Tax:		
Net Consideration	$ 400,000	$ 600,000
Tentative taxes	+ 5,600	+ 10,950
Taxable Consideration	$ 405,600	$ 610,950
Rounded to nearest $500		
Tax Rate ($2 per $500)	$ 406,000	$ 611,000
State Tax	$ 1,624	$ 2,444

Thus, the effective RPT tax rate is approximately 1.014% of the purchase price where the purchase price is $500,000 or less and 1.451% where the purchase price is greater than $500,000. A similar position has been taken by the New York State Department of Taxation and Finance and as a result the effective tax rate for the State Transfer Tax is $4.06 per thousand dollars of the purchase price for the Unit where the consideration is $500,000 or less and $4.074 per thousand dollars of the purchase price of the Unit where the consideration is greater $500,000. Payment by the Purchaser of the Mansion Tax is not considered additional consideration to Sponsor for purposes of the calculation of the State Transfer Tax. However, the amount of the State Transfer Tax and the RPT Tax paid by Purchaser will be added to the Purchase Price to determine whether the Mansion Tax is due.

Sponsor has been advised by the Title Company that the information set forth below reflects the current position of the New York City Department of Finance with respect to real property transfer taxes that are due and payable in connection with the transfer by a seller of one or more units to the same or related Purchasers, whether pursuant to one or more purchase agreements:

Purchase of a single Residential Unit.

- The tax on the Residential Unit is 1% if the consideration is $500,000 or less, or 1.425% if the consideration is greater than $500,000

Purchase of multiple Residential Units.

- The tax on each Residential Unit is 1.425% if the consideration is $500,000 or less, or 2.625% if the consideration is greater than $500,000

The Department of Finance takes the position that: (i) the lower tax rate (either 1% if the consideration is $500,000 or less, or 1.425% if the consideration is greater than $500,000) applies only in the case of a transfer of "an individual residential condominium unit"; and (ii) the higher tax rate (either 1.425% if the consideration is $500,000 or less, or 2.625% if the consideration is greater than $500,000) applies if a Purchaser acquires more than one individual residential condominium unit (i.e., two (2) Residential Units) or if the Unit is not a residential Unit. While Sponsor may sell one or more Units to a single purchaser, Sponsor does not intend, at this time, to sell more than one Unit "in bulk" to a Purchaser who intends to use the Units for investment purposes.

(f) If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of all mortgage recording taxes, mortgage recording fees, origination, appraisal and closing costs and other expenses in connection therewith (including legal fees) in amounts determined by governmental authorities and such lender. Currently, the mortgage recording tax for mortgages under $500,000 is 2.05% of the face amount of the mortgage and 2.175% of the face amount of the mortgage if the mortgage is $500,000 or more. Of the total tax due, the mortgagee pays an amount equal to 0.25% of the face amount of the mortgage. In addition, there is a $25 exemption for residential property. No representation or warranty is made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage loans from any sources.

In addition to the above-specified costs and expenses, a mortgage on a Unit may provide that the Unit Owner deposit monthly with the lender one twelfth ($1/12^{th}$) of the estimated annual real estate taxes and tax assessments which are assessed or will be assessed against the Unit, together with one twelfth ($1/12^{th}$) of the annual fire and casualty insurance policy premiums for the Unit, or other amounts, and, at Closing, Purchaser may be required to deposit with the lender a multiple of the aggregate of such one month's real estate taxes, tax assessments and insurance premiums, or other amounts, in order that sufficient funds will be available for the lender to pay the same when due.

(g) Fees payable to Sponsor's attorney, Gerstein Strauss & Rinaldi LLP, in accordance with the following schedule, all of which fees will be cumulative to the extent applicable to any individual closing:

(1) $1,750.00 for the preparation of closing documents, calculation of adjustments, attendance at Closing at the offices of Gerstein Strauss & Rinaldi LLP, or such other place as Sponsor may designate and supervision of execution of closing documents;

(2) If Purchaser requires that the Closing occur other than at the office of Gerstein Strauss & Rinaldi LLP, or such other place as Sponsor may designate, and Sponsor consents to such change, an additional attendance fee of $500.00 for each Closing held within Manhattan and $1,000.00 for each Closing held in any borough outside Manhattan.

(3) If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement, a fee of $750, payable in advance, for preparation of an assignment agreement.

(4) If through no fault of Sponsor, Purchaser fails to close on the date scheduled for Closing, then Purchaser shall pay to Gerstein Strauss & Rinaldi LLP, an additional fee of $500 for each rescheduled Closing to help defray the cost of preparing and coordinating the Closing and recalculating the Closing apportionments.

Purchaser may pay more than one fee pursuant to (g) above with respect to a Unit. In addition to an attendance fee in connection with a completed Unit transfer, Gerstein Strauss & Rinaldi LLP, shall also be entitled to an attendance fee in the amount set forth above if they attend a scheduled Closing but the Closing is adjourned due to Purchaser's failure to comply with Purchaser's closing obligations. In addition, more than one assignment fee shall be payable if Sponsor consents to more than one request.

(h) If Purchaser has dealt with any broker other than the Selling Agent or any other co-broker engaged in writing by Sponsor (and named in Purchase Agreement) in connection with his purchase, then Purchaser will be required to pay any commission due to such broker.

(i) If Purchaser obtains a mortgage loan, the Purchaser will pay Sponsor a sum equal to the partial mortgage recording tax credit to which Purchaser may be entitled pursuant to Section 339-ee(2) of the Condominium Act, which sum will be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with any existing mortgage(s).

All legal costs, fees and expenses of Gerstein Strauss & Rinaldi LLP, other than those specifically set forth above, will be the sole responsibility of Sponsor.

Illustration of Closing Costs

A numerical example for the typical closing costs and expenses for a Unit with a purchase price of $600,000.00 and no mortgage financing are set forth below. All tax rates, title insurance premiums and recording rates are subject to change.

Sample Closing Costs:
(By way of illustration only)

1.	Working Capital Contribution.....	Two months' common charges
2.	Title insurance for Fee	$2,041.00
3.	Recording and pick-up costs for deed and power of attorney (approximately).....	$250.00
4.	RPT	$8,707.00 (+ $50.00 filing fee)

5. State Transfer Tax $2,444.00

6. Mansion Tax ..... Not Applicable

7. Legal fee of Sponsor's attorney (for Closing, at the office of Sponsor's attorney)..... $1,750.00

8. Equalization and Assessment Filing Fee..... $50.00

Purchasers should note that adjustments for various closing items including common charges and real estate taxes will be made at Closing.

The foregoing projections assume that title insurance is purchased from Kensington and that Purchaser closes without delays or the imposition of penalties. If Purchaser obtains a mortgage loan Purchaser can expect to incur additional fees for mortgage title insurance (with benefit of simultaneous rates), mortgage recording taxes and fees and other closing fees set forth in Section (f) above. Purchasers are advised to consult with prospective lenders for a detailed projection of related financing costs.

In the event a construction or acquisition loan obtained by Sponsor satisfies certain parameters and Sponsor pays a mortgage recording tax thereon, it is specifically understood that any mortgage tax credit shall inure to the benefit of Sponsor. Accordingly, at Closing, each Purchaser may pay all or a portion of the mortgage recording tax directly to Sponsor to the extent of any mortgage tax credit allowed.

Closing Adjustments

At Closing, adjustments will be made as of midnight of the day preceding the Closing Date between Sponsor and each Purchaser with respect to (a) real estate taxes and assessments, if any (including water charges and sewer rents) on the basis of the period for which assessed. The adjustment for real estate taxes shall include any real estate taxes and water and sewer charges due and owing for the fiscal 1/2 year in which the closing occurs, (b) Common Charges and assessments for the month in which title closes and (c) accrued rent and any other charges pursuant to an interim lease or use and occupancy agreement, if any, covering Purchaser's Unit. In the event the Units have not been separately assessed for real estate tax purposes prior to the First Closing, Sponsor shall either (i) place in a special escrow account at Gerstein Strauss & Rinaldi LLP, or obtain a letter of credit or a surety bond, in an amount equal to the unpaid real estate taxes which will be payable with respect to the Property for the 6 month period following the First Closing, or (ii) pay the real estate taxes and assessments for such six (6) month period. For any period of time occurring after the fiscal 1/2 year in which the First Closing occurs, for which Sponsor has not paid or escrowed real estate taxes and assessments and until the Units are separately assessed and billed, each Unit Owner will pay to the Condominium his pro rata share (in the proportion that his Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes and assessments with respect to the Property. The Condominium will pay such taxes either to the New York City Department of Finance or directly to Sponsor if Sponsor has already paid real estate taxes for such period. If any Unit Owner fails to pay his pro rata share as set forth above, the Condominium will have a lien on such Unit for non-payment thereof, as if such charges were Common Charges. (See the Section of the Plan entitled "Rights and Obligations of Unit Owners--Common Charges: Collection and Lien for Non-Payment" for further details.) At such time as a Unit is separately assessed and separately billed, the Unit Owner will pay such taxes directly to the taxing authority.

If a Purchaser fails for any reason to close title to his Unit within ten (10) days of the Scheduled Closing Date, (a) the closing apportionments described above will be made as of midnight of the day preceding the Scheduled Closing Date, regardless of when the Actual Closing Date occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the

Purchase Agreement and the Plan, an amount equal to 0.03% of the purchase price of his Unit for each day starting from (and including) the Scheduled Closing Date to (and including) the day before the Actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the Scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to his Unit on the rescheduled Closing Date.

Except as specifically set out in the Plan, Sponsor must pay all costs and expenses incurred in connection with the promulgation and consummation of the Plan and the sale of Units by Sponsor, including, but not limited to, all selling expenses and commissions payable to Selling Agent for the sale of Units pursuant to the Plan, advertising, printing and architects' fees, the fees of Sponsor's attorneys, engineering and appraisal costs and governmental filing fees, whether incurred prior or subsequent to the effective date of the Plan, in connection with the obligations of Sponsor (see the Section of the Plan entitled "Rights and Obligations of Sponsor" for further details.)

RIGHTS AND OBLIGATIONS OF SPONSOR

Sponsor's Obligations with Respect to the Building

Sponsor shall have the following obligations and all Purchasers upon execution of their respective Purchase Agreements will be deemed to have accepted, approved and agreed to abide and be bound by the following:

(a) Sponsor reserves the right to make any changes in the proposed Condominium Documents and modifications to the Plans and Specifications or changes in the size or number of units or the amount or quality of common elements as may be necessary in Sponsor's sole discretion to conform to Law or to expedite the sale of the Unsold Units; provided, however, that unless an affected Unit Owner consents in writing, any such amendments, additions, or changes shall not materially and adversely affect a Unit Owner or Purchaser, increase any obligations of Unit Owners or Purchasers to any adverse and material degree and any substitution of equipment or materials will not be of lesser quality or design.

(b) Sponsor intends to sell, rather than rent, the Residential Units. It is also Sponsor's intent to sell the Residential Units in a reasonably timely manner. However, Sponsor cannot project and makes no representation that market conditions will permit the sale of all of the Residential Units or how long it will take to sell all of the Residential Units. Sponsor reserves the right to rent Residential Units, rather than sell Residential Units, if there is a decline in market values of at least 10% from the offering prices set forth in the Purchase Agreements counted towards declaring the Plan effective. Sponsor will place a mortgage on the Property, in the original principal amount of $8,000,000.00, which mortgage will secure a construction loan from TD Banknorth, N.A. All leases will be subject to the approval of TD Banknorth, N.A.

(c) The offering by Sponsor under the Plan is contingent upon the Plan being declared effective and the First Closing shall not occur until the Plan has been declared effective. The Plan may be withdrawn or abandoned by Sponsor for any reason whatsoever at any time prior to its being declared effective. (See the Section of the Plan entitled "Effective Date" for further details).

(d) Sponsor will perform such work and supply such materials, or will cause the same to be performed and supplied, as is necessary in order to complete the rehabilitation of the Building with a quality of construction comparable to the currently prevailing local standards and substantially in accordance with the Plans and Specifications for the construction work filed with the Building Department and other appropriate governmental authorities.

(e) Based upon its current construction schedule, Sponsor contemplates that, unless delayed by Force Majeure, the construction of the Building will be sufficiently completed to permit Closings of Units to begin on or about August 1, 2007. Prospective Purchasers should note, however, that the Units will be completed at differing times over a period that may likely extend significantly beyond such date. Purchasers will not be excused from paying their full purchase prices (without credit or set-off), and will have no claim against Sponsor for damages or losses, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to their Units is delayed or postponed by Sponsor. Notwithstanding the foregoing, if the First Closing does not occur within 12 months after August 1, 2007, Sponsor will offer all Purchasers, as their sole remedy, the right for at least fifteen days, to rescind their Purchase Agreements and receive a refund of the Deposit. In the event the actual or anticipated commencement date of the first year of condominium operation is to be delayed by six (6) months or more, beyond August 1, 2007, Sponsor will amend the Plan to include a revised budget with current projections. If the Unit Owner's Common Charges in the amended budget exceed those in the latest budget included in the Plan by 25% or more, Sponsor will, in the amendment disclosing such budget, offer all Purchasers the right, for at least 15 days, to rescind their Purchase

Agreements and receive a refund of their Deposits, together with any interest earned thereon (provided, however, that after the Plan has been declared effective and the amendment disclosing the same has been accepted by the Department of Law, a Purchaser who is in default under his Purchase Agreement, beyond the expiration of any applicable grace period, will not have the right to rescind).

(f) Sponsor is obligated to bear all costs and expenses incurred in connection with completing the construction of the Building substantially in accordance with the Plans and Specifications. During the course of construction, Sponsor retains the right, without prior notice to Purchasers or amendment to the Plan, to (i) change the Plans and Specifications and (ii) substitute equipment, appliances, fixtures or materials, and modify (including, but not limited to natural stone surfaces), layout or design, or change construction procedures provided, however that:

(i) Any materials (including, but not limited to natural stone surfaces), appliances, equipment and fixtures which Sponsor may substitute shall be of substantially equal or better quality or design;

(ii) Any construction procedures will not materially and adversely affect a Unit or the Building; and

(iii) Sponsor shall not materially change the size or location of the Units or Common Elements or adversely affect the value of any Unit to which title has closed or for which a Purchase Agreement is in effect, except as more specifically provided in the Section of the Plan entitled "Changes in Prices and Units".

(g) Upon the recording of the Declaration, Sponsor will deliver, assign, or otherwise grant to the Condominium Board, on behalf of all Unit Owners, the right to proceed under any assignable warranties and other undertakings received by Sponsor from contractors, suppliers, or others in connection with the construction and equipping of the Building, except that warranties and undertakings received by Sponsor which relate to appliances, equipment or fixtures located in any Unit shall be assigned to Purchaser of such Unit on the date of closing of title thereto, including the warranties and undertakings received by Sponsor which relate to appliances, equipment, or fixtures located in the Units and the Common Elements. In that warranties may start on the date the appliances, equipment or fixtures are delivered to the Building, Sponsor makes no representation as to which, if any, of the warranties and other undertakings will continue to remain in force upon the Closing of any particular Unit.

(h) It is Sponsor's obligation to ultimately obtain a permanent certificate of occupancy for the Building. If, as of the First Closing, only a temporary certificate of occupancy has been issued for the Unit, Sponsor will use all reasonable diligence to cause the Building Department to continuously renew the temporary Certificate of Occupancy until a permanent certificate of occupancy for all of the Units in the Building have been issued. Sponsor will, at its sole cost and expense, do and perform all work, and will supply for the Building all materials that shall be necessary in order to cause the temporary certificate of occupancy to be continuously renewed and to obtain a permanent certificate of occupancy. Sponsor shall not be responsible for delays in obtaining the permanent certificate of occupancy due to work undertaken in individual Units by Unit Owners. Prospective Purchasers are advised that a permanent certificate of occupancy is required for permanent use of the Building, and that a temporary certificate of occupancy may be renewed only for a total of 2 years from the date of first issuance.

(i) If Sponsor fails to obtain a permanent certificate of occupancy for the Building prior to the First Closing, Sponsor will be obligated to: (i) direct the Escrow Agent to hold and maintain those monies received pursuant to all Purchase Agreements (see the Section of the Plan entitled "Escrow and Trust Fund Requirements") which would otherwise be payable to Sponsor in the special trust account

required by the General Business Law of the State of New York, Sections 352-e(2)(b) and 352(h), provided, however, that if Sponsor's Architect, at any time after the First Closing, certifies that a lesser amount than the amount held in the special trust account is reasonably necessary to complete the work needed to obtain a permanent certificate of occupancy, then the amount exceeding the sum so certified by the Sponsor's Architect shall, from time to time, be released from the special escrow account to Sponsor; or (ii) Sponsor shall deposit with Escrow Agent cash or an unconditional, irrevocable letter of credit or post a surety bond in an amount Sponsor's Architect, from time to time, certifies is reasonably necessary to complete the work needed to obtain the permanent certificate of occupancy.

(j) Construction is a complicated process requiring the coordination of numerous tasks and the balancing of complex mechanical and architectural systems. During the first years of condominium operation, construction workers and related personnel will be at the Building from time to time making adjustments and performing various tasks relating to the completion of construction. Various systems, including but not limited to water supply, air conditioning, heating, ventilating and elevators, may require substantial time after any Closing to complete and may need to be shut down temporarily. Various other adjustments to windows and elevators and other systems may require substantial time after the Closing to be completed.

(k) Sponsor has no obligation to repair or improve the Unsold Units, the Common Elements or the Facilities used in connection with the operation of the Building except as otherwise expressly provided in the Plan. Sponsor agrees to complete construction of the Building and to cause all mechanics' liens with respect to the construction of the Building to be promptly discharged or bonded (all subject to Sponsor's rights to abandon the Plan).

(l) Each Unit and the fixtures and personal property contained therein, are being sold and delivered "AS IS", as described in the Plan, at the time of transfer of title to such Unit unless Sponsor and the Purchaser of such Unit otherwise agree in writing. The Purchaser of a Unit shall inspect such Unit prior to the Closing Date and shall execute at such time an Inspection Statement acknowledging the Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if a Purchaser finds that Sponsor's improvements as described in the Plan or in the Purchase Agreement for such Unit or other writing duly executed and delivered by Sponsor, have not been fully completed, although such improvements have been substantially completed, then Sponsor or its designated representative and the Purchaser will at the time of such execution agree upon and set forth in the Inspection Statement a list of the incomplete work to be completed in the Unit by Sponsor following the Closing for such Unit. Sponsor's obligation thereunder shall survive delivery of the deed to the Purchaser. The failure of Sponsor to complete such work shall not be a ground for the Purchaser to delay the closing. Sponsor and its contractors, subcontractors, agents and employees, will have a right of access to enter the Unit after closing in order to complete the work on the Inspection Statement.

(m) Article 36-B of the New York General Business Law ("Housing Merchant Implied Warranty Law") does not apply to this offering. Sponsor will correct, repair, or replace any and all defects relating to construction of the Building, or in the installation or operation of any appliances, fixtures, or equipment in a Unit or the Common Elements or will cause the same to be corrected, repaired, or replaced, but only if:

(1) such defects are due to substantially improper workmanship or construction practices or the use of materials that are substantially and materially at variance with the Plans and Specifications for the same; and

(2) Sponsor is notified of the same in accordance with the following, which notice shall be by certified mail, return receipt requested:

(i) with respect to any latent defect (that is, a defect that is not visually ascertainable) in the construction of a Unit, within eight (8) months of the earlier to occur of (a) first occupancy by Purchaser of such Unit, or (b) transfer of title to Purchaser of such Unit;

(ii) with respect to any latent defect in the construction of a Common Element, within six (6) months of the First Closing;

(iii) with respect to any patent defect in the construction of an Unit, within three (3) months of the earlier to occur of (a) first occupancy of such Unit by Purchaser, or (b) transfer of title to Purchase of such Unit, provided such patent defect is not caused by the use or misuse of the Unit Owner; and

(iv) with respect to any patent defect in a Common Element, within three (3) months of the First Closing, provided that such patent defect is not caused by a Unit Owner or any of its contractors, agents or invitees or by the management of the Building.

The method of correcting any defect will be selected by Sponsor in its sole discretion. The quality of construction as to any such correction will be comparable to local standards customary in the particular trade or trades involved and will be in accordance with the Plans and Specifications.

Sponsor will be conclusively considered to have discharged any obligation that it may have with respect to any defects, whether patent or latent, if:

a. Sponsor is not notified of the existence of such defect, in the manner and within the appropriate time period specified above;

b. The Condominium Board and/or the Managing Agent and/or the Unit Owner fails to allow prompt access to the Unit or Common Element in question by Sponsor or Sponsor's contractors; or

c. Sponsor has corrected, or caused the correction of, the defect in accordance with the practice of the industry, as determined by Sponsor's general contractor, architect, or engineer, in their sole judgment.

(n) Sponsor will not be obligated to correct, and will not be liable to the Condominium Board or any Unit Owner as a result of any defects in construction, or in the installation or operation of any mechanical equipment, appliances, other equipment, finishes, materials or fixtures (including appliances and bathroom fixtures):

(i) with respect to which assignable warranties or other undertakings (however denoted) from manufacturers, contractors, materialmen, or others which are assigned to the Condominium Board and/or any Unit Owner;

(ii) resulting from normal wear and tear, natural deterioration, normal settling, deflection, or shifting of the Building; or

(iii) that are not of a material nature, including, without limitation, the following:

a. death of trees or landscape improvements, cracks in roof ballast, or concrete cracks that do not impair the structural soundness of the Building, including cracks or discoloration in concrete used in walls and

paving, leaching or color variation in colored mortar, tiles, and brick, dimensional variations in brick joints, mortar droppings on bricks, ponding, and/or controlled drainage on roof and terrace surfaces, terrace tiles not laid flat, stained tiles, and cracks in pressure treated wood used, or intended for use, outside the Building, normal settlement and deflection or any consequential damage resulting therefrom, including, without limitation, cracks in any concrete roof pavers;

b. protruding dry wall fastenings, nail pops, ridging on gypsum board, slight variations in gypsum board, taping, ridging or cracking of sheetrock walls, minor painting imperfections, walls not square, lumber shrinkage, painting defects, electrical plates not straight, slight separation between base and floor, variations in floor and ceiling levels, carpet or floor discoloring or stretching, variations in width, length, thickness, finish, or color range of wood floors, ceiling imperfections, and stains, runs, lumps, shags, or imperfections in weave in fabric panels;

c. door or window sticking due to weather, door warpage (including warpage of the main entrance door to an Unit within reasonable tolerances of doors of similar size, weight and quality), adjustment of bi-fold or sliding doors, and air and water infiltration from windows in excess of industry standards;

d. variations in tone or color or finishes of natural stone or variations in tone or color of vanity tops or other natural stone surfaces, slight scratches in plastic laminate, vitreous china, natural stone, wood, stainless steel, or porcelain surfaces, discoloration to hardware and plumbing finishes, cracked bath tile grouting, variation in grouting thickness, and misalignment of bathroom finishes;

e. variations in wood floor stains and finishes caused by normal foot traffic during construction and sales periods, variations in width, length or tone of wood floor strips and normal shrinkage or expansion of wood flooring due to changes in moisture content of wood;

f. normal plumbing, heating, air-conditioning, ventilating, and floor noises and creaking;

g. repair of chips, scratches, masks, breaks, dents, cracks, and other defects in any windows and window sashes, sliding glass doors, shower doors, louvers, insulation attached to the curtain wall, electrical fixtures and globes, painted surfaces, sinks, tubs, basins, water closets, kitchen cabinets, backsplashes, and countertops, vanity tops and cabinets, tile or natural stone floors and walls, saddles, appliances, woodwork, millwork, doors, mirrors, and hardware, appliance cabinets and flooring; and

h. normal wear, including chips, to passenger elevator cabs, cab doors, elevator door frames, cab panels, apartment doors and apartment door frames.

i. subsequent to the Closing, paint touch-up, repairs of appliances or replacement of fluorescent light ballasts.

j. ponding and/or controlled drainage on the roof surface.

Notwithstanding the foregoing items listed in (a) through (j) above, Sponsor will be obligated to repair abnormal scratches not caused by the use of the Units by Unit Owners, in plastic laminate, vitreous china, natural stone, wood, porcelain and metallic surfaces by filing or refinishing the same. Sponsor will not be obligated to replace any such surfaces.

THE ITEMS AND CONDITIONS DESCRIBED ABOVE IN (N)(II) AND (N)(III)(A) THROUGH (J) ARE NOT DEFECTS AND MAY BE FOUND IN ANY RENOVATED AND NEWLY CONSTRUCTED BUILDING. PURCHASERS WHO PURCHASE A UNIT IN THE BUILDING OR IN ANY OTHER BUILDING MAY EXPERIENCE SOME OR ALL OF THESE ITEMS AND CONDITIONS IN THEIR UNITS OR THE COMMON ELEMENTS. SPONSOR HAS NO OBLIGATION TO CORRECT OR REPAIR ANY OF SUCH ITEMS AND CONDITIONS AND SHALL NOT BE LIABLE TO ANY PURCHASER OR CONDOMINIUM BOARD THEREFOR. IF PURCHASER OR CONDOMINIUM BOARD DESIRES TO CORRECT OR REPAIR ANY SUCH ITEMS OR CONDITIONS, TO THE EXTENT THEY CAN BE CORRECTED OR REPAIRED, THE PURCHASER OR CONDOMINIUM BOARD WILL HAVE TO PROCEED AT ITS SOLE COST AND EXPENSE AND/OR ANY WARRANTIES OR UNDERTAKINGS ASSIGNED TO IT BY SPONSOR.

(o) NOTHING CONTAINED IN THIS SECTION WILL BE CONSTRUED SO AS TO RENDER SPONSOR LIABLE FOR CONSEQUENTIAL DAMAGES (WHETHER BASED ON NEGLIGENCE, BREACH OF CONTRACT, BREACH OF WARRANTY, OR OTHERWISE), IT BEING INTENDED THAT SPONSOR'S SOLE OBLIGATION UNDER THIS SECTION WILL BE TO REPAIR OR REPLACE ANY DEFECTIVE ITEM OF CONSTRUCTION UPON, AND SUBJECT TO, THE TERMS AND CONDITIONS SET FORTH ABOVE. ADDITIONALLY, EXCEPT AS EXPRESSLY SET FORTH ABOVE, SPONSOR WILL HAVE NO OBLIGATION TO CORRECT OR REPAIR ANY OTHER DEFECTIVE OR OTHER CONDITIONS IN THE BUILDING (INCLUDING IN THE UNITS AND THE COMMON ELEMENTS) OR IN, OR WITH RESPECT TO, ITS INSTALLATIONS, APPARATUSES, FIXTURES, FINISHES, MATERIALS, AND APPURTENANCES. ASIDE FROM ANY SPONSOR WARRANTIES AND UNDERTAKINGS WITH RESPECT TO THE CONSTRUCTION AND REHABILITATION OF THE BUILDING CONTAINED IN THIS SECTION, NO OTHER WARRANTIES OR UNDERTAKINGS SHALL BE IMPLIED.

NOTWITHSTANDING THE ABOVE, SPONSOR IS OBLIGATED TO CONSTRUCT THE CONDOMINIUM IN ACCORDANCE WITH THE TERMS OF THE PLAN, THE PLANS AND SPECIFICATIONS AND APPLICABLE BUILDING CODES OF THE BUILDING DEPARTMENT.

(p) Except for those warranties or guarantees provided to Sponsor by contractors, manufacturers or suppliers, which Sponsor will assign to the Condominium Board and/or Unit Owners, as necessary, Sponsor does not make any warranty of any kind, express or implied, and Sponsor hereby disclaims any and all other warranties, including but not limited to, implied warranties of merchantability and fitness for a particular purpose, with respect to the construction of the Unsold Units and the Common Elements and with respect to the personal property located within the Unsold Units, the Common Elements, and the Unit Owners assume all risk and liability from the use of this property.

(q) Prior to the Closing of Title for each Unit, Sponsor will cause such Unit and its Common Interest, benefits, rights and easements as described in the Declaration and By-Laws to be released from the lien of any mortgages or security agreements encumbering the Unit (other than any mortgage or security agreements obtained by the Purchaser).

(r) Sponsor will bear all costs and expenses incurred by it in connection with the preparation of the Plan and all selling expenses and compensation payable to sales or other personnel of Sponsor.

(s) Sponsor will pay or cause to be paid all contractors, subcontractors and materialmen and all others involved in the construction and equipping of the Building in accordance with the New York Lien Law, for work performed and fixtures, material and equipment supplied or installed during construction thereof and will cause any and all mechanics' liens arising out of such construction and equipping, if any, to be discharged by bonding, or otherwise, promptly after the filing of any such liens.

(t) No Closing of an Unsold Unit will occur prior to the issuance of a temporary certificate of occupancy for the Unit. Sponsor will perform any work and/or supply any material necessary to obtain a permanent certificate of occupancy for the Unsold Units no later than the expiration of the temporary certificate of occupancy, unless extended.

(u) Sponsor shall have the obligation to defend any suit or proceeding arising out of Sponsor's acts or omissions or to indemnify the Condominium Board or Unit Owner(s) in any such action or proceeding.

(v) Sponsor will deliver to the Condominium Board copies of all of the mechanical, electrical and plumbing drawings for the Building.

(w) In accordance with Section 339-p of the Condominium Act, a registered architect or licensed professional engineer shall certify within reasonable tolerances that the Floor Plans are an accurate copy of portions of the plans of the Building as filed with and approved by the municipal or other governmental authority having jurisdiction over the issuance of permits for the construction of the Building and, in addition, such architect or professional engineer shall make periodic inspections at various stages of construction to determine that the Building are built in accordance with such plans.

(x) Sponsor will pay all Common Charges, special assessments and real estate taxes allocated to any Unsold Units in accordance with the provisions of the By-Laws. Sponsor expects to have the financial resources to meet the aforesaid obligations with respect to Unsold Units and to fund same from income from projected sales, the rental or leasing of Unsold Units and Sponsor's other financial resources. No bond or other security will be posted by Sponsor with respect to this obligation.

(y) Sponsor will initially procure on behalf of the Condominium Board the insurance relating to the Condominium which is required to be maintained by the Condominium Board in accordance with the provisions of the By-Laws the cost of which insurance has been reflected in the First Year's Budget (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" for further details).

(z) Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection, by prospective Purchasers and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such inspection for a period of 6 years from the date of the recording of the Declaration. In addition, a set of Floor Plans showing the layout, location and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's office when the Declaration is recorded, and an additional set will be furnished to the Condominium Board.

(aa) Sponsor is obligated to deliver to the Condominium Board all books of account and records pertaining to the Building's operation which are in Sponsor's possession on the First Closing.

(bb) In the event of the dissolution or liquidation of Sponsor or the transfer of 10 or more Units or 20% or more of the total number of Units in the Condominium, whichever is less, to a single Purchaser, the principals of Sponsor will provide financially responsible entities or individuals who will assume the status and all obligations of Sponsor for those Units under the Plan and Laws.

(cc) Following the issuance of a permanent certificate of occupancy, Sponsor will deliver construction documents to the Condominium Board.

(dd) The acceptance of a deed by a Purchaser shall be deemed an acknowledgment that Sponsor has performed and discharged every agreement and obligation on the part of Sponsor to be performed under the Plan except those (if any) which may be expressly stated in the Plan, in the Purchase Agreement, in 13 NYCRR, Part 20 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and in General Business Law Section 352-e to survive delivery of the deed.

Obligations of Sponsor hereunder with respect to the Building shall be enforceable by the Condominium Board on behalf of all Unit Owners. Obligations of Sponsor shall be enforceable by individual Unit Owners if either (i) the Condominium Board fails to take reasonable action to enforce such obligations within 120 days following the giving of notice of such claim by any Unit Owner to the Condominium Board or (ii) the applicable statute of limitations with respect to any claim by a Unit Owner which would otherwise be enforceable by the Condominium Board will expire during the aforesaid 120-day period.

Except as set forth above or as required by Law, Sponsor has not furnished any bond or other security for the performance of the obligations of Sponsor under the Plan. The ability of Sponsor to perform its obligations hereunder will partly depend upon its financial condition at the time it is called upon to perform. No representation can be made that it will be financially able to perform any or all of such obligations. Unless expressly provided to the contrary herein, the obligations of Sponsor under the Plan shall survive the delivery of the respective deeds to the Units to Purchasers.

In the event Sponsor is unable to perform its material obligations under the Plan, all sales will cease, Sponsor will promptly submit an amendment to the Plan setting forth its inability to perform such material obligations under the Plan, and will offer all Purchasers the right to rescind their Purchase Agreements within no less than 15 days after the Presentation Date of the amendment. Any Purchaser electing rescission pursuant to the offer will have their Deposit and any interest accrued thereon returned.

The foregoing sets forth the entire obligations of Sponsor hereunder and no others shall be implied, except that nothing contained herein shall be deemed to limit the rights of Unit Owners under their respective Purchase Agreements. Sponsor makes no representations or warranties other than as set forth in the Plan.

The terms of the Plan will govern in the event of a conflict between the Plan and any other document or advertisement used in connection with the Plan.

Use of Unsold Units

Sponsor reserves the right, without prior notice or amendment to the Plan, to use any Unsold Units as sales, rental offices and model apartments and in any other manner in compliance with Law. In the event Sponsor thereafter elects to sell any such Unsold Unit, Sponsor may require the Purchaser thereof to purchase all or any of the furnishings, equipment or decorations therein and pay, in addition to

the purchase price for such Unit, such amounts as Sponsor may determine. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model apartment imply or represent that any Unit will contain such furniture, furnishings, equipment or decorations upon delivery of the Unsold Unit to the Purchaser of the such Unit unless such Purchaser agrees to pay Sponsor an amount as determined by Sponsor in addition to the purchase price for such Unsold Unit.

Sponsor's Rights of Access

(a) General:

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

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

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

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

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

3. Right to show vacant or leased Units;

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

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

CONTROL BY SPONSOR

The Condominium Board shall initially consist of three (3) persons designated by Sponsor. Sponsor presently contemplates that the initial members of the Condominium Board shall be Tibi Zicherman, Martin Mandel and Eyal Shuster, who shall serve as President, Vice President and Secretary/Treasurer of the Condominium Board, respectively. Each of these individuals is a principal of Sponsor. Sponsor reserves the right to designate different individuals to serve on the initial Condominium Board, in lieu of the above mentioned individuals. The initial Condominium Board shall conduct all affairs of the Condominium until the first annual meeting of Unit Owners to be held within approximately 30 days after the earlier to occur of: (a) the first anniversary of the First Closing under this Plan, or (b) the date Sponsor has closed title to Residential Units with Purchasers with respect to at least 90% of the aggregate Common Interest appertaining to all Residential Units.

Commencing with the first annual meeting of Unit Owners, but subject to the provisions of the following two (2) paragraphs, the Condominium Board shall consist of five (5) persons.

At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests attributable to the Units owned by Sponsor as it sees fit. However, at elections of members to the Condominium Board held during the Initial Control Period, (that is, the period ending on the earlier of (a) the closing of title with Purchasers under the Plan to Residential Units having at least 90% of the aggregate Common Interest appertaining to all Residential Units, or (b) five (5) years after the First Closing) Sponsor will have the right to designate three (3) of the five (5) Members of the Condominium Board and all Residential Unit Owners (including Sponsor) shall have the right to vote for the remaining Members of the Condominium Board.

Within thirty (30) days after the end of the Initial Control Period, (that is, the period ending on the earlier of (a) the closing of title with Purchasers under the Plan to Residential Units having at least 90% of the aggregate Common Interest appertaining to all Residential Units, or (b) five (5) years after the First Closing) three (3) of the five (5) Members of the Condominium Board designated by Sponsor shall resign and their replacements shall be filled at an election held at a meeting called for such purpose, at which election the resignations shall take effect. The By-Laws provide that any Condominium Board elected after the end of the Initial Control Period must contain a majority of members, not related to the Sponsor and its Principals, who are either Unit Owners who occupy their Units or are adult family members of Unit Owners who occupy their Units.

Notwithstanding the foregoing, so long as Sponsor shall continue to own at least one (1) Unsold Residential Unit, Sponsor shall have the right to designate one (1) Member to the Condominium Board, and shall have the right to vote its Common Interests attributable to the Unsold Residential Units for the remaining Residential Members of the Condominium Board.

The number of members of the Condominium Board may not be increased or decreased without the consent of Sponsor for so long as Sponsor continues to own at least one (1) Unsold Residential Unit.

Until Sponsor no longer elects a majority of the members of the Condominium Board, Sponsor will through its control of the Condominium Board have control of the maintenance and operation of, and the services to be provided by, the Condominium and will determine the Common Charges to be paid by all Unit Owners.

Until Sponsor has conveyed title to all the Units, but in no event later than 5 years after the First Closing, whichever shall first occur, the Condominium Board may not take any of the following actions without Sponsor's prior written consent (notwithstanding the number of votes Sponsor controls): (a) make any addition, alteration or improvement to the Common Elements or to any Unit unless the same are required by Law, or (b) assess any Common Charges or Special Assessments for the creation of,

addition to, or replacement of, all or part of a reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees initially employed for the Condominium, or (d) enter into any service or maintenance contract for work or otherwise contract for work or services not covered in the First Year's Budget, except as is required to reflect normal annual increases in operating services, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in items (a) through (f) above, if, and only if, the performance of such function or the carrying out of such action is necessary and no other alternative is available to enable the Condominium Board to comply with Law or to remedy any notice of violation or perform any work order of the Condominium's insurer. Sponsor shall not exercise veto power over the expenses described in Schedule B or expenses required to enable the Condominium Board to comply with Law, or to remedy any notice of violation or perform any work order of the Condominium's insurer.

Sponsor's Right to Perform Alterations

Sponsor (and its successors, assigns and designees) shall have the right to alter any Unit, Common Element or Limited Common Element subject to filed amended plans and/or specifications, and consistent with the terms of this Plan.

CONDOMINIUM BOARD

The affairs of the Condominium shall be governed by the Condominium Board. The term of office of the members of the Condominium Board shall be for 1 year or until their successors are elected. Members of the Condominium Board shall serve without compensation. Any member of the Condominium Board may resign at any time by written notice hand delivered or sent by certified mail, return receipt requested, to the President or Secretary of the Condominium Board. Notwithstanding the term of such member's office, such resignation shall take effect at the time specified therein.

All officers, and members of Condominium Board and employees of the Condominium will be insured at all times from and after the First Closing under directors and officers liability insurance obtained by the Condominium. The amount and cost of the insurance has been provided for in the First Year's Budget. As provided in the By-Laws, no member of the Condominium Board or officer of the Condominium shall have any personal liability to the Condominium or to any Unit Owner, except that a member of the Condominium Board shall be liable for such members' own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and appurtenant Common Interests, indemnify each member of the Condominium Board against any liability or claim except those arising out of such members' own bad faith or willful misconduct. See Section 2.20 of the By-Laws of the Condominium for further details pertaining to the indemnification of the members of the Condominium Board.

The President of the Board may call a special meeting of the Condominium Board whenever he deems the same to be necessary or desirable. The President shall call a special meeting upon the written request of three (3) or more members of the Condominium Board.

Composition of the Condominium Board

Until the first annual meeting of the Unit Owners, the Condominium Board shall consist of three (3) individuals, all of whom shall be designated by Sponsor. From and after the first annual meeting of the Unit Owners, and for so long as Sponsor continues to own at least one (1) Unsold Residential Unit, the Condominium Board shall consist of five (5) individuals.

Except for Board members designated by Sponsor, all members of the Condominium Board shall be (i) individual Residential Unit Owners or adult Family Members; or (ii) Permitted Mortgagees; or (iii) officers, directors, shareholders, partners, principals, employees or beneficiaries of corporation, partnerships, fiduciaries or other entities that are Residential Unit Owners or Permitted Mortgagees. No Unit Owners may serve on the Condominium Board if the Condominium Board has a perfected lien against such Unit Owner's Unit.

When voting for the Condominium Board, each Residential Unit Owner shall have one (1) vote for each .0001% of Common Interest attributable to his Residential Unit per member of the Board. Cumulative voting is not permitted. For all other voting, each Residential Unit owner shall be entitled to cast one (1) vote for each one (1) percentage of Common Interest attributable to his Residential Unit.

The By-Laws provide that any Condominium Board elected after the end of the Initial Control Period must contain a majority of members, not related to the Sponsor and its Principals, who are either Unit Owners who occupy their Units or are adult family members of Unit Owners who occupy their Units.

Removal of Board Members

An elected member of the Condominium Board may be removed with or without cause by an affirmative vote of a majority of Unit Owners (as defined in the By-Laws) who are present at a meeting

containing a quorum of Unit Owners. Members of the Condominium Board designated by Sponsor may only be removed for cause by an affirmative vote of a majority of Unit Owners. Any Sponsor designated member so removed shall be replaced by Sponsor. No member of the Condominium Board shall continue to serve on the Condominium Board if, during his term of office, such member shall cease to be a Unit Owner or an interested party as described in the By-Laws; provided, however, that this provision respecting Unit ownership and Condominium Board membership shall not apply to members of the Condominium Board designated or elected by Sponsor.

Upon the affirmative vote of a majority of the members of the Condominium Board, any officer may be removed with or without cause. A successor officer may be elected at any regular Condominium Board meeting or at any special Condominium Board meeting called for such purpose.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS

Sales and Leases of Units

Each Residential Unit Owner may sell or lease his Residential Unit for terms of one (1) year or more provided he ("Offering Unit Owner") first gives the Condominium Board, on behalf of all Residential Unit Owners, notice of his intention to sell or lease such Residential Unit and an opportunity to purchase or lease such Residential Unit at the same price or rental and on the same terms as were offered in good faith by a prospective Purchaser or lessee, as more specifically provided in the By-Laws. The Condominium Board may not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by Law. If the Condominium Board does not elect to purchase or lease the Residential Unit within 30 business days after receipt of notice, the Offering Unit Owner will have an additional 60 days to enter into a written agreement with the prospective Purchaser or lessee, as the case may be, embodying the terms set forth in such notice. In the event such written agreement is not fully-executed within such 60 day period or such sale or lease is not consummated within an additional 60 days following the expiration of such 60 day period, the Offering Unit Owner will be required to again first offer the same to the Condominium Board (but not more than once in any twelve (12) month period). The Condominium Board shall be entitled to waive, or to permit an extension of, either or both of such 60 day periods. The Condominium Board may not exercise its option to purchase or lease any Residential Unit without prior approval of a majority in interest of Residential Unit Owners. Any such deed given by an Offering Unit Owner shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time. Any such lease shall be consistent with the By-Laws and shall provide that it may not be materially modified, amended, or extended without the prior consent in writing of the Condominium Board, that the tenant shall not assign the lease or sublet the Residential Unit or any part thereof without the prior consent in writing of the Condominium Board, and that the Condominium Board, if permitted by Law, shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. The form of any such lease shall be a printed, reasonably applicable form of residential lease which is generally accepted in New York City such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, except for such changes therein as provided in the By-Laws.

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

A Residential Unit Owner may (i) lease, sell or convey the Residential Unit to a spouse, adult child or grandchild, parent, grandparent or adult sibling, (ii) convey his Residential Unit by gift, (iii) devise his Residential Unit by will, or have it pass by intestacy, without complying with the foregoing restrictions; provided, however, that each succeeding Residential Unit Owner shall be bound by, and his Residential Unit shall be subject to, the preceding restrictions. In addition, any Residential Unit Owner may lease, sell or convey the Unit to a related or controlled individual or entity, as more particularly set forth in the By-Laws.

The restrictions upon the sale and lease of Units shall not apply to Sponsor with respect to any Unsold Units, or to Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure, and they shall be free to sell or lease without first offering to sell or lease to the Condominium Board.

A Unit Owner may only sell or lease his entire Unit. In addition, each conveyance of a Unit by a Unit Owner shall include, as part of the property to be conveyed, such Unit Owner's undivided interest in (a) the Common Elements, (b) the Limited Common Elements (in case of a Residential Unit only); (c) any Unit or Units acquired by the Condominium Board on behalf of all Unit Owners, or any proceeds of

the sale or lease thereof; and (d) any other assets of the Condominium. No part of the Unit Owner's interest in the Common Elements may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit or as part of a sale, transfer or other disposition of the specific interest in the Common Elements by all affected Unit Owners.

A Unit may not be sold or leased unless all unpaid Common Charges and liens against such Unit (other than Permitted Mortgages) are paid and/or satisfied at or prior to the sale or lease of the Unit. In addition, the Condominium Board may establish reasonable fees for the processing of sale and lease notices, which shall be payable by the Offering Unit Owner.

Notwithstanding anything contained herein to the contrary, prior to the Closing of Title to a Unit, the Purchase Agreement prohibits a Purchaser from listing such Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease, without Sponsor's prior written consent.

Units Acquired by Condominium Board

All Units acquired or leased by the Condominium Board or its designee shall be held by the 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 be assessed against all Unit Owners. No Units held by the Condominium Board shall carry any voting rights.

The purchase of any Unit by the Condominium Board on behalf of the Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Condominium Board. If the funds in such account are insufficient to effectuate any such purchase, the Condominium Board may levy an assessment against each Unit Owner in proportion to his Common Interest, as a Common Charge and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit; provided, however, that financing may only be obtained when permitted by the By-Laws and that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its Common Interests.

Use of Units

A Residential Unit shall be used as a residence. Not more than one family may occupy a Unit at one time and no transient tenant may be accommodated in any Residential Unit.

A Residential Unit owned or leased by an individual, corporation, partnership, fiduciary or any other entity (including, but not limited to, embassies and consulates of foreign governments) may only be occupied by such individual, an officer, director, stockholder or employee of such corporation, a partner or employee of such partnership, the fiduciary or beneficiary of such fiduciary, a principal or employee or such other entity, respectively, or by members of the immediate family or guests of any of the foregoing. A Residential Unit may be used for any other lawful purpose, provided such use is permitted by, and complies with Law, does not violate the then existing certificate of occupancy covering the Building, and the Condominium Board, in its sole discretion, grants permission for such use.

Notwithstanding the preceding paragraph, Sponsor may, without the permission of the Condominium Board: (a) use or grant permission for the use of any Unsold Residential Unit as a professional office or for any other purpose, provided such use is permitted by and complies with Law and such use does not violate the then existing certificate of occupancy covering the Building; and (b) retain ownership of one or more Unsold Residential Units for use as models and sales and/or promotion and/or leasing offices in connection with the sale or rental of other Unsold Units.

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

No nuisance, immoral, improper, offensive or unlawful use shall be allowed in the Building. All Laws shall be complied with at the sole expense of the respective Unit Owners or the Condominium Board, whoever or whichever shall have the obligation to maintain or repair such portion of the Property.

No awnings, air conditioning equipment or ventilators shall be installed or modified in the Building without prior written approval of the Condominium Board. No radio or television aerial or other similar device shall be erected on the roof or exterior walls of the Building or on the Property, without obtaining in each instance the written consent of the Condominium Board.

No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition) may be kept in a Residential Unit without the consent of the Condominium Board. Each Unit Owner who keeps any type of pet in his Unit 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 Rules and Regulations of the Condominium Board adopted with respect thereto.

Each Unit Owner shall keep his Unit in a good state of preservation and cleanliness and each Unit Owner shall be obligated to maintain and keep in good order and repair his own Unit in accordance with the provisions of the By-Laws and Law. The Rules and Regulations concerning the use of Units may be amended from time to time by the Condominium Board provided that copies thereof are furnished to each Unit Owner prior to the time that they become effective (except that no amendment thereof affecting the Unsold Units may be made unless agreed to by Sponsor).

Mortgage of Units by Unit Owners

Each Unit Owner may mortgage his Unit, provided that the conditions with respect thereto set forth in the By-Laws are first complied with. As more fully set forth in the By-Laws, these conditions include the requirements that (a) the mortgage be substantially in the form used by any Institutional Lender except for such changes or additions as may be required to permit a lender to make the loan, (b) the Condominium Board is notified in writing of the making of such mortgage and receives a conformed copy of the note and mortgage and (c) the owner making such mortgage first satisfies all unpaid liens against his Unit, other than Permitted Mortgages. Sponsor shall have the right to mortgage any Unsold Unit without any restriction or limitation.

As more particularly set forth in the Section entitled "Amendments to Condominium Documents", in certain instances the consent of the Mortgage Representative is necessary in order to amend the Declaration, By-Laws or Rules and Regulations. The By-Laws provide that no more than 3 Residential Mortgage Representatives shall be designated by the holders of mortgages (a) which satisfy the conditions set forth in the By-Laws (as described above) and (b) which holders of such mortgages are (i) Sponsor, (ii) a bank, trust company, insurance company, real estate investment or mortgage trust or (iii) a governmental or union employee, welfare, pension or retirement fund or system.

Common Charges: Determination and Assessment

Common Expenses, which are payable by Unit Owners and are included in their Common Charges, are allocated among Unit Owners in proportion to their respective Common Interests. Common Expenses include, among other things, (a) all costs and expenses (including the payment of wages) in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements, (b) water charges and sewer rents in connection with the Building; (c) real estate taxes and assessments levied with respect to the Property (until the same are

separately assessed to individual Units); and (d) amounts for certain other items as the Condominium Board may deem proper, such as amounts for reserves or in connection with the purchase or lease by the Condominium Board of any Unit. (See Article 6 of the By-Laws for further details pertaining to the Condominium Board's right to accumulate reserves for capital expenditures). The Condominium Board must obtain the consent of 66 2/3% of the aggregate Common Interest of all Unit Owners in connection with capital expenditures exceeding $500,000.

The Common Interests of the Units have been allocated based upon floor space, subject to 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 in accordance with Section 339-i(1)(iv) of the Real Property Law of the State of New York.

At least annually, the Condominium Board will prepare a budget for Common Expenses and allocate, as aforesaid, and assess among all Unit Owners, Common Charges to meet Common Expenses.

The Condominium Board will furnish copies of each budget on which Common Charges are based to all Unit Owners and advise such Unit Owners of the amount of Common Charges payable by them. Unless otherwise determined by the Condominium Board, Common Charges will be payable monthly in advance on the first day of each month.

Set forth in Part II of the Plan is a copy of §339-kk of the Real Property Law of the State of New York, which provides, among other things, for the ability of the Condominium to serve a notice to any tenant occupying a Unit to pay its rent directly to the Condominium if the Unit Owner has failed to pay Common Charges, assessments or late fees for such Unit within 60 days after the expiration of any grace period.

Common Charges: Collection and Lien for Non-Payment

Under the provisions of Section 339-z of the Real Property Law of the State of New York and the By-Laws, the Condominium Board, on behalf of all Unit Owners, will have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit in proportion to the respective Common Interests of the Units. All such liens, however, to the extent permitted by Law, will be subordinate to the lien of any first Permitted Mortgage of record and to liens for real estate taxes on the particular Unit. Any lien for unpaid Common Charges against a Unit will be effective from and after filing of a verified notice thereof in the Register's Office until all sums secured thereby with interest accrued thereon shall have been fully paid, or until 6 years from the date of filing (unless foreclosure of such lien is started within such 6 year period), whichever shall occur sooner. The By-Laws provide that such liens may be foreclosed by a suit brought in the name of the Condominium Board (acting on behalf of all Unit Owners) in like manner as the foreclosure of a mortgage on real property or an action may be brought by the Condominium Board to recover unpaid Common Charges without foreclosing such lien. In addition, the Condominium Board may assess Unit Owners a late charge of $150 per month for Common Charges which remain unpaid for more than 10 days after the date when due, and interest at the rate of 1.5% per month of such unpaid amounts (less any "late charges" theretofore collected), plus all expenses of collection, including but not limited to reasonable attorneys' fees. Sponsor obligates itself to cause any members of the Condominium Board related to or affiliated with Sponsor to vote in favor of filing a lien as provided for in Section 339-aa of the Real Property Law against any Unsold Units owned by Sponsor with respect to which payments of Common Charges have not been made within 30 days after the date when due.

No Unit Owner may exempt himself from liability for his Common Charges by waiving use of any of the Common Elements or by abandonment of his Unit. No Unit Owner, however, will be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to a permissible

sale, transfer or other conveyance by him of such Unit. In addition, as more specifically set forth in the By-Laws, a Unit Owner may, by conveying his Unit without consideration to the Condominium Board and complying with certain conditions in connection therewith, exempt himself from Common Charges thereafter accruing. Such conditions include the payment of all Common Charges and assessments then due and payable with respect to his Unit and such Unit being free and clear of all liens and encumbrances other than Permitted Mortgages. However, in no event shall Sponsor be permitted to convey any Unsold Unit to the Condominium Board and thereby exempt itself from Common Charges attributable to such Unit thereafter accruing, unless: (i) the aggregate Common Interests appertaining to the Unsold Units constitutes 15% or less of the total Common Interests then appertaining to all Units; (ii) at least 5 years have elapsed from the date of the First Closing; and (ii) at the time of conveyance, Sponsor shall pay the Condominium Board a sum equal to the product of the then current monthly Common Charges for the Unsold Units being conveyed multiplied by 24.

On a resale of a Unit, the Purchaser thereof will be liable for the payment of Common Charges accrued and unpaid against such Unit prior to his acquisition. Prior to the permissible sale, transfer or other conveyance of a Unit, any seller or Purchaser of a Unit shall be entitled to a statement from the Condominium Board, setting forth the amount of the unpaid Common Charges accrued against the Unit and neither such seller nor such Purchaser shall be liable for, nor shall the Unit be conveyed subject to a lien for, any unpaid Common Charges against such Unit accrued prior to such conveyance in excess of the amount set forth in such statement. In the event of a foreclosure by the Condominium Board of its lien on any Unit for unpaid Common Charges, if the net proceeds of the foreclosure sale shall be insufficient for the payment of such unpaid charges or if a Unit is acquired by a mortgagee or Purchaser in foreclosure, the Unit Owner will remain liable for the unpaid balance. Neither (a) a Permitted Mortgagee acquiring title to a Unit at foreclosure sale nor (b) a Purchaser at a foreclosure sale shall be liable, and the Unit shall not be subject to a lien, for the payment of the Common Charges assessed prior to the acquisition of title to such Unit by such Permitted Mortgagee or Purchaser. However, such Permitted Mortgagee or Purchaser at a foreclosure sale shall be liable for payment of all Common Charges after the acquisition of title to such Unit. The Condominium Board will have the right to assess such unpaid balance as a Common Charge among all Unit Owners.

Repairs to and Maintenance of Units and Common Elements

Generally, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, (a) in or to any Unit (other than to the Common Elements), including the heating and cooling systems, the plumbing, appliances in the Units and the interior side of entrance doors thereto, will be made by the owner of such Unit at such Unit Owner's sole cost and expense, (b) in or to the Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a Common Expense; and (c) in or to the Limited Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to all Residential Unit Owners as a Residential Common Expense, if involving structural or extraordinary maintenance, repair or replacement, or by the Residential Unit Owner having direct and exclusive access thereto at such Residential Unit Owners cost and expense, if involving painting, decorating, and non-structural ordinary maintenance, repairs and replacement.

Notwithstanding the above, all normal maintenance, repairs and replacements of any private terrace and balcony, Cabana and Storage Room shall be made by the Residential Unit Owner having access to same, at his own cost and expense, but any structural or extraordinary repairs or replacements to such private terrace and balcony, Cabana and Storage Room (including any leaks which are not caused by the negligence of the Residential Unit Owner having access to the same) will be made by the Condominium Board and the cost and expense thereof will be charged to all Residential Unit Owners as a Residential Common Expense. Any Unit Owner having access to a private terrace and/or balcony from their Residential Unit shall keep it free of snow, ice and accumulation of water. In order to promote a

consistent appearance of the Building from the outside, no Unit Owner shall be allowed to enclose or erect a greenhouse and/or alter a terrace and/or balcony appurtenant to a Unit in such a way that will alter the exterior or conformity of the Building, without the prior written consent of the Condominium Board. Additionally, the type, size and quantity of plantings and other installations to be placed on terraces and/or balconies shall be subject to the prior written approval of the Condominium Board.

The exterior and interior glass surfaces of all windows located in any Residential Unit shall not be colored or painted and are to be washed and cleaned by the Unit Owner at such Unit Owner's sole cost and expense. Any replacement of glass windows in any Unit because of breakage or otherwise shall be made by the Unit Owner thereof at the sole cost and expense of the Unit Owner (unless such breakage is caused by the Condominium Board or the negligence of any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such other Unit Owner).

If any repairs or replacements to the Common Elements, whether structural or non-structural, ordinary or extraordinary, are necessitated by the negligence, misuse or abuse of a Unit Owner or such Unit Owner's agents, workers, guests, etc., such maintenance, repairs or replacements will be made by the Condominium Board, and any portion of the cost thereof which is not covered by the insurance maintained by the Condominium Board shall be paid by such Unit Owner.

The By-Laws provide that each Unit and all portions of the Common Elements shall be kept in first-class condition (and with respect to any roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof. In the event any Unit Owner fails to keep his Unit in such condition, the Condominium Board may, at the expense of such Unit Owner, enter such Unit and perform such acts as are necessary to cure such default. (See the sub-section entitled "Rights of Access" for further details.)

The By-Laws further require that those public or other areas of the Building exposed to public view that are required to be maintained by each Unit Owner or the Condominium Board, be kept in good appearance in conformity with the dignity and character of the Building by such Unit Owner or the Condominium Board.

Alterations, Additions and Improvements to Units and Common Elements

No Residential Unit Owner may make any structural alteration, addition, improvement or repair in or to his Residential Unit or its appurtenant Limited Common Elements, if any, without the prior written approval of the Condominium Board but, as more fully set forth in the By-Laws, this provision does not apply to an Unsold Unit. Except as otherwise permitted in the By-Laws, no Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without the prior written approval of the Condominium Board.

Sponsor shall have the right, without the approval of the Condominium Board, the Selling Agent, the Managing Agent, other Unit Owners, or representatives of holders of Mortgages on Units to: (a) make alterations additions, improvements, or repairs in or to any Unsold Unit, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and (b) subdivide, combine and change the boundary walls of Unsold Units (See the Section of the Plan entitled "Changes in Prices and Units" for further details.)

Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Unit, or its appurtenant Limited Common Elements the Condominium Board shall have the right to reasonably approve the Unit Owner's contractors and suppliers and may, at its option, require the Unit Owner to execute an agreement in form and substance

satisfactory to the Condominium Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done. Any Unit Owner making or permitting an alteration, addition, improvement or repair in its Unit, or its appurtenant Limited Common Elements is required by the By-Laws to (i) obtain the consent of the Condominium Board if relating to structural alterations, additions, improvements and/or repairs, (ii) obtain such insurance as the Condominium Board may require, (iii) indemnify the Condominium Board and the Managing Agent against any liability arising from the work, (iv) reimburse the Condominium Board for any architectural, engineering and legal fees incurred in connection with such work, and (v) execute an agreement prepared by the Condominium Board setting forth the terms and conditions under which such alterations may be made.

Any contractor performing work shall not employ any personnel or means that may cause labor disturbances or stoppage in the work of Building employees or other contractors or subcontractors employed in the Building.

No application or other document shall be filed with any governmental authority for a permit covering an addition, alteration or improvement to be made in a Unit, unless approved and executed, if necessary, by the Condominium Board. The Condominium Board will not unreasonably refuse to approve and execute, if necessary, any application or other document required to be filed in connection with approved structural alterations, additions, improvements or repairs, provided that the Condominium Board and the Unit Owners shall not be subject to any expense or liability by reason of such approval and execution or, by reason of such addition, alteration or improvement, including, without limitation, liability to any contractor, subcontractor, materialman, architect or engineer, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to an Unsold Unit, provided any alteration to such Unit shall be in accordance with, and only as permitted by, the Condominium Act and Law.

Generally, all alterations or improvements in or to the Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as Common Expenses.

Insurance

The Condominium Board is not required to obtain or maintain any insurance with respect to any property contained in a Unit or personal injury occurring in a Unit. Consequently, individual Unit Owners are strongly urged to consider obtaining casualty insurance with respect to the fixtures, furniture, furnishings and other personal property located within their respective Units and liability insurance with respect to occurrences in or about their respective Units. If available, the insurance obtained by a Unit Owner should contain a waiver of subrogation clause. (See section entitled "Rights and Obligations of Condominium Board for a more detailed discussion of Insurance.)

Rights of Access

As more fully set forth in the By-Laws, the Condominium Board and any managing agent, manager, superintendent and other persons authorized by the foregoing, will have a right of access to any Unit or Limited Common Element for the purposes of making inspections of the Common Elements, performing installations, alterations or repairs or replacements to the mechanical or electrical services or other Common Elements in the Unit or elsewhere in the Building, to remove violations, cure defaults by a Unit Owner, correct any condition originating in any Unit and threatening another Unit or any Common Element, and for any other purposes provided in the Plan, Declaration or as may be required by Law, provided that requests for entry (except in emergency situations) are made in advance and that any such entry (except in emergency situations) is at a time reasonably convenient to the Unit Owner and the

occupants of any Unit. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Provided reasonable care is exercised to safeguard the Unit Owner's property, any entry described herein shall not render the Condominium Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. In addition, Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for purposes of performing certain alterations and repairs in or about Unsold Units and in fulfilling Sponsor's obligations under the Plan, provided that access to any Unit may not be exercised in such a manner as will unreasonably interfere with the use of such Unit for its permitted purposes.

By-Laws and Rules and Regulations

Each Unit Owner must strictly comply with the provisions of the Condominium Documents. Pursuant to Section 339(j) of the Condominium Act, failure to comply is grounds for an action for damages or injunctive relief, or both, but such forms of relief shall not be exclusive of other remedies provided by law. The By-Laws, together with the Rules and Regulations, will be recorded with the Declaration in the Register's Office.

Examination of Books and Records

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

Self-Help

In the event that any Unit Owner fails to maintain or repair his Unit or any Limited Common Elements appurtenant to such Unit, if any, or in the event of any breach of the Condominium Documents, then, as set forth in Article 9 of the By-Laws, the Condominium Board shall have certain rights to perform such maintenance or repairs, or to cure such breach, at such Unit Owner's expense.

RIGHTS AND OBLIGATIONS OF THE CONDOMINIUM BOARD/ SUMMARY OF BY-LAWS

Condominium Board

The affairs of the Condominium shall be governed by the Condominium Board, which shall initially be comprised of three (3) persons designated by Sponsor. The first annual meeting of Unit Owners shall be held within approximately 30 days after the earlier to occur of: (i) the first (1st) anniversary of the First Closing or (ii) the date Sponsor has closed title to Residential Units with respect to at least 90% of the aggregate Common Interest appertaining to all Residential Units. At such meeting, the incumbent Condominium Board shall resign and, subject to the rights of Sponsor to designate members of the Condominium Board, the Unit Owners shall elect the Residential Members of the new Condominium Board, which Board shall consist of 5 members. (See the Section of the Plan entitled "Control by Sponsor" for further details.) Thereafter, at each annual meeting, members of the Condominium Board shall be elected and shall serve until the next annual meeting thereof and until a successor has been elected and qualified.

Except for the members of Condominium Board designated by Sponsor, all members of the Condominium Board must be either Residential Unit Owners or certain interested parties as described in the By-Laws. No residential member of the Condominium Board shall continue to serve on the Condominium Board if, during his term of office, such member shall cease to be a Unit Owner or an interested party or shall have a lien filed against the respective Unit by the Condominium Board. All Board members shall serve without compensation.

Powers and Duties of and Determinations by the Condominium Board

The Condominium Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium. Generally, all determinations with respect to the administration of the affairs of the Condominium shall be made by the Condominium Board.

As more fully set forth in the By-Laws, all determinations required to be made by the Condominium Board shall be by majority of the votes cast at any meeting at which a quorum is present.

Notwithstanding anything to the contrary contained herein, so long as Sponsor shall continue to own any Unit, but not later than 5 years from the First Closing, the Condominium Board may not without Sponsor's prior written consent: (a) make any addition, alteration, or improvement to the Common Elements or to any Unit; (b) assess any Common Charges for the creation or replacement of, or addition to, all or part of a reserve, contingency, or surplus fund; (c) increase or decrease the number or change the kind of employees from that described in the First Year's Budget; (d) enter into any service or maintenance contract for work or otherwise provide services in excess of those set forth in the First Year's Budget, except as is required to reflect normal annual increases in operating services; or (e) borrow money on behalf of the Condominium; or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such action is necessary (and no alternatives are available) to enable the Condominium Board to: (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer.

Meetings and Votes of Unit Owners

Successive annual meetings of Unit Owners shall be held within approximately 30 days of each anniversary of the first annual meeting. At such meetings, the Unit Owners shall elect the 5 member Condominium Board (subject to any rights of Sponsor to designate Condominium Board Members) and there shall also be transacted such other business as may properly come before such meetings. In addition, special meetings may be held from time to time pursuant to the By-Laws. The Secretary of the Condominium Board shall mail a notice of each annual or special meeting to all Unit Owners of record. The notice, which will be given at least 5 days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or Declaration, at all meetings of Unit Owners, the presence in person or by proxy of Unit Owners owning more than 40% of the Common Interests attributable to all Units shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Unit Owners.

When voting for the Condominium Board, each Residential Unit Owner shall have one (1) vote for each .0001% of Common Interest attributable to his Residential Unit per member of the Board. Cumulative voting is not permitted. For all other voting, each Residential Unit Owner (including the Sponsor or its designee for so long as Sponsor shall own Unsold Units) shall be entitled to cast one (1) vote for each one (1) percentage of Common Interest attributable to his Residential Unit.

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. None of the officers of the Condominium need be Unit Owners or have any interest therein or be Condominium Board members until the first organizational meeting of the Condominium Board following the first annual meeting. Thereafter, the President and Vice President must be members of the Condominium Board. Except as otherwise provided by the Condominium Board, no officer shall receive any compensation for acting as such. The By-Laws provide that all instruments of the Condominium are to be executed by any officer thereof or by such other person or persons as may be designated by the Condominium Board.

Repair or Reconstruction after Fire or Other Casualty

In the event that the Building 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 (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit).

If the Building is damaged or destroyed by fire or other casualty and the insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be shared entirely by all Unit Owners in proportion to their respective Common Interests. Notwithstanding anything in this paragraph to the contrary, no payment of surplus insurance proceeds 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 Unit, other than mortgages which are not Permitted Mortgages, in the order of priority of such liens. The provisions of this paragraph are subject to the next paragraph.

If 75% or more of the Building is destroyed or substantially damaged by fire or other casualty and if 75% or more in Common Interest of all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and the Property shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds

of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his share of such funds such amounts as may be necessary to discharge all unpaid liens on his Unit (other than mortgages which are not Permitted Mortgages) 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 to the Condominium Board in the event of a loss amounting to $1,000,000 or less. In the event that such proceeds are in excess of $1,000,000, such proceeds shall be payable to a New York City bank or trust company designated by the Condominium Board as insurance trustee pursuant to the provisions of the By-Laws. 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 is required to obtain and maintain, in accordance with the provisions of the By-Laws, to the extent obtainable and to the extent determined by the Condominium Board to be appropriate and practicable, the following insurance: (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building together with all service machinery contained therein (other than space defined by the dimensions of the Units and any appliances, fixtures, improvements or any furniture, furnishings, decorations, belongings or other personal property contained in the Units and covering the interests of the Condominium, the Condominium Board and all of the Unit Owners and all Permitted Mortgagees, as their respective interests may appear, under either an agreed amount replacement cost policy or under a policy including at least an 80% co-insurance provision so that the insured shall not be a co-insurer (for purposes of determining full replacement value of the Building the cost shall be exclusive of foundation and footings and without deduction for depreciation); (b) rent insurance in an amount equal to Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance; (f) water damage insurance; (g) elevator liability and collision insurance; (h) fidelity insurance covering all the Condominium Board and all officers, directors and employees of the Condominium; (i) directors' and officers' liability coverage; (j) commercial umbrella coverage; and (k) such other insurance as the Condominium Board may determine. See Schedule B for details of Insurance Coverage for the projected first year of the Condominium's operation.

The fire insurance policies shall contain a New York standard mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions described in the By-Laws.

The amount of fire insurance and all risk extended coverage to be maintained until the first Condominium Board meeting following the first annual meeting of the Unit Owners shall be in at least the sum set forth in the First Year's Budget.

All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured or (iv) pro-rata reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least 30 days' prior written notice to all of the insureds, including all Unit Owners and Permitted Mortgagees. Duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees at least 10 days prior to the expiration of the then current policies.

The Condominium Board shall also be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as the Condominium Board may from time to time determine, covering (1) the Condominium Board, the Managing Agent or agents thereof, each Condominium Board member and each officer and employee of the Condominium, and (2) each Unit Owner, except that such policy will not cover liability of a Unit Owner arising from occurrences within his own Unit or within the Common Elements, if any, exclusive to his Unit. The Condominium Board shall review such limits no less than once each year. Until the first meeting of the Condominium Board following the first annual meeting of Unit Owners, such liability insurance shall be in at least the sum set forth in Schedule B with respect to bodily injury and property damage, combined single limit. The insurance discussed above shall also include cross-liability claims of one insured against another.

Any insurance maintained by the Condominium Board may provide for such deductible amounts as Condominium Board determines. The premiums for all insurance referred to above shall be a Common Expense.

Liability of the Condominium Board and Unit Owners

Every contract made by the Condominium Board or by any Managing Agent or manager thereof shall state that (a) it is made only as agent for all Unit Owners and the members of the Condominium Board managing agent or manager 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 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. To the extent permitted by Law, the members of the Condominium Board shall have no liability to Unit Owners except that a member of the Condominium Board shall be liable for his own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each member of the Condominium Board against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Condominium Board may contract or effect any transaction with any member of the Condominium Board, any Unit Owner, Sponsor, or any affiliate of any of them without incurring any liability for self-dealing except in cases of bad faith or willful misconduct.

Reports to Unit Owners

An annual report of the receipts and expenditures of the Condominium, certified by an independent certified public accountant, shall be submitted by the Condominium Board to all Unit Owners approximately four (4) months after the end of each fiscal year.

Amendments to Condominium Documents

Generally, subject to certain exceptions concerning, among other things, Sponsor, and Unsold Units, and provided that required consents of the Mortgage Representatives, if any, are obtained, any provision of the Declaration, By-Laws or Rules and Regulations affecting the Common Elements or all Unit Owners may be amended, modified, added to or deleted by affirmative vote of at least 66 2/3% in number and in Common Interest of all Unit Owners; provided, however, that the Common Interest appurtenant to each Unit may not be altered without the written consent of all Unit Owners directly affected thereby.

No amendment, modification, addition or deletion of the Declaration, By-Laws or Rules and Regulations (other than those required by law) shall be effective (a) against Sponsor or any Unsold Unit unless Sponsor has given its written consent thereto, or (b) against the holder of any mortgage, pledge or

other lien or security interest covering any Unsold Unit unless such holder has given its prior written consent thereto.

Termination of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of 100% in number and in Common Interest of all Unit Owners. Such vote shall not be effective, however, unless written consents are obtained from the Mortgage Representatives, if any.

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 (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

Mechanics' Liens

Under the provisions of the Condominium Act, no lien of any nature may arise or be created against the Common Elements except with the unanimous consent of all Unit Owners affected thereby. Liens may arise or be created against only the several Units and their respective Common Interests. Labor performed on, or materials supplied to, a Unit may not be the basis for a mechanics' lien against the Unit of a Unit Owner not expressly consenting to or requesting such work, except in the case of emergency repairs. No labor performed on, or materials furnished to, the Common Elements shall be the basis for a lien thereon but all Common Charges received by the Condominium Board shall constitute trust funds for the purpose of paying the cost of labor performed or materials furnished at the request or with the consent of the Condominium Board or the Managing Agent for the Common Elements.

Easements

In order to facilitate the operation and maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements including easements in favor of Sponsor, other Unit Owners and the Condominium Board. These easements, which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and their appurtenant Limited Common Elements and the Common Elements, and an easement in favor of each Unit Owner to use, operate, maintain, repair, alter, rebuild, restore and replace provided that such easements shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. In addition, Sponsor shall have an easement to erect, maintain, repair and replace any sign permitted by law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit and the operation of any business of a tenant or occupant of any Unit.

Sponsor shall have an easement to erect, use, lease, maintain, repair, replace and operate antennae, satellite dishes and other communications equipment, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith. Sponsor shall be entitled to utilize such easement for its own account or the account of any tenants or licensees of Sponsor, provided however that the easement shall not be used for the operation of a telecommunications company or any other business whose primary purpose is the broadcasting of telephone, radio communications or other signals.

The Declaration and By-Laws

A copy of the Declaration and a copy of the By-Laws are set forth in Part II of the Plan.

REAL ESTATE TAXES

The City of New York Department of Finance assesses the value of real property in the Borough of Queens for the purpose of computing real estate taxes. See Notes 6 and 7 to Schedule A and the letter of Tuchman, Katz, Schwartz, Gelles, Korngold & Weiss, LLP ("Tuchman") for a discussion of the assessed valuation of a Unit, tax rates and the amount of taxes payable both with and without real estate tax exemption benefits pursuant to Section 421-a of the Real Property Tax Law of the State of New York and the Rules and Regulations promulgated thereunder (the "421-a Program").

Real Estate Taxes

As more fully explained in the letter of Tuchman set forth in Part II of the Plan, Residential Units should qualify for tax exemption benefits pursuant to the 421-a Program. Sponsor will apply to the New York City Department of Housing Preservation and Development ("HPD") for preliminary approval of real estate tax exemption benefits for the Residential Units. Sponsor anticipates but does not represent or guarantee that approval will be obtained. If such approval is not obtained, Purchasers will have no right to rescind their Purchase Agreements even though tax exemption benefits pursuant to the 421-a Program would not be available to the Residential Units. In connection with HPD's enforcement of the 421-a Program, all prospective Purchasers are advised that HPD may conduct an audit which may result in a revocation of the 421-a Program benefits if all documents required to be filed with HPD are not so filed. Sponsor will maintain all records applicable to its application to HPD for benefits pursuant to the 421-a Program as required by HPD and will make them available to HPD when required to do so by HPD. Sponsor will file the application for benefits pursuant to the 421-a Program and will timely comply with the procedures of HPD necessary for the processing of Sponsor's application. At or subsequent to the First Closing, Sponsor will make available to the Condominium Board, for inspection and copying, any documents issued by HPD which disclose benefits granted in regard to Sponsor's application pursuant to the 421-a Program.

Neither Sponsor, Sponsor's Counsel, Tuchman, the Selling Agent, the Managing Agent, nor any other person makes any warranty that the exemption from real estate taxes under the 421-a Program will be granted in whole or in part, or if granted, will not be later reduced or revoked, or as to the amount of the tax which will be assessed against any Residential Unit or the amount of real estate taxes payable at any time by any Residential Unit Owner. Purchasers should refer to the letter of Tuchman set forth in Part II of the Plan for further details concerning the assessed valuation of the property and the estimated taxes to be imposed against the property if the real estate tax exemption under the 421-a Program is not granted.

The tax projections found in Schedule A are merely estimates and cannot be construed as an assurance of the actual amount of real estate taxes that will be assessed or the actual amount of any real estate tax exemption pursuant to the 421-a Program.

Each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for payment of, nor will the Unit be subjected to, any lien arising from the nonpayment of real estate taxes on other Units. Generally, Units may not be separately assessed until the tax year following the tax year in which the Declaration of Condominium is recorded. Until the Units are separately assessed and billed, each Unit Owner shall pay such Unit Owner's pro rata share (in the proportion that such Unit Owner's Unit's Common Interest bears to the aggregate Common Interest of all Units) of all real estate taxes with respect to the entire Property.

The By-Laws provide that the Condominium Board is entitled to execute and deliver documents necessary in connection with proceedings to obtain reduced real estate tax assessments with respect Unit Owners, for the benefit and on behalf of (i) all Unit Owners, or (ii) for individual Unit Owners, provided

that each such Unit Owner indemnifies the Condominium Board from and against all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

Procedure to Review Real Estate Tax Assessments

The Condominium Board, on behalf of and as agent for all Unit Owners, will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments with respect to Units. All Unit Owners will share the costs in connection therewith and the benefits derived therefrom based on their respective Common Interests. In the event any Unit Owner individually seeks to have the assessed valuation of his Unit reduced by bringing a separate certiorari proceeding, the Condominium Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in pursuing, such reduction, provided that such Unit Owner indemnifies the Condominium Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

There are no tax certiorari proceedings pending in connection with the Property.

INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

The following discussion of certain income tax consequences of the ownership of a Unit as a personal residence was prepared by Sponsor based, in part, upon the income tax opinion of Olshan Grundman Frome Rosenzweig & Wolosky LLP, a copy of which immediately follows this discussion.

OLSHAN GRUNDMAN FROME ROSENZWEIG & WOLOSKY LLP IS COUNSEL TO SPONSOR FOR THE PURPOSES OF PROVIDING THE ATTORNEY'S INCOME TAX OPINION, AND NOT TO THE UNIT OWNERS. EACH PURCHASER SHOULD CONSULT HIS OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF UNIT OWNERSHIP UNDER THE PLAN.

Income Tax Deductions to Unit Owners

Each Unit Owner will own his Unit and its 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. Since 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.

A Unit Owner who uses his Unit as a personal residence will, under present Law, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers, subject to certain exceptions and limitations which are more particularly discussed in the Attorney's Income Tax Opinion. Purchasers who are individuals should note that mortgage interest is deductible generally only with respect to (1) secured debt used to acquire, construct or substantially improve a principal or second residence (or which constitutes a refinancing of such debt) (up to a total indebtedness of $1 million, $500,000 for married tax payers filing separately) plus (2) other debt (not in excess of $100,000) secured by a principal or second residence. Interest on home mortgage debt in excess of these limitations would not be deductible. In addition, Unit Owners should note that special limitations may apply to the deductibility of points and prepaid interest, if any, on their mortgage loans and to the overall allowance of itemized deductions.

Tax Status of the Condominium

As discussed in the Attorney's Income Tax Opinion, the Condominium should meet the requirements for qualification as a "homeowners association", under Internal Revenue Code Section 528 and accordingly, may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Unit Owners. If such an election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources such as interest earned on any reserve fund (less expenses directly connected with the production of such income).

If the Condominium does not qualify as a "homeowners association", or if it does but chooses not to make the necessary election, it will be taxable as a corporation for Federal and New York State income tax purposes.

The qualification of an organization as a "homeowners association" is determined annually at the close of each taxable year, and it is possible that if the Condominium does not qualify in one year, it may nevertheless qualify in one or more future years.

No warranties are given that the Internal Revenue Service, the New York State Department of Taxation and Finance or the Finance Administration of the City of New York will allow the aforementioned deductions for mortgage interest and real estate taxes. There is also no assurance that the tax laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof upon which

Olshan Grundman Frome Rosenzweig & Wolosky LLP, as Counsel to Sponsor, bases its opinion, will not change. In addition, none of the aforesaid give any warranties with respect to the tax consequences of the Plan or the tax consequences of ownership of any Units offered under the Plan, and no one has been authorized to give any warranties.

ATTORNEY'S INCOME TAX OPINION

O L S H A N

O L S H A N G R U N D M A N F R O M E R O S E N Z W E I G & W O L O S K Y L L P

PARK AVENUE TOWER
65 EAST 55TH STREET
NEW YORK, NEW YORK 10022
TELEPHONE: 212.451.2300
FACSIMILE: 212.451.2222

WWW.OLSHANLAW.COM

DIRECT DIAL: 212.451.2231
EMAIL: WGLEICHER@OLSHANLAW.COM

December 6, 2005

The Badge Development LLC
165 Williams Avenue
Brooklyn, New York 11207

Re: The Badge

Gentlemen:

In connection with the offering of condominium units under a plan entitled Condominium Offering Plan for The Badge (the "Plan"), you have requested our opinion as special tax counsel to the Plan concerning certain tax matters. Specifically, you have requested our opinion as to the deductibility for federal and New York State income tax purposes of payments of mortgage interest and real estate taxes by individual Residential Unit Owners. You have also asked for our opinion as to the tax status of the condominium association.

All capitalized terms not otherwise defined herein shall have the same meaning ascribed to them in the Plan.

We understand that under the Plan each Unit Owner will hold title to his Unit and an undivided interest in the Common Elements of the Property in fee simple. Under New York State law, each Unit and its interest in the Common Elements will be taxed as a separate parcel for real estate tax purposes. Each Unit Owner may place a separate mortgage on his Unit and, by doing so, incur direct liability for the interest payable on such mortgage.

In our opinion under present law, subject to the limitations discussed in the following paragraph and subject to limitations imposed on the deduction of itemized deductions, interest on a mortgage secured by a Residential Unit paid or accrued by owner of such Residential Unit who is liable for the interest payment on such mortgage and who uses the Residential Unit exclusively as his personal residence will be deductible for federal income tax purposes in the appropriate year according to his method of accounting, provided that he itemizes his deductions. In rendering this opinion we assume that such interest is not prepaid, that the mortgage proceeds were used by the Residential Unit Owner to purchase the Residential Unit, that the Residential Unit is the owner's principal residence and that the Residential Unit Owner is an individual.

Except as provided below, residential interest is deductible if paid or accrued during the taxable year on indebtedness which is secured by either the taxpayer's principal residence, as defined for purposes of exclusion of gain on sale under Internal Revenue Code ("Code") Section 121, or on certain designated second homes. However, a ceiling is placed on the amount of indebtedness which may be taken into account for purposes of this deduction. In general, with

NEW JERSEY OFFICE
2001 ROUTE 46 / SUITE 202
PARSIPPANY, NEW JERSEY 07054
TELEPHONE: 973.335.7400
FACSIMILE: 973.335.8018

respect to indebtedness incurred in purchasing a Unit, this ceiling is $1,000,000, or $500,000 in the case of a married individual filing a separate return. In addition, an individual may deduct interest on an additional $100,000 of indebtedness in excess of the $1,000,000 limit mentioned above as interest on home equity indebtedness. However, special limitations may apply to the deductibility of points and prepaid interest if any.

It is also our opinion under present law that real estate taxes assessed against a Residential Unit Owner's Residential Unit which are paid or accrued by such owner will be deductible for federal income tax purposes in the appropriate year according to his method of accounting, provided that he itemizes his deductions.

We note that in some cases the amount of mortgage interest deductible by an individual Unit Owner subject to the alternative minimum tax may be less than the amount deductible by a Unit Owner subject to the regular income tax and that no deduction is allowed for real estate taxes paid by a taxpayer subject to the alternative minimum tax. We also note, no interest may be deducted on indebtedness incurred to purchase a Parking Space, Cabana or Storage Room.

The mortgage interest and real estate taxes described above will also be allowable as deductions for New York State income tax purposes to a resident individual. We express no opinion with respect to these items under the New York State personal income tax on nonresidents. We also express no opinion as to the taxation of Unit Owners who are not individuals.

We have reviewed various documents included as exhibits in the Plan relating to the organization of the Condominium Board of The Badge (the "Association"), including the Declaration of Condominium and By-Laws of the Condominium (which are the instruments which will create the Association).

Our opinion has been requested as to whether the Association will be eligible to qualify as a tax-exempt organization for federal income tax purposes. In order for the Association to qualify as an exempt organization for federal income tax purposes under Code Section 528, it must meet the following six conditions:

(1) The Association must be organized and operated to provide for the acquisition, construction, management, maintenance, and care of the Association's property.

(2) Sixty percent (60%) or more of the Association's gross income for the taxable year must consist solely of amounts received as membership dues, fees or assessments from owners of Units.

(3) Ninety percent (90%) or more of the expenditures of the Association for the taxable year must be expenditures for the acquisition, construction, management, maintenance, and care of the Association's property.

(4) No part of the net earnings of the Association may inure to the benefit of any private shareholder or individual, other than by acquiring, constructing, or providing management,

maintenance, and care of the Association's property and other than by a rebate of excess membership dues, fees, or assessments.

(5) The Association must qualify as a "condominium management association," which is an organization meeting the requirements of condition (1), above, with respect to a condominium project substantially all the units of which are used by individuals for residences.

(6) The Association must properly elect to have Code Section 528 apply for the taxable year.

"Substantially all the units" of a condominium management association will be considered as used by individuals for residences if at least eighty-five percent (85%) of the total square footage of all Units within the project is used by individuals for residential purposes. Units that are used for purposes auxiliary to residential use are considered as used for residential purposes. These auxiliary purposes include laundry areas, storage rooms, and areas used by maintenance personnel. A special limitation is established for transient use. No building or Unit will be considered as used for residential purposes if, for more than one half the days in the Association's taxable year, such Unit or building is occupied by a person or series of persons each of whom occupies the Unit or building for less than thirty days.

You have advised us that more than 85% of the total square footage of the Premises will be used by individuals for residential purposes and that no person may rent his Residential Unit for a period of less than thirty (30) days. Accordingly, the "substantially all" test should initially be met.

Our review of the documents referred to above indicates that the Association meets all the organizational tests described above for qualification for exemption. Assuming the Plan is consummated in accordance with its provisions and that the Association, in its actual operation, meets the other tests set forth above, it is our opinion that the Association will be eligible to elect tax-exempt status under IRC Sec. 528. If such exempt status is properly elected, it is our opinion that the Association will not be subject to federal income tax for the taxable years in which such election is in effect, except as noted in the following paragraph.

An effective election will exempt from federal income taxation all amounts received by the Association as exempt function income. This consists of amounts received as membership dues, fees, or assessments from owners of Residential Units. However, the Association will be subject to tax on income which is not exempt function income to the extent such income exceeds expenses properly allocable to such income. Examples of income which is not exempt function income are interest earned on reserve funds, amounts received from persons who are not members of the Association, amounts received for work done on privately owned property which is not Association property, and amounts received from members for special use of the Association's facilities, the use of which is not available to all members as a result of having paid the dues, fees, or assessments required to be paid by all members.

If the Association fails to qualify as a "homeowners association", or if it does but chooses not to make the necessary election, its status for tax purposes is unclear. It is possible that in

such event the Association may be taxable as a corporation or partnership for federal income tax purposes.*

It should be noted that meeting the qualifications and conditions prescribed by the statute will require careful periodic planning. It should also be noted that under certain circumstances where the Association has taxable nonexempt function income, less federal income taxes may be payable if it is not treated as an exempt organization.

This opinion deals only with the specific tax matters discussed above, which do not necessarily comprise all tax matters which may be significant to purchasers of Units. We express no views as to any federal, New York State or New York City tax consequences other than as explicitly discussed in this opinion or as to the tax status or tax consequences of the Plan under the laws of any foreign jurisdiction. Accordingly, it is recommended that each prospective purchaser of a Unit consult with his own tax advisor concerning the federal, New York State, and New York City tax consequences of the purchase and ownership of a Unit.

This opinion is based solely on the facts and documents referred to above. No warranties are made that the tax laws upon which counsel bases this opinion will not change. In no event will the Sponsor, counsel to Sponsor, special tax counsel to the Sponsor, the Association, or any other person be liable if, by reason of future changes in fact or applicable law, regulations, decisional law, or Internal Revenue Service rulings, the tax consequences described previously should change.

Sincerely yours,

OLSHAN GRUNDMAN FROME
ROSENZWEIG & WOLOSKY, LLP

* Due to recent amendments to the Income Tax Regulations, Section 301.7701-2 and 3, the Association may be able to elect to be treated as a corporation for federal income tax purposes if it files Form 8832 with the IRS within 75 days of its formation. If such election is not made, then the Association may be treated as a partnership and all Unit Holders would pay tax on their proportionate share of the income of the Association.

WORKING CAPITAL FUND AND APPORTIONMENTS

The Purchaser of a Unit shall be required to make a contribution at the Closing of his Unit to the working capital fund of the Building ("Working Capital Fund"). Such contribution shall be in an amount equal to two (2) months' Common Charges then in effect for such Unit.

At the First Closing, Sponsor will apportion with the Condominium the following items as of midnight of the day preceding the First Closing:

(1) employees' wages, vacation and severance pay, pension and welfare benefits and accruals and all other payments or obligations relative to the employees of the Building;

(2) deposits with utility companies, if any, and fees for assignable permits and licenses, if any;

(3) charges for electricity and other utilities for the Common Elements;

(4) cost of fuel on hand (plus sales tax), if any;

(5) charges and receipts in connection with service, maintenance and concession contracts;

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

(7) cost of Building supplies on hand at Sponsor's cost (including sales tax);

(8) premiums for transferable insurance policies, if any;

(9) management fees; and

(10) other customary closing adjustments.

If any of the foregoing items to be apportioned cannot be adjusted at the First Closing because they are not fully ascertainable, they shall be apportioned and adjusted to the extent reasonably possible at the First Closing, and final adjustment will be made as soon thereafter as the undetermined amounts are ascertained. Except as herein otherwise expressly provided, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and other matters herein mentioned.

If the result of the closing adjustments is a net credit in favor of the Condominium, Sponsor will contribute the amount of such net credit to the Working Capital Fund. If the result of the closing adjustments is a net credit in favor of Sponsor, the payment of any net credit shall be deferred and paid to Sponsor by the Condominium in one installment on the first anniversary of the First Closing, without interest, pursuant to an unsecured, negotiable, promissory note to be executed by the Condominium Board and delivered to Sponsor at the First Closing. Such promissory note may be prepaid by the Condominium in full at any time, or in part from time to time, without penalty.

The Working Capital Fund will be held and used for working capital, a reserve for repairs or for such other appropriate purposes as will be determined by the Condominium Board and may be augmented by allocations from the monthly Common Charges collected from each Unit. While the Sponsor controls the Condominium Board (see the Section of the Plan entitled "Control By Sponsor" for further details), the Working Capital Fund will not be used to reduce Common Charges.

The Condominium Board will be able to utilize the funds in the Working Capital Fund at any time and, accordingly, no representation or warranty can be made and no assurance can be given as to the exact amount of funds available at any specific time. However, in no event shall any portion of the Working Capital Fund be used to pay any Common Charges attributable to Unsold Units. In addition, within three (3) months following the end of the Initial Control Period, Sponsor shall deliver to the Condominium Board a statement from an officer of Sponsor, certifying in reasonable detail as to any changes in the amount of the Working Capital Fund which have occurred since the First Closing.

No representation or warranty is made that the Working Capital Fund will be, or is intended to be, adequate to cover current or future expenses, including repairs, replacements or major improvements, for the first or any subsequent year of Condominium operation. If additional funds are required over and above the Working Capital Fund to cover expenses of the Building operation, it may be necessary to increase Common Charges or make special assessments. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

RESERVE FUND

Sponsor has elected not to provide for a reserve fund to be used for capital replacements or repairs. The Condominium Board, in its discretion, and subject to certain restrictions contained in the By-Laws, may decide in the future to create a reserve fund by special assessment or by increases in Common Charges.

AGREEMENTS AFFECTING BUILDING OPERATIONS

Management Agreement

At the First Closing, Sponsor will assign, and the Condominium Board will assume, the Management Agreement for the Building between Sponsor and Taube Management Corp. having an office address at 204 East 83rd Street, New York, New York ("Management Agreement"). The Managing Agent is not affiliated with Sponsor.

The Management Agreement shall commence prior to the First Closing on 30 days prior notice from Sponsor ("Commencement Date") and shall continue for twelve months thereafter. The Managing Agent fee shall be the sum of $30,000.00 per annum for the first year of the Management Agreement payable in equal monthly installments of $2,500.00. In addition, the Condominium Board will be obligated to reimburse the Managing Agent for any out of pocket expenses, including but not limited to, messenger services, postage, facsimile transmissions, photocopying and other administration expenses incurred by the Managing Agent. Thereafter, the annual fee will be mutually agreed upon for the renewal periods, or if no new annual fee has been established, the Managing Agent shall continue to receive the previous annual fee. In addition, for services rendered to Unit Owners (other than Sponsor) in connection with processing applications to sell or otherwise transfer Units and obtaining necessary waivers of the right of first refusal by the Condominium Board, the Managing Agent shall receive a fee from each Unit Owner. The services and fees for the first year of operations are: (i) for processing an application for sale of a Unit and credit check -- $250.00; (ii) for processing a sublet application -- $250.00 and renewal -- $100.00; (iii) court appearances -- $100.00 per hour; (iv) process waiver of right of first refusal -- $250.00; and (v) process an application for an appraisal or mortgage refinancing -- $250.00.

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

(1) billing and collecting Common Charges payable by Unit Owners;

(2) causing the Common Elements to be maintained, repaired and altered in the manner deemed advisable by the Condominium Board;

(3) contracting for necessary services and repairs and purchasing all supplies necessary to properly maintain and operate the Building and its Common Elements. The approval of the Condominium Board is necessary for any service contract (other than utilities) which exceeds $1,000 per year or is not terminable on 30 days' notice;

(4) checking all bills received in connection with the maintenance and operation of the Common Elements and causing all such bills and other expenses to be paid;

(5) supervising, hiring and discharging employees necessary for the proper maintenance and operation of the Building;

(6) rendering monthly statements of receipts and disbursements to the Sponsor or other designated entity, upon request;

(7) maintaining payroll records and filing withholding tax statements for employees;

(8) maintaining accurate sets of books for the Condominium Board;

(9) prepare and submit annually to the Condominium Board an operating budget of the anticipated income and expenses for the ensuing year;

(10) attending meetings of the Condominium Board and Unit Owners, and preparing agendas and sending notices relating to such meetings; and

(11) advise the Condominium Board as the proper insurance coverage for the Building, its employees and Unit Owners, and cause the insurance to be obtained and maintained in amounts deemed advisable by the Condominium Board;

(12) processing applications of Unit Owners for permission to alter the Units and for the sale and refinancing of Units; and

(13) generally, doing all things deemed reasonably necessary or desirable by the Condominium Board for the proper management of the Building.

The Managing Agent, at the expense of the Condominium, will be insured during the term of the Management Agreement under a crime insurance policy in favor of the Condominium for any loss resulting from fraudulent or dishonest acts committed by the Managing Agent, its directors, officers or employees. Under the terms of the Management Agreement, the Managing Agent will have the right to cancel the Management Agreement upon sixty (60) days prior written notice and the Managing Agent will not have the right to assign the Management Agreement.

At the First Closing the Sponsor will assign (or cause the Condominium to enter into) service contracts for alarm monitoring, exterminating, sprinkler inspection, and elevator maintenance. It is estimated that the initial yearly total cost for these contracts will be $11,150.00.

IDENTITY OF PARTIES

Sponsor

Sponsor is The Badge Development LLC, a New York limited liability company with offices at 165 Williams Avenue, Brooklyn, New York 11207. The principals of the Sponsor who will be actively involved in this offering are Tibi Zicherman, Martin Mandel and Eyal Shuster.

Mr. Zicherman received his undergraduate degree in 1973 from Tel-Aviv University and a Master of Science degree in Chemistry from Polytechnic Institute of New York in 1978. Mr. Mandel received a Bachelor of Science degree in Pharmacy from St. John's University in 1978. Mr. Mandel and Mr. Zicherman have, for the last 27 years, been involved in various businesses and investments, both in the United States and overseas. Together, Mr. Zicherman and Mr. Mandel have developed the following commercial properties in New York: 28 Herbert Street, Brooklyn, New York; 165 Williams Avenue, Brooklyn, New York; and 137 Hinsdale Street, Brooklyn, New York. Mr. Shuster has a Bachelor of Science degree from Rutgers University and is the sole owner of Shuster Management LLC, a company established in 1998 for the purpose of engaging in general contracting, construction management, real estate investment, development and management. Mr. Shuster has extensive knowledge and hands-on experience in the construction and management industry.

Mr. Zicherman, Mr. Mandel and Mr. Shuster have not acted as a sponsor or a principal of a sponsor in any prior offerings of cooperatives or condominiums.

Attorneys for Sponsor

Sponsor has retained the law firm of Gerstein Strauss & Rinaldi LLP, having an office at 57 West 38th Street, New York, New York 10018, to represent it in connection with the Plan. Lisa J. Rinaldi, Esq. participated in and supervised the preparation of the Plan. Gerstein Strauss & Rinaldi LLP will serve as Escrow Agent and will represent the Sponsor in connection with matters relating to Closings of Units.

Sponsor has retained the law firm of Olshan Grundman Frome Rosenzweig & Wolosky LLP, having an office at 505 Park Avenue, New York, New York 10022, to provide the Attorney's Income Tax Opinion set forth in Part I of the Plan. The Sponsor has retained the law firm of Tuchman, Katz, Schwartz, Gelles, Korngold & Weiss, LLP, having an office at 6 East 45th Street, New York, New York 10017, to provide an estimate of real estate taxes, both with and without Section 421-a real estate tax exemption benefits.

Selling Agent

The Selling Agent for the project is Douglas Elliman, having an office at 575 Madison Avenue, New York, New York 10022. The Selling Agent is a licensed real estate broker whose principals have been engaged in the sale of real estate for more than 20 years. The Selling Agent has recently acted as the Selling Agent for the following Manhattan condominiums: 40 East 10th Street, 217 East 7th Street, 130 West 30th Street and 419 West 55th Street.

Managing Agent

The Managing Agent for the Condominium will be Taube Management Corp., having an office at 204 East 83rd Street, New York, New York 10028. The Managing Agent is a real estate and management firm that has been in business for over 5 years in the New York area. Its officers and employees have had experience in many areas of real estate, including the management of residential apartment and commercial buildings. The Managing Agent presently manages apartments within the following

condominium apartment buildings located in Manhattan: 38-44 Warren Street, 79 Laight Street, 205 East 76th Street and 217 West 19th Street.

Construction Professionals

Bricolage Designs, A.I.A. ("Bricolage"), having an address at 6321 New Utrecht Avenue, Brooklyn, New York 11219 is the architect of record for the Building. Bricolage prepared the Floor Plans of Units set forth in Part II of the Plan and will prepare the Floor Plans which will be filed with the New York City Real Property Assessment Department required in order to create the Condominium. Bricolage has also rendered its report and Certification, both of which are set forth in Part II of the Plan.

Bricolage was founded in 1983. In its over 20 years, the firm has been involved with a wide range of projects, including residential and commercial projects.

Projects handled by Bricolage include Middleton Gardens, Williamsburg, New York; Lee Avenue Gardens, Williamsburg, New York; and Lefferts Avenue Condominium, Crown Heights, New York.

LMW Engineering Group, LLC, having an office at 2539 Brunswick Avenue, Linden, New Jersey 07036 is the structural engineering firm for the Building and has been providing such services for various types of projects, including single story to high rise buildings, since 1998.

Engineering Solutions, PLLC, having an office at 1140 Broadway Suite 204, New York, New York 10001, is the mechanical and electrical engineering consulting firm for the Building. Steven M. Snyder, P.E., a licensed and highly experienced engineer and co-founder of Engineering Solutions, PLLC, began his career in 1984 as a mechanical designer in New York City.

Condominium Budget Expert

Sponsor has engaged Taube Management Corp., having an office at 204 East 83rd Street, New York, New York 10028 as Sponsor's Budget Expert. The Budget Expert estimated all amounts of income and expenses in "Schedule B - First Year's Budget" in consultation with Sponsor. The Budget Expert has rendered a Certification as to the adequacy of the First Year's Budget which may be found in Part II of the Plan.

Title Company

Kensington Title Agency, having an office at 825 Third Avenue, New York, New York 10022, tel. (212) 785-0050, has reviewed the Plan and the Condominium Documents and has committed to insure that a valid condominium will be created pursuant to the Condominium Act. Kensington is prepared to issue fee and/or mortgage title insurance policies to those Purchasers who request them. A form of Unit Owner's Specimen Title Policy, if title insurance is ordered through Kensington, is set forth in Part II of the Plan.

Related Parties

Sponsor and its principals have no affiliation with the Attorneys, the Managing Agent, the Selling Agent, the Budget Expert, the Construction Professionals, or any person or firm who will provide services to the Condominium subsequent to the First Closing. Neither the Selling Agent, the Managing Agent, the Budget Expert, the Construction Professionals or the Attorneys have any financial interest in the Property, the Units, the Condominium, or this offering, except for their fees for services rendered.

REPORTS TO UNIT OWNERS

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

1. A financial statement of the Condominium prepared by a certified public accountant or public accountant, within approximately 120 days after the end of each fiscal year of the Condominium. Such statement shall be certified while Sponsor is in control of the Condominium Board;

2. At least 30 days' prior notice of the annual Unit Owners' meeting; and

3. A copy of the proposed annual budget of the Condominium at least 30 days prior to the date set for adoption thereof by the Condominium Board. While Sponsor is in control of the Board, such budget shall be certified in compliance with Section 20.4 of the Regulations of the Department of Law.

DOCUMENTS ON FILE

Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits or documents referred to herein shall be available for inspection by prospective Purchasers, and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit, at Sponsor's office and shall remain available for such inspection for a period of 6 years. In addition, a set of Floor Plans showing the layout, locations and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the Register's Office following the recording of the Declaration, and an additional set will be furnished to the Condominium Board.

The Declaration and the By-Laws will be recorded in advance of or concurrently with the First Closing. The recording of all deeds conveying individual Units will also be in the Register's Office.

GENERAL

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, including those documents contained in Part II of the Plan. Exact copies are contained in Part II of the Plan of the form of Declaration, form of By-Laws, form of Purchase Agreement, form of Unit Deed, form of Power of Attorney and other documents. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to herein, copies of which are on file with Sponsor, are not necessarily complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such document executed by or with the written consent of a Purchaser pursuant to the Plan, any rider or separate agreement changing or adding provisions to such document.

There are no lawsuits or other legal proceedings now pending, or any judgments outstanding, which could materially and adversely affect this offering, the Purchasers of Units, the Property, the Condominium or the operation thereof, which are not covered by insurance.

No party other than the Purchasers shall have any right or benefit herein or herefrom, including without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of the Sponsor's obligations hereunder and no such third party shall be deemed to have received any benefit as a result of any of the provisions of the Plan.

Sponsor reserves the right, from time to time prior to the First Closing, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Units are to be sold, including changes affecting the rights, obligations and liabilities of Sponsor, the Purchasers and/or prospective Purchasers under the Plan. However, Sponsor may not unilaterally cancel a Purchase Agreement which is in effect, except as therein provided, as in the case of an uncured default, nor unilaterally change the purchase price or payment terms contained in such Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a substantial amendment to the Plan that materially and adversely affects Purchasers, except as otherwise provided herein, Purchasers will have a right of rescission which may only be exercised within 15 days from the Presentation Date of such amendment. Sponsor shall promptly return any Deposit, together with any interest earned thereon to Purchasers who rescind, except that Sponsor shall retain the Deposit of any Purchaser who is in default under the Purchase Agreement beyond any applicable grace period.

In accordance with the provisions of the Laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person in the sale of Units offered by the Plan or in the leasing of any such Units because of such person's sex, sexual orientation, race, creed, color, national origin, marital status, age, disability or any other ground proscribed by Law.

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

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

The Property has not been the subject of a prior public offering. There have not been any agreements, written or oral, entered into by Sponsor for the sale or transfer of any of the Units offered pursuant to the Plan, nor has Sponsor accepted any deposits or other funds in relation to the Units offered as of the date of this Plan.

SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor adopts the "Description of Property and Building Condition" set forth in Part II of the Plan and represents that it has no knowledge of any material defects or need for major repairs to the Building except as set forth in the Description of Property and Building Condition and Specifications or as contemplated to be made as described therein. As more fully described above, and subject to the matters described therein, Sponsor anticipates that construction of the Building will be sufficiently completed to allow the First Closing to occur as projected in Schedule B.

The New York City Department of Environmental Protection (the "DEP"), by letter dated February 16, 2006 (the "DEP Letter"), advised the Building Department that Sponsor may proceed with the renovation and expansion of the buildings comprising the Condominium. DEP had approved a Revised Remedial Action Plan ("RAP"), prepared on behalf of Sponsor, by Impact Environmental ("Impact"). The RAP, prepared by Impact, outlines certain corrective measures that Sponsor will implement to remove an inactive underground storage tank and mitigate any contaminated soil and groundwater associated with a spill from the tank.

The corrective measures will include the installation of an appropriate vapor barrier as well as the installation of an active sub slab depressurization system.

Sponsor has commenced implementing the necessary requirements and is in the process of eliminating any and all hazardous materials pursuant to the RAP. Sponsor will cause a "Closure Report", certified by a Professional Engineer, to be submitted to DEP for DEP's review and approval. Upon submission of the Closure Report, the Property will be free of any and all hazardous materials.

PART II

CONDOMINIUM OFFERING PLAN

THE BADGE BUILDING

10-55 47TH AVENUE
LONG ISLAND CITY, NEW YORK 11101

DESCRIPTION OF PROPERTY AND BUILDING CONDITION

ARCHITECT'S REPORT

PREMISES KNOWN AS THE BADGE BUILDING
A CONDOMINIUM LOCATED AT:
10-55 47th Avenue a/k/a 46-48 11th Street
Queens, New York

Tax Block Number, 47
Tax Lot Number to be F/K/A, 21



Prepared By:

Bricolage Designs, A.I.A.
6321 New Utrecht Avenue
Brooklyn, N.Y. 11219
718-259-1100
December 5th, 2005

This "**Report**" describes the building to be known as **THE BADGE BUILDING**, located in the Long Island City Section of the Borough and County of Queens, City and State of New York; in Tax Block 47 and designated as Tax Lot to be F/K/A, 21.

ZONING AND PERMISSIBLE USE

The site is located in a M1-4 / R7A Zone, in the Hunter's Point Sub District of the Special Long Island City Mixed Use District, as designated on Map 9b of the 1961 Zoning Resolution (ZR). This zone permits residential use as-of-right.

STATUS OF CONSTRUCTION

The condominium will consist of an existing four story factory building to which an additional two floors will be added vertically and an additional eight story structure added to the northerly side of the existing structure. The proposed use of the building will be a residential use.

The building will be renovated under Plans which have been filed with the Queens Office of the New York City, Department of Buildings and has been assigned application number: 402156581.

The Class of Construction will be I C, as described under the 1968 Administrative Building Code.

The building will be issued a new Certificate of Occupancy when the work is completed to the satisfaction of the Department of Buildings.

SITE

The site is located at the corner formed by the Northeasterly side of 47th Avenue and the Northwesterly side of 11th Street.

The site has a street frontage of 125'-0" along 47th Avenue and 100'-0" along 11th Street and has an area of approximately 12,500 square feet.

STREETS

The streets beyond the lot lines are New York City sidewalks, curbs and roadways. 47th Avenue is a 60'-0" wide one-way street and 11th Street is a 100'-0" wide, two-way street.

There are existing concrete sidewalks and curbs, fronting the property which will be repaired, when construction is near completion as directed by the New York City Department of Transportation.

There are existing asphalt paved roadways, fronting the property. The existing roadway fronting the property will be repaired as necessary, when construction is near completion as directed by the New York City Department of Transportation.

Catch basins are located in the roadway to drain the storm water run-off, into the existing New York City Sewer System. Catch basins are located along 47th Avenue and along 11th Street.

Street lighting is provided by the City of New York, and consists of vertical stanchions surmounted with mercury arc lamps.

UTILITIES

Water, will be provided by the City of New York, and water consumption will be a common charge.

Natural **Gas,** will be provided by the Keyspan Energy Delivery Company, for cooking, hot water and heating. Each unit will be separately metered and billed directly for cooking gas only.

Electricity, will be provided by the Consolidated Edison Company, and each unit will be separately metered and billed directly.

Telephone service, will be provided by the Verizon company, and each unit will be billed directly as necessary.

The entire **Sanitary** waste and some of the **Storm** water runoff, will be carried from the building into the existing New York City Sewer System. The rest of the storm water runoff will be dissipated through drywells.

SUB-SOIL CONDITIONS

No unusual water conditions such as flooding, ponding, or wetness were observed in the area, and no water was apparent on the surface.

BUILDING SIZE

There is an existing building with a partial cellar and four stories. A new two story vertical extension will be added above the fourth floor level and a new eight story horizontal and vertical extension will be added to the northerly side of the building.
The completed building will be a total height of approximately 80'-0" measured from grade to the top of the roof above the eighth floor level.

The lowest level in the building will be the existing cellar level, with a floor to ceiling height of approximately 7'-6". There will be eight (8) floors above the cellar, each with varying floor to ceiling heights, approximately between 8'-0" at the new floors and 12'-0" at the existing floors.

STRUCTURAL SYSTEM

The structural system for the existing building is a flat slab construction with exterior load-bearing masonry walls and columns. The structural system for the two story vertical, extension and for the new adjacent eight story extension will be a steel column and beam framing system.

The existing foundations consist of spread footings of concrete on earth, for support of the existing exterior masonry walls and interior concrete columns. The new steel columns will be supported by reinforced concrete spread footings on compacted earth. There will also be a new reinforced concrete wall, at the first floor level to the northerly side of the new extension.

The walls at the exterior of the existing building are of masonry construction. The walls at the exterior of the new extension will be a brick veneer or stucco exterior finish supported by load bearing metal studs.

The interior floor at the existing cellar floor level will be a reinforced concrete slab on grade. The existing interior floor assembly at the upper floors of the existing building is a solid, poured concrete slab.

The interior floor assembly at the upper floors of the new extension will be a poured concrete floor reinforced with wire mesh on corrugated metal decking, supported on metal joists and / or steel girders and beams. The girders and beams will in turn be supported with new intermediate steel columns.

Roof cabanas above the eighth floor level, and terraces at the lower floor levels which terraces are adjacent to units at the lower levels will all be finished with masonry pavers supported on pedestal leveling plates. The roof supporting the pavers, shall be a rubberoid type built up roof on rigid insulation on a reinforced concrete slab on corrugated metal decking which will be supported by metal channel joists and steel beams and girders.

The construction classification of the entire building, when completed will be non-combustible, Construction Class I-C as per Table 3-4 of the N.Y. City Building Code.

EXTERIOR OF BUILDING

The exterior walls of the existing building are of load bearing masonry. The exterior walls of the new extension shall be a brick or stucco veneer supported by load bearing metal studs.

The interior surfaces of the masonry walls, at the exterior of the existing building and the spaces between the new metal stud walls shall be finished with batt insulation with a minimum R value of 11. The inside finished surface of the exterior walls shall be of gypsum wallboard.

The exterior wall composition shall have a maximum thermal performance value (Uo) of 0.215 to comply with Table 502.2 of the New York State Energy Conservation Construction Code.

WINDOWS

Windows are to be double-glazed, and set in wood framing with a rigid, vinyl clad finish. Windows will be a combined assembly of fixed, casement and awning type windows, as manufactured by Pella.

The fixed windows shall be mainly model numbers 2617, 3617, 3547, 5347 and other custom sizes as manufactured by Pella. Casement windows will be model numbers 2565 and 2965. Awning windows will be model numbers 3517 and 5317.

Air infiltration rate of windows shall not exceed 0.3 cfm per square foot in compliance with Table 502.1.4.2 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 and of stucco on lightweight metal framing. Lintels above window opening shall be of steel fabrication.

There will be lot line windows located at the northerly facade of the extension to the structure. There will be two lot line windows located at Units 2G, 3G and 4G and three lot line windows at Units 2F, 3F and 4F. There will be five lot line windows located at Units 5F, 6F, 7F and 8F.

Lot line windows shall be fireproof self-closing windows and shall have a minimum rating of 1 ½ hours. Lot line windows shall be N.Y. City M.E.A. or B.S.A approved.

The Sponsor reserves the right to provide windows by different manufacturers which are equal to or better than those noted above.

AREAWAYS

There is an existing areaway located at the southerly facade of the existing portion of the building. The existing areaway which encroaches on the existing sidewalk along 47th Avenue will provides access to the existing cellar floor level.

Part of the existing areaway will be covered with concrete and new concrete steps will be constructed to provide access to the cellar floor level. The areaway will be approximately sixteen feet in length, measured parallel to and three feet in width measured perpendicular to the facade facing 47th Avenue. The areaway will vary in depth between grade level and the cellar floor level.

The open sides at the perimeter of the areaway shall be protected with metal guard rails with a minimum height of three feet, six inches (3'-6") above the adjacent level of the sidewalk. The maximum spacing between vertical railings shall be approximately four inches (4") as required by the N.Y. City Building code. The areaway shall be provided with a drain at the lowest level, connected to the building storm drainage system.

EXTERIOR ENTRANCES

There will be four entrances providing access to different areas of the building.

The main entrance will be located at the first floor level at the southerly facade of the building along 47th Avenue. The main entrance will provide access to the main lobby area from which the elevators and stairs which will provide access to the units at the upper floors will be located. There will be two sets of double glass doors with metal framing, providing access to the lobby area.

There will be a vehicular entrance to the building which will provide access to the parking units, located to the northerly side of the building at the first floor level. This entrance will be located at the easterly facade facing 11th Street and will be accessed via an automatic, sliding, metal security gate. There will also be a metal, hinged door adjacent to the vehicular access opening, which will also provide pedestrian access to the parking areas.

There will also be an entrance to the cellar floor level which will be accessible from 47th Avenue via steps within an existing areaway. There will be gas and electric meters located at the cellar level. The door to the cellar area will be a metal door.

MAILBOXES

U.S. Approved type mailboxes will be provided for each unit at a central location in the lobby area, at the first floor level of the building.

CABANAS, ROOF AND ROOF STRUCTURES

There will be terraces located at the second, fifth and sixth floor levels of the building. There will also be flat roof areas above the stair and elevator bulkheads.

The terraces at the second, fifth and sixth floor levels will be limited common elements to the residential units which have direct access to these terraces. There will also be private cabanas at the roof above the eighth floor level. Each cabana will be a limited common element. Units 8E, 8F and 8H will have direct access to their applicable cabanas, via stairs from within the applicable units. The remaining seven cabanas at the roof above the eighth floor level will be allocated to specific residential units as limited common elements. Part of the roof above the eighth floor, to the southerly side of the building, will be a common area for the condominium.

The cabanas allocated to residential units will be enclosed on all sides and separated from each other and from the common areas, by pvc fencing approximately six feet in height above the finished roof. The cabanas will also be provided with access gates approximately three feet in width made from the same pvc fencing material.

Cabanas will be finished with masonry pavers supported on pedestal leveling plates. The roof supporting the pavers, shall be a rubberoid type built up roof on rigid insulation on a reinforced concrete slab on corrugated metal decking which will be supported by metal channel joists and steel beams and girders.

Penetration of ducts, pipes, skylights, stair bulkheads etc. shall be properly flashed and waterproofed. Batt insulation, with a minimum R value of 19, shall be provided at the underside of the roof. The expected life span of the roof type is ten (10) to fifteen (15) years. No bond or guarantee other than the five (5) year warranty on all construction materials and workmanship will be furnished.

ROOF DRAINAGE

All roof areas shall be pitched at a minimum slope of approximately 1/4" per foot. Roof areas shall be drained to vertical metal leaders. The run-off from some of the roof areas will be transported via the leaders and below grade horizontal drains, to the existing, combined sewer, located in the roadway beneath 47th Avenue. The rest of the run-off from the roof areas will be transported to drywells, located in the yard area to the side of the building adjacent to 47th Avenue.

SKYLIGHTS

There will be no skylights in the building.

INTERIOR STAIRS

The common interior stairs, providing access to the different levels will be new and shall be of metal pan construction with metal handrails. The enclosures shall be of load-bearing masonry or of load bearing metal studs finished with gypsum wallboards at the interior walls.

Interior stairs, within the residential units at the eight floor level and which will provide access to the roof areas, shall be of metal construction with metal handrails. The enclosures shall be of load-bearing metal studs finished with gypsum wallboards at the interior walls.

EXTERIOR STAIRS

There will be two stairs at the exterior of the building. There will be one open stair located at the facade facing 47th Avenue which will provide access to the cellar floor level from grade. The other open stair will be located at the yard area to the side of the building adjacent to 47th Avenue and will provide access to the yard area from one of the residential units at the second floor level.

The exterior stair to the cellar floor shall be of concrete construction with a non-corrosive metal handrail. The stair to the yard area from the second floor level shall be of metal construction with non-corrosive metal handrails. The perimeter of stairwells and landing shall be protected with metal guardrails, with a minimum height of three feet, six inches (3'-6") above the adjacent grade or level of the landings. The maximum spacing between vertical railings shall be approximately four inches (4") as required by the N.Y. City Building code.

INTERIOR DOORS AND FRAMES

All interior doors; providing access to the units from the common stair hallways, to mechanical spaces and to gas and electrical meter rooms are to be fireproof self-closing metal doors with a minimum fire rating of 1 ½ hr. and with metal frames. Doors within the units may be of wood, metal or another material and do not have to be fire rated doors.

EXTERIOR DOORS

Doors at the exterior of the building may be of wood, glass, metal or another material and do not have to be fire rated.

BALCONIES

There will be cantilevered balconies located at the second thru eighth floor levels of the building. Balconies will be limited common elements to the units to which they are adjacent to.

Balconies shall be of reinforced concrete construction supported by steel beams and channels. Balconies shall be protected at the perimeter with metal guardrails, with a minimum height of three feet, six inches (3'-6") above the finished balcony level. The maximum spacing between vertical railings shall be approximately four inches (4") as required by the N.Y. City Building code.

ELEVATORS

There will be two new elevators installed in the building. There will be one elevator located at the existing building which will provide access to the residential units to the southerly side of the building and one elevator located at the new adjacent structure which will provide access to the residential units located to the northerly side of the building.

The elevators shall be model numbers SPF 21 and SPF 25 as manufactured by ThyssenKrupp Elevator. Each elevator will be a geared, traction type elevator with a capacity of 2,100 and 2500 lbs., respectively and a travel speed of approximately 200 feet per minute.

Elevator doors shall be single slide doors of hollow metal reinforced with continuous, vertical members and shall be finished with stainless steel.

Each elevator will be powered by a 30 HP motor with electrical service from a 208 Volt triple phase service.

Lighting shall be provided by recessed lighting fixtures at the ceiling which will be finished with laminated wood paneling.

Ventilation of the elevator cabs shall be via an exhaust fan unit and ventilation grille mounted centrally at the ceiling.

The dimensions of each elevator cab shall be approximately 6'-0"x 5'-0", and shall be finished inside with stainless steel with stainless steel operating panels and handrails. Each elevator will have a capacity of approximately six persons.

Separate applications shall be filed with and approved by the Elevator Division of the New York City, Department of Buildings, prior to the installation of elevators and related equipment.

The Sponsor reserves the right to provide elevator equipment and alternate interior finishes by a different manufacturer which are equal to or better than noted above.

YARDS

There will be one side yard area to the westerly side of the building, adjacent to 47th Avenue and a partial front yard setback at the new extension facing 11th Street.

The yard area to the side of the building will be approximately twenty six feet in width, measured perpendicular to the westerly facade of the building. Part of the side yard area will be a limited common area to two of the residential units and part of the area will contain open parking units. The limited common side yard areas will be enclosed and separated with pvc fencing to a height of approximately six feet above the finished grade.

The yard area to the front of the building facing 11th Street will be set back five feet perpendicular to the facade of the building, and will be a common area providing vehicular and pedestrian access to the parking areas located at the first floor, grade level.

The limited common yard areas to the side of the building will be finished with masonry pavers. The other yard areas will be paved with asphalt concrete. Yard areas will also be provided with drains, connected to the building storm drainage system.

COMMON AREAS

The main common areas in the building will be the main entrance lobby at the first floor level, interior stairs, hallways and elevators which provide access to the different levels of the building and the mechanical, meter and refuse storage rooms.

LAUNDRY AREAS

The residential units located the first through eighth floor levels will be provided with laundry closets with hookups for domestic type washers and dryers. Laundry closets shall be provided with exhaust vent ducts to the outside air for dryers and shall also be equipped with mechanical ventilation.

The actual laundry equipment will be the responsibility of each unit's owner. Laundry equipment to be installed shall be U.L. approved and N.Y. City M.E.A. or B.S. and A. approved if necessary.

PLUMBING AND DRAINAGE

Water will be supplied to the units through connections to the building, from the New York City Water Distribution System. There will be a minimum 2" copper water main conveying the water into the building. Each unit is to be supplied with cold water from a minimum ½" copper piping. The residential units will have a common hot water heating unit, located in a mechanical room at the first floor level.

The building relies on normal New York City water pressure for raising the water to the eighth floor level, so that no water tanks are required.

FIRE PROTECTION SYSTEM

A wet standpipe, sprinkler system will be installed throughout the entire building.

A separate sprinkler application shall be filed with and approved by the Queens Office of the New York City Department of Buildings; by a New York State licensed, Mechanical Engineer and the required permits secured prior to the installation of the sprinkler system.

Each residential unit shall also be equipped with smoke detectors and carbon monoxide detectors at a maximum distance of fifteen feet from any bedroom door within the unit, as required by the New York City Building Code.

DOMESTIC HOT WATER

Domestic hot water shall be provided for each residential unit by a common, gas fired, combined boiler and hot water heater, located in a mechanical room at the first floor level.

The combined boiler and hot water heater shall be model number CHN-0991, as manufactured by LOCHINVAR, with a N.Y. City M.E.A. approval number (159-95-E Vol. 3). Each boiler will have an input rating of approximately 990,000 B.T.U. per hour and will operate with an efficiency rating of approximately eighty (80 %) percent. The hot water heater will be adequate to provide hot water for each unit.

The Sponsor reserves the right to provide hot water heaters by different manufacturers which are equal to or better than noted above.

HEATING

Heating of the residential units will be mainly achieved by packaged, terminal air conditioning units which will provide both heating and cooling. The packaged units will be located at the exterior wall of the building beneath the window assembly of each living room and bedroom. Heating of each residential unit will be achieved by supplying heated air to the bedroom and living rooms directly from the packaged units. Sleeves shall be provided at the exterior walls to accommodate the placement of the units.

The packaged air conditioning units shall be model numbers **007, 014 and 019** as manufactured by **McQuay;** with heating capacities of 10,000, 13,000 and 16,000 BTU's per hour respectively. Each unit has a N.Y. City, MEA approval number **(257-99-E).** The efficiency rating of each packaged unit will be approximately eighty (80 %) percent and each packaged unit will provide adequate heat for the spaces within the residential units.

The combined boiler and hot water heaters that will generate the heat energy for the packaged units will be model number shall be model number **CHN-0991,** as manufactured by **LOCHINVAR,** with a N.Y. City M.E.A. approval number **(159-95-E Vol. 3).** Each boiler will have an input rating of approximately 990,000 B.T.U. per hour and will operate with an efficiency rating of approximately eighty (80 %) percent.

The common areas of the building (lobby, hallways etc.) and parts of the residential units adjacent to the common hallways will be heated by a split, HVAC system. The other parts of the residential units will be heated by the packaged terminal air conditioning units indicated above. There will be roof mounted, packaged HVAC units, located at the roof above the eighth floor level. The heating cycle of the rooftop packaged HVAC units, will generate the heat energy required to heat the spaces at each wing of the building. Heated air will be supplied to the different areas via metal ducts and ceiling and wall diffusers.

The rooftop HVAC units shall be model numbers; **RM-004-8-0 and RM-008-8-0,** as manufactured by **AAON,** with heating capacities of 90,000 and 180,000 BTU's per hour respectively. Each unit has a N.Y. City M.E.A. approval number **(7-98-E).** The efficiency rating of each unit will be approximately eighty (80 %) percent and each packaged unit will provide adequate heat for the common areas and spaces within the residential units.

The sponsor reserves the right to provide packaged air conditioning units, split HVAC units and boilers by different manufacturers which are equal to or better than noted above.

COOLING

Cooling of the residential units will be mainly achieved by packaged, terminal air conditioning units which will provide both heating and cooling. The packaged units will be located at the exterior wall of the building beneath the window assembly of each living room and bedroom. Cooling of each residential unit will be achieved by supplying cooled air to the bedroom and living rooms directly from the packaged units. Sleeves shall be provided at the exterior walls to accommodate the placement of the units.

The packaged air conditioning units shall be model numbers **007, 014 and 019** as manufactured by **McQuay;** with cooling capacities of 6,800, 13,100 and 18,500 BTU's per hour respectively. Each unit has a N.Y. City, MEA approval number **(257-99-E).** The efficiency rating of each packaged unit will be approximately eighty (80 %) percent and each packaged unit will provide adequate heat for the spaces within the residential units.

The common areas of the building (lobby, hallways etc.) and parts of the residential units adjacent to the common hallways will be cooled by a split, HVAC system. The other parts of the residential units will be cooled by the packaged terminal air conditioning units indicated above. There will be roof mounted, packaged HVAC units, located at the roof above the eighth floor level. The condenser cycle of the rooftop packaged HVAC units, will generate the energy required to cool the spaces at each wing of the building. Cooled air will be supplied to the different areas via the same metal ducts and ceiling and wall diffusers used for heating.

The rooftop HVAC units shall be model numbers; **RM-004-8-0 and RM-008-8-0,** as manufactured by **AAON,** with cooling capacities of 49,000 and 108,000 BTU's per hour respectively. Each unit has a N.Y. City M.E.A. approval number **(7-98-E).** The efficiency rating of each unit will be approximately eighty (80 %) percent and each packaged unit will provide adequate cooling for the common areas and spaces within the residential units.

The sponsor reserves the right to provide packaged air conditioning units and split HVAC units by different manufacturers which are equal to or better than noted above.

CHIMNEYS

There will be a vertical metal flue located in the building, for the ventilation of mechanical equipment. The flue shall be as manufactured by Amerivent and shall have a B.S.A. approval number **(M.E.A. 294-56 SM)**.

The Sponsor reserves the right to provide flues by different manufactures, which are equal to or better than specified above.

VENTILATION

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

SANITARY SEWAGE SYSTEM

The sanitary waste will be conveyed to the New York City sewer system via new extra heavy cast iron, sewer pipes located in the building, which will lead to a house trap of extra heavy cast iron. The house trap will be located in the cellar area towards the front of the building, facing 47th Avenue. Beyond the house trap there will be a new 6" extra heavy, cast iron, sanitary drain pipe. The new 6" sanitary drainpipe will be connected to the existing 42" combined sewer located in the roadway beneath 47th Avenue.

STORM DRAINAGE SYSTEM

The storm drainage system will consist of, metal roof drains and vertical cast iron leaders, exterior area drains, below grade horizontal drains and pre-cast concrete drywells.

The run-off from some of the surface drains (which drain the paved areas) and parts of the roof areas will be conveyed to a new 6" extra heavy cast iron, horizontal storm drain located towards the front of the building at 47th Avenue. The horizontal drain will lead to an existing 42" combined sewer, located in the roadway beneath 47th Avenue.

The run-off from the rest of the roof and paved areas shall be to pre-cast concrete drywells which will be located in the yard area to the side of the building, adjacent to 47th Avenue. The drywells will dissipate the run-off to the surrounding soil. The horizontal drainpipes, which will connect to the drywells, shall be of extra heavy cast iron.

REFUSE DISPOSAL

A refuse disposal room and chute will be provided at the second through eight floor levels of the building. A refuse storage room will be provided at the first floor level at the southerly wing of the building off the main lobby.

The occupants at the second through eight floor levels of the building will take their own garbage and dispose of it via the refuse chute at each floor. The unit occupants at the first floor will leave their garbage at a refuse room located off the main lobby area. The garbage from the upper floors will be transported to a trash compactor which will be located in a trash compactor room at the first floor adjacent to the covered parking area beneath the northerly wing of the building. The garbage from the first floor level will be removed from the refuse storage room and stored in the compactor room by a janitor. The garbage will be removed from the compactor and storage room by a janitor and taken to a location outside the building where it will be collected by the New York City Sanitation Department on days designated for garbage removal.

GAS SUPPLY

Gas service will be provided by, the Keyspan Energy Delivery Company. The gas will be used for domestic cooking, hot water heating and for space heating and cooling. All piping shall be of black iron.

ELECTRICAL SYSTEM

The electrical service to the building will be brought in from the terminal point of the Consolidated Edison Co. The service supplied to the building will be 2,500 Amp, 120/208 Volt triple phase service.

The electrical service to be provided for each residential unit will be 100 Amps.

The main feed will bring the service to a minimum of forty five (45) separate meters, one (1) each for service to the residential units, and one (1) for the common areas in the building. There will be a minimum of forty five (45) main panels in the building, one (1) for each unit, and one (1) for the common spaces.

There will be approximately six (6) circuits equipped with circuit breakers for each residential unit; which will separate, air conditioning equipment, dishwashers, kitchen appliances, lights and outlets etc.

The service will be adequate for the usage of modern equipment and appliances.

INTERCOM

The building will be equipped with an intercom system at the entrance to the main lobby at the first floor, which will be connected to panels within each residential unit and which will permit voice contact between the residential units and the main entrance at the first floor level. An electric door release in the first floor entry door, which can be activated by each unit's occupant, will release the door for entrance into the building.

The intercom system shall be model number LAF 3, as manufactured by Airphone.

The Sponsor reserves the right to provide equipment, which is equal or better than noted above.

TELEVISION RECEPTION FACILITIES

The building will be wired for cable and internet access and each residential unit will be provided with hookups within the unit. Each unit's owner will be responsible for securing and paying for cable and or internet services from the service provider.

PUBLIC AREA LIGHTING

Lighting fixtures shall be provided in public stairs and hallways on all floors. Fixtures shall be capable of providing illumination of at least ten (10) watts per twenty five (25) square feet of floor area. Each lighting fixture shall be provided with one or more lights of a total of not less than sixty (60) watts. In addition, lighting fixtures shall be provided at the main pedestrian and vehicular entranceways to the building, providing an aggregate illumination of one hundred and fifty (150) watts incandescent illumination or its equivalent at each entrance. There shall also be provided in the yard area to the side at least three lighting fixtures at about the level of the second floor, each of at least forty (40) watts incandescent illumination.

The above requirements shall be in compliance with the New York City Housing Maintenance Code and Multiple Dwelling Laws.

PARKING AREAS

There will be a total of fourteen (14) parking spaces in the condominium which will be allocated to specific residential units as limited common elements. Allocation of spaces will be determined by the Sponsor.

There will be ten (10) covered parking spaces which will be located beneath the northerly wing of the building at the first floor level and four (4) open parking spaces in the yard area to the westerly side of the building. All parking spaces will be accessible from 11th Street. Each parking space will be approximately 8'-6" x 18'-0".

Parking and common driveway areas will be paved with asphalt concrete. Parking and driveway areas will be provided with adequate lighting and shall also be provided with area drains connected to the building storm drainage system.

UNITS

There will be forty four (44) residential units in the condominium.

The residential units will be located at the first through eight floor levels of the building. There will also be mechanical and refuse storage rooms as well limited common storage rooms located at the first floor level.

Room count will be specified in terms of the number of bedrooms and bathrooms within each unit.

Units 1A and 1C; will each consist of:
One (1) bedroom, one (1) bathroom, living/dining room, kitchen and laundry closet;

Unit 1B will consist of:
Two (2) bedrooms, one (1) bathroom, living/dining room, kitchen and laundry closet;

Unit 1D will consist of:
Two (2) bedroom, two (2) bathrooms, living/dining room, kitchen and laundry closet;

Unit 2A will consist of:
One (1) bedroom, one (1) bathroom, living/dining room, kitchen and laundry closet;

Units 2E and 2H will each consist of:
One (1) bedroom, one (1) bathroom, living/dining room, kitchen, study and laundry closet;

Units 2F and 2G will each consist of:
One (1) bedroom, one and one half (1 ½) bathrooms, living/dining room, kitchen, study and laundry closet;

Units 2B, 2C and 2D will each consist of:
Two (2) bedrooms, two (2) bathrooms, living/dining room, kitchen and laundry closet;

Units 3E and 3H will each consist of:
One (1) bedroom, one (1) bathroom, living/dining room, kitchen, study and laundry closet;

Units 3F and 3G will each consist of:
One (1) bedroom, one and one half (1 ½) bathrooms, living/dining room, kitchen, study and laundry closet;

Unit 4A will consist of:
One (1) bedroom, one (1) bathroom, living/dining room, kitchen and laundry closet;

Units 4E and 4H will each consist of:
One (1) bedroom, one (1) bathroom, living/dining room, kitchen, study and laundry closet;

Units 4F and 4G will each consist of:
One (1) bedroom, one and one half (1 ½) bathrooms, living/dining room, kitchen, study and laundry closet;

Units 4B, 4C and 4D will each consist of:
Two (2) bedrooms, two (2) bathrooms, living/dining room, kitchen and laundry closet;

Unit 5A will consist of:
One (1) bedroom, one (1) bathroom, living/dining room, kitchen and laundry closet;

Unit 5H will consist of:
One (1) bedroom, one (1) bathroom, living/dining room, kitchen, study and laundry closet;

Units 5B, 5C, 5D and 5E will each consist of:
Two (2) bedrooms, two (2) bathrooms, living/dining room, kitchen and laundry closet;

Unit 5F will consist of:
Two (2) bedrooms, two (2) bathrooms, living/dining room, kitchen, study and laundry closet;

Unit 6H will consist of:
One (1) bedroom, one (1) bathroom, living/dining room, kitchen, study and laundry closet;

Units 6A, 6B and 6E will each consist of:
Two (2) bedrooms, two (2) bathrooms, living/dining room, kitchen and laundry closet;

Unit 6F will consist of:
Two (2) bedrooms, two (2) bathrooms, living/dining room, kitchen, study and laundry closet;

Unit 7H will consist of:
One (1) bedroom, one (1) bathroom, living/dining room, kitchen, study and laundry closet;

Unit 7E will consist of:
Two (2) bedrooms, two (2) bathrooms, living/dining room, kitchen and laundry closet;

Unit 7F will consist of:
Two (2) bedrooms, two (2) bathrooms, living/dining room, kitchen, study and laundry closet;

Unit 8H will consist of:
One (1) bedroom, one (1) bathroom, living/dining room, kitchen, study and laundry closet;

Units 8A, 8B and 8E will each consist of:
Two (2) bedrooms, two (2) bathrooms, living/dining room, kitchen and laundry closet;

Unit 8F will consist of:
Two (2) bedrooms, two (2) bathrooms, living/dining room, kitchen, study and laundry closet;

UNIT DESCRIPTION

Dimensions of units are approximate and are measured: horizontally; to the exterior face of any exterior walls directly enclosing the unit; to the centerline of any wall or partition separating the unit from another unit; to the non-unit side of any wall or partition separating the unit from any corridor, stair, elevator or mechanical space, where those elements do not exclusively serve the unit.

Vertically, each unit shall consist of the space between the top of the concrete slab or material forming the sub-floor of the unit to the unexposed side of the ceiling or structural members supporting the floor above.

The approximate, net square footages for each unit are as follows:

Unit 1A	First Floor	= 722 square feet
Unit 1B	First Floor	= 978 square feet
Unit 1C	First Floor	= 897 square feet
Unit 1D	First Floor	= 1,221 square feet
Unit 2A	Second Floor	= 713 square feet
Unit 2B	Second Floor	= 1,200 square feet
Unit 2C	Second Floor	= 1,135 square feet
Unit 2D	Second Floor	= 1,215 square feet
Unit 2E	Second Floor	= 826 square feet
Unit 2F	Second Floor	= 947 square feet
Unit 2G	Second Floor	= 896 square feet
Unit 2H	Second Floor	= 814 square feet

Unit 3E	Third Floor	= 826 square feet
Unit 3F	Third Floor	= 947 square feet
Unit 3G	Third Floor	= 896 square feet
Unit 3H	Third Floor	= 814 square feet
Unit 4A	Fourth Floor	= 713 square feet
Unit 4B	Fourth Floor	= 1,200 square feet
Unit 4C	Fourth Floor	= 1,135 square feet
Unit 4D	Fourth Floor	= 1,215 square feet
Unit 4E	Fourth Floor	= 826 square feet
Unit 4F	Fourth Floor	= 947 square feet
Unit 4G	Fourth Floor	= 896 square feet
Unit 4H	Fourth Floor	= 814 square feet
Unit 5A	Fifth Floor	= 713 square feet
Unit 5B	Fifth Floor	= 1,200 square feet
Unit 5C	Fifth Floor	= 1,135 square feet
Unit 5D	Fifth Floor	= 1,215 square feet
Unit 5E	Fifth Floor	= 1,253 square feet
Unit 5F	Fifth Floor	= 1,320 square feet
Unit 5H	Fifth Floor	= 826 square feet
Unit 6A	Sixth Floor	= 1,214 square feet
Unit 6B	Sixth Floor	= 1,225 square feet
Unit 6E	Sixth Floor	= 1,247 square feet
Unit 6F	Sixth Floor	= 1,320 square feet
Unit 6H	Sixth Floor	= 822 square feet
Unit 7E	Seventh Floor	= 1,247 square feet
Unit 7F	Seventh Floor	= 1,320 square feet
Unit 7H	Seventh Floor	= 822 square feet
Unit 8A	Eighth Floor	= 1,214 square feet
Unit 8B	Eighth Floor	= 1,225 square feet
Unit 8E	Eighth Floor	= 1,247 square feet
Unit 8F	Eighth Floor	= 1,320 square feet
Unit 8H	Eighth Floor	= 822 square feet

UNIT INTERIORS

The residential units will be finished as described herein.

The finished floor of the living, dining and bedroom areas of the residential units will be a tongue and groove, hardwood finished flooring, nailed to a plywood sub-floor. Thereafter unit owners may finish with carpeting or another material of their own choice and at their own expense.

The walls and ceilings shall be gypsum wallboard. When finished the walls and ceilings shall be primed and painted. Thereafter the unit owners may decorate by finishing with paint, wallpaper, paneling, etc. of their own choice.

Kitchens will have ceramic tile covering the floors, and gypsum wallboard walls and ceilings.

Full bathrooms shall be equipped with a washbasin, medicine cabinet, water closet and a combination bathtub/shower. Some full bathrooms adjacent to master bedrooms shall have a stall shower instead of a combination bathtub and shower. Half bathrooms will have a water closet, wash basin and medicine cabinet. Bathrooms shall have ceramic tile floors. Tile around the bathtubs and showers shall extend to the ceiling. All other bathroom walls shall be of tile and moisture resistant, gypsum wallboard.

There shall be at least one centrally located, overhead, incandescent, lighting fixture, provided in each bedroom, living room, kitchen and bathroom within each residential unit. There shall also be an overhead fixture provided in hallways within the units. Each lighting fixture shall be capable of providing at least 60 watts of incandescent illumination. Lighting fixtures and electrical outlets; shall be installed by a licensed electrician, and in compliance with the N.Y. City Electrical Code and the N.Y. City Building Code.

FINISHES

When completed, the following interior finishes will be installed.

	Location	Floors	Base	Walls	Ceilings
1.	Living/Dining Room	Hardwood	Wood	G.W.B. Painted	G.W.B. Painted
2.	Bedroom	Hardwood	Wood	G.W.B. Painted	G.W.B. Painted
3.	Study	Hardwood	Wood	G.W.B. Painted	G.W.B. Painted
4.	Kitchen	Ceramic Tile	Wood	G.W.B. Painted	G.W.B. Painted
5.	Bathroom	Ceramic Tile	Ceramic Tile	Tile/G.W.B. Painted	G.W.B. Painted
6.	Laundry Closet	Ceramic Tile	Ceramic Tile	Tile/G.W.B. Painted	G.W.B. Painted
7.	Storage Room	Concrete	Masonry	Masonry	G.W.B. Painted
8.	Parking	Concrete	Masonry	Masonry	Concrete

Note:
G.W.B : Denotes Gypsum Wallboard
Mas. : Denotes Masonry

All appliances not specified within this report are to be supplied by the unit occupant.

FIXTURE SCHEDULE

A. Water Closets: shall be manufactured by Duravit, model Stark 3 and shall be of vitreous china, floor mounted and with syphon flushing action. Water closets are also to be equipped with a vacuum breaker and shall meet water saving performance standards as per New York City Local Law 29/89.

B. Lavatory: at master bathrooms shall be Lacava, undermount, model number 5051UN 35"x13".

C. Bathtubs: shall be as manufactured by Neptune, model Zen 66x32, with tile flange (apron to be tiled in field).

The Sponsor reserves the right to provide fixtures of different manufacturers, which are equal to or better than listed above.

KITCHEN EQUIPMENT

The kitchen will generally be provided with the following fixtures, appliances and equipment:

1. Formica or wood laminate, wall and base cabinets and formica or wood laminate countertops.
2. Stainless steel sink by Crane, with faucet by Delta model number 400.
3. One, four burner 30" gas range by Kitchenaid, model number KGSA906PSS-S Stl.
4. 30 "range hood by Zephyr, model number AK1100S-S Stl.
5. 24 "dishwasher by Bosch, model number SHX33A05.
6. 31" refrigerator by Fisher Paykell, model number E522BRX-S Stl.

Note:

Additional kitchen appliances and fixtures will be the responsibility of the unit owners.

The sponsor reserves the right to provide fixtures by different manufacturers, which are equal to or better than noted above.

HANDICAPPED ACCESS

The building provides access for the handicapped, in that the main, entrance lobby at the first floor is at grade level. The units at the first floor as well as the elevators which will provide access to the second through eight floors will be accessible from the main lobby area.

Doors and accessible paths within the units, shall comply with N.Y. City Local Law 58/87 and A.N.S.I., A117.1-1986.

VIOLATIONS AND PERMITS

All required permits and signoffs, including a temporary Certificate of Occupancy, are to be obtained by the Sponsor.

LANDSCAPE

There will be no landscaping at the exterior of the building. Common yard areas will be mostly paved with asphalt concrete. Limited common yard areas which have been allocated to units will be finished with masonry pavers.

Bricolage Designs

6321 New Utrecht Avenue – 2nd Fl.
Brooklyn, N.Y. 11219
Phone : (718) 259-1100
Fax : (718) 259-0111

ADDENDUM TO ARCHITECT'S REPORT

10-55 47th Avenue
Queens, New York

Tax Block Number 47

File # CD 05-0674

1. The building plans are a true copy of the approved plans.
2. The building plans have been assigned Department of Buildings application number 402156581. The plans were approved on March 1st 2006.
3. The estimated time of completion of construction is August 2007.
4. The Sponsor will obtain either a temporary or a permanent Certificate of Occupancy prior to closing.
5. The type of sub soil was found to be Type 8-65 soil as per a soil test boring which was performed by D.K. Drilling of N.Y., 214-41 42nd Avenue, Bayside, NY 11361. The allowable soil bearing pressure is approximately 2 tons per square foot.
6. The existing foundations, footings, exterior walls, and floor system are all in good condition.
7. There has been no evidence of uneven foundation movement, settling, cracking, or mortar joint decay.
8. Lot Line windows will be noted as a Special Risk in the Offering Plan
9. Cabanas will be private semi enclosed roof areas allocated as limited common areas to specific units. The cabanas will be enclosed on all sides and separated from each other and from the common areas, by pvc fencing approximately six feet in height above the finished roof. The cabanas will also be provided with access gates approximately three feet in width made from the same pvc fencing material. Cabanas will be finished with masonry pavers supported on pedestal leveling plates.
10. The heating cycle of the packaged, terminal air conditioning units will be adequate to maintain the minimum comfortable temperatures within the spaces, as required by the N.Y. City Building Code. Mechanical plans shall be filed with and approved by the N.Y. City Department of buildings and the necessary permits secured prior to the installation of the units.
11. The cooling cycle of the packaged, terminal air conditioning units will be adequate to maintain comfortable temperatures within the spaces, as required by the N.Y. City Building Code. Mechanical plans shall be filed with and approved by the N.Y. City Department of buildings and the necessary permits secured prior to the installation of the units.
12. A list of the current violations is herewith submitted.

13. Revised Plot Plan and First Floor plans are herewith submitted indicating an additional parking space at the first floor level.
The following section of the Architect's Report is hereby revised as follows:

.....

.....

PARKING AREAS

There will be a total of fifteen (15) parking spaces in the condominium which will be allocated to specific residential units as limited common elements. Allocation of spaces will be determined by the Sponsor.

There will be ten (10) covered parking spaces which will be located beneath the northerly wing of the building at the first floor level and five (5) open parking spaces in the yard area to the westerly side of the building. All parking spaces will be accessible from 11th Street. Each parking space will be approximately 8'-6" x 18'-0".

Parking and common driveway areas will be paved with asphalt concrete. Parking and driveway areas will be provided with adequate lighting and shall also be provided with area drains connected to the building storm drainage system.

.....

.....

14. There will be no medicine cabinets provided at bathrooms. The following section of the Architect's Report is hereby revised as follows:

.....

.....

UNIT INTERIORS

The residential units will be finished as described herein.

The finished floor of the living, dining and bedroom areas of the residential units will be a tongue and groove, hardwood finished flooring, nailed to a plywood sub-floor. Thereafter unit owners may finish with carpeting or another material of their own choice and at their own expense.

The walls and ceilings shall be gypsum wallboard. When finished the walls and ceilings shall be primed and painted. Thereafter the unit owners may decorate by finishing with paint, wallpaper, paneling, etc. of their own choice.

Kitchens will have ceramic tile covering the floors, and gypsum wallboard walls and ceilings.

Full bathrooms shall be equipped with a washbasin, water closet and a combination bathtub/shower. Some full bathrooms adjacent to master bedrooms shall have a stall shower instead of a combination bathtub and shower. Half bathrooms will have a water closet and wash basin. Bathrooms shall have ceramic tile floors. Tile around the bathtubs and showers shall extend to the ceiling. All other bathroom walls shall be of tile and moisture resistant, gypsum wallboard.

There shall be at least one centrally located, overhead, incandescent, lighting fixture, provided in each bedroom, living room, kitchen and bathroom within each residential unit. There shall also be an overhead fixture provided in hallways within the units. Each lighting fixture shall be capable of providing at least 60 watts of incandescent illumination. Lighting fixtures and electrical outlets; shall be installed by a licensed electrician, and in compliance with the N.Y. City Electrical Code and the N.Y. City Building Code.

.....

.....

Dated: May 2nd, 2006

REGISTERED ARCHITECT DOUGLAS PULASKI STATE OF NEW

DOUGLAS PULASKI, R.A.
BRICOLAGE DESIGNS
6321 NEW UTRECHT AVENUE
BROOKLYN, N.Y. 11219
(718) 259-1100

TITLE NO. 0608-TA05061037E HB

ABSTRACTERS' INFORMATION SERVICE, INC.
1111 MARCUS AVENUE – SUITE MZ214
LAKE SUCCESS, N.Y. 11042
PHONE (516) 918-4600 FAX (516) 918-4540

VIOLATION SEARCH

Date: 2/17/06

Premises: 46-48 11 STREET
AKA 46-38/48 11 STREET, AKA 10-49/59 47 AVENUE,

County: QUEENS

The findings of this search is limited to violation posted against the address(es) shown above and may not include violations posted against other addresses or against a block and lot.

BUILDING DEPT.: A search of the Building Department Records indicate the following violations. Copies and/or an abstract of the violations, if any, are attached.

SEE ATTACHED FOR PENDING VIOLATIONS AS PER SEARCH DATED: 2/16/06

OFFICE OF RENT AND HOUSING MAINTENANCE: A search of the Housing Department Records indicate the following violations. Copies and/or an abstract of the violations, if any, are attached.

NO VIOLATIONS AS PER SEARCH DATED: 2/16/06

CLASSIFICATION:
COMMERCIAL PROPERTY

REGISTRATION NUMBER:
SC NUMBER: **SC-B NUMBER:**
LAST INSPECTION DATE:

IMPORTANT NOTICE ABOUT SEARCH INFORMATION ABOVE
ABSTRACTERS INFORMATION SERVICE INC. DOES HEREBY CERTIFY THAT THE RECORDS OF THE ABOVE GOVERNMENTAL AGENCIES WERE EXAMINED AND THAT THE INFORMATION RECORDED ABOVE IS A TRUE AND ACCURATE ABSTRACTION OF THE INFORMATION CONTAINED THEREIN. THIS REPORT IS SUBMITTED FOR INFORMATION PURPOSES ONLY. LIABILITY IS LIMITED TO ERRORS AND OMISSIONS OF INFORMATION PROPERLY INDEXED, FILED AND RECORDED WITH THE ABOVE GOVERNMENTAL AGENCIES AND SHALL NOT EXCEED A TOTAL OF $1000.00 DOLLARS. NON-COMPLIANCE OF LOCAL LAW 10/81 WHICH INVOLVES PERIODIC ELEVATOR INSPECTIONS PERFORMED BY PRIVATE FIRMS EMPLOYED BY THE OWNER OR HIS AGENT, ARE NOT INCLUDED IN THE ABOVE SEARCH. THIS SEARCH DOES NOT INCLUDE OTHER AGENCIES VIOLATIONS. THIS SEARCH IS PREPARED EXCLUSIVELY FOR TITLE ASSOCIATES INC. on 2/17/06. 0608-TA05061037E

HEATING PLANT INSPECTIONS
NEW REQUIREMENTS FOR LOCAL LAW 62/91

DEAR BUILDING OWNER:

In accordance with Local Law 62/91, owners of commercial buildings or buildings with six or more units (apartments) are required to have their boilers inspected annually and submit an inspection report to the Department of Buildings with a filing fee of $30.00 per boiler. The reports must be filed on forms supplied by the Department of Buildings within 30 days of the inspection date and prior to December 31 of each calendar year starting with 1992. Failure to file may subject the owner to a civil penalty of $1,500.00 in accordance with Section 26-125 of the Administrative Code.

The following NYC licensees are qualified to perform the inspection regardless of the fuel type:

1. HIGH PRESSURE BOILER OPERATORS
2. OIL BURNER EQUIPMENT INSTALLERS
3. NYC AUTHORIZED INSURANCE COMPANIES
4. NYC LICENSED MASTER PLUMBERS

Any questions on these new requirements may be addressed in writing to the Department of Building's Boiler Division located at 280 Broadway, 4th Floor, New York, N.Y. 10013.

This filing with the department of Buildings supercedes and replaces the Heating Plant Self-Inspection Certification formerly required by the Department of Housing Preservation and Development Division of Code Enforcement.

The following are open violations:

1. 0326021126912 6108
2. 0319031126912 4396
3. 0213041126912 8008
4. 0131051126912 6485
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____
16. _____
17. _____
18. _____

ABSTRACTERS' INFORMATION SERVICE, INC.

138-72 QUEENS BOULEVARD BRIARWOOD NY. 11435

(718) 291-5900 (516)742-2290 (914) 761-4451 FAX (718) 291-6681

TITLE #: _____

PREMISES: 46-38/48 11st aka 10-49/59 47 Ave

BOROUGH: _____

DEAR SIR,

THE FOLLOWING VIOLATION(S) HAVE BEEN INDEXED AGAINST THE ABOVE PREMISES. HOWEVER, WE ARE UNABLE TO OBTAIN A COPY OF THE SAID VIOLATION(S) SINCE THE RECORDS ARE MISSING FROM THE DEPARTMENT OF BUILDINGS FILES.

VIOLATION(S):

- V 1203035 9013/487619
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____

NYC BUILDINGS

NYC.gov always open

NYC Department of Buildings

Actions

Premises: 46-48 11 STREET QUEENS **BIN: 4436608 Block: 47 Lot: 21**

NUMBER	TYPE	FILE DATE
VECB 030601B	ECB VIOLATION - ACTIVE	03/06/2001
VEC* 062791E1214D3	ECB VIOLATION DISMISSED	06/27/1991
VEC* 092398C02AD02	ECB VIOLATION DISMISSED	09/23/1998
VEC* 120298E668D01	ECB VIOLATION DISMISSED	12/02/1998
VEC* 092898C02JMF1	ECB VIOLATION DISMISSED	09/28/1998
VEC* 111099E1334D01	ECB VIOLATION DISMISSED	11/10/1999
VEC* 112700E729D01	ECB VIOLATION DISMISSED	11/27/2000

Previous

Enter Action Type: Or Select from List: UB - UNSAFE BUILDING Refresh

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.

NYC BUILDINGS

NYC.gov always open

NYC Department of Buildings

Actions

Premises: 46-48 11 STREET QUEENS **BIN: 4436608 Block: 47 Lot: 21**

NUMBER	TYPE	FILE DATE
V* 061986E142312	DOB VIOLATION DISMISSED	00/00/1986
DISMISSAL DATE: 12/27/1988	AGENCY LICENSE:	BADGE NO.: 1460
VW* 092398CC02AP02	VIOLATION - WORK W/O PERMIT DISMISSED	09/23/1998
VP* 061598E458D03	VIOLATION UNSERVED ECB- DISMISSED	06/15/1998
V* 052290E1138D01	DOB VIOLATION DISMISSED	05/22/1990
V* 010698LL108102537	DOB VIOLATION DISMISSED	01/06/1998
V 032602LL629126108	DOB VIOLATION - ACTIVE	03/26/2002
V 031903LL629124395	DOB VIOLATION - ACTIVE	03/19/2003
V 120303E9013/487619	DOB VIOLATION - ACTIVE	12/03/2003
V 021304LL629128008	DOB VIOLATION - ACTIVE	02/13/2004
V 013105LL629126489	DOB VIOLATION - ACTIVE	01/31/2005

Previous Next

Enter Action Type: Or Select from List: UB - UNSAFE BUILDING Refresh

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.

ABSTRACTERS' INFORMATION SERVICE, INC

1111 Marcus Avenue, Suite MZ214 Lake Success, NY 11042

(718) 291-5900 (516) 761-4451 FAX (718) 291-6681

ECB VIOLATION DETAILS

Premises: 46-48 11 STREET QUEENS BIN: 4436608 Block: 47 Lot: 21

Filed At: 46-44 11 STREET , QNS , NY 11101

ECB Viol Number: 32024830Y VIOL ACTIVE Status: OVERDUE COMPL

Respondent Info: CB: 402

ELEVEN STREET REALTY . 46-44 11 STREET , LONG ISLAND CIT , NY 11101 GEO Flag: 1

Viol Issue Date:	03/06/2001	Delivered Date:	03/06/2001		
Viol Type:	BL - BOILER	DOB Viol Number:	030601B		
Issuing Insp ID:	1756	Tax Lien Serv:	NO		
Device Type:	BOILER	Device Number:			
Sched Hrg Date:	04/24/2001	Hearing Time:	10:30	Location:	8
Amount Imposed:	$180.00	Amount Paid:	$180.00		
Hearing Status:	S - STIPULATED	Compl Status:	O - OVERDUE COMPL		
Compl By Date:	07/14/2001	Compl Met Flag:			
Compl Met Date:		Viol Severity:	B - MODERATE		

Infraction Codes:

B4A 27-127 FAILURE TO MAINTAIN BOILER (A)

Description of Violation:

36.36 WEIL MCLAIN GOLD GV(MODEL GV-6)GAS FIRED BOILER ON THE 3RD FLOOR IS NOT REGISTERED WITH N,Y.CITY DEPARTMENT OF BUILDING.

Historical Event Dates:

CUR:	HRG:	COM:	DEF:	STIP ACC:
AJR:	ASG:	WRI:		

TITLE NO. 0608-TA05061037E FV

ABSTRACTERS' INFORMATION SERVICE, INC.

1111 MARCUS AVENUE – SUITE MZ214
LAKE SUCCESS, N.Y. 11042
PHONE (516) 918-4600 FAX (516) 918-4540

FIRE DEPARTMENT * CITY OF NEW YORK
BUREAU OF REVENUE MANAGEMENT

9 Metro Tech East
Brooklyn, N.Y. 11201-3857

RECORD SEARCH REQUEST

MAIL TO:

ABSTRACTERS' INFORMATION SERVICE, INC.
138-72 QUEENS BOULEVARD
BRIARWOOD, N.Y. 11435

CHECKED BY:

SEARCH NO. _____

The undersigned requests the following information re: Premises

46-48 11 STREET QUEENS
AKA 46-38/48 11 STREET, AKA 10-49/59 47 AVENUE,

ADDRESS BOROUGH

[X] 1. Record of existing Fire Department Violations _____ **FEE: $10.00**

[ ] 2. Record of Permit for _____ **FEE: $10.00**

TOTAL FEE: $10.00

(THE CITY OF NEW YORK IS NOT BEING SUED, NOR IS THERE ANY INTENTION TO SUE THE CITY OF NEW YORK)

ABSTRACTERS' INFORMATION SERVICE, INC.

DATE 02/16/06

DO NOT WRITE BELOW THIS LINE

Gentlemen:

In reply to your request concerning the premises mentioned above, please be advised that as of 9 A.M JAN 1 7 2006 our records show the following:

71-4934 7/13/71 (1) COPY UNAVAILABLE
72-3047 4/24/72

Searched by _____ VIOLATIONS

VIOLATION RECORDED ABOVE ARE ONLY THOSE WHICH ARE A MATTER OF RECORD IN HEADQUARTERS OF THE BUREAU OF FIRE PREVENTION, AND MAY NOT INCLUDE VIOLATIONS ISSUED BY LOCAL UNITS. THIS REPORT IS SUBMITTED FOR INFORMATIONAL PURPOSES ONLY. THERE IS NO LIABILITY ASSUMED. THIS SEARCH IS PREPARED EXCLUSIVELY FOR TITLE ASSOCIATES INC. on 02/16/06. 0608-TA05061037E

Copy to DO.11 3-4-16

A-46 - 10M - 824044(70)

FIRE DEPARTMENT OF THE CITY OF NEW YORK

DIVISION OF FIRE PREVENTION
ROOM 1128, MUNICIPAL BUILDING
BROOKLYN, N.Y. 11201
Telephone: 643-7969

DO.11
MAR 23 1977

FOLDER NO. .....
ACCOUNT NO. U 542 000
COMPANY NO. L 115
DISTRICT NO. 11

Refer to 72- 2047
Order No. _____
DATE ISSUED _____
Occupancy for which this ORDER is issued.

Loosen & Brautigam
46-44 11th St.
L. I. C., New York 11101

Same

Re: Spray Material

Gentlemen:

Before a permit for the purpose indicated above may be issued to you, the following order must be complied with within 30 days. Kindly notify this Department when such order has been complied with.

1. Provide sprinkler heads, installed in accordance with the sprinkler rules of the Board of Standards and Appeals in all spraying, dipping or immersing spaces, booths, and storage rooms. Rule 6.3.1, Spray Rules.
NOTE: In non-sprinklered buildings, sprinkler connection may be made to the house water supply, provided the size of the house water supply line is adequate for the number of sprinkler heads. Plans must be filed with, and approved by, the Department of Buildings before work is commenced.

2. Provide ventilation from top and bottom of spray material storage cabinet to outer air. Rule 6.1.1.

NOTE: These items are in addition to order 71-4943.

ROBERT O. LOWERY
FIRE COMMISSIONER

JM:dw

TITLE NO. 0608-TA05061037E CO

ABSTRACTERS' INFORMATION SERVICE, INC.
1111 MARCUS AVENUE – SUITE MZ214
LAKE SUCCESS, N.Y. 11042
PHONE (516) 918-4600 FAX (516) 918-4540

CERTIFICATE OF OCCUPANCY REPORT

DATE: 2/16/2006

PREMISES: 46-48 11 STREET
AKA 46-38/48 11 STREET, AKA 10-49/59 47 AVENUE,
COUNTY: QUEENS
BLOCK: 00047 LOT: 00021

THE FOLLOWING INFORMATION IS ON FILE:

QUEENS BLOCK: 00047 LOT: 00021

CO Q166659
ISSUED 07/15/60
ALT 770/1965
1 STORY, NON-FIREPROOF
FACTORY, MACHINE SHOP, TRUCKING AND FREIGHT TERMINAL
COMPLETED 07/06/60

CO 50472
ISSUED 11/14/33
NB 802/1920
4 STORY, BRICK
FACTORY
COMPLETED 02/24/21

ALT 400101215
MINOR INTERIOR WORK AND OBTAIN A NEW CO.
PERMIT ISSUED 12/22/95
NOT SIGNED OFF

DEMOLITION 402237254
1 STORY
BUILDING
PERMIT ISSUED 11/21/2005
NOT SIGNED OFF

IMPORTANT NOTICE ABOUT SEARCH INFORMATION ABOVE

THE PURPOSE OF THIS REPORT IS TO PROVIDE THE LEGAL OCCUPANCY AS PER LATEST C/O ON FILE. THE ABOVE REPORT MAY NOT INCLUDE THE REPORTING OF MINOR APPLICATIONS WHICH MAY BE INDEXED AGAINST THE ABOVE BLOCK AND LOT BUT DO NOT REQUIRE A NEW C/O OR APPLICATIONS OF ANY KIND THAT ARE INCOMPLETE. A HISTORY OF ALL FILINGS FOR THE ABOVE PARCEL IS AVAILABLE UPON REQUEST FOR AN ADDITIONAL FEE. THERE IS NO LIABILITY ASSUMED FOR ERRORS OR OMISSIONS OF FACT DUE TO THE STATE OF THE PUBLIC RECORD OR THE LIMITS DEFINED HEREIN. THIS PRODUCT IS NOT INTENDED TO ELIMINATE RISKS COVERED BY TOEPP. THIS REPORT IS PREPARED EXCLUSIVELY FOR TITLE ASSOCIATES INC. ON 2/16/2006. 0608-TA05061037E

DEPARTMENT OF BUILDINGS

BOROUGH OF QUEENS, THE CITY OF NEW YORK

Date 7/15/66 No. 8 166659

CERTIFICATE OF OCCUPANCY

NO CHANGES OF USE OR OCCUPANCY NOT CONSISTENT WITH THIS CERTIFICATE SHALL BE MADE UNLESS FIRST APPROVED BY THE BOROUGH SUPERINTENDENT

This certificate supersedes C. O. No.

THIS CERTIFIES that the ~~new~~ altered ~~entire~~ building—premises located at 46-42 11th Street Block 47 Lot 21

That the zoning lot and premises above referred to are situated, bounded and described as follows:

BEGINNING at a point on the ~~West~~ Northwest ~~side~~ corner formed by the intersection of 47th Avenue and 11th Street

running thence E. 100 feet; thence N. 125 feet;

thence S. 100 feet; thence W. 125 feet;

running thence feet; thence feet;

to the point or place of beginning, conforms substantially to the approved plans and specifications, and to the requirements of the Building Code, the Zoning Resolution and all other laws and ordinances, and of the rules of the Board of Standards and Appeals, applicable to a building of its class and kind at the time the permit was issued; and

CERTIFIES FURTHER that any provisions of Section 646F of the New York Charter have been complied with as certified by a report of the Fire Commissioner to the Borough Superintendent.

~~Class~~ Alt. No. Alt. 770/65

Occupancy classification— Comm.

Date of completion— 7/6/66

at time of issuance of permit.

Construction classification— Non-fire

Height 1 stories, 15 feet

Located in M1-1 Zoning District

This certificate is issued subject to the limitations hereinafter specified and to the following resolutions of the Board of Standards and Appeals and The City Planning Commission: (Calendar number to be inserted here)

PERMISSIBLE USE AND OCCUPANCY

Off-Street Parking Spaces

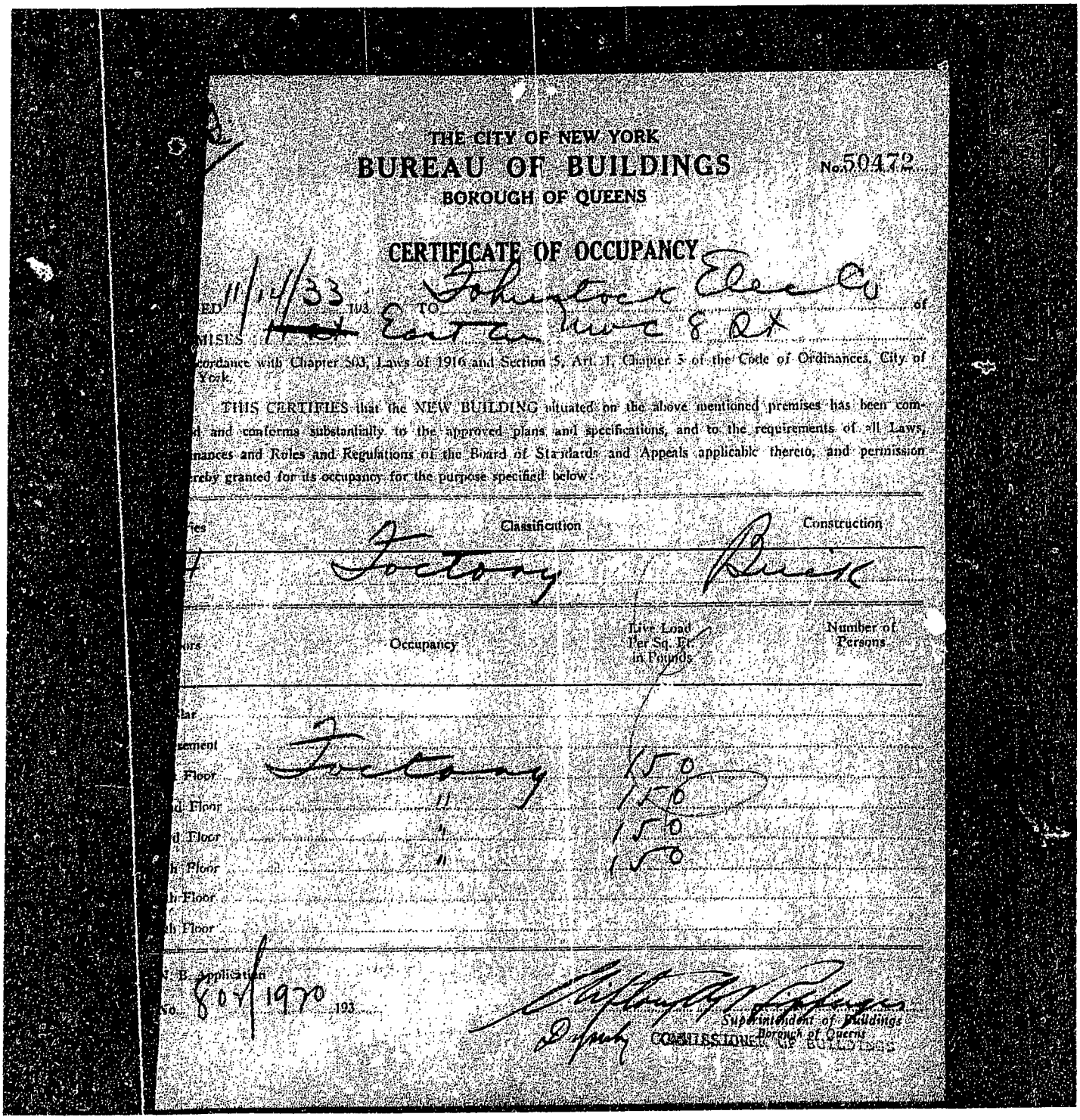
Off-Street Loading Berths

STORY	LIVE LOADS Lbs. per Sq. Ft.	PERSONS ACCOMMODATED	USE
1st	on grd.	6	Factory - Machine Shop. Use Group #17.
		3	Trucking & Freight Terminal, Use Group #27.

Examined

Borough Superintendent

OFFICE COPY—DEPARTMENT OF BUILDINGS



THE CITY OF NEW YORK

BUREAU OF BUILDINGS

No. 50472

BOROUGH OF QUEENS

CERTIFICATE OF OCCUPANCY

ED 11/4/33 193 TO Johnson Elec Co of

MISES Corona Ave & R.R.

ordance with Chapter 503, Laws of 1916 and Section 5, Art. 1, Chapter 5 of the Code of Ordinances, City of York.

THIS CERTIFIES that the NEW BUILDING situated on the above mentioned premises has been com- and conforms substantially to the approved plans and specifications, and to the requirements of all Laws, nances and Rules and Regulations of the Board of Standards and Appeals applicable thereto, and permission reby granted for its occupancy for the purpose specified below:

ies	Classification	Construction
1	Factory	Brick

ors	Occupancy	Live Load Per Sq. Ft. in Pounds	Number of Persons
lar			
sement			
Floor	Factory	150	
d Floor	"	150	
d Floor	"	150	
h Floor	"	150	
h Floor			
h Floor			
h Floor			

B. Application
No. 80 1970 193

Superintendent of Buildings
Borough of Queens

COMMISSIONER OF BUILDINGS

TITLE NO. 0608-TA05061037E ER

ABSTRACTERS' INFORMATION SERVICE, INC.
1111 MARCUS AVENUE – SUITE MZ214
LAKE SUCCESS, N.Y. 11042
PHONE (516) 918-4600 FAX (516) 918-4540

EMERGENCY REPAIR

Date: **2/17/2006**

Company: **TITLE ASSOCIATES INC.**

Premises: **46-48 11 STREET**
AKA 46-38/48 11 STREET, AKA 10-49/59 47 AVENUE,

County: **QUEENS**

A search of the Department of Rent and Housing Maintenance (Emergency Repair Building Summary lien record identifying balances for work done prior to January 1, 2000) shows the following money due.

Lien Book Date: **November 2005**
Amount: **$ .00**

The result of a search for work-in-progress posted subsequent to January 1, 2000, shows the following:

THERE WERE NO OPEN PURCHASE ORDERS FOUND AT THE ABOVE-CAPTIONED PREMISES AS OF THE DATE OF THIS SEARCH.

Cert. Date or Date of P.O.	P.O. #	Description

Liability is limited to liens that have matured into dollar amounts and properly posted at the Department of Finance as of the search **2/16/2006 0608-TA05061037E**

TITLE NO. 0608-TA05061037E SR

ABSTRACTERS' INFORMATION SERVICE, INC.
1111 MARCUS AVENUE – SUITE MZ214
LAKE SUCCESS, N.Y. 11042
PHONE (516) 918-4600 FAX (516) 918-4540

STREET REPORT

DATE: 2/16/2006

PREMISES: 46-48 11 STREET
AKA 46-38/48 11 STREET, AKA 10-49/59 47 AVENUE,
COUNTY: QUEENS
BLOCK: 00047 LOT: 00021

QUEENS BLOCK: 00047 LOT: 00021

11 STREET

MAPPED AT 100 FEET ON ALTERATION 3317, ADOPTED 08/26/1954
TITLE TO THE FULL WIDTH
CEDED - DEED DATED 11/04/1874
REMAINDER TRANSFERRED TO CITY FOR STREET PURPOSES IN ACCORDANCE WITH LOCAL LAW 69 OF 1957

47 AVENUE

MAPPED AT 60 FEET ON FINAL CITY PLAN
CEDED TO THE FULL WIDTH
DEED DATED 11/04/1874

46 ROAD

MAPPED AT 60 FEET ON FINAL CITY PLAN
CEDED TO THE FULL WIDTH
DEED DATED 11/04/1874

IMPORTANT NOTICE ABOUT SEARCH INFORMATION ABOVE

THE ABOVE REPORT IS FOR INFORMATION PURPOSES ONLY. LIABILITY IS LIMITED TO ERRORS AND OMISSIONS OF INFORMATION PROPERLY INDEXED, FILED AND RECORDED WITH THE TOPOGRAPHICAL BUREAU FOR THE COUNTY. THIS REPORT IS PREPARED EXCLUSIVELY FOR TITLE ASSOCIATES INC. ON 2/16/2006. 0608-TA05061037E

TITLE NO. 0608-TA05061037E FO

ABSTRACTERS' INFORMATION SERVICE, INC.

1111 MARCUS AVENUE – SUITE MZ214
LAKE SUCCESS, N.Y. 11042
PHONE (516) 918-4600 FAX (516) 918-4540

FIRE DEPARTMENT * CITY OF NEW YORK
BUREAU OF REVENUE MANAGEMENT

9 Metro Tech East
Brooklyn, N.Y. 11201-3857

RECORD SEARCH REQUEST

MAIL TO:

ABSTRACTERS' INFORMATION SERVICE, INC.
138-72 QUEENS BOULEVARD
BRIARWOOD, N.Y. 11435

CHECKED BY:

SEARCH NO. _____

The undersigned requests the following information re: Premises

46-48 11 STREET QUEENS
AKA 46-38/48 11 STREET, AKA 10-49/59 47 AVENUE,

ADDRESS BOROUGH

[ ] 1. Record of existing Fire Department Violations _____ **FEE: $10.00**

[X] 2. Record of Permit for fuel _____ **FEE: $10.00**

TOTAL FEE: $10.00

(THE CITY OF NEW YORK IS NOT BEING SUED, NOR IS THERE ANY INTENTION TO SUE THE CITY OF NEW YORK)

ABSTRACTERS' INFORMATION SERVICE, INC.

DATE 02/16/06

DO NOT WRITE BELOW THIS LINE

Gentlemen:

In reply to your request concerning the premises mentioned above, please be advised that as of 9 A.M JAN 17 2005 our records show the following:

ACCOUNT #.....0655147
BALANCE DUE...: 0
PERMIT EXPIRE.: Jul 2010
SIZE OF TANK..: 3 6000GL
DIST. OFF.....: /
NO RECORD FOUND
ON FILE.....:

Searched by JW

VIOLATION RECORDED ABOVE ARE ONLY THOSE WHICH ARE A MATTER OF RECORD IN HEADQUARTERS OF THE BUREAU OF FIRE PREVENTION, AND MAY NOT INCLUDE VIOLATIONS ISSUED BY LOCAL UNITS. THIS REPORT IS SUBMITTED FOR INFORMATIONAL PURPOSES ONLY. THERE IS NO LIABILITY ASSUMED. THIS SEARCH IS PREPARED EXCLUSIVELY FOR TITLE ASSOCIATES INC. on 02/16/06. 0608-TA05061037E

TITLE NO. 0608-TA05061037E AR

ABSTRACTERS' INFORMATION SERVICE, INC.
1111 MARCUS AVENUE – SUITE MZ214
LAKE SUCCESS, N.Y. 11042
PHONE (516) 918-4600 FAX (516) 918-4540

NEW YORK CITY DEPARTMENT OF ENVIRONMENTAL PROTECTION (AIR RESOURCES SEARCH)

DATE: 02/16/06

PREMISES: 46-48 11 STREET
AKA 46-38/48 11 STREET, AKA 10-49/59 47 AVENUE,

COUNTY: QUEENS

A SEARCH OF THE RECORDS AT THE BUREAU OF AIR, NOISE AND HAZARDOUS MATERIAL INDICATES THE FOLLOWING:

IT IS A VIOLATION OF NEW YORK CITY ADMINISTRATIVE CODE, TITLE 24, AIR POLLUTION CONTROL CODE, TO OPERATE FUEL-BURNING OR REFUSE-BURNING EQUIPMENT AS SPECIFIED IN THE CODE WITHOUT A VALID CERTIFICATE. IF SUCH EQUIPMENT, ALTHOUGH UNKNOWN TO US EXISTS, IT IS AUTOMATICALLY IN VIOLATION OF THE LAW. THIS APPLIES REGARDLESS OF THE INFORMATION PROVIDED HEREIN.

[ ] NO RECORD FOUND FOR THE ABOVE PREMISES.

[X] SEE ATTACHED INFORMATION PROVIDED BY THE DEPT. ENVIRONMENTAL PROTECTION FOR THE ABOVE PREMISES:

IMPORTANT NOTICE ABOUT SEARCH INFORMATION ABOVE

THIS REPORT IS SUBMITTED FOR INFORMATION PURPOSES ONLY AND IS NOT INTENDED TO ELIMINATE RISKS COVERED BY TOEPP. NO LIABILITY IS ASSUMED FOR ACCURACY OF THE ABOVE INFORMATION.

Bureau of Environmental Compliance

59-17 Junction Blvd., Corona, N.Y. 11368
Records Control

Date: 02/22/06
Time 8:22 AM

Facility No.: 4 X7E6
Expires On: 3/30/04

PA018688P

Certificate to Operate
Active

Owner:

SIMBA AWARD INC.
46-44 11 STREET
LONG ISLAND CIT NY 11101

Facility
SIMBA AWARD INC.
46-44 11 STREET
QUEENS NY 11101

Last Fee Assessed:	$ 280.00	03/27/98
Last Pay Amount:	$ 280.00	01/17/01
Balance Due:	$ .00	

Floor: 3

Process Description

ELECTROPLATING:ONE NICKEL,ONE SILVER,TWO GOLD,ONE COP-
PER,&ONE RHODIUM PLATING TANKS.ONE ELECTRO-CLEANERS,ONE
ULTRA-SONIC.
E.P.#:3,E.R:B,E.N.#:12613.
EXHAUST SYSTEM: ONE FAN,DELIVERING 500 CFM.
CONTROL DEVICE: NONE.

% By Season : Winter: 25 Spring: 25 Summer: 25 Fall: 25 Hours/Day: 8 Days/Year: 250

Bureau of Environmental Compliance

59-17 Junction Blvd., Corona, N.Y. 11368
Records Control

Date: 02/22/06
Time 8:22 AM

Facility No.: 4 X7E6
Expires On: 3/31/04

PA018588H

Certificate to Operate
Active

Owner:

SIMBA AWARD INC.
46-44 11 STREET
L.I.C. NY 11101

Facility
SIMBA AWARD INC.
46-44 11 STREET
QUEENS NY 11101

Last Fee Assessed:	$ 280.00	03/27/98
Last Pay Amount:	$ 280.00	01/17/01
Balance Due:	$ .00	

Floor: 3

Process Description

PICKLING & CLEANING:ONE PICKLING TANK,& TWO CLEANING POTS,TWO JETS,NATURAL GAS-FIRED.
EXHAUST SYSTEM:ONE WALL FAN,DELIVERING 500 CFM,FOR GENERAL VENTILATION OF WORKING AREA.
CONTROL DEVICE: NONE.
E.P.#:2,E.R:B,E.N.#:12613.

% By Season : Winter: 25 Spring: 25 Summer: 25 Fall: 25 Hours/Day: 8 Days/Year: 250

Bureau of Environmental Compliance

59-17 Junction Blvd., Corona, N.Y. 11368
Records Control

Date: 02/22/06
Time 8:22 AM

Facility No.: 4 X7E6
Expires On: 3/30/04

PA018488K

Certificate to Operate
Active

Owner:

SIMBA AWARD INC.
46-44 11 STREET
L.I.C. NY 11101

Facility
SIMBA AWARD INC.
46-44 11 STREET
L.I.C. NY 11101

Last Fee Assessed:	$ 200.00	03/27/98
Last Pay Amount:	$ 200.00	01/17/01
Balance Due:	$ .00	

Floor: 3

Process Description

POLISHING OF TROPHIES:SIX BUFFING HEADS CONNECTED TO THE TWO DUST COLLECTORS "HAHDLER",TYPE 103.TWO GRINDING MACHINES CONNECTED TO THE WATER COLLECTOR.
E.P.#:1,E.R:D,E.N.#:12613.
EXHAUST & CONTROL SYSTEMS:TWO "HANDLER"TYPE 103 DUST COLLECTORS,INTEGRAL FANS,DELIVERING 1250 CFM EACH,@ 70 DEGREES FARENHEIT.A TOTAL OF 2500 CFM.ONE WATER COLLECTOR.

% By Season : Winter: 25 Spring: 25 Summer: 25 Fall: 25 Hours/Day: 8 Days/Year: 250

Bureau of Environmental Compliance

59-17 Junction Blvd., Corona, N.Y. 11368
Records Control

Date: 02/22/06
Time 8:22 AM

Facility No.: 4 X4D9
Expires On: 3/23/98

CA446970Y

Certificate to Operate
Active

Owner:

ELEVEN ST REALTY CO.
47-11 11 STREET
L.I.CITY NY 11101

Facility
ELEVEN STREET REALTY CO.
46-44 11 STREET
QUEENS NY 11101

Last Fee Assessed:	$ 345.00	01/05/95
Last Pay Amount:	$ 345.00	11/16/94
Balance Due:	$ .00	

Floor: B

Boiler Make & Model : FEDERAL FMB 608 # of Identical Units: 1
Boiler Type: 2 Source Code: A7320 Air Intake: 1 Heat Input: 2.4 x 10^6 Gross BTU Rating: 1.98

Burner 1 Make & Model : HEV-E-OIL AMDH4 Fuel Type: 34
Burner Type: 054 # of Burners: 1

Usage : Avg. Fuel/Hr: 10 Max Fuel/Hr: 14.2 Avg. Fuel/Year: 29200 Fuel Supplier: UNKNOWN
% By Season : Winter: 50 Spring: 20 Summer: 10 Fall: 20 Hours/Day: 8 Days/Year: 365

Burner 2 Make & Model : Fuel Type: 0
Burner Type: # of Burners: 0

Usage : Avg. Fuel/Hr.: 0 Max Fuel/Hr: 0 Avg. Fuel/Year: 0 Fuel Supplier:
% By Season : Winter: 0 Spring: 0 Summer: 0 Fall: 0 Hours/Day: 0 Days/Year: 0

TITLE NO. 0608-TA05061037E HE

ABSTRACTERS' INFORMATION SERVICE, INC.
1111 MARCUS AVENUE – SUITE MZ214
LAKE SUCCESS, N.Y. 11042
PHONE (516) 918-4600 FAX (516) 918-4540

HEALTH DEPARTMENT SEARCH

DATE: 02/16/06

PREMISES: 46-48 11 STREET
AKA 46-38/48 11 STREET, AKA 10-49/59 47 AVENUE,

COUNTY: QUEENS

A SEARCH OF THE NEW YORK CITY HEALTH DEPARTMENT, BUREAU OF INSPECTIONS DIVISION, RECORDS UNIT, WAS CONDUCTED FOR THE ABOVE MENTIONED PREMISES.

THIS DIVISION OF THE HEALTH DEPARTMENT COVERS WINDOW GUARD INSPECTIONS.

THE FOLLOWING INFORMATION WAS FOUND ON FILE:

[ ] THE ATTACHED DOCUMENTS ARE COPIES OF THE FILES, LOCATED AT THE DEPARTMENT OF HEALTH, FOR THE ABOVE MENTIONED PREMISES. THE OPEN DOCKETS AND/OR CASES COULD HAVE FINES OR PENALTIES ATTACHED TO THEM. INFORMATION REGARDING THE FINES CAN BE OBTAINED AT THE ADMINISTRATIVE TRIBUNAL, LOCATED AT 2 LAFAYETTE STREET, NEW YORK NEW YORK 10007.

[X] A SEARCH REVEALED NO RECORD FOUND FOR THE ABOVE PREMISES IN THE FILES OF THE BUREAU OF INSPECTIONS.

A SEARCH OF THE SPECIALIZED DIVISIONS OF THE HEALTH DEPARTMENT WILL BE MADE UPON REQUEST.

IMPORTANT NOTICE ABOUT SEARCH INFORMATION ABOVE

THIS REPORT IS SUBMITTED FOR INFORMATIONAL PURPOSES ONLY AND IS NOT INTENDED TO ELIMINATE RISKS COVERED BY TOEPP. NO LIABILITY IS ASSUMED FOR ACCURACY OF THE ABOVE INFORMATION.

TITLE NO. 0608-TA05061037E EV

ABSTRACTERS' INFORMATION SERVICE, INC.
1111 MARCUS AVENUE – SUITE MZ214
LAKE SUCCESS, N.Y. 11042
PHONE (516) 918-4600 FAX (516) 918-4540

ELECTRICAL VIOLATION SEARCH

DATE: 02/16/06

PREMISES: 46-48 11 STREET
AKA 46-38/48 11 STREET, AKA 10-49/59 47 AVENUE,

COUNTY: QUEENS

THE FOLLOWING INFORMATION WAS FOUND ON FILE IN THE NYC DEPARTMENT OF BUILDINGS.

[X] THERE WERE NO VIOLATIONS FOUND AS PER SEARCH DATED: 02/17/2006

[ ] SEE ATTACHED FOR COPIES OF OUTSTANDING VIOLATIONS AS PER SEARCH DATED:

IMPORTANT NOTICE ABOUT SEARCH INFORMATION ABOVE

THIS REPORT IS SUBMITTED FOR INFORMATION PURPOSES ONLY AND IS NOT INTENDED TO ELIMINATE RISKS COVERED BY TOEPP. NO LIABILITY IS ASSUMED FOR ACCURACY OF THE ABOVE INFORMATION..

TITLE NO. 0608-TA05061037E HV

ABSTRACTERS' INFORMATION SERVICE, INC.
1111 MARCUS AVENUE – SUITE MZ214
LAKE SUCCESS, N.Y. 11042
PHONE (516) 918-4600 FAX (516) 918-4540

VIOLATION SEARCH

HIGHWAY / SIDEWALK VIOLATIONS

DATE: **02/21/2006**

PREMISES: **46-48 11 STREET**
AKA 46-38/48 11 STREET, AKA 10-49/59 47 AVENUE,

COUNTY: **QUEENS** BLOCK: **00047** LOT: **00021**

RETURNS

A SEARCH OF THE RECORDS OF THE DEPARTMENT OF HIGHWAYS INDICATES THE FOLLOWING:

[X] THERE ARE NO VIOLATIONS AS PER SEARCH DATE: **02/17/06.**

[ ] SIDEWALK NOTICE ON FILE AS OF:

THIS SEARCH IS SUBMITTED FOR INFORMATION PURPOSES ONLY. LIABILITY IS LIMITED TO ERRORS AND OMISSIONS ON INFORMATION PROPERLY INDEXED, FILED, AND RECORDED WITH THE ABOVE MENTIONED GOVERNMENTAL AGENCY. THIS SEARCH IS PREPARED EXCLUSIVELY FOR TITLE ASSOCIATES INC. on 02/21/2006.
0608-TA05061037E

TITLE NO. 0608-TA05061037E LM

ABSTRACTERS' INFORMATION SERVICE, INC.
1111 MARCUS AVENUE – SUITE MZ214
LAKE SUCCESS, N.Y. 11042
PHONE (516) 918-4600 FAX (516) 918-4540

LANDMARK SEARCH

DATE: 02/16/06

PREMISES: 46-48 11 STREET
AKA 46-38/48 11 STREET, AKA 10-49/59 47 AVENUE,

COUNTY: QUEENS

BLOCK: 00047 LOT: 00021

WE HAVE CONDUCTED A SEARCH OF THE LANDMARK PRESERVATION COMMISSION RECORDS FOR THE ABOVE PREMISES AND HAVE FOUND THE FOLLOWING:

[X] THE ABOVE PREMISES IS NOT IN A HISTORICAL LANDMARK DISTRICT AND IS NOT CURRENTLY DESIGNATED AN INDIVIDUAL LANDMARK.

[ ] THE ABOVE PREMISES LIES WITHIN THE FOLLOWING HISTORICAL LANDMARK DISTRICT:

[ ] THE ABOVE PREMISES IS DESIGNATED AS AN INDIVIDUAL LANDMARK NAMED:

[ ] THE ABOVE PREMISES IS CURRENTLY CALENDERED FOR FUTURE CONSIDERATION.

[X] THERE ARE NO LANDMARK VIOLATIONS PENDING AGAINST THE ABOVE PREMISES AS PER SEARCH DATED: 02/17/2006

[ ] SEE ATTACHED FOR PENDING LANDMARK VIOLATIONS FILED AGAINST THE ABOVE PREMISES AS PER SEARCH DATED:

IMPORTANT NOTICE ABOUT SEARCH INFORMATION ABOVE

THIS REPORT IS SUBMITTED FOR INFORMATION PURPOSES ONLY AND IS NOT INTENDED TO ELIMINATE RISKS COVERED BY TOEPP. NO LIABILITY IS ASSUMED FOR ACCURACY OF THE ABOVE INFORMATION..

TITLE NO. 0608-TA05061037E TX

ABSTRACTERS' INFORMATION SERVICE, INC.
1111 MARCUS AVENUE - SUITE MZ214 LAKE SUCCESS, N.Y. 11042
PHONE:(516)918-4600 FAX (516)918-4540

TAX SCHEDULE

TAX DIAGRAM ATTACHED

THE TAX SEARCH MADE HEREIN COVERS ONLY THE PREMISES SHOWN ON THE ATTACHED DIAGRAM AND NO SEARCH IS MADE AGAINST ANY PART OF THE STREET WHICH SAID PREMISES ABUTS. SPECIAL METER READING REQUIRED ON ALL METERED ACCTS ** COMPANY EXCEPTS ALL WATER AND SEWER CHARGES FROM THE LAST ACTUAL READING TO THE DATE OF CLOSING. **

Vault Information:

NO OPEN VAULT CHARGES FOUND AT DOF.

COUNTY QUEENS SECTION 01 BLOCK 47 LOT 21

ASSESSED VALUATION 2006/2007	LAND $127,800	TOTAL $190,350	(TENT.)
NO EXEMPTIONS	$0	$0	
ASSESSED VALUATION 2005/2006	LAND $127,800	TOTAL $407,700	
NO EXEMPTIONS	$0	$0	

DISPOSITION

RETURNS

NYC-RPAD: 4648 11 STREET
REQUESTED: 46-48 11 STREET
AKA: 46-38/48 11 STREET, AKA 10-49/59 47 AVENUE,
OWNER (NYC-RPAD): THE BADGE DEVELOPMEN
OWNER (PER CLIENT): THE BADGE DEVELOPMEN
BUILDING CLASS: F1 TAX RATE - 11.306 %

2005/06 FRONTAGE WATER AND SEWER RENT - NONE.

NOTE: THE FOLLOWING CHARGES ARE AT THE NYC'S DEPARTMENT OF ENVIRONMENTAL PROTECTION (CIS SYSTEM).

ACCT # 6000515725001

OFFICIAL METER # V83027007

METER # 7007 ENT 02/14/06 FROM 11/03/05 TO 02/07/06
WATER - 21.12 **OPEN**
SEWER RENT - 33.58 **OPEN**
(ACTUAL)

*** SEE NEXT PAGE ***

Except water meter and sewer rental charges accruing since the date of the last reading and building purpose for unfixed frontage charges subsequently entered. Search does not guarantee against new meters set by meter Dept. but not entered at DEP. Search does not guarantee against items not a lien up to date shown hereon. Search does not guarantee against pending assessments or against installments for assessments due after date shown hereon. Exempt Property Restored "Factors" (if any) shown above represent the difference between the actual tax shown and what the tax would have been had there been no exemption. Restored tax is figured on a pro-rata basis from date of deed to end of fiscal year of each tax so affected. Tax search does not guarantee against any claims resulting from levies of restored taxes. Recent payments of any open items returned on this tax search may not yet be reflected on the public record. Therefore, request the seller or buyer to have the receipted bills available at the closing. (PAID UNOFFICIALLY) signifies recent payments not yet cleared by City Collector. The returns are guaranteed to block and lot only. Search does not guarantee against possible vault charges. This search is prepared exclusively for TITLE ASSOCIATES INC.. 0608-TA05061037E

ABSTRACTERS' INFORMATION SERVICE, INC. -- PAGE 2

TITLE NO. 0608-TA05061037E

TAX SCHEDULE

TAX DIAGRAM ATTACHED

ACTUAL METER READING REQUIRED ON ALL METERED ACCTS ** COMPANY EXCEPTS ALL WATER AND SEWER CHARGES FROM THE LAST ACTUAL READING TO THE DATE OF CLOSING. **

THE TAX SEARCH MADE HEREIN COVERS ONLY THE PREMISES SHOWN ON THE ATTACHED DIAGRAM AND NO SEARCH IS MADE AGAINST ANY PART OF THE STREET ON WHICH SAID PREMISES ABUTS.

COUNTY QUEENS SECTION 01 BLOCK 47 LOT 21

ASSESSED VALUATION LAND TOTAL

DISPOSITION	RETURNS

CONTINUED.....

FINAL METER READING AND/OR FLAT-RATE ACCOUNT RECONCILIATON REQUIRED ON ALL ACCOUNTS TO VALIDATE WATER AND SEWER CHARGES UPON TRANSFER OF PROPERTY OWNERSHIP TO ENSURE THAT A PROPERTY WILL NOT BE BILLED RETROACTIVELY FOR CHARGES NOT CURRENTLY POSTED. COMPANY EXCEPTS ALL WATER AND SEWER CHARGES FROM THE LAST ACTUAL READING TO THE DATE OF CLOSING.

*** SEE NEXT PAGE ***

Except water meter and sewer rental charges accruing since the date of the last reading and building purpose for unfixed frontage charges subsequently entered. Search does not guarantee against new meters set by meter Dept. but not entered at DEP. Search does not guarantee against items not a lien up to date shown hereon. Search does not guarantee against pending assessments or against installments for assessments due after date shown hereon. Exempt Property Restored "Factors" (if any) shown above represent the difference between the actual tax shown and what the tax would have been had there been no exemption. Restored tax is figured on a pro-rata basis from date of deed to end of fiscal year of each tax so affected. Tax search does not guarantee against any claims resulting from levies of restored taxes. Recent payments of any open items returned on this tax search may not yet be reflected on the public record. Therefore, request the seller or buyer to have the receipted bills available at the closing. (PAID UNOFFICIALLY) signifies recent payments not yet cleared by City Collector. The returns are guaranteed to block and lot only. Search does not guarantee against possible vault charges. This search is prepared exclusively for TITLE ASSOCIATES INC.. 0608-TA05061037E

ABSTRACTERS' INFORMATION SERVICE, INC. -- PAGE 3

TITLE NO. 0608-TA05061037E

BBL :4-00047-0021/0 LOCATION: 46-48 11 STREET QUEENS PAYMENTS THRU : 12/28/2005
BLDG CLS : F1 TAX CLS : 4 IN REM : N EXEMPTION : N UNUSED SCRIE CREDIT : .00

		ENTER DATE	INT B DATE / PROCESS DATE	TRANS OR	TYPE/ID NOTE	ITEM IND	LIABILITY	COLLECTION
ELEVATOR CHARGE	07/01/2005	04/12/2005						
		05/17/2005		001	INTIAL CHRGE	C1	65.00	.00
		06/01/2005		722	INTEREST	XX	.00	.00
		09/02/2005		722	INTEREST	I1	3.02	.00
		11/21/2005		722	INTEREST	I1	3.15	.00
(PAID UNOFFICIALLY)		01/01/2006	12/28/2005	202	PAYMENT	P1	.00	71.17
			PERIOD BALANCE:				.00	
REAL ESTATE 04/05	1st Half DUE -	07/01/2004		Assessed Value:		396,900.00		
		06/04/2004		001	INTIAL CHRGE	C1	22,684.82	.00
		06/16/2004		202	PAYMENT	P1	.00	22,684.82
			PERIOD BALANCE:				.00	
REAL ESTATE 04/05	2nd Half DUE -	01/01/2005		Assessed Value:		396,900.00		
		06/04/2004		001	INTIAL CHRGE	C1	22,684.82	.00
		11/25/2004		677	TX RATE ADJ.	C1	504.06	.00
		12/01/2004		722	INTEREST	XX	.00	.00
		12/06/2004		202	PAYMENT	P1	.00	23,188.88
			PERIOD BALANCE:				.00	
REAL ESTATE 05/06	1st Half DUE -	07/01/2005		Assessed Value:		407,700.00		
		06/01/2005		722	INTEREST	XX	.00	.00
		06/10/2005		001	INTIAL CHRGE	C1	23,560.98	.00
		06/28/2005		301	REF. REQUEST	XX	.00	.00
		07/01/2005		202	PAYMENT	P1	.00	23,625.98
		07/01/2005		224	PAY TRANSFER	P1	.00	-65.00
			PERIOD BALANCE:				.00	
REAL ESTATE 05/06	2nd Half DUE -	01/01/2006		Assessed Value:		407,700.00		
		06/01/2005		722	INTEREST	XX	.00	.00
		06/10/2005		001	INTIAL CHRGE	C1	23,560.98	.00
		07/01/2005		223	PAY RECEIVED	P1	.00	65.00
		09/02/2005		722	INTEREST	XX	.00	.00
		11/11/2005		676	TX RATE ADJ.	C1	-1,027.40	.00
		11/21/2005		722	INTEREST	XX	.00	.00
(PAID UNOFFICIALLY)		01/01/2006	12/28/2005	202	PAYMENT	P1	.00	22,468.58
			PERIOD BALANCE:				.00	

SUBJECT TO CONTINUATION PRIOR TO CLOSING - NOTHING ELSE FOUND 02/16/06.

*** END OF HISTORY ***

Except water meter and sewer rental charges accruing since the date of the last reading and building purpose for unfixed frontage charges subsequently entered. Search does not guarantee against new meters set by meter Dept. but not entered at DEP. Search does not guarantee against items not a lien up to date shown hereon. Search does not guarantee against pending assessments or against installments for assessments due after date shown hereon. Exempt Property Restored "Factors" (if any) shown above represent the difference between the actual tax shown and what the tax would have been had there been no exemption. Restored tax is figured on a pro-rata basis from date of deed to end of fiscal year of each tax so affected. Tax search does not guarantee against any claims resulting from levies of restored taxes. Recent payments of any open items returned on this tax search may not yet be reflected on the public record. Therefore, request the seller or buyer to have the receipted bills available at the closing. (PAID UNOFFICIALLY) signifies recent payments not yet cleared by City Collector. The returns are guaranteed to block and lot only. Search does not guarantee against possible vault charges. This search is prepared exclusively for TITLE ASSOCIATES INC.. 0608-TA05061037E

A.I.S. REAL PROPERTY SOLUTIONS, LLC
1111 MARCUS AVENUE - SUITE MZ214 LAKE SUCCESS, N.Y. 11042
PHONE:(516)918-4600 FAX (516)918-4540

Dear Clients:

In order to insure a smooth transaction, a special meter reading and/or final review of the account/property is suggested prior to closing. Below is an application for a final review. Please fill out the attached request and forward it along with a check in the sum of $125.00, plus $25.00 for each additional meter to A.I.S. REAL PROPERTY SOLUTIONS, LLC. The final review should take approximately two weeks.

REQUEST FOR FINAL METER READING

DATE: 02/16/06

A.I.S. REAL PROPERTY SOLUTIONS, LLC
1111 Marcus Avenue - Suite MZ214
Lake Success, New York 11042
Attn: New York City Tax Group

RE: Special Meter Reading
Premises:46-48 11 STREET
BLOCK 00047 LOT 00021
County: QUEENS

Title #: 0608-TA05061037E

New Owners Name Required:_____

Please arrange a special meter reading and/or final review for the above referenced property. Attached please find a check in the amount of $125.00, plus $25.00 for each additional meter payable to A.I.S. REAL PROPERTY SOLUTIONS, LLC. The following names are to be used as your contacts for the appointment:

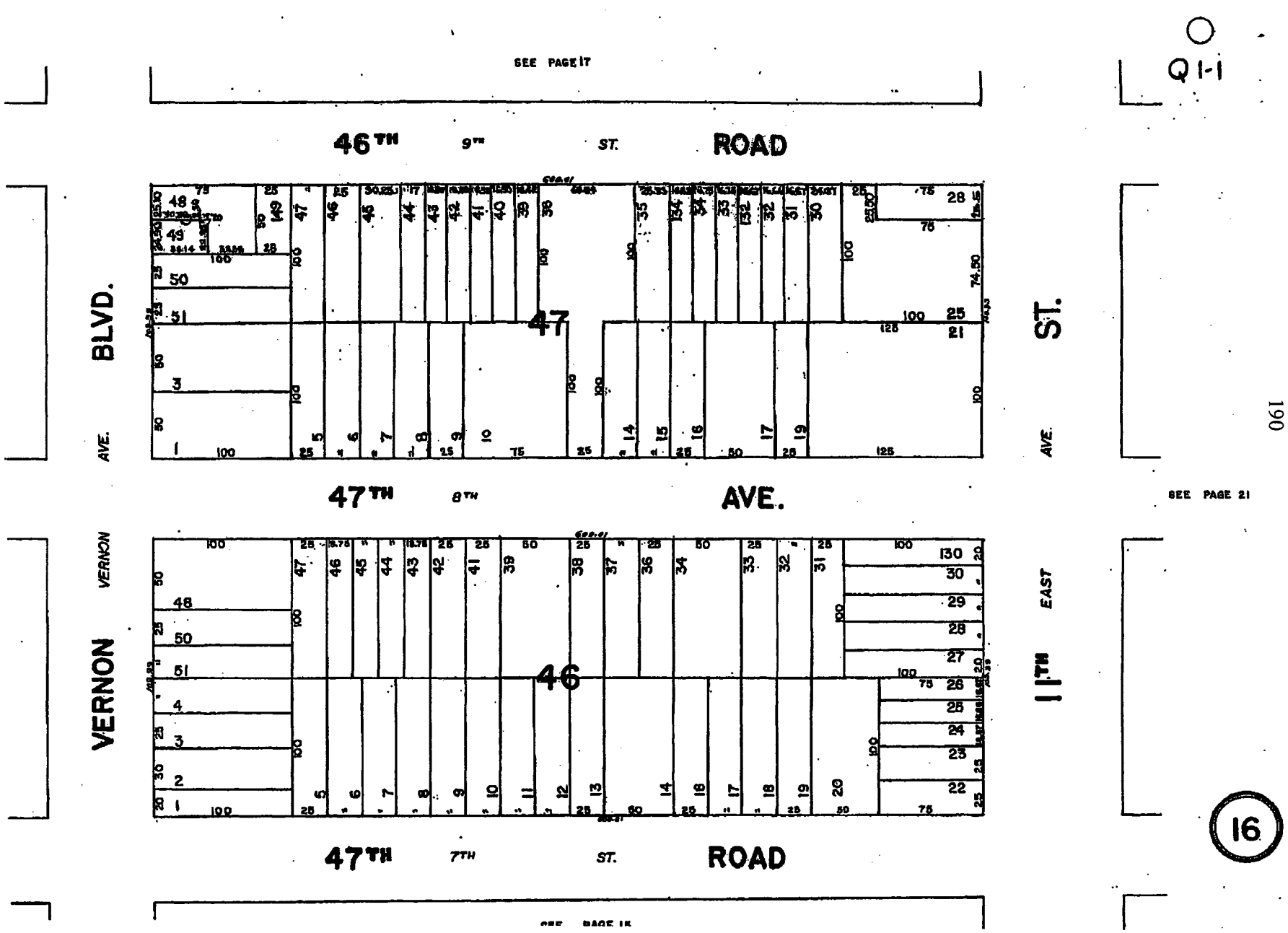
1. Contact Name:_____ Phone #:( )____-_____
2. Contact Name:_____ Phone #:( )____-_____

I understand that it is my responsibility to keep the appointment made with the D.E.P. and that a second fee to D.E.P. will be required in the event the appointment is missed. It is clear that all conflicts must be resolved directly with D.E.P.

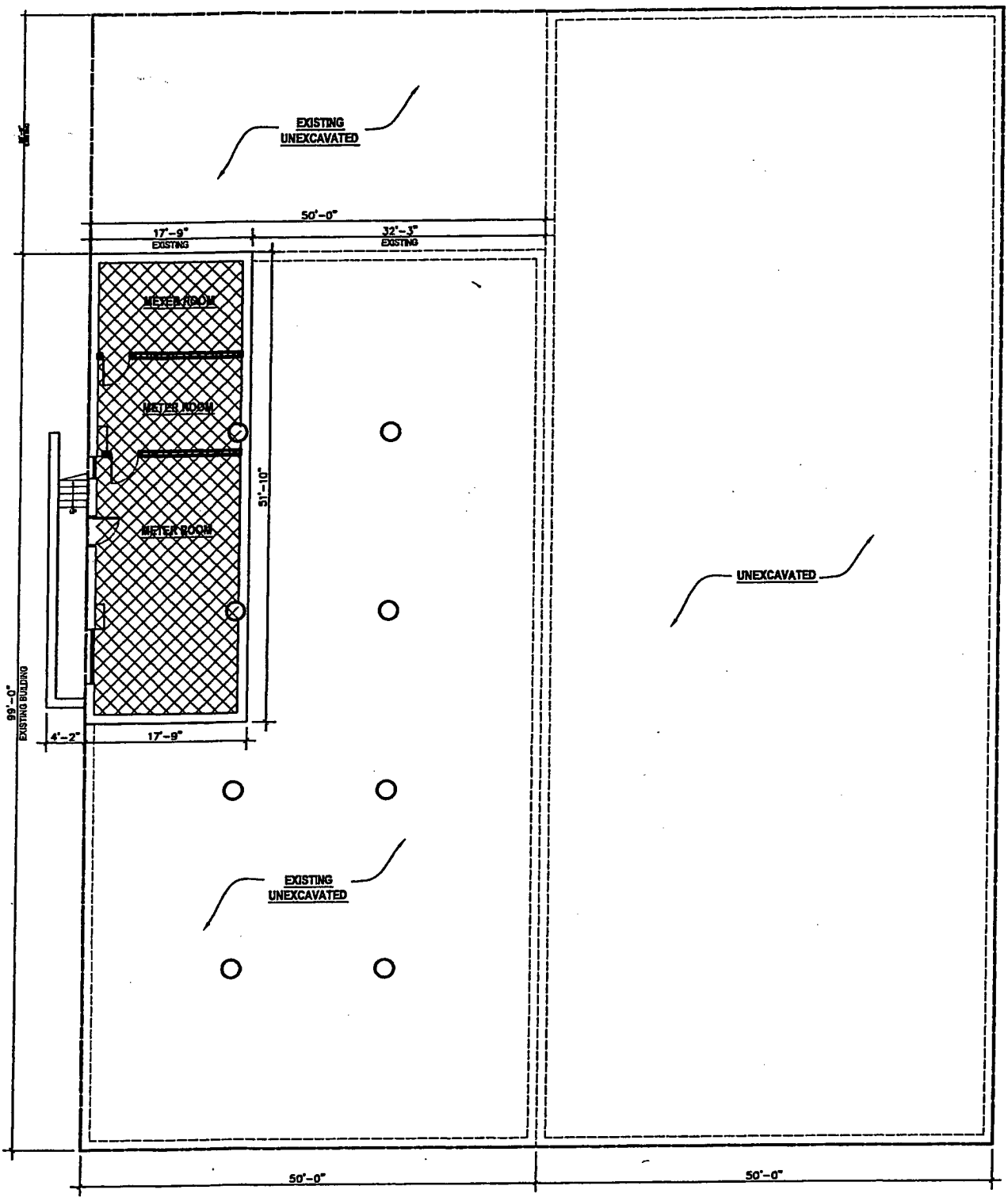
Sincerely,

_____
(Print name)

_____
(Signature)


7
SEE PAGE 17
Q1-1
46TH 9TH ST. ROAD
BLVD.
AVE.
47
47TH 8TH AVE.
ST.
AVE.
SEE PAGE 11
SEE PAGE 21
VERNON
VERNON
46
47TH 7TH ST. ROAD
11TH EAST
16
16
190

FLOOR PLANS, ROOF PLAN AND PLOT PLAN

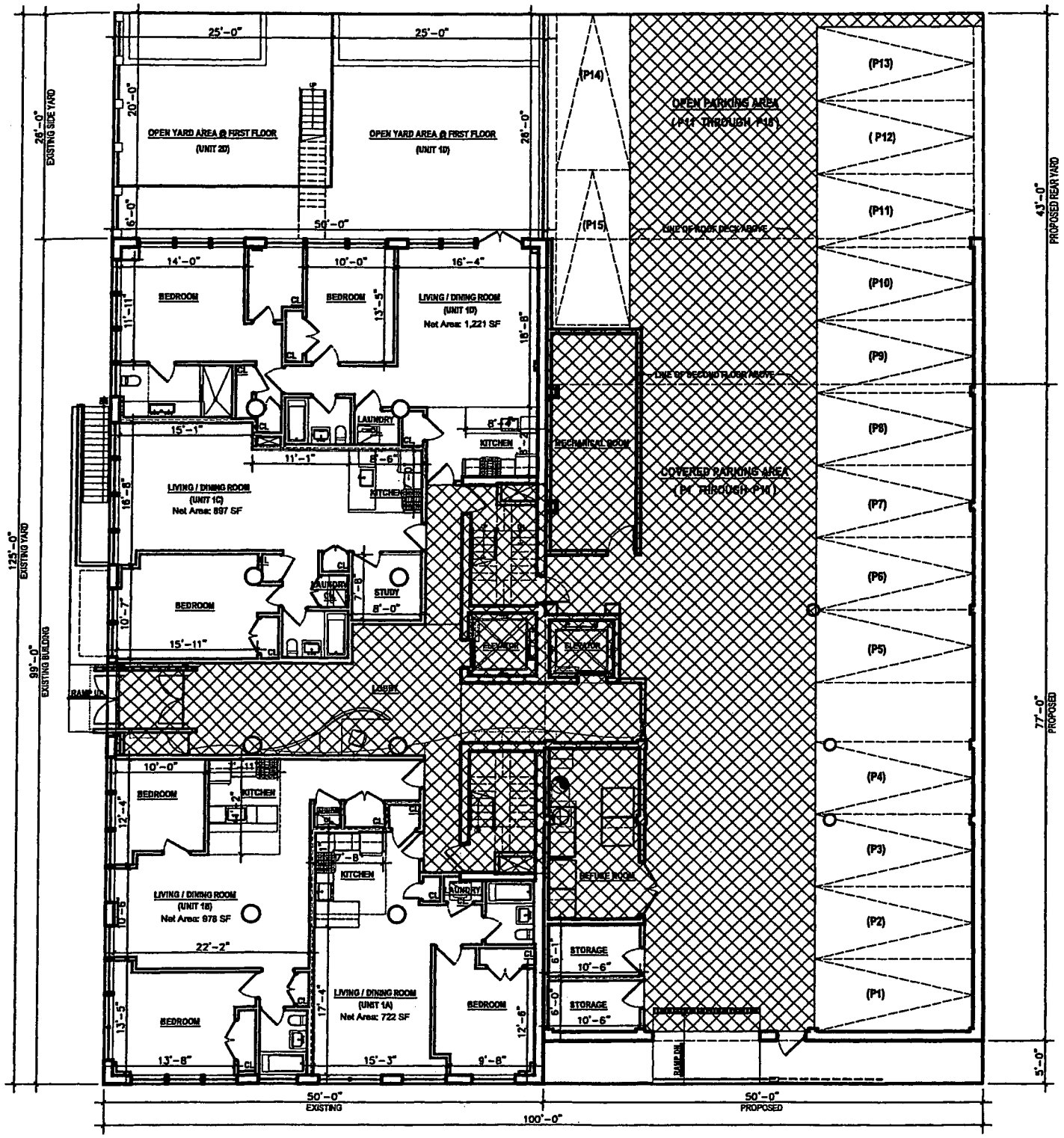


CELLAR FLOOR PLAN

COMMON AREAS

1" 3" 5" 10" 15"
0 2' 4' 20'

THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

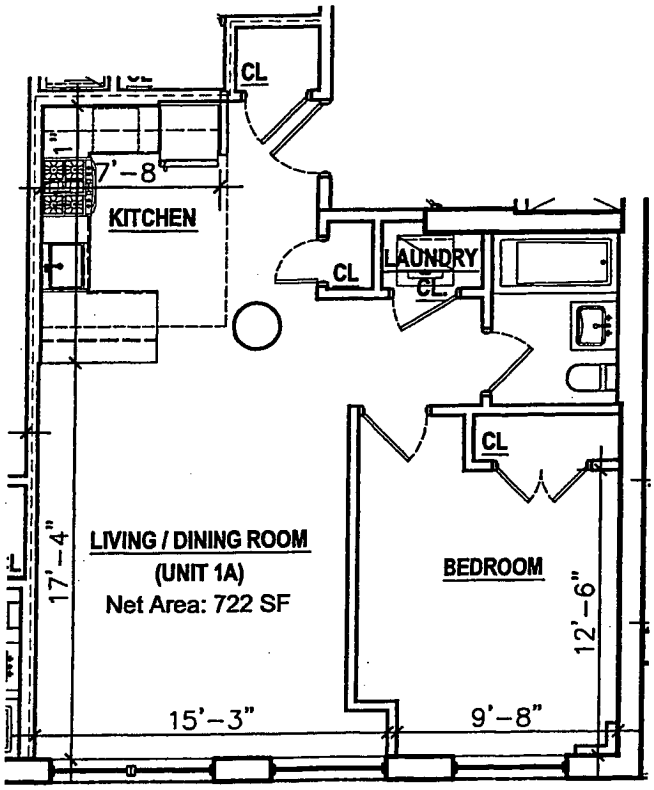


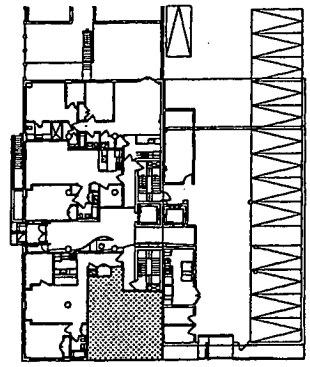
FIRST FLOOR PLAN

COMMON AREAS

1' 3' 5' 10' 15'
0 2' 4' 20'

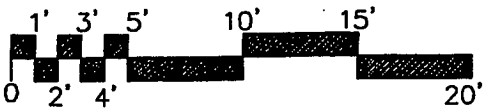
THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.





KEY PLAN : FIRST FLOOR

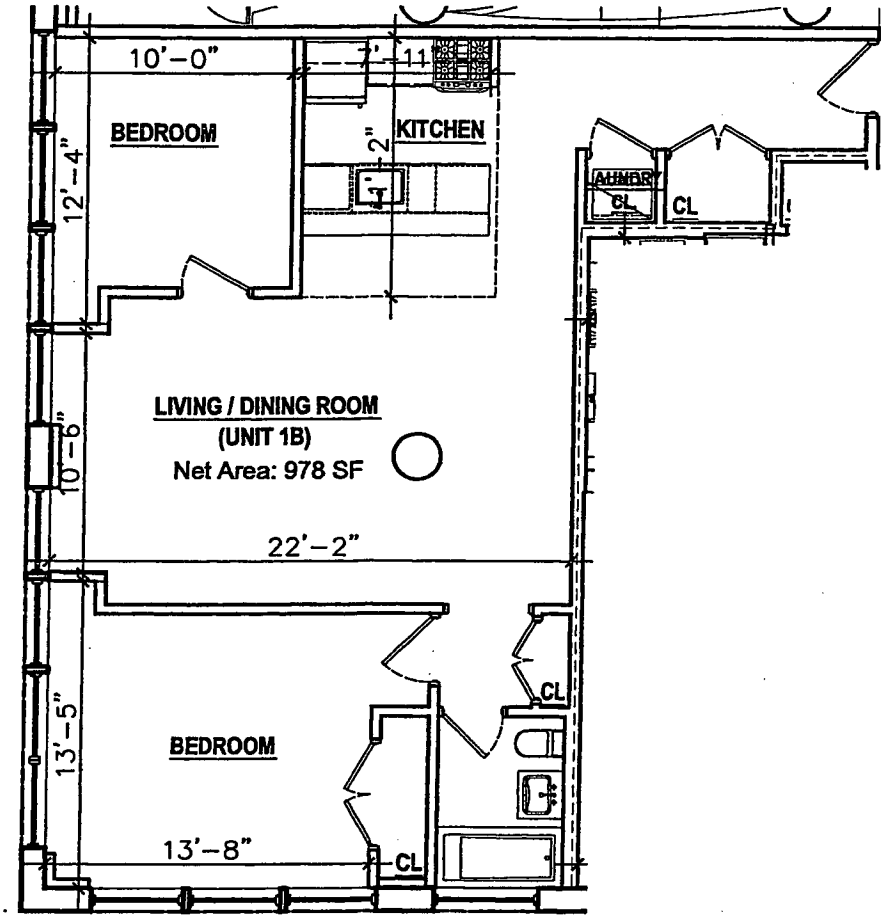
FIRST FLOOR : (UNIT 1A)

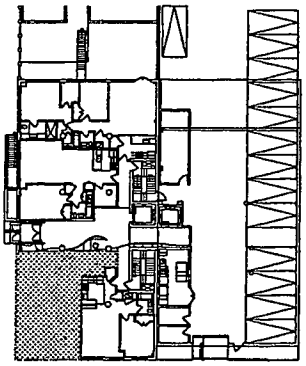




THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

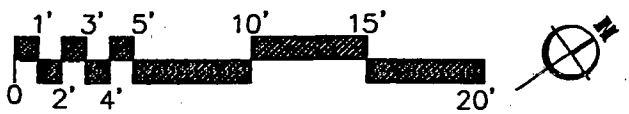
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





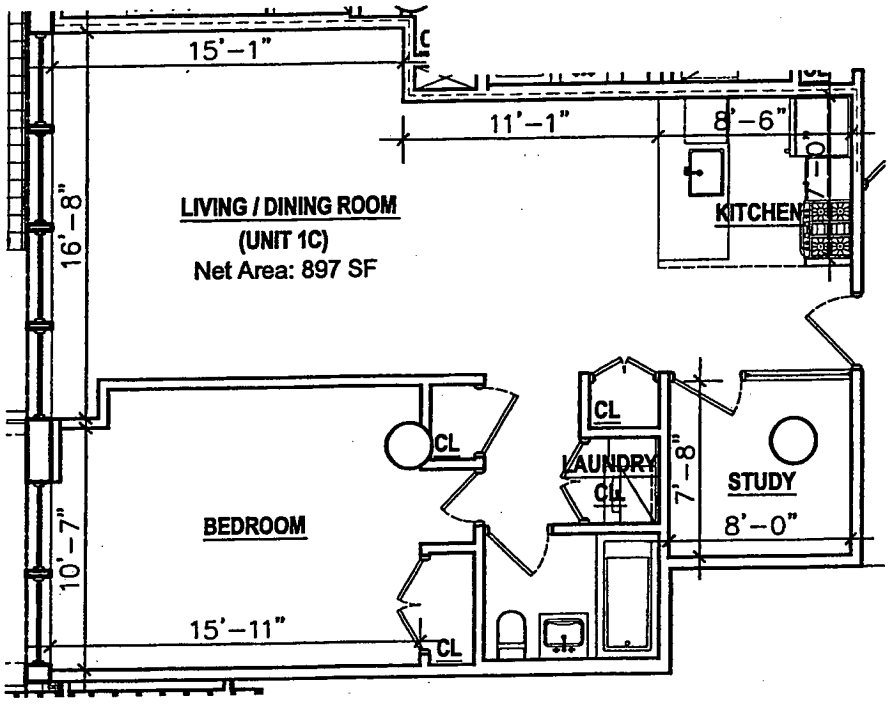
KEY PLAN : FIRST FLOOR

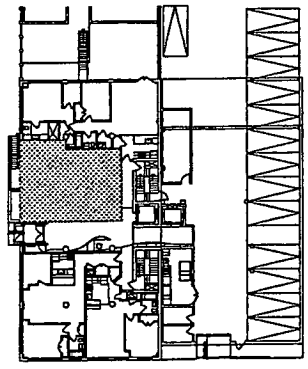
FIRST FLOOR : (UNIT 1B)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

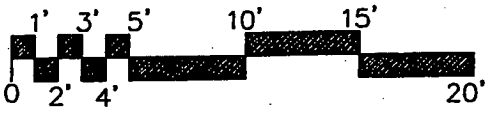
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





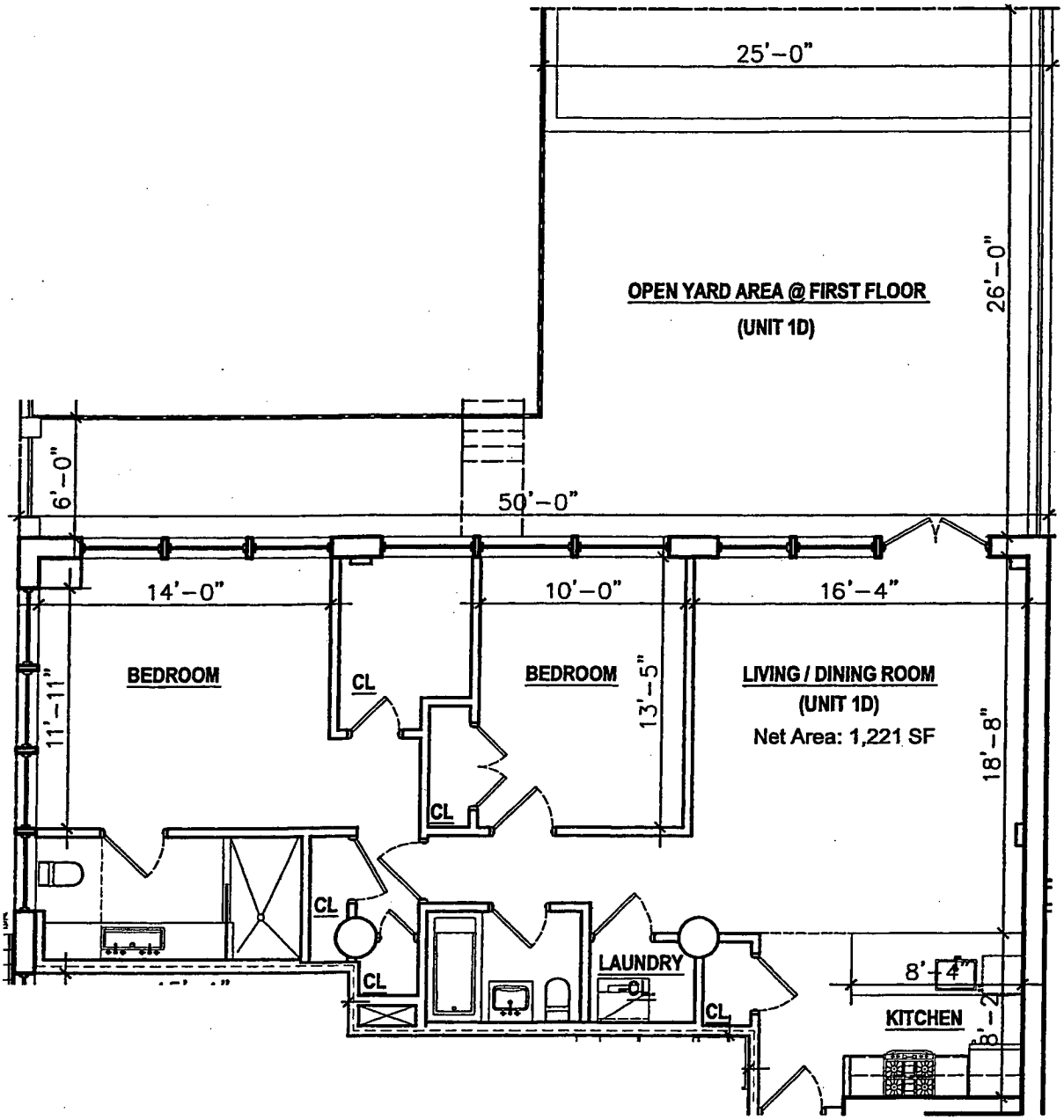
KEY PLAN : FIRST FLOOR

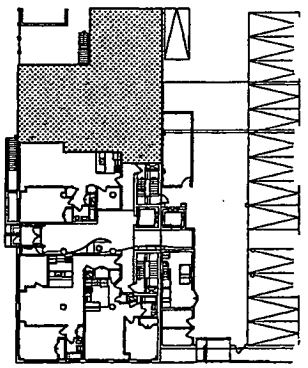
FIRST FLOOR : (UNIT 1C)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

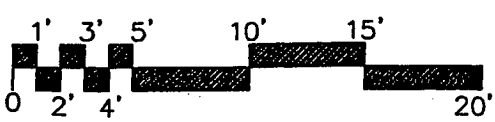
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





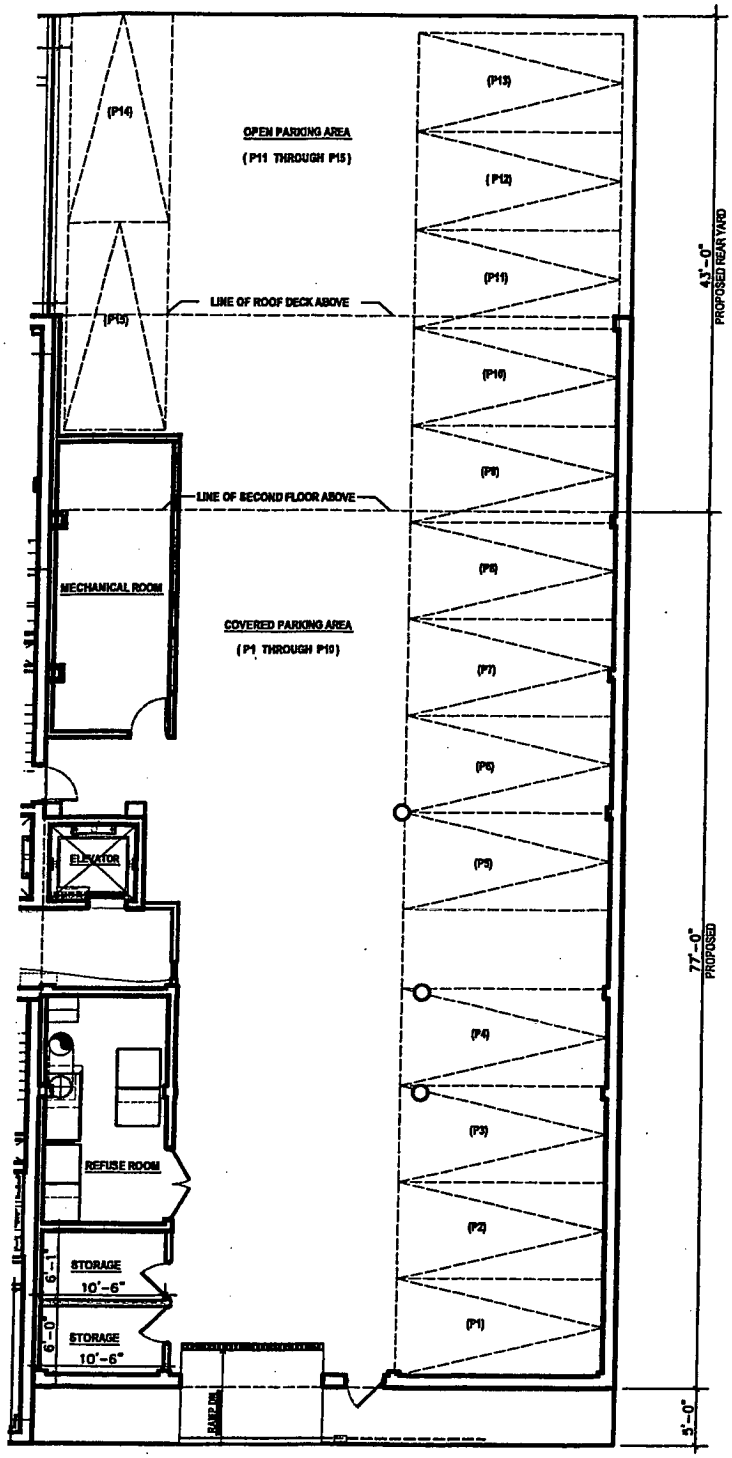
KEY PLAN : FIRST FLOOR

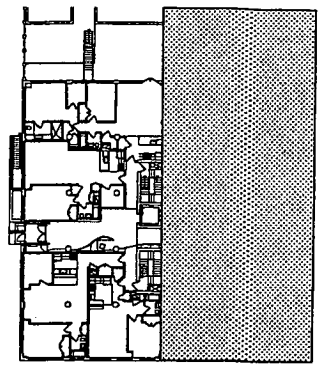
FIRST FLOOR : (UNIT 1D)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

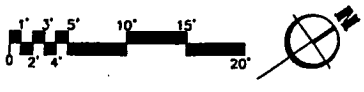
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY: TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE, WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY: EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





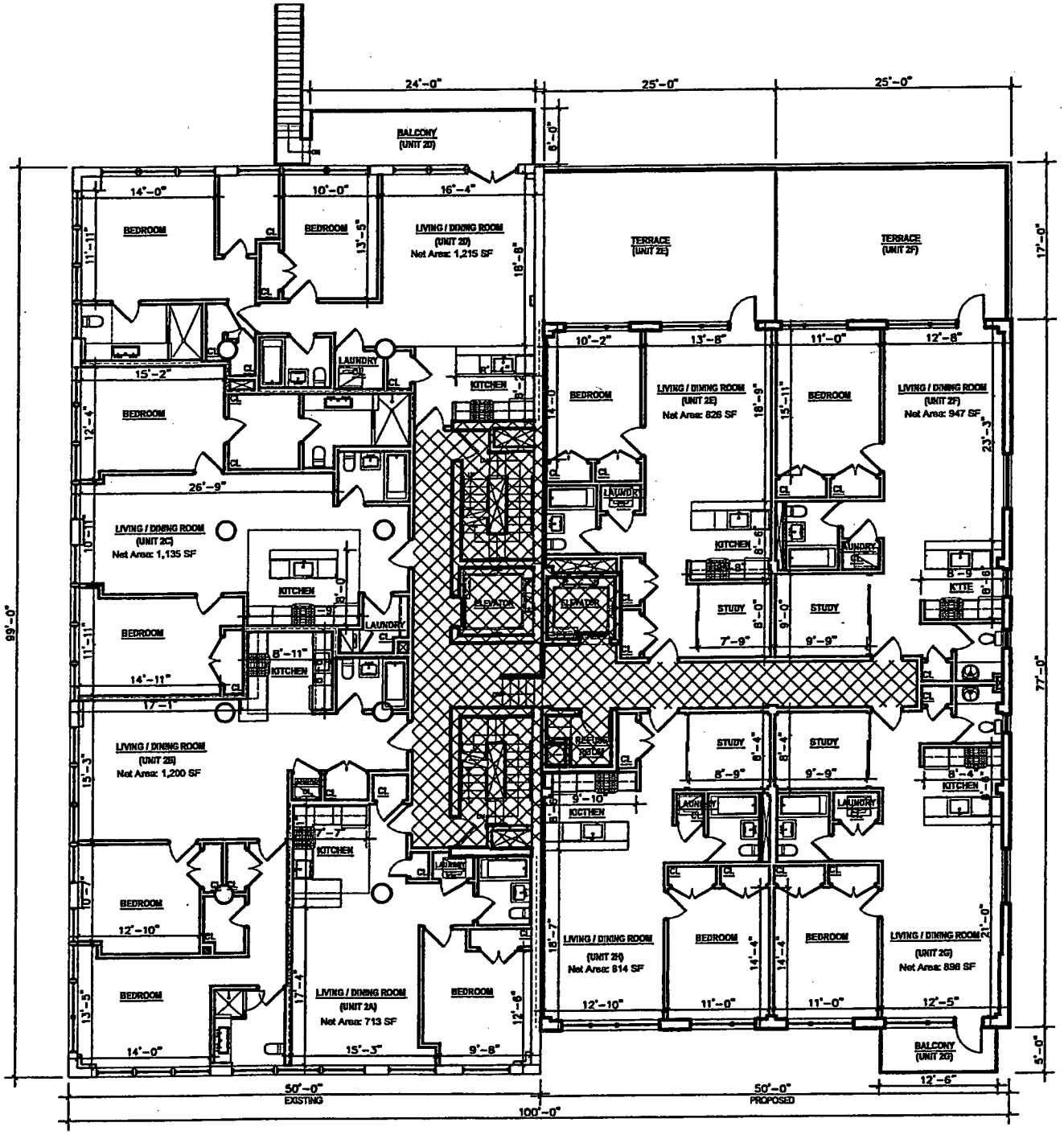
KEY PLAN : FIRST FLOOR

FIRST FLOOR : (PARKING SPACES: P1 THROUGH P15)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.



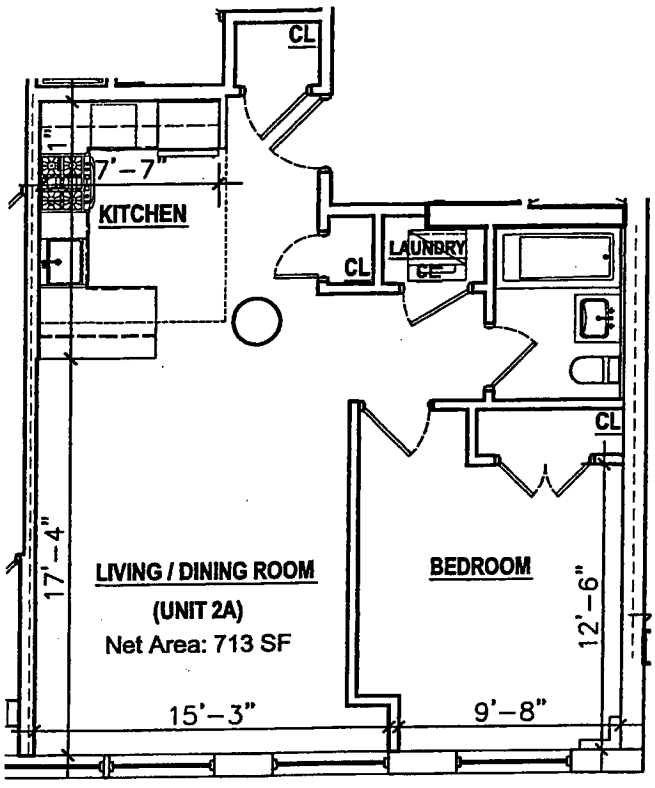
SECOND FLOOR PLAN

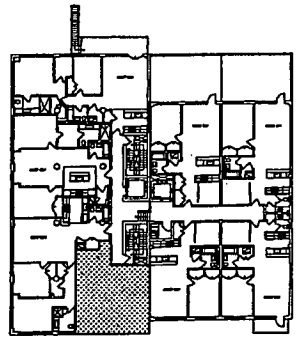
COMMON AREAS

1' 3' 5' 10' 15'
0 2' 4' 20'

THE BADGE BUILDING

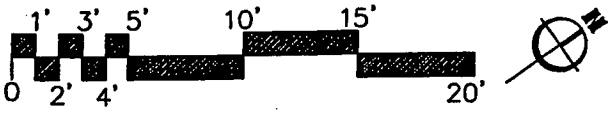
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.





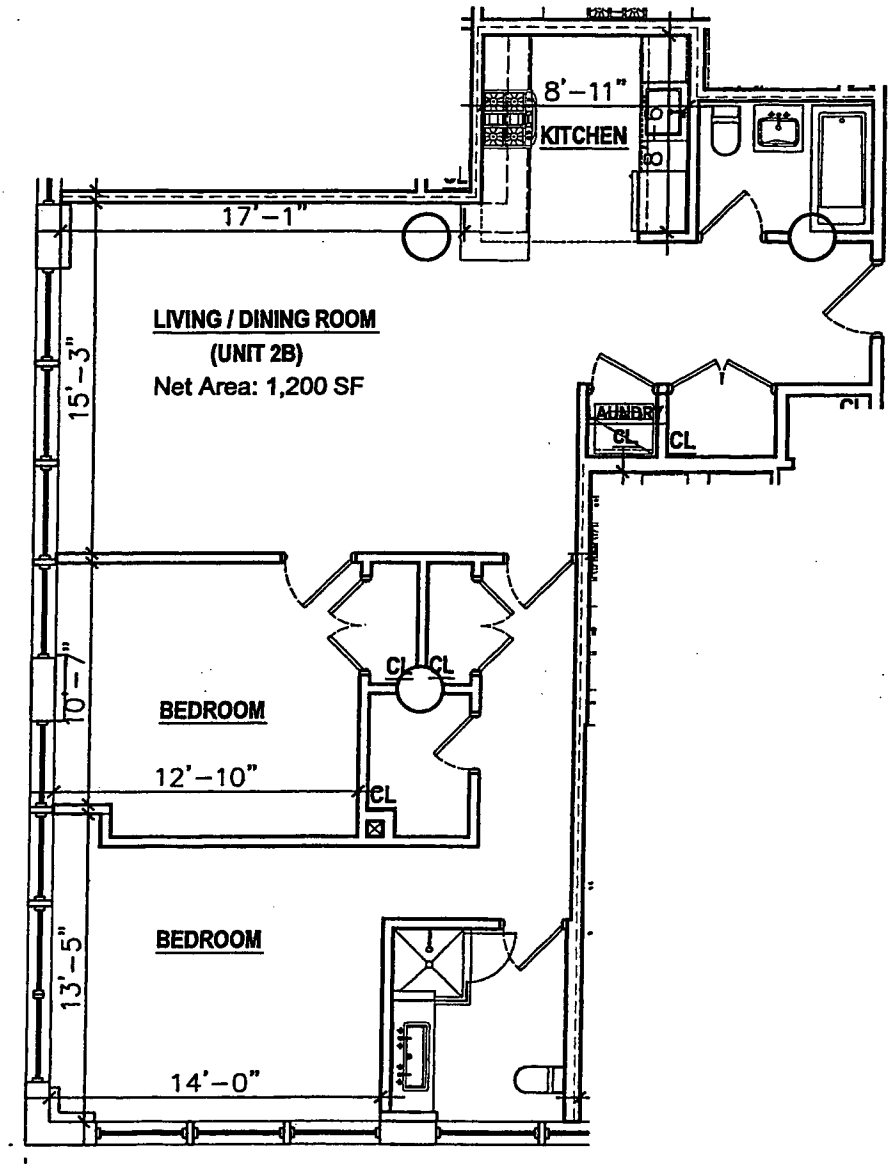
KEY PLAN : SECOND FLOOR

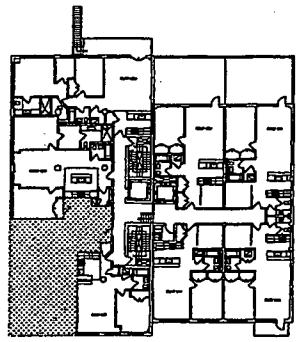
SECOND FLOOR : (UNIT 2A)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

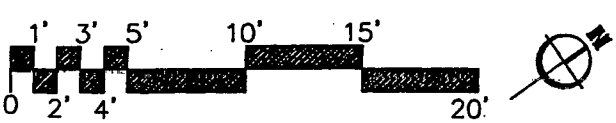
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





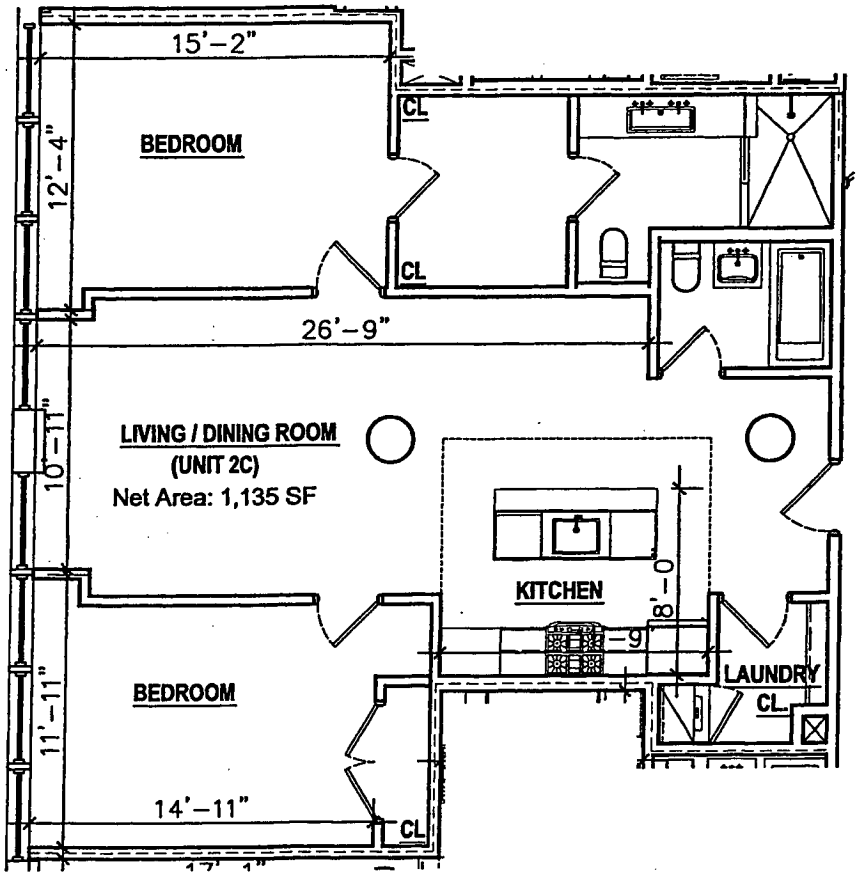
KEY PLAN : SECOND FLOOR

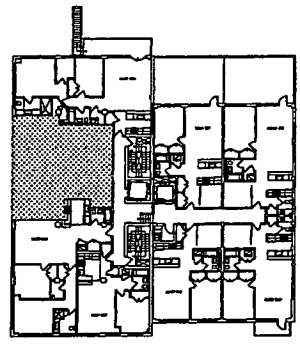
SECOND FLOOR : (UNIT 2B)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

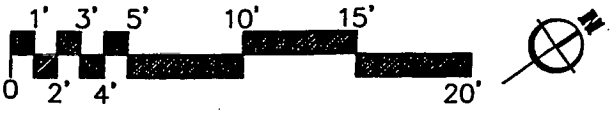
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





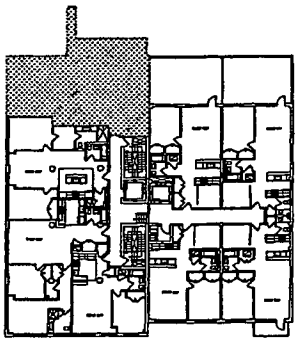
KEY PLAN : SECOND FLOOR

SECOND FLOOR : (UNIT 2C)

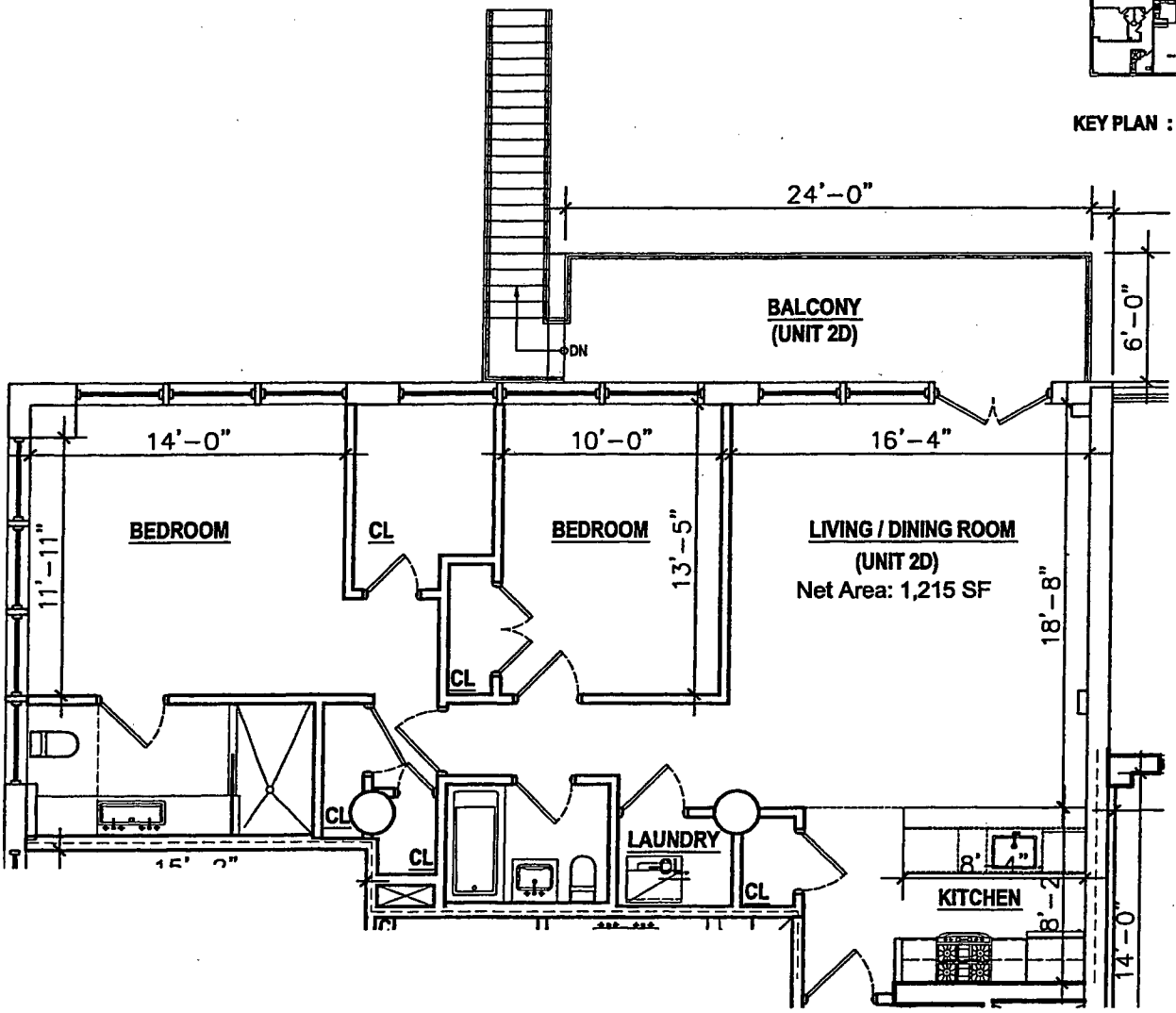


THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

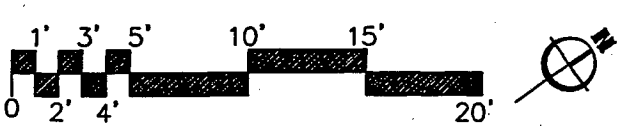
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.



KEY PLAN : SECOND FLOOR

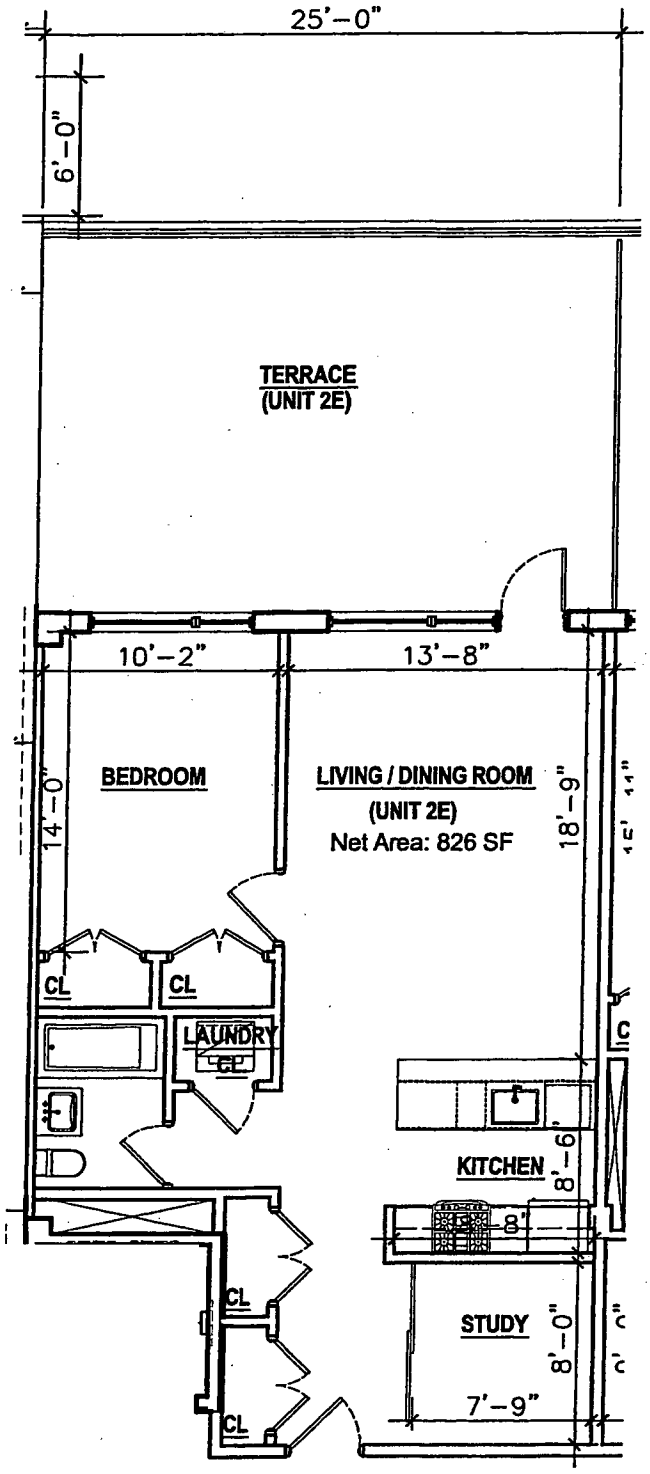


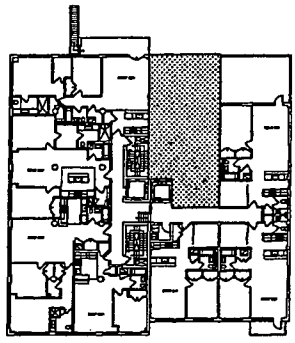
SECOND FLOOR : (UNIT 2D)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

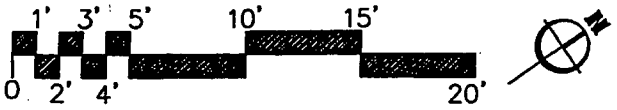
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





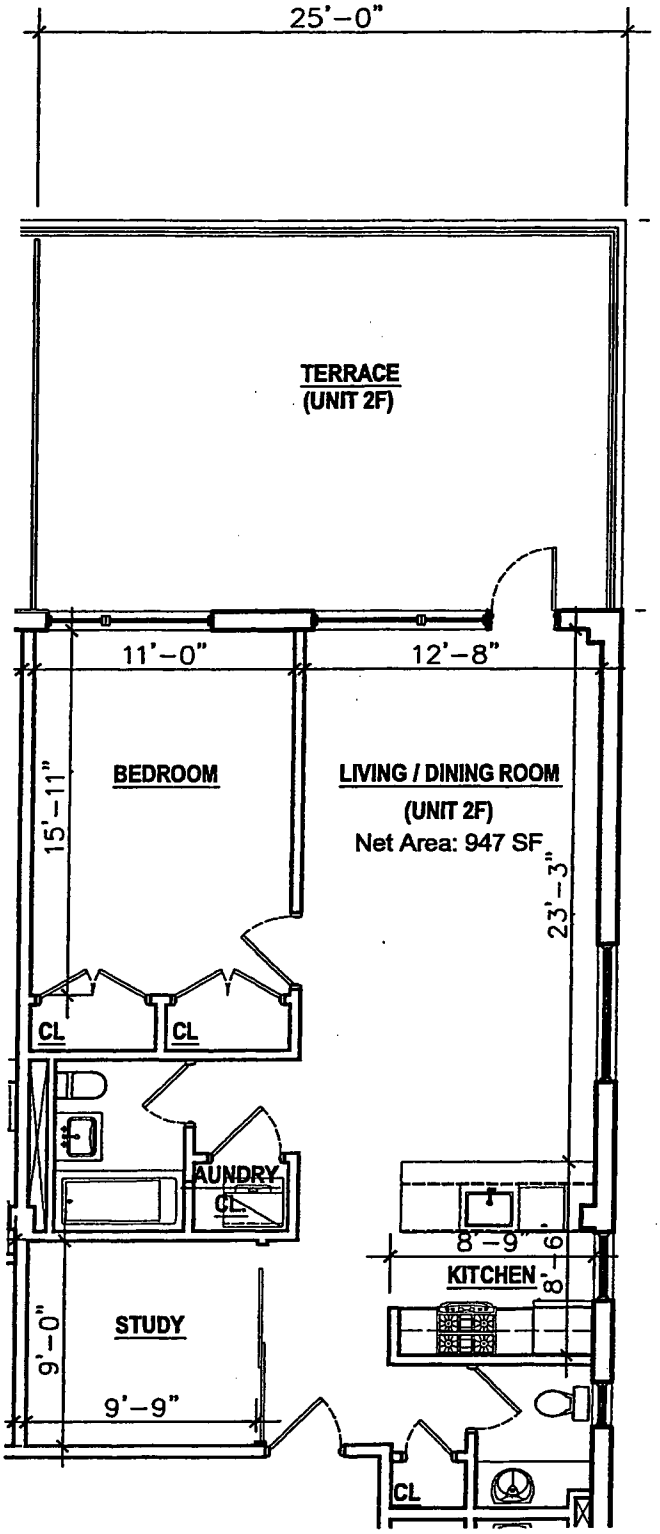
KEY PLAN : SECOND FLOOR

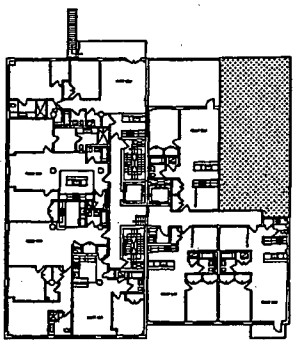
SECOND FLOOR : (UNIT 2E)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

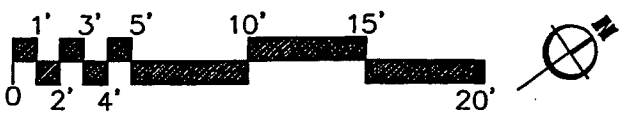
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





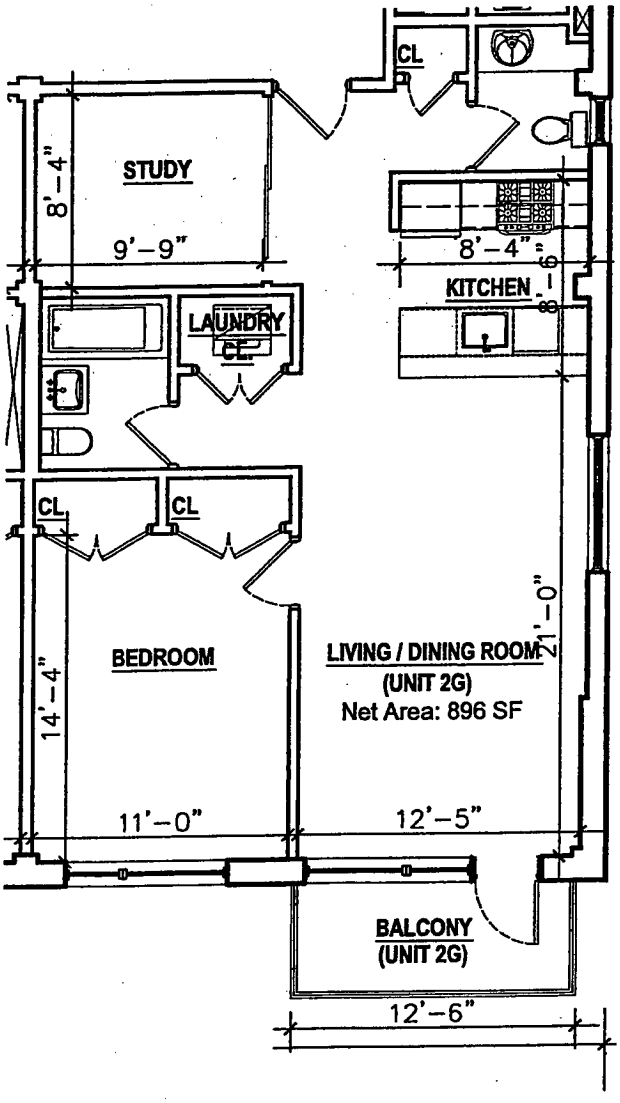
KEY PLAN : SECOND FLOOR

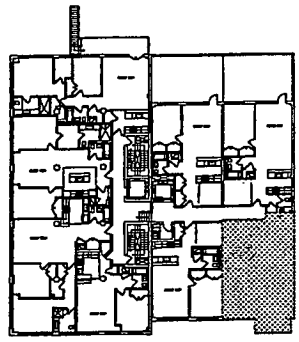
SECOND FLOOR : (UNIT 2F)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

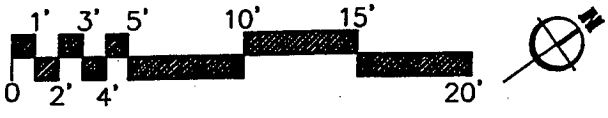
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





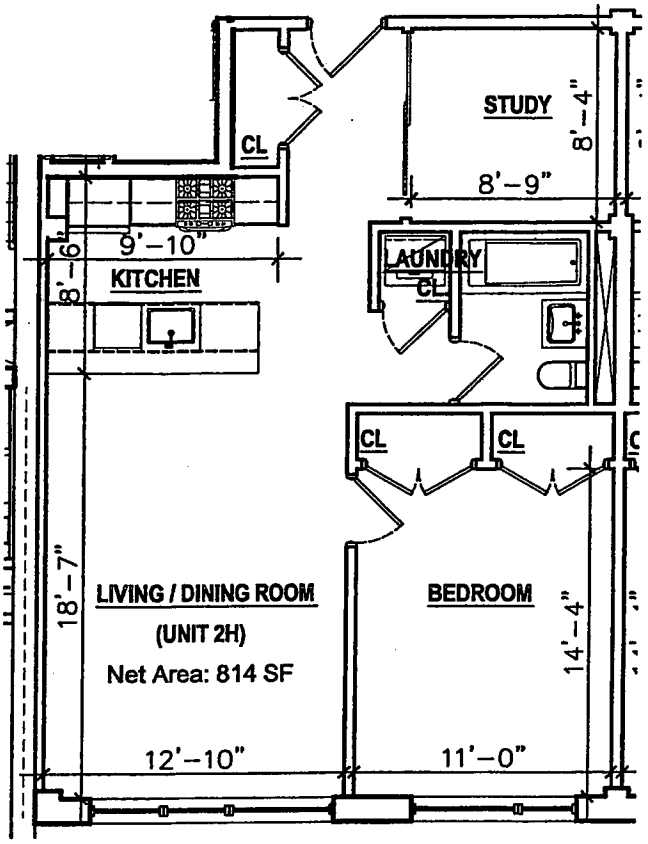
KEY PLAN : SECOND FLOOR

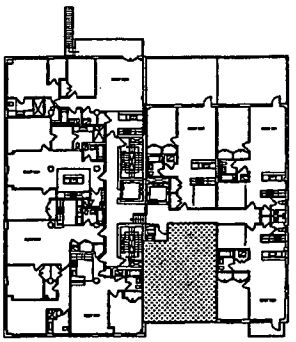
SECOND FLOOR : (UNIT 2G)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

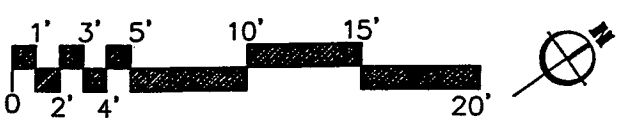
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





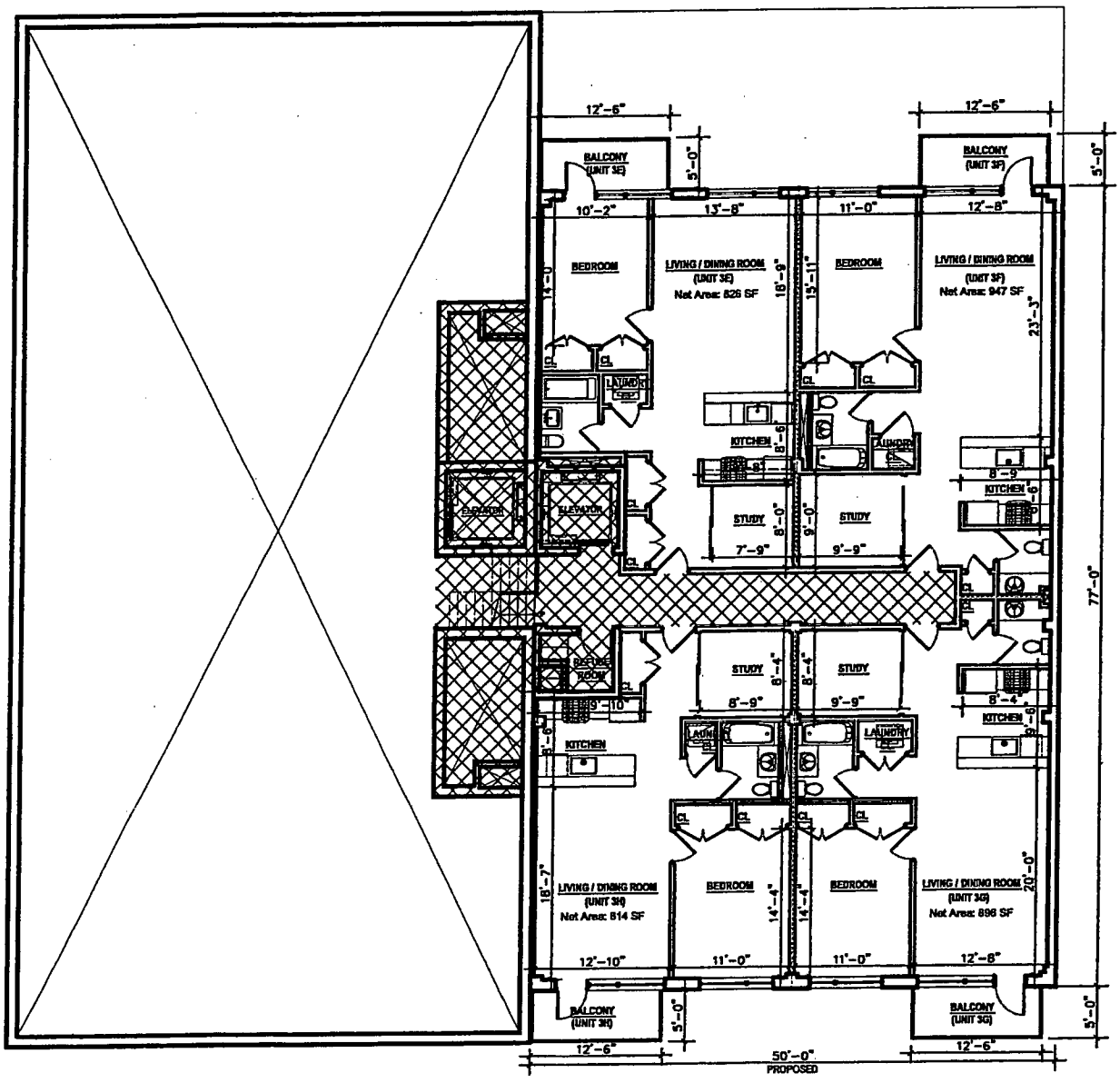
KEY PLAN : SECOND FLOOR

SECOND FLOOR : (UNIT 2H)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.

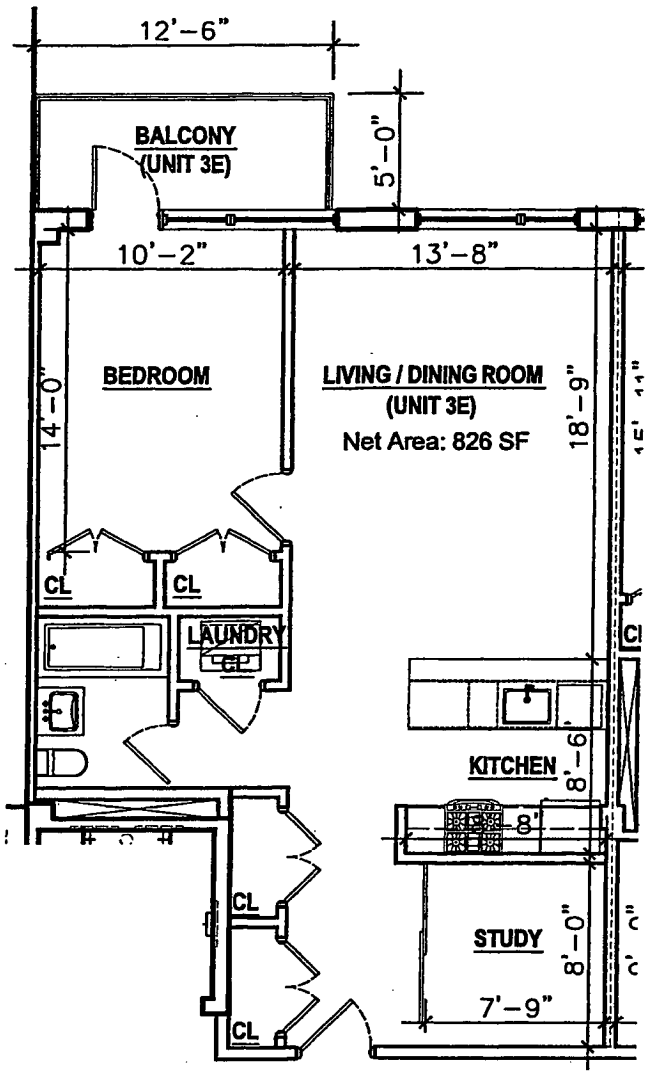


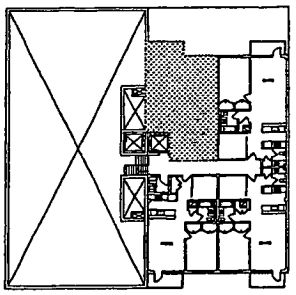
THIRD FLOOR PLAN

COMMON AREAS

1' 3' 5' 10' 15'
0 2' 4' 20'

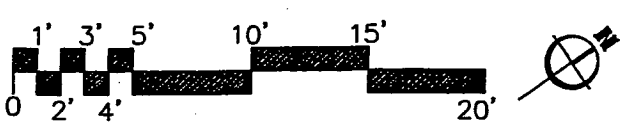
THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.





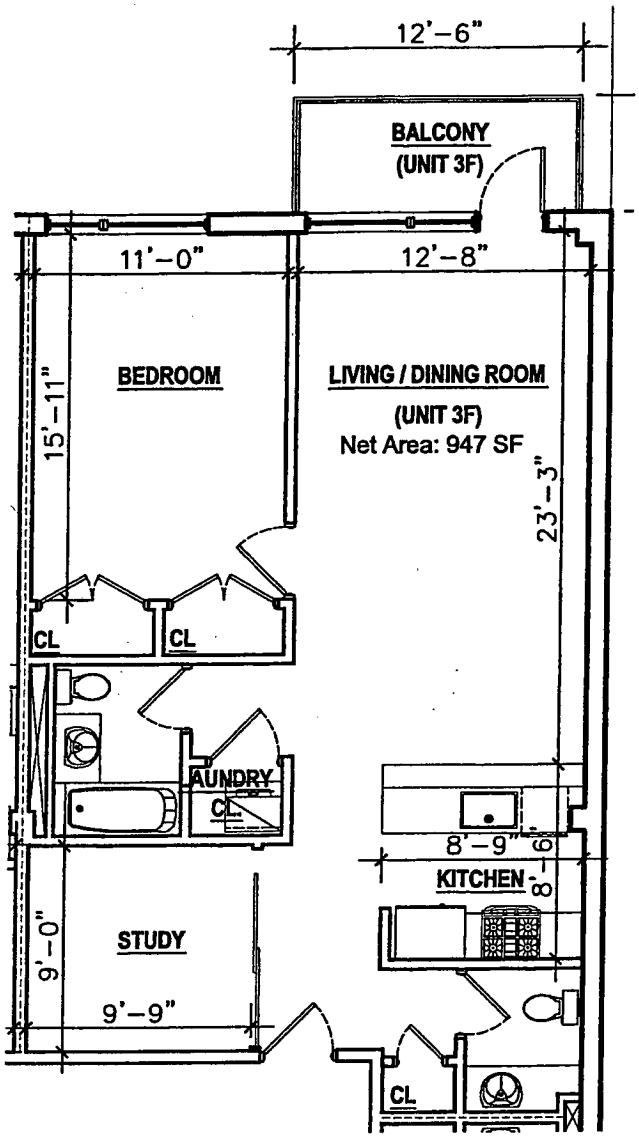
KEY PLAN : THIRD FLOOR

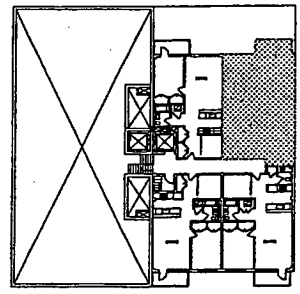
THIRD FLOOR : (UNIT 3E)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

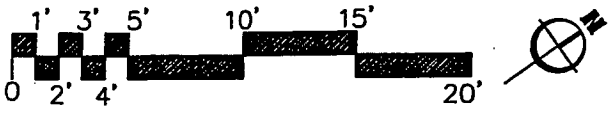
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





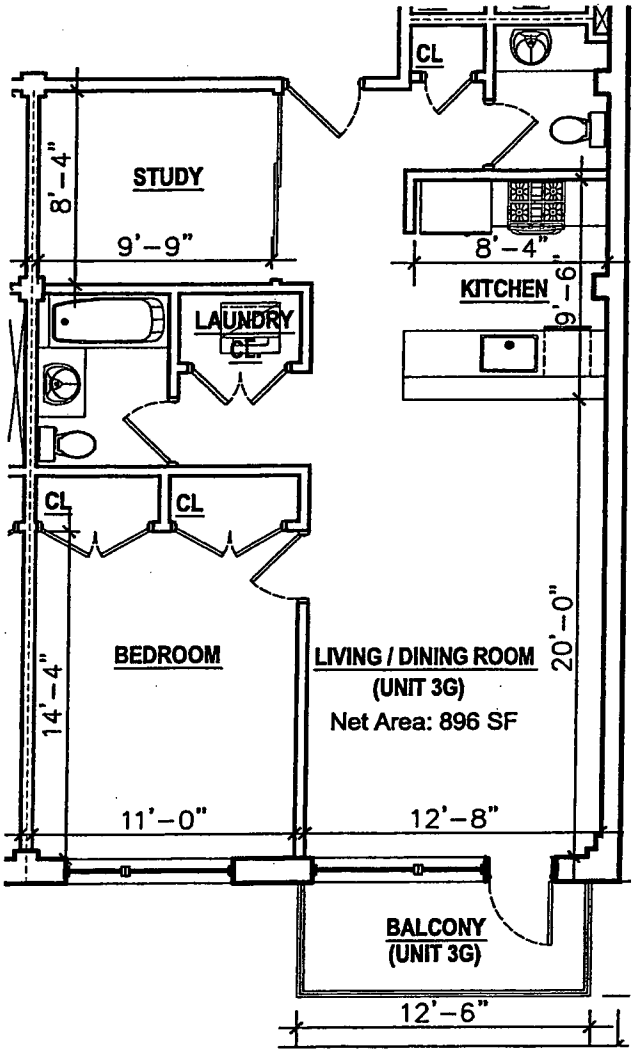
KEY PLAN : THIRD FLOOR

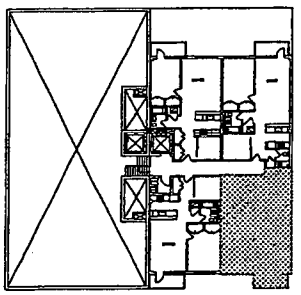
THIRD FLOOR : (UNIT 3F)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

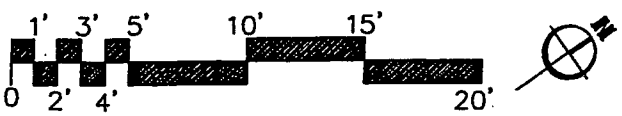
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





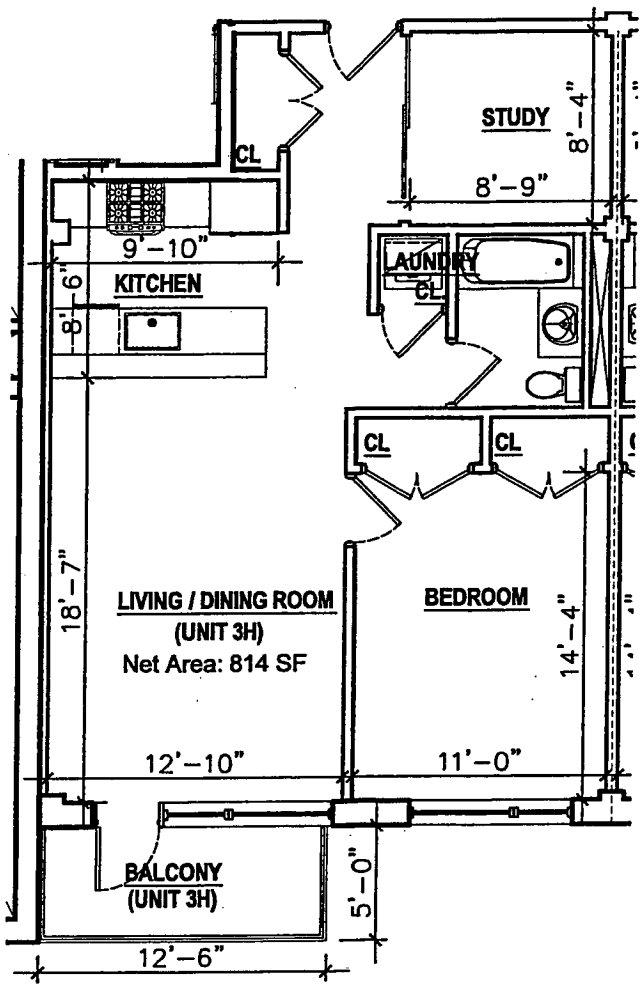
KEY PLAN : THIRD FLOOR

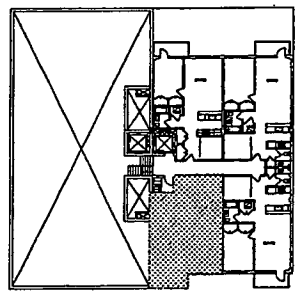
THIRD FLOOR : (UNIT 3G)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

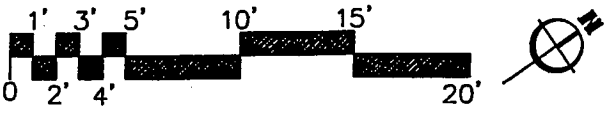
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





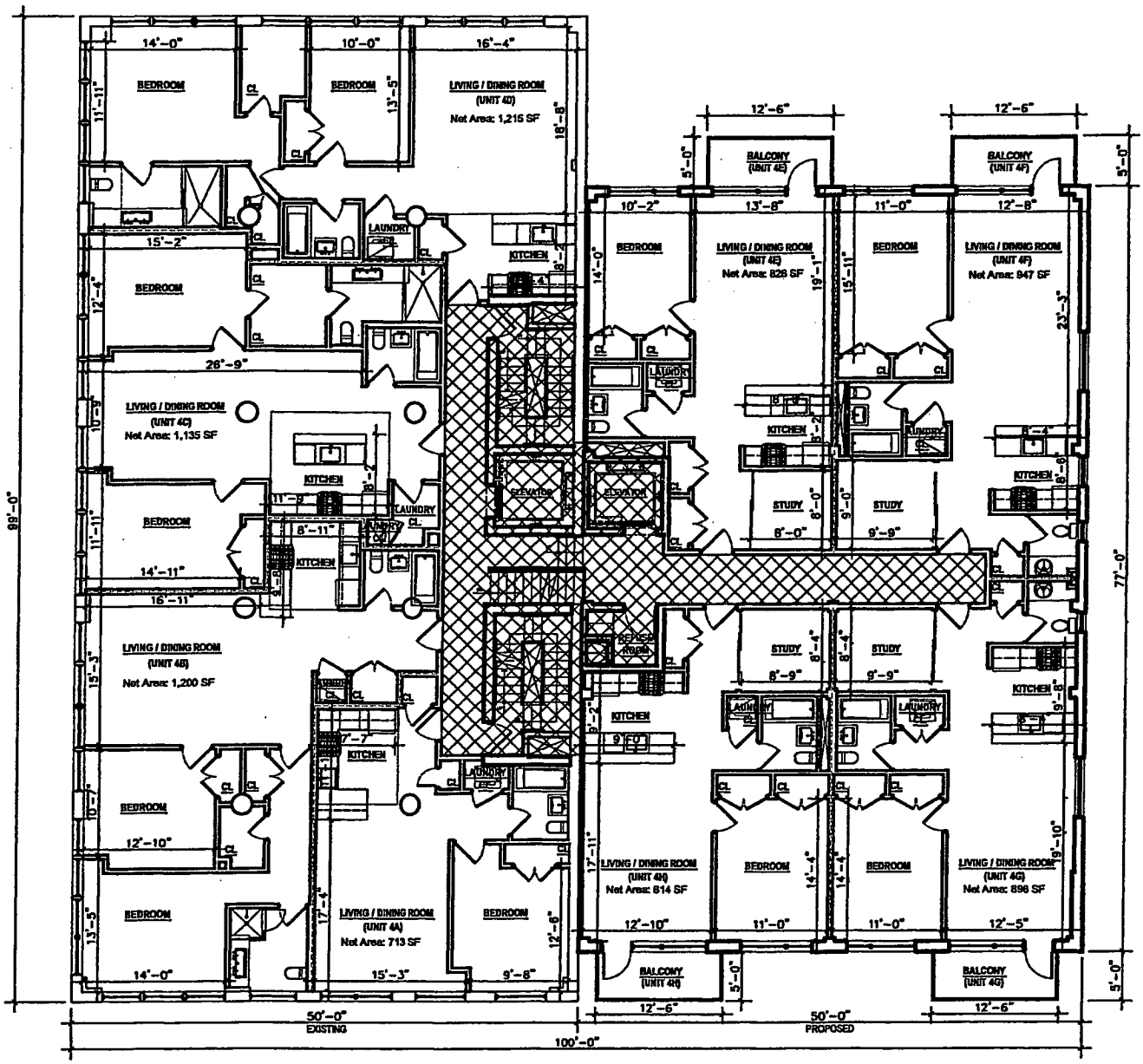
KEY PLAN : THIRD FLOOR

THIRD FLOOR : (UNIT 3H)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.

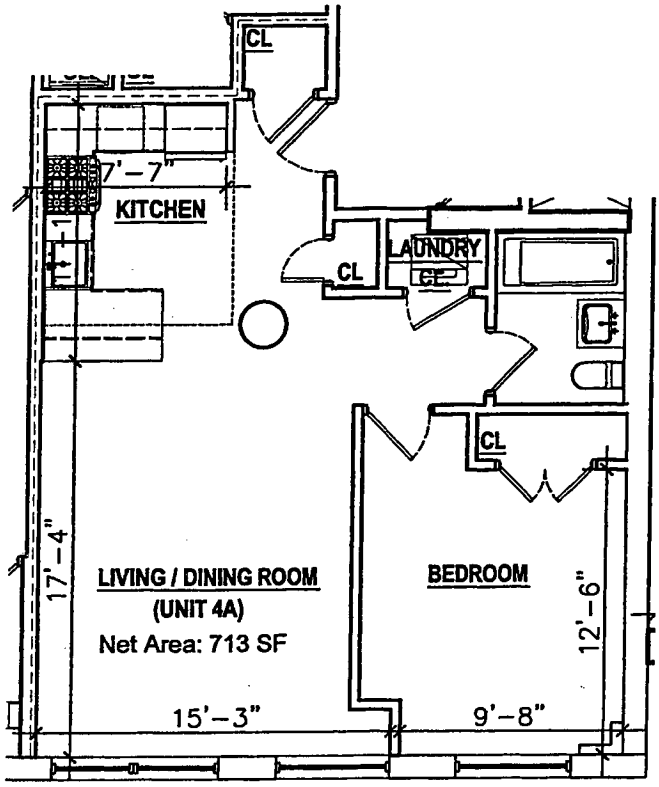


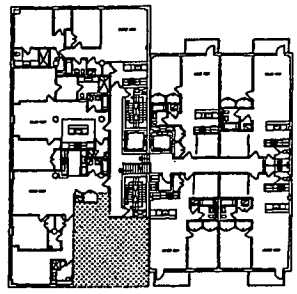
FOURTH FLOOR PLAN

COMMON AREAS

1' 3' 5' 10' 15'
0 2' 4' 20'

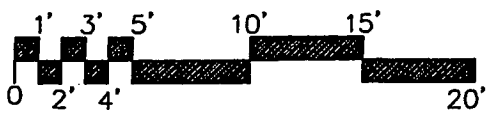
THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.





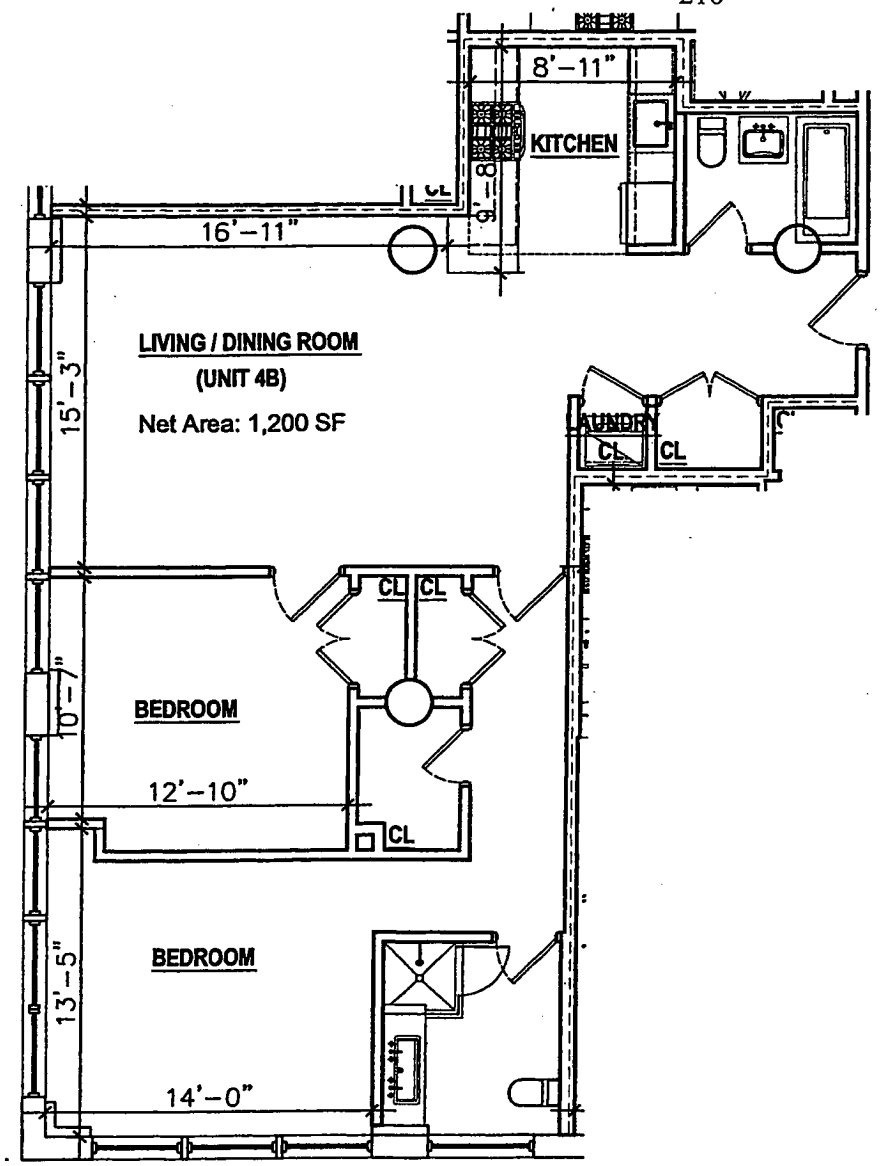
KEY PLAN : FOURTH FLOOR

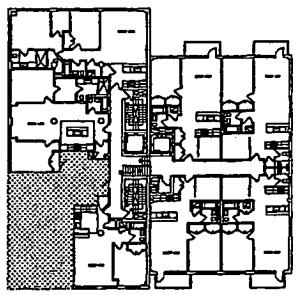
FOURTH FLOOR : (UNIT 4A)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

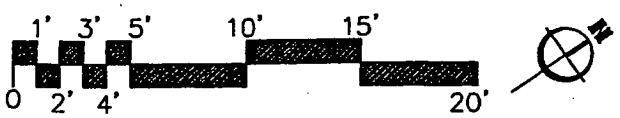
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





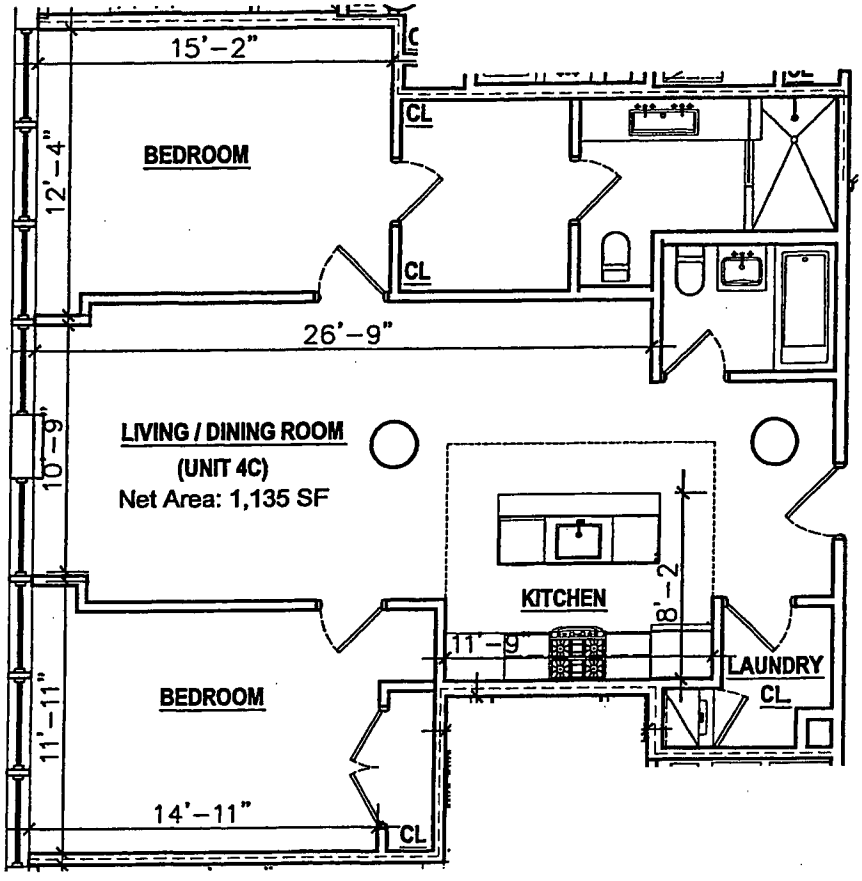
KEY PLAN : FOURTH FLOOR

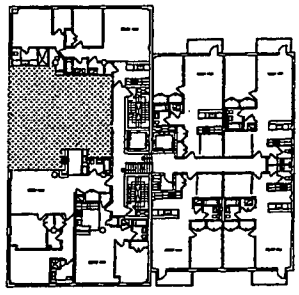
FOURTH FLOOR : (UNIT 4B)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

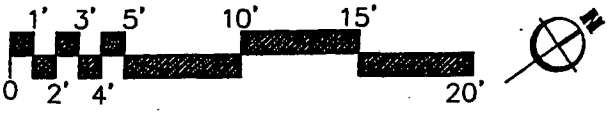
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





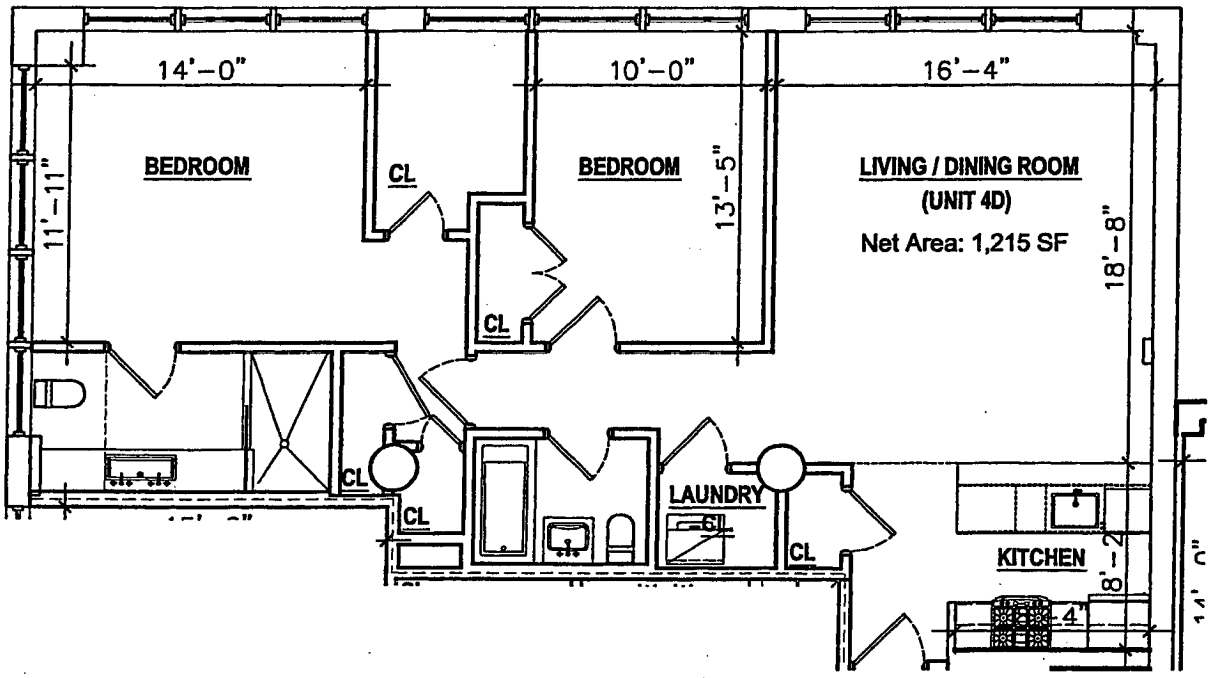
KEY PLAN : FOURTH FLOOR

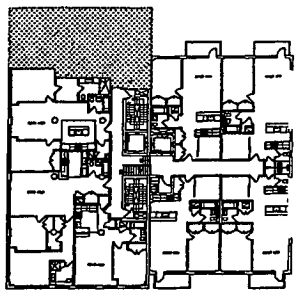
FOURTH FLOOR : (UNIT 4C)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

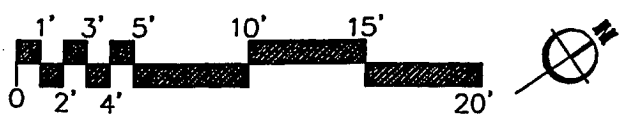
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





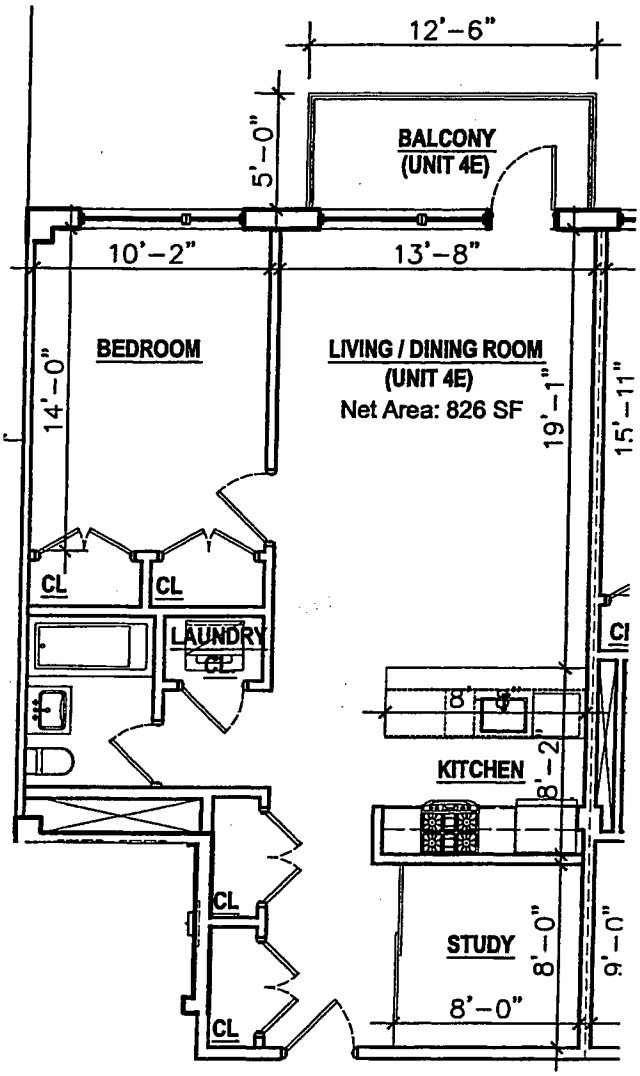
KEY PLAN : FOURTH FLOOR

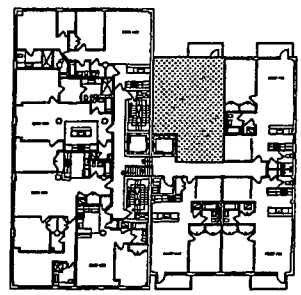
FOURTH FLOOR : (UNIT 4D)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

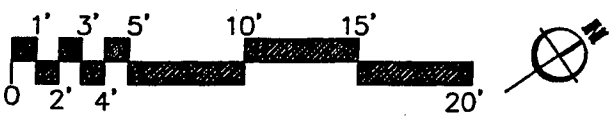
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





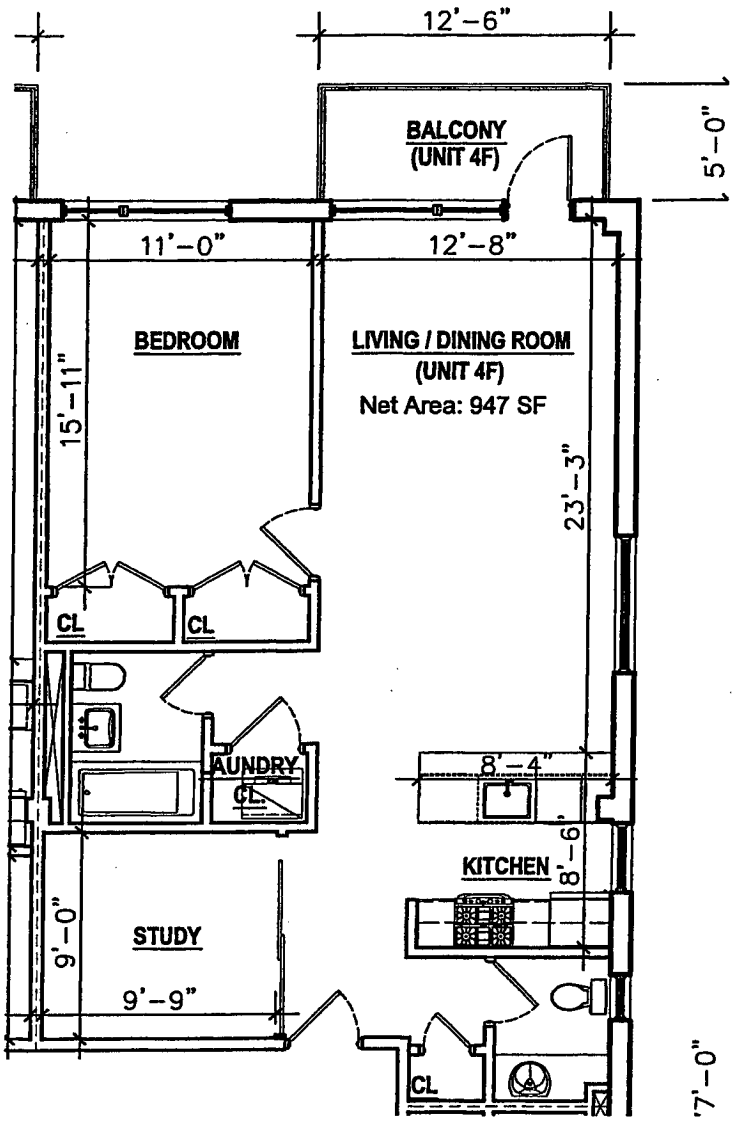
KEY PLAN : FOURTH FLOOR

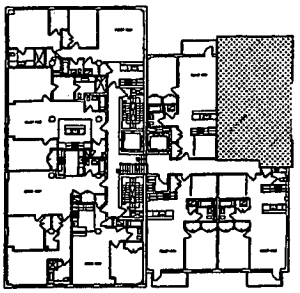
FOURTH FLOOR : (UNIT 4E)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

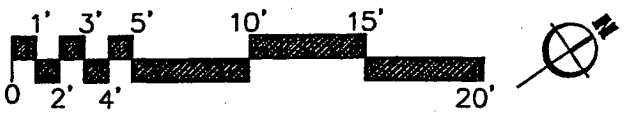
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





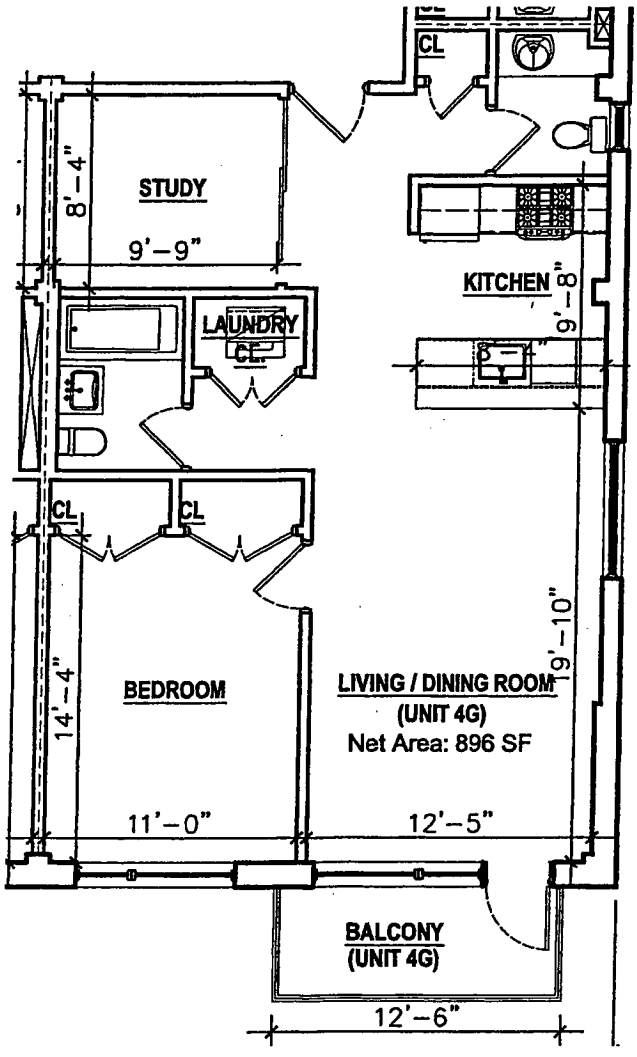
KEY PLAN : FOURTH FLOOR

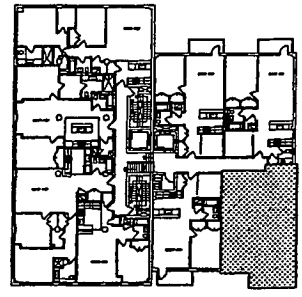
FOURTH FLOOR : (UNIT 4F)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

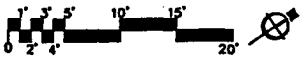
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





KEY PLAN : FOURTH FLOOR

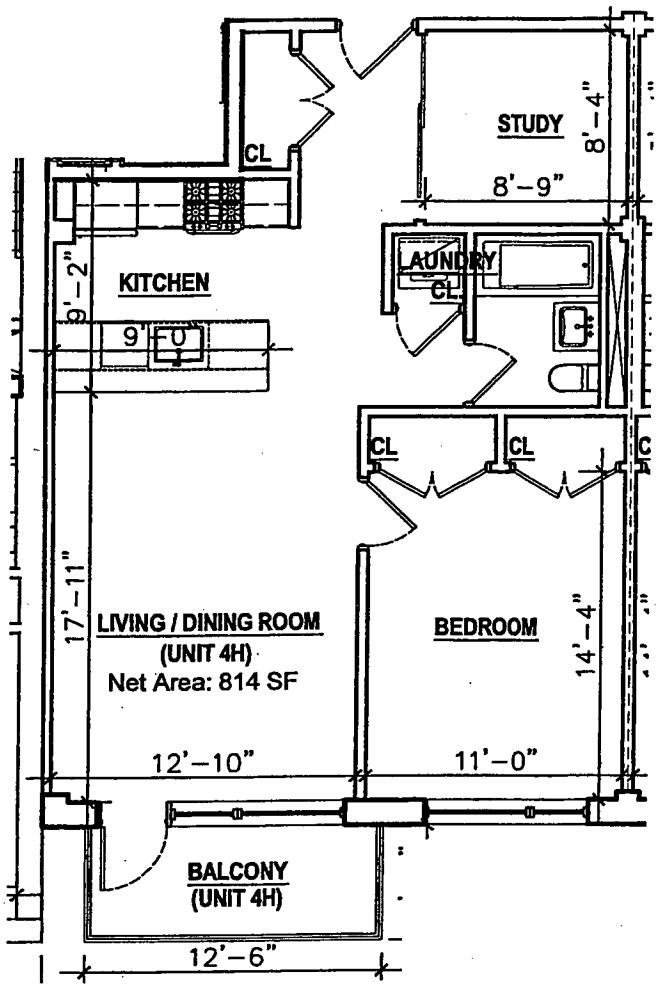
FOURTH FLOOR : (UNIT 4G)

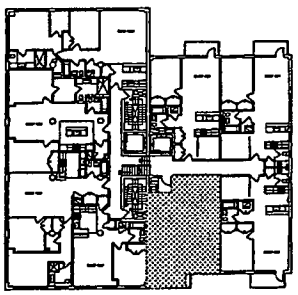


THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING

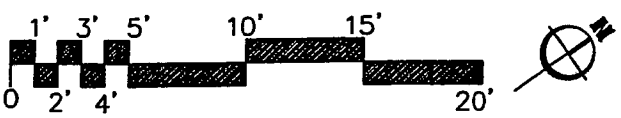
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





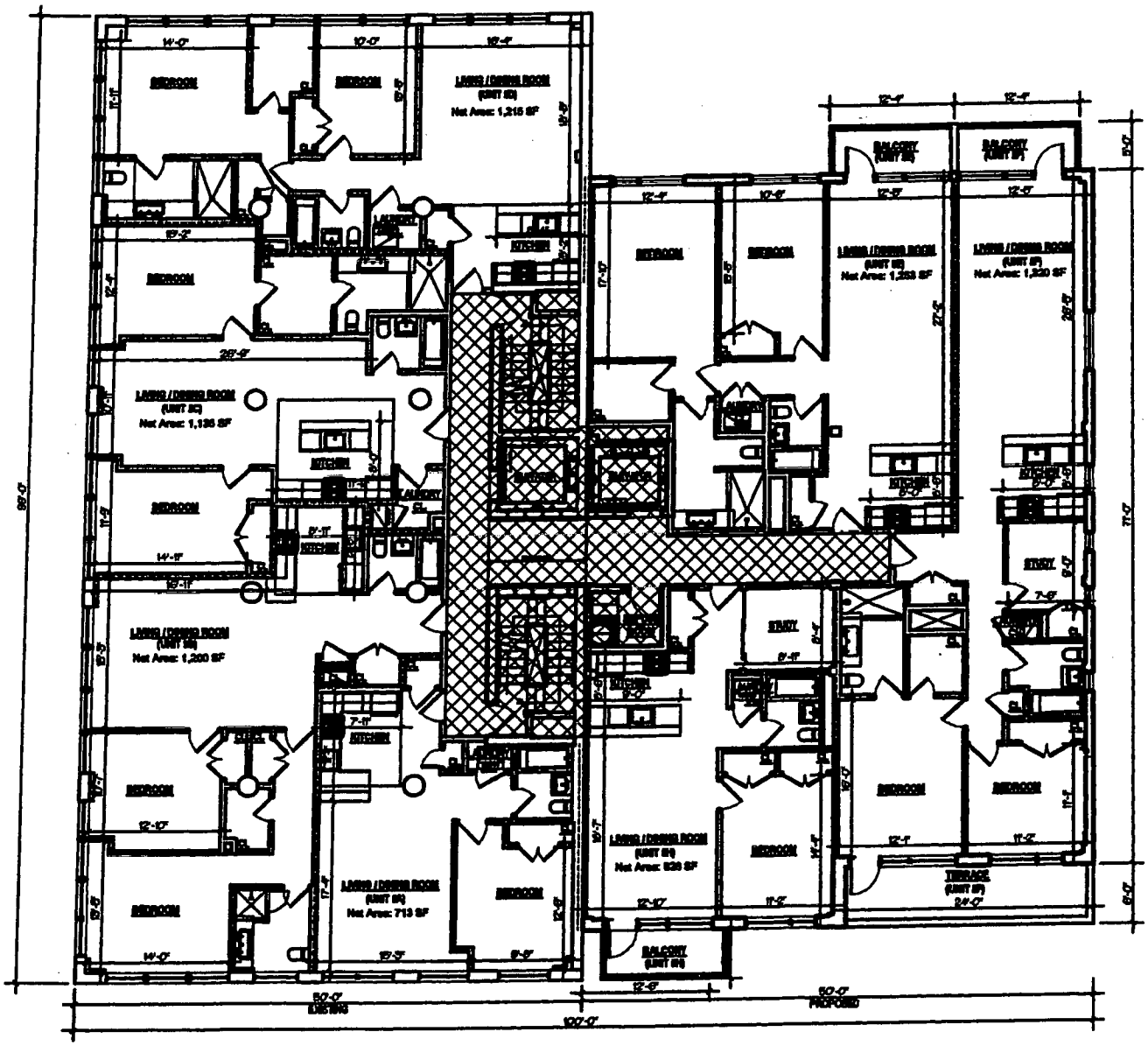
KEY PLAN : FOURTH FLOOR

FOURTH FLOOR : (UNIT 4H)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

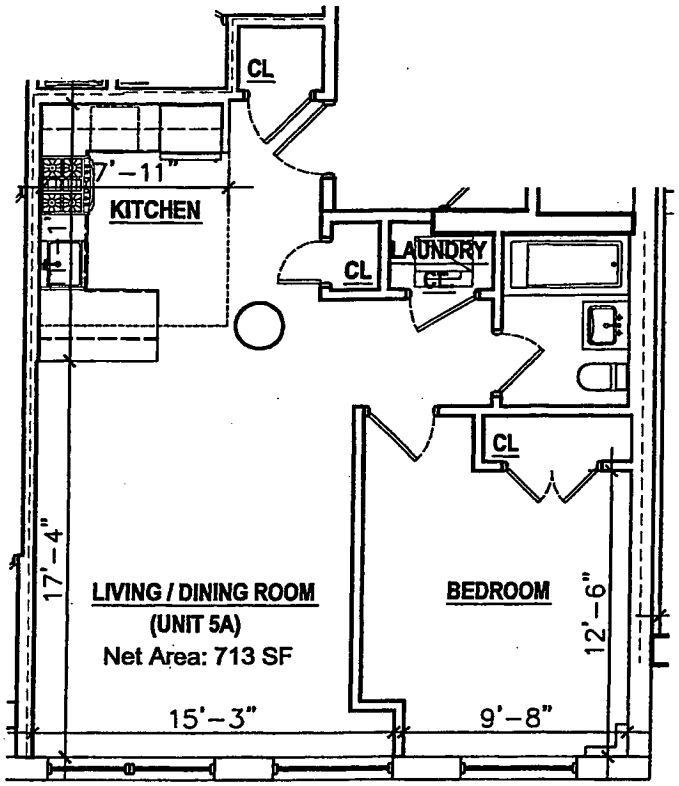
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.

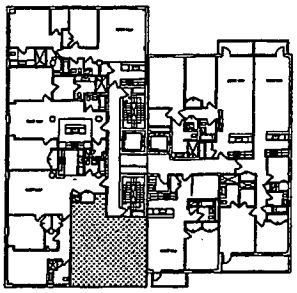


FIFTH FLOOR PLAN

COMMON AREAS

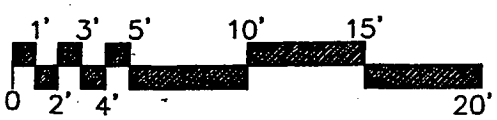
THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.





KEY PLAN : FIFTH FLOOR

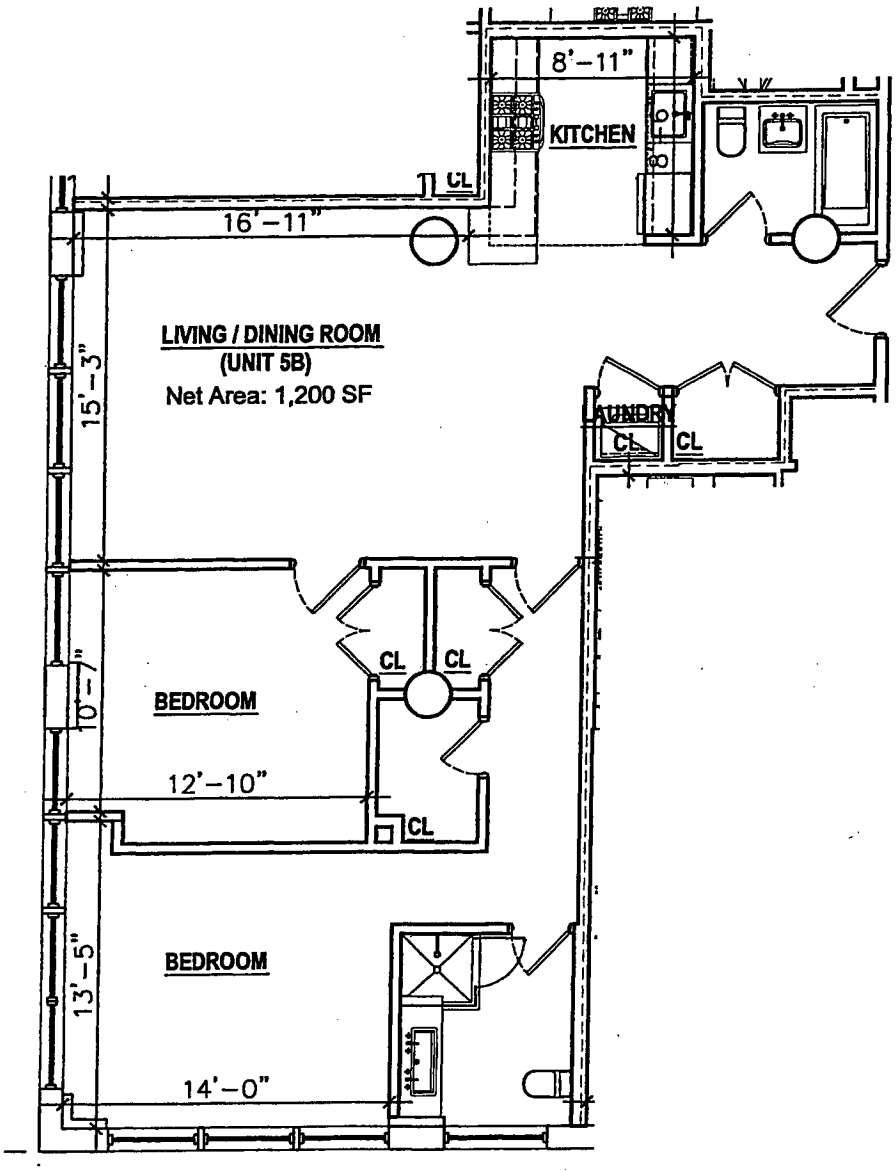
FIFTH FLOOR : (UNIT 5A)

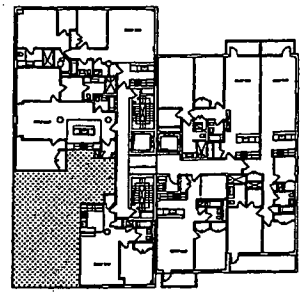


THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.



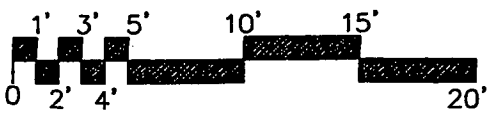
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





KEY PLAN : FIFTH FLOOR

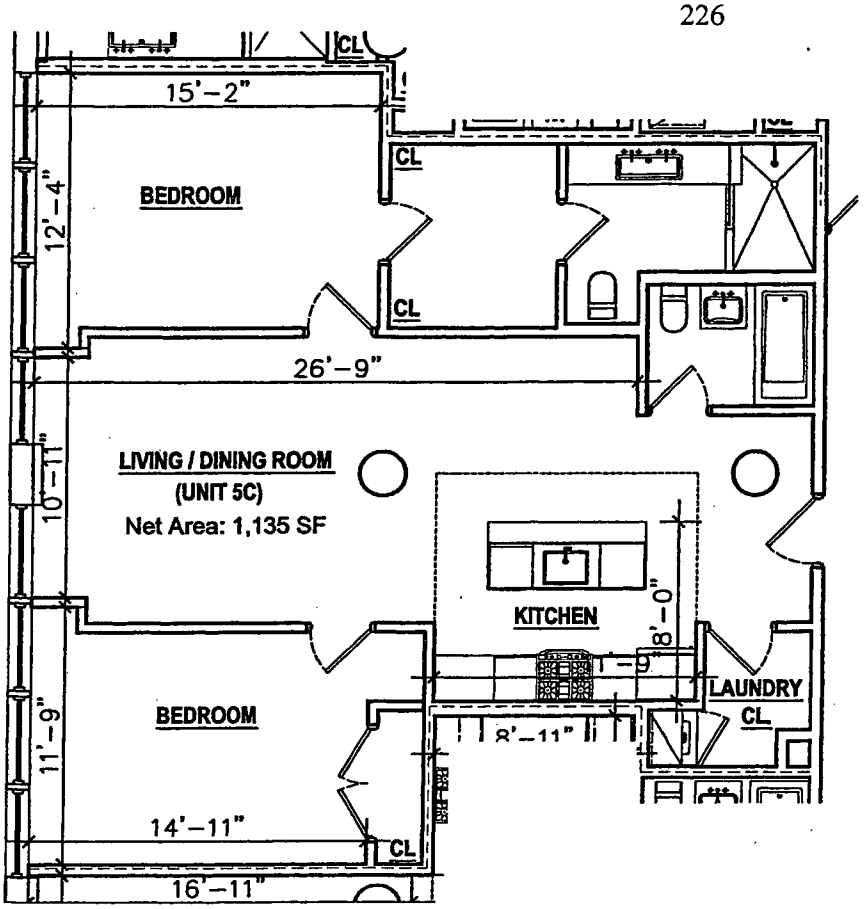
FIFTH FLOOR : (UNIT 5B)

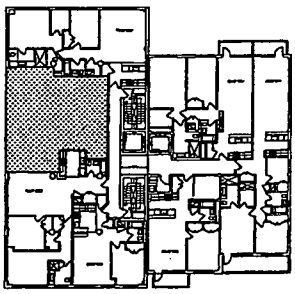


THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.



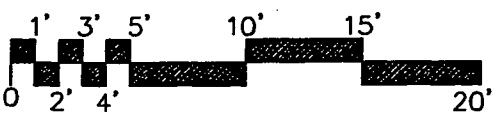
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





KEY PLAN : FIFTH FLOOR

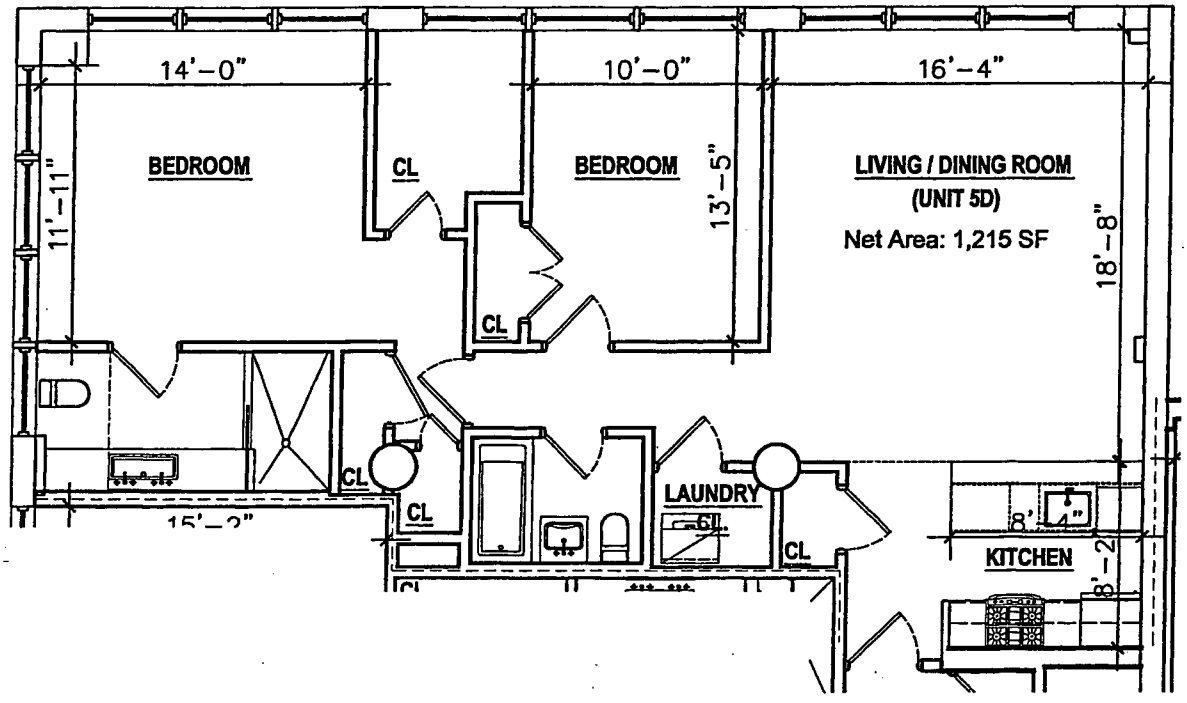
FIFTH FLOOR : (UNIT 5C)

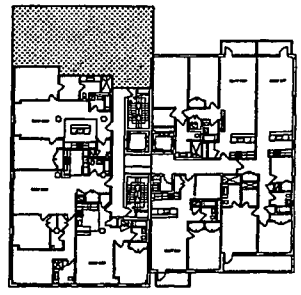


THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.



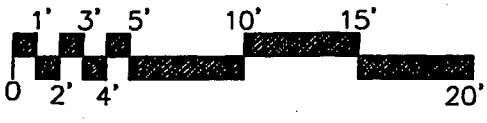
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





KEY PLAN : FIFTH FLOOR

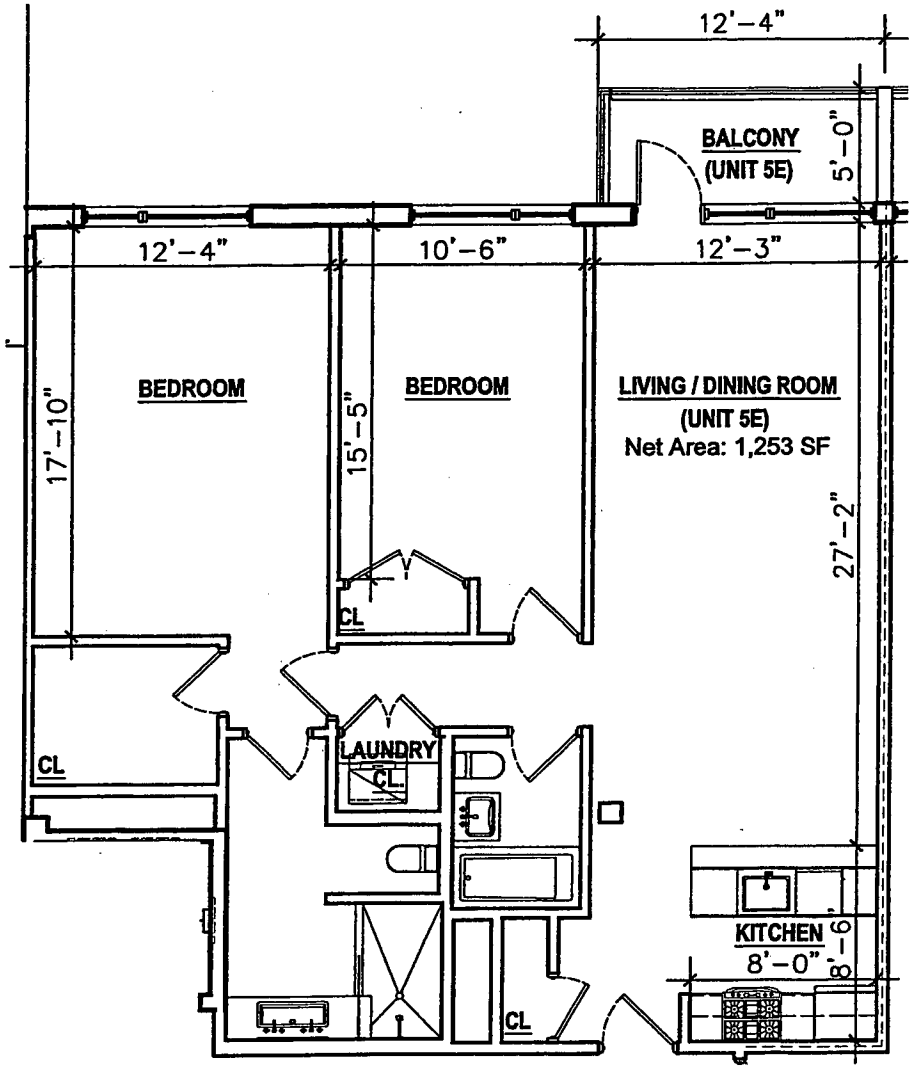
FIFTH FLOOR : (UNIT 5D)

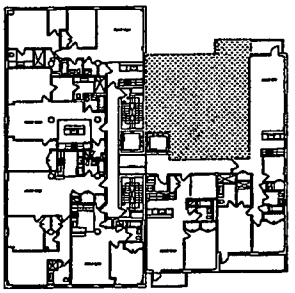


THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.



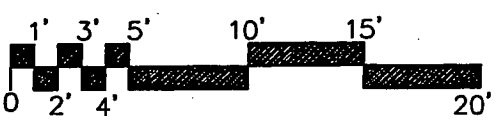
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





KEY PLAN : FIFTH FLOOR

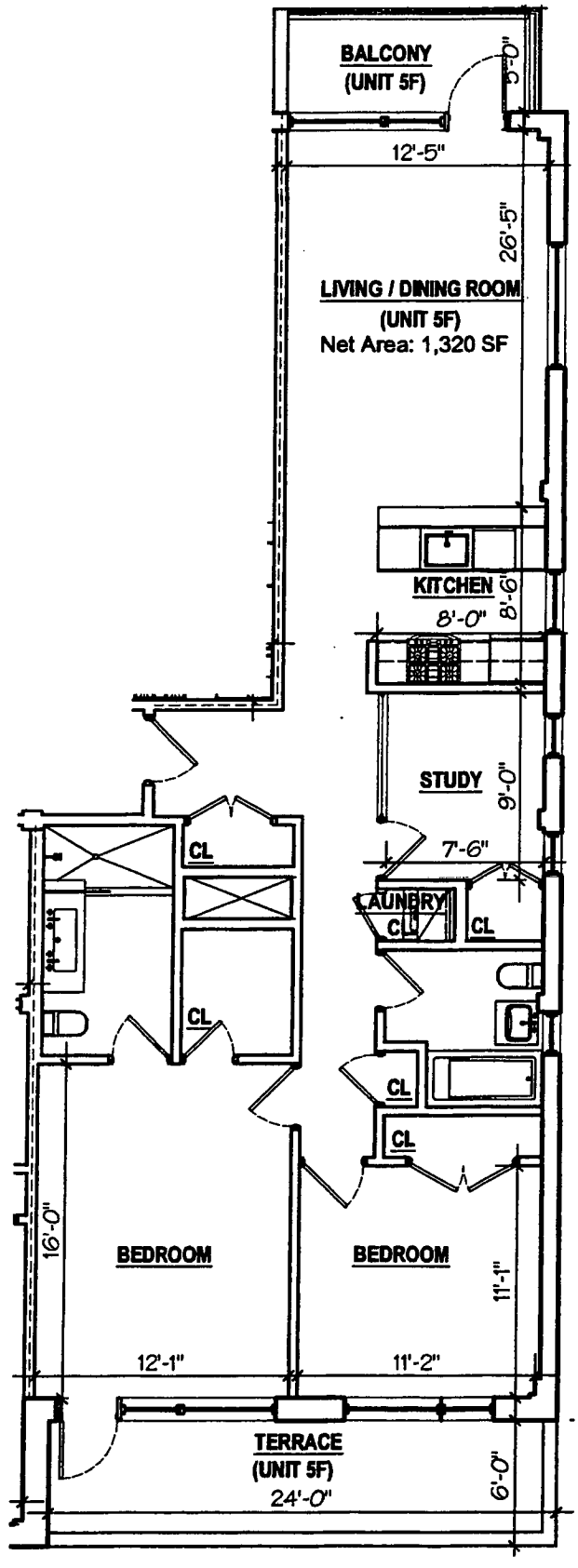
FIFTH FLOOR : (UNIT 5E)

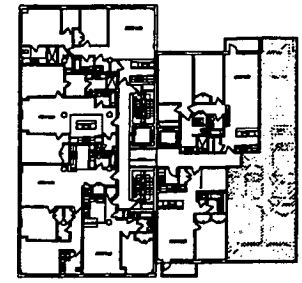


THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.



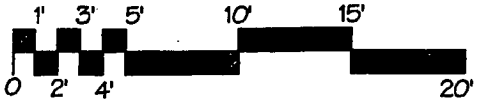
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





KEY PLAN : FIFTH FLOOR

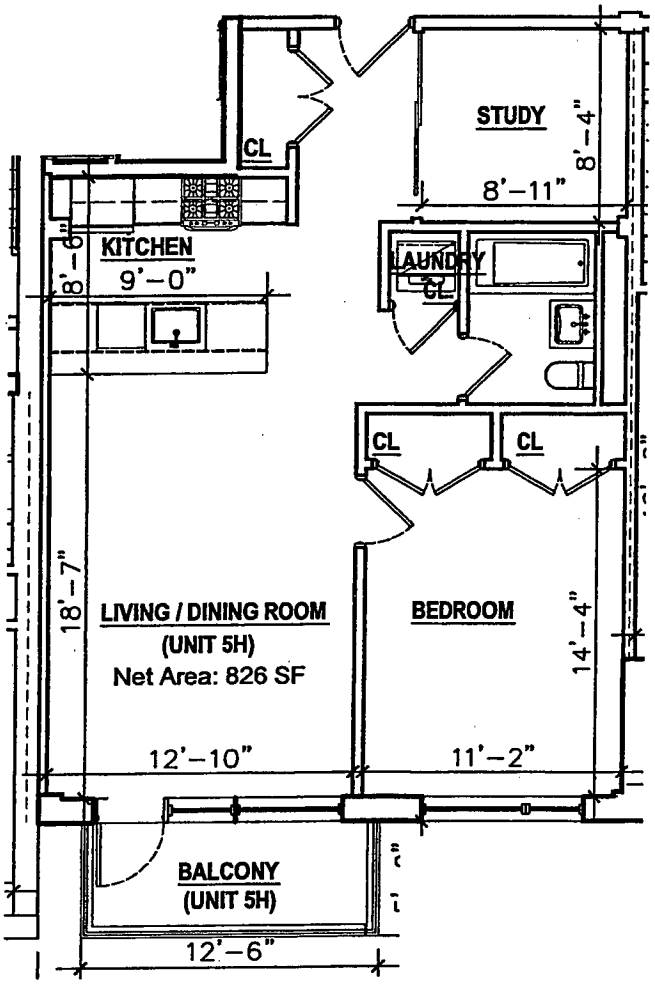
FIFTH FLOOR : (UNIT 5F)

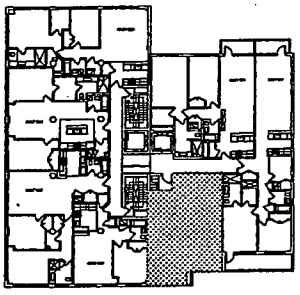


THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.



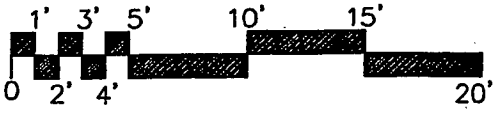
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





KEY PLAN : FIFTH FLOOR

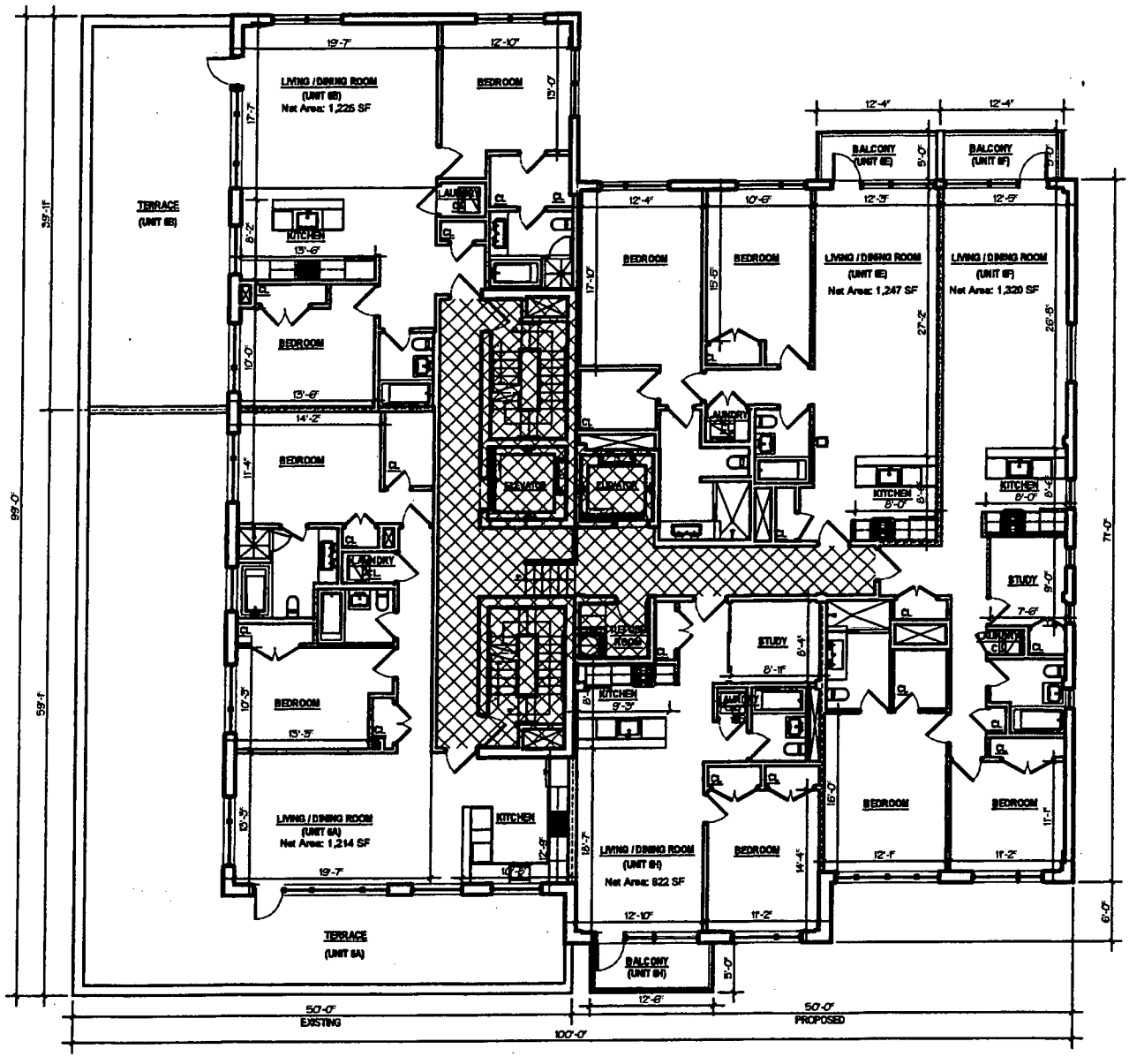
FIFTH FLOOR : (UNIT 5H)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.



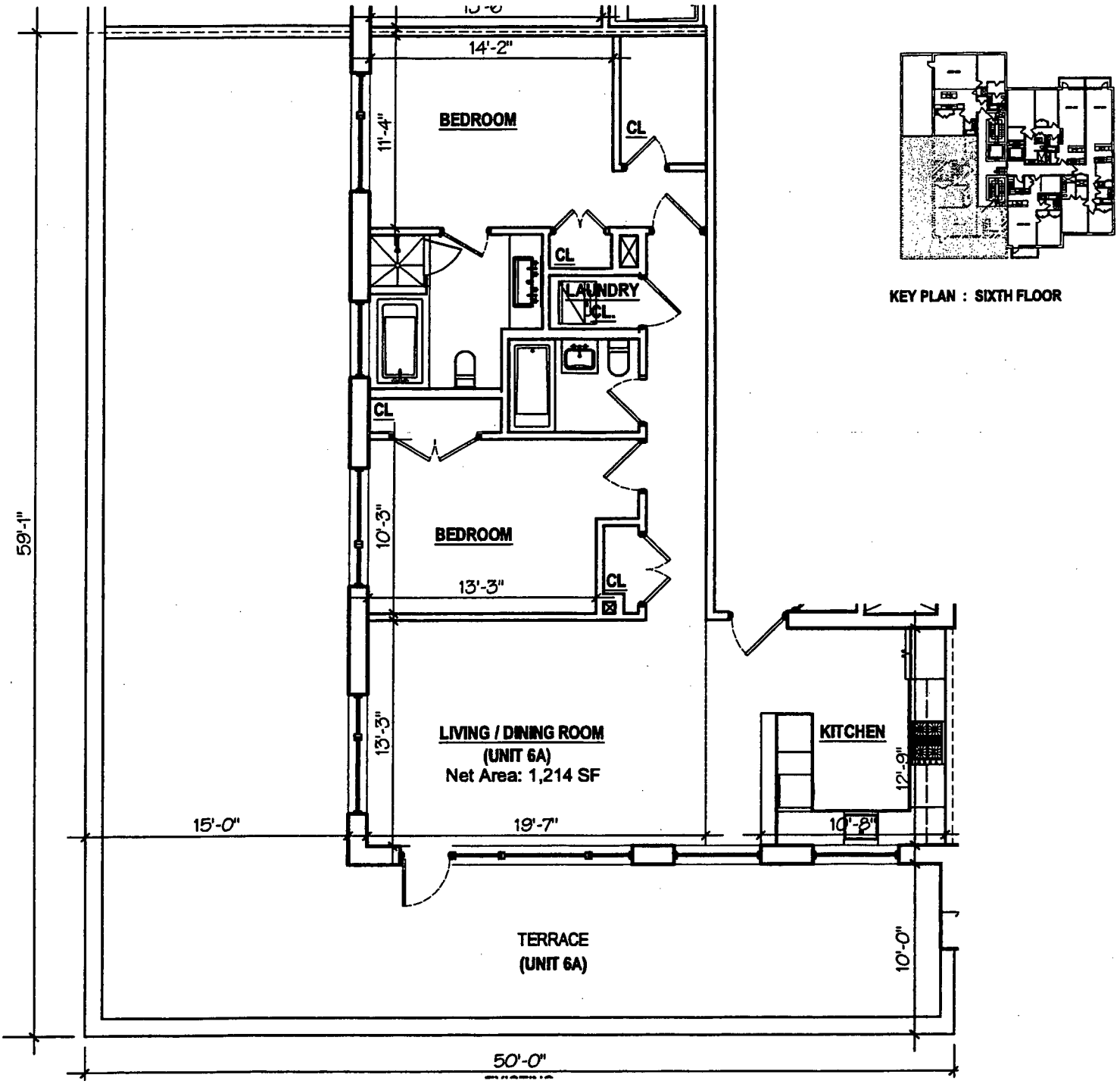
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.



SIXTH FLOOR PLAN

COMMON AREAS

THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.



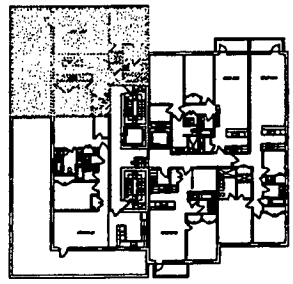
KEY PLAN : SIXTH FLOOR

SIXTH FLOOR : (UNIT 6A)

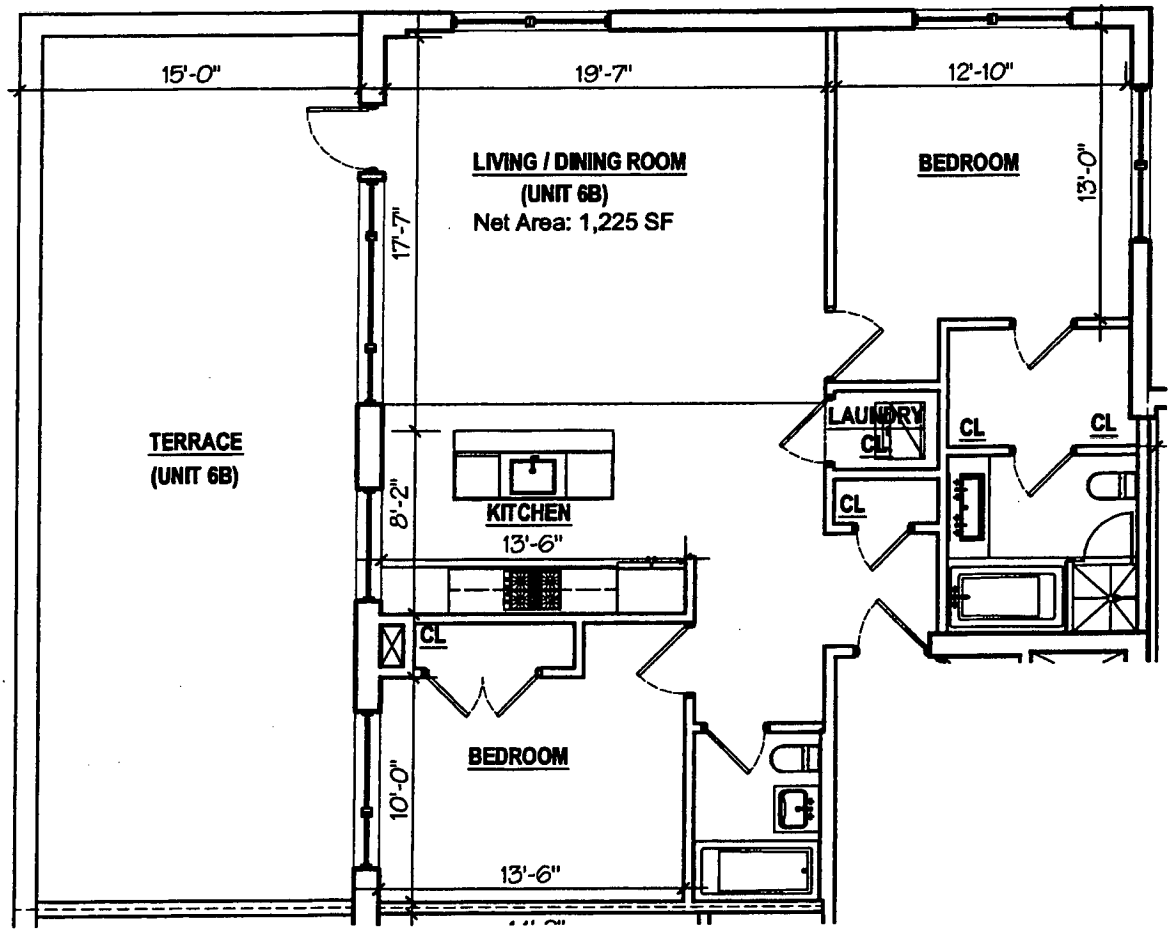
1' 3' 5' 10' 15'
0 2' 4' 20'

THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

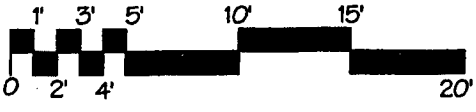
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.



KEY PLAN : SIXTH FLOOR



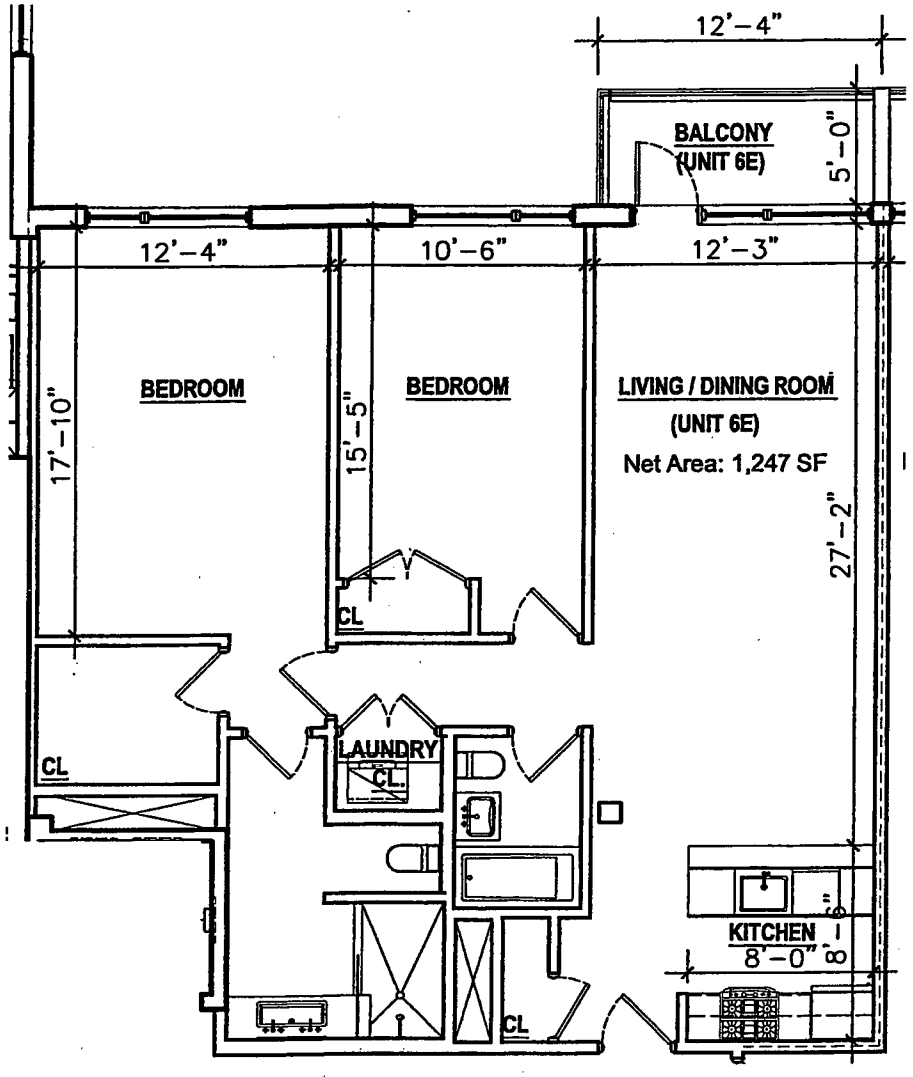
SIXTH FLOOR : (UNIT 6B)

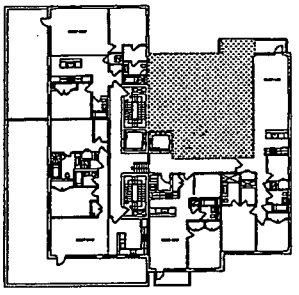


THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.



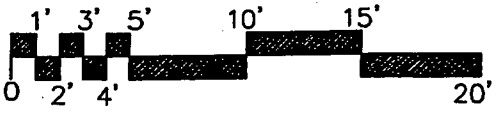
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





KEY PLAN : SIXTH FLOOR

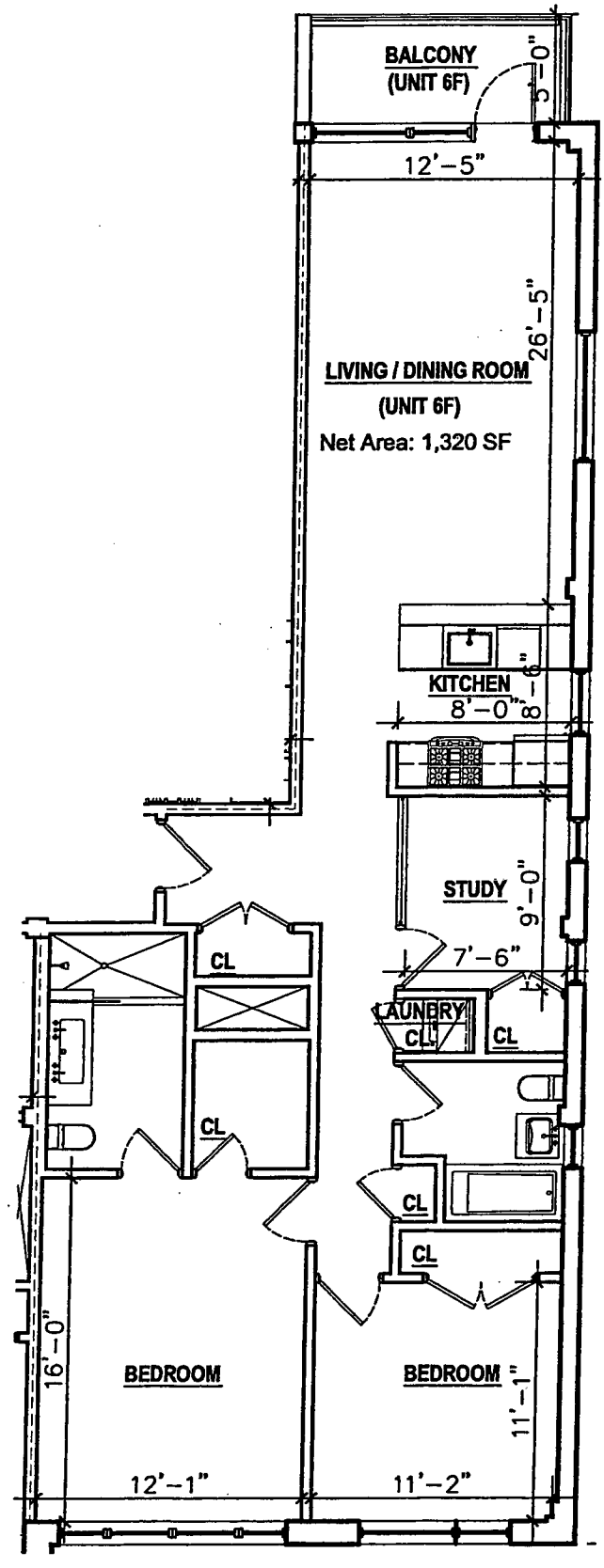
SIXTH FLOOR : (UNIT 6E)

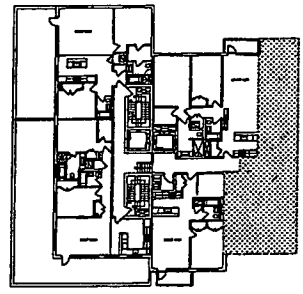


THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.



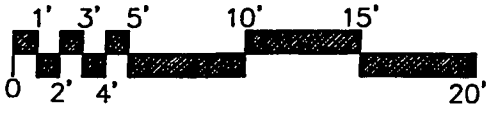
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





KEY PLAN : SIXTH FLOOR

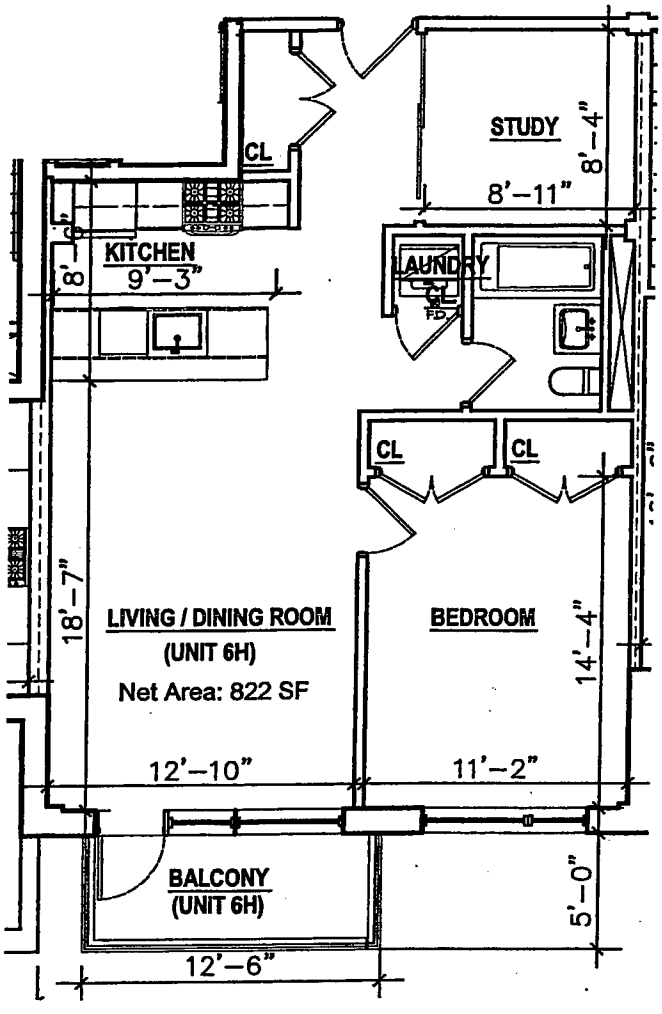
SIXTH FLOOR : (UNIT 6F)

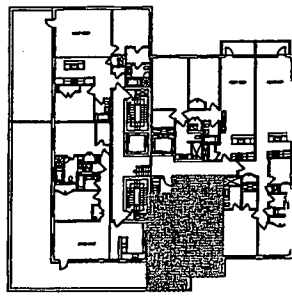


THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.



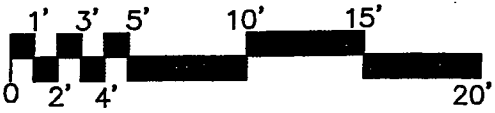
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





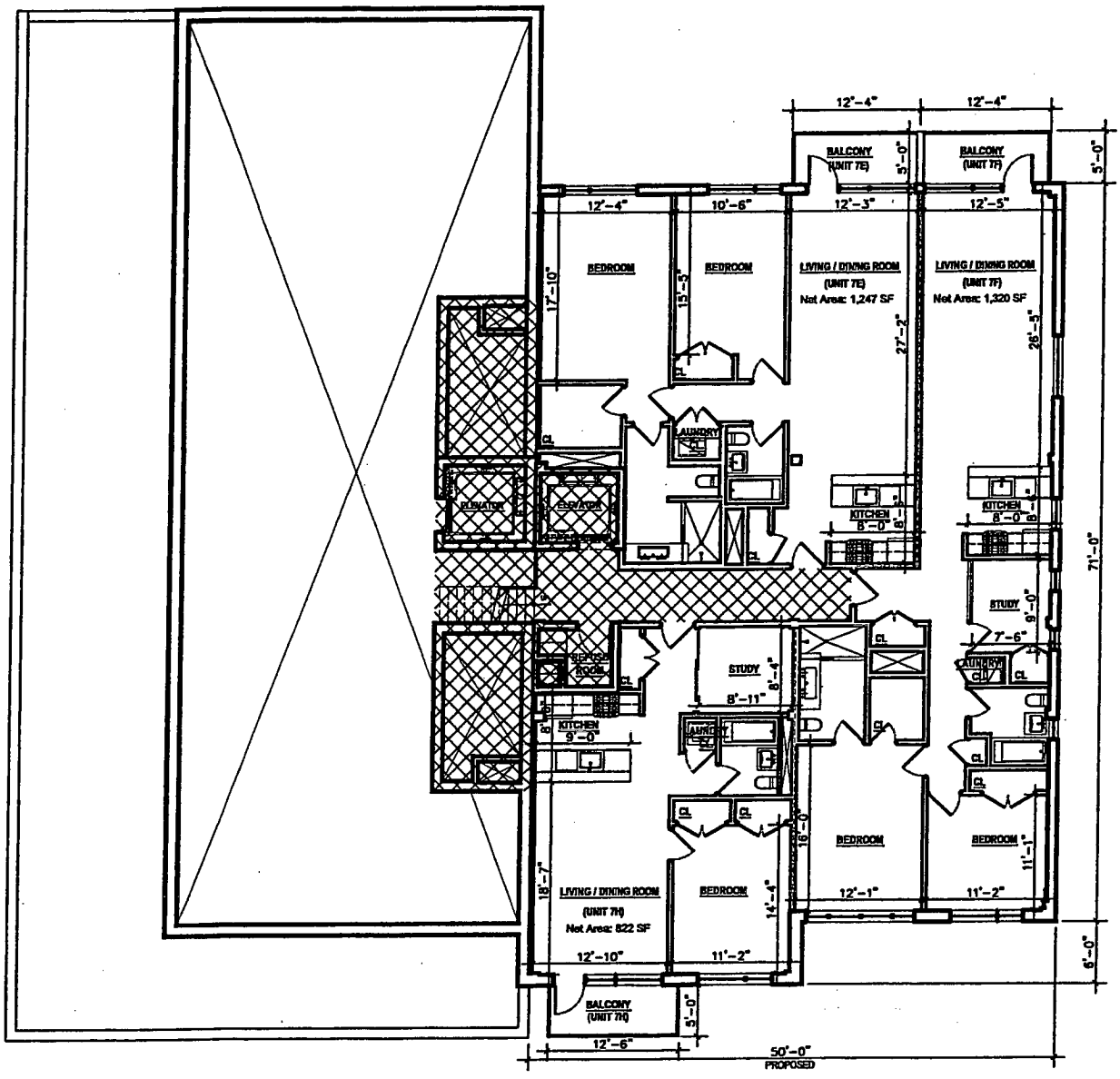
KEY PLAN : SIXTH FLOOR

SIXTH FLOOR : (UNIT 6H)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.

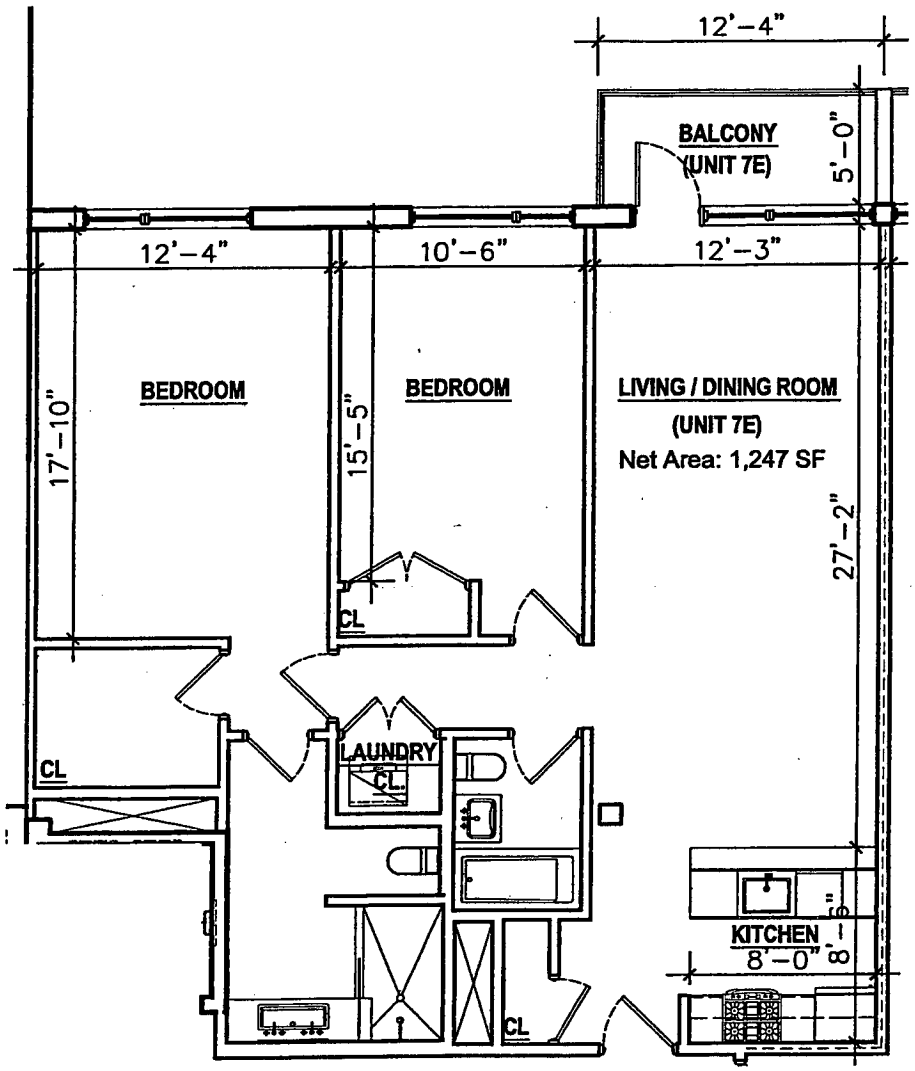


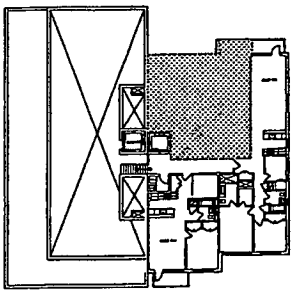
SEVENTH FLOOR PLAN

COMMON AREAS

1' 3' 5' 10' 15'
0 2' 4' 20'

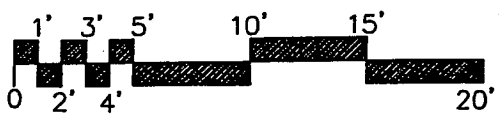
THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.





KEY PLAN : SEVENTH FLOOR

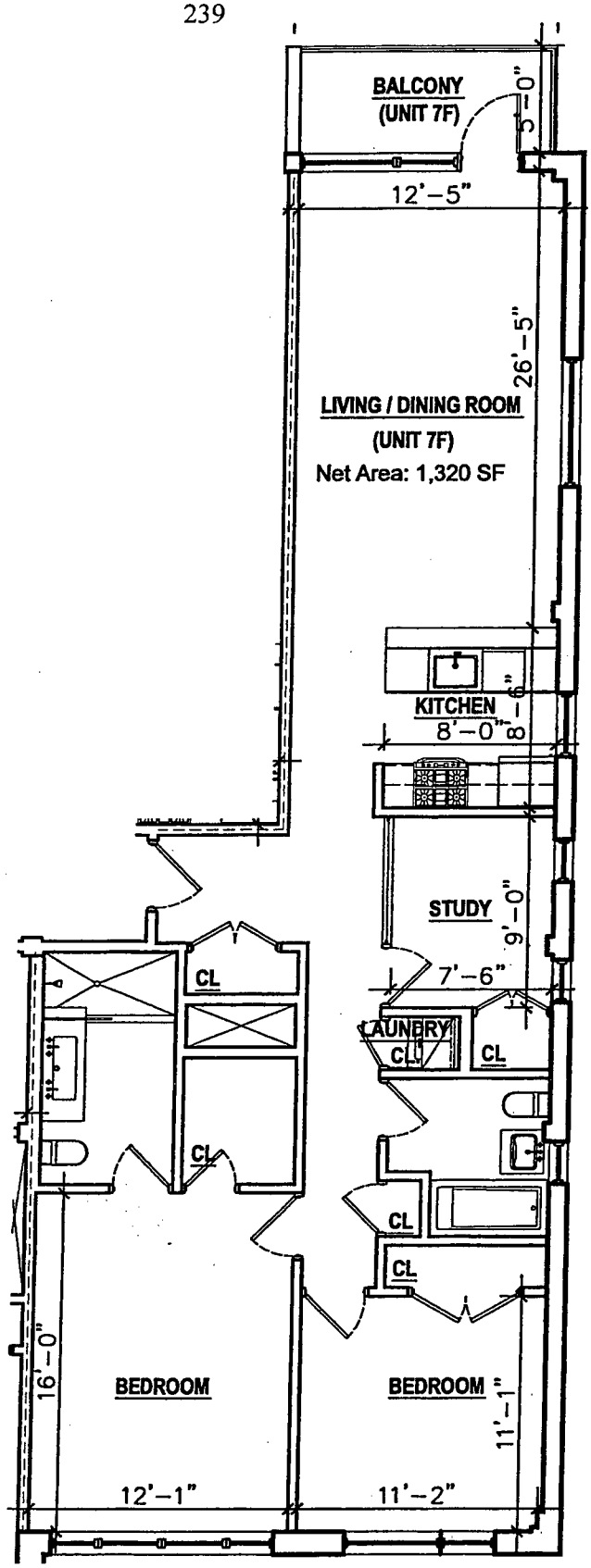
SEVENTH FLOOR : (UNIT 7E)

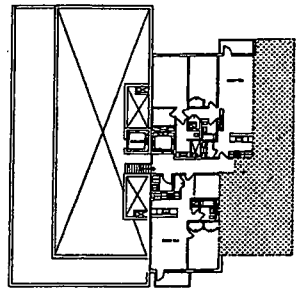


THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.



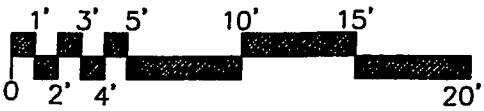
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





KEY PLAN : SEVENTH FLOOR

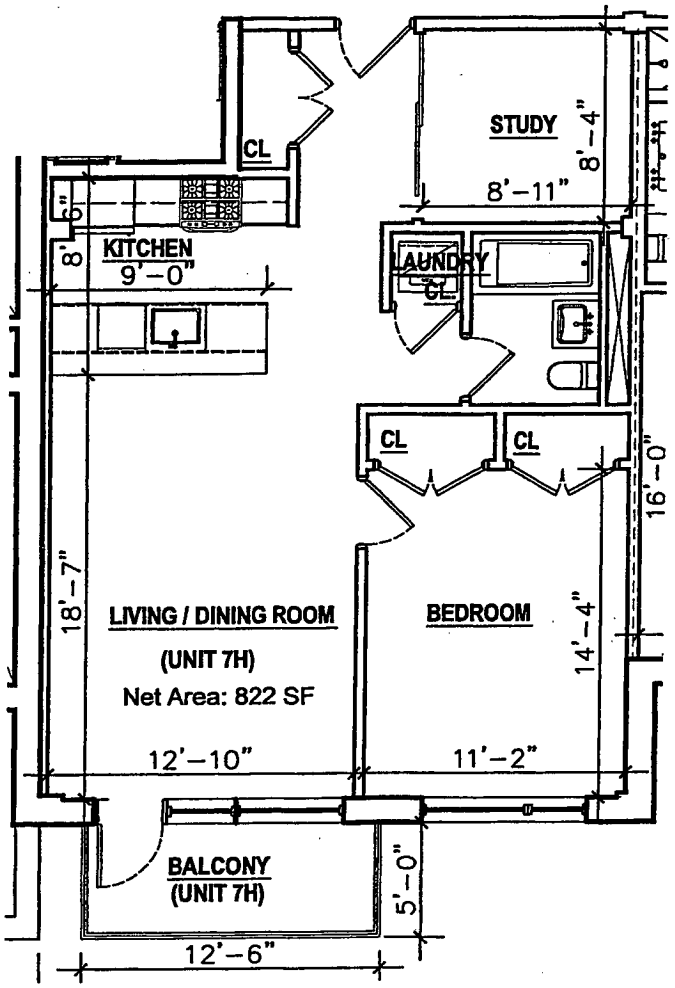
SEVENTH FLOOR : (UNIT 7F)

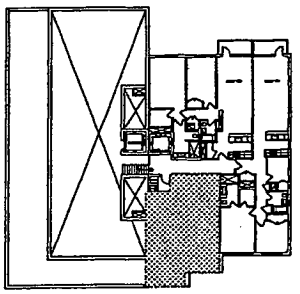


THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.



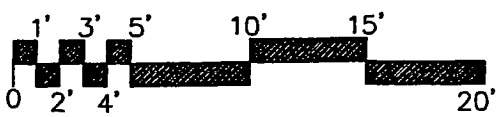
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





KEY PLAN : SEVENTH FLOOR

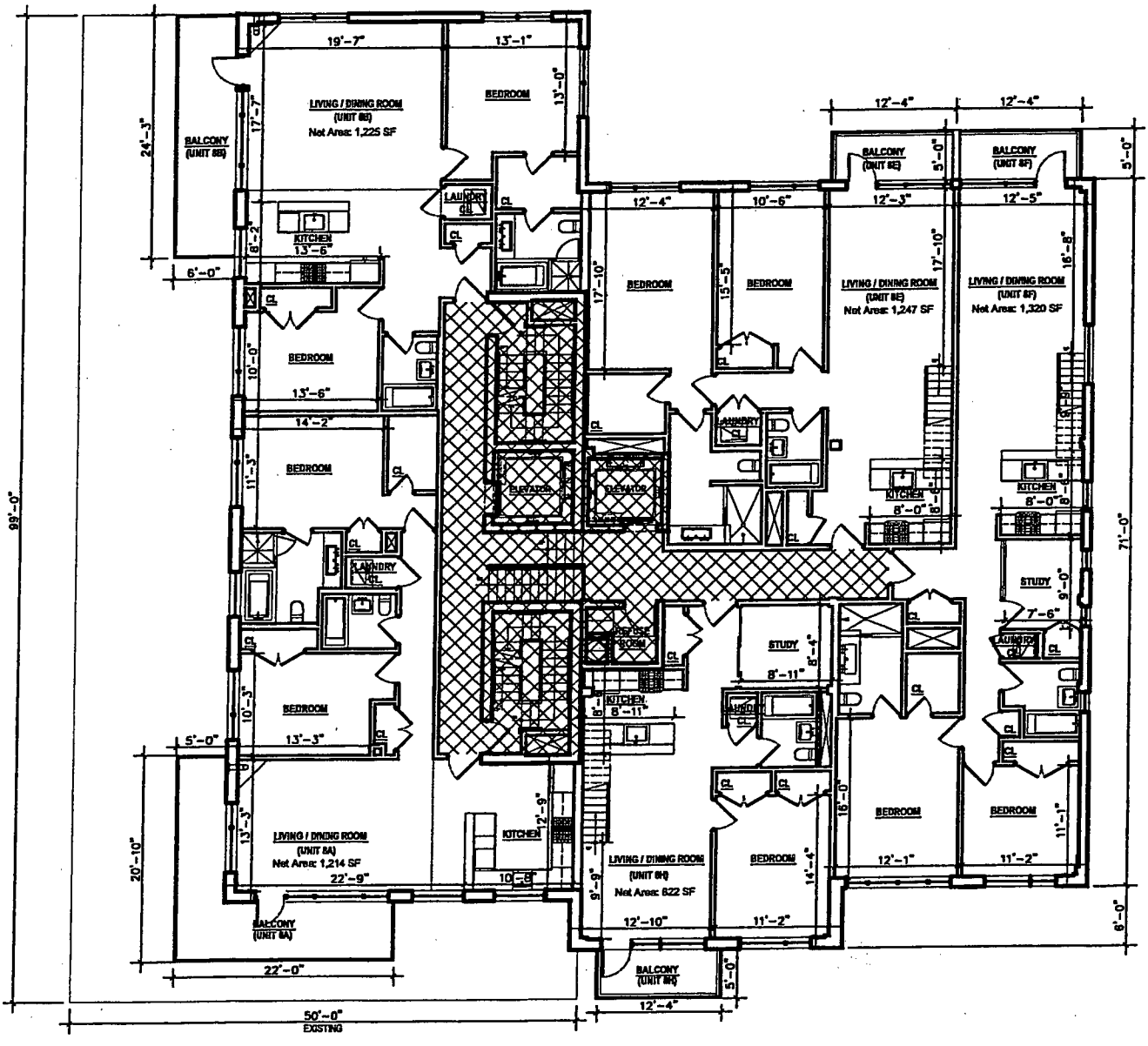
SEVENTH FLOOR : (UNIT 7H)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.



DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.

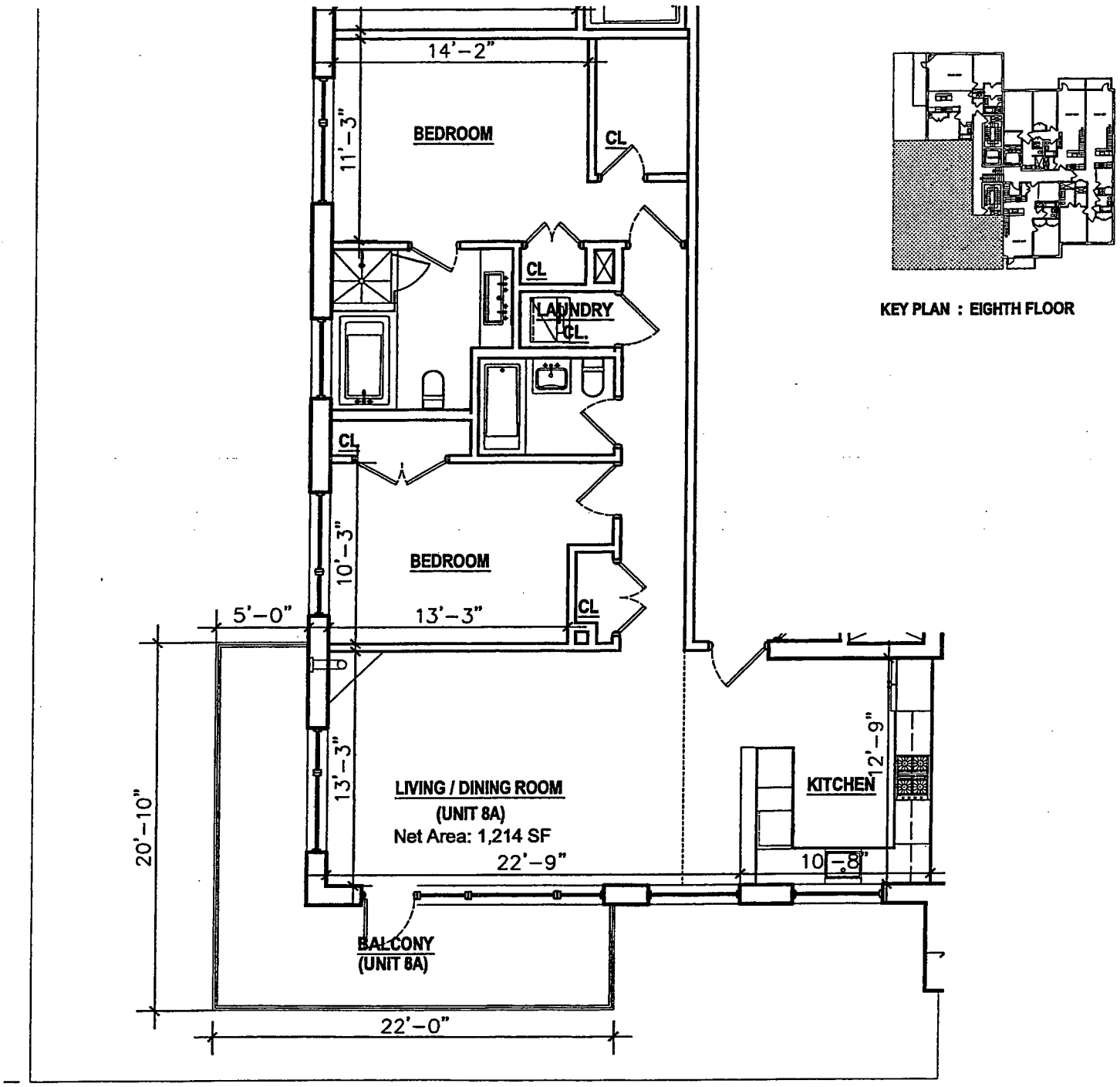


EIGHTH FLOOR PLAN

COMMON AREAS

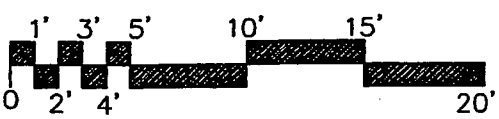
1" 3" 5" 10" 15"
0 2' 4' 20'

THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.



KEY PLAN : EIGHTH FLOOR

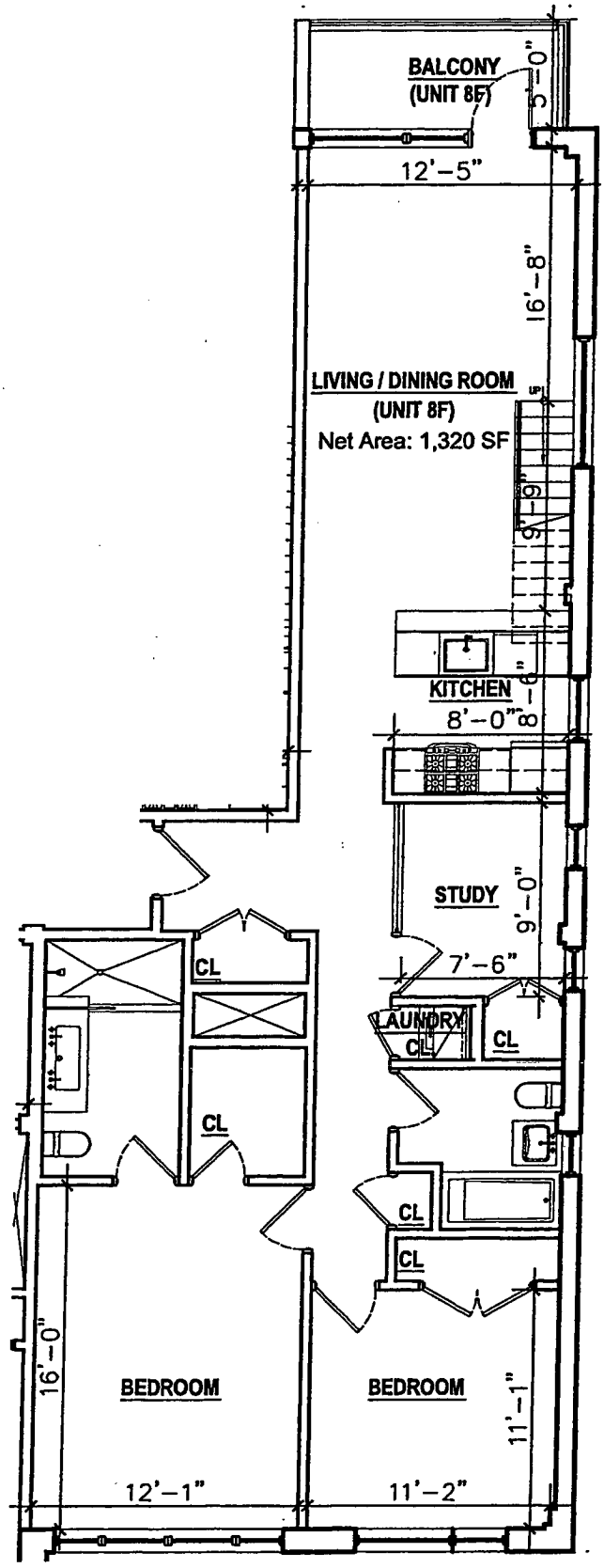
EIGHTH FLOOR : (UNIT 8A)

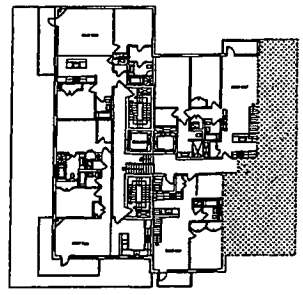


THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.



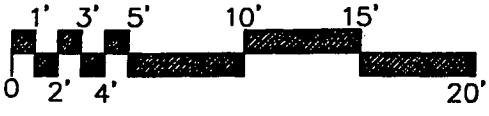
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





KEY PLAN : EIGHTH FLOOR

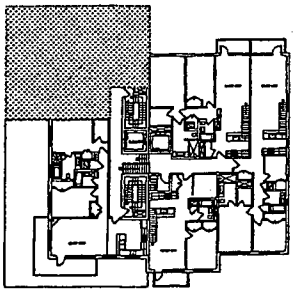
EIGHTH FLOOR : (UNIT 8A)



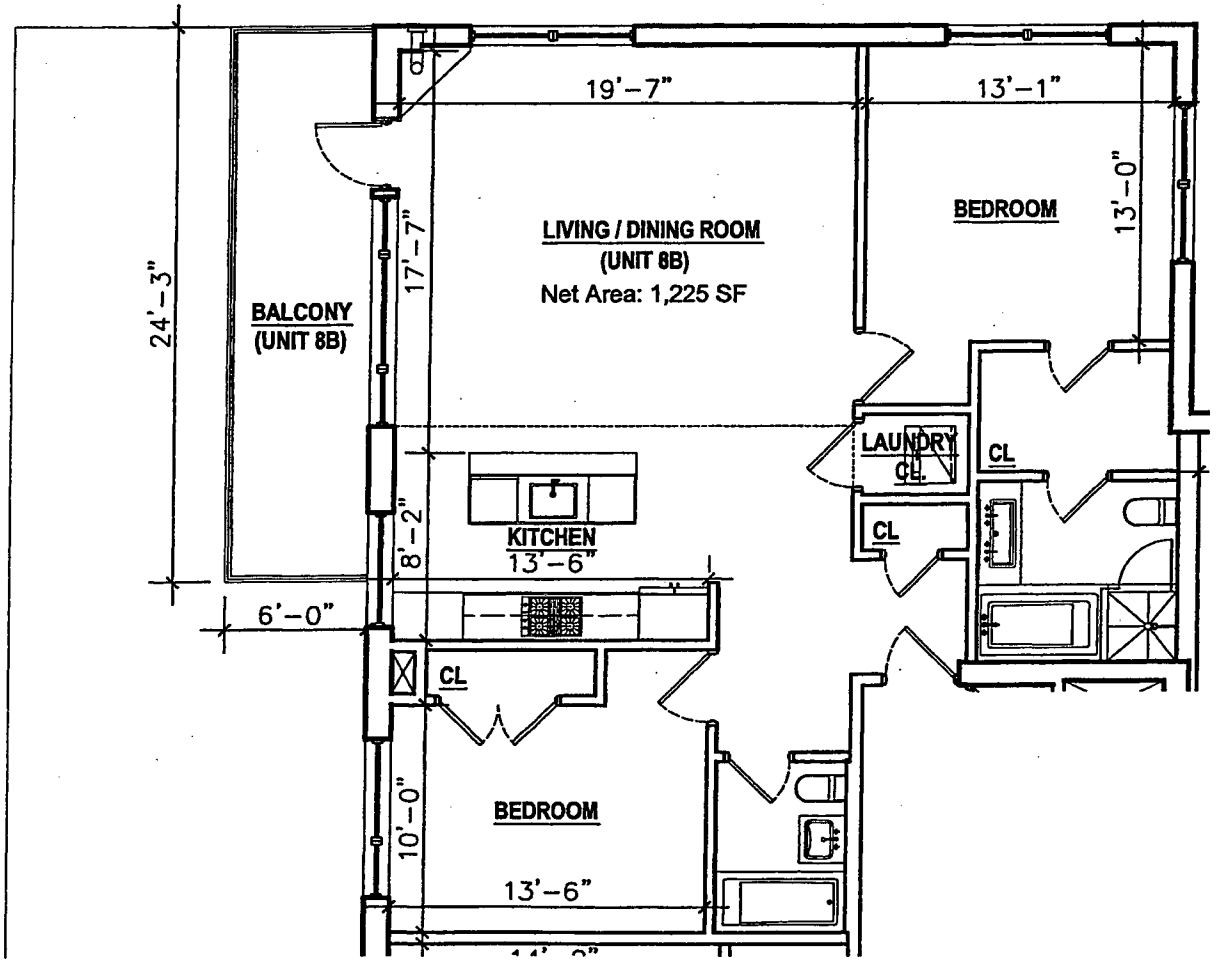
THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.



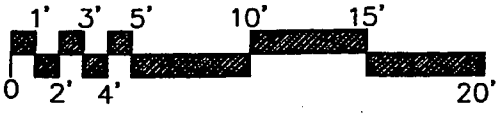
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.



KEY PLAN : EIGHTH FLOOR



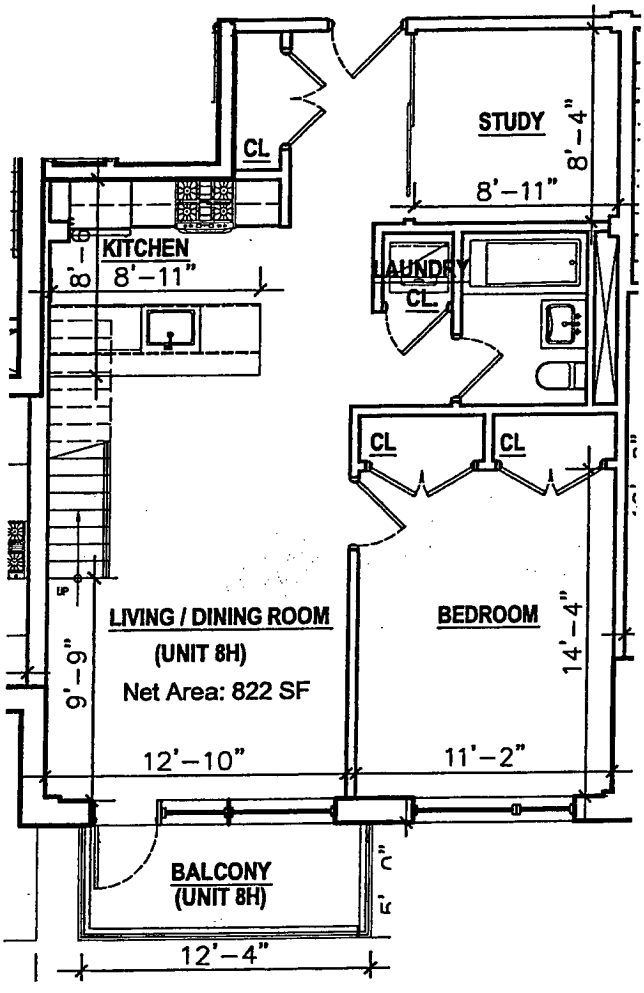
EIGHTH FLOOR : (UNIT 8B)

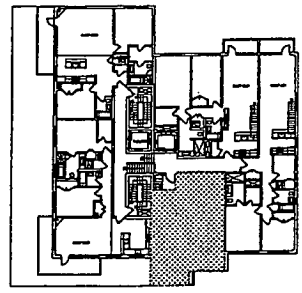


THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.



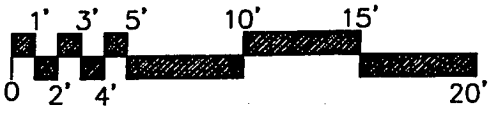
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





KEY PLAN : EIGHTH FLOOR

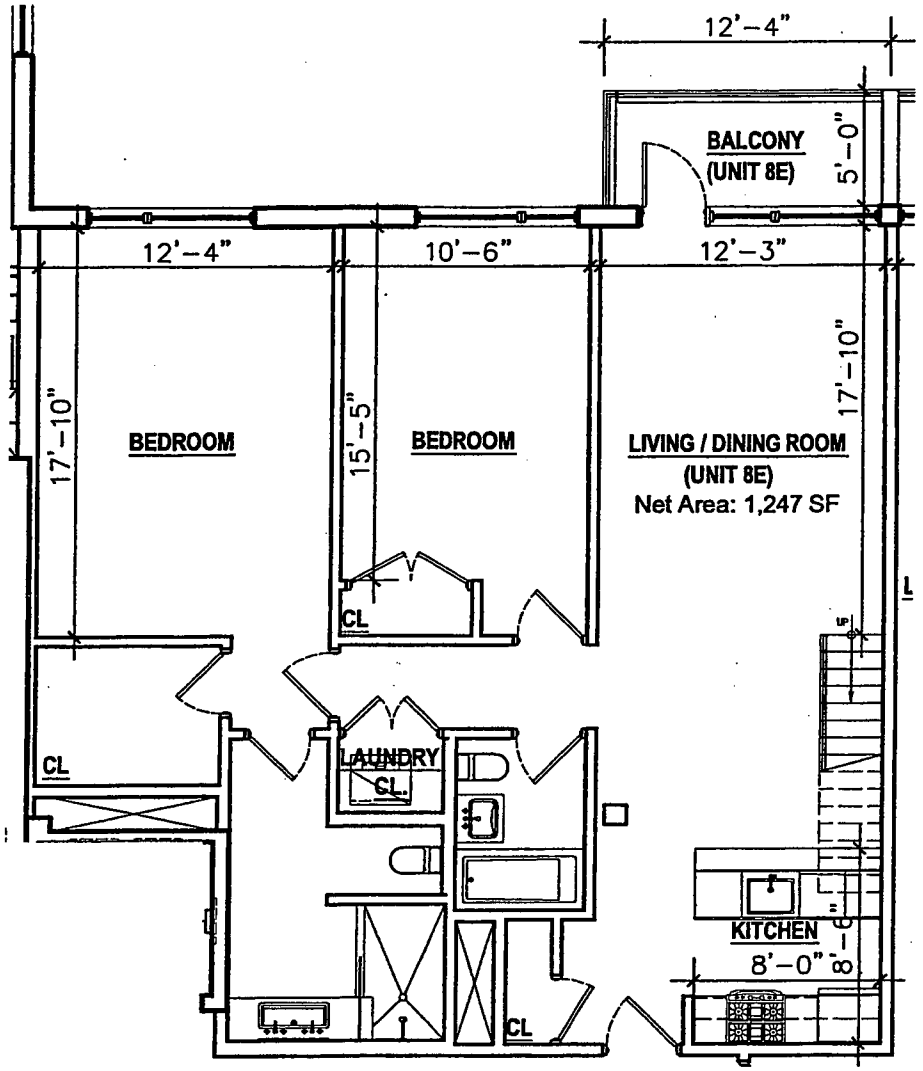
EIGHTH FLOOR : (UNIT 8H)

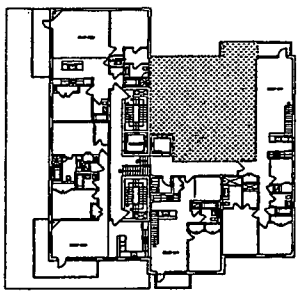


THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.



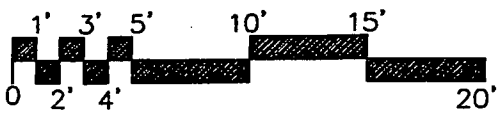
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





KEY PLAN : EIGHTH FLOOR

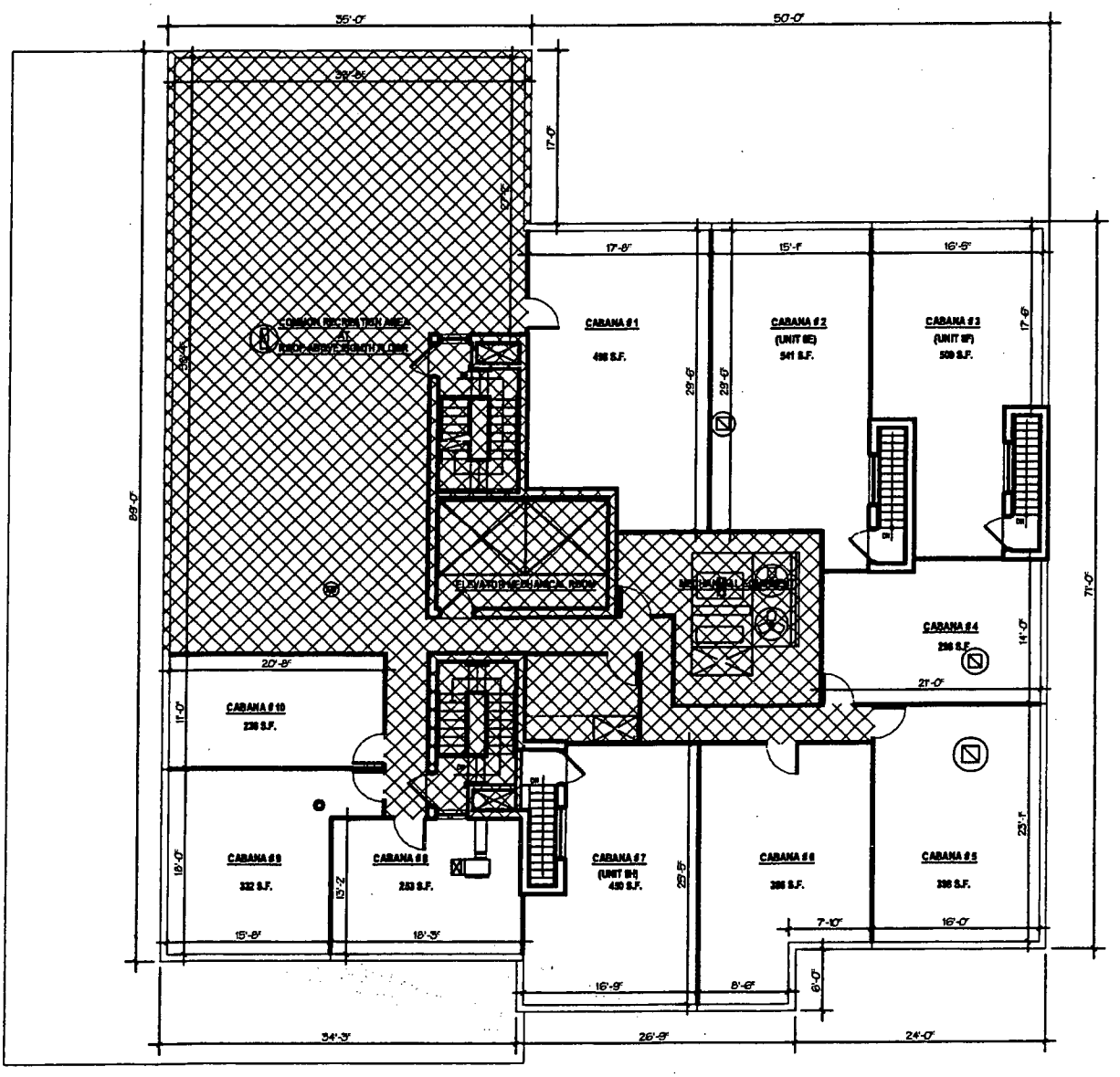
EIGHTH FLOOR : (UNIT 8E)



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.



DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.

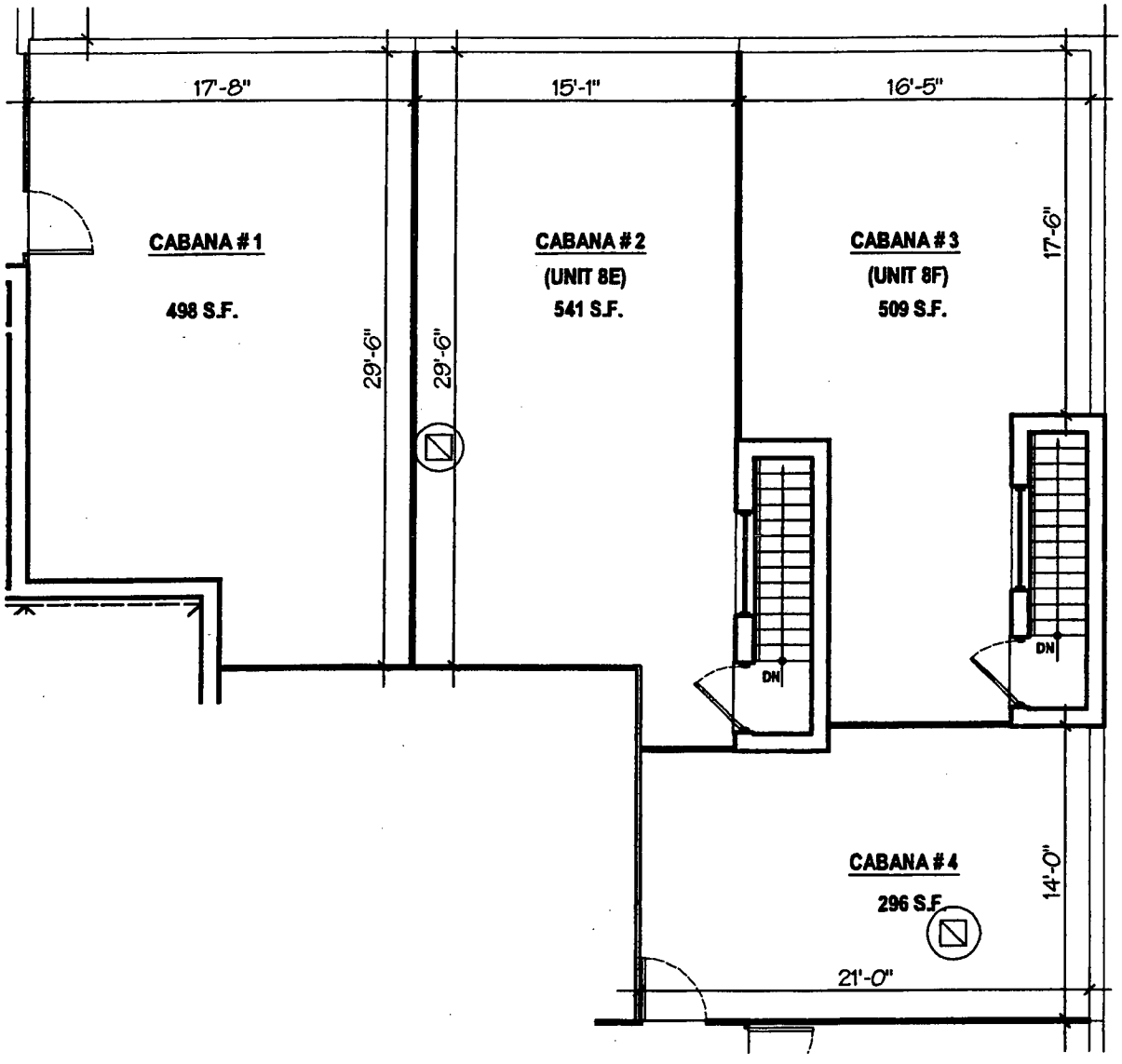


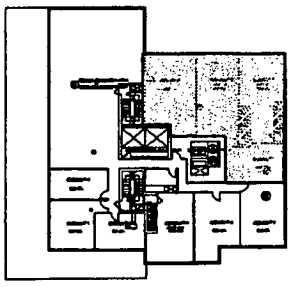
ROOF PLAN

COMMON AREAS

1' 3' 5' 10' 15'
0 2 4 20'

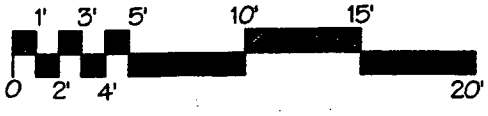
THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.





KEY PLAN : ROOF PLAN

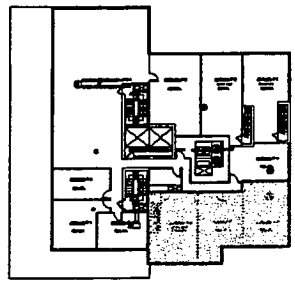
LIMITED COMMON CABANAS



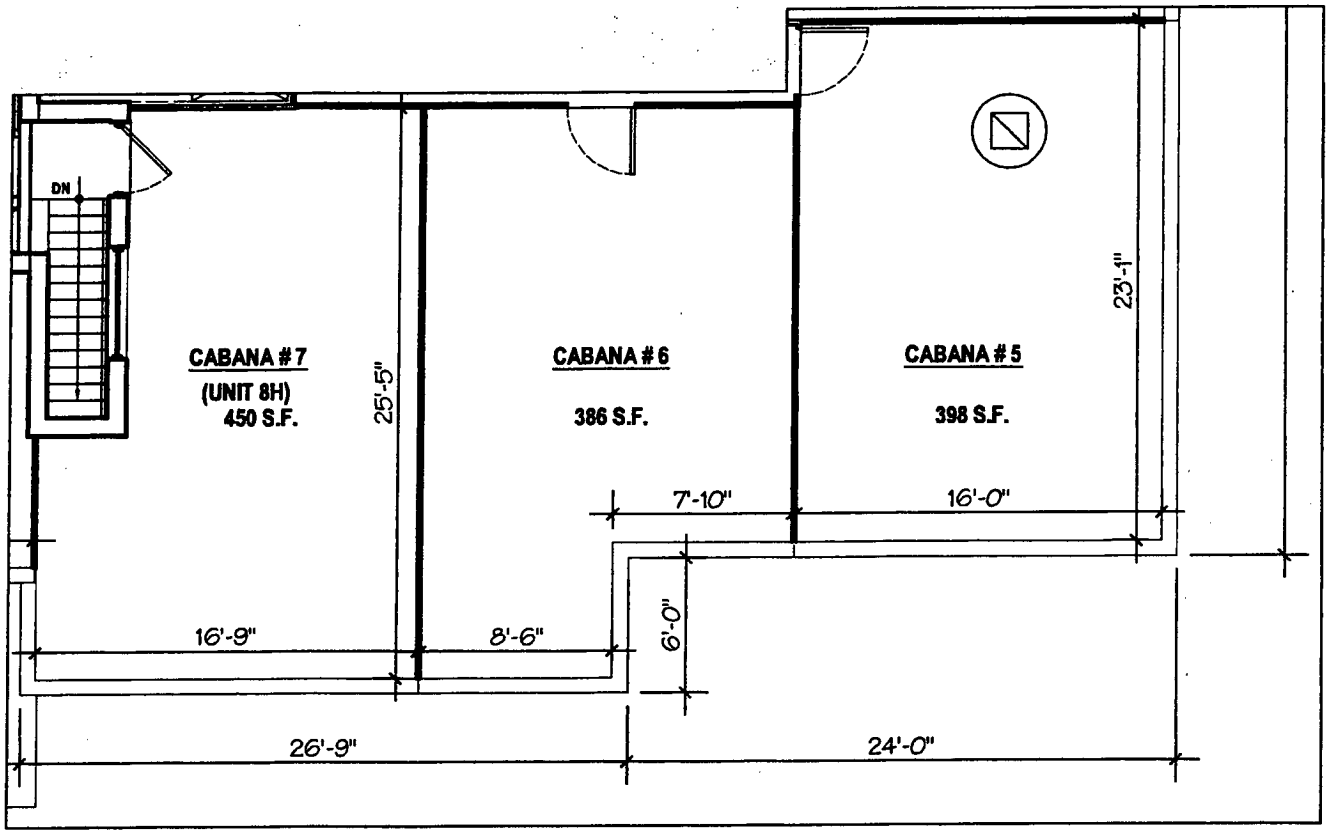
THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.



DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.



KEY PLAN : ROOF PLAN

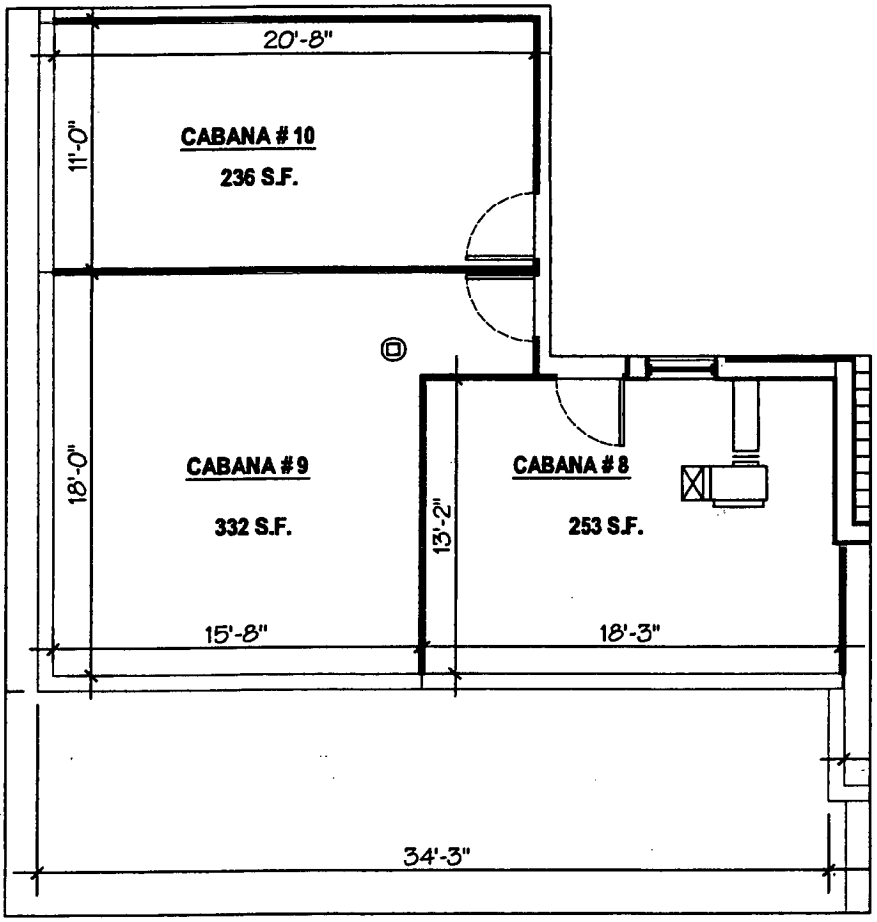


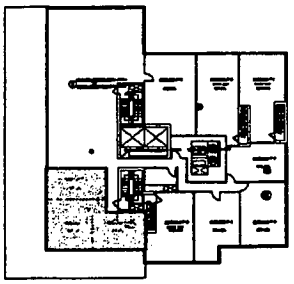
LIMITED COMMON CABANAS

1' 3' 5' 10' 15'
0 2' 4' 20'

THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

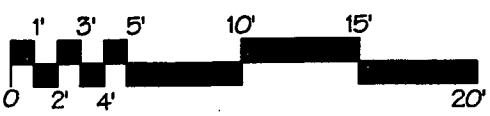
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





KEY PLAN : ROOF PLAN

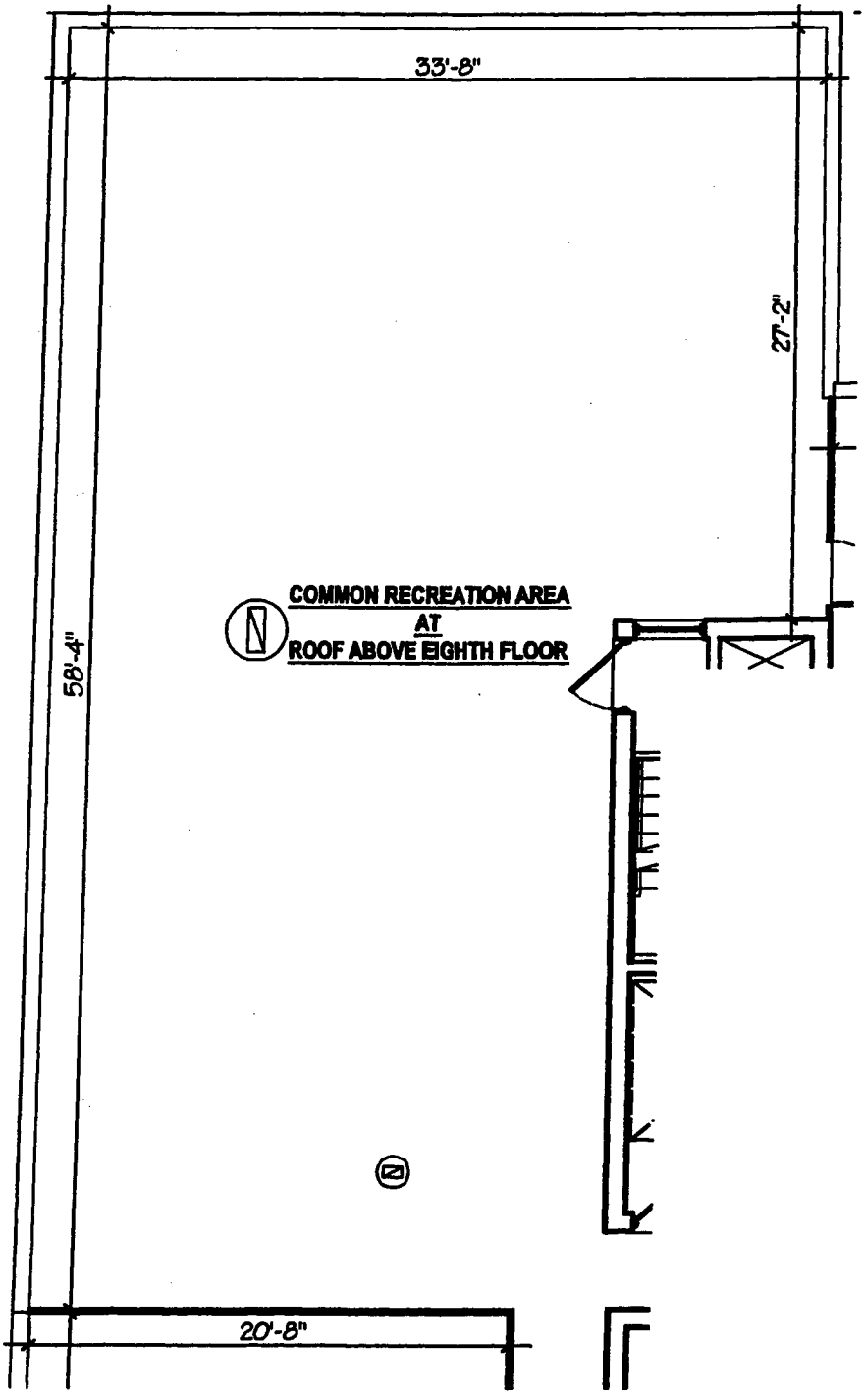
LIMITED COMMON CABANAS

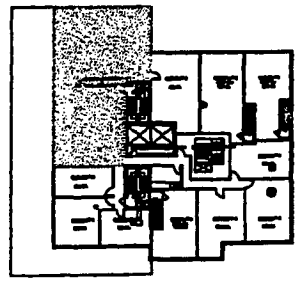


THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.



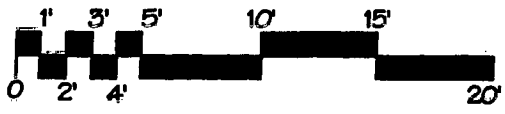
DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.





KEY PLAN : ROOF PLAN

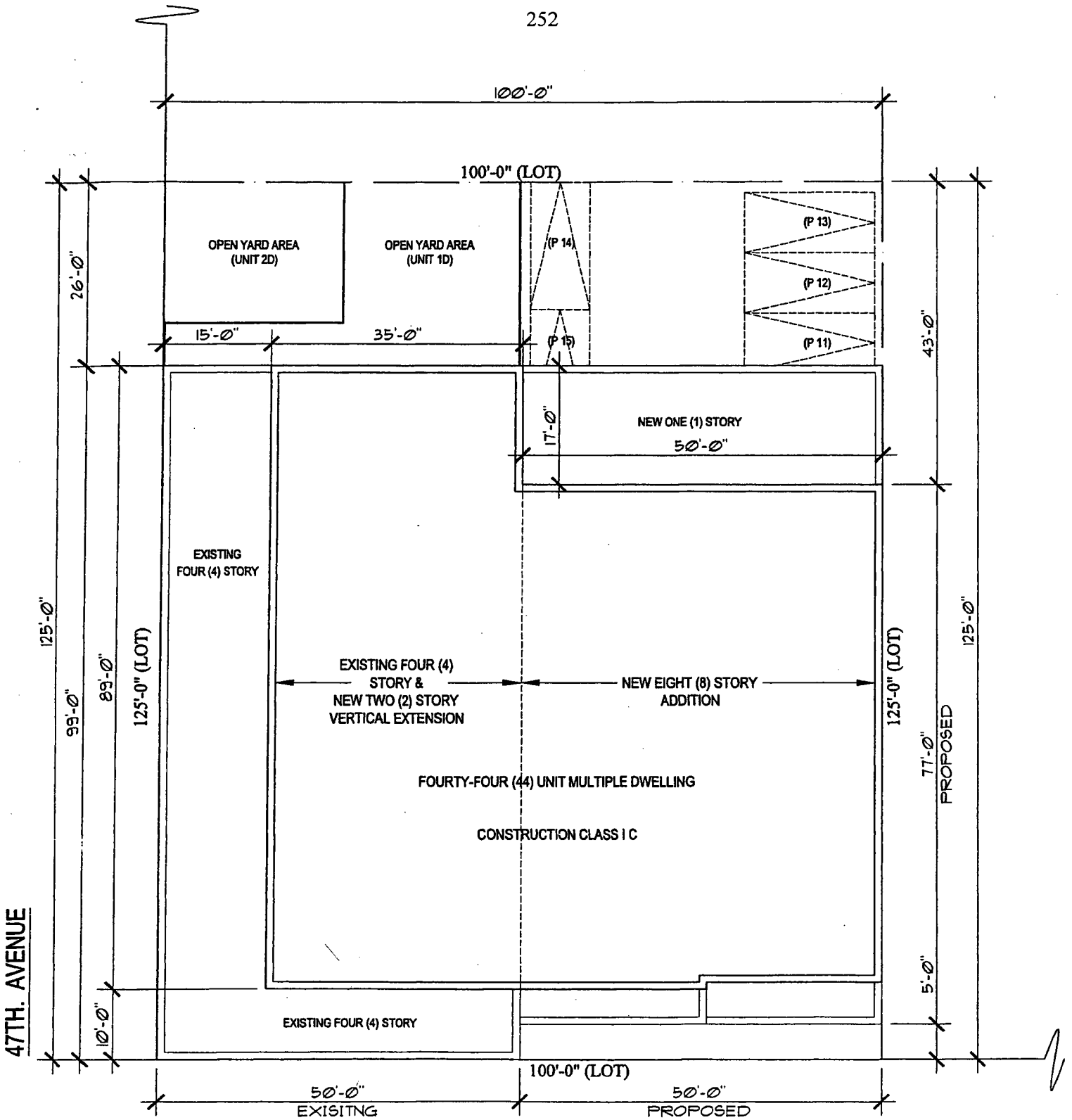
COMMON ROOF TERRACE



THE BADGE BUILDING
10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.



DIMENSIONS INDICATED ARE APPROXIMATE AND ARE MEASURED, HORIZONTALLY : TO THE EXTERIOR FACE OF ANY EXTERIOR WALLS DIRECTLY ENCLOSING THE UNIT; TO THE CENTERLINE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANOTHER UNIT; TO THE NON-UNIT SIDE OF ANY WALL OR PARTITION SEPARATING THE UNIT FROM ANY CORRIDOR, STAIR, ELEVATOR OR MECHANICAL SPACE,WHERE THOSE ELEMENTS DO NOT EXCLUSIVELY SERVE THE UNIT. VERTICALLY : EACH UNIT SHALL CONSIST OF THE SPACE BETWEEN THE TOP OF THE CONCRETE SLAB OR MATERIAL FORMING THE SUB-FLOOR OF THE UNIT, TO THE UNEXPOSED SIDE OF THE CEILING OR STRUCTURAL MEMBERS SUPPORTING THE FLOOR ABOVE.



PLOT PLAN

1' 3' 5' 10' 15'
0 2' 4' 20'

BLOCK : 47
LOT : 21

THE BADGE BUILDING

10-55 47TH STREET, LONG ISLAND CITY, QUEENS N.Y.

FORMS ACP-5 AND ACP-7 REGARDING ASBESTOS

FOR OFFICIAL USE ONLY

1. _____ NYC Buildings Dept. Application #

ACP 5 Fee $_____

ONL TYPEWRITTEN FORMS WILL BE ACCEPTED

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION
Asbestos Control Program
59-17 Junction Boulevard, 8th Floor, Corona, NY 11368-5107

NOT AN ASBESTOS PROJECT

When submitting this form at the NYC Department of Buildings, the original form and three (3) copies with original signature and seal are required. Submittal at the NYCDEP requires one copy of the form with original signature and seal.

2. Facility Address 10-55 47TH AVENUE, LOWER ROOF BUILDING Borough Queens Zip 11101

AKA N/A 3. Block 47 4. Lot 21

5. Building Owner THE BADGE DEVELOPMENT, LLC. Tel. # (201) 226-0886

6. Address 165 WILLIAMS AVENUE, BROOKLYN, State NY Zip 11207

7. Contact Person SAR INBAR 8. Tel. # (201) 226-0886

9. Description of the Entire Scope of Work
DEMOLITION OF LOWER ROOF BUILDING

10. Est. Start Date _____ ☑ As soon as permit approved Est. Completion Date 6/12/06 of the Entire Scope of Work.

11. I, OLADIPO AKA-BASHORUN (Name of Certified Asbestos Investigator), have conducted an asbestos investigation on 10/10/05 (Date) in accordance with

Sections 1-16 and 1-27 of the NYC DEP Asbestos Control Program Rules and declare that at said facility address, the

- ☑ a. premise to be demolished is free of any asbestos containing material (ACM).
- ☐ b. premise to be demolished contains 10 square feet or less or 25 linear feet or less of ACM.
- ☐ c. cumulative surfaces of structure(s) affected by the work are free of ACM.
- ☐ d. cumulative surfaces of structure(s) affected by the work contain 10 square feet or less or 25 linear feet or less of ACM
- ☐ e. normally non-friable ACM shall be disturbed/removed. Specify amount: _____ square feet
- ☐ f. ACM will not be disturbed during the scope of work. Specify amount of ACM present: _____ square feet _____ linear feet

All ACM specified in "b", "d", or "e" must be removed in accordance with the DEP Asbestos Rules or NYS DOL ICR56.*

12. RESULTS OF BUILDING SURVEY AND HAZARD ASSESSMENT:

FLOOR (including cellar and basement)	DESCRIBE SECTION OF FLOOR (e.g. entire, east wing, room 8, boiler room, lobby, etc.)	ALL MATERIALS ASSUMED TO CONTAIN ACM AND/OR SAMPLED	NUMBER OF SAMPLES ANALYZED	ASBESTOS PRESENT YES	ASBESTOS PRESENT NO	ASSUMED ACM
ROOF	ENTIRE	NONE	0		✓	
GRND	ENTIRE	NONE	0		✓	
	*Note- Built-up roofing materials were					
	abated and walls and floors are made					
	of bricks and concrete respectively.					

13. Analytical Laboratory N/A

14. ELAP # N/A (NYS DOH CERTIFICATION) 15. Date(s) Samples Analyzed _____ _____

16. I hereby declare the information provided herein is true and complete.

_____ (NYC DEP Certified Asbestos Investigator's Signature) 99892 (Certificate Number) 2/8/07 (Date) (817) 553-8560 (Daytime Telephone Number)

Any modification or deviation from information provided on this form must be reported immediately in writing directly to the NYCDEP. The requirements of the Asbestos Control Program Rules may not be lawfully avoided or lessened through the performance of work in incremental or piecemeal fashion.

* In-plant operations, as defined in §56-3.1 of ICR56, are not permitted in New York City.

SEAL OF THE NYC DEP CERTIFIED ASBESTOS INVESTIGATOR

CITY OF NEW YORK OLADIPO AKA-BASHORUN CERTIFIED ASBESTOS INVESTIGATOR

ACP 5 2/2001

7624206030

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION
Asbestos Control Program
59-17 Junction Boulevard, 6th Floor, Flushing, NY 11373-5108

ONLY TYPEWRITTEN FORMS WILL BE ACCEPTED

DEP

FEE PAID — Building Dept. or DEP Use For OFFICIAL USE ONLY

ASBESTOS PROJECT NOTIFICATION

(ASBESTOS INSPECTION REPORT)

When submitting this form at the NYC Department of Buildings, the original form and three (3) copies with original signatures are required. Submittal at the NYCDEP requires one copy of the form with original signatures. This form must be submitted to the NYC DEP not less than one week in advance of the start of abatement activities.

1,200 (See Fee Schedule)

I. FACILITY

2. Address 10-55 (Premise #) 47TH AVENUE (Street Name) Borough Queens Zip 11101

AKA N/A 3. Block 47 4. Lot 21

5. Type of Facility RESIDENTIAL 6. Name of Building

II. BUILDING OWNER

7. Name THE BADGE DEVELOPMENT, LLC 8. Contact Person SAR INBAR

9. Tel. # (201) 226-0888 Fax # (201) 226-0899

10. Address 165 WILLIAMS AVENUE City BROOKLYN State NY Zip 11207

III. GENERAL CONTRACTOR

11. Name NONE Tel. #

IV. ASBESTOS ABATEMENT CONTRACTOR

12. Name ACE RESTORATION SERVICES, INC. 13. Contact Person PRAMEWATTEE JAIRAM

14. Federal Employer ID. # 02-0666681 15. Tel. # (718) 849-3500 Fax # (718) 849-3566

16. Address 115-01 ATLANTIC AVENUE City RICHMOND HILL State NY Zip 11418

V. THIRD PARTY AIR MONITOR

17. Name FREE ENTERPRISES INTERNATIONAL 18. Contact Person DEODAT JOHN

19. Federal Employer ID. # 13-3512126 20. Tel. # (718) 749-7587 Fax # (718) 408-1485

21. Address 90-18 181ST STREET City HOLLIS State NY Zip 11423

22. Sample Analysis Laboratory TESTOR TECHNOLOGY, INC. 23. NYS DOH ELAP # 11648

VI. PROJECT INFORMATION

24. Starting date for this portion of work 9/22/05 Projected completion date 10/22/05

Asbestos work schedule: ☑ Monday ☑ Tuesday ☑ Wednesday ☑ Thursday ☑ Friday ☑ Saturday ☑ Sunday

Shift From: 7:00 ☑ am ☐ pm to 5:00 ☐ am ☑ pm

If other, specify

RECEIVED SEP 14 2005 DEP

Access to inspect the premises must be provided during the work schedule indicated in this item.

25. Total amount of asbestos-containing material to be abated during this work

13,968 Square Feet, and/or 0 Linear Feet

30. LOCATIONS OF ABATEMENT (Continuation of previous page) page ____ of ____

Floor(s)	SECTION OF FLOOR (e.g. entire east wing, room #, boiler room, lobby, etc.)	AFFECTED SURFACES CONTAINING ACM (e.g. Pipe lagging, ceiling, plenum ducts, storage tanks, decking, etc.)	AMOUNT OF ACM SQUARE FEET	AMOUNT OF ACM LINEAR FEET	DESCRIPTION OF WORK BEING PERFORMED (e.g. running cable, installing fire sprinklers, removing and replacing boilers, etc.)
ROOF	(LOWER) ENTIRE	ROOFING	7,000		ACM REMOVAL
ROOF	(UPPER) ENTIRE	ROOFING	6,500		ACM REMOVAL

05 84

6426206039 **ASBESTOS INSPECTION REPORT (continued)**

26. Asbestos Hauler TRI-STATE TRANSFER ASSOC. NYS DEC Permit # 2A-486 Tel.# (718) 617-0771

Disposal Site(s) 9000 MINERVA ROAD, P. O. BOX 709, MAYNESBURG, OHIO 44688

27. This asbestos abatement is part of a (Item a through e requires filing of this form with the NYC Department of Buildings)

a) ☐ Demolition b) ☐ Boiler Replacement c) ☐ Sprinkler Replacement d) ☐ Renovation/Alteration

e) ☐ Fireproofing Replacement f) ☑ Other (Describe) ACM REMOVAL

28. TYPE OF ABATEMENT (Check all appropriate boxes)

☑ Removal ☐ Enclosure ☐ Encapsulation ☐ Repair ☐ Clean up

29. ABATEMENT PROCEDURE (Check all appropriate boxes)

☐ Full Containment ☐ Glovebag ☑ Tent ☑ DEP Variance Application

30. LOCATIONS OF ABATEMENT

Floor(s)	SECTION OF FLOOR (e.g. entire, east wing, room 4, boiler room lobby, etc.)	AFFECTED SURFACES CONTAINING ACM (e.g. Pipe lagging, ceiling, plenum duct, storage tanks, decking, etc.)	AMOUNT OF ACM SQUARE FEET	AMOUNT OF ACM LINEAR FEET	DESCRIPTION OF WORK BEING PERFORMED (e.g. removing cable, installing fire sprinklers, removing and replacing boilers, etc.)
CELLAR	SOUTH WALL	TRANSITE PANEL AND			
		LAGGING IN WALL	120		ACM REMOVAL
1ST	GLASS BLOCKS ON				
	FACADE	CAULKING	87		ACM REMOVAL
2ND	GLASS BLOCKS ON				
	FACADE	CAULKING	87		ACM REMOVAL
3RD	GLASS BLOCKS ON				
	FACADE	CAULKING	87		ACM REMOVAL
4TH	GLASS BLOCKS ON				
	FACADE	CAULKING	87		ACM REMOVAL

Additional pages attached ☑

31. I hereby declare that the information povided herein is true and complete to the best of my knowledge. I am familiar with Federal, State and NYC laws and regulations applicable to asbestos related work.

FREE ENTERPRISES INT'L	ACE RESTORATION SRVS, INC	ACE RESTORATION SRVS, INC
Print Name of Air Monitor	Print Name of Asbestos Contractor	Print Name of Applicant
Signature	Signature	Signature
09.07.05	09.07.05	09.07.05
Date	Date	Date

32. I understand that as the owner of a building where asbestos abatement activity occurs, I am responsible for the performance of the asbestos abatement activities in accordance with the Asbestos Control Program Rules. I have contracted the third party air monitor who is completely independent of all parties involved in the asbestos project. I hereby declare that I have authorized the filing of this notification for the work specified herein.

THE BADGE DEVELOPMENT, LLC — Print Name of Owner

Signature

9/7/05 — Date

A STAMPED COPY OF THIS FORM INCLUDING AMENDMENTS MUST BE AVAILABLE AT THE WORK SITE.

Any modification of information provided on this form must be reported immediately in writing directly to the NYC DEP ACP.

The requirements of the Asbestos Control Program Rules may not be lawfully avoided or lessened through the performance of work in incremental or piecemeal fashion.

TPN 05 84

PURCHASE AGREEMENT

PURCHASE AGREEMENT

THE BADGE DEVELOPMENT LLC

Sponsor

With

Purchaser

For Unit Number _____
THE BADGE BUILDING
a Condominium located at
10-55 47th Avenue
Long Island City, New York

TABLE OF CONTENTS

1. THE PLAN 1
2. DEFINITIONS 1
3. THE UNIT 2
4. PURCHASE PRICE 2
5. DEPOSIT TO BE HELD IN TRUST 3
6. CLOSING DATE AND PLACE 3
7. DELIVERY OF THE DEED AND UNIT POWER OF ATTORNEY 3
8. STATUS OF TITLE 4
9. CLOSING ADJUSTMENTS 4
10. MORTGAGE TAX CREDIT 5
11. CLOSING COSTS 6
12. TRANSFER TAX RETURNS 6
13. AGREEMENT SUBJECT TO MORTGAGE 6
14. DEFAULT BY PURCHASER 6
15. AGREEMENT SUBJECT TO PLAN BEING EFFECTIVE 7
16. SPONSOR'S INABILITY TO CONVEY THE UNIT 7
17. FIXTURES, APPLIANCES AND PERSONAL PROPERTY 8
18. CONSTRUCTION 8
19. INSPECTION OF THE UNIT 9
20. DAMAGE TO THE UNIT 9
21. NO REPRESENTATIONS 9
22. PROHIBITION AGAINST ADVERTISING 10
23. BROKER 10
24. AGREEMENT MAY NOT BE ASSIGNED 10
25. BINDING EFFECT 11
26. NOTICES 11
27. JOINT PURCHASERS 12
28. LIABILITY OF SPONSOR 12
29. FURTHER ASSURANCES 12
30. AGREEMENT NOT CONTINGENT UPON FINANCING 12
31. SEVERABILITY 12
32. STRICT COMPLIANCE 12
33. GOVERNING LAW 13

34. WAIVER OF JURY 13
35. ENTIRE AGREEMENT 13
36. CERTAIN REFERENCES 13
37. CAPTIONS 13
38. SUCCESSORS AND ASSIGNS 13
39. CONFIDENTIALITY 13
40. NO ORAL CHANGES 13
41. LEAD BASED PAINT AND/OR LEAD BASED PAINT HAZARDS DISCLOSURE 14

SCHEDULE A
SCHEDULE B
SCHEDULE C
SCHEDULE D

UNIT NUMBER _____

THE BADGE BUILDING
a Condominium located at
10-55 47TH AVENUE
LONG ISLAND CITY, NEW YORK

(TO BE EXECUTED IN QUINTUPLICATE)

AGREEMENT, made as of _____, _____, between Sponsor (defined below) and Purchaser (defined below).

W I T N E S S E T H :

1. THE PLAN.

Purchaser acknowledges having received and read a copy of the Offering Plan for The Badge Building, a Condominium located at 10-55 47th Avenue, Long Island City, New York, dated _____, 200__ and all amendments thereto, if any, filed with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least 3 business days prior to Purchaser's signing this Agreement. If Purchaser has not received and read the Plan and all amendments thereto at least 3 business days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement, by sending written notice of such rescission to Sponsor by certified or registered mail, return receipt requested, or by personal delivery, in either case within 7 days from the date Purchaser delivers an executed Purchase Agreement together with the required Deposit to the Selling Agent. **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 provisions of the Plan will govern and be binding, except as to inconsistencies arising from changes to the Purchase Agreement negotiated between Sponsor and Purchaser. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor.**

2. DEFINITIONS.

Terms used herein which are also used in the Plan shall have the same meanings as they do in the Plan, unless the context requires otherwise.

2.1 "Sponsor" means The Badge Development LLC, having an office at 165 Williams Avenue, Brooklyn, NY 11207. Sponsor's taxpayer identification number is _____.

2.2 "Purchaser" means _____ having an address at _____, _____, _____ _____. Purchaser's social security number is _____.

2.3 "Attorney for Sponsor" means Gerstein Strauss & Rinaldi LLP, having an address at 57 West 38th Street, New York, New York 10018; Attention: Lisa J. Rinaldi, Esq., Telephone Number (212) 398-7900. Facsimile Number (212) 575-2387.

2.4 "Attorney for Purchaser" means _____, having an address at _____, _____,

_____, Attention: _____, Esq. Telephone Number: (____) _____. Facsimile Number (____) _____.

2.5 "Selling Agent" means Douglas Elliman.

2.6 "Co-Broker" means _____.

2.7 "Escrow Agent" means Attorney for Sponsor.

3. THE UNIT.

Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the Unit(s), having the Unit Number(s) in the Declaration, together with (its) (their) undivided % of interest in the Common Elements appurtenant to such Unit(s) set forth below:

UNIT NO.	% OF COMMON INTEREST	PURCHASE PRICE
_____	_____	$_____

4. PURCHASE PRICE.

4.1 The purchase price for the Unit ("Purchase Price") is $_____.

The Purchase Price is payable as follows:

(a) $_____ (the "Deposit"), (ten percent (10%) of the Purchase Price) due upon Purchaser's signing and submitting this Agreement, by check (subject to collection), receipt of which is hereby acknowledged; and

(b) $_____, constituting the balance of the Purchase Price, by good certified check of Purchaser or official bank check, payable on the delivery of the deed as hereinafter provided.

4.2 All checks shall represent United States currency, be drawn on or issued by a United States Bank or trust company which is a member of the New York Clearing House Association and shall be unendorsed. The Deposit shall be made payable to the direct order of "Gerstein Strauss & Rinaldi LLP as Escrow Agent." The balance of the Purchase Price shall be made payable to the direct order of "The Badge Development LLC" (or such other party as Sponsor directs to Purchaser, in writing at least 3 days prior to the date of Closing of Title). If any check is returned for insufficient funds or any other reason, such return shall be deemed to be a default by Purchaser under this Agreement and shall entitle Sponsor to exercise any of the remedies set forth in Article 14 hereof. Notwithstanding the foregoing, if the check representing the Deposit is returned for insufficient funds or any other reason, such return shall be deemed to be a non-curable default by Purchaser and the Agreement shall automatically be deemed cancelled. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale.

5. DEPOSIT TO BE HELD IN TRUST.

All Deposits made pursuant to this Agreement are subject to the requirements of Sections 352-e(2) (b) and 352-h of the New York General Business Law and the Attorney General's regulations promulgated pursuant thereto. All monies received from Purchaser towards the Deposit shall be delivered to Gerstein Strauss & Rinaldi LLP, as escrow agent ("Escrow Agent") and shall be held in accordance with the section of the Plan entitled "Escrow and Trust Fund Requirements". By signing this Agreement, Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of the Deposit to Sponsor in the event Sponsor and Purchaser close title under this Agreement. If Purchaser shall default on his obligations under this Agreement, and Sponsor does not pursue a specific performance claim against Purchaser, then the Deposit shall be released to Sponsor as liquidated damages, and thereafter, neither party shall have any further rights or obligations against or to each other. In the event Sponsor is unable to convey title to the Unit to Purchaser by reason other than Purchaser's default, the Deposit shall be returned to Purchaser, within 30 business days of Sponsor's notification to Purchaser that it cannot convey title.

6. CLOSING DATE AND PLACE.

6.1 The Closing of Title shall be held at Gerstein Strauss & Rinaldi LLP, 57 West 38th Street, New York, New York (or such other place in the City and State of New York as Sponsor may designate to Purchaser) and on such date and hour as Sponsor may designate to Purchaser on not less than **30 days'** prior written notice ("Initial Closing Notice"). After sending the Initial Closing Notice, Sponsor may, from time to time, adjourn the date and hour for Closing on not less than **3 business days** notice to Purchaser, which notice shall fix a new date, hour and place for the Closing of Title. Only the Initial Closing Notice will require 30 days notice. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Sponsor's attorneys at closing an extra fee as set forth in the Plan.

6.2 The term "Closing Date" "Closing" "Closing of Title" or words of similar import, whenever used herein, shall mean the date designated by Sponsor on which the deed to the Unit is delivered to Purchaser, or any adjourned date fixed by Sponsor pursuant to subsection 6.1 hereof.

7. DELIVERY OF THE DEED AND UNIT POWER OF ATTORNEY.

7.1 At the Closing of Title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying fee simple title to the Unit to Purchaser, subject only to the liens, encumbrances, and title conditions set forth on Schedule A annexed hereto and made a part hereof. The deed shall be prepared by Sponsor substantially in the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly execute a New York City and New York State Transfer Tax returns and any other forms then required by law, all of which shall be prepared by Sponsor. Notwithstanding anything set forth to the contrary, Purchaser shall remain liable for and pay the New York State Mansion Tax, if applicable.

7.2 At the Closing of Title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board prepared by Sponsor substantially in the form set forth in Part II of the Plan.

7.3 At the Closing of Title, Purchaser shall execute whatever other documents are reasonably necessary or customary in connection with the conveyance of a Condominium Unit, including but not limited to title affidavits, real property transfer tax forms, etc.

7.4 The executed deed and power of attorney to the Condominium Board shall be delivered to the representative of the title company insuring Purchaser's title (or, if no such representative is

present, then to Sponsor's attorney) for recording in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded, (i) the deed shall be returned to Purchaser or Purchaser's attorney and (ii) the power of attorney shall be sent to the Condominium Board.

7.5 Purchaser's payment of the balance of the Purchase Price and acceptance of a deed to the Unit shall constitute Purchaser's recognition that Sponsor has satisfactorily performed those obligations stated in the Plan and this Agreement to be performed by Sponsor prior to Closing. However, nothing herein contained shall excuse Sponsor from performing those obligations (if any) expressly stated herein or in the Plan to be performed subsequent to the Closing, and nothing herein shall be in derogation of the rights of Purchasers under Article 23-A of the General Business Law, the Plan, and Part 20 of the Regulations issued by the Department of Law.

8. STATUS OF TITLE.

8.1 At the Closing of Title, Sponsor shall convey to Purchaser good and insurable title in fee simple to the Unit, free and clear of all liens and encumbrances other than those expressly agreed to by Purchaser or set forth in Schedule A annexed hereto and made a part hereof. Any lien and encumbrance or condition to which title is not to be subject shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to the Closing of Title to the proper party or to Purchaser's title insurance company, together with the attendant recording or filing fee, if any, or (b) Kensington Title Agency ("Kensington") is or would be willing, in a fee policy issued by it to the Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien at no additional cost or additional premium, to Purchaser.

8.2 Sponsor shall be entitled to adjourn the Closing at any time to remove or correct any defect in title which is not set forth in Schedule A. If Sponsor does adjourn the Closing, Sponsor shall give Purchaser at least 5 business days' prior written notice to Purchaser's attorney of the rescheduled Closing Date.

8.3 If, subsequent to the Closing of Title, Purchaser claims that Sponsor did not convey good and insurable title in fee simple to the Unit in accordance with the Plan, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor. Sponsor and Purchaser agree that Sponsor's liability will be limited to any loss or damage not covered by Purchaser's title insurance. If Purchaser did not obtain title insurance at the Closing, for purposes of this subparagraph, the amount and coverage which Purchaser could have obtained from Kensington shall be deducted from the loss or damage collectable against Sponsor. Nothing contained in this subparagraph shall be construed to waive any of Purchaser's rights or abrogate any of Sponsor's obligations under the Plan or Article 23-A of the General Business Law.

9. CLOSING ADJUSTMENTS.

9.1 The following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit:

(a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

(b) Common Charges and assessments for the month in which title closes; and

(c) if Purchaser is allowed to occupy the Unit prior to Closing, accrued rent and any other charges pursuant to an interim lease or use and occupancy agreement, if any, covering the Unit.

(d) if the Unit has not been separately assessed, Purchaser shall pay to either Sponsor or the Condominium an amount equal to Purchaser's proportionate share (based upon the percentage of Common Elements owned by such Unit Owner) of the amount of real estate taxes that may be owed for each fiscal tax year (or part thereof) occurring after the fiscal tax period in which the Closing occurs until the Units are separately assessed. These funds will be held in escrow by either the Condominium or the Sponsor and used to either reimburse Sponsor for taxes Sponsor has paid or to pay the next installments of real estate taxes.

9.2 If a Unit has been separately assessed but 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, if any, shall be paid by Purchaser and shall not be considered a defect in title. If a Unit has not been separately assessed as of the Closing Date for the then current tax period, the adjustment under subsection 9.1(a) hereof shall be based upon the assessment for the Property for the tax periods for which Sponsor reasonably anticipates that the separate assessment shall not occur and the percentage interest in the Common Elements appurtenant to the Unit.

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

9.4 Provided Sponsor is ready, willing and able to close title in accordance with this Agreement, if Purchaser fails for any reason to close title to his Unit within 10 days of the Scheduled Closing Date (a) the Closing apportionments described in Section 9.1 of this Agreement will be made as of midnight of the day preceding the Scheduled Closing Date, regardless of when the actual Closing of Title occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to 0.03% of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to his Unit within 10 days of the rescheduled Closing Date.

9.5 Adjustments and apportionments shall be calculated on the basis of the actual number of days in the period for which payments were made or are due, as the case may be. The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided herein in the Plan.

9.6 Any errors or omissions calculating apportionments at Closing shall be corrected and, any payment shall be made to the proper party promptly after discovery. This provision shall survive the Closing of Title for a period of 1 year from the Closing Date.

10. MORTGAGE TAX CREDIT.

In the event a mortgage recording tax credit becomes available pursuant to Section 339-ee(2) of the New York Condominium Act, it is specifically understood that such credit shall enure to the benefit of Sponsor. Accordingly, at Closing, if Purchaser elects mortgage financing, Purchaser will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. However, at the Closing of Title, Purchaser shall pay to Sponsor the amount of any mortgage tax credit allowed.

11. CLOSING COSTS.

In addition to those costs and adjustments described in Articles 9 and 10 herein, Purchaser shall be required to pay the other Closing costs which are Purchaser's responsibility as more particularly described in the Section of the Plan entitled "Closing Costs and Adjustments." All such Closing Costs shall be paid by Purchaser, at Closing, by Purchaser's unendorsed personal certified check or by official bank check, in either event drawn upon a bank that is a member of the New York Clearing House Association.

12. TRANSFER TAX RETURNS.

At the Closing, Purchaser and Sponsor shall duly complete and sign before a notary public the real property transfer tax return required to be filed with the City of New York ("RPT Form") and the Combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate ("Combined Tax Form") and the RP-5217 form required to be filed with the Department of Taxation and Finance of the State of New York (the "Tax Department"), and such other forms as may then be required by law. The RPT and Combined Tax Form shall be delivered at the Closing of Title to the representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for filing with the proper governmental officer.

13. AGREEMENT SUBJECT TO MORTGAGE.

No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any monies deposited hereunder, except as hereinafter set forth. 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 heretofore or hereafter made, including, but not limited to, any construction or building loan mortgage, and any advances heretofore or hereafter made thereon and any payments or expenses 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 in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements 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 and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

14. DEFAULT BY PURCHASER.

14.1 The following shall constitute "Events of Default" hereunder:

(i) Purchaser's failure to pay the balance of the Purchase Price set forth in Article 4.1(b) hereof, or any Closing apportionment or Closing cost required to be paid by Purchaser in Article 9,10 or 11 hereof on the Closing Date designated by Sponsor pursuant to Article 6 hereof, or the dishonor of any check given by Purchaser to Sponsor;

(ii) The failure to pay, perform or observe any of Purchaser's other obligations hereunder; or

(iii) If Purchaser is permitted to become the tenant or other occupant of the Unit, Purchaser's failure to pay rent or to perform some other lease or occupancy obligation within the period after notice, if any, set forth in the lease or occupancy or other agreement;

(iv) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(v) If a non-bankruptcy trustee or receiver is appointed over Purchaser or Purchaser's property, or an involuntary petition in bankruptcy is filed against Purchaser; or

(vi) If a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the judgment or tax lien.

14.2 **TIME IS OF THE ESSENCE** with respect to Purchaser's obligations to pay the balance of the Purchase Price and to pay, perform or observe Purchaser's other obligations under this Agreement. Upon the occurrence of an Event of Default, Sponsor, in its sole discretion, may elect by notice to Purchaser to (i) cancel this Agreement, or (ii) seek specific performance. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of the notice of cancellation to cure the specified default. If the default is not cured within such 30 days, then this Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, the entire Deposit and any interest earned thereon. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale. If Sponsor elects to seek specific performance, then Purchaser shall have 30 days from the giving of notice of Sponsor's election to close on his or her Unit in accordance with this Agreement, without prejudice to Sponsor's right to recover from Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled (including, but not limited to, reasonable legal fees and costs of collection).

15. AGREEMENT SUBJECT TO PLAN BEING EFFECTIVE.

The performance by Sponsor of its obligations under this Agreement is contingent upon the Plan having been declared effective in accordance with the terms and provisions of the Plan (as the same may be amended from time to time). The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. If the Plan is abandoned or if, after being declared effective, the Plan is not consummated for any reason and Purchaser is not in default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and the downpayment, together with interest earned thereon, shall be returned to Purchaser. Upon such return, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

16. SPONSOR'S INABILITY TO CONVEY THE UNIT.

If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan by reason of a defect in title, substantial damage or destruction of the building by fire or other casualty, or the taking of any material portion of the Property by condemnation or eminent domain, Sponsor 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 Sponsor is not so obligated under the Plan and notifies Purchaser of its election or inability to cure such title defect, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such title defect (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within 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. Upon making such payment, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to

Sponsor within 15 days after the giving of Sponsor's notice of election not to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e., to acquire title subject to such inability).

17. FIXTURES, APPLIANCES AND PERSONAL PROPERTY.

Only those fixtures, appliances and items of personal property which are described in the Plan as being included in the Unit (or permitted substitutions or alternates) are included in this sale. No portion of the Purchase Price shall be attributable to such items.

18. CONSTRUCTION.

18.1 The construction of the Unit, including the materials, equipment and fixtures to be installed therein, shall be substantially in accordance with the Plan and the Plans and Specifications (as defined in the Plan), subject to the right of Sponsor to amend the Plan and the Plans and Specification in order to substitute materials, equipment or fixtures of equal or better quality, provided that the approval of any governmental authorities having jurisdiction is first obtained (if required). The issuance of a final certificate of occupancy for the Building shall be deemed presumptive evidence that the Building and the Unit have been fully completed in accordance with the Plan and the Plans and Specifications. However, nothing herein contained shall excuse Sponsor from its obligation to correct any defects in construction in accordance with the conditions set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor."

18.2 The construction of the Building and the Unit and the correction of any defects in construction to the extent required under the Plan are the sole responsibility of Sponsor. Purchaser acknowledges and agrees that Sponsor will not be liable for, and will have no obligation to correct, certain variations from the Plan and Plans and Specifications as indicated in the Section of the Plan entitled "Rights and Obligations of Sponsor" and will only be responsible to correct any construction defects to the extent, and on the terms and conditions, set forth in such Section.

18.3 The Closing of Title shall occur only after, or concurrently with, compliance with the prerequisites set forth under "Closing of Title to Units" in Part I of the Plan. As a result, if all other prerequisites not involving the construction of the Unit are met, Purchaser shall be obligated to close and complete payment of the full Purchase Price (without provision for escrow) once a temporary or permanent certificate of occupancy is issued for the Unit (notwithstanding any construction items noted on Purchaser's Inspection Statement (as hereinafter defined) remaining for Sponsor to complete and/or correct in accordance with its obligation under the Plan, and notwithstanding the incomplete construction and/or decoration of any other portions of the Building not affecting the Unit).

18.4 The actual date for the First Closing is not guaranteed or warranted, and may be earlier or later depending on the progress of construction and compliance with the other prerequisites recited in the Section of the Plan entitled "Closing of Title to Units". Purchaser acknowledges that construction may be delayed by late delivery of material or equipment, labor difficulties, unavailability of building trades, casualty, inclement weather and other events beyond Sponsor's reasonable control. Purchaser further acknowledges that the units in the Building will be completed at varying times over a period that could extend well beyond the First Closing. The order in which these units will be completed is in the discretion of Sponsor. Purchaser acknowledges that except as otherwise provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially later than the projected date or the time to complete or to close title to the Unit is delayed or is postponed by Sponsor.

19. INSPECTION OF THE UNIT.

19.1 At least one week (but not more than one month) prior to the Closing Date, Purchaser shall be notified that the Unit is ready for inspection. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with a representative of Sponsor to inspect the Unit within the week prior to the Closing Date. Purchaser or his or her duly authorized agent shall attend such inspection and shall complete, date and sign the Inspection Statement (in the form set forth as Schedule B to this Agreement) and deliver same to the Sponsor's representative at the conclusion of the inspection. **Failure of Purchaser either to arrange such appointment or to inspect the Unit within the week prior to the Closing Date or to so sign and deliver the completed Inspection Statement shall not excuse Purchaser from paying the balance of the purchase price when due and shall constitute Purchaser's full acceptance of the Unit in its condition as of the Closing Date.** However, nothing herein shall relieve Sponsor of its obligations as set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor".

19.2 Any work set forth on the Inspection Statement may be completed by Sponsor in a reasonable period of time following the Closing and shall not be grounds for delaying the Closing. Purchaser will be required to provide Sponsor with reasonable access to the Unit subsequent to the Closing in order to complete punchlist work. Sponsor has no obligation under the Plan to deposit any monies in escrow at Closing as a result of any punchlist items.

20. DAMAGE TO THE UNIT.

If between the date of this Agreement and the Closing of Title the Unit is damaged by fire or other casualty, the following shall apply:

20.1 The risk of loss to the Unit by fire or other casualty until the earlier of Closing of Title or possession of the Unit by Purchaser is assumed by Sponsor; provided that Sponsor shall have no obligation or liability to repair or restore the Unit. If Sponsor elects to repair or restore the Unit, which election shall be made within 60 days of such damage, 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 Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, not to exceed 180 days from Sponsor's election to repair the Unit. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and, if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the Closing of Title.

20.2 In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, or, if the Declaration has been recorded prior thereto, the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, this Agreement shall be deemed cancelled and of no further force and effect and Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, and neither party hereto shall have any further rights, obligations or liability to or against the other hereunder or under the Plan, except that if Purchaser is then in default hereunder (beyond any applicable grace period), Sponsor shall retain all such sums deposited by Purchaser hereunder, together with any interest earned thereon, as and for liquidated damages.

21. NO REPRESENTATIONS.

Purchaser acknowledges that Purchaser 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 Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit,

or the size or the dimensions of the Unit or the rooms therein contained 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, the right to any income tax credit with respect to the purchase of the Unit, or any other data, except as herein or in the Plan specifically represented. Purchaser has 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 Sponsor except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as set forth herein or in the Plan. Except as otherwise set forth in the Plan, Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans is accurate or correct, and (b) that Purchaser shall not be relieved of any Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this Article 21 shall survive the Closing of Title.

22. PROHIBITION AGAINST ADVERTISING.

Prior to the Closing of Title, Purchaser agrees not to list the Unit for resale or rental with any broker or to advertise or otherwise offer, promote or publicize the availability of the Unit for sale or lease, without Sponsor's prior written consent. Any listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser prior to Closing of Title shall be a default by Purchaser, entitling Sponsor to the remedies set forth in Article 14 hereof.

23. BROKER.

Purchaser represents to Sponsor that Purchaser has not dealt with any broker in connection with this transaction other than the Selling Agent and the Co-Broker. Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than the Selling Agent and the Co-Broker. Purchaser agrees that, should any claim be made against Sponsor for commissions by any broker, other than the Selling Agent, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this Article shall survive the Closing of Title.

24. AGREEMENT MAY NOT BE ASSIGNED.

24.1 Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor, which consent may be unreasonably withheld or delayed. Any purported assignment by Purchaser in violation of this Agreement will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. Under no circumstances will Sponsor consent to an assignment of the Purchase Agreement in which the Purchaser will receive consideration. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser shall be required to pay Sponsor's attorneys a fee of $750, in advance, for preparation of an assignment and assumption agreement. Any purported assignment by Purchaser in violation of this Agreement shall be a default by Purchaser, entitling Sponsor to the remedies set forth in Article 14 hereof, and shall be voidable at the option of Sponsor.

24.2 Notwithstanding anything to the contrary contained in Paragraph 24, if Purchaser has signed this Agreement in an individual name (and not in the name of an entity), Purchaser shall have a one time right to assign Purchaser's rights under this Agreement, in whole, but not in part, to an entity "controlled" (as such term is defined below) by Purchaser, (the entity to which the rights are assignable

may be a trust, limited liability company or a corporation) or to member(s) of Purchaser's immediate family, provided that (i) Purchaser designates such assignee at least 5 business days prior to the Closing Date; (ii) Purchaser delivers to Sponsor's counsel a fee in the amount of $750 for its services required in connection with the preparation of the assignment and assumption agreement; (iii) the Closing will not be delayed as a result of such assignment, (iv) the assignee of this Agreement assumes in writing, by an instrument prepared by Sponsor's counsel, of this Agreement assumes in writing the obligations of Purchaser under this Agreement, (v) the assignment is made without consideration and (vi) the assignee delivers an "affidavit of intent to reside" in the form attached. As used in this subparagraph, the term "control" shall mean the control, either directly or indirectly, of at least 51% of the voting shares or equity interests of such assignee, together with the authority to direct and manage the affairs of such assignee, which shall include Purchaser, being the managing general partner of such partnership or the principal manager or managing member of such limited liability company. Purchaser shall deliver to Sponsor evidence reasonably satisfactory to Sponsor of who controls the entity. Any obligations of Purchaser may be performed by such assignee, and Sponsor agrees to accept such performance as if it were the performance of the Purchaser. No such assignment shall modify Purchaser's obligations hereunder, including without limitation, named Purchaser's indemnity obligations contained in this Agreement, reduce or limit any liability or obligation of Purchaser who shall remain primarily liable notwithstanding any liability assumed by assignee. Unless Purchaser complies with the provisions of this subparagraph, any purported assignment by Purchaser shall be null and void and of no effect as against Sponsor.

25. BINDING EFFECT.

The submission of this Agreement to Purchaser does not create a binding obligation on the part of Sponsor. This Agreement shall not be binding on Sponsor until a fully executed counterpart hereof has been delivered to Purchaser. If this Agreement is not accepted within 30 days from the date hereof by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and cancelled and the deposit paid on the execution hereof shall be promptly returned to Purchaser. Upon such refund being made, neither party shall have any further rights, obligations liability to or against the other hereunder or under the Plan. Prior to Sponsor's countersigning and returning this Purchase Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written information about Purchaser's employment, financial and rental/ownership history. Such information obtained prior to countersignature may be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's sex, race, creed, color, national origin, ancestry, disability, marital status, or other ground proscribed by law.

26. NOTICES.

26.1 Any notice, election, demand, request, letter, consent or other communication hereunder or under the Plan shall be in writing and either delivered in person or sent, postage prepaid, by registered or certified mail or by Federal Express or other reputable overnight courier, with receipt confirmed, to Purchaser, at the address given at the beginning of this Agreement, with a copy to the Attorney for Purchaser, in the same manner as notice is given to Purchaser, and to Sponsor, at the address given at the beginning of this Agreement, with a copy to the Attorney for Sponsor, in the same manner as notice is given to Sponsor. Either party may hereafter designate to the other in writing a change in the address to which notices are to be sent. Except as otherwise expressly provided herein, a notice shall be deemed given when personal delivery or delivery by overnight courier is effected, or in the case of mailing, the 3rd day after the date of mailing, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself.

26.2 Sponsor hereby designates and empowers Sponsor's counsel Gerstein Strauss & Rinaldi LLP, as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

27. 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.

28. LIABILITY OF SPONSOR.

Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligations or undertaking shall be tolled for the length of the period during which such performance was excused.

29. 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 of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

30. AGREEMENT NOT CONTINGENT UPON FINANCING.

If Purchaser and Sponsor execute the Financing Rider annexed hereto as Schedule C, this Agreement shall be contingent upon financing in accordance with the terms of the Financing Rider. If Purchaser and Sponsor do not execute the Financing Rider, the terms and provisions of this Agreement and Purchaser's obligations hereunder shall not be contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof), and Purchaser understands and agrees that Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations hereunder. Purchaser further understands and agrees even if this Agreement is contingent upon financing and Purchaser chooses to finance Purchaser's purchase of the Unit through a lending institution and obtains a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in Purchaser's financial status or condition shall release or relieve Purchaser of Purchaser's obligations pursuant to this Agreement Neither Sponsor nor Selling Agent makes any representations as to the terms or availability of any mortgage financing.

31. SEVERABILITY.

If any provision of this Agreement or the Plan is invalid or unenforceable 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.

32. STRICT COMPLIANCE.

Any failure by either party to insist upon the strict performance by the other of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and each

party, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the other party of any and all of the provisions of this Agreement to be performed by such party.

33. 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 agreements made and to be performed wholly in the State of New York, without regard to principles of conflicts of law.

34. 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 or in the Plan. 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 such claim with, any action or proceeding in which a jury trial is waived.

35. ENTIRE AGREEMENT.

This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter hereof.

36. 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 terms "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. Unless otherwise stated, all references herein to Articles, Sections, subsections or other provisions are references to Articles, Sections, subsections or other provisions of this Agreement.

37. CAPTIONS.

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

38. SUCCESSORS AND ASSIGNS.

The provisions of this Agreement shall bind and enure to the benefit of Purchaser and his heirs, legal representatives, successors and permitted assigns and shall bind and enure to the benefit of Sponsor and its successors and assigns.

39. CONFIDENTIALITY.

Sponsor and Purchaser hereby acknowledge and agree to keep all of the terms and conditions of the Purchase Agreement confidential. Sponsor and Purchaser agree that any information which is required to be disclosed to the parties' respective lawyers, architects/engineers, accountants, individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Sponsor or Purchaser of the parties' undertaking of confidentiality contained in this Agreement. Any failure by Purchaser to keep the terms and conditions of this Agreement confidential shall be a default by Purchaser, entitling Sponsor to the remedies set forth in Paragraph 14 of this Agreement.

40. 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 or in a separate written agreement signed by the parties hereto or by an amendment to the Plan.

41. LEAD BASED PAINT AND/OR LEAD BASED PAINT HAZARDS DISCLOSURE.

41.1 The Environmental Protection Agency and the Department of Housing and Urban Development promulgated Federal regulations under 24 CFR Part 35 and 40 CFR Part 745 ("Federal Regulations") regarding the disclosure of lead-based paint and/or lead-based paint hazards to prospective Purchasers of Apartments. In accordance with the provisions of the Federal Regulations, annexed to this Contract as Schedule D is a Rider to this Contract which is a "Lead Warning Statement" and "Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards" to be signed by Sponsor and Purchaser. Set forth in the Plan is a pamphlet entitled "Protecting Your Family from Lead in Your Home".

41.2 In the event Purchaser exercises Purchasers' right to conduct a risk assessment or inspection ("Inspection") for the presence of lead-based paint and/or lead-based paint hazards, such Inspection shall be performed prior to the date of this Contract on the following terms and conditions:

41.2.1 Purchaser and Purchasers' consultant ("Inspector") will be given reasonable access to any vacant Units and the public areas of the Building.

41.2.2 The Inspection shall be held at a mutually convenient time and date on a business day between 9 a.m. and 5 p.m.

41.2.3 The Inspection shall be performed in a reasonable manner so as not to disturb or interfere with the use, operation, security or occupancy of the Unit or the Building.

41.2.4 Purchaser shall be liable for any damages to the Unit or the Building, injuries, and all claims and lawsuits caused by Purchaser or the Inspector during the Inspection.

41.2.5 Purchaser or the Inspector will not probe, penetrate or disturb any painted or covered surface during the Inspection without Sponsor's prior written approval.

41.3 By executing and delivering this Agreement, Purchaser acknowledges (i) that it has either obtained the Inspection and is desirous of purchasing the Unit with full knowledge of the contents of the Inspection Report or (ii) that it has waived the right to conduct an Inspection.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

PURCHASER(S):

_____

_____

SPONSOR:

THE BADGE DEVELOPMENT LLC

By: _____

SCHEDULE A

PERMITTED ENCUMBRANCES

1. Building restrictions and zoning and other regulations, resolutions, ordinances, certifications and any amendments thereto now or hereafter adopted.

2. Any state of facts which an accurate survey or personal inspection of the Property would show, provided that any encroachments by the Unit upon adjoining Condominium Units or upon the Common Elements, may remain undisturbed as long as they may stand and such state of facts would not render title to the Unit uninsurable.

3. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the By-Laws (and the Rules and Regulations made thereunder), the Power of Attorney from the Purchaser to the Condominium Board, and the Floor Plans as all of the same may be amended from time to time.

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

5. Any easement or right of use in favor of any utility company for construction, use, maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the Property.

6. Variation in measurements between tax map lines and record description.

7. Revocability of licenses for vault space, if any, under the sidewalks and streets.

8. Any easement or right of use required by Sponsor or its designee to obtain a temporary, permanent or amended Certificate of Occupancy for the Building or any part of same.

9. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings and similar projections, if any, on, over, or under the Property or the streets or sidewalks abutting the Property, and the rights of governmental authorities to require the removal of any such projections and variations.

10. Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

11. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, or vault charge, provided the same are adjusted at the closing of title.

12. The lien of any unpaid assessment payable in installments (other than assessments levied by the Condominium Board), except that the Sponsor shall pay all such assessments due prior to the Closing Date (with the then current installment to be apportioned as of the Closing Date) and the Purchaser shall pay all assessments due from and after the Closing Date.

13. Any declaration or other instrument affecting the Property which the Sponsor deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Building, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the demolition, construction, alteration, repair or restoration of the Building.

14. Any encumbrance as to which Kensington (or such other New York Board of Title Underwriters member title insurance company which insures the Purchaser's title to the Unit), would be willing, in a fee policy issued by it to the Purchaser, to insure the Purchaser that such encumbrance (a) will not be collected out of the Unit if it is a lien or (b) will not be enforced against the Unit if it is not a lien.

15. Any other encumbrance, covenant, easement, agreement, or restriction against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for dwelling purposes.

16. Any lease covering the Unit(s) made from the Sponsor to the Purchaser.

17. Any violation against the Property (other than the Unit) which is the obligation of the Condominium Board, or another Unit Owner to correct.

18. Standard printed exceptions contained in the form of fee title insurance policy then issued by the Title Company.

19. Any certificate of occupancy for the Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

20. Encroachment Agreement recorded in Liber 1451 cp 182.

21. Survey made by Angelo J. Fiorenza, Surveying, P.C., dated May 6, 2006, shows:

    A four story reinforced concrete building:

    Survey further shows:

    Southerly wall of building on the record line of title.

    Wooden fences vary with the southerly and westerly record lines of title.

    Concrete wall on the westerly record line of title.

    Concrete wall on the northerly record line of title.

    Remains of a reinforced concrete foundation on the northerly record line of title.

    Remains of a concrete foundation along the easterly record line of title.

    Projections onto 47th Avenue:

Roll up gates	1'-6"
Roof Cornice	2'-0"
Sewer vent	0'-8"
Conduit	0'-4"
Lights	1'-0"
Oil fill	0'-6"
Scaffold	14'-6"

SCHEDULE B

INSPECTION STATEMENT

Date: _____, _____

The Badge Development LLC
165 Williams Avenue
Brooklyn, New York 11207

Re: The Badge Building

Gentlemen:

1. On the date hereof, the undersigned has inspected the Unit(s) set forth below which the undersigned is purchasing and have found the Unit(s) to be in good condition, except as otherwise noted below.

2. The undersigned acknowledges that to prevent pilferage, certain items such as medicine cabinet doors, shower heads, toilet seats, kitchen cabinets, vanity knobs and mechanical chimes will be installed just prior to the date the undersigned moves into the building. The undersigned agrees to sign-off each item requiring adjustment, or repairs, if any, as they are completed.

Residential Unit No._____

_____
Purchaser's Signature

_____
Purchaser's Signature

_____
Sponsor's Representative

SCHEDULE C

RIDER TO PURCHASE AGREEMENT

This Rider is made as of _____, _____ between Sponsor and Purchaser.

Re: Unit No. ____
The Badge Building
10-55 47th Avenue
Long Island City, New York

1. MORTGAGE CONTINGENCY

1.1 The obligations of Purchaser under the Purchase Agreement are conditioned upon issuance on or before a date which is 30 calendar days after a fully executed counterpart of the Purchase Agreement is delivered to Purchaser ("Commitment Date") of a written commitment ("Commitment") from any commercial bank, savings bank, trust company, savings and loan association, insurance company, mortgage banker, pension or retirement fund or credit union to which Purchaser is a member (collectively, "Lender") approved by The Manhattan Mortgage Company, having an address at 555 Madison Avenue, New York, New York 10022, Tel. (212) 593-4343, Fax (212) 593-4425, Attn: Barbara Ladesou ("Mortgage Broker") pursuant to which Lender agrees to make a loan to Purchaser, at Purchaser's sole cost and expense, in an amount not to exceed $_____, or such lesser sum as Purchaser shall be willing to accept, at the prevailing fixed rate or adjustable rate of interest for a term of at least thirty (30) years and on other customary commitment terms, whether or not conditioned upon any factors other than an appraisal satisfactory to Lender, secured by a mortgage on the Unit ("Loan").

1.2 Purchaser shall:

1.2.1 make an application to a Lender for the Loan through Mortgage Broker within 5 business days after a fully executed counterpart of the Purchase Agreement is delivered to Purchaser. In the event Purchaser obtains a commitment from a Lender other than through Mortgage Broker and other than in accordance with this Rider, the Mortgage Contingency shall be deemed waived and the purchase of the Unit will not be contingent upon financing.

1.2.2 furnish truthful, accurate and complete information, data and documents relating to Purchaser and members of Purchaser's family, as required, and promptly submit such further information, data and documents as requested by Mortgage Broker and/or Lender.

1.2.3 pay all fees, points and charges required in connection with such application and the Loan.

1.2.4 pursue such application with diligence.

1.2.5 cooperate in good faith with Lender and Mortgage Broker to the end of obtaining the Commitment and closing the Loan.

1.2.6 promptly give notice to Sponsor and Mortgage Broker of the name and address of Lender to which Purchaser has made such application.

1.2.7 comply with all requirements of the Commitment (or of any Commitment accepted by Purchaser) and furnish Sponsor and Mortgage Broker with a copy thereof promptly after receipt thereof.

The obligations of Purchaser set forth in 1.2.1 through 1.2.7 are hereafter referred to as the "Financing Obligations."

1.3 At the sole option of Sponsor, if the Lender to which Purchaser applied pursuant to paragraph 1.2 either refuses to issue a Commitment to Purchaser for any reason, or has not issued a commitment by the Commitment Date.

(i) Sponsor shall have the right to extend the Commitment Date for an additional 15 day period and/or;

(ii) Purchaser shall, within three (3) business days after Sponsor's request, make prompt application through the Mortgage Broker to another Lender.

Sponsor shall notify Purchaser whether it exercises either of such options within the later of (a) five (5) business days of the Commitment Date or (b) the date Purchaser notifies Sponsor that Lender has refused to issue a commitment. In the event Sponsor elects the option described in sub-section (ii) above, then the Commitment Date shall be deemed extended for an additional thirty (30) days from date Sponsor notifies Purchaser of the election and Purchaser shall comply with all of the Financing Obligations.

1.4 If a Commitment is not issued on or before the Commitment Date (as same may be extended by Sponsor, in 1.3 above) or Lender (or such other Lender to which Purchaser applies under Section 1.3 (ii) above), refuses to issue a Commitment to Purchaser for any reason, then unless Purchaser has otherwise accepted a Commitment from Lender, Purchaser may cancel the Purchase Agreement by giving Notice to Sponsor ("Cancellation Notice") within 5 business days after the Commitment Date, "time being of the essence", in which case, the Purchase Agreement shall be deemed cancelled and thereafter neither party shall have any further rights against, or obligations or liabilities to, the other by reason of the Purchase Agreement except that the Deposit shall be refunded to Purchaser within 20 days thereafter. The Cancellation Notice shall be accompanied by a copy of any loan refusal letter or non-complying Commitment (as the case may be) issued by Lender, if available, or if not available, provided promptly after receipt. If Purchaser fails to give the Cancellation Notice or if Purchaser shall accept a Commitment not obtained through Mortgage Broker then Purchaser shall be deemed to have waived Purchaser's right to cancel the Purchase Agreement and to receive a refund of the Deposit by reason of the contingency contained in this Rider.

1.5 By executing this Rider, Purchaser authorizes Lender to provide Sponsor and Mortgage Broker with copies of all applications, information, data and documents applicable to Purchaser in connection with Purchaser's application for a Commitment and the closing of the Loan.

1.6 The obligations of Purchaser under the Purchase Agreement are not contingent on Purchaser obtaining financing of the purchase price or any portion thereof if Purchaser applies for the Loan through a mortgage broker other than Mortgage Broker named in this Rider.

2. DEFINITIONS.

All capitalized terms used in this Rider not defined herein shall have the same meanings ascribed to them in the Purchase Agreement to which this Rider is annexed or in the Plan.

3. CONFLICTS.

In the event of any inconsistency between the provisions of this Rider and those contained in the Purchase Agreement to which this Rider is annexed, the provisions of this Rider shall govern and be binding.

PURCHASER(S):

_____

_____

SPONSOR:

THE BADGE DEVELOPMENT LLC

By: _____

SCHEDULE D

DISCLOSURE OF INFORMATION AND ACKNOWLEDGMENT
LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS
SALES

Lead Warning Statement

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead -based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to proved the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Seller's Disclosure

(a) Presence of lead-based paint and/or lead-based paint hazards *(check(i) or (ii) below)*:

(i) ☐ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

_____

(ii) ☐ Seller has no knowledge of lead-based paint and/or lead-based hazards in the housing.

(b) Records and Reports available to the seller *(check(i) or (ii) below)*:

(i) ☐ Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based hazards in the housing *(list documents below)*:

_____

(ii) ☐ Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Purchaser's Acknowledgment *(initial)*

(c)_____ Purchaser has received copies of all information listed above.

(d)_____ Purchaser has received the pamphlet ***Protect Your Family From Lead in Your Home.***

(e)_____ Purchaser has *(check(i) or (ii) below)*:

(i) ☐ Received a 10-day opportunity (or mutually agreed-upon period) to conduct a risk assessment or inspection of the presence of lead-based paint or lead-based paint hazards; or

(ii) ☐ Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Agent's Acknowledgment *(initial)*

(f)_____Agent has informed the seller of the seller's obligation under 42 U.S.C. 4852 d and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

Seller: _____	Date:_____	Seller: _____	Date:_____
Purchaser: _____	Date:_____	Purchaser:_____	Date:_____
Agent:_____	Date:_____	Agent:_____	Date:_____

PARKING SPACE, CABANA AND STORAGE ROOM LICENSE AGREEMENTS

PARKING SPACE LICENSE

AGREEMENT made this _____ day of _____, 200__ (this "Agreement") by and between THE BADGE BUILDING, having an office at 10-55 47th Avenue, Long Island City, New York 11101 ("Condominium"), and _____, having an address at 10-55 47th Avenue, Unit _____, Long Island City, New York ("Unit Owner");

WHEREAS, The Badge Building is governed by a certain Declaration of Condominium dated _____, recorded in the Queens County Office of the Register of the City of New York on _____ in Reel ____, Page ____, as the same has been or may be amended from time to time (the "Declaration"), the by-laws of the Condominium, as the same has been or may be amended from time to time (the "By-Laws") and the rules and regulations of the Condominium, as the same has been or may be amended from time to time (the "Rules and Regulations") (the "Declaration", the "By-Laws" and the "Rules and Regulations" are collectively, referred to as the "Condominium Documents"); and

WHEREAS, in a portion of the Condominium there is a Limited Common Element designated as Parking Space _____; and

WHEREAS, Unit Owner, owns or simultaneously herewith is acquiring a Unit in the Condominium; and

WHEREAS, Unit Owner desires the right to the exclusive use of Parking Space _____ for so long as Unit Owner owns a Unit in the Condominium;

NOW THEREFORE, in consideration of the sum of $10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Condominium hereby grants to Unit Owner, its successors and assigns, a license for the exclusive use of Parking Space _____ ("License") and Unit Owner hereby accepts such License from the Condominium for a term commencing on the date hereof.

2. Parking Space _____ may only be used for the parking of motor vehicles as per any rules and regulations of the Condominium.

3. Unit Owner shall not (a) park a motor vehicle outside Parking Space _____; (b) allow any other person to use Parking Space _____ except in accordance with the terms hereof.

4. This License may be assigned by Unit Owner at any time provided the assignee (i) is a Unit Owner at the Condominium, (ii) assumes the obligations hereunder in a form prepared by the Condominium Board, (iii) notification of the assignment is delivered in writing to the Condominium Board in compliance with its requirements, and (iv) no outstanding moneys are owed to the Condominium Board (including legal fees for the Condominium Board's attorneys in connection with the preparation of the Assignment and Assumption). The License shall automatically terminate at such time as the Unit Owner no longer owns a Unit in the Condominium unless this License is assigned to and assumed by another Unit Owner.

5. Unit Owner represents that it has made a thorough inspection of Parking Space ___ and agrees to take same in its condition "as is" as of the date of this Agreement. Unit Owner shall throughout the term of this Agreement, take good care of and maintain Parking Space ___. All repairs and replacement to the Parking Space shall be performed in accordance with the Condominium Documents.

6. Neither Sponsor nor the Condominium nor their respective agents or employees shall be liable for any theft or damage to any motor vehicle stored in the Parking Space.

7. The terms of this Agreement are subject to the terms of the Condominium Documents. Nothing contained herein shall be construed as limiting the rights and obligations of the parties under the Condominium Documents. Any conflict between the provisions of this Agreement and the Condominium Documents shall be resolved in favor of the Condominium Documents.

8. If Unit Owner defaults in its obligations hereunder or under the Condominium Documents, Condominium may, in addition to the rights and remedies set forth in the Condominium Documents, (i) deny access to and use of Parking Space ___ until Unit Owner cures such default or (ii) terminate this Agreement upon written notice to Unit Owner.

9. Condominium or its agents shall have the right, upon prior notice to Unit Owner, to make such repairs and improvements to Parking Space ___ as the Condominium shall deem necessary and to remove Unit Owner's motor vehicle from Parking Space ___, at Unit Owner's cost and expense, if Unit Owner is not using Parking Space ___ in accordance with the terms and provisions of this License.

10. This Agreement shall constitute a License only and shall not be construed under any circumstances to be a sale of Parking Space _____ or conveyance of title thereto. In no event shall a landlord/tenant relationship exist between the Condominium and the Unit Owner with respect to this Agreement.

11. Unit Owner shall indemnify and hold the Sponsor, the Condominium Board, its officers, agents and employees, harmless from and against any and all liabilities, claims, penalties and judgments, together with any related costs and expenses, including reasonable legal fees, asserted against or sustained by any of them in connection with any act, omission, or negligence of Unit Owner or Unit Owner's family, servants, employees, agents, guests and invitees in connection with the License.

12. Unit Owner shall be obligated to reimburse the Condominium for any legal fees and disbursements incurred by the Condominium in defending the rights of the Condominium under this Agreement or, in the event Unit Owner defaults under this Agreement beyond any applicable grace period, enforcing Unit Owner's obligations hereunder.

13. Neither this Agreement nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought and then only to the extent set forth in such instrument.

14. It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this Agreement, which alone fully and completely express their agreement and that this Agreement supersedes any and all such understandings and agreements with respect to the subject matter hereof.

15. If any provision of this Agreement is invalid or unenforceable as against any party or under certain circumstances, the remainder of this Agreement and the applicability of such provision to other parties or circumstances shall not be affected thereby. Each provision of this Agreement, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by Law.

16. 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 of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

17. Any failure by the Condominium to insist upon strict performance by Unit Owner of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and the Condominium, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Unit Owner of any and all of the provisions of this Agreement to be performed by Unit Owner.

18. The initial monthly License Fee due and payable by the Unit Owner on the first day of each month shall be $250.00.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

Agreed to and Acknowledged by

CONDOMINIUM:

THE BADGE BUILDING,
by its Board of Managers

By: _____
Name:
Title:

UNIT OWNER

_____

STORAGE ROOM LICENSE

AGREEMENT made this _____ day of _____, 200__ (this "Agreement") by and between THE BADGE BUILDING, having an office at 10-55 47th Avenue, Long Island City, New York 11101 ("Condominium"), and _____, having an address at 10-55 47th Avenue, Unit _____, Long Island City, New York ("Unit Owner");

WHEREAS, The Badge Building is governed by a certain Declaration of Condominium dated _____, recorded in the Queens County Office of the Register of the City of New York on _____ in Reel ____, Page ____, as the same has been or may be amended from time to time (the "Declaration"), the by-laws of the Condominium, as the same has been or may be amended from time to time (the "By-Laws") and the rules and regulations of the Condominium, as the same has been or may be amended from time to time (the "Rules and Regulations") (the "Declaration", the "By-Laws" and the "Rules and Regulations" are collectively, referred to as the "Condominium Documents"); and

WHEREAS, in a portion of the first floor of the Condominium there is a Limited Common Element designated as Storage Room _____; and

WHEREAS, Unit Owner, owns or simultaneously herewith is acquiring a Unit in the Condominium; and

WHEREAS, Unit Owner desires the right to the exclusive use of Storage Room ____ for so long as Unit Owner owns a Unit in the Condominium;

NOW THEREFORE, in consideration of the sum of $10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Condominium hereby grants to Unit Owner, its successors and assigns, a license for the exclusive use of Storage Room _____ ("License") and Unit Owner hereby accepts such License from the Condominium for a term commencing on the date hereof.

2. Storage Room _____ may only be used for storage purposes provided that no material which pose a health or safety threat or which otherwise create a nuisance may be stored therein.

3. Unit Owner shall not (a) store any property outside of Storage Room _____; (b) allow any other person to use Storage Room _____ except in accordance with the terms hereof.

4. This License may be assigned by Unit Owner at any time provided the assignee (i) is a Unit Owner at the Condominium, (ii) assumes the obligations hereunder in a form prepared by the Condominium Board, (iii) notification of the assignment is delivered in writing to the Condominium Board in compliance with its requirements, and (iv) no outstanding moneys are owed to the Condominium Board (including legal fees for the Condominium Board's attorneys in connection with the preparation of the Assignment and Assumption). The License

shall automatically terminate at such time as the Unit Owner no longer owns a Unit in the Condominium unless this License is assigned to and assumed by another Unit Owner.

5. Unit Owner represents that it has made a thorough inspection of Storage Room ___ and agrees to take same in its condition "as is" as of the date of this Agreement. Unit Owner shall throughout the term of this Agreement, take good care of and maintain Storage Room ___. All repairs and replacement of Storage Room _____ shall be performed in accordance with the Condominium Documents.

6. Neither Sponsor nor the Condominium nor their respective agents or employees shall be liable for any theft or damage to any motor vehicle stored in Storage Room ___.

7. The terms of this Agreement are subject to the terms of the Condominium Documents. Nothing contained herein shall be construed as limiting the rights and obligations of the parties under the Condominium Documents. Any conflict between the provisions of this Agreement and the Condominium Documents shall be resolved in favor of the Condominium Documents.

8. If Unit Owner defaults in its obligations hereunder or under the Condominium Documents, Condominium may, in addition to the rights and remedies set forth in the Condominium Documents, (i) deny access to and use of Storage Room ___ until Unit Owner cures such default or (ii) terminate this Agreement upon written notice to Unit Owner.

9. Condominium or its agents shall have the right (but not the obligation) to open Storage Room _____ in an emergency at any time, and, at other reasonable times upon prior notice to Unit Owner, to inspect and examine Storage Room ____ and to make such repairs, replacements and improvements as the Condominium shall deem necessary.

10. This Agreement shall constitute a License only and shall not be construed under any circumstances to be a sale of Storage Room ___ or conveyance of title thereto. In no event shall a landlord/tenant relationship exist between the Condominium and the Unit Owner with respect to this Agreement.

11. Unit Owner shall indemnify and hold the Sponsor, the Condominium Board, its officers, agents and employees, harmless from and against any and all liabilities, claims, penalties and judgments, together with any related costs and expenses, including reasonable legal fees, asserted against or sustained by any of them in connection with any act, omission, or negligence of Unit Owner or Unit Owner's family, servants, employees, agents, guests and invitees in connection with the License.

12. Unit Owner shall be obligated to reimburse the Condominium for any legal fees and disbursements incurred by the Condominium in defending the rights of the Condominium under this Agreement or, in the event Unit Owner defaults under this Agreement beyond any applicable grace period, enforcing Unit Owner's obligations hereunder.

13. Neither this Agreement nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which

the enforcement of such waiver, amendment, discharge or termination is sought and then only to the extent set forth in such instrument.

14. It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this Agreement, which alone fully and completely express their agreement and that this Agreement supersedes any and all such understandings and agreements with respect to the subject matter hereof.

15. If any provision of this Agreement is invalid or unenforceable as against any party or under certain circumstances, the remainder of this Agreement and the applicability of such provision to other parties or circumstances shall not be affected thereby. Each provision of this Agreement, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by Law.

16. 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 of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

17. Any failure by the Condominium to insist upon strict performance by Unit Owner of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and the Condominium, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Unit Owner of any and all of the provisions of this Agreement to be performed by Unit Owner.

18. The initial monthly License Fee due and payable by the Unit Owner on the first day of each month shall be $50.00.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

Agreed to and Acknowledged by

CONDOMINIUM:

THE BADGE BUILDING,
by its Board of Managers

By: _____
Name:
Title:

UNIT OWNER

_____

CABANA LICENSE

AGREEMENT made this _____ day of _____, 200__ (this "Agreement") by and between THE BADGE BUILDING, having an office at 10-55 47th Avenue, Long Island City, New York 11101 ("Condominium"), and _____, having an address at 10-55 47th Avenue, Unit _____, Long Island City, New York ("Unit Owner");

WHEREAS, The Badge Building is governed by a certain Declaration of Condominium dated _____, recorded in the Queens County Office of the Register of the City of New York on _____ in Reel ____, Page ____, as the same has been or may be amended from time to time (the "Declaration"), the by-laws of the Condominium, as the same has been or may be amended from time to time (the "By-Laws") and the rules and regulations of the Condominium, as the same has been or may be amended from time to time (the "Rules and Regulations") (the "Declaration", the "By-Laws" and the "Rules and Regulations" are collectively, referred to as the "Condominium Documents"); and

WHEREAS, in a portion of the Condominium there is a Limited Common Element designated as Cabana _____; and

WHEREAS, Unit Owner, owns or simultaneously herewith is acquiring a Unit in the Condominium; and

WHEREAS, Unit Owner desires the right to the exclusive use of Cabana ____ for so long as Unit Owner owns a Unit in the Condominium;

NOW THEREFORE, in consideration of the sum of $10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Condominium hereby grants to Unit Owner, its successors and assigns, a license for the exclusive use of Cabana _____ ("License") and Unit Owner hereby accepts such License from the Condominium for a term commencing on the date hereof.

2. Cabana _____ may only be used for purposes permitted by the Condominium Documents.

3. Unit Owner shall not allow any other person to use Cabana _____ except in accordance with the terms hereof.

4. This License may be assigned by Unit Owner at any time provided the assignee (i) is a Unit Owner at the Condominium, (ii) assumes the obligations hereunder in a form prepared by the Condominium Board, (iii) notification of the assignment is delivered in writing to the Condominium Board in compliance with its requirements, and (iv) no outstanding moneys are owed to the Condominium Board (including legal fees for the Condominium Board's attorneys in connection with the preparation of the Assignment and Assumption). The License shall automatically terminate at such time as the Unit Owner no longer owns a Unit in the Condominium unless this License is assigned to and assumed by another Unit Owner.

5. Unit Owner represents that it has made a thorough inspection of Cabana ___ and agrees to take same in its condition "as is" as of the date of this Agreement. Unit Owner shall throughout the term of this Agreement, take good care of and maintain Cabana ___. All repairs and replacement to Cabana _____ shall be performed in accordance with the Condominium Documents.

6. Neither Sponsor nor the Condominium nor their respective agents or employees shall be liable for any theft or damage to any property stored in Cabana ___.

7. The terms of this Agreement are subject to the terms of the Condominium Documents. Nothing contained herein shall be construed as limiting the rights and obligations of the parties under the Condominium Documents. Any conflict between the provisions of this Agreement and the Condominium Documents shall be resolved in favor of the Condominium Documents.

8. If Unit Owner defaults in its obligations hereunder or under the Condominium Documents, Condominium may, in addition to the rights and remedies set forth in the Condominium Documents, (i) deny access to and use of Cabana ___ until Unit Owner cures such default or (ii) terminate this Agreement upon written notice to Unit Owner.

9. Condominium or its agents shall have the right (but not the obligation) to open as applicable Cabana _____ in an emergency at any time, and, at other reasonable times upon prior notice to Unit Owner, to inspect and examine Cabana ____ and to make such repairs, replacements and improvements as the Condominium shall deem necessary.

10. This Agreement shall constitute a License only and shall not be construed under any circumstances to be a sale of Cabana ___ or conveyance of title thereto. In no event shall a landlord/tenant relationship exist between the Condominium and the Unit Owner with respect to this Agreement.

11. Unit Owner shall indemnify and hold the Sponsor, the Condominium Board, its officers, agents and employees, harmless from and against any and all liabilities, claims, penalties and judgments, together with any related costs and expenses, including reasonable legal fees, asserted against or sustained by any of them in connection with any act, omission, or negligence of Unit Owner or Unit Owner's family, servants, employees, agents, guests and invitees in connection with the License.

12. Unit Owner shall be obligated to reimburse the Condominium for any legal fees and disbursements incurred by the Condominium in defending the rights of the Condominium under this Agreement or, in the event Unit Owner defaults under this Agreement beyond any applicable grace period, enforcing Unit Owner's obligations hereunder.

13. Neither this Agreement nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought and then only to the extent set forth in such instrument.

14. It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this Agreement, which alone fully and completely express their agreement and that this Agreement supersedes any and all such understandings and agreements with respect to the subject matter hereof.

15. If any provision of this Agreement is invalid or unenforceable as against any party or under certain circumstances, the remainder of this Agreement and the applicability of such provision to other parties or circumstances shall not be affected thereby. Each provision of this Agreement, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by Law.

16. 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 of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

17. Any failure by the Condominium to insist upon strict performance by Unit Owner of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and the Condominium, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Unit Owner of any and all of the provisions of this Agreement to be performed by Unit Owner.

18. The initial monthly License Fee due and payable by the Unit Owner on the first day of each month shall be $200.00.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

Agreed to and Acknowledged by

CONDOMINIUM:

THE BADGE BUILDING,
by its Board of Managers

By: _____
Name:
Title:

UNIT OWNER

_____

UNIT DEED

UNIT DEED

THIS INDENTURE, made the ____ day of _____, ____, between The Badge Development LLC, having an office at 165 Williams Avenue, Brooklyn, New York 11207 ("Grantor") and _____ having an address at _____("Grantee").

W I T N E S S E T H:

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit ("Unit") known as Unit No. __ in the building ("Building") known as The Badge Building (the "Condominium") and by the street number 10-55 47th Avenue, Borough of Queens, County of New York, City and State of New York, said Unit being designated and described by the above Unit No. in a certain declaration dated _____, _____, made by Grantor pursuant to Article 9-B of the Real Property Law of the State of New York (the "Condominium Act") establishing a plan for condominium ownership of the Building and the land ("Land") upon which the Building is situate (which Land is more particularly described in Exhibit A annexed hereto and by this reference made a part hereof), which declaration was recorded in the Queens County Office of the Register of The City of New York ("Register's Office") on _____, _____, in Reel _____, Page ____ ("Declaration"). The Unit is also designated as Tax Lot __ in Block ___ of Section ___ of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans of the Building, certified by _____ _____ on _____, _____, and filed with the Real Property Assessment Department of The City of New York on _____, _____, as Condominium Plan No. ____ and also filed in the Register's Office on _____, _____, as Map No. ____;

TOGETHER with an undivided ___% interest in the Common Elements (as such term is defined in the Declaration);

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

TOGETHER with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws of the Condominium (the "By Laws"), as the same may be amended from time to time, all of which constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein.

SUBJECT also to such other liens, agreements, covenants, easements, restrictions, consents and other matters of record as pertain to the Unit, to the Land and/or to the Building (which Land and Building are collectively referred to as the "Property").

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

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

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or the By-Laws, the Unit is intended for residential use only.

Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as set forth in the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws).

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 purposes.

Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

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

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

All capitalized terms used herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or the By-Laws of the Condominium.

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

SPONSOR:

THE BADGE DEVELOPMENT LLC

By:_____

GRANTEE:

_____

(ACKNOWLEDGEMENT)

EXHIBIT A

TO UNIT DEED

DESCRIPTION OF THE LAND

10-55 47TH AVENUE
QUEENS, NEW YORK

ALL that certain plot, piece or parcel of land, situate, lying and being in the First Ward, Borough and County of Queens, City and State of New York shown on a certain map entitled "Map of Hunter Van Alst and Debevoise Farms", situate in Long Island City, surveyed by Peter G. Van Alst, property of the trustee of Union College, dated January 1st, 1874 and filed in the office of the Register of the County of Queens (formerly County Clerk's Office) dated June 11, 1875 as and by the lot numbers 20, 21, 22, 23 and 24 in block 18 and more particularly bounded and described as follows:

BEGINNING at the corner formed by the intersection of the northerly side of 47th Avenue, 8th Street with the westerly side of 11th Street, East Avenue;

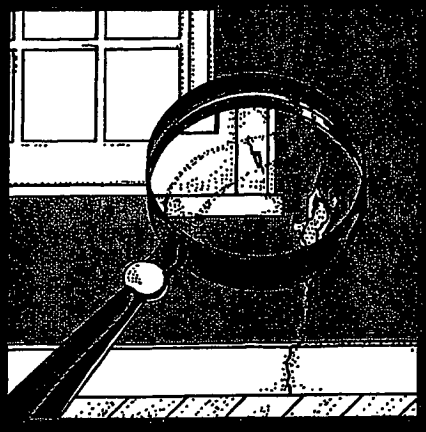
RUNNING THENCE northerly along the westerly side of 11th Street 100 feet;

THENCE westerly parallel with 47th Avenue 125 feet;

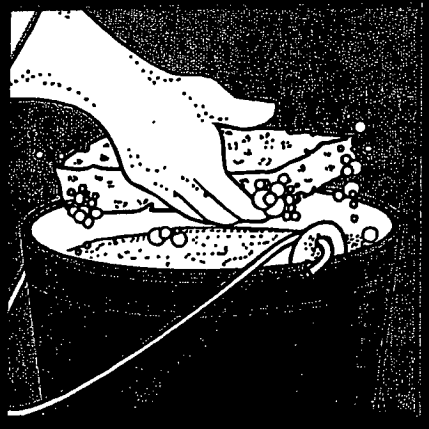
THENCE southerly parallel with 11th Street 100 feet to the northerly side of 47th Avenue; and

THENCE easterly along the northerly side of 47th Avenue 125 feet to the corner, the point or place of BEGINNING.

LEAD PAINT PAMPHLET







Protect Your Family From Lead In Your Home

EPA United States Environmental Protection Agency

United States Consumer Product Safety Commission

United States Department of Housing and Urban Development

Are You Planning To Buy, Rent, or Renovate a Home Built Before 1978?

Many houses and apartments built before 1978 have paint that contains high levels of lead (called lead-based paint). Lead from paint, chips, and dust can pose serious health hazards if not taken care of properly.



OWNERS, BUYERS, and RENTERS are encouraged to check for lead (see page 6) before renting, buying or renovating pre-1978 housing.

Federal law requires that individuals receive certain information before renting, buying, or renovating pre-1978 housing:



LANDLORDS have to disclose known information on lead-based paint and lead-based paint hazards before leases take effect. Leases must include a disclosure about lead-based paint.



SELLERS have to disclose known information on lead-based paint and lead-based paint hazards before selling a house. Sales contracts must include a disclosure about lead-based paint. Buyers have up to 10 days to check for lead.



RENOVATORS disturbing more than 2 square feet of painted surfaces have to give you this pamphlet before starting work.

IMPORTANT!

Lead From Paint, Dust, and Soil Can Be Dangerous If Not Managed Properly

FACT: Lead exposure can harm young children and babies even before they are born.

FACT: Even children who seem healthy can have high levels of lead in their bodies.

FACT: People can get lead in their bodies by breathing or swallowing lead dust, or by eating soil or paint chips containing lead.

FACT: People have many options for reducing lead hazards. In most cases, lead-based paint that is in good condition is not a hazard.

FACT: Removing lead-based paint improperly can increase the danger to your family.

If you think your home might have lead hazards, read this pamphlet to learn some simple steps to protect your family.

Lead Gets in the Body in Many Ways

Childhood lead poisoning remains a major environmental health problem in the U.S.

Even children who appear healthy can have dangerous levels of lead in their bodies.

People can get lead in their body if they:

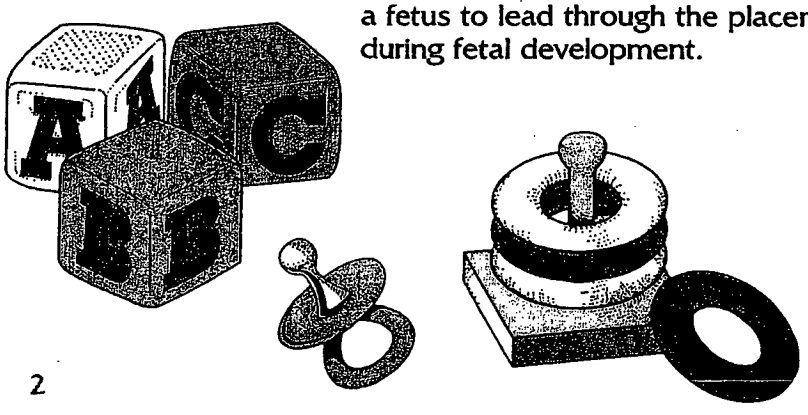
- Breathe in lead dust (especially during renovations that disturb painted surfaces).
- Put their hands or other objects covered with lead dust in their mouths.
- Eat paint chips or soil that contains lead.

Lead is even more dangerous to children under the age of 6:

- At this age children's brains and nervous systems are more sensitive to the damaging effects of lead.
- Children's growing bodies absorb more lead.
- Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.

Lead is also dangerous to women of childbearing age:

- Women with a high lead level in their system prior to pregnancy would expose a fetus to lead through the placenta during fetal development.



Lead's Effects

It is important to know that even exposure to low levels of lead can severely harm children.

In children, lead can cause:

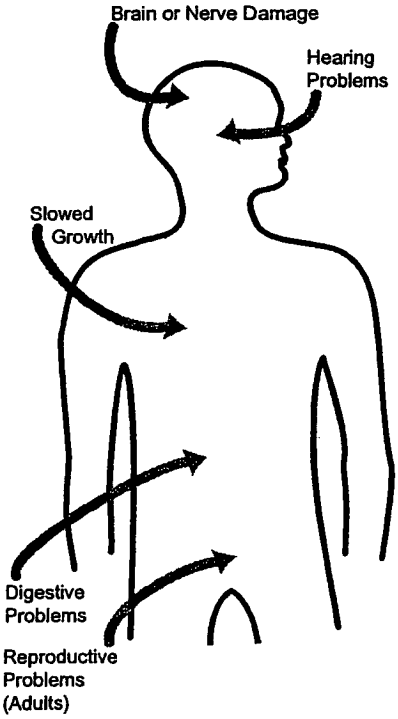
- Nervous system and kidney damage.
- Learning disabilities, attention deficit disorder, and decreased intelligence.
- Speech, language, and behavior problems.
- Poor muscle coordination.
- Decreased muscle and bone growth.
- Hearing damage.

While low-lead exposure is most common, exposure to high levels of lead can have devastating effects on children, including seizures, unconsciousness, and, in some cases, death.

Although children are especially susceptible to lead exposure, lead can be dangerous for adults too.

In adults, lead can cause:

- Increased chance of illness during pregnancy.
- Harm to a fetus, including brain damage or death.
- Fertility problems (in men and women).
- High blood pressure.
- Digestive problems.
- Nerve disorders.
- Memory and concentration problems.
- Muscle and joint pain.



Lead affects the body in many ways.

Where Lead-Based Paint Is Found

In general, the older your home, the more likely it has lead-based paint.

Many homes built before 1978 have lead-based paint. The federal government banned lead-based paint from housing in 1978. Some states stopped its use even earlier. Lead can be found:

- In homes in the city, country, or suburbs.
- In apartments, single-family homes, and both private and public housing.
- Inside and outside of the house.
- In soil around a home. (Soil can pick up lead from exterior paint or other sources such as past use of leaded gas in cars.)

Checking Your Family for Lead

Get your children and home tested if you think your home has high levels of lead.

To reduce your child's exposure to lead, get your child checked, have your home tested (especially if your home has paint in poor condition and was built before 1978), and fix any hazards you may have. Children's blood lead levels tend to increase rapidly from 6 to 12 months of age, and tend to peak at 18 to 24 months of age.

Consult your doctor for advice on testing your children. A simple blood test can detect high levels of lead. Blood tests are usually recommended for:

- Children at ages 1 and 2.
- Children or other family members who have been exposed to high levels of lead.
- Children who should be tested under your state or local health screening plan.

Your doctor can explain what the test results mean and if more testing will be needed.

Identifying Lead Hazards

Lead-based paint is usually not a hazard if it is in good condition, and it is not on an impact or friction surface, like a window. It is defined by the federal government as paint with lead levels greater than or equal to 1.0 milligram per square centimeter, or more than 0.5% by weight.

Deteriorating lead-based paint (peeling, chipping, chalking, cracking or damaged) is a hazard and needs immediate attention. It may also be a hazard when found on surfaces that children can chew or that get a lot of wear-and-tear, such as:

- Windows and window sills.
- Doors and door frames.
- Stairs, railings, banisters, and porches.

Lead from paint chips, which you can see, and lead dust, which you can't always see, can both be serious hazards.

Lead dust can form when lead-based paint is scraped, sanded, or heated. Dust also forms when painted surfaces bump or rub together. Lead chips and dust can get on surfaces and objects that people touch. Settled lead dust can re-enter the air when people vacuum, sweep, or walk through it. The following two federal standards have been set for lead hazards in dust:

- 40 micrograms per square foot ($\mu g/ft^2$) and higher for floors, including carpeted floors.
- 250 $\mu g/ft^2$ and higher for interior window sills.

Lead in soil can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. The following two federal standards have been set for lead hazards in residential soil:

- 400 parts per million (ppm) and higher in play areas of bare soil.
- 1,200 ppm (average) and higher in bare soil in the remainder of the yard.

The only way to find out if paint, dust and soil lead hazards exist is to test for them. The next page describes the most common methods used.

Checking Your Home for Lead

Just knowing that a home has lead-based paint may not tell you if there is a hazard.

You can get your home tested for lead in several different ways:

- A paint **inspection** tells you whether your home has lead-based paint and where it is located. It won't tell you whether or not your home currently has lead hazards.
- A **risk assessment** tells you if your home currently has any lead hazards from lead in paint, dust, or soil. It also tells you what actions to take to address any hazards.
- A combination risk assessment and inspection tells you if your home has any lead hazards and if your home has any lead-based paint, and where the lead-based paint is located.



Hire a trained and certified testing professional who will use a range of reliable methods when testing your home.

- Visual inspection of paint condition and location.
- A portable x-ray fluorescence (XRF) machine.
- Lab tests of paint, dust, and soil samples.

There are state and federal programs in place to ensure that testing is done safely, reliably, and effectively. Contact your state or local agency (see bottom of page 11) for more information, or call **1-800-424-LEAD (5323)** for a list of contacts in your area.

Home test kits for lead are available, but may not always be accurate. Consumers should not rely on these kits before doing renovations or to assure safety.

What You Can Do Now To Protect Your Family

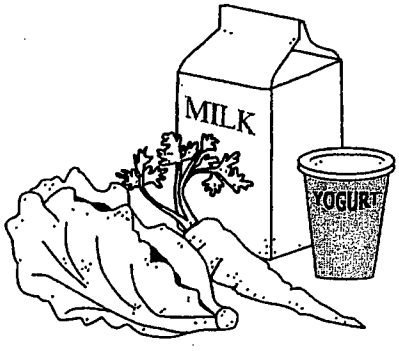
If you suspect that your house has lead hazards, you can take some immediate steps to reduce your family's risk:



- **If you rent, notify your landlord of peeling or chipping paint.**
- **Clean up paint chips immediately.**
- **Clean floors, window frames, window sills, and other surfaces weekly.** Use a mop or sponge with warm water and a general all-purpose cleaner or a cleaner made specifically for lead. REMEMBER: NEVER MIX AMMONIA AND BLEACH PRODUCTS TOGETHER SINCE THEY CAN FORM A DANGEROUS GAS.



- **Thoroughly rinse sponges and mop heads after cleaning dirty or dusty areas.**
- **Wash children's hands often, especially before they eat and before nap time and bed time.**
- **Keep play areas clean.** Wash bottles, pacifiers, toys, and stuffed animals regularly.
- **Keep children from chewing window sills or other painted surfaces.**
- **Clean or remove shoes before entering your home to avoid tracking in lead from soil.**
- **Make sure children eat nutritious, low-fat meals high in iron and calcium,** such as spinach and dairy products. Children with good diets absorb less lead.



Reducing Lead Hazards In The Home

Removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.

Always use a professional who is trained to remove lead hazards safely.



In addition to day-to-day cleaning and good nutrition:

- You can **temporarily** reduce lead hazards by taking actions such as repairing damaged painted surfaces and planting grass to cover soil with high lead levels. These actions (called "interim controls") are not permanent solutions and will need ongoing attention.
- To **permanently** remove lead hazards, you should hire a certified lead "abatement" contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not permanent removal.

Always hire a person with special training for correcting lead problems—someone who knows how to do this work safely and has the proper equipment to clean up thoroughly. Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

Once the work is completed, dust cleanup activities must be repeated until testing indicates that lead dust levels are below the following:

- 40 micrograms per square foot ($\mu g/ft^2$) for floors, including carpeted floors;
- 250 $\mu g/ft^2$ for interior windows sills; and
- 400 $\mu g/ft^2$ for window troughs.

Call your state or local agency (see bottom of page 11) for help in locating certified professionals in your area and to see if financial assistance is available.

Remodeling or Renovating a Home With Lead-Based Paint

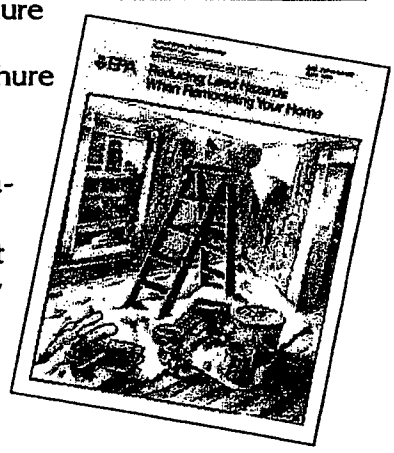
Take precautions before your contractor or you begin remodeling or renovating anything that disturbs painted surfaces (such as scraping off paint or tearing out walls):



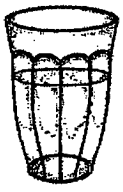
- **Have the area tested for lead-based paint.**
- **Do not use a belt-sander, propane torch, high temperature heat gun, dry scraper, or dry sandpaper** to remove lead-based paint. These actions create large amounts of lead dust and fumes. Lead dust can remain in your home long after the work is done.
- **Temporarily move your family** (especially children and pregnant women) out of the apartment or house until the work is done and the area is properly cleaned. If you can't move your family, at least completely seal off the work area.
- **Follow other safety measures to reduce lead hazards.** You can find out about other safety measures by calling 1-800-424-LEAD. Ask for the brochure "Reducing Lead Hazards When Remodeling Your Home." This brochure explains what to do before, during, and after renovations.

If not conducted properly, certain types of renovations can release lead from paint and dust into the air.

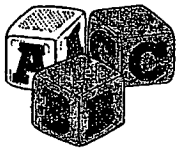
If you have already completed renovations or remodeling that could have released lead-based paint or dust, get your young children tested and follow the steps outlined on page 7 of this brochure.

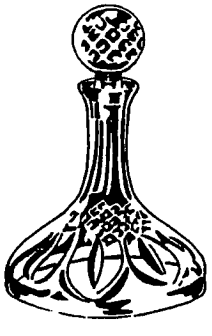


Other Sources of Lead



While paint, dust, and soil are the most common sources of lead, other lead sources also exist.





- **Drinking water.** Your home might have plumbing with lead or lead solder. Call your local health department or water supplier to find out about testing your water. You cannot see, smell, or taste lead, and boiling your water will not get rid of lead. If you think your plumbing might have lead in it:
  - Use only cold water for drinking and cooking.
  - Run water for 15 to 30 seconds before drinking it, especially if you have not used your water for a few hours.
- **The job.** If you work with lead, you could bring it home on your hands or clothes. Shower and change clothes before coming home. Launder your work clothes separately from the rest of your family's clothes.
- Old painted **toys** and **furniture.**
- Food and liquids stored in **lead crystal** or **lead-glazed pottery or porcelain.**
- **Lead smelters** or other industries that release lead into the air.
- **Hobbies** that use lead, such as making pottery or stained glass, or refinishing furniture.
- **Folk remedies** that contain lead, such as "greta" and "azarcon" used to treat an upset stomach.

For More Information



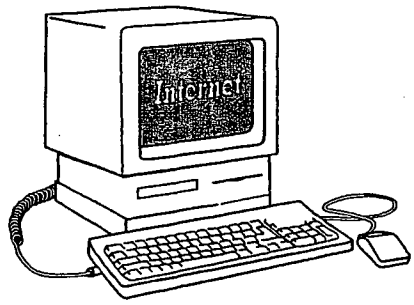
The National Lead Information Center

Call **1-800-424-LEAD (424-5323)** to learn how to protect children from lead poisoning and for other information on lead hazards. To access lead information via the web, visit **www.epa.gov/lead** and **www.hud.gov/offices/lead/.**

EPA's Safe Drinking Water Hotline

Call **1-800-426-4791** for information about lead in drinking water.

Consumer Product Safety Commission (CPSC) Hotline



To request information on lead in consumer products, or to report an unsafe consumer product or a product-related injury call **1-800-638-2772**, or visit CPSC's Web site at: **www.cpsc.gov.**

Health and Environmental Agencies

Some cities, states, and tribes have their own rules for lead-based paint activities. Check with your local agency to see which laws apply to you. Most agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards. Receive up-to-date address and phone information for your local contacts on the Internet at **www.epa.gov/lead** or contact the National Lead Information Center at **1-800-424-LEAD.**

For the hearing impaired, call the Federal Information Relay Service at **1-800-877-8339** to access any of the phone numbers in this brochure.

EPA Regional Offices

Your Regional EPA Office can provide further information regarding regulations and lead protection programs.

EPA Regional Offices

Region 1 (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)

Regional Lead Contact
U.S. EPA Region 1
Suite 1100 (CPT)
One Congress Street
Boston, MA 02114-2023
1 (888) 372-7341

Region 2 (New Jersey, New York, Puerto Rico, Virgin Islands)

Regional Lead Contact
U.S. EPA Region 2
2890 Woodbridge Avenue
Building 209, Mail Stop 225
Edison, NJ 08837-3679
(732) 321-6671

Region 3 (Delaware, Maryland, Pennsylvania, Virginia, Washington DC, West Virginia)

Regional Lead Contact
U.S. EPA Region 3 (3WC33)
1650 Arch Street
Philadelphia, PA 19103
(215) 814-5000

Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)

Regional Lead Contact
U.S. EPA Region 4
61 Forsyth Street, SW
Atlanta, GA 30303
(404) 562-8998

Region 5 (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)

Regional Lead Contact
U.S. EPA Region 5 (DT-8J)
77 West Jackson Boulevard
Chicago, IL 60604-3666
(312) 886-6003

Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas)

Regional Lead Contact
U.S. EPA Region 6
1445 Ross Avenue, 12th Floor
Dallas, TX 75202-2733
(214) 665-7577

Region 7 (Iowa, Kansas, Missouri, Nebraska)

Regional Lead Contact
U.S. EPA Region 7
(ARTD-RALI)
901 N. 5th Street
Kansas City, KS 66101
(913) 551-7020

Region 8 (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)

Regional Lead Contact
U.S. EPA Region 8
999 18th Street, Suite 500
Denver, CO 80202-2466
(303) 312-6021

Region 9 (Arizona, California, Hawaii, Nevada)

Regional Lead Contact
U.S. Region 9
75 Hawthorne Street
San Francisco, CA 94105
(415) 947-4164

Region 10 (Alaska, Idaho, Oregon, Washington)

Regional Lead Contact
U.S. EPA Region 10
Toxics Section WCM-128
1200 Sixth Avenue
Seattle, WA 98101-1128
(206) 553-1985

CPSC Regional Offices

Your Regional CPSC Office can provide further information regarding regulations and consumer product safety.

Eastern Regional Center
Consumer Product Safety Commission
201 Varick Street, Room 903
New York, NY 10014
(212) 620-4120

Western Regional Center
Consumer Product Safety Commission
1301 Clay Street, Suite 610-N
Oakland, CA 94612
(510) 637-4050

Central Regional Center
Consumer Product Safety Commission
230 South Dearborn Street, Room 2944
Chicago, IL 60604
(312) 353-8260

HUD Lead Office

Please contact HUD's Office of Healthy Homes and Lead Hazard Control for information on lead regulations, outreach efforts, and lead hazard control and research grant programs.

U.S. Department of Housing and Urban Development
Office of Healthy Homes and Lead Hazard Control
451 Seventh Street, SW, P-3206
Washington, DC 20410
(202) 755-1785

This document is in the public domain. It may be reproduced by an individual or organization without permission. Information provided in this booklet is based upon current scientific and technical understanding of the issues presented and is reflective of the jurisdictional boundaries established by the statutes governing the co-authoring agencies. Following the advice given will not necessarily provide complete protection in all situations or against all health hazards that can be caused by lead exposure.

U.S. EPA Washington DC 20460
U.S. CPSC Washington DC 20207
U.S. HUD Washington DC 20410

EPA747-K-99-001
June 2003

Simple Steps To Protect Your Family From Lead Hazards

If you think your home has high levels of lead:

- Get your young children tested for lead, even if they seem healthy.
- Wash children's hands, bottles, pacifiers, and toys often.
- Make sure children eat healthy, low-fat foods.
- Get your home checked for lead hazards.
- Regularly clean floors, window sills, and other surfaces.
- Wipe soil off shoes before entering house.
- Talk to your landlord about fixing surfaces with peeling or chipping paint.
- Take precautions to avoid exposure to lead dust when remodeling or renovating (call 1-800-424-LEAD for guidelines).
- Don't use a belt-sander, propane torch, high temperature heat gun, scraper, or sandpaper on painted surfaces that may contain lead.
- Don't try to remove lead-based paint yourself.

Recycled/Recyclable
Printed with vegetable oil based inks on recycled paper (minimum 50% postconsumer) process chlorine free.

LETTER OF TUCHMAN, KATZ, SCHWARTZ, GELLES, KORNGOLD & WEISS, LLP

TUCHMAN, KATZ, SCHWARTZ, GELLES, KORNGOLD & WEISS, LLP
COUNSELORS AT LAW
6 EAST 45TH STREET, NEW YORK, N. Y. 10017
(212) 687-3747
FAX: (212) 599-4459

BERT TUCHMAN
PAUL J. KORNGOLD
ERIC S. WEISS
JENNIFER POLOVETSKY

WALTER R. GELLES
HOWARD L. SCHWARTZ
COUNSEL

May 8, 2006

The Badge Development LLC
165 Williams Avenue
Brooklyn, New York 11207

RE: 10-55 47th Avenue f/k/a 46-44 11th Street
Block 47, Lot 21
Borough of Queens
City of New York

Dear Sir or Madam:

This letter is in response to your request for an opinion and projection of the estimated real estate assessments and taxes upon the completion of construction and creation of a condominium. THIS LETTER IS BEING SENT TO YOU WITH THE EXPRESS UNDERSTANDING THAT OUR FIRM ASSUMES NO LIABILITY FOR OUR OPINIONS PRESENTED HEREIN. THESE OPINIONS ARE PRESENTED ONLY FOR YOUR ASSISTANCE IN PREPARATION OF YOUR OFFERING PLAN.

You have requested our opinion concerning the real property assessment to be levied upon the captioned premises as well as the taxes for the budget year for the first year of condominium operation which you have advised us will be the period August 1, 2007 through July 31, 2008. You have also asked us to provide our estimate for the real estate taxes for the first full tax year after completion of construction. You have advised us that the project will consist of the gut renovation of an existing four story nonresidential building and the addition of approximately 36,000 square feet so as to create a 44 unit residential apartment building with 15 parking spaces

In order to prepare this letter and the opinion set forth herein, you have supplied us with certain information upon which we have relied. This information consists of the fact that you purchased the property in 1996. You have advised us of your purchase price and your estimated construction costs. You have also supplied us with a square footage analysis of the project as well as plans prepared by the architectural firm of Bricolage Designs. You have further advised us that construction has commenced and that you anticipate construction will be completed with the issuance of a new permanent or temporary certificate of occupancy during the Summer of 2007.

We have also considered the recent tax assessment history of the property, the cost of the new project, the potential income for the new structure (if operated as a rental), comparable properties in the Borough of Queens which have been newly constructed or undergone renovation as well as market conditions in the general area.

Tax Assessments in New York City are made on a fiscal year basis running from July 1 of any one year to the next succeeding June 30. The status of the building on January 5 of any one year is the basis of the assessment for the fiscal year beginning that July 1. The tentative assessment tax roll containing the tentative 2006/2007 assessment was published on January 17, 2006. The tentative assessment roll showed the following values:

Tax Class	Actual Assessed Value
4	$190,350

In predicting the future assessed value, we have given consideration to the following factors:

1. The current claimed standard of assessment used by the Real Property Division of the New York City Department of Finance is to assess at 45% of value.

2. The estimated cost of construction.

3. The potential capitalized net income of the property if operated as a rental.

4. Tax Assessments of comparable properties.

Real Property Tax Law Section 581 provides that cooperative and condominium apartments shall be assessed for tax purposes as if the building was a comparable rental property. Thus, the Department of Finance is prohibited from utilizing the sales prices of the individual condominium units in determining the assessed valuation. Therefore the prices that you set in your offering plan and any subsequent sales or resales are not relevant in determining the assessed value of the property or of the individual condominium units. Upon conversion to a condominium and after an application is submitted by you, the New York City Department of Finance shall assign individual tax lot numbers to each of the condominium units. The

residential condominium units will be designated as a tax class 2 property and will pay on the class 2 tax rate. The current 2005/06 class 2 tax rate (2006/2007 will not be set until later this year) has been set at $12.396 for each $100 of assessed valuation.

Real Property Tax Law Section 1805 provides for the creation of a transition assessment system within the City of New York. Under the transition assessment system, the usual increase in the actual assessed value of a property between one year and the next is phased in over a five year period in equal installments. The five year phase in does not apply to new construction or other increases due to physical improvements to the property. Increases due to such physical improvements or new construction are added in full to the next year's assessment. Pursuant to Real Property Tax Law Section 1805, the taxable assessment is determined to be the lesser of the actual assessed valuation or the transition assessed valuation. There will be a substantial increase in value for 2007/2008 and 2008/2009 as a result of the alteration which will be placed on the assessment roll immediately and not subject to the five year phase in. Due to the fact that most of the increase in assessed valuation will be due to the new construction, we are not projecting a transition assessed value, although in future years after construction has been completed, increases in assessed value will likely result in the taxable assessment being based on a phased-in transition assessed value.

We caution you that there is not presently an official apportionment of the assessment for the 2006/2007 tax year and it is likely that there will not be such an apportionment for 2007/2008 and you should therefore include in your offering plan a provision to unofficially apportion the tax liability among the units until such time as an official apportionment of the assessed value is made and becomes effective.

Predicated upon the foregoing, it is our opinion that for the 2007/2008 tax year, the assessed valuation of the property will be $1,500,000 and for 2008/2009 the assessed valuation will be $3,000,000. We caution you that with respect to our opinion for 2007/2008, we have found that the assessment practices of the New York City Department of Finance are notoriously inconsistent in assessing properties during the course of construction.

We have been advised that in determining the assessed values for the individual residential units, the Department of Finance, commencing with the 2006/2007 assessment roll will follow the residential common interest percentages set forth in the condominium declaration if such percentages are rationally and fairly determined.

Therefore assuming the class 2 tax rate increases to $12.50, we make the following projections of the real estate taxes prior to any tax exemptions or abatements for the budget year August 1, 2007 through July 31, 2008:

2007/2008 (11 Months)

Assessed Value	Tax Rate	11 Months Tax
$1,500,000	.125	$171,875

2008/2009 (1 Month)

Assessed Value	Tax Rate	1 Month Tax
$3,000,000	.125	$31,250

Estimated total first budget year tax:	$203,125
Estimated total first post construction year tax:	$375,000

You have also requested our opinion as to the eligibility of the above referenced property to receive a 421-a real estate tax exemption. The 421-a Tax Exemption program was enacted pursuant to Section 421-a of the Real Property Tax Law of the State of New York, Section 11-245 of the Administrative Code of The City of New York and has been implemented through regulations promulgated by the New York City Department of Housing Preservation and Development. The law is designed to encourage construction of new multiple dwellings by offering an exemption from real estate taxes for a period of years. The exemption covers the increase in assessed valuation resulting from construction of a new building over the prior assessed valuation on the property and eliminates for a period of years any taxation on that increase in assessed valuation. The exemption does not eliminate all real estate taxes.

You have advised us that (1) prior to the commencement of construction and on a date three years prior to commencement, the property met the underutilization requirements of the regulations, (2) all work will be performed in accordance with law and that all required filings have or will be will be made with the Department of Buildings and all agencies having the appropriate jurisdiction, (3) construction commenced earlier this year and you expect construction to be completed by the Summer of 2007.

The 421-a rules and regulations define Commencement of Construction in part as follows:

> Commencement of construction. "Commencement of construction"' shall mean the date upon which excavation and the construction of initial footings and foundations commences in good faith. An architect or professional engineer licensed in the State of New York shall certify that such construction commenced on such date and that such construction was thereafter completed without undue delay.

As a part of the 421-a application, such certification must be provided to HPD. You have advised us that your architect will make the required certification on the form prescribed by HPD.

The 421-a rules and regulations define Completion of Construction as follows:

> Completion of construction. "Completion of construction" shall mean the date upon which either a Temporary Certificate of Occupancy is issued for all residential areas in the multiple dwelling or a Permanent Certificate of Occupancy is issued for the entire building.

Although we have been advised by you that work is expected to be completed by the Summer of 2007, as long as work is completed within 3 years of commencement, there will be no reduction in 421-a tax exemption benefits.

In order to be eligible for 421-a tax exemption benefits, there are certain preconditions which must be met. The major preconditions, as set forth in the regulations are as follows:

In order to be eligible for 421-a tax exemption benefits, the land on which the project is located must have been "vacant, predominantly vacant, underutilized or improved with a non-conforming use on the operative date." "Operative date" is defined in the regulations to be the date 36 months prior to commencement of the project. Since the project commenced construction earlier this year, the operative date would be three years prior to that commencement date. The definition of underutilized for the purpose of this project is contained in section 6-02(f)(3)(F)(a) of the rules and regulations governing section 421-a of the Real Property Tax Law. This section grants eligibility follows:

(F) Except as provided in subparagraph (G) of this paragraph, commencement of construction occurred on or after October 30, 2002 on land that was improved with a nonresidential building or buildings

(a) each of which contained:

(1) no more than the permissible floor area ratio for non-residential buildings in the zoning district in question, and

(2) (I) a floor area ratio which was seventy-five percent (75%) or less of the maximum floor area ratio for residential buildings in such zoning district, or (ii) if the land was not zoned to permit residential use on the operative date, had a floor area ratio which was seventy-five percent (75%) or less of the floor area ratio of the residential building which replaces such non-residential building; or

(b) each of which had an actual assessed valuation equal to or less than seventy-five percent (75%) of the actual assessed valuation of the land on which the building or buildings were situated, or

(c) which, by reason of the building's configuration, or substantial structural defects not brought about by deferred maintenance practices or

intentional conduct, could no longer be functionally or economically utilized, on the operative date, in the capacity in which it was formerly utilized.

You have provided me with an affidavit from Douglas Pulaski, Registered Architect of the office of Bricolage Designs which sets forth that on the applicable date, the existing building meets this test.

421-a tax exemption benefits are available only to new multiple dwellings which cannot be used for Hotel or Single Room Occupancy purposes. A recent statutory change to Real Property Tax Law Section 421-a (1)(c) changed the definition of multiple dwelling to now include "new residential construction and the concurrent conversion, alteration or improvement of a pre-existing building or structure provided that (I) for all tax lots now existing or hereafter created, no more than forty-nine percent of the floor area (as defined in paragraph b of this subdivision) of the multiple dwelling consists of the pre-existing building or structure that was converted, altered or improved. We have been advised that this project will meet these requirements in that the floor area of the pre-existing building will represent less than 49% of the new multiple dwelling.

There are certain construction requirements to be eligible for 421-a tax exemption benefits. Special requirements exist for building with at least 100 units. Since this building will contain less than 100 units, these restrictions do not apply. Additional requirements are placed on buildings where there were previously existing residential units. Since there were no residential units previously on this property, these requirements are not applicable.

421-a tax exemption benefits are not available if the project receives exemption benefits under any other law. These units will not receive any other exemption and thus remain eligible for 421-a tax benefits. In order to be eligible for 421-a tax exemption benefits, the project must commence prior to December 2007. This project will meet that requirement.

Utilizing the information supplied to us, it is our opinion that upon completion of the alteration, issuance of a residential certificate of occupancy by the Department of Buildings evidencing a Class A multiple dwelling and approval by the various New York City departments having jurisdiction thereof, the building will qualify for 421-a tax exemption benefits. The 421-a tax exemption that is applicable to this project will last for a period of 15 years as set forth below:

Year	Percent of Increased Assessed Valuation Which is Exempt
1-11	100%
12	80%
13	60%
14	40%
15	20%
16	0%

In addition multiple dwellings which satisfy all of the requirements of the law and receive a Preliminary Certificate of Eligibility shall be exempt from real property taxes, other than assessments for local improvements, upon any increase in assessed valuation over the prior assessed valuation during the statutorily defined period of construction, or for a period of three years, whichever is less, provided that taxes shall be paid in each year for the remaining tax that shall be due.

Real Estate taxes shall be based initially on the assessed value on the property for the year prior to commencement of construction multiplied by the current tax rate. This tax is sometimes known as the mini-tax. Since work commenced during the 2005/2006 tax year, the mini-tax will be determined by multiplying the 2004/2005 transition assessed value by the current tax rate. For 2004/2005, according to the Department of Finance AVHS printout, the transition assessment was $396,900. Therefore, assuming the tax rate is $12.50 per one hundred dollars of assessed valuation, the mini-tax shall be $49,612.

421-a tax benefits are not automatic. An application must be made to the Department of Housing Preservation and Development. This application must contain supporting documentation such as copies of all city permits and approvals, and an accountant's certification. All information contained in a 421-a application must be true and complete. The application is subject to an audit after the certificate of eligibility has been issued. These benefits may be revoked if an application contains false information. In addition, an application must be submitted to HPD prior to the issuance of a permanent certificate of occupancy. Our office has been retained to submit this application and provided you furnish all required documentation to us, the application will be submitted in a timely manner and processed in accordance with law..

Based upon the information you have given to us and assuming the application is submitted to HPD at this time, it is likely that the 421-a tax exemption benefits to be in effect before the tax bills are issued for the 2007/2008 tax year.

We had previously set forth above our estimate of the taxes for the budget year August 1, 2007 to July 31, 2008. However utilizing the assumptions and estimates contained above, we estimate the taxes on this property after 421-a tax exemption will be determined as follows:

2007/2008 (11 Months)[1]

Assessed Value	Exempt Value	Taxable Value	Tax Rate	Tax (11 Months)
$1,500,000	1,103,100	396,900	.125	$45,478

2008/2009 (1 Month)

Assessed Value	Exempt Value	Taxable Value	Tax Rate	Tax (1 Months)
$3,000,000	2,603,100	396,900	.125	$4,134

Estimated Initial Budget Year and Post Construction Tax After 421-a Tax Exemption $49,612

BASED UPON OUR PREVIOUS EXPERIENCE WITH SUCH PROCEEDINGS, WE HAVE ISSUED THE WITHIN LETTER WITH THE SPECIFIC UNDERSTANDING THAT WE MAKE NO WARRANTIES THAT SUCH EXEMPTION WILL BE FORTHCOMING.

Our firm has an extensive practice in real estate tax review matters and in 421-a and tax exemption/ tax abatement applications, and we currently represent the owners of approximately 3,000 buildings in the City of New York, and file applications for correction of the tax assessments and tax exemptions/tax abatements on these properties. This firm and its predecessors have been engaged in such practice for a period of approximately 50 years. Additionally, the writer is the chairman of the Law Committee of the Associated Builders and Owners of Greater New York, a director of both the New York State Builders Association and the Associated Builders and Owners of Greater New York, a past member of the Tax Certiorari and Condemnation Committee of the Bar Association of the City of New York, and is a director and former President of the Real Estate Tax Review Bar Association, a specialized Bar dealing with real estate tax assessment matters.

WE MAKE NO REPRESENTATIONS OR GUARANTIES THAT THE ASSESSED VALUE WILL BE FIXED AT ANY AMOUNT. THIS LETTER IS BEING SENT TO YOU WITH THE EXPRESS UNDERSTANDING THAT OUR FIRM ASSUMES NO LIABILITY TO YOU OR TO ANY PURCHASER OF THE CONDOMINIUM UNITS OR TO ANY LENDER FOR OUR OPINIONS PRESENTED HEREIN. NEITHER WE NOR ANY PERSON CAN GUARANTEE WHAT THE REAL ESTATE TAXES WILL BE AT

[1] It is possible that the 2007/2008 exemption will be placed retroactively.

ANY FUTURE DATE. CHANGES IN LAW OR POLICIES OF GOVERNMENT AGENCIES MAY RADICALLY CHANGE THE OPINIONS EXPRESSED HEREIN AND INTERESTED PARTIES SHOULD BE AWARE THAT THE ESTIMATE OF THE 2007/2008 AND 2008/2009 TAX ASSESSMENTS COVER A PERIOD INTO THE FUTURE. WE ASSUME NO RESPONSIBILITY OR LIABILITY FOR ANY VARIATIONS IN THE TAXES OR ASSESSED VALUES FROM THE PROJECTIONS MADE HEREIN.

The opinion expressed herein is that of the undersigned, and does not purport to express the opinion of the New York City Department of Finance or any city or government agency. The Department's opinion may result in substantially different total taxes for both budget years as well as for tax years 2007/2008 and 2008/2009 than set forth herein. We consent to the inclusion of this letter in the offering plan.

Very truly yours,

TUCHMAN, KATZ, SCHWARTZ, GELLES, KORNGOLD & WEISS, LLP.

By: Paul J. Korngold

DECLARATION OF CONDOMINIUM

DECLARATION

Establishing a Plan for Condominium Ownership

of the Premises known as
The Badge Building
and
having a street address of
10-55 47th Avenue
Long Island City, New York 11101

Pursuant to Article 9-B of the Real Property Law of the State of New York

Name:

A Condominium known as

The Badge Building

Sponsor:

THE BADGE DEVELOPMENT LLC
165 Williams Avenue
Brooklyn, New York 11207

Date of Declaration:

_____, 2006

Prepared by:
Gerstein Strauss & Rinaldi LLP
Attorneys At Law
57 West 38th Street
New York, New York 10018
(212) 398-7900

The land affected by the within instrument lies in Block 47, F/K/A Lot 21, N/K/A Lots ____ and ____ on the Tax Map of the Borough of Queens, County of New York, City of New York

INDEX TO DECLARATION

ARTICLE 1	DEFINITIONS	1
ARTICLE 2	SUBMISSION OF THE PROPERTY	1
ARTICLE 3	NAME OF THE CONDOMINIUM	1
ARTICLE 4	THE LAND	1
ARTICLE 5	THE PROPERTY AND THE BUILDING	1
ARTICLE 6	THE UNITS	2
ARTICLE 7	THE COMMON ELEMENTS	3
ARTICLE 8	DETERMINATION OF COMMON INTEREST	4
ARTICLE 9	USE OF UNITS	4
ARTICLE 10	EASEMENTS FOR THE ENJOYMENT OF THE COMMON ELEMENTS	5
ARTICLE 11	OTHER EASEMENTS	6
ARTICLE 12	ALTERATIONS, ADDITIONS, IMPROVEMENTS AND CHANGES TO UNSOLD RESIDENTIAL UNITS	7
ARTICLE 13	ACQUISITION OF UNIT BY THE CONDOMINIUM BOARD	8
ARTICLE 14	POWER OF ATTORNEY TO SPONSOR AND THE CONDOMINIUM BOARD	8
ARTICLE 15	INTENTIONALLY DELETED	9
ARTICLE 16	TERMINATION OF CONDOMINIUM	9
ARTICLE 17	COVENANT OF FURTHER ASSURANCES	9
ARTICLE 18	COVENANTS RUNNING WITH THE LAND	10
ARTICLE 19	AMENDMENTS TO THIS DECLARATION	11
ARTICLE 20	CONSENTS BY SPONSOR	12
ARTICLE 21	PERSON TO RECEIVE SERVICE	12
ARTICLE 22	INCORPORATION BY REFERENCE	12
ARTICLE 23	WAIVER	13
ARTICLE 24	SEVERABILITY	13
ARTICLE 25	SUCCESSORS AND ASSIGNS	13
ARTICLE 26	CAPTIONS	13
ARTICLE 27	CERTAIN REFERENCES	13
EXHIBIT A.	DESCRIPTION OF THE LAND	
EXHIBIT B.	DESCRIPTION OF THE UNITS	
EXHIBIT C.	DEFINITIONS	
EXHIBIT D.	BY-LAWS OF THE CONDOMINIUM	
EXHIBIT E.	UNIT POWER OF ATTORNEY	

DECLARATION
OF
THE BADGE BUILDING, A CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

The Badge Development LLC, a limited liability company organized under the laws of the State of New York, having offices at 165 Williams Avenue, Brooklyn, New York 11207 ("Sponsor"), does hereby declare as follows:

ARTICLE 1

DEFINITIONS

All capitalized terms used in this Declaration that are not otherwise defined in the Articles hereof shall have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used shall otherwise require. All capitalized terms used in this Declaration that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the said capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

ARTICLE 2

SUBMISSION OF THE PROPERTY

Sponsor hereby submits the Property to the provisions of the Condominium Act and pursuant thereto, does hereby establish a regime for the condominium ownership of the Property as more particularly set forth herein and in the By-Laws.

ARTICLE 3

NAME OF THE CONDOMINIUM

The Condominium shall be known as The Badge Building.

ARTICLE 4

THE LAND

Included in the Property is the Land which is more particularly described in Exhibit A annexed hereto.

ARTICLE 5

THE PROPERTY AND THE BUILDING

5.1 Included in the Property is a residential apartment building ("Building"). The Building contains a total of 44 Residential Units (referred to as the "Residential Units" or the "Units"). The Building consists of an existing four (4) story structure with a partial cellar, a two (2) story extension over the existing four (4) story structure and an eight (8) story extension to the northerly side of the existing

structure. The structural system of the existing Building is flat slab construction. The structural system for the eight (8) story and two (2) story extensions will be a steel column and beam framing system.

ARTICLE 6

THE UNITS

6.1 Exhibit B annexed hereto sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; tax lot number; approximate location in the Building; approximate square foot area of Units and Limited Common Elements; number of rooms; the portions of the Common Elements to which such Unit has immediate access; and the Common Interest appurtenant to such Unit. The precise location of each Unit is shown on the Floor Plans.

6.2 A Residential Unit shall consist of the following:

Measured horizontally, the Units were measured to the exterior face of any exterior walls directly enclosing the Unit; to the centerline of any wall or partition separating the Unit from another Unit; to the non-Unit side of any wall or partition separating the Unit from any corridor, stair, elevator or mechanical space, where those elements do not exclusively serve the Unit.

Measured vertically, each Unit will consist of the space between the top of the concrete slab or material forming the sub-floor of the Unit to the unexposed side of the ceiling or structural members supporting the floor above.

Common Elements which fall within the boundaries of the Unit are not deducted from the square foot area of the Unit, but are not part of the Unit.

6.3 Each Unit includes, and each Unit Owner shall be responsible for, the front entrance door and any other entrance doors to such Unit, the interior walls, partitions, floors and floor coverings and plastered ceilings affixed, attached or appurtenant to such Unit, smoke detectors, carbon monoxide detectors, window panes, all plumbing, gas and heating fixtures and equipment such as refrigerators, dishwashers, washers and dryers (if installed by Sponsor), heating, ventilating and air conditioning units (including the fans inside the units), heating equipment, ranges and other appliances, sinks, bathtubs, waterclosets and all other Facilities as may be affixed, attached or appurtenant to such Unit and serving such Unit exclusively, such as window panes in any skylights. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors. Each Unit shall also include all lighting and electrical fixtures and appliances within the Unit and any special equipment, fixtures or Facilities affixed, attached or appurtenant to the Unit, to the extent located within a Unit from the panel and serving or benefiting only that Unit. Any Common Elements located within a Unit shall not be considered a part of such Unit.

6.4 Notwithstanding anything contained in this Article to the contrary, each Unit Owner will have the right, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, wall to wall carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the structural

integrity, sound integrity and mechanical and electrical systems of such Unit or of the Building or violate Law.

6.5 As of the date of the filing of this Declaration with the Register's Office, fee simple absolute title shall automatically vest in Sponsor in all Units, individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

ARTICLE 7

THE COMMON ELEMENTS

7.1 The Common Elements consist of the entire Property, including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements are comprised of the General Common Elements and the Limited Common Elements.

7.2 The General Common Elements consist of the Land and those rooms, areas, corridors and other portions of the Building (other than the Units), as well as those Facilities therein, either currently or hereafter existing for the common use of the Units or of the Unit Owners or necessary for, or convenient to, the existence, maintenance, management, operation, or safety of the Property. Without intending to limit the generality of the foregoing in any respect, the General Common Elements include:

(i) the Land (including the landscaping) and any improvements thereon, together with all easements, rights and privileges appurtenant thereto;

(ii) all foundations, columns, beams, supports, girders, exterior walls, interior walls, partitions, floors, window systems other than the glass, roofs and ceilings in, on, or under the Building, separating a Unit from a General Common Element, from the midpoint of any such wall, partition, floor or ceiling to the boundary line of such General Common Element, as the case may be, to the extent that the same are not expressly included as part of the Limited Common Elements pursuant to the terms of Paragraph (7.3) below or a Unit pursuant to the terms of Article 6 hereof;

(iii) all concrete floor slabs and concrete ceilings, all sidewalks, curbs, hallways, corridors, mechanical and electrical spaces, service entrances, stairways, vestibules and basements and cellars, storage spaces, elevators, elevator shafts and pits and equipment rooms, the boiler room, the electric room, the utility meter rooms, the mechanical room, entrances to, and exits from, the Building and spaces devoted to the use of persons employed with the operation of the Property, to the extent that the same are not expressly included as part of the Limited Common Elements pursuant to the terms of Paragraph (7.3) below or a Unit pursuant to the terms of Article 6 hereof;

(iv) all central and appurtenant installations and Facilities for services such as power, light, telephone, intercom, gas, sewer, plumbing, drainage, hot and cold water distribution, heat, garbage disposal, master and cable television and other mechanical and electrical systems, which service the Residential Units and/or all of the General Common Elements and the Limited Common Elements, to the extent that the same are not expressly included as a part of the Limited Common Elements pursuant to the terms of Paragraph (7.3) below or a Unit pursuant to the terms of Article 6 hereof; and

(v) all other parts of the Property, and all apparatus and installations now existing or hereafter constructed in the Building or on the Property, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property.

7.3 The Limited Common Elements consist of all portions of the Land and Building (other than the Units) that are for the use of one or more specified Residential Units to the exclusion of all other Units. Without intending to limit the generality of the foregoing in any respect, the Limited Common Elements include terraces, balconies, private gardens, Cabanas, Storage Rooms, Parking Spaces which shall be for the exclusive use of such Residential Unit Owners.

7.4 The Common Elements shall remain undivided, and no Unit Owner or any other Person shall bring, or shall have the right to bring, any action for partition or division thereof, except as is expressly permitted pursuant to the terms of Article 15 hereof and Section 5.5 of the By-Laws.

ARTICLE 8

DETERMINATION OF COMMON INTEREST

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

ARTICLE 9

USE OF UNITS

9.1 As more particularly set forth in, and subject to the provisions of Law and the By-Laws, the Residential Units may be used for residential purposes. A Residential Unit owned or leased by an individual, corporation, partnership, fiduciary or any other entity (including, but not limited to, the United States government and any instrumentality thereof and foreign governments and any embassy, consulate, or other instrumentality thereof, any foreign government or any embassy, consulate or other instrumentality thereof) may only be occupied (unless the Condominium Board otherwise consents) by said individual, or an individual officer, director, stockholder or employee of such corporation, or by an individual partner or employee of such partnership, or by said individual fiduciary or (including directors, officers, stockholders or employees of corporate fiduciaries or partners or employees of partnership fiduciaries) or by an individual beneficiary of said fiduciary, or an individual principal or employee of such other entity, respectively, or by Family Members or guests of any of the foregoing (and nothing contained in this sentence shall be deemed to prohibit the exclusive occupancy of any Residential Unit by such Family Members or guests); however, the foregoing restrictions shall not apply to Unsold Units. Any Unit may be used for professional purposes, or for any other lawful purposes, subject, however, to (1) the terms and conditions of the then existing certificate of occupancy for the Building, (2) applicable Law, (3) the use of such Unit not adversely affecting the use and enjoyment of neighboring or adjacent Units for residential purposes, and (4) the prior written permission of the Condominium Board which permission shall in no event be granted unless the Condominium Board affirmatively finds that the conditions in (1) through (3) above have been met. Residential Units may only be leased in accordance with the By-Laws and the Rules and Regulations.

9.2 Notwithstanding the foregoing or anything contained in the By-Laws or the Rules and Regulations to the contrary, Sponsor may without the permission of the Condominium Board, (1) grant permission for the use of any Unsold Unit as a professional office or for any other purpose, provided such use is permitted by Law, and does not violate the then existing certificate of occupancy for the Building or any other governmental regulations, (2) use any Unsold Units as model Units and offices for the selling, leasing, management, operation and promotion of the Unsold Units or for any other purpose, subject only to compliance with Law, and (3) lease an Unsold Unit to third parties.

ARTICLE 10

EASEMENTS FOR THE ENJOYMENT OF THE COMMON ELEMENTS

10.1 Subject to the terms of the By-Laws and the Rules and Regulations, Sponsor, the Unit Owners, all other permitted tenants and occupants of the Building, the Selling Agent, the Managing Agent, the Condominium Board and all officers, partners, employees, agents, guests, invitees and licensees of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the General Common Elements, and the General Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no Person shall use or enjoy the General Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other Persons to do so.

10.2 Subject to the terms of the By-Laws and the Rules and Regulations, Sponsor, the Unit Owners, all other permitted tenants and occupants of Residential Units, the Selling Agent, the Managing Agent, the Condominium Board and all officers, partners, employees, agents, guests, invitees and licensees of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the Common Elements, and the Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no person shall use or enjoy the Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other persons to do so.

10.3 Each Residential Unit Owner whose Residential Unit has one or more appurtenant Limited Common Elements shall, notwithstanding anything to the contrary contained herein, have an exclusive easement for the use thereof. The Residential Units having the same are indicated on Exhibit B.

10.4 Notwithstanding anything to the contrary contained in Section 10.1, or 10.3 hereof, Sponsor and its invitees, licensees, contractors, employees, agents and tenants shall have an easement in, over, under, through and upon the Common Elements to use the same, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of Unsold Residential Units and shall have the right to use any one or more Unsold Residential Units as sales, rental and/or management offices and/or as model units. Such Unsold Residential Units shall remain Units within the meaning of this Declaration, the By-Laws and the Condominium Act, and shall not comprise a part of the Common Elements. In addition, Sponsor shall have the right, to the extent permitted by Law, to use one or more portions of the Common Elements (including but not limited to, lobbies, hallways and corridors), as designated by Sponsor in its sole discretion, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of Unsold Units, which right shall include, without limitation, the right to place "for sale", "for rent" and other signs and promotional materials, of such size and content as Sponsor shall determine, in, on, about and adjacent to the exterior walls of the Building.

10.5 Sponsor shall have an easement to erect, use, lease, maintain, repair, replace and operate antennae, satellite dishes and other communications equipment, as permitted by Law, on any part of the roof and/or façade of the Building and elsewhere on the Common Elements and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith. Sponsor shall be entitled to utilize such easement for Sponsor's own account or the account of any tenants or licensees of Sponsor, as the case may be, provided however that the easement shall not be used for the operation of a telecommunications company or any other business whose primary purpose is the broadcasting of telephone, radio, communications or other signals. In addition, Sponsor shall have an easement to the extent permitted by law, to erect, maintain, repair and replace, from time to time, one or more signs, of such size and content as the Sponsor shall determine, on, or about, or adjacent to the Property (including the exterior walls of the Building) for the purposes of advertising the sale of any Unit, the leasing of space in any Unit and the operation of any business of a tenant or occupant of any Unit.

ARTICLE 11

OTHER EASEMENTS

11.1 Subject to the terms of the By-Laws and to the Rules and Regulations, each Unit Owner shall have an easement in common with all other Unit Owners to use, maintain, repair, alter and replace all Common Elements located in any of the other Units or elsewhere on the Property which serve his Unit. Each Unit shall be subject to an easement in favor of all Unit Owners to use, maintain, repair, alter and replace all Common Elements located in such Unit or elsewhere on the Property which serve other Units. All easements and rights of access described in this section shall be exercised by the Condominium Board on behalf of all Unit Owners. The Condominium Board shall have an easement and a right of access to each Unit and to the Common Elements to inspect the same, to remove violations therefrom and to install, operate, maintain, repair, alter, rebuild, restore and replace any of the Common Elements located in, over, under, through, adjacent to, or upon the same, and each Unit and the Common Elements shall be subject to such easement and right of access. Such easements and rights of access shall be exercised by the Condominium Board in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on reasonable prior notice based on the nature of the repair or replacement but in no event on less than 2 days' notice, except that no notice will be necessary in the case of an "emergency" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building). Plans and specifications with respect to any such proposed work shall be submitted by the Unit Owner who has requested that the Condominium Board exercise any such easement or right of access, to the Unit Owner whose Unit is to be accessed and all work is to be prosecuted diligently to completion. Notwithstanding any other provision of this Declaration, the By-Laws or the Rules and Regulations, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected.

11.2 Sponsor, for so long as it shall own any Unsold Residential Unit, and the Condominium Board, on behalf of all Unit Owners, shall have the right to grant such additional electric, gas, steam, cable television, telephone, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility easements to, any portion of the Property as Sponsor or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided that the granting of such additional utility easements or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Units for their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any utility company and its employees and agents shall have the right of access to each Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the use of the Units for their permitted purposes. Notwithstanding any other provision of this Declaration, the By-Laws or the Rules and Regulations, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected.

11.3 Sponsor and its contractors, employees and agents for so long as Sponsor shall own any Unsold Unit, shall have an easement for ingress and egress through all of the Common Elements in order to make alterations, additions, or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon Unsold Units.

11.4 Each Unit and the Common Elements shall have easements of subjacent support and necessity, and the same shall be subject to such easements in favor of all of the other Units and the Common Elements.

11.5 The Condominium and Building shall be designated and known as The Badge Building. Sponsor shall own and control all rights and interest, appurtenant to the name of the Condominium and/or the Building. Only Sponsor shall have the right to change or assign the name of the Condominium subject to the consent of the Condominium Board. Sponsor shall have an exclusive easement for so long as the Condominium shall remain in existence to erect, maintain, repair and replace, from time to time, a plaque and/or sign ("Plaque"), without charge, on the exterior portion of the Building setting forth the name and address of Sponsor, or such other information as the Sponsor desires in its sole discretion. Only Sponsor shall the right to remove the Plaque, unless mandated by Law.

11.6 If (a) any portion of the Common Elements encroaches upon any Unit or upon any other portion of the Common Elements, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachment shall hereafter occur as a result of (i) the settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board, or made by Sponsor in accordance with this Declaration or the By-Laws or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

11.7 In addition to the specific easements set forth in this Article 11 and in Article 10 hereof, the Property and every portion thereof shall be subject to all easements made with the City of New York or with any utility companies or other Persons in effect prior to the recording of this Declaration.

ARTICLE 12

ALTERATIONS, ADDITIONS, IMPROVEMENTS AND CHANGES TO UNSOLD RESIDENTIAL UNITS

Except to the extent prohibited by Law, Sponsor shall have the right, without the vote or consent or approval of the Condominium Board, other Unit Owners, the Selling Agent, the Managing Agent or the Mortgage Representatives, if any, to:

(a) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon Unsold Units and their appurtenant Limited Common Elements, if any;

(b) change the layout of, or number of rooms in, any Unsold Units;

(c) change the size and/or number of Unsold Units by (w) subdividing one or more Unsold Units into two or more separate Units, (x) combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, (y) altering the boundary walls between any Unsold Units, or (z) otherwise, including incorporating Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Unit) which exclusively benefit an Unsold Unit into such Unit; and

(d) if appropriate, reapportion among the Unsold Units affected by such change in size or number pursuant to the preceding clauses their Common Interest provided, however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon any Unsold Unit:

(i) no physical modifications shall be made to any other Unit and the Common Interest (other than Unsold Units), as the case may be, or interior dimensions of any other

Units (other than Unsold Units) shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(ii) Sponsor shall comply with Law and shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(iii) such alteration, addition, improvement, or change shall not jeopardize the soundness or structural integrity of any part of the Building.

Notwithstanding the foregoing, however, the aggregate amounts of the Common Interests of all the Units shall always remain at 100%, and no reapportionment of the Common Interest appurtenant to any Unit, as the case may be, shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest of the affected Unit has been based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered, at Sponsor's election, by Sponsor, the Selling Agent, the Managing Agent, or any other Person reasonably acceptable to the Condominium Board. The provisions of this Article 12 may not be added to, amended, modified, or deleted without the prior written consent of Sponsor. By written permission of the Condominium Board which permission, shall not be unreasonably withheld, any other Unit Owner, may be given with respect to his Unit, the same rights and be subject to the same limitations and conditions as are set forth in this Article with respect to Unsold Units.

ARTICLE 13

ACQUISITION OF UNIT BY THE CONDOMINIUM BOARD

If (a) any Unit Owner surrenders his Unit, together with its Appurtenant Interests to the Condominium Board pursuant to the terms of the By-Laws or Section 339-x of the Condominium Act, (b) the Condominium Board, pursuant to the By-Laws or otherwise, either acquires or leases a Unit, together with its Appurtenant Interests, or purchases a Unit, together with its Appurtenant Interests, at a foreclosure or other similar sale, then, in all such events, title to any such Unit and such Appurtenant Interests shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Residential Unit Owners, in proportion to their respective Common Interests. Any lease or sublease of any Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests.

ARTICLE 14

POWER OF ATTORNEY TO SPONSOR AND THE CONDOMINIUM BOARD

14.1 Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney in-fact, coupled with an interest and with power of substitution, (i) Sponsor, to amend the Condominium Documents pursuant to the terms of Article 18 hereof, and (ii) the Persons who shall from time to time constitute the Condominium Board, jointly, to:

(a) employ counsel for purposes of protesting the New York City real property tax assessments with the Tax Commission and instituting tax certiorari proceedings on behalf of the Unit Owners for the reduction of the assessed valuation of their Units, such Unit Owners agreeing not to protest said assessments and bring such tax certiorari proceedings at their own initiative and on their own behalf;

(b) acquire or lease any Unit, together with its Appurtenant Interests whose owner desires to sell, convey, transfer, assign, lease, or surrender the same or acquire any Unit, together

with its Appurtenant Interests that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners;

(c) convey, sell, lease, mortgage, or otherwise deal with (but not to vote the Common Interest, appurtenant to) any Unit so acquired or to sublease any Unit so leased; and

(d) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Condominium that the Condominium Board deems necessary or appropriate to comply with any law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Condominium or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Condominium or the Common Elements that the Condominium Board deems necessary or appropriate or (3) any protests and tax certiorari proceeding affecting Units.

14.2 In confirmation of the foregoing power of attorney, each Unit Owner, upon the request of either Sponsor or the Condominium Board, shall duly execute, acknowledge and deliver to the requesting party, for recording in the Register's Office, a Unit Power of Attorney in the form set forth as an Exhibit E to this Declaration.

ARTICLE 15

INTENTIONALLY DELETED

ARTICLE 16

TERMINATION OF CONDOMINIUM

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws) until such time as withdrawal of the Property from the provisions of the Condominium Act is authorized by a vote of 100% in number and in Common Interest of all Unit Owners. No such vote shall be effective, however, without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any. In the event said withdrawal is authorized as aforesaid, but only in such event, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no 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 (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

ARTICLE 17

COVENANT OF FURTHER ASSURANCES

17.1 Any Person who is subject to the terms of this Declaration, whether such Person 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 or otherwise, shall, upon prior reasonable written request at the expense of any such other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

17.2 If any Unit Owner, the Condominium Board or any other Person who is subject to the terms of this Declaration fails or refuses, within 10 days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which the Condominium Board, Unit Owner or other Person is required to execute, acknowledge and deliver or to take pursuant to this Declaration, or (ii) to deliver a written notice to the Person requesting such execution, acknowledgement or delivery, and to the Condominium Board stating the reasons why such Unit Owner, Condominium Board or other Person refuses to execute, acknowledge or deliver such instrument or take such action, then the Condominium Board or other Person is hereby authorized as attorney-in-fact for such Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, Condominium Board or other Person and such document or action shall be binding on such Unit Owner, Condominium Board or other Person.

17.3 If any Unit Owner, the Condominium Board or any other Person who is subject to the terms of this Declaration fails or refuses, within 10 days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Condominium Board or other Person is required to execute, acknowledge and deliver pursuant to this Declaration at the request of Sponsor or (ii) to deliver a written notice to Sponsor and to the Condominium Board stating the reasons why such Unit Owner, Condominium Board or other Person refuses to execute, acknowledge or deliver such instrument or take such action, then Sponsor is hereby authorized, as attorney-in-fact for such Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument or to take such action in the name of such Unit Owner, Condominium Board or other Person and such document or action shall be binding on such Unit Owner, the Condominium Board or other Person, as the case may be.

ARTICLE 18

COVENANTS RUNNING WITH THE LAND

18.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of this Article, shall to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and his heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

18.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running

with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

18.3 Subject to Section 18.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 19

AMENDMENTS TO THIS DECLARATION

19.1 Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Sponsor, or any Unsold Units, any provision of this Declaration may be added to, amended, modified or deleted by the vote of at least 66 2/3% in number and in Common Interest of all Unit Owners taken in accordance with the provisions of the By-Laws; provided, however, that the Common Interest appurtenant to each Unit as expressed in this Declaration shall not be altered without the written consent of all Unit Owners directly affected. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Sponsor, or any Unsold Units, no amendment, modification, addition or deletion shall be effective without the written consent of the Mortgage Representatives (as defined in the By-Laws), if any, which consent shall not be unreasonably withheld or delayed. No such amendment, modification, addition or deletion shall be effective until recorded in the Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Sponsor, or any Unsold Units, any such amendment, modification, addition or deletion shall be executed by either the Condominium Board as attorney-in-fact for the Unit Owners, coupled with an interest, and the Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact. Subject to the rights of Sponsor, under Articles 9,10,11,12,13,14 and 15 of this Declaration, Articles 9,10,11,12,13,14 and 15 of this Declaration may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, if any, as set forth above) 80% in number and in Common Interest of all Unit Owners affected thereby, approve such amendment, modification, addition or deletion in the manner set forth above.

19.2 Sponsor shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute, acknowledge and record (or, at Sponsor's sole option, to require the Condominium Board or any other Unit Owners to execute, acknowledge and record) in the Register's Office and elsewhere, if required by Law, one or more amendments to this Declaration (including, Exhibit B hereto), together with such documents, plans and maps as Sponsor deems appropriate to effectuate the same:

(i) to reflect any changes in Unsold Units and/or the reapportionment of the Common Interest of the affected Unsold Units resulting therefrom made by Sponsor in accordance with the terms of Article 12 hereof; or

(ii) required by (x) an Institutional Lender designated by Sponsor to make a loan secured by a mortgage on any Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Sponsor to insure title to any Unit,

provided, however, that any amendment made pursuant to the terms of subparagraph (i) or (ii) of this Section shall not (1) change the Common Interest of any Unit other than a Unit owned by Sponsor, or (2) require a physical modification of any Unit other than a Unit owned by Sponsor, or (3) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender unless the owner of such affected Unit (in the event described in subparagraph (1) or (2) of this Section) or the holder of such mortgage (in the event described in subparagraph (3) of this Section) shall consent thereto by joining in the execution of such amendment.

19.3 Any amendment to this Declaration may be executed; (i) if on behalf of Sponsor pursuant to the terms of Section 19.2 hereof, by any principal of Sponsor, or, (ii) if on behalf of the Unit Owners or by the Condominium Board, by any officer of the Condominium. If the amendment requires the approval of a specific percentage of Unit Owners pursuant to the terms of this Declaration or the By-Laws, then there shall be attached to such amendment an original executed Secretary's Certificate, certifying that the requisite number and percentage of Unit Owners approved the amendment at a duly constituted meeting or (when permitted in this Declaration or the By-Laws) in writing without a meeting, in which Certificate shall be described the number and percentage of Unit Owners so consenting and (if voted upon at a meeting) the date and time of the meeting.

19.4 Notwithstanding anything contained in the Condominium Documents to the contrary, but subject to any limitation imposed by the Condominium Act, no amendment to the Condominium Documents shall be adopted for so long as Sponsor owns any Unit if the same would (i) unreasonably interfere with the sale, lease, or other disposition of a Unit owned by Sponsor, (ii) abridge, modify, suspend, eliminate, or otherwise affect any right, power, easement, privilege, or benefit granted to Sponsor, or (iii) impose any discriminatory charge or fee against Sponsor.

19.5 The provisions of this Article may not be modified, amended, added to or deleted, in whole or in part, without the consent of Sponsor if the same relate to Sponsor.

ARTICLE 20

CONSENTS BY SPONSOR

When the consent, approval, satisfaction, or permission of Sponsor is required under this Declaration or the By-Laws, such consent, approval, satisfaction, or permission shall not be required when Sponsor no longer owns any Units.

ARTICLE 21

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York is hereby designated to receive service of process in any action which may be brought against the Condominium.

ARTICLE 22

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii)

the table of definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Unit Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans are, by this reference, each incorporated herein and made a part of this Declaration as if set forth at length in the text hereof.

ARTICLE 23

WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 24

SEVERABILITY

Subject to the provisions of Section 18.2 and 18.3 of Article 18 hereof, if any provision of the Condominium Documents is invalid or unenforceable as against any Person or under certain circumstances, the remainder of the Condominium Documents and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of the Condominium Documents shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law. Any conflict between any provisions of the Condominium Documents and the Condominium Act, or any questions regarding the interpretation of any of the Condominium Documents, shall be governed by the Condominium Act.

ARTICLE 25

SUCCESSORS AND ASSIGNS

The rights and/or obligations of Sponsor as set forth herein shall inure to the benefit of and be binding upon any successor or assign or designee of Sponsor or, with the consent of Sponsor, any transferee of all then Unsold Units. Sponsor shall have the right, at any time, in its sole discretion, to assign or otherwise transfer its interest therein, whether by merger, consolidation, lease, assignment, or otherwise.

ARTICLE 26

CAPTIONS

The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 27

CERTAIN REFERENCES

27.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires.

27.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

27.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

IN WITNESS WHEREOF, Sponsor has caused this Declaration to be executed as of the ___ day of _____, _____.

SPONSOR:

THE BADGE DEVELOPMENT LLC

By: _____

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

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

_____
Notary Public

EXHIBIT A

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the First Ward, Borough and County of Queens, City and State of New York shown on a certain map entitled "Map of Hunter Van Alst and Debevoise Farms", situate in Long Island City, surveyed by Peter G. Van Alst, property of the trustee of Union College, dated January 1st, 1874 and filed in the office of the Register of the County of Queens (formerly County Clerk's Office) dated June 11, 1875 as and by the lot numbers 20, 21, 22, 23 and 24 in block 18 and more particularly bounded and described as follows:

BEGINNING at the corner formed by the intersection of the northerly side of 47th Avenue, 8th Street with the westerly side of 11th Street, East Avenue;

RUNNING THENCE northerly along the westerly side of 11th Street 100 feet;

THENCE westerly parallel with 47th Avenue 125 feet;

THENCE southerly parallel with 11th Street 100 feet to the northerly side of 47th Avenue; and

THENCE easterly along the northerly side of 47th Avenue 125 feet to the corner, the point or place of BEGINNING.

EXHIBIT B

DESCRIPTION OF THE UNITS

THE BADGE BUILDING
A Condominium located at
10-55 47TH AVENUE
LONG ISLAND CITY, NEW YORK

Unit Designation	# of Rooms Bedrooms/ Baths	Location in Portion of Bldg. Facing Direction Set Forth Below	Approx. Area Sq. Ft.	Approx. Sq. Ft. of Limited Common Elements	Tax Lot No.	Percentage of Common Interest	Common Elements to which Unit has Immediate Access

W - West
N - North
S - South

H - Hallway
E - Elevator
S - Stairway

T - Terrace

EXHIBIT C

DEFINITIONS

For convenience of presentation, general definitions of certain of the terms used in the Plan are set forth below, which definitions are subject in most cases to the more particular definitions of such terms set forth in the Declaration, the By-Laws and the Condominium Act. They include the following:

"Adverse Effect", or "adverse effect", as used in the Condominium Documents, shall mean, with respect to any action or proposed change and with respect to any Unit Owner or Unit Owners, that such action or change could, if realized, (i) increase the Common Charges payable by such Unit Owner or Unit Owners by more than 25%, (ii) materially interfere with such Unit Owner's access to his Unit, (iii) obstruct or degrade the view from the windows of such Unit Owner's Unit, (iv) decrease the useable square footage of a Unit by 5%, or (v) otherwise materially diminish such Unit Owner's use and enjoyment of his Unit.

"Building" shall mean the Building known as The Badge Building, a Condominium located at 10-55 47th Avenue, Long Island City, New York, in which the 44 Units of the Condominium will be located.

"Building Department" shall mean the Department of Building of The City of New York or any successor agency.

"By-Laws" shall mean the By-Laws governing the operations of the Condominium, which are set forth as Exhibit D to the Declaration, as the same may be amended from time to time.

"Cabana" shall mean the individual cabanas allocated as Limited Common Elements. Seven (7) Cabanas are licensed to Unit Owners on a first come-first served basis.

"Closing of Title" or "Closing" shall mean the date upon which, among other things, a Unit and its appurtenant Common Interest is conveyed to a Purchaser by the delivery by Sponsor to a Purchaser of a deed upon payment by a Purchaser to Sponsor of the balance of the purchase price for the Unit.

"Common Charges" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata, in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the By-Laws or in the First Year's Budget) to meet the Common Expenses.

"Common Elements" shall mean the Property, other than the Units themselves, being comprised of the General Common Elements and the Limited Common Elements.

"Common Expenses" shall mean all costs and expenses to be incurred generally by the Unit Owners pursuant to the Declaration and/or the By-Laws in connection with: (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Common Elements; (ii) the establishment and/or maintenance of a general operating reserve, or a reserve fund for working capital, for replacements with respect to the Common Elements, or to make up any deficit in the Common Charges for any prior year(s); and (iii) generally, the conduct of the affairs of the Condominium.

"Common Interest" shall mean the proportionate undivided interest, expressed as a numerical percentage, in the Common Elements appurtenant to each Unit, as determined in accordance with the Declaration. The total of all Common Interest percentages appurtenant to all Units equals 100%. The Common Interest attributable to each Unit is set forth on Exhibit B annexed to the Declaration.

"Condominium" shall mean The Badge Building, a Condominium which was established pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws.

"Condominium Act" shall mean the New York Condominium Act, as amended from time to time, and presently found in the New York Real Property Law, Article 9-B.

"Condominium Board" shall mean the board of managers of the Condominium who will manage the affairs of the Condominium.

"Declaration" shall mean the instrument creating the Condominium, as the same may be amended from time to time.

"Deposit" shall mean all deposits, downpayments, advances or payments made by Purchasers prior to the closing of each individual transaction.

"Effective Date" shall mean the date upon which Sponsor has declared the Plan effective pursuant to the provisions of the General Business Law.

"Facilities" shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Building and either existing for the common use of the Units or the Unit Owners or necessary or convenient for the existence, maintenance, or safety of the Property. For purposes of illustrating the broad scope of such term and without intention to limit the generality of the foregoing in any respect, the term "Facilities" shall include all systems, equipment, apparatus, convectors, radiators, heaters, converters, heat exchangers, mechanisms, devices, machinery, induction units, fan coil units, motors, pumps, controls, tanks, tank assemblies, installations, condensers, compressors, fans, dampers, blowers, thermostats, thermometers, coils, vents, sensors, shut off valves, other valves, gongs, panels, receptacles, outlets, relays, alarms, sprinkler heads, electric distribution facilities, wiring, wireways, switches, switchboards, circuit breakers, transformers, fittings, siamese connections, hoses, plumbing fixtures, lighting fixtures, other fixtures, bulbs, signs, antennae, telephones, intercom equipment, playground equipment, meters, meter assemblies, scaffolding, piping, lines, ducts, conduits, cables, risers, mains, shafts, pits, flues, locks, hardware, racks, screens, strainers, traps, drains, catch basins, leaders, filters, incinerators, canopies, closets, cabinets, doors, railings, copings, steps, furniture, mirrors, furnishings, appurtenances, urns, baskets, mail chutes, mail boxes, carpeting, tiles, floor coverings, draperies, shades, window coverings, wallpaper, wallcoverings, trees, shrubbery, flowers, plants, horticultural tubs and horticultural boxes.

"Family Members" shall mean the spouse, children (natural and adopted), stepchildren, grandchildren, siblings, nieces, nephews, parents, parents-in-law, and grandparents of a Unit Owner who reside in such Unit Owner's Unit.

"Filing Date" shall mean the date a letter is issued by the Department of Law accepting the Plan or an amendment to the Plan, as the case may be, for filing.

"First Closing" shall mean the Closing of Title with respect to the first Residential Unit to be conveyed to a Purchaser pursuant to the terms of the Plan.

"First Year's Budget" shall mean the Section of the Plan entitled "Schedule B - First Year's Budget". First Year's Budget is sometimes referred to herein as "Schedule B".

"Floor Plans" shall mean the floor plans of the Units certified by a professional engineer or licensed architect, filed in the Register's Office simultaneously with the recording of the Declaration, together with any supplemental floor plans thereto.

"Force Majeure" shall mean delays caused by weather, casualty, labor, difficulties, (including work stoppages and strikes), late delivery or inability to obtain materials, government restrictions or other events beyond Sponsor's reasonable control.

"General Common Elements" shall mean those certain portions of the Property (other than the Units and the Limited Common Elements), as well as those Facilities therein, either existing for the

common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property, as more particularly described in the Declaration.

"Initial Control Period" shall mean the period ending on the earlier of: (i) the closing of title with Purchasers under the Plan to Residential Units having at least 90% of the aggregate Common Interest appertaining to all Residential Units, or (ii) 5 years after the First Closing.

"Land" shall mean the land located in Section 01 of the Borough of Queens on the Tax Map of the Real Property Assessment Department of The City of New York as Block 47, Lot 21 and more particularly described in Exhibit A to the Declaration.

"Law" shall mean the laws and ordinances of any or all of the Federal, New York State, New York City, County and Borough governments, the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental, public or quasi-public authorities having jurisdiction over the Property and/or the Condominium and/or the direction of any public officer pursuant to law.

"Limited Common Elements" shall mean those portions of the Property (other than the Units) existing for the use and enjoyment of certain Residential Unit Owners or one or more specified Residential Units to the exclusion of all other Unit Owners, as more particularly described in the Declaration. By way of example, the Parking Spaces, Cabanas, Storage Rooms, balconies, terraces and yards appurtenant to certain Units are Limited Common Elements.

"Managing Agent" shall mean the managing agent or manager named in the Plan or any successor managing agent at the time in question.

"Parking Spaces" shall mean the individual parking spaces allocated as Limited Common Elements and licensed to Unit Owners on a first come-first served basis.

"Permitted Encumbrances" shall mean those matters encumbering title to a Unit subject to which a Purchaser agrees to take title, as more particularly described on Schedule A annexed to the form of Purchase Agreement.

"Permitted Mortgage" shall mean a first mortgage permitted to be placed upon a Unit pursuant to the provisions of the By-Laws.

"Plans and Specifications" shall mean the plans and specifications for the renovation of the Building which (to the extent required by Law) have been or will be filed with the Department of Building and which may from time to time be amended in accordance with the provisions of the Plan.

"Presentation Date" shall mean the date on which the Plan or an amendment thereto, as the case may be, is personally delivered or the 5th day after mailing to prospective Purchasers and Unit Owners following acceptance of the Plan or an amendment thereto for filing with the Department of Law.

"Property" shall mean the Land, the Building (and any structures attached thereto), all the improvements erected or to be erected on the Land, all easements, rights and appurtenances pertaining thereto and all other property, real, personal, or mixed, used or intended to be used in connection therewith.

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

"Purchaser" shall mean a Purchaser of a Unit under a Purchase Agreement.

"Register's Office" shall mean the Queens County Office of the Register of The City of New York.

"Residential Unit" shall mean any space designated as a Residential Unit or a Unit in the Declaration together with its Common Interest. All such Residential Units, are collectively, referred to as the "Residential Units" or as the "Units".

"Rules and Regulations" shall mean the rules and regulations of the Condominium, which are annexed as an addendum to the By-Laws, as any of the same may be amended, modified, added to, or deleted from time to time pursuant to the terms of the By-Laws, provided that they are not in conflict with the terms of the Condominium Act, the Declaration, or the By-Laws.

"Sales Office" shall mean the sales office for the Sponsor or Selling Agent, at a location to be designated by either Sponsor or Selling Agent from time to time. Initially, the Sales Office will be located at the offices of Douglas Elliman, 575 Madison Avenue, New York, New York.

"Schedule A" shall mean the Section of the Plan entitled "Schedule A - Purchase Prices and Related Information".

"Schedule B" shall mean the Section of the Plan entitled "Schedule B - First Year's Budget". Schedule B is sometimes referred to herein as the "First Year's Budget".

"Schedule B-1" shall mean the section of the Plan entitled "Schedule B-1 for Individual Energy Costs".

"Selling Agent" shall mean the selling agent named in the Plan or any successor selling agent at the time in question.

"Sponsor" shall mean The Badge Development LLC and any of their designees, successors, assigns, officers, directors, shareholders, members, principals or affiliates.

"Storage Room" shall mean the individual storage rooms allocated as Limited Common Elements and licensed to Unit Owners on a first come-first served basis.

"Unit" shall mean any space designated as a Unit or Residential Unit in the Declaration together with its percentage of Common Interest. All such Units, are collectively, referred to as the "Units" or as the "Residential Units".

"Unit Owner" shall mean any owner of a Unit. All such owners of Units are, collectively, referred to as "Unit Owners" or as the "Residential Unit Owners".

"Unsold Unit" shall mean any Unit owned or retained, by way of lease or any other arrangement by which management and/or financial responsibility is retained, by Sponsor at the time in question. All such Unsold Units are, collectively, referred to as the "Unsold Units".

BY-LAWS OF THE CONDOMINIUM

EXHIBIT D
TO THE DECLARATION

BY-LAWS

OF

The Badge Building

a Condominium located at
10-55 47th Avenue
Long Island City, New York

Prepared by:

GERSTEIN STRAUSS & RINALDI LLP
ATTORNEYS AT LAW
57 WEST 38th STREET
NEW YORK, NEW YORK 10018
(212) 398-7900

INDEX TO BY-LAWS

BY-LAWS 1

ARTICLE 1 GENERAL 1

Section 1.1 Purpose 1
Section 1.2 Definitions 1
Section 1.3 Applicability of By-laws 1
Section 1.4 Application of By-laws 1
Section 1.5 Principal Office of the Condominium 1

ARTICLE 2 CONDOMINIUM BOARD 1

Section 2.1 General 1
Section 2.2 Status of the Condominium Board 1
Section 2.3 Principal Office of the Condominium Board 2
Section 2.4 Powers and Duties of the Condominium Board 2
Section 2.5 Certain Limitations on the Powers of the Condominium Board 5
Section 2.6 Exercise and Delegation of Powers and Duties 5
Section 2.7 Number, Election and Qualification of Members 6
Section 2.8 Term of Office of Members 6
Section 2.9 Removal and Resignation of Members 6
Section 2.10 Vacancies 7
Section 2.11 Organizational Meeting of the Condominium Board 7
Section 2.12 Regular Meetings of the Condominium Board 7
Section 2.13 Special Meetings of the Condominium Board 7
Section 2.14 Waiver of Notice of Meetings 8
Section 2.15 Quorum of the Condominium Board 8
Section 2.16 Conduct of Meetings 8
Section 2.17 Decisions by the Condominium Board 8
Section 2.18 Compensation of Members 8
Section 2.19 Common or Interested Members of the Condominium Board 8
Section 2.20 Indemnification 9

ARTICLE 3 OFFICERS 11

Section 3.1 General 11
Section 3.2 President 11
Section 3.3 Vice President 11
Section 3.4 Secretary 11
Section 3.5 Treasurer 11
Section 3.6 Election, Term of Office and Qualification of Officers 12
Section 3.7 Removal and Resignation of Officers 12
Section 3.8 Vacancies 12
Section 3.9 Compensation of Officers 12
Section 3.10 Indemnification of Officers 12

ARTICLE 4 UNIT OWNERS 12

Section 4.1 Annual Meetings of the Unit Owners 12
Section 4.2 Special Meetings of the Unit Owners 12

Section 4.3 Place of Meetings 13
Section 4.4 Notice of Meetings 13
Section 4.5 Quorum of the Unit Owners 13
Section 4.6 Conduct of Meetings 13
Section 4.7 Order of Business 13
Section 4.8 Voting 14
Section 4.9 Election of Members of the Condominium Board 14
Section 4.10 Action Without a Meeting 15
Section 4.11 Title to Units 15
Section 4.12 Contractual Liability of Unit Owners 15

ARTICLE 5 OPERATION OF THE PROPERTY 16

Section 5.1 Maintenance and Repairs 16
Section 5.2 Alterations, Additions, Improvements, or Repairs in and to Units 17
Section 5.3 Alterations, Additions, or Improvements to the Common Elements 19
Section 5.4 Lot-Line Windows 20
Section 5.5 Insurance 20
Section 5.6 Casualty or Condemnation 22
Section 5.7 Use of the Property 24
Section 5.8 Use of the Units 24
Section 5.9 Use of the Common Elements 25
Section 5.10 Rights of Access 26
Section 5.11 Modification of the Rules and Regulations 26
Section 5.12 Real Estate Taxes 27
Section 5.13 Fuel 27
Section 5.14 Water Charges and Sewer Rents 27
Section 5.15 Record and Audits 27

ARTICLE 6 COMMON CHARGES 28

Section 6.1 Determination of Common Expenses and Fixing of Common Charges 28
Section 6.2 Payment of Common Charges 29
Section 6.3 Statement of Common Charges 30
Section 6.4 Default in Payment of Common Charges 30

ARTICLE 7 SELLING AND LEASING OF UNITS 31

Section 7.1 General 31
Section 7.2 Right of First Refusal 32
Section 7.3 Acceptance of Offer 32
Section 7.4 Failure to Accept Offer 33
Section 7.5 Termination of, and Exceptions to, the Right of First Refusal 34
Section 7.6 No Severance of Ownership 35
Section 7.7 Payment of Common Charges 35
Section 7.8 Power of Attorney 35
Section 7.9 Gifts and Devises, *Etc* 35
Section 7.10 Commencement of Time 35
Section 7.11 Costs and Expenses 35

ARTICLE 8 MORTGAGING OF UNITS 36

Section 8.1 General 36
Section 8.2 Restrictions on Mortgaging 36
Section 8.3 Notice of Unpaid Common Charges and Default 36
Section 8.4 Performance by Permitted Mortgagees 36
Section 8.5 Examination of Books 37
Section 8.6 Consent of Mortgagees; Designation of Mortgage Representatives 37

ARTICLE 9 CERTAIN REMEDIES 37

Section 9.1 Self Help 37
Section 9.2 Abatement and Enjoinment 37
Section 9.3 Remedies Cumulative 38
Section 9.4 Costs and Expenses 38

ARTICLE 10 ARBITRATION 38

Section 10.1 Procedure 38
Section 10.2 Variation by Agreement 38
Section 10.3 Binding Effect 39
Section 10.4 Costs and Expenses 39

ARTICLE 11 NOTICES 39

Section 11.1 General 39
Section 11.2 Waiver of Service of Notice 39

ARTICLE 12 AMENDMENTS TO BY-LAWS 40

Section 12.1 General 40
Section 12.2 Special Amendments 40

ARTICLE 13 FURTHER ASSURANCES 41

Section 13.1 General 41
Section 13.2 Failure to Deliver or Act 41

ARTICLE 14 MISCELLANEOUS 41

Section 14.1 Inspection of Documents 41
Section 14.2 Waiver 42
Section 14.3 Conflict 42
Section 14.4 Severability 42
Section 14.5 Successors and Assigns 42
Section 14.6 Gender 42
Section 14.7 Captions 42

ARTICLE 15 TAX STATUS AS A HOMEOWNERS ASSOCIATION 42

Section 15.1 General 42
Section 15.2 Organization 42
Section 15.3 Inurement 42
Section 15.4 Residential Use 42
ADDENDUM TO THE BY-LAWS 43
RULES AND REGULATIONS 43

BY-LAWS

ARTICLE 1
GENERAL

Section 1.1 *Purpose.* The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium. The Condominium covers the Property, which consists of: (i) the Land, which is more particularly described in Exhibit A to the Declaration; (ii) the Building, which includes, without limitation, the Units, the Common Elements and all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith; and (iii) all other property, real, personal, or mixed, intended for use in connection therewith. The Property has been submitted to the provisions of the Condominium Act by the recording of the Declaration in the Register's Office, of which Declaration these By-Laws form a part. The purpose of the Condominium is to carry on the acquisition, construction, management, maintenance and care of the Common Elements and to perform related functions with respect to the other portions of the Property.

Section 1.2 *Definitions.* All capitalized terms used in these By-Laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in Exhibit C to the Declaration, unless the context in which the same are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the aforedescribed capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Section 1.3 *Applicability of By-Laws.* These By-Laws are applicable to the Property and to the use and occupancy thereof.

Section 1.4 *Application of By-Laws.* All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units, and employees and guests of Unit Owners, as well as all other Persons who may use the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations, as each of the same may be amended from time to time. The acceptance of a deed or other instrument of conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of the Declaration, these By-Laws and the Rules and Regulations, as each of the same may be amended from time to time, are accepted, ratified and will be complied with.

Section 1.5 *Principal Office of the Condominium.* The principal office of the Condominium shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

ARTICLE 2
CONDOMINIUM BOARD

Section 2.1 *General.* As more particularly set forth in Sections 2.4, 2.5 and 2.6 hereof, the affairs of the Condominium shall be governed by the Condominium Board. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Condominium Board shall act as, and shall be, the Agent of the Unit Owners, subject to, and in accordance with, the terms of the Declaration and these By-Laws.

Section 2.2 *Status of the Condominium Board.* Unless and until the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have,

to the extent permitted by Law, the status conferred upon unincorporated associations under, or pursuant to, the terms of the General Association Law of the State of New York. If the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon it under, or pursuant to, the terms of the applicable statutes of the State of New York. In either event, however, the Condominium Board shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

Section 2.3 *Principal Office of the Condominium Board.* The principal office of the Condominium Board shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

Section 2.4 *Powers and Duties of the Condominium Board*

(A) The Condominium Board shall have all of the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium, provided, however, that the Condominium Board shall not have such powers and duties that by Law, or pursuant to the terms of the Declaration and these By-Laws, may not be delegated to the Condominium Board by the Unit Owners. Without intention to limit the generality of the foregoing in any respect, the Condominium Board shall have the following specific powers and duties:

(i) to operate, maintain, repair, restore, add to, improve, alter and replace the Common Elements including, but not limited to the Common Elements as the Condominium Board shall deem necessary or proper in connection therewith, the purchase and leasing of supplies, equipment and material and (b) the employment, compensation and dismissal of personnel;

(ii) to acquire, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of the Unit Owners, all right, title and interest in real and personal property deemed necessary or proper by the Condominium Board for use in connection with the ownership and operation of the Property as a condominium;

(iii) to maintain complete and accurate books and records with respect to the finances and the operation of the Condominium, including without limitation: (a) detailed accounts, in chronological order, of receipts and expenditures affecting the Property; (b) detailed books of account of the Condominium Board; (c) other financial records, as well as other books of account of the Condominium, as may be required to be kept pursuant to the terms of these By-Laws; and (d) minutes and other records of all meetings held pursuant to the terms of these By-Laws;

(iv) to adopt a budget for the Condominium for each fiscal year thereof, setting forth, without limitation: (a) a detailed accounting of the anticipated Common Expenses for the ensuing fiscal year and (b) a detailed projection of all sources and amounts of income necessary to discharge the same;

(v) to approve the amount and the means and methods of payment of, and collection of, the Common Charges and Special Assessments from the Unit Owners;

(vi) to borrow money on behalf of the Condominium in accordance with Section 339-jj of the Real Property Law when required in connection with the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements, provided, however, that: (a) the affirmative consent of at least 66 2/3% of the members of the Condominium Board shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (b) with respect to the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements, the affirmative consent of at least 66 2/3%, in aggregate Common Interest, of all Unit Owners shall be required for the borrowing of any sum in excess of

$500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (c) no lien to secure repayment of any sum borrowed may be created on any Unit or its Appurtenant Interests without the consent of the owner of such Unit; and (d) the documentation executed in connection with any such borrowing shall provide that, if any sum borrowed by the Condominium Board pursuant to this subparagraph (vi) shall not be repaid by the Condominium Board, any Unit Owner who pays to the creditor thereunder such proportion of the then outstanding indebtedness represented or secured thereby as such Unit Owner's Common Interest bears to the aggregate Common Interests of all Unit Owners shall be entitled to obtain from the creditor a release of any judgment or other lien that the said creditor shall have filed, or shall have the right to file against such Unit Owner's Unit;

(vii) to open and maintain bank accounts on behalf of the Condominium and to designate the signatories required therefor which shall at no time be less than two and that each check drawn on such account shall need at least two signatures;

(viii) to use the Common Charges and Special Assessments collected from Unit Owners, as well as all other funds held by the Condominium Board or received in connection with the operation of the Property, for the administration of the Condominium, including, without limitation: (a) the payment of Common Expenses; and (b) the making of restorations, additions, alterations and improvements to the Common Elements;

(ix) to obtain insurance for the Property, including the Units, pursuant to the terms of Section 5.4 hereof,

(x) to adjust and settle claims under insurance policies obtained pursuant to the terms of Section 5.4 hereof, and to execute and deliver releases upon such adjustment and settlement on behalf of: (a) all Unit Owners (except as otherwise provided herein); (b) all holders of mortgages and other liens on Units; and (c) all holders of any other interest in the Property;

(xi) to make, or to contract with others for the making of, repairs, maintenance, additions and improvements to, and alterations, restorations and replacements of, the Property after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these By-Laws;

(xii) to obtain and keep in force fidelity bonds, in amounts deemed appropriate by the Condominium Board, but in no event less than $100,000, for: (a) all members of the Condominium Board; (b) all officers and employees of the Condominium; and (c) the Managing Agent, and the premiums on all such fidelity bonds shall constitute a part of the Common Expenses;

(xiii) to accept the surrender of any Unit pursuant to the terms of paragraph (C) of Section 6.2 hereof, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xiv) to purchase, lease, or otherwise acquire Residential Units offered for sale or lease by their owners, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners but only with the consent of a majority of Unit Owners and in connection with a purchase of a Residential Unit, to obtain a mortgage loan secured by such Residential Unit, and/or assess a special assessment for the down payment, purchase price and/or closing costs;

(xv) to purchase Units at foreclosure or other judicial sales, in the name of the Condominium Board or its designee, corporate or otherwise and on behalf of all Unit Owners;

(xvi) to sell, lease, mortgage and otherwise deal with Units acquired by, and to sublease Units leased by, the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, provided, however, that the Condominium Board or its designees shall in no event be entitled to vote the votes appurtenant to any such Unit;

(xvii) to adopt and amend the Rules and Regulations and to levy and authorize collection of fines against Unit Owners for violations of the Rules and Regulations and these By-Laws(any such fines and fees shall be deemed to constitute Common Charges payable by Unit Owners of the Unit against which they are levied);

(xviii) to enforce by legal means the terms, covenants and conditions contained in the Condominium Documents and to bring or defend against any proceedings that may be instituted on behalf of, or against, the Unit Owners;

(xix) to incorporate, to the extent and in the manner provided in the Condominium Act, provided, however, that: (a) the certificate of incorporation and By-Laws of any such resulting corporation shall conform as closely as practicable to the terms of the Declaration and these By-Laws and (b) the terms of the Declaration and these By-Laws shall prevail in the event of any inconsistency or conflict between the terms thereof and the terms of such certificate of incorporation and By-Laws;

(xx) to organize corporations to act as the designees of the Condominium Board in acquiring title to, or leasing of, Units and in acquiring rights, titles and interests in real and personal property for use in connection with the ownership and operation of the Property as a condominium;

(xxi) to execute, acknowledge and deliver: (a) any declaration (including a declaration of single zoning lot) or other instrument affecting the Property that the Condominium Board deems necessary or appropriate to comply with any law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Building and (b) any consent, covenant, restriction, easement, or declaration affecting the Property that the Condominium Board deems necessary or appropriate;

(xxii) to prepare, execute, acknowledge and record on behalf of all Unit Owners, as their attorney in fact, coupled with an interest, a restatement of the Declaration or these By-Laws, whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modification, additions and deletions theretofore made to the same;

(xxiii) to prepare, execute, acknowledge and institute on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, protests of real property tax assessments and tax certiorari proceedings with respect to all Units and to assess any costs incurred thereby as a Common Expense;

(xxiv) to commence summary eviction proceedings in the name of or on behalf of the Condominium Board and/or a Unit Owner or Unit Owners, as the case may be, against an authorized guest and/or a Tenant of a Unit Owner if such authorized Guest and/or Tenant does not conform to the Rules and Regulations of the Condominium, annexed hereto as Schedule A, as said Rules and Regulations may at any time and from time to time, be modified, amended or added to in accordance with the terms of these By-Laws. All costs in connection with the removal of the authorized guest and/or Tenant, including reasonable attorney's fees, shall be borne by the Unit Owner; and

(xxv) to impose move-in fees and charges and transfer fees in connection with the sale or lease of a Residential Unit, provided no such fees or charges or other conditions of transfer or lease may be imposed upon Sponsor;

(xxvi) to purchase and maintain the Superintendent's Unit, if any, and otherwise dealing in any way with respect to such Superintendent's Unit, including without limitation the execution, replacement refinance of the purchase money mortgage and note with respect to the acquisition of said Unit from Sponsor; and

(xxvii) to carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-Laws.

(B) The Condominium Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or occupied by the owner thereof or by a permitted lessee or other permitted occupant.

Section 2.5 *Certain Limitations on the Powers of the Condominium Board*

Notwithstanding anything to the contrary contained in these By-Laws, so long as Sponsor shall continue to own any Residential Units, the Condominium Board may not, without Sponsor's prior written consent:

(i) make any addition, alteration, or improvement to the Common Elements or to any Unit, unless the same shall be required by Law; or

(ii) 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; or

(iii) increase or decrease the number or change the kind of employees employed by the Condominium at the time of the First Closing; or

(iv) enter into any service or maintenance contracts for work or otherwise contract for work or otherwise provide services not covered in the First Year's Budget set forth in the Plan, except as is required to reflect normal annual increases in operating services; or

(v) borrow money on behalf of the Condominium; or

(vi) exercise a right of refusal to lease or purchase a Unit.

The written consent of Sponsor shall not be necessary to perform any function or take any action described in clauses (i) through (vi) above, if, and only if, the performance of such action or the carrying out of such action is necessary (and no other alternative is available) to enable the Condominium Board to: (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer. In no event will the limitations imposed herein continue for more than 5 years from the First Closing.

Section 2.6 *Exercise and Delegation of Powers and Duties.*

(A) Any act within the power of the Condominium Board to perform, or deemed necessary or desirable to be performed by the Condominium Board, shall be performed by the Condominium Board or shall be performed on its behalf and at its direction by the agents, employees, or designees of the Condominium Board.

(B) The Condominium Board may appoint an Executive Committee by duly adopted resolution, which Executive Committee shall have, and may exercise, all of the powers of the Condominium Board, subject to both the exceptions and limitations as the Condominium Board may from time to time deem appropriate, during the intervals between the meetings of the Condominium Board. In addition, the Condominium Board may from time to time appoint, by duly adopted resolutions, such other committees as the Condominium Board may deem appropriate to perform such duties and services as the Condominium Board shall direct, each of which committees shall have, and may exercise, all of the powers delegated to it in its enabling resolution, subject, however, to the exceptions and limitations

contained in paragraph (D) of this Section 2.6. The Executive Committee and each other committee shall consist of three members of the Condominium Board, at least one of whom shall be a member designated by Sponsor for so long as Sponsor shall have the right to designate or elect one or more members of the Condominium Board.

(C) The Condominium Board may employ a Managing Agent to serve at a compensation approved by the Condominium Board and to perform such duties and services as the Condominium Board shall direct. Subject to the exceptions and limitations contained in paragraph (D) of this Section 2.6, the Condominium Board may delegate to the Managing Agent any of the powers granted to the Condominium Board in these By-Laws.

(D) Notwithstanding anything to the contrary contained in this Section 2.6, the Executive Committee and the Managing Agent shall neither have nor be entitled to exercise, and the Condominium Board shall not delegate to either of them or to any other committee, the powers or duties described in subparagraphs (ii), (iv), (v), (vi), (xiii), (xiv), (xv), (xvi) and (xvii) of paragraph (A) of Section 2.4 hereof. In addition, neither the Managing Agent nor any of the committees described in Subsection (B) of this Section 2.6 shall have, or be entitled to exercise, any of the powers of the Condominium Board, except to the extent permitted by Law.

Section 2.7 *Number, Election and Qualification of Members.* Until the first annual meeting of the Unit Owners held pursuant to the terms of Section 4.1 hereof, the Condominium Board shall consist of 3 individuals, all of which are to be designated from time to time by Sponsor. From and after the first annual meeting of the Unit Owners, and during the Initial Control Period, the Condominium Board shall consist of five (5) individuals, three (3) of which individuals shall be designated by the Sponsor, and two (2) individuals shall be elected by all Unit Owners, including the Sponsor. From and after the first annual meeting of Unit Owners and for so long as Sponsor continues to own at least one (1) Residential Unit, the Condominium Board shall consist of five (5) individuals and one (1) individual shall be designated by the Sponsor. Except for members designated or elected by Sponsor pursuant to the terms of this Section 2.7 or of Section 2.10 or 4.9 hereof, all members of the Condominium Board shall be either: (i) individual Residential Unit Owners or adult Family Members of an individual Residential Unit Owner; or (ii) individual Permitted Mortgagees; or (iii) officers, directors, shareholders, partners, principals, employees, or beneficiaries of corporations, partnerships, fiduciaries, or any other entities that are Residential Unit Owners or Permitted Mortgagees. In addition, no Unit Owner may be elected to serve on the Condominium Board, (nor may continue to serve on the Condominium Board) if the Condominium Board has perfected a lien against such Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such election, or so long as such lien remains unpaid. In no event may more than one individual of a designated Unit serve on the Condominium Board or as an officer of the Condominium Board at the same time during the term of office.

Section 2.8 *Term of Office of Members.* The term of office of the five (5) Members of the Condominium Board designated by Sponsor prior to the first annual meeting of the Residential Unit Owners shall expire when the five (5) individuals to be elected or appointed at such meeting are so elected and qualified or designated, as the case may be. The term of office of each of the five (5) individuals elected and qualified or designated, as the case may be, at the first annual meeting of the Unit Owners pursuant to the terms of Section 4.9 hereof, shall be fixed at one (1) year. Notwithstanding anything to the contrary contained in this Section 2.8, however, each member of the Condominium Board shall serve until his successor shall be elected and qualified or designated, as the case may be.

Section 2.9 *Removal and Resignation of Members.*

(A) Any member of the Condominium Board who was elected thereto either by the Residential Unit Owners, pursuant to the terms of Section 4.9 hereof, or by the Condominium Board, pursuant to the terms of Section 2.10 hereof, may be removed from office, with or without cause, by a vote of a Majority of Residential Unit Owners. Any member of the Condominium Board who was

designated as such or elected by Sponsor pursuant to the terms of Section 2.7, 2.10, or 4.9 hereof, may be removed, with or without cause, only by Sponsor. If any member of the Condominium Board who was designated by Sponsor is removed, his successor shall also be designated by Sponsor. Any member of the Condominium Board whose proposed removal is to be acted upon at a meeting of the Unit Owners shall be given prior written notice thereof and an opportunity to be present and heard thereat.

(B) Any member of the Condominium Board may resign his membership at any time by giving written notice thereof to the Condominium Board and, with respect to members of the Condominium Board designated as such by Sponsor, to Sponsor. In addition, any member of the Condominium Board who shall cease to be qualified for membership pursuant to the terms of Section 2.7 hereof shall be deemed to have resigned his membership effective as of the date upon which such qualification shall cease.

Section 2.10 *Vacancies.*

(A) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a member who was elected thereto by the Residential Unit Owners shall be filled by an individual who is qualified to be a member pursuant to the terms of Section 2.7 hereof and who is elected by a vote of the majority of the Residential members of the Condominium Board then in office. A special meeting of the Condominium Board shall be held for the purpose of filling any such vacancy promptly after the occurrence thereof, and the election held thereat shall be effective to fill such vacancy even if the number of members present at such meeting shall not constitute a quorum.

(B) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a member who was designated as such or elected by Sponsor shall be filled by an individual designated by Sponsor.

(C) Each member of the Condominium Board who is elected thereto or designated as such to fill a vacancy pursuant to the terms of paragraph (A) or (B), respectively, of this Section 2.10 shall serve as a member of the Condominium Board for the remainder of the term of the member replaced and until his successor shall be selected and qualified at the appropriate annual meeting of the Unit Owners pursuant to the terms of Section 4.9 hereof.

Section 2.11 *Organizational Meeting of the Condominium Board.* The first meeting of the Condominium Board following each annual meeting of the Unit Owners shall be held within ten (10) days of such annual meeting, at such time and place as shall be both fixed informally by a majority of the members of the Condominium Board and designated by the Secretary in a written notice given to all members thereof by personal delivery, mail, or telegram not later than five business days prior to such date. At such meeting, the officers of the Condominium Board shall be elected.

Section 2.12 *Regular Meetings of the Condominium Board.* 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 thereof, provided that at least four (4) such meetings shall be held during each fiscal year. Written notice of all regular meetings of the Condominium Board shall be given by the Secretary to each member thereof by personal delivery, mail or telegram at least five (5) business days prior to the day named for such meeting.

Section 2.13 *Special Meetings of the Condominium Board.* The President may call a special meeting of the Condominium Board whenever he deems the same to be necessary or desirable. However, the President shall call such a meeting upon the written request of three (3) or more members of the Condominium Board. Written notice of all special meetings shall be given by the Secretary to each member thereof by personal delivery, mail, or telegram at least three (3) business days prior to the day named for such meeting, which notice shall state the time, place and purpose of the meeting.

Section 2.14 *Waiver of Notice of Meetings.* Any member of the Condominium Board may, at any time, waive notice of any meeting thereof in writing, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a member of the Condominium Board at any meeting thereof shall constitute a waiver by him of notice of the time and place thereof. If all of the members of the Condominium Board are present at any meeting thereof, no notice of such meeting shall be required and any business may be transacted at such meeting.

Section 2.15 *Quorum of the Condominium Board.* A quorum of the Condominium Board is required to be present at a Condominium Board meeting in order to make any determination or to transact any business. For purposes of all meetings of the Condominium Board, a majority of the members thereof shall constitute a quorum for the transaction of business.

In connection therewith, one or more members of the Condominium Board may participate in any meeting thereof by means of a conference telephone or similar communications equipment permitting all individuals participating in the meeting to hear each other at the same time, and such participation shall constitute presence at such a meeting for all purposes. If, at any meeting of the Condominium Board, there shall be less than a quorum present, a majority of the members of the Condominium Board in attendance may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting originally called but for the lack of a quorum may be transacted without further notice.

Section 2.16 *Conduct of Meetings.* The President shall preside at all meetings of the Condominium Board, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Condominium Board and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure from time to time acceptable to a majority of the Condominium Board, shall govern the conduct of the meetings of the Condominium Board unless the same shall be in conflict with the terms of the Declaration, these By-Laws, or the Condominium Act.

Section 2.17 *Decisions by the Condominium Board.* Except as otherwise provided in the Declaration or these By-Laws, the vote of a majority of those Board Members attending a duly constituted meeting of the Condominium Board at which a quorum is present shall decide all matters on behalf of the Condominium Board. Alternatively, any decision that is required or permitted to be made by the Condominium Board may be made without a meeting thereof if all of the members of the Condominium Board shall individually or collectively consent in writing to such decision, and all such written consents shall be duly filed by the Secretary of the Condominium in the minutes of the Condominium Board.

Section 2.18 *Compensation of Members.* No member of the Condominium Board shall receive any compensation from the Condominium for acting as such.

Section 2.19 *Common or Interested Members of the Condominium Board.* Each member of the Condominium Board shall perform his duties, and shall exercise his powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by Law, no contract or other transaction between the Condominium Board and either (i) any of its members or (ii) any corporation, partnership, fiduciary, firm, association, or other entity in which any of the members of the Condominium Board are officers, directors, employees, partners, fiduciaries, beneficiaries, or principals, or are otherwise interested, pecuniarily or otherwise, shall be deemed either void or voidable because either (a) any such member of the Condominium Board was present at the meeting or meetings of the Condominium Board during which such contract or transaction was discussed, authorized, approved, or ratified, or (b) the vote of any such member was counted for such purpose, provided, however, that either:

(x) the fact thereof is disclosed to, or known by, the Condominium Board or a majority of the members thereof and noted in the minutes thereof, and the Condominium Board shall authorize, approve, or ratify such contract or transaction in good faith by a vote of a majority of the entire Condominium Board, less the number of such members; or

(y) the fact thereof is disclosed to, or known by, a Majority of Unit Owners, and a Majority of Unit Owners shall authorize, approve, or ratify such contract or transaction.

Any such member of the Condominium Board may be counted in determining the presence of a quorum of any meeting of the Condominium Board that authorizes, approves, or ratifies any such contract or transaction, but no such member shall be entitled to vote thereat to authorize, approve, or ratify such contract or transaction.

Section 2.20 *Indemnification.*

(A) Indemnification of Board Members and Officers.

(i) Any person made, or threatened to be made, a party to an action or proceeding (other than one by or in the right of the Condominium to procure a judgment in its favor), whether civil or criminal, including an action by or in the right of the Condominium, which any member of the Condominium Board or an officer of the Condominium served in any capacity at the request of the Condominium, by reason of the fact that he, his testator or intestate, was a member of the Condominium Board or an officer of the Condominium, shall be indemnified by this Condominium, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees actually and necessarily incurred by him in defense of such action or as a result of such action or proceeding, or any appeal therein, except that no indemnification shall be made to or on behalf of any member of the Condominium Board or an officer if a judgment or other final adjudication adverse to the member of the Condominium Board or an officer establishes that his acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that he personally gained in fact a financial profit or other advantage to which he was not legally entitled.

(ii) The termination of any such civil or criminal action or proceeding by judgment, settlement, conviction or upon a plea of *nolo contendere*, or its equivalent, shall not in itself create a presumption that any such member of the Condominium Board or officer acted in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that he personally gained in fact a financial profit or other advantage to which he was not legally entitled.

(iii) The Condominium shall indemnify any person made, or threatened to be made, a party to an action by or in the right of the Condominium to procure a judgment in its favor by reason of the fact that he, his testator or intestate, is or was a member of the Condominium Board or officer of the Condominium, or is or was serving at the request of the Condominium as a member of the Condominium Board or officer against amounts paid in settlement and reasonable expenses, including attorneys' fees, actually and necessarily incurred by him in connection with the defense or settlement of such action, or in connection with an appeal therein, if such member of the Condominium Board or officer acted, in good faith, for a purpose which he reasonably believed to be in the best interest of the Condominium, except that no indemnification shall be made to or on behalf of any member of the Condominium Board or officer if a judgment or other final adjudication adverse to the member of the Condominium Board or officer establishes that his acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that he personally gained in fact a financial profit or other advantage to which he was not legally entitled.

(iv) Payment of any amount due an officer or member of the Condominium Board, former officer or member of the Condominium Board or the beneficiaries of a deceased former officer or member of the Condominium Board pursuant to the indemnification created by paragraph (i), (ii) or (iii) above shall be authorized by:

(a) Court order; or

(b) By the Condominium Board acting by a quorum consisting of members of the Condominium Board who are not parties to such action or proceeding upon a finding that the member of the Condominium Board or officer has met the standard of conduct established pursuant to paragraph (i), (ii) or (iii).

(c) If a quorum under subparagraph (b) is not obtainable or, even if obtainable, a quorum of disinterested directors so directs; or

(d) Where a person who has been successful, on the merits or otherwise, in the defense of a civil or criminal action or proceeding of the character described in Section 722 of the Business Corporation Law as authorized in such Section:

i. By the Condominium Board upon the opinion in writing of independent legal counsel that indemnification is proper in the circumstances because the applicable standard of conduct set forth in paragraph (i), (ii) or (iii) above has been met by such member of the Condominium Board or officer; or

i.) By the Unit Owners of the Condominium upon a finding that the member of the Condominium Board or officer has met the applicable standard of conduct set forth in paragraph (i), (ii) or (iii).

(v) Expenses incurred in defending a civil or criminal action or proceeding may be paid by the Condominium in advance of the final disposition of such action or proceeding upon receipt of an undertaking by or on behalf of such member or officer to repay such amount if the person receiving such advancement or allowance is ultimately found, under the procedure set forth in this Section, not to be entitled to indemnification or, where indemnification is granted, to the extent the expenses so advanced by the Condominium or allowed by the court exceed the indemnification to which he is entitled.

(vi) No indemnification, advancement, or allowance shall be made under this Section in any circumstances where it appears that if there has been a settlement approved by the court, that the indemnification would be inconsistent with any condition with respect to indemnification expressly imposed by the court in approving the settlement.

(vii) If any expenses or other amounts are paid by way of indemnification, otherwise than by court order or action by the Unit Owners, the Condominium shall, not later than the next annual meeting of Unit Owners unless such meeting is held within three months from the date of such payment, and, in any event, within fifteen months from the date of such payment, mail to its Unit Owners of record at the time entitled to vote for the election of members of the Condominium Board a statement specifying the person(s) paid, the amount(s) paid, and the nature and status at the time of such payment of the litigation or threatened litigation.

(viii) The Members of the Condominium Board shall have no personal liability with respect to any contract, act or omission of the Condominium Board or of any Managing Agent or manager in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as set forth in Section 4.13 hereof. Every contract made by the Condominium Board or by the Managing Agent shall state that it is made by the Condominium Board or the Managing Agent, only as agent for all Unit Owners and that the members of the Condominium Board or the Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners). Any such contract may also provide that it covers the assets, if any, of the Condominium Board. To the extent permitted by Law, the members of the Condominium Board shall have no liability to Unit Owners except that a member of the Condominium Board shall be liable for his or her own bad faith or willful misconduct. All Unit Owners shall jointly and severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify

each member of the Condominium Board against any liability or claim except those arising out of such member's own bad faith or willful misconduct. The Condominium Board may contract or effect any other transaction with any member of the Condominium Board, any Unit Owner, Sponsor or affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

(ix) Neither the Condominium Board nor any member thereof shall be liable for either:

(a) any failure or interruption of any utility or other services to be obtained by, or on behalf of, the Condominium Board or to be paid for as a Common Expense except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the Condominium Board or any member thereof; or

(b) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or the Common Elements and either: (x) caused by the elements, by any Unit Owner, or by any other Person; (y) resulting from electricity, water, snow, or ice that may leak or flow from a Unit or any portion of the Common Elements; or (z) arising out of theft or otherwise.

(B) Nothing contained in this Section 2.20 shall limit any right to indemnification to which any member or any officer may be entitled by contract or under any law now or hereinafter enacted.

ARTICLE 3

OFFICERS

Section 3.1 *General.* The principal officers of the Condominium shall be the President, the Vice President, the Secretary and the Treasurer. The Condominium Board may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its discretion may be necessary or desirable. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed, upon the direction of the Condominium Board, by any two officers of the Condominium or by such lesser number of officers or by such other Person or Persons as may be designated from time to time by the Condominium Board.

Section 3.2 *President.* The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and of the Condominium Board. The President shall have all of the general powers and duties that are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York (hereinafter referred to as the "BCL"), including, but not limited to, the power to appoint the members of all committees created by the Condominium Board from amongst the Unit Owners from time to time as he may decide, in his discretion, are appropriate to assist in the conduct of the affairs of the Condominium.

Section 3.3 *Vice President.* The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Condominium Board shall appoint some other member of the Condominium Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall be imposed upon him from time to time by the Condominium Board or by the President.

Section 3.4 *Secretary.* The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Condominium Board shall direct and, in general, shall perform all of the duties that are incident to the office of secretary of a stock corporation organized under the BCL.

Section 3.5 *Treasurer.* The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records

and books of account thereof, showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Condominium Board or in the name of the Managing Agent in such depositories as may from time to time be designated by the Condominium Board and, in general, shall perform all of the duties incident to the office of treasurer of a stock corporation organized under the BCL.

Section 3.6 *Election, Term of Office and Qualification of Officers.* Each of the officers of the Condominium shall be elected annually by a majority vote of the Condominium Board taken at the organizational meeting of each new Condominium Board, and shall serve at the pleasure of the Condominium Board. The President, Vice President, and the Treasurer shall be elected from amongst the members of the Condominium Board. Such officers need not be Unit Owners and need not have any interest in the Condominium if they are designated by Sponsor. Such officers must be Unit Owners if they are elected by the other Unit Owners. The other officers of the Condominium Board need not be Unit Owners and need not have any interest in the Condominium.

Section 3.7 *Removal and Resignation of Officers.* Any officer of the Condominium Board may be removed from office, with or without cause, by an affirmative vote of a majority of the members of the Condominium Board. In addition, any officer may resign at any time by giving written notice to the Condominium Board. Finally, if the President, Vice President, or the Treasurer of the Condominium shall cease to be or shall be suspended as a member of the Condominium Board during his term of office, such officer shall be deemed to have resigned his office effective upon the date upon which his membership shall cease.

Section 3.8 *Vacancies.* Any vacancy in an office shall be filled by a majority vote of the Condominium Board at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

Section 3.9 *Compensation of Officers.* No officer of the Condominium shall receive any compensation from the Condominium for acting as such.

Section 3.10 *Indemnification of Officers.* Each officer shall be indemnified as set forth in Paragraph 2.20.

ARTICLE 4

UNIT OWNERS

Section 4.1 *Annual Meetings of the Unit Owners.* The first annual meeting of the Unit Owners shall be held within approximately 30 days after the earlier to occur of: (a) the first anniversary of the First Closing, or (b) the Sponsor has closed title to Residential Units with Purchasers with respect to at least 90% of the aggregate Residential Interest appertaining to all Residential Units. At such meeting a five (5) member Condominium Board shall be elected, as provided both in this Article 4 and in Article 2 hereof. Thereafter, annual meetings of the Unit Owners shall be held on or about the anniversary date of the first annual meeting. At each such subsequent meeting, the Unit Owners (including Sponsor) shall elect successors to the members of the Condominium Board whose term of office expires on the day of such meeting and shall transact such other business as may properly come before such meeting.

Section 4.2 *Special Meetings of the Unit Owners.* The President shall call a special meeting of the Unit Owners whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such a meeting signed by Unit Owners having, in the aggregate, not less than 40% of the Common Interests of all Residential Unit Owners. Each such resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to such stated purposes.

Section 4.3 *Place of Meetings.* Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the Borough in which the Property is located as may be designated by the Condominium Board.

Section 4.4 *Notice of Meetings.*

(A) The Secretary of the Condominium shall give notice of each annual or special meeting of the Unit Owners to all Unit Owners then of record entitled to vote at such meeting, which notice shall set forth the purpose, time and place of such meeting. Such notice may be given to any Unit Owner by personal delivery, mail, or telegram addressed to his address at the Property, not less than 10 nor more than 30 days prior to the day fixed for the meeting. Any Unit Owner may designate an address for the giving of notice other than such Unit Owner's address at the Property by giving written notice thereof to the Secretary of the Condominium not less than ten (10) days prior to the giving of notice of the applicable meeting.

(B) If the business to be conducted at any meeting of the Unit Owners shall include the consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be mailed to all Unit Owners at least thirty (30) days prior to the day fixed for such meeting and shall be accompanied by a copy of the text of such proposed amendment.

Section 4.5 *Quorum of the Residential Unit Owners.* Except as otherwise provided in these By-Laws, the presence, in person or by proxy, of Residential Unit Owners owning Residential Units to which 40% or more of the aggregate Common Interests appertain shall constitute a quorum at all meetings of the Residential Unit Owners. If, at any meeting of the Unit Owners, there shall be less than a quorum present, a majority of the Residential Unit Owners present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

Section 4.6 *Conduct of Meetings.* The President shall preside at all meetings of the Unit Owners, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Unit Owners and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure acceptable to a majority of the Unit Owners present at any meeting, in person or by proxy, shall govern the conduct of the meetings of the Unit Owners, unless the same shall be in conflict with the terms of the Declaration, these By-Laws, or the Condominium Act. All votes of the Unit Owners shall be tallied by the persons appointed by the presiding officer of the meeting.

Section 4.7 *Order of Business.* The order of business at all meetings of the Unit Owners shall be as follows:

(i) Roll call;

(ii) Proof of notice of meeting;

(iii) Reading of the minutes of the preceding meeting (unless waived);

(iv) Reports of officers of the Condominium;

(v) Reports of members of the Condominium Board;

(vi) Reports of committees;

(vii) Election of inspectors of election (when so required);

(viii) Election of members of the Condominium Board (when so required);

(ix) Unfinished business; and

(x) New business.

The order of business at meetings of Unit Owners can be adjusted in the sole discretion of the Condominium Board.

Section 4.8 *Voting.*

(A) Subject to the terms of Section 4.9 hereof, each Residential Unit Owner (including Sponsor for so long as Sponsor shall own Unsold Units) shall be entitled to cast one (1) vote at all meetings of the Unit Owners for each one percentage of Common Interest attributable to such Unit Owner's Unit(s).

(B) Notwithstanding the terms contained in paragraph (A) hereof, 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 has not been paid at the time of such meeting. In addition, neither the Condominium Board nor any designee thereof shall be entitled to vote the Common Interest appurtenant to any Unit owned by the Condominium Board or such designee. The Common Interests of all Units whose owners are precluded from voting pursuant to the terms of this paragraph (B) will be excluded when computing the aggregate Common Interests of all Unit Owners for voting purposes.

(C) A fiduciary shall be the voting member with respect to a Unit owned in a fiduciary capacity. In addition, if two (2) or more Persons own a Unit, they shall designate one (1) Person amongst them to vote the Common Interest appurtenant to their Unit in a writing given to the Secretary of the Condominium, and the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually vote such Common Interest under one (1) ballot without division, and the concurrence of all such Persons shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such Unit shall be counted solely for the purpose of determining whether a quorum is present for such voting.

(D) The owner(s) of any Unit may designate any Person to act as a proxy on his behalf. The designation of any such proxy shall be made in a written notice both signed and dated by the designator and delivered to the Secretary of the Condominium at or before the appointed time for the meeting(s) during which the same is to be effective. Any such designation shall be revocable at any time upon written notice given to the Secretary of the Condominium; however, no revocation of such designation shall be effective with respect to any votes cast by such proxy prior to the receipt of such revocation notice by the Secretary of the Condominium or, if such revocation is made at a meeting of the Unit Owners during which the Secretary of the Condominium is not in attendance, by the individual acting as the secretary of such meeting, except with respect to the designation of a Permitted Mortgagee to act as the proxy of its mortgagor(s), no designation to act as a proxy shall be effective for a period in excess of six months after the date thereof.

Section 4.9 *Election of Members to the Condominium Board.*

(A) When voting for members of the Condominium Board, each Residential Unit Owner (including Sponsor for so long as Sponsor shall own Unsold Residential Units) shall be entitled to cast one (1) vote for each .0001% of Common Interest attributable to his Residential Unit(s) per member to be elected. However, nothing contained herein shall be deemed either to permit any Unit Owner to cumulate the votes attributable to the ownership of a Unit in favor of any one (1) or more members to be elected. In addition, the terms of paragraphs (B), (C) and (D) of Section 4.8 hereof shall apply to all elections of members of the Condominium Board.

(B) All elections of members of the Condominium Board shall be by written ballot, and each ballot cast shall state: (i) the name of the voting Unit Owner and, if such ballot is cast by proxy, the name of the proxy; (ii) the designation number(s) of the Unit(s) owned by the voting Unit Owner; (iii) the

percentage(s) of the Common Interest appurtenant to such Unit(s); and (iv) the names of the candidates for whom such ballot is cast (the number of which names shall not exceed the number of members to be elected). Any ballot that is not cast in conformity with this paragraph (B) shall not be counted. All election ballots shall be retained in the records of the Condominium, appropriately segregated by election for a period of 2 years.

(C) Subject to the terms of paragraph (D) of this Section 4.9, all elections of members of the Condominium Board shall be determined by plurality vote of Unit Owners present, in person or by proxy, at a duly convened meeting.

(D) At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests attributable to the Residential Units owned by Sponsor as it sees fit. However, at elections of members to the Condominium Board held during the Initial Control Period, including, but not limited to, an election held at the first meeting of Unit Owners, Sponsor will have the right to designate three (3) of the five (5) Members to the Condominium Board and all Residential Unit Owners (including Sponsor) shall have the right to vote for the one (1) remaining Residential Member of the Condominium Board.

Subsequent to the Initial Control Period, and for so long as Sponsor continues to own at least one Unsold Residential Unit, Sponsor shall have the right to designate one (1) Residential Member to the Condominium Board, and shall have the right to vote its Common Interest attributable to the Unsold Units for the remaining Residential Members of the Condominium Board. There is no restriction on the right of the Unsold Unit Owners (including Sponsor) to vote for members of the Condominium Board who are not related to or affiliated with Sponsor or other Unsold Unit Owners.

(E) Within 30 days after the Initial Control Period, and at the meeting of the Unit Owners called for the purpose of electing the new members, two (2) of the three (3) members of the Condominium Board who were designated by Sponsor shall immediately resign upon the election of their replacements by the vote of the Unit Owners.

(F) Any Condominium Board elected after the end of the Initial Control Period shall contain a majority of members, not related to the Sponsor and its Principals, who are either Unit Owners who occupy their Units or are adult Family Members of Unit Owners who occupy their Units.

Section 4.10 *Action Without a Meeting.* Any action required or permitted to be taken by the Unit Owners at a duly constituted meeting may be taken without such a meeting if the number of Residential Unit Owners sufficient (both in absolute number and in aggregate Common Interests whenever applicable) to approve such an action at a duly constituted meeting of the Unit Owners pursuant to the Declaration or to these By-Laws consent in writing to the adoption of a resolution approving such action. All written consents given by Residential Unit Owners pursuant to this Section 4.10 shall be retained in the records of the Condominium together with a true copy of the resolutions to which they relate.

Section 4.11 *Title to Units.* Title to any Unit may be taken by any Person or by any two or more Persons as joint tenants, tenants in common, or tenants by the entirety, as may be appropriate. The sale of a Unit to a corporation, partnership, limited partnership, trust or any other entity shall require the delivery to the Condominium Board or its managing agent of such documents as are reasonably requested by the Condominium Board.

Section 4.12 *Contractual Liability of Unit Owners.* Every contract made by the Condominium Board, by any officer of the Condominium, or by any superintendent or Managing Agent of the Building shall state (if obtainable and in addition to the limitation of liability of the members of the Condominium Board and the officers of the Condominium pursuant to the terms of Sections 2.20 and 3.10 hereof, respectively) that the liability of any Unit Owner with respect thereto 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 in the case of a contract relating to the General

Common Elements, (ii) such proportionate share of the total liability thereunder as the Common Interest of such Residential Unit bears to the aggregate Common Interests of all Residential Unit Owners in the case of a contract relating to the Common Elements, and (iii) such Unit Owner's interest in his Unit and its Appurtenant Interests, unless otherwise provided by Law.

ARTICLE 5

OPERATION OF THE PROPERTY

Section 5.1 *Maintenance and Repairs.*

(A) Except as otherwise provided in the Declaration or in these By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary:

(i) in or to any Unit and all portions thereof (including, but not limited to, the interior walls, partitions, ceilings and floors in the Unit, kitchen and bathroom fixtures and appliances, window panes, fireplace, all entrance doors and their frames and saddles, exposed plumbing, gas and heating fixtures and equipment, air conditioning units, lighting and electrical fixtures and any Common Elements incorporated therein pursuant to paragraph (B) of Section 5.8 hereof, but excluding any other Common Elements contained therein) shall be performed by the owner of such Unit at such Unit Owner's sole cost and expense;

(ii) in or to the General Common Elements (other than any General Common Elements incorporated into one or more Units pursuant to the terms of paragraph (C) of Section 5.9 hereof) shall be performed by the Condominium Board and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense; and

(iii) in or to the Limited Common Elements, including the terraces, balconies, Cabanas, Storage Rooms and Parking Spaces shall be performed (a) by the Condominium Board as a Common Expense, if involving structural or extraordinary maintenance, repairs, or replacements (including, but not limited to, the repair of any leaks that are not caused by the acts or omissions of the Residential Unit Owner having direct and exclusive access thereto), or (b) by the Residential Unit Owner having direct and exclusive access thereto at such Residential Unit Owner's sole cost and expense, if involving non-structural ordinary maintenance, repairs or replacements.

Promptly upon obtaining knowledge thereof, each Unit Owner shall report to the Condominium Board or to the Managing Agent any defect or need for repairs for which the Condominium Board is responsible pursuant to the terms hereof. All painting, decorating, maintenance, repairs and replacements performed hereunder or otherwise, whether by or at the behest of a Unit Owner or the Condominium Board, shall be performed in such a manner as shall not unreasonably disturb or interfere with any Unit Owners or the tenants and occupants of any Units.

(B) Notwithstanding anything to the contrary provided in paragraph (A) of this Section 5.1, if any painting, decorating, maintenance, repairs, or replacements to the Property or any part thereof, whether structural or non-structural, ordinary or extraordinary, is necessitated by the negligence, misuse, or abuse of (i) any Unit Owner, the entire cost and expense thereof shall be borne by such Unit Owner, or (ii) the Condominium Board, the entire cost and expense thereof shall be borne by the Condominium as a Common Expense attributable to all Unit Owners if relating to the Common Elements, except, in all events, to the extent that such cost and expense is covered by the proceeds of any insurance maintained pursuant to the terms of these By-Laws. Similarly, each Unit Owner shall be responsible for any and all damage to any Unit or to the Common Elements resulting from such Unit Owner's failure to maintain, repair, or replace his Unit or any portion thereof as required herein.

(C) Each Unit and all portions of the Common Elements shall be kept in first-class condition, order and repair (and free of snow, ice and accumulation of water with respect to any roof, balcony or terrace, or other part of the Property exposed to the elements) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Condominium Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work (including, without limitation, painting, repairs and replacements) that is necessary in connection therewith. In addition, the public areas of the Building and those residential areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by (i) the Condominium Board, with respect to such parts of the Building required to be maintained by it, and (ii) each Unit Owner, with respect to the interior surfaces of windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to his Unit. To promote a consistent appearance of the Building from the outside, no Unit Owner shall be allowed to enclose and/or erect a greenhouse and/or alter a terrace, balcony, Cabana, garden area appurtenant to a Unit in such a way that will alter the conformity of the Building, without the prior written consent of the Condominium Board.

(D) In the event that any Unit Owner, after receipt of written notice from the Condominium Board, fails or neglects in any way to perform any of its obligations with respect to the painting, decorating, maintenance, repair or replacement of its Unit as provided in this Section 5.1 or of any Common Elements for which such Unit Owner is responsible under the Declaration or these By-Laws, the Condominium Board may perform or cause to be performed such painting, decorating, maintenance, repair or replacement unless such Unit Owner, within five days after receiving notice of such default by the Condominium Board, cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such painting, decorating, maintenance, repair or replacement in such Unit Owner's Unit or to any such Common Element for which such Unit Owner is responsible, 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 immediately payable by such Unit Owner to the Condominium Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

Section 5.2 *Alterations, Additions, Improvements, or Repairs in and to Units.*

(A) Subject to the terms of paragraph (B) of this Section 5.2, no Residential Unit Owner may make any structural alteration, addition, improvement or repair, in or to his Residential Unit or its appurtenant Limited Common Elements without the prior written approval of the Condominium Board. In the event, however, that the Condominium Board shall fail to answer any written, reasonably detailed request for such approval within 30 days after such request is received, such failure to respond shall constitute the Condominium Board's consent thereto. Prior to, and as a condition of, the granting of any such approval, the Condominium Board may, at its sole option, require the Residential Unit Owner to procure and agree to maintain during the course of such work such insurance as the Condominium Board may reasonably prescribe and to execute an agreement, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alteration, addition, or improvement, may be made, including, without limitation, the indemnity referred to in paragraph (D) hereof and the days and hours during which any such work may be done. The Condominium Board may impose charges upon the Unit Owner to reimburse the Condominium for architectural, engineering, legal and other fees incurred in reviewing the Unit Owner's request for approval and in monitoring the work performed until completion.

(B) Notwithstanding anything to the contrary contained in paragraph (A) of this Section 5.2, however, Sponsor shall have the right, pursuant to the terms of Article 12 of the Declaration, to (i) make any alterations, additions, improvements, or repairs in or to any Unsold Residential Unit or its appurtenant Limited Common Elements, whether structural or non-structural, interior or exterior, ordinary

or extraordinary, and (ii) subdivide, combine and change the boundary walls of Unsold Residential Units, all without the approval of the Condominium Board.

(C) All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with Law. In connection therewith, the Condominium Board shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Unit provided that, with respect to all such work of a structural nature to a Residential Unit or its appurtenant Limited Common Elements (but other than that of the nature described in paragraph (B) hereof), the same was approved by the Condominium Board pursuant to the terms of paragraph (A) hereof.

(D) Neither the Condominium Board nor any Unit Owner (other than the Unit Owner(s) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his, or their Unit(s) and appurtenant Limited Common Elements) shall incur any liability, cost, or expense either (i) in connection with the preparation, execution, or submission of the applications referred to in paragraph (C) hereof; (ii) to any contractor, subcontractor, materialman, architect, or engineer on account of any alterations, improvements, additions, or repairs made or caused to be made by any Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom. Any Unit Owner(s) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his or their Unit(s) and appurtenant Limited Common Elements, shall agree (in a writing executed and delivered to the Condominium Board, if the Condominium Board shall so request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Condominium Board, the members of the Condominium Board, the officers of the Condominium, the Managing Agent and all other Unit Owners harmless from and against any such liability, cost and expense.

(E) In addition to the requirements set forth above in this Section 5.2, until a permanent certificate of occupancy is obtained for the Building, no Unit Owner shall make any alterations in or to its Unit without first notifying Sponsor in writing and complying with Sponsor's reasonable requirements with respect to the alterations. Such requirements may include, but need not be limited to, the requirements that:

(i) such work not include any change that would result in a delay in obtaining a temporary or permanent certificate of occupancy for the Building, or any amendment to, or extension of, the certificate of occupancy if theretofore issued;

(ii) the Unit Owner post a bond or other similar security that is reasonably acceptable to Sponsor in any amount sufficient (in Sponsor's reasonable judgment) to insure the diligent completion of the work and the filing of any required notices or certificates with respect to such work and the completion of the work with all governmental authorities having jurisdiction;

(iii) such work not be commenced until the Unit Owner causes all required plans, specifications, notices and/or certifications to be filed with all governmental authorities having jurisdiction, procures all required permits and licenses with respect to the same, and delivers copies of all such plans, specifications, notices, certifications, permits and licenses to Sponsor;

(iv) such work be diligently prosecuted to completion in compliance with all plans, specifications, notices and/or certifications and in conformity with all permits and licenses;

(v) Sponsor and its representatives shall be given reasonable opportunity, from time to time, to inspect such work as it progresses;

(vi) promptly after the completion of such work, all necessary inspections and approvals of the work shall be obtained, all necessary notices and/or certifications shall be filed with the

appropriate governmental authorities and Sponsor shall be given a copy of all such inspections, approvals, notices and certifications;

(vii) the Unit Owner shall indemnify and hold Sponsor harmless from any cost, expense, claim, or liability arising, directly or indirectly, from such work, including, without limitation, any cost, expense, claim, or liability incurred or suffered by Sponsor due to any violation of Law or due to any delay in obtaining a temporary or permanent certificate of occupancy for the Building (or any amendment to, or extension of, the certificate of occupancy if theretofore issued) as a result of such work or the failure to make all appropriate governmental filings in connection with same; and

(viii) all contractors shall be duly licensed to the extent required by applicable Law and, if required under any contract with any union whose members are performing services at the Building (including, without limitation, services directly or indirectly at the behest, for the benefit, or for the account of Sponsor, any other Unit Owner, or the Condominium Board), such work shall be performed solely by union members.

If any Unit Owner commences any such alterations in violation of the foregoing terms and conditions, or fails to comply with the reasonable requirements of Sponsor in connection with the alterations, Sponsor shall be entitled to cause such work by the Unit Owner to be halted, including, without limitation, to cause the Managing Agent to deny access to the Building to the Unit Owner's workers and suppliers, until the Unit Owner complies with the same. During the period until such Unit Owner is permitted hereunder to resume its work, Sponsor shall have the right to perform any and all work in and to such Unit Owner's Unit as shall be necessary, in Sponsor's sole judgment, in order to avoid any delay in obtaining a temporary or permanent certificate of occupancy for the Building (or any amendment to, or extension of, the certificate of occupancy if theretofore issued), whether or not such work shall be in compliance with the plans and specifications for the work theretofore performed by, or on behalf of, such Unit Owner. The cost and expense of any such work performed by Sponsor shall be borne by such Unit Owner and shall be paid to Sponsor within 15 days of Sponsor's written demand therefor.

Section 5.3 *Alterations, Additions, or Improvements to the Common Elements.* Except as otherwise provided in the Declaration or in these By-Laws, all necessary or desirable alterations, additions, or improvements in or to any of the Common Elements shall be made by the Condominium Board, and the cost and expense thereof shall constitute a Common Expense attributable to all Unit Owners, if relating to the Common Elements and/or Limited Common Elements. Notwithstanding the foregoing, however, whenever the cost and expense of such alterations, additions, or improvements would, in the judgment of the Condominium Board, exceed $500,000 with respect to the Common Elements or the Limited Common Elements, at any one time, in any fiscal year, such proposed alterations, additions or improvements shall not be made unless first approved by the Unit Owners if relating to the Common Elements and/or the Limited Common Elements (including Sponsor if Sponsor then owns any Unsold Residential Unit) owning 70% of the aggregate Common Interests, at a duly constituted meeting of the Unit Owners and by the Mortgage Representatives, if any. Except as otherwise provided in the Declaration and in these By-Laws, all such alterations, additions, or improvements costing $500,000 or less, in any fiscal year may be made as aforesaid without the approval of either the Unit Owners or any Mortgage Representatives. Notwithstanding the foregoing, no additions, alterations, or improvements shall be made to any of the Common Elements, regardless of the cost thereof, unless the prior written consent of Sponsor (so long as Sponsor shall own at least one (1) Unsold Residential Unit) is first obtained. In no event will the limitations imposed in the preceding sentence continue for more than five (5) years from the First Closing. Sponsor will not withhold consent to any addition, alteration or improvement to the Common Elements, if such addition, alteration or improvement is required to comply with Law, or to remedy any notice of violation or to remedy any work order by an insurer.

Section 5.4 *Lot-Line Windows*

(A) The following Units will contain Lot-Line Windows: 2G, 3G, 4G, 2F, 3F, 4F, 5F, 6F, 7F and 8F.

(B) In the event that any or all of the Lot-Line Windows must be sealed, all construction to enclose the windows shall be performed by the Board of Managers of the Condominium. The cost and expense of such construction shall be the sole responsibility of the Unit Owner or Owners whose Unit(s) contain one or more Lot-Line Windows and such cost and expense shall be charged to the individual Unit Owners affected as a Special Assessment.

(C) The Board of Managers, their agents, contractors and employees, will have the right to enter any Unit(s) necessary to effect the enclosure of such lot-lined windows, should same be necessary. The Unit side of the enclosure will be finished with the same material originally used when the Sponsor completed the Unit, if available, or if not available, then with such other finish material as will nearly as possible resemble such original material. Decoration of the affected area on the Unit side of the enclosure will also be the responsibility of the Unit Owner, at his or her sole expense.

Section 5.5 *Insurance.*

(A) If the same shall be obtainable, the Condominium Board shall obtain, and shall maintain in full force and effect, special multi-peril insurance policies including fire with extended "all risk" coverage, replacement cost coverage and agreed valuation, vandalism and malicious mischief endorsements, insuring the entire Building (other than the space defined by the dimensions of the Units and any appliances, fixtures, improvements or any furniture, furnishings, decorations, belongings, or other personal property contained therein) together with all service machinery contained therein and covering the interests of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their respective interest may appear. Each of the said policies shall contain:

(i) waivers of (a) subrogation, (b) any defense based upon co-insurance or other insurance, (c) invalidity arising out of any acts of the insured, and (d) pro-rata reduction of liability;

(ii) a provision that any adjustment of loss will be made by the Condominium Board and that all proceeds thereof shall be paid to either the Condominium Board or the Insurance Trustee, as provided in Section 5.5 hereof.

(iii) a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee set forth in subparagraph (ii) above and in Section 5.5 hereof; and

(iv) a provision that such policy may not be either canceled or substantially modified except upon at least 30 days prior written notice to the Condominium Board and all insureds who may have requested such notice, including Permitted Mortgagees.

Duplicate originals or certificates of insurance of all such policies and of all renewals thereof, together with proof of payment of premiums, shall be on file at the office of the Managing Agent. Copies thereof shall be delivered to any Unit Owner or Permitted Mortgagee on written request thereof.

(B) The Condominium Board shall also obtain and maintain, to the extent it deems practicable:

(i) comprehensive general liability insurance, covering all claims for personal injury or property damage arising out of any occurrence on the Property and listing as co-insureds (a) the Condominium Board and each member thereof, (b) the Managing Agent or manager (if any), (c) each officer and employee of the Condominium and (d) each Unit Owner (except, however, that such

insurance shall not cover any liability of a Unit Owner arising from occurrences within his own Unit or its Limited Common Elements, if any);

(ii) rent insurance;

(iii) worker's compensation and New York State disability benefits insurance;

(iv) boiler and machinery insurance;

(v) water damage insurance;

(vi) officers and directors liability insurance;

(vii) fidelity insurance and bonds covering all officers, directors and employees of the Condominium and Managing Agent;

(viii) plate glass insurance;

(ix) elevator liability and collision insurance;

(x) umbrella insurance; and

(xi) such other insurance as the Condominium Board shall from time to time determine.

Each of the aforementioned policies of insurance shall also cover cross-liability claims of one insured against another.

(C) All policies of insurance to be maintained by the Condominium Board shall contain such limits as the Condominium Board shall from time to time determine, provided, however, that:

(i) with respect to insurance policies maintained by the Condominium Board pursuant to paragraph (A) hereof, the coverage shall be in an amount equal to not less than 80% of the full replacement cost of the Building, exclusive of footings and foundations, without deduction for depreciation, as approved by a fire insurance company, a qualified insurance broker, or another qualified source;

(ii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (i) of paragraph (B) hereof, such policies shall contain single limits of not less than $1,000,000 in the aggregate; and

(iii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (ii) of paragraph (B) hereof, the coverage shall be in an amount equal to the aggregate of all of the Unit Owners' Common Charges for one year.

Any insurance policies maintained by the Condominium Board may also provide for such deductible amounts as the Condominium Board shall determine. The Condominium Board shall review the limits of each insurance policy, as well as the amount of any deductible sum thereunder, at least once each year.

(D) The cost of all insurance maintained by the Condominium Board pursuant to this Section 5.5, together with the fees and disbursements of any Insurance Trustee appointed by the Condominium Board pursuant to the terms of these By-Laws, shall be borne by the Unit Owners as a Common Expense or the Residential Unit Owner's as a Residential Common Expense, depending on the item to which the coverage relates.

(E) Unit Owners are encouraged to carry other insurance for their own benefit insuring the contents of their Units and their respective Limited Common Elements and liability insurance with respect to acts occurring therein, provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing the insurance maintained by the Condominium

Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

Section 5.6 *Casualty or Condemnation.*

(A) In the event that either (i) the Building or any part thereof are damaged or destroyed by fire or other casualty ("Casualty Loss") or (ii) the Common Elements and/or Limited Common Elements, or any part thereof is taken in condemnation or by eminent domain ("Taking"), the net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the terms of Section 5.5 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable either to the Condominium Board, if the same shall be $1,000,000 or less in the aggregate, or to the Insurance Trustee, if the same shall exceed $1,000,000 in the aggregate. In either instance, all such monies actually received ("Trust Funds") shall be held in trust for the benefit of all Unit Owners, with respect to the portion thereof allocated to a Casualty Loss to or Taking of the Common Elements and the Units, and/or Limited Common Elements and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section 5.6. Notwithstanding anything to the contrary contained either in this paragraph (A) or elsewhere in this Section 5.6, however, no Unit Owner whose Unit, its appurtenant Limited Common Elements, if any, or any portion thereof are taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements are contemporaneously taken) shall be deemed to have waived whatever rights that he may have to pursue a separate claim against the condemning authority by reason thereof.

(B) Subject to the terms of paragraph (D) hereof, the Condominium Board shall arrange for the prompt repair or restoration ("Work") of: (i) in the event of a Casualty Loss, the portion(s) of the Building (including all Units and the bathroom and kitchen fixtures installed therein on the date of recording the Declaration and all service machinery contained therein, but not including appliances, fixtures, improvements made therein by a Unit Owner, or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by either Unit Owners or the tenants of Unit Owners) affected by such Casualty Loss or (ii) in the event of a Taking, the portion(s) of the Common Elements or the Units affected by such Taking. If, pursuant to the immediately preceding sentence, Work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements, or any combination of the foregoing, the Work shall be performed to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units and then in or to the balance of the Common Elements. Each Unit Owner whose Unit, its appurtenant Limited Common Elements, if any, or any portion thereof, shall be the subject of all or part of any Work shall have the right subject to the terms of Section 5.2 hereof, to supervise any redecorating of his Unit or of such Limited Common Element, if any.

(C) In the event that Work shall be performed pursuant to the terms of paragraphs (B) and (D) of this Section 5.6, the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments. If the Trust Funds shall be less than sufficient to discharge the cost and expense of performing the Work, the Condominium Board shall levy a Special Assessment against all Unit Owners for the amount of such deficiency in proportion to their respective Common Interests, for Work to the Common Elements and against all Residential Unit Owners, and all proceeds of such Special Assessment shall become part of the Trust Funds. If, conversely, the Trust Funds shall prove to be more than sufficient to discharge the cost and expense of performing the Work, such excess shall be paid to all Unit Owners in proportion to their respective Common Interests, with respect to Work to the Common Elements, except that no payment shall be made to a Unit Owner until there has first been paid, out of such Unit Owner's share of such excess, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens. Notwithstanding the foregoing, however, in the event that the Unit Owners are assessed pursuant to the terms of the second sentence of this paragraph (C) for any projected deficiency in the amount of the Trust Funds available to

the Condominium Board and, after the payment of all costs and expenses incurred in connection with the Work, any portion of the Trust Funds remaining unspent, such excess Trust Funds shall, to the extent of such Special Assessment, be deemed to be, and shall constitute, an unspent Special Assessment and shall be paid to the Unit Owners so assessed in proportion to their respective Common Interests, with respect to Work to the Common Elements, free of any claim of any lienor (including without limitation, any Permitted Mortgagee).

(D) If either 75% or more of the Building is destroyed or substantially damaged by fire or other casualty or 75% or more of the Common Elements are taken in a Taking, the Work shall not be performed unless 75% or more of all Unit Owners (including Sponsor if Sponsor shall then own any Units), in aggregate Common Interests, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of paragraphs (B) and (C) hereof. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interest, to the extent allocated to destroyed or damaged portions of the Common Elements and Limited Common Elements, except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to pay off any Permitted Mortgage and other unpaid liens on the Unit Owner's Unit.

(E) In the event that the damage resulting from a Casualty Loss shall (i) render one or more Units wholly or partially unusable for the purposes permitted herein and in the Declaration or (ii) destroy the means of access to one or more Units, the installments of Common Charges otherwise payable by the owner of any Unit so affected thereby shall proportionately abate until such Unit shall again be rendered usable for such purposes and/or until the means of access thereto shall be restored, as the case may be. Notwithstanding the foregoing, however, if such Casualty Loss shall be caused by the act, the omission to act, or the negligence of the 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.

(F) If (i) a portion of any Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of paragraph (D) hereof, the Common Interest appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit and its appurtenant Limited Common Elements, if any, after such Taking bears to the total floor area of such Unit and its appurtenant Limited Common Elements, if any, prior to such Taking. The Condominium Board shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest appurtenant to such Unit, which amendment shall be executed by the owner of such Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). Following the Taking of a portion of a Unit and the recording of the aforementioned amendment to the Declaration, the votes appurtenant to such Unit shall be based upon the new Common Interest of such Unit, and, in the event of a Taking of an entire Unit, the right to vote appurtenant to such Unit shall wholly terminate. In either event, the Common Interests of the other or remaining Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Condominium Board and the owners of, all of the other or remaining Units together with the holders of the Permitted Mortgages.

(G) As used in this Section 5.6, the terms:

(i) "Prompt repair or restoration" shall mean that the Work is to be commenced not more than either: (a) 60 days after the date upon which the Insurance Trustee notifies the Condominium

Board that it has received Trust Funds sufficient to discharge the estimated cost and expense of the Work, or (b) 90 days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds insufficient to discharge the estimated cost and expense of the Work, or (c) in the event that the Trust Funds are payable to the Condominium Board pursuant to the terms of paragraph (A) of this Section 5.6, 60 days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work; and

(ii) "Promptly resolve" shall mean that a resolution shall be duly made not more than 60 days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds and that the same are or are not sufficient to discharge the estimated cost and expense of the Work, as the case may be.

(H) Any dispute that may arise under this Section 5.6 between Unit Owners or between any Unit Owner(s) and the Condominium Board shall be resolved by arbitration pursuant to the terms of Article 10 hereof.

Section 5.7 *Use of the Property.*

(A) No nuisance shall be allowed on the Property, nor shall any use or practice be allowed that either is a source of annoyance to its residents or interferes with the peaceful possession or proper use of the Property by its residents or occupants. No immoral, improper, offensive, or unlawful use shall be made of the Property or any portion thereof, and all valid Laws relating to any portion of the Property shall be complied with at the sole cost and expense of the respective Unit Owners or the Condominium, whoever shall have the obligation to maintain or repair such part of the Property.

(B) Nothing shall be done or kept in any Unit or in any Residential Unit or in any of the Common Elements that would increase the rate of insurance for the Property, except upon the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements that will result in the cancellation of insurance on the Property or the contents thereof, or that would be in violation of any Law. No waste shall be committed in the Common Elements.

(C) Nothing shall be done in any Unit or in, on, or to the Common Elements that will impair the structural integrity of the Property or will structurally change the Building, except as is otherwise provided in the Declaration or in these By-Laws. In no event shall interior partitions contributing to the support of any Unit or the Common Elements be altered or removed.

Section 5.8 *Use of the Units.*

(A) In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of Units shall be restricted to, and shall be in accordance with, the terms contained in the balance of this Section 5.8.

(B) Subject to the terms of paragraphs (C) and (D) of this Section 5.8, each Residential Unit shall be used only as a residence, and not more than one family may occupy a Unit at any one time. A Residential Unit owned or leased by an individual, corporation, partnership, fiduciary, or any other entity may be occupied only by an individual, or by an individual officer, director, stockholder, or employee of such corporation, or by an individual partner or employee of such partnership, or by an individual fiduciary (including directors, officers, stockholders, or employees of corporate fiduciaries and partners and employees of partnership fiduciaries), or by an individual beneficiary of said fiduciary, or by an individual principal or employee of such other entity, respectively, or by the Family Members and guests of any of the foregoing (and nothing herein contained shall be deemed to prohibit the exclusive occupancy of any Unit by such Family Members or guests). Notwithstanding the foregoing, Sponsor (or, when there are no longer any Unsold Residential Units, the Condominium Board) may, in its sole

discretion, permit Persons other than those set forth above to occupy a Residential Unit. In no event, however, shall a transient tenant occupant (other than a guest permitted under this paragraph (B)) be accommodated therein or may a portion of a Residential Unit (as opposed to the entire Residential Unit) be sold, conveyed, leased, or subleased.

(C) The Condominium Board may, in its sole discretion, consent to the use of a Residential Unit as a professional or business office or for any purpose other than that set forth in paragraph (B) hereof, provided that the nature and manner of such use complies with Law and does not violate the then existing Certificate of Occupancy covering the Building. Any such consent shall be in writing and shall be personal to such Unit Owner. Any lessee of, or successor in title to, such Unit Owner shall be required to obtain the prior written consent of the Condominium Board before using such Unit for any purpose other than that set forth in paragraph (B) hereof.

(D) Notwithstanding anything to the contrary contained in this Section 5.8, Sponsor may, without the consent of either the Condominium Board or the Unit Owners:

(i) grant permission for the use of any Unsold Residential Unit as a professional or business office or for any other purpose, provided that the nature and manner of such use complies with Law and the user thereof complies with all applicable governmental regulations; and

(ii) use any one or more Unsold Residential Units as models and offices for the sales, promotions, rental, management and operation of the Unsold Units or for any other purpose, subject only to compliance with Law; and

Section 5.9 *Use of the Common Elements*

(A) Subject to the terms of paragraphs (B) and (C) of this Section 5.9, the Common Elements (including, without limitation, the electrical, heating, gas, plumbing and other mechanical systems and equipment of the Building and the Facilities) may be used only for the furnishing of the services and facilities, and for the other uses, for which they are reasonably suited and capable. In addition, no furniture, packages, or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators, or any other part of the Common Elements (except for those areas designated as storage areas) without the prior written consent of the Condominium Board. The lobbies, vestibules, public halls, stairways and elevators shall be used only for normal passage through them. Accordingly, all Unit Owners shall require their tradesmen to utilize exclusively the elevator and entrance designated by the Condominium Board for transporting packages, merchandise, or other objects.

(B) The owner or owners of any two or more Units, which Units are the only Units serviced or benefited by any Common Element adjacent or appurtenant to such Units (for example, that portion at the end of any residential hallway that is directly adjacent to any such Units located on opposite sides of such hallway) shall, with the consent of the Condominium Board (which consent shall not be unreasonably withheld or delayed), have the right to use such General Common Elements exclusively, as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion), and no amendment to the Declaration or reallocation of Common Interests shall be made by reason thereof. In such event, however, such owner or owners shall, at his or their sole cost and expense, both (i) operate, maintain and repair such General Common Element for so long as such owner or owners exercise such exclusive right of use and (ii) restore such General Common Element to its original condition, reasonable wear and tear excepted, after such owner or owners cease to exercise such exclusive right of use.

(C) The terms of paragraph (A) of this Section 5.9 shall not apply to Sponsor for so long as there are any Unsold Residential Units. Sponsor shall have the right, without charge or limitation, to: (i) erect and maintain signs, of any size or content determined by Sponsor on or about any portion of the Common Elements chosen by Sponsor including, without limitation, on the exterior walls of the Building or adjacent to the main entrance thereof; (ii) have its employees, contractors, subcontractors and sales

agents present on the Property; and (iii) do all things necessary or appropriate, including the use of the Common Elements (such as lobbies, corridors and the like), to sell, lease, manage, or operate Unsold Residential Units, to complete any work or repairs to the Building expressly undertaken by Sponsor and to comply with Sponsor's obligations under the Plan and the Condominium Documents. In no event, however, shall Sponsor be entitled to use any Common Elements in such a manner as will unreasonably interfere with the use of any Unit for its permitted purposes.

Section 5.10 *Rights of Access.*

(A) Subject to the rights of existing tenants and other occupants of Unsold Residential Units, each Unit Owner shall grant to the Condominium Board, to the Managing Agent or manager (if any), to the superintendent or to any other Person authorized by any of the foregoing a right of access (including the right of forced entry if required in the discretion of the party seeking such entry) to his Unit and its appurtenant Limited Common Elements, if any, for the purposes of:

(i) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property;

(ii) curing defaults hereunder or under the Declaration or violations of the Rules and Regulations committed by such Unit Owner or correcting any conditions originating in his Unit and threatening another Unit or all or a portion of the Common Elements;

(iii) performing maintenance, installations, alterations, repairs, or replacements to the mechanical or electrical services, or other portions of the Common Elements located within his Unit or elsewhere in the Building;

(iv) reading, maintaining, or replacing utility meters relating to the Common Elements, to his Unit, or to any other Unit; or

(v) correcting any condition that violates the provisions of any Permitted Mortgage encumbering another Unit.

Except in cases of emergency (that is, a condition requiring repairs or replacement immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals, or required to avoid the suspension of any necessary service in the Building), the foregoing rights of access shall be exercised only upon not less than one day's advance notice and only in such a manner as will not unreasonably interfere with the use of the Residential Units and their appurtenant Limited Common Elements for their permitted purposes. In cases of emergency, however, such rights of access may be exercised immediately, without advance notice and whether or not the Unit Owner is present.

(B) Each Unit Owner shall grant a right of access to his Unit and its appurtenant Limited Common Elements, if any, and the Condominium Board shall grant rights of access to the Common Elements, to Sponsor and its contractors, subcontractors, agents and employees for the purpose of fulfilling Sponsor's obligations as set forth in the Plan or in any amendment thereto, provided that access thereto shall not be exercised, with respect to any Unit and its appurtenant Limited Common Elements, if any, in such a manner as will unreasonably interfere with the use of such Unit and its appurtenant Limited Common Elements, if any, for their permitted purposes.

Section 5.11 *Modification of the Rules and Regulations.* The Condominium Board shall have the right to amend, modify, add to, or delete any of the Rules and Regulations from time to time, provided, however, that any such amendment, modification, addition, or deletion may be overruled by a vote of at least 66 2/3% of all Unit Owners, in number and Common Interest. Copies of the text of any amendments, modifications, additions, or deletions to the Rules and Regulations shall be furnished to all Unit Owners not less than thirty days prior to the effective date thereof. Notwithstanding the foregoing, the Condominium Board shall not have the right to amend, modify, add to, or delete any of the Rules and

Regulations if the same would adversely affect Unsold Units owned by Sponsor and the sale, lease or use thereof, without the prior written consent of Sponsor.

Section 5.12 *Real Estate Taxes.* Unless and until real estate taxes are billed directly to Unit Owners by the City Collector, the Condominium Board shall promptly pay such taxes as a Common Expense and shall include the amount to be paid on account of a Unit in Common Charges. In the event of a proposed sale of any Unit, the Condominium Board (for so long as the Condominium Board is still paying such real estate taxes) shall, upon the written request of the selling Unit Owner, execute and deliver to the Purchaser of such Unit, or to such Purchaser's title company, a letter agreeing to promptly pay all such real estate taxes affecting such Owner's Unit to the date of the closing of title to such Unit.

Section 5.13 *Fuel.* Unless and until fuel is billed directly to Unit Owners by the supply company, in accordance with and subject to the provisions of the Plan, the cost and expense of fuel (for heating and cooling) serving or benefiting any Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Unit and/or Common Element, (ii) determined by the Condominium Board, (iii) paid by the Condominium Board, and (iv) charged to the respective Unit Owners as a Common Expense for such portion attributable to the Units and/or the Limited Common Elements, and all Unit Owners as a Common Expense for such portion attributable to the General Common Elements. In the event there is a particular or unique use being made of a Unit and/or Common Element, the Condominium Board shall cause a new survey to be made the cost of which shall be borne by the Unit Owners as a Common Expense.

Section 5.14 *Water Charges and Sewer Rents.* Unless and until water is separately metered in a Unit and water charges and sewer rents are billed directly to a Unit Owner by the City Collector, in accordance with and subject to the provisions of the Plan, the cost and expense of water serving or benefiting a Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Unit and/or Common Element, (ii) determined by the Condominium Board, (iii) paid by the Condominium Board, and (iv) charged to the respective Unit Owners as a Common Expense for such portion attributable to their Unit and/or the Limited Common Elements, and all Unit Owners as a Common Expense for such portion attributable to the General Common Elements. In the event there is a particular or unique use being made of a Unit, the Condominium Board shall cause a new survey to be made, the cost of which shall be borne by all the Unit Owners as a Common Expense.

Section 5.15 *Record and Audits.*

(A) The Treasurer of the Condominium, or the Managing Agent under the supervision of such Treasurer, shall keep full, detailed and accurate records and books of account with respect to the financial affairs of the Condominium, which records and books of account shall include, without limitation, (i) a listing of all receipts of and expenditures by the Condominium Board and the Managing Agent and (ii) a separate listing for each Unit, setting forth, among other things, the amount of each assessment of Common Charges and Special Assessments levied against such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid, as well as all Permitted Mortgages having an interest in such Unit.

(B) Within four (4) months after the end of each fiscal year of the Condominium, the Condominium Board shall submit to each Unit Owner, and, if so requested, to any Permitted Mortgagee, an annual report of the receipts and expenditures of the Condominium prepared and certified by an independent certified public accountant. The cost of preparing and distributing each such report shall be borne by the Condominium Board as a Common Expense. The fiscal year of the Condominium shall be a calendar year.

ARTICLE 6

COMMON CHARGES

Section 6.1 *Determination of Common Expenses and Fixing of Common Charges*

(A) From time to time, but not less frequently than once a year, the Condominium Board shall: (i) prepare and adopt a budget for the Condominium, subject, in all respects, to the strictures set forth in Section 2.5 hereof; (ii) determine the aggregate amount of Common Charges necessary to be charged to the Unit Owners in order to meet the Common Expenses; and (iii) allocate and assess such Common Charges amongst the Unit Owners in accordance with allocations set forth in the First Year's Budget. The Condominium Board shall advise all Unit Owners promptly thereafter in writing of the amount of Common Charges payable by each of them, not later than ten (10) days prior to the date upon which the first installment of newly-determined Common Charges is due, shall furnish copies of the budget (in a reasonably itemized form) upon which such Common Charges are based to all Unit Owners and to their respective Permitted Mortgagees whenever requested in writing by such Permitted Mortgagees. The Condominium Board may, subject to Section 6.1 (E) hereof, at its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owners and may modify its prior determination of the Common Expenses for any fiscal year so as to increase or decrease the amount of Common Charges payable for such fiscal year or portion thereof; however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination. Notwithstanding the foregoing, however, the Condominium Board shall not reduce the Common Charges payable during any fiscal year occurring within the Initial Control Period solely as a result of either reducing the number of employees of the Condominium below the number employed (or anticipated in the First Year's Budget) for the Property on the date of recording the Declaration, except with the Sponsor's prior written consent, or eliminating or reducing the insurance coverage below that provided for the Property on such date, except with the concurrence of a majority of the members of the Condominium Board elected by Unit Owners other than Sponsor. All Unit Owners will be given a copy of the proposed annual budget of the Condominium at least ten (10) days prior to the date set for adoption thereof by the Condominium Board.

(B) The failure or delay of the Condominium Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses shall be made.

(C) In addition to the foregoing duty to determine the amount of and assess Common Charges, the Condominium Board shall have the right, subject, in all respects, to the strictures contained in Section 2.5 hereof, to levy Special Assessments to meet the Common Expenses. All Special Assessments relative to the Common Elements shall be levied against all Unit Owners in proportion to their respective Common Interests. Special Assessments may be payable either in one lump sum or in installments, as the Condominium Board shall determine, 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 installment thereof, shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Condominium Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges (including, without limitation, the provisions of Section 6.4 hereof).

(D) The excess of all rents, profits and revenues derived from the rental or use of any space forming a part of, or included in, any, Common Element remaining after deduction of all expenses incurred in connection with generating the same shall constitute income of the Unit Owners and shall be collected on behalf of the Unit Owners by the Condominium Board and applied against the Common Expenses attributable to the Common Elements or the Limited Common Elements for the fiscal year in which collected. In the event that such net rents, profits and revenues, together with the Common Charges and any Special Assessments collected from the Unit Owners, for any year of operation shall exceed the Common Expenses for such year, then such excess shall be applied by the Condominium Board against the Common Expenses attributable to the Common Elements or the Limited Common Elements for the next succeeding year(s) of operation. No Unit Owner shall be entitled to a distribution of any portion of such excess unless the Condominium Board shall determine to distribute all or part of such excess to all Unit Owners pro-rata, in proportion to their respective Common Interest as appropriate and any such distributions must be made out of the Common Charges collected from Unit Owners.

Section 6.2 *Payment of Common Charges*

(A) All Unit Owners (including Sponsor with respect to Residential Unsold Units for so long as the same are owned thereby) shall be obligated to pay Common Charges and Special Assessments assessed by the Condominium Board pursuant to the terms of Section 6.1 hereof at such time or times (but not less than annually) as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, Common Charges shall be payable in installments on the first day of every month in advance. To the extent permitted by Law, the Condominium Board shall have a lien on each Unit, on behalf of all Unit Owners, for unpaid Common Charges and Special Assessments assessed against such Unit. Such lien, however, shall be subordinate, to the extent required by Law, to any liens for real estate taxes assessed against such Unit and any sums unpaid on a Permitted Mortgage recorded against the Unit.

(B) No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessments assessed against his Unit subsequent to a sale, transfer, or other conveyance by him of such Unit, together with its Appurtenant Interests, made in compliance with the terms of Article 7 hereof. A Purchaser or other successor-in-title to the owner of a Unit shall be liable for the payment of all Common Charges and any Special Assessments accrued and unpaid against such Unit prior to his acquisition thereof, except that, to the extent permitted by Law, a Permitted Mortgagee acquiring title to a mortgaged Unit or a Purchaser at a mortgage foreclosure sale held with respect to a Permitted Mortgage shall not be liable, and such mortgaged Unit shall not be subject to a lien, for the payment of any Common Charges and Special Assessments assessed subsequent to the recording of such Permitted Mortgage and prior to the acquisition of title to such Unit by the Permitted Mortgagee or by such Purchaser. However, in the event of a foreclosure of a Permitted Mortgage (whether by sale, deed in lieu of foreclosure, or otherwise), the defaulting Unit Owner shall remain fully liable for the payment of all unpaid Common Charges and Special Assessments that accrued prior to such foreclosure or sale. Any excess proceeds from such foreclosure or sale shall be paid directly to the Condominium Board in payment of all unpaid Common Charges and Special Assessments. In the case of a Residential Unit, any remaining unpaid Common Charges and Special Assessments that are not collected from such foreclosure sale or from the defaulting Residential Unit Owner shall be deemed a Common Expense, collectible from all those who are Residential Unit Owners at the time the same is levied.

(C) Subject to the terms and conditions contained in these By-Laws, any Unit Owner may convey his Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, without being compensated therefor, and, in such event, be exempt from the payment of Common Charges and Special Assessments thereafter accruing, provided, however, that: (i) all Common Charges and any Special Assessments then due and payable with respect to such Unit have been paid; (ii) such Unit is free and clear of all liens and encumbrances other than a Permitted Mortgage and the statutory lien for unpaid Common Charges and Special

Assessments; and (iii) no violation of any provision of the Condominium Documents then exists with respect to such Unit. However, in no event shall Sponsor be permitted to convey any Unsold Residential Unit to the Condominium Board and thereby exempt itself from Common Charges and any Special Assessments attributable to such Residential Unit thereafter accruing unless the aggregate Common Interests then appertaining to the Unsold Residential Units constitute 15% or less of the total Common Interests then appertaining to all Residential Units, at least five years shall have elapsed from the date of the First Closing and, at the time of conveyance, Sponsor shall pay to the Condominium Board an amount equal to the product of the then current monthly Common Charges for the Unsold Residential Unit(s) being conveyed multiplied by 24.

(D) No Unit Owner shall be exempted from liability for the payment of Common Charges or Special Assessments by waiving the use or enjoyment of any or all of the Common Elements or by abandoning his Unit (except with respect to a conveyance of the same to the Condominium Board, without compensation, pursuant to the terms of paragraph (C) hereof). Except as expressly provided to the contrary in paragraph (E) of Section 5.6 hereof, no Unit Owner shall be entitled to a diminution or abatement in the Common Charges or Special Assessments payable thereby for any inconvenience or discomfort arising from: (i) the failure or interruption of any utility or other services; (ii) the making of repairs or improvements to the Common Elements or any Unit (including, without limitation, such Unit) pursuant to the terms of Section 5.1, 5.2, or 5.3 hereof; or (iii) any action taken by the Condominium Board or the officers of the Condominium to comply with Law.

Section 6.3 *Statement of Common Charges.* The Condominium Board shall promptly provide a written statement of unpaid Common Charges due from any Unit Owner upon its receipt of a written request therefor from such Unit Owner. In addition, each Unit Owner shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 6.4 *Default in Payment of Common Charges.*

(A) The Condominium Board shall take prompt action to collect any Common Charges due to the Condominium Board that remain unpaid for more than fifteen (15) days after the due date for the payment thereof, including, but not limited to the imposition of late charges, notice fees and the institution of such actions for the recovery of interest and expenses as provided in this Article 6. All costs and expenses incurred by the Condominium Board (including reasonable attorney's fees) as a result of its attempt to collect unpaid Common Charges and/or Special Assessments shall be borne by the Unit Owner and shall constitute common charges payable by such Unit Owner. In connection therewith, the Condominium Board shall have the right and obligation to cause liens for all sums due and owing to the Condominium Board to be filed in the Register's Office pursuant to the terms of Section 339-z of the Condominium Act, to cause such liens to be foreclosed in the manner provided in Section 339-aa of the Condominium Act and/or to institute all other proceedings deemed necessary or desirable by the Condominium Board to recover all such unpaid Common Charges, together with all additional sums of money collectible by the Condominium Board by reason of such nonpayment pursuant to the terms of paragraph (B) hereof. A suit to recover a money judgment for unpaid Common Charges, however, shall be maintainable without foreclosing or waiving the lien securing such charges.

(B) In the event that any Unit Owner shall fail to make prompt payment of Common Charges, such Unit Owner shall be obligated to pay: (i) interest thereon at the rate of 1.5% per month of such unpaid amounts (less any late "charges" theretofore collected), to be computed from the due date thereof until paid in full, together with all costs and expenses paid or incurred by the Condominium Board, the Managing Agent, or the manager (if any) in connection with collecting such unpaid Common Charges with interest as aforesaid and/or in foreclosing the aforementioned lien, including, without limitation, reasonable attorneys' fees and disbursements and court costs; (ii) a late charge of $150 per month for

Common Charges which remain unpaid for more than ten (10) days after the date when due, plus all expenses of collection including but not limited to reasonable attorneys' fees, in such amount as may be determined by the Condominium Board from time to time, to be computed from the due date thereof until paid in full. In addition, if the Condominium Board shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner will be required to pay a reasonable rental for the use of his Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. All such late charges, interest, costs and expenses and rentals shall be added to and shall constitute Common Charges payable by such Unit Owner.

(C) In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges, the Condominium Board shall have, on behalf of all Unit Owners, the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote the votes appurtenant to the same). In the event that the net proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokerage commissions, court costs and other costs and expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, such Unit Owner shall remain liable for the deficit. Any surplus on such foreclosure shall be paid to the defaulting Unit Owner after first paying all liens on such Unit Owner's Unit in the order of priority of such liens.

(D) If the Unit Owner shall at any time lease the Unit and shall default in the payment of any Common Charges or additional Common Charges, the Board may, at its option, so long as such default shall continue, demand and receive from the tenant the rent due or becoming due from such tenant to the Unit Owner, and apply the amount to pay sums due and to become due from the Unit Owner to the Condominium. Any payment by a tenant to the Condominium shall constitute a discharge of the obligation of such tenant to the Unit Owner, to the extent of the amount so paid. The acceptance of rent from any tenant shall not be deemed a consent to or approval of any leasing by the Unit Owner, or a release or discharge of any of the obligations of the Unit Owner hereunder. In the event the tenant fails to pay the rent to the Condominium after demand by the Condominium Board, the Condominium Board shall have the right to commence summary eviction proceedings in the name of or on behalf of the Unit Owner, against the tenant. All costs and expenses incurred by the Condominium Board (including reasonable attorneys' fees) in connection with the above shall be borne by the Unit Owner and shall constitute Common Charges payable by such Unit Owner.

ARTICLE 7

SELLING AND LEASING OF UNITS

Section 7.1 *General.* Subject to the terms of Section 7.5 hereof, each Residential Unit Owner may (i) sell his Residential Unit, and (ii) lease his Residential Unit for periods of one (1) year or more only, provided however, no Residential Unit Owner may sell or lease his Unit except in compliance with the applicable provisions of this Article 7. Any purported sale or lease consummated in default in the applicable terms hereof shall be voidable at the sole election of the Condominium Board, and, if the Condominium Board shall so elect, the selling or leasing Residential Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported Purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized lease) in the name of such Residential Unit Owner. Such Residential Unit Owner shall reimburse the Condominium Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, reasonable attorneys' fees and disbursements and court costs.

Section 7.2 *Right of First Refusal.*

(A) Subject to the terms of Sections 7.5 and 7.9 hereof, any contract to sell a Residential Unit, together with the Appurtenant Interests and any lease of a Residential Unit ("Sale Agreement or Lease Agreement") shall contain the following language: "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHTS IF ANY, OF THE CONDOMINIUM BOARD OF THE CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF SECTIONS 7.2 AND 7.3 OF THE BY-LAWS OF THE CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED". Promptly after any such bona fide Sale Agreement or Lease Agreement shall be fully executed, the Residential Unit Owner executing the same ("Offeree Unit Owner") shall send written notice thereof to the Condominium Board by certified or registered mail, return receipt requested, which notice shall be accompanied by a fully executed, original counterpart of the Sale Agreement or Lease Agreement, as the case may be, containing all of the terms offered in good faith by the prospective purchaser or tenant ("Outside Offeror").

(B) The sending of the notice referred to in paragraph (A) of this Section 7.2 shall constitute an offer by the Offeree Unit Owner to sell his Residential Unit, together with the Appurtenant Interests, or to lease his Residential Unit, as the case may be, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Residential Unit Owners, subject, however, to any variance therefrom provided in Section 7.3 hereof. The giving of such notice shall further constitute a representation and warranty by the Offeree Unit Owner to the Condominium Board, on behalf of all Unit Owners, that such Offeree Unit Owner believes the Sale Agreement or Lease Agreement to be bona fide in all respects. Thereafter, upon the written demand of the Condominium Board, the Offeree Unit Owner shall submit to the Condominium Board, in writing, such further information with respect to the Outside Offeror and the Sale Agreement or Lease Agreement as the Condominium Board may reasonably request.

(C) The Condominium Board may elect, by sending written notice thereof to the Offeree Unit Owner by certified or registered mail not later than thirty (30) business days (in the event of a proposed sale) and fifteen (15) business days (in the event of a proposed lease) after receipt of the notice referred to in paragraph (A) hereof together with such further information as may have been requested pursuant to the terms of paragraph (B) hereof, to purchase such Residential Unit together with its Appurtenant Interests or to lease such Residential Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise) on behalf of all Residential Unit Owners upon the same terms and conditions as were contained in the Sale Agreement or Lease Agreement and stated in the response(s) by the Offeree Unit Owner to any requests for additional information pursuant to the terms of paragraph (B) hereof. Notwithstanding anything to the contrary contained herein, however, the Condominium Board shall not exercise any option set forth in this Section 7.2 to purchase or lease any Residential Unit without the prior approval of a Majority of all Residential Unit Owners. The Condominium Board may use the Unit for any use permitted under the Declaration or these By-Laws.

(D) The Condominium Board may not discriminate against any person on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status or other grounds prohibited by Law in connection with its exercise of its right of first refusal with respect to the sale or lease of a Unit.

Section 7.3 *Acceptance of Offer*

(A) In the event that the Condominium Board shall elect, within the time and in the manner provided in Section 7.2 hereof, to purchase a Residential Unit together with its Appurtenant Interests, to lease such Residential Unit, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed, in either event in accordance with the terms of the Sale Agreement or Lease Agreement, at the office of the attorneys for the Condominium Board within forty-five (45) days after the day upon which the Condominium Board shall give notice of its election to accept such offer.

(B) If such Residential Unit and its Appurtenant Interests are to be purchased by the Condominium Board or its designee on behalf of all Residential Unit Owners, such purchase may be made from the funds deposited in the capital and/or expense accounts of the Condominium. If the funds in such accounts are insufficient to effectuate such purchase, the Condominium Board may levy a Special Assessment against each Residential Unit Owner (other than the Offeree Unit Owner) in accordance with the terms of paragraph (C) of Section 6.1 hereof and/or the Condominium Board may, in its discretion, finance the acquisition of such Residential Unit; provided, however, that no such financing may be secured by an encumbrance on or a hypothecation of any portion of the Property other than the Residential Unit to be purchased together with its Appurtenant Interests. In addition, if the Outside Offeror was to assume or to take title to the Residential Unit subject to the Offeree Unit Owner's existing mortgage or mortgages pursuant to the Sale Agreement, the Condominium Board may purchase the Residential Unit and assume or take title thereto subject to such mortgage or mortgages as the case may be. At the closing of title, the Offeree Unit Owner shall convey the Residential Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, on behalf of all Residential Unit Owners, by deed in the form required by Section 399-o of the Condominium Act with all tax and/or documentary stamps affixed at the expense of the Offeree Unit Owner, who shall also pay all other transfer taxes arising out of such sale (including, if applicable, the New York State Real Property Transfer Gains Tax, the New York State Documentary Stamp Tax and the New York City Real Property Transfer Tax) notwithstanding any terms of the Sale Agreement to the contrary. Real estate taxes, mortgage interest (if applicable) and Common Charges shall be apportioned between the Offeree Unit Owner and the Condominium Board or its designee as of the closing date, notwithstanding any terms of the Sale Agreement to the contrary. Thereafter, such Residential Unit shall be held, so long as the same is owned by the Condominium Board or its designee, on behalf of all Residential Unit Owners, as tenants-in-common, and all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Residential Unit and the entire Property, as herein provided.

(C) In the event that such Residential Unit is to be leased by the Condominium Board or its designee on behalf of all Residential Unit Owners, the Offeree Unit Owner shall execute and deliver to the Condominium Board or such designee a lease covering such Residential Unit by and between the Offeree Unit Owner, as landlord, and the Condominium Board or such designee, as tenant. Such lease shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and shall contain all of the terms and conditions of the Lease Agreement not in conflict with such form of lease, including, without limitation, the rental and term provided for therein. Notwithstanding anything to the contrary set forth hereinabove or in the Lease Agreement, however, such lease shall expressly provide that the Condominium Board or such designee may enter into a sublease of the premises demised thereunder without consent of the landlord.

Section 7.4 *Failure to Accept Offer.*

(A) In the event that the Condominium Board shall fail to accept an offer made pursuant to the terms of Section 7.2 hereof within the respective times set forth in paragraph (C) thereof, the Offeree Unit Owner shall be free to consummate the transaction embodied in the Sale Agreement or Lease Agreement within sixty (60) days after (i) notice of refusal is sent to the Offeree Unit Owner by the Condominium Board or (ii) the expiration of the period within which the Condominium Board or its designee might have accepted such offer, as the case may be. If the Offeree Unit Owner shall fail to consummate the transaction embodied in the Sale Agreement or Lease Agreement within such sixty (60) day period, then, should the Offeree Unit Owner thereafter elect to sell such Residential Unit together with its Appurtenant Interests or to lease such Unit(s), the Offeree Unit Owner shall be required again to comply with all of the terms and provisions of Section 7.2, 7.3 and 7.4 hereof, but not more often than once in any twelve (12) month period, except the Condominium Board shall have the right to waive this for good cause shown, in its sole discretion.

(B) Any deed of a Residential Unit and its Appurtenant Interests to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the terms of the Condominium Documents, and, in the absence of such express language, the same shall be conclusively deemed to have been included herein.

(C) Each lease of a Residential Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., subject to such modifications as may be approved in writing by the Condominium Board or such other form approved in writing by the Condominium Board. Notwithstanding the foregoing, however, each such lease shall be consistent with the Condominium Documents and shall expressly provide that:

(i) such lease may not be amended, modified, or extended without the prior written consent of the Condominium Board in each instance;

(ii) the tenant thereunder shall not assign his interest in such lease or sublet the premises demised thereunder or any part thereof without the prior written consent of the Condominium Board in each instance; and

(iii) the Condominium Board shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (a) a default by the tenant in the performance of its obligations under such lease or (b) a foreclosure of the lien granted by Section 339-z of the Condominium Act.

Section 7.5 *Termination of, and Exceptions to, the Right of First Refusal.*

(A) A certificate executed and acknowledged by the Secretary of the Condominium or the Managing Agent, stating that the provisions of Section 7.2 hereof have been met by a Residential Unit Owner or that the right of first refusal provided for therein has been duly released or waived by the Condominium Board and that, as a result thereof, the rights of the Condominium Board thereunder have terminated, shall be conclusive upon the Condominium Board and all Unit Owners in favor of all persons who rely upon such certificate in good faith. After the due issuance of such a certificate, the Residential Unit to which the same shall relate, together with its Appurtenant Interests, may be sold, conveyed, or leased free and clear of the terms and conditions contained in Section 7.2 hereof. The Condominium Board shall furnish or cause the Managing Agent to furnish without charge, such certificate upon written request to any Residential Unit Owner in respect to whom the provisions of Sections 7.2 hereof have, in fact, been terminated. In no event, however, shall the right of first refusal described in Section 7.2 hereof be deemed released or waived by the Condominium Board (as opposed to satisfied pursuant to the express terms of Sections 7.2, 7.3 and 7.4 hereof) in the absence of the certificate that has been duly executed, acknowledged and issued by the Secretary of the Condominium or the Managing Agent as aforesaid.

(B) The terms and conditions contained in Section 7.2, 7.3 and 7.4 hereof shall not apply with respect to any sale, lease or conveyance of a Residential Unit together with its Appurtenant Interests or Residential Unit owned by the same Residential Unit Owner, by:

(i) the Residential Unit Owner thereof to any of his adult Family Members, to any combination of the same, or to a trust for the benefit of any of them provided, however, that if the succeeding Residential Unit Owner is an infant or a person judicially declared incompetent of managing his affairs, then such Residential Unit shall be held by the personal representative of such infant or incompetent, or in the case of a Residential Unit Owner that is not an individual, to any entity or individual that owns more than 50% of the legal and beneficial interests of such Residential Unit Owner or to any entity with respect to which such Residential Unit Owner (individual or otherwise) owns more than 50% of the legal and beneficial interest thereof;

(ii) Sponsor with respect to the Unsold Units;

(iii) the Condominium Board;

(iv) any proper officer conducting the sale of a Residential Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure; or

(v) any Permitted Mortgagee or its nominee, who has acquired title to any Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction;

provided, however, that each succeeding Residential Unit Owner shall be bound by, and his Unit shall be subject to, all of the terms and conditions of this Article 7.

Section 7.6 *No Severance of Ownership.* No Unit Owner shall execute any deed or other instrument conveying title to his Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, conveyed, or otherwise disposed of, except as part of a sale, conveyance, or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance, or other disposition of such part of the Appurtenant Interests of all Units. Nothing contained in this Section 7.6, however, shall prohibit the lease of any Unit without the simultaneous lease of its Appurtenant Interests.

Section 7.7 *Payment of Common Charges.* No Unit Owner shall be permitted to convey or lease his Unit unless he shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit. However, where the payment of such unpaid Common Charges and/or Special Assessments is made by the grantee or provided for out of the proceeds of the sale, a sale may take place notwithstanding the foregoing.

Section 7.8 *Power of Attorney.* At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and deliver to the representative of his title insurance company (or, if no such representative is present, to the Condominium Board for recording in the Register's Office at such Unit Owner's sole cost and expense), the Unit Owner's Power of Attorney required in Article 14 of the Declaration, in the form set forth as Exhibit E to the Declaration.

Section 7.9 *Gifts and Devises, Etc.* Any Unit Owner shall be free to convey or transfer his Unit, together with its Appurtenant Interests, by gift, or to devise the same by will or to have the same pass by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and his Unit shall be subject to, the provisions of this Article 7.

Section 7.10 *Commencement of Time.* The period of time set forth in Section 7.2 for which the Condominium Board has to waive its right of first refusal shall not commence until such time as the Condominium Board or its managing agent has received a completed sales or lease package, including all fees set forth therein, as the case may be, from a Unit Owner. If the information provided by the Unit Owner or prospective purchaser or tenant, as the case may be, is incomplete, the Condominium Board shall have the right to request additional information and the thirty (30) day period will commence on receipt by the Condominium Board of the additional information.

Section 7.11 *Costs and Expenses.* All costs and expenses incurred by the Condominium Board, including, without limitation, attorneys' fees and disbursements paid or incurred by the Condominium Board or by its Managing Agent in connection with any action taken by the Condominium Board as a result of a violation of this Article 7, shall be borne by the Unit Owner as an Additional Common Charge.

ARTICLE 8

MORTGAGING OF UNITS

Section 8.1 *General.* Each Unit Owner shall have the right to mortgage his Unit, subject only to the terms and conditions contained in Section 8.2 hereof. Any Unit Owner who mortgages his Unit, or the holder of such mortgage, shall supply the Condominium Board with the name and address of his mortgagee and shall file a conformed copy of the note and mortgage with the Condominium Board. Any Unit Owner who satisfies a mortgage covering his Unit shall so notify the Condominium Board and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board. The Secretary of the Condominium shall maintain such information in a book entitled "Mortgages of Units". The terms and conditions contained in this Section 8.1, however, shall not apply to Sponsor.

Section 8.2 *Restrictions on Mortgaging*

(A) No Unit Owner shall be permitted to mortgage, pledge, or hypothecate his Unit unless and until he shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, except the liens of Permitted Mortgages levied against such Unit.

(B) No Unit Owner shall execute any mortgage or other document mortgaging, pledging, or hypothecating title to his Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any 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.

(C) Any mortgage covering a Unit shall be substantially in the form used by any Institutional Lender.

(D) Any mortgage covering a Unit shall be made by an Institutional Lender, Sponsor, or by a Unit Owner providing purchase money financing in connection with the sale of his Unit.

Section 8.3 *Notice of Unpaid Common Charges and Default.* Whenever requested in writing by a Permitted Mortgagee, the Condominium Board shall promptly report to such Permitted Mortgagee any default by his mortgagor(s) in the payment of Common Charges or Special Assessments or in the observance or performance of any of the provisions of the Condominium Documents as to which the Condominium Board has knowledge then exists. The Condominium Board shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to his Permitted Mortgagee, if so requested. However, the Condominium Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of any default by his mortgagor under the Condominium Documents, provided that (i) the Condominium Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure and (ii) if the Condominium Board shall foreclose a lien on such mortgagor's Unit Pursuant to the terms of Section 6.4 hereof by reason of such default, the Condominium Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the Condominium Board pursuant to the Condominium Documents) or such lesser sum as shall be due and owing to such Permitted Mortgagee.

Section 8.4 *Performance by Permitted Mortgagees.*

Any sum of money to be paid or any act to be performed by a Unit Owner pursuant to the terms of the Condominium Documents may be paid or performed by his Permitted Mortgagee, and the Condominium Board shall accept such Permitted Mortgagee's payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

Section 8.5 *Examination of Books.* Each Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 8.6 *Consent of Mortgagees; Designation of Mortgage Representatives.*

(A) Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the 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 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 are designated pursuant to the terms of paragraph (B) of this Section 8.6, shall be deemed binding upon the holders of all mortgages encumbering Units.

(B) 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 (3) 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 paragraph (B) 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 (which are not 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.

ARTICLE 9

CERTAIN REMEDIES

Section 9.1 *Self Help.* If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, including, without limitation, any breach of his obligation to paint, decorate, maintain, repair, or replace his Unit or its appurtenant Limited Common Elements, if any, pursuant to the terms of Article 5 hereof, and shall fail to cure such violation or breach within five (5) days after receipt of written notice of the same from the Condominium Board, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such cure within such five (5) day period and, thereafter, to prosecute such cure with due diligence to completion), the Condominium Board shall have the right to enter such Unit Owner's Unit and/or its appurtenant Limited Common Elements, if any, and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, in the event that the Condominium Board shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals or is required to avoid the suspension of any necessary service in the Building, the Condominium Board may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

Section 9.2 *Abatement and Enjoinment.*

(A) In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, the Condominium Board shall have the right (i) to enter any Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure,

thing or condition resulting in such violation or breach and the Condominium Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity, provided that the Condominium Board gives the Unit Owner notice (which may be by telephone or in writing) that such violation exists, that repairs or replacements are necessary and that the Condominium Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Condominium Board may deem appropriate, and the Condominium Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

(B) The violation or breach of any of the terms of the Condominium Documents with respect to any rights, easements, privileges, or licenses granted to Sponsor shall give to Sponsor the right to enjoin, abate, or remedy the continuation or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

Section 9.3 *Remedies Cumulative.* The remedies specifically granted to the Condominium Board or to the Sponsor in this Article 9 or elsewhere in the Condominium Documents shall be cumulative, shall be in addition to all other remedies obtainable at law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Condominium Board or to the Sponsor, as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

Section 9.4 *Costs and Expenses.* All sums of money expended, and all costs and expenses incurred, by (i) the Condominium Board in connection with the abatement, enjoinment, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 9.1 or paragraph (A) of Section 9.2 hereof or (ii) Sponsor in connection with any abatement, enjoinment, or remedy of any violation or breach of the Condominium Documents pursuant to the terms of paragraph (B) of Section 9.2 hereof, shall be immediately payable by (a) in the event set forth in subparagraph (i) hereof, such Unit Owner to the Condominium Board or (b) in the event set forth in subparagraph (ii) hereof, the offending party (i.e., the Condominium Board or the Unit Owner) to Sponsor which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of two percent per month (but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law). All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this Section 9.4 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

ARTICLE 10

ARBITRATION

Section 10.1 *Procedure.* Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in the City of New York in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in the City of New York before 1 arbitrator appointed, upon the application of any party, by any Justice of the highest court of appellate jurisdiction then located in the City of New York. The decision of the arbitrator so chosen shall be given within ten (10) days after his selection or appointment. Any arbitrator appointed or selected in connection with any arbitration to be conducted hereunder shall be a member of a law firm having at least five (5) members whose principal office is located in the City of New York.

Section 10.2 *Variation by Agreement.* The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement,

vary any of the terms of Section 10.1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes".

Section 10.3 *Binding Effect.* The decision in any arbitration conducted pursuant to the terms of Section 10.1 and 10.2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 10.4 *Costs and Expenses.*

(A) The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his counsel and expert witnesses.

(B) All costs and expenses paid or incurred by the Condominium Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute Common Expenses, to be borne by all Unit Owners, if such arbitration relates to the Units, generally, or to the General Common Elements, and shall constitute Common Expenses, to be borne by all Residential Units Owner if such arbitration relates solely to the Residential Units or the Common Elements or the Limited Common Elements.

ARTICLE 11

NOTICES

Section 11.1 *General.* All notices required or desired to be given hereunder (except for notices of regular annual or special meetings of the Unit Owners and except all meetings of the Condominium Board) shall be sent by registered or certified mail, return receipt requested, postage prepaid addressed:

(i) if to the Condominium Board, to the Condominium Board at its principal office as set forth in Section 1.5 hereof, with a copy sent by regular first class mail to the Managing Agent (if any) at its principal office address as aforesaid;

(ii) if to a Unit Owner other than Sponsor, to such Unit Owner at his address at the Property;

(iii) if to Sponsor, to Sponsor at its principal office as set forth in the Plan;

(iv) if to a Permitted Mortgagee, to such Permitted Mortgagee at its latest address designated in writing to the Condominium Board.

Any of the foregoing parties may change the address to which notices are to be sent, or may designate additional addresses for the giving of notice, by sending written notice to the other parties as aforesaid. All notices sent pursuant to the terms of this Section 11.1 shall be deemed given when mailed in the State of New York, provided, however, that notices of change of address, notices designating additional addresses and notices deposited in a United States Postal Service depository located outside of the State of New York shall be deemed to have been given when received.

Section 11.2 *Waiver of Service of Notice.* Whenever any notice is required to be given by Law or pursuant to the terms of the Condominium Documents, a waiver thereof in writing, signed by the Persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 12

AMENDMENTS TO BY-LAWS

Section 12.1 *General.*

(A) Subject to the terms of paragraph (B) hereof and subject, further, to any provisions contained in the Declaration or these By-Laws with respect to any amendments ("Special Amendments") affecting or in favor of Sponsor, any Unsold Residential Unit(s) and/or any Permitted Mortgagee, any provision of these By-Laws may be amended, modified, added to, or deleted by the affirmative vote of not less than 66 2/3% in number and aggregate Common Interest of all Unit Owners either taken at a duly constituted meeting thereof or given in writing without a meeting as provided in Section 4.10 hereof. Each duly adopted amendment, modification, addition, or deletion hereof or hereto shall be effectuated in an instrument executed and recorded in the Register's Office by or on behalf of the Condominium Board as attorney-in-fact of all Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Secretary's Certification, certifying that the requisite number and percentage (where applicable) of Unit Owners approved the amendment, modification, addition, or deletion set forth therein either at a duly constituted meeting of Unit Owners or in writing without a meeting pursuant to the terms of Section 4.10 hereof, in which Secretary's Certification there shall be described the number and percentage (where applicable) of Unit Owners approving the same and, if voted at a meeting, the date, time and place of such meeting. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding anything to the contrary contained in paragraph (A) hereof, but still subject to any provision contained in the Declaration or these By-Laws with respect to Special Amendments:

(i) the Common Interest appurtenant to any Unit, as set forth in the Declaration, shall not be altered without the consent of the Unit Owner thereof, except as otherwise provided in paragraph (E) of Section 5.5 hereof;

(ii) no amendment, modification, addition, or deletion agreed to pursuant to the terms of paragraph (A) hereof shall be effective without the prior written consent of the Mortgage Representatives, if any, provided, however, that no such consent shall be unreasonably withheld or delayed; and

(iii) the terms of Section 5.7 hereof may not be amended, modified, added to, or deleted unless (in addition to the consent, if required, of the Mortgage Representatives as provided above) not less than 80% in number and in aggregate Common Interests of all Unit Owners affected thereby shall approve such amendment, modification, addition or deletion in writing.

Section 12.2 *Special Amendments.*

(A) Any amendment, modification, addition, or deletion of or to any of the provisions of these By-Laws that, pursuant to the terms of the Declaration or these By-Laws, may be effected by Sponsor without the consent of the Condominium Board or the Unit Owners shall be embodied in an instrument executed and recorded in the Register's Office by Sponsor as attorney-in-fact of both the Condominium Board and all Unit Owners, which power-of-attorney shall be deemed to be irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Certification by Sponsor certifying that the amendment, modification, addition, or deletion set forth therein was effectuated by Sponsor pursuant to the terms of the Declaration and/or these By-Laws, in which Certification there shall be set forth the Article and/or Section of the Declaration or these By-Laws pursuant to which the same was effectuated. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to these By-Laws shall be effective in any respect against Sponsor, any Unsold Residential Unit, or the holder of any present mortgage, pledge, lien, or security agreement covering any Unsold Residential Unit unless and until Sponsor, and/or such holder in the case of an Unsold Residential Unit (as the case may be) shall consent to the same in writing.

(C) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to Section 5.4 or 5.5, paragraph (B) of Section 6.2, subparagraph (iv) or (v) of paragraph (B) of Section 7.5 or Article 8 hereof shall be effective with respect to the holder of any Permitted Mortgage theretofore made unless and until such Permitted Mortgagee shall have given its written consent thereto.

ARTICLE 13

FURTHER ASSURANCES

Section 13.1 *General.* Any Person that is subject to the terms of these By-Laws, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member of the Condominium Board, an officer of the Condominium, or otherwise, shall, at the expense of any other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request in order either to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

Section 13.2 *Failure to Deliver or Act.*

(A) If any Unit Owner or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days after request therefor, to take any action that such Unit Owner or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, then the Condominium Board is hereby authorized, as attorney-in-fact for such Unit Owner or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

(B) If the Condominium Board, any Unit Owner, or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days after request therefor, to take any action that the Condominium Board, such Unit Owner, or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Sponsor then Sponsor is hereby authorized, as attorney-in-fact for the Condominium Board, such Unit Owner, or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Condominium Board, such Unit Owner or other Person, and such document or action shall be binding on the Condominium Board, such Unit Owner, or other Person. The Condominium Board shall not unreasonably withhold or delay its consent or approval with respect to any matter contained in these By-Laws which requires the consent or approval of the Condominium Board.

ARTICLE 14

MISCELLANEOUS

Section 14.1 *Inspection of Documents.* Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

Section 14.2 *Waiver.* No provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

Section 14.3 *Conflict.* In the event that any provision of these By-Laws or of the Rules and Regulations shall be construed to be inconsistent with any provision of the Declaration or of the Condominium Act, the provision contained in the Declaration or in the Condominium Act shall control.

Section 14.4 *Severability.* If any provision of these By-Laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise provided herein, be valid and enforced to the fullest extent provided by Law.

Section 14.5 *Successors and Assigns.* The rights and/or obligations of Sponsor as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of Sponsor or, with the consent of Sponsor, any transferee of all of the then Unsold Residential Units.

Section 14.6 *Gender.* A reference in these By-Laws to any one gender, masculine or feminine, includes the other one, and the singular includes the plural, and vice-versa, unless the context otherwise requires.

Section 14.7 *Captions.* The index hereof and the captions herein inserted are included 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.

ARTICLE 15

TAX STATUS AS A HOMEOWNERS ASSOCIATION

Section 15.1 *General.* The Condominium Board intends to act in a manner consistent with enabling the Condominium to be eligible to elect to be treated as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended.

Section 15.2 *Organization.* The Condominium is and will be organized and operated to provide for the acquisition, construction, management, maintenance and care of the Property.

Section 15.3 *Inurement.* No part of the Condominium's net earnings shall inure, and the Condominium Board will act in a manner such that no part of such earnings will inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of the Property, and other than by rebate of excess membership dues, fees, or assessments).

Section 15.4 *Residential Use.* Substantially all of the Units are and will be used by individuals for residences.

* * * * *

ADDENDUM TO THE BY-LAWS

RULES AND REGULATIONS

1. The sidewalks, entrance passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Units.

2. No velocipedes, bicycles, rollerblades, scooters, or similar vehicle shall be taken into or from the Building through the main entrance or shall be allowed in any of the elevators of the Building other than the elevator designated by the Condominium Board or the Managing Agent for such purpose, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the public halls, passageways, or other public areas of the Building.

3. All service and delivery persons will be required to use the service entrance or such other entrance of the Building designated by the Condominium Board or the Managing Agent. In addition, all servants, messengers and tradespeople visiting the Building shall use the elevator designated by the Condominium Board or the Managing Agent for the purpose of ingress and egress, and shall not use any of the other elevators for any purpose, provided, however, that nurses in the employ of Unit Owners or their Family Members, guests, tenants, subtenants, licensees, or invitees may use any of the other elevators when accompanying said Unit Owners, Family Members, guests, subtenants, licensees, or invitees.

4. Trunks and heavy baggage shall be taken in or out of the Building only by the elevator designated by the Condominium Board or the Managing Agent for the purpose and only through the service entrance.

5. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner.

6. No Unit or Storage Room, if any, may be used for the storage of any flammable materials or any other materials the storage of which may constitute a building code violation or which will increase the insurance requirements for the Building.

7 No refuse from the Units shall be sent to the service area of the Building, except at such times and in such manner as the Condominium Board or the Managing Agent may direct. Nothing shall be hung or shaken from any doors, windows, or placed upon the window sills, of the Building, and no Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

8. There shall be no playing or lounging in the entrances, passages, public halls, elevators, vestibules, corridors, stairways, or fire towers of the Building.

9. The Condominium Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements devoted to storage or service purposes in the Building.

10. Nothing shall be done or kept in any Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof. No Unit Owner shall permit anything to be done or kept in his Unit, in Storage Rooms or in the Common Elements that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No Unit Owner or any of his Family Members, agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in his Unit or Storage Room, if any, any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

11. There shall be no barbecuing in the Units, in their appurtenant Limited Common Elements, if any, or in the Common Elements.

12. No Residential Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from his Residential Unit or its appurtenant Limited Common Elements, if any, or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Residential Unit Owners. No Residential Unit Owner shall play upon or suffer to be played upon any musical instrument, or shall operate or permit to be operated a phonograph, radio, television set, or other loudspeaker in such Unit Owner's Unit or its appurtenant Limited Common Elements, if any, between midnight and the following 8:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Residential Unit Owner practice of suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M.. No construction, repair work, or other installation involving noise shall be conducted in any Residential Unit except on weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency.

13. No bird, reptile, or animal shall be permitted, raised, bred, kept, or harbored in, on or about the Building unless, in each instance, the same shall have been expressly permitted in writing by the Condominium Board or the Managing Agent. Any such consent, if given, shall be revocable at any time by the Condominium Board or the Managing Agent in their sole discretion. In no event shall any bird, reptile, or animal be permitted in any public elevator of the Building, other than the elevator designated by the Condominium Board or the Managing Agent for that purpose, or in any of the public portions of the Building, unless carried or on leash. No pigeons or other birds or animals shall be fed from the window sills, or other public portions of the Building, or on the sidewalk or street adjacent to the Building.

14. No group tour or exhibition of any Residential Unit or its contents shall be conducted, nor shall any auction sale be held in any Residential Unit, without the consent of the Condominium Board or the Managing Agent in each instance. In the event that any Residential Unit shall be used for home occupation purposes in conformance with the Declaration and the By-Laws, no patients, clients, or other invitees shall be permitted to wait in any lobby, public hallway, or vestibule.

15. Unless expressly authorized by the Condominium Board in each instance, not less than 80% of the floor area of each Residential Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting, or equally effective noise reducing material.

16. No window guards or other window decorations shall be used in or about any Residential Unit, except such as shall have been approved in writing by the Condominium Board or the Managing Agent, which approval shall not be unreasonably withheld or delayed. In no event, however, shall any windows of any Residential Unit be colored or painted.

17. No ventilator or air conditioning device shall be installed in any Residential Unit or its appurtenant Limited Common Elements, if any, without the prior written approval of the Condominium Board, which approval may be granted or refused in the sole discretion of the Condominium Board.

18. No radio or television aerial shall be attached to or hung from the exterior of the Building, and no sign, notice, advertisement, or illumination (including, without limitation, "For Sale", "For Lease", or "For Rent" signs) shall be inscribed or exposed on or at any window or other part of the Building, except such as are permitted pursuant to the terms of Declaration and/or the By-Laws or shall have been approved in writing by the Condominium Board or the Managing Agent. Nothing shall be projected from any window of a Residential Unit without similar approval.

19. All radio, television, or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements, or recommendations of the New

York Board of Fire Underwriters and the public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

20. Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the owner of such Unit.

21. Each Unit Owner shall keep his Unit and its appurtenant Limited Common Elements, if any, in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

22. The agents of the Condominium Board or the Managing Agent, and any contractor or workman authorized by the Condominium Board or the Managing Agent, may enter any room or Unit at any reasonable hour of the day, on at least one (1) day's prior notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

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

24. If any key or keys are entrusted by a Unit Owner, by any Family Member thereof, or by his agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for such Unit Owner's Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Condominium Board nor the Managing Agent shall (except as provided in Rule 22 above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

25. Unit Owners and their respective Family Members, guests, servants, employees, agents, visitors, or licensees shall not at any time or for any reason whatsoever, enter upon, or attempt to enter upon, the roof of the Building unless such roof is part of a lawful terrace or communal roof deck.

26. No occupant of the Building shall send any employee of the Condominium or of the Managing Agent out of the Building on any private business.

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

28. No Residential Unit Owner shall install any plantings on any garden, balcony , terrace or roof without the prior written approval of the Condominium Board. Plantings shall be placed in containers impervious to dampness and standing on supports at least two inches from the terrace, balcony, decking or roof surface, and if adjoining a wall, at least three inches from such wall. Suitable weep holes

shall be provided in the containers to draw off water. In special locations, such as a corner abutting a parapet wall, plantings may be contained in containers which shall be at least three inches from the parapet and flashing, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. Such masonry planting beds shall not, however, rest directly upon the surface of such garden, balcony, terrace or roof but shall stand on supports at least two (2) inches above such surface. No planting shall be permanently affixed to the garden, balcony, terrace or roof surface and shall be able to be easily moved. It shall be the responsibility of the Residential Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition. Such Residential Unit Owner shall pay the cost of any repairs rendered necessary by or damage caused by such plantings. The Condominium Board shall have an easement and a right of access to the garden, balcony, terrace appurtenant to a Unit and any Cabana, Parking Space and/or Storage Room to inspect the same and to remove violations therefrom and to install, operate, maintain, repair, alter, build, restore, and replace any of the Common Elements located in, over, under through, adjacent to, or upon the same.

29. No Residential Unit Owner shall enclose, erect a greenhouse and/or alter the garden, balcony or terrace appurtenant to a Residential Unit in such a way that will alter the conformity of the Building, without the prior written consent of the Condominium Board.

30. Complaints regarding the service of the Condominium shall be made in writing to the Condominium Board or to the Managing Agent.

31. Cabanas shall be used primarily for sunbathing.

EXHIBIT E

TO THE DECLARATION

UNIT OWNER POWER OF ATTORNEY

UNIT OWNER POWER OF ATTORNEY

Terms used in this Unit Owner Power of Attorney which are used (a) in the declaration (the "Declaration") establishing a plan for condominium ownership of the premises known as The Badge Building ("Condominium") and by the street number 10-55 47th Avenue, Long Island City, New York under Article 9-B of the Real Property Law of the State of New York, dated _____, ____, and recorded in the New York County Office of the Register of The City of New York on _____, ____ in Reel _____, Page _____, or (b) in the By-Laws of The Badge Building ("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.

The undersigned, _____, (having an office) (residing at) _____, the owner of the Unit __ (the "Unit") in a Condominium known as The Badge Building which is designated and described as Unit No. _____ in the Declaration and also designated as Tax Lot ____ in Block ___ of Section ___ of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, do(es) hereby 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 such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) following due authorization by a Majority of Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, from any Unit Owner who elects to surrender the same pursuant to the By-Laws, and (c) following due authorization by a Majority of Unit Owners, to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present, (2) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Building, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Property or (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Property or the Common Elements which the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

The undersigned (does) (do) hereby irrevocably nominate, constitute and appoint The Badge Development LLC (hereinafter referred to as "Sponsor") as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time the Declaration, By-Laws and the Rules and Regulations of the Condominium, or any of said documents, when such amendment (1) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of

the affected Unsold Units resulting therefrom made by Sponsor in accordance with the Declaration or (2) shall be required by (a) an Institutional Lender designated by Sponsor to make a mortgage loan secured by a mortgage on any Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Unit provided, however, that any amendment made pursuant to the terms of subdivision (1) or (2) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material, physical modification to the Undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender covering the Undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to, this paragraph shall remain in full force and effect until such time as Sponsor shall cease to own any Unit in the Condominium.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ____ day of _____, ____.

_____

(ACKNOWLEDGEMENT)

UNIT OWNER'S SPECIMEN TITLE POLICY

POLICY OF TITLE INSURANCE ISSUED BY

STEWART TITLE®

INSURANCE COMPANY

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, STEWART TITLE INSURANCE COMPANY, a New York corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title, as insured, but only to the extent provided in the Conditions and Stipulations.

IN WITNESS WHEREOF, Stewart Title Insurance Company has caused this policy to be signed and sealed by its duly authorized officers as of the Date of Policy shown in Schedule A.

STEWART TITLE®
INSURANCE COMPANY

Countersigned by:

SPECIMEN

STEWART TITLE INSURANCE COMPANY INCORPORATED 1987 NEW YORK

President

Secretary

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

(b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.

3. Defects, liens, encumbrances, adverse claims or other matters:

(a) created, suffered, assumed or agreed to by the insured claimant;

(b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;

(c) resulting in no loss or damage to the insured claimant;

(d) attaching or created subsequent to Date of Policy; or

(e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.

4. Any claim which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:

(a) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or

(b) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:

(i) to timely record the instrument of transfer; or

(ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

Stewart Title Insurance Company

SCHEDULE A

File Number: KEN-S-37863-SPECIMEN
Policy Number: SPECIMEN
Amount of Insurance:
Premium:

Date of Policy:

1. Name of Insured:
   TBD
2. The estate or interest in the land which is covered by this policy is:
   Fee Simple
3. Title to the estate or interest in the land is vested in:
   The Insured by virtue of a deed made by The Badge Development, LLC dated __/__/__ and to be duly recorded in the Office of the Register of Queens County, City and State of New York.
4. The land referred to in this policy is described as follows:
   SEE SCHEDULE C ATTACHED HERETO

SCHEDULE B

File Number: KEN-S-37863-SPECIMEN

Policy Number:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Covenants, conditions, easements, leases, agreements of record, etc., as follows:

   a. Encroachment Agreement in Liber 1451 Page 182 .

2. Survey made by Angelo J. Fiorenza, Surveying, P.C. dated May 6th, 2006 shows:

   A four story reinforced concrete building:

   Survey further shows:

   Southerly wall of building on the record line of title.

   Wooden fences vary with the southerly and westerly record lines of title.

   Concrete wall on the westerly record line of title.

   Concrete wall on the northerly record line of title.

   Remains of a reinforced concrete foundation on the northerly record line of title.

   Remains of a concrete foundation along the easterly record line of title.

   Projections onto 47th Avenue:

Roll up gates	1'-6"
Roof Cornice	2'-0"
Sewer vent	0'-8"
Conduit	0'-4"
Lights	1'-0"
Oil fill	0-'6"
Scaffold	14'-6"

3. Policy excepts the terms, conditions, restrictive uses and regulations as set forth in the Declaration of Condominium and By-Laws dated _____ and recorded on _____ at the Office of the Register for Queens County, City and State of New York Clerk's Office as CRFN_____, but policy will insure against loss or damage occasioned by the premises not being a part of a Condominium validly created pursuant to Article 9-B of the Real Property Law as amended.
4. Any state of facts which an accurate Survey of the Unit would show, but policy insures that any encroachments by the insured Unit on any adjoining Unit or on common areas, may remain as long as it shall stand.
5. Power of Attorney as set forth in the purchase agreement from the insured to the Members of the Board of Managers of the Condominium and their successors

SCHEDULE C

File Number: KEN-S-37863-SPECIMEN

Policy Number:

The Condominium Unit (the "Unit") known as Unit No. _____ in premises known as the_____ Condominium and by the street address of 10-55 47th Avenue being in the Borough and County of Queens, City and State of New York, said Unit being designated as described in the Declaration establishing a plan for condominium ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the "New York Condominium Act") dated _____ and recorded in the Office of the City Register, Kings County on _____ as CRFN _____, as may be amended of record, and to the Floor Plans filed with said Register's Office as _____; said Unit is also designated as Tax Lot _____ in Block 47 according to the Tax Map of The City of New York for the Borough and County of Queens.

Together with an undivided _____% interest on the common elements.

The land in which said condominium unit is located is bounded and described as follows:

ALL that certain plot, piece or parcel of land, situate, lying and being in the First Ward, Borough and County of Queens, City and State of New York on a certain map entitled "Map of Hunter Van Alst and Debevoise Farms", situate in Long Island City, surveyed by Peter G. Van Alst, property of the trustee of Union College, dated January 1st, 1874 and filed in the Office of the Register of the County of Queens, (formerly County Clerk's Office) dated June 11, 1875 as and by the Lot Numbers 20, 21, 22, 23 and 24 in Block 18 and more particularly bounded and described as follows:

BEGINNING at the corner formed by the intersection of the Northerly side of 47th Avenue, 8th Street, with the Westerly side of 11th Street, East Avenue;

RUNNING THENCE Northerly along the Westerly side of 11th Street 100 feet;

THENCE Westerly parallel with 47th Avenue 125 feet;

THENCE Southerly parallel with 11th Street 100 feet to the Northerly side of 47th Avenue;

THENCE Easterly along the Northerly side of 47th Avenue 125 feet, to the corner, the point or place of BEGINNING.

BLOCK: 47 LOT: 21

FOR INFORMATION ONLY:
Said premises also known as 10-55 47th Avenue, Long Island City, New York.

STEWART TITLE INSURANCE COMPANY

STANDARD NEW YORK ENDORSEMENT
OWNER'S POLICY

Attached to and made a part of Policy Number

1. The following is added to the insuring provisions on the face page of this policy:

   "5. Any statutory lien for services, labor or materials furnished prior to the date hereof, and which has now gained or which may hereafter gain priority over the estate or interest of the insured as shown in Schedule A of this policy."

2. The following is added to paragraph 7 of the Conditions and Stipulations of this policy:

   "(d) If the recording date of the instruments creating the insured interest is later than the policy date, such policy shall also cover intervening liens or encumbrances, except real estate taxes, assessments, water charges and sewer rents."

3. Paragraph number 4 of the Exclusions from Coverage is deleted and the following paragraph is substituted in its place:

   "4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditor's rights laws, that is based on:

   (a) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
   (b) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer, except where the preferential transfer results from the failure:
   (i) to timely record the instrument of transfer; or
   (ii) of such recordation to impart notice to a purchaser for value of a judgment or lien creditor."

Nothing herein contained shall be construed as extending or changing the effective date of said policy unless otherwise expressly stated.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the amount of insurance.

IN WITNESS WHEREOF, the Company has caused its corporate name and seal to be hereunto affixed by its duly authorized officers on the .

ENDORSEMENT

Attached to Policy Number

Issued by
Stewart Title Insurance Company

The Company insures the insured against loss or damage sustained by reason of:

1. The failure of the unit identified in Schedule A and its common elements to be part of a condominium within the meaning of the condominium statutes of the jurisdiction in which the unit and its common elements are located.
2. The failure of the documents required by the condominium statutes to comply with the requirements of the statutes to the extent that such failure affects the title to the unit and its common elements.
3. Present violations of any restrictive covenants which restrict the use of the unit and its common elements and which are contained in the condominium documents, except violations relating to environmental protection unless a notice of a violation thereof has been recorded or filed in the public records and is not excepted in Schedule B. The restrictive covenants do not contain any provisions which will cause a forfeiture or reversion of title.
4. The priority of any lien for charges and assessments at Date of Policy provided for in the condominium statutes and condominium documents over the lien of any insured mortgage identified in Schedule A.
5. The failure of the unit and its common elements to be entitled by law to be assessed for real property taxes as a separate parcel.
6. Any obligation to remove any improvements which exist at Date of Policy because of any present encroachments or because of any future unintentional encroachment of the common elements upon any unit or of any unit upon the common elements or another unit.
7. The failure of title by reason of a right of first refusal to purchase the unit and its common elements which was exercised or could have been exercised at Date of Policy.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

STEWART TITLE INSURANCE COMPANY

WAIVER OF ARBITRATION ENDORSEMENT
OWNER'S POLICY

Attached to and made a part of Policy Number

The policy is amended by deleting therefrom:

(A) If this endorsement is attached to an ALTA Loan Policy: Condition and Stipulation Section 13.

(B) If this endorsement is attached to an ALTA Owner's Policy: Condition and Stipulation Section 14.

(C) If this endorsement is attached to a TIRSA Owner's Extended Protection Policy: Condition Number 12.

This endorsement is made a part of the Policy and is subject to all of the terms and provisions thereof and of any other endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the Policy and any other endorsements, nor does it extend the effective date of the Policy and any other endorsements, nor does it increase the face amount thereof.

IN WITNESS WHEREOF, the Company has caused its corporate name and seal to be hereunto affixed by its duly authorized officers on the .

FORM W-8BEN
(CERTIFICATE OF FOREIGN STATUS OF BENEFICIAL OWNER FOR UNITED STATES TAX WITHHOLDING)

Form **W-8BEN**
(Rev. January 2006)
Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding

▶ Section references are to the Internal Revenue Code. ▶ See separate instructions.
▶ Give this form to the withholding agent or payer. Do not send to the IRS.

OMB No. 1545-1621

Do not use this form for: — **Instead, use Form:**

- A U.S. citizen or other U.S. person, including a resident alien individual W-9
- A person claiming that income is effectively connected with the conduct of a trade or business in the United States W-8ECI
- A foreign partnership, a foreign simple trust, or a foreign grantor trust (see instructions for exceptions) . . . . . W-8ECI or W-8IMY
- A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession that received effectively connected income or that is claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b) (see instructions) . . . . . W-8ECI or W-8EXP

Note: *These entities should use Form W-8BEN if they are claiming treaty benefits or are providing the form only to claim they are a foreign person exempt from backup withholding.*

- A person acting as an intermediary W-8IMY

Note: *See instructions for additional exceptions.*

Part I Identification of Beneficial Owner (See instructions.)

1 Name of individual or organization that is the beneficial owner

2 Country of incorporation or organization

3 Type of beneficial owner: ☐ Individual ☐ Corporation ☐ Disregarded entity ☐ Partnership ☐ Simple trust ☐ Grantor trust ☐ Complex trust ☐ Estate ☐ Government ☐ International organization ☐ Central bank of issue ☐ Tax-exempt organization ☐ Private foundation

4 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

5 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

6 U.S. taxpayer identification number, if required (see instructions) ☐ SSN or ITIN ☐ EIN

7 Foreign tax identifying number, if any (optional)

8 This form is submitted for (check all that apply): ☐ Sections 1441/1442 ☐ Section 1446

9 Reference number(s) (see instructions)

Part II Claim of Tax Treaty Benefits (if applicable)

10 **I certify that (check all that apply):**

a ☐ The beneficial owner is a resident of .....within the meaning of the income tax treaty between the United States and that country.

b ☐ If required, the U.S. taxpayer identification number is stated on line 6 (see instructions).

c ☐ The beneficial owner is not an individual, derives the item (or items) of income for which the treaty benefits are claimed, and, if applicable, meets the requirements of the treaty provision dealing with limitation on benefits (see instructions).

d ☐ The beneficial owner is not an individual, is claiming treaty benefits for dividends received from a foreign corporation or interest from a U.S. trade or business of a foreign corporation, and meets qualified resident status (see instructions).

e ☐ The beneficial owner is related to the person obligated to pay the income within the meaning of section 267(b) or 707(b), and will file Form 8833 if the amount subject to withholding received during a calendar year exceeds, in the aggregate, $500,000.

11 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article .....of the treaty identified on line 10a above to claim a .....% rate of withholding on (specify type of income): .....

Explain the reasons the beneficial owner meets the terms of the treaty article: .....

.....

Part III Notional Principal Contracts

12 ☐ I have provided or will provide a statement that identifies those notional principal contracts from which the income is not effectively connected with the conduct of a trade or business in the United States. I agree to update this statement as required.

Part IV Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

1 I am the beneficial owner (or am authorized to sign for the beneficial owner) of all the income to which this form relates,

2 The beneficial owner is not a U.S. person,

3 The income to which this form relates is (a) not effectively connected with the conduct of a trade or business in the United States, (b) effectively connected but is not subject to tax under an income tax treaty, or (c) the partner's share of a partnership's effectively connected income, and

4 For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner.

Sign Here ▶ ..... Signature of beneficial owner (or individual authorized to sign for beneficial owner) ..... Date (MM-DD-YYYY) ..... Capacity in which acting

Instructions for Form W-8BEN

(Rev. January 2006)

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding

Department of the Treasury
Internal Revenue Service

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

For definitions of terms used throughout these instructions, see *Definitions* on pages 3 and 4.

Purpose of form. Foreign persons are subject to U.S. tax at a 30% rate on income they receive from U.S. sources that consists of:

- Interest (including certain original issue discount (OID));
- Dividends;
- Rents;
- Royalties;
- Premiums;
- Annuities;
- Compensation for, or in expectation of, services performed;
- Substitute payments in a securities lending transaction; or
- Other fixed or determinable annual or periodical gains, profits, or income.

This tax is imposed on the gross amount paid and is generally collected by withholding under section 1441 or 1442 on that amount. A payment is considered to have been made whether it is made directly to the beneficial owner or to another person, such as an intermediary, agent, or partnership, for the benefit of the beneficial owner.

In addition, section 1446 requires a partnership conducting a trade or business in the United States to withhold tax on a foreign partner's distributive share of the partnership's effectively connected taxable income. Generally, a foreign person that is a partner in a partnership that submits a Form W-8 for purposes of section 1441 or 1442 will satisfy the documentation requirements under section 1446 as well. However, in some cases the documentation requirements of sections 1441 and 1442 do not match the documentation requirements of section 1446. See Regulations sections 1.1446-1 through 1.1446-6. Further, the owner of a disregarded entity, rather than the disregarded entity itself, shall submit the appropriate Form W-8 for purposes of section 1446.

If you receive certain types of income, you must provide Form W-8BEN to:

- Establish that you are not a U.S. person;
- Claim that you are the beneficial owner of the income for which Form W-8BEN is being provided or a partner in a partnership subject to section 1446; and
- If applicable, claim a reduced rate of, or exemption from, withholding as a resident of a foreign country with which the United States has an income tax treaty.

You may also be required to submit Form W-8BEN to claim an exception from domestic information reporting and backup withholding for certain types of income that are not subject to foreign-person withholding. Such income includes:

- Broker proceeds.
- Short-term (183 days or less) original issue discount (OID).
- Bank deposit interest.
- Foreign source interest, dividends, rents, or royalties.
- Proceeds from a wager placed by a nonresident alien individual in the games of blackjack, baccarat, craps, roulette, or big-6 wheel.

You may also use Form W-8BEN to certify that income from a notional principal contract is not effectively connected with the conduct of a trade or business in the United States.

A withholding agent or payer of the income may rely on a properly completed Form W-8BEN to treat a payment associated with the Form W-8BEN as a payment to a foreign person who beneficially owns the amounts paid. If applicable, the withholding agent may rely on the Form W-8BEN to apply a reduced rate of withholding at source.

Provide Form W-8BEN to the withholding agent or payer before income is paid or credited to you. Failure to provide a Form W-8BEN when requested may lead to withholding at a 30% rate (foreign-person withholding) or the backup withholding rate.

Additional information. For additional information and instructions for the withholding agent, see the Instructions for the Requester of Forms W-8BEN, W-8ECI, W-8EXP, and W-8IMY.

Who must file. You must give Form W-8BEN to the withholding agent or payer if you are a foreign person and you are the beneficial owner of an amount subject to withholding. Submit Form W-8BEN when requested by the withholding agent or payer whether or not you are claiming a reduced rate of, or exemption from, withholding.

Do not use Form W-8BEN if:

- You are a U.S. citizen (even if you reside outside the United States) or other U.S. person (including a resident alien individual). Instead, use Form W-9, Request for Taxpayer Identification Number and Certification.
- You are a disregarded entity with a single owner that is a U.S. person and you are not a hybrid entity claiming treaty benefits. Instead, provide Form W-9.

- You are a nonresident alien individual who claims exemption from withholding on compensation for independent or dependent personal services performed in the United States. Instead, provide Form 8233, Exemption from Withholding on Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual, or Form W-4, Employee's Withholding Allowance Certificate.
- You are receiving income that is effectively connected with the conduct of a trade or business in the United States, unless it is allocable to you through a partnership. Instead, provide Form W-8ECI, Certificate of Foreign Person's Claim That Income Is Effectively Connected With the Conduct of a Trade or Business in the United States. If any of the income for which you have provided a Form W-8BEN becomes effectively connected, this is a change in circumstances and Form W-8BEN is no longer valid. You must file Form W-8ECI. See *Change in circumstances* on this page.
- You are filing for a foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession claiming the applicability of section 115(2), 501(c), 892, 895, or 1443(b). Instead, provide Form W-8EXP, Certificate of Foreign Government or Other Foreign Organization for United States Tax Withholding. However, you should use Form W-8BEN if you are claiming treaty benefits or are providing the form only to claim you are a foreign person exempt from backup withholding. You should use Form W-8ECI if you received effectively connected income (for example, income from commercial activities).
- You are a foreign flow-through entity, other than a hybrid entity, claiming treaty benefits. Instead, provide Form W-8IMY, Certificate of Foreign Intermediary, Foreign Flow-Through Entity, or Certain U.S. Branches for United States Tax Withholding. However, if you are a partner, beneficiary, or owner of a flow-through entity and you are not yourself a flow-through entity, you may be required to furnish a Form W-8BEN to the flow-through entity.
- You are a disregarded entity for purposes of section 1446. Instead, the owner of the entity must submit the form.
- You are a reverse hybrid entity transmitting beneficial owner documentation provided by your interest holders to claim treaty benefits on their behalf. Instead, provide Form W-8IMY.
- You are a withholding foreign partnership or a withholding foreign trust within the meaning of sections 1441 and 1442 and the accompanying regulations. A withholding foreign partnership or a withholding foreign trust is a foreign partnership or trust that has entered into a withholding agreement with the IRS under which it agrees to assume primary withholding responsibility for each partner's, beneficiary's, or owner's distributive share of income subject to withholding that is paid to the partnership or trust. Instead, provide Form W-8IMY.
- You are acting as an intermediary (that is, acting not for your own account, but for the account of others as an agent, nominee, or custodian). Instead, provide Form W-8IMY.
- You are a foreign partnership or foreign grantor trust for purposes of section 1446. Instead, provide Form W-8IMY and accompanying documentation. See Regulations sections 1.1446-1 through 1.1446-6.

Giving Form W-8BEN to the withholding agent. Do not send Form W-8BEN to the IRS. Instead, give it to the person who is requesting it from you. Generally, this will be the person from whom you receive the payment, who credits your account, or a partnership that allocates income to you. Give Form W-8BEN to the person requesting it before the payment is made to you, credited to your account or allocated. If you do not provide this form, the withholding agent may have to withhold at the 30% rate, backup withholding rate, or the rate applicable under section 1446. If you receive more than one type of income from a single withholding agent for which you claim different benefits, the withholding agent may, at its option, require you to submit a Form W-8BEN for each different type of income. Generally, a separate Form W-8BEN must be given to each withholding agent.

Note. If you own the income or account jointly with one or more other persons, the income or account will be treated by the withholding agent as owned by a foreign person if Forms W-8BEN are provided by all of the owners. If the withholding agent receives a Form W-9 from any of the joint owners, the payment must be treated as made to a U.S. person.

Change in circumstances. If a change in circumstances makes any information on the Form W-8BEN you have submitted incorrect, you must notify the withholding agent or payer within 30 days of the change in circumstances and you must file a new Form W-8BEN or other appropriate form.

If you use Form W-8BEN to certify that you are a foreign person, a change of address to an address in the United States is a change in circumstances. Generally, a change of address within the same foreign country or to another foreign country is not a change in circumstances. However, if you use Form W-8BEN to claim treaty benefits, a move to the United States or outside the country where you have been claiming treaty benefits is a change in circumstances. In that case, you must notify the withholding agent or payer within 30 days of the move.

If you become a U.S. citizen or resident alien after you submit Form W-8BEN, you are no longer subject to the 30% withholding rate or the withholding tax on a foreign partner's share of effectively connected income. You must notify the withholding agent or payer within 30 days of becoming a U.S. citizen or resident alien. You may be required to provide a Form W-9. For more information, see Form W-9 and instructions.

Expiration of Form W-8BEN. Generally, a Form W-8BEN provided without a U.S. taxpayer identification number (TIN) will remain in effect for a period starting on the date the form is signed and ending on the last day of the third succeeding calendar year, unless a change in circumstances makes any information on the form incorrect. For example, a Form W-8BEN signed on September 30, 2005, remains valid through December 31, 2008. A Form W-8BEN furnished with a U.S. TIN will remain in effect until a change in circumstances makes any information on the form incorrect, provided that the withholding agent reports on Form 1042-S at least one payment annually to the beneficial owner who provided the Form W-8BEN. See the instructions for line 6

beginning on page 4 for circumstances under which you must provide a U.S. TIN.

Definitions

Beneficial owner. For payments other than those for which a reduced rate of withholding is claimed under an income tax treaty, the beneficial owner of income is generally the person who is required under U.S. tax principles to include the income in gross income on a tax return. A person is not a beneficial owner of income, however, to the extent that person is receiving the income as a nominee, agent, or custodian, or to the extent the person is a conduit whose participation in a transaction is disregarded. In the case of amounts paid that do not constitute income, beneficial ownership is determined as if the payment were income.

Foreign partnerships, foreign simple trusts, and foreign grantor trusts are not the beneficial owners of income paid to the partnership or trust. The beneficial owners of income paid to a foreign partnership are generally the partners in the partnership, provided that the partner is not itself a partnership, foreign simple or grantor trust, nominee or other agent. The beneficial owners of income paid to a foreign simple trust (that is, a foreign trust that is described in section 651(a)) are generally the beneficiaries of the trust, if the beneficiary is not a foreign partnership, foreign simple or grantor trust, nominee or other agent. The beneficial owners of a foreign grantor trust (that is, a foreign trust to the extent that all or a portion of the income of the trust is treated as owned by the grantor or another person under sections 671 through 679) are the persons treated as the owners of the trust. The beneficial owners of income paid to a foreign complex trust (that is, a foreign trust that is not a foreign simple trust or foreign grantor trust) is the trust itself.

For purposes of section 1446, the same beneficial owner rules apply, except that under section 1446 a foreign simple trust rather than the beneficiary provides the form to the partnership.

The beneficial owner of income paid to a foreign estate is the estate itself.

Note. A payment to a U.S. partnership, U.S. trust, or U.S. estate is treated as a payment to a U.S. payee that is not subject to 30% withholding. A U.S. partnership, trust, or estate should provide the withholding agent with a Form W-9. For purposes of section 1446, a U.S. grantor trust or disregarded entity shall not provide the withholding agent a Form W-9 in its own right. Rather, the grantor or other owner shall provide the withholding agent the appropriate form.

Foreign person. A foreign person includes a nonresident alien individual, a foreign corporation, a foreign partnership, a foreign trust, a foreign estate, and any other person that is not a U.S. person. It also includes a foreign branch or office of a U.S. financial institution or U.S. clearing organization if the foreign branch is a qualified intermediary. Generally, a payment to a U.S. branch of a foreign person is a payment to a foreign person.

Nonresident alien individual. Any individual who is not a citizen or resident alien of the United States is a nonresident alien individual. An alien individual meeting either the "green card test" or the "substantial presence test" for the calendar year is a resident alien. Any person not meeting either test is a nonresident alien individual. Additionally, an alien individual who is a resident of a foreign country under the residence article of an income tax treaty, or an alien individual who is a bona fide resident of Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, or American Samoa is a nonresident alien individual. See Pub. 519, U.S. Tax Guide for Aliens, for more information on resident and nonresident alien status.



Even though a nonresident alien individual married to a U.S. citizen or resident alien may choose to be treated as a resident alien for certain purposes (for example, filing a joint income tax return), such individual is still treated as a nonresident alien for withholding tax purposes on all income except wages.

Flow-through entity. A flow-through entity is a foreign partnership (other than a withholding foreign partnership), a foreign simple or foreign grantor trust (other than a withholding foreign trust), or, for payments for which a reduced rate of withholding is claimed under an income tax treaty, any entity to the extent the entity is considered to be fiscally transparent (see below) with respect to the payment by an interest holder's jurisdiction.

For purposes of section 1446, a foreign partnership or foreign grantor trust must submit Form W-8IMY to establish the partnership or grantor trust as a look through entity. The Form W-8IMY may be accompanied by this form or another version of Form W-8 or Form W-9 to establish the foreign or domestic status of a partner or grantor or other owner. See Regulations section 1.1446-1.

Hybrid entity. A hybrid entity is any person (other than an individual) that is treated as fiscally transparent (see below) in the United States but is not treated as fiscally transparent by a country with which the United States has an income tax treaty. Hybrid entity status is relevant for claiming treaty benefits. See the instructions for line 10c on page 5.

Reverse hybrid entity. A reverse hybrid entity is any person (other than an individual) that is not fiscally transparent under U.S. tax law principles but that is fiscally transparent under the laws of a jurisdiction with which the United States has an income tax treaty. See the instructions for line 10c on page 5.

Fiscally transparent entity. An entity is treated as fiscally transparent with respect to an item of income for which treaty benefits are claimed to the extent that the interest holders in the entity must, on a current basis, take into account separately their shares of an item of income paid to the entity, whether or not distributed, and must determine the character of the items of income as if they were realized directly from the sources from which realized by the entity. For example, partnerships, common trust funds, and simple trusts or grantor trusts are generally considered to be fiscally transparent with respect to items of income received by them.

Disregarded entity. A business entity that has a single owner and is not a corporation under Regulations section 301.7701-2(b) is disregarded as an entity separate from its owner.

A disregarded entity shall not submit this form to a partnership for purposes of section 1446. Instead, the owner of such entity shall provide appropriate documentation. See Regulations section 1.1446-1.

Amounts subject to withholding. Generally, an amount subject to withholding is an amount from sources within the United States that is fixed or determinable annual or periodical (FDAP) income. FDAP income is all income included in gross income, including interest (as well as OID), dividends, rents, royalties, and compensation. FDAP income does not include most gains from the sale of property (including market discount and option premiums).

For purposes of section 1446, the amount subject to withholding is the foreign partner's share of the partnership's effectively connected taxable income.

Withholding agent. Any person, U.S. or foreign, that has control, receipt, or custody of an amount subject to withholding or who can disburse or make payments of an amount subject to withholding is a withholding agent. The withholding agent may be an individual, corporation, partnership, trust, association, or any other entity, including (but not limited to) any foreign intermediary, foreign partnership, and U.S. branches of certain foreign banks and insurance companies. Generally, the person who pays (or causes to be paid) the amount subject to withholding to the foreign person (or to its agent) must withhold.

For purposes of section 1446, the withholding agent is the partnership conducting the trade or business in the United States. For a publicly traded partnership, the withholding agent may be the partnership, a nominee holding an interest on behalf of a foreign person, or both. See Regulations sections 1.1446-1 through 1.1446-6.

Specific Instructions

TIP *A hybrid entity should give Form W-8BEN to a withholding agent only for income for which it is claiming a reduced rate of withholding under an income tax treaty. A reverse hybrid entity should give Form W-8BEN to a withholding agent only for income for which no treaty benefit is being claimed.*

Part I

Line 1. Enter your name. If you are a disregarded entity with a single owner who is a foreign person and you are not claiming treaty benefits as a hybrid entity, this form should be completed and signed by your foreign single owner. If the account to which a payment is made or credited is in the name of the disregarded entity, the foreign single owner should inform the withholding agent of this fact. This may be done by including the name and account number of the disregarded entity on line 9 (reference number) of the form. However, if you are a disregarded entity that is claiming treaty benefits as a hybrid entity, this form should be completed and signed by you.

Line 2. If you are a corporation, enter the country of incorporation. If you are another type of entity, enter the country under whose laws you are created, organized, or governed. If you are an individual, enter N/A (for "not applicable").

Line 3. Check the one box that applies. By checking a box, you are representing that you qualify for this classification. You must check the box that represents your classification (for example, corporation, partnership, trust, estate, etc.) under U.S. tax principles. Do not check the box that describes your status under the law of the treaty country. If you are a partnership or disregarded entity receiving a payment for which treaty benefits are being claimed, you must check the "Partnership" or "Disregarded entity" box. If you are a sole proprietor, check the "Individual" box, not the "Disregarded entity" box.

CAUTION *Only entities that are tax-exempt under section 501 should check the "Tax-exempt organization" box. Such organizations should use Form W-8BEN only if they are claiming a reduced rate of withholding under an income tax treaty or some code exception other than section 501. Use Form W-8EXP if you are claiming an exemption from withholding under section 501.*

Line 4. Your permanent residence address is the address in the country where you claim to be a resident for purposes of that country's income tax. If you are giving Form W-8BEN to claim a reduced rate of withholding under an income tax treaty, you must determine your residency in the manner required by the treaty. Do not show the address of a financial institution, a post office box, or an address used solely for mailing purposes. If you are an individual who does not have a tax residence in any country, your permanent residence is where you normally reside. If you are not an individual and you do not have a tax residence in any country, the permanent residence address is where you maintain your principal office.

Line 5. Enter your mailing address only if it is different from the address you show on line 4.

Line 6. If you are an individual, you are generally required to enter your social security number (SSN). To apply for an SSN, get Form SS-5 from a Social Security Administration (SSA) office or, if in the United States, you may call the SSA at 1-800-772-1213. Fill in Form SS-5 and return it to the SSA.

If you do not have an SSN and are not eligible to get one, you must get an individual taxpayer identification number (ITIN). To apply for an ITIN, file Form W-7 with the IRS. It usually takes 4-6 weeks to get an ITIN.

CAUTION *An ITIN is for tax use only. It does not entitle you to social security benefits or change your employment or immigration status under U.S. law.*

If you are not an individual or you are an individual who is an employer or you are engaged in a U.S. trade or business as a sole proprietor, you must enter an employer identification number (EIN). If you do not have an EIN, you should apply for one on Form SS-4, Application for Employer Identification Number. If you are a disregarded entity claiming treaty benefits as a hybrid entity, enter your EIN.

A partner in a partnership conducting a trade or business in the United States will likely be allocated effectively connected taxable income. The partner is

required to file a U.S. federal income tax return and must have a U.S. taxpayer identification number (TIN).

You must provide a U.S. TIN if you are:

- Claiming an exemption from withholding under section 871(f) for certain annuities received under qualified plans,
- A foreign grantor trust with 5 or fewer grantors,
- Claiming benefits under an income tax treaty, or
- Submitting the form to a partnership that conducts a trade or business in the United States.

However, a U.S. TIN is not required to be shown in order to claim treaty benefits on the following items of income:

- Dividends and interest from stocks and debt obligations that are actively traded;
- Dividends from any redeemable security issued by an investment company registered under the Investment Company Act of 1940 (mutual fund);
- Dividends, interest, or royalties from units of beneficial interest in a unit investment trust that are (or were upon issuance) publicly offered and are registered with the SEC under the Securities Act of 1933; and
- Income related to loans of any of the above securities.

TIP *You may want to obtain and provide a U.S. TIN on Form W-8BEN even though it is not required. A Form W-8BEN containing a U.S. TIN remains valid for as long as your status and the information relevant to the certifications you make on the form remain unchanged provided at least one payment is reported to you annually on Form 1042-S.*

Line 7. If your country of residence for tax purposes has issued you a tax identifying number, enter it here. For example, if you are a resident of Canada, enter your Social Insurance Number.

Line 8. Check the Sections 1441/1442 box if you are providing this form to the withholding agent because you will receive income subject to the 30% rate. Check the Section 1446 box if you are providing this form to the withholding agent because you are a partner in a partnership conducting a trade or business in the United States and effectively connected income will be allocated to you. Check both boxes if you are providing this form to the withholding agent responsible for withholding on both types of income.

Line 9. This line may be used by the filer of Form W-8BEN or by the withholding agent to whom it is provided to include any referencing information that is useful to the withholding agent in carrying out its obligations. For example, withholding agents who are required to associate the Form W-8BEN with a particular Form W-8IMY may want to use line 9 for a referencing number or code that will make the association clear. A beneficial owner may use line 9 to include the number of the account for which he or she is providing the form. A foreign single owner of a disregarded entity may use line 9 to inform the withholding agent that the account to which a payment is made or credited is in the name of the disregarded entity (see instructions for line 1 on page 4).

Part II

Line 10a. Enter the country where you claim to be a resident for income tax treaty purposes. For treaty purposes, a person is a resident of a treaty country if the person is a resident of that country under the terms of the treaty.

Line 10b. If you are claiming benefits under an income tax treaty, you must have a U.S. TIN unless one of the exceptions listed in the line 6 instructions above applies.

Line 10c. An entity (but not an individual) that is claiming a reduced rate of withholding under an income tax treaty must represent that it:

- Derives the item of income for which the treaty benefit is claimed, and
- Meets the limitation on benefits provisions contained in the treaty, if any.

An item of income may be derived by either the entity receiving the item of income or by the interest holders in the entity or, in certain circumstances, both. An item of income paid to an entity is considered to be derived by the entity only if the entity is not fiscally transparent under the laws of the entity's jurisdiction with respect to the item of income. An item of income paid to an entity shall be considered to be derived by the interest holder in the entity only if:

- The interest holder is not fiscally transparent in its jurisdiction with respect to the item of income, and
- The entity is considered to be fiscally transparent under the laws of the interest holder's jurisdiction with respect to the item of income. An item of income paid directly to a type of entity specifically identified in a treaty as a resident of a treaty jurisdiction is treated as derived by a resident of that treaty jurisdiction.

If an entity is claiming treaty benefits on its own behalf, it should complete Form W-8BEN. If an interest holder in an entity that is considered fiscally transparent in the interest holder's jurisdiction is claiming a treaty benefit, the interest holder should complete Form W-8BEN on its own behalf and the fiscally transparent entity should associate the interest holder's Form W-8BEN with a Form W-8IMY completed by the entity.

CAUTION *An income tax treaty may not apply to reduce the amount of any tax on an item of income received by an entity that is treated as a domestic corporation for U.S. tax purposes. Therefore, neither the domestic corporation nor its shareholders are entitled to the benefits of a reduction of U.S. income tax on an item of income received from U.S. sources by the corporation.*

To determine whether an entity meets the limitation on benefits provisions of a treaty, you must consult the specific provisions or articles under the treaties. Income tax treaties are available on the IRS website at *www.irs.gov*.

TIP *If you are an entity that derives the income as a resident of a treaty country, you may check this box if the applicable income tax treaty does not contain a "limitation on benefits" provision.*

Line 10d. If you are a foreign corporation claiming treaty benefits under an income tax treaty that entered into force before January 1, 1987 (and has not been renegotiated) on (a) U.S. source dividends paid to you by another foreign corporation or (b) U.S. source interest paid to you by a U.S. trade or business of another foreign corporation, you must generally be a "qualified resident" of a treaty country. See section 884 for the definition of interest paid by a U.S. trade or business of a foreign corporation ("branch interest") and other applicable rules.

In general, a foreign corporation is a qualified resident of a country if any of the following apply.

- It meets a 50% ownership and base erosion test.
- It is primarily and regularly traded on an established securities market in its country of residence or the United States.
- It carries on an active trade or business in its country of residence.
- It gets a ruling from the IRS that it is a qualified resident.

See Regulations section 1.884-5 for the requirements that must be met to satisfy each of these tests.



If you are claiming treaty benefits under an income tax treaty entered into force after December 31, 1986, do not check box 10d. Instead, check box 10c.

Line 10e. Check this box if you are related to the withholding agent within the meaning of section 267(b) or 707(b) and the aggregate amount subject to withholding received during the calendar year will exceed $500,000. Additionally, you must file Form 8833, Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b).

Line 11

Line 11 must be used only if you are claiming treaty benefits that require that you meet conditions not covered by the representations you make in lines 10a through 10e. However, this line should always be completed by foreign students and researchers claiming treaty benefits. See *Scholarship and fellowship grants* below for more information.

The following are additional examples of persons who should complete this line.

- Exempt organizations claiming treaty benefits under the exempt organization articles of the treaties with Canada, Mexico, Germany, and the Netherlands.
- Foreign corporations that are claiming a preferential rate applicable to dividends based on ownership of a specific percentage of stock.
- Persons claiming treaty benefits on royalties if the treaty contains different withholding rates for different types of royalties.

This line is generally not applicable to claiming treaty benefits under an interest or dividends (other than dividends subject to a preferential rate based on ownership) article of a treaty.

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes. The individual must use Form W-9 to claim the tax treaty benefit. See the instructions for Form W-9 for more information. Also see *Nonresident alien student or researcher who becomes a resident alien* later for an example.

Scholarship and fellowship grants. A nonresident alien student (including a trainee or business apprentice) or researcher who receives noncompensatory scholarship or fellowship income may use Form W-8BEN to claim benefits under a tax treaty that apply to reduce or eliminate U.S. tax on such income. No Form W-8BEN is required unless a treaty benefit is being claimed. A nonresident alien student or researcher who receives compensatory scholarship or fellowship income must use Form 8233 to claim any benefits of a tax treaty that apply to that income. The student or researcher must use Form W-4 for any part of such income for which he or she is not claiming a tax treaty withholding exemption. Do not use Form W-8BEN for compensatory scholarship or fellowship income. See *Compensation for Dependent Personal Services* in the Instructions for Form 8233.

If you are a nonresident alien individual who received noncompensatory scholarship or fellowship income and personal services income (including compensatory scholarship or fellowship income) from the same withholding agent, you may use Form 8233 to claim a tax treaty withholding exemption for part or all of both types of income.

Completing lines 4 and 10a. Most tax treaties that contain an article exempting scholarship or fellowship grant income from taxation require that the recipient be a resident of the other treaty country at the time of, or immediately prior to, entry into the United States. Thus, a student or researcher may claim the exemption even if he or she no longer has a permanent address in the other treaty country after entry into the United States. If this is the case, you may provide a U.S. address on line 4 and still be eligible for the exemption if all other conditions required by the tax treaty are met. You must also identify on line 10a the tax treaty country of which you were a resident at the time of, or immediately prior to, your entry into the United States.

Completing line 11. You must complete line 11 if you are a student or researcher claiming an exemption from taxation on your scholarship or fellowship grant income under a tax treaty.

Nonresident alien student or researcher who becomes a resident alien. You must use Form W-9 to claim an exception to a saving clause. See *Nonresident alien who becomes a resident alien* on this page for a general explanation of saving clauses and exceptions to them.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would complete Form W-9.

Part III

If you check this box, you must provide the withholding agent with the required statement for income from a

notional principal contract that is to be treated as income not effectively connected with the conduct of a trade or business in the United States. You should update this statement as often as necessary. A new Form W-8BEN is not required for each update provided the form otherwise remains valid.

Part IV

Form W-8BEN must be signed and dated by the beneficial owner of the income, or, if the beneficial owner is not an individual, by an authorized representative or officer of the beneficial owner. If Form W-8BEN is completed by an agent acting under a duly authorized power of attorney, the form must be accompanied by the power of attorney in proper form or a copy thereof specifically authorizing the agent to represent the principal in making, executing, and presenting the form. Form 2848, Power of Attorney and Declaration of Representative, may be used for this purpose. The agent, as well as the beneficial owner, may incur liability for the penalties provided for an erroneous, false, or fraudulent form.

Broker transactions or barter exchanges. Income from transactions with a broker or a barter exchange is subject to reporting rules and backup withholding unless Form W-8BEN or a substitute form is filed to notify the broker or barter exchange that you are an exempt foreign person.

You are an exempt foreign person for a calendar year in which:

- You are a nonresident alien individual or a foreign corporation, partnership, estate, or trust;
- You are an individual who has not been, and does not plan to be, present in the United States for a total of 183 days or more during the calendar year; and
- You are neither engaged, nor plan to be engaged during the year, in a U.S. trade or business that has effectively connected gains from transactions with a broker or barter exchange.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to provide the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is: **Recordkeeping,** 5 hr., 58 min.; **Learning about the law or the form,** 3 hr., 46 min.; **Preparing and sending the form to IRS,** 4 hr., 2 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can email us at **taxforms@irs.gov.* Please put "Forms Comment" on the subject line. Or you can write to Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, IR-6406, Washington, DC 20224. Do not send Form W-8BEN to this office. Instead, give it to your withholding agent.

FORM W-9
(REQUEST FOR TAXPAYER IDENTIFICATION NUMBER)

Form **W-9**
(Rev. January 2003)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give form to the requester. Do not send to the IRS.

Print or type
See Specific Instructions on page 2.

Name

Business name, if different from above

Check appropriate box: ☐ Individual/ Sole proprietor ☐ Corporation ☐ Partnership ☐ Other ▶ .....

☐ Exempt from backup withholding

Address (number, street, and apt. or suite no.)

Requester's name and address (optional)

City, state, and ZIP code

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). **However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3.** For other entities, it is your employer identification number (EIN). If you do not have a number, see **How to get a TIN** on page 3.

Note: *If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.*

Social security number
___ ___ ___ - ___ ___ - ___ ___ ___ ___

or

Employer identification number
___ ___ - ___ ___ ___ ___ ___ ___ ___

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), **and**
2. I am not subject to backup withholding because: **(a)** I am exempt from backup withholding, or **(b)** I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or **(c)** the IRS has notified me that I am no longer subject to backup withholding, **and**
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here Signature of U.S. person ▶ Date ▶

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

Note: *If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.*

Foreign person. If you are a foreign person, use the appropriate Form W-8 (see **Pub. 515,** Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a **nonresident alien or a foreign entity** not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 30% of such payments (29% **after** December 31, 2003; 28% **after** December 31, 2005). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will **not** be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester, or

2. You do not certify your TIN when required (see the Part II instructions on page 4 for details), or

3. The IRS tells the requester that you furnished an incorrect TIN, or

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate **Instructions for the Requester of Form W-9.**

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of Federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your **individual** name as shown on your social security card on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, **enter the owner's name on the "Name" line.** Enter the LLC's name on the "Business name" line.

Other entities. Enter your business name as shown on required Federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note: *You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).*

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note: *If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.*

Exempt payees. Backup withholding is **not required** on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2);

2. The United States or any of its agencies or instrumentalities;

3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities;

4. A foreign government or any of its political subdivisions, agencies, or instrumentalities; or

5. An international organization or any of its agencies or instrumentalities.

Other payees that **may be exempt** from backup withholding include:

6. A corporation;

7. A foreign central bank of issue;

8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States;

9. A futures commission merchant registered with the Commodity Futures Trading Commission;

10. A real estate investment trust;

11. An entity registered at all times during the tax year under the Investment Company Act of 1940;

12. A common trust fund operated by a bank under section 584(a);

13. A financial institution;

14. A middleman known in the investment community as a nominee or custodian; or

15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, **1** through **15.**

If the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for **9**
Broker transactions	Exempt recipients **1** through **13.** Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients **1** through **5**
Payments over $600 required to be reported and direct sales over $5,000 [1]	Generally, exempt recipients **1** through **7** [2]

[1] See **Form 1099-MISC,** Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are **not exempt** from backup withholding: medical and health care payments, attorneys' fees; and payments for services paid by a Federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a **resident alien** and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see **How to get a TIN** below.

If you are a **sole proprietor** and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner **LLC** that is disregarded as an entity separate from its owner (see **Limited liability company (LLC)** on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

Note: *See the chart on page 4 for further clarification of name and TIN combinations.*

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get **Form SS-5,** Application for a Social Security Card, from your local Social Security Administration office or get this form on-line at **www.ssa.gov/online/ss5.html.** You may also get this form by calling 1-800-772-1213. Use **Form W-7,** Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or **Form SS-4,** Application for Employer Identification Number, to apply for an EIN. You can get Forms W-7 and SS-4 from the IRS by calling 1-800-TAX-FORM (1-800-829-3676) or from the IRS Web Site at **www.irs.gov.**

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: *Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.*

Caution: *A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.*

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 3, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see **Exempt from backup withholding** on page 2.

Signature requirements. Complete the certification as indicated in **1** through **5** below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item **2** in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item **2** of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA or Archer MSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account [1]
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor [2]
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee [1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner [1]
5. Sole proprietorship or single-owner LLC	The owner [3]
For this type of account:	**Give name and EIN of:**
6. Sole proprietorship or single-owner LLC	The owner [3]
7. A valid trust, estate, or pension trust	Legal entity [4]
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] **You must show your individual name,** but you may also enter your business or "DBA" name. You may use either your SSN or EIN (if you have one).

[4] List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

Note: *If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.*

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA or Archer MSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, or to Federal and state agencies to enforce Federal nontax criminal laws and to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 30% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

APPLICATION TO THE ATTORNEY GENERAL FOR A DETERMINATION OF THE DISPOSITION OF DOWNPAYMENTS

APPLICATION TO THE ATTORNEY GENERAL FOR A DETERMINATION ON THE DISPOSITION OF DOWNPAYMENTS

[Send this application to the reviewing attorney assigned to the subject plan.]

Re: The Badge Building, a Condominium located at 10-55 47th Avenue, Long Island City, New York

File Number:

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

1. Name of Applicant _____

2. Address of Applicant _____

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

4. This is an application for

- ☐ return of downpayment
- ☐ forfeiture of downpayment
- ☐ other:

5. The project is structured as

- ☐ a conversion of occupied premises.
- ☐ newly constructed or rehabilitated.
- ☐ vacant (as is).

6. The project is structured as

- ☐ a cooperative.
- ☐ a condominium.
- ☐ a homeowners association.
- ☐ a timeshare.

- ☐ other:

7. Name and Address of Sponsor:

8. Name and Address of Escrow Agent:

9. If downpayments are maintained in an escrow account:

(a) Name of Account

(b) Name and Address of Bank

(c) Account Number (if known)

(d) Initial interest rate (if known)

10. If downpayments have been secured by bonds:

(a) Name and Address of
Bond Issuer or Surety:

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

11. If downpayments have been secured by a Letter of Credit:

(a) Name and address of bank which issued the Letter of Credit:

(b) Date of expiration of the Letter of Credit, if known:

12. Plan information:

(a) Date of filing of plan:

(b) Plan ☐ has been declared effective. Approximate date:

☐ has not been declared effective.

(c) If effective, the plan

☐ has closed or the first unit has closed. Approximate date:

☐ has not closed.

☐ don't know.

(d) Downpayments are secured by

☐ escrow account.

☐ bonds.

☐ Letter of Credit.

13. Contract information:

(a) Copy of contract and of all riders or modification letters are attached. (DO NOT SEND ORIGINALS.)

(b) Date on which subscription or purchase agreement was signed:

(c) Date(s) of downpayment(s):

(d) Total amount of downpayment(s):

(e) Names and addresses of subscribers or purchasers affected by this application:

14. State the basis for your claim. Please be as specific as possible. You may add additional sheets. Attach copies of any relevant documents.

15. I am contemporaneously sending a copy of this application to the following persons:

Note: You are required to mail a copy of this Application to all other affected parties.

In filing this Application, I understand that the Attorney General is not my private attorney, but represents the public in enforcing laws designed to protect the public from unlawful business practices. I also understand that if I have any questions concerning my legal rights or

responsibilities I may contact a private attorney. The above application is true and accurate to the best of my knowledge. False statements made herein are punishable as a Class A Misdemeanor under Section 175.30 and/or Section 210.45 of the Penal Law.

Signature: _____ Date:

Name (Printed):

Telephone: (Home)_____ (Business)

Mailing Address:

ESCROW AGREEMENT

OP: ESCROW AGREEMENT FOR OFFERING PLAN RE: SPONSOR

AGREEMENT made as of the filing date of the Offering Plan (defined below), between The Badge Development LLC ("SPONSOR") as sponsor of the Offering Plan and Gerstein Strauss & Rinaldi LLP ("ESCROW AGENT") as escrow agent.

WHEREAS, SPONSOR is the SPONSOR of an offering plan for premises known as The Badge and located at 10-55 47th Avenue, Long Island City, New York ("Offering Plan"); and

WHEREAS, Gerstein Strauss & Rinaldi LLP is authorized to act as an escrow agent hereunder in accordance with General Business Law ("GBL") Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated thereunder; and

WHEREAS, SPONSOR desires that ESCROW AGENT act as escrow agent for deposits and payments by purchasers or subscribers, pursuant to the terms of this Agreement and the Offering Plan.

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 ESCROW AGENT will establish a master escrow account for the purpose of holding deposits, downpayments, advances or payments ("Deposits") made by purchasers or subscribers ("Purchasers") pursuant to the Offering Plan at a commercial or savings bank having a branch located in New York City entitled Gerstein Strauss & Rinaldi LLP ("Master Escrow Account").

1.2 All Deposits will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. If ESCROW AGENT receives a completed and signed Form W-9 (Request for Taxpayer Identification Number) or Form W-8 (Certificate of Foreign Status), as applicable, from a Purchaser at the time the Deposit is delivered to ESCROW AGENT, the Deposit of such Purchaser will be promptly transferred from the non-interest bearing checking portion of the Master Escrow Account into an individual interest bearing sub-escrow account in the name of such Purchaser. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon.

1.3 Partners in ESCROW AGENT are the sole signatories on the Master Escrow Account.

1.4 The Master Escrow Account is not an IOLA account established pursuant to

Judiciary Law Section 497.

1.5 All interest will be credited to Purchaser at such time as: (i) there is a closing under the Contract of Sale (defined below), or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to SPONSOR only in the event there is a "consummation of the Offering Plan" (as such term is defined in the Attorney General's regulations) and Purchaser defaults.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All funds received from Purchasers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited into the Master Escrow Account. All instruments to be deposited into the Master Escrow Account shall be made payable directly to the order of "Gerstein Strauss & Rinaldi LLP, as Escrow Agent". Endorsed instruments will not be accepted. Any instrument payable other than as required hereby, and which cannot be deposited into the Master Escrow Account, shall be returned to the Purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of funds, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 Within ten (10) business days after tender of the Deposit submitted with the purchase agreement or subscription agreement ("Contract of Sale"), ESCROW AGENT shall notify the Purchaser of the deposit of such funds in the Master Escrow Account, provide the account number, and disclose the initial interest rate. If the Purchaser does not receive notification of such deposit within fifteen (15) business days after tender of the Deposit, the Purchaser may cancel the Contract of Sale and rescind within ninety (90) days after tender of the Deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited in accordance with the Attorney General's regulations and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS.

3.1 ESCROW AGENT shall not release the Deposit of a defaulting Purchaser until after consummation of the Offering Plan. Consummation of the Offering Plan shall not relieve SPONSOR of its fiduciary obligations pursuant to GBL Section 352-h.

3.2 ESCROW AGENT shall continue to hold the Deposit in escrow until otherwise directed in (a) a writing signed by both SPONSOR and Purchaser or (b) a determination of the Attorney General or (c) a judgment or order of a court of competent jurisdiction or until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.

3.3 SPONSOR shall not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Deposit to: (a) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Offering Plan or an amendment to the Offering Plan, or (b) all Purchasers after an amendment abandoning the Offering Plan is accepted for filing by the Department of Law.

3.4 In the event SPONSOR and a Purchaser close title under the Contract of Sale, ESCROW AGENT shall be entitled to release the Deposit to SPONSOR without the need for a written agreement from Purchaser.

3.5 Except as otherwise set forth above, if there is no written agreement between the parties to release the Deposit, ESCROW AGENT shall not pay the funds to SPONSOR until ESCROW AGENT has given the Purchaser written notice of not fewer than ten (10) business days. Thereafter, the Deposit may be paid to SPONSOR unless the Purchaser has made application to the Department of Law pursuant to the dispute resolution provisions contained in the Attorney General's regulations and ESCROW AGENT has received notice from the Purchaser in accordance with such provisions.

4. RECORD KEEPING.

4.1 ESCROW AGENT shall maintain all records concerning the Master Escrow Account for seven (7) years after release of the funds.

4.2 Upon the dissolution of ESCROW AGENT, the former partners 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 request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1 ESCROW AGENT shall maintain the Master Escrow Account under its direct supervision and control.

5.2 A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary obligations.

5.3 ESCROW AGENT shall not be liable to SPONSOR for any error in judgment, mistake of fact or law or for any act or omission on ESCROW AGENT'S part, including, without limitation, any act or omission which permits a Purchaser to rescind a Contract of Sale, unless taken or suffered in bad faith or in willful disregard of this Agreement or involving gross negligence on the part of ESCROW AGENT.

5.4 ESCROW AGENT shall be permitted to act as counsel for SPONSOR in any dispute as to the disbursement of the Deposit or any other dispute between SPONSOR and a Purchaser whether or not ESCROW AGENT is in possession of the Deposit and continues to act as ESCROW AGENT.

5.5 ESCROW AGENT may rely upon any paper or document which may be submitted to it in connection with its duties under this Agreement and which is believed by ESCROW AGENT to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

5.6 ESCROW AGENT may consult with legal counsel selected by it and the opinion of such counsel shall be full and complete authorization and protection to ESCROW AGENT in respect of any action taken or omitted in good faith by ESCROW AGENT hereunder in accordance with the opinion of such counsel.

5.7 The provisions of paragraphs 5.5 and 5.6 shall apply only to SPONSOR and nothing contained therein shall be in derogation of the rights of a purchaser under Article 23-A of the General Business Law.

6. RESPONSIBILITIES OF SPONSOR.

6.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver all Deposits received by them prior to closing of an individual transaction to a designated attorney who is a partner of or attorney or legal assistant employed by ESCROW AGENT within two (2) business days of tender of the Deposit by a Purchaser, using such transmittal forms as required by ESCROW AGENT from time to time.

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.

6.3 SPONSOR shall obtain or cause the selling agent under the Offering Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from each Purchaser and deliver such form to ESCROW AGENT together with the Deposit and Contract of Sale.

7. TERMINATION OF AGREEMENT.

7.1 This Agreement shall remain in effect unless and until it is cancelled by either:

(a) Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Offering 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. Such resignation shall take effect on the date set forth in the notice from ESCROW AGENT, except such resignation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent with respect to Deposits held in the Master Escrow Account on the date of such resignation; or

(c) all units offered by SPONSOR pursuant to the Offering Plan have been sold and no Deposits of Purchasers from SPONSOR remain in the Master 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 funds held by ESCROW AGENT in escrow and any and all contracts or documents maintained by ESCROW AGENT relating to such funds to the new escrow agent.

8. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their respective successors and assigns.

9. GOVERNING LAW.

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

10. ESCROW AGENT'S COMPENSATION.

SPONSOR agrees to pay ESCROW AGENT for services rendered by its attorneys and paralegals and expenses incurred by ESCROW AGENT in connection with this Agreement, including, without limitation, disputes arising with respect to the Deposit. SPONSOR shall not be charged with any administrative costs for maintenance of the Master Escrow Account. ESCROW AGENT'S fees and disbursements shall neither be paid by SPONSOR from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

11. SEVERABILITY.

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. INDEMNIFICATION.

SPONSOR agrees to defend, indemnify and hold ESCROW AGENT harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of this Agreement or the performance or non-performance of ESCROW AGENT'S duties under this Agreement, except with respect to actions or omissions taken or suffered by ESCROW AGENT in bad faith or in willful disregard of this Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by ESCROW AGENT to itself.

13. ALTERNATE SECURITY

In the event SPONSOR is authorized by the Department of Law to post a Letter of Credit or Surety Bond as alternate security to secure all or a portion of the Deposits, Escrow Agent agrees to be the beneficiary of the Letter of Credit or Surety Bond, and to act as fiduciary with respect to such Letter of Credit or Surety Bond for the benefit of Purchasers under the Offering Plan whose Deposits were released from escrow in accordance with the "Escrow and Trust Fund " section of the Offering Plan or an amendment to the Offering Plan.

14. ENTIRE AGREEMENT.

This Agreement, read together with GBL Sections 352-e(2-b) and 352-h and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:

GERSTEIN STRAUSS & RINALDI LLP

By: _____
Name: Lisa Rinaldi
Title: Partner

SPONSOR:

THE BADGE DEVELOPMENT LLC

By: _____
Tibi Zicherman, Member and Manager

By: _____
Martin Mandel, Member and Manager

By: _____
Eyal Shuster, Member and Manager

CERTIFICATION OF SPONSOR AND PRINCIPALS

PART 20: CERTIFICATION OF SPONSOR AND PRINCIPALS

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

Re: Condominium Offering Plan
The Badge
10-55 47th Avenue
Long Island City, New York

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

SPONSOR:

THE BADGE DEVELOPMENT LLC

By: _____
Tibi Zicherman, Member and Manager

Sworn to before me
this 16th day of December, 2005

_____
Notary Public

REZA SALAMATIAN
Notary Public, State of New York
No. 01SA6114755
Qualified in Nassau County
Commission Expires August 23, 20 08

_____
Tibi Zicherman

By: _____
Martin Mandel, Member and Manager

Sworn to before me
this 16th day of December, 2005

_____
Notary Public

REZA SALAMATIAN
Notary Public, State of New York
No. 01SA6114755
Qualified in Nassau County
Commission Expires August 23, 20 08

_____
Martin Mandel

By: _____
Eyal Shuster, Member and Manager

Sworn to before me
this 16th day of December, 2005

_____
Notary Public

REZA SALAMATIAN
Notary Public, State of New York
No. 01SA6114755
Qualified in Nassau County
Commission Expires August 23, 20 08

_____
Eyal Shuster

CERTIFICATION OF ARCHITECT

Bricolage Designs

6321 New Utrecht Avenue – 2nd Fl.
Brooklyn, N.Y. 11219
Phone : (718) 259-1100
Fax : (718) 259-0111

CERTIFICATION BY SPONSOR'S ENGINEER OR ARCHITECT
PURSUANT TO PART 20.4 OF THE REGULATIONS
ISSUED PURSUANT TO GENERAL BUSINESS LAW,
ARTICLE 23-A, AS AMENDED

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

Re: 10-55 47th Avenue
a/k/a 46-48 11th Street
Queens, New York

The Sponsor of the Offering Plan to convert the captioned property to condominium ownership has retained our firm to prepare a report describing the construction and renovation of the property (hereinafter "the Report"). I visually inspected existing portions of the property, on November 10th, 2005. In addition to preparing the building plans and specifications, dated June 1st, 2005, we also prepared the Report dated, December 5th, 2005 and the Addendum to the Architect's Report, dated May 2nd 2006; a copy of which is intended to be incorporated into the Offering Plan, so that prospective purchasers may rely thereupon. I am a licensed Architect, registered in the State in which the property is located.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20, insofar as they are applicable to this "Report" and Addendum to the Report.

I have read the entire Report and Addendum and investigated the facts set forth therein and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made. I certify that the Report and Addendum does:

(i) set forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of construction and renovation, provided that construction and renovation is in accordance with the plans and specifications which I examined.

(ii) in our professional opinion, afford 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 and renovation provided that construction and renovation is in accord with the plans and specifications which I examined.

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

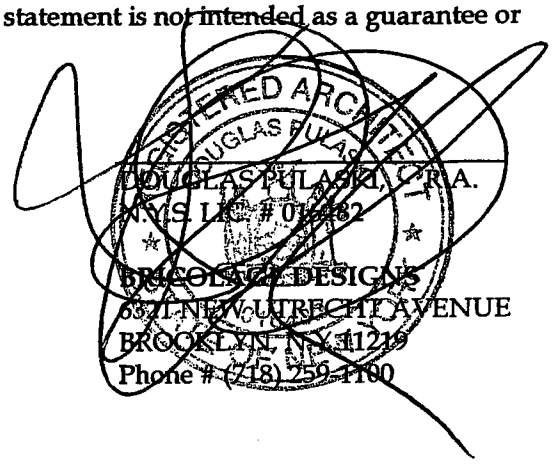
(v) not contain any fraud, deception, concealment, or suppression;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances.

(vii) not contain any statement or representation which is false, where I:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representation or statements made.

I further certify that I am not owned or controlled by, and have no beneficial interest, in the Sponsors, and that my compensation for preparing the Report is not contingent on the conversion of the property to condominium ownership, 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.



DOUGLAS PULASKI, C.P.A.
N.Y.S. LIC. # 016482
BRICOLAGE DESIGNS
631 NEW UTRECHT AVENUE
BROOKLYN, NY 11219
Phone # (718) 259-1100

Sworn to before me this

2ND day of MAY, 2006

Notary

THERESA WEISSMULLER
Notary Public, State of New York
No. 01WE6136355
Qualified in Nassau County
Commission Expires Nov. 7, 2009

CERTIFICATION OF BUDGET EXPERT

TAUBE MANAGEMENT corp.
LICENSED REAL ESTATE BROKER
204 East 83rd Street • New York, NY 10028
Tel 212.288.0077 • Fax 212-734.2065

CERTIFICATION BY SPONSOR'S EXPERT AS TO ADEQUACY OF BUDGET
PURSUANT TO PART 20
OF THE REGULATIONS ISSUED
PURSUANT TO GENERAL BUSINESS LAW
ARTICLE 23-A AS AMENDED

New York State Department of Law
Investment Protection Bureau
120 Broadway
23rd Floor
New York, New York 10271

Re: Condominium Offering Plan
The Badge Building
10-55 47th Street
Long Island City, New York 11101

The sponsor of the condominium offering plan for the captioned property retained our firm to review or prepare Schedule B and B-1 containing projections of income and expenses for the first year of condominium operation. Our experience in this field includes:

Taube Management Corp., a licensed Real Estate Broker, began operations approximately 25 years ago. We own, as well as manage over twenty-five rental and condominium properties, all in New York City. We are also members of The Real Estate Board of New York, B.O.M.A., and the Executive Association of New York City.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule B and B-1.

We have reviewed the Schedule and investigated the facts set forth in the Schedule and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in the Schedule B and B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedule:

(i) sets forth in detail the projected income and expenses for the first year of condominium operation;

TAUBE MANAGEMENT corp.
LICENSED REAL ESTATE BROKER
204 East 83rd Street • New York, NY 10028
Tel 212.288.0077 • Fax 212-734.2065

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very truly yours,

TAUBE MANAGEMENT CORP.

By: _____

Name: Joseph M. Taube

Sworn to before me this

18th day of May, 2006

_____

Notary Public

JANET KANE
Notary Public, State of New York
No. 01KA4662615
Qualified in New York County
Commission Expires March 30, 2007

REAL PROPERTY LAW SECTION 339-KK

§ 339-kk. Rents

(a) For the purposes of this section, "non-occupying owner" shall mean a unit owner in a condominium association who does not occupy the dwelling unit.

(b) If a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the condominium association.

(c) If the common charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for common charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers has been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

(e) Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

(Added L.1998, c. 422, § 3, eff. July 22, 1998.)

CERTIFICATE OF OCCUPANCY SEARCH RE: ADJOINING PROPERTIES

TITLE NO. 0608-TA05061037B CO

ABSTRACTERS' INFORMATION SERVICE, INC.
1111 MARCUS AVENUE - SUITE MZ214
LAKE SUCCESS, N.Y. 11042
PHONE (516) 918-4600 FAX (516) 918-4540

CERTIFICATE OF OCCUPANCY REPORT

DATE: 11/8/05

PREMISES: 46-36 11 STREET
AKA 46-32/36 11 STRET
COUNTY: QUEENS
BLOCK: 00047 LOT: 00025

THE FOLLOWING INFORMATION IS ON FILE:

QUEENS BLOCK: 00047 LOT: 00025

CO Q210833
ISSUED 09/11/89
NB 866/1987
2 STORY, CONSTRUCTION CLASSIFICATION 1D
MANUFACTURING AND OFFICES
COMPLETED 07/18/89

ALT 401753722
INTERIOR PARTITION WORK. INSTALL KITCHEN AND BATHROOM. NO CHANGE TO OCCUPANCY.NO CO REQUIRED.
PERMIT ISSUED 01/30/2004
NOT SIGNED OFF

IMPORTANT NOTICE ABOUT SEARCH INFORMATION ABOVE

THE PURPOSE OF THIS REPORT IS TO PROVIDE THE LEGAL OCCUPANCY AS PER LATEST C/O ON FILE. THE ABOVE REPORT MAY NOT INCLUDE THE REPORTING OF MINOR APPLICATIONS WHICH MAY BE INDEXED AGAINST THE ABOVE BLOCK AND LOT BUT DO NOT REQUIRE A NEW C/O OR APPLICATIONS OF ANY KIND THAT ARE INCOMPLETE. A HISTORY OF ALL FILINGS FOR THE ABOVE PARCEL IS AVAILABLE UPON REQUEST FOR AN ADDITIONAL FEE. THERE IS NO LIABILITY ASSUMED FOR ERRORS OR OMISSIONS OF FACT DUE TO THE STATE OF THE PUBLIC RECORD OR THE LIMITS DEFINED HEREIN. THIS PRODUCT IS NOT INTENDED TO ELIMINATE RISKS COVERED BY TOEPP. THIS REPORT IS PREPARED EXCLUSIVELY FOR TITLE ASSOCIATES INC. ON 11/8/05. 0608-TA05061037B

TITLE NO. 0608-TA05061037A CO

ABSTRACTERS' INFORMATION SERVICE, INC.

1111 MARCUS AVENUE - SUITE MZ214
LAKE SUCCESS, N.Y. 11042
PHONE (516) 918-4600 FAX (516) 918-4540

CERTIFICATE OF OCCUPANCY REPORT

DATE: 11/8/2005

PREMISES: 10-47 47 AVENUE

COUNTY: QUEENS
BLOCK: 00047 LOT: 00019

THE FOLLOWING INFORMATION IS ON FILE:

TAX CLASSIFICATION C2 - WALK-UP APARTMENTS: FIVE TO SIX FAMILIES
QUEENS BLOCK: 00047 LOT: 00019

NO CO ON FILE
NB 3040/1922
1 STORY, METAL
GARAGE
APPROVED 03/18/22
NOT SIGNED OFF

NO CO ON FILE
ALT 289/1905
3 STORY, FRAME
TENEMENT
COMPLETED 12/02/2005

DEPARTMENT OF BUILDINGS PERSONNEL WERE UNABLE TO LOCATE ALT 289/1905 FOR EXAMINATION.

NO CO ON FILE
ALT 1296/1939
3 STORY, FRAME
6 FAMILY MULTIPLE DWELLING
GENERAL REPAIRS.
APPROVED 06/30/39
COMPLETED 09/06/39

REGISTERED IN THE DEPARTMENT OF HOUSING AS AN OLD LAW TENEMENT CONSISTING OF 6 CLASS A APARTMENTS

IMPORTANT NOTICE ABOUT SEARCH INFORMATION ABOVE

THE PURPOSE OF THIS REPORT IS TO PROVIDE THE LEGAL OCCUPANCY AS PER LATEST C/O ON FILE. THE ABOVE REPORT MAY NOT INCLUDE THE REPORTING OF MINOR APPLICATIONS WHICH MAY BE INDEXED AGAINST THE ABOVE BLOCK AND LOT BUT DO NOT REQUIRE A NEW C/O OR APPLICATIONS OF ANY KIND THAT ARE INCOMPLETE. A HISTORY OF ALL FILINGS FOR THE ABOVE PARCEL IS AVAILABLE UPON REQUEST FOR AN ADDITIONAL FEE. THERE IS NO LIABILITY ASSUMED FOR ERRORS OR OMISSIONS OF FACT DUE TO THE STATE OF THE PUBLIC RECORD OR THE LIMITS DEFINED HEREIN. THIS PRODUCT IS NOT INTENDED TO ELIMINATE RISKS COVERED BY TOEPP. THIS REPORT IS PREPARED EXCLUSIVELY FOR TITLE ASSOCIATES INC. ON 11/8/2005. 0608-TA05061037A

Title Number : 0608-TA05061037A

IT IS THE POLICY OF THE BUILDING DEPARTMENT THAT FOR ALL PLANS AND USES APPROVED PRIOR TO JANUARY 1, 1938, THE DEPARTMENT OF BUILDINGS DID NOT AND DOES NOT REQUIRE A CERTIFICATE OF OCCUPANCY

IMPORTANT NOTICE ABOUT SEARCH INFORMATION ABOVE

THE PURPOSE OF THIS REPORT IS TO PROVIDE THE LEGAL OCCUPANCY AS PER LATEST C/O ON FILE. THE ABOVE REPORT MAY NOT INCLUDE THE REPORTING OF MINOR APPLICATIONS WHICH MAY BE INDEXED AGAINST THE ABOVE BLOCK AND LOT BUT DO NOT REQUIRE A NEW C/O OR APPLICATIONS OF ANY KIND THAT ARE INCOMPLETE. A HISTORY OF ALL FILINGS FOR THE ABOVE PARCEL IS AVAILABLE UPON REQUEST FOR AN ADDITIONAL FEE. THERE IS NO LIABILITY ASSUMED FOR ERRORS OR OMISSIONS OF FACT DUE TO THE STATE OF THE PUBLIC RECORD OR THE LIMITS DEFINED HEREIN. THIS PRODUCT IS NOT INTENDED TO ELIMINATE RISKS COVERED BY TOEPP. THIS REPORT IS PREPARED EXCLUSIVELY FOR TITLE ASSOCIATES INC. ON 11/8/2005. 0608-TA05061037A

TITLE NO. 0608-TA05061037C CO

ABSTRACTERS' INFORMATION SERVICE, INC.
1111 MARCUS AVENUE – SUITE MZ214
LAKE SUCCESS, N.Y. 11042
PHONE (516) 918-4600 FAX (516) 918-4540

CERTIFICATE OF OCCUPANCY REPORT

DATE: 11/8/2005

PREMISES: 10-54 46 ROAD

COUNTY: QUEENS
BLOCK: 00047 LOT: 00030

THE FOLLOWING INFORMATION IS ON FILE:

TAX CLASSIFICATION B2 - TWO-FAMILY DWELLINGS: FRAME

QUEENS BLOCK: 00047 LOT: 00030

NO CO ON FILE
ALT 2092/1926 - 9 ST SS 106 FROM EAST AVE
FRAME
1 FAMILY DWELLING
REPLACE FRONT PORCH
COMPLETED 06/11/27

THERE WERE NO OTHER PLANS FOUND ON FILE IN THE BUILDING DEPARTMENT

A 2 STORY, FRAME DWELLING APPEARS ON THIS LOT IN THE 1928 BELCHER HYDE ATLAS VOLUME 1 PLATE 2

IT IS THE POLICY OF THE BUILDING DEPARTMENT THAT FOR ALL PLANS AND USES APPROVED PRIOR TO JANUARY 1, 1938, THE DEPARTMENT OF BUILDINGS DID NOT AND DOES NOT REQUIRE A CERTIFICATE OF OCCUPANCY

IMPORTANT NOTICE ABOUT SEARCH INFORMATION ABOVE

THE PURPOSE OF THIS REPORT IS TO PROVIDE THE LEGAL OCCUPANCY AS PER LATEST C/O ON FILE. THE ABOVE REPORT MAY NOT INCLUDE THE REPORTING OF MINOR APPLICATIONS WHICH MAY BE INDEXED AGAINST THE ABOVE BLOCK AND LOT BUT DO NOT REQUIRE A NEW C/O OR APPLICATIONS OF ANY KIND THAT ARE INCOMPLETE. A HISTORY OF ALL FILINGS FOR THE ABOVE PARCEL IS AVAILABLE UPON REQUEST FOR AN ADDITIONAL FEE. THERE IS NO LIABILITY ASSUMED FOR ERRORS OR OMISSIONS OF FACT DUE TO THE STATE OF THE PUBLIC RECORD OR THE LIMITS DEFINED HEREIN. THIS PRODUCT IS NOT INTENDED TO ELIMINATE RISKS COVERED BY TOEPP. THIS REPORT IS PREPARED EXCLUSIVELY FOR TITLE ASSOCIATES INC. ON 11/8/2005. 0608-TA05061037C

TITLE NO. 0608-TA05061037D CO

ABSTRACTERS' INFORMATION SERVICE, INC.
1111 MARCUS AVENUE – SUITE MZ214
LAKE SUCCESS, N.Y. 11042
PHONE (516) 918-4600 FAX (516) 918-4540

CERTIFICATE OF OCCUPANCY REPORT

DATE: 11/8/05

PREMISES: 10-52 46 ROAD

COUNTY: QUEENS
BLOCK: 00047 LOT: 00031

THE FOLLOWING INFORMATION IS ON FILE:

TAX CLASSIFICATION A5 - ONE-FAMILY DWELLINGS: ATTACHED OR SEMI-DETACHED
QUEENS BLOCK: 00047 LOT: 00031

NO CO ON FILE
ALT 87/1910 - # 156 9 ST
DWELLING
COMPLETED 03/09/10

DEPARTMENT OF BUILDING PERSONNEL WERE UNABLE TO LOCATE ALT 87/1910 FOR EXAMINATION.

A 2 STORY, FRAME DWELLING APPEARS ON THIS LOT IN THE 1928 BELCHER HYDE ATLAS VOLUME 1, PLATE 2.

IT IS THE POLICY OF THE BUILDING DEPARTMENT THAT FOR ALL PLANS AND USES APPROVED PRIOR TO JANUARY 1, 1938, THE DEPARTMENT OF BUILDINGS DID NOT AND DOES NOT REQUIRE A CERTIFICATE OF OCCUPANCY

IMPORTANT NOTICE ABOUT SEARCH INFORMATION ABOVE

THE PURPOSE OF THIS REPORT IS TO PROVIDE THE LEGAL OCCUPANCY AS PER LATEST C/O ON FILE. THE ABOVE REPORT MAY NOT INCLUDE THE REPORTING OF MINOR APPLICATIONS WHICH MAY BE INDEXED AGAINST THE ABOVE BLOCK AND LOT BUT DO NOT REQUIRE A NEW C/O OR APPLICATIONS OF ANY KIND THAT ARE INCOMPLETE. A HISTORY OF ALL FILINGS FOR THE ABOVE PARCEL IS AVAILABLE UPON REQUEST FOR AN ADDITIONAL FEE. THERE IS NO LIABILITY ASSUMED FOR ERRORS OR OMISSIONS OF FACT DUE TO THE STATE OF THE PUBLIC RECORD OR THE LIMITS DEFINED HEREIN. THIS PRODUCT IS NOT INTENDED TO ELIMINATE RISKS COVERED BY TOEPP. THIS REPORT IS PREPARED EXCLUSIVELY FOR TITLE ASSOCIATES INC. ON 11/8/05. 0608-TA05061037D