
CONDOMINIUM OFFERING PLAN FOR THE SALE
OF UNITS IN A CONDOMINIUM TO BE KNOWN AS

10-50 JACKSON AVENUE CONDOMINIUM

10-50 Jackson Avenue
Long Island City, Queens, New York 11101

48 Residential Units -	\$ 26,100,349
1 Non-Residential Unit – (not being offered for sale)	
17 Parking Spaces -	\$ 680,000
TOTAL OFFERING -	\$ 26,780,349

SPONSOR
VANTAGE AT JACKSON LLC
20 Gilbert Avenue
Smithtown, New York 11787

SELLING AGENT
CORCORAN GROUP
145 Montague Street
Brooklyn, New York 11201

SPONSOR'S ATTORNEY
CERTILMAN BALIN ADLER & HYMAN, LLP
The Financial Center at Mitchel Field
90 Merrick Avenue
East Meadow, New York 11554

The Date of Acceptance for Filing is February 2, 2007. The Offering Plan May Not Be Used After February 1, 2008, Unless Extended by Amendment.

THIS PLAN CONTAINS SPECIAL RISKS TO PURCHASERS. SEE PAGE (iv).

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL THE RESIDENTIAL UNITS, THIS PLAN MAY RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH A MAJORITY OF THE RESIDENTIAL UNITS ARE NOT OWNED BY OWNER-OCCUPANTS OR INVESTORS WHO ARE UNRELATED TO THE SPONSOR. SEE THE SPECIAL RISK SECTION OF THE PLAN. PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE BOARD OF MANAGERS OF THE CONDOMINIUM UNDER THE TERMS OF THIS OFFERING PLAN. SEE SPECIAL RISK 3 OF THE OFFERING PLAN.

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

**THIS OFFERING PLAN HAS BEEN AMENDED,
SEE INSIDE COVER.**

TABLE OF CONTENTS
PART I

	<u>Page</u>
SPECIAL RISKS	iv
I. INTRODUCTION	1
II. DEFINITIONS	8
III. DESCRIPTION OF PROPERTY AND IMPROVEMENTS	11
IV. LOCATION AND AREA INFORMATION	15
V. SCHEDULE A	19
VI. SCHEDULE B	24
VII. SCHEDULE C	29
VIII. COMPLIANCE WITH REAL PROPERTY LAW SECTION 339(i)	31
IX. CHANGES IN PRICES OR UNITS	32
IXA. INTERIM LEASES	33
X. PROCEDURE TO PURCHASE	33
XI. FINANCING FOR QUALIFIED PURCHASERS	40
XII. EFFECTIVE DATE OF THE PLAN	41
XIII. TERMS OF SALE	42
XIV. CLOSING COSTS AND ADJUSTMENTS	46
XV. RIGHTS AND OBLIGATIONS OF THE SPONSOR	50
XVI. CONTROL BY THE SPONSOR	55
XVII. BOARD OF MANAGERS	57

TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>
XVIII. RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD OF MANAGERS	66
XIX. REAL ESTATE TAXES.....	79
XX. INCOME TAX DEDUCTIONS TO RESIDENTIAL UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM	80
XXI. OPINION OF COUNSEL	82
XXII. RESERVE FUND	85
XXIII. WORKING CAPITAL FUND	85
XXIV. MANAGEMENT AGREEMENT, CONTRACTS AND LEASES.....	85
XXV. IDENTITY OF PARTIES	86
XXVI. REPORTS TO RESIDENTIAL UNIT OWNERS	87
XXVII. DOCUMENTS ON FILE.....	88
XXVIII. GENERAL	88
XXIX. SPONSOR'S STATEMENT OF SPECIFICATIONS OR BUILDING CONDITION	89

PART II

SCHEDULES

	<u>Page</u>
D PURCHASE AGREEMENT	93
D-1 FORM TO RELEASE ESCROW FUNDS.....	111
D-2 WAIVER OF NOTICE OF CLOSING.	113
D-3 SURETY BOND	115
E POWER OF ATTORNEY	117
F FORM OF DEED.....	121
G DESCRIPTION OF PROPERTY (SPECIFICATIONS) AND BUILDING CONDITION)	125
1. Site Plan	149
2. Floor Plans	151
3. Area Map.....	177
H FEE TITLE DESCRIPTION.....	179
I DECLARATION OF CONDOMINIUM	181
J CONDOMINIUM BY-LAWS	205
K APPLICATION FORM TO THE ATTORNEY GENERAL FOR DETERMINATION ON THE DISPOSITION OF DOWNPAYMENTS	249
L ESCROW AGREEMENT	255
M CERTIFICATIONS	
1. SPONSOR	265
2. SPONSOR'S ENGINEER (OR ARCHITECT)	269
3. SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET	273
4. SPONSOR'S EXPERT CONCERNING ADEQUACY OF COMMON CHARGES PAYABLE BY NON-RESIDENTIAL UNIT OWNER(S)	277
N SECTION 339-KK OF THE REAL PROPERTY LAW	281

SPECIAL RISKS

1. The Sponsor has the right to maintain a majority of the Board of Managers of the Condominium until all of the Residential Units being offered for sale have closed title. During said time the individual Unit Owners will not be able to enforce Sponsor's obligations through the Board of Managers. In addition, after Sponsor relinquishes control there is no provision in the By-Laws that requires a majority of the Board of Managers to be owner occupants who are unrelated to the Sponsor or its principals. Purchasers should further note that owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed as a result of their different reasons for purchasing, i.e. purchasing as a Residential Unit to live in as opposed to purchasing as an investment. See Sections XVI and XVII of the Offering Plan.

2. If the Sponsor voluntarily gives up control before it is required to due so, the Sponsor will retain the right to control certain expenditures and fiscal actions of the Board of Managers of the Condominium for a period ending not more than five (5) years after the closing of the first Unit or whenever the unsold Units constitute less than twenty-five (25%) percent of the Common Interest, whichever is sooner. During this period the Sponsor will have control of maintenance, facilities and services to be provided and will determine the Common Charges to be paid by all Unit Owners, including the Sponsor and will also have control over the enforcement of the Sponsor's obligations. During this period, Sponsor will have the right to control all decisions including but not limited to the determination of Common Expenses, management of the Condominium, hiring and terminating employees of the Condominium, placing easements on the property and making improvements to Common Elements. However, at no time may Sponsor exercise veto power over expenses described in Schedule B or over expenses required to (i) comply with applicable laws or regulations, (ii) to remedy any notice of violation, or (iii) to remedy any work order by an insurer. See Section XVI of the Offering Plan and Schedule B.

3. Sponsor will endeavor in good faith to sell the Residential Units in the Condominium. However, Sponsor is retaining the unconditional right to rent rather than sell the Residential Units. Because Sponsor is retaining the unconditional right to rent rather than sell the Residential Units, this Plan may result in the creation of a condominium in which a majority of the Residential Units are not owned by owner-occupants or investors who are unrelated to the Sponsor. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell the Residential Units, there is no commitment to sell more Residential Units than the fifteen (15%) percent necessary to declare the plan effective and owner-occupants may never gain effective control and management of the Condominium.

4. This Condominium is a mixed use Condominium consisting of a twelve (12) story building (the "Building") containing forty-eight (48) Residential Units (the "Residential Units") located on floors two (2) through twelve (12), one (1) Non-

Residential Unit for retail or other business related purposes located on the first floor, and seventeen (17) Parking Space Units (the "Parking Space Units") located in the ground floor and cellar. The Parking Space Units will be offered for sale in a manner determined by Sponsor. At present Sponsor intends to first offer the Parking Space Units to the Purchasers of the larger and higher priced Residential Unit. Purchasers should note that there will be no other parking available in the Building or Condominium. Purchasers should note that use of the Non-Residential Unit may result in increased traffic, noise and odors in the Condominium.

The term Units in the Offering Plan will refer to the Residential Units, the Non-Residential Unit and Parking Space Units, unless otherwise stated. See Section I of the Offering Plan.

5. The following obligations shall be at Purchaser's sole expense: New York State Real Estate Transfer Taxes at the rate of \$2.00 per \$500 of consideration and New York City Transfer Tax of one (1%) percent of the Purchase Price for Units up to \$500,000 and 1.425% for Units in excess of \$500,000. Both taxes are considered additional consideration on which the respective tax is based. See Section XIV of the Offering Plan as to how the tax is calculated. See the Purchase Agreement set forth as Schedule D.

6. Sponsor has not been required to post a completion bond with the City of New York covering the Common Elements. In addition, no bond has been posted to secure Sponsor's obligations under the Offering Plan. See Section XV.

7. Although all funds received by Sponsor for upgrades or extras to a Unit will initially be placed in the Escrow Account as described in Section X of the Offering Plan, such funds may be released from the escrow account as long as the Sponsor uses the funds for such upgrade or extra. As a result, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds paid to the Sponsor for upgrades or extras. See Section X of the Offering Plan.

8. The first annual meeting of the Unit Owners may not be held until one (1) year after the date of the closing of title to the first Unit in the Condominium.

9. No Residential Unit Owner shall make any addition, alteration or improvement (of either a temporary or permanent nature) of a structural nature in or to the Residential Unit Owner's Residential Unit, or any Residential Unit Limited Common Element, without the prior written approval of the Board of Managers. Said provision requiring the written consent of the Board of Managers does not apply to the Sponsor. See Article Eighteenth of Schedule I and Article VIII of Schedule J.

10. The Purchase Agreement is not conditioned upon a Purchaser securing mortgage financing. Obtaining a mortgage shall be the sole responsibility of each Purchaser. In no event will the Sponsor be obligated to return a Purchaser's down payment in the event a Purchaser is unable to obtain a mortgage. The Purchase

Agreement will remain in full force and effect and Purchaser will be obligated to pay the balance of the purchase price at closing regardless of the availability of financing. In the event a Purchaser does not close title to a Unit as a result of Purchaser's inability to obtain a mortgage Sponsor will have the right to retain the downpayment plus the cost of any custom work ordered, as liquidated damages.

11. Pursuant to existing regulation, the Sponsor may declare the Plan effective by selling a minimum of fifteen (15%) percent of the Units being offered for sale. Even if the Plan is declared effective with a minimum number of sales, it is possible that the Sponsor may be able to close Units with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately purchase a Unit.

Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on loans. Such restrictions include requiring that a certain percentage (such as 50%) of the Units being offered for sale be sold before the lender will consider making a loan. Thus, it may be possible for a Purchaser to experience difficulty obtaining a loan in a Condominium where the percentage of Units purchased is lower than a Lender's particular sales minimum.

Even after Units are closed, Lenders may still impose minimum sales requirements before granting a loan. It then may be difficult for a Purchaser to resell if prospective buyers are unable to obtain a loan due to such minimum sales requirements. See Section XII.

12. All deposits received from Purchaser will initially be deposited into an escrow account of the law firm of Zaccaria and Sasson (the "Escrow Agent") located at JP Morgan Chase Bank, 1985 Marcus Avenue, New Hyde Park, New York, as described in Section X of the Offering Plan. Said bank is covered by federal bank deposit insurance to a maximum of \$100,000 per individual deposit. If a Purchaser makes a down payment in excess of \$100,000 for the purchase of a Unit, it is a special risk of this offer that such deposit will not be federally insured in excess of \$100,000.00.

13. Purchasers should note that the projections for the first year of operation of the Condominium contained in the budget are only estimates and that the actual expenses may vary from the amounts shown. Purchasers should further note that premiums for insurance have been extremely volatile and have increased substantially since the events of September 11, 2001. Sponsor cannot predict whether or not the insurance rates will continue to increase or stabilize. Sponsor makes no representation that the premium costs for the insurance reflected in the proposed first year budget will be applicable at the time of the first closing of a Unit in the Condominium. See Schedule B, the proposed first year budget and the footnotes immediately following thereto.

14. Purchasers should note that it shall be the responsibility of each Purchaser to pay the following additional closing costs: (a) an initial non-reimbursable

capital contribution of two (2) months Common Charges to the Condominium; (b) 3/10 of 1% of the sales price for reimbursement to Sponsor for the cost of obtaining the Section 421-a tax abatement; (c) \$1,000 to Sponsor's attorney for the preparation of the closing documents; and (d) \$150 to Sponsor for Preparation of the NYC "ACRIS" transfer documents.

15. As disclosed in the footnotes to Schedule A, Sponsor is submitting an application for a Preliminary Certificate of Eligibility for 421-a real estate tax benefits. If approved the 421-a tax benefits would not be reflected on a Unit Owner's tax bill for at least another 6-8 months from the date of approval. As a result Purchasers will most likely be required to pay real estate taxes for a period of time without the 421-a tax benefits. Purchasers should note that if approved it has been the policy of the Department of Finance to make any 421-a tax benefits retroactive and a Unit Owner would therefore be entitled to either a reimbursement for the amount overpaid or a credit against future real estate taxes. Sponsor makes no representation that this policy will continue or be applicable to this Condominium.

Schedule A of the Offering Plan reflects the estimated real estate taxes for each Unit both with and without Section 421-a benefits. See Schedule A and Section XIX of the Offering Plan.

16. The Owner of the Non-Residential Unit will be obligated to pay a share of the cost of insurance and maintenance and operation of the General Common Elements and other costs reflected in Schedule B based on the percentage of Common Interest in the Building allocated to such Unit. The Non-Residential Unit Owner(s) will also be responsible for the entire cost of the maintenance and operation of the Non-Residential Unit's Limited Common Elements. In addition, as provided for in Section 339-n of The Real Property Law of the State of New York, the Board of Managers may also make allocations and assessments of Common Charges to the General Common Elements in accordance with sub-metering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are based on special or exclusive use or availability or exclusive control of particular units or common areas by particular unit owners. In the event of any dispute relating to the expenses to be borne by the Non-Residential Unit Owner(s) such dispute shall be submitted to arbitration in accordance with the provisions contained in Article XII of the By-Laws.

17. Purchasers should note that the Non-Residential Unit Owner(s) and/or their tenants shall have an easement to erect, maintain and replace one (1) or more signs on the property permitted by law for the purpose of advertising the operation of any business conducted therein. Any such signs shall be of reasonable size and shall not be located so as to unduly disturb the aesthetics of the Building. See Section XVIII of the Offering Plan.

18. The Non-Residential Unit located on the first floor will not be offered for sale by the Sponsor at this time. However, Sponsor reserves the right to sell the Non-Residential Unit at anytime.

19. The seventeen (17) Parking Space Units are being offered for sale to Purchasers of a Residential Unit in a manner determined by Sponsor as set forth in Special Risk Factor 4. Two (2) of the seventeen (17) Parking Space Units are handicapped spaces.

If a Purchaser of a Residential Unit who meets the qualifications of a disabled person under the Fair Housing Amendments Act of 1988 (the "Act") and has been issued a handicapped parking sticker or permit from the City or State of New York, Sponsor will sell a handicapped Parking Space Unit to such Purchaser.

In the event that a prospective Purchaser or Sponsor already owns the handicapped space needed by a person meeting the requirements for a handicapped parking space, the Purchaser or Sponsor of the designated handicapped Parking Space Unit will be required to either lease, sell or swap the designated handicapped Parking Space Unit to a disabled resident of the Condominium. If the Unit Owner is leasing the Parking Space, the rent will be at market value in compliance with Handicapped Parking Requirement RS 4.6 of the New York City Building Code 27.292.19. In the event the disabled resident has another space in the Condominium and requires the designated handicapped Parking Space Unit, the disabled resident and owner of the designated handicapped Parking Space Unit will be required to swap Parking Space Units. As a result, in the event a disabled person who is a resident of the Condominium requests use of the handicapped space as described above, such Parking Space Unit may not be available for use by the Unit Owner of such space. See page 15.

20. The square footage of the Units in Schedule A has been measured to the exterior walls of the Unit. Since such measurements were not calculated from the interior surfaces of interior walls, the actual square footage of the Units will be less than listed in Schedule A.

10-50 JACKSON AVENUE CONDOMINIUM

PLAN OF CONDOMINIUM OWNERSHIP

I. INTRODUCTION

This is an Offering Plan (the "Plan") for the sale of forty-eight (48) Residential Units (the "Residential Units"), one (1) Non-Residential Unit (the "Non-Residential Unit") and seventeen (17) Parking Space Units (the "Parking Space Units"), in a Condominium to be known as 10-50 Jackson Avenue Condominium located at 10-50 Jackson Avenue, Long Island City, Queens County, New York. See Special Risk No. 4. The Residential Units, Non-Residential Unit and Parking Space Units are collectively referred to as the "Units". The Non-Residential Unit is initially not being offered for sale by Sponsor. Sponsor reserves the right to offer such Units for sale in the future.

The purpose of the Plan is to set forth all the terms of the offer for the benefit of Prospective Purchasers.

The Plan may be amended at any time and from time to time provided that the amendment is duly filed with the Department of Law of the State of New York and is served on Purchasers and Unit Owners.

A Declaration submitting the property to Article 9-B of the Real Property Law of the State of New York (hereinafter referred to as the "Condominium Act") and By-Laws will be recorded prior to conveyance of title to the first Unit by the Sponsor. The property will be subject to the Condominium Act. The Declaration and By-Laws will be substantially similar to those set forth in this Offering Plan and will not be changed so as to adversely affect the Purchaser. This Offering Plan and the accompanying documentation should be carefully studied by Prospective Purchasers and their attorneys prior to the purchase of a Unit.

The Sponsor of the Offering Plan is Vantage at Jackson LLC, 20 Gilbert Avenue, Smithtown, New York 11787, a New York Limited Liability Company. Sponsor acquired title to the property by deed dated November 10, 2004, which was recorded in the Queens County Register's Office.

The Building will contain twelve (12) stories plus a cellar. The cellar contains seven (7) Parking Space Units. The cellar also includes an exercise room and a utility room. The first floor contains the residential lobby and one (1) Non-Residential Unit which is to be used as retail use or other business purposes and ten (10) Parking Space Units. There also is a roof garden for use of the Residential Unit Owners. The second through twelfth floor will contain the forty-eight (48) Residential Units.

The purpose of the Plan is to set forth all the terms of the offer for the benefit of Prospective Purchasers.

All portions of the Condominium, excluding the Units, are Common Elements of the Condominium. The Common Elements of the Condominium are described as follows:

A. General Common Elements - General Common Elements are those shared by all Unit Owners and include all portions of the Condominium except for the individual Units and the Limited Common Elements (irrevocably restricted in use to specified Units or Unit Owners) and include without limitation the following:

1. The land on which the Building is erected and all other land within the boundaries of the property.
2. All foundations, columns, girders, beams and supports.
3. Those portions of the exterior walls beyond the outside face of the interior sheetrock; those portions of the ceilings of the highest floor above the upper face of the sheetrock.
4. Roofs, stairs and stairways that service the entire Building.
5. All improved and unimproved areas of the property not within the Units.
6. All central and appurtenant installations in the Common Elements for services to the entire Building, such as power, light, telephone, television, gas, hot and cold water and heat (including all pipes, ducts, wires, chutes, cables and conduits used in connection therewith located in the Common Elements) and all other mechanical equipment spaces.
7. All sewer pipes and drainage pipes and facilities to the entire Building.
8. The mechanical and any meter rooms that service the entire Building.
9. All other parts of the property and all apparatus and installations existing in the Building or on the property for common use to all Units or necessary or convenient to the existence, maintenance or safety of the property.

The expenses of maintaining the General Common Elements are hereinafter referred to as "General Common Expenses".

B. Irrevocably Restricted Areas/Limited Common Elements - Certain portions of the Common Elements are irrevocably restricted in use to specified Units or Unit Owners, subject to the right of the Board of Managers of the Condominium to enter upon any restricted area for maintenance, repair or improvement of a Unit or Common Element and subject to the rules of the Board of Managers. Said irrevocably restricted Common Elements are also referred to as a Limited Common Element. Any portion of the Common Elements which is not restricted in use may be used by any Unit Owner. Following are detailed descriptions of the irrevocably restricted Limited Common Elements:

1. Non-Residential Unit Limited Common Elements. The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of an individual owner of a Non-Residential Unit and are herein sometimes collectively referred to as the "Non-Residential Unit Limited Common Elements":

- (a) The entrances to and exits from the Non-Residential Unit.
- (b) The equipment and facilities serving only the Non-Residential Unit if located outside the Non-Residential Unit section and all other apparatus, installations, systems equipment and facilities in the Building (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit exclusively the Non-Residential Unit.

The Non-Residential Unit Limited Common Elements servicing the Non-Residential Unit shall be maintained, repaired and replaced by the individual Non-Residential Unit Owner at the Non-Residential Unit Owner's sole expense.

2. Individual Residential Unit Limited Common Elements: The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of an individual Residential Unit Owner and are herein, sometimes collectively referred to as the "Individual Residential Unit Limited Common Elements:

- (a) Each balcony or terrace shall be limited in use to the Residential Unit Owner who has direct access to such balcony or terrace as set forth in Schedule A.
- (b) Any heating, cooling or other mechanical system servicing an individual Residential Unit that is located in or on the Common Elements.

- (c) All apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit exclusively a Residential Unit.

The Residential Unit Limited Common Elements servicing an individual Residential Unit shall be maintained, repaired and replaced by the individual Residential Unit Owner of the Residential Unit at the Residential Unit Owner's sole expense.

3. General Residential Unit Limited Common Elements: The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of all the Residential Unit Owners and are herein, sometimes collectively referred to as the "General Residential Unit Limited Common Elements:

- a) Any heating, cooling or other mechanical system servicing all the Residential Units that are located in the Common Elements.
- (b) All apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit exclusively all the Residential Units.
- (c) The elevators and all appurtenances and mechanical equipment and rooms servicing the elevators.
- (d) The lobby, hallways on each residential floor, exercise room and roof garden.

The General Residential Unit Limited Common Elements servicing the Residential Units shall be maintained, repaired and replaced by the Residential Unit Owners at the Residential Unit Owners sole expense based on the square footage of said Unit in relation to the square footage of all the Residential Units and are hereinafter referred to as "Residential Units' Common Expenses".

There are a number of different model types of Units. See Schedule G in Part II of the Plan for a detailed description of each model. The land and all improvements to be erected thereon are hereinafter referred to as the "Development" or the "Condominium".

Sponsor will endeavor in good faith to market and sell the Residential Units in the Condominium however, Sponsor is retaining the unconditional right to rent rather than sell Residential Units. Because Sponsor is retaining the unconditional right to rent rather

than sell Residential Units this Plan may result in the creation of a condominium in which a majority of the Residential Units are not owned by owner-occupants or investors unrelated to the Sponsor. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell Residential Units, there is no commitment to sell more Residential Units than the fifteen (15%) percent necessary to declare the plan effective and owner-occupants may never gain effective control and management of the Condominium. In the event Sponsor makes a bulk sale of all or some of its unsold Residential Units, the transferee successor Sponsor will be bound by Sponsor's representations regarding its commitment to sell Residential Units. Sponsor has not yet obtained a Construction Loan to construct the Condominium.

As in the ownership of a private one (1) family Home, the Purchaser of a Unit in a Condominium (the "Unit Owner") owns their Unit in fee simple absolute and is entitled to exclusive possession of their Unit. Each Purchaser of a Unit will also own an undivided interest in and right to use the General Common Elements and a right to use the Limited Common Elements that pertain to an individual Residential Unit or to all the Residential Units. A full description of the General and applicable Limited Common Elements is described above.

Each Residential Unit and the Non-Residential Unit basically includes the inside face of the exterior walls of the Building, approximately to the apartment side of the brickwork at the halls and partitions dividing the Units from corridors, stairs and the centerline of the partition separating one Unit from another. For a detailed description of the Unit to be conveyed see Schedule I, Article Third in Part II of the Plan.

Each Parking Space Unit consists of the area contained within the painted lines of the parking space.

A Unit Owner is required to pay monthly Common Charges assessed by the Board of Managers for the operation and maintenance of the Condominium pursuant to Sections 339(i) and (m) of the New York Condominium Act. Monthly Common Charges may commence with the closing of the first Unit which is expected to be on or about December 1, 2007, however, see Section XVIII as to the right of the first Board of Managers to commence the collection of Common Charges at a subsequent date. Until title to a Unit has passed to a Purchaser, the Sponsor will pay such Common Charges and special assessments as are assessed by the Board of Managers on the Units to which title has not passed. Once title has passed to a Purchaser, the Purchaser will be responsible for all costs, including all Common Charges and individual expenses associated with the Unit, as well as any costs associated with the Limited Common Elements that pertain to the Purchasers' Unit.

A Unit Owner, upon acquiring title to their Unit, will be obligated to comply with the Declaration of Condominium, Condominium By-Laws and its rules and regulations and any other requirements of the Board of Managers of the Condominium.

There is no restriction upon ownership of a Residential Unit. Occupancy of a Residential Unit, however, may only be for residential purposes as described in Section XVIII of the Offering Plan. Residential Units can be sold by a Residential Unit Owner, provided that the Residential Unit Owner is not in arrears on the payment of Common Charges (except where the payment of such unpaid Common Charges is paid by the Grantee or provided for out of the proceeds of the sale) and subject to restrictions contained in the mortgage, if any, covering their Residential Unit. A Purchaser is free to make a gift of their Residential Unit to anyone during their lifetime or to devise their Residential Unit by will, or to have it pass by intestacy without any restriction. No Residential Unit can be sold without a simultaneous sale of the undivided interest in the Limited Common Elements and the Parking Space Unit that pertain to the Residential Unit.

Each Residential Unit Owner can sell their Residential Unit to whomever they desire. Residential Unit Owners may lease their Residential Units subject to the conditions contained in Section XVIII of the Offering Plan.

The Residential Units can be purchased for all cash or may be purchased partly for cash and partly by mortgage. The purchase of a Residential Unit is not contingent on the Purchaser obtaining a mortgage.

There is no restriction on who may own the Non-Residential Unit. However, occupancy and use of the Non-Residential Unit is subject to the applicable zoning requirements which permit the Non-Residential Unit to be used for retail or other business purposes.

The Non-Residential Unit Owner may sell or lease their Unit to whomever they desire subject to the above restrictions.

A Unit Owner may mortgage their Unit at any time after they acquire title to the Unit in whatever amount and under whatever terms they can obtain. Any Unit Owner may also, upon the resale of their Unit, grant a purchase money mortgage to a Purchaser of their Unit. A Unit Owner may mortgage their Unit only if all arrears for Common Charges, if any, are provided for at the closing of the mortgage.

Primary responsibility for operating the Condominium rests with the Board of Managers who are elected by the Unit Owners. See Schedule J, Article III in Part II of the Plan. For information concerning Sponsor's initial control of the Board of Managers, see Section XVI of the Offering Plan.

Each Unit Owner, upon obtaining title, will automatically have one (1) vote at all meetings of the Unit Owners for each of the Units owned by such Unit Owner.

Each Unit will be taxed separately for real estate tax purposes and may be separately mortgaged. Therefore, no Unit Owner is liable for the payment of real estate taxes or mortgage payments on any other Unit. In the opinion of counsel, a Unit Owner is presently entitled to deductions for income tax purposes for payments for real estate taxes applicable to their Unit. In addition, provided the Residential Unit will be the Purchaser's principal residence or one (1) other residence selected pursuant to Section 163(h)(5)(A)(i)(II) of the Internal Revenue Code of 1986, a Residential Unit Owner may also deduct the interest on the mortgage they procure to finance the purchase of their Residential Unit for income tax purposes. See Section XX of the Offering Plan.

Fire and liability insurance covering the General Common Elements and General Residential Units' Limited Common Elements are included with other items as part of Common Charges, but fire and liability insurance for the Purchaser's personal effects, the interior of the Unit and the Limited Common Elements for an individual Unit Owner's exclusive use should be carried by the individual Purchaser. Common Charges are levied in proportion to the interest in the "Common Elements" appurtenant to each Unit. For possible increases in Common Charges upon default in payment by a Unit Owner see Section XVIII of the Offering Plan. Each Unit Owner is responsible for the cost of their own interior repairs and decoration in their Unit after closing.

The price of the Residential Units will include only the appliances and fixtures detailed in the Description of Property Report contained in Part II of the Plan. Installation and the cost of any upgraded appliance or appliance not provided is the sole responsibility of each Unit Owner.

The prices for the Units are set forth in Schedule A. THESE PRICES HAVE BEEN SET BY THE SPONSOR ALONE AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

This Offering Plan contains all of the material terms of this transaction. Parts I and II along with Parts A, B, C and D of the Exhibits submitted along with the Offering Plan together constitute the entire Offering Plan. Copies of the Plan and Parts A, B, C and D of the Exhibits will be available for inspection by Prospective Purchasers and their attorneys without charge and for copying at a reasonable charge at the Condominium site whenever the on-site sales office is open, at the office of the Sponsor or any Selling Agent engaged by Sponsor and at the New York State Department of Law, 120 Broadway, 23rd Floor, New York, New York 10271.

There are no restrictions on who may purchase a Residential Unit in the Condominium except that this offer is made only to individuals over eighteen (18) years of age. Each Residential Unit Owner can sell their Residential Unit to whomever they desire.

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

II. DEFINITIONS

The following words as hereinafter referred to shall be defined as follows:

1. "Board of Managers" - The governing body of the Condominium responsible for its affairs.
2. "Building" - The twelve (12) story structure with cellar containing forty-eight (48) Residential Units, one (1) Non-Residential Unit and seventeen (17) Parking Space Units.
3. "Common Charges" - Each Unit Owner's proportionate share of the General Common Expenses as determined in accordance with the common interest appurtenant to the Unit as well as allocations in accordance with sub-metering, contract allocations and usage (both projected and actual) for the General Common Elements so long as such allocations are reasonable under the circumstances and are based on special or exclusive use or availability or exclusive control of particular Units or Common Areas by particular Unit Owners.
4. "Common Elements" - All portions of the Condominium, other than the units, including, without limitation, the land, hallways, the Building and improvements (other than the Units) comprising the Condominium (including the land under the Building), all utility or other pipes and material located outside the Units, mechanical rooms, elevator, public entrances, the roofs, walls and structural elements of the Building and certain other portions of the Building to be set aside for common use. Common Elements are divided into General Common Elements which are Common Elements shared by all Unit Owners; Non-Residential Unit Limited Common Elements which are Common Elements that are irrevocably restricted and for the exclusive use of the Non-Residential Unit Owner; Individual Residential Unit Limited Common Elements which are Common Elements that are irrevocably restricted for the exclusive use of an individual Residential Unit Owner; and General Residential Unit Limited Common Elements which are Common Elements that are irrevocably restricted for use by the Residential Unit Owners.
5. "Common Expenses" - (a) Expenses incurred by all Unit Owners for the purpose of paying costs of the Condominium in connection with the repair, maintenance, replacement, restoration or operation of, and any alteration, addition or improvement to the General Common Elements; and (b) All sums designated common

expenses by or pursuant to the provisions of the Condominium Act, the Declaration or the By-Laws. All costs and expenses to a Non-Residential Unit and any Non-Residential Unit Limited Common Element shall be the sole responsibility of the respective Non-Residential Unit Owner. The Common Expenses are divided as follows:

- (i) "General Common Expenses" – Expenses applicable to the General Common Elements.
- (ii) "Residential Common Expenses" – Expenses only applicable to the Residential portion of the Building.

6. "Common Interest" - The proportionate, undivided interest each Unit Owner has in the Common Elements. Common Interest is divided as follows:

- (a) "General Common Interest" – The proportionate, undivided interest each Unit Owner has in the General Common Elements.
- (b) "Residential Common Interest" – The proportionate, undivided interest each Residential Unit Owner has in the Residential portion of the Building.

7. "Community" or "Development" - As used herein refers to 10-50 Jackson Avenue Condominium.

8. "Condominium" - 10-50 Jackson Avenue Condominium which is comprised of the Common Elements, Units and Unit Owners.

9. "Declaration of Condominium" - The instrument by which the property is submitted to the provisions of the Condominium Act, and such instrument as from time to time is amended, consistent with the provisions of the Condominium Act and of the By-Laws.

10. "Escrow Account" - The attorney's account where a Purchaser's initial deposit will be held as provided for in Section X of the Offering Plan.

11. "Escrow Agent" - The attorney or law firm overseeing the Escrow Account as provided for in Section X of the Offering Plan.

12. "General Common Elements" - Common Elements which are to be used by all Unit Owners in Common and which include all Common Elements other than the Non-Residential Unit's Limited Common Elements, the Individual Residential Unit's Limited Common Elements, and the General Residential Units' Limited Common Elements.

13. "Irrevocably Restricted" or "Limited Common Elements" - A Common Element appurtenant to a particular Unit or Units, the use of which is restricted to the Owners of such Unit or Units. The Limited Common Elements are divided as follows:

- (a) "Individual Residential Unit Limited Common Element" - The areas of the Building which are irrevocably restricted and for the exclusive use of an individual Residential Unit.
- (b) "General Residential Units' Limited Common Element" - The areas of the Building which are irrevocably restricted and for the exclusive use of all the Residential Unit Owners.
- (c) "Non-Residential Unit' Limited Common Element" - The areas of the Building which are irrevocably restricted and for the exclusive use of an individual Non-Residential Unit.

14. "Purchaser" - The person(s) who have entered into a Purchase Agreement to acquire a Unit in the Condominium.

15. "Purchase Agreement" - The document to be executed by the Purchaser which will obligate the Purchaser to acquire the Unit in the Condominium and which will obligate the Seller to sell the Purchaser the Unit in the Condominium.

16. "Sponsor" - Vantage at Jackson LLC, a New York Limited Liability Company with an address at 20 Gilbert Avenue, Smithtown, New York 11787.

17. "Unit" - A Unit includes all the Units in the Condominium and are divided as follows:

- (a) "Residential Units" - The Units designated in the Declaration of Condominium for residential use.
- (b) "Non-Residential Unit" - The Unit designated as the Non-Residential Unit in the Declaration of Condominium to be used only for retail or other business purposes.
- (c) "Parking Space Units" - The seventeen (17) units in the Condominium to be used solely for parking of a vehicle.

As used herein the term "Residential, Non-Residential and Parking Space Unit" are equivalent to the term "Unit" in Article 9-B of the Real Property Law of the State of New York.

18. "Unit Owner" - A Unit Owner includes all the Unit Owners in the Condominium and are divided as follows:

- (a) "Residential Unit Owner" - The owner of a Residential Unit.
- (b) "Non-Residential Unit Owner" - The owner of the Non-Residential Unit.
- (c) "Parking Space Unit Owners" - The owner of one (1) of the seventeen (17) Parking Space Units in the Condominium.

III. DESCRIPTION OF PROPERTY AND IMPROVEMENTS

Location, Acreage and Zoning

The Condominium is located at 10-50 Jackson Avenue, Long Island City, County of Queens, New York. The Condominium is zoned R7X/C2-5/HP sub-District which permits construction of the Building as a Mixed Use Condominium. The plot size of the Condominium is approximately 9,356 square feet.

Improvements - General Description

Construction of the Building has not yet commenced, it is anticipated that it will be completed on or about December 1, 2007. The Building consists of twelve (12) stories with a cellar. The Building contains forty-eight (48) Residential Units located on floors two (2) through twelve (12); one (1) Non-Residential Unit, located on the first floor and seventeen (17) Parking Space Units located in the cellar and first floor. The first floor also contains a lobby (foyer) for entrance to the Residential Units and two (2) elevators for access to all floors of the Building. The Non-Residential Unit on the first floor has a separate entrance to the Unit. The cellar level also contains an exercise room, equipment and meter rooms that service the entire Building. The Residential and Non-Residential Unit Owners will have an easement through the cellar to the utility room which services the Building.

The Building Plans filed with the Building Department of the City of New York and are available for inspection at the Sponsor's Office.

The Units, the Building containing them and all other improvements will comply with all applicable rules, regulations, laws, and other requirements of all governmental authorities having jurisdiction thereof, including those governing zoning and construction, and the Sponsor and all other persons engaged by the Sponsor in connection with this Plan have complied and will comply with all applicable laws, rules and regulations and other governmental requirements pertaining thereto. Construction

of the Condominium will comply with the Building Code of the City of New York. Before the closing of title to a Unit, a temporary or permanent Certificate of Occupancy will be issued for such Unit or the Building in which it is located. At the time of the first closing of title to a Unit, the construction of all Units in that Building will have been partially or substantially completed.

Construction Data for Units, Common Elements and Limited Common Elements

The Building, the Units and Common Elements will be constructed in the manner set forth in the Building Plans filed with the City of New York, which Plans will not be changed so as to adversely affect the Unit Owners. For a detailed description of such data see the Description of Property Report in Part II of the Plan. Construction of the Building has not yet commenced and closing of title to the first Unit is expected to commence on or about December of 2007, barring any unforeseen delays beyond the control of the Sponsor. The City of New York requires the installation of carbon monoxide detectors by Owners of multiple dwellings, including Owners of Units in Residential Condominiums, and as such, Sponsor will comply with said requirement.

Easements

Each Unit Owner will have an easement in common with all other Unit Owners for the use, maintenance and repair of all pipes, wires, conduits and public utility lines located in the Common Elements, including any Limited Common Element, or located in other Units and which service such Unit. Each Unit will be subject to such easements in favor of all other Units. The Board of Managers, its agents and employees shall have a right of access to the Units and the Common Elements (irrespective of the restricted nature of such Common Element) to inspect, maintain or repair the Common Elements or to make repairs to the Unit to prevent damage to the Common Elements or any other Unit.

Allocation of Common Interest

The Common Interest of the Condominium establishes the Unit Owners' percentage of ownership in the Common Elements and percentage of liability for the payment of Common Charges. Each Unit Owner has the percentage of Common Interest in the Condominium set forth on Schedule A. Such allocation has been made based upon the approximate proportion that the floor area of the unit at the date of the declaration bears to the then aggregate floor area of all the units, but such proportion shall reflect the substantially exclusive advantages enjoyed by one or more but not all units in a part or parts of the common elements. Said method of determining the percentage of common interest in a condominium complies with and is pursuant to Section 339-i (1) (iv) of the Real Property Law of the State of New York.

Non-Residential Unit

The Condominium will contain one (1) Non-Residential Unit. The Non-Residential Unit will be located on the first floor as indicated at Part II, Schedule G and on the Plan of the Condominium with storage area in the cellar appearing in Part II, Schedule G-2. The Non-Residential Unit will be used for retail or other business purpose. The Declaration of Condominium contains provisions prohibiting use of the Non-Residential Unit for uses which are commonly considered offensive such as a pornography store, massage parlor, drug treatment facility, etc.

The Sponsor and/or Owner(s) of the Non-Residential Unit shall have the right, without the consent of the Board of Managers, other Unit Owners or the holders of mortgages on Unit, whether before or after the recording of the Declaration of Condominium, to (a) make alterations, additions or improvements, structural and non-structural, interior and exterior, ordinary and extraordinary into and upon their Unit; (b) alter or improve any Limited Common Elements applicable to their Unit; provided, however, that in each instance the Non-Residential Unit Owner shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom.

The Declaration also permits the division or consolidation of any Non-Residential Unit or Units and common interest appurtenant thereto, including but not limited to a change in the number of rooms. Any such change which will affect the structural integrity or aesthetics of the Building requires the prior written consent of the Board of Managers. In no case, however, may such division or consolidation result in a different percentage of common interest for the total of the new Non-Residential Units other than existed for the original Non-Residential Unit(s) before division or consolidation. An amendment to the Declaration may be filed by the new Non-Residential Unit Owner(s) without the consent of any other unit Owner provided the percentage of common interest of all other existing Units is not affected thereby.

The Owner(s) of the Non-Residential Unit shall have easements for (i) the installation, maintenance, repair and replacement of signs, flues, vents, air-conditioning, heating, ventilating, water and other mechanical lines and fixtures and equipment on the exterior walls, the roof and through the General Common Elements of the Building, and in, through, under and over the Non-Residential Unit; (ii) through the General Common Elements of the Building for access to the roof for the purpose of installing, repairing, maintaining and replacing any fixtures and equipment now or hereafter located on the roof servicing the Non-Residential Unit, provided, however, that except in the case of an emergency, the right of access may be exercised only after prior notice to the Board of Managers. The Owner and tenants of the Non-Residential Unit shall have a separate heating system for the Non-Residential Unit and an easement is granted in, over, under and through the cellar and/or roof of the Building for the stay, maintenance, repair and

replacement of the heating system and all necessary pipes, lines, conduits, ducts, water lines and flues in connection therewith and (iii) for access to any equipment that services the Non-Residential Unit and which is located in the residential portion of the Building or the General Residential Limited Common Elements.

The Non-Residential Unit Owner and/or their tenant(s) shall have an easement to erect, maintain and replace one (1) or more signs on the property permitted by law for the purpose of advertising the operation of any business conducted therein. Any such signs shall be of reasonable size and shall not be located so as to unduly disturb the aesthetics of the Building.

At the request of the Non-Residential Unit Owner, the Board will execute any application or other document required to be filed with any governmental agency having or asserting jurisdiction in connection with any addition, alteration, improvement, or repair of the Non-Residential Unit or the operation thereof. The Non-Residential Unit Owner shall indemnify and hold the Board and the Unit Owners harmless from any liability resulting therefrom.

The Non-Residential Unit Owner shall have the right, without the payment of any fees or charges to the Board, to sell or lease the Non-Residential Unit without the Board having any right of first refusal to sell or lease, or to procure a third party to sell or lease, the same, and all sale or rental proceeds shall belong solely to the Non-Residential Unit Owner.

The Owner of the Non-Residential Unit shall be responsible for payment of the Common Charges to the Condominium allocated to the Non-Residential Unit and all real estate taxes allocated against, and interest and amortization on all mortgages affecting said Unit and the entire cost of maintaining, repairing and replacing the Limited Common Elements applicable to their Unit. No bond or other security will be posted for this obligation and the Unit Owner's ability to perform will depend upon its financial condition at the time it may be called upon. If the Unit Owner fails to pay the Common Charges and expenses, the Board of Managers will have the same rights and remedies against it as against any other defaulting Unit Owner. In addition, the Owner(s) of the Non-Residential Unit shall be responsible for their pro rata share of the General Common Elements of the Building. Pursuant to the opinion of Sponsor's expert contained in the Certification of Adequacy of the Common Charges of the Non-Residential Unit contained in Part II of the Plan, the Common Charges payable by the Non-Residential Unit Owner are sufficient to cover the expenses fairly attributable to such Unit.

The Residential Unit Owners shall have an easement through the Non-Residential Unit for access, installation, maintenance, repair and replacement of any flues, vents, air-conditioning, gas, heating, ventilating, water and other mechanical lines and fixtures and any other machinery, pipes, wires, conduits, equipment or meters

servicing the General Residential Units' Limited Common Elements, Individual Residential Unit Limited Common Elements, the Residential Units and/or the entire Building.

Parking Facilities

The Condominium will include a total of seventeen (17) Parking Space Units, which are being offered for sale to the Purchasers of the Residential Units in a manner determined by Sponsor in its sole discretion. See Schedule A for the purchase price of each Parking Space Unit. All of the Parking Space Units will be located in the cellar and first floor of the Condominium as shown on the site plan contained in Schedule G-1 in Part II of the Offering Plan.

Parking Space Unit Owners may only sell or lease their Parking Space Units to current or future Residential Unit Owners or a tenant of a Residential Unit Owner in the Condominium. Sponsor shall have the right to lease an Unsold Parking Space Unit to whomever Sponsor desires.

IV. LOCATION AND AREA INFORMATION

LOCATION

The Condominium is located in the Long Island City section of Queens adjacent to the corner formed by the south side of Jackson Avenue and the west side of 50th Avenue.

MUNICIPAL SERVICES

The Condominium will be serviced by the following municipal services:

POLICE:

New York City Police Department 108th Precinct located at 10-46 through 10-52 Jackson Avenue.

FIRE:

New York City Fire Department Engine Co. 258 located at 10-40 47th Avenue.

WATER:

Municipal water supply will be provided by N.Y.C.-D.E.P. Bureau of Water & Sewer Operation. All water consumption of the Condominium shall be through a

master meter system and all water costs will be part of the Common Charges of the Condominium.

SANITARY SYSTEM:

Sewage for the Condominium will flow into the New York City Sewer System. The cost of the operating and maintaining the sanitary lines located within the Condominium sanitary system will be borne by the Condominium and will be paid through the Common Charges.

ELECTRIC & GAS:

Electric Service for the Condominium will be provided by Con Edison. Each Unit will be separately metered and all costs associated with electric service to a Unit will be sole responsibility of each Unit Owner. All common electricity will be part of Common Expenses of the Condominium payable through the Common Charges.

Gas Service for the Condominium will be provided by Keyspan, Brooklyn, N.Y. Each Unit will be separately metered and all costs associated with gas service to a Unit will be sole responsibility of each Unit Owner. All common gas will be part of Common Expenses of the Condominium payable through the Common Charges.

TELEPHONE

Verizon will provide telephone service for the Condominium. Each apartment will be separately billed and the telephone service to each apartment will be the sole responsibility of each apartment Owner.

TELEVISION RECEPTION

Cable Television will be provided through the local cable company and will be billed individually to each Residential Unit Owner. Antennas will not be permitted on the Building.

SHOPPING:

The main shopping strips are located along Vernon Boulevard, Jackson Avenue, 21st Street and Queens Plaza where there are a variety of food markets, pharmacies and general goods.

ROADWAYS:

The Condominium fronts on Jackson Avenue and 50th Street, which are public roads.

REFUSE REMOVAL:

Refuse removal will be provided by the New York City Department of Sanitation.

STREET LIGHTING:

Street lighting is provided by Con Edison.

MEDICAL, EDUCATIONAL AND RELIGIOUS FACILITIES

HOSPITALS:

Mount Sinai Hospital of Queens is located at 25-10 30th Avenue, Long Island City and New York Foundling Hospital is located at 1143 47th Avenue, Long Island City.

SCHOOLS:

The Condominium is located in Region 4, School District 30. The K-5 School is P.S. 78 at 48-09 Center Boulevard. The Middle School is P.S. 125 Thom McCann Woodside, at 46-02 47th Avenue. High Schools include: Academy of American Studies, 28-01 41st Avenue, Middle College High School, 31-10 Thomson Avenue, International High School, 31-10 Thomson Avenue and Queens Vocational and Technical High School, 37-02 47th Avenue Robert Wagner, Jr. (levels 7-12), at 47-07 30 Place is also available.

No representation is made as to whether these will be the actual schools children will attend.

HOUSES OF WORSHIP:

There are houses of worship of various major denominations in the vicinity of the Condominium.

RECREATION:

Long Island City has become home to many of New York's most well loved artist studios and museums including P.S. 1, The American Museum of Moving Image, The Noguchi Garden Museum, the Museum for African Art, Socrates Sculpture

Park and the Sculpture Center. Restaurants, Cafes and the ever popular Beer Gardens increasingly line the streets from institutions like The Waterfront Crab House, The Jackson Avenue Steakhouse, McReilly's Pub and Manducatis now a destination for Napolitano cuisine.

ZONING

The zoning classification of the property is R7X/C2-5/HP sub-District which permits construction of the Building as a Mixed Use Condominium.

All surrounding areas are fully developed. The building immediately adjoining the Condominium on the South East is a 3-story office building owned by the Bridge and Tunnel Authority. Across Jackson Avenue to the North West are a mixture of 1, 2 and 3-story office and commercial buildings. Across on 50th Avenue, along the South side of Jackson Avenue is a 2-story office and commercial structures.

Sponsor makes no representation as to whether or not said areas will remain in their current use or if redeveloped, as to their eventual use.

Neither Sponsor nor any of its Principals have an option or right to acquire any of the adjoining areas.

V. SCHEDULE A

ESTIMATED INDIVIDUAL EXPENSES FOR THE FIRST FULL YEAR AT

10-50 JACKSON AVENUE CONDOMINIUM

For the Perior Commencing December 1, 2007 to November 30, 2008

Unit #	Selling Price	Approximate Floor Area in Square Feet			Percentage of General Common Interest	Percentage of Residential Common Interest	Estimated Monthly Common Charges		Estimated Real Estate Taxes Without 421(a) Benefits		Estimated Real Estate Taxes With 421(a) Benefits		Total Estimated Carrying Charges Without 421(a) Benefits		Total Estimated Carrying Charges With 421(a) Benefits	
		Unit	Terrace	Balcony			Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly
2A	\$566,156	813	X		1.7836%	2.0306%	\$6,109.63	\$509.14	\$8,513.93	\$709.49	\$391.11	\$32.59	\$14,623.56	\$1,218.63	\$6,500.74	\$541.73
2B	\$538,659	958			2.1271%	2.3927%	\$7,199.11	\$599.93	\$10,153.61	\$846.13	\$466.43	\$38.87	\$17,352.72	\$1,446.06	\$7,665.54	\$638.80
2C	\$815,046	1165	X		2.6174%	2.9097%	\$8,754.65	\$729.55	\$12,494.03	\$1,041.17	\$573.94	\$47.83	\$21,248.68	\$1,770.72	\$9,328.59	\$777.38
2D	\$508,142	713	X		1.5420%	1.7808%	\$5,358.04	\$446.50	\$7,360.66	\$613.39	\$338.13	\$28.18	\$12,718.70	\$1,059.89	\$5,696.17	\$474.68
2E	\$414,931	536	X		1.1275%	1.3387%	\$4,027.85	\$335.65	\$5,382.06	\$448.51	\$247.24	\$20.60	\$9,409.91	\$784.16	\$4,275.09	\$356.26
3A	\$480,138	813		X	1.7836%	2.0306%	\$6,109.63	\$509.14	\$8,513.93	\$709.49	\$391.11	\$32.59	\$14,623.56	\$1,218.63	\$6,500.74	\$541.73
3B	\$551,228	958		X	2.1271%	2.3927%	\$7,199.11	\$599.93	\$10,153.61	\$846.13	\$466.43	\$38.87	\$17,352.72	\$1,446.06	\$7,665.54	\$638.80
3C	\$692,976	1165		X	2.6174%	2.9097%	\$8,754.65	\$729.55	\$12,494.03	\$1,041.17	\$573.94	\$47.83	\$21,248.68	\$1,770.72	\$9,328.59	\$777.38
3D	\$428,628	713		X	1.5420%	1.7808%	\$5,358.04	\$446.50	\$7,360.66	\$613.39	\$338.13	\$28.18	\$12,718.70	\$1,059.89	\$5,696.17	\$474.68
3E	\$310,244	536			1.1275%	1.3387%	\$4,027.85	\$335.65	\$5,382.06	\$448.51	\$247.24	\$20.60	\$9,409.91	\$784.16	\$4,275.09	\$356.26
4A	\$489,372	813		X	1.7836%	2.0306%	\$6,109.63	\$509.14	\$8,513.93	\$709.49	\$391.11	\$32.59	\$14,623.56	\$1,218.63	\$6,500.74	\$541.73
4B	\$561,828	958		X	2.1271%	2.3927%	\$7,199.11	\$599.93	\$10,153.61	\$846.13	\$466.43	\$38.87	\$17,352.72	\$1,446.06	\$7,665.54	\$638.80
4C	\$708,348	1165		X	2.6174%	2.9097%	\$8,754.65	\$729.55	\$12,494.03	\$1,041.17	\$573.94	\$47.83	\$21,248.68	\$1,770.72	\$9,328.59	\$777.38
4D	\$436,871	713		X	1.5420%	1.7808%	\$5,358.04	\$446.50	\$7,360.66	\$613.39	\$338.13	\$28.18	\$12,718.70	\$1,059.89	\$5,696.17	\$474.68
4E	\$316,153	536			1.1275%	1.3387%	\$4,027.85	\$335.65	\$5,382.06	\$448.51	\$247.24	\$20.60	\$9,409.91	\$784.16	\$4,275.09	\$356.26
5A	\$498,606	813		X	1.7836%	2.0306%	\$6,109.63	\$509.14	\$8,513.93	\$709.49	\$391.11	\$32.59	\$14,623.56	\$1,218.63	\$6,500.74	\$541.73
5B	\$572,429	958		X	2.1271%	2.3927%	\$7,199.11	\$599.93	\$10,153.61	\$846.13	\$466.43	\$38.87	\$17,352.72	\$1,446.06	\$7,665.54	\$638.80
5C	\$721,713	1165		X	2.6174%	2.9097%	\$8,754.65	\$729.55	\$12,494.03	\$1,041.17	\$573.94	\$47.83	\$21,248.68	\$1,770.72	\$9,328.59	\$777.38
5D	\$445,113	713		X	1.5420%	1.7808%	\$5,358.04	\$446.50	\$7,360.66	\$613.39	\$338.13	\$28.18	\$12,718.70	\$1,059.89	\$5,696.17	\$474.68
5E	\$332,062	536			1.1275%	1.3387%	\$4,027.85	\$335.65	\$5,382.06	\$448.51	\$247.24	\$20.60	\$9,409.91	\$784.16	\$4,275.09	\$356.26
6A	\$507,839	813		X	1.7836%	2.0306%	\$6,109.63	\$509.14	\$8,513.93	\$709.49	\$391.11	\$32.59	\$14,623.56	\$1,218.63	\$6,500.74	\$541.73
6B	\$583,030	958		X	2.1271%	2.3927%	\$7,199.11	\$599.93	\$10,153.61	\$846.13	\$466.43	\$38.87	\$17,352.72	\$1,446.06	\$7,665.54	\$638.80
6C	\$735,078	1165		X	2.6174%	2.9097%	\$8,754.65	\$729.55	\$12,494.03	\$1,041.17	\$573.94	\$47.83	\$21,248.68	\$1,770.72	\$9,328.59	\$777.38
6D	\$453,356	713		X	1.5420%	1.7808%	\$5,358.04	\$446.50	\$7,360.66	\$613.39	\$338.13	\$28.18	\$12,718.70	\$1,059.89	\$5,696.17	\$474.68
6E	\$327,972	536			1.1275%	1.3387%	\$4,027.85	\$335.65	\$5,382.06	\$448.51	\$247.24	\$20.60	\$9,409.91	\$784.16	\$4,275.09	\$356.26
7A	\$526,306	813		X	1.7836%	2.0306%	\$6,109.63	\$509.14	\$8,513.93	\$709.49	\$391.11	\$32.59	\$14,623.56	\$1,218.63	\$6,500.74	\$541.73
7B	\$604,231	958		X	2.1271%	2.3927%	\$7,199.11	\$599.93	\$10,153.61	\$846.13	\$466.43	\$38.87	\$17,352.72	\$1,446.06	\$7,665.54	\$638.80
7C	\$761,808	1165		X	2.6055%	2.9097%	\$8,754.65	\$729.55	\$12,437.22	\$1,036.44	\$571.33	\$47.61	\$21,191.87	\$1,765.99	\$9,325.98	\$777.17
7D	\$461,599	713		X	1.5420%	1.7808%	\$5,358.04	\$446.50	\$7,360.66	\$613.39	\$338.13	\$28.18	\$12,718.70	\$1,059.89	\$5,696.17	\$474.68
7E	\$333,881	536			1.1275%	1.3387%	\$4,027.85	\$335.65	\$5,382.06	\$448.51	\$247.24	\$20.60	\$9,409.91	\$784.16	\$4,275.09	\$356.26
8A	\$984,846	1248	X		2.7926%	3.1170%	\$9,378.37	\$781.53	\$13,330.34	\$1,110.86	\$612.36	\$51.03	\$22,708.71	\$1,892.39	\$9,990.73	\$832.56
8B	\$779,591	1015	X		2.2644%	2.5351%	\$7,627.56	\$635.63	\$10,809.00	\$900.75	\$496.54	\$41.38	\$18,436.56	\$1,536.38	\$8,124.10	\$677.01
8C	\$565,661	741	X		1.6154%	1.8507%	\$5,568.35	\$464.03	\$7,711.03	\$642.59	\$354.22	\$29.52	\$13,279.38	\$1,106.62	\$5,922.57	\$493.55
9A	\$414,385	608		X	1.2980%	1.5186%	\$4,569.13	\$380.76	\$6,195.94	\$516.33	\$284.63	\$23.72	\$10,765.07	\$897.09	\$4,853.76	\$404.48
9B	\$681,177	1015		X	2.2644%	2.5351%	\$7,627.56	\$635.63	\$10,809.00	\$900.75	\$496.54	\$41.38	\$18,436.56	\$1,536.38	\$8,124.10	\$677.01
9C	\$474,240	741			1.6154%	1.8507%	\$5,568.35	\$464.03	\$7,711.03	\$642.59	\$354.22	\$29.52	\$13,279.38	\$1,106.62	\$5,922.57	\$493.55

V. SCHEDULE A

ESTIMATED INDIVIDUAL EXPENSES FOR THE FIRST FULL YEAR AT

10-50 JACKSON AVENUE CONDOMINIUM

For the Prior Commencing December 1, 2007 to November 30, 2008

Unit #	Selling Price	Approximate Floor Area in Square Feet			Percentage of General Common Interest	Percentage of Residential Common Interest	Estimated Monthly Common Charges		Estimated Real Estate Taxes Without 421(a) Benefits		Estimated Real Estate Taxes With 421(a) Benefits		Total Estimated Carrying Charges Without 421(a) Benefits		Total Estimated Carrying Charges With 421(a) Benefits	
		Unit	Terrace	Balcony			Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly
9D	\$390,400	610			1.3028%	1.5236%	\$4,584.18	\$382.02	\$6,218.85	\$518.24	\$285.68	\$23.81	\$10,803.03	\$900.25	\$4,869.86	\$405.82
10A	\$421,409	608		X	1.2980%	1.5186%	\$4,569.13	\$380.76	\$6,195.94	\$516.33	\$284.63	\$23.72	\$10,765.07	\$897.09	\$4,853.76	\$404.48
10B	\$692,723	1015		X	2.2644%	2.5351%	\$7,627.56	\$635.63	\$10,809.00	\$900.75	\$496.54	\$41.38	\$18,436.56	\$1,536.38	\$8,124.10	\$677.01
10C	\$482,002	741			1.6154%	1.8507%	\$5,568.35	\$464.03	\$7,711.03	\$642.59	\$354.22	\$29.52	\$13,279.38	\$1,106.62	\$5,922.57	\$493.55
10D	\$396,500	610			1.3028%	1.5236%	\$4,584.18	\$382.02	\$6,218.85	\$518.24	\$285.68	\$23.81	\$10,803.03	\$900.25	\$4,869.86	\$405.82
11A	\$428,432	608		X	1.2980%	1.5186%	\$4,569.13	\$380.76	\$6,195.94	\$516.33	\$284.63	\$23.72	\$10,765.07	\$897.09	\$4,853.76	\$404.48
11B	\$705,425	1015		X	2.2644%	2.5351%	\$7,627.56	\$635.63	\$10,809.00	\$900.75	\$496.54	\$41.38	\$18,436.56	\$1,536.38	\$8,124.10	\$677.01
11C	\$492,765	741			1.6154%	1.8507%	\$5,568.35	\$464.03	\$7,711.03	\$642.59	\$354.22	\$29.52	\$13,279.38	\$1,106.62	\$5,922.57	\$493.55
11D	\$405,650	610			1.3028%	1.5236%	\$4,584.18	\$382.02	\$6,218.85	\$518.24	\$285.68	\$23.81	\$10,803.03	\$900.25	\$4,869.86	\$405.82
12A	\$872,200	1246		X	2.8092%	3.1120%	\$9,363.32	\$780.28	\$13,409.58	\$1,117.47	\$616.00	\$51.33	\$22,772.90	\$1,897.74	\$9,979.32	\$831.61
12B	\$710,500	1015		X	2.2644%	2.5351%	\$7,627.56	\$635.63	\$10,809.00	\$900.75	\$496.54	\$41.38	\$18,436.56	\$1,536.38	\$8,124.10	\$677.01
12C	\$518,700	741			1.6154%	1.8507%	\$5,568.35	\$464.03	\$7,711.03	\$642.59	\$354.22	\$29.52	\$13,279.38	\$1,106.62	\$5,922.57	\$493.55
Parking Space Units						100.000%	\$300,876.85	\$25,073.07								
1	\$40,000	N/A			0.4096%	N/A	\$253.54	\$21.13	\$1,955.21	\$162.93	\$89.82	\$7.49	\$2,208.75	\$184.06	\$343.36	\$28.61
2	\$40,000	N/A			0.4096%	N/A	\$253.54	\$21.13	\$1,955.21	\$162.93	\$89.82	\$7.49	\$2,208.75	\$184.06	\$343.36	\$28.61
3	\$40,000	N/A			0.4096%	N/A	\$253.54	\$21.13	\$1,955.21	\$162.93	\$89.82	\$7.49	\$2,208.75	\$184.06	\$343.36	\$28.61
4	\$40,000	N/A			0.4096%	N/A	\$253.54	\$21.13	\$1,955.21	\$162.93	\$89.82	\$7.49	\$2,208.75	\$184.06	\$343.36	\$28.61
5	\$40,000	N/A			0.4096%	N/A	\$253.54	\$21.13	\$1,955.21	\$162.93	\$89.82	\$7.49	\$2,208.75	\$184.06	\$343.36	\$28.61
6	\$40,000	N/A			0.4096%	N/A	\$253.54	\$21.13	\$1,955.21	\$162.93	\$89.82	\$7.49	\$2,208.75	\$184.06	\$343.36	\$28.61
7	\$40,000	N/A			0.4096%	N/A	\$253.54	\$21.13	\$1,955.21	\$162.93	\$89.82	\$7.49	\$2,208.75	\$184.06	\$343.36	\$28.61
8	\$40,000	N/A			0.4096%	N/A	\$253.54	\$21.13	\$1,955.21	\$162.93	\$89.82	\$7.49	\$2,208.75	\$184.06	\$343.36	\$28.61
9	\$40,000	N/A			0.4096%	N/A	\$253.54	\$21.13	\$1,955.21	\$162.93	\$89.82	\$7.49	\$2,208.75	\$184.06	\$343.36	\$28.61
10	\$40,000	N/A			0.4096%	N/A	\$253.54	\$21.13	\$1,955.21	\$162.93	\$89.82	\$7.49	\$2,208.75	\$184.06	\$343.36	\$28.61
11	\$40,000	N/A			0.4096%	N/A	\$253.54	\$21.13	\$1,955.21	\$162.93	\$89.82	\$7.49	\$2,208.75	\$184.06	\$343.36	\$28.61
12	\$40,000	N/A			0.4096%	N/A	\$253.54	\$21.13	\$1,955.21	\$162.93	\$89.82	\$7.49	\$2,208.75	\$184.06	\$343.36	\$28.61
13	\$40,000	N/A			0.4096%	N/A	\$253.54	\$21.13	\$1,955.21	\$162.93	\$89.82	\$7.49	\$2,208.75	\$184.06	\$343.36	\$28.61
14	\$40,000	N/A			0.4096%	N/A	\$253.54	\$21.13	\$1,955.21	\$162.93	\$89.82	\$7.49	\$2,208.75	\$184.06	\$343.36	\$28.61
15	\$40,000	N/A			0.4096%	N/A	\$253.54	\$21.13	\$1,955.21	\$162.93	\$89.82	\$7.49	\$2,208.75	\$184.06	\$343.36	\$28.61
16	\$40,000	N/A			0.4096%	N/A	\$253.54	\$21.13	\$1,955.21	\$162.93	\$89.82	\$7.49	\$2,208.75	\$184.06	\$343.36	\$28.61
17	\$40,000	N/A			0.4096%	N/A	\$253.67	\$21.14	\$1,955.21	\$162.93	\$89.82	\$7.49	\$2,208.88	\$184.07	\$343.49	\$28.62
Non-Residential Unit		2160			5.0599%	N/A	\$3,132.08	\$261.01	\$24,153.18	\$2,012.77	N/A	N/A	\$27,285.26	\$2,273.77	N/A	N/A
TOTAL	\$26,780,349	42,198			100.0000%		\$308,319.24	\$25,693.27	\$477,345.12	\$39,778.76	\$21,928.00	\$1,827.33	\$785,664.36	\$65,472.03	\$326,005.68	\$27,167.14

FOOTNOTES TO SCHEDULE A

1. No change in the sales prices will be made other than pursuant to a duly filed amendment, except that the Sponsor reserves the right to decrease the sales prices below the Offering Plan prices without filing an amendment to the Plan at any time during the Offering where a reduction in sales price does not constitute a general offering but is rather the result of an individually negotiated Unit purchase. See Section IX of the Offering Plan as to other terms of the offering which are negotiable. See Section XIV of the Offering Plan for estimated closing costs and adjustments, which costs are in addition to the sale prices set forth herein.
2. Purchasers should refer to the floor plans in Schedule G of Part II of the Plan for details of each type of Unit. Sponsor has utilized a zoning room count to determine the number of rooms in each Unit. The square footage of the Units was calculated to the exterior walls of the Unit. As a result the usable square footage of each Residential Unit is less than set forth. The room count is that employed by the City of New York.
3. The Common Interest of each Unit has been based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of common elements for exclusive or shared use, and the overall dimensions of the particular Unit. Said method of determining the percentage of common interest in a condominium complies with and is pursuant to Section 339-I (1) (iv) of the Real Property Law of the State of New York. The schedule also includes the interest each Residential Unit has in the Residential portion of the Building ("Percentage of Residential Common Interest"). The Percentage of Residential Common Interest determines the amount a Residential Unit Owner will pay for Common Charges.
4. Common Charges have been estimated by the Sponsor and include fire and liability insurance for the Units and Common Elements, maintenance and operation of the General Common Elements and General Residential Limited Common Expenses. Common Charges exclude repair and decoration to the inside of a Residential and Non-Residential Unit, utilities for each Residential and Non-Residential Unit and insurance for personal belongings. See Schedule C for estimated heating and electrical costs for the Residential and Non-Residential Unit.
5. The Sponsor has submitted an application to the New York City Department of Housing Preservation and Development ("HPD") for a Preliminary Certificate of Eligibility for partial real estate tax exemption benefits under Section 421-a of the

Real Estate Property Tax Law ("Section 421"). This section of law provides for a fifteen (15) year partial tax abatement program.

Schedule A reflects the estimated taxes for the Units with and without the 421-a tax abatement for the first fully taxed year. Reference should be made to the Section entitled "Real Estate Tax Exemption Benefits" for a full discussion of the effects of Section 421-a upon the real estate taxes payable by Unit Owners. The amount deductible for income tax purposes may vary in future years due to a change in the interest rate on homeowner's mortgage (if any), and due to changes in real property taxes, or assessed value or tax rate.

No warranty is made as to whether a Final Certificate of Eligibility will be issued by HPD for Section 421-a tax benefits or as to the amount of any tax exemption that will actually be received. In addition, no warranty is made that the actual assessed valuation or the assessed valuation for the Property if Section 421 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 that real estate taxes will be allocated among Units in proportion to their appurtenant Common Interest. In no event will Sponsor, Sponsor's Consultant, Sponsor's Counsel, or any offeror hereunder be liable to any Purchaser under this Plan, nor will Purchaser have the right to rescind his Purchase Agreement, in the event Section 421-a benefits are not granted or, if granted in the event the amount of such exemption and the resulting taxes differ from those projected.

Real estate tax estimates are based upon information received from Astro Realty Brokerage, LLC, 92-50 Queens Boulevard, Rego Park, New York 11374 (the "Consultant", in a report dated November 22, 2005, using the current tax rate for 2005/2006 of \$11.558 per \$100 of assessed value and estimated assessed valuation at the start of construction of \$189,720 and \$4,130,000 at the completion of construction. Individual estimated real estate taxes for each Unit are based on the Percentage of General Common Interest for each Unit. No representation is made that the City of New York will use such method in calculating the individual real estate taxes. See page 79 for details.

After the Condominium is divided into individual tax lots, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will not be responsible for the payment of, nor will the Unit be subject to, any lien arising from the non-payment of taxes on other Units. In addition, pursuant to the provisions of the Internal Revenue Code of 1986, the real estate taxes payable by a Residential Unit Owner which are assessed against his Unit by any governmental taxing authority, are a proper deduction in connection with Federal and State Income Taxes payable by such Unit Owner. See page 80 for details

and qualifications. Tax deductions in future years may vary do to changes in the real estate taxes etc.

No representation or warranty is made that the actual taxes or assessed valuation will be as projected above, or that the projected tax rate will not change. In no event will Sponsor, Sponsor's Consultant, Sponsor's Counsel, or any offeror hereunder be liable to any Purchaser under this Plan, now ill any Purchaser have the right to rescind his Purchase Agreement, in the event the actual taxes differ from those projected. Actual taxes may vary depending on such factors as purchase price, optional extras ordered, premium location, end units, type of building cluster, etc.

6. The Sponsor is not offering and has not procured mortgage financing. As a result, the projected monthly carrying charges for financing have not been included in Schedule A. In the event a Purchaser obtains a mortgage, a Purchaser's monthly carrying charges will increase. Any Purchaser who applies for a mortgage from a lending institution should check with that institution as to the monthly mortgage costs as well as any closing costs that the Purchaser will be obligated to pay the lending institution.

In the event a Purchaser of a Residential Unit obtains a mortgage, the interest payable on the mortgage will be deductible for income tax purposes provided the Residential Unit will be the Purchaser's principal residence or one (1) other residence selected pursuant to the Internal Revenue Code.

VI. SCHEDULE B

10-50 JACKSON AVENUE CONDOMINIUM PROJECTED BUDGET FOR FIRST YEAR OF OPERATION

Beginning December 1, 2007

INCOME

Forty-eight (48) Residential Units	\$ 300,878
One (1) Non-Residential Unit (1)	\$ 3,132
Seventeen (17) Parking Space Units	<u>\$ 4,190</u>

TOTAL INCOME \$308,200

EXPENSES

(2) Hot Water	\$ 18,500
(3) Electricity	\$ 27,600
(4) Water and Sewer	\$ 18,500
(5) Repairs & Maintenance	\$ 8,000
(6) Services & Supplies	\$ 5,000
(7) Insurance	\$ 36,100
(8) Legal & Accounting Fees	\$ 5,500
(9) Labor	\$165,000
(10) Management	\$ 18,000
(11) Contingency	<u>\$ 6,000</u>

TOTAL EXPENSES \$308,200

*In the event the actual first year budget differs from the actual commencement of the budget year by six (6) months or more, Sponsor will amend the Plan to include a revised budget. See explanatory footnotes. If amended budget exceeds this budget by twenty-five (25%) percent or more, the Sponsor will offer all Purchasers the right to rescind their Purchase Agreement and have their deposits returned, with interest, if any within a reasonable period of time that is not less than fifteen (15) days.

See explanatory footnotes to Schedule B.

FOOTNOTES TO SCHEDULE B

1. NON-RESIDENTIAL UNIT

The Non-Residential Unit is obligated to pay the following portions of the Condominium's operating costs of the General Common Expenses: 5.06% of the costs of insurance, water and sewer, management fees and legal and accounting fees. In addition, the Non-Residential Unit will pay 100% of the operating costs pertaining to its Unit. Accordingly, the Non-Residential Unit in the aggregate are budgeted to pay the following amounts:

Insurance	\$ 36,100
Water and Sewer	\$ 18,500
Management Fee	\$ 18,000
Legal and Accounting	<u>\$ 5,500</u>
Total Allocable Expenses	\$ 61,900
Non-Residential Unit percentage of interest	5.06%
Allocable to Non-Residential Unit	\$ 3,132

2. HOT WATER

The Sponsor has obtained an estimate from Andrew Katz Engineers, 1708 Ocean Avenue, Brooklyn, New York 11230, of approximately \$18,500 per year in hot water costs.

3. ELECTRICITY

The Sponsor has obtained an estimate from Andrew Katz Engineers, 1708 Ocean Avenue, Brooklyn, New York 11230, of approximately \$27,600 per year of electrical usage for the common areas based on 120,000 kilowatt hours at 23.0 cents per kilowatt hour.

4. WATER & SEWER

Water is supplied to the Building by the City of New York through a single water meter serving the entire Building. Projected water and sewer costs are based upon a current New York City estimate of 250 gallons per day per Residential Unit, current charges of \$1.60 per 100 cubic feet of water consumed, and sewer charges of \$2.50 per 100 cubic feet of water consumed.

5. **REPAIRS & MAINTENANCE**

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

6. **SERVICES AND SUPPLIES**

These include items expected to be consumed in the normal course of building operation, including light bulbs, cleaning supplies, paints and hardware items.

7. **INSURANCE**

Sponsor has received a letter estimating the cost of coverage for the building via a package policy through Borg & Borg Inc. Insurance, 148 East Main Street, Huntington, New York 11743 in the following coverage amounts:

Building: \$11,000,000 "All Risk" agreed amount Replacement Value

Liability: \$1,000,000 per occurrence, \$2,000,000 aggregate.

Directors & Officers Liability: \$1,000,000

Fidelity Coverage: \$50,000

Deductible: \$2,500

The foregoing insurance, including the public liability coverage included therein will be in effect at the time of closing. The insurance company has advised the Sponsor via letter that in its opinion, the amount of coverage is adequate to rebuild the building structure if totally destroyed by any insured peril; however, the policy does not guaranty the replacement of individual fixture and improvements installed by individual Unit Owners. This policy waives a standard co-insurance clause, so that no insured thereunder shall be a co-insurer. The policy will provide that:

- (i) each unit owner will be an additional insured;
- (ii) there will be no cancellation without notice to the board of managers and individual unit owners;
- (iii) will waive subrogation;
- (iv) will waive invalidity because of the acts of the insured and individual unit owners;

- (v) and, will waive pro rata reduction if individual unit owners obtain additional individual coverage.

Purchaser s are advised of the desirability of obtaining additional insurance, at their own cost and expense, to cover such risk as fire and casualty losses to unit contents, replacements, additions, up-graded fixtures and improvements, and liability coverage for occurrences within the unit or, where applicable, on the limited common elements pertinent to the units.

Pursuant to the provisions of Section 339-bb of the Real Property Law of the State of New York, although premiums for insurance on the Building are Common Expenses of the Condominium, certain Units can be charged more for the higher premium rates on certain Units. In the event the insurance rates or premiums increase as a result of the use of the Non-Residential Unit, the additional cost shall be the responsibility of the applicable Non-Residential Unit Owner.

IN RECENT YEARS, PREMIUMS FOR INSURANCE (ESPECIALLY FIRE AND LIABILITY INSURANCE) HAVE INCREASED SUBSTANTIALLY. IT IS NOT POSSIBLE TO PREDICT WHETHER FUTURE PREMIUMS WILL CONTINUE TO INCREASE OR WILL LEVEL OFF. NO REPRESENTATION IS MADE REGARDING THE ACTUAL COST OF INSURANCE AT THE TIME OF CLOSING. PURCHASERS ARE ADVISED TO PROCURE THEIR OWN FIRE AND LIABILITY COVERAGE FOR THE INTERIOR OF THE UNIT AND THE PURCHASER'S PERSONAL AFFECTS.

8. **LEGAL & ACCOUNTING FEES**

This figure is based on the estimate received from Joel H. Beldner, 54 Hidden Ridge Drive, Syosset, New York 11791, a certified public accountant by the Sponsor for preparation of a certified financial statement for the first year of operation and City, State and Federal tax returns, which estimate was \$4,000.00. The balance of the budgeted figure, \$1,500.00, anticipates minor legal services during the first year of operation, but would be insufficient to cover any substantial litigation.

9. **LABOR**

It is expected that one full-time non-union superintendent will be employed at an annual compensation rate of \$30,000.00. Furthermore, the building will provide 7-days, 24-hour doorman service for approximately \$135,000.00. The budgeted figure includes all FICA, unemployment insurance, workman's compensation and disability charges which are required. Health insurance is not provided. The following is a breakdown of the salaries:

- | | |
|------------------------------|--|
| 1. Non-Union Superintendent: | \$500.00 per week x 52 weeks = \$26,000.00 |
| FICA & Medicare at | 7.65% of wages = \$ 1,989.00 |

Workmans Compensation at	5.5% of wages	= \$ 1,430.00
FUI & NYSUI at	\$286.00 per employee	= \$ 286.00
NYS Disability at	\$ 60.00 per employee	= \$ 60.00

TOTAL \$29,765.00
 ROUNDED TO: **\$30,000.00**

2. Doorman:

365 days at 24 hours per day at an average of \$13.50 per hour	= \$ 118,260.00
FICA & Medicare at	7.65% of wages = \$ 9,047.00
Workmans Compensation at	5.5% of wages = \$ 6,504.00
FUI & NYSUI at \$286.00/employee x 4 employees	= \$ 1,144.00
NYS Disability at \$ 60.00/employee x 4 employees	= \$ 240.00

TOTAL \$135,195.00
 ROUNDED TO: **\$135,000.00**

10. **MANAGEMENT**

First Management Corp., 34-03 Broadway, Astoria, New York will provide managing agent services for the first year of condominium operation at the budgeted figure. Activities that the managing agent will perform include maintenance of checking and savings accounts for the condominium; collection of monthly common charges; payment of all condominium common charges; processing of all individual unit sales; supervision and payment of building employees; building maintenance; review and resolution of any problems arising in the day to day operation of the building; compliance with all government laws and regulations affecting building operation, ownership and maintenance; filing of annual tax returns; enforcement of condominium-adopted rules and regulations including enforcement of maintenance obligations; seizure and sale of delinquent units; and response to individual unit owner complaints, questions or issues. In addition to the foregoing, any additional issues or problems arising out of operation, maintenance, ownership and occupancy of the building will need to be dealt with by the Board of Managers.

11. **CONTINGENCY**

The contingency budgeted item is intended to provide a cushion for unforeseen costs and an opportunity for the Condominium to accrue a reserve for future expenses.

VII. SCHEDULE C

ESTIMATED HEATING, ELECTRICAL AND WATER COSTS

<u>Model</u>	<u>Estimated Annual Electric Cost</u>	<u>Estimated Annual Gas Cost for Heating & Cooking</u>	<u>Total Annual Amount of Estimated Gas & Electrical Cost</u>
<u>First Floor</u>			
Comm	\$2,450	\$2,750	\$5,200
<u>Second Floor</u>			
A	1,250	1,350	2,600
B	950	1,050	2,000
C	850	950	1,800
D	800	900	1,700
E	1,000	1,100	2,200
<u>Third Floor</u>			
A	1,250	1,350	2,600
B	950	1,050	2,000
C	850	950	1,800
D	800	900	1,700
E	1,000	1,100	2,200
<u>Fourth Floor</u>			
A	1,250	1,350	2,600
B	950	1,050	2,000
C	850	950	1,800
D	800	900	1,700
E	1,000	1,100	2,200
<u>Fifth Floor</u>			
A	1,350	1,450	2,800
B	1,300	1,400	2,700
C	850	950	1,800
D	900	1,000	1,900
E	1,000	1,100	2,200
<u>Sixth Floor</u>			
A	1,250	1,350	2,600
B	1,300	1,400	2,700
C	850	950	1,800
D	1,000	1,100	2,200
E	1,000	1,100	2,200
<u>Seventh Floor</u>			
A	1,250	1,350	2,600
B	1,300	1,400	2,700
C	850	950	1,800
D	\$1,000	\$1,100	\$2,200
E	1,000	1,100	2,200
<u>Eighth Floor</u>			
A	1,750	1,850	3,600
B	1,750	1,850	3,600

<u>Model</u>	<u>Estimated Annual Electric Cost</u>	<u>Estimated Annual Gas Cost for Heating & Cooking</u>	<u>Total Annual Amount of Estimated Gas & Electrical Cost</u>
C	1,250	1,350	2,600
<u>Ninth Floor</u>			
A	1,750	1,850	3,600
B	1,750	1,850	3,600
C	1,250	1,350	2,600
<u>Tenth Floor</u>			
A	1,750	1,850	3,600
B	1,750	1,850	3,600
C	1,250	1,350	2,600
D	1,000	1,100	2,200
<u>Eleventh Floor</u>			
A	1,750	1,850	3,600
B	1,750	1,850	3,600
C	1,250	1,350	2,600
D	1,000	1,100	2,200
<u>Twelfth Floor</u>			
A	1,750	1,850	3,600
B	1,750	1,850	3,600
C	1,250	1,350	2,600

Electricity costs are based on an estimate dated March 30, 2006 from Andrew Katz Engineers, 1708 Ocean Avenue, Brooklyn, New York 11230, on current price charged by Consolidated Edison of \$.023 per KWH of electricity used. Gas costs are based on the current price charged by KeySpan of \$1.85 per therm of gas used. The above costs do not include electricity for air conditioning. It should be noted that electric and gas prices have had wide gyrations due to international market prices for oil and gas. Actual market prices may be different than those calculated at the time of preparation of this estimate.

Actual costs will vary depending on weather conditions, quality of construction, number of occupants and the habits of the occupants and increase in rates in future years, etc.

In view of the fact that these averages may include the use of energy by persons of varying need, with different standards of comfort, or with families of different sizes, the amount of energy used by the Purchaser may vary substantially from the average estimates herein provided. In addition, the effect of inflation, fuel shortages and other factors may raise the cost of electricity and gas substantially higher than the current or projected rate.

Although the Sponsor is under obligation to provide accurate information to prospective Purchasers, factors beyond its control may substantially affect the cost of electricity and gas after the purchase of a Unit or in subsequent years.

VIII. COMPLIANCE WITH REAL PROPERTY LAW SECTION 339(i)

January 29, 2007

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

Re: **10-50 JACKSON AVENUE CONDOMINIUM**

Gentlepeople:

The Sponsor of the Condominium Offering Plan for the captioned property has retained this office to review the percentage of Common Interest applied to the Units contained in Schedule A of the Offering Plan.

Our experience includes the preparation of over one thousand Condominium Offering Plans and legal representation of numerous Condominium Boards of Managers in the State of New York for over thirty (30) years.

In reviewing said Schedule A, the percentage of Common Interest for each Unit as contained therein has been based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of common elements for exclusive or shared use, and the overall dimensions of the particular Unit. Said method of determining the percentage of common interest in a condominium complies with and is pursuant to Section 339-I (1) (iv) of the Real Property Law of the State of New York.

I hereby authorize inclusion of this opinion in the Offering Plan for 10-50 Jackson Avenue Condominium to be filed with the Department of Law.

Very truly yours,

CERTILMAN BALIN ADLER & HYMAN, LLP

By: 
IRA J. ADLER, Partner

IX. CHANGES IN PRICES OR UNITS

Sponsor will not make any material change in the size nor adverse material change in the quality of Common Elements without the consent of all Unit Owners. However, Sponsor reserves the right to change the model mix of the Non-Residential and Residential Units without consent of any Non-Residential and Residential Unit Owner as long as the percentage of Common Interest for the Non-Residential and Residential Units is not affected, there is no Purchase Agreement in effect for said Non-Residential and Residential Unit and as long as the Sponsor does not change the total number of Residential Units being offered for sale, nor substantially change the size of the Unit.

Sponsor will not make any material change in the Non-Residential and Residential Units size, layout, percentage of Common Interest or in the amount or quality of Common Elements directly affecting or servicing the Residential Unit or Non-Residential Unit if a Purchase Agreement has been executed and delivered to Sponsor for that Residential Unit or Non-Residential Unit and the Purchaser is not in default, unless the Purchaser consents in writing to such change.

The Declaration also permits the division or consolidation of any Non-Residential Unit or Units and common interest appurtenant thereto, including but not limited to a change in the number of rooms. Any such change which will affect the structural integrity or aesthetics of the Building requires the prior written consent of the Board of Managers. In no case, however, may such division or consolidation result in a different percentage of common interest for the total of the new Non-Residential Units other than existed for the original Non-Residential Unit(s) before division or consolidation. An amendment to the Declaration may be filed by the new Non-Residential Unit Owner(s) without the consent of any other Unit Owner provided the percentage of common interest of all other existing Units is not affected thereby.

The prices for these Condominium interests may be changed from those set forth in this Offering Plan so that Purchasers may pay different prices for similar interests. No such change will be made other than pursuant to a duly filed amendment, except that the Sponsor reserves the right to decrease the sales prices below the Offering Plan prices without filing an amendment to the Plan at any time during the offering where a reduction in sales prices does not constitute a general offering but is rather the result of an individually negotiated Unit purchase. All changes in prices which are an across the board increase or decrease affecting one (1) or more lines of Non-Residential or Residential Units or models, or is to be advertised or is a price increase for an individual Purchaser will be done by a duly filed amendment to the Offering Plan.

The Sponsor further reserves the right, but not the obligation, to negotiate with a Purchaser on an individual basis in connection with all aspects of the purchase price, including but not limited to: upgrades to the Unit or the fixtures or equipment contained therein or credits or allowances therefor; treatment of reduced and/or split down payment; financing contingency; extension of period to secure financing; payment of all

or part of a Purchaser's acquisition or financing costs such as, but not limited to: origination fees and commitment fees; any and all other costs relating to the cost of acquiring title to the Unit; maintenance subsidies, rebates or other costs associated with maintaining a Unit as a credit against the purchase price or payable on a periodic basis or any other manner as is negotiated between the parties; promotional gifts on the purchase of a Unit and application of rent toward the purchase price. As a result, a Purchaser may receive different terms than a prior or subsequent Purchaser may receive for a similar Unit. Furthermore, the Sponsor reserves the right to amend the Plan from time to time to add and/or delete negotiable terms or, at its sole option, to expand the applicability of such negotiable terms to some or all Purchasers pursuant to Section 352-e of the General Business Law.

IXA. INTERIM LEASES

The Sponsor will not enter into interim leases with Purchasers for Residential Units prior to closing. In no event shall Purchaser take possession of the Residential Unit prior to the time of the delivery of the deed, nor shall Purchaser enter the Residential Unit or have his or her contractors or agents enter the Residential Unit to perform work prior to closing without the written authorization of the Sponsor. Should the Purchaser violate this provision, Sponsor will have the right to remove Purchaser from the Residential Unit as a squatter and intruder by summary proceedings. Upon the Purchaser's unauthorized possession, the Purchaser shall be deemed in default of the Purchase Agreement and Sponsor may retain the funds being held in escrow to a maximum of ten (10%) percent of the sales price plus the cost of extras ordered, as liquidated damages. Purchasers should refer to Paragraph 24 of the Purchase Agreement.

Sponsor will endeavor in good faith to market and sell the Residential Units in the Condominium. Notwithstanding said fact, Sponsor is retaining the unconditional right to rent rather than sell the Residential Units. Because Sponsor is retaining the unconditional right to rent rather than sell Residential Units, this Plan may result in the creation of a condominium in which a majority of the Residential Units are not owned by owner-occupants or investors who are unrelated to the Sponsor.

In addition, the Sponsor reserves the right to lease the Non-Residential Unit before or after the Declaration has been recorded. In such an event, a Purchaser of such Unit will be purchasing a Unit that has previously been occupied. Such previously rented Non-Residential Unit will be delivered in its then "as is" condition.

X. PROCEDURE TO PURCHASE

The Sponsor hereby offers for sale the Units under construction in the Condominium for mixed use occupancy in accordance with applicable municipal zoning regulations. Occupancy of the Residential Units or portion of a Residential Unit by a lessee or lessees of the Residential Unit Owner for the purposes set forth in this

paragraph conform with the zoning regulations permitting construction of this Condominium.

The sales prices at which the Units are being offered for sale are shown in detail in Schedule A. The Sponsor reserves the right to lower the sales prices and to negotiate other terms on an individual basis. All changes in prices which are an across the board increase or decrease affecting one or more lines of Units or models, or are to be advertised or is a price increase for an individual Purchaser will be done by a duly filed amendment to the Offering Plan. See Section IX of the Offering Plan. Any such change will not affect the common interest of the Unit, however, some Purchasers may pay less or more for the same model Unit or receive different terms.

Any person may accept Sponsor's offer to sell a Residential Unit by entering into a Purchase Agreement with the Sponsor. Parking Space Units will be offered in a manner determined by Sponsor in its sole discretion. The Agreement provides that the Purchaser will purchase from the Sponsor a designated Unit in 10-50 Jackson Avenue Condominium as described in the Declaration creating such Condominium. A Purchaser will be afforded a minimum of three (3) business days to review the Offering Plan and all filed amendments prior to executing a Purchase Agreement. Any conflict between the Offering Plan and the Purchase Agreement shall be resolved in favor of the Offering Plan.

Upon signing the Purchase Agreement the Purchaser shall make a down payment of a minimum of 10% of the purchase price of a Unit plus the cost of any special work ordered by the Purchaser. Upon full payment of the balance of the purchase price and the balance of the cost of any special work ordered at the closing, in cash or by mortgage, Purchaser will receive a bargain and sale deed with covenants against grantor's acts and containing the provisions set forth in Section 13 Subdivision 5 of the Lien Law, which will convey good and marketable title to the ownership of fee ownership in the Unit and such percentage of Common Interest in the Common Elements as is set forth on Schedule A, free and clear of all liens and encumbrances other than those set forth in Section XIII of the Offering Plan. The Purchase Agreement may be modified with the consent of Purchaser and Sponsor in a manner not inconsistent with law, subject to the terms of this Offering Plan. Sponsor must either return a fully executed Purchase Agreement within twenty (20) days to the Purchaser or reject the Purchase Agreement and refund the deposit monies. In the event the Sponsor does not act within said twenty (20) day period the Purchase Agreement will be deemed accepted by the Sponsor.

The Power of Attorney attached to the Purchase Agreement must be executed by Purchaser at the closing of title. Failure to execute the Power of Attorney will result in a default under the Purchase Agreement.

It is anticipated that the closing to the first Home will occur on or about December 1, 2007. In the event said date is delayed by twelve (12) months or more, Purchasers will be offered a right of rescission.

In the event Sponsor is unable to convey title to a Home twelve months after the proposed date of delivery set forth in the Purchase Agreement a Purchaser shall have the option to cancel the Purchase Agreement and have the down payment advanced by Purchaser returned to Purchaser. Purchaser shall be obligated to notify the Sponsor in writing of its intent to exercise said option no later than thirty (30) days after the twelve (12) month period. Failure to so notify Sponsor shall be deemed a waiver of this provision, and Purchaser shall continue to be bound by the terms of the Purchase Agreement. In the event Sponsor shall be unable to convey title to the Home within twenty-four (24) months of the proposed date of delivery through no fault of the Purchaser, the Purchase Agreement shall be deemed null and void and Sponsor shall return all monies being held in escrow within thirty (30) days thereafter. See Paragraph 6 of the Purchase Agreement in Part II of the Plan.

After the Offering Plan is declared effective, the Sponsor will give each Purchaser who enters into a Purchase Agreement not less than thirty (30) days' prior written notice of the date, time and place for the transfer of title to the Unit unless a Purchaser waives such thirty (30) day notice. A form for such waiver is contained as Exhibit D-2 to the Offering Plan.

The Purchase Agreement may not be assigned by Purchaser without the written consent of Sponsor.

The risk of loss or damage to the Unit by fire or any other cause until the delivery of the deed or is assumed by the Sponsor.

The Purchase Agreement may not contain, or be modified to contain, a provision waiving purchaser's rights or abrogating Sponsor's obligations under the Offering Plan or under Article 23-A of the General Business Law. Any conflict between the Purchase Agreement and the Plan will be resolved in favor of the Plan. The Purchase Agreement and Plan comply with Section 71.a(3) of the New York Lien Law. Said statute provides that the initial advance of the Purchase Agreement be deposited in an escrow account in a bank, trust company, savings bank, state or federal savings and loan association, located in New York State. The escrow and trust fund provisions disclosed below complies with said statute.

The Purchase Agreement is not conditioned upon a Purchaser securing satisfactory mortgage financing. Obtaining a mortgage shall be the sole responsibility of each Purchaser. In no event will the Sponsor be obligated to return a Purchaser's down payment in the event a Purchaser is unable to obtain a mortgage. In addition, the Purchase Agreement will remain in full force and effect and Purchaser will be obligated to pay the balance of the purchase price at closing regardless of the availability of financing. In the event a Purchaser does not close title to the Unit as a result of their inability to obtain a mortgage, the down payment plus the cost of any custom work ordered, will be retained by Sponsor as liquidated damages.

A complete copy of the Purchase Agreement is contained in Part II of the Plan.

ESCROW AND TRUST FUND PROVISIONS

The 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.

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

Sponsor will obtain individual surety bonds in favor of each Purchaser from Liberty Mutual Insurance Company, 1211 Avenue of the Americas, New York City, New York 10036 (the "Surety"), which will enable the Sponsor to utilize all down payments and deposits secured by the bond. The Surety Company is authorized to do business in New York and is licensed to write insurance in the State of New York by the New York State Department of Insurance. The Surety has a rating for debt securities with Best's of A (Excellent).

All deposits, down payments, or advances made by purchasers prior to closing of each individual transaction, whether received before or after the date of consummation of the Plan, will first be placed, within five (5) business days after the Agreement is signed by all necessary parties, in a segregated special escrow account of Zaccaria & Sasson, the Escrow Agent, whose address is 175 East Shore Road, Great Neck, New York 11023 and whose telephone number is (516) 487-1602. The name of the account is "Zaccaria & Sasson IOLA FOB, 10-50 Jackson Avenue Condominium Escrow Account," located in JP Morgan Chase Bank, 1985 Marcus Avenue, New Hyde Park, New York 11042. The signatories on the account are William J. Zaccaria and Mojgan Sasson. Said bank is covered by federal bank deposit insurance to a maximum of \$100,000 per individual deposit. If an individual makes a deposit in excess of \$100,00.00 for the purchase of a Home, it is a special risk of this offer that such deposit will not be federally insured in excess of \$100,000.00.

The account will be Interest-On-Lawyer-Account ("IOLA"). Pursuant to Judiciary Law, Section 497, all interest earned in the IOLA account will be paid to the State of New York.

Purchasers should note as a **special risk** that although all funds received by Sponsor for upgrades or extras to the Home will initially be placed in the escrow account, such funds may be released from the escrow account without the requirements

outlined below as long as the Sponsor uses the funds for such upgrades or extras. As a result, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds paid to the Sponsor for upgrades or extras.

All instruments shall be made payable to or endorsed to the order of Zaccaria & Sasson, as escrow agent.

Within ten (10) business days after the tender of the deposit submitted with the Purchase Agreement, the escrow agent will notify the Purchaser that such funds have been deposited into the escrow account and will provide the account number. In the event the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the deposit, the Purchaser has a right to cancel the purchase and rescind so long as the right to rescind is exercised within ninety (90) days after the tender of the deposit. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited and requisite notice was timely mailed to the Purchaser in conformity with the Attorney General's regulations. Purchasers should note that the deposit by the escrow agent of purchaser's deposit into the escrow account shall not be deemed acceptance of the Purchase Agreement. The Purchase Agreement shall only be deemed accepted by the Sponsor when counter-signed by the Sponsor or his authorized agent.

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

- (i) in a writing signed by both Sponsor and Purchaser. Sponsor and/or the Escrow Agent may require a Purchaser to execute a writing authorizing release of the funds by the Escrow Agent as a condition of closing. Authorization of the release of funds at closing in the Purchase Agreement will be deemed such a writing; or
- (ii) in a determination of the Attorney General pursuant to the dispute resolution procedures contained in the Attorney General's regulations; or
- (iii) in a judgment or order of a court of competent jurisdiction; or
- (iv) until the escrow agent receives a copy of the surety bond issued for the benefit of a Purchaser whose funds are being released.

The Escrow Agent will also be permitted to release the escrow funds if:

- (i) The Escrow Agent is changed pursuant to the terms of the Escrow Agreement in connection with a transfer of funds to the new escrow agent; or
- (ii) funds which were deposited prior to the acceptance of the contract are returned to the Purchaser because of rejection of the contract by the Sponsor; or

- (iii) until released in accordance with the next Paragraph.

If there is no written agreement between the parties to release the escrowed funds, and if the escrow agent has not received a copy of the surety bond securing a purchaser's down payment, the escrow agent will not pay the funds to the Sponsor until the escrow agent has given the Purchaser written notice of not fewer than ten (10) business days. Notice shall be deemed given five (5) days after the date of mailing to the Purchaser at the address set forth in the Purchase Agreement. Thereafter, the funds may be paid to the Sponsor unless the Purchaser has already made application to the Department of Law pursuant to the dispute resolution provisions of the Attorney General regulations and has so notified the escrow agent in accordance with such provisions.

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

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

A copy of the Escrow Agreement between the Sponsor and the Escrow Agent which incorporates the terms of the Attorney General's regulations is contained in Part II of the Offering Plan as Schedule L.

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

As stated above, the escrow funds will be released by the escrow agent to the Sponsor upon receipt by the escrow agent of a copy of the surety bond issued for the benefit of a Purchaser whose funds are being released.

The Agreement for the surety bond between the Sponsor and the Surety provides for a premium to be paid by the Sponsor to the Surety. The Agreement further provides that the Sponsor will indemnify the Surety in the event of any liability by such Surety. In addition, the Agreement provides that the Surety will abide by the escrow directives contained in the regulations promulgated by the Attorney General's Office under Part 20.3(o)(2). A copy of the surety bond is annexed hereto as Schedule D-3.

The surety bond will continue in effect until consummation and closing of the sale of the Home or until the secured funds of a Purchaser have been returned in full, or until the funds secured by the surety bond have been placed in an escrow account as previously disclosed or until there is an undisputed Purchaser default or a determination by the Attorney General or order or judgment of a court of competent jurisdiction that

the Purchaser has defaulted and that the Sponsor is entitled to the secured funds or Sponsor and Purchaser agree, in writing, to a disposition of any dispute.

The Sponsor shall cause the Surety to mail or personally deliver a copy of the surety bond to the Purchaser before the funds are released to the Sponsor from the escrow account disclosed above. The Sponsor, the escrow agent and the surety company shall each retain a copy of the surety bond.

The Purchaser shall have the right to demand payment of the amount secured by the surety bond directly from the Surety, without first requesting payment from the Sponsor. The Surety shall be obligated to pay the amount secured by the bond to the Purchaser without the consent or despite the objection of the Sponsor, upon the following events or circumstances:

- A. Timely rescission of a Purchase Agreement by a Purchaser pursuant to an offer of rescission contained in the Plan or an Amendment to the Plan;
- B. Acceptance for filing by the Department of Law of an Amendment abandoning the Plan;
- C. Determinations by the Attorney General pursuant to the dispute procedure disclosed below that rescission or the return of funds is required;
- D. Failure by the Sponsor to obtain a commitment by the Surety Company to renew the surety bond sixty (60) days prior to its expiration; and
- E. Direction by the Sponsor upon request by the Purchaser.

A purchaser's inability to produce a copy of the surety bond shall not be a basis for the Surety to reject the purchaser's claim. The Surety shall retain a copy of the bond and shall pay the secured funds to the Purchaser, without a copy of the bond, as long as the Purchaser is able to provide proof of identity as the obligee on the bond.

In the event of a dispute, the Sponsor shall apply and the Purchaser or the Surety issuing the bond may apply to the Attorney General for a determination on the disposition of the down payment secured by the bond and any interest earned thereon. The form for this purpose is set forth in Part II of the Offering Plan, as Schedule K. The party applying shall contemporaneously send to all other parties a copy of such application.

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

If the Attorney General determines:

- (i) that the Purchaser is entitled to the disputed funds secured by the surety bond, the Surety shall pay the funds to the Purchaser in accordance with the determination of the Attorney General.
 - (ii) that the Purchaser is not entitled to the disputed funds secured by the surety bond, such determination may provide either that the surety bond shall be continued in effect or that the surety bond may be canceled.
- F. The Attorney General shall act upon the application within thirty (30) days after its submission to the Department of Law, by either making a determination or notifying the parties that an extension of time in which to do so is necessary for stated reasons.
- G. In no event shall the funds secured by the surety bond be paid to the Purchaser nor shall the surety bond be discharged until any dispute is finally resolved either by written agreement of the parties directing payment of the funds or discharge of the surety bond, or by a determination of the Attorney General or by order of judgment of a court of competent jurisdiction.

The Department of Law may perform random reviews and audits of any records involving escrow accounts to determine compliance with statute and regulation.

Sponsor must make a written demand for payment after a default at least thirty (30) days before forfeiture of the deposit may be declared.

A copy of the Escrow Agreement between the Sponsor and the Escrow Agent which incorporates the terms of the Attorney General's regulations is contained in Part II of the Plan as Schedule L. The Escrow Agent shall maintain all records concerning the escrow account for seven (7) years after release of the funds. Upon the dissolution of the law firm which was the escrow agent, the former partners or members of the firm shall make appropriate arrangements for the maintenance of the Escrow Account records by one of them or by the successor firm and shall notify the Department of Law of such transfer.

XI. FINANCING FOR QUALIFIED PURCHASERS

THIS PLAN DOES NOT CONTAIN ANY FINANCING ARRANGEMENTS FOR PURCHASERS. PROSPECTIVE PURCHASERS WHO ARE INTERESTED IN SUCH FINANCING SHOULD CONTACT LENDING INSTITUTIONS, SUCH AS MUTUAL SAVINGS BANKS AND COMMERCIAL BANKS, MANY OF WHICH HAVE

ADVERTISED THAT THEY OFFER FINANCING TO PURCHASERS OF CONDOMINIUM HOMES.

Any applications for such financing with lending institutions must be done on an individual basis by prospective Purchasers and will involve negotiations exclusively between the lending institution and the applicant. The Sponsor should not be construed hereunder as offering any such financing or representing the availability or terms of such financing.

The Purchase Agreement is not conditioned upon a Purchaser securing satisfactory mortgage financing. Obtaining a mortgage shall be the sole responsibility of each Purchaser. In no event will the Sponsor be obligated to return a Purchaser's down payment in the event a Purchaser is unable to obtain a mortgage. In addition, the Purchase Agreement will remain in full force and effect and Purchaser will be obligated to pay the balance of the purchase price at closing regardless of the availability of financing. In the event a Purchaser does not close title to the Unit as a result of their inability to obtain a mortgage, the down payment plus the cost of any custom work ordered, will be retained as liquidated damages.

NO REPRESENTATION IS MADE BY THE SPONSOR AS TO WHETHER ANY PURCHASER WILL QUALIFY FOR FINANCING OR AS TO THE TERMS, COST OR AVAILABILITY OF SUCH FINANCING. THE SPONSOR SHALL HAVE NO LIABILITY OR RESPONSIBILITY TO ANY APPLICANT IF THEIR APPLICATION FOR FINANCING IS NOT ACCEPTED.

The closing of title to a Unit where the Purchaser has obtained financing will take place simultaneously with the closing of the mortgage loan and the proceeds will be applied towards the then balance of the purchase price.

XII. EFFECTIVE DATE OF THE PLAN

Sponsor's offer to sell the Units is contingent upon the Plan being declared effective and no closing to a Unit will be held until the Plan is declared effective. This Offering Plan will not become effective until bona fide Purchasers, including investors, have executed Purchase Agreements which have been accepted by Sponsor for at least fifteen (15%) percent in number of the Units offered under the Plan. The Sponsor will give written notice of such effectiveness to Purchasers. Sponsor will, within five (5) business days of said notice, submit for filing an amendment to the Plan disclosing the Plan's effectiveness and will file an affidavit of service of the notice on all Purchasers. Sponsor will not close title to the first Unit until the amendment disclosing the effectiveness of the Condominium has been accepted for filing by the Attorney General. 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) based on Purchase Agreements where the Purchaser has not had at least three (3) business days to review the Offering Plan and all filed amendments; or
- (iii) with any Purchaser who is the Sponsor, the Selling Agent, or the Managing Agent or is a Principal of the Sponsor, the Selling Agent or the Managing Agent or is related to the Sponsor, the Selling Agent or the Managing Agent or to any Principal of the Sponsor or the Selling Agent or the Managing Agent by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner; except that such a Purchaser other than the Sponsor or a Principal of the Sponsor may be included if the Sponsor has submitted proof satisfactory to the Department of Law establishing that the Purchaser is bonafide.

Further, prior to declaring the Plan effective, the Sponsor has the option not to close title to the Units and to abandon the Plan at any time, if less than eighty (80%) percent in number of the Units offered hereby are sold and title to any Unit has not been conveyed. In the event Sponsor exercises such option, it shall forthwith return to the Purchaser all monies paid with interest, if any, within ten (10) days of the abandonment of the Plan. When Purchase Agreements for eighty (80%) percent of the Units have been entered into, the Sponsor must declare the Plan effective.

Once the Plan has been declared effective, it may not be abandoned except for (i) a defect in title which cannot be cured for less than ½% of the total amount of the offering or (ii) substantial damage or destruction of the Building by fire or other casualty which cannot be cured for less than ½% of the total offering, or (iii) the taking of any material portion of the property by condemnation or eminent domain. Any stated dollar amount relied upon as basis for abandonment after effectiveness will exclude all attorneys fees as well as any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of the Plan and are either known to the Sponsor or are a matter of public record. In the event Sponsor abandons the Plan, it shall do so by means of a filed amendment to the Plan. All monies advanced by Purchasers will be returned to them within ten (10) days of the abandonment of the Plan. If Sponsor decides to abandon the Plan before declaring the Plan effective, Sponsor will file an amendment disclosing such abandonment and file a RS-3 Form with the Department of Law.

XIII. TERMS OF SALE

After the Plan has been declared effective the Sponsor will fix a date for the closing of title to all Units for which Purchase Agreements have been executed by serving notice on each Purchaser stating the date of the first closing and setting such Purchaser's closing date. Notice will be sent to all Purchasers who have executed and delivered Purchase Agreements to the Sponsor and whose Purchase Agreements are

then in effect by (i) personal delivery; or (ii) mailing by regular mail or registered or certified mail with or without return receipt requested, addressed to the Purchasers at the last known residence of such Purchaser or, if the Purchaser has provided written information of an alternative address for notices, addressed to the Purchaser at the alternative address. If Sponsor has no information of the last known residence address, but has written information of the place of business or employment of such Purchaser, the mailing shall be addressed to such last business or employment address.

Such notice will be served no less than thirty (30) days before the date set for the closing of the Units. Sponsor may permit Purchasers to waive the thirty (30) day provision by a written waiver. A form for such waiver is contained as Schedule D-2 to the Offering Plan. Said notice will also include notice of the obligation to pay the balance of the purchase price. On the closing date, fee title to the Unit will be conveyed to the Purchaser together with the Unit's undivided interest in the Common Elements. The closing of title to the first Unit is expected to commence on or about December 1, 2007. Such closing, however, will only take place after or simultaneously with the happening of the following events:

1. The delivery to the Unit Owner of a Bargain and Sale Deed with covenants against grantor's acts. A copy of the Deed is set forth as Schedule F in Part II of the Plan.
2. The Sponsor's repair of any damage from a casualty or other cause that occurs before the closing of Purchaser's Unit.
3. The issuance of a temporary or permanent Certificate of Occupancy to the Unit or Building in which the Unit is located and any other necessary permits.
4. Title to each Unit and its appurtenant interest in the Common Elements will be conveyed at the closing free and clear of all liens, encumbrances and title exceptions other than those described in the Offering Plan and the proposed Unit Deed.
5. All articles of personal property, fixtures and equipment located within the Unit on the date the Purchase Agreement is signed or located within the Common Elements on the date the declaration is filed that is owned by the Sponsor or the Owner of the property is included in the conveyance unless specifically excepted in the Offering Plan.
6. The Declaration, By-Laws, floor plans and engineers and tax authority certification required by Section 339-p of Article 9-B of the Real Property Law of the State of New York shall be recorded or filed as required by law.
7. The Unit and its undivided interest in the Common Elements shall not be subject to the lien of any mortgage at the time of closing except any mortgage requested by the Purchaser at the time of closing representing a purchase money mortgage or mortgages taken by the Purchaser.

8. The Sponsor will give each Purchaser who has entered into a Purchase Agreement not less than thirty (30) days' prior written notice of the date, time and place for the transfer of title to their Unit unless a Purchaser waives such thirty (30) days notice. A form of such waiver is contained as Schedule D-2 to the Plan.

9. The filing of an amendment to the Offering Plan disclosing that the Plan has been declared effective and that the terms of this Section XIII will be met, that the Units to be closed have been constructed in accordance with the plans and specifications filed with the Building Department of the City of New York and that the Sponsor has complied with the requirements of this Section.

10. Purchaser shall receive any manufacturers' warranty certificates with respect to equipment and appliances installed in the Unit and Sponsor shall assign any warranties with respect to equipment and appliances installed in Common Elements to the Board of Managers.

11. The Purchaser shall execute an instrument in the form annexed to the Purchase Agreement designating the Board of Managers as his attorneys-in-fact, coupled with an interest for the sole purpose of managing, selling, mortgaging, leasing, subleasing, voting or otherwise dealing with any Units acquired by the Board of Managers in accordance with any of the provisions of the By-Laws and designating the Sponsor as their attorney-in-fact to file an amendment to the Declaration of Condominium permitting the certification by a registered architect or professional engineer, certifying that the floor plans filed as part of an amended Declaration are an accurate copy of portions of the plans of the building and fully and fairly depict the layout, location, designation and approximate dimensions of the Units as built or amending such Declaration to create any utility easements or to carry out any of the provisions of the Offering Plan of such Condominium as described in Article Eleventh, Section (c) of the Declaration of Condominium.

Title to the Unit will be subject to the following:

1. State of facts of the property as shown on a survey to be made prior to the closing of title provided such facts would not render title unmarketable and any state of facts which an accurate survey of the building would show provided such state of facts would not render title unmarketable.

2. Any sewer, water, gas, electric, drainage, telephone, cable television or utility easements granted or to be granted hereafter.

3. All of the terms, covenants and conditions of the Declaration, the By-Laws of the Condominium and the Building Plans, as they are subsequently filed or recorded, the Offering Plan and any amendment thereto.

4. All easements set forth in the By-Laws and Declaration of the Condominium as they are subsequently recorded in the Offering Plan and Purchase Agreement, including:

- (a) Easements in favor of the Owners of other Units to use the pipes, wires, conduits, cable television, and public utility lines located in the Common Elements or in the Unit itself servicing such other Units and/or the Common Elements.
- (b) Easements in favor of the Board of Managers, its agents, contractors or employees to have a right of access to any Unit and to the Common Elements to inspect, maintain or repair or to make repairs to any Unit to prevent damage to the Common Elements or any other Units, to make repairs to the Common Elements, to any wires, pipes, conduits or cable television system servicing any of the Units or to make repairs to any other Unit, regardless of the nature of the Common Element.
- (c) Easements in favor of those Units having restricted use to portions of the Common Elements.
- (d) Easements in favor of the Non-Residential Unit Owner and/or their tenants to erect, maintain and replace one (1) or more signs on the property permitted by law for the purpose of advertising the operation of any business conducted therein.
- (e) Easements in favor of the Non-Residential Unit Owner for (i) the installation, maintenance, repair and replacement of signs, flues, vents, air-conditioning, heating, ventilating, water and other mechanical lines and fixtures and equipment on the exterior walls, the roof and through the Common Elements of the Building, and in through under and over any Non-Residential Unit; (ii) through the Common Elements of the Building for access to the roof for the purpose of installing, repairing, maintaining and replacing any fixtures and equipment now or hereafter located on the roof, provided, however, that except in the case of an emergency, the right of access may be exercised only after prior notice to the Board of Managers. The Non-Residential Unit shall be subject to easements in favor of any other Non-Residential Unit(s) for the installation, maintenance, repair and replacement of gas, electricity, heating, air-conditioning, ventilating and water and other mechanical lines and fixtures and equipment serving the Non-Residential Unit(s). The Owner and tenants of the Non-Residential Unit shall have the right, at their sole expense, to install separate heating systems for the Non-Residential Unit and an easement is granted in, over, under and through the Building for the installation,

maintenance, repair and replacement of the heating systems and all necessary pipes, lines, conduits, ducts, water lines and flues in connection therewith if such right is exercised and (iii) for access to any equipment that services the Non-Residential Unit and which is located in the residential portion of the Building or any of the Limited Common Elements for the exclusive use of a Unit(s) or exclusive use of any portion of the Building.

- (f) Easements in favor of the Residential Unit Owners for access through the Non-Residential Unit and any other part of the Building for the purpose of access, installation, maintenance, repair and replacement of any flues, vents, gas, air-conditioning, heating, ventilation, water and other mechanical lines and fixtures and any other machinery, pipes, wires, conduits, equipment or meters servicing the Residential portion of the Building, the Residential Units and/or the entire Building.
- (g) Easements for the continuance of encroachments on any Unit and on the Common Elements by other Units or portions of the Common Elements, now existing by reason of the construction of the Units, or hereafter occurring by reason of the settling or shifting of the Units, or by reason of the repair and/or restoration by the Board of Managers of the Units or such other Units or such Common Elements, after damage by fire or other casualty or after taking in condemnation or eminent domain proceedings, or by reason of an alteration to the Common Elements made by the Board of Managers, so that any such encroachments may remain as long as the Units stand.

The Sponsor has been advised by its counsel that in counsel's opinion, none of the exceptions to title herein above set forth are contrary to the terms of the Purchase Agreement nor will they interfere with the quiet use or enjoyment of the Purchaser's Unit.

XIV. CLOSING COSTS AND ADJUSTMENTS

The estimated closing costs and expenses to be borne by each Purchaser are as follows:

1. Fee title insurance is available from North Shore Abstract, Ltd as agent for Lawyers Title Insurance Corporation, 1010 Northern Boulevard, Great Neck, New York 11021 a title company authorized to do business in the State of New York, at the estimated rates of \$6.67 per thousand for the first \$50,000 of fee title insurance, approximately \$5.43 for each additional \$1,000 of insurance up to \$100,000, approximately \$3.98 per thousand for each additional \$1,000 up to \$500,000 and

approximately \$3.65 per thousand for \$500,000 to \$1,000,000 and \$3.25 per thousand above \$1,000,000.

2. Mortgage title insurance at the estimated rates of \$5.55 per thousand for the first \$50,000 of mortgage title insurance, approximately \$4.54 for each additional \$1,000 of mortgage title insurance up to \$100,000, approximately \$3.64 per thousand for each additional \$1,000 up to \$500,000 and \$3.31 per \$1,000 between \$500,000 and \$1,000,000.

In the event a Purchaser obtains both mortgage and fee title insurance, the simultaneous fee rate is based on the full rate of the fee and a reduced rate of the mortgage title.

Each Purchaser will be free to obtain title insurance from a title insurance company other than North Shore Abstract Ltd as agent for Lawyers Title Insurance Corporation a title company authorized to do business in the State of New York. Sponsor, however, makes no representation or warranty as to cost, terms or availability of such other title insurance.

3. Fees for the recording of the deed, power of attorney and any 339-ee Affidavit which are approximately \$125.00, \$125.00 and \$50.00 per document.

4. In the event the Purchaser shall obtain a purchase money first mortgage, he shall pay recording fees for the mortgage of approximately \$100.00 and mortgage tax of 2.05% of the amount of the mortgage less \$25, and lending institution's attorney's fees. In addition, the Purchaser will be required to pay any mortgage origination fees, bank credit and appraisal fees and other expenses that the lending institution may charge incident to the making of the permanent loan. If applicable, a portion of the mortgage recording tax set forth above will be computed in accordance with Section 339-ee subsection 2, of the New York Condominium Act, and shall be paid to the Sponsor in reimbursement of mortgage recording taxes which the Sponsor may have previously paid in connection with existing mortgage on the Condominium. There will be no mortgage closing costs pursuant to this paragraph 4 on Units which are not covered by mortgages.

5. New York State Transfer Tax of \$2.00 per \$500 of the purchase price and New York City Real Property Transfer Taxes of one (1%) percent of the Purchase Price where the consideration is less than \$500,000 and 1.43% where the consideration is \$500,000 or greater. These taxes are normally an expense of the Sponsor, however, by contractual arrangement they will be paid by Purchaser. As a result, when a Purchaser assumes the obligation to pay these taxes, the amount of such taxes will be included in the consideration subject to tax. The steps to compute the taxes are:

- (a) Multiply the purchase price by the State Tax Rate to compute a tentative tax.

- (b) Multiply the purchase price by the City Tax Rate to compute a tentative tax.
- (c) Add both tentative taxes to the purchase price.
- (d) Multiply the total of "c" above by the State Rate.
- (e) Multiply the total of "c" above by the City Rate.

EXAMPLE: Purchase Price = \$600,000

- (1) $\$600,000 \times .004 = \$2,400$
- (2) $\$600,000 \times .0143 = \$8,555$
- (3) $\$600,000 + \$2,400 + \$8,555 = \$610,955$
- (4) $\$610,955 \times .004 = \$2,444$ amount due for State Transfer Tax
- (5) $\$610,955 \times .0143 = \$8,712$ amount due for New York City Real Property Transfer Tax.

6. Working capital of equal to two (2) months common charges to be paid to the Condominium. While Sponsor is in control of the Board of Managers, the working capital fund will not be used to reduce the Common Charges of the Condominium. If any portion of the working capital fund is used during this period to pay for items in the budget set forth, such amounts will be repaid to such fund out of Common Charges collected.

7. Each Purchaser shall pay to the Sponsor 3/10 of 1% of the sales price of their respective Unit for reimbursement of the Sponsor's cost in obtaining tax exemption benefits pursuant to Section 421-a of the New York State Real Property Tax Law.

8. Each Purchaser shall pay \$1,000.00 to Sponsor's counsel, representing a fee for services in connection with preparing the Unit Deed, the Unit Owner's Power of Attorney and for coordinating and attending the closing. Such fee shall be payable at or prior to the closing by Purchaser's unendorsed, personal check made payable directly to the order of Sponsor's attorney.

9. Any mortgage tax credit received pursuant to Section 339-ee of the Real Property Law will inure to the benefit of Sponsor.

10. Each Purchaser shall pay \$150.00 to Sponsor for reimbursement of the cost of preparing the New York City "ACRIS" transfer documents.

11. New York State Real Property Tax (New York Tax Law §1402) of 1% of consideration of the Residential Unit if it exceeds \$1,000,000 ("Mansion Tax").

As an example, a Purchaser of a Unit in which the purchase price is \$756,210 and who procures a first mortgage in the amount of \$604,000 will pay the following approximated closing costs:

Fee Title Insurance:	\$ 3,540.00
Mortgage Insurance (simultaneous rate)	\$ 736.00
Deed Recording Fee:	\$ 125.00
Power of Attorney Recording Fee:	\$ 125.00
339-ee Affidavit	\$ 50.00
Mortgage Recording Fees:	\$ 200.00
New York State Transfer Tax:	\$ 3,080.00
New York City Transfer Tax:	\$11,012.00
Mortgage Tax:	\$ 9,262.00
Condominium Working Capital:	\$ 1,370.86
421-a Reimbursement	\$ 2,269.00
Sponsor Attorney Fees for Preparation of Documents:	\$ 1,000.00
ACRIS Preparation Fee	\$ 150.00
TOTAL	\$32,919.86

In addition, if a closing takes place, at the request of Purchaser, at any location other than the office of Sponsor's attorney, Purchaser shall pay to Sponsor's attorney a travel fee in the sum of \$250.00.

In the event a closing is adjourned with Sponsor's consent, at the request of Purchaser or Purchaser's attorney within forty-eight (48) hours of the scheduled time of Closing, Purchaser shall also pay Sponsor's attorney an adjournment fee in the sum of \$150.00.

In the event the Units have not been separately assessed for real estate tax purposes prior to the closing of title to the first Unit, Sponsor may place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes which will be levied against said Unit for the six month period following the first closing. Said amount is to be paid by Purchaser. Alternatively, the Sponsor may place in escrow, in the name of Board of Managers, an amount equal to the real estate taxes attributable to the unsold Units for such six month period and may collect at each closing the estimated amount of taxes attributable to such Unit for the balance of the six (6) month period. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable and either the Sponsor or the Board of Managers will be entitled to reimbursement from Unit owners to the extent of the actual assessment.

Purchaser shall also pay, or reimburse to Sponsor, if Sponsor has already made payment, the following charges: (a) inspections, (b) appraisals, (c) surveying services, (d) water and sewer tap and connection fees, water meter deposit, water vault, water meter reading equipment and water and sewer test fees and (e) advance sewer use payments, if any.

If through no fault of Sponsor, Purchaser fails for any reason to close title within seven (7) days after the date originally scheduled in Sponsor's Notice of Closing or such later date (if applicable) to which Sponsor in a subsequent Notice for Closing adjourned the Closing, all of the aforementioned apportionments shall be made as of midnight of the day preceding (i) the date originally scheduled for Closing or (ii) Sponsor's adjourned Closing date (as the case may be). In addition, Purchaser shall pay to Sponsor at or prior to the actual Closing an amount equal to four one-hundredths of one percent (.04%) (which equals an annual rate of 14.6%) of the purchase price for the Unit for each day beyond such originally scheduled or Sponsor adjourned Closing date, to and including the date of actual Closing, for reimbursement and defrayal of Sponsor's carrying costs and other charges.

The fee title policy premiums and the recording charges set forth above are estimates based on the rates in effect as of the date of this Offering Plan. If said premiums, charges or rates are subsequently revised by the title company, the State, or Municipality, each Purchaser shall be required to pay the title policy premiums, recording charges and closing costs in effect as of the date of the closing of title to their Unit.

The Sponsor anticipates that the only items which will be apportioned at the closing of title to the Units will be real estate taxes and sewer charges, if any, and Common Charges and maintenance charges, if they have been declared by the Board of Managers and Board of Directors. The adjustments will be made as of 11:59 P.M. on the day preceding the closing date. In the event there are any other items which are to be apportioned at closing, said items will be adjusted at the closing. The Sponsor will advise the Purchaser of the closing date by giving him written notice at least fifteen (15) days prior to the closing date.

XV. RIGHTS AND OBLIGATIONS OF THE SPONSOR

No bond or other security has been furnished to secure performance of the following obligations. See Special Risk No. 6. All obligations pertaining to the Common Elements shall be enforceable only by the Board of Managers on behalf of the Unit Owners and not by the individual Unit Owners. During the time the principals of the Sponsor control the Board, it is within their sole power to enforce the obligations of the Sponsor pertaining to the Common Elements. The following shall pertain to the Sponsor:

1. Sponsor will endeavor in good faith to market and sell the Residential Units in the Condominium. Notwithstanding, Sponsor retains the unconditional right to rent rather than sell the Residential Units. Because Sponsor is retaining the unconditional right to rent rather than sell Residential Units, this Plan may result in the creation of a condominium in which a majority of the Residential Units are not owned by owner-occupants or investors unrelated to the Sponsor. Due to the fact Sponsor is not limiting the conditions under which it will rent rather than sell Residential Units, there is

no commitment to sell more Residential Units than the fifteen (15%) percent necessary to declare the plan effective and owner-occupants may never gain effective control and management of the Condominium.

2. The Sponsor has no obligation to defend any suits nor to indemnify the Board of Managers or Unit Owners arising out of any act or occurrence occurring prior to the recording of the Declaration of Condominium except claims arising out of the acts, omissions or representations of the Sponsor.

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

4. Until title to a Unit is passed to a Purchaser, the Sponsor will pay such Common Charges, special assessments and real estate taxes, as are assessed by the Board of Managers of the Condominium and the City of New York on the Units to which title has not passed. Once title is passed to a Purchaser the Purchaser shall be solely responsible for all Common Charges, special assessments, real estate taxes and all other costs applicable to the Unit, as are assessed by the Board of Managers of the Condominium and the City of New York. No bond or other security has been posted to secure such obligations. Sponsor will fund its financial obligations to the Condominium from the income derived from the sale of the Units, a construction loan from Cathay Bank and Sponsor's assets. Sponsor currently has the resources necessary to meet its obligations under the Offering Plan.

5. The Sponsor is obligated to repair any damage from a casualty or other cause that occurs before the closing of a Purchaser's Unit.

6. Sponsor will initially procure fire and casualty insurance for the Condominium on the terms set forth in the budget. In the event there are insufficient funds in the Condominium to pay for such insurance, Sponsor may lend the Condominium such funds and Sponsor will be repaid out of subsequent Common Charges collected. No Board or Unit Owner approval is required to make such loan.

7. In the event of the dissolution or liquidation of the Sponsor or the transfer of twenty (20%) percent or more of the total number of Units in the Condominium, the Principals of the Sponsor will provide financially responsible entities or individuals who will assume the status and all the obligations of the Sponsor for those Units under the Offering Plan, applicable laws or regulations.

8. The Sponsor will be obligated to pay off and otherwise comply with the terms of any mortgage on the entire Condominium. After the recording of the Declaration and before the closing of title to the first Unit, in the event there is a mortgage that encumbers the property it will be satisfied, released, subdivided or extended and consolidated with the individual permanent mortgage which will be placed on the Units of those Purchasers obtaining a purchase money mortgage. In addition,

before the closing of title to the first Unit, all liens and mortgages affecting the Condominium shall be paid and satisfied or the Unit being conveyed and its appurtenant Common Interest shall be released there from by partial release duly recorded.

9 The Sponsor will diligently, expeditiously and at its own cost, complete construction of the Condominium substantially in accordance with the plans and specifications described herein and will diligently perform all of its obligations set forth in this Offering Plan and will deliver to the Board of Managers a copy of the "as built" plans filed with the recording of the Declaration or any amendment thereto and in addition will provide the Board with a full set of building plans filed with the local Municipality together with any "field changes" made during the course of construction. Although the Sponsor intends to use the materials, fixtures, appliances and equipment described herein and in the building plans, the Sponsor reserves the right to substitute materials, fixtures, appliances and equipment of equal or better quality or design for any of those set forth. Sponsor reserves the right to change the size, number and location of the improvements or Common Elements, provided such changes do not change or adversely affect the percentage of Common Interest of any Unit to which title has closed or for which a Purchase Agreement has been executed and is in effect unless all affected Unit Owners and Purchasers consent in writing to such a change. Sponsor further reserves the right to determine the ultimate Residential Unit type mix to be constructed at the Building; determine the location of electric, gas and water meters, electric transformers, air conditioning compressors, speed bumps, mailboxes; and make any other changes required by the City of New York.

10. The Sponsor will obtain a permanent or temporary Certificate of Occupancy and any other certificate or permit required by law for the Building or Unit before the closing of title to a Unit and will, at its own cost, perform any work and supply any materials necessary to obtain the Certificates or permits. In the event a permanent certificate is not issued as of the date of closing of a Unit, Sponsor anticipates obtaining the permanent certificate within two (2) years of the closing of the Unit. Sponsor will obtain the permanent Certificate of Occupancy prior to the expiration of any temporary certificate of occupancy, unless the temporary certificate of occupancy is extended. In addition, Sponsor will deliver a Bureau of Electrical Control Certificate to the Building Department of the City of New York prior to the issuance of a permanent Certificate of Occupancy.

In the event a Permanent Certificate of Occupancy for the Building or an individual Unit has not been issued as of the date of closing for said Unit, the Sponsor will continue to hold all deposits and funds in the special escrow account required pursuant to Section 352-e (2-b) and 352-h as described in Section X of the Offering Plan unless Sponsor's engineer or architect certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent Certificate of Occupancy. Any sum of money exceeding the amount certified by the Sponsor's engineer or architect will be released to the Sponsor. Upon the issuance of the Permanent Certificate of Occupancy, such escrow deposit will be released to Sponsor without the consent of any other party. Alternatively, Sponsor may deposit with an

escrow agent an unconditional, irrevocable letter of credit or post a surety bond in the amount certified by Sponsor's engineer or architect. In such event, it will disclose such fact by duly filed amendment to the Plan.

11. The Housing Merchant Implied Warranty Law (Article 36-B of the General Business Law), does not apply to the Homes in this Condominium. At the closing of title the Sponsor will deliver the certificates and warranties delivered to them and transferable to Purchaser, or to the Condominium. Seller's liability pursuant to the manufacturers' warranties covering heating, electric, plumbing and roofing are limited solely to the extent that such warranties are delivered to Seller, transferable to the Purchaser or to the Condominium and then only as against such manufacturer. In addition, however, Sponsor will promptly correct any defects in the construction of the Condominium Unit or the building containing such Unit or in the installation or operation of any mechanical equipment therein due to material or improper workmanship substantially at variance with the plans and specifications, provided only that it is notified of such defects in writing by certified mail within one year from the date of closing of title to the Unit in which the alleged defects exist. No steps taken by Sponsor to correct any defect shall act to extend the warranty period. Sponsor accepts no responsibility for incidental or consequential damage caused by any defect. These warranties are extended to the named Purchaser and are not extended to any subsequent Purchaser nor to any mortgage lender who takes title or possession off he Unit. These warranties shall be void if Purchaser misuses, abuses or otherwise interferes with or changes Sponsor's original construction or installations. Sponsor disclaims any other express or implied warranties, including the warranty of merchantability, habitability, and workmanlike construction. Sponsor is obligated to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of this Offering Plan.

12. Regarding the Common Elements, the Sponsor will correct any defects in the construction of the Common Elements, or in the installation or operation of any mechanical equipment therein, due to improper workmanship or material substantially at variance with this Offering Plan provided and on condition that Sponsor is notified by certified mail of such defect(s) within twelve (12) months from the date of the closing of the first Unit in the Condominium in the case of defects in the Common Elements not affecting a Purchaser's Unit or twelve (12) months from the closing of title to a Unit in connection with defects in the Common Elements affecting a Purchaser's Unit. The quality of construction shall be comparable to local standards customary in the particular trade and in accordance with the plans and specifications. In no event shall the Sponsor be responsible for the partial or total death of any trees, shrubs, bushes or other landscape improvements; damage to walkways or other concrete areas caused by the application of salt or deicers; normal settlement cracks on sidewalks, other flat work; sidewalks, cellar leaks resulting from acts of God or alteration of landscaping or grading (whether performed by the Condominium or Unit Owner); leakage resulting from "ice dams" forming on roof; spalling or flaking of concrete surfaces if ice melting compounds have been used. The Sponsor has no obligation to make any repair to the Common Elements except as expressly set forth in the Offering Plan.

13. The Sponsor will deliver to the Purchaser and/or the Board of Managers upon the recording of the Declaration all manufacturers' and sub-contractors' heating, electrical, plumbing, roofing and appliance warranties and bonds relating to the Purchaser's Unit or the Common Elements respectively, if any, to the extent made by such manufacturers and subcontractors and to the extent such warranties and bonds are assignable.

14. The Sponsor will pay all contractors, subcontractors and material men and all others involved in the construction of the Condominium for work performed and fixtures, material and equipment supplied or installed in the construction of the Condominium and will cause all mechanics' liens arising out of the construction of the Condominium or the furnishing or installation of fixtures or equipment, to be discharged or bonded promptly after the liens are filed.

The Sponsor will pay all expenses incurred prior to the establishment of the Condominium and will bear and pay all costs and expenses incurred in connection with the creation of the Condominium whenever such costs or expenses are incurred or in connection with the sale of all of the Units held or owned by the Sponsor and will pay all selling expenses including, but not limited to, advertising and printing costs, architect fees, and costs of filing this Offering Plan and amendments thereto.

15. No bond or other security has been posted to secure Sponsor's obligations.

16. The Sponsor reserves the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across the Common Elements of the Condominium for the purpose of completing its renovation and sale of Units and facilities in the Condominium and, towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over and across the Common Elements for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television, and other utilities and for any other materials or services necessary for the completion of the work. Sponsor also reserves the right to connect with and make use of the utility lines, wires, pipes, conduits, cable television, sewers and drainage lines which may from time to time be in or along the Common Elements. Sponsor will be obligated to pay for the cost of any utilities it uses as a result of its use of the easements, licenses, rights and privileges of a right-of-way. Finally, the Sponsor reserves the right to continue to use the Common Elements and any facilities, sales offices, model units and signs located on the Common Elements, in its efforts to market the Units in the Condominium. Sponsor will be obligated to repair any damage to the Common Elements and Units caused as a result of its use of the easements, licenses, rights and privileges of a right-of-way to complete the renovation of the Condominium.

17. The Sponsor has no obligation to defend any suits nor to indemnify the Board of Managers or Unit Owners arising out of any act or occurrence occurring prior

to the recording of the Declaration of Condominium except claims arising out of the acts, omissions, or representations of the Sponsor.

18. Pursuant to Section 352-e (9) of the General Business Law, copies of all documents mentioned in this Offering Plan, including without limitation the following, are and will be kept on file at the office of Sponsor set forth on the cover page of this Offering Plan for six (6) years from the date the Declaration is recorded for examination by any person who has purchased a condominium interest offered by this Plan or otherwise has participated in this offering: This Offering Plan; the proposed Declaration and By-Laws of the Condominium; public liability, fire and casualty policy, and Exhibits submitted to the Department of Law in conjunction with this Plan. A copy of the form of Unit Owner's Purchase Agreement is submitted with this Offering Plan as Schedule D in Part II of the Offering Plan.

19. In accordance with Section 339-p of the Real Property Law, a registered architect or licensed professional engineer shall certify within reasonable tolerances that the floor plans filed with the recording of the declaration are an accurate copy of portions of the plans of the buildings as filed with and approved by the municipal or other governmental subdivision having jurisdiction over the issuance of permits for the construction of buildings.

20. The Sponsor reserves the right to lease the Residential Units and Non-Residential Unit before or after the Declaration has been recorded. In such an event, Purchasers of such Unit will be purchasing a Unit that has previously been occupied. Such previously rented Non-Residential Unit will be delivered in its then "as is" condition.

21. As noted in Section IXA, Sponsor will not enter into interim leases with Purchaser for Residential Units prior to closing.

XVI. CONTROL BY THE SPONSOR

The Sponsor, as the owner of unsold Units, will be entitled to designate a majority of the members of the Board of Managers until all of the Units have closed. The initial Board of Managers will consist of three (3) Sponsor appointees. A meeting will be held to elect new Board Members unrelated to Sponsor within thirty (30) days of the expiration of the control period. As a result the Sponsor will have voting control of the Board of Managers during this period. As a result of the fact Sponsor may retain a majority of the Board of Managers until all of the Residential Units have closed, Purchasers for their own occupancy may never gain control of the Board of Managers under the terms of this Offering Plan. Purchasers should further note that the By-Laws do not contain any provision that provides that after the Sponsor relinquishes control of the Board a majority of the Board of Managers must be owner occupants who are unrelated to the Sponsor or its principals. The Sponsor will also, during this indeterminate period, have control. The Sponsor will also, during this indeterminate

period, have control of maintenance, facilities and services to be provided and will determine the Common Expenses to be paid by all Unit Owners, including the Sponsor and the enforcement of the Sponsor's obligations through the Board of Managers.

The first Board of Managers of the Condominium will consist of Edward Flax, Gary Axelrod and Albert Shirian who are all affiliated and/or principals of the Sponsor. The Sponsor shall retain the right to substitute other persons in the place of the above-named individuals until the resignation of the first Board as set forth below. The first Board of Managers will call for the first Annual Meeting of the Unit Owners to elect and designate a new Board within one (1) year of the closing of the first Unit. Said Board will consist of five (5) members, three (3) Sponsor designees and two (2) elected Unit Owner. Sponsor will be able to cast votes for the Unit Owners members of the Board during the Sponsor control period. Sponsor will continue to hold annual meetings during the period it controls the Board of Managers. At such time as all of the Units are closed, Sponsor must relinquish control of the Board of Managers. Upon the election and designation of the new Board, the members of the first Board will resign. Members of the Board of Managers shall not be compensated for their services. Members of the Board of Managers may be removed for cause by an affirmative vote of a majority of the Unit Owners. Officers of the Condominium may be removed with or without cause, at anytime, by the affirmative vote of a majority of the whole Board of Managers. While the Sponsor is in control of the Board of Managers any contract with a Managing Agent will include a clause that said contract can be terminated upon ninety (90) days written notice of any party.

If the Sponsor voluntarily gives up control before it is require to do so, then for a period ending not more than five (5) years after the closing of title to the first Unit or whenever the unsold Units constitute less than twenty-five (25%) percent of the Common Interest, whichever is sooner, the Board of Managers may not, without the Sponsor's prior written consent, (i) make any additions, alterations or improvements to the Common Elements or to any Unit costing cumulatively more than \$25,000, the foregoing not to include necessary repairs and maintenance work; or (ii) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund in excess of the reserve for contingencies provided in Schedule B; or (iii) hire any employee in addition to the employees referred to in the Plan; or (iv) enter into any contracts not in existence on the date of the first closing of title to a Unit; or (v) borrow money on behalf of the Condominium; or (vi) reduce the services or maintenance set forth in Schedule B; (vii) charge any special assessment for a non-budgeted item unless required by law, municipal agency, emergency or for the health and safety of the condominium; or (viii) increase the Common Charges of the Condominium more than ten (10%) from the prior year's budget, unless documentation is provided to the Sponsor in the nature of a financial statement, bids from contractors or verified increases in utility rates evidencing the need for an increase greater than ten (10%) percent, or (ix) utilize condominium funds or assess the Sponsor for the purpose of commencing a lawsuit against the Sponsor or any of its principals.

As noted above, the Sponsor has the right to retain control over certain expenditures and fiscal actions of the Board of Managers. Notwithstanding said fact, Sponsor may not exercise veto power over expenses described in Schedule B (the proposed first year budget), or over expenses required:

- (i) to comply with applicable laws or regulations; or
- (ii) to remedy any notice of violation; or
- (iii) to remedy any work order by an insurer.

The above provisions provide that during said period, significant financial decisions of the Board of Managers will be decided by the Sponsor. Examples of such decisions are, in part, the ability to borrow money, as provided in The Condominium Act (Article 9-B of the Real Property Law, §339-jj), for a capital improvement all Unit Owners are in favor of, or the ability to enter into a contract with a lawyer and fund legal fees if the Sponsor fails to comply with provisions in the offering.

The detailed provisions for the management of the Condominium are set forth in the By-Laws attached. The By-Laws contain provisions, among others, dealing with the election of the Board of Managers, and Condominium officers, powers of the Board of Managers, voting rights of Unit Owners, assessment of Common Charges, foreclosure of liens for non-payment of Common Charges, management of the Condominium and the use of the Units. The By-Laws provide that the Condominium shall be governed by the Board of Managers, but that the Board of Managers shall have the right to designate Committees or a Managing Agent to carry out such function.

XVII. BOARD OF MANAGERS

The form of the By-Laws and the Declaration of Condominium referred to in the Plan appear in Part II as Schedules I and J.

The following is a summary of certain provisions of the By-Laws and Declaration.

Board of Managers

The affairs of the Condominium shall be governed by a Board of Managers (the "Board"). Until the first annual meeting, the first Board shall consist of three (3) Managers designated by the Sponsor. Thereafter the Board of Managers shall consist of a total of five (5) Managers who shall be elected or designated for staggered terms. Four (4) of the members of the Board of Managers shall be elected by the Residential Unit Owners and one (1) member by the Non-Residential Member. See Section XVI of the Offering Plan as to Sponsor's right to designate a majority of the Board of Managers until all of the Residential Units have closed. Purchasers should further note that the By-Laws do not contain any provision that provides that after the Sponsor relinquishes

control of the Board a majority of the Board of Managers must be owner occupants who are unrelated to the Sponsor or its principals.

Every Unit Owner shall be entitled to cast one vote on each ballot for each Unit owned. However, the Residential Unit Owners shall only be entitled to vote for their respective Board representatives and the Non-Residential Unit Owner shall only be entitled to vote for their respective Board representative. All Residential Unit representatives to the Board of Managers, other than designees or nominees of the Sponsor, shall be Residential Unit Owners. The respective representatives to the Board of Managers of the Non-Residential Unit do not need to be Unit Owners. At the first annual meeting two (2) of the Residential Unit Owners representing the Board of Managers shall be elected for a three (3) year term, two (2) Residential Unit Owner's Board representative for a two (2) year term and the one (1) Non-Residential Unit Owner's Board representative for a one (1) year term. At the expiration of the initial term of office of each respective Manager, the Manager's successor shall be elected to serve a term of three (3) years. Elections are to be held annually. See Section XVI of the Offering Plan for details concerning Sponsor control of the Board of Managers.

The first annual meeting of the Board of Managers of the Condominium will take place within one (1) year of the closing of the first Unit in the Condominium. Thereafter, annual meetings shall be held on the anniversary date of each succeeding year, unless such date is changed by the Board of Managers.

It shall be the duty of the President to call a special meeting of the Condominium, if so directed by the Board of Managers, or upon the presentation to the Secretary of a petition signed by a majority of the Unit Owners. The secretary shall cause a notice of such special meeting stating the time, place and object thereof and the officer or other person or persons by whom the meeting is called, to be delivered personally or mailed to each Unit Owner of the Condominium entitled to vote at such meeting not less than ten (10) nor more than thirty (30) days before such meeting. The date of the special meeting shall be determined by the Board of Managers and shall be held no later than sixty (60) days from receipt of any written request unless a later date is agreed to in writing by the Unit Owners of the Condominium or the Board of Managers, requesting such meeting. No business other than that stated in such notice shall be transacted at such special meeting unless all Owners of the Condominium are present in person or by proxy. See Article II, Section 10 of the By-Laws of the Condominium.

Removal of Members of the Board of Managers

The respective representative to the Board of Managers may be removed for cause by an affirmative vote of a majority of the respective Unit Owners. No Residential Unit Owner representative to the Board of Managers, other than a member of the first Board of Managers or Sponsor's designees or nominees, shall continue to serve on the Board if, during their term of office, the Manager shall cease to be a Residential Unit Owner. The Non-Residential Unit Owner representatives to the Board of Managers are

not required to be Unit Owners. In the event a Sponsor designee is removed for cause, the Sponsor shall have the sole right to designate a replacement.

Powers and Duties of Board of Managers

The property and business of the Condominium shall be managed by its Board of Managers. The powers of the Board of Managers include, but are not limited to, the following items:

1. To determine and levy monthly assessments ("Common Charges") to cover the cost of Common Expenses, payable in advance.
2. To collect, use, and expend the assessments collected to maintain, care for and preserve the Units, the Building, and other Common Elements;
3. To make repairs, restore or alter any Unit or the Common Elements after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings;
4. To enter into and upon the Units when necessary and at as little inconvenience to the Unit Owners as possible in connection with the maintenance, care and preservation of the property. No notice is required to gain access for repairs. Any repairs required as the result of negligence of the Unit Owner will be at the expense of the Unit Owner;
5. To insure and keep insured the General Common Elements, General Residential Units' Limited Common Elements and the Units. A Unit Owner may secure supplemental coverage for the Unit and its contents and the liability coverage for the Unit;
6. To collect delinquent Common Charges and special assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from the Unit Owners of the property for violations of the house rules or rules and regulations herein referred to;
7. To make reasonable rules and regulations;
8. To employ and terminate the employment of employees and independent contractors and to purchase supplies and equipment, to enter into contracts, and generally to have the powers of a manager in connection with the matters hereinabove set forth;
9. To bring and defend actions by or against more than one Unit Owner and pertinent to the operation of the Condominium and to levy special assessments to pay for the cost of such litigation;

10. To acquire Units in foreclosure or as a result of abandonment and to take any or all steps necessary to repair or renovate any Unit so acquired and to vote as a Unit Owner, offer such Unit for sale or lease or take any other steps regarding such Unit as shall be deemed proper by the Board of Managers;

11. To make additions, alternations, or improvements to the General Residential Units' Limited Common Elements and General Common Elements of the Building, the cost of which addition, alteration, or improvement does not exceed \$250,000. The Board of Managers may make additions, alterations or improvements to the General Residential Units' Limited Common Elements and General Common Elements costing in excess of \$250,000 only with approval of a majority of all the Unit Owners for any additions, alterations or improvements to the General Common Elements and the approval of a majority of the Residential for any additions, alterations or improvements to the General Residential Units' Limited Common Elements;

12. To borrow money on behalf of the Condominium when required in connection with the operation, care upkeep and maintenance of the General Residential Limited Common Elements and General Common Elements, provided, however, that for the first five (5) years after the first conveyance of a Unit (i) the consent of at least sixty-six and two-thirds (66-2/3%) percent in number of all the Unit Owners to borrow for the operation, care upkeep and maintenance of the General Common Elements and the consent of at least sixty-six and two-thirds (66-2/3%) percent in number of the Residential and General Residential Unit Owners to borrow for the operation, care, upkeep and maintenance of the General Residential Units' Limited Common Elements, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these By-Laws, shall be required for the borrowing of any sum in excess of \$250,000 and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the written consent of the Owners of said Unit. Thereafter, the Board of Managers may borrow and incur debt on behalf of the Condominium in accordance with Section 339-jj of the Real Property Law of the State of New York;

13. Pursuant to Section 339-y(4) of the New York Real Property Law, the Board of Managers may (but is not obligated to) act as an agent for one or more Unit Owners who have given their written authorization to file a single complaint and bring a special proceeding on behalf of Unit Owners who wish to contest the real estate tax assessments of their Units. In such event, the Board could retain counsel on behalf of such Unit Owners and charge each Unit Owner for whom it is acting a pro rata share of expenses, disbursements and legal fees, the payment for which would be secured by a lien on each Unit; and

14. To grant utility or other easements over or to the Common Elements as may, at any time, be required for the benefit of the Condominium and the Unit Owners without the necessity of the consent thereto, or joinder therein, by the Unit Owners or any mortgagee (except that if the granting of such easement impairs the ability of one (1) or more Unit Owners who have the right to use such common elements to the

exclusion of any other Unit Owners, the consent of all such affected Unit Owners shall be required in writing before such easement shall be granted).

Liability of Board of Managers and Unit Owners

In order to limit the liability of the Unit Owners, any contract, agreement or commitment made by the Board of Managers or Officers of the Condominium shall state that it is made by the Board of Managers as agent for the Unit Owners as a group only and that no member of the Board of Managers or Officers of the Condominium nor individual Unit Owner shall be liable for such contract, agreement or commitment except that every Unit Owner shall be liable to the extent that their proportionate interest in the Common Elements bears to the total liability under such commitment. The Board of Managers and Officers of the Condominium shall have no liability to the Unit Owners in the management of the Community except for wilful misconduct or bad faith and the Unit Owners shall severally indemnify all members of the Board of Managers against any liabilities or claims arising from acts taken by a member of the Board of Managers in accordance with their duties except acts of wilful misconduct or acts made in bad faith. Such several liability of the Unit Owners shall, however, be limited to the extent that their proportionate interest in the Common Elements bears to the total liability of the member of the Board of Managers.

Indemnification of Board of Managers

The Unit Owners of the Condominium shall indemnify and hold harmless each of the members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provision of the Declaration or of the By-Laws. It is intended that the members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium (except as Unit Owners). In the event a member of the Board of Managers acts in bad faith or contrary to the provisions of the Declaration or By-Laws, the individual Board Member may be personally liable.

Officers

The officers of the Condominium shall be chosen by the Board of Managers and shall be a president, a vice president, a secretary and a treasurer. The Board of Managers may also choose one (1) or more assistant secretaries and assistant treasurers and such other officers as in their judgment may be necessary. Officers do not need to be Unit Owners. Two (2) or more offices may be held by the same person, except for the President whom can only hold the office of the President.

The President shall be the chief executive officer of the Condominium, shall preside at all meetings, shall have general and active management of the business of the Condominium and shall see that all orders and resolutions of the Board are carried into effect.

The Vice President shall take the place of the President and perform the duties of the President whenever the President is unable to do so.

The Secretary shall record all votes and the minutes of all proceedings in a book.

The Treasurer shall have the custody of the Condominium funds and securities and shall keep full and accurate chronological accounts of receipts and disbursements in books belonging to the Condominium including the vouchers for such disbursements, and shall deposit all monies and other valuable effects in the name and to the credit of the Condominium in such depositories as may be designated by the Board of Managers.

The Treasurer shall disburse the funds of the Condominium.

The Treasurer shall keep detailed financial records and books of account of the Condominium, including a separate account for each Residential Unit which, among other things, shall contain the amount of each assessment of Common Charges against such Unit, the date when due, the amounts paid thereon and the balance remaining unpaid.

Repairs, Alterations and Improvements to Common Elements

All maintenance, repairs and replacements to the General Common Elements including, but not limited to, exterior walls of the Building, windows, roof and roof members, mechanical equipment servicing the entire Building, as well as all maintenance, repairs and replacements to any pipes, wires, conduits and public utility lines servicing the entire Building shall be made by the Board of Managers and the cost thereof shall be a Common Charge payable by all Unit Owners based on their percentage of Common Interest in the Building. The Board of Managers shall repair all plumbing stoppages and electrical repairs occurring in the General Common Elements.

All maintenance, repair and replacement to the General Residential Units' Limited Common Elements servicing the Residential Units, including maintenance, repairs and replacements to any pipes, wires, conduits and public utility lines, any portion of which is located in one Residential Unit and services another Residential Unit or more than one (1) Residential Unit or so much of any pipes, wires, conduits and public utility lines as are located in the General Residential Units' Limited Common Elements but serve one or more Residential Units shall be made by the Board of Managers and the cost thereof shall be a Common Expense of only the Residential Unit Owners based on their pro-rata share of the Residential portion of the Building as reflected in the Declaration of Condominium.

The percentage of Common Interest allocated to a Parking Space Unit shall be added to any Unit's percentage of Common Interest to determine that Unit's contribution to the General Common Elements of the Condominium.

All maintenance, repair and replacement to the Residential Units, whether structural or nonstructural, ordinary or extraordinary, including any Residential Limited Common Element appurtenant to a Residential Unit, other than to any General Common or General Residential Units' Limited Common Elements contained therein, will be made by the respective Residential Unit Owner at their sole expense.

All maintenance, repair and replacement to the Non-Residential Unit, whether structural or nonstructural, ordinary or extraordinary, including the Non-Residential Unit's Limited Common Element, other than to the General Common Elements contained therein, will be made by the Non-Residential Unit Owner(s) at their sole expense.

The Board of Managers shall have the right of access to any Unit for the purpose of making any repairs or replacements to any of the General Common Elements and General Residential Units' Limited Common Elements contained therein or elsewhere in the Condominium or to remedy any condition which would result in damage to any other Unit or the General Common Elements or General Residential Units' Limited Common Elements, or which would violate the provisions of any mortgage covering another Unit or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof or for the purpose of carrying out any of its obligations under this Offering Plan, the By-Laws or the Declaration of the Condominium. Such right of access shall be exercised in such manner as will not unreasonably interfere with the use of the Units but no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Condominium or its property, or the Units, or for the safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium.

Restoration or Reconstruction After Fire or Other Casualty

In the event of damage to or destruction of the Building as a result of fire or other casualty, the Board of Managers shall arrange for the prompt repair and restoration of the Building and the Board of Managers or the Insurance Trustee shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges.

If 75% or more of the Units are destroyed or substantially damaged and 75% or more of the Unit Owners do not resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common in which event the net proceeds of sale, together with the net proceeds of insurance policies shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, among all the Unit Owners in proportion to

their respective common interests, after first paying out of the share of each Unit Owner the amount of any unpaid liens on the Unit, in the order of the priority of such liens.

Insurance

The Board of Managers shall obtain and maintain, to the extent obtainable, fire insurance with extended coverage, water damage, vandalism and malicious mischief endorsements insuring the Building, including all of the Units and the bathroom, kitchen and laundry equipment initially installed therein by the Sponsor, together with all heating, air conditioning equipment and other service machinery contained therein, covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of the Building. Each of such policies shall contain a New York Standard Mortgagee clause in favor of each mortgagee of a Unit which shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee hereinafter set forth; and such other insurance as the Board of Managers may determine.

Reports to Unit Owners

All Unit Owners will receive within four (4) months of the end of each fiscal year, copies of an annual report of the Condominium including a balance sheet and profit and loss statement prepared by an independent public accountant, a statement regarding any taxable income attributable to the Unit Owners, and a notice of the holding of the annual Unit Owners meeting. All Unit Owners shall be entitled to examine the books and records of the Condominium on reasonable notice to the Board but not more often than once a month. During such time as the Sponsor retains a majority of the Board of Managers, the Board shall provide a certified annual statement at the cost of the Condominium.

Amendments

The Declaration may be amended upon a vote of at least 66-2/3% of the Unit Owners in number held at a duly called meeting of the Unit Owners, provided however, that:

- (i) No amendment shall change any Condominium parcel, nor a Unit Owner's proportionate share of the Common Charges, nor the voting rights appurtenant to any Unit, unless all of the record owner(s) in number and common interest thereof and the first mortgagees, if any, of each of these same Units agree to such revocation by recorded instrument.
- (ii) No amendment shall be passed which shall impair or prejudice the rights and priorities of mortgagees or the Sponsor.

- (iii) No amendment to the Declaration shall affect the Limited Common Elements appurtenant to a specific Unit without the written consent of the specific Unit Owner affected thereby.
- (iv) No amendment to the Declaration shall affect the General Residential Units' Limited Common Elements without the written consent of at least sixty-six and two-thirds (66- 2/3%) percent in number of the Residential Unit Owners.
- (v) No amendment to the Declaration which solely affects the Non-Residential Unit may be adopted without the written consent of the Non-Residential Unit Owner.
- (vi) No amendment to the Declaration providing for attendant parking may be adopted without the written consent of eighty (80%) percent of the Unit Owners.

The By-Laws may be amended at any duly called Unit Owners meeting; provided: (1) that the notice of the meeting shall contain a full statement of the proposed amendment; (2) that the amendment shall be approved by at least 66-2/3% of the Unit Owners in number and common interest and (3) said amendment shall be set forth in a duly recorded amendment to the Declaration. However, no amendment will affect or impair the validity or priority of the Unit Owners' interest and the interests of holders of a mortgage encumbering a Unit or Units. In addition the following shall apply to amendments to the By-Laws:

- (i) No amendment to the By-Laws which solely affects the Residential Units or General Residential Units' Limited Common Elements may be adopted without a vote of at least 66-2/3% of the Residential Unit Owners.
- (ii) No amendment to the By-Laws which solely affects the Non-Residential Unit may be adopted without the written consent of the Non-Residential Unit Owner(s).
- (iii) No amendment to the By-Laws shall be passed which shall impair or prejudice the rights and priorities of mortgages or the Sponsor.
- (iv) No amendment to the By-Laws providing for attendant parking may be adopted without the written consent of eighty (80%) percent of the Unit Owners.

Units Acquired by the Board of Managers

All Units which are acquired by the Board of Managers, or its designee as a result of foreclosure of a lien for non-payment of Common Charges, shall be held by the Board on behalf of all Unit Owners. The percentage of Common Interest acquired by

the Board shall remain as originally designated in Schedule A of the Offering Plan and the Declaration of Condominium and the Board shall be responsible for paying all Common Charges appurtenant to said Unit. The Board shall be entitled to cast all votes that are appurtenant to said Units at any Unit Owners meeting for all purposes except for the election of members to the Board of Managers.

Termination of Condominium

This property shall not be withdrawn from the provisions of Article 9-B of the Real Property Law unless at least 80% of the Unit Owners in number and in common interest and the first mortgagees, if any, of these same Units agree to the withdrawal of this property from the provisions of such Article. The Sponsor or its nominee will not cast any of its votes for withdrawal, unless 80% of Unit Owners other than Sponsor so vote.

Covenant Against Partition of Common Elements

The Common Elements are not subject to partition nor are they severable from the Units except in accordance with the Real Property Law.

XVIII. RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD OF MANAGERS

Sale or Lease of Units

Units can be sold or leased by a Unit Owner, provided that the Unit Owner is not in arrears on the payment of Common Charges (except where the payment of such unpaid Common Charges is paid by the Grantee or provided for out of the proceeds of the sale).

Any Residential Unit Owner who wishes to enter into a lease for their Residential Unit shall be required to provide the Board of Managers with a copy of the proposed lease prior to its execution. Any lease entered into must contain a provision that the Lessee is subject to the Declaration, By-Laws and Rules and Regulations of the Condominium, the provisions of Article XI, Section 2 of the Condominium By-Laws and the Deed to the Unit. Failure to comply with the above shall be deemed an automatic violation of the By-Laws of the Condominium. Rental of a Residential Unit in the Condominium is not currently subject to any local or state regulation and is not subject to a right of first refusal by the Board of Managers.

A Unit Owner is free to make a gift of the Unit Owner's Unit to anyone during the Unit Owner's lifetime or to devise the Unit by will, or to have it pass by intestacy without any restriction. The restrictions regarding the sale or lease of a Unit shall not pertain to the Sponsor.

The Board of Managers may not discriminate against any person on the basis of race, creed, color, national origin, sex, age, sexual orientation, disability, marital status or other grounds prohibited by law, in its sale or lease of any Unit which it acquires.

The terms on leases of Units are not currently subject to any state or local laws.

Each Unit Owner, on the closing of title to his or her Unit shall be required to execute a Power of Attorney in the form contained in Part II of this Plan as Exhibit E, constituting the fact, coupled with an interest, for the purpose of selling, conveying, mortgaging, leasing, subleasing (but not voting the votes of) or otherwise dealing with Units acquired by the Board of Managers or their designee, on behalf of all Unit Owners, and otherwise acting in accordance with the Condominium's Declaration and By-Laws designating the Sponsor as Purchaser's attorney-in-fact to file an amendment to the Declaration of Condominium permitting the certification by a registered architect or professional engineer certifying that the floor plans filed as part of an amended Declaration are an accurate copy of portions of the plans of the Building and fully and fairly depict the layout, location, designation and approximate dimensions of the Units as built or amending such Declaration to create any utility easements or to carry out any of the provisions of the Offering Plan of such Condominium as described in Article Eleventh, Section (c) of the Declaration of Condominium.

No Unit can be sold without a simultaneous sale of the undivided interest in the Common Elements.

Real Property Law Section 339-kk

Purchasers should note that an Amendment to the Real Property Law of the State of New York adding a new Section 339-kk was enacted in July of 1998. Pursuant to the provisions of said statute any non-occupying owner who rents any Residential Unit in the Condominium to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such Residential Unit within sixty (60) days of the expiration of any grace period after they are due is subject to the following: Upon notice in accordance with the statute, all rental payments from the tenants shall thereafter be directly payable to the condominium association. Section 339-kk does not apply to the Non-Residential Unit. A complete copy of Section 339-kk of the Real Property Law is contained in Part II of the Plan as Schedule N.

Restrictions on Occupancy and Use

There is no restriction upon ownership of a Residential Unit. Occupancy of a Residential Unit Owner, however, may only be for residential purposes in accordance with the applicable zoning regulations of the municipality having jurisdiction over the Condominium.

Occupancy and use of the Non-Residential Unit is for retail or business purposes or for any other permitted use under the applicable New York City zoning requirements.

The By-Laws of the Condominium contain the following use restrictions: No immoral, improper, offensive or unlawful use shall be made of the Condominium nor any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Residential Unit Owners, their families, employees, guests and any permitted pets shall not use or permit the use of the Residential Units and Common Elements in any manner that would be illegal, disturbing or a nuisance to other Residential Unit Owners. No Residential Unit Owner shall put any advertisement, poster, or signs, including for-sale signs of any kind in or on the Condominium without the consent of the Board of Managers. It is prohibited to hang garments, rugs, etc. from the windows or from a Building or to string clothes lines on or over the Common Elements or to use any of the Common Elements for storage unless designated for such use. No Unit Owner shall paint the exterior surfaces of the windows, walls or doors opening out of their Unit. See Schedule J, Article VIII for complete details. In addition, all Unit Owners must maintain their thermostat at a minimum of 55 degrees Fahrenheit to avoid pipes from freezing. Any Unit Owner failing to adhere to this provision shall be responsible for any and all damage to the Condominium or any other Unit as a result thereof.

Restrictions on Pets

No animals shall be kept or harbored in the Condominium or any Unit except for the following: one (1) dog weighing sixty (60) pounds or less; one (1) household cat; one (1) domestic bird and household fish. No exceptions will be permitted unless the same in each instance be expressly permitted in writing by the Board of Managers of the Condominium. The Board of Managers may require the permanent removal of any animal kept in a Unit that is not in compliance with the above as well as any animal causing or creating a nuisance or unreasonable disturbance or noise upon three (3) days written notice from the Board of Managers.

In no event shall the above be permitted in any of the public corridors or lobbies of the Condominium unless carried or on leash and in compliance with the local and municipal rules and regulations regarding pets. All Unit Owners shall be responsible for picking up and disposing of their pets' waste and for any damage caused by their pets to any Common Elements of the Condominium.

Mortgage of Units by Unit Owners

A Unit Owner may mortgage the Unit Owner's Unit at any time after the Unit Owner acquires title to the Unit in whatever amount and under whatever terms the Unit Owner can obtain provided the Unit Owner first notifies the Board of Managers. Any Unit Owner may, upon the resale of their Unit, grant a purchase money mortgage to a purchaser of their Unit. A Unit Owner may mortgage their Unit only if all arrears for Common Charges, if any, are provided for at the closing of the mortgage.

Common Charges Assessment and Collection

The Board of Managers will prepare and furnish its budget to the Unit Owners and their mortgagees annually. Based upon such budget and any modification thereof approved by the Board of Managers, all the Unit Owners will be charged for the cost of the Common Expenses for operation of the Condominium in accordance with their interest in the Common Elements. Such charge for the cost of the operation of the General Common Elements may also be calculated based upon submetering, contract allocations and usage (both projected and actual) for the General Common Elements so long as such allocations are reasonable under the circumstances and are based on special or exclusive use or availability or exclusive control of particular units or common areas by particular unit owners.

The Residential Unit Owners will be charged for the cost of maintaining, repairing and replacing the General Residential Units' Limited Common Elements based on each Residential Units' square footage in relation to the square footage of all the Residential Units. Any special assessments pertaining solely to the residential portion of the Building will be charged to the Residential Unit Owners in accordance with their square footage in relation to the square footage of all the Residential Units.

The charges assessed by the Board of Managers ("Common Charges"), in addition to the cost of repairing and maintaining the Common Elements, assessments and other normal operational costs, may include, in the discretion of the Board of Managers, reserves, working capital and other sums necessary to carry on the affairs of the Condominium. In addition Common Charges may have to be increased as a result of Unit Owners not paying their Common Charges.

The Owners of the Non-Residential Unit will be obligated to pay a share of the cost of insurance and maintenance and operation of the General Common Elements and other costs reflected in Schedule B based on the percentage of Common Interest in the Building allocated to such Units. The Non-Residential Unit Owner will also be responsible for the entire cost of the maintenance and operation of the Non-Residential Unit's Limited Common Elements. However, the Board of Managers may also make allocations and assessments of Common Charges to the General Common Elements in accordance with submetering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are based on special or exclusive use or availability or exclusive control of particular units or common areas by particular unit owners. In the event of any dispute relating to the expenses to be borne by the Non-Residential Unit Owner, such dispute shall be submitted to arbitration in accordance with the provisions contained in Article XII of the By-Laws. In addition, pursuant to Section 339-bb of the Real Property Law a larger portion of the insurance costs are being applied to the Non-Residential Unit that is located in the cellar and that will be used as a Day Care Center. See Schedule B.

The percentage of Common Interest allocated to a Parking Space Unit shall be added to any Unit's percentage of Common Interest to determine that Unit's contribution to the Common Expenses and operation of the Condominium as reflected in Schedules A and B.

The estimate of Condominium expenditures in Schedules A and B were made by the Sponsor and passed upon by First Management Corp., 3403 Broadway, Astoria, New York 11106. Although the Sponsor is of the opinion that such estimates are accurate and reasonable, they are not intended and cannot be construed as an assurance of the actual expenses and are merely based upon information available at this time. Actual costs may be lesser or greater than as set forth herein.

It is presently anticipated that the Common Charges are to be used primarily to pay for fire and other casualty insurance on the Building and the Common Elements, public liability and property damage insurance, legal and accounting expenses, supplies and a maintenance reserve. The Common Charges do not include maintenance, repairs or decoration of interior of the Units or portions thereof, payments required pursuant to the terms of Unit Owners' mortgages or real estate taxes covering the individual Units.

The Common Charges which may be collected monthly by the Board of Managers and other costs of maintenance of the Units are set forth on Schedule A. See Schedule C for estimated heating and other utility costs for the Residential and Non-Residential Unit. However, additional services which the Unit Owners may desire or other factors can increase these charges.

The initial Board of Managers may commence the collection of Common Charges upon the closing of title to the first Unit or at any subsequent date as in its sole discretion it may determine. Prior to the collection of Common Charges, Sponsor shall be obligated to provide all the services disclosed in the first year budget at its sole expense. The Board's collection of Common Charges will be in an amount necessary to carry out the duties of the Board of Managers as is set forth in this Offering Plan and such Common Charges shall be paid by the Unit Owners and the Sponsor as Owner of the unsold Units in accordance with the Common Interest set forth herein. The Common Charges will initially be placed in an account in the name of the Board of Managers in a local bank.

Where a Unit is damaged by casualty and the proceeds of insurance are not sufficient to cover the repair of the damage, the amount necessary to restore the Unit over and above the proceeds from any fire insurance on the Units will be a Common Charge to all Owners. In order to protect the Unit Owner against the possibility of such Common Charges, the Board of Managers determines the amount of blanket casualty insurance covering all Units (the cost of such insurance is part of the Common Charges) and reviews the amount of such coverage annually.

The Sponsor shall be liable for the Common Charges, special assessments, real estate taxes and individual utility costs of all Units to which title has not been transferred to a Purchaser commencing when Common Charges are first collected by the Board of Managers. Once title has passed to a Purchaser, the Purchaser shall be solely responsible for all costs associated with the Unit including but not limited to Common Charges, any special assessments, real estate taxes and all individual utility costs.

Liens for the Non-Payment of Common Charges

Under Section 339-z of the Real Property Law of the State of New York, the Board of Managers shall have a lien against each Unit for its unpaid Common Charges and legal interest thereon prior to all other liens except liens for the payment of taxes and all sums unpaid on a first mortgage of record. The lien shall continue in force even after resale of a Unit except that the Board shall, in accordance with the Declaration, release the lien and right to collect unpaid Common Charges against any purchaser of a Unit where such purchase arises out of a foreclosure of a first institutional mortgage when the Board of Managers has been made a party to the foreclosure action.

The Board of Managers may foreclose the lien in the same manner as a mortgage on real property or being a separate action to collect the unpaid Common Charges and in doing so shall be entitled to recover all costs incurred including reasonable attorney's fees. The liability of each Unit Owner for the payment of Common Charges thereafter assessed against the Unit Owner's Unit shall terminate upon a sale, transfer or conveyance of such Unit in accordance with the provisions of the Condominium Declaration and By-Laws. Further, any Unit Owner may convey their Unit to the Board of Managers or its nominee, on behalf of all other Unit Owners, without any compensation and in accordance with the Declaration and By-Laws, and in such event the Unit Owner shall be exempt from any Common Charges thereafter assessed, but not relieved of their obligation to pay the Unit Owner's mortgage. However a Unit Owner may not be exempt from liability for the Unit Owner's Common Charges by waiver of the use or enjoyment of any of the Common Elements or by abandonment of the Unit Owner's Unit.

Upon a resale, the Purchaser of a Unit shall be liable for the payment of unpaid Common Charges assessed against such Unit prior to the acquisition of such Unit by the Purchaser, except that a first mortgagee who acquires title to a Unit or a Purchaser at a foreclosure sale shall not be liable and the Unit shall not be subject to a lien for the payment of Common Charges assessed prior to the acquisition of title to such Unit by the first mortgagee or purchaser at a foreclosure sale. In such event and in the event of a foreclosure by the Board of Managers of its lien on any Unit for unpaid Common Charges where the proceeds of the foreclosure sale are not sufficient for the payment of such unpaid Common Charges, the unpaid balance shall be charged to all Unit Owners as a Common Expense.

During the period of time the Sponsor retains a majority of the seats of the Board of Managers, the Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on Units in which Sponsor is more than 30 days in arrears of Common Charges.

Repairs, Alterations and Improvements to the Residential Units

Repairs to General Common Elements and General Residential Units' Limited Common Elements shall be the responsibility of the Board of Managers and the cost of such repairs shall be a Common Expense as previously described. All maintenance, repair and replacements to any heating and/or cooling unit for the sole use of a Residential Unit located in or on the Common Elements shall be the sole responsibility of the respective Residential Unit Owner. All maintenance, repair and replacements to a balcony or terrace that is a Limited Common Element of a Residential Unit shall be the sole responsibility of the respective Residential Unit Owner. Notwithstanding said fact no structural changes or additions will be permitted to be made to a balcony or terrace other than as required for maintenance, repair or replacement. See Section XVII of the Offering Plan for repairs, alterations and improvements to Common Elements.

No Residential Unit Owner shall make any addition, alteration or improvement (of either a temporary or permanent nature) of a structural nature in or to the Residential Unit Owner's Residential Unit, or any Residential Unit Limited Common Element, without the prior written approval of the Board of Managers. The Board of Managers shall have the obligation to answer any written request by a Residential Unit Owner for approval of a proposed structural addition, alteration or improvement in such Residential Unit Owner's Residential Unit within forty-five (45) days after such request is received, and failure to do so within the stipulated time shall constitute a denial by the Board of Managers of the proposed addition, alteration or improvement. No Residential Unit Owner will make any addition, alteration or improvement of a structural nature in or to any Residential Unit or any Residential Unit Limited Common Element without first (1) obtaining and maintaining during the course of such work such insurance as the Board of Managers may reasonably prescribe and providing the Board with a certificate of insurance prior to the commencement of the work, (2) executing and delivering to the Board of Managers an agreement, in form and substance reasonably satisfactory to the Board, setting forth the reasonable terms and conditions under which such alteration, addition or improvement may be made, including, without limitation, the days and hours during which any such work may be done and (3) executing and delivering to the Board of Managers an agreement indemnifying and holding harmless the Board, its members and officers, and all Unit Owners from and against any liability, cost or expense arising out of or connected to such work. In the event the Board of Managers chooses to have the proposed addition, alteration or improvement reviewed by an independent architect or engineer, the Residential Unit Owner shall pay the charges of such architect or engineer. The Residential Unit Owner shall also bear the cost of any increased taxes or insurance premiums resulting from their alterations, additions or improvements to their Residential Unit.

Any application to any department of The City of New York or any other governmental authority for a permit to make an addition, alteration or improvement in or to any Residential Unit shall be completed by the Residential Unit Owner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or material man on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The above provisions regarding changes to a Residential Unit shall not apply to Residential Units owned by the Sponsor or its designee until such Residential Units shall have been initially conveyed to a bona fide purchaser by the Sponsor or such designee.

All maintenance (including electrical repairs and plumbing stoppages in the Residential Units, interior painting and decorating of the Residential Units), repairs and replacements to the interior of the Residential Units including repairs to the heating/air conditioning system servicing said Residential Unit whether inside or outside the Residential Unit, pipes, wires and conduits servicing a single Residential Unit and servicing the same Residential Unit other than as set forth in the Condominium By-Laws shall be made by the respective Residential Unit Owner at the Residential Unit Owner's sole expense. All maintenance and repair to the interior portion of the window area and doors which open from a Residential Unit are the responsibility of the Residential Unit Owner. All maintenance, repair and replacement to the external portion of the window area, the actual window and external portion of the doors which open from a Residential Unit will be the responsibility of the Condominium, unless the maintenance, repair or replacement of the external portion of the window, the actual window and external portion of the doors which open from a Residential Unit are caused as a direct result of the negligence or act of a Residential Unit Owner. In such an event it shall be the Residential Unit Owners responsibility to repair or replace the external portion of the window, the window or the external portion of the doors which open from a Residential Unit.

In the event that the Residential Unit Owner fails to make any repair or creates any condition which affects the Building, the General Common Elements, the General Residential Units' Limited Common Elements, the Individual Residential Unit's Limited Common Elements or any other Residential Unit, the Board of Managers, may, upon notice given in accordance with the provisions of the By-Laws, make such repair or correct such condition and charge the Residential Unit for the cost of such service.

In the event it becomes necessary for the Board of Managers to bring any lawsuit or other proceeding to enforce its right to make such repair or correct such condition or to collect any sum due on account thereof, the Board of Managers shall also be entitled to collect reasonable attorney's fees in connection with such suit or proceeding.

Non-Residential Unit

The Sponsor and the Owner of the Non-Residential Unit shall have the right, without the consent of the Board of Managers, other Unit Owners or the holders of

mortgages on Units, to (a) make alterations, additions or improvements, structural and nonstructural, interior and exterior, ordinary and extraordinary, in, to and upon their Non-Residential Unit; (b) alter or improve any Limited Common Elements appurtenant to their Units, provided, however, that in each instance the Non-Residential Unit Owner shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom.

The Board of Managers will sign any application or other document required to be filed with any governmental authority having or asserting jurisdiction in connection with any such structural addition, alteration or improvement made by the Sponsor or its designee to any unit, or made to the Non-Residential Unit by the Non-Residential Unit Owner, provided, however, that neither the Board of Managers nor the Sponsor shall be subjected to any expense or liability by virtue of the signing of the application or such other document. A copy of any such application or other document will be furnished to the Board of Managers.

The Declaration also permits the division or consolidation of any Non-Residential Unit or Units and common interest appurtenant thereto, including but not limited to a change in the number of rooms. Any such change which will affect the structural integrity or aesthetics of the Building requires the prior written consent of the Board of Managers. In no case, however, may such division or consolidation result in a different percentage of common interest for the total of the new Non-Residential Units other than existed for the original Non-Residential Unit(s) before division or consolidation. An amendment to the Declaration may be filed by the new Non-Residential Unit Owner(s) without the consent of any other Unit Owner provided the percentage of common interest of all other existing Units is not affected thereby.

The Non-Residential Unit Owner and/or their tenant(s) shall have an easement to erect, maintain and replace one (1) or more signs on the property permitted by law for the purpose of advertising the operation of any business conducted therein. Any such signs shall be of reasonable size and shall not be located so as to unduly disturb the aesthetics of the Building.

The Residential Unit Owners shall have an easement through the Non-Residential Unit for access, installation, maintenance, repair and replacement of any flues, vents, air-conditioning, gas, heating, ventilating, water and other mechanical lines and fixtures and any other machinery, pipes, wires, conduits, equipment or meters servicing the Residential portion of the Building, the Residential Units and/or the entire Building.

Insurance

The Board of Managers shall obtain and maintain, to the extent obtainable, fire insurance with extended coverage, water damage, vandalism and malicious mischief endorsements insuring the Building, including all of the Units and the bathroom, kitchen

and laundry equipment initially installed therein by the Sponsor, together with all heating, any air conditioning equipment and other service machinery contained therein, covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of the Building. Each of such policies shall contain a New York Standard Mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee hereinafter set forth; and such other insurance as the Board of Managers may determine.

In addition to the insurance set forth herein, the Purchaser may desire to insure their personal effects and the interior of the Unit itself for fire and liability. Such insurance, if taken by the Purchaser, will be payable by the Purchaser directly.

The proceeds of all policies of physical damage insurance carried by the Board shall be payable to the Board of Managers in the event of a loss amounting to \$100,000 or less, and the loss involves only the Residential and Non-Residential Unit. The proceeds of all policies of physical damage insurance carried by the Board shall be payable to the Insurance Trustee if the loss shall amount to more than \$100,000 to be applied for the purpose of repairing, restoring or rebuilding the building unless otherwise determined by the Unit Owners, as hereinafter set forth.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro-rata liability of the insurer as a result of any insurance carried by the Unit Owners or of the invalidity arising from any acts of the insured or any Unit Owners and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums shall be delivered to all mortgagees of Units at least ten (10) days prior to expiration of the then current policies.

The amount of fire insurance to be maintained on the building upon the transfer of title to the first Unit and until the first meeting of the Board of Managers following the first annual meeting of the Unit Owners will be on a replacement cost basis for the entire Building. The Board of Managers shall review the amount of fire insurance annually.

A New York Bank or Trust Company shall be the Insurance Trustee unless or until replaced by a bank or trust company in the State of New York, designated by the Board of Managers. In the event that the Insurance Trustee shall resign or not qualify, the new Insurance Trustee shall also be a bank or trust company in the State of New York designated by the Board of Managers. The Insurance Trustee shall hold all proceeds of insurance policies in accordance with Section 254.4 of the Real Property Law.

The cost of all such insurance and the fees and expenses of the Insurance Trustee shall be paid by the Board of Managers and shall constitute a General Common Expense. The Board of Managers shall also obtain and maintain, to the extent obtainable: (1) fidelity insurance covering all employees of the Condominium who handle Condominium funds; (2) Worker's Compensation insurance; and (3) in order to limit the liability of Unit Owners for personal injury and tort, public liability insurance covering each member of the Board of Managers and each Unit Owner, in such limits as the Board of Managers may deem proper. The Board of Managers shall review such limits once each year.

The public liability insurance policy to be maintained until the first meeting of the Board of Managers following the first annual meeting of the Unit Owners will be a limit of \$1,000,000 per occurrence covering all claims for bodily injury and for property damage arising out of any one (1) occurrence in the Common Elements.

The Board of Managers shall have the right to require the Owners of the Non-Residential Unit to carry at their own expense such additional insurance covering each member of the Board of Managers, the managing agent, the manager and every Unit Owner as may be reasonably required with due regard to be given to the use and occupancy of the Non-Residential Unit from time to time. In the event of a dispute with respect thereto, the matter shall be submitted to the American Arbitration Association for arbitration and the cost thereof will be shared by both parties equally.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit provided such policies contain waivers of subrogation and further provided that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any Unit Owner's other insurance.

THE CONDOMINIUM INSURANCE COVERAGE DOES NOT COVER FIRE AND LIABILITY INSURANCE FOR THE PURCHASER'S PERSONAL EFFECTS AND INTERIOR OF THE UNIT. PURCHASERS ARE ADVISED TO SECURE SUCH COVERAGE.

The insurance the Sponsor will initially procure for the Condominium will contain officers and directors liability or fidelity bond insurance.

The Board will arrange for repair of the Units in the event of casualty loss. In the event the insurance proceeds are not sufficient to cover the cost of repairs to the Units, the balance of the cost of such repairs will be assessed against all Unit Owners. For further provisions regarding repair or reconstruction of Units, after fire or casualty and condemnation provisions see Article VII and XII of the By-Laws. In the event of a casualty loss, the Unit Owners will continue to pay the Common Charges on his or her Unit.

Although there is no requirement for annual appraisals to ascertain whether the insurance coverage is adequate, such appraisals are required prior to renewal of any fire policy. See Schedule B for the estimated insurance costs of the Condominium.

Access by Board of Managers

The Board of Managers and its agents, employees and contractors shall have a right of access to any Unit and to all portions of the Common Elements for the purpose of carrying out any of its obligations under the Declaration and By-Laws.

Compliance with Terms of Declaration, By-Laws and Rules and Regulations

Ownership of a Unit in the Condominium subjects the Unit Owner to compliance with the provisions of the Declaration and By-Laws as well as any rules and regulations contained in the Declaration or By-Laws or established by the Condominium in accordance therewith. The rules and regulations set forth in the By-Laws and Declaration can be found in Part II of the Plan in Schedule I, Article Seventeenth and Schedule J, Article VIII. The Board of Managers can institute legal actions to enforce compliance with the provisions of the Declaration and By-Laws as well as the rules and regulations established therewith.

The provisions of the By-Laws which requires members of the Residential Unit Owners' representative to the Board of Managers to be Residential Unit Owners will not apply to the first Board of Managers or any Sponsor designees to the Board of Managers.

Easements

Each Unit Owner will have an easement in common with all other Unit Owners for the use, maintenance and repair of all pipes, wires, conduits and public utility lines located in the Common Elements or located in other Units and servicing the Unit Owner's Unit. Further, each Unit Owner will have an easement for the continuance of any encroachment by their Unit on any adjoining Unit or Common Element now existing or which may come into existence hereafter as a result of the settling of the Units or repair or alteration of the Unit by the Board of Managers, after damage by fire or other casualty or as a result of condemnation or eminent domain proceedings, or by reason of an alteration made by the Board to the Common Elements so that any such encroachment may remain undisturbed so long as the Unit stands. Each Unit will be subject to such encroachments and easements in favor of all other Units.

The Board of Managers, its agents and employees shall have a right of access to the Units and to the Common Elements (irrespective of the restricted nature of such Common Element) to inspect, maintain or repair the Common Elements or any pipe, wire, or conduit therein or to make repairs to the Unit to prevent damage to the Common Elements or any other Unit.

The Unit Owners and their tenants shall have an easement for the exclusive use of appurtenant Limited Common Elements and shall also have easements to install, maintain, repair and replace signs, flues, vents, air conditioning, heating, ventilating, water and other mechanical lines and fixtures and equipment in the basement, the roof and on the exterior walls of their Units.

Residential Units shall have an easement for the exclusive use of such portions of the Non-Residential Limited Common Elements as may be appurtenant thereto and shall also have an easement through the Non-Residential Unit for access, installation, maintenance, repair and replacement of any flues, vents, air-conditioning, gas, heating, ventilating, water and other mechanical lines and fixtures and any other machinery, pipes, wires, conduits, equipment or meters servicing the Residential portion of the Building and/or the entire Building.

The Non-Residential Unit shall have an easement for the exclusive use of such portions of the General Residential Units' Limited Common Elements as may be appurtenant thereto and shall also have an easement through the General Residential Units' Limited Common Elements for access, installation, maintenance, repair and replacement of any flues, vents, air-conditioning, gas, heating, ventilating, water and other mechanical lines and fixtures and any other machinery, pipes, wires, conduits, equipment or meters servicing the Non-Residential portion of the Building and/or the entire Building.

Allocation of Common Interest

The common interest of the Condominium establishes the Unit Owners percentage of ownership in the Common Elements of the Condominium and percentage of liability for the payment of General Common Charges. Each Unit Owner has the percentage of common interest in the Condominium set forth on Schedule A. Such allocation has been based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit. Said method of determining the percentage of Common Interest in a Condominium complies with and is pursuant to the provisions of Section 339-i(1)(iv) of the Real Property Law of the State of New York.

The percentage of the undivided interest in the Common Elements shall not be changed except with the consent of all Unit Owners affected expressed in a duly recorded amendment to the Declaration.

Copies of both the Declaration and By-Laws are contained in Part II of the Offering Plan.

XIX. REAL ESTATE TAXES

In accordance with the New York State Condominium Act, real estate taxes applicable to each Unit will be separately assessed. The estimated monthly costs and charges to be incurred by the owner of each Unit in the first year in which the property will be fully subject to real estate taxes together with estimated Common Charges on each Unit and other carrying costs are set forth on Schedule A. Estimated assessed valuation for the entire Building of \$189,000 at the start of construction and \$4,130,000 upon completion of construction, is based upon information received from Astro Realty Brokerage, LLC, 92-50 Queens Boulevard, Rego Park, New York 11374 (the "Consultant"). See Schedule A and the Footnotes thereto for details regarding the estimated assessed valuation, the tax rates and the total taxes payable. The tax assessment for each Unit may be allocated on a basis that differs from the allocation of common interest.

The Sponsor will make application for tax exemption under Section 421-a of the New York State Real Property Tax Law. This Section of the law, which is administered by the Department of Housing Preservation and Development of the City of New York ("HPD"), provides for a fifteen (15) year partial tax exemption program applicable to multiple dwellings constructed in New York City under certain limiting conditions.

The Section 421-a tax exemption program provides that while the taxes on the Property may not be less than those assessed in prior years, real estate taxes on newly constructed buildings are exempted one hundred (100%) percent for eleven (11) years (plus the period of construction), eighty (80%) percent for the next year, sixty (60%) percent for the next year, forty (40%) percent for the next year, and twenty (20%) percent for the last year of a fifteen (15) year period. At the end of the fifteen (15) year period, the Units will be subject to regular real estate taxes in accordance with the rates then in effect in the City of New York. No representation is made that a final Certificate of Eligibility will be issued for this Condominium. The estimates in Schedule A reflects the real estate tax estimates with and without Section 421-a tax benefits.

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

In the event the Units have not been separately assessed for real estate tax purposes prior to the closing of title to the first Unit, Sponsor may place in escrow, in the name of the Board of Managers, an amount equal to the real estate taxes attributable to the unsold Homes for such six month period and may collect at each closing the estimated amount of taxes attributable to such Unit for the balance of the six month period. The Board of Managers will pay the real estate taxes from the escrow account

when taxes are due and payable and will be entitled to reimbursement from unit owners to the extent of the actual assessment. There are no tax certiorari proceedings pending for the property. The By-Laws empower the Board of Managers to bring such proceedings on behalf of the Unit Owners.

The Sponsor anticipates that the real estate tax rate will vary in future years rather than remain constant. The estimates of projected real estate taxes in this Offering Plan have been prepared by the Sponsor's Consultant and cannot be construed as an assurance of the final tax costs, but are merely estimates based upon information available at this time. In no event will the Sponsor, Sponsor's Consultant or Sponsor's Counsel be liable to any Purchaser under this Plan, nor will any Purchaser have the right to rescind his Purchase Agreement, in the event the amount of the taxes differ from those projected.

XX. INCOME TAX DEDUCTIONS TO RESIDENTIAL UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM

The Sponsor has been advised by its counsel, Certilman Balin Adler & Hyman, LLP that each Residential Unit Owner will be entitled under present law to a deduction for Federal, New York State and New York City income tax purposes for the real estate taxes paid by each Residential Unit Owner covering their Residential Unit and, provided the Residential Unit is used as the Residential Unit Owners primary residence or one (1) other residence that the Residential Unit Owner selects pursuant to Section 163(h) of the Internal Revenue code of 1986, for the interest paid by the Residential Unit Owner on any mortgage covering the Residential Unit Owner's Residential Unit. See the Opinion of Counsel in Section XXI of the Offering Plan. Similarly, the Sponsor has been advised by counsel that certain Residential Unit Owners who are veterans of the United States Armed Forces may be entitled to deductions covering part of the real estate taxes applicable to their respective Residential Units. The deduction does not apply to the Non-Residential Unit.

The Sponsor has been advised by its counsel that the Condominium will be taxed on any excess of income over expenses from unrelated sources. Examples of unrelated source income include interest earned on reserve and other invested funds, income from concessions and income from dues or fees received from persons other than the Residential Unit Owners. If the Condominium is required to pay taxes, the amount thereof will be levied as an additional Common Charge.

Sponsor has also been advised that pursuant to Section 528 of the Internal Revenue Code, certain Condominiums, substantially all of whose Residential Units are used for residences, are afforded the opportunity to elect to be treated as tax exempt organizations. In order to qualify, sixty (60%) percent or more of the gross income of each must consist of amounts received as membership dues, fees or assessments from the Residential Unit Owners and ninety (90%) percent or more of the expenditures of each must be for the acquisition, construction, management, maintenance and care of

the Condominium Properties, which properties, as defined in Section 528 of said Code, include property held by the Condominium, property commonly held by the members of the Condominium, or property within the Condominium held by the members of the Condominium. In view of the fact the Residential Units' contribution to the gross income of the Condominium exceeds 60% and that ninety (90%) percent or more of the expenditures of the Condominium will be used for the acquisition, construction, management, maintenance and care of the Condominium Properties, the fact that this Condominium includes Non-Residential Unit and Parking Space Units should not violate Section 528 of the Internal Revenue Code. This Condominium has been structured so that it will meet the requirements of Section 528 of the Internal Revenue Code and as a result the Condominium will be eligible to be treated as a tax exempt organization under Section 528 of the Internal Revenue Code. Purchasers should refer to the Opinion of Counsel in Section XXI of the Offering Plan.

IRA J. ADLER
PARTNER
DIRECT DIAL 516.296.7099
iadler@certilmanbalin.com

XXI. OPINION OF COUNSEL

January 29, 2007

Vantage at Jackson LLC
20 Gilbert Avenue
Smithtown, New York 11787

Re: 10-50 JACKSON AVENUE CONDOMINIUM

Gentlepeople:

We note that the Offering Plan for the above-captioned Condominium states that it is believed that the monthly payments of interest on any mortgage which becomes a lien on a condominium Residential Unit and real estate taxes payable by a Residential Unit Owner, which are assessed against the Residential Unit by any governmental taxing authority, are a proper deduction in connection with Federal, New York State and New York City Income Taxes payable by the owner of such Condominium Residential Unit.

We have given this matter careful study, and it is our opinion that, pursuant to the provisions of the Internal Revenue Code of 1986 (the "Code") (See Revenue Ruling 64-31, C.B.1964-300) and the corresponding provision of the New York State Law (See Section 615 of the Tax Law), such interest payments and the aforesaid real estate payments are proper deductions by the owner of a Condominium Residential Unit, in connection with their Federal, New York State and City income taxes. Similarly, we are of the opinion that each Condominium Residential Unit Owner whose Residential Unit is either their principal residence or the one other residence selected pursuant to Section 163 (h) (5) (A) (i) (II) of the Code will be entitled, under Section 216 (a) (2) of the Code and Section 615 (a) of the State Law, to deduct interest paid or accrued by the Residential Unit Owner on any mortgage which becomes a lien on a Condominium Residential Unit. The Residential Unit may be so selected if the Residential Unit Owner either uses it as a residence within the meaning of Code Section 280A (d) (1) (i.e., uses it for personal purposes for a number of days which exceed the greater of 14 days, or 10% of the number of days during the year for which the Residential Unit is rented at a fair rental), or neither rents nor uses the Residential Unit at any time during the year. In addition, certain Residential Unit Owners who are veterans of the United States Armed Forces may be entitled to deductions covering part of the real estate taxes applicable to their Residential Unit.

In adding a new Section 528 to the Code, the Tax Reform act of 1976 affords certain Condominiums, substantially all of whose Residential Units are used for residences, the opportunity to elect to be treated as tax exempt organizations. In order to qualify, sixty percent (60%) or more of the gross income of each must consist of amounts received as membership dues, fees or assessments from the Residential Unit Owners and ninety percent (90%) or more of the expenditures of each must be for the acquisition, construction, management, maintenance and care of the Condominium properties, which properties, as defined in 528 of the Code, include property held by the Condominium, or property within the Condominium. In view of the fact the Residential Units' contribution to the gross income of the Condominium exceeds sixty (60%) percent and that ninety (90%) percent or more of the expenditures of the Condominium will be used for the acquisition, construction, management, maintenance and care of the Condominium Properties, and of the fact that over 85% of the total square footage of the Condominium is used for residential purposes the fact that this Condominium includes a Non-Residential Unit should not violate Section 528 of the Internal Revenue Code. Based upon our examination of the Offering Plan and subject to the Condominium, actually satisfying the minimum percentage income and expenditure criteria set forth above, it is our opinion that the Condominium will be eligible to be treated as a tax exempt organization under Section 528 of the Code.

Such an election will exempt from Federal, New York State and New York City Income Taxation all amounts received by the Condominium from the Residential Unit Owners as membership dues, fees or assessments. The Condominium will be taxed, however, on any excess of income over expenses from unrelated sources. Examples of unrelated sources income include interest earned on reserve funds, income from concessions and income from dues or fees received from persons other than the Residential Unit Owners. In the event the Condominium fails to qualify for and elect Section 528 taxation status in any year, it may, to the extent it has any income from unrelated sources or from accumulated revenues received by virtue of dues, fees and assessments received from Residential Unit Owners not expended in any taxable year, be subject to Federal, New York State and New York City Income Taxation (see Rev. Ruling 74-99, 1974-1 C.B. 131).

We have considered the relevant cases and rulings on the tax status of the Condominium including Revenue Rulings 74-17, 74-99, 75-370 and 75-371. These rulings, under certain circumstances, permit assessments for capital replacements and new or replacement equipment to be excluded from the Condominium's income and be treated for tax purposes as additional capital contributions. In such case each Residential Unit Owner's assessment for such purposes would add to their tax basis. Although the Condominium described in the Plan may be deemed a taxable entity under such Rulings, assuming that all expenses are designated and accounted for, and that certain other special purpose assessments are properly treated as trust funds, the Condominium should not realize any significant amount of taxable income, other than with respect to incidental investment income, such as interest earned on reserve funds deposited in bank accounts.

We have examined the exceptions to title set forth in Section XIII of the Offering Plan, and we are of the opinion that none of such exceptions of title are contrary to the terms of the Purchase Agreement nor do they interfere with the quiet use or enjoyment of the Purchaser's Unit as set forth in the Offering Plan.

We have examined the Declaration and By-Laws pertaining to the proposed Condominium. It is our opinion that the Declaration and By-Laws, when recorded, will validly create a Condominium in accordance with Article 9-B of the Real Property Law of the State of New York.

In addition, we note that the percentage of common interest for each Unit as contained in Schedule A has been determined based upon the approximate proportion that the floor area of the Unit at the date of the declaration bears to the then aggregate floor area of all the Units, but such proportion shall reflect the substantially exclusive advantages enjoyed by one or more but not all Units in a part or parts of the common elements. In our opinion, this is a proper method of determining the percentage of common interest in a Condominium and complies with Section 339 (1) (iv) of the Real Property Law.

In our opinion, the Condominium will be eligible for tax exempt status, if it so elects, and Residential Unit Owners will be entitled to the above-mentioned income tax deductions. However, this opinion is not a guarantee; it is based on existing rules of law applied to the given facts and documents referred to above. No assurances can be given that the tax laws upon which counsel bases this opinion will not change. In no event will the Sponsor, the Sponsor's counsel, the Board of Managers of the Condominium, any selling agent or any other person be liable if there are changes in the facts on which counsel relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or Internal Revenue Service rulings on which counsel relied which cause the Condominium to cease to meet the requirements of Section 528 of the Code or the New York State tax law as amended or New York City tax law and Residential Unit Owners not to be entitled to income tax deductions.

The above tax deductions do not apply to any Non-Residential Unit in the Condominium.

It is our understanding that this letter will be made a part of the Offering Plan of 10-50 Jackson Avenue Condominium and we consent to its inclusion therein.

Very truly yours,

CERTILMAN BALIN ADLER & HYMAN, LLP

By: 
IRA J. ADLER, Partner

XXII. RESERVE FUND

The Condominium budget includes a Contingency Fund to be used for future capital repairs and replacements in the amount of \$6,000.00. In view of the fact the Condominium will be newly constructed it is not anticipated that there should be any major capital repairs or replacements during the first five (5) years of operation of the Condominium.

No representation is made that the Contingency Fund will be adequate for future expenses including repairs or replacements of Common Elements. If additional funds are required over and above said funds, it may be necessary to increase the Common Charges payable by the Unit Owners, collect a special assessment from each Unit Owner or borrow money.

During the period Sponsor is in control of the Board of Managers, the Contingency Fund will not be used to reduce the estimated Common Charges.

Neither the Department of Law nor any other Governmental Agency has passed upon the adequacy of the contingency fund.

XXIII. WORKING CAPITAL FUND

At closing the Sponsor will collect two (2) months common charges from each Purchaser to be paid to the Condominium as initial working capital. While Sponsor is in control of the Board of Managers of the Condominium the working capital funds will not be used to reduce the Common Charges. The working capital fund may be utilized to reimburse Sponsor for prepaid expenses of the Condominium. The only budgetary item that might require a substantial credit to the Sponsor would be the insurance disclosed in Schedule B. If any portion of the working capital funds are used during this period to pay for prepaid expenses, such amounts will be repaid to such fund out of future Common Charges collected. At such time as the Sponsor relinquishes control of the Board of Managers the working capital fund will be turned over to the Board.

Neither the Department of Law nor any other Governmental Agency has passed upon the adequacy of such funds.

XXIV. MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

The Condominium will enter into a Management Agreement with First Management Corp., 34-03 Broadway, Astoria, New York 11106, to act as Managing Agent for a term of three (3) years from the closing of title to the first Unit in the Condominium. First Management Corp. will manage the Condominium for the amount set forth in Schedule B (\$18,000 per annum). The agreement may be cancelled on sixty (60) days written notice by either party with or without cause. The Agreement

provides for indemnification of the Managing Agent and for reimbursement of out-of-pocket expenses. The agreement may not be assigned without the consent of the other party. The Managing Agent is not affiliated with Sponsor.

The Managing Agent shall perform the following services: bill and collect Condominium Common Charges; prepare budgets/cash-flow analysis and long range planning; bookkeeping; records keeping; generate contract specifications; negotiation of contracts; schedule maintenance activities; plan and organize membership meetings; channel customer service inquiries to the Sponsor; channel routine maintenance request; and generally perform the duties of a Managing Agent of a Condominium.

The Sponsor reserves the right to substitute another firm as Managing Agent.

XXV. IDENTITY OF PARTIES

Sponsor

The Sponsor is Vantage at Jackson LLC., a New York limited liability company formed on May 4, 2004, with an address at 20 Gilbert Avenue, Smithtown, New York 11767.

The members of Sponsor are Edward Flax, Robert Gordon, Gary Axelrod, Craig Axelrod, Albert Shirian and Ramin Shirian, all with the same business address as Sponsor. Messrs. Flax, Axelrod and Gordon are also principals of Emmy Building Co., Inc., which since its founding in 1964 has engaged in the construction of over 3,000 single family homes, apartments and condominium developments on Long Island and the New York metropolitan area. Among the projects developed were Hidden Ridge Condominium in Syosset, New York, Southampton Commons Condominium in Southampton, New York and Summerfield Homeowners Association in Holtsville, New York and Vantage at Purves Street Condominium, 44-27 Purves Street, Queens, New York.

Messrs. Shirian are members of The Lions Group, a construction company, formed in 1984. Most recently they completed a 7-story condominium at 83-71 116th Street, Kew Gardens, New York. The building contains 30 condominium residences, plus two (2) doctor's offices. Also recently completed, 143 Mulberry Street, New York, New York containing ten (10) apartments and one (1) ground floor commercial space. Prior to these projects the group produced 2, 4, 6 and 8 family dwellings in Queens, New York and single-family homes through Nassau County.

Neither the Sponsor nor its principal currently own 10% or more of any unsold units in any other condominium, cooperative or home owners association except for 83-71 116th Street Condominium, Kew Gardens, New York and Vantage at Purves Street Condominium, 44-27 Purves Street, Queens, New York. The Sponsors of such Condominiums are current in their obligations to such projects.

Selling Agent

Corcoran Group, 145 Montague Street, Brooklyn, New York 11201 is the Selling Agent. The Selling Agent is a licensed broker in the State of New York and is experienced in the sale of residential homes.

Attorneys

All legal matters in connection with the establishment of the Condominium, the tax opinion of counsel contained herein and the preparation of this Offering Plan have been passed upon for the Sponsor by Certilman Balin Adler & Hyman, LLP, 90 Merrick Avenue, East Meadow, New York 11554. The individual partner in said firm responsible for said work is Ira J. Adler, Esq.

Zaccaria & Sasson, 175 East Shore Road, Great Neck, New York 11023, will represent the Sponsor in connection with the individual Residential Unit closings and will also act as the Escrow Agent as described in Section X of the Offering Plan.

Neither firm has any financial interest in the Property, the Sponsor, the Condominium or any other party involved in this transaction, except for its fee for services rendered in connection with the Condominium.

Insurance

The estimated insurance rates have been passed upon by Borg & Borg, Inc., 148 East Main Street, Huntington, New York 11743.

Architect

The Architect who prepared the report in Part II and who executed the Certification in Part II is Gene Kaufman Architect P.C., 525 Broadway, New York New York 10012. The architect has no financial interest in the Property, the Sponsor, the Condominium or any other party involved in this transaction, except for its fee for services rendered in connection with the Condominium. The architect has had prior experience in the preparation of plans and specifications for other condominiums in the Metropolitan area.

XXVI. REPORTS TO RESIDENTIAL UNIT OWNERS

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

- (i) a financial statement of the Condominium prepared by a certified public accountant or public accountant by a specific date; such statement shall

- (i) a financial statement of the Condominium prepared by a certified public accountant or public accountant by a specific date; such statement shall be certified while the Sponsor retains a majority of the Members of the Board of Managers and such statement shall be provided no later than four (4) months after the close of the fiscal year;
- (ii) prior notice of the annual Residential Unit Owners' meeting; and
- (iii) a copy of the proposed annual budget of the Condominium within thirty (30) days of the date set for adoption by the Board of Managers. While Sponsor is in control of the Board of Managers such budget will be certified in accordance with the regulations of the Department of Law.

XXVII. DOCUMENTS ON FILE

Sponsor shall keep copies of the Plan, all documents referred to in the Plan and all Exhibits submitted to the Department of Law in connection with the filing of the Plan, on file and available for inspection without charge and copying at a reasonable charge at Sponsor's office for six years from the date of first closing. The Sponsor shall deliver to the Board of Managers a copy of all documents filed with the appropriate recording office at the time of the closing of the first Unit.

XXVIII. GENERAL

Pending Litigation

As of the date of this Offering Plan, there is no litigation or administrative proceedings pending against the Condominium or the Sponsor or any other party which would affect their ability to perform their obligations relating to this offering, or which would in any way affect this offering.

Prior Offerings

This property has not been the subject of any prior public offerings. Sponsor represents that no contracts or agreements have been entered into and no deposits or advances of funds accepted as of the date of acceptance for filing of this Offering Plan. All of the Units offered in this Offering Plan are vacant.

Non-Discrimination

In accordance with the provisions of the laws of the State of New York, the Sponsor represents that it will not discriminate against any person because of his or her race, creed, sex, color, disability, marital status, sexual orientation, national origin or ancestry in the sale of Residential Units under this Plan.

The Plan may be amended at any time and from time to time provided that, if the amendment is a material and substantial modification of the Plan which adversely affects Purchasers, then anyone who has theretofore executed a Purchase Agreement shall be given not less than thirty (30) days after a copy of the duly filed amendment is mailed or otherwise delivered to them by written notice to the Sponsor to cancel the Purchase Agreement and to obtain a refund, in full, of the down payment made therewith with interest, if any. No person has been authorized to make any representation which is not expressly contained herein. This Plan may not be changed or modified orally.

**XXIX. SPONSOR'S STATEMENT OF SPECIFICATIONS
OR BUILDING CONDITION**

Sponsor adopts the Description of Property set forth in Part II of the Plan. Sponsor has no knowledge of any material defects or need for major repairs except as set forth in the Description of Property Report set forth in Part II of the Plan.

Dated: February 2, 2007
East Meadow, New York

VANTAGE AT JACKSON LLC
SPONSOR

OFFERING STATEMENT

10-50 JACKSON AVENUE CONDOMINIUM

10-50 Jackson Avenue
Long Island City, New York 11101

PART II

SCHEDULE D

PURCHASE AGREEMENT

**10-50 JACKSON AVENUE CONDOMINIUM
PURCHASE AGREEMENT**

Residential Unit No. _____ Date _____

Anticipated Closing Date: _____

Seller: **VANTAGE AT JACKSON LLC**

Address: 20 Gilbert Avenue, Smithtown, New York 11787

Purchaser: _____

Home Address: _____

Residential Telephone Number: _____

Business Telephone Number: _____

Social Security Number: _____

Purchaser's Attorney: _____

Attorney's Address: _____

Attorney's Phone/Fax Numbers: Phone: _____ Fax: _____

Seller and Purchaser agree as follows:

1) **PURCHASE PRICE** - The purchase price is payable as follows: \$ _____

Amount received as a non-binding reservation deposit (where applicable); \$ _____

On the signing of this Purchase Agreement, 10% of the Purchase Price, the receipt whereof is hereby acknowledged; \$ _____

Certified or bank cashier's check (drawn on a New York Bank payable directly to the order of Seller or Seller's designee on the closing of Title; \$ _____

TOTAL \$ _____

Any payment made by check is accepted by Seller subject to collection. If any check tendered is not honored, Purchaser shall provide a certified check or bank cashier's check payable directly to Seller within seventy-two (72) hours after demand for replacement therefor.

Notwithstanding the foregoing, if for any reason whatsoever the check given by Purchaser as the down payment hereunder is dishonored, Seller shall have the right to cancel this Purchase Agreement. Seller's election to cancel shall not be deemed a waiver by Seller of its right to pursue other remedies.

THE PAYMENT DUE AT CLOSING IN ACCORDANCE WITH THIS PURCHASE AGREEMENT ON ACCOUNT OF THE PURCHASE PRICE MUST BE MADE BY PURCHASER'S PERSONAL CERTIFIED CHECK OR OFFICIAL TELLERS CHECK ON A NEW YORK CLEARINGHOUSE BANK PAYABLE DIRECTLY TO SELLER OR SELLER'S DESIGNEE. IF PAYMENT SHALL BE MADE TO SELLER'S DESIGNEE, SELLER SHALL GIVE PURCHASER PRIOR INSTRUCTIONS. UNCERTIFIED CHECKS OF FUNDING COMPANIES, ATTORNEY'S ESCROW CHECKS AND CHECKS PAYABLE TO PURCHASER OR ANOTHER PARTY AND ENDORSED TO SELLER WILL NOT BE ACCEPTED AND TENDER OF SAME WILL NOT CONSTITUTE COMPLIANCE BY PURCHASER OF THEIR OBLIGATIONS HEREUNDER.

Title to all items of personal property shall be delivered free and clear of all liens and encumbrances, except the lien of the mortgage applied for by Purchasers herein, if any.

All sums paid on account of this Purchase Agreement are hereby made liens upon said premises, but such liens shall not continue after default by the Purchaser under this Purchase Agreement.

2) DESCRIPTION OF UNIT - Seller shall sell to Purchaser and Purchaser shall buy from Seller a condominium Unit known as Residential Unit No. _____ (the "Unit"), together with a _____ percent undivided interest in the Common Elements of the Condominium known as 10-50 Jackson Avenue Condominium (the "Condominium") as described in the Declaration of Condominium to be recorded in the Queens County Register's Office, to be built by Seller on property comprising the Condominium Map (the "Property") filed or to be filed in the Queens County Register's Office. The Unit that is to be built may vary from any display model type and Purchaser should not rely on the display Model Type Unit. All dimensions are approximate and may vary from the Floor Plans.

The Unit shall not include any of the following if displayed in any Model Unit : decorative fixtures, furniture, furnishings, paint, wallpaper, carpeting, ceramic floors, mirrors, shelves, wall and window treatments, built-ins, burglar alarm systems, electric fixtures, site lighting, intercom systems, highhat lighting, additional fixtures and switches added for decorative purposes and skylights and other optional fixtures or features

exhibited in any Model Units and/or any sales office excepting those specifically set forth as may be attached to this Purchase Agreement, or above. The above features contained in any Model Unit and/or sales office are for display purposes only and are not included in this sale.

All improvements containing natural materials are subject to fade. Seller shall not be responsible to change, replace or remove any improvements in the event they fade.

3) OFFERING PLAN - Seller has exhibited and delivered to the Purchaser and Purchaser acknowledges having received, read and understood the Offering Plan for condominium ownership of the Property and all filed amendments thereto, all of which are incorporated by reference and made a part of this Purchase Agreement with the same force and effect as if fully set forth in this Purchase Agreement. Purchaser agrees to be bound by the Offering Plan and all amendments thereto now or hereafter filed by Seller (collectively the "Plan"). Seller may freely amend the Plan in any respect from time to time, without Purchaser's approval or consent. However, in the event any amendment materially and adversely affects Purchaser, Purchaser shall be given the right to rescind this Purchase Agreement. Any conflict between the Plan and this Purchase Agreement shall be resolved according to the terms of the Plan. Purchaser acknowledges having received and read the Plan at least three (3) business days prior to signing this Purchase Agreement and having had full opportunity to examine all papers and documents and investigate all matters set forth in the Plan.

4) CHANGES - In building the Unit and performing any other work to the Unit or on the Property, Seller reserves the right to: (a) make changes or substitutions of materials or construction from those shown in the model or building plans, provided any such changes or substitutions are of substantially similar or better quality; (b) determine the exterior color, design and location of the Building, landscaping and grading of the property; (c) determine the location and type of Unit to be constructed in the Building; (d) fix the location and setbacks of the Building; (e) determine the ultimate Unit type mix to be constructed in the development; (f) determine whether existing trees, shrubs and other plant life, if any, are to be moved or removed, (g) determine the location of electric, gas and water meters, electric transformers, air conditioning compressors; (h) change appliances as long as they are equal to or better than originally offered; and (i) make any other changes required by the City of New York.

Seller shall notify Purchaser of any major changes, specifications, deviations, additions or deletions which are beyond the scope of those set forth above ("Extraordinary Changes"). If Seller notifies Purchaser in writing of any Extraordinary Changes, Purchaser shall be deemed to have approved of same, unless Seller receives Purchaser's written disapproval thereof within 10 days from date of the notice by Seller. Upon receipt of Purchaser's disapproval, Seller may, within thirty (30) days thereafter, give Purchaser written notice withdrawing its proposed Extraordinary Changes, in which case Seller shall thereafter continue with its development activities without the Extraordinary Changes. If Seller fails to give Purchaser notice of withdrawal within such

thirty (30) day period, Purchaser may declare this Purchase Agreement null and void by so notifying Seller in writing delivered to Seller no later than forty-five (45) days after having delivered Seller the original notice of disapproval, whereupon Seller shall promptly return to Purchaser all monies paid by Purchaser to Seller, except Funds used towards upgrades, options or extras, on account of the purchase price and thereafter neither party shall have any further liability or obligation to the other in connection with this Purchase Agreement or transaction.

5) GOVERNMENTAL REQUIREMENTS - If after the date of this Purchase Agreement, any law or governmental authority requires any substitutions, changes or additions in any part of the construction of the Unit, the materials used in construction, the manner of construction or any other aspect of development, then the actual cost of such substitution, change or addition shall be added to the price of the Unit and shall be payable by Purchaser to Seller at Closing (defined below), provided, however, that if the amount of such additional cost exceeds \$1,000 then Purchaser may cancel this Purchase Agreement and receive a full refund of all payments made to Seller on account of the purchase price, whereupon neither party shall have any further liability or obligation to the other in connection with this Purchase Agreement or transaction. However, such right to cancel this Purchase Agreement shall automatically terminate if Purchaser fails to give written notice of cancellation to Seller within ten (10) days after Seller informs Purchaser of the amount of the additional expense.

6) CLOSING DATE; ADJOURNMENTS; CONSTRUCTION DELAYS BY SELLER -The act of transferring ownership of the Unit in return for payment in full of the purchase price and all other sums due from Purchaser under this Purchase Agreement is known as "Closing", and shall take place at such time and place and on such date as Seller shall designate to Purchaser by prior written notice ("Notice for Closing"), which shall be given to Purchaser (i) no less than thirty (30) days before the date set for Closing. Purchaser may waive the applicable notice period by execution of a waiver in the form set forth as Schedule D-2 to the Purchase Agreement.

Seller shall have the right, from time to time, to adjourn such date and time for Closing on written notice to Purchaser. If the Closing is adjourned or advanced by Seller, then Seller shall, by a new Notice for Closing, fix a new date and time for Closing and shall give Purchaser not less than ten (10) days prior written notice of the new scheduled date and time for Closing.

If the Closing takes place at the request of Purchaser at any location other than the office of Seller's attorney, Purchaser shall pay to Seller's attorney a travel fee in the sum of \$250.00. The Closing may not take place in any other location without Seller's prior written consent. In the event the Closing is adjourned with Seller's consent at the request of Purchaser or Purchaser's attorney within forty-eight (48) hours of the scheduled time of Closing, Purchaser shall also pay Seller's attorney an adjournment fee in the sum of \$150.00.

If Purchaser is not in default under this Purchase Agreement and the Closing has not taken place within twelve (12) months after the anticipated closing date either Seller or Purchaser may cancel this Purchase Agreement by forwarding written notice of cancellation to the other no later than 10 days after expiration of such twelve (12) month period whereupon Seller shall refund to Purchaser, subject to the escrow provisions as disclosed in Section X of the Plan, all payments, other than Funds used towards upgrades, options or extras, made by Purchaser to Seller on account of the purchase price and neither party shall thereafter have any further liability or obligation to the other in connection with this Purchase Agreement or transaction. Purchaser shall be obligated to notify Seller in writing of its intent to exercise said option no later than thirty (30) days after the twelve (12) month period. Failure to so notify Seller shall be deemed a waiver of this provision, and Purchaser shall continue to be bound by the terms of the Purchase Agreement. In the event Seller shall be unable to convey title to the Unit within twenty-four (24) months of the proposed date of delivery through no fault of the Purchaser, the Purchase Agreement shall be deemed null and void and Seller shall return all monies being held in escrow within thirty (30) days thereafter.

7) TRUST FUNDS - All deposits, down payments or advances towards the purchase price made by Purchaser prior to closing shall initially be held in a segregated escrow account held by Zaccaria & Sasson, 175 East Shore Road, Great Neck, New York 10023, pursuant to an Escrow Agreement between Seller and the Escrow Agent, in the form set forth in Schedule L of the Offering Plan and pursuant to the provisions of Sections 352-h and 352-e (2-b) of the New York State General Business Law and the escrow regulations promulgated thereunder by the Department of Law of the State of New York as disclosed in Section X of the Offering Plan. Said funds shall be held in an Interest-on-Lawyers Account pursuant to Judiciary Law Section 497 in an account entitled "Zaccaria & Sasson IOLA FOB 10-50 Jackson Avenue Condominium, Escrow Account" at JP Morgan Chase Bank, 1985 Marcus Avenue, New Hyde Park, New York 11042. Pursuant to Judiciary Law, Section 497, all interest earned in the IOLA account will be paid to the State of New York. All instruments shall be made payable to or endorsed to the order of Zaccaria & Sasson, as Escrow Agent. The deposit by the Escrow Agent of the Purchaser's down payment into the Escrow Account shall not be deemed acceptance of the Purchase Agreement. The Purchase Agreement shall only be deemed accepted when countersigned by the Seller or Seller's authorized agent. Thereafter, and only upon receipt of an individual surety bond in the form disclosed as Schedule D-3 of the Offering Plan, the Escrow Agent will release any deposits, downpayments or advances received by Purchaser to Seller. In addition, although all funds received by Seller for upgrades, options or extras to the Unit will initially be placed in the Escrow Account, such funds may be released from the Escrow Account as long as the Sponsor uses the funds for such upgrade or extra. In the event Purchaser is entitled to a right of rescission, the return of their down payment shall not include any funds paid towards, upgrades, options or extras. At Closing, if the downpayment was not released upon issuance of a surety bond, the down payment shall be paid to Seller upon consummation of the closing, and execution of this Purchase Agreement shall be deemed a writing executed by both Seller and Purchaser authorizing the Escrow Agent to release said funds to Seller at closing. In addition, Purchaser shall execute the

Purchaser shall execute the release form annexed to and made a part of the Purchase Agreement as Schedule D-1 at closing.

8) MORTGAGE LOAN - This Purchase Agreement is not conditioned upon Purchaser obtaining mortgage financing. If a Purchaser does not consummate the transaction and close title to the Unit as a result of Purchaser's inability to obtain a mortgage, Purchaser will be in default under this Purchase Agreement and Seller may retain all monies as provided for in Paragraph 24.

9) DEED AND ENCUMBRANCES UPON OWNERSHIP - The deed to be given by Seller to Purchaser at Closing shall be a Bargain and Sale with Covenant against Grantor's Acts deed, but subject, nevertheless, to the matters set forth in subparagraphs (a) through (f) below which need not be recited in the deed given at Closing but shall survive Closing, and Seller's covenant in the deed against encumbrances shall be deemed modified accordingly. The deed shall be duly executed and acknowledged by Seller in proper statutory form for recording (except for payment of the New York State transfer tax) so as to convey to Purchaser fee simple title to the Unit, free and clear of all liens and encumbrances, except as herein stated. The deed shall also contain the covenant required by subdivision 5 of Section 13 of the Lien Law. Seller shall give and Purchaser shall accept such title and deed description of the Unit subject to the liens, encumbrances and other matters set forth in this Purchase Agreement, as any reputable title company is willing to approve and insure without additional premium. The sale and transfer of ownership of the Unit to Purchaser shall, even though not stated in the deed, be subject to:

(a) Ordinances, rules, regulations, requirements and approvals of applicable governmental authorities, provided not violated by the Unit to be constructed.

(b) Rights for installation, use and/or maintenance of easements and rights of way for utilities, sewer, cable television, drainage, scenic purposes, screening and planting which have already been granted or may be granted after this Purchase Agreement is signed or after Closing, provided they do not prevent use of the Unit for one-family residence purposes.

(c) Declarations, covenants, restrictions, reservations, exceptions, easements and agreements which have been recorded, or appear in recorded documents, or are yet to be recorded, provided they do not prevent use of the Unit as a one family residence.

(d) Unpaid taxes and liens, provided the title insurance company shall insure against collection of same out of the Unit .

(e) The filed "As Built" Floor Plans of the Condominium and all matters reflected thereon.

(f) The Declaration and By-Laws of the Condominium and any amendments or supplements thereto.

10) CONSTRUCTION LOAN MORTGAGE - This Purchase Agreement is subject and subordinate without the necessity of Purchaser signing or delivering any documents or papers, to the lien of any existing or future construction loan mortgage and all payments or expenses already made or incurred or which may hereafter be made or incurred in connection with such construction loan mortgage. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the construction loan schedule of payments or accelerated thereunder by virtue of the construction lender's right to make advances before they become due in accordance with the schedule of payments. The Unit shall be released from the lien of such construction loan mortgage upon Closing, except where such mortgage is converted to Purchaser's individual mortgage on the Unit. In such case, the Unit shall remain subject to the lien of such construction loan mortgage and Purchaser shall reimburse to Seller at Closing, in addition to all other sums to be reimbursed by Purchaser to Seller under this Purchase Agreement, an amount equal to the mortgage tax paid by Seller on such construction loan mortgage. In all other cases, any mortgage tax credit available under Real Property Law Section 339-ee shall inure exclusively to the benefit of Seller.

11) CONDITION OF UNIT ON CLOSING DATE - The Seller agrees, at its own cost and expense to erect and complete the aforementioned Unit in accordance with the requirements as to materials and workmanship of the Building Department of the City of New York and further agrees that when completed, same will be in substantial accordance with the plans as filed with the Building Department. Purchaser agrees to close title even though there may be things remaining to be completed in the Unit. The issuance of a temporary or permanent Certificate of Occupancy shall mean that the Unit is substantially complete, in which event the Purchaser agrees to accept a letter agreement from the Seller wherein the Seller shall agree to complete all unfinished items within ninety (90) days from the date of the closing of title, weather and other circumstances permitting. Any such incomplete items shall not constitute an objection to closing provided Seller executes and delivers to Purchaser, a letter agreement in accordance with the foregoing. Purchaser shall permit Seller, its agents, servants and/or employees to enter upon the Premises and shall provide reasonable access thereto subsequent to closing to complete any incomplete items.

In the event Seller is required to make any repair or complete any item of work to be performed by Seller after closing, the limit of Seller's liability shall be to make said repair and/or to complete such item. This Paragraph shall survive the delivery of the deed.

12) ENCUMBRANCES EXISTING AT CLOSING - If there is anything affecting the sale which Seller is obligated to pay and discharge, Seller may use any portion of the balance of the purchase price to discharge it at Closing. As an alternative Seller may deposit money with or do whatever other acts may be required by Seller's title

company so that it is willing to insure Purchaser's title clear of the matter or is willing to insure against enforcement or collection out of the Unit.

13) INABILITY OF SELLER TO TRANSFER OWNERSHIP - Except for Seller's willful default, if Seller is unable to transfer ownership of the Unit in accordance with this Purchase Agreement, Seller shall only be liable to Purchaser for the return to Purchaser of all payments made by Purchaser to Seller towards the purchase price of the Unit. Thereafter, this Purchase Agreement shall be deemed canceled and neither party shall have any further liability to the other in connection with this Purchase Agreement or transaction. Seller shall not be required to commence any action or proceeding or incur any expense in order to remove the condition which prevents Seller from transferring ownership of the Unit in accordance with this Purchase Agreement.

14) SIGNS ON UNIT - Purchaser shall not place any sign anywhere on a Residential Unit or Property at any time within three (3) years after Closing without Seller's prior written consent. This paragraph shall survive delivery of the deed. The Purchaser of a Non-Residential Unit shall have the right to erect, maintain and replace one (1) or more signs on the property permitted by law for the purpose of advertising the operation of any business conducted therein. Any such signs shall be of reasonable size and shall not be located so as to unduly disturb the aesthetics of the Building.

15) PURCHASER MAY NOT TAKE POSSESSION OF THE UNIT PRIOR TO CLOSING- Neither Purchaser nor anyone acting on Purchaser's behalf may enter or take possession of any part of the Unit nor have any work performed or materials supplied or installed at the Unit prior to Closing without the prior written consent of Seller.

16) SELLER'S OBLIGATIONS END AT CLOSING - The delivery of the deed for the Unit to Purchaser or Purchaser's representative at Closing shall be deemed to mean that all things required to be done by Seller under this Purchase Agreement have been done and that Purchaser shall not claim otherwise except as to those things, if any, which are specifically stated in this Purchase Agreement or in a separate writing signed by Seller or Seller's attorney on Seller's behalf, to survive or continue beyond Closing or delivery of the deed.

17) NO BROKER CONSULTED BY PURCHASER - In the event Purchaser is represented or has consulted with an outside broker (other than the Corcoran Group), Purchaser shall be responsible for all costs and commissions associated therewith and Seller shall not be responsible for any co-broker commission. Upon execution of this Purchase Agreement, Purchaser agrees to indemnify Seller for any verbal or written representations made by anyone other than any written representations by Seller's authorized agents. This paragraph shall survive delivery of the deed.

18) REQUIRED PAPERS AND ACTS - Purchaser shall deliver all documents to Seller and perform all acts required by Seller to carry out the provisions of the Plan, establish the Condominium and conform to all applicable laws and regulations. At

Closing, Seller shall deliver to Purchaser a temporary or permanent Certificate of Occupancy for the Unit (or building in which it is located). This Paragraph 18 shall survive delivery of the deed.

19) ASSIGNMENT OR RECORDING PROHIBITED - Neither this Purchase Agreement nor Purchaser's interest hereunder may be assigned by Purchaser without the written consent of Seller. In addition, neither shall this Purchase Agreement nor any memorandum thereof be recorded in any county clerk's or New York City Register's office by Purchaser or anyone on Purchaser's behalf.

20) ADDITIONAL MONEY TO BE PAID BY PURCHASER AT CLOSING - At Closing, Purchaser shall pay, or reimburse to Seller if Seller has already made payment, in addition to all other sums payable or reimbursable elsewhere under this Purchase Agreement, or pay to any Lender, all applicable charges for:

(a) Lender's charges for inspections, appraisals, title examination and policy insuring the Lender's interest, Lender's attorneys' fees for preparation of all loan documents; all commitment fees, points, origination fees and other fees and charges (howsoever characterized) imposed or exacted by the Lender or incurred by Seller or Purchaser in connection with Purchaser's mortgage loan;

(b) mortgage recording taxes;

(c) governmental charges which may be assessed on account of the mortgage loan;

(d) mortgage insurance, if required;

(e) New York State real estate transfer tax on the deed;

(f) New York City real estate transfer tax on the deed;

(g) New York State Real Property Transfer Tax (New York State Tax Law §1402) of 1% of consideration of the Residential Unit if it exceeds \$1,000,000 ("Mansion Tax")

(h) \$150.00 for preparation of the New York City "ACRIS" transfer documents;

(i) all recording and filing charges payable on account of the transfer of title and recording of all documents in connection therewith;

(j) a sum equal to the partial mortgage tax credit to which Purchaser may be entitled under any applicable law by reason of mortgage taxes having been previously paid by Seller;

(k) an initial non-reimbursable capital contribution of two (2) months common charges to the Condominium;

(l) recordation or filing of the Power of Attorney to be executed by Purchaser at Closing;

(m) 3/10 of 1% of the sales price for reimbursement to Sponsor for the cost of obtaining the Section 421-a tax abatement; and

(n) \$1,000 Sponsor's attorney for the preparation of the closing documents.

Purchaser shall also apportion with Seller as of the end of the day prior to Closing, and pay to Seller at Closing the apportioned amount due for taxes, condominium common charges, sewer use, water use, fuel oil (if any) and any other

utility costs. Purchaser shall also pay the deposits required by the Lender to establish the estimated or escrow fund for future payments of taxes, condominium common charges, sewer use and insurance premiums (if applicable). If through no fault of Seller, Purchaser fails for any reason to close title within seven (7) days after the date originally scheduled in Seller's Notice for Closing or such later date (if applicable) to which Seller in a subsequent Notice for Closing adjourned the Closing, all of the aforementioned apportionments shall be made as of the end of the day preceding (i) the date originally scheduled for Closing or (ii) Seller's adjourned closing date (as the case may be).

Purchaser shall pay to Seller at or prior to the actual Closing an amount equal to four one-hundredths of one percent (.04%) (which equals an annual rate of 14.6%) of the purchase price for the Unit for each day beyond such originally scheduled or Seller adjourned Closing Date, to and including the date of actual Closing, for reimbursement and defrayal of Seller's carrying costs and other charges, which amount Purchaser acknowledges to be reasonable and proper.

Any errors or omissions in computing apportionments or any other sums payable under this Paragraph 20 which are communicated to the other party within six (6) months after Closing shall be corrected and payment made to the proper party promptly after such communication.

21) EXTRA WORK AND EXTRA ITEMS ORDERED BY PURCHASER - Any work or items ordered from Seller by Purchaser which are not included in the plans or standard model of the Unit shall, except as may otherwise be provided in this Purchase Agreement or in a writing signed by Seller, be paid for in full by Purchaser at the time they are ordered. The failure of Seller to perform or supply and install such work or items shall not entitle Purchaser to cancel this Purchase Agreement even if Purchaser has already paid for such work or items. Purchaser's only right in the event of Seller's failure to perform such extra work or supply and install such extra items is to receive a refund or credit at the time of Closing equal to the total payments made to Seller for such extra work or extra items. Seller shall have no responsibility for any work, fixtures, appliances, equipment or materials not ordered directly from Seller by Purchaser. For the purposes of this provision, any orders which Purchaser places directly with Seller's contractors or suppliers shall not be deemed to have been ordered directly from Seller.

22) OPTIONS AND COLOR SELECTIONS - Any choices given by Seller to Purchaser in colors, products, materials, design, features and similar matters shall be made by Purchaser in writing at Seller's office or model site, within ten (10) days after notification to Purchaser to make such choices. If there is anything as to which Purchaser has a choice, and Purchaser fails to inform Seller of Purchaser's choice within such ten (10) day time period, then Seller may make the choice on Purchaser's behalf and Purchaser shall accept such choice so made by Seller as if originally made by Purchaser. No claim or objection to Closing shall be made by Purchaser because of any choice made by Seller in any case where Purchaser failed to give Seller timely notice of Purchaser's choice.

23) ACKNOWLEDGMENT THAT THERE ARE NO OTHER UNDERSTANDINGS - All prior understandings and agreements are hereby superseded and merged into this Purchase Agreement, which alone contains the final and entire understanding and agreement between Seller and Purchaser. Neither Seller nor Purchaser shall be bound by any terms, conditions, statements, or representations, oral or written, not set forth in this Purchase Agreement or in the Offering Plan. Purchaser acknowledges that Purchaser is buying a condominium Unit in a condominium development which may not yet have been formed at the time this Purchase Agreement is signed, and that, except as stated in this Purchase Agreement, the Declarations, By-Laws, Exhibits, Schedules and Plan, Purchaser has not relied on any representations or other statements of any kind or nature made by Seller or anyone else except as set forth in the Offering Plan or any amendment thereto and this Purchase Agreement, including but not limited to any relating to the description, size or dimensions of the Unit or rooms therein, or the estimated common charges, or other expenses relative thereto.

24) PURCHASER'S DEFAULT - If Purchaser fails to appear and close title in accordance with this Purchase Agreement on the date and at the time and place stated in Seller's Notice for Closing, or if Purchaser fails to observe or perform any other thing to be observed or performed by Purchaser under this Purchase Agreement, Seller may send Purchaser a written notice of default giving Purchaser thirty (30) days from the date of such notice to cure any such default. Upon Purchaser's failure to cure such default within such thirty (30) day period this Purchase Agreement shall, at Seller's option, be deemed canceled and Seller shall have the right to retain as and for liquidated damages, all sums paid by Purchaser to Seller on account of the purchase price plus all additional sums paid and/or payable by Purchaser for all extra work and extra items ordered by Purchaser, together with all interest credited thereon, if any, which total amount Purchaser acknowledges to be fair and reasonable.

The notice of default shall be deemed notice to the Purchaser by the Escrow Agent of the Escrow Agent's intent to release the funds being held in escrow on behalf of the Purchaser pursuant to the dispute resolution provisions of the Attorney General's escrow regulations as described in Section X of the Offering Plan.

TIME IS OF THE ESSENCE FOR PURCHASER TO CURE SUCH DEFAULT WITHIN SUCH THIRTY (30) DAY PERIOD.

Upon cancellation of this Purchase Agreement for Purchaser's failure to timely cure any such default, Seller shall be released and discharged of all further liability and obligations to Purchaser under this Purchase Agreement. Thereafter the Unit may be sold or disposed of as though this Purchase Agreement had never existed and without any accounting to Purchaser for the proceeds of any subsequent sale. The foregoing remedy shall be in addition to any and all other remedies available to Seller under this Purchase Agreement or at law for any default by Purchaser under this Purchase Agreement.

25) MORE THAN ONE PURCHASER - LIABILITY; AUTHORITY TO SIGN - If two (2) or more persons are named as Purchaser in this Purchase Agreement, (i) each person shall be jointly and severally liable for payment, observance and performance of all obligations under this Purchase Agreement and (ii) anyone of them is hereby made agent for the other in all matters of any and every kind or nature with respect to the Unit and/or this Purchase Agreement. The act, assent, election or approval by one shall conclusively constitute the act, assent, election and approval by all.

26) SELLER'S RIGHT TO CANCEL - Seller may cancel this Purchase Agreement by forwarding a full refund of the down payment to Purchaser together with written notice of cancellation in the event of the occurrence of any of the following:

(a) any governmental, authority imposes a ban on the construction or completion of residential dwellings or imposes restrictions on the manufacture, sale, distribution and/or use of materials from Seller's regular suppliers or from using same in the construction and/or completion of the Unit ; or

(b) Seller is unable to obtain materials from its usual sources due to labor troubles, lockouts, war, military operations and requirements, civil unrest, act of God or national emergencies; or

(c) the installation of public utilities is restricted or curtailed; or

(d) the Plan is abandoned, withdrawn or not consummated for any reason.

Upon such cancellation and refund, neither party shall thereafter have any further liability or obligation to the other in connection with this Purchase Agreement or transaction.

27) POWER OF ATTORNEY - At closing, Purchaser shall execute, acknowledge and deliver to Seller in recordable form, a power of attorney in the form set forth in Schedule E to the Plan (the "Power of Attorney"), in favor of the Board of Managers of the Condominium relative to leasing and purchasing of Units under certain circumstances and to foreclose upon Units for which the payment of Common Charges is delinquent, and in favor of Seller relative to amending the Condominium documents to the extent provided for in the Plan.

28) DAMAGE TO PUBLIC IMPROVEMENTS, AMENITIES AND COMMON ELEMENTS Purchaser shall repair and/or restore to their original condition and standards any public improvement, amenity or Common Element on the Property damaged by Purchaser or Purchaser's agents, employees, contractors or licensees. Upon failure of Purchaser to complete such repair and/or restoration work within thirty (30) days after written notice from Seller, then and in that event, Seller may complete same at the expense of Purchaser who shall reimburse Seller for the cost thereof immediately upon demand. This paragraph shall survive delivery of the deed.

29) NOTICES - Any notices, statements, certificates, requests or demand required or permitted to be given or delivered under this Purchase Agreement shall be in writing and may be sent by mail, overnight courier or personal delivery, addressed to Purchaser or to Seller, as the case may be, at their respective addresses shown at the beginning of this Purchase Agreement, or to such other address as Purchaser or Seller may designate in the manner herein provided. Such notice, statement, certificate, request or demand shall be deemed to have been given

- (i) when received by the person to whom it was sent, if sent by regular mail,
- (ii) when delivered to an overnight courier service, if sent by overnight courier,
- (iii) upon personal delivery actually being made, and
- (iv) within three (3) days after delivery to the United States Post Office with proper postage prepaid, if sent by registered or certified mail return receipt requested.

30) STRICT COMPLIANCE; SEVERABILITY; WAIVER OF TRIAL BY JURY - Any failure by Seller to insist upon strict performance by Purchaser of any of Purchaser's obligations under this Purchase Agreement shall not be deemed a waiver of such obligations, and Seller may at any time insist upon strict performance by Purchaser of any and all obligations to be performed by Purchaser under this Purchase Agreement irrespective of the number of times Purchaser failed to strictly comply with such obligations in the past. If any part of this Purchase Agreement or the Plan is invalid or unenforceable with respect to a particular individual or circumstance, the remainder of this Purchase Agreement or the Plan and the applicability to other individuals or circumstances shall not be affected thereby but shall continue in full force and effect. Purchaser waives all rights to trial by jury in any action, proceeding or counterclaim in any way arising out of or relating to this Purchase Agreement or the Plan. Purchaser agrees to pay all court fees, including reasonable attorney fees, should Purchaser bring an action against Seller in any court of proper jurisdiction (including small claims court) and be unsuccessful.

31) RISK OF LOSS - The risk of loss or damage to the Unit by fire or any other cause until delivery of the deed is assumed by Seller. However, if Purchaser is or becomes the occupant or tenant of the Unit prior to Closing, then as of the date of Purchaser's occupancy, Purchaser shall be responsible for all damage caused by any acts or omissions of Purchaser, Purchaser's agents, employees or invitees.

32) LIEN OF DEPOSIT; RISK OF LOSS -All sums paid on account of this Purchase Agreement and the reasonable expense of the examination of the title to the Unit are hereby made liens hereon, but such liens shall not continue after default by the Purchasers under this Purchase Agreement. The risk of loss or damage to the Unit by fire or any other cause until the delivery of the deed or possession by the Purchaser is assumed by the Seller. In the event a substantial portion of the Unit or Condominium shall be destroyed or damaged prior to closing, Seller shall be entitled to cancel this

Purchase Agreement by written notice to Purchaser, together with a check in the full amount paid by Purchaser, with interest, if any. The parties shall thereafter be released from any further liability hereunder.

33) LIENS SATISFIED AT CLOSING -The existence of unpaid taxes or liens of any kind at the time of title closing shall not constitute an objection to title, provided the Seller shall deposit a sufficient amount with EAM or other title company so that said company shall be willing to insure against collection of same from the property herein described. The parties agree that the Seller may pay and discharge any liens and encumbrances upon the property, not provided for in this Purchase Agreement, out of the monies to be paid by the Purchaser at the time of closing title.

34) EXECUTION OF REQUIRED DOCUMENTS - Purchaser agrees to perform all acts required by the Seller to carry out the provisions of the Offering Plan, establish the Condominium and conform to the provisions of all applicable laws and regulations. This Paragraph shall survive delivery of the deed.

35) INSPECTION DURING CONSTRUCTION - Unless specifically agreed to by Seller, Purchaser shall not visit the construction site except the Sales Office. Any unauthorized visits to the construction site by Purchaser are subject to a charge by Seller of \$500.00 per visit, which Purchaser agrees to pay Seller within ten (10) days of billing thereof. Purchaser acknowledges that unsupervised visits to the construction site present a dangerous circumstance and could incur liability to Seller. Purchaser hereby releases and agrees to indemnify, defend and hold Seller harmless for all claims and liabilities incurred by Seller resulting from the presence of Purchaser or Purchaser's family members or invitees on the Premises or Seller's other property during the term of this Purchase Agreement. Purchaser further agrees to execute the Express Assumption of Risk Form attached to and made a part of this Purchase Agreement as Schedule D-3.

36) PURCHASERS' INTERFERENCE - Purchaser acknowledges that it may not interfere with Seller's ability to construct this or other unit(s) or facilities, including interference with work performed on site by Seller's staff in connection with the construction of Purchaser's Unit or any other Unit, attempts to hire any of Seller's staff or contractors, and/or attempts to bring contractors, materialman, subcontractors or workers onto the site for work on Purchaser's Unit prior to Closing title to the Unit, unless otherwise agreed to in writing by Seller.

37) UNIT PART OF BUILDING Purchaser acknowledges and agrees that other Units and infrastructure are presently being constructed at the building and that Seller anticipates that such construction shall continue until the building is completed in accordance with the Seller's development plan. Purchaser further agrees that such construction shall not be deemed a nuisance nor an interference with Purchase's quiet enjoyment of Purchaser's Unit .

38) PURCHASER GENERAL REPRESENTATIONS - Purchaser represents that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties or statements, written or oral, of any nature, including but not limited to, any of the above relating to the description or physical condition of the Building or the above described Units or the Property, the size or the dimensions of the Unit or the rooms therein contained or any physical characteristics thereof, the Building services, the estimated Common Charges or any other matter or estimate not set forth herein and in the Plan. Purchaser further acknowledges having had full opportunity to examine all documents and investigate all facts referred to and stated herein and in the Plan. Purchaser agrees that the Seller shall have no liability or responsibility to Purchaser and that Purchaser will not be relieved from his or her obligations hereunder, by reason of any inaccuracy or error in the layout or dimensions of the Unit so long as the layout and specifications as they may be changed or amended are in accordance with the provisions of the Plan. Purchaser understands and acknowledges that the Seller cannot guarantee a firm completion and availability date for the Unit and agrees that the Seller shall not be obligated to make, provide or compensate for any accommodations or costs to Purchaser as a result of construction delays nor shall such delays serve to cancel, amend or diminish any of Purchaser's obligations hereunder.

39) WARRANTY - At the closing of title the Sponsor will deliver the certificates and warranties delivered to them and transferable to Purchaser, or to the Condominium. Seller's liability pursuant to the manufacturers' warranties covering heating, electric, plumbing and roofing are limited solely to the extent that such warranties are delivered to Seller, transferable to the Purchaser or to the Condominium and then only as against such manufacturer. In addition, however Sponsor will promptly correct any defects in the construction of the Condominium Unit or the building containing such Unit or in the installation or operation of any mechanical equipment therein due to material or improper workmanship substantially at variance with the plans and specifications, provided only that it is notified of such defects in writing by certified mail within one year from the date of closing of title to the Unit in which the alleged defects exist. No steps taken by Sponsor to correct any defect shall act to extend the warranty period. Sponsor accepts no responsibility for incidental or consequential damage caused by any defect. These warranties are extended to the named Purchaser and are not extended to any subsequent Purchaser nor to any mortgage lender who takes title or possession of the Unit. These warranties shall be void if Purchaser misuses, abuses or otherwise interferes with or changes Sponsor's original construction or installations. Sponsor disclaims any other express or implied warranties, including the warranty of merchantability, habitability, and workmanlike construction.

Promptly after Purchaser's receipt of the notice described in this Purchase Agreement scheduling a closing date hereunder, Purchaser shall make an appointment with Seller or its designated agent to inspect the Unit, which inspection shall be conducted within three (3) days prior to the scheduled closing date or Purchaser's entering into possession of the Unit (as the case may be). At the conclusion of such inspection, Purchaser or Purchaser's duly authorized agent shall complete, date and

sign an Inspection Statement and deliver the same to Seller or such designated agent. If Purchaser shall fail or refuse to inspect the Unit and/or deliver a completed, dated and signed Inspection Statement when and as set forth above, the same shall constitute purchaser's irrevocable and unconditional waiver of any right that Purchaser might otherwise have had, whether under this Purchase Agreement or otherwise, to object to, and to cause Seller to correct, any defect in the construction of the Unit that would have appeared on a properly completed Inspection Statement if the Unit had been inspected immediately prior to closing (hereinafter called a "Discoverable Defect"). Any such waiver shall not excuse Purchaser from his or her obligations to pay the full Balance when due and otherwise close title to the Unit. In no event shall Seller be required to escrow funds at Closing in order to secure Seller's performance of work necessary to correct the items set forth on Purchaser's Inspection Statement. Rather, Purchaser shall be obligated to close, notwithstanding the existence of any such items and Seller will be responsible to correct only those items which are noted on Purchaser's Inspection Statement, within ninety (90) days after closing, weather permitting.

When the Purchaser moves into the Unit or accepts the deed, the Seller's responsibility is limited to:

- (a) completion of items shown on the Inspection statement as provided in the Inspection Statement, and
- (b) performance of warranty obligations, as listed above. The purpose of the Warranty is to identify the Seller's responsibilities for construction defects of a latent or hidden kind that would have been found or disclosed on final inspection of the Unit.

Seller will not be obligated to correct, repair, or replace, and will not be liable to Purchaser as a result of any variations from the specifications if:

- (c) such variations are immaterial or insubstantial in nature or degree, including, without limitation, insubstantial variations in the dimensions or arrangement of rooms, walls, or other areas within the Unit; and
- (d) such variations are neither in violation of applicable building codes nor require the approval of any governmental authority having jurisdiction, or are necessitated by site conditions or job requirements, provided that such variations are of equal or better quality and design than that set forth in the Specifications and do not materially reduce the value of the Unit.

This warranty does not apply to the Non-Residential Unit.

The provisions of this Paragraph shall survive the delivery of the deed.

40) ATTORNEYS - The attorneys representing the Seller or any Lender represent such parties only and not the Purchaser. The Purchaser may retain

independent counsel at Purchaser's own expense in order to protect Purchaser's own interest.

PURCHASERS:

VINTAGE AT JACKSON LLC

Signature

By: _____

Signature

YOU, AS THE PURCHASER OF THE UNIT, MAY REQUIRE THE RECIPIENT OR CONTRACTOR TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, THE RECIPIENT OR CONTRACTOR MAY POST A BOND OR PURCHASE AGREEMENT OR INDEMNIFY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE.

SCHEDULE D-1

FORM TO RELEASE ESCROW FUNDS

FORM FOR THE RELEASE OF ESCROW FUNDS

Date

Zaccaria & Sasson
175 East Shore Road
Great Neck, New York 11027

Re: **10-50 Jackson Avenue Condominium**
Purchaser:
Unit #:

Dear Sirs:

You have been holding in a trust account my/our down payment for the above-referenced Residential Unit in the amount of \$_____. I/we acknowledge that a closing has taken place this date. Accordingly, Zaccaria & Sasson is authorized to release the funds being held in said amount to whomever the Sponsor so designates. In addition, Zaccaria & Sasson, as Escrow Agent on said account, is hereby released from any and all liability or further obligation to us with respect to said down payment.

Very truly yours,

Purchaser_____
Sponsor's representative

SCHEDULE D-2

WAIVER OF NOTICE OF CLOSING

WAIVER OF NOTICE OF CLOSING

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

, being duly sworn, does hereby depose

and state:

1. I am the purchaser of Home # at 10-50 Jackson Avenue Condominium.

2. Pursuant to a Purchase agreement dated , 200 , I am entitled to
 thirty (30) days' written notice of the closing for my Home.

3. I hereby waive the applicable notice provision contained in the Purchase
 Agreement and agree to close on , 200 .

 Purchaser's signature

 Purchaser's signature

Sworn to before me this
 day of , 200 .

 Notary Public

SCHEDULE D-3

SURETY BOND



Liberty Bond Services.

Member of Liberty Mutual Group

Bond # _____

KNOW ALL MEN BY THESE PRESENTS, that we _____, as Principal and LIBERTY MUTUAL INSURANCE COMPANY, organized under the laws of the State of Massachusetts and authorized to do business in the State of New York, having its principal office at 1211 Avenue of the Americas, New York City, NY 10036, as Surety, are held and firmly bound unto _____, as Obligee, in the sum of _____ and 00/100 (\$ _____) lawful money of the United States of America for which payment well and truly to be made we, Principal and Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these present.

WHEREAS, the above bound Principal and Obligee have entered into a Purchase Agreement on _____ for the construction of a family residence located at _____.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that if the above named Principal shall well and truly perform or cause to be performed its obligation as set forth in said Purchase Agreement and in each and every respect comply with the conditions therein contained, then this obligation is to be void, otherwise to remain in full force and effect until passage of title or return of escrow, whichever is sooner.

THE SURETY shall abide by directives in conformity with the provisions of the Escrow Regulations contained in Part 203(1)(3)(6)(5) promulgated by the Department of Law pursuant to Section 352-e (2-b) and 352-h of the General Business Law of the State of New York.

ANY CLAIM under this bond for breach of any of the terms of the Purchase Agreement referred to above must be filed with Surety and Principal within (6) six months of said breach.

PROVIDED, that in no event shall the liability of the Surety hereunder exceed the penal sum of this bond. NO PARTY OTHER than Obligee shall have any rights hereunder as against the Surety.

The Surety may cancel its liability as to future assessments under this bond at any time by written notice to the Obligee at least fifteen days in advance of the date of cancellation.

Signed, Sealed and dated this _____.

Principal: _____

LIBERTY MUTUAL INSURANCE COMPANY

By: _____

By: _____

, Attorney in Fact

SCHEDULE E

POWER OF ATTORNEY

POWER OF ATTORNEY

I (We) residing at _____ the owner of Condominium Unit No. _____ in the Condominium known as 10-50 Jackson Avenue Condominium covering the property located in the Borough of Queens, Queens County, City of New York, New York, do hereby nominate, constitute and appoint the members of the Board of Managers of 10-50 Jackson Avenue Condominium and their successors, jointly, my true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in my name and on behalf to acquire, in their own name or in the name of their designee by deed on behalf of all owners of Condominium Units in said property, any Condominium Unit whose owner desires to abandon the same, or which shall be the subject of a foreclosure sale or in lieu of a foreclosure sale, at such price and on such terms as my said attorneys-in-fact shall, in their sole discretion deem proper and thereafter to convey, sell, lease, sublease, mortgage, vote or otherwise deal in such Condominium Unit so acquired, at such terms as my attorneys-in-fact may in their sole discretion determine, granting to my said attorneys-in-fact the power to do all things in the said premises which I could do if I were personally present.

I (We) do further hereby nominate, designate, constitute and appoint the members of the Board of Managers of 10-50 Jackson Avenue Condominium and their successors, jointly, my true and lawful attorneys-in-fact, coupled with an interest, with power of substitution, in my name and on my behalf, the right to act in my behalf to take any and all action necessary against any tenant(s) that may be residing in my Condominium Unit including but not limited to, the right to seek an eviction in a court of law for failure to adhere to any of the provisions of the Declaration of Condominium, By-Laws and Rules and Regulations of 10-50 Jackson Avenue Condominium.

I (We) do hereby further irrevocably nominate, constitute and appoint Vantage at Jackson LLC and its successors, my true and lawful attorneys-in-fact coupled with an interest in my name and on my behalf to vote at any Unit Owners meeting for, and to file an amendment to the Declaration of 10-50 Jackson Avenue Condominium permitting the certification by a registered architect or professional engineer, certifying that the floor plans filed as part of an amended Declaration are an accurate copy of portions of the plans of the building and fully and fairly depict the layout, location, designation and approximate dimensions of the Units, as built, and to amend any Filed Map or amending such Declaration to create any utility easements or to carry out any of the provisions of the Offering Plan of such Condominium as described in Article Eleventh, Section (c) of the Declaration of Condominium of 10-50 Jackson Avenue Condominium.

This power of attorney shall be irrevocable.

IN WITNESS WHEREOF, I (we) have set my (our) hand(s) and seal this day
of , 20 .

SCHEDULE F

FORM OF DEED

DEED

THIS INDENTURE made the _____ day of _____, 20____ between Vantage at Jackson LLC, a New York Limited Liability Company, having a place of business at 20 Gilbert Avenue, Smithtown, New York 11787, Party of the First Part and

Party of the Second Part;

WITNESSETH

That the Party of the First Part, in consideration of Ten Dollars (\$10.00), lawful money of the United States, and other good and valuable consideration, paid by the Party of the Second Part, does hereby grant and release unto the Party of the Second Part, the heirs or successors and assigns of the Party of the Second part forever,

ALL that certain piece or parcel of real property, with the improvements therein contained, situate and being a Condominium Unit (the "Unit") in Queens County, City and State of New York, known as Residential Unit No. _____ together with a ____% of common interest in the Common Elements and Parking Space Unit No. _____ together with a ____% of common interest in the Common Elements of the Condominium 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, Queens County (the "Register's Office") on _____ in Reel _____ page _____ and also designated as Tax Lot _____ in Block _____ of Section _____ of the County of Queens on the Tax Map of the Real Property Assessment Department of the City of New York, and on the Floor Plan of said 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 Condominium Plan No. _____, Map No. _____.

TOGETHER with an undivided _____% interest in the Common Elements.

The premises within which the Unit is located are more particularly described as follows:

(PROPERTY DESCRIPTION)

TOGETHER with the appurtenances and all the estate and rights of the Party of the First Part in and to said premises.

TOGETHER with the benefits, rights, privileges, easements and subject to the burdens, covenants, restrictions, by-laws, regulations and easements all as set forth in the Condominium Documents filed and recorded as aforesaid.

SUBJECT TO: The provisions of the Declaration, By-Laws, site plan and floor plans of the Condominium as the same may be further amended from time to time by instruments recorded or filed in the Register's Office of the City of New York, Queens County, which provisions, together with any amendments thereto shall bind any person having at any time any interest or estate in the Unit, as though such provisions were recited at length herein.

TO HAVE AND TO HOLD the premises herein granted unto the Party of the Second Part, the heirs or successors and assigns of the party of the second part forever.

AND the party of the First Part covenants that the party of the First Part has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

AND the Party of the First Part, in compliance with Section 13 of the Lien Law, covenants that the Party of the First Part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for purpose of paying the cost of the improvement before using any part of the total of the same for any other purposes.

The use for which the Residential Units are intended is that of a one family residence subject to the applicable governmental regulations and the regulations contained in the Declaration.

The use for which the Non-Residential Units located on the first floor are that of a retail or other business use, or other use permitted by applicable zoning, subject to the applicable governmental regulations and the restrictions contained in the Declaration.

The use for which the Parking Garage Units are intended is that of a parking space only.

This conveyance is made in the regular course of business actually conducted by the Party of the First Part.

The word "Party" shall be construed as if it read "Parties" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, the Party of the First Part has duly executed this deed and the Party of the Second Part has duly assumed the mortgage therein referred to, the day and year first above written.

VANTAGE AT JACKSON LLC

By: _____

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

On the day of in the year 20 , before me, the undersigned, personally appeared , personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

NOTARY PUBLIC

SCHEDULE G

DESCRIPTION OF PROPERTY
AND BUILDING CONDITION

10-46 thru 10-52 JACKSON AVENUE
CONDOMINIUM APARTMENT BUILDING
LONG ISLAND CITY, NEW YORK

January 15, 2007

General: The property described herein will contain a new building with an accessory-parking garage.

A. Location of Property:

1. Address: 10-46 THRU 10-52 Jackson Avenue
Queens, New York
2. Block No.: 40
3. Lot Number: 20, 23
4. Zoning District: R7X / C2-5 / HP Sub-District. *Map 9b*
5. Permitted Uses: Use Group 2 (Residential) and accessory uses.
Use Group 3 (Community Facility, includes colleges, universities, college or university dormitories, domiciliary care facilities for adults, libraries, museums, non-commercial art galleries, monasteries, non-profit hospital staff dwellings, nursing homes and health-related facilities).
Use Group 4 (Community Facility, includes churches, clubs community centers, government operated health centers, medical offices, monasteries, non-commercial recreational centers, non-profit hospital staff dwellings, non-profit or voluntary hospitals, philanthropic or non-profit institutions, proprietary hospitals, seminaries, welfare centers, agricultural uses, cemeteries, golf courses, outdoor tennis courts or ice skating rinks, public parks, playgrounds, private parks, railroad or transit right-of-way).
6. Landmark Status: None

Note: This report contains no Abbreviations that requires explanation

B. Status of Construction:

1. The New Building shall be constructed pursuant to application # 402034320, as filed on November 23, 2004, and subsequently approved by the New York City Department of Buildings. The projected date of substantial completion is on or about December 15, 2007 unless delayed by weather, strikes, lockouts, acts of God, shortages of, or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire or the elements or any other cause over which the Sponsor has no control.

2. Certificate of Occupancy: After completion of construction, the Sponsor will apply for a Certificate of Occupancy for the Building from the Department of Buildings of the City of New York ("Department of Buildings"). The Sponsor makes no representation as to the exact time of the delivery of the Certificate of Occupancy. The Sponsor will obtain a Temporary Certificate of Occupancy prior to the first unit closing. The Sponsor will obtain a Permanent Certificate of Occupancy within 2 years of the first unit closing.
3. Class of Construction: The Building will be classified as Class IC (Non-Combustible) and will conform to all applicable regulations of the Building code of the City of New York ("Building Code"). The building plans were filed with the New York City Department of Buildings as job #402034320, and have been subsequently approved.

C. Site Description:

1. The Site is a Lot totaling 9,355.6 S.F. metes and bounds description starts at a point on the southerly side of 50th avenue (formerly 4th street, 60 ft. wide) distant 149.80 feet westerly from the corner formed by the intersection of the southerly side of 50th avenue with the westerly side of 11th street (formerly east avenue, 160 feet wide).
Running thence southerly parallel with the westerly side of 11th street, 100 feet.
Thence westerly parallel with the southerly side of 50th avenue, 25feet.
Thence southerly on a line forming a right angle to the last mentioned course, 0.73 feet to a point.
Thence northwesterly on a line forming an interior angle of 114 degrees 19 minutes 00 seconds to the last mentioned course, 27.42 feet to a point.
Thence Northwesterly on a line drawn at right angles to the southeasterly side of Jackson avenue, 87.98 feet to the southeasterly side of Jackson avenue (100 feet wide)
Thence Northeasterly along the southeasterly side of Jackson avenue, 71.77 feet to the corner formed by the intersection of the southeasterly side of Jackson avenue with the southerly side of 50th avenue.
Thence easterly along the southerly side of 50th avenue, 68.58 feet to the point or place of beginning
This information is precisely defined with surveyed coordinates in the tax lot filing RP-604 filed with the City Surveyor.

D. Site Distribution:

1. The building occupies almost 91% of the entire site at the cellar and first floor.
2. The site is accessed as follows
 - a. Pedestrian entrance to lobby
 - b. Vehicular access to the parking garage.
 - c. Pedestrian entrance to retail space

E. Sidewalk:

1. The public sidewalks and curbs shall be concrete as per requirements of Department of Transportation. Concrete strength shall be 4,000 psi. The curbs shall be steel faced concrete as per requirements of Department of Transportation.
2. No catch basins will be provided.

3. Street lighting shall be existing street lighting provided by the City of New York. Lighting shall be provided at residential lobby entrance per requirements of NY State Multiple Dwelling Law.
4. Drives, sidewalks and entrance lighting shall be in conformance with local building code. Concrete strength shall be 4,000 psi and 8" thick.

F. Utilities:

1. Water supply and combined sewer servicing the building units will be provided by the City of New York.
 - a. Water supply will be master metered and charged to condominium association. Each unit will not be billed separately for their usage.
2. Consolidated Edison (Electric) and KEYSPAN (Gas) shall provide Gas and Electrical service. Drives, sidewalks and entrance lighting shall be in conformance with local building code.
 - a. Gas will be individually metered to each apartment
 - b. Electrical supply will be individually metered for each unit.
 - c. Electrical supply for the common elements including service of common areas shall be separately metered and all usage shall be incorporated into the overall cost of maintenance of the private condominium ownership.
3. The Sponsors shall provide telephone, cable television wiring for the entire building. Internet usage can be obtained through cable TV and telephone wiring.
 - a. Individual residents shall select telephone, cable television and Internet service provider of their choice to service their particular requirements.
 - b. Telephone lines will also be used for intercom service to each residential unit.
 - c. Telephone service shall be provided for the lobby concierge desk and all expenses incurred shall be part of the maintenance.
5. All services for the commercial unit will be metered separately from residential use.

G. Sub-soil Conditions:

1. The new cellar floor shall be supported on 4,000 psi concrete spread footings. Footings shall not extend over lot lines. The new cellar floor shall be comprised of a new reinforced concrete slab on a waterproofing membrane. New perimeter foundation walls shall be waterproofed reinforced concrete. Soil bearing capacity is 2 tons square foot.
2. Installation of Vapor Barrier: As per NYSDOH Guidance for Evaluating Soil Vapor Intrusion in the State of New York, Working Draft, February 2005 (available at http://www.health.state.ny.us/nysdoh/gas/svi_guidance) Section 4.2.2.b "To retard the infiltration of subsurface vapors into the building and enhance the performance of a SMD system, a minimum 6 mil (or 3 mil cross laminated) polyethylene or equivalent flexible sheeting material should be

used. The sheet should cover the entire floor area and be sealed at the seams (with at least a 12 inch overlap) and penetrations, around the perimeter of interior piers and to the foundation walls". Documentation of the installation must be submitted to the Department.

3. The building is not located in a flood hazard. Water .per soil boring report is approximately 16' feet below first floor level. There is no bearing capacity; project is on pile.

H. Landscape & Enclosure:

1. No Landscaping will be provided at the Roof Terraces.
2. A 6'-0" high decorative wooden fence shall be provided at the common roof terrace.
3. Trees: (6) London Plane, or better, street trees of a minimum 3-caliper size, shall be provided at the sidewalk level, as required by the NYC Zoning Code.

I. Building Height:

1. The building is 123'-2" high.
3. The cellar floor height is approximate 9' high to 1st floor level
4. The building is sub-divided as follows:

1. Cellar Floor to First Floor	9'-0"
2. First Floor to Second Floor	13'-0"
3. Second Floor to Third Floor:	10'-0"
4. Third Floor to Fourth Floor:	10'-0"
5. Fourth Floor to Fifth Floor:	10'-0"
6. Fifth Floor to Sixth Floor:	10'-0"
7. Sixth Floor to Seventh Floor:	10'-0"
8. Seventh Floor to Eighth Floor:	10'-0"
9. Eighth Floor to Ninth Floor:	10'-0"
10. Ninth Floor to Tenth Floor:	10'-0"
11. Tenth Floor to Eleventh Floor:	10'-0"
12. Eleventh Floor to Twelfth Floor:	10'-0"
13. Twelfth Floor to Roof Floor:	10'-0"
4. Roof structure height from main roof to top of bulkhead slabs is approximately 27'-10".
5. Parapets:
 - a. Height from top of roof finish to top of parapet coping or railings will be 3'6".

J. Occupancy

1. There will be (48) Class-A residential units in the project. All units shall be compliant with Local Law 58. + (1) Commercial space

2. The numbers of units are in compliance with the requirements of the New York City Zoning Resolution.

K. Building System

1. The new foundation walls will be concrete. The building structure will be poured-in-place reinforced concrete. Lateral loads response shall be poured in place concrete shear walls.
 - (a) The building is a new building. There is no Landmark district or individual building designation.
 - (b) Walls: The exterior wall construction, from exterior face to interior face, shall be metal panel veneer, metal supports as required for installation of metal panel, self-adhering moisture & air barrier, 5/8" exterior grade gypsum sheathing, light-gauge metal studs @ minimum 16" o.c., R-11 foil-faced batt-insulation, vapor-barrier as required, 5/8" gypsum interior wallboard with a painted finish. The minimum insulation value of R-19, as required by the NYS Energy Code. All roof structures shall have an exterior wall construction, from exterior face to interior face, of metal panel veneer, metal supports as required for installation of metal panel, self-adhering moisture & air barrier, 5/8" exterior grade gypsum sheathing, light-gauge metal studs @ minimum 16" o.c., foil-faced batt-insulation, vapor-barrier as required, 5/8" gypsum interior wallboard with a painted finish.
 - (c) Windows: The windows at all floors shall consist of a combination of aluminum fixed, tilt, or casement windows with a one-year warranty on labor and materials. The warranty period will start from the end date of completion of the window installation. There shall be side Lot-line windows at units 3C, 4C, 5C, 6C, 7C, 8B, 9B, 10B, 11B, 12B.
2. Parapets and Copings: The roof and terrace parapets shall be concrete block with metal railings anchored to the concrete slab.
3. Exposed exterior flashing for the building shall be aluminum.
4. Chimneys and Flues: The Refuse chute shall be vented through a flue at roof as per NYC Department of Building standards. The Boiler exhaust flue shall terminate a minimum of 36" above the roof bulkheads. The chimney for each flue, for the entire height of the building, shall be a minimum of 8" Concrete Masonry Units (C.M.U.).
5. Terraces and Balconies: (See item #8 below).
 - A. Balconies
 - a. The balconies are to be made from poured in place reinforced concrete. The railings: we have three types of railings aluminum, glass and metal panel secured into the structural slab.
 - B. Terraces
 - a. Private terraces at the second floor level shall be accessible from Units 2A, 2C, 2D, and 2E.

1. The second (2) floor terraces can be found along the east side of the building are pre-cast concrete pavers set above a membrane roof pitched to floor drains connected into the buildings sewer lines. These terraces are enclosed by a parapet made from a cement parged finish on cement masonry blocks (CMU), which are anchored to the buildings structure with a steel bar reinforcement. The wall is capped-off with a pre-cast concrete coping. These terraces are accessed by means of a full height door from the living room or bedroom of the units affected.
 2. The common public terrace, located at the roof of the 12th level, shall be accessible to all residential units by means of the building elevator. The floor composition is made similar as the assembly outlined for the other terraces.
6. Exterior Entrance and Ground Floor Public Areas
- a. Exterior wall: The storefront at the Residential Lobby are aluminum frame with transparent glass.
 - b. Lobby and Entrance Doors: Doors will be clear tempered glass and aluminum in aluminum frames with fixed pulls.
 - c. Mail Boxes: Mail boxes for the residential units shall be located in the Residential Lobby at the 1st (ground) level, and will be of a front loading type with a clear aluminum finish, and shall be U.S.P.S. approved. A key-keeper, as required by the U.S.P.S, shall be located at the exterior of the building, adjacent to the residential entrance door, and shall have a clear aluminum finish.
 - d. Storage Room: Provided at Cellar floor and at Ground floor for packages at concierge desk.
 - e. Exercise room: Provided at cellar floor (approximately 400 s.f.)
The floor material will be carpet on concrete slab.
The walls will be painted gyp. Bd.
The ceiling will be painted gyp. Bd.
The lighting will be fluorescent mounted on concrete slab.
 - f. Lighting: Wall-mounted, exterior light fixtures shall be provided at all main building entrances. Recessed and wall-mounted lighting fixtures shall be provided in the lobby and public corridors. Surface mounted light fixtures shall be provided at the garage areas.
 - g. Parking Garage: Floors shall be concrete with a sealed finish. Ceilings shall be the exposed underside of the concrete slab with a painted finish. Walls shall be structural poured-in-place concrete, or structural concrete block with a painted finish. Fire rating for the garage shall be 2-hours at the walls and 1½" hours at the ceiling as required for Type-IC construction.
 - h. Parking Garage Door: The residential garage doors shall be a roll-up type consisting of steel frame and clear glass sections with a finish to match the exterior window and door frames.

- i. Service entrance doors shall be glass/aluminum.

7. Roof and Roof Structures

1. Type of Roof:

- a) Material: The roofing systems will be a liquid applied membrane roofing type over tapered insulation sloped to drains, manufacturer shall be Firestone or Equal, Precast pavers shall be provided for the roof terraces and main roof accessible to the public.
- b) Insulation: Insulation shall be as per roofing manufacturer's recommendations with an "R" value as required to meet the NYS Energy Codes or R-30, whichever is greater.
- c) Surface Finish: The surface finish will be roofing or concrete pavers as described above.
- d) Expected Useful Life: The roofing system shall have a minimum life of up to 15 years.
- e) Bond or Warranty: The roofing system shall have a Fifteen-year minimum manufacturer's warranty.
- f) Flashing Material: There will be aluminum counter flashing and bituthene membrane base flashing as required and will be compatible with the Hydrotech roofing assembly.

2. Roof Drains:

- a) Material and Type: Cast Iron Drains, 4 inch diameter, 3 provided at roof, with internal leaders.
- b) Scuppers and Leaders: At roof bulkheads, and balconies made of galvanized steel material.

3. Skylights: none.

4. Core Bulkheads, fire stairs, elevator overrun:

- a) Residential Elevator: The elevator will be 2,000 pound, capacity 13 person fabricated, installed, and guaranteed for a one-year period by Elevator Manufacturer who shall be Thyssenkrupp Elevator or Equal. The overrun will be part of roof bulkhead, which will consist of a poured-in-place concrete floor on metal deck and exterior walls with a light gauge steel framing enclosure with a Metal Panel veneer finish.
- b) Stairs: The stair enclosure will be part of roof bulkhead that will consist of light gauge steel framing enclosure with a Metal Panel veneer finish.

5. Elevator and Stair Bulkhead

- a) Exterior Enclosure: Metal Panel veneer finish.

6. Metal Work at Roof Levels

- a) Vertical Ladders: One exterior, vertical ladder shall be provided to gain access to the upper roof level of the elevator bulkhead per building.
- b) Railings: aluminum or galvanized pipe and tempered clear glass railings at some terraces and balconies. Steel or galvanized railings at roof of elevator bulkheads.
- c) Hatches to Elevator Roof: One per Bulkhead.
- d) Other: None

7. Roof top facilities are a common element area.

8. The sponsor's conveyance of the limited common element of the roof to the condominium unit owners is restricted as follows:

- a) No floor area may be added.
- b) No construction can be performed without a permit from the Department of Buildings and approval by the Board of Managers of the Condominiums. All drawings and calculations submitted must be signed and sealed by a Registered Architect or Professional Engineer.
- c) If any proposed construction cannot be built as-of-right and require a variance from the Board of Standards and Appeals, the applicant must disclose the need for the variance. If the Board of Managers of the Condominium opposes the application for a variance it may be denied.
- d) The condominium shall have unlimited access to all areas of the roof for the purposes of making inspections or repairs.
- e) Repair or replacement of the roof, roof accessories or common elements in or passing through the unit is the financial responsibility of the condominium unless the damage is caused by the condominium unit owner.
- f) In the event the condominium unit owner wishes to construct on the roof subject to the conditions stated above, the Board of Managers of the Condominium should regulate the following aspects of construction.
- (1) Time periods during which work is permitted.
- (2) The manner in which construction debris will be handled.
- (3) Measures that must be taken to prevent compromising the security of the building during construction.

- (4) The interruption of services during construction.
- (5) Liability insurance for contractors during construction.

9. Fire Escapes

- a. There are no fire escapes. Fire escapes are not permitted by the building code, of the City of New York for new construction.

10. Yards: None.

11. Interior Public Stairs:

- a. Number of Stairs: There is one stair core in the building, containing a scissor type fire stair, which will extend from the cellar level to the main roof level. Fire stairs provide egress from the cellar, upper floors and roofs.
- b. Enclosure: The stairs will be enclosed with a minimum 2-hour rated 5" Gypsum wallboard wall construction. Stairs bulkheads projecting through the roofs shall be constructed from light gauge studs with a Metal Panel veneer exterior finish. All stair walls will be painted.
- c. Stair Construction: All the stairs will be pre-cast concrete construction.
- d. Stringers: None.
- e. Treads: Concrete.
- f. Risers: Concrete.
- g. Hand Rails: There shall be a 1 1/2" diameter steel pipe handrail in each stair in accordance with the NYC Building Code.
- h. Balustrade: Steel bars or pipe rail as required.

12. Interior Unit Stairs: None

13. Exterior stairs: located at roof going to storage and elevator machine rooms
Open riser steel stair

A- Stringers: 2" steel

B- Treads: steel.

C- Risers: open riser

D- Hand Rails: There shall be a 1 1/2" diameter steel pipe handrail in accordance with the NYC Building Code.

E- Balustrade: Steel bars or pipe rail as required.

13. Interior Doors and Frames:

- a. Apartment Entry Doors: The Residential units shall be accessed from the corridors and shall have a hollow metal doors and frame to comply the New York City Building Code requirement. The locksets should be by Marks model #7NY82F-26D or equal.
- b. Public Area Doors and Frames: All doors and frames shall be hollow-metal and will comply the New York City Building Code requirements.
- c. Stair Doors and Frames: All doors and frames shall be hollow-metal and will meet the New York City Building Code requirements.
- d. Roof Doors, Cellar Doors and Frames: These doors and frames shall be hollow-metal and will meet the New York City Building Code requirements.
- e. Apartment Interior Doors: Door slabs shall be masonite, and frames shall be wood or hollow metal. Hardware to be by Slage or equal. Privacy locks by Schlage Model #540D or equal.

14. Elevators:

- 1. There shall be two (2) Residential passenger elevators servicing the building from the Cellar to the Roof Floor
- 2. The passenger elevators shall have a maximum capacity of 2,000 pounds. The total maximum occupant load shall be determined by the Elevator Division of the NYC Department of Buildings upon issuance of permit to operate.
- 3. The type of operation will be Selected Collective Operation.
- 4. The elevator will be installed with a Tricon VVVF solid-state controller.
- 5. The elevator will be an overhead traction type.
- 6. The elevators doors will be single speed Doors.
- 7. The residential elevator machine rooms will be located at the elevator bulkhead above the elevator overrun and is accessed via an exterior steel ships ladder.
- 8. The elevator power will be a 40 hp, 208-volt, 3-phase A/C Imperial motor.

15. Elevator Cab:

- a. Residential elevator cab will be manufactured by EDI and shall be in conformance with applicable code provisions.
- b. The floor material will be stone tiles on a setting bed.
- c. The walls for elevator cab will be covered with stainless steel and plastic laminate panels for safety.

- d. The ceiling for elevator cabs will be a stainless steel panel.
- e. The lighting of the cab will be recessed incandescent lighting.

16. Finishes /Appliances:

A. Residential Corridors:

- a. The common Corridor area floor shall be finished with a builder's grade carpet.
- b. Walls shall be gypsum wallboard with a painted finish, and a painted $\frac{3}{4}$ " x 4" M.D.F. baseboard with a painted finish.
- c. Ceilings shall be gypsum wallboard with a painted finish.
- d. Ceiling lighting shall be wall mounted sconce fixtures as selected.

B. Residential Lobby:

- a. The floor shall be finished with stone tiles and a builder's grade carpet.
- b. Walls shall be gypsum wallboard with a painted finish, and a painted $\frac{3}{4}$ " x 4" M.D.F. baseboard with a painted finish.
- c. Ceilings shall be gypsum wallboard with a painted finish.
- d. Reception Desk shall be a custom design with wood or steel as per the architect's specifications.
- e. Entry doors to aluminum storefront framing with tempered clear glass panels with door pivot hardware.
- f. Ceiling lighting shall be recessed fixtures as selected.

C. Interior of Residential Units, General Requirements:

- a. The Living, Dining, Bedroom, and Hallway areas shall be finished with engineered solid maple wood flooring.
- b. Walls shall be gypsum wallboard, with a painted finish, and a painted $\frac{3}{4}$ " x 4" M.D.F. baseboard with a painted finish.
- c. Ceilings shall be concrete, with a painted finish.
- d. Bathroom floors shall be stone composite material and Kitchen floors shall be finished with hardwood.
- e. Bathroom walls shall be moisture resistant gypsum wallboard with a painted finish.
- f. Lighting shall be provided by a combination of switched electrical wall outlets, recessed light fixtures, and surface mounted light fixtures as selected.

Typical appliances and finishes: (equal or better as certified by architect of record)

Item	Manufacturer	Model #
Refrigerator	Viking	Vcft036ss Or equal
Dishwasher	Viking	Dfud042pss Or equal
Range	Viking	Vgsc307-4bss Or equal
Range Hood	Broan	Rm533004

		Or equal
Floors	Wood	N/A
Countertop	Stone	N/A
Ceiling	Painted Gypsum Wallboard	N/A
Kitchen Sink	Kohler	Undertone K-3332 Or equal
Kitchen Faucet	Kohler	K-692 or equal
Kitchen Cabinets	Stained eggerboard	N/A

D. Bathrooms:

Master Bathroom

Item	Manufacturer	Model #
Bathtub	Kohler	K-855 or equal
Tub Drain	Kohler	K-7193 or equal
Tub Spout	Kohler	"Purest Collection"
Tub Faucet	Kohler	"Purest Collection"
Shower Head	Kohler	"Purest Collection"
Lavatory	Kohler	K-2075
Lavatory Faucet	Kohler	"Purest Collection"
Toilet	Kohler	K-3327
Floors	-	Tile Sunny Gold stone
Wall	-	Sunny gold stone Painted sheetrock

Guest Bathroom

Item	Manufacturer	Model #
Guest Bathtub	Kohler	K-715 or K-716
Guest Shower Faucet	Kohler	"Purest Collection"
Guest Shower Mixing Valve	Kohler	"Purest Collection"
Guest Lavatory	Kohler	K2209 undercounter
Toilet	Kohler	K-3323
Floors	-	Tile Sunny gold stone
Wall	-	Sunny gold stone/ Sheetrock

17. Unit Description:

- There are 48 new residential apartment units and one ground floor retail unit in the project.
- Unit1a is a ground floor retail space with its own entrance on Jackson avenue

& 50th avenue.

<u>Building Designation/ Floor Level</u>	<u>Unit Designation</u>	<u>Unit Type</u>	<u>Gross Square Footage of Condo Unit*</u>	<u>Gross square footage of Terraces & balconies</u>	<u>Total Gross Square Footage</u>
Cellar					
1 st Floor	Retail	1A	2,160		
2 nd Floor	2A	1BR	813	554	1,367
2 nd Floor	2B	2 BR	958		958
2 nd Floor	2C	2 BR	1,165	813	1,978
2 nd Floor	2D	1 BR	713	1044	1,757
2 nd Floor	2E	1 BR	536	577	1,113
Total 2nd					7,173
3 rd thru 7 th floor	3-4-5-6-7 A	1BR	813	60	873
3 rd thru 7 th floor	3-4-5-6-7 B	2 BR	958	10	968
3 rd thru 7 th floor	3-4-5-6-7 C	2 BR	1,165	135	1300
3 rd thru 7 th floor	3-4-5-6-7 D	1 BR	713	99	812
3 rd thru 7 th floor	3-4-5-6-7 E	1 BR	536	-	536
Total 3rd thru 7th (each floor)					4,489
8 th Floor	8A	3 BR	1,248	624	1,872
8 th Floor	8B	2 BR	1,016	412	1,428
8 th Floor	8C	2 BR	745	286	1,031
Total 8th					4,331
9 th thru 11 th Floor	9-10-11 A	1 BR	608	83	691
9 th thru 11 th Floor	9-10-11 B	2 BR	1,016	92	1,108
9 th thru 11 th Floor	9-10-11 C	2 BR	745	-	745
9 th thru 11 th Floor	9-10-11 D	1 BR	610	-	610
Total 9th thru 11th (each floor)					3,154
12 th Floor	12A	3 BR	1,246	83	1,329
12 th Floor	12B	2 BR	1,015	92	1,107
12 th Floor	12C	2 BR	741	-	741
Total 12th Floor					3,177
TOTAL:		48 Residential Units + 1 Retail			

*(Unit Sizes are calculated from the exterior face of exterior walls adjacent to the unit to the centerline of the demising wall between Units, Corridors, Elevator, and Stairs)

18. Parking Spaces

<u>Parking Spaces Designation</u>	<u>Unit Designation</u>	<u>Unit Type</u>	<u>Gross Square Footage</u>
1 st Floor	1	Parking	18'-0"x 9'-0"
1 st Floor	2	Parking	18'-0"x 9'-0"
1 st Floor	3	Parking	18'-0"x 9'-0"
1 st Floor	4	Parking	18'-0"x 9'-0"
1 st Floor	5	Parking	18'-0"x 9'-0"
1 st Floor	6	Parking	18'-0"x 9'-0"
1 st Floor	7	Parking	18'-0"x 9'-0"
1 st Floor	8	Parking	18'-0"x 9'-0"
1 st Floor	9	Parking	18'-0"x 9'-0"
1 st Floor	10	Parking	18'-0"x 9'-0"
Cellar	11	Parking	18'-0"x 9'-0"
Cellar	12	Parking	18'-0"x 9'-0"
Cellar	13	Parking	18'-0"x 9'-0"
Cellar	14	Parking	18'-0"x 9'-0"
Cellar	15	Parking	18'-0"x 9'-0"
Cellar	16	Parking	18'-0"x 9'-11 1/2"
Cellar	17	Parking	18'-0"x 9'-0"
TOTAL		17	

L. Auxiliary Facilities

1. Public Laundry Room: None

- i.) Washer/dryers electric and water connection hook-ups will be provided within each Condominium Unit

2. Refuse Disposal:

- i) Incinerators: None.
- ii) Trash Chutes: One (1).
- iii) Compactors: One (1) compactor, model #MC4000, by Metropolitan Compactor Services.
- iv) Storage Location: The refuse for the building will be stored in the Refuse Room located at the cellar level and is transferred to street level. Recycling of designated materials will be per local law requirements. Recyclables (if required) will be stored in the refuse room.

- v) Bags and recyclables from the residential refuse room shall be transported to street level by the building superintendent, and then removed by the New York City Department of Sanitation.

M. Plumbing and Drainage

1. Water Supply:

- i) A 4" metered domestic cold water service with a curb valve is connected to the street water main. The service line is extended to the cellar Water Meter Room.
- ii) The domestic metered cold water supply will be extended to a reduced pressure backflow preventer located in the ground floor then to the duplex domestic water booster pumps located in the cellar.
- iii) Booster water pumps shall provide water pressure to equipment and to the fixtures in all of the residential units.
- iv) Domestic Cold-water distribution will be supplied from the cellar booster pumps.
- v) The hot water piping parallels the cold water as an up-feed supply. The end of each hot water riser is provided with a hot water return extended down to the hot water return main in the cellar.
- vi) The domestic hot water temperature to all fixtures will be 120 deg. F. and controlled by a mixing valve at each water heater. Domestic hot water will be provided by (2) gas-fired boilers, by Thermal Solutions, model# EVHW-1500, and distributed to all residential units.
- vii) Flow conservation devices will be provided on all water supplies to all showers.
- viii) Backflow preventers and vacuum breakers will be provided as required to protect the domestic water supply.
- ix) Air chambers are provided at the top of all risers and throughout the piping systems to prevent water hammer.
- x) The cold, hot and hot water return piping 2" and less is copper Type 'L' with 95-5 solder joints. Piping 2-1/2" and larger is copper Type 'L' with 95/5 solder joints.
- xi) The domestic cold-water service and 8" combined fire standpipe/sprinkler service pipes shall be of cast iron material.
- xii) All water risers will be provided with control valves.
- xiii) Expansion compensators and loops will be provided on hot and hot water return piping systems.

- xiv) The water pressure in the cold and hot water systems to fixtures will be limited to 75 psig by means of pressure reducing valve.
- xv) Water conservation plumbing fixtures will be provided.

2. Fire Protection System:

- i) An 8" combined domestic water/fire standpipe and sprinkler water service from the street serves an automatic fire pump. The fire pump capacity is 500 GPM and is provided with a jockey pump to maintain pressure in the system.
- ii) From the automatic fire pump, a distribution main at cellar will supply the combined fire standpipe and sprinkler riser, which is to be located in the stairwell. The riser will serve sprinkler systems throughout each floor. The pipe material is black steel pipe.
- iii) Each hose valve station located in the residential portion of the building will be provided with 2-1/2" angle valve with a cap and chain. In the cellar a fire hose rack is provided with a 2-1/2" angle valve and 125 feet of 2-1/2" fire hose. In the residential lobby area, a Fire Department hose cabinet will be provided with 375 feet hose and nozzles. In addition, a key cabinet for the Fire Department use to open the hose cabinet will also be provided adjacent to the hose cabinet.
- iv) Sprinklers will be provided throughout the building except for residential toilet rooms and closets. Windows within 15 feet of a side lot line shall be protected by an automatic sprinkler head meeting all state and local code requirements. The first floor Residential lobby and corridor, including all below grade areas, will be protected with a wet sprinkler system. The sprinkler system is supplied from the combined fire standpipe and sprinkler system.
- v) Upright, pendent and flush type heads will be provided throughout. In all finished areas with hung ceiling the heads will be flush type concealed heads with plates. Approved sidewall type heads will also be provided. The sprinkler system will be designed for light and ordinary hazard occupancy.
- vi) The secondary source of water supply is from the dedicated cold-water service from 50th avenue.

3. Water Storage Tank:

None

4. Water Pressure:

- i) Domestic water pressure is maintained by a constant-pressure, duplex booster water pump with a cushion-tank by Federal Pump, model# SP12070-2, or equal, which shall be located at the cellar level.

5. Sanitary Sewage System:

- i) A complete sanitary drainage system will convey all soil and waste from plumbing fixtures, drains and equipment. The sanitary system is designed for gravity flow through vented branches, stacks and building drains. Drainage piping to fixtures located in the cellar area, including all remote fixtures that cannot drain by gravity on the first floor, will flow by gravity, below the cellar slab, to a duplex sewage ejector by Federal Pump, model# VSA-4F-1-4, or equal. The ejector discharge pipe connects on the downstream side of the building house trap.
- ii) Sanitary piping above ground shall be cast iron piping with no-hub fitting and galvanized steel pipe. Piping below grade is cast iron service weight pipe with Bell and Spigot fittings and neoprene gasket joints.
- iii) The sanitary drainage flows to the city public sewer at Jackson Avenue.

6. Permits Required:

Permits and approvals to be delivered on closing by the developer for:

- Plumbing, sewer, water and gas.
- Sprinkler
- Standpipe
- Elevator

7. Storm Drainage System:

- i) A complete storm water drainage system designed for gravity flow will convey storm water drainage from the building roofs, and the private open courtyard. Roof drains will be a control type, which will allow the retainage of up to 3" of storm water on the roofs, and will control the discharge flow into the storm leaders. Drainage from the roofs will be collected and restrained in a detention facility, to be located at the cellar level, which shall be equipped with a control flow device to regulate the discharge into the public sewer.
- ii) Drainage from below grade level will be collected and discharged to the public sewer using duplex sump pumps. A submersible sump pump shall be provided in the elevator pits.
- iii) A storm house drain system will connect and combine with the sanitary house drain system at the foundation wall and will flow through a new 8" combined street sewer connection to the sewer main located in Jackson Avenue.
- iv) The piping material above the floor will be cast iron with no-hub joints or galvanized steel. Piping below the cellar slab will be cast iron. Sump pumps and sewage ejector discharge piping will be galvanized steel pipe.

N. Heating

1. Method:

- i) The primary heat source for all buildings will be high efficiency, gas fired, low-pressure hot water boilers. Hot water will be circulated throughout the building to hot water heating coils or to baseboard fin-tube type radiators. The heating system is designed to comply with the NYS Energy Code and has been designed for peak loading.

2. Domestic Hot Water:

- i) Domestic hot water will be provided to the residential units by (2) gas fired boilers manufactured by Thermal Solutions, model# EVHW1500, or equal, and stored in 300 gallon, gas-fired tanks by A.O. Smith, model # HD36-300, or equal.

3. Residential Space Heating:

- i) The heating system will be designed to maintain a temperature of 72 deg. F. inside when the outside temperature is 15 deg. F. under normal conditions.
- ii) Terminal heating in the residences will be provided via packaged terminal air conditioning (PTAC) units, as manufactured by McQuay, or equal, which will be fitted with a hot water heating coil.
- iii) Hot water to the PTAC units shall be provided by (4) gas fired boilers manufactured by Thermal Solutions, model# EVA-1000, or equal, and stored in (3) 300 gallon, gas-fired tanks by A.O. Smith, model # HD30-200, or equal.
- iv) Hot water will be distributed to the units via hot water supply and hot water return risers in copper pipe with valves and fittings of suitable pressure.
- v) Occupants shall be able to modify the temperature through individual thermostat controls subject to building systems operations.

4. Number of Boilers and Description:

- i) The building will be provided with (6) gas fired, low pressure, hot water boilers, which shall be located at the Boiler Room in the cellar.

The capacity of each boiler shall be as follows:

General Heating: (4) Gas fired Hydronic type boilers each with a minimum of 880 MBH output.

Domestic Hot-Water Heating: (2) Hydronic type boilers each with a minimum of 880 MBH output.

5. Manufacture of Boilers:

- i) Boilers will be manufactured by Thermal Solutions as follows:

General Heating: Thermal Solutions, model# EVA-1000, or equal.

Hot-Water Heating: Thermal Solutions, model# EVA-1000, or equal.

6. Type of Controls:

- i) The hot water system will be a variable temperature system. An outdoor air sensor will control hot water supply temperature. The terminal heating coils will be fitted with self-contained thermostatic control valves for occupant regulation.

7. Radiators, Piping Insulation, Pumps, etc.

- i) The heating of the Residential lobbies will be by floor mounted, hot water heating convectors.
- ii) Hot water circulating pumps will be floor mounted, end-suction type pumps by Bell & Gossett, Series 1510, or equal.

8. Fuel

- i) Natural gas

9. Gas

- i) Natural gas at 1000 BTU/cu.ft. Firing rate of boiler at
 - Stage 1 = approximately 385.2 MBH

O. Gas Supply:

1. Gas is supplied by Keyspan and utilized for cooking, heating boilers and domestic hot water heating as follows:
 - Type - natural gas.
 - Meters: The gas service will be metered as follows:
 - (1) Meter for the Rooftop package AC/Furnace unit
 - (1) Meter for the Residential apartments
 - (1) Meter for the Gas-fired boilers
 - Piping - is black steel Schedule 40.

P. Air Conditioning

1. Air conditioning in each unit will be provided by a through-wall, packaged terminal air conditioning (or P.T.A.C) unit, as manufactured by McQuay, or equal. A minimum of one P.T.A.C unit will be provided for each exterior room in each unit. The P.T.A.C units will be fitted with hot water heating coils for space heating. The system has been designed for peak cooling demands.
2. The capacity of each P.T.A.C unit will vary according to the room served.
3. A wall mounted ductless unit with a minimum 8 MBH capacity by City-Multi, model# PDFY08NAMU-A / PUHY-80, or equal, will be installed in each Home Office.
4. Air conditioning in the Residential Lobby will be provided by a minimum 23.6 MBH, split-type system by City-Multi, model# PDFY24NMU-A / PUHY-80, or equal.

5. Provisions will be made for the retail space for future heating and cooling requirements
7. Hallways will not be air-conditioned.

Q. Ventilation:

1. Heated air and Ventilation will be provided to the residential corridors via a packaged gas-fired, air-cooled unit by Reznor, model# RDCA-198-300, which shall be located at the roof level.
2. Each apartment will be provided with mechanical exhaust for the toilets, via a common toilet exhaust system, as per NYC Building Code requirements.

R. Electrical:

1. Con Edison Co. will provide electrical service to the Residential units at 120/208V, 3 phases, 4 wires to electric service switchboard and distribution panels throughout the building. The service is as follows:
 - a) 1200 amp for house and Residential units electrical requirements.
 - b) Apartment unit shall be as follows:
 - i.) Typical Units up to 7th floor: 100-amp/208V/1 ph/ 36 circuit panel
 - ii.) Typical Units 8th to 12th floor: 100-amp/208V/1 ph/ 36 circuit panel
 - c) Units shall be individually metered and charged.
2. Residential Units:
 - a. The service to each residential unit will be single phase, 3 wires, 60 Hz. 120/208V AC. Electric service will be supplied to each residential unit via tenants meter closets at hallway Electric Rooms.
 - b. The main service equipment shall be fuseable switches as required by code: 1600 or larger ampere switches shall be bolted pressure switches for service use. Main fuses vary in rating. The size of fuses shall be to suit the loads served.
 - c. All residential units are designed with the proper number of wall receptacles, switches, appliance receptacles, etc. as required by the NYC Electrical Code.
 - d. Switches lighting fixtures are provided in bathrooms, walk-in closets, foyers and kitchens. Switched receptacles are provided in bedrooms. Fixtures are incandescent type in foyers, dining areas, and walk-in closets. Apartment corridor lights are incandescent. Kitchen lighting is halogen ceiling fixtures and fluorescent fixtures under upper cabinets.

- e. 20 amp, 120V circuits have been provided to handle lighting and general-purpose receptacles.
- f. 20 amp, 120V circuits have been provided in the kitchen area for 120V kitchen appliances. Appliance outlets are on separate circuits.
- g. 30 Amp/208 single-phase circuits for each air-cooled condenser for each Penthouse unit.
- h. 30 amp, 120V and 30 amp, 208V single phase circuits have been provided for washer/dryer electric units.
- i. Receptacles are provided in all rooms as per NYC electrical standards. Ground fault outlets are provided in bathrooms.

3. Audio Intercom:

- a. The building will be equipped with an intercom system, talk/listen connected to concierge station.

4. TV Reception Facilities and Telephone Services:

- a. Cable TV television service will be available to each tenant on an individual subscription basis (separate charge). Internet access will also be made available at a separate charge.
- b. Location of outlets: Living room and in each bedroom.
- c. The building will be pre-wired for telephone services. A jack will be located in the living room and bedrooms of each unit.

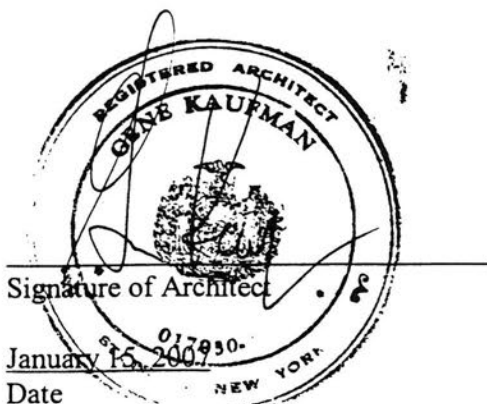
5. Public Area Lighting:

- a. All lighting in public areas except the vestibule and lobby will be ceiling and/or wall mounted fixtures. Lighting for the vestibule and lobby will be recessed ceiling mounted fixtures and wall mounted decorative lighting sconces.
- b. Lighting in mechanical spaces and storage rooms will be fluorescent.

6. Photoelectric type smoke detectors, hard wired, 120 volt will be provided outside and within 15 feet of each bedroom.
7. Inspections:
 - a. Conducted concurrently with construction with final sign-off at the issuance of the Certificate of Occupancy.
 - NYC Department of Buildings
 - Elevator
 - Mechanical and Plumbing
 - Boiler
 - Department of Air Resources
 - Compactor
 - Electrical
 - Fire Department

S. Violations

1. Any Building Code Violations will be corrected prior to the issuance of the Permanent Certificate of Occupancy.
2. No asbestos will be used in the construction of the building.



Seal

SCHEDULE G-1

SITE PLAN

TWO STORY ADJACENT
BLDG. WITH VINYL SIDING

MATCH WITH EXISTING
CURB WIDTH TYP.

—END OF REPLACEMENT
1° EXPANSION JOINT

71'-8" NEW REPLACEMENT WORK

6" SMOOTH CONC. BORDER
SURROUND @ TREE PIT
(4) STANDARD STREET TREES
(1) PER 25'-0" AS PER
QUALITY HOUSING REQUIREMENTS
EXISTING PARKING
METER TO REMAIN

— 6" SMOOTH CONC. BORDER
SURROUND @ TREE PIT

(6) STANDARD STREET TREES
(1) PER 25'-0" AS PER
QUALITY HOUSING REQUIREMENTS

— EXISTING CARRIAGE DROP
LOCATION, REPAIR
REPLACE AS REQUIRED

BC EL. = 13.66
TC EL. = 13.95

— 8" SMOOTH CONC. BORDER
SURROUND • TREE PIT

(6) STANDARD STREET TREES
(1) PER 25'-0" AS PER
QUALITY HOUSING REQUIREMENTS

SOUTH AVENUE
(60' WIDE)

— 6" SMOOTH CONC. BORDER
SURROUND • TREE PIT

(6) STANDARD STREET TREES
(1) PER 25'-0" AS PER
QUALITY HOUSING REQUIREMENTS

—MATCH WITH EXISTING
CURB WIDTH TYP.

PROPERTY LINE
SL @ 1:12 MAX
(CONTRACTOR TO
V.L.F. HEIGHT OF
EX. CURB)

—END OF REPLACEMENT
1" EXPANSION JOINT

SIDE WALL

PROPOSED 12-STORY
BUILDING

REAR SETBACK

1 STORY

CONC. BLOCK
GARAGE

LOT LINE-

CONC. BLOCK
GARAGE

THE GENERAL CONTRACTOR SHALL CHECK AND VERIFY ALL DIMENSIONS AND REPORT ALL ERRORS AND OMISSIONS TO THE ARCHITECTS. DO NOT SCALE DRAWINGS. THIS DRAWING SHALL NOT BE USED FOR CONSTRUCTION PURPOSES UNTIL SIGNED BY THE CONSULTANTS.

#	PERSON	DATE	DESCRIPTION
01			
02			
03			
04			
05			
06			
07			
08			
09			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			

10		
09		
08		
07		
06	03-30-06	ISSUED TO DOB
04	03-07-06	ISSUED TO DOB (3 T.A., FO
03	02-10-06	ISSUED TO DOB
02	12-30-04	ISSUED TO DOB
01	10-15-04	ISSUED TO DOB
	DATE	DESCRIPTION

GENE KAUFMAN ARCHITECT PC

525 BROADWAY, NEW YORK, N.Y. 10036
TEL. (212) 625-8700 FAX. (212) 625-8600

PROJECT:
10-46 THRU 10-52
JACKSON

TITLE: SITE PLAN

SCALE: AS NOTED

DATE: 12/10/04

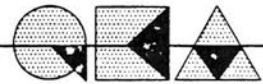
DRAWING:

A-1

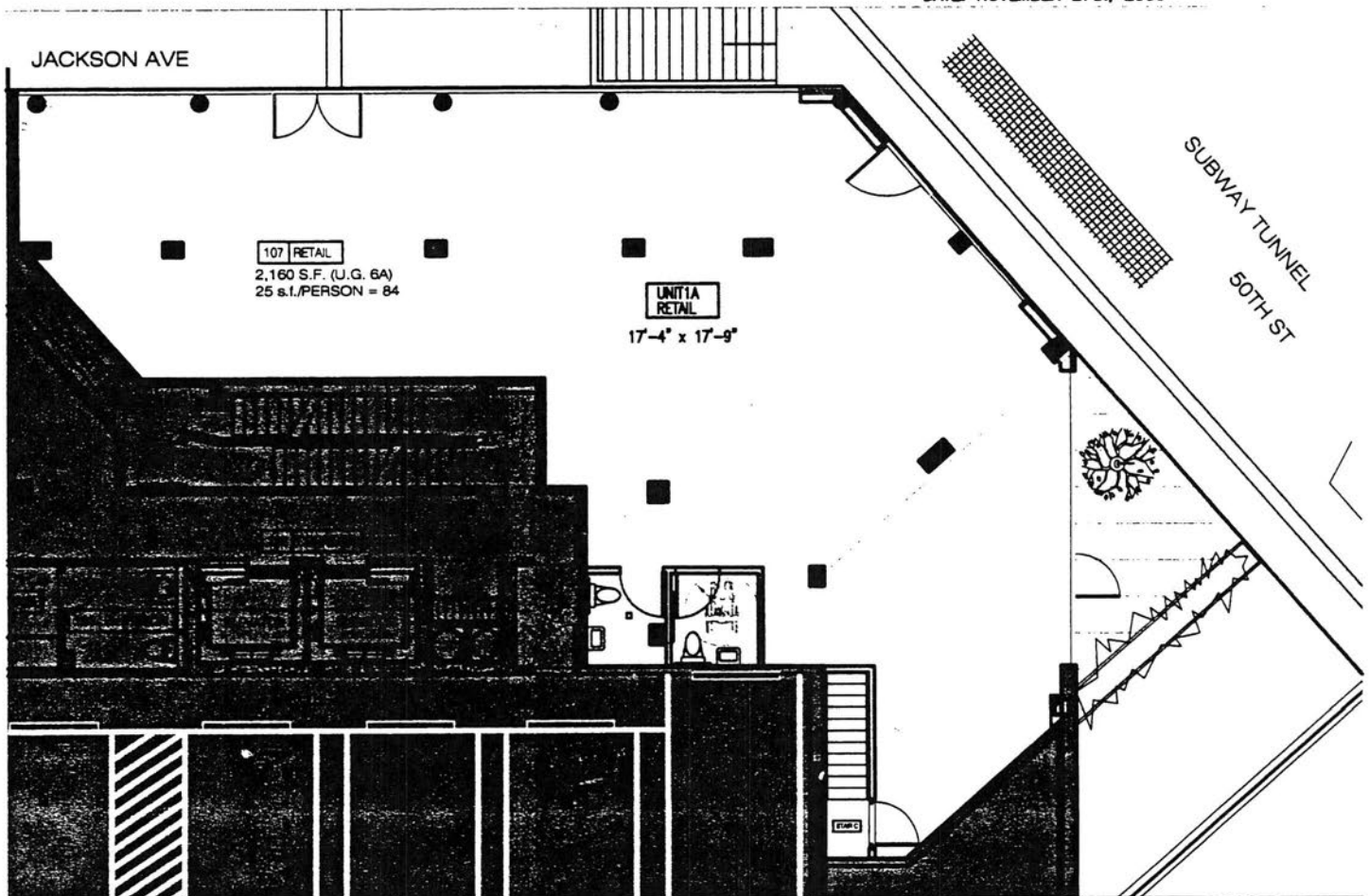
A SITE PLAN
1/8" = 1'-0"

SCHEDULE G-2

FLOOR PLANS

**GENE KAUFMAN ARCHITECT PC**

525 BROADWAY, NEW YORK, N.Y. 10012
 TEL. (212) 625-8700 FAX. (212) 625-8867
 DATE: NOVEMBER 27th, 2006



1046 THRU 1052
 JACKSON AVENUE

**UNIT 1A
 RETAIL**

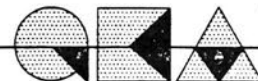
FLOOR
 NUMBER
 1

APPROXIMATE TOTAL 2160 SQ.FT.
 GROSS AREA

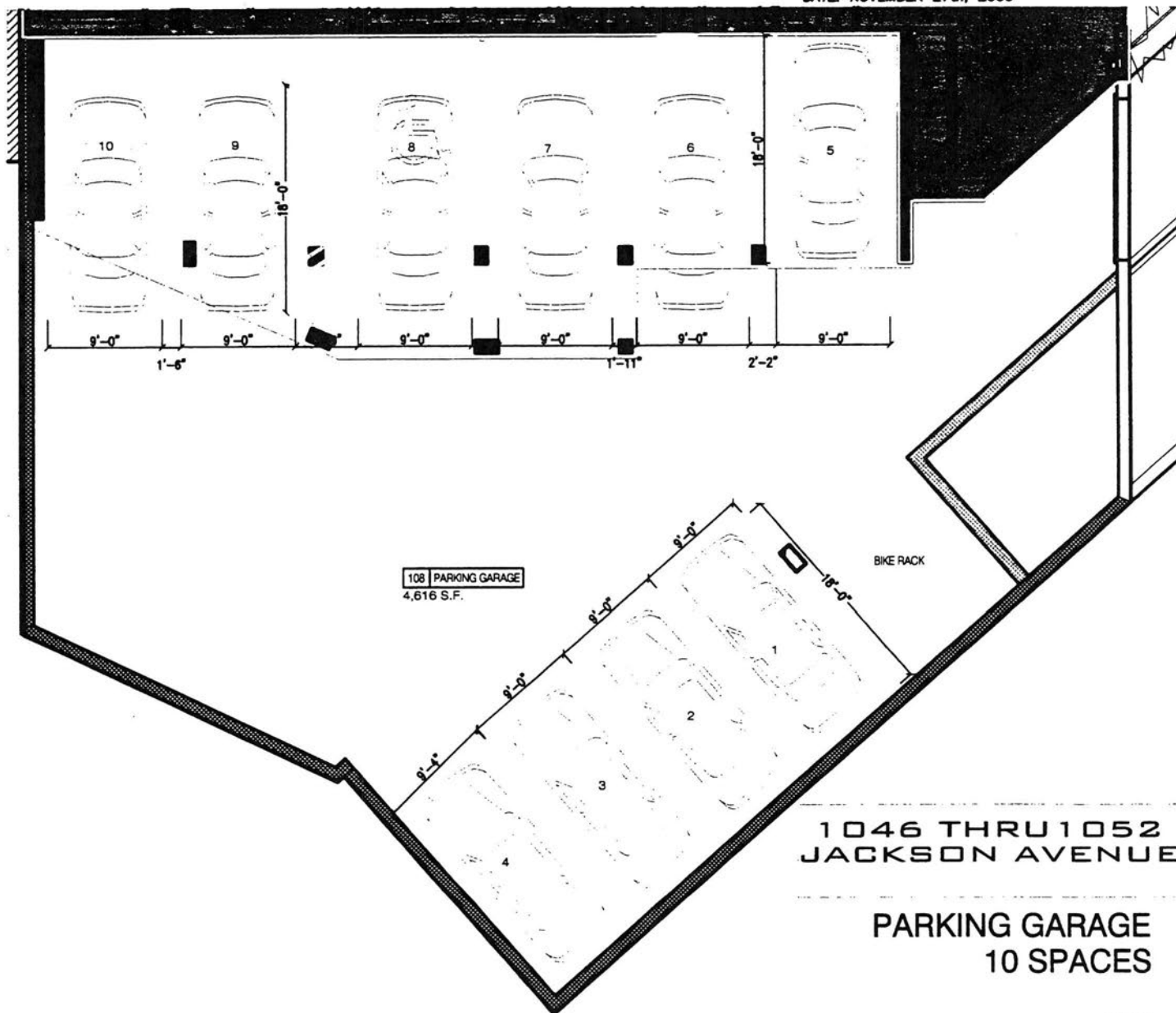
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



**GENE KAUFMAN ARCHITECT PC**

525 BROADWAY, NEW YORK, N.Y. 10012
 TEL. (212) 625-8700 FAX. (212) 625-8867
 DATE: NOVEMBER 27th, 2006



1046 THRU 1052
 JACKSON AVENUE

PARKING GARAGE
 10 SPACES

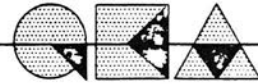
FLOOR
 NUMBER
 1

APPROXIMATE TOTAL 4,616 SQ.FT.
 GROSS AREA

All dimensions are approximate and
 subject to normal construction vari-
 ances and tolerances. Dimensions
 are maximum overall, subtract cut-
 outs.

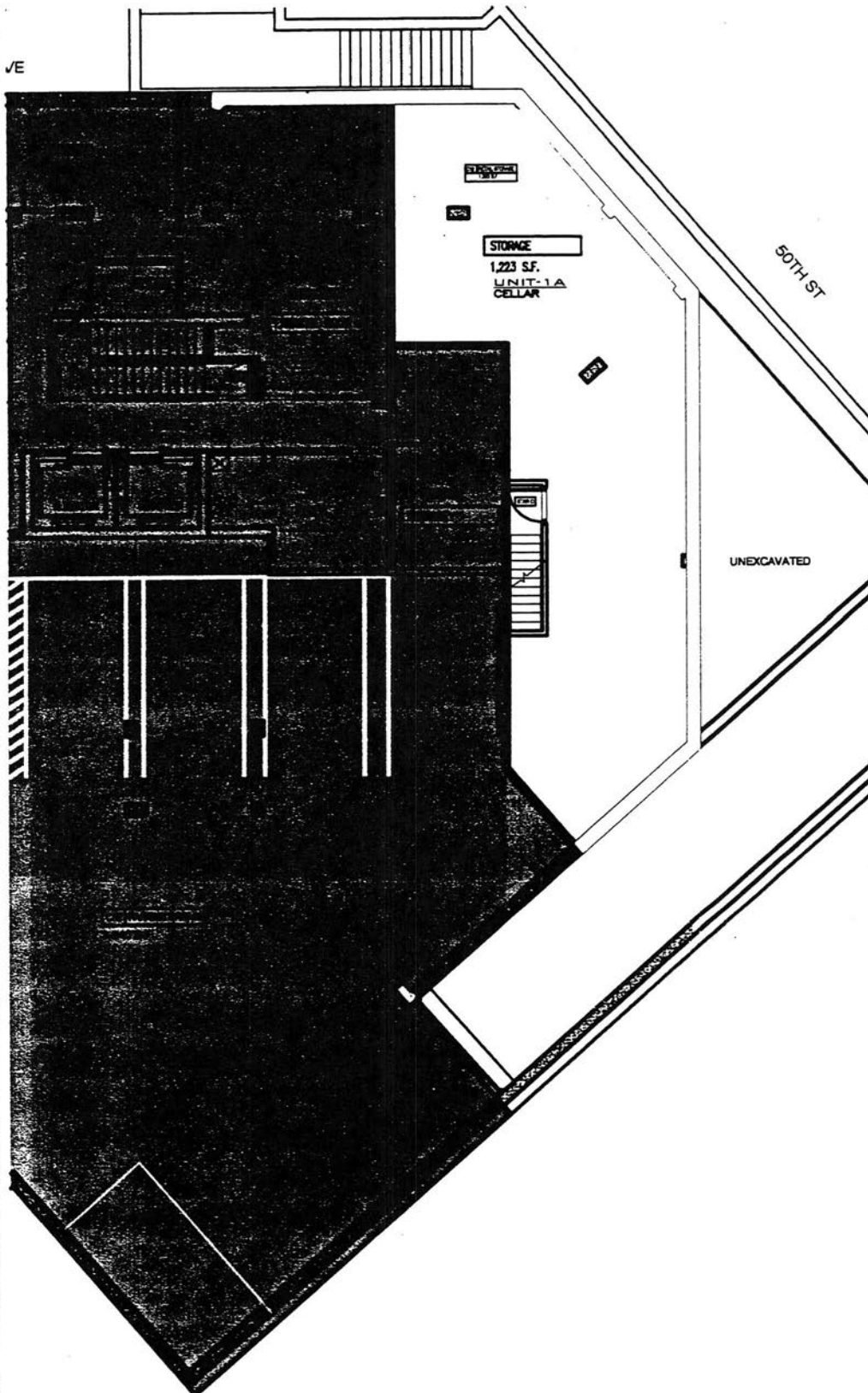
We reserve the right to make
 changes due to unforeseen condi-
 tions, in accordance with the offer-
 ing plan.




GENE KAUFMAN ARCHITECT PC

525 BROADWAY, NEW YORK, N.Y. 10012
TEL. (212) 625-8700 FAX. (212) 625-8867

DATE: NOVEMBER 27th, 2006



10-46 THRU 10-52
JACKSON AVENUE

UNIT 1A/ STORAGE

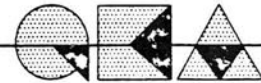
FLOOR NUMBER C	
RETAIL STORAGE	1,223 SQ.FT.

APPROXIMATE TOTAL 1,223 SQ.FT.
GROSS AREA

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.

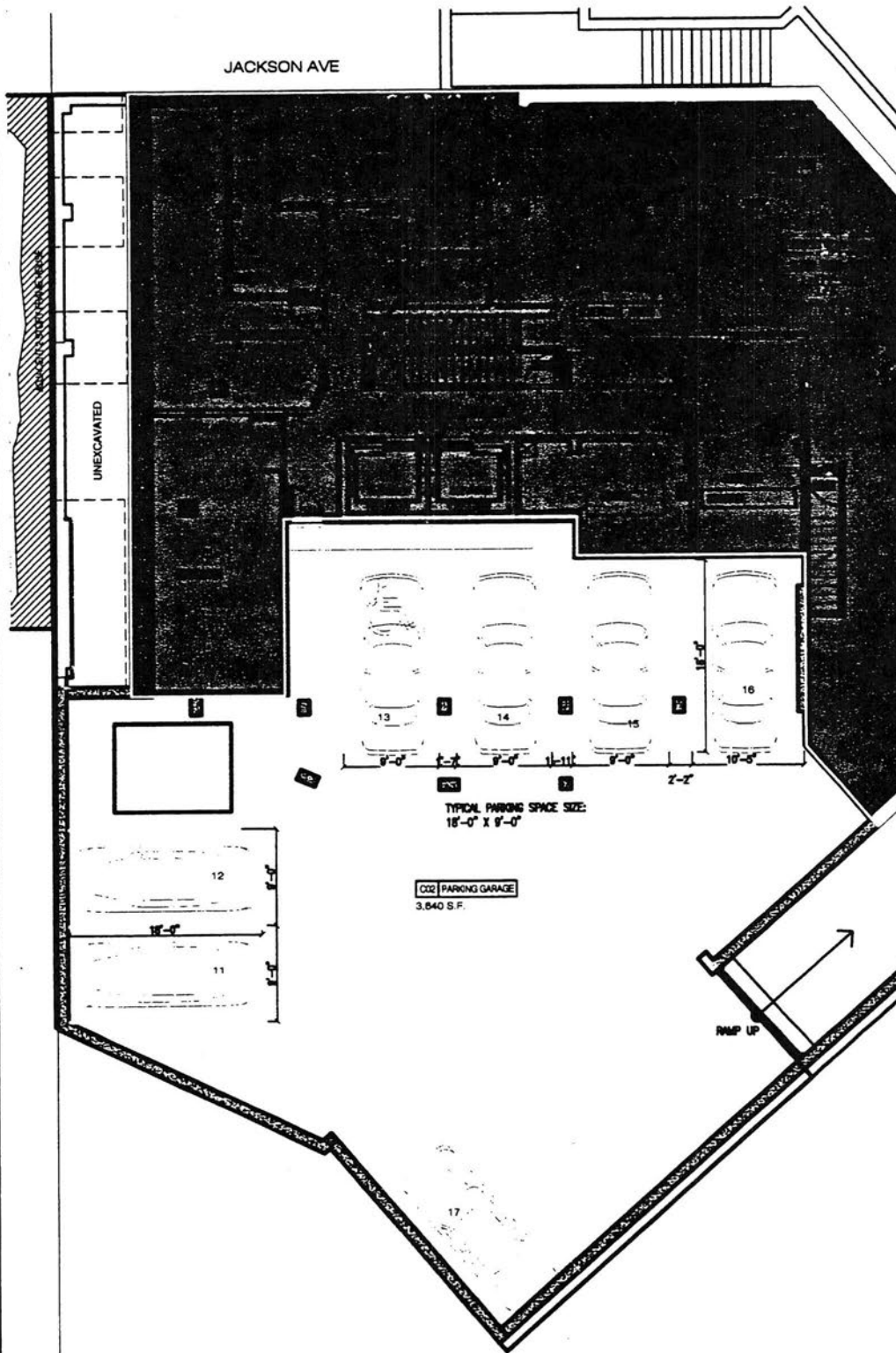



GENE KAUFMAN ARCHITECT PC

 525 BROADWAY, NEW YORK, N.Y. 10012
 TEL. (212) 625-8700 FAX. (212) 625-8867

DATE: NOVEMBER 27th, 2006

JACKSON AVE


 10-46 THRU 10-52
 JACKSON AVENUE

PARKING GARAGE
7 SPACES

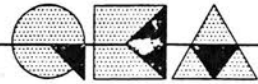
 FLOOR
 NUMBER
 C

RETAIL STORAGE 3,640 SQ.FT.

 APPROXIMATE TOTAL 3,640 SQ.FT.
 GROSS AREA

 All dimensions are approximate and
 subject to normal construction vari-
 ances and tolerances. Dimensions
 are maximum overall, subtract cut-
 outs.

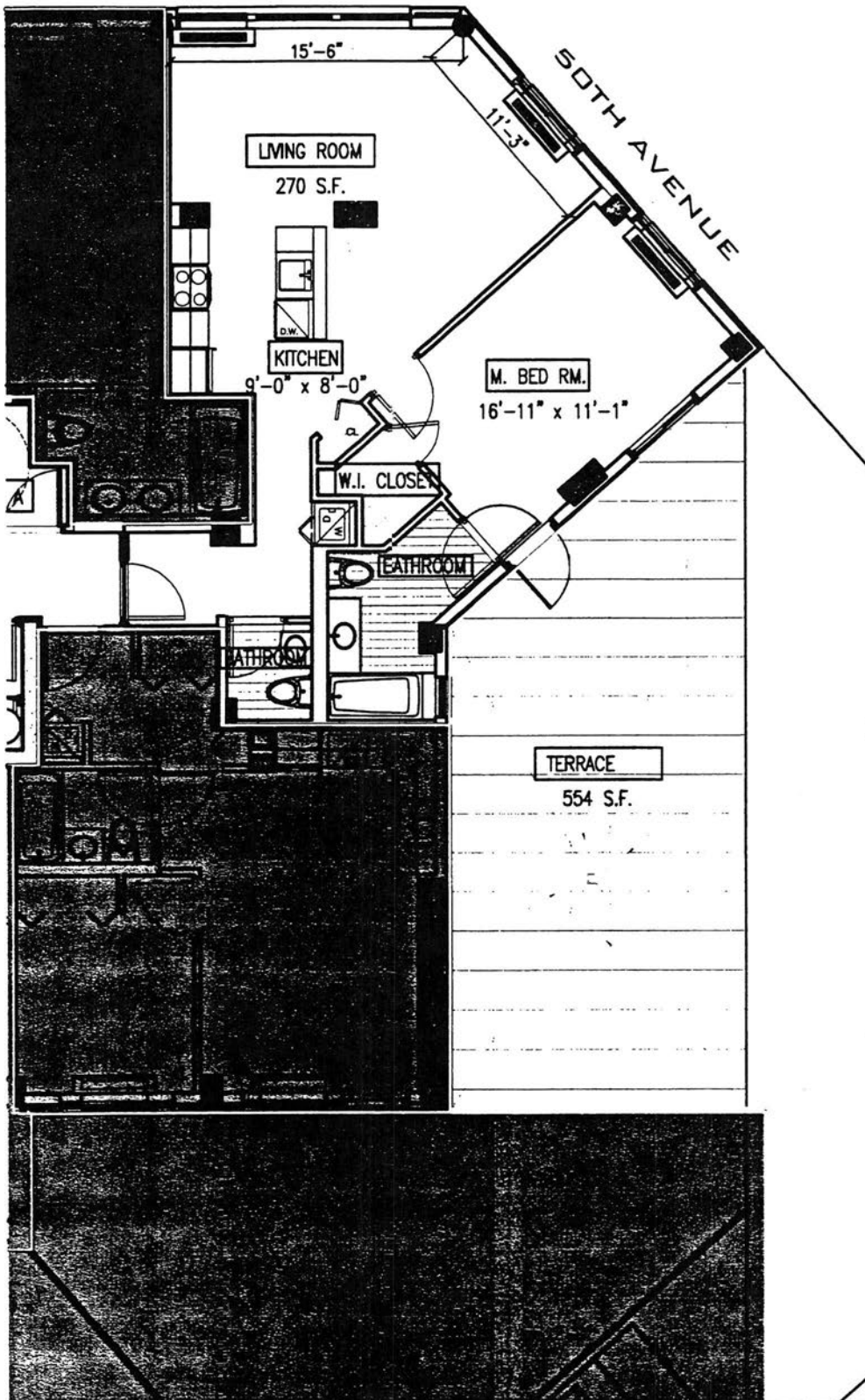
 We reserve the right to make
 changes due to unforeseen condi-
 tions, in accordance with the offer-
 ing plan.



GENE KAUFMAN ARCHITECT PC

525 BROADWAY, NEW YORK, N.Y. 10012
TEL. (212) 625-8700 FAX. (212) 625-8867

DATE: NOVEMBER 27th, 2006

JACKSON AVENUE



10-46 THRU 10-52
JACKSON AVENUE

UNIT 2A
1 BEDROOM
1 1/2 BATHS
TERRACE

FLOOR
NUMBER
2A

APARTMENT
AREA 813 SQ.FT.

APPROXIMATE TOTAL 813 SQ.FT.
GROSS AREA

TERRACE 554 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.

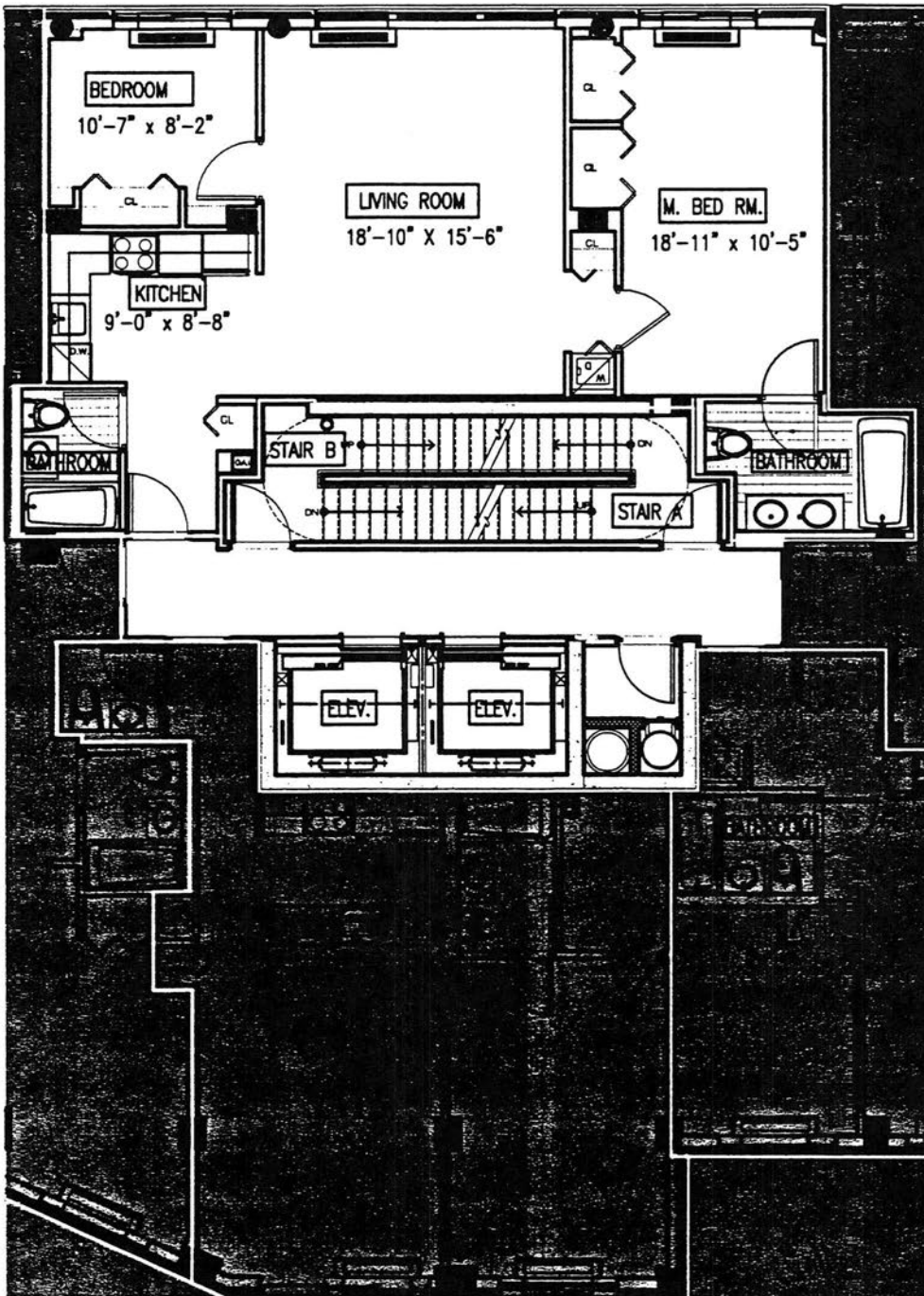



GENE KAUFMAN ARCHITECT PC

525 BROADWAY, NEW YORK, N.Y. 10012
TEL. (212) 625-8700 FAX. (212) 625-8867

DATE: NOVEMBER 27th, 2006

JACKSON AVENUE



10-46 THRU 10-52
JACKSON AVENUE

UNIT 2B
2 BEDROOM
2 BATH

FLOOR
NUMBER
2B

APARTMENT AREA 958 SQ.FT.

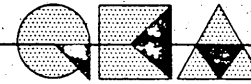
APPROXIMATE TOTAL 958 SQ.FT.
GROSS AREA

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



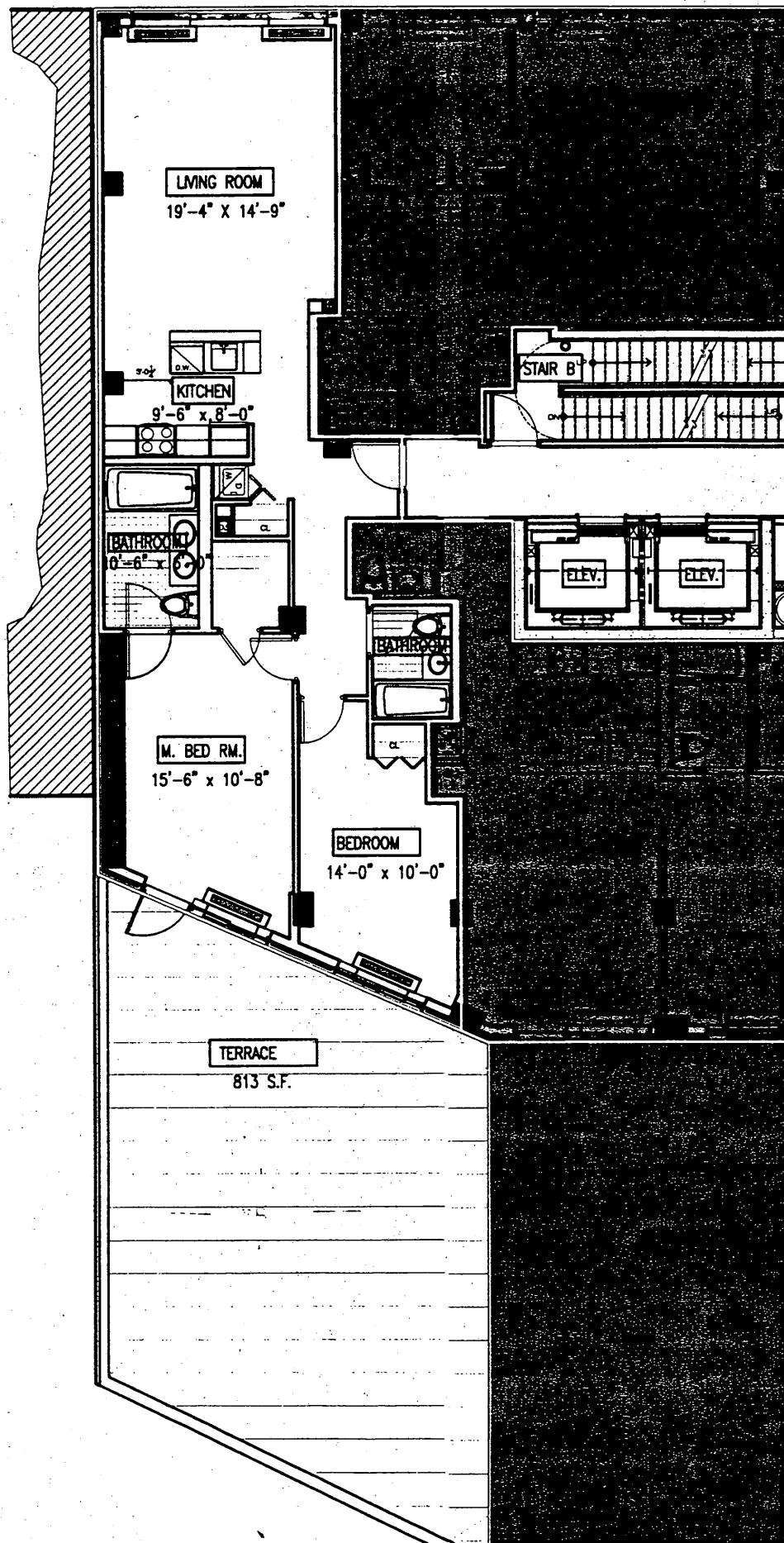
JACKSON AVENUE



GENE KAUFMAN ARCHITECT PC

525 BROADWAY, NEW YORK, N.Y. 10012
TEL. (212) 625-8700 FAX. (212) 625-8867

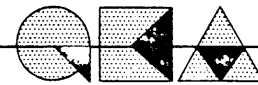
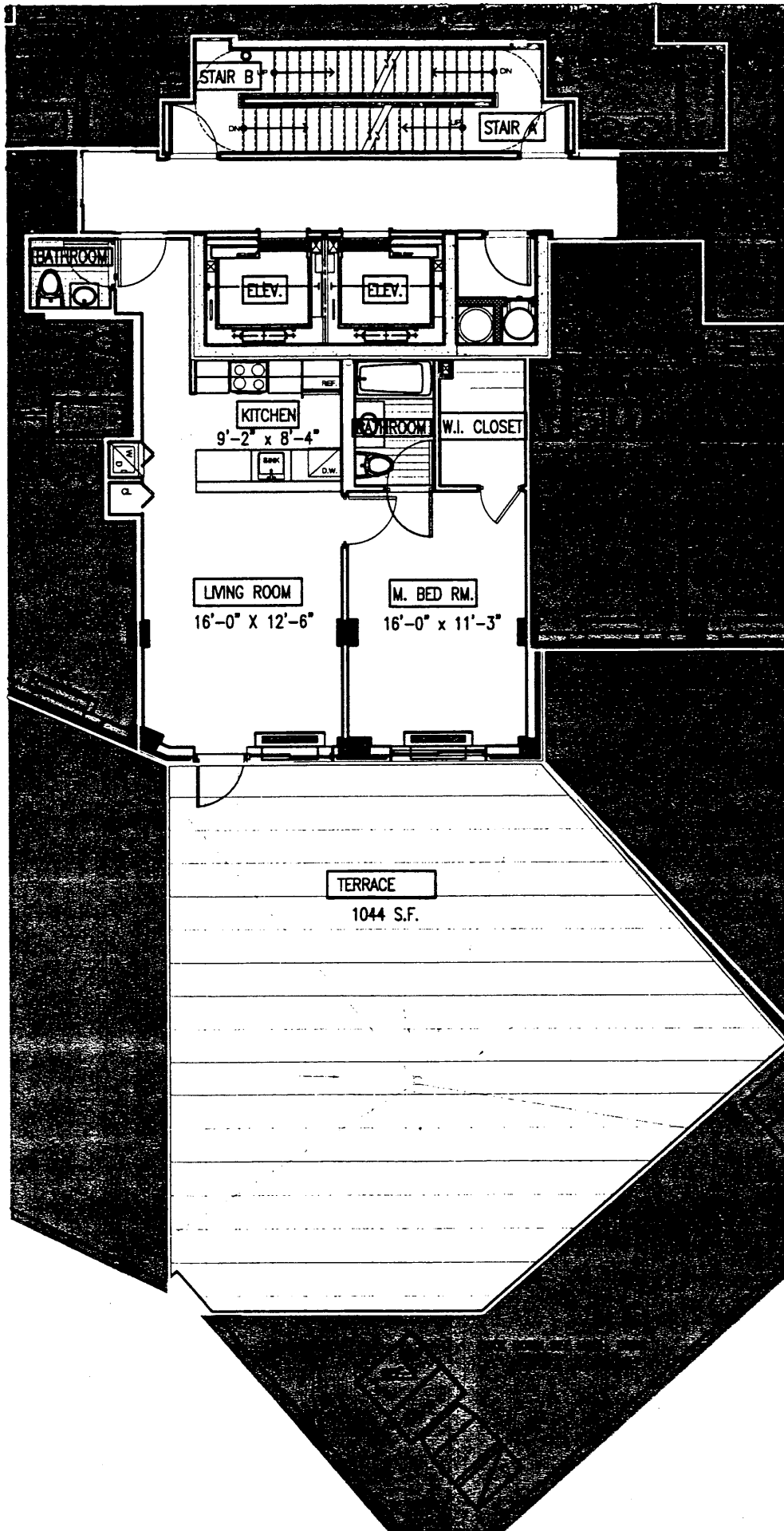
DATE: NOVEMBER 27th, 2006

10-46 THRU 10-52
JACKSON AVENUEUNIT 2C
2 BEDROOM
2 BATHFLOOR
NUMBER
2CAPARTMENT
AREA 1,165 SQ.FT.APPROXIMATE TOTAL: 1,165 SQ.FT.
GROSS AREA
TERRACE 813 SQ.FT.

All dimensions are approximate and
subject to normal construction vari-
ances and tolerances. Dimensions
are maximum overall, subtract cut-
outs.

We reserve the right to make
changes due to unforeseen condi-
tions, in accordance with the offer-
ing plan.





GENE KAUFMAN ARCHITECT PC

525 BROADWAY, NEW YORK, N.Y. 10012
TEL. (212) 625-8700 FAX. (212) 625-8867

DATE: NOVEMBER 27th, 2006

10-46 THRU 10-52
JACKSON AVENUE

UNIT 2D
1 BEDROOM
1 1/2 BATH

FLOOR
NUMBER
2D

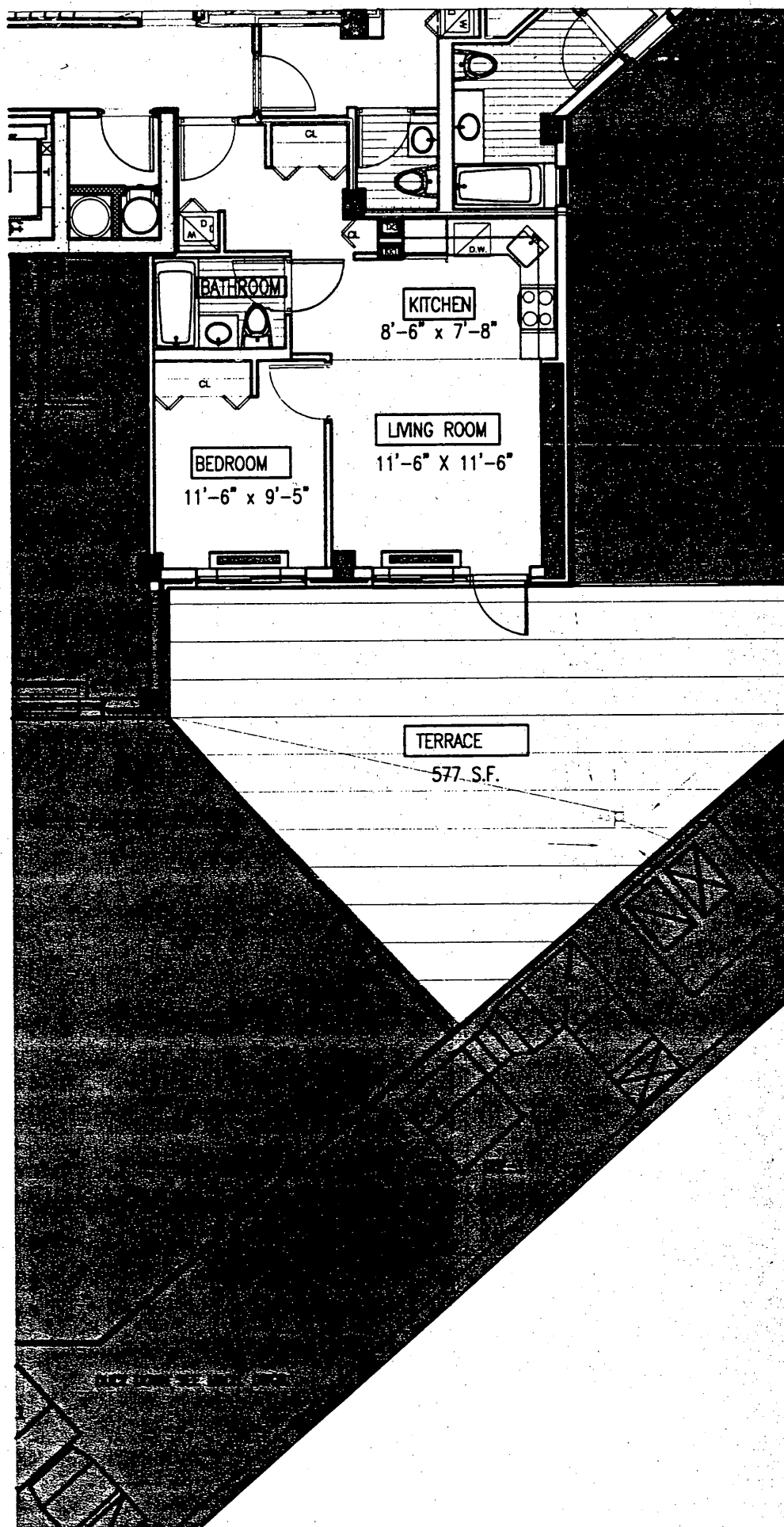
APARTMENT
AREA 713 SQ.FT.

APPROXIMATE TOTAL 713 SQ.FT.
GROSS AREA
TERRACE 1,044 SQ.FT.

All dimensions are approximate and
subject to normal construction vari-
ances and tolerances. Dimensions
are maximum overall, subtract cut-
outs.

We reserve the right to make
changes due to unforeseen condi-
tions, in accordance with the offer-
ing plan.





GENE KAUFMAN ARCHITECT PC

525 BROADWAY, NEW YORK, N.Y. 10012
TEL. (212) 625-8700 FAX. (212) 625-8867

DATE: NOVEMBER 27th, 2006

10-46 THRU 10-52
JACKSON AVENUE

UNIT 2E
1 BEDROOM
1 BATH
TERRACE

FLOOR
NUMBER
2E

APARTMENT
AREA 536 SQ.FT.

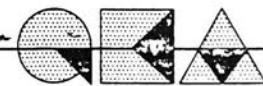
APPROXIMATE TOTAL 536 SQ.FT.
GROSS AREA

TERRACE 577 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





GENE KAUFMAN ARCHITECT PC

525 BROADWAY, NEW YORK, N.Y. 10012
TEL. (212) 625-8700 FAX. (212) 625-8867

10-46 THRU 10-52
JACKSON AVENUE

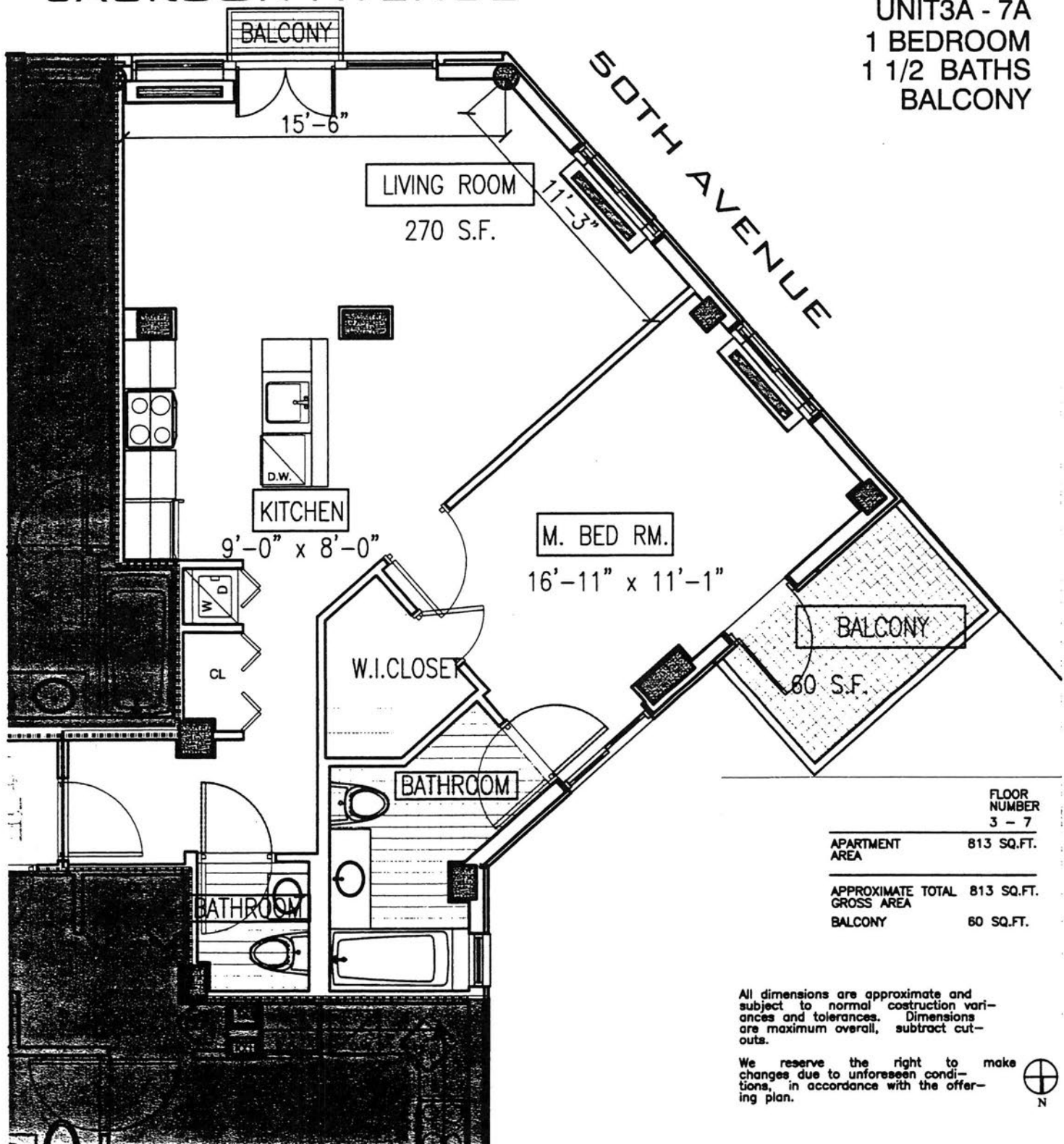
DATE: NOVEMBER 27th, 2006

UNIT3A - 7A
1 BEDROOM
1 1/2 BATHS
BALCONY

UNIT4A & 6A PARTIAL PLAN

JACKSON AVENUE

50TH AVENUE



FLOOR
NUMBER
3 - 7

APARTMENT AREA 813 SQ.FT.

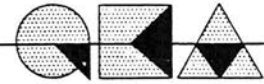
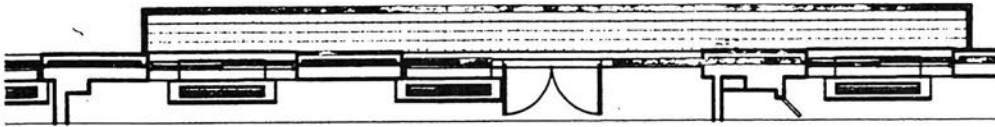
APPROXIMATE TOTAL GROSS AREA 813 SQ.FT.

BALCONY 60 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.

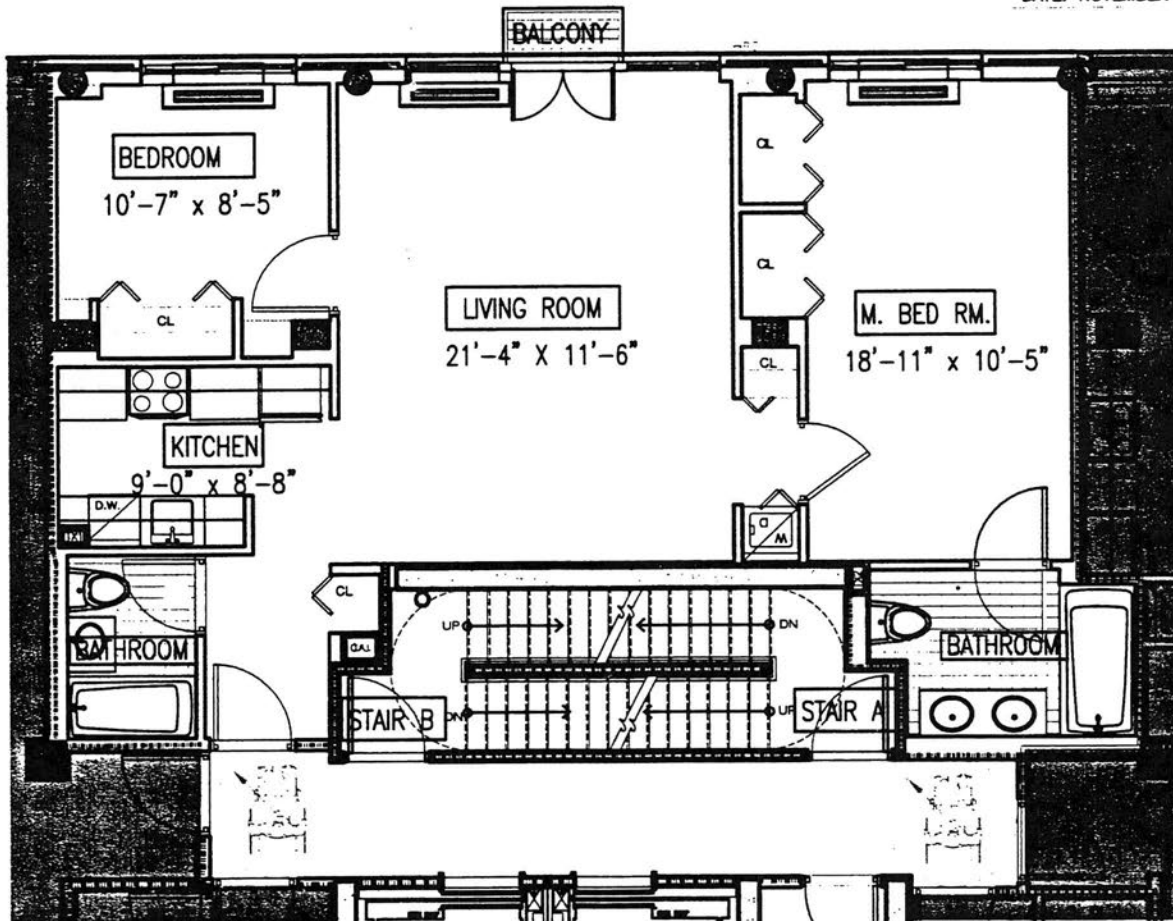




GENE KAUFMAN ARCHITECT PC

525 BROADWAY, NEW YORK, N.Y. 10012
TEL. (212) 625-8700 FAX. (212) 625-8867
DATE: NOVEMBER 27th, 2006

**UNIT4B & 6B PARTIAL PLAN
JACKSON AVENUE**



**10-46 THRU 10-52
JACKSON AVENUE**

**UNIT3B - 7B
2 BEDROOM
2 BATH**

FLOOR NUMBER 3 - 7	
APARTMENT AREA	958 SQ.FT.

APPROXIMATE TOTAL 958 SQ.FT.
GROSS AREA

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



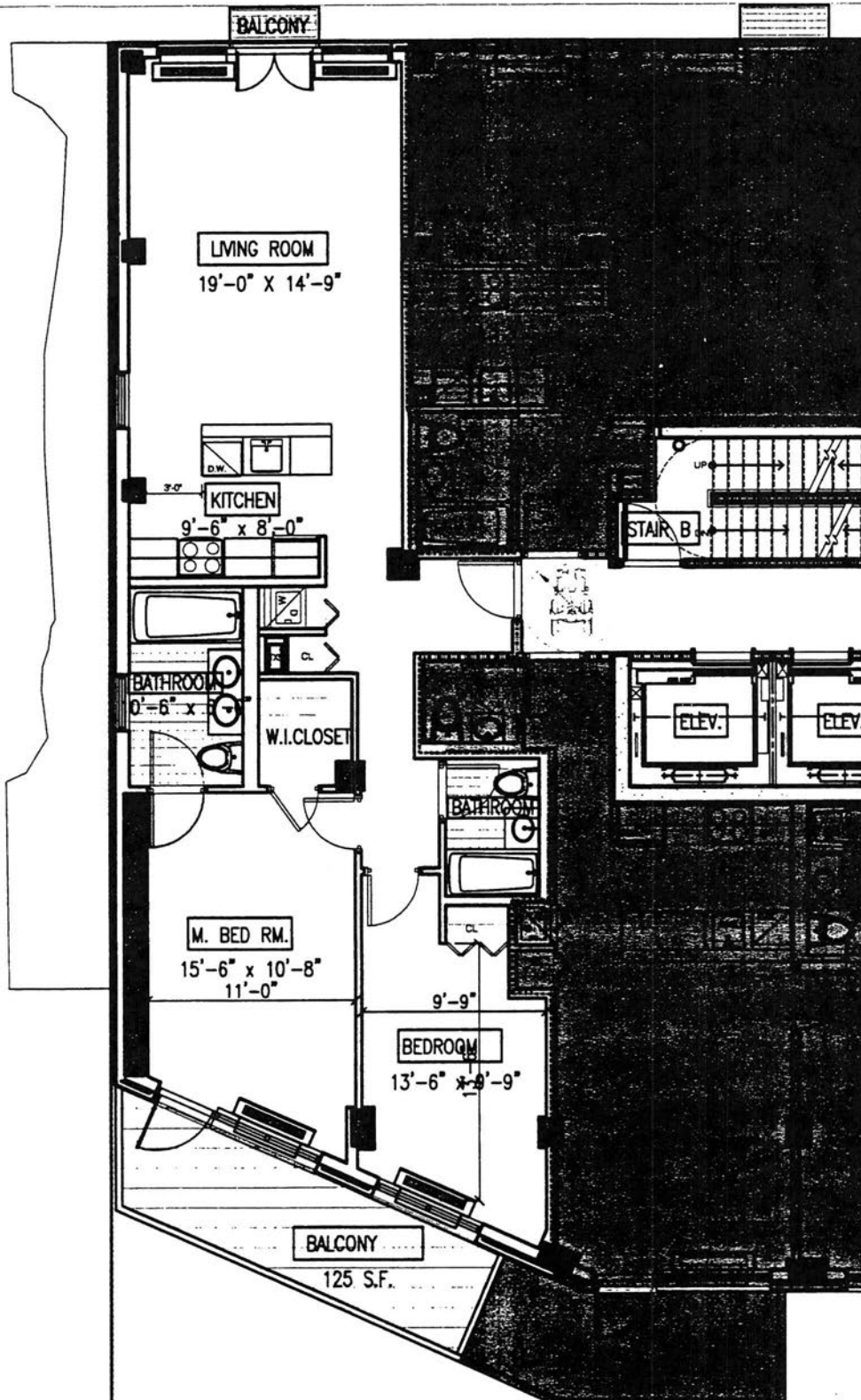


GENE KAUFMAN ARCHITECT PC

525 BROADWAY, NEW YORK, N.Y. 10012
TEL. (212) 625-8700 FAX. (212) 625-8867

DATE: NOVEMBER 27th, 2006

UNIT4C & 6C PARTIAL PLAN



10-46 THRU 10-52
JACKSON AVENUE

UNIT3C - 7C
2 BEDROOM
2 BATH
BALCONY

FLOOR
NUMBER
3 - 7

APARTMENT
AREA 1,165 SQ.FT.

APPROXIMATE TOTAL 1,165 SQ.FT.
GROSS AREA

BALCONY 125 SQ.FT.

All dimensions are approximate and
subject to normal construction vari-
ances and tolerances. Dimensions
are maximum overall, subtract cut-
outs.

We reserve the right to make
changes due to unforeseen condi-
tions, in accordance with the offer-
ing plan.

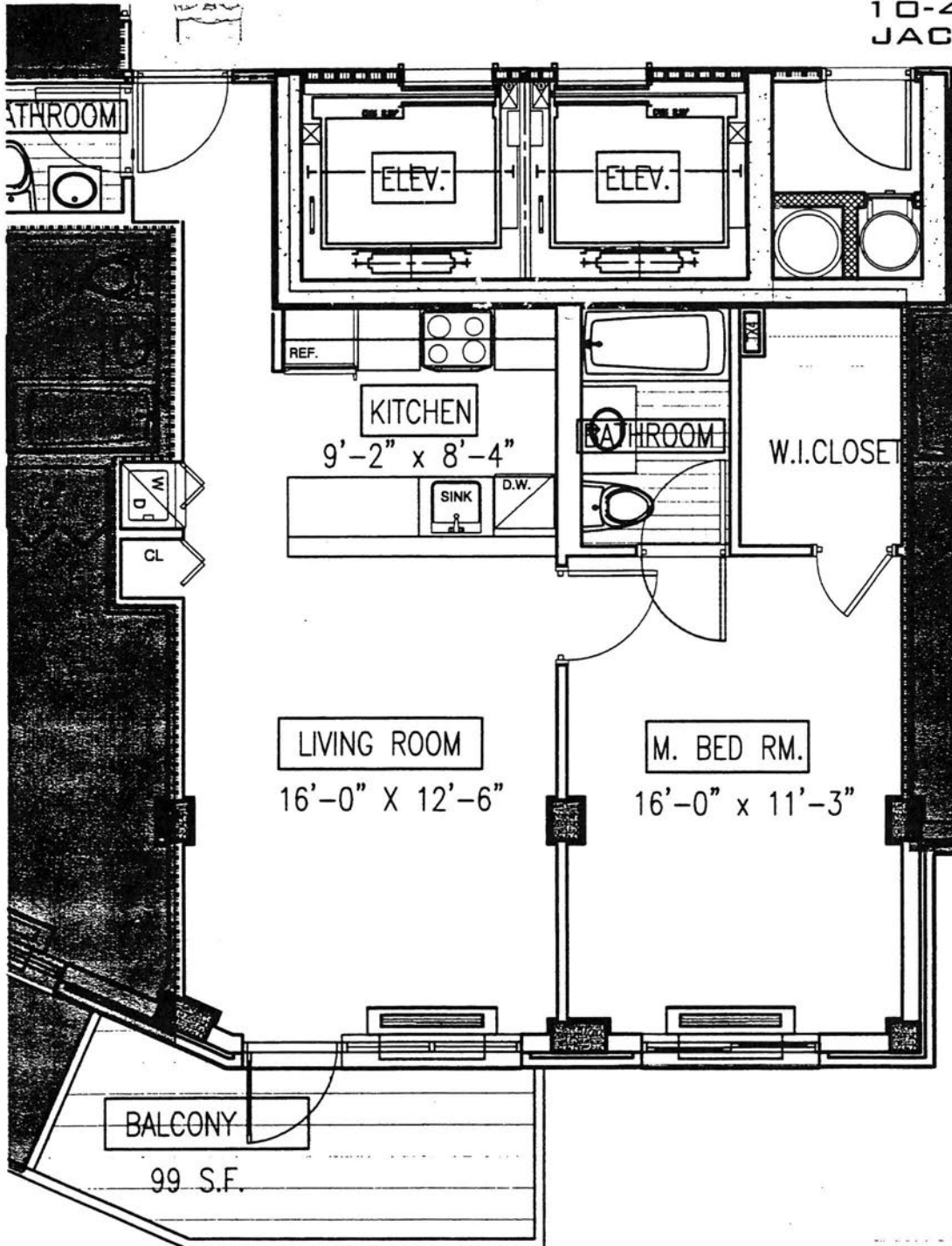



GENE KAUFMAN ARCHITECT PC

 525 BROADWAY, NEW YORK, N.Y. 10012
 TEL. (212) 625-8700 FAX. (212) 625-8867

**10-46 THRU 10-52
JACKSON AVENUE**

DATE: NOVEMBER 27th, 2006


**UNIT 3D - 7D
1 BEDROOM
1 1/2 BATH
BALCONY**

 FLOOR
NUMBER
3 - 7

 APARTMENT
AREA 713 SQ.FT.

 APPROXIMATE TOTAL 713 SQ.FT.
GROSS AREA

BALCONY 99 SQ.FT.

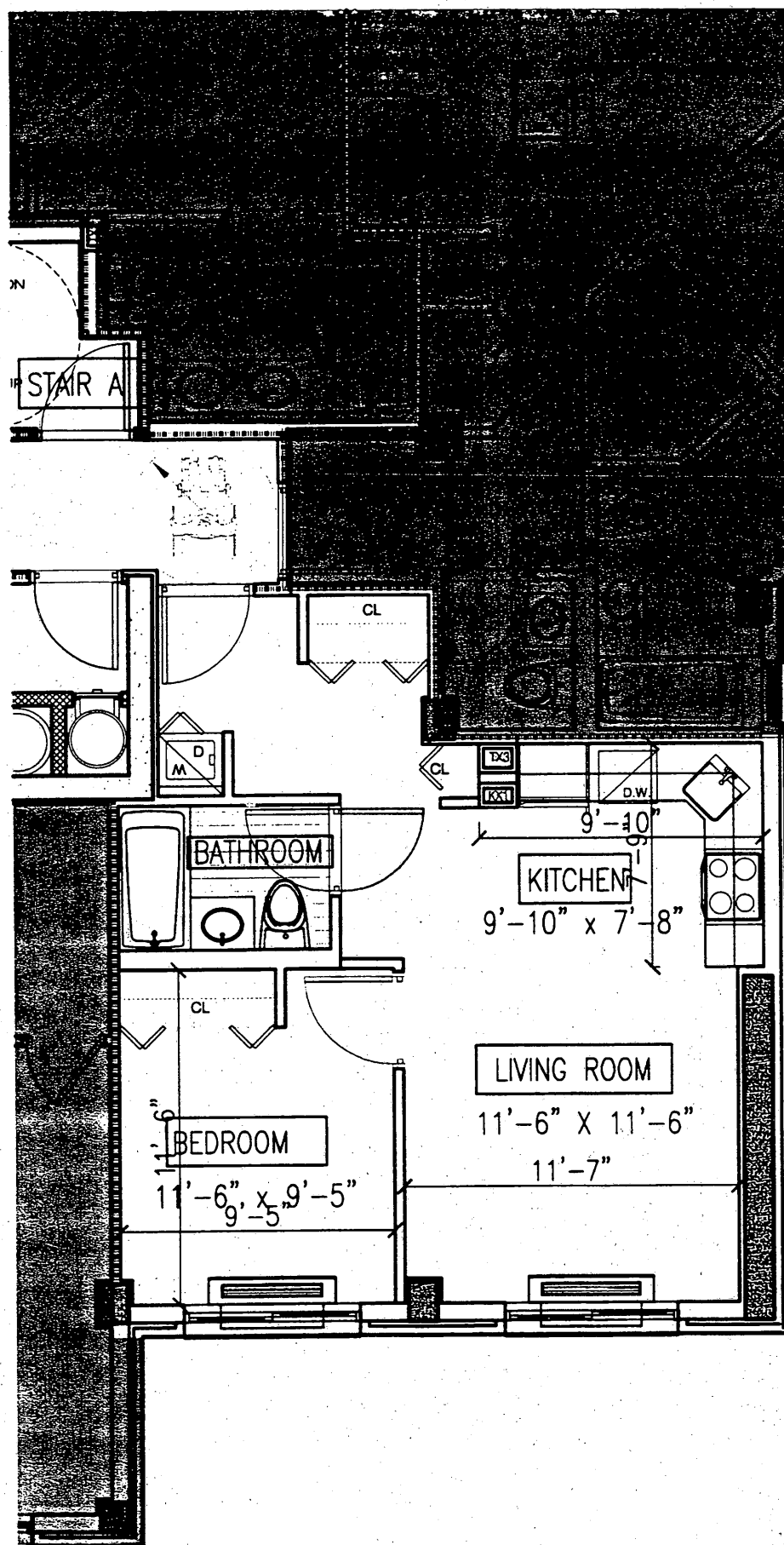
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



525 BROADWAY, NEW YORK, N.Y. 10012
TEL. (212) 625-8700 FAX. (212) 625-8867

DATE: NOVEMBER 27th, 2006



10-46 THRU 10-52
JACKSON AVENUE

UNIT3E - 7E
1 BEDROOM
1 BATH

FLOOR
NUMBER
3 - 7

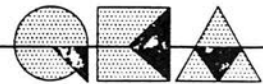
APARTMENT AREA 536 SQ.FT.

APPROXIMATE TOTAL 536 SQ.FT.
GROSS AREA

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

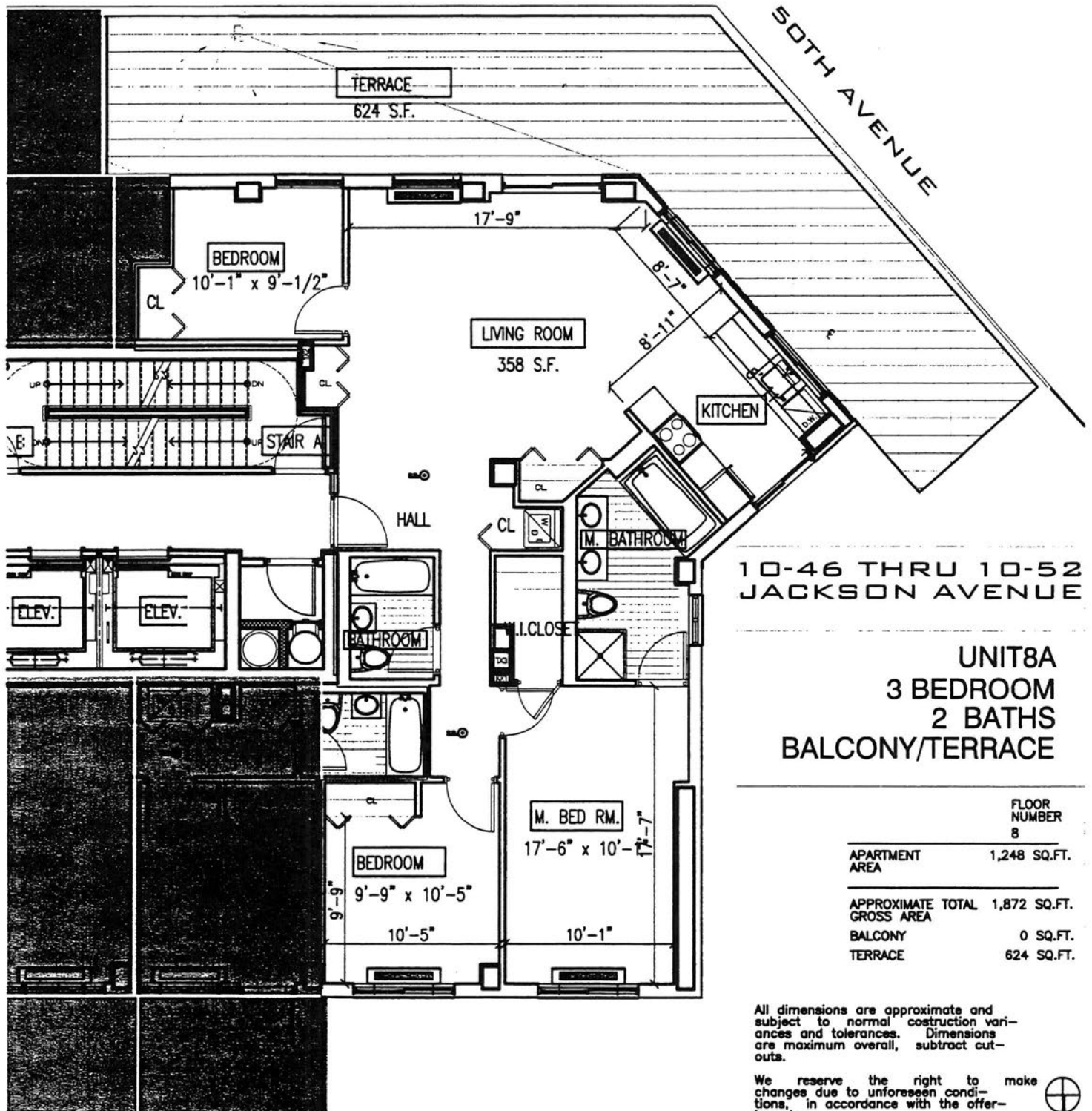
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.




GENE KAUFMAN ARCHITECT PC

 525 BROADWAY, NEW YORK, N.Y. 10012
 TEL. (212) 625-8700 FAX. (212) 625-8867

DATE: NOVEMBER 27th, 2006

JACKSON AVENUE
50TH AVENUE

**10-46 THRU 10-52
JACKSON AVENUE**
**UNIT 8A
3 BEDROOM
2 BATHS
BALCONY/TERRACE**

	FLOOR NUMBER 8
APARTMENT AREA	1,248 SQ.FT.
APPROXIMATE TOTAL GROSS AREA	1,872 SQ.FT.
BALCONY	0 SQ.FT.
TERRACE	624 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.

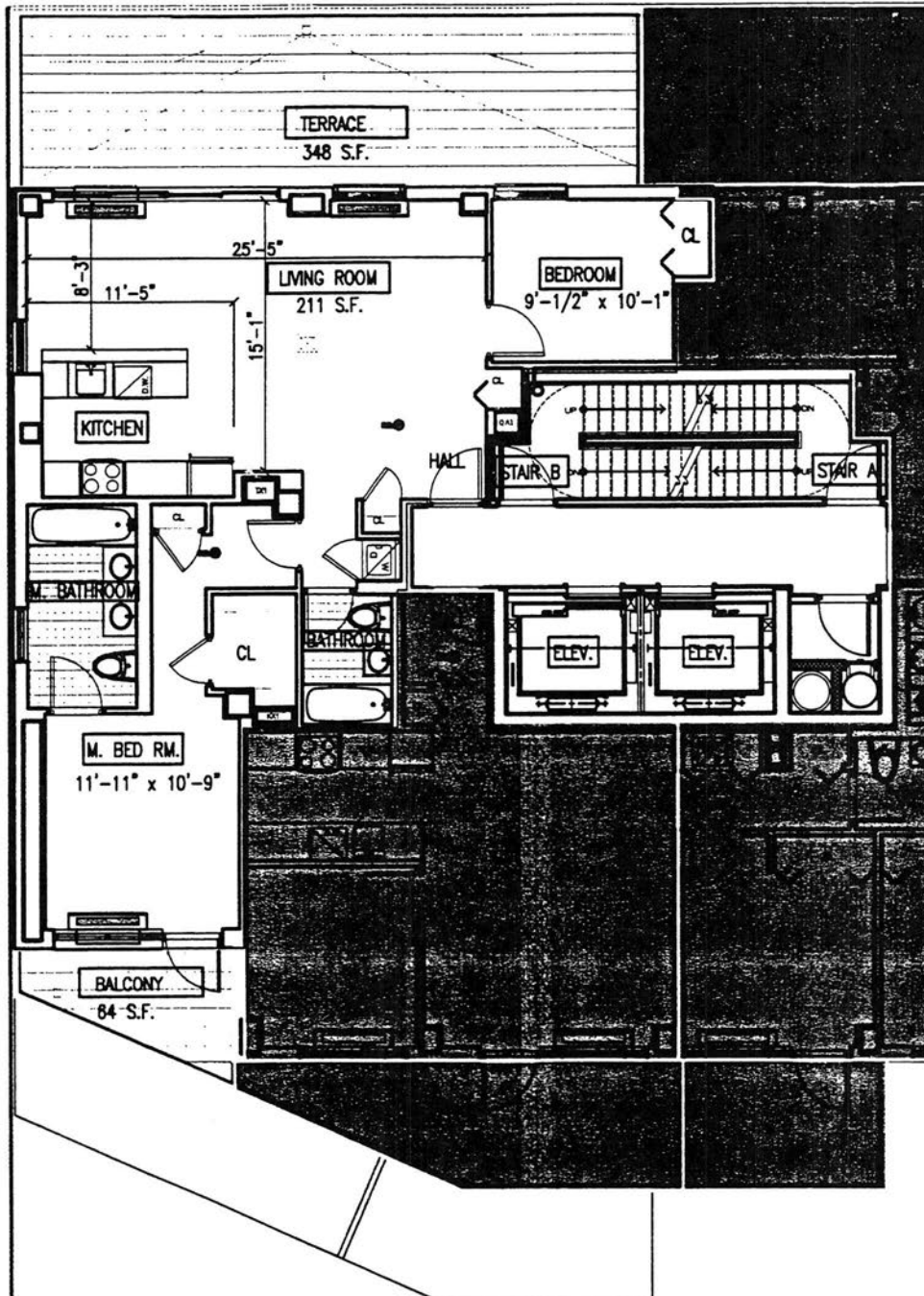



GENE KAUFMAN ARCHITECT PC

525 BROADWAY, NEW YORK, N.Y. 10012
TEL. (212) 625-8700 FAX. (212) 625-8867

DATE: NOVEMBER 27th, 2006

JACKSON AVENUE



10-46 THRU 10-52
JACKSON AVENUE

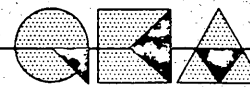
UNIT 8B
2 BEDROOM
2 BATHS
BALCONY/TERRACE

	FLOOR NUMBER 8
APARTMENT AREA	1,016 SQ.FT.
APPROXIMATE TOTAL GROSS AREA	1,428 SQ.FT.
BALCONY	64 SQ.FT.
TERRACE	348 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

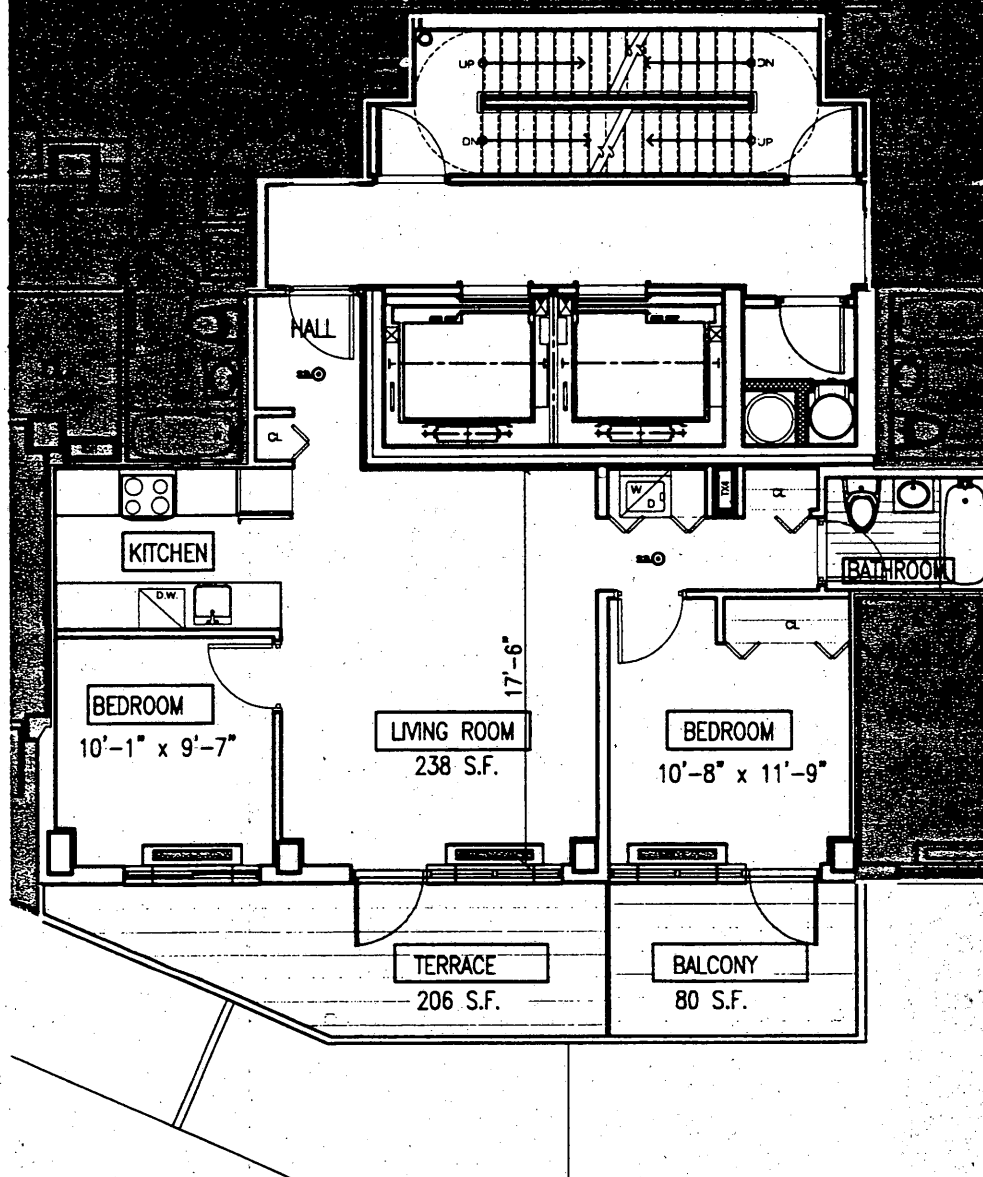
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





GENE KAUFMAN ARCHITECT PC

525 BROADWAY, NEW YORK, N.Y. 10012
TEL. (212) 625-8700 FAX. (212) 625-8867
DATE: NOVEMBER 27th, 2006



10-46 THRU 10-52
JACKSON AVENUE

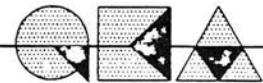
UNIT 8C
2 BEDROOM
1 BATHS
BALCONY/TERRACE

	FLOOR NUMBER
	8
APARTMENT AREA	745 SQ.FT.
APPROXIMATE TOTAL GROSS AREA	1,031 SQ.FT.
BALCONY	80 SQ.FT.
TERRACE	206 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





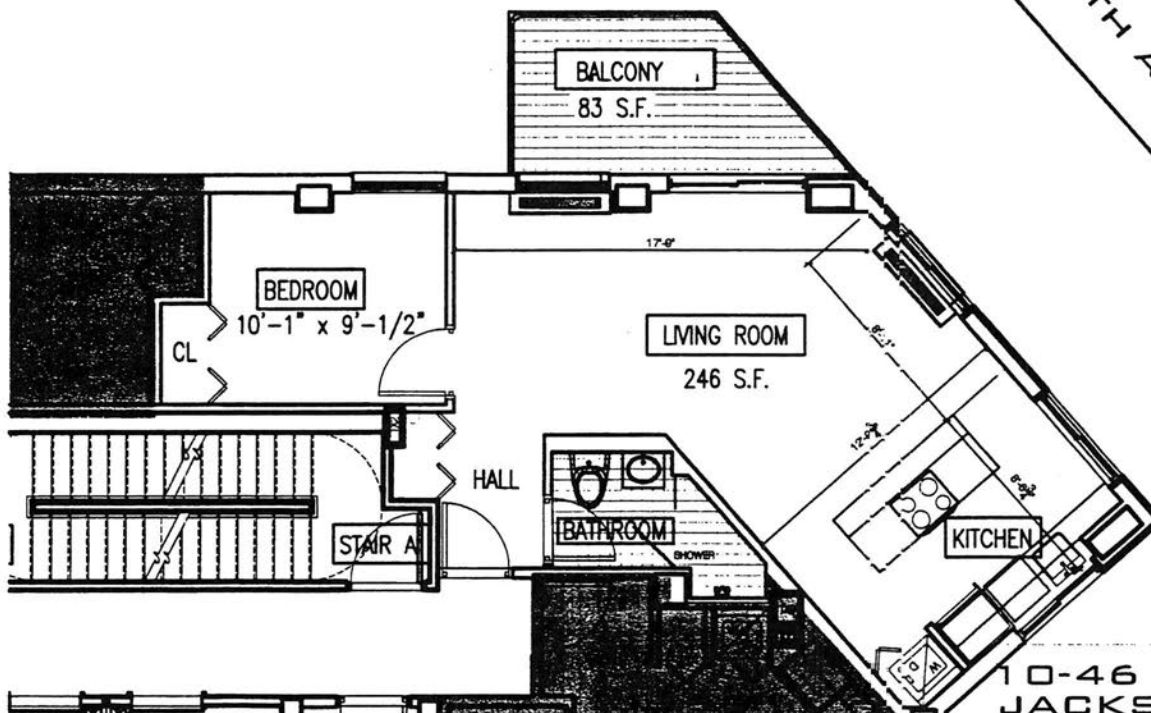
GENE KAUFMAN ARCHITECT PC

525 BROADWAY, NEW YORK, N.Y. 10012
TEL. (212) 625-8700 FAX. (212) 625-8867

DATE: NOVEMBER 27th, 2006

JACKSON AVENUE

SOUTH AVENUE



10-46 THRU 10-52
JACKSON AVENUE

UNIT 9A - 11A
1 BEDROOM
1 BATH
BALCONY

FLOOR
NUMBER
9 - 11

APARTMENT AREA 608 SQ.FT.

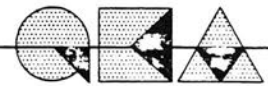
APPROXIMATE TOTAL GROSS AREA 608 SQ.FT.

BALCONY 83 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

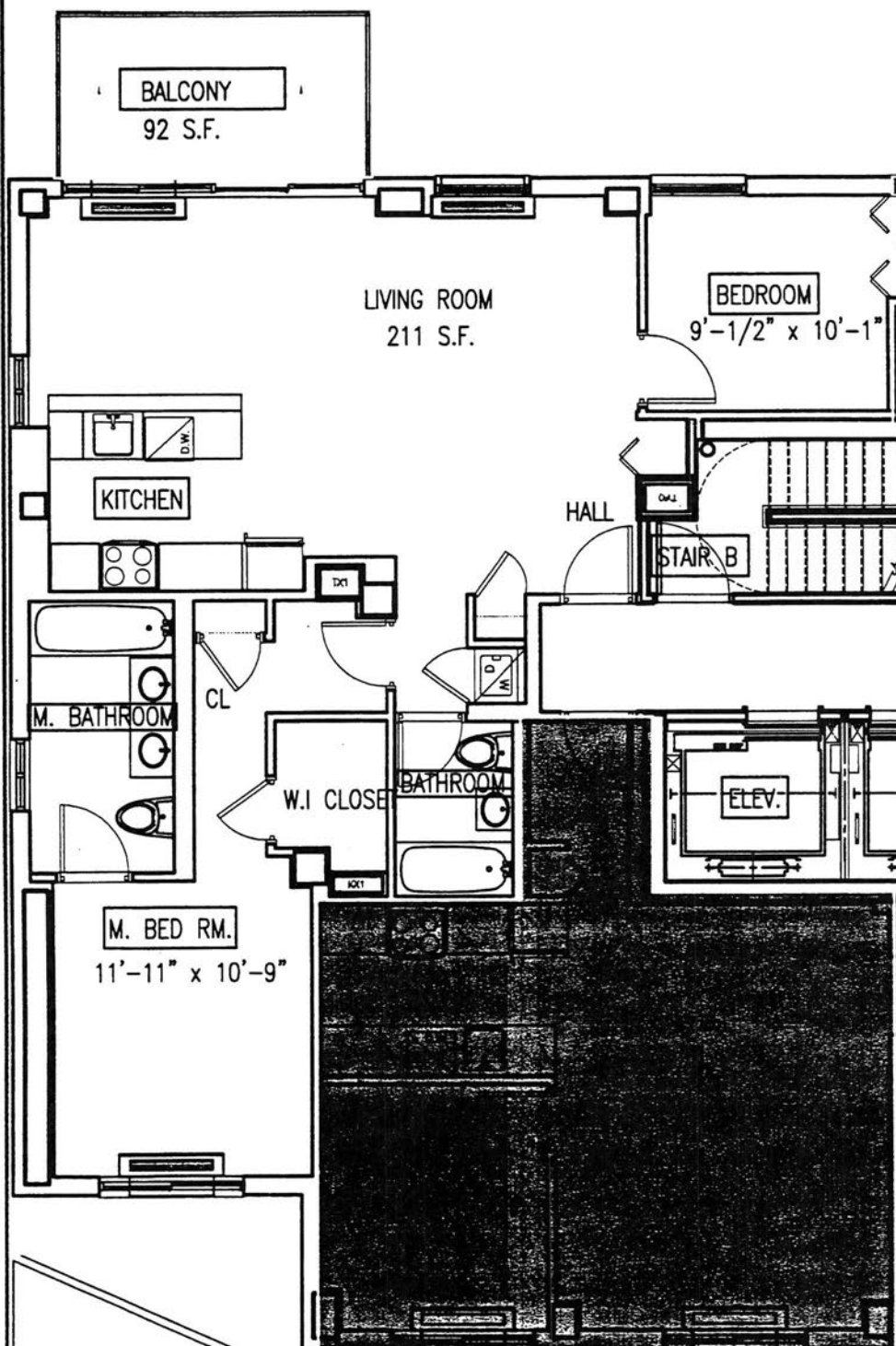
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



**GENE KAUFMAN ARCHITECT PC**

525 BROADWAY, NEW YORK, N.Y. 10012
TEL. (212) 625-8700 FAX. (212) 625-8867

DATE: NOVEMBER 27th, 2006



10-46 THRU 10-52
JACKSON AVENUE

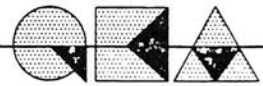
UNIT 9B - 11B
1 BEDROOM
1 BATH
BALCONY

FLOOR NUMBER	
9 - 11	
APARTMENT AREA	1016 SQ.FT.
APPROXIMATE TOTAL GROSS AREA	1016 SQ.FT.
BALCONY	92 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

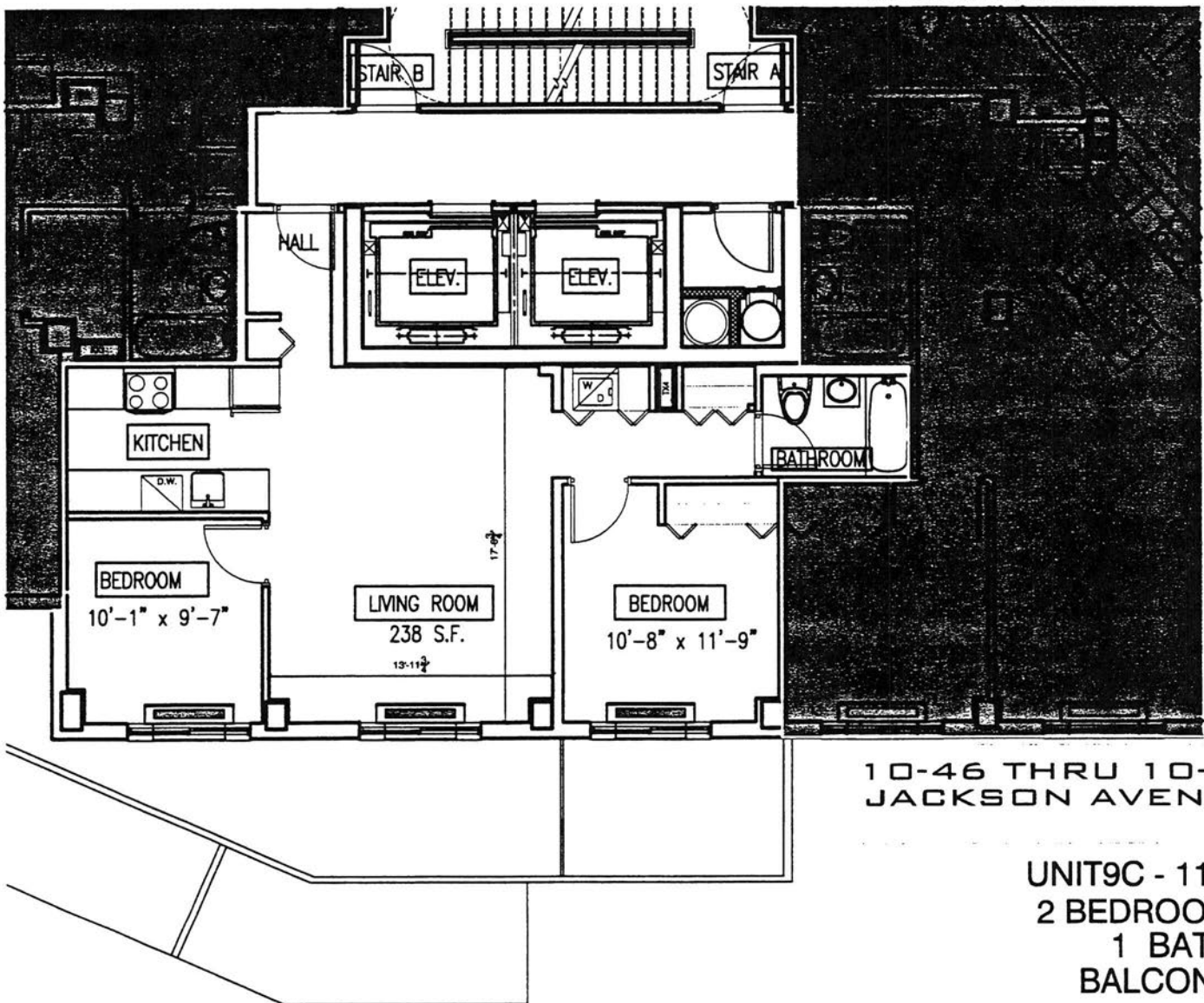
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.




GENE KAUFMAN ARCHITECT PC

525 BROADWAY, NEW YORK, N.Y. 10012
TEL. (212) 625-8700 FAX. (212) 625-8867

DATE: NOVEMBER 27th, 2006



FLOOR
NUMBER
9 - 11

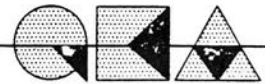
APARTMENT AREA 745 SQ.FT.

APPROXIMATE TOTAL 745 SQ.FT.
GROSS AREA

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

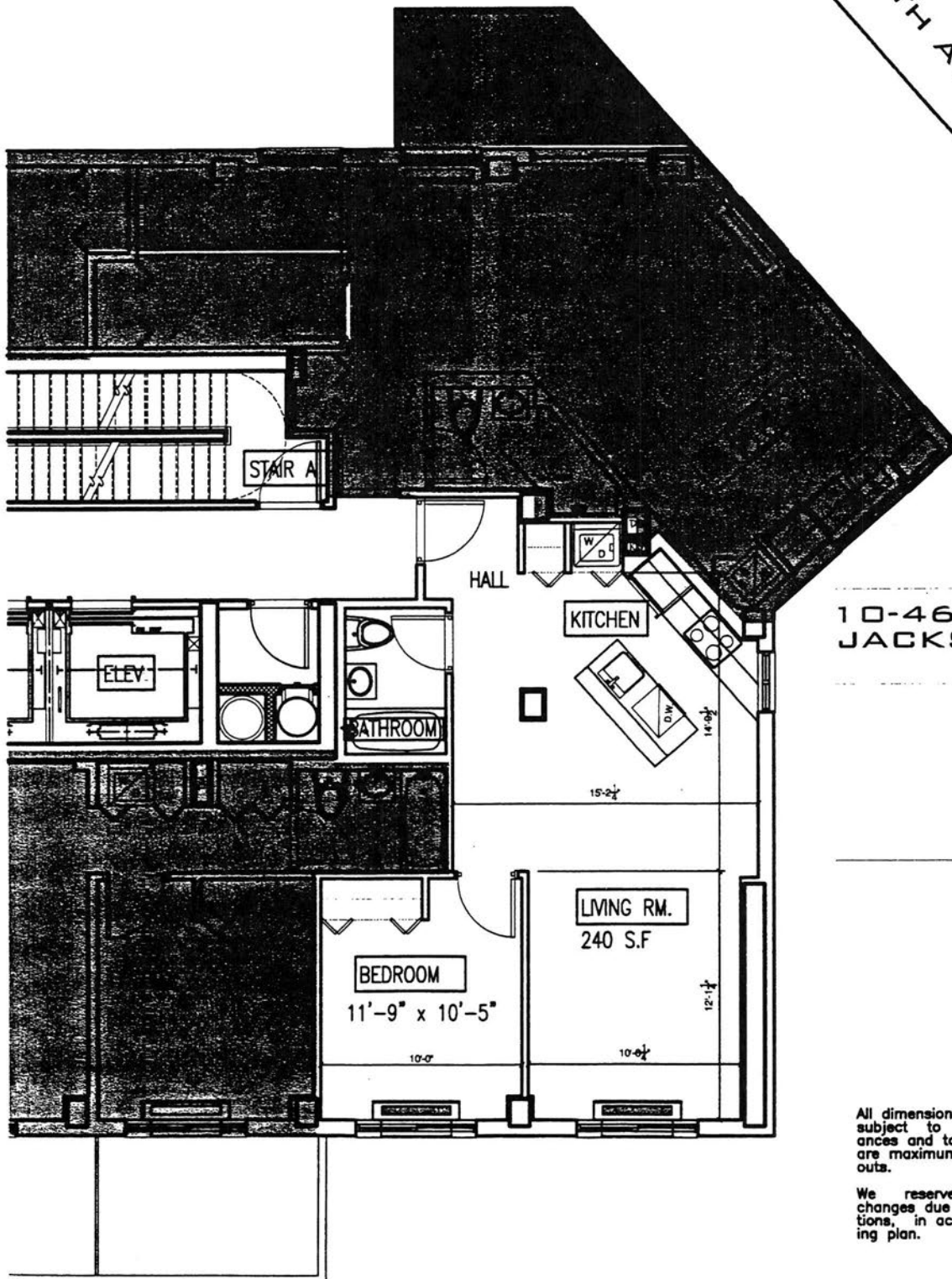
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.




GENE KAUFMAN ARCHITECT PC

 525 BROADWAY, NEW YORK, N.Y. 10012
 TEL. (212) 625-8700 FAX. (212) 625-8867

DATE: NOVEMBER 27th, 2006

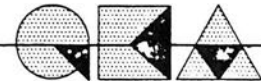
JACKSON AVENUE
50TH AVENUE

**10-46 THRU 10-52
JACKSON AVENUE**
**UNIT 9D - 11D
1 BEDROOM
1 BATH**

	FLOOR NUMBER 9 - 11
APARTMENT AREA	610 SQ.FT.
APPROXIMATE TOTAL GROSS AREA	610 SQ.FT.

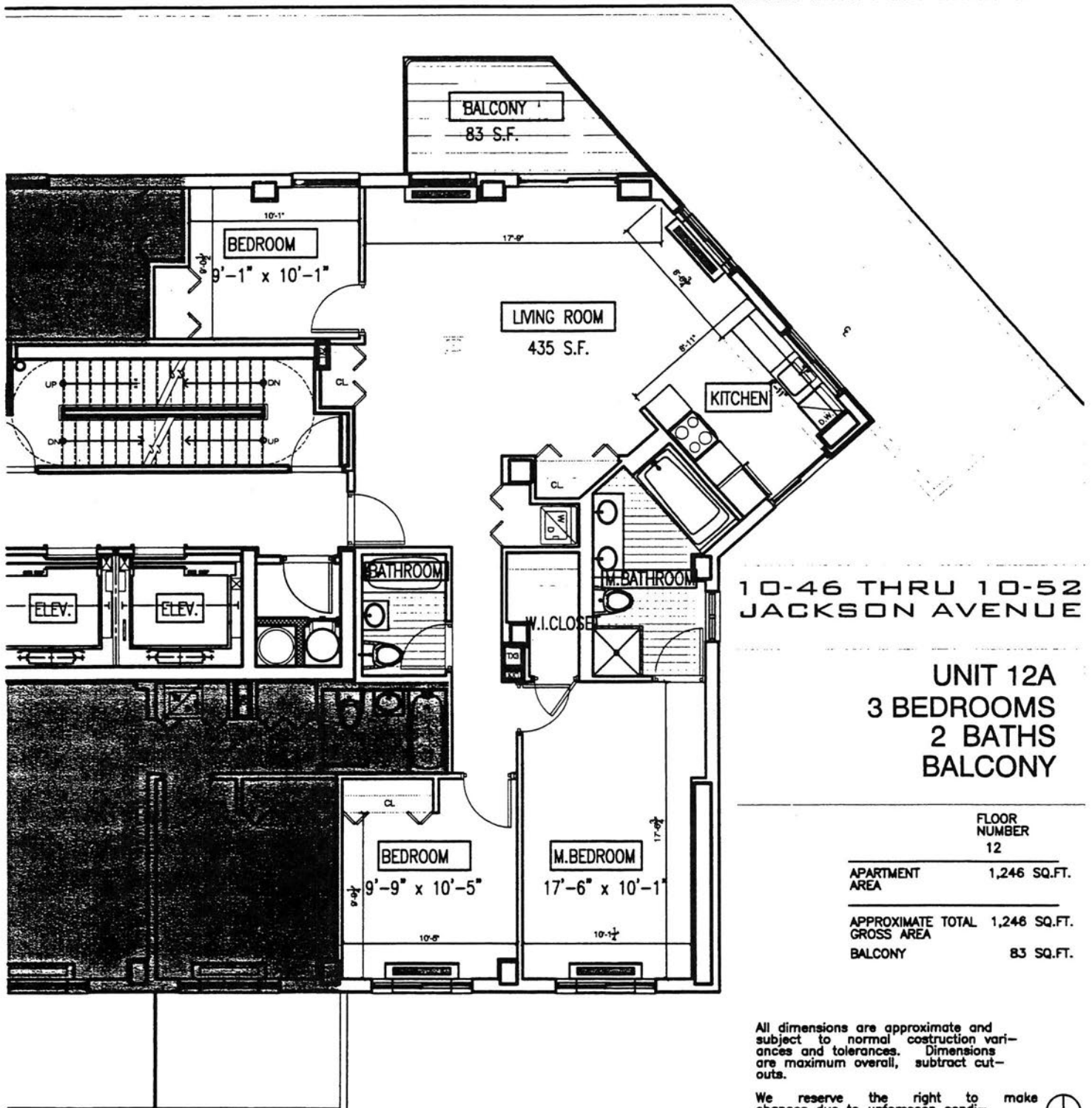
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

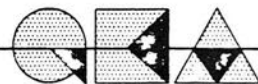
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.




GENE KAUFMAN ARCHITECT PC

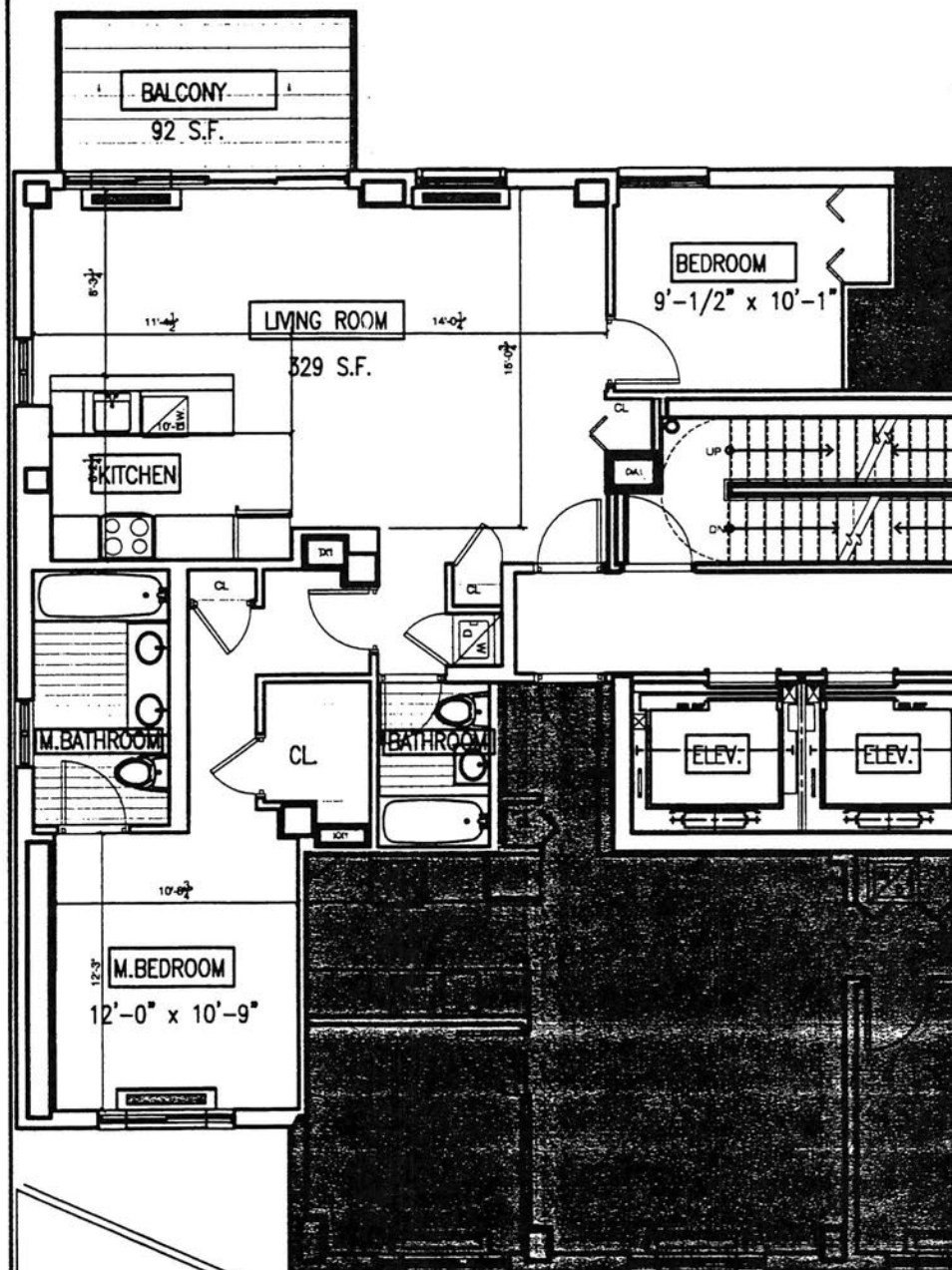
525 BROADWAY, NEW YORK, N.Y. 10012
 TEL. (212) 625-8700 FAX. (212) 625-8867
 DATE: NOVEMBER 27th, 2006




GENE KAUFMAN ARCHITECT PC

 525 BROADWAY, NEW YORK, N.Y. 10012
 TEL. (212) 625-8700 FAX. (212) 625-8867

DATE: NOVEMBER 27th, 2006


 10-46 THRU 10-52
 JACKSON AVENUE

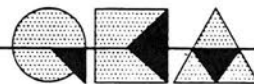
UNIT 12B
2 BEDROOM
2 BATHS
BALCONY

FLOOR NUMBER	12
APARTMENT AREA	1,015 SQ.FT.
APPROXIMATE TOTAL GROSS AREA	1,015 SQ.FT.
BALCONY	92 SQ.FT.

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.

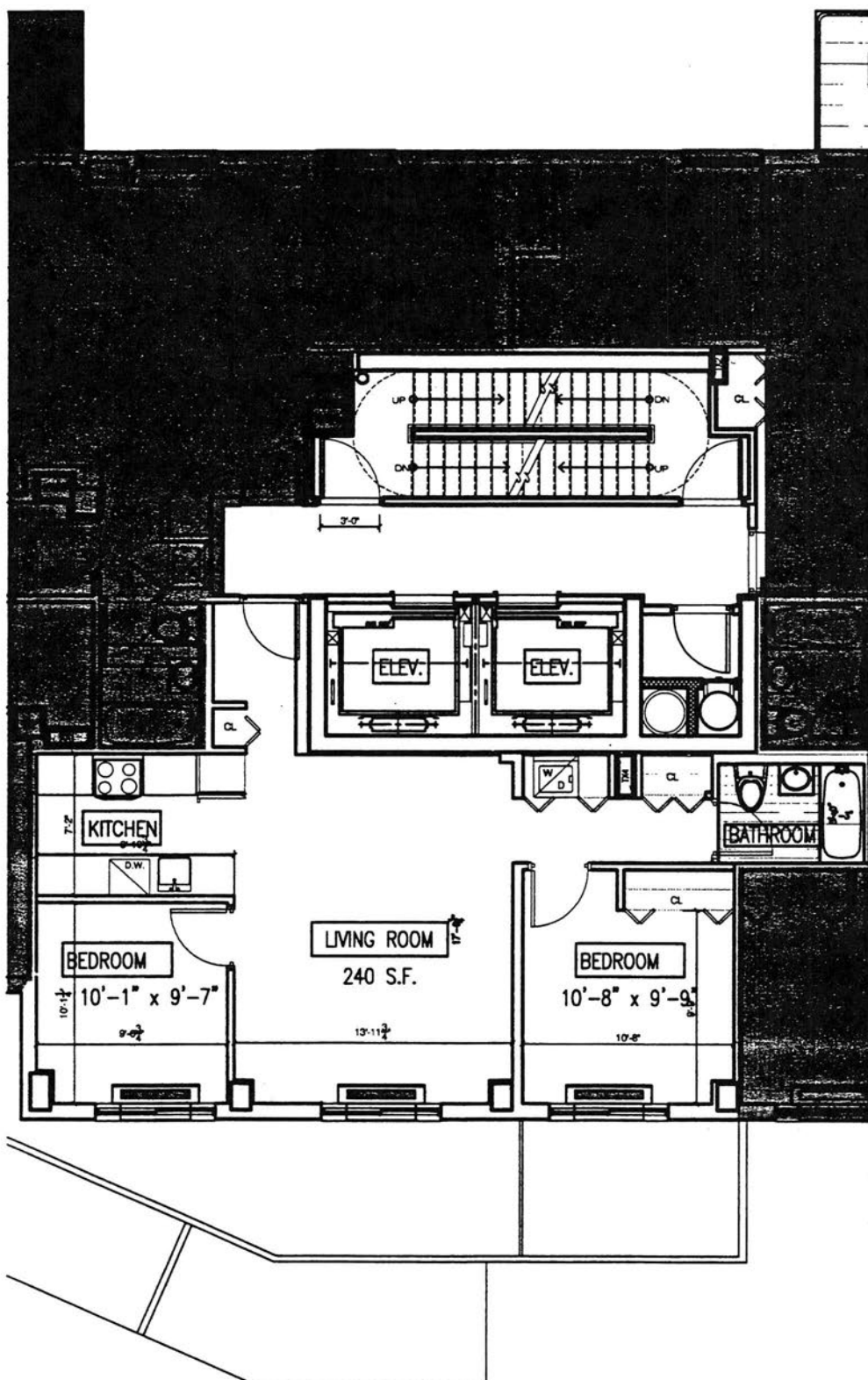




GENE KAUFMAN ARCHITECT PC

525 BROADWAY, NEW YORK, N.Y. 10012
TEL. (212) 625-8700 FAX. (212) 625-8867

DATE: NOVEMBER 27th, 2006



10-46 THRU 10-52
JACKSON AVENUE

UNIT 12C
2 BEDROOMS
1 BATH

FLOOR
NUMBER
12

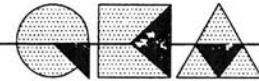
APARTMENT
AREA 741 SQ.FT.

APPROXIMATE TOTAL 741 SQ.FT.
GROSS AREA

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

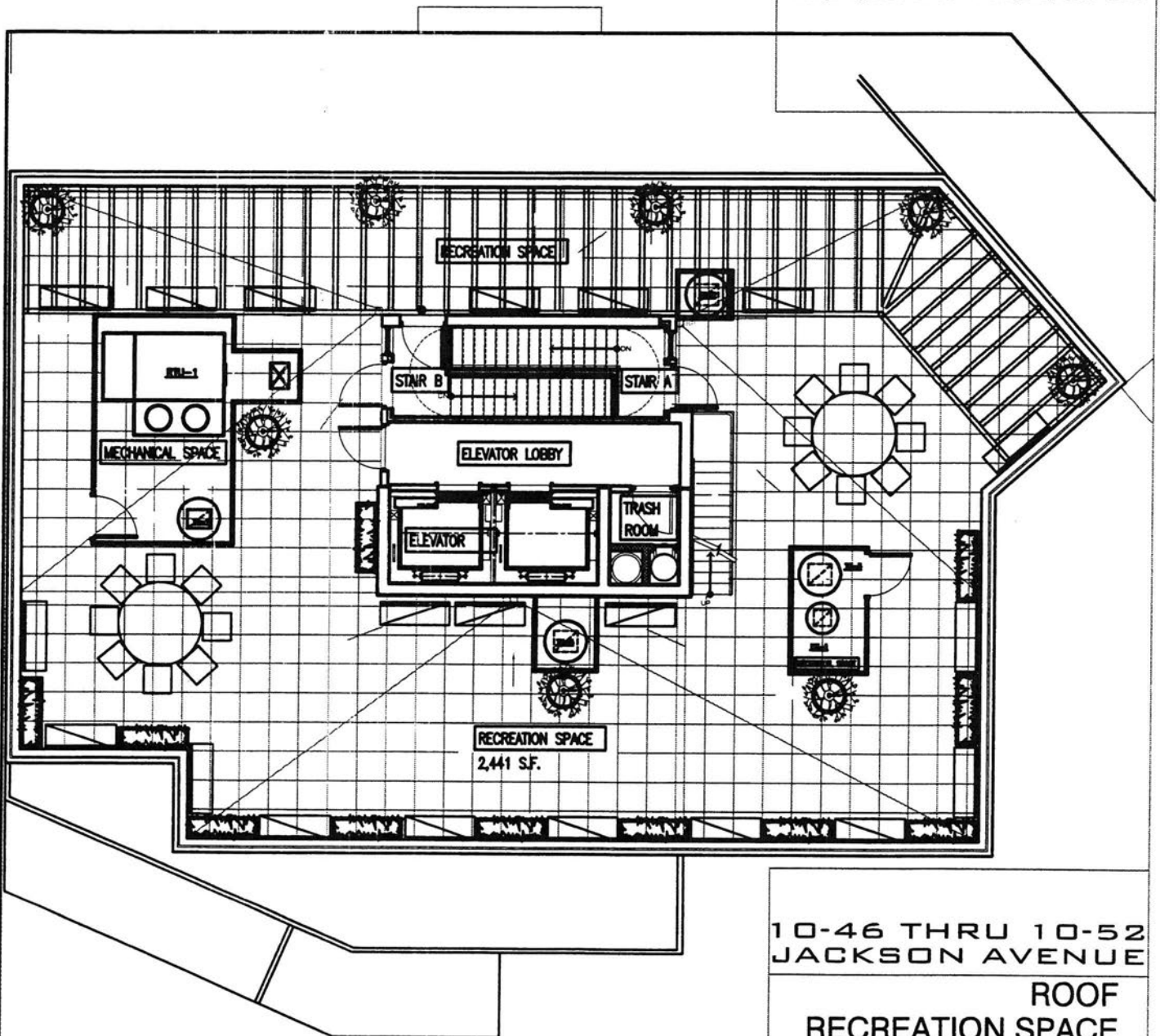
We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.





GENE KAUFMAN ARCHITECT PC

525 BROADWAY, NEW YORK, N.Y. 10012
TEL. (212) 625-8700 FAX. (212) 625-8867



10-46 THRU 10-52
JACKSON AVENUE

ROOF RECREATION SPACE

FLOOR
NUMBER
ROOF

AREA 2,441 SQ.FT.

APPROXIMATE TOTAL 2,441 SQ.FT.
GROSS AREA

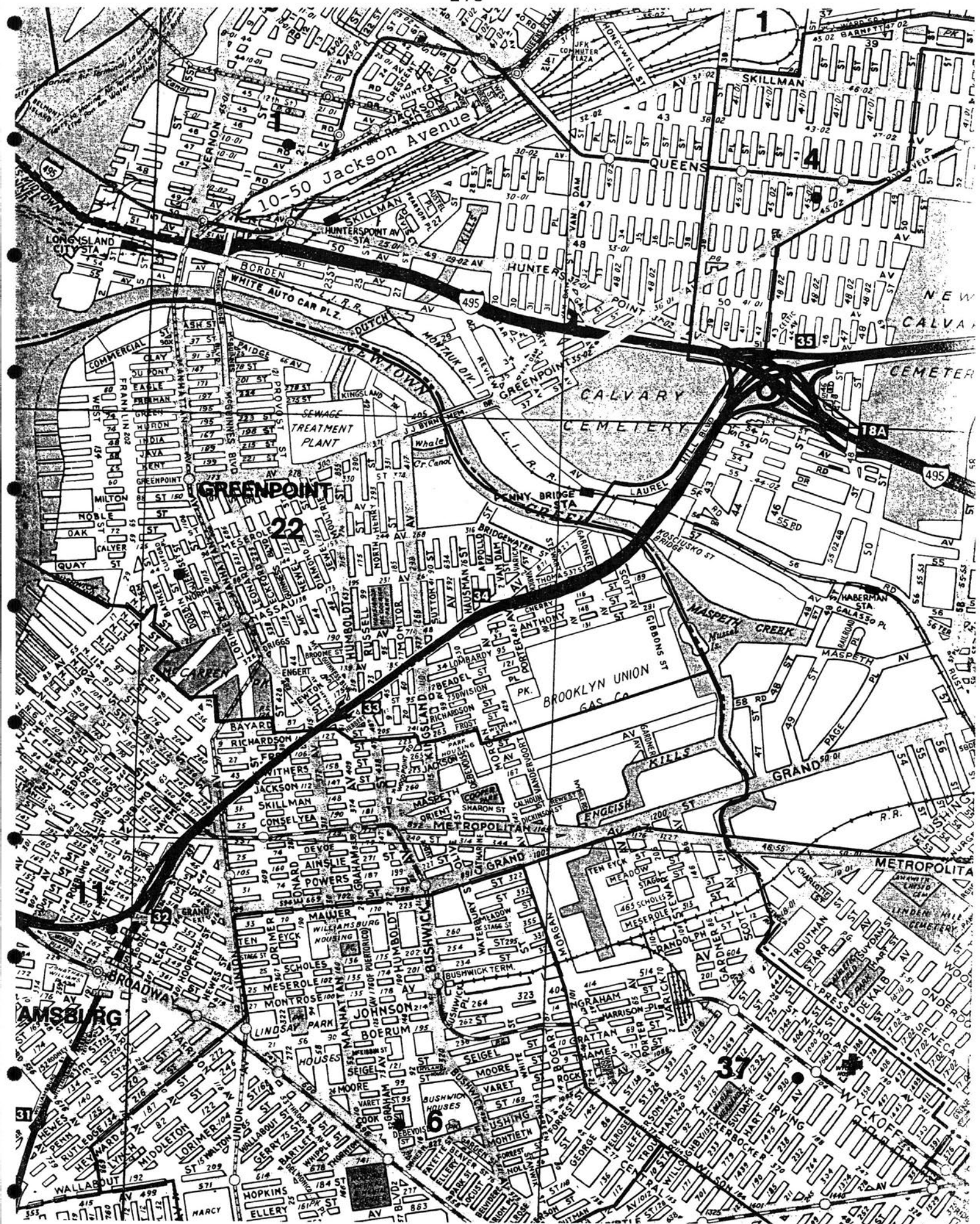
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall, subtract cut-outs.

We reserve the right to make changes due to unforeseen conditions, in accordance with the offering plan.



SCHEDULE G-3

AREA MAP



SCHEDULE H

FEE TITLE DESCRIPTION

FEE TITLE DESCRIPTION

A "Residential and/or Non-Residential Unit" as hereinafter referred to shall be defined as follows:

Each Residential and/or Non-Residential Unit shall consist of the area enclosed horizontally by the unexposed sides of the dry walls of the exterior walls of the Building and by the unexposed sides of the dry walls or the exposed face of the concrete or concrete block of those walls and partitions which separate the Residential and/or Non-Residential Unit from the corridors, stairs, mechanical equipment spaces and other Residential and/or Non-Residential Units, and enclosed vertically by the underside of the Residential and/or Non-Residential Unit's finished flooring and the unexposed side of the Residential and/or Non-Residential Unit's drywall ceiling where applicable. The doors and windows which open from the Residential and/or Non-Residential Unit shall be deemed part of the Residential and/or Non-Residential Unit. No Residential and/or Non-Residential Unit Owner shall be deemed to own the supporting columns, pipes, wires, conduits or other public lines running through the Residential and/or Non-Residential Unit which are utilized for or serve more than one (1) Residential and/or Non-Residential Unit. The Description of Residential and/or Non-Residential Units set forth herein pertains to the location of the walls, floors and roof of the Residential and/or Non-Residential Units as they are finally set forth in the building plans to be filed simultaneously with the recording of the Declaration.

Each Parking Space Unit consists of the area contained within the painted lines of the parking space.

SCHEDULE I

DECLARATION OF CONDOMINIUM

DECLARATION

ESTABLISHING A PLAN OF CONDOMINIUM OWNERSHIP OF
PREMISES LOCATED AT 10-50 JACKSON AVENUE
LONG ISLAND CITY, QUEENS COUNTY
CITY AND STATE OF NEW YORK
PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY LAW
OF THE STATE OF NEW YORK.

NAME: 10-50 JACKSON AVENUE CONDOMINIUM

DECLARANT: Vantage at Jackson LLC
20 Gilbert Avenue
Smithtown, New York 11787

DATE OF DECLARATION:

BLOCK: LOTS: F/K/A LOT:

CERTILMAN BALIN ADLER & HYMAN, LLP
Attorneys for the Sponsor
The Financial Center at Mitchel Field
90 Merrick Avenue
East Meadow, New York 11554

TABLE OF CONTENTS

	<u>Page</u>
FIRST: Submission of Property.	1
SECOND: Description of Property.	1
THIRD: Definitions.	1
FOURTH: Community.	4
FIFTH: Common Elements.	5
SIXTH: Changes to the Non-Residential Unit:	8
SEVENTH: Easements.	9
EIGHTH: Service of Process:	10
NINTH: Common Interest.	11
TENTH: Administration.	11
ELEVENTH: Amendments and Withdrawal.	11
TWELFTH: Subject to Declaration, By-Laws, etc.	13
THIRTEENTH: Common Charges.	13
FOURTEENTH: Units Acquired by the Board.	14
FIFTEENTH: Encroachments.	14
SIXTEENTH: Unit Ownership.	14
SEVENTEENTH: Conveyance of a Unit.	14
EIGHTEENTH: Covenants and Restrictions.	15
NINETEENTH: Use of Building and Units.	17
TWENTIETH: Special Rights of Declarant.	17
TWENTY-FIRST: Invalidity.	18

TABLE OF CONTENTS (CONTINUED)Page

SCHEDULE A

SCHEDULE B

SCHEDULE C - BY-LAWS TO DECLARATION OF CONDOMINIUM

PLAN OF CONDOMINIUM UNIT OWNERSHIP

DECLARATION OF VANTAGE AT JACKSON LLC PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY LAW OF THE STATE OF NEW YORK

In Long Island City, Queens County, City and State of New York, on this day of _____, 20__, VANTAGE AT JACKSON LLC, a Limited Liability Company organized and existing under the laws of the State of New York, whose principal office is situated at 20 Gilbert Avenue, Smithtown, New York 11787 hereinafter referred to as the "Sponsor" or "Declarant" represented in this Declaration by _____, who is fully empowered and qualified to execute this Declaration on behalf of the said Organization, does hereby state:

FIRST: Submission of Property. By this Declaration the Declarant submits the property described in this Declaration, including the land and the Building and all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith, to the provisions of Article 9-B of the Real Property Law of the State of New York.

SECOND: Description of Property. The Declarant owns ALL that certain plot, piece or parcel of land situate, lying and being in the Borough of Queens and County of Queens and City and State of New York, bounded and described as contained in Schedule A of this Declaration.

THIRD: Definitions.

1. "Board of Managers" - The governing body of the Condominium responsible for its affairs.
2. "Building" - The twelve (12) story structure with cellar containing forty-eight (48) Residential Units, one (1) Non-Residential Unit and seventeen (17) Parking Space Units.
3. "Common Charges" - Each Unit Owner's proportionate share of the General Common Expenses as determined in accordance with the common interest appurtenant to the Unit as well as allocations in accordance with sub-metering, contract allocations and usage (both projected and actual) for the General Common Elements so long as such allocations are reasonable under the circumstances and are based on special or exclusive use or availability or exclusive control of particular Units or Common Areas by particular Unit Owners.

4. "Common Elements" - All portions of the Condominium, other than the units, including, without limitation, the land, hallways, the Building and improvements (other than the Units) comprising the Condominium (including the land under the Building), all utility or other pipes and material located outside the Units, mechanical rooms, elevator, public entrances, the roofs, walls and structural elements of the Building and certain other portions of the Building to be set aside for common use. Common Elements are divided into General Common Elements which are Common Elements shared by all Unit Owners; Non-Residential Unit Limited Common Elements which are Common Elements that are irrevocably restricted and for the exclusive use of an individual Non-Residential Unit Owner; Individual Residential Unit Limited Common Elements which are Common Elements that are irrevocably restricted for the exclusive use of an individual Residential Unit Owner; and General Residential Unit Limited Common Elements which are Common Elements that are irrevocably restricted for use by all the Residential Unit Owners.

5. "Common Expenses" - (a) Expenses incurred by all Unit Owners for the purpose of paying costs of the Condominium in connection with the repair, maintenance, replacement, restoration or operation of, and any alteration, addition or improvement to the General Common Elements; and (b) All sums designated common expenses by or pursuant to the provisions of the Condominium Act, the Declaration or the By-Laws. All costs and expenses to a Non-Residential Unit and any Non-Residential Unit Limited Common Element shall be the sole responsibility of the Non-Residential Unit Owner. The Common Expenses are divided as follows:

- a. "General Common Expenses" - Expenses applicable to the General Common Elements.
- b. "Residential Common Expenses" - Expenses only applicable to the Residential portion of the Building.

6. "Common Interest" - The proportionate, undivided interest each Unit Owner has in the Common Elements. The Common Interest is divided as follows:

- a. "General Common Interest" - The proportionate, undivided interest each Unit Owner has in the General Common Elements.
- b. "Residential Common Interest" - The proportionate, undivided interest each Residential Unit Owner has in the Residential portion of the Building.

7. "Community" or "Development" - As used herein refers to 10-50 Jackson Avenue Condominium.

8. "Condominium" - 10-50 Jackson Avenue Condominium which is comprised of the Common Elements, Units and Unit Owners.

9. "Declaration of Condominium" - The instrument by which the property is submitted to the provisions of the Condominium Act, and such instrument as from time to time is amended, consistent with the provisions of the Condominium Act and of the By-Laws.

10. "General Common Elements" - Common Elements which are to be used by all Unit Owners in Common and which include all Common Elements other than the Non-Residential Unit's Limited Common Elements, the Individual Residential Unit's Limited Common Elements, and the General Residential Units' Limited Common Elements.

11. "Irrevocably Restricted" or "Limited Common Elements" - A Common Element appurtenant to a particular Unit or Units, the use of which is restricted to the Owners of such Unit or Units. The Limited Common Elements are divided as follows:

- a. "Individual Residential Unit Limited Common Element" - The areas of the Building which are irrevocably restricted and for the exclusive use of an individual Residential Unit.
- b. "General Residential Units' Limited Common Element" - The areas of the Building which are irrevocably restricted and for the exclusive use of all the Residential Unit Owners.
- c. "Non-Residential Unit's Limited Common Element" - The areas of the Building which are irrevocably restricted and for the exclusive use of an individual Non-Residential Unit.

12. A "Residential and/or Non-Residential Unit" as hereinafter referred to shall be defined as follows:

Each Residential and/or Non-Residential Unit shall consist of the area enclosed horizontally by the unexposed sides of the dry walls of the exterior walls of the Building and by the unexposed sides of the dry walls or the exposed face of the concrete or concrete block of those walls and partitions which separate the Residential and/or Non-Residential Unit from the corridors, stairs, mechanical equipment spaces and other Residential and/or Non-Residential Units, and enclosed vertically by the underside of the Residential and/or Non-Residential Unit's finished flooring and the unexposed side of the Residential and/or Non-Residential Unit's drywall ceiling where applicable. The doors and windows which open from the Residential and/or Non-Residential Unit shall be deemed part of the Residential and/or Non-Residential Unit. No Residential and/or Non-Residential Unit Owner shall be deemed to own the supporting columns, pipes, wires, conduits or other public lines running through the Residential and/or Non-Residential Unit which are utilized for or serve more than one (1) Residential and/or Non-Residential Unit. The Description of Residential and/or Non-Residential Units set forth herein pertains to the location of the walls, floors and roof of the Residential and/or

Non-Residential Units as they are finally set forth in the building plans to be filed simultaneously with the recording of the Declaration.

Each Parking Space Unit shall consist of the area within the painted lines of the parking space.

13. "Sponsor" or "Declarant" - Vantage at Jackson LLC, a New York Limited Liability Company with an address at 20 Gilbert Avenue, Smithtown, New York 11787.

14. "Unit" - A Unit includes all the Units in the Condominium and are divided as follows:

- a. "Residential Units" - The Units designated in the Declaration of Condominium for residential use.
- b. "Non-Residential Unit" - The Unit designated as the Non-Residential Unit in the Declaration of Condominium to be used for retail or business purposes or any other use permitted by municipal zoning regulations.
- c. "Parking Space Units" - The seventeen (17) units in the Condominium to be used solely for parking of a vehicle.

As used herein the term "Residential, Non-Residential and Parking Space Unit" are equivalent to the term "Unit" in Article 9-B of the Real Property Law of the State of New York.

15. "Unit Owner" - A Unit Owner includes all the Unit Owners in the Condominium and are divided as follows:

- a. "Residential Unit Owner" - The owner of a Residential Unit.
- b. "Non-Residential Unit Owner" - The owner of the Non-Residential Unit.
- c. "Parking space Unit Owners" - The owner of one (1) of the seventeen (17) Parking Space Units in the Condominium.

FOURTH: Community. The Declarant is creating on the parcel of land described above a Condominium Community known as 10-50 Jackson Avenue Condominium according to the plans filed simultaneously with the recording of this Declaration in the Office of the Register of the City of New York, Queens County which Plans set forth a description of the building stating the number of stories and number of Units.

The Condominium will consist of forty-eight (48) Residential Units, one (1) Non-Residential Unit and seventeen (17) Parking Space Units to be located in one (1) Building containing twelve (12) stories plus cellar. The Building is constructed of metal

panel veneer walls. Each of the Units has access to each other Unit or to any other portion of the Condominium or to a street upon which the Condominium abuts by means of a hallway and staircase. For the purposes of describing the location of the Building, approximate area, type and number of rooms of each Unit and the Common Elements to which each Unit has immediate access, each Unit is described as shown on Schedule B annexed hereto. Each Unit will be sold to one or more Unit Owners, each Unit Owner obtaining fee ownership, together with an undivided interest in the Common Elements of the Condominium, as listed hereinafter in this Declaration and referred to as the "Common Elements," all of the above in accordance with Article 9-B of the Real Property Law of the State of New York. The designation of the number of rooms, interior partitions and kitchen and bathroom facilities may be changed by mutual consent of the Sponsor and the Unit Owner at the time of purchase of the Unit.

The aforesaid Condominium has a plot area of approximately 9,356 square feet.

FIFTH: Common Elements. The Common Elements will consist of the entire property, including all parts of the Building and improvements thereon, other than the Units, and will consist of General Common Elements to be shared by all Unit Owners and Limited Common Elements (irrevocably restricted in use to specified Unit Owners).

A. General Common Elements - General Common Elements are those shared by all Unit Owners and include all portions of the Condominium except for the individual Units and the Limited Common Elements (irrevocably restricted in use to specified Unit Owners) and include without limitation the following:

1. The land on which the Building is erected and all other land within the boundaries of the property described in Schedule "A" hereof.
2. All foundations, columns, girders, beams and supports.
3. Those portions of the exterior walls beyond the outside face of the interior sheetrock; those portions of the ceilings of the highest floor above the upper face of the sheetrock.
4. Roofs, stairs and stairways that service the entire Building.
5. All improved and unimproved areas of the property not within the Units.
6. All central and appurtenant installations in the Common Elements for services to the entire Building or to two (2) or more Units, such as power, light, telephone, television, gas, hot and cold water and heat (including all pipes, ducts, wires, chutes, cables and conduits used in connection therewith located in the Common Elements) and all other mechanical equipment spaces.
7. All sewer pipes and drainage pipes and facilities to the entire Building.

8. The mechanical rooms and any meter rooms that service the entire Building.
9. All other parts of the property and all apparatus and installations existing in the Building or on the property for common use or necessary or convenient to the existence, maintenance or safety of the property and service two (2) or more Units.

B. Irrevocably Restricted Areas/Limited Common Elements - Certain portions of the Common Elements are irrevocably restricted in use to specified Unit Owners, subject to the right of the Board of Managers of the Condominium to enter upon any restricted area for maintenance, repair or improvement of a Unit or Common Element and subject to the rules of the Board of Managers (see By-Laws, Article VIII). Said irrevocably restricted Common Elements are also referred to as a Limited Common Element. Any portion of the Common Elements which is not restricted in use may be used by any Unit Owner. Following are detailed descriptions of the irrevocably restricted Limited Common Elements:

1. Non-Residential Unit Limited Common Elements. The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of an individual owner of a Non-Residential Unit(s) and are herein sometimes collectively referred to as the "Non-Residential Unit Limited Common Elements":
 - a The entrances to and exists from an individual Non-Residential Unit.
 - b The equipment and facilities serving only a single Non-Residential Unit if located outside the Non-Residential Unit section and all other apparatus, installations, systems equipment and facilities in the Building (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit exclusively an individual Non-Residential Unit.

The Non-Residential Unit Limited Common Elements servicing the Non-Residential Unit shall be maintained, repaired and replaced by the Non-Residential Unit Owner at the Non-Residential Unit Owner's sole expense.

2. Individual Residential Unit Limited Common Elements: The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of an individual Residential Unit Owner and are herein, sometimes collectively referred to as the "Individual Residential Unit Limited Common Elements:

- a Each balcony or terrace shall be limited in use to the Residential Unit Owner who has direct access to such balcony or terrace as set forth in Schedule B.
- b Any heating, cooling or other mechanical system servicing an individual Residential Unit that is located in or on the Common Elements.
- c All apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit exclusively a Residential Unit.

The Residential Unit Limited Common Elements servicing an individual Residential Unit shall be maintained, repaired and replaced by the individual Residential Unit Owner of the Residential Unit at the Residential Unit Owner's sole expense.

3. General Residential Units' Limited Common Elements: The following portions of the Common Elements shall be Limited Common Elements for the exclusive use of all the Residential Unit Owners and are herein, sometimes collectively referred to as the "General Residential Units' Limited Common Elements:

- a Any heating, cooling or other mechanical system servicing all the Residential Units that are located in the Common Elements.
- b All apparatus, installations, systems equipment and facilities in the Common Elements (including pipes, wire, ducts, vents, cables, conduits and lines) which will serve or benefit exclusively all the Residential Units.
- c The elevators and all apparatus and mechanical equipment and rooms servicing the elevators.
- d The lobby, hallways on each residential floor, exercise room, and roof garden.

The General Residential Units' Limited Common Elements servicing the Residential Units shall be maintained, repaired and replaced by the Residential Unit Owners at the Residential Unit Owners sole expense based on the square footage of said Unit in relation to the square footage of all the Residential Units as reflected in Article VI, Section 8 of the By-Laws of the Condominium.

C. Provisions Applicable to All Common Elements -

1. The Common Elements shall remain undivided and no Unit Owner shall bring any action for partition or division unless otherwise provided by law.
2. The Common Elements are not subject to partition nor are they severable from the Units except in accordance with the Real Property Law.
3. The percentage of the undivided interest in the Common Elements established herein shall not be changed except with the consent of all of the Unit Owners affected expressed in a duly recorded amendment to this Declaration.
4. The undivided interest in the Common Elements shall not be separated from the Units to which it appertains and shall be deemed conveyed or encumbered with the Units even though such interest is not expressly mentioned or described in the conveyance or other instrument.

SIXTH: Changes to the Non-Residential Unit: Except to the extent prohibited by law, the Declarant, its successor, assignee or designee and the Non-Residential Unit Owner shall have the right, without the vote or consent of the Board of Managers to: (a) make alterations, additions or improvements, whether structural or nonstructural, interior or exterior, ordinary or extraordinary, in, to and upon the Non-Residential Unit owned by the Declarant, its successor, assignee, designee or the Non-Residential Unit Owner; (b) alter or improve any Limited Common Elements applicable to their Unit; (c) change the layout of, or number of rooms in the Non-Residential Unit from time to time; and, provided further, that the Sponsor, its designee or the Non-Residential Unit Owner shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom. This paragraph may not be amended without the prior written consent of the Sponsor.

Nothing contained in this Declaration shall prohibit the division or consolidation of any Non-Residential Unit or Units and common interest appurtenant thereto, including but not limited to a change in the number of rooms. Any such change which will affect the structural integrity of the Building requires the prior written consent of the Board of Managers. In no case, however, may such division or consolidation result in a different percentage of common interest for the total of the new Non-Residential Units than existed for the total of the original Non-Residential Unit(s) before division or consolidation. An amendment to this Declaration authorized by this paragraph maybe recorded by the new Non-Residential Unit Owner(s) without the consent of any other Unit Owner provided the percentage of common interest of all other existing Units is not affected thereby.

If the number of rooms in a Non-Residential Unit is changed, or the size and/or number of Unsold Non-Residential Units is changed (whether as a result of a subdivision or combination of Non-Residential Units or alteration of boundary walls

between Non-Residential Units, or otherwise) and the appurtenant percentage interest in the Common Elements is reapportioned as a result thereof, all in accordance with the provisions of this Article, then the Non-Residential Unit Owner or its designee shall have the right to execute, or (on its request) to require any other Unit Owner or the Condominium Board of Managers to execute, and record in the Office of the Register of Queens County, an amendment to this Declaration (together with such other documents as is appropriate to effectuate the same) reflecting such change in the number of rooms in a Non-Residential Unit or in the size and/or number of Non-Residential Units (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the percentages of interest in the Common Elements.

In the event Non-Residential Unit Owner or its designee, exercising its rights pursuant to this Article so requests, the Board of Managers shall promptly amend the Declaration at the expense of the Non-Residential Unit Owner or its designee, to reflect any such alterations, additions, improvements, changes or reapportionments as provided above, and shall record such amendment in the Office of the Register of Queens County.

The foregoing paragraphs may not be amended without the written consent of the Non-Residential Unit Owner(s).

SEVENTH: Easements.

1. All pipes, wires, conduits and public utility lines located solely within a Unit shall be owned by such Unit Owner. Any portion of such pipes, wires, conduits and public utility lines located in the Common Elements and service two (2) or more Units will be owned in common by the Unit Owners. Every Unit Owner shall have an easement in common with the owners of other Units to maintain and use all pipes, wires, conduits and public utility lines located in other Units and servicing such Unit Owner's Unit. Each Unit shall be subject to an easement in favor of the Unit Owners of other Units to maintain and use the pipes, wires, conduits and public utility lines servicing such other Units and located in such Unit. The Board of Managers shall have a right of access to each Unit for maintenance, repair or improvements to any pipes, wires, conduits and public utility lines located in any Unit and servicing any other Unit. The cost of such repairs shall be a Common Expense as detailed in this Declaration. In the event any portion of such pipes, wires, conduits and public utility lines is located in any of the Limited Common Elements, the cost of any repairs to such pipes, wires, conduits and public utility lines shall be the sole responsibility of the respective Unit Owner(s) for whom the Limited Common Element is limited in use. The Board of Managers shall have a right of access to all Common Elements for maintenance, repair or improvement whether such Common Elements are restricted or not.

2. The owner(s) of the Units shall have easements for (i) the installation, maintenance, repair and replacement of signs, flues, vents, air-conditioning, heating, ventilating, water and other mechanical lines and fixtures and equipment on the exterior walls, the roof and through the Common Elements of the Building, and in, through under

and over any Unit for the purpose of any work required to repair, replace or maintain said facilities that are a Limited Common Element of an individual Unit or Units; (ii) through the Common Elements of the Building for access to the roof for the purpose of installing, repairing, maintaining and replacing any fixtures and equipment now or hereafter located on the roof that services an individual Unit or a Limited Common Element of an individual Unit or Units, provided, however, that except in the case of an emergency, the right of access may be exercised only after prior notice to the Board of Managers; and (iii) for access to any equipment that services an individual Unit and which is located in the General or Limited Common Elements of the Condominium.

3. The Owner and tenants of the Non-Residential Unit shall have the right, at their sole expense, to (i) install separate heating systems for the Non-Residential Unit and an easement is granted in, over, under and through the cellar and/or roof of the Building for the installation, maintenance, repair and replacement of the heating system and all necessary pipes, lines, conduits, ducts, water lines and flues in connection therewith if such right is exercised, (ii) for access to any equipment that services the Non-Residential Unit and which is located in the residential portion of the Building or the Individual or General Residential Units' Limited Common Elements, (iii) to erect, maintain and replace one (1) or more signs on the Building permitted by law for the purpose of advertising the operation of any business conducted therein. Any such signs shall be of reasonable size and shall not be located so as to unduly disturb the aesthetics of the Building.

4. The Board of Managers shall have an easement through the Units for access, installation, maintenance, repair and replacement of any flues, vents, air-conditioning, gas, heating, ventilating, water and other mechanical lines and fixtures and any other machinery, pipes, wires, conduits, equipment or meters servicing any portion of the Building.

5. The Declarant, its successors, assigns, and designees, reserves the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across the Common Elements of the Condominium for the purpose of completing any construction to the Building and for sale of Units and facilities in the Condominium and, towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over and across the Common Elements for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television and other utilities and for any other materials or services necessary for the completion of the work. The Declarant, its successors, assigns, and designees, also reserve the right to connect with and make use of any utility lines, wires, pipes, conduits, cable television, sewers and drainage lines which may from time to time be in or along any of the Common Elements. This paragraph shall not be amended without the consent of the Declarant.

EIGHTH: Service of Process: Service of process on the Unit Owners in any action with relation to the Common Elements shall be made upon the Secretary of State as the agent of the Board of Managers of the Condominium. The post office address to

which the Secretary of State shall mail a copy of any process against this Condominium served upon him as agent for service of this Condominium during the period the Declarant controls the Board of Managers is: c/o Vantage at Jackson LLC, 20 Gilbert Avenue, Smithtown, New York 11787. Once the Declarant no longer controls the Board of Managers, the Board of Managers must notify the Secretary of State that the post office address to which the Secretary of State shall mail a copy of any process against this Condominium served upon him as agent of this Condominium is: Board of Managers, 10-50 Jackson Avenue Condominium, 10-50 Jackson Avenue, Long Island City, New York 11101 or such other address as the Board of Managers of the Condominium selects.

NINTH: Common Interest. Each Unit Owner shall have such percentage of interest in the Common Elements as is set forth in Schedule A attached hereto and shall bear such percentage of the Common Expenses of the Condominium except as otherwise described herein in reference to the Limited Common Elements. Each Unit Owner shall have one vote for all voting purposes at any meeting of the Unit Owners except for a Parking Space Unit Owner who shall not be entitled to any votes. The percentage of interest of each Unit in the Common Elements has been based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of common elements for exclusive or shared use, and the overall dimensions of the particular Unit. Said method of determining the percentage of common interest in a condominium complies with and is pursuant to Section 339-l (1) (iv) of the Real Property Law of the State of New York.

TENTH: Administration. The administration of the Condominium and parcel of land described herein shall be in accordance with the provisions of this Declaration and with the provisions of the By-Laws which are made a part of this Declaration and are attached hereto as Schedule "C."

ELEVENTH: Amendments and Withdrawal.

1. The dedication of the property to Condominium ownership herein shall not be revoked or the property withdrawn from Condominium ownership unless eighty (80%) percent of the Unit Owners in number and in common interest and the first mortgagees, if any, of each of these same Units agree to such revocation or removal of the property from the Plan by duly recorded instruments.

2. The provisions of this Declaration may be modified or amended by an instrument executed by the Board of Managers upon a vote of sixty-six and two-thirds (66⅔%) percent of the Unit Owners in number held at a duly called meeting of the Unit Owners, provided however, that:

- (a) No amendment shall change any condominium parcel, nor a Unit Owner's proportionate share of the Common Charges, nor the voting rights appurtenant to any Unit, unless all of the record

owner(s) in number and common interest thereof and the first mortgagees, if any, of each of these same Units agree to such revocation by recorded instrument.

- (b) No amendment shall be passed which shall impair or prejudice the rights and priorities of mortgagees.
- (c) No amendment to the Declaration shall affect the Limited Common Elements appurtenant to a specific unit or units without the written consent of the respective Unit Owner(s) affected thereby.
- (d) No amendment to the Declaration shall affect the General Residential Units Limited Common Elements without the written consent of at least sixty-six and two-thirds (66⅔%) percent in number of the Residential Unit Owners.
- (e) No amendment to the Declaration which solely affects the Non-Residential Unit may be adopted without the written consent of the Non-Residential Unit Owner.
- (f) No amendment to the Declaration providing for attendant parking may be adopted without the written consent of eighty (80%) percent of the Unit Owners.

There shall be a presumption for a period of sixty (60) days subsequent to the recording of the amendment that the vote of the Unit Owners was made at a duly called meeting and that the requisite voting percentage was obtained. After the sixty (60) day period such presumption will be deemed conclusive.

3. The Declarant, its successors, assigns and designees shall have the right without vote or consent of the Unit Owners, the Board of Managers or the holders of Unit mortgages to execute or (on its request) to require the Board of Managers to execute and record in the Register's Office of the City of New York, Queens County and elsewhere if required by law, an amendment or amendments to this Declaration (together with such other documents, plan and maps as may be required to effectuate the same) to reflect (i) the certification by a registered architect or professional engineer, certifying that the floor plans filed as part of an amended Declaration are an accurate copy of portions of the plans of the building and fully and fairly depict the layout, location, designation and approximate dimensions of the Units as-built or (ii) utility easements or (iii) to make technical corrections to the Declaration to conform to other documents including but not limited to the as-built plans and the Offering Plan or (iv) to effectuate permissible changes in unsold Units or (v) to amend Schedule B to make technical corrections to said Schedule including, but not limited to, square footage of Units, assign or revise Limited Common Elements appurtenant to a Unit or to revise the number and description of rooms contained in a Unit.

4. Any amendment to this Declaration shall not take effect until it is recorded in the Office of the Register of the City of New York, Queens County.

5. The Declaration may not be altered, amended or repealed in such a manner as would adversely affect the Declarant, its successors, assigns or designees without the written consent of the Declarant, its successors, assigns or designees.

Irrespective of any other provision of this Declaration, no action for partition or division of the Common Elements shall be brought nor shall this plan of condominium ownership be terminated where such partition, division or termination will result in a violation of the then existing local zoning and building laws and codes.

TWELFTH: Subject to Declaration, By-Laws, etc. All present or future Unit Owners, tenants, future tenants, or any other person that might use the facilities of the Condominium in any manner, are subject to the provisions of this Declaration, the By-Laws and Rules and Regulations of the Condominium and the mere acquisition or rental of any of the Units of the Condominium or the mere act of occupancy of any of said Units shall signify that the provisions of this Declaration and the By-Laws and Rules and Regulations of the Condominium are accepted and ratified 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, conveyance or lease thereof.

THIRTEENTH: Common Charges. All sums assessed as Common Charges by the Board of Managers of the Condominium but unpaid together with the maximum interest permitted in New York thereon, chargeable to any Unit Owner shall constitute a lien on the Unit which lien is prior to all other liens except: (a) tax or assessment liens on the Unit by the taxing subdivisions of any governmental authority, including but not limited to State and City District taxing agencies; and (b) all sums unpaid on any first mortgage of record encumbering any Unit. Such lien may be foreclosed when past due in accordance with the laws of the State of New York, by the Condominium, in like manner as a mortgage on real property, and the Condominium shall also have the right to recover all costs incurred including reasonable attorneys' fees (but such right shall not be a lien against the Unit). In the event the proceeds of the foreclosure sale are not sufficient to pay such unpaid Common Charges, the unpaid balance shall be charged to all Unit Owners as a Common Expense. However, where the holder of an institutional mortgage of record, or other purchaser of a Unit at a foreclosure sale of an institutional mortgage, obtains title to the Unit as a result of foreclosure, or the institutional mortgage holder obtains title by conveyance in lieu of foreclosure, such acquire of title, its successors or assigns, shall not be liable and the Unit shall not be subject to a lien for the payment of Common Charges chargeable to such Unit which were assessed and became due prior to the acquisition of title to such Unit by such acquire. In such event, the unpaid balance of Common Charges will be charged to all other Unit Owners as a Common Expense. The term "institutional mortgage" herein used shall mean a first mortgage granted by a bank, savings and loan association, life insurance company,

pension fund, trust company or other institutional lender or a mortgage granted by the Declarant to a purchaser of a Unit or in which the Declarant participates with one of the above.

Every Unit Owner shall pay the Common Charges assessed against the Unit Owner when due and no Unit Owner may exempt him or herself from liability for the payment of the Common Charges assessed against the Unit Owner by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of their Unit. However, no Unit Owner shall be liable for the payment of any Common Charges accruing subsequent to a sale, transfer or other conveyance by him of such Unit made in accordance with Section 339-x of the Real Property Law or in accordance with the provisions of this Declaration and the By-Laws.

FOURTEENTH: Units Acquired by the Board. In the event any Unit Owner shall convey their Unit to the Board of Managers in accordance with Section 339-x of the Real Property Law or in the event the Board of Managers shall purchase any Unit at a foreclosure sale in accordance with Article IX of the By-Laws, title to such Unit or the rights to the lease of such Unit shall be held by the Board of Managers or its designee on behalf of all of the other Unit Owners.

In order to carry out the provisions of this paragraph each Unit Owner shall, upon becoming such, grant an irrevocable power-of-attorney, coupled with an interest to the Board of Managers and their successors to acquire title or lease any such Unit under whatever terms the Board may in its sole discretion deem proper and to sell, lease, sublease, mortgage, vote or otherwise deal with such Unit under such terms as the Board in its sole discretion shall deem proper.

FIFTEENTH: Encroachments. The Unit Owners agree that if any portion of a Unit or the Common Elements (whether restricted in use to an individual Unit Owner or not) encroaches upon another or shall hereinafter encroach upon another as a result of original construction or settling of the Building, a valid easement for the encroachment and the maintenance of the same, so long as it stands, shall and does exist. In the event the Building is partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings and is rebuilt, the Unit Owners agree that encroachments of any portion of the Unit or the Common Elements as afore described due to construction, shall be permitted, and that a valid easement for said encroachment and the maintenance thereof shall exist so long as the Building or reconstructed Building shall stand.

SIXTEENTH: Unit Ownership. Upon the closing of title to a Unit, a purchaser shall automatically become a Unit Owner in the Condominium and shall remain such until such time as the Unit Owner ceases to own the Unit for any reason.

SEVENTEENTH: Conveyance of a Unit. In any conveyance of a Unit, either by voluntary instrument, operation of law or judicial proceeding in accordance with this Declaration or the By-Laws, the Grantee of the Unit shall be jointly and severally liable

with the Grantor for any unpaid Common Charges against the latter assessed and due up to the time of the grant or conveyance without prejudice to the Grantee's right to recover from the Grantor the amounts paid by the Grantee therefor. Any such Grantee shall be entitled to a statement from the Board of Managers setting forth the amount of the unpaid Common Charge against the Grantor and such Grantee shall not be liable for, nor shall the Unit conveyed be subject to a lien for any unpaid Common Charge against the Grantor in excess of the amount set forth in such statement. Grantee as used herein shall not include either the holder of an institutional mortgage of record or other purchaser of a Unit at a foreclosure sale of an institutional mortgage.

EIGHTEENTH: Covenants and Restrictions. The use of the Unit by the Unit Owner or other occupant shall be subject to the rules, regulations and provisions of this Declaration, the By-Laws and Rules and Regulations of the Board of Managers and the following covenants and restrictions:

1. The Unit and any Limited Common Element restricted to the Unit Owner's use shall be maintained in good repair and overall appearance.

2. No Residential Unit Owner shall make any structural addition, alteration or improvement (of either a temporary or permanent nature) in or to their Residential Unit, or any Limited Common Element for its exclusive use, without the prior written approval of the Board of Managers. In addition, no structural addition, alteration or improvement to any balcony or terrace which is a Limited Common Element shall be permitted unless required as part of the general maintenance, repair or replacement of said balcony or terrace. The Board of Managers shall have the obligation to answer any written request by a Residential Unit Owner for approval of a proposed structural addition, alteration or improvement in such Residential Unit Owner's Residential Unit or any Limited Common Element for its exclusive use within forty-five (45) days after such request is received, and failure to do so within the stipulated time shall constitute a denial by the Board of Managers of the proposed structural addition, alteration or improvement. No Residential Unit Owner shall make any structural addition, alteration or improvement in or to any Residential Unit or any Limited Common Element for its exclusive use without first (1) obtaining and maintaining during the course of such work such insurance as the Board of Managers may reasonably prescribe and providing the Board with a certificate of insurance prior to the commencement of the work, (2) executing and delivering to the Board of Managers an agreement, in form and substance reasonably satisfactory to the Board, setting forth the reasonable terms and conditions under which such alteration, addition or improvement may be made, including, without limitation, the days and hours during which any such work may be done and (3) executing and delivering to the Board of Managers an agreement indemnifying and holding harmless the Board, its members and officers, and all Unit Owners of the Condominium from and against any liability, cost or expense arising out of or connected to such work. In the event the Board of Managers chooses to have the proposed structural addition, alteration or improvement reviewed by an independent architect or engineer, the Residential Unit Owner shall pay the charges of such architect or engineer. The Residential Unit Owner shall also bear

the cost of any increased taxes or insurance premiums resulting from the structural alterations, additions or improvements.

Any application to any department of the City of New York or any other governmental authority for a permit to make a structural addition, alteration or improvement in or to any Residential Unit or Limited Common Element for its exclusive use shall be completed by the Residential Unit Owner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialmen on account of such structural addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

These provisions shall not apply to Residential Units owned by the Sponsor or its designee until such Residential Units shall have been initially conveyed by the Sponsor or such designee.

3. The Non-Residential Unit Owner shall be permitted to make a structural addition, alteration or improvement (of either a temporary or permanent nature) in or to their Non-Residential Unit, or any Limited Common Element for their exclusive use, without the prior written approval of the Board of Managers. However, the Non-Residential Unit Owner must notify the Board of Managers at least forty-five (45) days prior to any such structural addition, alteration or improvement and no Non-Residential Unit Owner shall make any structural addition, alteration or improvement in or to any Non-Residential Unit or any Limited Common Element for its exclusive use without first (1) obtaining and maintaining during the course of such work such insurance as the Board of Managers may reasonably prescribe and providing the Board with a certificate of insurance prior to the commencement of the work, (2) executing and delivering to the Board of Managers an agreement, in form and substance reasonably satisfactory to the Board, setting forth the reasonable terms and conditions under which such alteration, addition or improvement may be made, including, without limitation, the days and hours during which any such work may be done and (3) executing and delivering to the Board of Managers an agreement indemnifying and holding harmless the Board, its members and officers, and all Unit Owners of the Condominium from and against any liability, cost or expense arising out of or connected to such work. In the event the Board of Managers chooses to have the proposed structural addition, alteration or improvement reviewed by an independent architect or engineer, the Non-Residential Unit Owner shall pay the charges of such architect or engineer. The Non-Residential Unit Owner shall also bear the cost of any increased taxes or insurance premiums resulting from the structural alterations, additions or improvements.

Any application to any department of the City of New York or any other governmental authority for a permit to make a structural addition, alteration or improvement in or to the Non-Residential Unit or Limited Common Element for its exclusive use shall be completed by the Non-Residential Unit Owner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialmen on

account of such structural addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

4. Any Unit Owner who mortgages their Unit shall notify the Board of Managers providing the name and address of his or her mortgagee.

5. The Board of Managers shall, at the request of the mortgagee of the Unit, report any unpaid Common Charges due from the Unit Owner of such Unit.

6. No nuisances shall be allowed upon the property nor shall any use or practice be allowed which is a source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents.

7. No immoral, improper, offensive or unlawful use shall be made of the property nor any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.

8. Regulations promulgated by the Board of Managers concerning the use of the property shall be observed by the Unit Owners, provided, however, that copies of such regulations are furnished to each Unit Owner prior to the time the said regulations become effective.

NINETEENTH: Use of Building and Units. Each of the Residential Units in the Building shall be used as a residence only. The Non-Residential Unit on the first floor shall be used retail or other business purposes or for any other lawful purpose, permitted under the applicable zoning of the City of New York. The Non-Residential Unit may not however be used for purposes which are commonly considered offensive such as a pornography store, massage parlor, drug treatment facility, etc. The Parking Space Units shall be used for parking only.

TWENTIETH: Special Rights of Declarant. Notwithstanding anything to the contrary contained herein Declarant, its successors, assigns or designees shall have the right, without requiring the consent of either the Condominium or Board of Managers, and without charge or limitation, to:

1. Have its employees, contractors, subcontractors and sales agents present on all areas of the Condominium.

2. Erect and maintain signs and other promotional materials (including, without limitation, "For Sale", and "For Rent" signs), in connection with the promotion, sale, leasing, management, or operation of the Units.

3. Use any one or more Units as:

- (a) model Units,
- (b) offices for the promotion, sale, rental, management and/or operation of any unsold Units,

- (c) offices in connection with any installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed, or to be performed, by, or on behalf of, Declarant with respect to the Common Elements and/or the Units; or any unsold Units; and/or

- (d) for any other purpose;

4. Use any office in the Building for its exclusive use until such time as the Sponsor no longer owns any Units in the Condominium.

5. Do and cause to be done all of the things that are necessary, desirable or appropriate (including, without limitation, the use of the Common Elements, the Units and any unsold Units) for the purpose of:

- (a) the promotion, sale, rental, management and/or operation of any unsold Units,
- (b) the performance and completion of installation, construction, modification, alteration, renovation, maintenance, repair, restoration, replacement, or change being performed, or to be performed, by, or on behalf of, Declarant with respect to the Common Elements and/or
- (c) the exercise performance and discharge of Declarant's other rights and obligations under this Declaration, the By-Laws or the Rules and Regulations;

6. Make any other changes required by the City of New York or other Municipal Agency. In no event, however, shall Declarant or such designee be entitled to use any portion of the Common Elements in such a manner as will unreasonably interfere with the use of the same or of any Unit for its permitted purposes.

The provisions of this Article Twentieth may not be amended without the written consent of the Declarant, or its successors or assigns.

TWENTY-FIRST: Invalidity. Invalidation of any of the covenants, limitations or provisions of the Declaration by judgment or court order shall in no wise affect any of the remaining part or parts hereof, and the same shall continue in full force and effect.

VANTAGE AT JACKSON LLC

By: _____

STATE OF NEW YORK)
 :ss:
COUNTY OF)

On the day of _____ in the year 200_, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their capacity, and that by their signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary

Public

EXHIBIT A

10-50 JACKSON AVENUE CONDOMINIUM

<u>HOME DESIGNATION</u>	<u>TAX LOT NUMBER</u>	<u>% OF GENERAL COMMON INTEREST</u>	<u>% OF RESIDENTIAL COMMON INTEREST</u>	<u>APPROXIMATE SQUARE FOOTAGE</u>	<u>TYPE AND NUMBER OF ROOMS</u>
-----------------------------	---------------------------	---	---	---------------------------------------	---------------------------------

TO BE COMPLETED PRIOR OF RECORDING DECLARATION

SCHEDULE J

CONDOMINIUM BY-LAWS

BY-LAWS
OF
10-50 JACKSON AVENUE CONDOMINIUM

CERTILMAN BALIN ADLER & HYMAN, LLP
Attorneys for the Sponsor
90 Merrick Avenue
East Meadow, New York 11554

**BY-LAWS
OF
10-50 JACKSON AVENUE CONDOMINIUM**

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I. PLAN OF CONDOMINIUM OWNERSHIP	1
Section 1. Condominium Unit Ownership.	1
Section 2. By-Laws Applicability.	1
Section 3. Personal Application.	1
ARTICLE II. CONDOMINIUM, VOTING, QUORUM, PROXIES AND WAIVERS....	1
Section 1. Condominium.	1
Section 2. Voting.	1
Section 3. Quorum.	2
Section 4. Vote Required to Transact Business.	2
Section 5. Right to Vote.	2
Section 7. Waiver and Consent.	2
Section 8. Place of Meetings.	2
Section 9. Annual Meetings/Control of Board of Managers by Declarant.	3
Section 10. Special Meetings.	3
Section 11. Notice of Meetings.	3
Section 12. Order of Business.	3
ARTICLE III. BOARD OF MANAGERS	4
Section 1. Number and Term.	4
Section 2. Vacancy and Replacement.	4
Section 3. Removal.	5
Section 4. Resignation.	5
Section 5. First Board of Managers.	5
Section 6. Powers.	5
Section 7. Repairs and Maintenance.	10
Section 8. Compensation.	11
Section 9. Meetings.	11
Section 10. Annual Statement.	12
Section 11. Fidelity Bonds.	12
Section 12. Management Agent.	12
Section 13. Liability of the Board of Managers, Officers and Unit Owners.	13
ARTICLE IV. OFFICERS	13
Section 1. Elective Officers.	13
Section 2. Election.	13
Section 3. Appointive Officers.	13
Section 4. Term.	13
Section 5. The President.	14

TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>
Section 6. The Vice President.....	14
Section 7. The Secretary.	14
Section 8. The Treasurer.	14
Section 9. Agreements, etc.....	14
ARTICLE V. NOTICES.....	15
Section 1. Definition.....	15
Section 2. Service of Notice Waiver.....	15
ARTICLE VI. FINANCES.....	15
Section 1. Checks.....	15
Section 2. Assessments.....	15
Section 3. Foreclosures of Liens for Unpaid Common Charges.	16
Section 4. Statement of Common Charges.....	16
Section 5. Liability for Utilities.....	16
Section 6. Operating Account.	16
Section 7. Other Accounts.	16
Section 8. Determination of Common Expenses and Fixing of Common Charges	16
ARTICLE VII. INSURANCE AND INSURANCE TRUSTEE.....	18
Section 1. Insurance to be Carried by the Board.	18
Section 2. The Insurance Trustee.....	20
Section 3. Restoration or Reconstruction After Fire or Other Casualty	20
ARTICLE VIII. HOUSE RULES	21
ARTICLE IX. DEFAULT.....	32
ARTICLE X. AMENDMENTS	33
ARTICLE XI. SELLING, MORTGAGING AND LEASING UNIT.....	33
Section 1. Selling and Leasing Residential Units.....	33
Section 2. Leasing Requirements for Residential Units.	34
Section 3. Waiver of Partition Rights.....	35
Section 4. Gifts, etc.....	35
Section 5. Tenant Bound by Declaration.....	35
Section 6. Lenders.....	35

TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>
ARTICLE XII. ARBITRATION.....	36
Section 1. Procedure	36
Section 2. Variation by Agreement.....	36
Section 3. Binding Effect.....	36
Section 4. Costs and Expenses.....	36
ARTICLE XIII. CONDEMNATION	37
ARTICLE XIV. MISCELLANEOUS	37
Section 1. Insurance	37
Section 2. Severability.	37
Section 3. Notice to Condominium.....	37
Section 4. Notice of Unpaid Assessments.	37
Section 5. Examination of Books and Records.	38
Section 6. Construction.....	38
Section 7. Compliance with Article 9-B.	38

BY-LAWS**OF****10-50 JACKSON AVENUE CONDOMINIUM****ARTICLE I. PLAN OF CONDOMINIUM OWNERSHIP**

Section 1. Condominium Unit Ownership. The property located at 10-50 Jackson Avenue, Queens, New York, as specifically set forth in the Declaration and more commonly known as 10-50 Jackson Avenue Condominium has been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York.

Section 2. By-Laws Applicability. The provisions of these By-Laws are applicable to the Condominium. The term "Condominium" as used herein shall include the land and the building and improvements thereon including the Condominium Unit (hereinafter referred to as "Units"), and the Common Elements and the use and occupancy thereof, the term "Building" as hereinafter used shall be defined as the exterior walls and roof of a Unit or number of Units all of which are constructed under a continuous roof or the entire interior and exterior of any building or structure which shall form a portion of the Condominium but which does not contain any of the Units. The definitions contained in the Declaration of Condominium shall be applicable to these By-Laws unless otherwise stated.

Section 3. Personal Application. All present or future Unit Owners, mortgagees and lessees, or their employees, guests or any other person that might use the facilities of the Condominium in any manner are subject to these By-Laws, the Declaration and any Rules and Regulations established by the Board of Managers. The mere acquisition or rental of any of the Units or the mere act of occupancy of any of said Units will signify that these By-Laws, the Declaration and the Rules and Regulations are accepted, ratified, and will be complied with.

ARTICLE II. CONDOMINIUM, VOTING, QUORUM, PROXIES AND WAIVERS

Section 1. Condominium. The condominium shall be limited to Unit Owners. "Unit Owner" as referred to herein shall mean all of the owners of each Residential, Non-Residential and Parking Space Unit. The owners of the Residential Units shall hereinafter be referred to as Residential Unit Owners. The owner of the Non-Residential Unit shall be referred to as the Non-Residential Unit Owner. The owners of the Parking Space Units shall be referred to as the Parking Space Unit Owners.

Section 2. Voting. Each Unit Owner (including the Sponsor and the Board of Managers, if the Sponsor or the Board of Managers shall then own or hold title to one or

more Units), except for Parking Space Unit Owners who shall have no votes, shall be entitled to cast one vote at all Unit Owners' meetings for each Unit or Units owned by such Unit Owner subject to the restrictions contained herein, but in the event the Board of Managers acquires a Unit on behalf of the condominium it shall not cast any of its votes appurtenant to such Unit, for the election of any member to the Board.

Section 3. Quorum. So many Unit Owners as shall represent at least fifty-one (51%) percent of the total authorized votes of all Unit Owners present in person or represented by written proxy shall constitute a quorum at all meetings of the Unit Owners for the transaction of business, except as otherwise provided by Statute, by the Declaration, or by these By-Laws. If, however, such quorum shall not be present or represented at any meeting of the Unit Owners, the Unit Owners entitled to vote thereat, present in person or represented by written proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting. At least five (5) days written notice of such adjourned meeting shall be given to the Unit Owners. At such adjourned meeting any business may be transacted which might have been transacted at the meeting originally called. At such adjourned meeting so many Unit Owners as shall represent at least thirty-three and one-third (33 $\frac{1}{3}$ %) percent of the total authorized votes of all Unit Owners shall constitute a quorum.

Section 4. Vote Required to Transact Business. When a quorum is present at any meeting, the vote of a majority of the Unit Owners present in person or represented by written proxy shall decide any question brought before such meeting and such vote shall be binding upon all Unit Owners, unless the question is one upon which, by express provisions of the Declaration, Statute, or of these By-Laws, a different vote is required, in which case such express provisions shall govern and control the decision of such question.

Section 5. Right to Vote. At any meeting of Unit Owners, every Unit Owner having the right to vote shall be entitled to vote in person, or by proxy. Such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof.

Section 6. Proxies. All proxies shall be in writing and shall be filed with the Secretary prior to the meeting at which the same are to be used. A notation of such proxies shall be made in the minutes of the meeting.

Section 7. Waiver and Consent. Whenever the vote of Unit Owners at a meeting is required or permitted by any provision of the Declaration, Statutes or of these By-Laws to be taken in connection with any action of the Condominium, the meeting and vote of Unit Owners may be dispensed with if all Unit Owners who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken.

Section 8. Place of Meetings. Meetings shall be held at such suitable place convenient to the Unit Owners as may be designated by the Board of Managers.

Section 9. Annual Meetings/Control of Board of Managers by Declarant.

Within six (6) months after the transfer of title to the last Unit, the Sponsor shall call the first annual Unit Owners meeting. At such meeting a new Board of Managers shall be elected by the Unit Owners and the former members of the Board shall thereupon resign. Thereafter annual meetings shall be held on the anniversary of such date each succeeding year. At such meetings there shall be elected by ballot of the Unit Owners a Board of Managers in accordance with the requirements of Article III of these By-Laws. The Unit Owners may also transact such other business of the Condominium as may properly come before them. The Sponsor will have voting control and may designate a majority of the Board of Managers until all the Units have been titled.

Section 10. Special Meetings. It shall be the duty of the President to call a special meeting of the Condominium, if so directed by the Board of Managers, or upon the presentation to the Secretary of a petition signed by a majority of the Unit Owners. The secretary shall cause a notice of such special meeting stating the time, place and object thereof and the officer or other person or persons by whom the meeting is called, to be delivered personally or mailed as provided in Section 11 of this Article to each Unit Owner of the Condominium entitled to vote at such meeting not less than ten (10) nor more than thirty (30) days before such meeting. The date of the special meeting shall be determined by the Board of Managers and shall be held no later than sixty (60) days from receipt of any written request pursuant to this Section 10 unless a later date is agreed to in writing by the Unit Owners of the Condominium or the Board of Managers, requesting such meeting. No business other than that stated in such notice shall be transacted at such special meeting unless all Unit Owners of the Condominium are present in person or by proxy. Any or all of the Board of Managers of the Condominium, other than those designated by the Declarant may be removed without cause by vote of the members at a special meeting called pursuant to this section if the meeting is called for such purpose.

Section 11. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Unit Owner of record, at least five (5) but not more than ten (10) days prior to such meeting. The mailing of a notice in the manner provided in these By-Laws shall be considered notice served.

Section 12. Order of Business. The order of business at all meetings shall be as follows:

- (a) Roll Call
- (b) Proof of notice of meeting or waiver of notice
- (c) Reading of minutes of preceding meeting
- (d) Report of officers
- (e) Report of committees
- (f) Election of inspectors of election (in the event there is an election)
- (g) Election of managers (in the event there is an election)
- (h) Unfinished business

- (i) New business

ARTICLE III. BOARD OF MANAGERS

Section 1. Number and Term. The affairs of the Condominium shall be governed by a Board of Managers. The first Board of Managers shall consist of three (3) Managers designated by the Sponsor who shall hold office and exercise all powers of the Board of Managers until the first annual meeting of the Unit Owners. Until succeeded by the Managers elected at the first annual meeting of Unit Owners, Managers need not be Unit Owners; thereafter, all Managers other than designees or nominees of the Declarant, designees or nominees of the Non-Residential Unit representatives to the Board of Managers, shall be Unit Owners. The Managers shall be elected at the annual meeting of the Unit Owners. At the first annual meeting of Unit Owners called pursuant to Section 9 of Article II, five (5) Managers shall be elected by the Unit Owners. One (1) member shall be elected/appointed by the Non-Residential Unit Owner and four (4) members shall be elected by the Residential Unit Owners. The term of office of two (2) of the Residential Unit Owner Managers shall be fixed for three (3) years, the term of office of two (2) of the Residential Unit Managers shall be fixed at two (2) years, and the term of office of the one (1) Non-Residential Unit Owner's Manager shall be fixed at one (1) year. Separate ballots shall be conducted for each of the three (3) terms of office. Each Residential Unit Owner shall be entitled to cast one vote on each ballot for each Unit they own for the Residential Unit Owner representatives to the Board. The Non-Residential Unit Owner shall be entitled to cast one (1) vote on each ballot for the Non-Residential Unit they own for the Non-Residential Unit Owner representative to the Board, if not appointed. Parking Space Unit Owners shall not have any votes. The one (1) nominee on each of the ballots receiving the highest number of votes on their ballot shall constitute the duly elected Board of Managers. At the expiration of the initial term of office of each respective Manager, their successor shall be elected to serve a term of three (3) years. The Managers shall hold office until their successors have been elected and hold their first meeting. Notwithstanding the foregoing, the Sponsor shall have the right to designate a majority of the Board of Managers until all of the Residential Units have been sold and titled. At such time as all the Units in the Condominium are sold and titled, the Sponsor shall not be entitled to any representation on the Board of Managers. This Section may not be amended without the written consent of the Sponsor.

Section 2. Vacancy and Replacement. If the office of any Manager or Managers becomes vacant by reasons of death, resignation, retirements, disqualification, removal from office or otherwise, a majority of the remaining managers, though less than a quorum, at a special meeting of Managers duly called for this purpose, shall choose a successor or successors, who shall hold office for the unexpired term in respect to which such vacancy occurred. In the event of the failure to hold any election of the Board of Managers at the time designated for the annual election of the Board of Managers or in the event that the Board of Managers shall not have filled any such vacancy, a special meeting of the Unit Owners to elect a new

Board of Managers or to fill such vacancy or vacancies may be called in the manner generally provided for the calling of special meetings of the Unit Owners. If the vacancy occurs with respect to any member of the Board of Managers who has been designated by the Sponsor, only the Sponsor shall have the right to choose such Manager's successor to fill the unexpired portion of the term. If the vacancy occurs with respect to any member of the Board of Managers who has been elected or designated by the Non-Residential Unit Owners, only the Non-Residential Unit Owners shall have the right to choose such Manager's successor to fill the unexpired portion of the term of office. If the vacancy occurs with respect to any member of the Board of Managers who has been elected by the Residential Unit Owners, only the Residential Unit Owner's remaining member(s) on the Board of Managers shall have the right to choose such Manager's successor to fill the unexpired portion of the term of office.

The Board of Managers shall also have the right to call for a special meeting in accordance with Article II, Section 10 to elect the Manager's successor to fill the unexpired portion of the term of office.

Section 3. Removal. Managers, other than Sponsor designees, may be removed for cause by an affirmative vote of a majority of the Unit Owners. No manager other than the Non-Residential Members on the Board of Managers or a member designated by the Sponsor shall continue to serve on the Board if, during their term of office, they shall cease to be a Unit Owner.

Section 4. Resignation. Any manager may resign at any time by written notice delivered in person or sent by certified registered mail to the President or Secretary of the Condominium. Such resignation shall take effect at the time specified therein. Acceptance of such resignation shall not be necessary to make it effective.

Section 5. First Board of Managers. The first Board of Managers shall consist of three (3) individuals designated by Sponsor who shall hold office and exercise all powers of the Board of Managers until the first annual meeting of Unit Owners. Any or all of said Managers shall be subject to replacement in the event of resignation or death in the manner set forth in Section 2 of this Article.

Section 6. Powers.

(a) The property and business of the Condominium shall be managed by its Board of Managers, which may exercise all such powers of the Condominium and do all such lawful acts and things as are not by Statute or by the Declaration or by these By-Laws, directed or required to be exercised or done by the Unit Owners personally. These powers shall specifically include, but not be limited to, the following items:

1. To determine and levy monthly assessments ("Common Charges") to cover the cost of common expenses, payable in advance. The Board of Managers may increase the monthly assessments or vote a special assessment in excess of that amount, if required, to meet any additional

necessary expenses, but said increases can only be assessed among the Unit Owners pro-rata according to their respective common interest, in the overall building for General Common Elements. Any special assessment necessary to meet any additional expenses to the General Residential Units' Limited Common elements shall be assessed pro-rata according to the Residential Units' respective common interest in the Residential portion of the Building based on each Residential Unit's square footage in relation to the square footage of all the Residential Units as reflected in Article VI, Section 8 of these By-Laws, however, expenses for General Common Elements and General Residential Units' Limited Common Elements may be allocated and assessed in accordance with sub-metering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are based on special or exclusive use or availability or exclusive control of particular Units or Common Areas by particular Unit Owners;

2. To collect, use, and expend the assessments collected to maintain, care for and preserve the General Common Elements, General Residential Units' Limited Common Elements, the Units and the Building;
3. To make repairs, restore or alter any Unit or the Common Elements after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings;
4. To enter into and upon the Unit when necessary and at as little inconvenience to the Unit Owners as possible in connection with the maintenance, care, and preservation of the property;
5. To open bank accounts on behalf of the Condominium and to designate the signatories to such bank accounts.
6. To insure and keep insured the Common Elements and Units in accordance with Article VII of these By-Laws.
7. To collect delinquent assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from the Unit Owners of the property for violations of the house rules or rules and regulations herein referred to.
8. To make reasonable rules and regulations applicable to the Residential Units and Non-Residential Units and their Owners and to amend the same from time to time, and such rules and regulations and amendments shall be binding upon the Residential and Non-Residential Unit Owners when the Board has approved them in writing. A copy of such rules and all amendments shall be delivered to each Residential and Non-Residential Unit. In no event however, may any rule or regulation prevent a Non-

Residential Unit Owner from engaging in the operation of their business unless such business is a violation of the law or applicable zoning. In addition no rule or regulation may be adopted which interferes with the normal operation of such business.

9. To employ and terminate the employment of employees and independent contractors and to purchase supplies and equipment, to enter into contracts, and generally to have the powers of a manager in connection with the matters herein above set forth.
10. To bring and defend actions by or against one or more Unit Owner and pertinent to the operation of the Condominium and to levy special assessments to pay for the cost of such litigation.
11. To acquire a Unit in foreclosure or as a result of abandonment and to take any or all steps necessary to repair or renovate any Unit so acquired and to vote as a Unit Owner, offer such Unit for sale or lease or take any other steps regarding such Unit as shall be deemed proper by the Board of Managers.
12. To make additions, alterations, or improvements to the General Common Elements and the Residential Units' Limited Common Elements of the Condominium, the cost of which addition, alteration, or improvement does not exceed \$250,000. The Board of Managers may make additions, alterations or improvements to the General Common Elements and the Residential Units' Limited Common Elements costing in excess of \$250,000 only with the approval of a majority of the Unit Owners as the additions, alterations or improvements affect the General Common Elements and with the approval of a majority of the Residential Unit Owners as effects the Residential Units' Limited Common Elements. While the Sponsor is in control of the Board of Managers, the Board may make additions, alterations, or improvements to the General Common Elements and Residential Units' Limited Common Elements costing in excess of \$25,000 or enter into service or maintenance contracts the duration of which will extend more than one (1) year after the Sponsor loses control of the Board of Managers, only with the approval of a majority of the Unit Owners as affects the General Common Elements and a majority of the Residential Unit Owners as it affects the Residential Units' Limited Common Elements, excluding the Sponsor, voting at a duly held meeting of the Unit Owners. In addition, the Sponsor must give Sponsor's written approval pursuant to the terms of Section 6(c) herewith. The above dollar limitation shall not apply to necessary repairs to the General Common Elements or the Residential Units' Limited Common Elements.

13. All additions, alterations, repairs or maintenance to any Limited Common Element for the exclusive use of an individual Residential or Non-Residential Unit Owner shall be the sole responsibility and sole cost of the respective Unit Owners.
14. To borrow money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the General Residential Units' Limited Common Elements and General Common Elements, provided, however, that for the first five (5) years after the first conveyance of a Unit (i) the consent of at least sixty-six and two-thirds ($66\frac{2}{3}\%$) percent in number of all the Unit Owners to borrow for the operation, care, upkeep and maintenance of the General Common Elements and the consent of at least sixty-six and two-thirds ($66\frac{2}{3}\%$) percent in number of the Residential Unit Owners to borrow for the operation, care, upkeep and maintenance of the General Residential Units' Limited Common Elements, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these By-Laws, shall be required for the borrowing of any sum in excess of \$250,000 and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the written consent of the Owners of said Unit. Thereafter, the Board of Managers may borrow and incur debt on behalf of the Condominium in accordance with Section 339-jj of the Real Property Law of the State of New York.
15. To act as an agent for one (1) or more Unit Owners to file a single complaint and bring a special proceeding on behalf of Unit Owners who wish to contest the real estate tax assessments of their Unit pursuant to Section 339-y(4) of the New York Real Property Law. In such event, the Board could retain counsel on behalf of such Unit Owners and charge each Unit Owner for whom it is acting a pro-rata share of expenses, disbursements and legal fees, the payment for which would be secured by a lien on each Unit. The Board of Managers is not obligated to perform such services and it is necessary to obtain the written authorization of the Unit Owners it will perform such service for.
16. To grant utility or other easements over or to the Common Elements as may, at any time, be required for the benefit of the Condominium and the Unit Owners without the necessity of the consent thereto, or joinder therein, by the Unit Owners or any mortgagee (except that if the granting of such easement impairs the ability of one or more Unit Owners who have the right to use such Common Elements to the exclusion of any other Unit Owners, the consent of all such affected Unit Owners shall be required in writing before such easement shall be granted);

(b) The Board of Managers may, by resolution or resolutions passed by a majority of the whole Board, designate one or more committees, each of such committees to consist of at least two (2) managers or Unit Owners one of whom shall be a manager, which, to the extent provided in said resolution or resolutions, shall have and may exercise the powers of the Board of Managers in the management of the business affairs of the Condominium and may have power to sign all papers which may be required, provided the said resolutions shall specifically so provide. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Managers. Committees established by resolution of the Board of Managers shall keep regular minutes of their proceedings and shall report the same to the Board as required.

(c) Notwithstanding anything to the contrary contained in these By-Laws, so long as Sponsor shall continue to own any Unit, or five (5) years after the closing date of the first Unit, whichever is sooner, the Board of Managers may not, without the Sponsor's prior written consent: (i) make an addition, alteration or improvement to the General or General Residential Units' Limited Common Elements or to any Unit, costing cumulatively more than \$25,000, the foregoing not to include necessary repairs and maintenance work, (ii) assess any Common Charges for the creation of, addition to, or replacement of all or part of a reserve, contingency or surplus fund, (iii) hire any employee in addition to the employees referred to in the Budget for the first year of operation of the Condominium, (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the first closing, (v) borrow money on behalf of the Condominium, (vi) reduce the services or maintenance set forth in the Condominium budget for the first year of operation, (vii) charge any special assessment for a non-budgeted item unless required by law, municipal agency, emergency or for the health and safety of the Condominium, (viii) increase the Common Charges of the Condominium more than ten (10%) percent from the prior year's budget, unless documentation is provided to the Sponsor in the nature of a financial statement, bids from contractors or verified increases in utility rates, evidencing the need for an increase greater than ten (10%) percent, or (ix) utilize Condominium funds or assess the Sponsor in order to commence a lawsuit against the Sponsor or any of its principals. The provisions of this paragraph may not be amended without the written consent of the Sponsor.

(d) Notwithstanding Article III, Section 6(c) of these By-Laws Sponsor may not exercise veto power over expenses described in the proposed first year budget, as described in the Offering Plan, or over expenses required:

- (i) to comply with applicable laws or regulations; or
- (ii) to remedy any notice of violation; or
- (iii) to remedy any work order by an insurer.

(e) Sponsor may exercise veto power over expenses, other than those described in Article III, Sections 6(c) and (d) of these By-Laws, for a period ending not more than five (5) years after the closing of the first Unit or whenever the unsold Units constitute less than twenty-five (25%) percent of the common interest, whichever is sooner.

The provisions of this paragraph may not be amended without the written consent of Sponsor.

Section 7. Repairs and Maintenance. Except as hereinafter provided, all maintenance, painting, repairs and replacement of the General Common Elements and General Residential Units' Limited Common Elements including but not limited to exterior walls, roof and roof members of the Building, as well as painting, repair and/or maintenance of the exterior surfaces, roof, windows and doors which open from the Building, as well as all maintenance, repairs and replacements of foyers and stairways of the Building, and of any pipes, wires, conduits and utility lines, or any portion of which is located in one Unit and services another Unit or more than one Unit or so much of any pipes, wires, conduits and utility lines as are located in the General Common Elements or General Residential Units' Limited Common Elements but serve two or more Units shall be contracted for by the Board of Managers and the cost thereof shall be a General Common Expense for the General Common Elements and a Residential Common Expense for the General Residential Units' Limited Common Elements except if such maintenance, painting, repair or replacement is necessitated because of the negligence, misuse or neglect of a Unit Owner or the prior alteration of the Unit by a Unit Owner, in which event the cost thereof shall be assessed individually and paid by the applicable Unit Owner.

All maintenance (including electrical repairs and plumbing stoppages in the Residential and Non-Residential Units, cleaning of interior of windows and painting and decorating of the interior of the Residential and Non-Residential Units), repairs and replacements to the Residential and Non-Residential Units including doors which open from a Residential and Non-Residential Unit on which painting is performed by the Board of Managers, and repairs to pipes, wires and conduits located in and servicing an individual Residential or Non-Residential Unit and all maintenance, repairs and replacement to a Limited Common Element of an individual Residential or Non-Residential Unit, other than as set forth above shall be made by the respective Residential or Non-Residential Unit Owner at their own expense.

Except as hereinafter provided, all repairs and replacement of windows, and any snow removal from the General Common Elements shall be contracted for by the Board of Managers and the cost thereof shall be a General Common Expense of the Condominium except that the cost of any maintenance or repairs necessitated because of the negligence, misuse or neglect of the Unit Owner or prior alteration of a Unit shall be assessed to and paid by the applicable Unit Owner.

The Board of Managers shall repair all plumbing stoppages and electrical repairs occurring in the General Common Elements and the cost thereof shall be a General Common Expense of the Condominium except that the cost of any maintenance or repairs necessitated because of the negligence, misuse or neglect of a Unit Owner or prior alteration of a Unit shall be assessed to and paid by the applicable Unit Owner.

The Board of Managers and its agents, employees and contractors shall have a reasonable right of access to any Unit and to all portions of the Common Elements for the purpose of carrying out any of its obligations under these By-Laws or the Declaration of the Condominium. Whenever possible and practical, notice of such access or intent to gain access shall be given to the Unit Owner by the Board of Managers.

All repairs, painting or maintenance, whether made by the Unit Owner or the Board of Managers, to the doors, windows, or the exterior surface of the Building or to any generally visible portion of the General Common Elements or General Residential Units' Limited Common Elements shall be carried out in such a manner so as to conform to the materials, style and color initially provided by the Sponsor, unless varied by the Board of Managers.

In the event that a Unit Owner fails to maintain, repair or replace its Unit or any Limited Common Element for the Unit Owner's exclusive use, which maintenance, repair or replacement is necessary to protect any of the General Common Elements, General Residential Units' Limited Common Elements, any other portions of the Building or any other Unit, the Board of Managers shall have the right to make the necessary maintenance, repair or replacement (after the failure of said Unit Owner to do so after ten (10) days written notice, or written or oral notice of a shorter duration in the event of an emergency situation) and to charge said Unit Owner for the cost of all such repairs and/or maintenance and/or replacement. In the event that the Board of Managers charges a Unit Owner for repairs, maintenance and/or replacement to their Unit or for repairs to any Common Elements restricted in use to such Unit Owner, and the Unit Owner fails to make prompt payment, the Board of Managers shall be entitled to bring suit thereon and, in such event, the Unit Owner shall be liable for the reasonable attorneys' fees and cost of such suit or proceeding together with interest on all sums due.

Section 8. Compensation. Managers and officers, as such, shall receive no compensation for their services.

Section 9. Meetings. (a) The first meeting of each Board newly elected by the Unit Owners shall be held immediately upon adjournment of the meeting at which they were elected, provided a quorum shall then be present, or as soon thereafter as may be practicable. The annual meeting of the Board of Managers shall be held at the same place as the Unit Owners meetings, and immediately after the adjournment of same, at which time the dates, places and times of regularly scheduled meetings of the Board shall take place.

(b) Regularly scheduled meetings of the Board may be held without special notice.

(c) Special meetings of the Board may be called by the President on two (2) days notice to each manager either personally or by mail or telegram. Special meetings shall be called by the President or Secretary in a like manner and on like notice on the written request of at least three (3) managers.

(d) At all meetings of the Board, a majority of the managers shall be necessary and sufficient to constitute a quorum for the transaction of business, and an act of the majority of the managers present at any meeting at which there is a quorum shall be the act of the Board of Managers, except as may be otherwise specifically provided by statute or by the Declaration or by these By-Laws. If a quorum shall not be present at any meetings of managers, the managers present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

(e) Before or at any meeting of the Board of Managers, any Manager may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Manager at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

(f) Members of the Board may participate in a meeting by means of a conference telephone call or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting.

Section 10. Annual Statement. The Board of Managers shall furnish all Unit Owners and their mortgagees and shall present annually (at the annual meeting, but in no event later than four (4) months after the close of the fiscal year) and when called for by a vote of the Unit Owners at any special meeting of the Unit Owners, a full and clear statement of the business conditions and affairs of the Condominium, including a balance sheet and profit and loss statement verified by an independent public accountant and a statement regarding any taxable income attributable to the Unit Owner and a notice of the holding of the annual Unit Owners meeting.

Section 11. Fidelity Bonds. The Board of Managers shall require that all officers and employees of the Condominium handling or responsible for Condominium funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be a General Common Expense.

Section 12. Management Agent. The Board of Managers may employ for the Condominium a management agent under a term contract or otherwise at a compensation established by the Board, to perform such duties and services as the

Board shall authorize, including, but not limited to, all of the delegable duties of the Board listed in this Article.

Section 13. Liability of the Board of Managers, Officers and Unit Owners.

Any contract, agreement or commitment made by the Board of Managers shall state that it is made by the Board of Managers, as agent for the Unit Owners as a group only and that no member of the Board of Managers, Officer of the Condominium or individual Unit Owners shall be liable for such contract, agreement or commitment. The Unit Owners shall be liable as a group under such contract, agreement or commitment but the liability of each Unit Owner shall be limited to such proportion of the total liability thereunder as his or her common interest bears to the common interest of all Unit Owners. The Board of Managers and Officers of the Condominium shall have no liability to the Unit Owners in the management of the Community except for willful misconduct or bad faith and the Unit Owners shall severally indemnify all members of the Board of Managers and Officers of the Condominium against any liabilities or claims arising from acts taken by a member of the Board of Managers in accordance with his or her duties as such member except acts of willful misconduct or acts made in bad faith. Such several liability of the Unit Owners shall, however, be limited as to each Unit Owner to such proportion of the total liability thereunder as such Unit Owner's common interest bears to the common interest of all Unit Owners.

ARTICLE IV. OFFICERS

Section 1. Elective Officers. The officers of the Condominium shall be chosen by the Board of Managers and shall be a president, a vice president, a secretary and a treasurer. The Board of Managers may also choose one or more assistant secretaries and assistant treasurers and such other officers as in their judgment may be necessary. All officers must be Unit Owners or members of the Board of Managers except for the Non-Residential Unit Owners' representative to the Board of Managers and any assistant secretaries or assistant treasurers. Two (2) or more offices may be held by the same person, except the President who can only hold the office of President.

Section 2. Election. The Board of Managers at its first meeting after each annual Unit Owners Meeting shall elect a president, a vice president, a secretary and a treasurer. Only the president must be a member of the Board.

Section 3. Appointive Officers. The Board may appoint such other officers and agents as it shall deem necessary who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

Section 4. Term. The officers shall hold office until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Managers may be removed with or without cause, at any time, by the affirmative vote of a majority

of the whole Board of Managers. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Managers.

Section 5. The President. The President shall be the chief executive officer of the Condominium; shall preside at all meetings of the Unit Owners and Managers, the President shall be an exofficio member of all standing committees, shall have general and active management of the business of the Condominium, shall see that all orders and resolutions of the Board are carried into effect and shall have such other powers and duties as are usually vested in the office of President of a stock corporation organized under the Business Corporation of the State of New York.

Section 6. The Vice President. The Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act and shall have such other powers and duties as are usually vested in the office of Vice President of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 7. The Secretary. The Secretary and/or Assistant Secretary shall attend all sessions of the Board and all Unit Owners meetings and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. The Secretary shall give, or cause to be given, notice of all Unit Owners meetings and special meetings of the Board of Managers, and shall perform such other duties as may be prescribed by the Board of Managers or by the President, under whose supervision he shall be.

Section 8. The Treasurer. The Treasurer shall have the custody of the Condominium funds and securities and shall keep full and accurate chronological accounts of receipts and disbursements in books belonging to the Condominium including the vouchers for such disbursements, and shall deposit all monies and other valuable effects in the name and to the credit of the condominium in such depositories as may be designated by the Board of Managers.

The Treasurer shall disburse the funds of the Condominium as he may be ordered by the Board, making proper vouchers for such disbursements and shall render to the President and Managers, at the regular meeting of the Board or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Condominium.

The Treasurer shall keep detailed financial records and books of account of the Condominium, including a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges against such Unit, the date when due, the amounts paid thereon and the balance remaining unpaid.

Section 9. Agreements, etc. All agreements and other instruments shall be executed by the President or such other person as may be designated by the Board of Managers.

ARTICLE V. NOTICES

Section 1. Definition. Whenever under the provisions of the Declaration or of these By-Laws, notice is required to be given to the Board of Managers, any manager or Unit Owner, it shall not be construed to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letter box in a postpaid sealed wrapper, addressed to the Board of Managers, such manager or Unit Owner at such address as appears on the books of the Condominium.

Section 2. Service of Notice Waiver. Whenever any notice is required to be given under the provisions of the Declaration, or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE VI. FINANCES

Section 1. Checks. All checks or demands for money and notes of the Condominium shall be signed by the President and Treasurer, or by such other officer or officers or such other person or persons as the Board of Managers may from time to time designate.

Section 2. Assessments. The Board of Managers shall, from time to time, but at least annually, fix and determine the budget representing the sum or sums necessary and adequate for the continued operation of the Condominium and General Common Elements of the Condominium and shall send a copy of the budget and any supplement to the budget to every Unit Owner and mortgagee, if required. They shall determine the total amount required, including the operational items such as insurance, repairs, reserves, betterments, maintenance of the General Common Elements and other Common Expenses as well as charges to cover any deficits from prior years. The total annual requirements shall be assessed as a single sum against all Units and prorated against each of said Units according to the provisions of Section 8 hereof. Said assessments shall be payable monthly in advance as ordered by the Board of Managers. Special assessments, should such be required, shall be levied and paid in the same manner as herein above provided for regular assessments. The Unit Owner agrees to pay promptly when due the monthly and all special assessments assessed against the Unit Owner's Unit. In the event of a default in payment of monthly Common Charge assessments by any Unit Owner, the Board, at its sole option, may declare the Common Charge assessment on said Unit Owner's Unit for the balance of the fiscal year immediately due and payable. Prior to making any such declaration following a default the Board shall send notice to the delinquent Unit Owner and the mortgagee, if any, of such Unit giving the Unit Owner a five (5) day grace period in which to make the payment. The Board may charge the delinquent Unit Owner a fee of not more than one hundred (\$100) dollars to cover the additional burden to the Board occasioned by the lack of timely payment. Interest at the highest legal rate may also be collected by the

Board on the Common Charge Assessment from its due date to the date payment is actually received from the Unit Owner. Special assessments, should such be required, shall be levied and paid in the same manner as herein above provided for regular Common Charge assessments. The Board shall take action to collect any Common Charges due from any Unit Owner which remains unpaid 90 days from its due date by way of foreclosure of the lien on such Unit in accordance with Section 339 of the Real Property Law or otherwise.

No Unit Owner shall be liable for any Common Charges which accrue against their Unit subsequent to a sale, transfer or other conveyance by him of his Unit in accordance with these By-Laws and the Declaration. A purchaser of a Unit (other than a mortgagee or a purchaser at a foreclosure sale) shall be liable for the payment of all Common Charges assessed against the Unit and unpaid at the time of the purchase.

Section 3. Foreclosures of Liens for Unpaid Common Charges. The Board shall have the power to purchase any Unit at a foreclosure sale resulting from any action brought by the Board to foreclose a lien on the Unit because of unpaid Common Charges. In the event of such purchase, the Board shall have the power to hold, lease, mortgage, vote, sell or otherwise deal with the Unit. A suit to recover a money judgment for unpaid Common Charges shall also be obtainable separately without waiving the lien on the Unit.

Section 4. Statement of Common Charges. Upon the written request of any Unit Owner or their mortgagee, the Board shall promptly furnish such Unit Owner or their mortgagee with a written statement of the unpaid Common Charges due from such Unit Owner.

Section 5. Liability for Utilities. Any electricity and gas individually consumed and individually metered in an individual Unit shall be an expense of each individual Unit Owner.

Section 6. Operating Account. There shall be established and maintained a cash deposit account to be known as the "Operating Account", into which shall be deposited the operating portion of all monthly and special assessments as fixed and determined for all Unit. Disbursements from said account shall be for the general need of the operation including, but not limited to, wages, repairs, betterments, maintenance and other operating expenses of the common elements and for the purchase, lease, sale or other expenses resulting from the purchase or lease of Unit.

Section 7. Other Accounts. The Board shall maintain any other accounts it shall deem necessary to carry out its purpose.

Section 8. Determination of Common Expenses and Fixing of Common Charges. The Residential Units may have their own staff of employees and will be operated by the Board of Managers independently of the Non-Residential Unit. The

Non-Residential Unit will be separately operated by the Non-Residential Unit Owner(s) at the Non-Residential Unit Owner(s) sole expense.

The Board of Managers shall from time to time, and at least annually, prepare a budget for the operation of the General Common Elements and the General Residential Units' Limited Common Elements and Common Expenses of the Condominium, determine the amount of the Common Charges payable by the Residential and Non-Residential Unit Owner to meet said expenses. The Board of Managers shall assess the Residential Units based in Schedule A of the Declaration and the Board of Managers shall assess the Non-Residential Unit based upon their Percentage of General Common Interest as reflected in Schedule A of the Declaration.

In addition, to basing charges in proportion to each Units' respective Common Interest as detailed in the above paragraphs, the Board of Managers may also make allocations and assessments of Common Charges to the General Common Elements in accordance with sub-metering, contract allocations and usage (both projected and actual) based on special or exclusive use or availability or exclusive control of particular Units or Common Elements by particular Unit Owners.

The General Common Expenses of the Condominium shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Managers, water and sewer charges, management fees and legal and accounting. The General Common Expenses may also include such amounts as the Board of Managers may deem proper for the operation and maintenance of the General Common Elements, including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the Common Expenses for any prior year. The General Common Expenses may also include such amounts as may be required for the purchase or lease by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose Owner has elected to sell or lease such Unit or of any Residential Unit which is to be sold at a foreclosure or other judicial sale.

The owner of the Non-Residential Unit will pay a proportionate share of the General Common Expenses (computed in accordance with their respective Percentage of General Common Interest or based on sub-metering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of law) of the cost of insurance, water and sewer charges, management fees and legal and accounting and repairs and maintenance of equipment servicing the General Common Elements. The portion of any insurance premium which may result in a higher premium as a result of the specific use of a Non-Residential Unit shall be borne by the respective Non-Residential Unit Owner pursuant to Section 339-bb of the Real Property Law of the State of New York. The items which the Non-Residential Unit will be obligated to contribute as part of their Common Charges shall include any part of the Condominium

they share with or utilize with the Residential Unit Owners and may vary on an annual basis.

An Owner of a Residential Unit will pay their proportionate share of the General Common Expenses and Residential Common Expenses computed in accordance with their respective Percentage of Residential Common Interest as reflected in Schedule A of the Declaration.

A Parking Space Unit Owner will pay their proportionate share of the General Common Expenses and Residential Common Expenses based on the Percentage of Common Interest in the General Common Elements.

The Board of Managers shall advise all Unit Owners promptly, in writing, of the amount of Common Charges and Expenses payable by each of them, respectively, as determined by the Board of Managers, as aforesaid, and shall furnish copies of each budget on which such Common Charges and expenses are based, to all Unit Owners.

If in the future there are any categories of expenses other than those provided for above and other than described in the original budget disclosed in the Offering Plan or any future budget that the Non-Residential Unit are required to contribute to the Condominium, the Non-Residential Unit Owner(s) shall only bear a proportionate share (computed in accordance with their respective percentage of General Common Interest or based on sub-metering, contract allocations and usage (both projected and actual) so long as such allocations are reasonable under the circumstances and are in accordance with applicable provisions of law) if such expenses are for services which directly benefit the Non-Residential Unit, but in any event in an amount sufficient to cover their proportionate share of expenses directly attributable to such Non-Residential Unit.

Any dispute relating to the Common Expenses and Common Charges to be contributed by the Non-Residential Unit Owner(s) shall be submitted to arbitration in accordance with the provisions of Article XII.

The Sponsor or its designee shall be responsible for the Common Charges assessed against each Unit owned by it until such Unit is sold to a bona fide purchaser.

ARTICLE VII. INSURANCE AND INSURANCE TRUSTEE

Section 1. Insurance to be Carried by the Board. The Board of Managers shall be required to obtain and maintain, to the extent obtainable, the following insurance: fire insurance with extended coverage, water damage, vandalism and malicious mischief endorsements, insuring all of the Units in the Building in the Condominium and the bathroom and kitchen fixtures initially installed by the Sponsor, (but not including wall, ceiling or floor decoration, furniture, furnishings or other personal property supplied or installed by Unit Owners), together with all heating, air conditioning and other service machinery, contained therein, covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as

their interest may appear, in an amount equal to the full replacement value of the Building. Each of such policies shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee hereinafter set forth; and such other insurance as the Board of Managers may determine. All such policies shall provide that adjustment of loss shall be made by the Board of Managers with the approval of the Insurance Trustee, and that the net proceeds thereof, if \$100,000 or less, shall be payable to the Board of Managers, and if more than \$100,000 shall be payable to the Insurance Trustee.

The fire insurance will commence with the closing of title to the first Unit in an amount as required by the mortgagee of such Unit and such amount will be increased upon the closing of title to all Units. Until the first meeting of the Board of Managers following the first Unit Owners meeting, such amount shall be on a replacement cost basis.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro rata liability of the insurer as a result of any insurance carried by Unit Owners or of the invalidity arising from any acts of the insured or any Unit Owners, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of Unit. Duplicate originals of all policies of physical damage insurance and of all renewals thereof together with proof of payment of premiums, shall be delivered to all mortgagees of a Unit at least ten (10) days prior to expiration of then current policies. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Managers shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the Building, including all of the Common Elements appurtenant thereto for the purpose of determining the amount of fire insurance to be effected pursuant to this Section.

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the managing agent and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another. Until the first meeting of the Board of Managers following the first annual Unit Owners meeting, such public liability insurance shall be in a single limit of a minimum of \$1,000,000 covering all claims for bodily injury and property damage arising out of one occurrence. Such public liability insurance shall commence on the closing of title to the first Unit.

The portion of any insurance premium which results from the specific use of a Non-Residential Unit shall be borne by the respective Non-Residential Unit Owner pursuant to Section 339-bb of the Real Property Law of the State of New York.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit provided that such policies contain waivers of subrogation and further provided that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

Section 2. The Insurance Trustee. The Insurance Trustee shall be a bank or trust company located in the State of New York, designated by the Board of Managers and costs associated with the Insurance Trustee shall constitute a common expense of the Condominium. In the event the Insurance Trustee resigns or fails to qualify, the Board of Managers shall designate a new Insurance Trustee which shall be a bank or trust company located in the State of New York. The Insurance Trustee shall have a capital, surplus and undivided profits of \$50,000 or more.

Section 3. Restoration or Reconstruction After Fire or Other Casualty. In the event of damage to or destruction of the Building as a result of fire or other casualty (unless seventy-five [75%] percent or more of the Units are destroyed or substantially damaged and seventy-five [75%] percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration), the Board of Managers shall arrange for the prompt repair and restoration of the Building (including any damaged Unit, and any kitchen or bathroom fixtures initially installed therein by the Sponsor, any heating, air conditioning or other service machinery which is covered by insurance but not including any wall, ceiling or door decorations or coverings or other furniture, furnishings, fixtures or equipment installed by Unit Owners in the Units), and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a common expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges.

If seventy-five (75%) percent or more of the Units are destroyed or substantially damaged and seventy-five (75%) percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common in which event the net proceeds of sale, together with the net proceed of insurance policies (or if there shall have been a repair or restoration pursuant to the first paragraph of this Section 3, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration then the excess of such insurance proceeds) shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, among all the Unit Owners in proportion to the irrespective common interests, after first paying out of the share of each Unit Owner the amount of any unpaid liens on his Unit, in the order of the priority of such liens.

ARTICLE VIII. HOUSE RULES

Section 1. In addition to the other provisions of these By-Laws, the following house rules and regulations together with such additional rules and regulations as may hereafter be adopted by the Board of Managers shall govern the use of the Unit and the conduct of all residents thereof.

Section 2. Use. (a) All Residential Units shall be used for residential purposes only in accordance with municipal regulations.

(b) The Non-Residential Unit may be used for retail or other business purposes or for any lawful purpose permitted by applicable zoning of the City of New York.

(c) The Parking Space Units may be used only for parking.

Section 3. Owners, members of their families, their employees, guests and their pets, if permitted, shall not use or permit the use of the premises in any manner which would be illegal or disturbing or a nuisance to other said owners, or in such a way as to be injurious to the reputation of the Condominium.

Section 4. The Common Elements shall not be obstructed, littered, defaced or misused in any manner.

Section 5. Every Unit Owner shall be liable for any and all damage to the Common Elements and the property of the Condominium, which shall be caused by said Unit Owner or such other person for whose conduct the Unit Owner is legally responsible.

Section 6. Maintenance. (a) Every Unit Owner must perform promptly all maintenance and repair work to their own Unit and any Limited Common Element for the Unit Owner's exclusive use which, if omitted, would affect the Condominium in its entirety or in a part belonging to other Unit Owners, or the Building of which the Unit forms apart, the Unit Owner being expressly responsible for the damages and liabilities that the failure to do so may engender.

(b) All the repairs to internal installations of the Unit located in and servicing only that Unit, such as telephones and sanitary installations shall be at the Unit Owner's expense.

Section 7. Structural Changes. (a) No Residential Unit Owner shall make any structural addition, alteration or improvement (of either a temporary or permanent nature) in or to their Residential Unit, or any Limited Common Element for its exclusive use, without the prior written approval of the Board of Managers. In addition, no structural addition, alteration or improvement to any balcony or terrace which is a Limited Common Element shall be permitted unless required as part of the general

maintenance, repair or replacement of said balcony or terrace. The Board of Managers shall have the obligation to answer any written request by a Residential Unit Owner for approval of a proposed structural addition, alteration or improvement in such Residential Unit Owner's Residential Unit within forty-five (45) days after such request is received, and failure to do so within the stipulated time shall constitute a denial by the Board of Managers of the proposed structural addition, alteration or improvement. No Residential Unit Owner shall make any structural addition, alteration or improvement in or to any Residential Unit or any Limited Common Element without first (1) obtaining and maintaining during the course of such work such insurance as the Board of Managers may reasonably prescribe and providing the Board with a certificate of insurance prior to the commencement of the work, (2) executing and delivering to the Board of Managers an agreement, in form and substance reasonably satisfactory to the Board, setting forth the reasonable terms and conditions under which such alteration, addition or improvement may be made, including, without limitation, the days and hours during which any such work may be done and (3) executing and delivering to the Board of Managers an agreement indemnifying and holding harmless the Board, its members and officers, and all Residential Unit Owners of the Condominium from and against any liability, cost or expense arising out of or connected to such work. In the event the Board of Managers chooses to have the proposed structural addition, alteration or improvement reviewed by an independent architect or engineer, the Residential Unit Owner shall pay the charges of such architect or engineer. The Residential Unit Owner shall also bear the cost of any increased taxes or insurance premiums resulting from the structural alterations, additions or improvements.

Any application to any department of the City of New York or any other governmental authority for a permit to make a structural addition, alteration or improvement in or to any Residential Unit or Limited Common Element for its exclusive use shall be completed by the Residential Unit Owner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialmen on account of such structural addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

These provisions shall not apply to Residential Units owned by the Sponsor or its designee until such Residential Units shall have been initially conveyed by the Sponsor or such designee.

(b) The Non-Residential Unit Owner shall be permitted to make a structural addition, alteration or improvement (of either a temporary or permanent nature) in or to the Non-Residential Unit, or any Limited Common Element for its exclusive use, without the prior written approval of the Board of Managers. However, the Non-Residential Unit Owner must notify the Board of Managers at least forty-five (45) days prior to any such structural addition, alteration or improvement and no Non-Residential Unit Owner shall make any structural addition, alteration or improvement in or to the Non-Residential Unit or any Limited Common Element for its exclusive use without first (1) obtaining and maintaining during the course of such work such insurance as the Board of Managers

may reasonably prescribe and providing the Board with a certificate of insurance prior to the commencement of the work, (2) executing and delivering to the Board of Managers an agreement, in form and substance reasonably satisfactory to the Board, setting forth the reasonable terms and conditions under which such alteration, addition or improvement may be made, including, without limitation, the days and hours during which any such work may be done and (3) executing and delivering to the Board of Managers an agreement indemnifying and holding harmless the Board, its members and officers, and all Unit Owners of the Condominium from and against any liability, cost or expense arising out of or connected to such work. In the event the Board of Managers chooses to have the proposed structural addition, alteration or improvement reviewed by an independent architect or engineer, the Unit Owner shall pay the charges of such architect or engineer. The Non-Residential Unit Owner shall also bear the cost of any increased taxes or insurance premiums resulting from the structural alterations, additions or improvements.

Any application to any department of the City of New York or any other governmental authority for a permit to make a structural addition, alteration or improvement in or to any Non-Residential Unit or Limited Common Element for its exclusive use shall be completed by the Non-Residential Unit Owner and executed by the Board of Managers only, without however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialmen on account of such structural addition, alteration or improvement or to any person having any claim for injury to person or damage to property arising therefrom.

Section 8. Rights and Regulations Applicable All Unit Owners. (a) No Unit Owner shall post any advertisement or posters of any kind in or on the Community except as authorized by the Board of Managers. Notwithstanding said fact, the Non-Residential Unit Owners and/or their tenants shall have an easement to erect, maintain and replace one (1) or more signs on the property permitted by law for the purpose of advertising the operation of any business conducted therein. Any such signs shall be of reasonable size and shall not be located so as to unduly disturb the aesthetics of the Building.

(b) It is prohibited to hang garments, rugs, etc., from the windows, or from the Building or to string clothes lines on or over the Common Elements (including any Limited Common Element) or to use any of the Common Elements for storage purposes, except for storage areas that may be assigned to a Unit Owner as a Limited Common Element. No storage of flammable liquids or other flammable material or any valuables shall be stored in any storage areas. All provisions for safety shall be the sole responsibility of the Unit Owner and the Unit Owner should have their own insurance covering the storage area.

(c) No Unit Owner shall paint the exterior surfaces of the windows, walls or doors opening out of their Unit.

(d) No television or radio antenna or any other type of receiving or transmitting antenna or structure shall be erected on the exterior of the Building without the prior written consent of the Board of Managers.

(e) Each Unit Owner shall keep their Unit and its appurtenant Limited Common Element in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

(f) No animals shall be kept or harbored in the Condominium or any Unit except for the following: one (1) dog weighing sixty (60) pounds or less; one (1) household cat; one (1) domestic bird and household fish. No exceptions will be permitted unless the same in each instance be expressly permitted in writing by the Board of Managers of the Condominium. The Board of Managers may require the permanent removal of any animal kept in a Residential Unit that is not in compliance with the above as well as any animal causing or creating a nuisance or unreasonable disturbance or noise upon three (3) days written notice from the Board of Managers. In no event shall the above be permitted in any of the public corridors or lobbies of the Condominium unless carried or on leash and in compliance with the local and municipal rules and regulations regarding pets. All Unit Owners shall be responsible for picking up and disposing of their pets' waste and for any damage caused by their pets to any Common Elements of the Condominium.

Section 9. House Rules and Regulations for the Residential Units and General Residential Units' Limited Common Elements.

(a) The sidewalks, entrances, passages, public halls, 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 Residential Units. No vehicle belonging to a Residential Unit Owner, to a family member of a Residential Unit Owner, or to a guest, tenant, subtenant, licensee, invitee, employee, or agent of a Residential Unit Owner shall be parked in such a manner as to impede or prevent ready access to any entrance to, or exit from the Building.

(b) No baby carriages, bicycles, scooters, or similar vehicles shall be allowed to stand in the public halls, passageways, or other public areas of the Building.

(c) 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 of the Building, nor shall any fire exit thereof be obstructed in any manner.

(d) Nothing shall be hung or shaken from any doors, windows, balconies or terraces, or placed upon the exterior window sills, of the Building, and no Residential Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

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

(f) The Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements and/or General Residential Units' Limited Common Elements that may be devoted to storage, recreation, or service purposes in the Building.

(g) Nothing shall be done or kept in any Residential Unit or in the Limited Common Elements that are designated for the exclusive use of an individual Residential Unit that will increase the rate of insurance of the Building or the contents thereof, without the prior written consent of the Board. No Residential Unit Owner shall permit anything to be done or kept in their Residential Unit or in the Limited Common Elements that are designated for the exclusive use of an individual Residential Unit, 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 Residential Unit Owner or any of the Residential Unit Owner's family members, tenants, agents, servants, employees, licenses, or visitors shall, at any time, bring into or keep in their Residential Unit or Common Areas any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of such Residential Unit or the Limited Common Elements that are designated for the exclusive use of an individual Residential Unit.

(h) 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 their Residential Unit or the Limited Common Elements that are designated for the exclusive use of an individual Residential Unit 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 Residential Unit Owner's Unit 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 or 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 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency or approved by the Board of Managers.

(i) No Residential Unit Owner shall install any plantings in the Common Elements or the Individual Residential Limited Common Elements that are for the exclusive use of an individual Residential Unit without the prior written approval of the Board. It shall be the responsibility of the Residential Unit Owner to maintain all

plantings in the Residential Units to prevent any damage to floors and walls. Residential Unit Owners shall pay the cost of any repairs rendered necessary, or damage caused, by such plantings.

(j) In the event that any Residential Unit shall be used for home occupation or professional purposes in conformance with the Declaration and the By-Laws and applicable zoning, no patients, clients, or other invitees shall be permitted to wait in any lobby, public hallway, or vestibule.

(k) 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 Board or the Managing Agent, which approval shall not be unreasonably withheld or delayed. In no event, however, shall any exterior glass surface of any windows at the Property be colored or painted.

(l) No ventilator or air conditioning device shall be installed in any Residential Unit without the prior written approval of the Board, which approval may be granted or refused in the sole discretion of the Board.

(m) 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 By-Laws or shall have been approved in writing by the Board or the Managing Agent. Nothing shall be projected from any window of a Residential Unit without similar approval.

(n) All radio, television, or other electrical equipment of any kind or nature installed or used in each Residential 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 Residential Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

(o) No television or radio antenna or any other type of receiving or transmitting antenna or structure shall be erected on the exterior of a Residential Unit without the prior written consent of the Board of Managers. The Board of Managers may adopt such rules and regulations pertaining to antenna so as to comply with the Federal Communications Commission rules adopted on October 14, 1996.

(p) 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 the same. Any damage resulting from misuse of any water-closets or other apparatus in a Residential Unit shall be repaired and paid for by the owner of such Residential Unit.

(q) Each Residential Unit Owner shall keep their Residential Unit and any Individual Residential Limited Common Elements that are for the exclusive use of an individual Residential Unit in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

(r) The agents of the Board or the Managing Agent, and any contractor or workman authorized by the Board or the Managing Agent, may enter any room in a Residential Unit at any reasonable hour of the day, on at least one day's prior notice to the Residential Unit Owner, for the purpose of inspecting such Residential 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 Residential Unit for its permitted purposes.

(s) The Board or the Managing Agent may retain a pass-key to each Residential Unit. If any lock is altered or a new lock is installed, the Board 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 their Residential Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws, and has not furnished a key to the Board or the Managing Agent, then the 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 Residential 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).

(t) If any key or keys are entrusted by a Residential Unit Owner, by any family member thereof, or by their agent, tenant, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for such Residential 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 Residential Unit Owner, and neither the Board nor the Managing Agent shall (Except as provided in Rule (r) above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

(u) 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.

(v) The roof garden shall only be used during the hours of 9:00 A.M. to 9:00 P.M. unless otherwise permitted by the Board of Managers.

(w) Any Residential Unit Owner who mortgages or sells their Residential Unit shall immediately notify the Board of Managers, providing the name and address of the new mortgagee or new Residential Unit Owner.

(x) The Board of Managers shall, at the request of the mortgagee of the Residential Unit, report any delinquent assessments due from the Owner of such Residential Unit.

(y) Every Residential Unit Owner shall be liable for any and all damage to the Common Elements, which shall be caused by said Residential Unit Owner, the Residential Unit Owner's permitted lessees and occupants of Residential Units, their respective family members and guests and such other person for whose conduct the Residential Unit Owner is legally responsible.

(z) There shall be no barbecuing on any patios, balconies or terraces or any Common Elements except as may be permitted by the Board of Managers in compliance with any New York City Health or fire codes and regulations.

(aa) Residential Unit Owners will faithfully observe the procedures established from time to time by the Board of Managers or the Managing Agent with respect to services provided and the management of the Building.

(bb) 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 Board. Further, any such consent or approval may, in the discretion of the Board or the Managing Agent, be conditional in nature.

(cc) Complaints regarding the service of the Condominium shall be made in writing to the Board or to the Managing Agent.

Section 10. HOUSE RULES AND REGULATIONS FOR THE NON-RESIDENTIAL UNIT AND NON-RESIDENTIAL UNIT LIMITED COMMON ELEMENTS.

(a) The sidewalks, entrances, passages, public halls, vestibules, corridors and stairways of or appurtenant to the Building for the exclusive use of the Non-Residential Unit shall not be obstructed or used for any purpose other than ingress to and egress from the Non-Residential Unit. No vehicle belonging to the Non-Residential Unit Owner, or to a guest, tenant, subtenant, licensee, invitee, employee, agent, customer or client of the Non-Residential Unit Owner shall be parked in such a manner as to impede or prevent ready access to any entrance to or exit from the Building.

(b) 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 of the Building, nor shall any fire exit thereof be obstructed in any manner.

(c) Nothing shall be hung or shaken from any doors, windows, or placed upon the exterior window sills, of the Building or Non-Residential Unit, and the Non-Residential Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

(d) There shall not be playing or lounging in the entrances, of the Building servicing the Non-Residential Unit.

(e) Nothing shall be done or kept in the Non-Residential Unit or the Non-Residential Unit's Limited Common Element for the exclusive use of the Non-Residential Unit that is not used in conjunction with the operation of the Non-Residential Unit's business or practice that will increase the rate of insurance of the Building or the contents thereof, without the prior written consent of the Board. The Non-Residential Unit Owner shall permit anything to be done or kept in their Non-Residential Unit or the Non-Residential Limited Common Element for the exclusive use of the Non-Residential Unit, that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. The Non-Residential Unit Owner or any of its tenants, agents, servants, employees, licenses, visitors, clients, patients or customers shall, at any time, bring into or keep in their Non-Residential Unit or the Non-Residential Unit's Limited Common Element for the exclusive use of the Non-Residential Unit any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of such Unit or a Limited Common Element for the exclusive use of the Non-Residential Unit. The portion of any insurance premium which results from the specific use of the Non-Residential Unit shall be borne by the respective Non-Residential Unit Owner pursuant to Section 339-bb of the Real Property Law of the State of New York.

(f) The Non-Residential Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from their Non-Residential Unit or a Non-Residential Unit's Limited Common Element for the exclusive use of an individual Non-Residential Unit or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Unit Owners.

(g) The Non-Residential Unit Owner shall not install any plantings in the General Common Elements, or the Non-Residential Unit Limited Common Element for its exclusive use, without the prior written approval of the Board. It shall be the responsibility of the Non-Residential Unit Owner to maintain all plantings in the Non-Residential Units to prevent any damage to floors and walls. Non-Residential Owner(s) shall pay the cost of any repairs rendered necessary, or damage caused, by such plantings.

(h) No patients, clients, or other invitees of the Non-Residential Unit Owner or its tenant shall be permitted to wait in any lobby, public hallway, or vestibule.

(i) No window guards or other window decorations shall be used in or about the Non-Residential Unit, except such as shall have been approved in writing by the Board or the Managing Agent, which approval shall not be unreasonably withheld or delayed. In no event, however, shall any exterior glass surface of any windows at the Property be colored or painted.

(j) 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 in Article VIII, Section 8(a) or shall have been approved in writing by the Board or the Managing Agent. Nothing shall be projected from any window of the Non-Residential Unit without similar approval.

(k) All radio, television, or other electrical equipment of any kind or nature installed or used in the Non-Residential 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 Non-Residential Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

(l) Water-closets and other water apparatus in the Non-Residential Unit 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 the same. Any damage resulting from misuse of any water-closets or other apparatus in the Non-Residential Unit shall be repaired and paid for by the owner of the Non-Residential Unit.

(m) The Non-Residential Unit Owner shall keep their Non-Residential Unit and the Non-Residential Unit's Limited Common Elements designated to the Non-Residential Unit for the Non-Residential Unit's exclusive use in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

(n) The agents of the Board or the Managing Agent, and any contractor or workman authorized by the Board or the Managing Agent, may enter any room in the Non-Residential Unit at any reasonable hour of the day, on at least one day's prior notice to the Non-Residential Unit Owner, for the purpose of inspecting the Non-Residential 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 Non-Residential Unit for its permitted purposes.

(o) The Board or the Managing Agent may retain a pass-key to the Non-Residential Unit. If any lock is altered or a new lock is installed, the Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Non-Residential Unit Owner is not personally present to open and permit an entry to their Non-Residential Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws, and has not furnished a key to the Board or the Managing Agent, then the 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 the Non-Residential Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to the Non-Residential Unit Owner's property).

(p) If any key or keys are entrusted by the Non-Residential Unit Owner, their tenant, or by their agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for the Non-Residential 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 the Non-Residential Unit Owner, and neither the Board nor the Managing Agent shall (except as provided in Rule (p) above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

(q) 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 Board. Further, any such consent or approval may, in the discretion of the Board or the Managing Agent, be conditional in nature.

(r) Complaints regarding the service of the Condominium shall be made in writing to the Board or to the Managing Agent.

(s) The Board of Managers shall not interfere with the business operation of a Non-Residential Unit unless it affects the General Common Elements, General Residential Units' Limited Common Elements or the structural integrity of the Building and/or is a violation of any municipal or state code or statute. This provision may not be amended without the written consent of the Non-Residential Unit Owner(s).

(t) The Non-Residential Unit Owner and/or their tenants shall have an easement to erect, maintain and replace one (1) or more signs on the property permitted by law for the purpose of advertising the operation of any business conducted therein. Any such signs shall be of reasonable size and shall not be located so as to unduly disturb the aesthetics of the Building.

(u) The Non-Residential Unit Owner shall have the right, without the payment of any fees or charges to the Board, to sell or lease the Non-Residential Unit without interference by the Board. All sale or rental proceeds shall belong solely to the applicable Non-Residential Unit Owner.

Section 11. Violations of Rules and Regulations.

Upon receipt, by the President of the Board of Managers or by the Managing Agent, of a signed written complaint alleging violation of any of the House Rules or other provisions of the By-Laws as herein established or hereafter established or adopted by the Board of Managers, the President of the Board, or in the President's

absence, the Vice President together with a minimum of two (2) other members of the Board, without a formal meeting of the Board, shall make a determination as to the validity of the complaint. The three (3) Board Members hearing any complaint made to the Board of Managers by or against the Non-Residential Unit Owner must include the respective representative to the Board of the Non-Residential Unit Owner. Any Unit Owner accused of a violation of the House Rules or other provisions of the By-Laws shall be entitled to receive written notice by registered mail of such accusation. The written notice shall contain the following statements:

- i) A copy of the rule or regulation the Unit Owner has violated and a description of the manner in which the Unit Owner violated the rule or regulation.
- ii) A time and place at which the Unit Owner shall be given the opportunity to present a defense before final action is taken.

If, after said notice and hearing it is determined that the complaint is valid and justified the Managing Agent shall be directed to send written notice to the violator. If the violation is not corrected or eliminated within a period of three (3) days from the date of receipt of such notice, another notice will be sent levying a fine of up to \$150.00 upon the violator; such fine is to be considered as an additional Common Charge to the account of the violator and shall be treated as such regarding late penalties and a lien upon the property as elsewhere provided for in the Declaration of Condominium or By-Laws. If after imposition of a fine the violation is not corrected or eliminated, the Board of Managers may assess additional fines of up to \$150.00 each after serving written notice upon the violator as provided for above. If the violation results in loss of or damage to property classified as a Common Element, the Board of Managers shall itself or direct the Managing Agent, if employed, to have said loss or damage repaired or replaced and the actual cost of said repair or replacement shall be assessed to the violator as an additional Common Charge.

ARTICLE IX. DEFAULT

In the event a Unit Owner does not pay any sums, charges or assessments required to be paid when due, the Board of Managers, acting in behalf of the Board shall notify the Unit Owner and the mortgagee, if any, of such Unit. If such sum, charge or assessment shall remain unpaid for ninety (90) days after the giving of such notice, the Board may foreclose the lien encumbering the Unit as a result of the nonpayment of the required monies as set forth in the Declaration (subject to the lien of any first mortgage), in the same manner as the foreclosure of a mortgage. In the event the owner of a Unit does not pay the assessment required to be paid by him or her within thirty (30) days of its due date, said sum shall bear interest at the maximum amount permitted by the State of New York from its due date and said Unit Owner shall be liable for the Condominium's reasonable costs and a reasonable attorney's fee incurred by it incident to the collection or enforcement of such lien.

ARTICLE X. AMENDMENTS

(a) These By-Laws may be altered, amended or added to at any duly called Unit Owners meeting; provided: (1) that the notice of the meeting shall contain a full statement of the proposed amendment; (2) that the amendment shall be approved by sixty-six and two-thirds (66 $\frac{2}{3}$ %) percent of the Unit Owners in number and common interest and (3) said amendment shall be set forth in a duly recorded amendment to the Declaration. However, no amendment will affect or impair the validity or priority of the Unit Owners' interest and the interests of holders of a mortgage encumbering a Unit or Unit.

(b) Notwithstanding any provision contained herein to the contrary an Amendment in the By-Laws which solely affects the Residential Unit(s) may only be adopted by a vote of at least 66 2/3rds% of only the Residential Unit Owners.

(c) Notwithstanding any provision contained herein to the contrary an Amendment in the By-Laws which affects the Non-Residential Units may not be adopted without the written consent of the Non-Residential Unit Owner(s).

(d) Notwithstanding any provision contained herein to the contrary, no amendment to the By-Laws shall be passed which shall impair or prejudice the rights and priorities of the mortgages or the Sponsor.

ARTICLE XI. SELLING, MORTGAGING AND LEASING UNIT

Section 1. Selling and Leasing Residential Units. Any Residential Unit may be conveyed or leased, subject to the leasing requirements contained in Section 2, subject to local zoning ordinances, by its Residential Unit Owner free of any restrictions except that no Residential Unit Owner shall convey, mortgage, pledge, hypothecate, sell or lease their Unit unless and until all unpaid Common Charges assessed against the Residential Unit Owner's Unit shall have been paid to the Board of Managers of the Condominium. However, such unpaid Common Charges can be paid out of the proceeds of the sale of a Residential Unit, or by the Grantee. Notwithstanding the above any Residential Unit Owner who wishes to enter into a lease for the Residential Unit Owner's Residential Unit shall be required to provide the Board of Managers of the Condominium with a copy of the lease prior to its execution. All leases must comply with all the requirements contained in Section 2 below. Failure to comply will be deemed an automatic violation of the By-Laws of the Condominium. Further, any Residential Unit Owner may convey the Residential Unit Owner's Unit and common interest appurtenant thereto, to the Board of Managers on behalf of all Unit Owners free of any cost to the Board or the Unit Owners and upon such conveyance such Unit Owner shall not be liable for any Common Charges thereafter accruing against such Residential

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

Whenever the term "Residential Unit" is referred to in this section, it shall include the Residential Unit, the Residential Unit Owners undivided interest in the Common Elements and the Residential Unit Owners interest in any Residential Units acquired by the Board of Managers.

Section 2. Leasing Requirements for Residential Units. Except as noted in Sections 3, 4 and 5, every lease on every Residential Unit in the Condominium is subject to the following rules and regulations, regardless of whether stated in the lease:

- (a) the lease must be in writing;
- (b) the lease must be for the entire Residential Unit;
- (c) the lease must be for a minimum and maximum of twelve (12) months. Renewals shall be for a one (1) year term and are subject to review by the Board of Managers of the Condominium;
- (d) the use of the premises is subject to the Declaration and the By-Laws of the Condominium and the rules and regulations of the entire Condominium;
- (e) within thirty (30) days of occupancy by the tenant, the name and telephone number of the tenant, together with a clear and complete copy of the lease, must be furnished to the Managing Agent or if no Managing Agent to a Member of the Board of Managers of the Condominium;
- (f) within forty-five (45) days of any renewal of a lease of a tenant, the name and telephone number of the tenant, together with a clear and complete copy of the renewal lease, must be furnished to the Managing Agent or if no Managing Agent to the Board of Managers of the Condominium for review;
- (g) the Residential Unit cannot be used as a motel or hotel or otherwise for transient tenants;
- (h) if any Residential Unit Owner (landlord) or tenant is in violation of any of the provisions of the Declaration or By-Laws, or both, including any rules and regulations, the Board of Managers of the Condominium may bring an action in its own name or in the name of the Residential Unit Owner, or both, to have the tenant evicted or to recover damages, or both.

If the court finds that the tenant is or has violated any of the provisions of the Declaration or the By-Laws of both the Condominium, or the rules and regulations the Court may find the tenant guilty of forcible detainer despite the facts that the Residential Unit Owner is not a party to the action and/or that the tenant is not otherwise in violation of tenant's lease or other rental agreements with the Residential Unit Owner. For purposes of granting the forcible detainer against the tenant, the court may consider the Residential Unit Owner a person in whose name a contract (the lease or rental agreement) was made for the benefit of another (the Condominium). The remedy provided by this subsection is not exclusive and is in addition to any other remedy or

remedies available to the Condominium. If permitted by present or future law, the Condominium may recover all of its costs, including court costs and reasonable attorney's fees, and these costs shall be a continuing lien on the Residential Unit that shall bind the Residential Unit in the hands of the then Residential Unit Owner and the Residential Unit Owner's successors and assigns. The Board of Managers of the Condominium shall give the tenant and the Residential Unit Owner written notice of the nature of the violation of the rules, and thirty (30) days from the mailing of the notice in which to cure the violation before the Board of Managers of the Condominium may file for eviction.

The foregoing restrictions of Sections 1 and 2 of this Article XI shall not apply to Sponsor-owned Residential Units, the Non-Residential Unit Owners or any mortgagee acquiring title to a Unit, in a foreclosure or otherwise. The Sponsor, its successors, assignees or designees; any mortgagee acquiring title to a Unit in a foreclosure or otherwise and a Non-Residential Unit Owner shall have the right to freely sell their Unit or to freely lease all or any part thereof without first having to offer the same for sale or lease to the Board of Managers as long as the lease and use by a tenant is in compliance with the permitted use of the applicable Unit under New York City zoning and occupancy requirements.

Parking Space Units may only be sold or leased to the owner of a Residential Unit in the Condominium. This provision does not apply to Sponsor.

Section 3. Waiver of Partition Rights. The Unit Owners waive all of their voting rights concerning partition respecting any Unit acquired by the Board of Managers in accordance with this Article.

Section 4. Gifts, etc. Any Unit Owner may convey or transfer their Residential Unit by gift during his lifetime or devise their Unit by will or pass the same by intestacy, without restriction.

Section 5. Tenant Bound by Declaration. By becoming a tenant, each tenant agrees to be bound by the Declaration, the By-laws and the other Rules and Regulations of the Condominium, and recognizes and accepts the right and the power of the Condominium to evict the tenant for any violation by the tenant of the Declaration, the By-Laws and the other Rules and Regulations of the Condominium.

Section 6. Lenders. To protect first mortgage lenders and to encourage first mortgage lenders to make loans on Residential Units in the Condominium, only subsections (b), (d), (e), (f), (g) and (h) of Section 2 of this Article XI shall apply to a first mortgage lender who has title to the Residential Unit through (a) foreclosure of its first mortgage on the Residential Unit; or (b) a deed in lieu of foreclosure of its first mortgage on the Residential Unit. Any subsequent purchaser from the first mortgage lender is subject to all the terms of Article XI.

Pursuant to the provisions of Section 339-kk of the Real Property Law of the State of New York, any non-occupying Residential Unit Owner who rents any Residential Unit in the Condominium to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such Unit within sixty (60) days of the expiration of any grace period after they are due is subject to the following: Upon notice in accordance with the statute, all rental payments from the tenants shall thereafter be directly payable to the condominium association. The provisions of Section 339-kk of the Real Property Law shall control any dispute pursuant to this provision of the By-Laws. This provision does not apply to any Non-Residential Unit Owner who rents their Non-Residential Unit.

ARTICLE XII. ARBITRATION

Section 1. Procedure. Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in New York City, New York in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in New York City, New York before one arbitrator appointed, upon the application of any party by the Real Estate Board of New York.

Section 2. Variation by Agreement. The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes".

Section 3. Binding Effect. The decision in any arbitration conducted pursuant to the terms of Section 1 and 2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 4. Costs and Expenses. 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.

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.

ARTICLE XIII. CONDEMNATION

In the event all or part of the Common Elements are taken in condemnation or eminent domain proceedings, the award from such proceedings shall be paid to the Insurance Trustee if the award is more than \$100,000 and to the Board of Managers if the award is \$100,000 or less, to be distributed in accordance with Section 3 of Article VII but in the following amounts:

(a) So much of the award as is applicable to the General Common Elements, to the Unit Owners pro rata according to the respective common interest appurtenant to the Unit owned by such Unit Owners.

(b) So much of the award as is applicable to a Limited Common Element to the Unit Owner having general use of such Limited Common Element.

In such eminent domain or condemnation proceeding the Board shall request that the award shall set forth the amount allocated to General Common Elements and to each Limited Common Element. In the event the award does not set forth such allocation then the question of such allocation shall be submitted to the arbitration in accordance with the Arbitration Statutes of the State of New York.

ARTICLE XIV. MISCELLANEOUS

Section 1. Insurance. Under no circumstances shall a Unit Owner permit or suffer anything to be done or left in a Unit Owner's Unit which will increase the insurance rates on the Unit or any other Unit or on the common elements.

Section 2. Severability. Should any of the covenants, terms or provisions herein imposed be void or be or become unenforceable at law in equity, the remaining provisions of these By-Laws shall, nevertheless, be and remain in full force and effect.

Section 3. Notice to Condominium. A Unit Owner who mortgages his Unit, shall notify the Condominium through the management agent, if any, or the President of the Board of Managers in the event there is no management agent, of the name and address of his mortgagee; and the Board of Managers shall maintain such information in a book entitled "Mortgagees of Unit".

Section 4. Notice of Unpaid Assessments. The Board of Managers shall at the request of a mortgagee of a Unit, report any unpaid assessments due from the Unit Owners of such Unit.

Section 5. Examination of Books and Records. Every Unit Owner or his representative and mortgagee shall be entitled to examine the books and records of the Condominium on reasonable notice to the Board but not more often than once a month.

Section 6. Construction. Wherever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter; singular or plural; wherever the context so requires.

Section 7. Compliance with Article 9-B. These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Laws of the State of New York. In case any of these By-Laws conflict with the provisions of said Statute or of the Declaration, the provisions of the Statute or of the Declaration, whichever the case may be, shall control.

SCHEDULE K

APPLICATION FORM TO THE ATTORNEY GENERAL
FOR DETERMINATION OF THE DISPOSITION
OF DOWN PAYMENTS

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:

Address of Building or
Name of Project

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 [] 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: _____

SCHEDULE L

ESCROW AGREEMENT

ESCROW AGREEMENT

AGREEMENT made this 27th day of April, 2006, between VANTAGE AT JACKSON LLC ("SPONSOR") as Sponsor of the offering plan for 10-50 JACKSON AVENUE CONDOMINIUM and ZACCARIA & SASSON ("ESCROW AGENT") AS ESCROW AGENT.

WHEREAS VANTAGE AT JACKSON LLC, is the SPONSOR of an offering plan to convert to condominium the premises located at 10-50 Jackson Avenue, Long Island City, Queens County and State of New York, which premises are known as 10-50 JACKSON AVENUE CONDOMINIUM; and

WHEREAS, ZACCARIA & SASSON, is authorized to act as an escrow agent hereunder in accordance with General Business Law ("GBL") Section 352-e(2-b) and the New York State Attorney General's ("Attorney General") regulations promulgated thereunder; and

WHEREAS, SPONSOR desires that ESCROW AGENT act as escrow agent for deposits and payments by purchasers and subscribers, pursuant to the terms of this agreement.

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

1. **ESTABLISHMENT OF THE ESCROW ACCOUNT**

1.1 SPONSOR and ESCROW AGENT hereby establish an escrow account with ESCROW AGENT for the purpose of holding deposits or payments made by purchasers or subscribers. The escrow account has been opened with J. P. Morgan Chase Bank (depository bank) at its branch located at 1985 Marcus Avenue, New Hyde Park, New York. The account number is [REDACTED]

The name of the account is "ZACCARIA & SASSON IOLA FOB 10-50 JACKSON AVENUE CONDOMINIUM ESCROW ACCOUNT".

1.3 A member or members of the ESCROW AGENT are the sole signatories on the account.

1.4 The escrow account is an Interest-on-Lawyer-Account ("IOLA") account established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT

2.1 All funds received from prospective purchasers or subscribers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited in the escrow account. All instruments to be deposited into the escrow shall be made payable to, or endorsed by the purchaser or subscriber to the order of ZACCARIA & SASSON, as escrow agent for the offering plan. Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such escrow account, shall be returned to the prospective purchaser or subscriber 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 SPONSOR shall deliver to the escrow agent all deposits submitted pursuant to a subscription or purchase agreement, within three (3) business days after tender of the deposit by a prospective purchaser to the SPONSOR or any agent engaged by the SPONSOR, along with the form of tender of deposit attached hereto as Exhibit A to this Escrow Agreement, executed by the SPONSOR.

2.3 Within ten (10) business days after tender of the deposit submitted with the subscription or purchase agreement, the ESCROW AGENT shall notify the purchaser of the deposit of such funds in the bank indicated in the offering plan or amendment thereto and provide the account number. If the purchaser does not receive notification of such deposit within fifteen (15) business days after the tender of the deposit, the purchaser may cancel the subscription or purchase agreement and rescind within ninety (90) days after tender of the deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited in accordance with the escrow regulations promulgated by the Attorney General and requisite notice was timely mailed to the subscriber or purchaser.

3. RELEASE OF FUNDS

3.1 ESCROW AGENT shall not release the escrowed funds deposited by a defaulting purchaser until after consummation of the plan as defined in the Attorney General's regulations. Consummation of the plan shall not relieve SPONSOR of its fiduciary obligations pursuant to GBL Section 352-h.

3.2 ESCROW AGENT shall continue to hold the funds in escrow until otherwise directed in (a) a writing signed by both SPONSOR and purchaser or (b) a determination of the Attorney General or (c) a judgment or order of a court of competent jurisdiction or (d) until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds. Funds deposited in escrow for upgrades and extras to the Unit may be released from the escrow

account without the requirements outlined herein provided SPONSOR uses the funds for such upgrades and extras and notifies the ESCROW AGENT in writing of such fact.

3.3 SPONSOR shall not object to the release of the escrowed funds to (a) a purchaser who timely rescinds in accordance with an offer of rescission contained in the plan or an amendment to the plan or (b) all purchasers after an amendment abandoning the plan is accepted for filing by the Department of Law.

3.4 If there is no written agreement between the parties to release the escrowed funds, ESCROW AGENT shall not pay the funds to SPONSOR until ESCROW AGENT has given the purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to SPONSOR unless the purchaser has made an application to the Department of Law pursuant to the dispute resolution provisions contained in the Attorney General's regulations and has so notified ESCROW AGENT in accordance with such provisions.

3.5 ESCROW AGENT shall disburse the purchaser's deposit(s) escrowed under this Escrow Agreement within twenty (20) business days after the escrowed funds are permitted to be released in accordance with this Agreement.

4. RECORDKEEPING

4.1 ESCROW AGENT shall maintain all records concerning the escrow account for seven (7) years after release of the funds.

4.2 Upon the dissolution of a law firm which was the ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

4.3 ESCROW AGENT shall make available to the Attorney General, upon his request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT

5.1 ESCROW AGENT shall maintain the accounts called for in this Agreement under the direct supervision and control of ESCROW AGENT.

5.2 A fiduciary relationship shall exist between ESCROW AGENT and purchasers, and ESCROW AGENT acknowledges its fiduciary obligations.

5.3 No disbursement need or will be made by ESCROW AGENT until the deposit has actually and finally cleared ESCROW AGENT's account.

5.4 ESCROW AGENT shall only be responsible for monies actually received and cleared, and monies earned thereon, if any.

5.5 ESCROW AGENT may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine, may assume the validity and accuracy of any statements or assertions contained in such writing or instrument; and may assume that any person purporting to give any writing, notice, advice or instruction in connection with the provisions hereof has been duly authorized to do so.

5.6 ESCROW AGENT undertakes to perform only such duties as are expressly set forth in this Agreement and the Escrow Regulations promulgated by the New York State Attorney General's Office, and no implied duties or obligations shall be read into this Agreement against ESCROW AGENT.

6. RESPONSIBILITIES OF SPONSOR

6.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall within three (3) business days of receipt of all deposits and payments deliver to ESCROW AGENT all such deposits and payments received by them prior to closing of an individual transaction.

6.2 SPONSOR agrees that it shall not interfere with ESCROW AGENT's performance of its fiduciary duties and compliance with the Attorney General's regulations.

7. INDEMNIFICATION

7.1 ESCROW AGENT shall not be liable for SPONSOR's failure to tender the purchasers' funds to ESCROW AGENT within three (3) business days, for any mistakes of fact or errors of judgment, or for any acts or omissions of any kind unless caused by its willful misconduct or gross negligence, and SPONSOR agrees to indemnify and hold ESCROW AGENT harmless from any claims, demands, causes of action, liability, damages, judgments, including the cost of defending any action against it together with any reasonable attorneys' fees incurred therewith and/or reasonable value of services rendered by ESCROW AGENT's litigation attorneys representing ESCROW AGENT pro se, in connection with ESCROW AGENT's undertaking pursuant to the terms and conditions of this Escrow Agreement, unless such act or omission is a result of the willful misconduct or gross negligence of ESCROW AGENT.

7.2 ESCROW AGENT shall not be liable in any manner for the sufficiency or correctness as to form, manner or execution, or validity of any written instructions

delivered to it, nor as to the identity, authority, or rights of any person executing the same.

7.3 The duties of ESCROW AGENT shall be limited to the safekeeping of the deposits and for disbursements of same in accordance with the written instructions described in this Agreement.

8. TERMINATION OF AGREEMENT

8.1 This Agreement shall remain in effect unless and until it is canceled, by either:

(a) Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or

(b) The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign, which resignation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or

(c) All shares or units offered pursuant to the plan have been sold and all sales transactions have been consummated.

(d) ESCROW AGENT shall have no responsibility to verify qualifications of any successor escrow agent.

8.2 Upon termination of the duties of ESCROW AGENT as described in Paragraph 8.1 above, ESCROW AGENT shall deliver any and all funds held by it in escrow and any and all contracts or documents maintained by ESCROW AGENT to the new escrow agent designated in the duly filed amendment related thereto.

8.3 Upon delivery of all funds held by the ESCROW AGENT to the new escrow agent pursuant to 8.2 supra, this Agreement shall be terminated and the ESCROW AGENT shall be released from all liability hereunder.

8.4 Upon ESCROW AGENT disbursing the deposit of an individual purchaser in accordance with the provisions of this Agreement, the escrow obligation's shall terminate as regards said purchaser's deposit, and ESCROW AGENT shall thereafter be released of all liability in connection with said purchaser.

9. MISCELLANEOUS

9.1 In the event of a good faith disagreement about the interpretation of this Agreement, or about the rights and obligations, or the propriety, of any action contemplated by ESCROW AGENT hereunder, ESCROW AGENT may, at its sole discretion, retain purchasers's deposits and payments in escrow and apply to the Attorney General for a determination on the disposition of the down payment or file an action and deposit any applicable funds in court to resolve said disagreement. ESCROW AGENT shall be indemnified by SPONSOR for all costs, including reasonable attorneys' fees or reasonable value of services rendered by ESCROW AGENT's litigation attorneys representing ESCROW AGENT pro se, in connection with the aforesaid action. No such action shall be filed where the ESCROW AGENT's required course of action is clearly dictated within this Agreement.

10. SUCCESSORS AND ASSIGNS

10.1 This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their successors and assigns.

11. GOVERNING LAW

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

12. ESCROW AGENT'S COMPENSATION

12.1 SPONSOR agrees that ESCROW AGENT's compensation, if any, shall not be paid from escrowed principal nor from any interest accruing thereon and that compensation to ESCROW AGENT, if any, shall not be deducted from escrowed funds by any financial institution under any circumstance.

13. SEVERABILITY

13.1 If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

14. ENTIRE AGREEMENT

14.1 This Agreement, read together with GBL Section 352-e(2-B) and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

15. NOTICES

15.1 Any notice required to be given or given hereunder shall be given by depositing such notice in a post-paid wrapper, in an official depository under the exclusive care and custody of the United States Postal Service within New York State, or by Express Mail, Federal Express or similar overnight courier, facsimile transmission, messenger service (with proper receipt therefor), addressed to the party at the address hereinabove set forth with a copy of any such notice by regular mail to the attorney for such party as follows:

IF TO ESCROW AGENT:

ZACCARIA & SASSON
175 East Shore Road
Great Neck, New York 10273

IF TO SPONSOR:

VANTAGE AT JACKSON LLC
20 Gilbert Avenue
Smithtown, New York 11787

Any notice may be given by the attorney for a party and shall have the same force as if given by the party. Either party may, by notice, change the address at which notices are to be given hereunder.

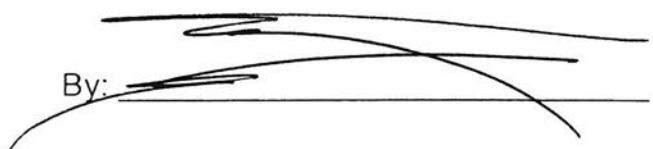
16. CAPTIONS AND HEADINGS

16.1 The captions and headings used in this Agreement are intended for convenience and reference only and shall not imply or convey any additional meanings to the contents of the respective provisions.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

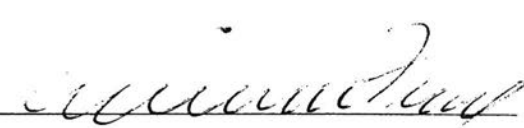
ESCROW AGENT:

ZACCARIA & SASSON

By: 

SPONSOR:

VANTAGE AT JACKSON LLC

By: 

EDWARD FLAX, Member
Print Name & Title

TENDER OF ESCROW DEPOSIT

Date: _____

Tender of Deposit of \$ _____, for Unit _____ at
 _____ located _____
 at _____, New York.

Purchaser(s) named below has/have tendered on _____, 20____, the
 above escrow deposit to Sponsor/Selling Agent as a deposit for the above Unit.

Purchaser(s) _____

Address of Purchaser(s) _____

Phone number of Purchaser(s): _____

Home: _____

Business: _____

Social Security Number(s) or
 Tax Identification Number(s)
 of Purchaser(s) _____

RECEIPT

The SPONSOR/SELLING AGENT of the above named property hereby
 acknowledges receipt of the above escrow deposit.

By: _____
 Title of Position

Date of Receipt: _____

EXHIBIT "A"

SCHEDULE M-1

CERTIFICATION OF SPONSOR AND
SPONSOR'S PRINCIPALS

CERTIFICATION BY SPONSOR AND SPONSOR'S PRINCIPALS
PURSUANT TO 13 NYCRR 20.4 (b)

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

RE: 10-50 JACKSON AVENUE CONDOMINIUM

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.

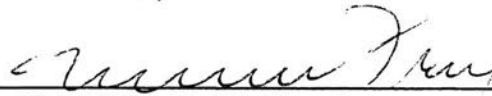
We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by 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 I/we:
 - (a) knew the truth;
 - (b) with reasonable effort could have known the truth;
 - (c) made no reasonable effort to ascertain the truth; or

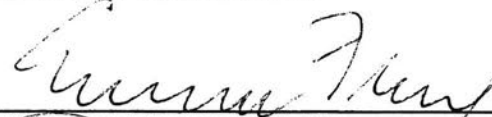
(d) did not have knowledge concerning the representation or statement made.

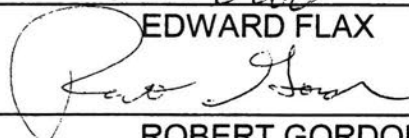
This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

VANTAGE AT JACKSON, LLC

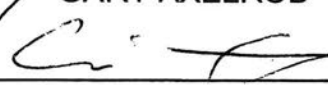
By: 
EDWARD FLAX, Member

SPONSOR'S PRINCIPALS:


EDWARD FLAX


ROBERT GORDON


GARY AXELROD


CRAIG AXELROD


ALBERT SHIRIAN


RAMIN SHIRIAN

Sworn to before me this
26th April, 2006


Notary Public

EDITH DOLAN
Notary Public, State of New York
No. 01D05074714, Suffolk County
Commission Expires, April 28, 2007

SCHEDULE M-2

CERTIFICATION OF SPONSOR'S
ENGINEER

CERTIFICATION BY SPONSOR'S ARCHITECT OR ENGINEER
PURSUANT TO 13 NYCRR 20.4(c)

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

RE: 10-50 JACKSON AVENUE CONDOMINIUM

The sponsor of the offering plan to convert the captioned property to condominium ownership retained me/our firm to prepare a report describing the construction of the property (the "Report"). I/we examined the building plans and specifications that were prepared by GENE KAUFMAN ARCHITECT dated 12/10/04 and prepared the Report dated 4/07/2006, a copy of which is intended to be incorporated into the offering plan so that prospective Purchasers may rely on the Report.

I am/we are a registered architect/licensed engineer in the State in which the property is located.

I/We understand that I am/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 this Report.

I/We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

I/We certify that the Report:

- (i) sets forth in narrative form the description of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that I/we examined;
- (ii) in my/our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that I/we examined;
- (iii) does not omit any material fact;

- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment, or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) does not contain any representation or statement which is false, where I/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.

I/We further certify that I am/we are not owned or controlled by and have no beneficial interest in the sponsor and that my/our compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

Signature of Individual or Name of Firm

By: _____
Signature of Individual if prepared by Firm

Title or Position if prepared by Firm

Sworn to before me this
26 day of April, 2006.

Edith Dolan

Notary Public
EDITH DOLAN
Notary Public, State of New York
No. 01D05074714, Suffolk County
Commission Expires, April 28, 2007

SCHEDULE M-3

CERTIFICATION OF SPONSOR'S
EXPERT CONCERNING ADEQUACY OF BUDGET

CERTIFICATION OF ADEQUACY OF BUDGET
PURSUANT TO 13 NYCRR 20.4(d)

Department of Law
State of New York
120 Broadway - 23rd Street
New York, NY 10271

RE: 10-50 JACKSON AVENUE CONDOMINIUM

The sponsor of the condominium offering plan for the captioned property retained our firm to review or prepare Schedule B ("Schedule"), containing projections of income and expenses for the first year of condominium operation. My experience in this field includes being a licensed real estate broker for over twenty (20) years; the management of approximately one hundred (100) buildings; and, the sale of numerous condominium, cooperative, and rental properties. I am familiar with prices, practices, and procedures in the area of this condominium.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the Schedule.

I 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. I also have relied on my experience in managing residential buildings.

I certify that the projections in Schedule appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

I certify that the Schedule:

- (i) set forth in detail the projected income and expenses for the first year of condominium operation;
- (ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;
- (iii) does not omit any material fact;

- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment, or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) does not contain any representation or statement which is false, where I:
 - (a) knew the truth;
 - (b) with reasonable effort could have known the truth;
 - (c) made no reasonable effort to ascertain the truth; or
 - (d) did not have knowledge concerning the representation or statement made.

I further certify that I am not owned or controlled by the sponsor. I understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

First Management Corp.

By: _____

James C. Demetriou
President

Sworn to before me this
1st Day of May, 2006.

Vinodkumar C. Shingwani
Notary Public

VINODKUMAR C. SHINGWANI
NOTARY PUBLIC, State of New York
No. 01SH4799926
Qualified in Queens County
Certificate filed in New York County
Commission Expires Dec. 31, 2009

SCHEDULE M-4

CERTIFICATION OF SPONSOR'S
EXPERT CONCERNING ADEQUACY OF
COMMON CHARGES PAYABLE BY
NON RESIDENTIAL UNIT OWNER

**CERTIFICATION OF ADEQUACY OF COMMON CHARGES
PAYABLE BY NON-RESIDENTIAL UNIT OWNERS
PURSUANT TO 13 NYCRR 20.4(e)**

State of New York
Department of Law
120 Broadway - 23rd Street
New York, NY 10271

Re: **10-50 JACKSON AVENUE CONDOMINIUM**

The sponsor of the condominium offering plan for the captioned property retained our firm to review or prepare Schedule B which includes projections of common charges payable by the owners of the Non-Residential Unit. My experience in this field includes being a licensed real estate broker for over twenty (20) years; the management of approximately one hundred (100) buildings; and, the sale of numerous condominium, cooperative, and rental properties. We are familiar with prices, practices, and procedures in the area of this condominium.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Attorney General in Part 20 insofar as they are applicable to the Non-Residential Unit listed in Schedule B.

I have reviewed Schedule B as it impacts upon the Non-Residential Unit and investigated the facts underlying it with due diligence in order to form a basis for this Certification. I also have relied on my experience in managing residential buildings.

I certify that the projections in Schedule B for common charges payable by the owner of the Non-Residential Unit appears reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such Non-Residential Units for the projected first year of condominium operation, and that the allocation of common charges attributable to the Non-Residential Unit also reflects special or exclusive use or availability or exclusive control of particular common areas.

I certify that the estimates in Schedule B for the common charges payable by the owner of the Non-Residential Unit:

- (i) set forth in detail the projected common charges for the Non-Residential Units for the first year of condominium operation;

- (ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the common charges payable by the owners of the Non-Residential Unit;
- (iii) do not omit any material fact;
- (iv) do not contain any untrue statement of a material fact;
- (v) do not contain any fraud, deception, concealment, or suppression;
- (vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) do not contain any representation or statement which is false, where I (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representation or statement made.

I further certify that I am not owned or controlled by the sponsor. I understand that a copy of this Certification is intended to be incorporated into the Offering Plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the Non-Residential Units for the first year of condominium operation.

This Certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

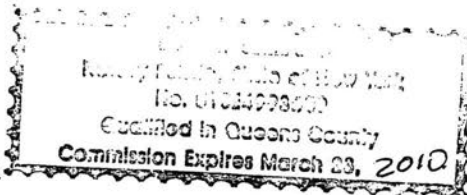
Very truly yours,

By:

James C. Demetriou
James C. Demetriou
First Management Corp.

Sworn to before me this

1 Day of *May*, 2006.



Elaine Sileanu
Notary Public

SCHEDULE N

REAL PROPERTY LAW SECTION 339-kk

REAL PROPERTY LAW**SECTION 339-kk**

The Real Property Law is amended by adding a new Section 339-kk to read as follows:

"§ 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."

This act may be enforced by any party by means of a special proceeding brought pursuant to Article 4 of the Civil Practice Law and Rules.

