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THE BRIDGE SOUTH CONDOMINIUM

THIS PLAN HAS BEEN AMENDED

CONDOMINIUM OFFERING PLAN
FOR
THE BRIDGE SOUTH CONDOMINIUM

2279 THIRD AVENUE
NEW YORK, NEW YORK 10035
THIRTEEN RESIDENTIAL UNITS OFFERED FOR SALE
ONE COMMUNITY FACILITY UNIT OFFERED FOR SALE
ONE COMMERCIAL UNIT NOT OFFERED FOR SALE

THE bridges NYC
SOUTH

RESIDENTIAL UNITS TOTAL PURCHASE PRICE	**$8,410,000**
COMMUNITY FACILITY UNIT	**220,850**
Total Purchase	**$8,630,850**

The prices for these Condominium Units may be changed so that purchasers may pay different prices for similar interests. (See section entitled Changes in Prices and Units)

SPONSOR
2279-2283 THIRD AVENUE ASSOCIATES LLC
c/o 104 EAST 126th STREET
NEW YORK, NEW YORK 10027
(212) 427-8861

SELLING AGENT:
PRUDENTIAL DOUGLAS ELLIMAN
575 MADISON AVENUE
NEW YORK, NY 10022
(212) 891-7000

ATTORNEY FOR SPONSOR
MARTIN SHAW, ESQ.
350 FIFTH AVENUE SUITE 2816
NEW YORK, NEW YORK 10118
(212) 279-4490

THE PLAN CONTAINS CERTAIN SPECIAL RISKS TO PURCHASERS. PLEASE REFER TO PAGE (i).

DATE OF ACCEPTANCE FOR FILING: NOVEMBER 1, 2006.

THE TERM OF THIS INITIAL OFFERING IS TWELVE (12) MONTHS FROM THE ABOVE DATE AND MAY BE EXTENDED BY AMENDMENT TO THE OFFERING PLAN.

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

THE BRIDGE SOUTH CONDOMINIUM

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SPECIAL RISKS

Purchasers are urged to read carefully this section of the Plan that highlights certain issues that are explained more fully in the Plan and to consult with an attorney before purchasing.

1. **SALE OF UNITS:** The Sponsor will endeavor in good faith to sell rather than rent the Units offered for sale in this Plan but Sponsor hereby retains the unconditional right to rent, rather than sell, one or more Unsold Units beyond the number needed to make the Offering Plan effective. Because the Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more than the fifteen (15%) percent of the Units necessary to declare the Plan effective and owner-occupants may never gain effective control and management of the Condominium. Purchasers should note that owner-occupants and non-resident owners including Sponsor may have inherent conflicts on how the condominium should be managed due to their different reasons for purchasing.

If Sponsor makes a bulk sale of all or some of its Unsold Units, the transferee successor Sponsor is bound by the representations regarding Sponsor's commitment to sell Unsold Units as set forth above.

2. **NO BOARD APPROVAL OF PROSPECTIVE PURCHASERS**: The By-Laws does not give the Condominium Board the right to approve or disapprove purchasers and therefore there is not limit on the number of owners who may purchase for investment rather than personal occupancy and therefore it is possible that there will always be a substantial number of Unit Owners who are non-residents.

3. **SPONSOR CONTROL OF THE BOARD**: The initial Board of Managers consisting of three (3) members selected by Sponsor shall control the Board until the first annual meeting of the Unit Owners. At that time, depending on the number of Unsold Units, new members may be elected to the Board. Sponsor shall be entitled to nominate a majority of the members of the Board until the earlier of: (i) the closing of title to Units whose aggregate Common Interest exceeds eighty percent (80%); or (ii) two (2) years from the closing of the first Unit ("First Unit Closing"). Accordingly, it is possible that the Sponsor and/or its designees may control the Board of Managers for as long as two (2) years from the First Unit Closing. Sponsor will not elect a majority of members on the Board of Managers after two (2) years from the First Closing, even though the total percentage of Common Interest may otherwise enable it to do so. Please refer to the Section of the Offering Plan entitled "Control by Sponsor" for further discussion on page 96.

4. **SPONSOR'S VETO POWER OVER CERTAIN EXPENSES:** In addition to the Sponsor's ability to exercise voting control of the Board of Managers as long as it owns a sufficient number of Unsold Units, the Sponsor has reserved certain limited rights to veto specified actions of the Board of Managers for up to five (5) years after closing of the first Unit or whenever the Unsold Units constitute less than twenty-five percent (25%) of the common interests, whichever is sooner, notwithstanding that the Sponsor may not then

exercise voting control of that Board. Voting control of the Board of Managers and such veto power would entitle the Sponsor to determine the level of services provided or made available to Unit Owners except that such veto power may not be exercised over expenses described in Schedule B or other expenses required to: (i) comply with applicable laws or regulations; or (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer. Please refer to the section of the Offering Plan entitled "Control by Sponsor" on page 96 for further discussion.

5. **METHOD OF MEASUREMENT OF UNITS:** Column (2) of Schedule A sets forth the gross square feet of each Residential Unit's dimensions by measuring horizontally by either the unexposed face of the drywall when located at an exterior wall of the Building, or where there are no drywalls, the interior exposed face of the masonry, brick or block exterior walls of the Building and by either the unexposed face of the drywall, or where there are no drywalls, the interior exposed face of the masonry, brick or block demising walls dividing the Unit from other Units or the Common Elements. Vertically, each Residential Unit consists of the space between the upper face of either the sub-floor or concrete floor and the upper face of the drywall ceiling above or where there is no drywall ceiling, the under face of the joists or floor above. The measurements are not based from interior surfaces of interior walls and therefore the dimensions comprising the Unit is less than the area listed in Schedule A.

6. **TIME OF THE ESSENCE TO CURE DEFAULT**: If a Purchaser defaults under his or her Purchase Agreement, the Sponsor shall notify Purchaser in writing of such default and advise Purchaser that he or she has thirty (30) days within which to cure such default. **TIME IS OF THE ESSENCE** for the Purchaser to cure any default under the Purchase Agreement within such thirty (30) day period. "Time of the Essence" means that if the default is not timely cured the Sponsor may elect (but is not obligated) to cancel the Purchase Agreement. In such event the Down Payment, any accrued interest and any other amounts paid by the Purchaser for any actual custom work, upgrades or extras shall be paid over to the Sponsor as and for liquidated damages and thereafter the Purchase Agreement shall become null and void, except for matters (if any) that are expressly stated therein to survive termination thereof. Alternatively, the Sponsor may bring an action against Purchaser for specific performance of Purchaser's obligations under the Purchase Agreement. Please refer to the section of the Offering Plan entitled "Procedure to Purchase" for further discussion on page 56.

7. **PAYMENTS FOR UPGRADES & SPECIAL WORK**: All funds received by the Sponsor for custom work, upgrades or extras must initially be placed in the escrow account with the Escrow Agent. However, Purchasers should note that such funds might be released from the escrow account by the Escrow Agent as long as the Sponsor certifies to the Escrow Agent that such funds will be used for such custom work, upgrades or extras ordered by Purchaser. As a result, in the event a Purchaser is entitled to a rescission, the Purchaser will not receive a refund of any funds released for actual work, upgrades or extras performed on purchaser's behalf. Please refer to the section of the Offering Plan entitled "Procedure to

Purchase" on page 56 for further discussion.

8. **PURCHASE AGREEMENT IS NOT CONTINGENT ON FINANCING UNLESS PURCHASER APPLIES FOR FINANCING THROUGH DESIGNATED MORTGAGE BROKER**: The Purchase Agreement may be made contingent upon the Purchaser obtaining mortgage financing **if and only if** the Purchaser **applies** for a mortgage through Two River Mortgage Company, Inc., a mortgage broker, and otherwise complies with the provisions described in the Plan. Purchasers shall not incur any broker's fees in connection with its application through Two River Mortgage. Neither the Sponsor, nor any other person participating in this offering makes any representations as to the terms, conditions, cost or availability of such financing. Purchasers should be aware that a loan commitment, if obtained, might be effective for a period of time, which could expire before the Closing Date. Some lending institutions may not consider loan applications or issue commitments unless and until an executed Purchase Agreement is first submitted to such institution. While Purchaser must apply through Two River in order to have the Purchaser Agreement be contingent on financing, this does not prevent Purchaser from applying to other lending institutions in addition to its application to Two River. There is no affiliation between Sponsor and the Two River Mortgage. Please refer to the section of the Offering Plan entitled "Procedure to Purchase" on page 56 for further discussion and to Rider A of the Purchase Agreement in Part II of the Offering Plan.

9. **421-a REAL ESTATE TAX EXEMPTION:** The Sponsor's real estate tax benefits specialist has submitted an application for 421-a real estate tax benefits. While Sponsor will use all reasonable efforts to obtain such benefits, no guaranty is made that New York City Department of Housing Preservation and Development (HPD) will approve such application and even if the application is approved there is no certainty as to the date of the commencement of the benefits or the extent of the benefits. In any event, it is not expected that such benefits will be approved prior to the first closing. The result is that Purchasers will be paying real estate taxes for their respective Units at the start of condominium operation as estimated in column 11 of Schedule A on page 23. Column 10 estimates real estate taxes per Unit under the 421-a benefits. If the benefits are granted and Sponsor receives a refund retroactively for payment of real estate taxes, Sponsor shall apportion such refund with Unit Owners on the basis of their respective closing dates and their percentage of Common Interest. Please refer to item (7) of page 5 of expert's letter on page 127 of the Plan.

10. **WINDOW GUARDS**: Each Unit Owner shall notify the Condominium Board or the Managing Agent, if any, in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. Each Unit Owner shall install, at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable law and in any event, without prior written notice to the Managing Agent. Please refer to section entitled "Management Agreement, Contracts and

11. **MANAGEMENT AGREEMENT**: At or prior to the First Unit Closing the Condominium Board of Managers will enter into a management agreement with Andrea Bunis Management Company ("Bunis Management") for an initial term of two (2) years. The management fee provided in the Budget is at the prevailing rate for similar type buildings. This agreement cannot be canceled by the Board during the first year of condominium operation except for cause. The Sponsor and Bunis Management are not affiliated in any way. Bunis Management may assign such contract provided such assignment conforms to terms as provided herein. Please refer to the section of the Offering Plan entitled "Management Agreement, Contracts and Leases" for further discussion, see page 142.

12. **DECLARATION OF EFFECTIVENESS**: Pursuant to existing law and regulations the Sponsor may declare the Offering Plan effective by selling a minimum of fifteen percent (15%) of the Units in the Building offered for sale, that is, two (2) Units of the thirteen (13) Residential Units offered for sale. Even if the Plan is declared effective with three or more sales, it is possible that the Sponsor may be able to convert the Building with fewer number of sales, if Purchasers counted towards effectiveness do not ultimately purchase a Unit. Please refer to the section entitled "Effective Date of Plan" on page 68.

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

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

13. **PURCHASER'S OBLIGATION FOR TRANSFER TAXES**: Purchasers will be required to pay the Real Property Transfer Tax (RPT) of the City of New York and the Real Estate Tax of the State of New York which by law are the primary obligation of the Seller. Although transfer taxes are customarily paid by the seller in single-family and other covered transactions, the responsibility for payment of such taxes may be modified by contract. The New York City Department of Finance and New York State Department of Taxation and Finance each take the position that, where the Purchaser pays such taxes, the amount thereof will be added to the taxable consideration. The current transfer taxes are as follows: $2 per $500 of the price of the Unit payable to the New York State Department of Taxation & Finance; one percent (1%) of the Purchase Price of Units selling for under $500,000 or 1.425% for Units selling above $500,000 payable to New York City Department of Finance. Purchasers should note that Units selling above one million dollars are subject to the so called "mansion tax" which is one (1%) of the purchase price and is payable at closing to the

called "mansion tax" which is one (1%) of the purchase price and is payable at closing to the State of New York Department of Taxation and Finance. In addition, Purchasers will be required to pay $1,300 to Sponsor's attorney at closing for the preparation of closing date documents and attendance at the closing. All closings will be held at the office of Sponsor's attorney. A fee of $250 will be charged for any Unit closing held outside the office of Sponsor's attorney or as designated by Sponsor. Please refer to the Section of the Offering Plan entitled "Unit Closing Costs and Adjustments" on page 76.

14. **NO FULL TIME OR LIVE-IN SUPERINTENDENT**: The Projected Budget for the First Year of Condominium Operation includes the estimated salary of a part-time, non-resident janitor who shall reside within 200 feet of the Property. Please refer to the Section of the Offering Plan entitled Footnotes to Schedule B, page 33.

15. **PROVISION FOR A WORKING CAPITAL FUND BUT NO RESERVE FUND:** There is no provision for a specific reserve fund for the Condominium for the purpose of paying the cost of future capital repairs, replacements or improvements to the Premises (except that each Purchaser of a Unit shall pay into the Working Capital Fund of the Condominium a sum equal to two (2) months of Common Charges for the Unit being purchased). Therefore, Unit Owners shall be obligated to pay their share of the cost of repairs, replacements and improvements to the Common Elements as the need for the same arises, unless there is sufficient Working Capital or other funds available. As the Building is being newly constructed, the Sponsor does not anticipate the need for such substantial capital repairs, replacements or improvements within five (5) years subsequent to the First Unit Closing. However, no assurance or guaranty is given that such need shall not arise. Please refer to the Sections of the Offering Plan entitled "Reserve Fund" and "Working Capital Fund" for further discussion set forth on page 141.

16. **RIGHTS OF SPONSOR**: Unlike Purchasers, the Sponsor or its designee or the Commercial Unit Owner or the Community Facility Owner shall not be required to obtain the consent of the Board, the Unit Owners or any of its agents, to do alterations, repairs or improvement (and for any permits or agency approvals required for such repairs or alterations) to any of its Units, provided that such alterations, repairs or improvements comply with applicable laws. Other rights are also reserved for Sponsor or its designee. Please refer to page 84 for further discussion.

17. **COMMERCIAL UNIT AND COMMUNITY FACILITY UNIT:** The non-residential Units in the Building are not restricted to their present uses provided any proposed change is lawful and in accordance with the Building's certificate of occupancy. The certificate of occupancy may be amended to provide other lawful uses. The Owners of such Units may change the size of the Units, subdivide and re-combine after sub-division provided the Plan is amended, the building code and zoning code are complied with, and the Declaration is amended, if applicable.

18. **BOARD'S RIGHT OF FIRST REFUSAL**: As more particularly described on page 103, a Unit Owner may sell or lease his Unit provided he first gives the Condominium Board notice of his intention to sell or lease his Unit and an opportunity to

purchase or lease, as the case may be, at the same price or rental and on the same terms as are offered in good faith by a prospective purchaser or lessee. The Sponsor, its designee, the owners of the Commercial Unit and the owners of the Community Facility Unit are not subject to such restriction. See also By-Laws, Article VII.

19. **LIMITATIONS OF FEDERAL INSURANCE FOR DEPOSITS**: Down payments or advances in excess of $100,000 made by Purchasers which are held in escrow by the Escrow Agent will not be federally insured in excess of $100,000 and while the Down Payment is in the non-interest bearing checking portion of the Master Escrow Account, the Down Payment may not be fully federally insured even if the Down Payment does not exceed $100,000. In the event the Purchaser has other accounts in the same Escrow Bank and such funds in the aggregate exceed $100,000, the excess thereof shall not be federally insured. See Section entitled "Procedure to Purchase" in Part I, page 56.

20. **RISK OF FIRE IS OBLIGATION OF SPONSOR UNLESS UNIT IS OCCUPIED PRIOR TO CLOSING**: The risk of loss from fire or other casualty with respect to the Unit shall remain with the Sponsor until the closing of title for the Unit. Notwithstanding the above, in the event a Purchaser enters into possession of the Unit prior to the closing of title or in the event of unauthorized use, then the Purchaser shall bear the risk of loss or other casualty with respect to the Unit. Accordingly, any Purchaser, or anyone claiming by or through a Purchaser, who takes possession of the Unit prior to the closing of title should obtain insurance coverage for the Unit prior to taking possession, since, despite any loss, Purchaser will remain obligated to purchase the Unit under the terms of the Purchase Agreement, without any abatement in the purchase price. Please refer to the Section of the Offering Plan entitled "Procedure to Purchase" for further discussion.

21. **PURCHASER MAY NOT ADVERTISE OR PROMOTE THE SALE OR RENTAL OF UNITS PRIOR TO CLOSING OF TITLE:** Prior to the closing of title to a Unit, the Purchase Agreement prohibits a Purchaser from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease. See "Purchase Agreement" in Part II, Paragraph 9(b).

22. **SPONSOR WILL NOT PROVIDE A BOND OR OTHER SECURITY**: No bond or other form of collateral security has been or will be furnished by the Sponsor to secure performance of its obligations under the Plan. The Sponsor's ability to perform such obligations shall depend upon its financial condition if, as and when called upon to perform the same. Please refer to the Section of the Offering Plan entitled "Rights and Obligations of Sponsor" for further discussion on page 84.

23. **CERTIFICATE OF OCCUPANCY**: Sponsor is obligated to obtain, at minimum, a residential Temporary Certificate of Occupancy ("TCO") prior to closing of the first Residential Unit being conveyed, and will after the issuance of a TCO, use its best efforts to obtain a permanent residential Certificate of Occupancy ("CO") for the Building at Sponsor's own cost and expense within two (2) years of the first Unit closing.

If Sponsor is unable to obtain the permanent Certificate of Occupancy in said time period, it will extend the time of the TCO. A permanent Certificate of Occupancy is required for permanent residential use of the Property. As long as a temporary or partial Certificate of Occupancy has been issued that covers a Unit, a Purchaser of such Unit may not delay or adjourn the closing. A TCO may only be renewed for a total period of two years from the date of its original issuance, and if it should expire prior to the issuance of a permanent Certificate of Occupancy, it must be extended or residential occupancy of the Property will be in violation of the Multiple Dwelling Law, subjecting occupants and the Condominium and its Board of Managers to penalties under the Multiple Dwelling Law including eviction of residential occupants. Prior to the issuance of a permanent residential Certificate of Occupancy, Purchasers will not be permitted to make alterations or improvements to their Units, other than painting or minimal repairs. Sponsor shall have no obligation to perform any work, alterations, or improvements of any nature with respect the interior of the sold Units except as describe in the Plan. See page 84 in Part I of the Offering Plan. Sponsor projects March 1, 2007 as completion date for construction.

24. **CONDOMINIUM POWER OF ATTORNEY**: In addition to permitting the Board of Managers to acquire or otherwise deal with a Unit, the Power of Attorney permits the Sponsor, without the consent or approval of the Condominium Board or the Unit Owners or the managing agent or other representative to amend the Declaration and the floor plans, the By-Laws or the House Rules and Regulations at any time to reflect changes made by Sponsor to Unsold Units or to make changes required by an institutional lender, governmental agency or title insurance company even when the Sponsor no longer controls the Board, or in order to comply with Sponsor's obligations under the Plan. The Power of Attorney also permits the Condominium Board of Managers to act on behalf of the Unit owners in exercising its right of first refusal to purchase and rent Units. Failure to execute and file the Condominium Power of Attorney shall be deemed a default under the terms of the Purchase Agreement and this Plan. Please refer to the form of the Condominium Power of Attorney in Part II of the Plan.

25. **NO RESTRICTIONS ON SPONSOR TO MAKE CHANGES OR ALTERATIONS**: The Sponsor or its designee shall have the right to subdivide any Unsold Units or combine one or more Unsold Units or make other alterations without the consent of the Board of Managers, its agents, Unit Owners or anyone else provided such changes in size or number of Units is disclosed in an amendment to the Offering Plan and any relevant condominium documents. Please refer to the section in Part I of the Offering Plan entitled "Changes in Prices and Units" on page 53 and Article 16 of the Declaration in Part II.

26. **TERRACES OF UNIT OWNERS ARE A LIMITED COMMON ELEMENT**: Units 3C, 6A, 7A, and 7B have private terraces. Additionally, Units 7A and 7B also have exclusive use of portions of the main roof as roof terraces. The obligation for maintaining and repairing the surface of such terraces and roof terraces shall be the obligation of the Unit Owner with exclusive use thereof. Any structural repair or replacement of such terraces shall be a common expense of the Condominium.

Terraces may not be enclosed. Decks or other structure proposed to be built by any of the 7th floor Owners may only be considered after the issuance of a permanent Certificate of Occupancy and shall require the prior consent of the Sponsor as long as Sponsor owns any Unsold Units and thereafter, the prior consent of the Board. The surface material of the terraces shall be code compliant to permit recreational use and the use of terrace furniture. Such terrace spaces may not be used for storage of any items whatsoever or for cooking and barbecuing.

The balance of the roof is a Common Element.

27. **LOT LINE WINDOWS**: Lot line windows are windows situated along the Property line. Lot lines windows are located on the south side of this Property. Units 3A, 4A & 5A have two lot line windows in the living room, one in the kitchen and one in the bathroom. To the best of Sponsor's knowledge, there are no present plans for development in the area immediately surrounding the building. Said windows are not permitted to count as legal air and light for habitable rooms under the Multiple Dwelling Law. Additionally, Sponsor is required to provide adequate fire protection for lot line windows in the form of sprinkler line and heads over each such window. In the event that an adjacent structure should be built, the building code may require such windows to be replaced or sealed up. If such situation should arise, the cost of such work of replacing or sealing the windows shall be the obligation of the Owner of the affected Unit. The Condominium shall be responsible for maintaining as a common expense the sprinkler lines and heads located above each lot line window.

28. **LATENT DEFECTS**: The Sponsor shall be deemed to have discharged any obligation it may have with respect to patent or latent defects, as the case may be, if (i) the Sponsor is not notified within the time periods specified herein (60 days after the first unit closing for patent defects and 180 days after the first unit closing for latent defects) or (ii) the Board of Managers and/or the Unit Owner in question prevents the Sponsor, the Sponsor's contractors or agents and/or the Managing Agent reasonable access to the Building or the Unit in question as provided herein, or (iii) the Sponsor shall have corrected the defect in accordance with the practice of the industry as determined by the Sponsor's general contractor or architect or engineer, in their sole discretion; or (iv) the Unit Owner has commenced any type of construction work in his or her Unit.

INTRODUCTION

The Nature of the Transaction

The Sponsor and owner of the Property, 2279-2283 Third Avenue Associates, LLC , a New York limited liability company, acquired the Property, a vacant lot ('the Land"), located at 2279 Third Avenue, New York, New York 10035 by deed dated June 25, 2004 on which land the Sponsor intends to construct a new seven-story residential Building that will consist of thirteen (13) residential units ("Residential Units"), one (1) commercial triplex unit ("Commercial Unit") and one (1) community facility unit ("Community Facility Unit") (collectively the "Building"). The uses of the Community Facility Unit is set forth in the New York City Zoning Resolution to such uses including, but not limited to educational facilities, rehabilitation centers, day care centers, senior centers, library, medical and professional offices.

The Condominium shall be known as **THE BRIDGE SOUTH CONDOMINIUM.** Upon the sale of at least fifteen percent (15%) or two (2) of the Units being offered for sale, the Offering Plan may be declared effective. A Declaration submitting the property to Article 9B of the Real Property Law of the State of New York, as amended, commonly known as the New York Condominium Act, together with the By-Laws and the Floor Plans will be recorded prior to conveyance of title to the first Residential Unit. The Declaration to be recorded at the New York City Register's Office will be substantially similar to same set forth in Part II of the Offering Plan and will not be changed so as to adversely affect the purchaser.

The Property

In addition to the Units, the Building shall contain a cellar, as well as a residential common area in the cellar, private terraces, roof terraces, and a residential common terrace. There will be two automatic passenger elevators, one servicing cellar to the second floor and one passenger residential elevator servicing the cellar, first, and third floor to the seventh floor. Sponsor contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery or inability to obtain materials, governmental restrictions or delays conducting inspections, construction of the Building will be substantially completed to permit closings by March 1, 2007 (the "projected date"), although completion of the entire Building may extend beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be relieved from any obligation under the terms of the Purchase Agreement, if the First Title Closing occurs earlier or later than the projected date. If the projected commencement of condominium ownership is delayed beyond twelve months from the projected date, Sponsor will amend the Offering Plan to include a revised operating Budget and: (i) if such revised Budget increases the Common Charges by 25% or more, or (ii) the First Title Closing does not occur within twelve (12) months of the projected date cited above, then in either case, Sponsor will offer all Purchasers a right of rescission for fifteen (15) days from the Presentation Date of the

amendment. Refunds of Down Payments, with interest earned thereon, if any, will be made promptly to any Purchaser who elects to rescind. Please refer to the section entitled "Description of Property and Improvements" on page 18 in Part I and the Architect's Report in Part II of the Offering Plan.

The Commercial Unit may be used for any lawful purposes provided such use is in compliance with the Building's certificate of occupancy as same may be amended and the New York City Zoning Resolutions. Certain uses such as adult entertainment establishments, adult book shops, drug paraphernalia shops, massage parlors, labor department, dry cleaners, or OTB parlors are strictly prohibited. The Condominium Board shall have no right to restrict the uses, other than herein set forth, or the subdivision of the Commercial Unit which are permitted by law. Applicable zoning ordinances and the Condominium Declaration and the Condominium By-Laws. Additionally, the Commercial Unit Owner(s) shall have the right to make alterations, additions, improvements or repairs to their Unit(s), to subdivide the Unit or later recombine a subdivided Unit without the approval of the Board of Managers. The Sponsor or its designee or the Commercial Unit Owner shall have the right and an easement, without charge and without the consent of the Board of Managers, to install, connect to, repair and maintain, and replace if necessary mechanical equipment, flues, or chimneys at the Building which service the Commercial Unit. The Commercial Unit shall pay its fair share of the Common Charges and the real estate taxes based upon the assessed valuation of the Commercial Unit at the time of closing and the then current tax rate. Until such time the individual tax lots are established, the Commercial Unit shall pay its proportionate share of the real estate taxes due for the entire property on the basis of the Commercial Unit's percentage of Common Interest.

The Community Facility Unit is restricted by the New York City Zoning Resolution to such uses as educational facilities, rehabilitation centers, day care centers, senior centers, library, medical and professional offices. The Owner of the Unit may subdivide the Unit into two or more Units or recombine them and do alterations and improvements without the prior consent of the Board of Managers. The Owner may sell or lease the Unit without the Board's right of first refusal. The Community Facility Unit shall pay its fair share of the Common Charges and the real estate taxes based upon the assessed valuation of the Community Facility Unit at the time of closing and the then current tax rate. Until such time the individual tax lots are established, the Community Facility Unit shall pay its proportionate share of the real estate taxes due for the entire property on the basis of the Community Facility Unit's percentage of Common Interest.

Offering of Units for Sale

All the Units, other than the Commercial Unit and the Community Facility Unit, are intended to be sold as Residential Units in accordance with this Plan at the prices noted in Schedule A contained herein on page 23. The Commercial Unit is not being offered for sale at this time. The Sponsor retains the right to offer the Commercial Unit for sale at a future time by amendment to the Plan. The offering prices may be changed from time to time by

the Sponsor as described in this Plan in the Section entitled "Changes in Prices and Units" on page 53. Therefore, Purchasers may pay or may have paid different prices for the same or similar Units. **THE OFFERING PRICES FOR THE UNITS HAVE BEEN ESTABLISHED SOLELY BY THE SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.** Schedule A also contains the financial details of all the Units such as the estimated monthly common charges and estimated real estate taxes. The offering prices include fixtures and appliances described more fully in the Architect's report in Part II of the Plan.

Schedule B, the projected annual Budget for operating expenses for the first year of condominium operation, is set forth on page 31. Common Charges are levied in proportion to the interest in the Common Elements appurtenant to each Unit. Sponsor's analysis is based on the approximate proportion that the floor area of the Unit bears to the aggregate floor area of all Units is pursuant to Real Property Law Section 339-i and includes such other factors as the Unit's unique location within the Building, light, air, and view.

The Plan will be made effective upon the sale of at least 15% (or 2 Units) of the thirteen (13) Residential Units offered for sale in the Plan are purchased by bona fide purchasers for occupancy. The Sponsor will amend the plan to disclose that the Plan was declared effective by Notice to Purchasers. Please refer to the section entitled "Effective Date of Plan" on page 68.

The Sponsor's construction loan does not contain any restrictions as to the number of sales prior to declaring the Plan effective.

Sponsor reserves the right to offer the Residential Units in such order of priority as it may determine, and to withhold one or more Residential Units for future sale or lease. Sponsor also has the right to limit the number of Residential Units sold to any one Purchaser.

The Sponsor will endeavor in good faith to sell the Residential Units offered for sale in this Plan rather than rent them. But Sponsor hereby retains an unconditional right to rent rather than sell its Unsold Residential Units above the number of Units necessary to make the Plan effective and therefore it is possible that owner-occupants may never gain effective control and management of the Condominium.

If Sponsor makes a bulk sale of all or some of its Unsold Residential Units, the transferee successor sponsor is bound by Sponsor's representations regarding its commitment to sell Units.

Effective November 5, 2004, owners of Class A multiple dwellings in New York City, which include Condominium Units, must install carbon monoxide detectors. The law requires the owners of residential Condominium Units to maintain the detectors.

The purpose of the Plan is to set forth all the material terms of the offer so that prospective Purchasers have an adequate basis upon which to determine whether to purchase Units in the Condominium. The Plan is presented in two parts that together constitute the entire Plan. Part I sets forth the general description of the Plan and Part II contains the basic documents necessary to effectuate the provisions of the Plan. The Plan may be amended from time to time when an amendment is filed with the New York State Department of Law. All filed amendments will be served on (i) Purchasers who have executed and delivered Purchase Agreements to the Sponsor or the Selling Agent and whose Purchase Agreements are then in full force and effect, (ii) Unit Owners, and (iii) any other Person who is required by law or regulation to receive such amendment (collectively, "Offerees"). Service shall be either by personal delivery, ordinary mail or registered or certified mail, with or without return receipt requested, addressed to the Offeree at the last known residence of such Offeree or, if the Offeree has provided written information of an alternative address for notices, addressed to the Offeree at such alternative address or the Offeree's attorney. Service by personal delivery is deemed complete upon delivery. Service by mail shall be presumed complete on the fifth day after the date of mailing. Copies of the Offering 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 will be available for inspection without charge and for copying at a reasonable charge to prospective purchasers and their attorneys at the site whenever the on site sales office is open and at the office of the selling agent or Sponsor. Copies of the Plan and all exhibits thereto will also be available for inspection without charge and for copying at a reasonable fee at the Department of Law, Office of the Attorney General, 120 Broadway, New York, New York 10271.

Features of Condominium Ownership

The ownership of a Residential Condominium Unit is similar in many respects to the ownership of a private home. The Unit Owner owns the Unit in fee simple absolute and is entitled to the exclusive possession and use thereof. Each Unit Owner is entitled to use and own the "Common Elements" subject to its intended use in common with all other Unit Owners in the Building. The Unit's undivided interest in the Common Elements of the Property is known as "Common Interests". The Common Elements, more particularly described in the Declaration in Part II of the Plan, include the land upon which the Building is built, the roof, the foundations and supports of the Building, and all other parts of the Property other than the Units. Each Unit's proportionate share of the Common Elements has been determined upon the basis of such Unit's floor space, location, uniqueness, overall dimensions and similar factors of relative value to other space in the Condominium pursuant to Section 339-i 1(iv) of the Real Property Law, which is part of Article 9-B of the Real Property Law of the State of New York (hereinafter called the "Condominium Act"). Any portion of the Common Elements of the Property, other than the Units themselves, which are for the exclusive use of one or more specified Units to the exclusion of all others, is known as "Limited Common Element". In this Plan the terraces are designated "Limited Common Elements". The Sponsor shall have a right to designate portions of the Common Elements

as Limited Common Elements in connection with combining or subdividing of Units as per the terms of the Declaration.

Subject to certain conditions contained in the By-Laws and in the section "Procedure to Purchase of Part I, Unit Owners are privileged to mortgage their Units with a lender and in such amount and terms as they choose. Sponsor makes no representations or warranty as to the financibility of any Unit or the terms and conditions upon which institutional financing may be available. No Unit Owner shall be permitted to encumber any Unit with a third mortgage. The Purchase Agreement is not contingent on financing unless Purchaser completes and signs the Rider to the Purchase Agreement.

Each Unit is separate and is not subject to the lien of any mortgages placed by other Unit Owners on their respective Units.

Except as noted in the next paragraph, Residential Unit Owners can sell or lease their Units to anyone without restriction but subject to a right by the Condominium to acquire or lease the Residential Unit or produce a third party to acquire or lease the Residential Unit on the same terms as were offered to the Owner of the Residential Unit. This is known as the Condominium's "Right of First Refusal" and is more fully described in the section of the Plan "Board of Managers" and in the Purchase Agreement. No Residential Unit can be sold without a simultaneous sale of the undivided interest in the Common Elements appurtenant to such Unit. An Owner is free to make a gift of his Unit to anyone during his lifetime or to devise his Unit by will or have it pass by intestacy without restriction or right of first refusal.

The Board does not have the power to approve or disapprove a potential purchaser and as a result there is no limit on the number of purchasers who may purchase for investment or resale rather than for personal occupancy. Therefore, it is possible that there may always be a substantial percentage of owners who are non-residents. It is possible that those Residential Unit Owners who occupy their Residential Units may have different interests than those Residential Unit Owners who purchase such Units as an investment.

The Sponsor, Sponsor's designee, the Community Facility Owner, and the Commercial Unit Owner are not subject to the right of first refusal by the Board or any restrictions as to their rights to sell, rent, or mortgage at their option or as to the use of any of their Units provided such use conforms to the property's Certificate of Occupancy. They do not need the consent of the Board of Managers or Unit Owners to make repairs or alterations provided all work permits have been issued (and copies delivered to the Board of Managers) and the applicable sections of the By-laws are complied with. Such Owners are not obligated for any payment of transfer or rental fees provided for in the Plan or imposed by the Board of Managers at a future time.

Unit Owners can alter and decorate the interiors of their Units in any way they desire, subject to compliance with the By-Laws, the House Rules and Regulations, laws and local codes, and they are responsible for the cost of their own interior decoration, maintenance

and repairs after Closing. **Prior to the issuance of a permanent Certificate of Occupancy for the Building, other than decoration or minor repairs, no Unit Owner (other than Sponsor or its designee or the Owners of the Commercial Unit and the Community Facility Unit) may make any repairs, improvements, alterations or replacements of any nature.** After the permanent Certificate of Occupancy is issued, no substantial repairs or alterations may be performed by Unit Owners (other than Sponsor or its designee or the Owners of the Commercial Unit and the Community Facility Unit) that requires a filing with the Buildings Department or if such work will disrupt the building services, without the prior consent of the Sponsor for so long as Sponsor or its designee owns any Unsold Units, or, thereafter, the Condominium Board, as the case may be.

An Owner of a Unit with a terrace ("Limited Common Elements") shall have exclusive use thereto subject to any and all House Rules and Regulations implemented by the Condominium Board and is responsible for all normal maintenance, repairs and replacements thereto. However, the costs and expenses of any structural or extraordinary repair or replacement to a Limited Common Elements (including leaks that are not caused by the negligence of the Unit Owner having access to same) shall be charged to all Unit Owners as a Common Expense. The type, size and quantity of plantings and other installations to be placed on terraces shall be subject to the prior written approval of the Sponsor or its designee as long as it owns any Units and thereafter the Board of Managers and shall be in compliance with Law.

The Common Interests of each Unit in the Common Elements has been based upon the floor space subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv). The Residential Common Interests of each Residential Unit in the Residential Common Elements is apportioned in the same proportion that the Residential Unit bears to the aggregate Common Interests of all the Residential Units in the Condominium.

The aggregate Common Interests of all Units equals 100%. The percentage of Common Interests is the basis for determining a Unit Owner's share of operating costs of the Building, real estate taxes until the allocation of tax lots, voting privileges, distribution of proceeds in the event of fire damage, etc.

The Sponsor will apply to divide the Property into separate tax lots for each Unit and its Common Interest, which Unit will then be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will then be responsible for payment of his real estate taxes, but not the real estate taxes of any other Unit Owner. The amount of the tax assessed against any Unit will depend upon various factors affecting value, including but not limited to square footage, location of the Unit, purchase price and other factors considered by the taxing authorities. Until separately assessed, real estate taxes assessed against the Property will be treated as a Common Expense paid by the Board from funds collected from the Unit

Owners according to each Unit's percentage of Common Interests. After the Units are separately assessed, each Unit Owner will be responsible for own real estate taxes as billed by the New York City Department of Finance.

In the opinion of Shaw & Associates by Martin Shaw, Esq., counsel to the Sponsor, which opinion is set forth in full in Part I of the Plan ("Counsel's Tax Opinion Letter") on page 135, under present income tax laws, a Residential Unit Owner who uses a Residential Unit as his or her principal or secondary residence and who itemizes deductions, may deduct from his income, for Federal, New York State and New York City income tax purposes, real estate taxes and the interest paid on the mortgage, if any, subject to the exceptions and limitations discussed in the Counsel's Tax Opinion Letter. (See the Section of the Plan entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium", on page 131).

The operation and management of the Condominium will be vested in the Board of Managers as provided in the By-Laws. The members of the Board are either designated by the Sponsor, depending on the percentage of Unsold Units owned by Sponsor or its designee, or elected by the Unit Owners as provided in the By-Laws. The Board is empowered to determine an annual operating Budget setting forth the Condominium's estimated operating expenses in maintaining and operating the Common Elements and other expenses set forth in Schedule B. The Board will assess against each Unit Owner, in proportion to his respective percentage of Common Charges in accordance with the New York State Condominium Act, Real Property Law Section 339(i) and (m), including the Commercial Unit and the Community Facility Unit. Each Unit will be individually metered for electrical consumption the cost of which will be the responsibility of the Unit Owner as and when billed. Gas used for heat and hot water, and gas for cooking shall be a Common Expense. Water meter and Sewer charges are also Common Expenses. The Commercial Unit and Community Facility Unit will have separate electric meters.

Each Unit Owner is obligated to comply with the Declaration, the By-Laws, the House Rules and Regulations of the Condominium and resolutions of the Board of Managers. Each Unit Owner shall also be responsible for maintaining and repairing his or her own Unit. The cost of maintenance and repair of the Common Elements and structural repairs and replacements of the Common Elements and Limited Common Elements shall be shared by all Unit Owners as provided above. Each Unit Owner shall have the same rights of access to and the use of and benefit of the Common Elements. Each Unit Owner shall also be responsible for obtaining, maintaining and bearing the cost of casualty and liability insurance in connection with his Unit, the fixtures, equipment and personal property located therein and (in the case of liability insurance) occurrences in or about the Unit. The Board of Managers shall have the duty of obtaining and maintain fire insurance, casualty and liability insurance on behalf of the Condominium with respect to the Building as a whole.

Unit Owners have the right to vote for members of the Board of Managers at the annual meeting of the Unit Owners with the number of votes allocated to each Unit Owner

determined by the Unit Owner's percentage of Common Interest except that until 80% (or 11 Units) of the Unsold Residential Units are sold or two (2) years from the date of the First Closing, the Sponsor shall control the Board by designating all the members during the "Initial Control Period" and thereafter, designating a majority of the Board until 80% of the Units are sold. All members of the Board shall be Unit Owners. A mortgage representative of a Unit after a judgment of foreclosure and a sheriff sale shall be eligible to be a Board member. Other than the Sponsor or Sponsor-designee or the Owner of the Community Facility Unit or the Commercial Unit and their representatives on the Board, the majority of members of the Board and a majority of the officers of the Board must be an Owner-occupant or adult members of an Owner-occupant's household. A principal or designee of a corporate Owner or similar entity who resides in the Unit is eligible to be a Board member. The Board of Managers shall have the authority to manage and administer the affairs of the Condominium, including, but not limited to, the determination of Common Charges and the adoption of Rules and Regulations covering the Condominium. Please see the Section of the Plan entitled "Rights and Obligations of the Unit Owners and the Board of Managers" on page 103 for further discussion.

Units may be purchased by an individual or individuals, or by a duly formed partnership, or corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity permitted to own real property in the State of New York. Notwithstanding the foregoing, the Sponsor represents that it will endeavor in good faith to sell, in a reasonably timely manner, the Units offered for sale herein, but may, if it chooses, withhold one or more Units for future sale because of declining market prices. Depending upon market condition, the Sponsor may dispose of remaining Unsold Units by selling to investors, renting to tenants or for occupancy by relatives or others.

The number or percentage of Units owned by non-resident Owners cannot be anticipated at this time. Purchasers should be aware that the ability to finance the purchase of a Unit with a bank or other lending institution or to re-finance a mortgage may depend, in addition to Borrower's personal financibility, on the ratio of Owner-occupied Units to non-resident Owners in the Condominium.

Sponsor has obtained a construction loan form Commerce Bank, N.A. with an office at 317 Madison Avenue, New York, New York. The terms of the mortgage has no requirements concerning rentals or a minimum number of sales prior to declaring the Plan effective but requires that in consideration of granting a release of the Unit closing, the Mortgagee shall receive cash proceeds equal to the greater of ninety (90%) percent of the gross sales proceeds per Unit or a minimum release price set by the Bank.

The Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without the consent of the Board of Managers, any Unit Owner or mortgagee, to refuse to approve and execute (a) a Purchase Agreement for any Unit and (b) a Purchase Agreement or Purchase Agreements, as the case may be, for more than one Unit to

any one person or entity; provided, however, that, in either event, the Sponsor shall not discriminate against any person because of race, creed, color, sex, sex orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by law (see the Section of the Plan entitled "Procedure to Purchase" on page 56 for more details). The Sponsor will not accept an offer of purchase from an individual younger than eighteen (18) years of age or an incompetent under the law.

The Plan contains all of the material terms of the transaction. 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 will be available for inspection upon reasonable notice without charge and for copying at a reasonable charge to prospective Purchasers and their attorneys at the office of the Sponsor or Sponsor's attorney.

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.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The Condominium is located at 2279 Third Avenue, New York, New York. The Land has an area of approximately 4,150 square feet and the Building will measure approximately 29,847 square feet. The Property is located on the south-easterly side Third Avenue and 124th Street. The Property is located in C4-4 (R-7 equivalent) zoning, that permits residential, commercial and community facility uses.

Construction of the seven-story Building, pursuant to approved plans by the Department of Buildings of the City of New York, started in 2005 and is projected to be substantially completed about March 1, 2007. The Building has a cellar and shall have one automatic passenger elevator servicing cellar, ground floor and third through seventh floor and one commercial elevator servicing cellar thru the second floor. The elevators have a 2,000 lbs. capacity for 13 persons maximum per use. The cellar level contains one (1) community storage room for the residential condominium units, compactor room, electric meters, gas meters, boiler room, and mechanical equipment space. The cellar also contains a half-bath and a superintendent's office. The Building will supply gas for central heat and hot water to the Units by way of Packaged Terminal Air Conditioning (PTAC) units (hot water circulating through heating coils). Domestic hot water is produced by two (2) gas-fired A.O. Smith hot water heaters, model HW-225M 225 MBH input, three (3) 120 gallon storage tanks. There will be two (2) gas meters to supply heat, hot water and gas used for cooking. Con Edison will supply natural gas to the Building. Heating and cooling for each Unit will be via PTAC units.

There is an outdoor common residential roof terrace with access through the 3rd floor.

Each Residential Unit will be connected to an intercom (model GF-Multi Unit Audio Video Entry System by AIPHONE) and remote door release system with an annunciation panel located at the lobby. Each Residential Unit will be provided with one unit station for communication. All residential Units will have cable television and telephone connection terminals.

In addition to the Commercial Unit and the Community Facility Unit, the Condominium shall consist of thirteen (13) Residential Units of varying sizes from approximately 745 SF to 1,305 SF and will be located on floors 3 thru 7. All Residential Units shall have one or two bedrooms in addition to a living room/dining area and a kitchen/kitchenette. Some Units have terraces (3C, 6A, 7A, and 7B). Units 7A and 7B each have a roof terrace. All Residential Units have wood floors throughout except the bathroom floors that have ceramic tile. Kitchens will be supplied with GE appliances or equal. Water closets and lavatory will be by Kohler or equivalent.

The Building and the Units are more fully described in the Architect's Report, "Description of Property and Building Condition", set forth in Part II of the Plan.

The Building will be constructed concrete columns and concrete reinforcing walls on the cellar floor and steel on the 1st and 2nd floors. Masonry bearing walls with steel reinforcing shall be located at the 3rd-7th floors. Floor construction shall consist of concrete on metal deck on metal joists supported by steel beams on the 1st, 2nd and 3rd floors and concrete plank covered by floor finishes on the 4th through 7th floors. The foundation of the building will consist of a new reinforced concrete mat slab, footings and concrete foundation walls. Walls and steel columns will rest on the foundation walls and footings. The four main facades of the building will be made of brick with cast stone lintels, spandrels and sills. Local law 10 is applicable. And regularly scheduled façade inspection and maintenance shall be required. The Building is built according to anti-seismic regulations as required by law for new construction. Local Law 10 applies to the Property so façade inspection and maintenance shall be required. Insulation will be installed as per New York City Building code and as required for conformance with New York State Energy Code.

Windows for all units will be extruded aluminum with a painted finish and a minimum ½" thick insulated glazing. All windows will be "double hung" or slider type by Northern Windows or equal. No screens or storm windows are supplied. Window guards will be provided in accordance with NYC Health Code.

Lot-line windows are proposed on the south side of the building. These windows are to be anodized painted aluminum with minimum ½" insulated safety glass and with a sprinkler head located just above it in accordance with NYC building laws. Lot-line windows do not provide the legal light and air required for residential occupancy and provide supplementary light and air only. In the event that in the future construction is proposed to an adjoining property next to the Building's windows, the Building's affected windows may need to be sealed in accordance with NYC building laws at the expense of the Condominium Unit Owner of the affected Units. The subsequent sealing will not affect the validity of the Building's certificate of occupancy.

No storage of furniture, bicycles or miscellaneous items shall be permitted on the terraces. No cooking or barbecuing on terraces is permitted. If a permit is required for planters, any costs related to obtaining such permit or any other fees shall be the obligation of the Owner of the Unit seeking such permit or for any violations issued by the Department of Buildings for any condition arising therefrom.

The use of certain areas such as roof terraces is as of right and no variance is required. The enclosure of such areas would require a variance but such enclosures shall not be permitted and the Board of Managers shall not approve an application for a variance. Any changes to the roof terraces such as the installation of pavers or a wood deck shall require the consent of the Sponsor as long as Sponsor owns any Unsold Units or the Board of Managers after the Sponsor has sold all its Units. The installation of pavers and decks require a building permit. The surface areas under any planters and flowerbeds must be protected against water seepage. Any damage to the surface of the terrace or the roof shall be

the obligation of the Unit Owner of such space. The Board of Managers shall have the right to inspect such areas and determine any damage to the surface of the terraces and bill the Owner for the cost of any repairs or replacements. However, any structural repairs, unless caused by the negligence of a Unit Owner, shall be a common expense.

Under the present construction schedule, it is anticipated that, except for finishing work to the Units or common portions of the Building that are not intended for egress or ingress or for the exclusive use of the Unit, the Building will be substantially completed on or about March 1, 2007, subject to unavoidable delays such as weather conditions, lockouts, strikes and local shortages, acts of God, inability to obtain material & equipment or labor, government restrictions, or any other reason. Therefore, Sponsor does not warrant or guarantee completion or occupancy dates for the Building or any part thereof. Even if substantial construction is completed by March 1, 2007, completion of punch list items or special work orders of purchasers or other items of construction in order to obtain a permanent Certificate of Occupancy may not be completed for an additional six (6) months or more. The period within which the Sponsor must complete any of its obligations under the Plan (including the Purchase Agreement) shall be extended by the period of such delay.

The Sponsor has engaged the architectural firm of Alexander Compagno & Associates with an office at 236 West 26th Street, Suite 604, New York, New York 10001, to design the Building and undertake architectural supervision of the construction of the Building. The Sponsor has also engaged Steven M. Snyder, P.E. of the firm "Engineering Solutions, PLLC", Consulting Engineers with an office at 1140 Broadway, New York, New York 10001, to provide estimates as to the consumption and cost of energy and related operating expenses. For further information on the background of the principal parties of this Offering Plan, please refer to the section entitled "Identity of Parties" on page 146.

The Building will be built by the Sponsor in accordance with all applicable zoning and building laws, regulations and codes and other government requirements, including those of the City and State of New York, and substantially as described in the property Report of Alexander Compagno & Associates which Report is included in Part II of this Plan and in is in accordance with the building plans and specifications as same may be amended from to time. Copies of the building plans and specifications may be inspected by prospective purchasers at the Sponsor's office or at the Building site. Construction will be deemed substantially completed in accordance with the Plans and specifications when a Temporary Certificate of Occupancy ("TCO") or a permanent ("CO") for the Building shall have been issued by the Department of Buildings of the City of New York except for work customarily left incomplete until after occupancy, finishes to the interior of some Units, special work orders, and punch list items, if any.

The Sponsor reserves the right to amend or modify in any way the architectural, structural, mechanical, electrical or other plans and specifications, including, without limitation, changing materials, appliances, equipment, fixtures and other construction and design details set forth therein or in the "Description of Property and Building Condition"

set forth in Part II of the Plan and to substitute in their place similar materials, appliances, equipment and/or fixtures of substantially equal or better quality, provided that any necessary approval of any governmental authority having jurisdiction thereof is timely obtained. Any or all of the foregoing shall not give rise to a right of rescission on the part of any Purchaser and may be made without prior notice or amendment of the Plan, but no such change may be made that would adversely affect any binding Purchase Agreement unless same is dictated by construction conditions at the Property and, in such event, Sponsor will amend the Plan and offer affected Purchaser(s) the right of rescission for 15 days from the Presentation Date of the amendment and receive a full refund of the Down Payment together with interest earned thereon, if any, except for funds expended by or reimbursed to Sponsor for upgrades or extras.

The Sponsor shall obtain a temporary or permanent "Class A" residential Certificate of Occupancy that shall cover each residential Unit prior to the closing of title to such Unit. In the event that a permanent Certificate of Occupancy has not been obtained by such Closing, the Sponsor is obligated to obtain same. Please consult the Section of the Plan entitled "Rights and Obligations of the Sponsor" for further discussion.

LOCATION AND AREA INFORMATION

The Neighborhood:

The Property is a corner property located in Manhattan with frontage on 124th Street an Third Avenue only blocks away from the center of business and cultural establishments of 125 Street and Fifth Avenue. To the south of the building is a 2 story furniture store, to the east of th building is a private playground, and to the north is a newly constructed residential building. Fin shops and restaurants dot the area.

Water and Sewer:

The City of New York provides water and sanitation, snow removal, garbage collectio police and fire protection, mail pick-up and delivery, and public schools. Con Edison provide natural gas and electricity to the Building and meters consumption for billing purposes. Water an sewer rents are paid directly to the NYC Water Board Department as metered.

Police:

The local police station is the 25th Precinct, which is located at 120 East 119th Street.

Fire Department:

Engine 35 and Ladder Company 14 is located on 125th Street and Third Avenue. .

Schools:

The area is in School region No.10. Several elementary schools service the area: PS30 a 144-176 East 128th Street, New York, New York; PS 133 is located at 2121 Fifth Avenue, Ne York, New York and PS197 is located at 2230 Fifth Avenue, New York, New York. The Cho Academy of Harlem is located at 2005 Madison Avenue, New York, New York. The New Yor College of Podiatric Medicine is located at 1800 Park Avenue, New York, New York. N representations are made as to which school a child residing at the Building may actually attend.

Religious Facilities:

There are a number of houses of worship of different denominations in the area.

Medical Facilities:

Metropolitan Hospital and Mt. Sinai Hospital are in the vicinity.

Zoning:

R-7-2/C4-4. Proposed uses are as of right. The Property is in a designated redevelopmer district.

SCHEDULE A
2279 THIRD AVENUE, NEW YORK, NEW YORK
Price Schedule and Projected Carrying Costs for Each Unit
For the Project First Year of Condominium Operation
March 1, 2007 - February 28, 2008

Unit #	BR (1)	BATH (1)	Interior Sq. Ft. (2)	Exterior Sq. Ft. (3)	Offering Price (4)	Percentage Residential Common Interest (5)	Percentage Common Interest (6)	Projected Common Charges per Year (7)	Projected Common Charges per Month (8)	Projected RE Taxes per Month with 421-A * (9)	Projected RE Taxes Annually with 421-A * (10)	Projected RE Taxes per Month w/o 421-A * (11)	Projected RE Taxes Annually w/o 421-A * (12)	Projected RE Taxes & Common Charges per month with 421-A (13)	Projected RE Taxes & Common Charges per month w/o 421-A (14)
COMM			6,368		Not for Sale	N/A	23.126%	$25,109.69	$2,092.47	$2,481.17	$29,774.00	$4,261.33	$51,136.00	$4,573.64	$6,353.81
CF			521		$220,850.00	N/A	1.8744%	$2,035.92	$169.66	$137.83	$1,654.00	$236.75	$2,841.00	$307.49	$406.41
3A	2	2	1,305		$685,000.00	8.3815%	6.9045%	$7,874.37	$656.20	$24.00	$288.01	$597.76	$7,173.11	$680.20	$1,253.96
3B	1	1	745		$450,000.00	4.7848%	4.2102%	$4,495.33	$374.61	$15.77	$189.20	$392.69	$4,712.27	$390.38	$767.30
3C	1	1	757	305	$595,000.00	6.8208%	4.9181%	$6,408.11	$534.01	$20.85	$250.17	$519.22	$6,230.66	$554.86	$1,053.23
4A	2	2	1,305		$700,000.00	8.3815%	6.9721%	$7,874.37	$656.20	$24.53	$294.32	$610.85	$7,330.19	$680.72	$1,267.05
4B	1	1	745		$470,000.00	4.7848%	4.3003%	$4,495.33	$374.61	$16.47	$197.61	$410.14	$4,921.70	$391.08	$784.75
4C	1	1	757		$450,000.00	4.8619%	4.2649%	$4,567.74	$380.64	$15.77	$189.20	$392.69	$4,712.27	$396.41	$773.33
5A	2	2	1,305		$715,000.00	8.3815%	7.0397%	$7,874.37	$656.20	$25.05	$300.62	$623.94	$7,487.27	$681.25	$1,280.14
5B	1	1	745		$485,000.00	4.7848%	4.3679%	$4,495.33	$374.61	$16.99	$203.92	$423.23	$5,078.77	$391.60	$797.84
5C	1	1	757		$475,000.00	4.8619%	4.3775%	$4,567.74	$380.64	$16.64	$199.71	$414.50	$4,974.06	$397.29	$795.15
6A	2	2	1,296	668	$965,000.00	12.6140%	8.2602%	$11,850.78	$987.56	$33.81	$405.74	$842.10	$10,105.19	$1,021.38	$1,829.66
6B	1	1	868		$675,000.00	5.5748%	5.6555%	$5,237.51	$436.46	$23.65	$283.80	$589.03	$7,068.40	$460.11	$1,025.49
7A	2	2	1,236	1,133	$1,050,000.00	15.2152%	8.3817%	$14,294.55	$1,191.21	$36.79	$441.47	$916.27	$10,995.29	$1,228.00	$2,107.49
7B	1	1	755	888	$695,000.00	10.5523%	5.3474%	$9,913.86	$826.16	$24.35	$292.21	$606.49	$7,277.83	$850.51	$1,432.64
TOTALS			19,465	2,994	$8,630,850.00	100.00%	100.00%	$121,095.00	$10,091.25	$2,913.67	$34,964.00	$11,837.00	$142,044.00	$13,004.92	$21,928.25

Purchaser will be required to pay additional closing costs above the purchase price. See page 73 of the Plan.

* Please refer to the footnotes to Schedule A regarding the opinion of the Mazursky Group which states that in the event the 421-A tax benefits are not issued, taxes during the second year of operation will increase substantially.

Schedule A

All footnotes to columns in Schedule A begin on page 25.

Units 3C, 6A, 7A and 7B have private terraces (column #3). Additionally the 7th floor Units have roof terraces. Unit 7A has a roof terrace that measures 1080 SF. Unit 7B has a roof terrace that measures 768 SF . Please refer to Architect's Report and the Floor Plans in Part II of the Offering Plan.

NOTES TO SCHEDULE A
OFFERING PRICES AND OTHER FINANCIAL DETAILS FOR EACH UNIT

1. The number of rooms follows the guidelines of the Zoning Resolution of the City of New York. All Residential Units shall have two (2) or one (1) bedrooms (BR) and two (2) or one (1) bathrooms (BA). Units 3C, 6A, 7A, and 7B have private terraces. Additionally, Units 7A and 7B have roof terraces. The terraces are known as "Limited Common Elements". There is also a common outdoor terrace area for the Residential Units off the third floor. Any floor plan or sketch shown to a prospective Purchaser is only an approximation of the dimensions and layout of a Unit. Actual layout of a Unit may have been altered from the floor plans in the Plan. Accordingly, each Unit should be inspected prior to purchase to determine its actual dimensions, layout and physical condition.

2. Column (2) sets forth the gross square feet of each Residential Unit's dimensions by measuring horizontally by either the unexposed face of the drywall when located at an exterior wall of the Building, or where there are no drywalls, the interior exposed face of the masonry, brick or block exterior walls of the Building and by either the unexposed face of the drywall, or where there are no drywalls, the interior exposed face of the masonry, brick or block demising walls dividing the Unit from other Units or the Common Elements. Vertically, each Residential Unit consists of the space between the upper face of either the sub-floor or concrete floor and the upper face of the drywall ceiling above or where there is no drywall ceiling, the under face of the joists or floor above. The measurements are not based from interior surfaces of interior walls and therefore the dimensions comprising the Unit is less than the area listed in Schedule A.

3. The "exterior square footage" means the dimensions of the "Limited Common Elements" of the terraces.

4. These offering prices are set by the Sponsor and are not reviewed or approved by the Department of Law or any governmental agency. The Sponsor's right to make changes in offering prices is set forth in the Section of the Plan entitled "Changes in Prices or Units" on page 53. Please note that purchase prices and other terms of sale of the Units are negotiable.

   In addition to the purchase price, Purchaser will be responsible at closing of title for certain other expenses as explained in the Section of the Plan entitled "Unit Closing Costs and Adjustments" on page 76. While general guidelines to certain expenses of Purchaser are approximated in such Section, the Sponsor is unable to determine the total amounts to be incurred by Purchasers because these will vary for Purchasers according to such factors as the cost of a particular Unit, whether mortgage financing is obtained, Purchaser's retained consultants, and Purchaser's attorney's fees. Major closings costs include, among other expenses, Sponsor's attorney's fees of $1,300

due at closing and additional closing fees if closing is not held at the Sponsor's designated office. Other closing costs are set forth in the section, "Closing Costs and Adjustments". Each Purchaser will also be responsible for making a contribution to the Condominium's Working Capital Fund of a total equal to two (2) months Common Charges. Purchasers will also be responsible for payment of transfer taxes to the City and State of New York which charges are added to the purchase price and then taxed at the then current tax rate for transfer of property. Currently, New York City transfer taxes are 1% of the purchase price on sales of under $500,000 and 1.425% if over $500,000, and $4 per $1,000 of the purchase price to the State of New York. The is also a "mansion tax" of 1% to the State of New York for Units selling above one million dollars. Also, there are costs for mortgage title insurance, mortgage recording tax, document recording fees, and various expenses associated with financing. Purchasers are advised to consult with their attorney as to the exact closing costs they will incur in purchasing their Unit.

5. "Common Interest" is the percentage of the Residential Common Interests in the total Common Elements of all the Units.

6. In accordance with Section 339-i 1(iv) of the Real Property Law, each Unit has been allocated a percentage of Common Interest based upon respective floor space subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit. The aggregate Common Interest of all Units must always equal 100%.

7. Annual Common Charges were based upon the "Projected Budget for the First Year of Condominium Operation" (the "First Year's Budget"), which was prepared for the year commencing March 1, 2007. In addition to these estimated common charges, each Unit Owner will be responsible for paying, among other costs: (i) the cost of electricity for the Unit, which will be separately metered for each Unit; (ii) mortgage payments under any loan or loans obtained to finance the acquisition of the Unit; (iii) the cost of interior repairs to, and the maintenance, painting and decoration of, the Unit (including, without limitation, repairs & replacements, equipment and appliances contained therein); (iv) the cost of any insurance covering (A) furniture, belongings, equipment and other personal property and (B) liability to others for personal injury or property damage as a result of occurrences in the Unit; and (v) personal services such as telephone, cable, etc.

8. After the Condominium is divided into individual taxes 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 Owner be responsible for the payment of, nor be subject to, any lien arising from the non-payment of taxes on other Units.

9. This column reflects estimated monthly real estate taxes with real estate tax benefits. The projection for real estate valuation after completion of construction and resulting tax liabilities for the Property was made by The Mazursky Group, Inc., with an office at 42 Broadway, Suite 1744, New York, New York 10004 (Tel. 212-344-8586) whose opinion letter is set forth starting on page 123.

The Real Property Assessment Department of the City of New York uses various factors in assessing properties under construction and therefore no certainty can be given as to the post-construction assessed valuation provided by The Mazursky Group, Inc., "Mazursky". The Property is first assessed as one entity and the tax liability is then apportioned among the Units when the tax lots are allocated amongst the Units and are recorded at the New York City Register's Office. Such allocation and individual tax bills take approximately six months from the date that the tax lots are recorded. During that period prior to billing of individual Units, the Condominium Board shall make one payment on behalf of the Property. The projection of the apportionment of the assessments amongst the Units has been commonly done primarily on the basis of the Common Interests allocated to each Unit as set forth in Schedule A. However, the New York City Finance Department may consider other factors in determining such apportionment. Neither the Sponsor, Sponsor's counsel or Mazursky can make any representation as to the City's apportionment method or the estimated tax liability of individual Units. The projection assumes that the residential portion of the Property will be assessed at the Class II multifamily residential tax rate and that such rate for 2005/2006 may increase to a projected tax rate of approximately $12.396 per $100 of assessed valuation and for the fiscal year 2006/07, 2007/08, and 2008/09 at $12.50 projected tax rate. The Property real estate tax assessment without real estate tax benefits upon completion of construction is projected as follows:

2007/08	LAND	TOTAL
Actual	$200,000.00	$1,250,000.00
Transitional	$86,350.00	$1,136,350.00

2008/09	LAND	TOTAL
Actual	$435,000.00	$1,850,000.00
Transitional	$165,250.00	$1,580,250.00

First Year of operation (without real estate tax benefits)

Commercial Unit:

7/01/07-6/30/08 $1,136,350.00 X .125 (tax rate) X .36 (% value) = $51,136.00

Community Facility:

7/01/07-6/30/08 $1,136,350.00 X .125 (tax rate) X.02 ((% value) = $2,841.00

Residential Units:

7/01/07-6/30/08 $1,136,350.00X .125(tax rate) X .62((% value) = $88,067.00

10. This column reflects estimated annual real estate taxes per Unit with 421-A re estate tax benefits.

11. This column projects real estate taxes per Unit without 421-a real estate tax benefit The 421-a Tax Program was enacted to encourage residential construction b providing partial real estate tax exemption on increases in assessed valuation due new construction. The Mazursky Group, Inc., believes that the Property will quali for 421-a real estate tax benefits. Neither the Sponsor, Sponsor's counsel n Mazursky can guaranty that any such benefits will be issued or, if issued, when th benefits will become effective or what the impact will be on the valuation of th Property as projected by Mazursky, however Sponsor will use its best efforts obtain the 421-A tax benefits. Please refer to the 421-a opinion letter and the po construction projection of real estate taxes starting on page 121. Exemption fro increases in valuation over the 2004/05 base tax year may be up to 100% for the fir twenty-one years of operation (plus the construction period) and in declinir percentage of 20% per year so that the exemption decreases to 80% in the twent second year, 60% in the twenty-third year and 40% in the twenty-fourth year. In th twenty-fifth year, the exemption is further reduced to 20%, after which the proper will be fully taxed.

However, because the non-residential spaces exceeds 12% of the building aggregate floor area, the percentage of the property's assessed valuation that qualifi for the 421-a exemption is reduced by the same percentage by which the amount the non-residential spaces exceeds the 12% permitted by the 421-a rules. The curre practice is to penalize the commercial units for the additional taxes created by th excess commercial spaces.

Estimated Real Estate Tax for the First Year of Operation with Penalty:

Commercial Unit:	$29,774.00
Community Facility Unit:	$ 1,654.00
Residential Units:	$ 3,536.00

It should be noted that with the issuance of the 421-a real estate tax benefits, Unit Owners will not be eligible for an abatement program of 17.5% by New York State law passed in order to help balance the disparity of the tax burden amongst one to three family homeowners.

The Sponsor, Sponsor's counsel nor Mazursky cannot guarantee that the 421-a tax benefits will be issued or, if issued, the date of commencement or the basis of apportionment of the Property's real estate assessment among the Units. Further, it is not known what the rate of taxation will be in the future, or the transitional assessment, any of which factors will impact the actual real estate tax liability. As a consequence, Unit Owners may pay the full real estate taxes based on the transitional assessment based on improvements to the Property. In the event that a tax certiorari is granted in the future while the Sponsor owns any Units, any refunds of taxes paid will be apportioned among the Units including the Sponsor according to the percentage of Common Interests owned after refunding all costs related to filing and obtaining the benefits.

12. This column projects real estate taxes annually per Unit without 421-a real estate tax benefits.

13. The totals set forth in this column equals the sum of the estimated monthly Common Charges and projected real estate taxes with 421-a tax benefits.

If Purchaser obtains mortgage financing on the Unit, the debt service on such financing would be an additional monthly expense paid solely by Purchaser. The interest portion of monthly mortgage payments made by Purchasers who obtain mortgage financing for their Units, and designate same as primary or secondary qualifying residence, although not shown in this column, is also deductible for tax purposes by persons who itemize deductions, as more particularly described in, and subject to the qualifications set forth in, the Section of the Plan on entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium." The portion of the debt service deductible for income tax purposes may vary in subsequent years due to financing-related changes such as changes in the interest rate on a Purchaser's mortgage, if any, the interest rate on a refinanced mortgage, or the allocation of constant debt service payments between interest and principal. Other factors affecting income tax deduction, for example, are the expiration of real estate tax benefits, changes in the assessed value of the property, the tax rate or the method of assessing real property. Please consult the Section of the Plan entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" on page 131 and "Counsel's Tax Opinion Letter" for conditions of deductibility on page 135.

14. The totals set forth in this column equals the sum of the estimated monthly Common Charges and projected real estate taxes without 421-a tax benefits.

If Purchaser obtains mortgage financing on the Unit, the debt service on suc financing would be an additional monthly expense paid solely by Purchaser. Th interest portion of monthly mortgage payments made by Purchasers who obtai mortgage financing for their Units, and designate same as primary or secondar qualifying residence, although not shown in this column, is also deductible for ta purposes by persons who itemize deductions, as more particularly described in, an subject to the qualifications set forth in, the Section of the Plan on entitled "Incom Tax Deductions to Unit Owners and Tax Status of the Condominium." The portio of the debt service deductible for income tax purposes may vary in subsequent year due to financing-related changes such as changes in the interest rate on a Purchaser' mortgage, if any, the interest rate on a refinanced mortgage, or the allocation o constant debt service payments between interest and principal. Other factor affecting income tax deduction, for example, are the expiration of real estate ta benefits, changes in the assessed value of the property, the tax rate or the method o assessing real property. Please consult the Section of the Plan entitled "Income Ta Deductions to Unit Owners and Tax Status of the Condominium" on page 131 an "Counsel's Tax Opinion Letter" for conditions of deductibility on page 135.

SCHEDULE B

2279 THIRD AVENUE, NEW YORK, NEW YORK
PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION
March 1, 2007 to February 28, 2008

	Residential Units	Non-Residential Units	Totals
INCOME:			
Common Charges.....	**$93,949.39**	**$27,145.61**	**$121,095.00**
Total Income.....	**$93,949.39**	**$27,145.61**	**$121,095.00**

Expenses	Residential Units	Non Residential Units	Totals
Labor (1)	$8,736.00	$1,344.00	$10,080.00
Gas - Heating & Hot Water (2)	$15,074.60	$5,379.40	$20,454.00
Gas -Cooking (3)	$910.00	$0.00	$910.00
Electricity (4)	$12,713.99	$4,537.01	$17,251.00
Water Charges & Sewer Rents (5)	$5,269.55	$1,880.45	$7,150.00
Service Contracts (6)	$14,948.00	$1,052.00	$16,000.00
Elevator (7)	$2,948.00	$1,052.00	$4,000.00
Repairs, Maintenance and Supplies (8)	$2,948.00	$1,052.00	$4,000.00
Insurance (9)	$11,607.75	$4,142.25	$15,750.00
Management Fees (10)	$11,055.00	$3,945.00	$15,000.00
Legal Fees and Audit Fees (11)	$5,527.50	$1,972.50	$7,500.00
Contingency (12)	$2,211.00	$789.00	$3,000.00
Total Expenses	**$93,949.39**	**$27,145.61**	**$121,095.00**

The above budget has been apportioned based on the percentage of common interest for the Residential and Non-Residential Units for items that are shared by both types of units. However, items that are used exclusively by one type of unit (ex. cooking gas) or primarily by one type of unit (ex. labor costs- doorman, janitor, etc.) will be borne entirely or proportionally to its use to that specific type of unit.

Sponsor anticipates the First Condominium Unit Closing of title to occur on or about March 1, 2007, which corresponds to the projected start date of the Budget for First Year of Condominium Operation. If the First Condominium Unit Closing of title is delayed more

than twelve (12) months from the projected start date of March 1, 2007, the Offering Plan will be amended to offer purchasers in good standing a right of rescission. Sponsor shall amend the Plan six (6) months from the projected date of closing. If such amendment results in raising the projected common charges by more than twenty-five (25%) percent, the Sponsor shall offer all purchasers a right of rescission for a period of fifteen days from the date of presentation of said amendment whether or not sponsor offers to guarantee the previous budget projections. Sponsor must return any deposit or down payment to purchasers who rescind within a reasonable period of time of such rescission. Sponsor may not declare the plan effective where there are any material changes to the budget if these changes have not been disclosed by a duly filed amendment to the Offering Plan. Changing conditions in the economy and other factors such as lifestyle and number of people residing in the building may affect the above projections.

The Commercial Unit and the Community Facility Unit (the "Non-Residential Units") shall pay their fair share of shared expenses based on their respective percentage of Common Interests.

NOTES TO SCHEDULE B

Annual Common Charges to be collected during the first year of condominium operation are based upon the estimated net total of Common Expenses. Certain expenses have been prorated between the Residential and Commercial Units based primarily on square footage but also on use of the services.

1. **Labor: ($10,080)**

Labor costs include wages for a part-time non-resident, non-union self employed janitor who shall be responsible for doing minor repairs in the Common Elements, cleaning the common areas, putting out garbage, and removing snow in the winter and general duties of a janitor. The Janitor will primarily be serving the Residential portion of the building but will also perform minimal janitorial duties for the Non-Residential Units as well The budget estimates that the janitor shall work approximately 13 hours per week for the Residential Units, 2 hours per week for the Non-Residential Units, and shall reside within 200 sq. ft. of the Property.. The Budget estimates wages of $14 an hour for the janitor. Wages for the janitor will meet NY State minimum wage law.

2. **Heating For Units & Common Areas and Hot Water: ($20,454)**

Projections for energy consumption and costs and water charges & sewer rents projected in this Budget were based on an analysis Report prepared by Engineering Solutions, PLLC, consulting Engineers, with an office at1140 Broadway, Suite 204, New York, New York 10001. All costs projections, summarized below, include NYC sales tax and a 5% allowance for possible increases to energy costs. The Engineer's Report containing the basis for projection of energy consumption and cost is reproduced starting on page 45.

Projected gas consumption of heat and annual cost are as follows: the average consumption of gas used for heating, which varies during winter and summer months, is projected at 11,005 therms annually at an average current rate of $1.60/therm. Hot water is projected at 1,779 therms at $1.60 a therm. Please refer to Expert's projected summary on page 1 and 2 of his Report.

See Architect's description of the Building's mechanical systems in his Report in Part II.

It is not possible to predict how closely the estimated figures will reflect the actual expenses for gas during the first years of building operation since such expenses will vary with the occupancy ratio, level of consumption by individuals, fluctuations in the price of gas, fuel cost adjustments and State and City surcharges and variations in annual climate conditions.

3. **Gas Used for Cooking by all Residential Units: ($910)**

This estimate is based on an approximate consumption of 572 therms $1.60 per therm including a 5% increase over the current cost for gas. See page 2 (Energy Expert's projection Report.

4. **Utilities (Electricity for Common Areas and Equipment): ($17,251)**

Based on the average lighting in the Residential Common Elements includir elevators, building motors, exhaust fans, lighting for corridors, lobby and stairway Consumption is estimated at 68,603 kilowatt hours annually at $.16 per kilowa hour. See Expert's projected estimates on pages 1 of his Report.

The electrical energy consumption for each individual Unit for gener lighting consumption, power appliances and air conditioning is billed directly to Ur Owners. See Expert's projected opinion on consumption and costs for individu Units on page 5 of his Projection Report.

It is not possible to predict how closely the estimated figures will reflect tl actual expenses during the first years of condominium operation since such expens will vary with the occupancy ratio, temperature setpoints, or fluctuations in fuel co adjustments, State and City surcharges, and variations in annual climate conditions.

5. **Water Charges and Sewer Rents: ($7,150)**

Projected consumption for is 20,000 cubic feet of water per year at the tot Sewer/Water fee of $2.75 per 100 cu ft.

6. **Service Contracts: ($16,000)**

Service contracts include fire alarm, burglar alarm, sprinkler service and suc services as needed during the first year of condominium operation.

Additionally, the Condominium shall employ a "Virtual Doorman" service the Residential portion of the Building which will operate seven (7) days a week, 2 hours per day. The Virtual Doorman is a service provided by Virtual Service, provider of interactive video security and access control solutions. It is designed provide security and convenience for residential and commercial building owner The Virtual Doorman operates from a central command center utilizing secu internet connections combined with integrated digital CCTV, cameras, interco devices and access control systems to remotely monitor the Building and remote control access to and egress from the Building. The Budget estimates a fee (approximately $12,000.00 per year for the Virtual Doorman. The Non-Residenti Unit Owners will not use the doors where the Virtual Doorman will be stationed an

as a result the wages for the doorman will be charged to the Residential Unit Owners.

7. **Elevator Contract: ($4,000)**

An elevator maintenance contract for each of the 2 elevators with Rotavele Elevator with an office at 7-06 149th Street, Whitestone, New York, 11357 (718-767-3875) provides for a term of two years at $200 and $150 a month respectively beginning six (6) months from the date of the Department's sign off and continuing for the next eighteen months unless extended. Such contract includes annual inspection and routine maintenance. The contract requires that the Condominium Association (or the Commercial Unit as to the commercial elevator) maintain the hatchway, pit and machine room in clean condition and to keep the elevator equipment from exposure to the elements or to physical damage; to shut down the equipment immediately upon the manifestation or appearance of any irregularity in operation of the elevator equipment; to notify the company at once and keep the elevator shut until the completion of repairs. The Association must notify the company within 24-hours after occurrence of any accident in or about the elevator.

Sponsor has reserved the right, prior to the First Unit Closing, to enter into other service contracts which will be binding on the Board of Managers, provided that such contracts do not materially increase the estimated Common Charges for the first year of Condominium operation nor bind the Board of Managers for a period of more than two years from the date of the First Unit Closing, unless it is customary for such type of contract to be more than two years.

8. **Repairs, Maintenance and Supplies: ($4,000)**

Estimates for common area expenses are provided by Bunis Management, 45 West 45th Street, New York, New York 10036 based on its experience in managing newly renovated buildings of comparable size, quality and amenities. Estimated expenses are as follows:

Supplies	$ 500
Painting, maintenance and repair	$1,500
Pest Control/Exterminating	$2,000
TOTAL	**$4,000**

These estimates do not include maintenance, repairs and supplies within specific Units, which are the obligation of the Unit Owner. Each Unit Owner will be responsible for the cost of interior maintenance, repairs, replacements, decoration, and painting of their respective Units. No provision has been made to cover the cost of any major capital expenditure. Although no such expenditure is expected in the first year of condominium operation because the building has been newly constructed, each Unit Owner will be obligated to pay his pro rata share of such expenditures in the event that any such expenditures are required.

9. **Insurance:** **($15,750)**

The projection is based on a proposal from The Whitmore Group LTD b letter dated March 10, 2006. The broker represents that the building coverage o $4,100,000.00 would be adequate to cover replacement as the policy is for an agree amount which waives co-insurance.

Coverage	Limits
Building: (all risk):	$4,100,000.00
General Liability:	$1,000,000.00
Hired and non-owned auto Liability:	$1,000,000.00
Rents (Common Charges):	Actual Loss Sustained
Flood:	$1,000,000.00
Directors and Officers Liability:	$1,000,000.00
Agents Fidelity Coverage:	$ 50,000.00
Employee Dishonesty:	$ 25,000.00
Boiler and Machinery:	$4,100,000.00
Medical Payments	$ 10,000.00

Quake and flood deductible is $25,000 and all other property deductible i $3,000. Insurance against elevator collision is available at an additional cost to th Condominium.

The Sponsor represents that it shall initially provide on behalf of th Condominium, at the Condominium's expense, to be effective at the First Uni Closing, a policy with covered items set forth above. However, due to increasin costs and depending on the date of the first closing, Sponsor cannot guaranty th premium quoted above. The cost for such binder or policy will be paid by the Boar of Managers and shared by all Unit Owners as a portion of the Common Charges.

The policy will provide that each Unit Owner will be an additional insure party, and that there will be no cancellation without notice to the Board of Managers In addition, the policy will contain a waiver of subrogation, a waiver of invalidit because of the acts of the insured and Unit Owners, and a waiver of pro-rat reduction if Unit Owners obtain additional coverage.

In order to safeguard the investment of its Unit in the event of a substantial o total destruction of the Condominium, the Board of Managers should periodicall review the amount of casualty insurance for the Condominium to insure that th amount of coverage equals the Condominium's then replacement costs.

It should be noted that in the event the property is totally destroyed by fire o other casualty, the insurance coverage as stated herein, although sufficient to replac

the Building structure, might not cover occurrences within the Unit or its Limited Common Elements, if any, and the full investment of the Unit Owner including his costs of their fixtures and personal property.

It is not possible to predict whether future premiums will escalate. The projected premium is based upon an estimate and is not guaranteed to remain the same until the closing of title to the first Unit.

Prospective Purchasers should consult their attorney or insurance agent to determine the advisability of obtaining insurance for their own risk of liability and fire and casualty losses.

10. Management Fees: ($15,000)

At the First Unit Closing, the Board of Managers will enter into a management agreement with Bunis Management having an office at 45 West 45th Street, New York, New York 10036 (the "Managing Agent" or "Agent"). The agreement will be for an initial period of two (2) years and will provide that the Managing Agent will be paid in equal monthly installments of $1,250. Such managing fee is in accordance with the prevailing rate for a similar size and type of building. The Managing Agent may not assign the contract at a higher fee to the Condominium Association during the period of the contract nor may the Board of Managers cancel the contract without cause during the first two (2) years.

Please consult the Section of the Plan entitled, "Management Agreement, Contracts and Leases" on page 142.

11. Legal Fees and Audit Fees: ($7,500)

Based upon the following estimates:

Legal Fees	$2,500
Audit Fees	$4,500
	$7,000

The firm of Bass & Lemer LLP with an office at 1501 Broadway New York New York 10036 estimated the fees for preparing an audited financial statement and the income tax returns for the first year of condominium operation. The legal fees estimate is for any unexpected legal matters of the Condominium during the first year of condominium operation.

12. Contingency: ($3,000)

This amount, to be used at the discretion of the Board of Managers, is intended to benefit the Unit Owners by providing a fund for unanticipated expenses

not included in the budget and for possible increases in one or more items of operating expense above the amounts projected and for such items as permits and violations, bank fees and such. This fund is not intended to cover the cost of major capital repairs or replacement items for which no fund has been established.

The proposed Budget may be modified from time to time prior to the commencement of, or during, Condominium operation to add or increase one or more items of operating expense. If additional funds are required over and above these funds, it may be necessary to increase Common Charges or separately assess all Unit Owner.

Commercial Unit:

The Commercial Triplex Unit is located on the cellar, ground floor and second floor and may be used for any legal purposes permitted by the Zoning Resolution of the City of New York, as amended (Zoning Resolution") or other applicable laws and in accordance with the Building's Certificate of Occupancy, or as amended. The Zoning district of the Property is C4-4, R-7 equivalent. The Commercial Unit may be used as a bank, offices retail, restaurant or any lawful purpose permitted under the Zoning Resolution of the City of New York and other applicable laws. The Sponsor or its designee or subsequent Commercial Unit Owner may sell, lease or sub-lease the Commercial Unit in whole or in part subject to compliance with law but without the prior approval of the Condominium Board or the Unit Owners and free of costs and charges by the Board. Sponsor or its designee or the Commercial Unit Owner may change the use of the space but such change shall require an amendment to the Plan and the Declaration, if the Declaration has been filed. The Sponsor and the Commercial Unit Owner reserve the right to make any changes or improvements and to sell or lease the Unit for any permitted use or to mortgage the Unit, all without the consent or approval of the Unit Owners, the Condominium Board or any agent of the Condominium. The Board's right of first refusal is not applicable to Sponsor or its designee or the Commercial Unit Owner. The Sponsor may also, at own cost, change the layout or sub-divide the Unit or recombine the subdivision or make repairs, alterations, additions and improvements whether ordinary or extraordinary, whether structural or otherwise (provided such does not affect the structural integrity of the Building) without the consent of the Unit Owners or the Condominium Board and without paying any cost or charge to the Board of Managers. Likewise, a Sponsor designee or subsequent Owner of the Commercial Unit shall have the same rights as Sponsor to make physical changes and improvements to the Unit, provided the work conforms to code and conforms with certain provisions of the By-Laws (as to proper insurance coverage covering the Board and the Unit Owners during performance of repairs, alterations or improvements, storage of debris, and amending the Declaration, if required), or to change the legal use thereof, or to sell or lease or mortgage the Unit freely without the prior approval of the Board or the Unit Owners or be subject to the Board's right a first refusal.

The right of the Commercial Unit Owner to change the use of or the number of

Commercial Units by reason of a sub-division may result in greater number of people entering and leaving the ground floor level of the Building, a higher volume of noise and/or hours of usage and other possible effects on the Building resulting from the use of the Commercial Unit. Accordingly, it is possible that a change of usage or number of Commercial Units could have an adverse impact on other Condominium Unit Owners.

Additionally, the Commercial Unit Owner has other rights that differ from Residential Unit Owners such as the right of the Commercial Unit Owner to designate a member to the Board of Managers and for the Owners of the Commercial Unit and the Community Facility Unit to sell or rent or mortgage the Unit without the prior consent of the Board of Managers. Such rights of the non-residential Units may impact adversely on Residential Owners.

The Commercial Unit Owner shall be responsible for payment of monthly Common Charges to the Condominium based on its percentage of Common Interest and for payment of real estate taxes for its Unit as billed by the New York City Department of Finance. Its share of the monthly common expenses represents fairly the space and potential usage of services in the Building. This Unit will be separately metered for electrical consumption but not for heating or hot water. The Commercial Unit shall be responsible for the cost of refuse removal. In the event that the use of the Unit causes the Building's insurance policy to increase, the Unit Owner shall pay the Condominium Association the difference thereof.

The percentage of Common Interest for the Commercial Unit was allocated pursuant to method (iv) contained in Section 339-I(1) of the New York Condominium Act, which takes into consideration floor space, subject to the relative value to the other space in the Condominium, the uniqueness of the Unit, the availability of the Common Elements for exclusive or shared use and the overall dimensions of the Unit.

The Commercial Unit Owner shall always be entitled to designate a Board member. Such member may only be removed by the Commercial Unit Owner who alone will have the right to designate or elect a replacement. Any decisions of the Board of Managers affecting the Commercial Unit shall be made only with the consent of the Commercial Unit Owner.

The Commercial Unit Owner shall have the right to make prompt repairs and restoration to the Commercial Unit to the extent the Commercial Unit is damaged or destroyed by fire or other casualty.

At the request of the Sponsor, a Sponsor-designee or the Commercial Unit Owner, the Board of Managers shall execute any application or documents required to be filed with any government agency having or asserting jurisdiction in connection with any repairs, additions, improvements, alterations or sub-division of the Commercial Unit or the operation or use of the Commercial Unit, at which time the requesting party shall indemnify and hold the Board of Managers and the other Unit Owners harmless from any expense or liability by virtue of the execution of the application of such other documents.

The Commercial Unit Owner and any tenant of Commercial Unit pursuant to the terms of any lease pertaining thereto, shall have the right, without charge or limitation, and without the consent of the Board of Managers or the Unit Owners, to install, replace, repair and maintain, either within or in the immediate location of the Unit or the windows of such Unit, below the level of any windows of a Residential Unit, a sign or signs, canopy and/or awnings, which may be illuminated, including neon, for advertising or identification purposes. Such Unit Owner shall also have the right without consent of the Board of Managers, charge or limitation, to install, replace, repair and maintain window protection devices. Such Unit Owner and any tenant or tenants of space in the Unit shall comply with all of the laws, orders, rules and regulations of the governmental authorities having jurisdiction thereof, including zoning laws, building codes and as required by insurance underwriters. The Commercial Unit Owner or its tenant(s) shall obtain and pay for all permits required for such signs and/or canopy or awning and for any necessary renewal fees.

The Commercial Unit Owner, including the Sponsor or its designee and permitted users, shall (i) have the right and an easement for ingress and egress through the Residential Common Elements for the sole purpose of accessing any portion of the Commercial Unit or any portion of the Building servicing the Commercial Unit; (ii) have the right and an easement, without charge and without the consent of the Board of Managers, to install, connect or connect to, repair and maintain, and replace, if necessary, at its location or the Building air-conditioning equipment or other mechanical equipment, flues or chimneys, ducts or vents or other equipment which service the Commercial Unit; (iii) have the right to erect, use, maintain, repair, replace and operate antennae, satellite dishes and other communication equipment in any part of the common areas of the roof and/or façade of the Building and elsewhere in the Common Elements and to install or utilize risers, conduits, piping, cables, air-conditioning equipment or other mechanical equipment, flues or chimney, ducts, electrical panels rooms, telephone/cable panels in connection therewith. The prior approval of the Board of Managers shall not be required and no costs or fees shall be collected by the Board.

The Condominium shall have a right of access, upon reasonable notice, unless such access is needed in an emergency, in which case no notice is required, to any portion of the Commercial Unit on the ground floor or cellar level to service equipment, which is necessary for the operation of the residential portion of the Building.

In the event of a dispute between the Commercial Unit Owner and the Condominium as to the issues relating to the Commercial Unit or a tenant of the Commercial Unit, the Commercial Unit Owner and the Condominium Board of Managers agree to consult with an independent real estate professional, on an expedited basis.

Community Facility Unit:

This Unit is located on the second floor of the Building and shall share with the

Commercial Unit exclusive use of the commercial elevator. This Unit may be used for any legal use as per the zoning law such as professional offices and medical offices, educational establishments, day care centers, senior centers and the like.

The Sponsor or its designee or subsequent Community Facility Owner may sell, lease or sub-lease the Unit in whole or in part subject to compliance with law but without the prior approval of the Condominium Board or the Unit Owners and free of costs and charges by the Board. Sponsor or its designee or the Community Facility Unit Owner may change the use of the space but such change shall require an amendment to the Plan and the Declaration, if the Declaration has been filed. The Sponsor and the Community Facility Unit Owner reserve the right to make any changes or improvements and to sell or lease the Unit for any permitted use or to mortgage the Unit, all without the consent or approval of the Unit Owners, the Condominium Board or any agent of the Condominium. The Board's right of first refusal is not applicable to Sponsor or its designee or the Community Facility Unit Owner. The Sponsor may also, at own cost, change the layout or sub-divide the Unit or recombine the subdivision or make repairs, alterations, additions and improvements whether ordinary or extraordinary, whether structural or otherwise (provided such does not affect the structural integrity of the Building) without the consent of the Unit Owners or the Condominium Board and without paying any cost or charge to the Board of Managers. Likewise, a Sponsor designee or subsequent Owner of the Community Facility Unit shall have the same rights as Sponsor to make physical changes and improvements to the Unit, provided the work conforms to code and conforms with certain provisions of the By-Laws (as to proper insurance coverage covering the Board and the Unit Owners during performance of repairs, alterations or improvements, storage of debris, and amending the Declaration, if required), or to change the legal use thereof, or to sell or lease or mortgage the Unit freely without the prior approval of the Board or the Unit Owners or be subject to the Board's right a first refusal.

The right of the Community Facility Unit Owner to change the use of said Unit may result in greater number of people entering and leaving the Building, a higher volume of noise and/or hours of usage and other possible effects on the Building resulting from the use of the Community Facility Unit. Accordingly, it is possible that a change of usage could have an adverse impact on other Condominium Unit Owners.

The Community Facility Unit Owner shall be responsible for payment of monthly Common Charges to the Condominium based on its percentage of Common Interest and for payment of real estate taxes for its Unit as billed by the New York City Department of Finance. Its share of the monthly common expenses represents fairly the space and potential usage of services in the Building. This Unit will be separately metered for electrical consumption. The Community Facility Unit shall be responsible for the cost of refuse removal. In the event that the use of the Unit causes the Building's insurance policy to increase, the Unit Owner shall pay the Condominium Association the difference thereof.

The percentage of Common Interest for the Community Facility Unit was allocated

pursuant to method (iv) contained in Section 339-I(1) of the New York Condominium Ac which takes into consideration floor space, subject to the relative value to the other space i the Condominium, the uniqueness of the Unit, the availability of the Common Elements f exclusive or shared use and the overall dimensions of the Unit.

The Community Facility Unit Owner shall have the right to make prompt repairs an restoration to the Unit to the extent the Community Facility Unit is damaged or destroyed b fire or other casualty.

At the request of the Sponsor, a Sponsor-designee or the Community Facility Un Owner, the Board of Managers shall execute any application or documents required to b filed with any government agency having or asserting jurisdiction in connection with an repairs, additions, improvements, alterations or sub-division of the Community Facility Un or the operation or use of said Unit, at which time the requesting party shall indemnify an hold the Board of Managers and the other Unit Owners harmless from any expense liability by virtue of the execution of the application of such other documents.

The Community Facility Unit Owner and any tenant of Community Facility Un pursuant to the terms of any lease pertaining thereto, shall have the right, without charge limitation, and without the consent of the Board of Managers or the Unit Owners, to instal replace, repair and maintain, either within or in the immediate location of the Unit or th windows of such Unit, below the level of any windows of a Residential Unit, a sign or sign canopy and/or awnings, which may be illuminated, including neon, for advertising identification purposes. Such Unit Owner and any tenant or tenants of space in the Unit sha comply with all of the laws, orders, rules and regulations of the governmental authoriti having jurisdiction thereof, including zoning laws, building codes and as required b insurance underwriters. The Community Facility Unit Owner or its tenant(s) shall obtain an pay for all permits required for such signs and/or canopy or awning and for any necessa renewal fees.

The Community Facility Unit Owner, including the Sponsor or its designee an permitted users, shall (i) have the right and an easement for ingress and egress through th Residential Common Elements for the sole purpose of accessing any portion of th Community Facility Unit or any portion of the Building servicing the Community Facili Unit; (ii) have the right and an easement, without charge and without the consent of th Board of Managers, to install, connect or connect to, repair and maintain, and replace, necessary, at its location or the Building air-conditioning equipment or other mechanic equipment, flues or chimneys, ducts or vents or other equipment which service the Unit; (ii have the right to erect, use, maintain, repair, replace and operate antennae, satellite dish and other communication equipment in any part of the common areas of the roof and install or utilize risers, conduits, piping, cables, air-conditioning equipment or oth mechanical equipment, flues or chimney, ducts, electrical panels rooms, telephone/cab panels in connection therewith. The prior approval of the Board of Managers shall not b required and no costs or fees shall be collected by the Board.

The Condominium shall have a right of access, upon reasonable notice, unless such access is needed in an emergency, in which case no notice is required, to any portion of the Community Facility Unit to service equipment, which is necessary for the operation of the residential or commercial portions of the Building.

In the event of a dispute between the Community Facility Unit Owner and the Condominium as to the issues relating to the Community Unit or a tenant of the Community Facility Unit, the Community Facility Unit Owner and the Condominium Board of Managers agree to consult with an independent real estate professional, on an expedited basis.

THE FOREGOING SCHEDULE IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY THAT THE ANNUAL COMMON CHARGES OR EXPENSES FOR THE INITIAL YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE CONDOMINIUM WILL BE AS SET FORTH IN SAID SCHEDULE, OR THAT THE FIRST YEAR OF CONDOMINIUM OPERATION SHALL COMMENCE ON THE PROJECTED DATE.

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ENGINEERING SOLUTIONS, PLLC
1140 Broadway, Suite 204 New York, New York 10001 T 212.840.1030 F 212.684.2886

January 25, 2006

Mr. Michael Waldman
North Manhattan Construction
4 West 125th Street, 3rd floor
New York, NY 10027

Re: 2279 Third Avenue
New York, NY
Energy Analysis

Dear Michael:

The following is an energy analysis for the residential building located at 2279 Third Avenue, New York, NY. The building consists of (13) apartments including community space, common areas and commercial units.

I Heating Cost Building (Natural Gas)

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

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

11,005 Therms per Year

Based on an average rate of $1.60 per therm

Cost = 11,005 Therms x $1.60/Therm = $17,608 / Year

II Hot Water cost Building (Natural Gas)

13 apartments using 9 gal per hour for 5 hours per day 365 days/ year
117 gallons per hour or 1.95 GPM
Q = 500 x 1.95 x temp rise (100F)
Q = 97,500 btus/hr

Therms/Yr = (97,500 x 5 Hrs/Day x 365 Days/year) / 100,000 Btus/Therm = 1779
Cost = 1,779 Therms x $1.60/Therm = $2,846 / Year

III Cooking (Natural Gas)

Each apartment with a 4 burner stove and oven assume use is 2 full load hours per day 365 days per year.

(1,500 btu/burner x 4 burners x 365 days per x 2 hrs/day) / 100,000Btus/Therm
= 44 Therms

Cost = 44 Therms x $1.60/Therm x 13 Apartments = $915 / Year

IV Electrical For Building

Based on the average lighting in the lobby, cellar, ground floor, corridors, outdoor lighting, boilers, hot water circulation pumps, domestic water pumps, one elevator, exhaust fans. We estimate a total demand load of 35KW and full load usage of 150 hours per month. The demand estimate is $467 per month or 5,603 per year based on a demand charge of $13.34 per KW and the usage estimate is 5,250 kwh or $840 per month using Con Edison Rate Schedule #9 averaging $0.16 per KWH. The annual estimate for energy usage is $10,080. The total estimated usage is $15,683 per year

COST = $15,683 / Year

V Water/Sewer for Building

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

13 Apartment x 20,000 cu ft x $2.75/100 cu ft =

Cost = $7,150 / Year

VI Electrical For Apartment

The following is an estimate of the electrical consumption and annual cost for individual apartments. Air conditioning costs depend on comfort level and individual usage. We assume 935 full load hours for the cooling season (May – October). The system is individual through the wall packaged units ("PTAC"). We estimated a use of 2 watts per square foot for general lighting and appliances @ 200 hours per month. Clothes Dryer @ 3 KW assume (1) hour per day (5) days per week for a total of 780 KWH per year

Third-Fifth Floor "Unit A "(1,305 sq ft)	
Air Conditioning (3.0 tons)	3,600 KWH
General Lighting & Appliances	6,200 KWH
Electric Dryer	780 KWH
Total Cost per year @ $0.25/KWH	$2,645
Third-Fifth Floor "Unit B "(745 sq ft)	
Air Conditioning (2.3 tons)	2,700 KWH
General Lighting & Appliances	3,500 KWH
Electric Dryer	780 KWH
Total Cost per year @ $0.25/KWH	$1,745
Third-Fifth Floor "Unit C"(757 sq ft)	
Air Conditioning (2.3 tons)	2,700 KWH
General Lighting & Appliances	3,500 KWH
Electric Dryer	780 KWH
Total Cost per year @ $0.25/KWH	$1,745
Sixth Floor "Unit A"(1,296 sq ft)	
Air Conditioning (3.0 tons)	3,600 KWH
General Lighting & Appliances	6,200 KWH
Electric Dryer	780 KWH
Total Cost per year @ $0.25/KWH	$2,645
Sixth Floor "Unit B"(868 sq ft)	
Air Conditioning (2.3 tons)	2,700 KWH
General Lighting & Appliances	4,100 KWH
Electric Dryer	780 KWH
Total Cost per year @ $0.25/KWH	$1,895

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1140 Broadway, Suite 204 New York, New York 10001 T 212.840.1030 F 212.684.28

Seventh Floor "Unit A"(1,296 sq ft)	
Air Conditioning (3.5 tons)	4,200 KWH
General Lighting & Appliances	6,200 KWH
Electric Dryer	780 KWH
Total Cost per year @ $0.25/KWH	$2,795
Seventh Floor "Unit B" (868 sq ft)	
Air Conditioning (2.3 tons)	2,700 KWH
General Lighting & Appliances	4,100 KWH
Electric Dryer	780 KWH
Total Cost per year @ $0.25/KWH	$1,895

Any questions please don't hesitate to call.

Sincerely,

Steven M. Snyder, PE

SHAW & ASSOCIATES
ATTORNEYS AT LAW

EMPIRE STATE BUILDING
350 FIFTH AVENUE
SUITE 2816
NEW YORK, NEW YORK 10118
TEL: (212) 279-4490
FAX: (212) 279-4495

Martin Shaw
mshaw@shawbleckner.com

Daniel Abramoff
dabramoff@shawbleckner.com

Of Counsel
David J. Bleckner
Daniel Gammerman
Ian Lester

COUNSEL'S OPINION REGARDING COMPLIANCE WITH REAL PROPERTY LAW SECTION 339(i)

March 7, 2006

2279-2283 Third Avenue Associates LLC
69 East 130th Street
New York, New York 10035

Re: THE BRIDGE SOUTH CONDOMINIUM
2279 Third Avenue New York , New York
(the "Condominium")

Dear Sir:

You have requested our opinion regarding the allocation of Common Interests to the Units at the above-referenced Condominium as required by Title 13 NYCRR Section 20.3(y)(5). Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Offering Plan for the referenced project (the "Plan").

In connection with rendering this opinion, we have reviewed the allocation of Common Interests as shown on Schedule A of the Plan and the Declaration establishing the Condominium. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant. We have also considered the opinion of the Mazursky Group, Inc. (real estate tax consultants and appraisers). We have made no independent investigation of the truth or accuracy of their determinations.

Based upon our review of the foregoing, we have determined that Common Interests were allocated pursuant to the method set forth in Real Property Law Section ("RPL") 339-i(1)(iv) of the Condominium Act, i.e., based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit,

the availability of Common Elements for exclusive or shared use and the overall dimensions of th particular Unit.

Accordingly, based on the foregoing, it is our opinion that Real Property Law Section 339- has been complied with in assigning Common Interests to the Units. This opinion, while base upon existing rules of law applied to the facts and documents referred to above, is not a guarantee t purchasers. In no event will Sponsor's Counsel, the Sponsor or its agents or the Managing Agen the Mazursky Group, Inc., or the Condominium Board be liable if there are changes in the facts o which we have relied in issuing this opinion or if there are changes in RPL Section 339 or othe applicable law.

The opinion expressed herein is based solely on New York law. We certify that we are nc owned or controlled by and have no beneficial interest in 2279-2283 Third Avenue Associates LLC the Sponsor of the Plan.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan an references to our name in the Plan.

Very truly yours,

Martin Shaw

The Mazursky Group, inc.
Real Estate Tax Consultants and Appraisers

August 9, 2006

2279-2283 Third Avenue Associates LLC
104 East 126th Street
New York, New York 10027

Re: The Bridge South Condominium
2279 Third Avenue, New York, NY

Dear Sir:

I have reviewed the percentage of Common Interests allocated to each unit as shown on Schedule A for inclusion in the above referenced Offering Plan for the subject property which has been prepared by Sponsor.

In accordance with Section 339-i(1)(iv) of the Condominium Act, the percentage interest in the Common Elements allocated to each unit has been determined upon the floor space, subject to the location of the space and the additional factors of relative value to the other spaces in the Condominium, the uniqueness of the unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular unit.

In my opinion, therefore, the Condominium Plan and the allocation of percentage interest in the Common Elements in the Land and Building at 2283 Third Avenue, New York, New York attributable to each unit conforms to Section 339-i(1)(iv) of the New York Real Property Law.

The opinion expressed herein is based upon my many years of experience as an assessor for the City of New York. I certify that I am not owned or controlled by and have no beneficial interest in the Sponsor and will not participate in the profits from the project.

We hereby authorize the use of this opinion, or reproduction thereof, in the Plan and references to our name in the Plan

Very truly yours,

Jerome Mazursky

Jerome Mazursky, MAI, CAE

42 Broadway, Suite 1744, New York, NY 10004 (212) 344-2788
386 Park Avenue So., Suite 600, New York, NY 10016 (212) 696-2005

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CHANGES IN PRICES AND UNITS

The Sponsor reserves the right to change the price of any Unit shown in Schedule A of the Plan without prior notice or amendment to the Plan subject to conditions hereinafter set forth. The Plan shall be amended when the change in prices is (i) an across the board increase or decrease affecting one or more lines of Units or Unit models, or (ii) is to be advertised, or (iii) is a price increase for an individual Purchaser. But Sponsor reserves the right to negotiate a lower price for an individual Unit without amendment to the Plan. Purchase prices and terms of sale are negotiable.

Sponsor reserves the right, in its sole discretion and without prior notice or amendment to the Plan, to negotiate with purchasers all aspects of the purchase including renovations or improvements contained in the Unit or credit allowances therefore and to negotiate with Purchasers such aspects of the purchase of Units as, but not limited to: fixtures and equipment, decorating allowances, reduced amount of Down Payments, extra custom work and extensions of time periods within which to perform obligations under the Purchase Agreement. Furthermore, the Sponsor reserves the right, without further amendment to the Plan, from time to time to add and/or delete negotiable terms from the list set forth above for all or some Purchasers or any Purchaser. Sponsor does not represent that it will offer any, all, or any combination of the above cited incentives or any particular purchase and reserves the right to make, accept or reject such offers in its sole discretion. No Purchaser will benefit from any terms and conditions negotiated with any other Purchaser, and a Purchaser's failure to so benefit will not give rise to any rights of rescission or any other relief under a Purchase Agreement. No party will have the right to approve changes in prices or other terms, of Unsold Units, whether before or after the First Unit Closing.

If the Sponsor changes the purchase price of one or more Units, the Purchaser of such Unit may pay, or may have paid, more or less than other Purchasers of comparable Units having the same Common Interest. However, a price change will not alter the Common Interest of, or the amount of the Common Charges payable by, the owners of Units.

Additionally, in order to meet the possible varying demands for number and type of Units, or to meet the particular needs of prospective Purchasers, or for any other reason, the Sponsor and its designee reserves the right to: (a) change the layout of, or number of rooms in, Unsold Units, (b) change the number of Unit types, (c) reverse the layout of an Unsold Unit from that shown on the floor plan, (d) change the size and/or number of Unsold Units by subdividing one or more Unsold Units into two or more separate Units, or by combining two or more separate Unsold Units into one or more Unsold Units, or by altering the boundary walls of any Unsold Unit, or otherwise, including, without limitation, the use of any portion of the Common Elements adjacent to such Unsold Units to the extent that such portion is not required to be maintained as Common Elements pursuant to the terms of the Declaration; and(e) reapportion the percentage of Common Interests shown in Schedule A of the Plan under certain conditions noted below. Subject to the terms of this paragraph, the

next paragraph, and the penultimate paragraph of this Section, such right may be exercised by the Sponsor from time to time, both before and after the First Unit Closing, without the consent or approval the Condominium Board, Unit Owners, any Selling Agent, the Managing Agent, any unaffected Purchaser, any mortgagee or any other party. However, the Sponsor will first obtain the approval of all governmental authorities having jurisdiction thereof whose approval is required by law.

No change will be made by the Sponsor in the size or number of Units and or their respective percentages of Common Interest, and no material change will be made by the Sponsor in the size or quality of Common Elements, except by amendment to the Offering Plan and to the Declaration if the Declaration has been filed. Any such changes in the size or number of Units may result in an increase or decrease in the Common Interests appurtenant thereto accordingly. However, the aggregate amount of the Common Interests of all the Units will always remain at one hundred percent (100%). Unless the affected Purchaser provides a written consent, no material change will be made by the Sponsor in Unit size, layout or percentage of Common Interest if a Purchase Agreement has been executed and delivered to the Sponsor for that Unit and such Purchaser is not in default. Unless all purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of the Common Elements.

As a result of any such reapportionment, the amount of the Common Charges and the real estate taxes and assessments payable by the Owners of the Unsold Units affected thereby will be increased or decreased proportionately, but the amount of the Common Charges and the real estate taxes and assessments payable by the Owners of Units unaffected thereby will not vary unless such affected Unit Owner has consented thereto.

No material change will be made in the size or quality of the common areas unless all purchasers who have executed and delivered Purchase Agreements pursuant to the Plan and who are not in default thereunder are given the right to rescind by notice of rescission personally delivered, or, by certified mail, return receipt requested. The right of rescission must be exercised within fifteen (15) days of the presentation date of the amendment disclosing such material change.

Once the Declaration is recorded, all changes in the size of or number of Units or changes in the Common Elements or the Common Interests of the Units must be made by amendment to the Declaration and such amendment is duly recorded. The Plan will be amended in the event of any such changes. As more particularly provided in the Declaration, while the Sponsor or its designee is the Owner of at least one Unsold Unit, and provided further that the consent of any affected Unit Owners is obtained, the Sponsor will have the right itself to so amend the Declaration to effectuate such change, without the Condominium Board, the other Unit Owners or any mortgagee consenting to, or executing, such amendment.

To the extent permitted by law, if the size or configuration of a Unit is changed in

compliance with the Plan, Declaration and/or By-Laws and, in connection therewith, a wall, space or other area forming a part of the Common Elements servicing and benefiting only such Unit is razed or incorporated in the Unit, then such shall be deemed for the exclusive use and benefit of the owner of such Unit and the Unit's Common Interest will remain unchanged.

The layout and number of rooms in Unsold Units may be changed without prior notice or amendment to the Plan.

The Sponsor reserves the right to substitute any of the materials specified in either the Description of Property and Specifications or Building Condition, or elsewhere in the Plan, with materials of substantially equal or better quality. The Sponsor's intention is to use the materials, fixtures, appliances and other equipment described in this Plan and in the architectural plans on file, but, due to unavailability of materials and supplies, site conditions or for any other reason, the Sponsor may substitute materials, fixtures, appliances and equipment of substantially similar or better quality for any of those set forth in the plans or otherwise in this Plan, without amendment to the Offering Plan.

INTERIM LEASES:

THE SPONSOR SHALL NOT OFFER INTERIM LEASES.

PROCEDURE TO PURCHASE

1. Execution of Purchase Agreement

A Person desiring to purchase a Unit in the Condominium, or the authorized parties thereof if the Person is other than a natural person, shall be required to execute four (4) executed copies a Purchase Agreement in the form contained in Part II of the Plan and return all copies to the Sponsor, together with a check in the amount of ten percent (10%) of the purchase price, drawn to the order of "Martin Shaw, Escrow Account Bridge South Condominium". The Down Payment will be deemed to have been unconditionally tendered when it is delivered to the Sponsor, Sponsor's Attorney or the Sponsor's Selling Agent with four (4) copies of the signed Purchase Agreement, and applicable exhibits thereto, without any request for change in the terms of the Purchase Agreement. The Escrow Agent shall deposit all down payments and advances in the special escrow account within five (5) business days after the Deposit has been unconditionally delivered. A Purchaser may obtain a copy of the Offering Plan upon payment of $100 deposit which amount will be fully refunded upon either (i) the prompt return of the Plan in good condition, or (ii) the execution of the Purchase Agreement by Purchaser that is subsequently accepted by Sponsor.

The Purchase Agreement shall not be binding upon the Sponsor until a duplicate thereof, executed by the Sponsor, is delivered to Purchaser. If within twenty (20) days of receipt of the Purchase Agreement, Purchaser does not receive a counter signed Purchase Agreement, it shall be deemed rejected and canceled and all monies paid by Purchaser shall be promptly refunded, without interest, and upon such refund being made, neither party shall have any further rights or obligations hereunder with respect to the other. The Sponsor shall have the right to reject the Purchase Agreement without cause or explanation to Purchaser, provided such rejection is not based upon race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by law. If a Purchaser tenders a Down Payment without an executed Purchase Agreement, the Sponsor shall have the right to reject the Down Payment and return it to Purchaser. In the event a check delivered by a Purchaser fails of collection, then, except for provisions thereof (if any) that are expressly stated therein to survive termination thereof, the Purchase Agreement will be deemed void ab initio (as if the Purchase Agreement had never been executed) at the option of the Sponsor, who reserves the right to exercise this option in its discretion, by notifying Purchaser in writing within five (5) business days of receipt of notice from the Escrow Agent that the check failed of collection.

Purchasers who have not had an opportunity to review the Offering Plan and any filed amendments for at least three (3) business days prior to their executing a Purchase Agreement shall be afforded seven (7) business days after delivering an executed Purchase Agreement together with the required Down Payment to rescind the Purchase Agreement and have the full Down Payment refunded promptly. Such rescission must be in writing, addressed to the Sponsor, and be postmarked or hand delivered by midnight of the seventh

(7th) day subsequent to Purchaser's executing and delivering such Purchase Agreement. Those Purchasers who have had at least three (3) business days to review the Offering Plan and any filed amendments thereto prior to executing a Purchase Agreement shall not be permitted the aforementioned time period to rescind for any reason.

Unless Purchaser defaults, all interest will be credited or paid (at the option of Sponsor) to Purchaser at such time as: (i) there is a closing under the Purchase Agreement, or (ii) Purchaser is entitled to a return of the Down Payment. All interest will be credited or paid to the Sponsor only in the event Purchaser defaults. The interest rate to be earned will be the prevailing rate for these accounts which currently is about one (1%) percent per annum. Interest will begin to accrue within: (i) one (1) business day, if the Down Payment is cash or cash equivalent, or (ii) if the Down Payment is other than cash or cash equivalent, upon the check clearing for collection and then transferred from the checking account portion of the Demand Account into the interest earning sub-escrow portion of the Demand Account. No fees of any kind from the account principal or any interest earned thereon may be deducted. Sponsor shall bear any administrative cost for maintenance of the account.

The Down Payment may be increased for custom work, upgrades or extras ordered by the Purchaser and itemized in the Purchase Agreement or as agreed between the parties. All funds received by the Sponsor from Purchasers for such custom work, upgrades or extras in Units shall be held in escrow by the Escrow Agent until the Sponsor requests release of such funds to pay for such work by delivery to the Escrow Agent of a written request together with a certification by the Sponsor that such funds will be used for such custom work, upgrades, or extras. In the event a Purchaser defaults or becomes entitled to a rescission after the release of such funds, Purchaser shall not receive a refund of any funds released for such labor and materials actually employed for such special work.

2. No Financing Contingency

The sale of a Unit is on an "all cash" basis. **A PURCHASER'S OBLIGATION UNDER THE PURCHASE AGREEMENT IS NOT CONTINGENT ON FINANCING UNLESS PURCHASER EXECUTES THE RIDER, EXHIBIT C, TO THE PURCHASE AGREEMENT. THIS RIDER PROVIDES THAT A PURCHASER SEEKING MORTGAGE CONTINGENCY MUST APPLY FOR A MORTGAGE THROUGH TWO RIVER MORTGAGE COMPANY, INC. ("TWO RIVER")WITHIN FIVE (5) BUSINESS DAYS OF PURCHASER'S RECEIPT OF A FULLY EXECUTED PURCHASE AGREEMENT.** Two River has a office at 157 Broad Street, Suite 318, Red Bank, New Jersey 07701. Two River will not charge the Purchaser a mortgage broker's fee. Purchaser may elect to apply for financing at any lending institution of his choice, but such application for financing shall not satisfy the terms of the financing contingency provision in the Purchase Agreement and Purchaser will be required to close when notified by Sponsor whether or not Purchaser has obtained financing. Please note that the above requirement does not prevent a Purchaser from obtaining financing from any lender, provided the Purchaser also applies to Two River.

The Rider provides that a Purchaser may seek financing of up to 80% of the purchase price at the prevailing rate of interest. Purchaser shall have forty-five (45) days from receipt of a counter signed Purchase Agreement to obtain a mortgage commitment from a permitted lender such as a commercial or savings bank, trust company, savings and loan association, insurance company, educational institutional, federal, state municipal or similar public employee's welfare, pension or retirement fund systems, or credit union. Sponsor shall have the right, but not the obligation, to cancel the loan contingency by written notice if Purchaser fails to make an application to Two River together with an application fee for a mortgage within five (5) business days of receipt of a counter part signed Purchase Agreement. Purchaser agrees to promptly furnish to any prospective Lender such truthful, accurate and complete information, data, documents pertaining to Purchaser's financial condition as may be required by such prospective Lender. Purchaser shall pay all fees, points and charges required in connection with such application and cooperative in good faith with the prospective Lender to the end of securing a mortgage and comply with all the requirements of the commitment letter. Purchaser shall promptly provide Sponsor with a copy of the commitment letter upon receipt thereof. Purchaser may cancel the Purchase Agreement and recover the Down Payment, and any interest earned thereon, if Purchaser fails to obtain a commitment within the allowed period of time. See Rider to the Purchase Agreement.

Sponsor will not receive any fees or commissions from Two River or any other mortgage broker. Sponsor does not assume any responsibility for the acts or omissions of Two River or its employees or agents, nor of any financial institution to whom the mortgage broker submits mortgage applications.

3. Compliance with GBL Sections 352-e (2-b) and 352-h

The Sponsor shall comply with the escrow and trust fund requirements of Sections 352-e (2-b) and 352-h and the rules and regulations promulgated by the Attorney General of the State of New York and Section 71-(a)(3) of the State of New York Lien Law. All funds paid by purchasers shall be handled in accordance with these statutes and regulations.

4. Escrow Trust Fund

(i) **The Escrow Account:** In accordance with Section 71-a(3) of the Lien Law, all down payments and advances whether in the form of checks, drafts, money orders, wire transfers or other instruments made by purchasers prior to closing of each individual transaction, whether received before or after the date of consummation of the Plan, must be placed within five (5) business days after the execution of the Purchase Agreement by all necessary parties in an attorney's segregated special escrow account. Martin Shaw, Esq., the Escrow Agent ("Escrow Agent"), whose address is 350 Fifth Avenue, Suite 2816, New York, New York 10118 (Tel. No.: 212-279-4490), has established a master escrow account in the name of "Martin Shaw, Escrow Account Bridge South Condominium", at Commerce Bank N.A., located at 317 Madison Avenue New York, New York 10017. The sole signatory on the account shall be Martin Shaw, Esq. who alone shall be authorized to release

funds from such escrow account. The master account shall consist of a "demand" account and an individual sub-account per Purchaser. All down payments will be placed initially in the non-interest bearing checking portion of the Master Escrow Account until such down payment check has cleared and Purchaser has delivered a completed and signed Form W-9 (Request for Taxpayer Identification Number) or a Form W-8 (Certificate of Foreign Status), as applicable. Thereafter, the Deposit will be transferred to an individual interest bearing sub-escrow savings account in the Purchaser's name. Interest shall be at the current prevailing rate for such type of accounts, which is currently about 1%. If a Purchaser does not deliver the Form W-9 or Form W-8, the down payment will remain in the non-interest bearing checking portion of the escrow account. At such time as the down payment is released pursuant to the terms of this Plan, the down payment will be transferred from the individual sub-escrow account to the non-interest bearing-checking portion of the escrow account so that checks may be drawn thereon.

All interest earned shall be credited to Purchasers unless the Purchaser defaults and the Plan is consummated.

No fees of any kind may be deducted from the account principal or any interest earned thereon. Sponsor shall bear any administrative costs for maintenance of the account.

Commerce Bank N.A., is covered by federal bank deposit insurance to a maximum of $100,000 per individual. The following are special risks of this offer: (i) if a Purchaser makes a Down Payment in excess of $100,000 for the purchase of a Unit, such Down Payment will not be federally insured in excess of $100,000; and (ii) if a Purchaser has other accounts or deposits in the Bank and such funds in the aggregate exceed $100,000, the excess thereof will not be federally insured.

(ii) **Payments:** All payments received from purchasers which identify the payor shall be made payable to or endorsed by the purchaser to Martin Shaw, Esq. as Escrow Agent.

(iii) **Escrow Agent:** Martin Shaw, Esq. is an attorney admitted to practice in the state of New York and is the escrow agent for the Sponsor of this Plan.

(iv) **Escrow Agreement Between Sponsor and Escrow Agent:**

Set forth in Part II of the Plan is a copy of the form of Escrow Agreement between the Sponsor and Escrow Agent which incorporates the terms of the Attorney General's regulations. In the event of any conflict between such escrow agreement and any provision of this Plan, the purchase agreement, or any amendment to the Plan, the escrow agreement shall control.

The Escrow Agent shall be permitted to act as counsel to the Sponsor in any dispute as to the disbursement of the down payment or any other dispute between the Sponsor and a

Purchaser whether or not Escrow Agent is in possession of the down payment and continues to act as Escrow Agent.

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

The Sponsor has agreed to compensate the Escrow Agent for services rendered in connection with Escrow Agent's duties under the Escrow Agreement. The Escrow Agent's fees and disbursements will neither be paid by the Sponsor from the down payment nor deducted from the down payment by any financial institution under any circumstances.

The Sponsor will discharge the Escrow Agent of its obligations upon payment of the deposit and interest earned thereon in accordance with the regulations on an individual basis.

(v) Notification to Purchaser:

Within ten (10) business days after tender of the down payment submitted with the Purchase Agreement, the Escrow Agent shall notify the Purchaser that such funds have been deposited into escrow and will provide the account number and the initial interest rate. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the down payment, the Purchaser may cancel the purchase and rescind so long as the right to rescind is exercised within ninety (90) days after tender of the down payment 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 and requisite notice was timely mailed to the Purchaser in conformity with the Attorney General's regulations.

(vi) Escrow Revision:

Before funds are transferred to a new escrow account, or if the Escrow Agent is replaced, the Offering Plan must be amended to provide the same full disclosure with respect to the account, the Escrow Agent, and the Escrow Agreement as was originally provided. A bond, letter of credit or other security may be substituted for the escrow account only after the Department of Law approves in writing the use of such alternative form of security.

(vii) Release of Funds:

A. Under no circumstances shall Sponsor apply for release of the escrowed funds of a defaulting purchaser until after consummation of the Plan. Consummation

of the Plan does not relieve the Sponsor of its obligations pursuant to GBL Section 352-h.

B. The Escrow Agent will hold the Down Payment and any interest earned thereon in escrow until closing or otherwise directed in:

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

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

(iii) a judgment or order of a court of competent jurisdiction, or until released pursuant to the next paragraph immediately below.

C. 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; or

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

D. If there is no written agreement between the parties to release the Down Payment, the Escrow Agent will not pay the Down Payment to the Sponsor until the Escrow Agent has given the Purchaser written notice of not fewer than ten (10) business days. Thereafter, the Down Payment 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's regulations and has so notified the Escrow Agent in accordance with such provisions and the Escrow Agent has received such notice.

E. Purchaser will not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Down Payment to the Sponsor in the event the Sponsor and Purchaser close title under the Purchase Agreement.

(viii) Disputes:

(a) In the event of a dispute, the Sponsor shall apply and the Escrow Agent and Purchaser may apply to the Attorney General for a determination on the disposition of the down payment and any interest thereon. A form for this purpose is set forth in Part II of the Plan. The party making such application shall contemporaneously send to all other parties by certified mail, return receipt requested, a copy of such application.

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

(c) If the application permitting release of funds is granted, the deposit and any interest earned thereon shall be disposed of in accordance with the determination of the Attorney General, subject to any court action in which preliminary relief is granted.

(d) The Attorney General shall act upon the application within 30 days after its submission to the Department of Law, by either making a determination or notifying the parties that an extension of time in which to do so is necessary for stated reasons.

(e) If the application seeking release of funds is denied, the escrow agent shall continue to hold the deposit and any interest earned thereon until:

(1) both the Sponsor and purchaser direct payment to specified party in accordance with a written direction signed by both the sponsor and purchaser; or
(2) a judgment or order of a court of competent jurisdiction is served on the escrow agent; or
(3) the escrow agent deposits the disputed amount into court.

(f) In no event shall the escrow agent release funds in dispute, other than a payment of such funds into court, until such dispute is finally resolved either by determination of the Attorney General or by order or judgment of a court of competent jurisdiction or by written agreement of the sponsor and the purchaser.

(ix) Bank Account Forms:

Copies of bank account forms shall be submitted as back-up exhibits to the Department of Law.

(x) Records on File:

The Escrow Agent will maintain all records concerning the Master Escrow Account for seven (7) years after the release of funds. Upon dissolution of the law firm, which was the escrow agent, Martin Shaw, Escrow Agent shall make appropriate arrangements for the maintenance of the records by the successor firm or attorney and shall notify the Department of Law of such transfer.

(xi) Waiver Void:

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

(xii) Trust Obligation of Sponsor:

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

(xiii) Transition:

All funds required to be held pursuant to GBL Section 352-e (2-b) and 352-h on the effective date of this section shall be transferred into escrow accounts in compliance with this regulation within sixty (60) days thereafter.

5. Schedule of Closing

Sponsor projects a closing of title to the first Unit to occur on or about March 1, 2007 which date corresponds to the date set forth in the projected Budget, Schedule B, for the first year of operation. If such date of closing is delayed beyond twelve (12) months, Purchasers will be offered a fifteen (15) day rescission period and be entitled to a full refund of the deposit with interest earned thereon, if any. After this Plan is declared effective, the Sponsor shall fix dates for closing title to all Units for which Purchase Agreements have been fully executed by serving notice on each Purchaser of such a Unit stating the date of the first closing and setting such Purchaser's Closing Date. The Sponsor will give each Purchaser not less than thirty (30) days' prior written notice of the date, time and place (in the City of New York) for the transfer of title to his Unit. Purchasers may, but are not required, to waive this thirty (30) day notice. At title closing, such Purchaser shall pay the balance of the purchase price stated in the Purchase Agreement with such Purchaser's unendorsed, by official cashier's check or official bank check drawn on or by a bank or trust

company that is a member of the New York Clearinghouse Association. However, such Purchaser may apply the proceeds of any financing obtained, by such Purchaser, to make such payment. Without limitation, a check drawn by a bank on another bank is not an "official cashier's check," a "cashier's check," or an "official bank check" for the purpose of the Purchase Agreement or this Plan.

6. Condominium Power of Attorney

At the closing of title and simultaneously with the delivery to Purchaser of the deed conveying the Unit, Purchaser shall execute and acknowledge the Power of Attorney to the Board of Managers and to the Sponsor in the form contained in Part II of the Plan. Purchaser shall deliver such executed Power of Attorney to the Sponsor or as directed by the Sponsor at the closing of title for recording and shall pay the recording fee. Failure to do so shall constitute a default by Purchaser pursuant to the Purchase Agreement. See form of condominium Deed and Power of Attorney in Part II of the Plan.

7. Conflict Between Plan and Purchase Agreement

Any conflict or inconsistency between the provisions of this Plan and the provisions of the Purchase Agreement shall be resolved in favor of the Plan.

8. Time is of the Essence to Cure Default

If Purchaser shall fail to pay any portion of the purchase price when due, or fails to close title on the date, hour and place specified by the Sponsor, or fails to perform any of Purchaser's other obligations, including, without limitation, the obligation to furnish any lender promptly with such information as such lender may require, and the obligation to accept a commitment on the terms set forth in the Purchase Agreement, such failure shall constitute a default by Purchaser, and the Sponsor may send notice to Purchaser of the Sponsor's intention to cancel the Purchase Agreement if such default is not timely cured. **TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THE PURCHASE AGREEMENT WITHIN THE APPLICABLE PERIOD.** "Time is of the essence" means that if such default is not cured within thirty (30) days after the Sponsor gives Purchaser written notice of such default, the Sponsor may (but shall not be obligated to) either (a) elect to cancel the Purchase Agreement by notice of cancellation sent after the cure period has expired or (b) bring an action against Purchaser for specific performance. Upon any cancellation by the Sponsor pursuant to clause (a) above, the Down Payment monies held with respect to the particular Unit, but not more than ten percent (10%) of the purchase price (together with interest earned thereon, if any), shall be paid over to the Sponsor as and for liquidated damages and thereafter the Purchase Agreement shall become null and void, except for provisions in the Purchase Agreement that by their terms survive termination thereof. Notwithstanding the above, the Sponsor may receive the actual costs incurred for any custom work, upgrades or extras ordered by Purchaser as a part of its liquidated damages even though the total amount of liquidated damages thereby exceeds ten

percent (10%) of the purchase price plus interest.

In the event a default is disputed in writing by Purchaser to Martin Shaw, Esq., as Escrow Agent, during the cure period and the default, in the Sponsor's opinion, is not timely cured, and the Sponsor thereafter cancels the Purchase Agreement, then Martin Shaw, Esq., as Escrow Agent, shall have the right to continue to hold the Down Payment pending resolution of such dispute (judicial or otherwise) or pay the Down Payment into court. In the event of a dispute, the Escrow Agent must apply to the attorney General for a resolution.

9. Risk of Loss

The risk of loss from fire or other casualty with respect to the Unit shall remain with the Sponsor until the closing of title for the Unit. Accordingly, any Purchaser, or anyone claiming by or through a Purchaser, who takes possession of the Unit prior to the closing of title should obtain insurance coverage for the Unit prior to taking possession, since, despite any loss, such Purchaser will remain obligated to purchase the Unit under the terms of his or her Purchase Agreement without any abatement in the purchase price and will be responsible for all damages to the Unit and other areas of the Condominium. See section of the Plan entitled "Rights and Obligations of the Sponsor" on page 82.

10. No Listings Prior to Closing

Prior to the closing of title to a Unit, the Purchase Agreement prohibits a Purchaser from listing the Unit for resale or rental with any broker or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or lease, without the Sponsor's prior written consent.

11. Inspection of Unit

At least three (3) business days before the Closing Date, a representative of the Sponsor shall notify Purchaser that the Unit is available for inspection by Purchaser. Upon receipt of such notice, Purchaser shall promptly arrange an appointment with a representative of the Sponsor to inspect the Unit before the Closing Date. The Purchaser or Purchaser's duly authorized agent shall attend such inspection and shall complete, date and sign the Inspection Statement (in the form set forth as Exhibit B to the Purchase Agreement in Part II of the Plan) and deliver same to the Sponsor at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit prior to Closing, or to sign and deliver the completed Inspection Statement, shall not excuse a Purchaser from Closing and shall constitute Purchaser's acceptance of the Unit in its "as is" condition at the Closing Date; provided, however, that nothing herein shall relieve the Sponsor of its obligations under this Plan as set forth in the Section of this Plan entitled "Rights and Obligations of the Sponsor."

12. Purchase by Foreign Person

Any Purchaser that is a foreign government, a resident representative of a forei government or other person or entity otherwise entitled to the immunities from suit enjoy by a foreign government (i.e. diplomatic or sovereign immunity) ("Foreign Governm Purchaser") shall be required to expressly and voluntarily waive such immunity and conse to any suit, action or proceedings arising out of or relating to the Purchase Agreement or t Condominium Documents being brought in any State or Federal suit, action or proceeding the State of New York based on, arising our of or connected with the Purchase Agreement the Condominium documents. Any such Purchaser shall designate and authorize a lawf agent to receive process for and on behalf of Purchaser in any State or Federal suit, action proceeding in the State of New York based on, arising out of or connected with the Purcha Agreement or the Condominium Documents. Such Purchaser will be required at Closing deposit with the Condominium an amount equal to six (6) months Common Charges effect for the Residential Unit which will be in addition to the required contribution to t Working Capital Fund.

The Purchase Agreement and the Plan do not contain, and will not be modified contain, any provision waiving the Purchaser's rights or abrogating the Sponsor's obligatio under the Offering Plan or under Article 23-A of the General Business Law, other than t ability of Purchaser to waive his or her right to thirty (30) days' prior written notice to t closing of title to Purchaser's Unit.

Any conflict between the Plan and the Purchase Agreement will be resolve according to the terms of the Plan.

ASSIGNMENT OF PURCHASE AGREEMENTS

Purchaser does not have the right to assign the Purchase Agreement without the pri consent of Sponsor, which consent may be unreasonably withheld or delayed. Any purporte assignment by Purchaser in violation of this Section will be voidable at the option of t Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to canc the Purchase Agreement or give rise to any claim for damages against Sponsor. If Sponso in its sole discretion, consents to a Purchaser's request for an assignment of the Purcha Agreement, or for the addition, deletion or substitution of names on the Purcha Agreement, the Purchaser will be required to pay to Shaw & Associates a fee of $750, i advance, for preparation of an assignment and assumption agreement. Any purporte assignment by Purchaser in violation of this Section shall be in default by Purchase entitling Sponsor to the default remedies set forth in the Section of the plan entitle "Procedure to Purchase", and shall be voidable at the option of the Sponsor.

If Purchaser has signed the Purchase Agreement in an individual name (and not i the name of an entity), then Purchaser shall have a one time right to assign Purchaser's right

under the Purchase Agreement, in whole, but not in part, to an entity under the "control" of Purchaser (the entity to which the rights are assignable may be a trust, limited liability company or a corporation) or to member(s) of Purchaser's immediate family provided that (i) Purchaser designates such Assignee at least 10 business days prior to the Closing Date; (ii) Purchaser delivers to Shaw & Associates, a fee in the amount of $750 for its services required in connection wit the preparation of the assignment and assumption agreement; (iii) the Closing is not delayed as a result of the assignment; (iv) the assignee of the Purchase Agreement assumes in writing, by an instrument prepared by Shaw & Associates, the obligations of Purchaser under the Purchase Agreement; and (v) the assignment is made without consideration. The term "control" shall mean the control, either directly or indirectly, of at least 51% percent of the voting shares or equity interests of such assignee, together with the authority to direct and manage the affairs of such assignee, which shall include the Purchaser, being the managing general partner of such partnership or the principal manager or managing member of such limited liability company. The term "immediate family" shall mean Purchaser's spouse, domestic partner, their children, grandchildren, parents, grandparents, brothers or sisters, stepchildren and stepparents. The obligations of the Purchaser may be performed by such assignee, and Sponsor agrees to accept such performance as if it were the performance of the Purchaser. No such assignment shall modify Purchaser's Agreement, including without limitation, Purchaser's indemnity obligations contained in the Purchase Agreement, reduce or limit any liability or obligation of Purchaser who shall remain primarily liable notwithstanding any liability assumed by assignee. Unless Purchaser complies with the provisions of this paragraph, any purported assignment by Purchaser shall be null and void and of no effect as against Sponsor.

EFFECTIVE DATE OF PLAN

1. The Plan shall be contingent upon the Sponsor declaring the Offering Plan effective pursuant to the requirements and terms of the Plan. These requirements, stated below, must be satisfied within two (2) years of the date the Plan is accepted for filing. The closing of title to any Unit may not occur until after Sponsor has declared the Plan effective by notice or by amendment to the Plan. If the Plan is declared effective by notice, an amendment disclosing declaration of effectiveness shall be filed with the Department of Law within five (5) business days thereafter including a copy of said Notice. The written notice of effectiveness ("Notice of Effectiveness") must be served either by personal delivery to Purchaser or Purchaser's attorney or by certified mail, return receipt requested. Such Notice shall also state the percentage of Units and the identification of the Units purchased that Sponsor counted for effectiveness. Sponsor's affidavit regarding such sales shall also be part of the amendment. No closing may be held until such amendment is accepted for filing by the Department of Law.

2. The Plan may be declared effective when Purchase Agreements have been both executed and accepted by the Sponsor for the sale at least fifteen percent (15%), or two (2) Residential Units, of the thirteen (13) Residential Units offered under the Plan from bona fide purchasers and must be declared effective upon the sale of eighty (80%) percent of the Units offered for sale.

3. The Plan will not be declared effective based on Purchase Agreements (a) signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived; (b) if the Purchaser was not afforded at least three (3) business days to review the Plan and all filed amendments thereto prior to executing a Purchase Agreement; or (c) 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 or 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 a bona fide purchaser.

4. The Plan may be abandoned, at the Sponsor's sole option, at any time before the amendment substantiating effectiveness is filed with the Department of Law and before eighty percent (80%) of the Condominium Units have been purchased. The Plan, if abandoned, shall be abandoned by amendment with a completed RS-3 form and filed with the Department of Law. Such amendment shall state the reason for the abandonment and account for all deposits. Subject to the provisions of the next sentence, monies paid by Purchasers pursuant to Purchase Agreements (other than monies released to the Sponsor for the purpose of paying for actual custom work, upgrades, or extras) shall be refunded to Purchasers with interest, if any, within thirty (30) days of the filing of such Amendment.

With respect to any Purchaser who is then in default under his or her Purchase Agreement beyond any applicable grace period or whose Purchase Agreement had been canceled previously due to such Purchaser's default, Sponsor will retain, as liquidated damages, such Purchaser's Down Payment, not to exceed ten percent (10%) of the purchase price (together with interest earned thereon, if any) plus any deposit or costs incurred by Sponsor for actual custom work, upgrades, or extras in the Unit ordered by such Purchaser.

5. The Sponsor may not abandon the Plan after notice of effectiveness for any reason other than (i) one or more defects in title which cannot be cured, removed or complied with prior to the date set for the First Unit Closing without litigation or for an aggregate amount that is less than one-half of one percent of the total amount of the offering, or (ii) substantial damage or destruction of the Building (or any part thereof) by fire or other casualty which cannot be repaired prior to the date set for the First Unit Closing for an aggregate amount that is less than one-half of one percent of the total amount of the offering, or (iii) the taking of all or any material portion of the Property by condemnation or eminent domain. The amounts referred to in clauses (i) and (iii) above shall be as estimated by an architect or engineer designated by the Sponsor or, in the case of clause (ii) above, as estimated by an insurance adjuster retained by the Sponsor, and shall not include the costs to cure any title defects or determinations of any authority or regulatory association that existed on the Date of Presentation of this Plan and were on that date either known to the Sponsor or a matter of public record. There will be no obligation on the part of the Sponsor to incur any expense or to engage in litigation to cure title defects.

TERMS OF SALE

1. General

The Unit with its appurtenant interests in the Common Elements, will be conveyed in fee simple absolute by means of delivery of a bargain and sale deed with covenants against grantors acts to such Unit by the Sponsor to a Purchaser of such Unit and the simultaneous performance by such Purchaser of his obligations to the Sponsor pursuant to the Purchase Agreement and the Plan including, without limitation, payment of the balance of the purchase price for such Unit which is due at closing. "Purchaser" may be an individual, a duly formed partnership, corporation, limited liability company, limited liability partnership, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government, any department or agency thereof, or any other entity, which is permitted to own property in the State of New York. The form of Unit Deed is contained in Part II of the Plan. The acceptance of a deed by Purchaser shall be deemed an acknowledgment that the Sponsor has performed and discharged every agreement and obligation on the part of the Sponsor to be performed under the Plan except those (if any) that may be expressly stated in the Plan or the Purchase Agreement to survive delivery of the deed.

2. Risk in the Event of Casualty

The risk of loss from fire or other casualty with respect to the Unit shall remain with the Sponsor until the closing of title for the Unit. The Sponsor, at its sole discretion, reserves the right to either repair or restore such Unit, whereupon Purchaser shall be obligated to close without an abatement in the purchase price, or not repair or restore such Unit and grant Purchaser the right to rescind the Purchase Agreement. Notwithstanding the above, in the event that Purchaser, or one claiming by or through Purchaser, enters into possession of the Unit prior to the closing of title, then Purchaser shall bear the risk of loss or other casualty with respect to the Unit and any other damage to other parts of the Property resulting therefrom. In the event of any such occurrence, Purchaser shall be obligated for the costs of any repairs and restoration of the damaged areas and such Purchaser will remain obligated to purchase the Unit under the terms of the Purchase Agreement without any abatement in the purchase price. The Sponsor shall not be obligated to repair any damage to the Unit or its appliances, fixtures and equipment or furnishings and decorations. Accordingly, any Purchaser, or anyone claiming by or through a Purchaser, who takes possession of the Unit prior to the closing of title should obtain insurance coverage for the Unit prior to taking possession and deliver a copy of such coverage to the Sponsor.

3. Limitation of Sponsor's Obligations for Changes

The Sponsor has no obligation to make repairs or improvements to any appliances, fixtures or personal property, unless specifically provided for in this Plan. Each Unit and the fixtures and personal property therein are being sold and delivered as described in the Plan, on the day of closing for such Unit, unless the Sponsor and Purchaser agree otherwise.

EACH PURCHASER SHOULD INSPECT THE UNIT SPACE AT LEAST FIVE (5) DAYS PRIOR TO CLOSING OF TITLE TO THE UNIT.

4. Certificate of Occupancy ("CO")

Closings will take place only concurrently with the issuance of a Temporary Certificate of Occupancy ("TCO") or a permanent Certificate of Occupancy ("CO") for the entire project or the issuance of a TCO for the Building and the Unit located therein. If at the time of the First Unit Closing, the Sponsor has not obtained the permanent CO then the Sponsor shall place in escrow with its attorney an amount, as determined by Sponsor's architect to be sufficient to pay for items of construction to be completed in order to obtain a permanent CO. Such escrow amount shall be released to the Sponsor or its designee, without notice or accounting to the Condominium Board or the Unit Owners, upon Sponsor obtaining the permanent Certificate of Occupancy from the Department of Buildings. Alternatively, and subject to amending the Offering plan, the Sponsor shall have the option of either depositing with its attorney an unconditional, irrevocable letter of credit in the amount determined by the Sponsor's Architect or posting a surety bond for the estimated amount. In the event Sponsor does not obtain a certificate from a qualified expert that a lesser amount shall be necessary, Sponsor shall retain all deposits and funds in a special escrow account.

The Sponsor shall make its best efforts to obtain a permanent Certificate of Occupancy for the Building prior to the expiration of the TCO two (2) years from the initial issuance. Sponsor cannot guaranty that all work to be performed and inspections made by the Department of Buildings shall be completed prior to such date of expiration of the TCO or because of unforeseen delays in performance by labor or delivery of materials or other factors beyond the control of Sponsor. The TCO may be renewed beyond the two-year period only with a new filing at the Department of Buildings.

5. State of Title

Title to the Unit and its appurtenant interests in the Common Elements will be conveyed at closing free and clear of all liens and encumbrances and title exceptions other than those set forth below (the **"Permitted Encumbrances"**), the proposed Unit Deed, and a mortgage lien by Purchaser's lender. Among the Permitted Encumbrances are the following:

(a) Any state of facts, which an accurate survey and inspection would show provided that such additional state of facts does not render title unmarketable.

(b) Zoning and building ordinances, resolutions, restrictions and regulations of municipal authorities having jurisdiction and any amendments thereto, now or hereafter adopted, providing same will not be violated by the existing structure and use.

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

(d). Easements in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units or Common Elements on the Unit, existing as a result of construction and rehabilitation of the Building, or construction of the individual Units, or which may have come or may come into existence as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building or any portion thereof, or of any adjoining Unit or of the Common Elements made by or with the consent of the Board of Managers after damage or destruction by fire or other casualty or after a taking in condemnation or eminent domain proceedings, or by reason of any alteration or repair to the Common Elements, made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units. In addition, each Unit shall have, and shall be subject to, easements of subjacent support and necessity in favor of such Unit or in favor of other Units and the Common Elements.

(e) Easements in favor of the other Units to use the pipes, wires, ducts, conduits, cables, public utilities and other Common Elements located in the Unit or elsewhere on the Property and serving such other Units.

(f) Revocability of the right to maintain street vaults and other areas, if any, under sidewalks.

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

(h) Any easement or right of use created in favor of any public utility company for electricity, steam, gas, telephone, water or other service, and the right to use, maintain and repair wires, cables, terminal boxes, lines, service connections, poles, mains, facilities and the like upon, under and across the Property.

(i) Service, maintenance and union contracts and agreements, if any, in effect on the date of the First Unit Closing.

(j) Encroachments of shrubbery, stoops, areas, cellar steps, doors, ledges, window sills, bay windows, trim, coping, cornices, vaults, chutes, fuel oil lines, gas lines, drainage pipes, standpipes, sewerage pipes, foundations, footings, walls, retaining walls, railings, chain link fences, fire escapes, ramps, air conditioning units, canopy and similar projections, if any, on, over or under the Property, or the streets or sidewalks or property abutting the Property and rights of governmental authorities and adjoining property owners

to require the removal of any such projections, and variations between record lines of the Property and fences, walls, retaining walls, overhead wires, and the like, if any.

(k) All covenants, declarations, restrictions, reservations, agreements and easements of record, if any, which are still in force and effect on the date of the First Unit Closing, provided that they are not violated by and do not prevent legal use of the Condominium Units at the Property nor prevent the existence of the present structure. The title report, dated February 7, 2006 reveals no such covenants, agreements, etc.

(l) Beams and beam rights, party walls and party wall agreements: The title report referred to above, does not reveal any such beams, beam rights.

(m) Any service contracts to be assumed by the Condominium at the First Unit Closing.

(n) The lien of any unpaid Common Charges or real estate taxes, and the lien of any water charges or sewer rents generally (which shall be apportioned at Closing).

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

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

(q) Any Interim Use and Occupancy Agreement covering the Unit made from the Sponsor to the Purchaser.

(r) The Certificate of Occupancy (temporary or permanent) to be secured by the Sponsor.

(s) Violations noted or issued of record against the Unit after the First Unit Closing by any governmental authority. Any violation, which the Sponsor is obligated to remove, will not be an objection to Closing, provided the Sponsor agrees in writing with the Condominium Board to remove same of record.

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

(u) Variations between record lines and fences, hedges, retaining walls an lots.

(v) Standard printed exceptions contained in the form of title insurance po then issued by Philip O'Hara Associates, Inc., having an address at 140 Remsen St Brooklyn, New York 11201 (or such other New York Board of Title Underwriters mem title insurance company insuring the Purchaser's title to the Unit).

(w) Any other lien or encumbrance that does not render title unmarketable.

6. Objection to Title

Any encumbrance to which title is not to be subject shall not be an objection to ti if (i) the instrument required to remove it of record is delivered at or prior to the closing title to the proper party or to Purchaser's title insurance company, together with the attend recording or filing fee, if any, or (ii) Philip O'Hara Associates, Inc., having an address at 1 Remsen Street, Brooklyn, NY 11201 (or such other title insurance company as Purchas may utilize), is or would be willing, in a fee policy issued by it to the Purchaser, to insu Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforce against the Unit if it is not a lien. The parties agree that the Sponsor may pay and discharg any liens and encumbrances upon the Property, not provided for in this Plan or the Purcha Agreement, out of the monies to be paid by the Purchaser at the time of closing title.

7. Acceptance of Title

Sponsor recommends but does not require that purchasers accept title to the Proper from Philip O'Hara Associates, Inc., which agrees to insure fee title in the Purchaser subje only to the provisions set out above and the standard printed exceptions contained in th form of title insurance policy promulgated by the New York Board of Title Underwriters.

8. Additional Easements

The Sponsor reserves the right to grant easements for additional utility, sewer an drainage lines and appurtenances in, over, under and through the Condominium to reloca any existing utility, sewer and drainage easements and to dedicate any or all of such facilitie to any governmental body, public benefit corporation or utility company, if the Sponsor sha deem it necessary or desirable for the proper operation and maintenance of th Condominium or any portion thereof, or for the general health and welfare of any Un Owner, provided that such additional utilities or the relocation of existing utilities will n prevent or materially interfere with the use of the Units for dwelling purposes. Any utilit company or public benefit corporation furnishing services to the Building, and its employee and agents, shall have a right of access to any Unit or to the Limited Common Elements, i the furtherance of such easements, provided such right of access is exercised in such

manner as to not unreasonably interfere with the use of the Units.

9. Inability to Convey Title

Notwithstanding anything else to the contrary in this Plan or the Purchase Agreement, if Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Plan and the Purchase Agreement, Sponsor shall not be obligated to bring any action, suit or other proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in this Plan in order to cure such inability, and, in such case, if Sponsor notifies Purchaser of its refusal to cure such inability and if Purchaser is not in default hereunder, Purchaser's sole remedy shall be either (i) to take title to the Unit subject to such inability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (ii) to terminate the Purchase Agreement. If Purchaser so elects to terminate the Purchase Agreement, Sponsor shall, within thirty (30) days after receipt of notice of termination from Purchaser, return to Purchaser all sums deposited by Purchaser hereunder (except for funds released to Sponsor to be used for actual special work, upgrades or extras), together with interest earned thereon, if any, and, upon the making of such payment, the Purchase Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Plan or the Purchase Agreement except for provisions of the Purchase Agreement that by their terms survive the termination thereof. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within fifteen (15) days after the giving of Sponsor's notice of refusal to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the remedy described in clause (i) above (i.e., to acquire title subject to such inability).

10. Payment of Common Charges at Closing

On the Closing Date for each Unit, fee title to the Unit in question shall be conveyed to the Purchaser, and Purchaser shall thereupon become obligated for the payment of Common Charges and real estate taxes for the Unit, whether or not he or she has taken possession of the Unit.

11. Personal Property in Unit Not Part of Sale

All personal property located within the Unit on the date the Purchase Agreement is signed that is owned by the Sponsor is not included in the conveyance of the Unit to Purchaser, unless otherwise specifically indicated in the Purchase Agreement. All personal property affixed to or located within the Common Elements that is owned by the Sponsor is not included in the property transferred to the Condominium by the Declaration unless specifically included in the Purchase Agreement.

12. Condominium Documents

The Condominium Declaration, By-Laws and floor plans and such other documents as required by law, will be recorded or filed with the New York City Register's Office prior to the first conveyance of title to a Unit in accordance with the New York Condominium Act or applicable state and local law.

13. Release of Unit at Closing

Any existing mortgage or construction loans not satisfied at or prior to closing of the first unit shall provide that each mortgagee or lender shall either:

(i) consent to the formation of a condominium and acknowledge that its lien will be limited to unsold condominium units; or
(ii) subordinate the lien of its mortgage to the declaration of condominium;
(iii) or release its lien on the Unit and its Common Interests being conveyed.

UNIT CLOSING COSTS AND ADJUSTMENTS

1. GENERAL

At closing, Purchaser will pay certain closing costs in connection with the purchase of the Unit. The costs cited below are only an approximation because the total costs will depend on such factors as the purchase price of the property and the amount of mortgage, if any, Purchaser obtains. In addition, Purchasers will have personal costs such as Purchaser's counsel fees and, if the purchase is financed, costs related to financing (such as: bank application fees, credit report, appraisal fee, lender's legal fees, etc). Some closing costs are based on rates in effect on the date of the plan and are subject to change without prior notice:

Among the closing costs to Purchaser are the following:

(i) Fee title insurance;
(ii) Transfer taxes to the City and State of New York;
(iii) Document recording fees;
(iv) Working Capital Fund contribution to the Condominium;
(v) Legal and other fees to Sponsor's attorney;
(vi) Costs related to financing, if financing is obtained;
(vii) Unit's R. E. Taxes;
(viii) Unit's Common Charges.
(ix) Move-in and move-out fees.

The above items are discussed below more fully.

(a) **FEE TITLE INSURANCE**: If Purchaser elects to obtain fee title insurance (i.e., title insurance covering the Purchase Price of the Unit), Purchaser will pay a premium to the title company for such insurance, which will vary depending upon the amount of insurance requested. Sponsor recommends that Purchaser obtain such insurance from Philip O'Hara Associates, Inc., as agent for First American Title Insurance Company but Purchaser is not required to do so and may obtain such Title Report and title insurance from another title company. There are certain benefits to Purchaser using the same title company as Sponsor such as providing escrow service at no charge to the Purchaser.

(b) **TRANSFER TAXES**: New York City Real Property Transfer Tax is currently equal to 1% of the Purchase Price with respect to Units which are sold for $500,000 or less and 1.425% of the purchase price where the consideration is greater than $500,000. New York State Real Property Transfer Tax is currently equal to .4% of the purchase price.

Although the costs of these transfer taxes are customarily paid by the seller in covered transactions, the responsibility for paying these taxes may be modified by contract. Under this Offering Plan and the Purchase Agreement, Purchasers are required to pay these taxes at the Closing as a closing cost. The New York City Department of Finance has determined that where the purchaser of property assumes the obligation for payment of transfer taxes, the amount of such taxes are treated as additional consideration to the purchaser price subject to the tax. The amount of such New York City Real Property Transfer Tax ("RPT Tax") and New York State Transfer Taxes (deed stamps) ("NYS Tax") are added to the purchase price of the Unit. Therefore, the steps to compute the tax are:

(i) Multiply the purchase price by the NYCRPT Tax rate to compute the City tentative tax.
(ii) Multiply the purchase price by the NYS Tax rate to compute the tentative NYS Tax.
(iii) Add the tentative taxes to the purchase price.
(iv) multiply (iii) by the NYCRPT Tax rate to determine the RPT Tax payable.
(v) Multiply (iii) by the NYS Tax rate to determine the NYS Tax payable.

Purchaser shall pay said transfer taxes directly to the City and State of New York at closing.

Under Section 1402-a of the New York Tax Law, a tax of one percent (1%) of consideration (or part thereof attributable to the real property being conveyed), or commonly called the "Mansion Tax", is payable by the Purchaser on each conveyance of residential real property, including condominium units selling from $1,000,000 and up. Residential real property includes a 1-3 family house, an individual condominium unit and a cooperative unit that is or may be used, in whole or in part, as a personal residence. The Mansion Tax is not considered additional consideration to Sponsor for purposes of calculation of transfer taxes.

(c) **DOCUMENT RECORDING FEES**: Purchaser will pay a fee for recording the Condominium Unit Deed and the Unit Owner's Power of Attorney (in the form set forth in part II of the Plan), together with a service charge to the title company for recording each instrument, in the approximate amount of $15.00 per document and $5.00 per page, together with a service fee to the title company, if applicable, totaling approximately $150.00.

(d) **WORKING CAPITAL**: at the time of closing of title, the Purchaser of such Unit shall pay into the Condominium Working Capital Fund the sum equal to two (2) months of Common Charges for the Unit being purchased; such Fund is intended for unexpected expenses of the Condominium Association.

(e) **SPONSOR'S ATTORNEY LEGAL FEES**: At closing each Purchaser will pay the Sponsor's attorneys fees in the amount of $1,300 for preparation of closing date documents and attendance at closing and an additional fee of $300 per closing for any Unit Closing that occurs outside the office of Shaw & Associates, or at such designate place of Sponsor's choosing. A fee of $250 shall be payable by Purchaser to the Sponsor's attorneys for cancellation of a completed and submitted Purchase Agreement or contract. In addition to the closing and attendance fee for Sponsor's attorney, an additional fee will be charged if at Closing, an adjournment is declared due to Purchaser's failure to comply with Purchaser's closing obligations, the determination of which fees shall be within the sole discretion of the Sponsor's attorneys. All such fees shall be due at closing.

(f) **COSTS RELATED TO FINANCING**: If Purchaser elects to obtain a mortgage loan from a lending institution, the Purchaser may expect to incur the following costs:

(i) Legal fees of the lending institution's attorney and Purchaser's attorney's fees;
(ii) Mortgage title insurance policy costs for a mortgage title insurance policy naming the lending institution as the insured;
(iii) Currently, the mortgage recording tax for mortgages under $500,000 is 2.05% of the face amount of the mortgage and 2.175% for mortgages in an amount of $500,000 or more. The mortgagee pays an amount equal to 0.25% of the face amount of the mortgage. There is a $30 exemption for residential property
(iv) recording fee for recording of the mortgage.

(g) **UNIT'S REAL ESTATE TAXES**: In addition to the above-specified costs and expenses, a mortgagee may provide that the Unit Owner deposit monthly with the lender one-twelfth (1/12) of the estimated annual real estate taxes and tax assessments which are assessed or to be assessed against the Unit, together with one-twelfth (1/12) of the annual fire and casualty insurance policy premiums for the Unit, or other amounts, and, at Closing,

Purchaser may be required to deposit with the lender a multiple of the aggregate of such one (1) month's real estate taxes, tax assessments and insurance premiums, or other amounts, in order that sufficient funds will be available for the lender to pay the same when due.

Real estate taxes as of 11:59 P.M. of the day immediately preceding the date of the Closing through the end of the tax payment period within which the Closing Date occurs, which shall be either a quarter of a year or one half of a year, provided, however, that the Sponsor shall be reimbursed by Purchaser for the cost of any real estate taxes which the Sponsor would not otherwise have had to pay but for a delay in closing of title by Purchaser.

If the Units have not been separately assessed for real estate tax purposes prior to the First Unit Closing, the Sponsor must 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 the Property and due on the next payment date or until the Units are separately assessed, whichever period is shorter. If real estate taxes have already been paid for part of this six-month period, then this six-month period shall be reduced by the amount of time subsequent to the First Unit Closing for which real estate taxes have been paid. Sponsor shall pay or cause to be paid the real estate taxes payable with respect to the sold Units from the escrow account when taxes are due and payable and is entitled to reimbursement of the amount escrowed from Purchasers at the Closing (regardless of whether or not such taxes shall have been actually paid, so long as such escrow account shall have been established) based upon the aggregate real estate taxes then affecting the entire Property multiplied by the particular Purchaser's percentage of Common Interest.

Subsequent to this six (6) month period, until a separate assessment for each Unit has occurred, each Unit Owner or its mortgagee shall, on January 1st and July 1st of each year, pay to the Board of Managers, for the purpose of paying such Unit Owner's share of the real estate taxes for the ensuing six (6) months, an amount determined by multiplying such Unit Owner's percentage of Common Interest by the aggregate real estate taxes assessed against the tax lot comprising the Property for the six (6) month time period. The Board of Managers shall keep all such funds in a separate account for the purpose of paying the real estate taxes for the Property when due. The Sponsor shall also pay into this special account with respect to any Units owned by it.

If no separate Unit apportionment has yet occurred, such adjustment shall be on the basis of the percentage of Common Interest attributable to such Unit. If a subsequent adjustment need be made when the tax lots are apportioned to correct any discrepancy between the adjustment on the basis of percentage Common Interest and adjustment on the basis of actual apportionment, it shall be made at that time.

(h) **COMMON CHARGES**: The Purchaser will be required to pay to the Board of Managers Common Charges allocable to his or her Unit monthly in advance. Common Charges assessed during the month in which title closes shall be adjusted with the Sponsor as of 11:59 P.M. of the day immediately preceding the Closing Date, provided, however,

that the Sponsor shall be reimbursed by Purchaser for the cost of any Common Charges which the Sponsor was obligated to pay to the Board of Managers as a result of any unauthorized delay in closing of title by Purchaser in addition to a proportionate share of real estate taxes and annual interest of 16% on the total purchase price of the Unit from the initial closing date of the Unit. The amount of such Common Charges to be assessed against each Unit will be fixed by the Board of Managers. Common Charges to be initially assessed are expected to conform to those shown in Schedule A contained herein or in an amendment to the Plan.

2. MORTGAGE TAX CREDIT

Mortgage tax credit, if any, is a credit allowed to Sponsor against the mortgage recording tax due the NYC Finance Department from a Purchaser who is financing the purchase price and shall not result in an additional closing cost to Purchaser. For example the mortgage tax on $300,000 mortgage is $6,150.00 less $30. Such mortgage tax is then apportioned between the Sponsor and the City of New York if Sponsor has paid a mortgage tax on construction mortgages used for construction of the Property on a formula basis.

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

> "In the event the proceeds of a construction mortgage were applied to construction of a unit of a condominium submitted to the provisions of this article, or in the event that a unit submitted to the provisions of this act was subject to a blanket mortgage whose proceeds were applied exclusively to payment of the construction mortgage or to capital expenditures or expenses for the development or operation of the condominium, or to purchase of land or buildings for the condominium provided that such purchase was no more than two (2) years prior to the recording of the declaration of condominium, and a mortgage tax was duly paid on such construction or blanket mortgage in accordance with article eleven of the tax law, then, as each unit is first conveyed, there shall be allowed a credit against the mortgage recording taxes (except the special additional mortgage recording tax imposed by subdivision one-a of section two hundred fifty-three of the tax law) that would otherwise be payable on a purchase money mortgage, said credit to be in the amount resulting from the product of the purchaser's pro rata percentage of interest in the common elements and the mortgage tax already paid on the construction or blanket mortgage. No credit shall be allowed under this subdivision (a) on account of the special additional mortgage recording tax imposed by subdivision one-a of section two hundred fifty-three of the tax law or (b) where the first condominium unit is sold more than two years after the construction or blanket mortgage was recorded."

The Sponsor or its predecessors have paid a mortgage recording tax for the mortgage encumbering the Property. In the event that a mortgage tax credit becomes available,

pursuant to the above Section 339-ee(2) of the New York Real Property Law, it is specifically understood that such credit shall inure to the benefit of the Sponsor. Accordingly, at Closing, each Purchaser electing mortgage financing shall pay an amount equal to the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. The Sponsor at Closing will be paid by such Purchaser to the extent of any mortgage tax credit allowed.

The entire contents of this section, as same may be revised or amended, shall be deemed to be incorporated by reference into the Purchase Agreement for each Unit as if set forth at length in such Purchase Agreement.

The Sponsor recommends that Purchasers review their closing costs with an attorney and accountant since the above are only estimates and are not inclusive of all possible costs to purchasers.

3. CLOSING ADJUSTMENTS BETWEEN SPONSOR AND THE BOARD OF MANAGERS

There are general closing adjustments between Sponsor and the Condominium Board made as of 11:59 P.M. of the day immediately preceding such closing, some of which costs may result in an obligation of the Condominium Association to the Sponsor:

(a) Common Charges which are the Sponsor's obligation for the period from the First Unit Closing to the end of the month in which same occurs for all Unsold Units;
(b) water charges and sewer rents on the basis of the fiscal or calendar year for which assessed (unless separately assessed to individual Units);
(c) cost of supplies on hand at Sponsor's cost (plus sales tax); and
(d) pre-paid premiums for any transferable insurance policies;
(e) pre-payments made under service and maintenance contracts, if any;
(f) fees for assignable permits and licenses, if any;
(g) charges for electricity, natural gas, or oil and other utilities (plus sales tax), if any, pertaining to the Common Elements;
(h) wages and benefits of employees of the Building, if any.

The Board of Managers shall reimburse the Sponsor in full for any electric, utility or other service deposits paid by the Sponsor. Those items are not items of closing adjustment. The deposits shall be repaid to the Sponsor from contributions made to the Working Capital Fund.

4. PENALTIES FOR DELAYED CLOSINGS

If Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date ("Scheduled Closing Date") (a) the closing adjustments described above will

be made as of the mid-night of the day preceding the Scheduled Closing Date, regardless of when the actual Closing occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher costs by virtue of the delay, and to the other payments to be made to Sponsor under the Purchase Agreement and the Plan, an amount equal to the annual rate of interest of 16% of the purchase price computed from the originally Closing Date to and including the day before the Closing Date. If through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, the provisions shall apply to any new Scheduled Closing Date.

5. MOVE-IN AND MOVE-OUT FEES

Purchaser will be required to pay to the Condominium a security deposit of $1,000.00 as a move-in or move-out fee of which $300.00 shall be a fee to the Managing Agent for coordinating and scheduling the event. The balance of the $700.00 amount will be refunded promptly to purchaser if no Common Elements or personal property at the Building is damaged. In the event that any such damages exceed $700.00, the Purchaser/Owner will be liable for any repairs or replacements.

6. ILLUSTRATION OF A TYPICAL UNIT ESTIMATED CLOSING COSTS

A numerical example for the typical estimated closing costs for a single Residential Unit with a purchase price of $595,000.00 is set forth below. All tax rates, title insurance premiums and recoding costs are subject to change.

a.	Fee Title Insurance:	$ 2,368.10
b.	City Transfer Tax	$ 8,478.75
c.	State Transfer Tax	$ 2,380.00
d.	Document Recording Fees	$ 150.00
e.	Working Capital Fund	$ 1,569.46
f.	Legal Fees to Shaw & Associates	$ 1,300.00
g.	Move in Fees	$ 300.00
		$16,546.31

Additionally, for a closing occurring on November 1, 2006, 1st half 2006/2007 real estate taxes will have been paid. Therefore, for 2nd half 2006/2007 real estate taxes, due January 1, 2007, six (6) months of real estate tax escrow would be picked up. For example, for Unit 4C, this amount would be estimated at $2,356.14 without 421-a real estate tax benefits based upon the estimates in Schedule A for real estate taxes due in the First Year of Condominium operation. It is also noted that a November 1, 2006 closing where the 1st half of 2006/2007 real estate taxes are paid by Sponsor would mean the Purchaser would have to reimburse Sponsor for six (6) months of real estate taxes or $2,356.14.

Purchasers should note that Units selling above $1,000,000.00 (purchase price plus

transfer taxes) will pay a Mansion Tax of 1% of the purchase price to the State of New York.

Purchasers will pay the Condominium a moving deposit $1,000.00 of which $700.00 will be refunded promptly provided no damages are caused to any portion of the Building while moving. Adjustments for monthly Common Charges and prepaid real estate taxes, if any, for the Unit will be done at closing. Purchasers should also note that a Lender may require that Purchaser deposit monthly with the Lender 1/12 of the annual estimated real estate taxes and tax assessments together with 1/12 of the monthly cost of fire and casualty insurance.

Other fees which cannot be estimated because they pertain to events outside of Sponsor's control and/or statutory requirement include, purchaser's attorney's fee, lender's attorney's fee, possible commitment fee or loan origination fee, appraisal fee, application fee, credit check fee, fees of inspection by engineer or other specialists retained by Purchaser and monthly Common Charges prospectively from the closing date.

RIGHTS AND OBLIGATIONS OF SPONSOR

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

1. Sale of Units by Sponsor

The Sponsor will endeavor in good faith to sell the Units offered for sale in schedule A in a reasonably timely manner rather than rent them. Sponsor retains the right to rent rather than sell any of the Unsold Units if market conditions may adversely affect Sponsor's investment or financial condition and offer such Unsold Units for sale when market conditions improve. If Sponsor makes a bulk sale of all or some of its Unsold Units, the transferee successor Sponsor is bound by Sponsor's representations regarding its commitment to sell Units. Sponsor's construction mortgage does not impose any conditions as to sales or renting of Units except to condition the release from its lien of any Unit at closing upon payment of a release fee from the net proceeds of sale until such mortgage is satisfied.

2. Sponsor's Obligations to Defend Suits

The Sponsor shall have the right but not the obligation to defend any suits or proceedings arising out of its acts or omissions; the Sponsor shall have the obligation to indemnify the Board of Managers or the Unit Owners against any judgment obtained against either or both of them by reason of the wrongful acts or omissions of the Sponsor. The Board of Managers and the Unit Owners shall, as a condition to such indemnification, notify the Sponsor promptly of any such suit and cooperate with the Sponsor in defending against any such suits, which the Sponsor elects to defend.

Without limiting the foregoing, the Sponsor shall not be liable for or obligated to defend any suits, proceedings or claims (i) as to any Unit arising out of any occurrence taking place on or after the earlier of the closing of title to such Unit or the leasing thereof to, or at the direction of, any Purchaser, or (ii) as to the Common Elements, arising out of any occurrence taking place on or after the date of the recording of the Declaration, except suits, proceedings or claims arising out of acts or omissions of the Sponsor or representations made by the Sponsor in the Offering Plan. Sponsor shall not be liable for or obligated to defend any suits, proceedings or claims arising out of any occurrence which was prior to the date of the First Unit Closing except suits, proceedings or claims arising out of acts or omissions of Sponsor.

3. Obligations to Survive Delivery of Deed

All representations under the Offering Plan, all obligations pursuant to the GBL, 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. Sponsor Obligations of Common Charges and R.E. Tax for Unsold Units

The Sponsor will pay all Common Charges, real estate taxes, special assessments and other expenses allocable to any Units owned by the Sponsor, so long as the Sponsor shall continue to own the same. However, where Purchaser has caused an unauthorized delay in closing of title, the Sponsor shall be entitled to certain reimbursements of real estate taxes, Common Charges and 16% annual interest on the purchase price, beginning from the initial scheduled closing date to the actual date of closing. The Sponsor represents that it has the financial resources to meet its obligations with respect to Unsold Units. The Sponsor's financial obligations to the Condominium will be funded from sales proceeds and/or its own funds. The Sponsor has posted no bond or other security with respect to its obligation. The subsequent ability of the Sponsor to perform its obligations will depend upon Sponsor's financial condition at the time called upon to perform.

5. Risk of Loss

The risk of loss from fire or other casualty with respect to the Unit shall remain with the Sponsor until the closing of title for the Unit. The Sponsor, at its sole discretion, reserves the right to either repair or restore such Unit, whereupon Purchaser shall be obligated to close without an abatement in the purchase price and without retaining any portion of the purchaser price pending restoration and repair, or Sponsor may elect not to repair or restore such Unit and grant Purchaser the right to rescind the Purchase Agreement. Notwithstanding the foregoing, if the Purchaser is given possession of the affected Unit under an Interim Use and Occupancy Agreement or otherwise prior to the casualty, such Purchaser shall assume the risk of loss to the Unit and the obligation to repair the damage, unless the cause of such damage originated outside Purchaser's Unit and did not result from the acts of Purchaser or other occupants, guests, invitees or workers of Purchaser. If Purchaser fails to correct damages, Purchaser shall still be obligated to close title to the Unit. The Sponsor and/or the Condominium will in no event be liable to Purchasers under this Plan and Sponsor will not be liable to the Condominium in the event of any delay in repairing the damage for which Sponsor is responsible.

6. Sponsor Responsibility to Secure Fire & Casualty Insurance

The Sponsor shall procure fire and casualty insurance coverage on behalf of the Condominium, at the Condominium's expense, to be effective at the First Unit Closing, in the amount based on an agreed replacement value policy or in an amount to be sufficient to avoid co-insurance, as set forth in Schedule B of the Plan.

7. Dissolution of Sponsor or Liquidation of Sponsor

In the event of the dissolution or liquidation of the Sponsor or the transfer of three

(3) or more Units or twenty percent (20%) or more of the total number of Units in th Condominium, whichever is less, the principals of the Sponsor will provide financiall responsible entities or individuals who will assume the status and the obligations of th Sponsor for those Units under the Offering Plan and any applicable laws or regulations

8. Sponsor's Construction Financing

The Sponsor has secured construction mortgage for development of the Property Prior to the First Unit Closing, any liens affecting the Property shall be paid and satisfied c bonded or the Units being conveyed and their appurtenant Common Interest shall b released therefrom by partial release duly recorded. The construction documents do nc require the Sponsor to enter into a specific minimum number of Purchase Agreements pric to declaring the Plan effective. The construction loan documents require the Sponsor to mee minimum release payment of a portion of the purchase price of the Unit closing prior to th Lender's release of its lien against the Unit. There are no requirements in the loa documents regarding rental of Units.

9. Sponsor's Obligations for Construction Pursuant to Approved Plans

The Sponsor will, at the Sponsor's own cost and with reasonable diligence, perforr or cause to be performed construction of the Building (including the Units and the Commo and Limited Common Elements) and will supply or cause to be supplied all materials whic are necessary to complete construction substantially in accordance with the "Description c Property" Report contained in Part II of this Plan. The Sponsor shall make its best efforts t obtain a permanent Certificate of Occupancy ("CO") for the Building and all Units an Common and Limited Common Elements therein or a temporary Certificate of Occupanc ("TCO") for the Building and the Common Elements and the Unit in the Building that i closing. No closing will be held without at least a TCO for the Unit being closed. Sponsc must obtain a permanent CO for the property prior to the expiration of a TCO unless same i extended. The common areas of the Building including the elevator and entrance and exits t the Building must be completed prior to closing of the first Unit.

(i) Sponsor will discharge or bond all mechanics' liens, which may b filed as a result of the construction of the Building or the Units being conveyed an their appurtenant Common Interests shall be released therefrom by partial release duly recorded.

(ii) Sponsor reserves the right without prior notice to Purchasers to amen or modify the building plans and specifications from time to time (including, withou limitation, changes in layouts and designs or changes affecting the materials appliances, equipment, fixtures and other construction procedures or details). Th Sponsor further reserves the right to substitute for any of the materials, equipment o fixtures specified in said Report or elsewhere in the Plan, of substantially similar o better quality and design comparable to local standards as determined by Sponsor'

general contractor or architect or engineer in their sole discretion without amendment to the Plan. The Sponsor's intention is to use the materials, fixtures, appliances and other equipment described in this Plan, but, due to the possible unavailability of materials and supplies, construction site condition, or for any other reason, the Sponsor may substitute such materials, fixtures, appliances and equipment with those of similar quality provided such substitution(s) does not affect any Unit for which a Purchase Agreement has been executed and is in effect. The Sponsor shall file an amendment to the Plan if any substitution(s) to materials, equipment or fixtures is substantially different or of lesser quality than set forth in the Plan.

All references in this Plan to "plans" shall mean the aforesaid building plans for the Building prepared by the Sponsor's Architect as the same may have, from time to time, been amended or changed, or may, from time to time, hereafter be amended or changed in accordance with the provisions of this Plan.

The Sponsor shall deliver to the Board of Managers a set of architectural plans upon completion of the project.

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 a substantially accurate copy of portions of the plans of the Building as filed with and approved by the municipal or other governmental subdivision having jurisdiction over the issuance of permits for the construction of buildings.

(iii) The Sponsor also reserves the right, without altering the total amount of space contained in the Building, to change the size, interior layout and location of any Unit or the number of Units, provided such changes are made in accordance with the Section of the Plan entitled "Changes in Prices and Units."

Changes may be made in the size, location or number of Units, their respective percentage of Common Interest, or in the amount or quality of Common Elements, except as otherwise provided herein, only with the consent of all Unit Owners or contract vendees directly affected, and by amendment to the Plan and also by amendment to the Declaration if the Declaration was filed prior to such change. To be directly affected, the change in the size of a Unit must be to such Purchaser or Unit Owner's Unit or the change must be to his or her percentage of Common Interest or in the amount or quality of Common Elements that he or she is entitled to use. However, the Sponsor shall not be obligated to obtain the consent of any Purchaser or Unit Owner for changes made prior to the execution of a Purchase Agreement for the affected Unit or Units, provided such changes are made by amendment to the Offering Plan and to the Declaration, if applicable. Insubstantial change in the size of units or layout of units shall not require an amendment to the Plan.

Changes to the size, layout or percentage of Common Interest of a Unit for which a Purchase Agreement has been executed by Purchaser and the Sponsor and delivered to the Purchaser or changes in the amount or quality of Common Elements directly affecting or servicing a Unit for which a Purchase Agreement has been executed by Purchaser and the Sponsor and delivered to Purchaser shall be made only with the written consent of the Purchaser of such Unit, provided, however, that such Purchaser's consent shall only be required if the Purchaser is not then in default under his or her Purchase Agreement or such change is a minor change.

(iv) For all purposes under this Plan, the issuance of (a) a temporary Certificate of Occupancy for the Building by the Department of Buildings of The City of New York, and (b) a statement by the Sponsor's Architect to the Sponsor that the Building has been substantially completed in accordance with the building plans except for (i) such work in the public portions of the Building and within Units as is customarily or necessarily left incomplete until after occupancy (which work will be completed with reasonable expedition) and (ii) custom work, upgrades or extras in any Units to be done by or for the account of Purchasers, shall be deemed and considered presumptive evidence that the Building has been fully completed in accordance with the building plans. Such presumption, however, shall be without prejudice to any rights which any Board may have with respect to the Sponsor's obligation to cause defects in construction or materials to be corrected, as hereinafter set forth. Such statement by the Sponsor's Architect shall neither constitute a representation by him to the Unit Owners or to any Board nor give rise to any claim by any Unit Owner or by any Board against him with respect to completion of construction or defects therein.

Under the present construction schedule, it is anticipated that the Building will be substantially completed by March 1, 2007, subject to Unavoidable Delays. The Sponsor, however, makes no warranty or representation that the Building will be substantially completed by said date. It is anticipated that finish work to the interior of some Units may continue even though the Building has been substantially completed or that a temporary Certificate of Occupancy has been issued for Building and the Common Elements (such as the basement, elevator, common stairwells and hallways, roof, main entry door, and fire exits).

(v) If, at the time of closing of title to a Unit the Sponsor has only obtained a temporary "Class A" residential Certificate of Occupancy for the Building and covering the Unit that is closing, then the Sponsor shall place in escrow with its attorney an amount, as determined by Sponsor's architect, sufficient to cover the cost of obtaining a permanent "Class A" residential Certificate of Occupancy. Such amount can be reduced as more Units are completed. However, sufficient escrow will be held by the Escrow Agent, as estimated by the Sponsor's Architect, to complete construction of the entire project and obtain a final certificate of occupancy for the Building. The balance of such escrow amount shall be released to the Sponsor

or its designee upon obtaining said final Certificate of Occupancy. Alternatively, the Sponsor shall have the option of either depositing with its attorney an unconditional, irrevocable letter of credit in the amount determined by the Sponsor's Architect or posting a surety bond in the amount so determined.

10. Sponsor Obligations to Cure Construction Defects

The Sponsor will promptly, upon notice, correct, repair or replace any patent defects in the construction of the Residential Units therein, or in the installation or operation of any mechanical equipment therein, but only if such patent defects are due to substantially improper workmanship or material substantially at variance with the architectural plans, provided the Sponsor is notified of such defects in writing by the Unit Owner as to the Unit affected within sixty (60) days from the date of closing of title to such Unit.

With respect to Common Elements, the Sponsor will promptly repair any latent defects so long as Sponsor is notified by the Board of Managers or, in the event Sponsor controls the Board of Managers, the non-Sponsor members of the Board of Managers within six (6) months from the First Unit Closing. If any defect in the Common Elements can only be detected after said period by occupancy of a particular Unit, the Sponsor will correct said defect in the construction of the Common Elements or in the installation or operation of any mechanical equipment therein due to improper workmanship or materials substantially at variance with the architectural plans, if notified by the Board of Managers within thirty (30) days from closing of title to or first leasing of that particular Unit. The Sponsor will also correct any latent defects in the construction of the Building and the Units therein or in the installation or operation of any mechanical equipment therein due to substantially improper workmanship or material substantially at variance with the architectural plans, provided it is notified of such defects in writing by the Unit Owner as to such Unit within six months from the closing of title to such Unit or is notified by the Board of Managers with respect to Common Elements within three (3) months of the First Unit Closing. The Sponsor, in its sole discretion, shall select the method of correcting any defect. On three (3) days' notice from the Sponsor, the Board of Managers and/or the Unit Owner in question shall allow the Sponsor, the Sponsor's contractors and/or the Managing Agent access to the Building or the Unit in question on any weekday which is not celebrated as a federal or state holiday to inspect and/or correct such defect. The quality of construction shall be comparable to local standards customary in the particular trade and in accordance with the plans.

The Sponsor shall be deemed to have discharged any obligation it may have with respect to patent or latent defects, as the case may be, if (i) the Sponsor is not notified within the time periods specified herein or (ii) the Board of Managers and/or the Unit Owner in question prevents the Sponsor, the Sponsor's contractors and/or the Managing Agent access to the Building or the Unit in question as provided

herein, or (iii) the Sponsor shall have corrected the defect in accordance with the practice of the industry as determined by the Sponsor's general contractor or architect or engineer, in their sole discretion; or (iv) the Unit Owner has commenced any type of construction work in his or her Unit.

The Sponsor makes no warranties as to kitchen appliances, except that it will assign to the Purchaser any manufacturer's warranties thereon and any manufacturer's warranties existing for other items in Purchaser's Unit to the extent same are assignable.

Notwithstanding the foregoing, the Sponsor will not be responsible for correcting or repairing any latent defects of construction or defects in the installation or operation of any appliances, equipment or fixtures with respect to which assignable warranties or other undertakings (however denoted) from contractors, material-men, or others, are assigned to the Board of Managers or Unit Owners. **In addition, in no event shall the Sponsor be responsible for (i) normal wear and tear or natural deterioration or from the normal settling or shifting of the Building; (ii) defects of an insubstantial nature, such as, without limitation, partial or total dearth of any trees, shrubs, bushes or other landscape improvements, nail pops, ridging on sheet rock walls, lumber shrinkage, door sticking or window sticking due to weather, door warpage, scratches in Formica, stone or porcelain surfaces, bath and kitchen tile grouting, adjustment of any bi-fold or sliding doors, walls not square, electrical plates not straight, discoloration or shrinkage, slight separation between base and floor; (iii) normal settlement and deflection or any consequential damage resulting therefrom including, without limitation, cracks in any concrete roof pavers, or concrete cracks which do not impair the structural soundness of the Building; (iv) variations in any floor levels; (v) ceiling imperfections; (vi) minor painting defects; (vii) alignment of bathroom finishes; (viii) air infiltration from windows; (ix) normal plumbing system, heating system and air conditioning system noises; (x) normal floor noises and creaking; (xi) carpet or floor discoloring or stretching; (xii) variations in width, length or tone of wood floor strips; (xiii) normal shrinkage or expansion of wood flooring due to changes in moisture content of wood; (xiv) repair of chips, scratches, mars, breaks or other defects in windows and window sashes, sliding glass doors, shower doors, electrical fixtures and globes, painted surfaces, sinks, tubs, basins, water closets, kitchen cabinets, backsplashes and countertops, vanity tops and cabinets, ceramic tile, marble floors, saddles, appliances, woodwork and millwork and doors, mirrors, hardware, appliance cabinets and flooring; (xv) subsequent to the Unit Closing, paint touch-ups, repairs of dented appliances, or replacement of fluorescent light ballasts; (xvi) cracks or variations in tone, finish or color of any marble/stone used in bathrooms or cracks, variations in tone, finish or color of vanity tops or other marble/stone aggregate surfaces; (xvii) salting or color variation in interior or exterior colored mortar and deep colored brick,**

(xviii) ponding and/or controlled drainage on the roof surface; (xix) cracks in any pressure treated wood or redwood used or intended for use outside the Building, (xx) normal wear including chips to elevator cabs, cab doors, elevator door frames, cab panels, Unit doors and door frames or (xxi) any condition resulting from any of the foregoing. The Sponsor shall be obligated to repair only abnormally chipped stone, Formica and porcelain surfaces, which repair shall be made by filling the stone or Formica or refinishing the porcelain, but the Sponsor shall not be obligated to replace such stone, Formica or porcelain surfaces for these or other reasons.

Except as expressly set forth herein, the Sponsor has no obligation to correct or repair any other defect or conditions in the Units, Common Elements or the Building and all other installations, apparatus, fixtures and appurtenances. The foregoing sets forth the entire obligation of the Sponsor to correct any defects and none other shall be implied. The Sponsor shall have no obligation to repair or replace any defect resulting from the failure by the appropriate Unit Owner or the Board of Managers to properly service or maintain a particular item or items. Additionally, the Sponsor shall have no obligation to repair or replace any defect resulting directly or indirectly from work done by any individual or entity retained by the Board of Managers or any Unit Owner.

Notwithstanding anything contained herein to the contrary, the Sponsor is obligated to construct the Premises in accordance with all applicable provisions of the New York City administrative code and in accordance with the filed as built building plans. Any conflict between the Plan and the as built building plans shall be resolved in favor of the filed as built building plans.

Notwithstanding any other provision hereof, the Sponsor shall not be obligated to correct, and shall not be liable to any Purchaser as a result of (i) any insubstantial variations from the plans or the description of the Building or a Unit set forth in the Section in Part II of the Plan entitled "Description of Property and Specifications or Building Condition" or (ii) variations from the plans or description of the Building or a Unit, set forth in the Section in Part II of the Plan entitled "Description of Property and Building Condition," which are required because of the building site condition, or are neither in violation of applicable building codes, nor require approval of any governmental authority having jurisdiction, provided such variations are of substantially similar or better quality.

As set forth in the Section of the Plan entitled "Effective Date of Plan," in the event that, prior to the First Unit Closing, a casualty occurs that cannot be repaired for an aggregate cost, together with possible expenses for other items stated in such Section of the Plan, of less than an amount equaling one half of one percent of the Total Purchase Price set forth on the front cover of the Plan (as estimated by an architect or engineer designated by the Sponsor or an insurance adjuster retained by

the Sponsor), and the Sponsor elects not to make repairs, then the Sponsor may, at its option, abandon or withdraw this Offering Plan. In such case all Purchase Agreements will be deemed automatically canceled and Purchasers in good standing will be refunded their Down Payments with any interest earned thereon. Upon such refund being made, the Condominium and the Sponsor will be relieved and discharged of all liability under the Plan and the Purchase Agreements.

In the event the Sponsor elects to repair and restore the damage to the Building from a casualty occurring before the First Unit Closing, or if the casualty occurs after the First Unit Closing, but before the closing of the damaged Unit, and the Sponsor elects to repair and restore the Unit, then the following shall be applicable:

The term "Affected Unit" means a Unit that has been directly damaged in the casualty (other than minor damage not rendering the Unit uninhabitable) or is without such essential services as gas, electricity and heat, or no longer has a reasonably adequate means of ingress and egress to the street.

The Purchase Agreements for all Units, other than "Affected Units" (as previously defined), shall remain in full force and effect and the Purchasers thereunder shall pay the full purchase price at the Closing. Such Purchasers shall not be entitled to adjourn the Closing nor be allowed any abatement in the purchase price, nor credit against same, nor retain (in escrow or otherwise) any portion of such purchase price pending restoration and repair of the damage to the Building and the Affected Units.

Except as provided in the next paragraph, a Purchaser of an Affected Unit shall not be required to pay the balance due under the Purchase Agreement unless and until (i) the damage to its Affected Unit has been substantially repaired as near as reasonably possible to its condition immediately prior to the casualty and (ii) its essential services (such as gas, electricity or heat) and a reasonable means of ingress and egress to the street have been restored.

Notwithstanding the foregoing, if the Purchaser is given possession of the Affected Unit under an Interim Use and Occupancy Agreement or otherwise prior to the casualty, such Purchaser shall assume the risk of loss to the Unit and the obligation to repair the damage, unless the cause of such loss originated outside its Unit and did not result from the acts of Purchaser or other occupants of the Unit or Purchaser's guests, invitees or workers. If the Purchaser is obligated to repair the damage in accordance with the foregoing, then the Purchaser's failure to repair the damage shall not excuse the Purchaser from paying the balance due under his or her Purchase Agreement and accepting title to the Unit.

The Sponsor and/or the Condominium will in no event be liable to

Purchasers under this Plan, and the Sponsor will not be liable to the Condominium, in the event of any delay in repairing the damage.

11. Assignment of all Manufacturer's Warranties

Following the First Unit Closing, the Sponsor will promptly assign to the Condominium Board, and the Condominium Board will, on behalf of all Unit Owners, assume, all assignable service and maintenance contracts and agreements relating to the Property at such time as Sponsor obtains said warranties and service contracts. The Condominium will indemnify the Sponsor against and hold the Sponsor harmless from all claims and liability thereunder that relate to matters and events occurring on or after the day upon which the First Unit Closing occurs, and indemnification to include but not be limited to fees and disbursements of counsel.

12. Sponsor Obligation to Pay for Work

Sponsor agrees to pay for all authorized and proper work involved in the construction and establishment of the Condominium that Sponsor is obligated to complete under the Plan and will cause all mechanic's liens with respect to such construction to be promptly discharged or bonded.

13. Sponsor Obligations for Expenses Establishing Condominium

The Sponsor will pay all expenses incurred prior to the establishment of the Condominium in connection with its operation 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, except as noted in the Section of the Plan entitled "Unit Closing Costs and Adjustments," and will pay or have paid, except as otherwise provided in the Plan, all selling expenses of the Sponsor, including, but not limited to, advertising and printing costs, architect's fees, attorneys' fees, other than for closings of individual Units, organization costs, brokerage commissions, engineers' fees, appraisal and any surveying fees and costs.

14. Sponsor to Deliver Architectural Plans

Sponsor shall deliver the "as built" plans to the Condominium Board of Managers upon completion of the project.

15. Party to enforce Sponsor's Obligations

Each of the obligations of the Sponsor contained in this section shall be enforceable by any Unit Owner as to its Unit or the Board of Managers on behalf of two or more Unit Owners or of the Unit Owners as to Common Elements. The representations contained in Paragraphs 1 through 14 of this Section shall survive delivery of the deed. The Sponsor

makes no other representation or warranties except as provided above. However, nothing herein shall be construed to limit any rights that Purchasers may otherwise have pursuant to Article 23-A of the General Business Law, Part 20 of the Regulations promulgated by the Attorney General and the Offering Plan.

16. Records on File

The Sponsor shall keep copies of the Plan, Exhibits and documents referred to in the Plan on file at the Sponsor's offices for six (6) years from the date the Declaration is recorded.

17. The Sponsor's Rights of Access

(a) General

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

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

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

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

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

(3) Right to show vacant or leased Units;

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

The Sponsor and the Sponsor-designees shall exercise all rights of access so as to limit, to the extent practicable, unnecessary interference with use of the Property by Unit Owners. The Sponsor and the Sponsor-designees each agrees to repair damage directly attributable to and caused by the Sponsor or the Sponsor-designees or their respective agents as a result of exercising such rights of access.

18. The Sponsor's Right to Perform Alterations

The Sponsor (and its successors, assigns and designees) shall have the right to alter any Unsold Unit, Common Element or Limited Common Element consistent with the terms of this Plan or amendment thereto and its obligations as Sponsor under the Plan, contracts of sale, or a requirement of code or law in order to obtain a permanent Certificate of Occupancy and to comply with its contractual obligations pursuant to the Plan or Code. No Unit Owner shall interfere with, disrupt, or delay the work of Sponsor in the Building. Unit Owners are required to cooperate fully with Sponsor's contractors by providing access in or about their Units.

19. No Bond or other security by Sponsor

No bond or other security has been furnished to secure the performance of the Sponsor's obligations set forth herein including Sponsor's obligations to complete the Condominium. The ability of Sponsor to perform its obligation will depend upon its financial condition when and if it is called upon to perform. No representation can be made that it will be financially able to perform any or all of such obligations.

20. The Housing Merchant Implied Warranty Law

Article 36-B of the New York General Business Law ("Housing Merchant Implied Warranty Law") is not applicable to this offering as the Building contains in excess of five (5) stories.

CONTROL BY SPONSOR

Title to all Units which have not been sold ("Unsold Units") by the time of the First Unit Closing will remain with the Sponsor or its designee(s) until such Units shall thereafter be sold to bona fide Purchasers. Until the first annual meeting of the Condominium Unit Owners, the initial Board of Managers shall consist of three (3) persons designated by the Sponsor. Michael Waldman principal of Sponsor, shall serve as President of the Board of Managers. Accordingly, until such first annual meeting, the Sponsor will have absolute voting control of the Board of Managers and will thus have control of maintenance, facilities and services to be provided, as well as determining the Common Charges to be paid by Unit Owners. The Sponsor shall relinquish voting control of the Board of Managers upon the earlier of: (i) the transfer of title to Units, the percentage of Common Interest of which, in the aggregate, is more than eighty percent (80%): or (ii) two (2) years from the First Unit Closing whichever is sooner. The Sponsor, during the time there are Unsold Units, will have the right to, and intends to, vote the percentage of Common Interests allocated to such Units, but subsequent to its relinquishing voting control of the Board of Managers, the Sponsor will not use such vote to elect a particular individual to the Board of Managers which would, by the election of such individual, give the Sponsor voting control of the Board of Managers. The Sponsor will relinquish control of the Board as provided herein by written Notice to all Unit Owners within thirty (30) days of the closing of eighty percent (80%) of the Units or two (2) years from the date of the First Unit Closing, whichever is sooner. A meeting of the Unit Owners shall be held within said thirty (30) days to elect new members.

The first annual meeting of the Unit Owners shall be held within ninety (90) days of the First Closing provided at least twenty percent (20%) of the Units offered for sale have closed title but not later than six (6) months from the First Closing. At such annual meeting a new Condominium Board consisting of five (5) members will be installed. Such members shall either be designated by the Sponsor or elected by the Unit Owners depending on the number of Units closed by Unit Owners as follows: (a) at the first annual meeting of Unit Owners and so long as Sponsor owns up to eighty percent (80%) of the Unsold Units but not longer than two years from the First Closing, Sponsor shall designate or elect four (4) members of the five-member Board, three (3) members as long as Sponsor owns 20% or more of the aggregate Common Interests and two (2) members so long as Sponsor owns 10% or more of the aggregate Common Interests; (b) Sponsor shall designate one (1) member as long as Sponsor owns at least one Unsold Residential Unit and one (1) member as long as Sponsor owns one (1) Commercial Unit. The Commercial Unit Owner of shall always be entitled to designate one member to the Board. Other than the Sponsor, its designees or the Owner of the Commercial Unit, the remaining members of the Board shall be Unit Owners of whom a majority must be occupant Unit Owners or adult members of their families or principals or designated occupants of a corporation, limited liability company, partnership, trust, or the like.

Article III, Section 3 of the By-Laws provides for special meetings of the Board of the Board of Managers by resolution of the Board or upon a petition signed by three (3) Unit

Owners and presented to the Secretary of the Board or upon a request by the Sponsor or the Managing Agent. A notice of such special meeting shall state the date, time and place and purpose of the meeting.

Members of the Board of Managers will serve without compensation and all officers of the Condominium will also serve without compensation. Sponsor represents that as long it or any of its designees are members of the Board of Managers neither it nor any of its designees will vote for remuneration for either members of the Board of Managers or officers of the Condominium.

So long as the Sponsor or any Sponsor-designee shall continue to own Units equaling at least twenty-five percent (25%) of the total Common Interest of the Condominium, but in no event for a period in excess of five (5) years from the First Unit Closing, the Board of Managers may not, without the Sponsor's or the Sponsor-designee's prior written consent (which may be given or withheld in its sole discretion): (a) make, permit, or consent to any addition, alteration, improvement or change in or to the Common Elements, the Limited Common Elements, or any Unit, (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, (c) enter into any service or maintenance contract, (d) borrow money on behalf of the Condominium, the Board of Managers or Unit Owners, (e) change or increase or decrease the number, or (f) change the type of employees of the Condominium or the Board of Managers from those set forth in the Section of the Plan entitled "Notes to Schedule B," or (g) change or increase or decrease the services or operating expenses as set forth in the "Notes to Schedule B" except as required to reflect normal annual increases in operating expenses.

Sponsor may not exercise veto power described in Schedule B of the Plan or over expenses required;

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

So long as the Sponsor or a Sponsor-designee shall continue to own a Unit the Board of Managers may not, without the Sponsor's or the Sponsor- designee's prior written consent, (i) amend the Declaration or the By-Laws so as to in any way adversely affect the Sponsor or its designees; or (ii) interfere with: the offer and sale or leasing of Units at the Property; the operation of general, sales or leasing offices at the Property; actions necessary for construction, renovation, repair or correction at the Property, as required by law or the Plan or Purchase Agreement. Subject to the foregoing, the Sponsor or the Sponsor-designee shall have the right to withhold its consent to any of the foregoing actions. The Owners of the Commercial Unit and the Community Facility Unit shall have the same rights regarding their respective Units.

The rights, powers and obligations of the Board of Managers and circumstances under which a member of the Condominium Board may be removed or replaced are more fully discussed under the Section of the Plan entitled "Condominium Board of Managers."

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BOARD OF MANAGERS

General

Under the By-Laws of the Condominium, the affairs of the Condominium will be managed by a Board of Managers (the "Board") consisting of not less than three (3) and not more than five (5) persons. The Unit Owners shall hold annual meetings and at each such meeting they shall elect members of the Board of Managers. Each Unit Owner, including the Sponsor or its designee, shall be entitled to cast one vote per Unit on all matters put to a vote at all meetings of the Unit as provided in the section entitled "Control by Sponsor." If Units are owned by more than one person or entity as joint tenants, tenants by the entirety or as tenants in common, the persons or entities owning said Unit or Units shall agree among themselves and cast the votes for their Unit or Units. The first meeting of Unit Owners will be held after twenty percent (20%) of the Units have closed but not later than six (6) months after the first closing. At the annual meeting, the Sponsor and the Unit Owners shall elect or designate members of the Board. By virtue of Sponsor's ability to designate a majority of members to the Board, Sponsor shall control the Board until Sponsor has sold at least eighty percent (80%) of the Unsold Units, but not later than two (2) years from the First Closing. At the occurrence of either such event, the Sponsor shall give up control by notice to the Board within thirty (30) days of either occurrence and within thirty (30) days of such notice, a meeting of the Unit Owners shall be held to elect a new Board.

Other than Sponsor or Sponsor-designee, the Commercial Unit owner and the Community Facility Unit owner (who need not be owner-occupants), all members of the Board shall be Unit owners. Additionally, a majority of the members of the Board must be resident Unit Owners or adult members of their household or principals or designated occupant of a corporate Owner.

The Board of Managers

Notice of the annual meeting of Unit Owners or of any special meetings of Unit Owners shall be given by the Secretary, as directed by the Board of Managers, to all Unit Owners not less than ten (10) days or more than thirty (30) days before such meeting. Minutes of all meetings of Unit Owners and of all meetings of the Board of Managers shall be kept by the Board, together with records of all actions taken by the Board and the financial records of the Condominium. The Board of Managers shall retain an independent certified public accountant to prepare an annual report of the receipts and expenditures of the Condominium, which report shall be promptly sent to each Unit Owner.

Each of the members of the Board of Managers will serve until the next regular annual meeting of Unit Owners and until a successor is elected and qualified. Except for a member of the Board of Managers designated by the Sponsor or the Sponsor-designee or the Commercial Unit Owner, members may be removed from office, with or without cause, by the affirmative vote of a majority of the Unit Owners. A member of the Board of Managers

designated by the Sponsor or the Sponsor-designee or the Commercial Unit can only be removed by the Sponsor or its designee or the Commercial Unit Owner as the case may be. In the event of such removal, the Sponsor or the Sponsor-designee or the Commercial Unit Owner, as the case may be, shall have the exclusive right to designate a replacement for such removed member of the Board of Managers immediately after such removal.

The Unit Owners may transact such other business at such meetings as may properly come before them. All members of the Board of Managers and all officers of the Condominium shall serve without compensation, and the Sponsor represents that, for as long as it or any of its designees are members of the Board of Managers, neither it nor any of its designees will vote for remuneration for either members of the Board of Managers or officers of the Condominium.

Powers and Duties of the Board of Managers

The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium, including but not limited to: determination of the Common Charges, adoption of rules and regulations covering the details of the Property, opening of bank accounts, purchasing, leasing or otherwise acquiring Units, selling, leasing or mortgaging of Units owned by the Board of Managers, and generally managing or supervising the Condominium property as provided in the Declaration and By-Laws. The Common Expenses shall include such amounts as the Board of Managers deems proper for the operation and maintenance of the Property, including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, and to make up any deficit in the Common Expenses for any prior year. The Board, in its discretion, may delegate such managerial powers as it sees fit to the officers of the Condominium. The Board of Managers is authorized to employ a Managing Agent for the Condominium on such terms as the Board of Managers may deem proper. As set forth in the Section of the Plan entitled "Management Agreement, Contracts and Leases," at or immediately prior to the First Unit Closing the Board of Managers shall enter into a management agreement with Bunis Management Company, having an office at 45 West 45th Street, New York, New York 10036, for a term of two (2) years.

Liability of Members of the Board of Managers and Officers; Indemnification

In order to limit the liability of the Unit Owners, the members of the Board of Managers, the Managing Agent, if any, and any officers of the Condominium, any contract or other commitment shall be made by the Board of Managers or the Managing Agent or an officer of the Condominium, as the case may be, only as agent for the Unit Owners. The members of the Board of Managers, the Managing Agent or the officer of the Condominium, as the case may be, shall have no personal liability on any such contract or commitment (except as Unit Owners), and the liability of any Unit Owner on any such contract or commitment shall be limited to such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interest of all Unit

Owners. The Board of Managers and the officers of the Condominium shall have no liability to the Unit Owners for errors of judgment, or otherwise, except for willful misconduct, negligence or bad faith. The Unit Owners shall jointly and severally indemnify the members of the Board of Managers and the officers of the Condominium against any liability or claims except those arising out of the bad faith, negligence or willful misconduct of the members of the Board of Managers or the officers of the Condominium, but the liability of any Unit Owner on account of such indemnification shall be limited to such proportionate share thereof as the Common Interest of such Unit Owner bears to the aggregate Common Interest of all Unit Owners.

Officers

The principal officers of the Condominium shall be: the President, the Vice President and the Secretary/Treasurer, all of whom shall be elected by the Board of Managers. A majority of the officers of the Board including the President must be a member of the Board of Managers. The Board of Managers may appoint an Assistant Treasurer and an Assistant Secretary, and such other officers as in its judgment may be necessary. All members and officers of the Board shall serve without compensation. The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Board of Managers and of Unit Owners. The Vice President shall take the place of the President in his or her absence. The Secretary shall be empowered to take and keep minutes of all meetings and to keep the books and records of the Condominium. The Treasurer shall be responsible for the funds of the Condominium and for accurately keeping the financial records and books of the Condominium. The Board of Managers, in its discretion, shall delegate such powers to the officers as it sees fit to execute agreements, contracts, deeds, leases and checks etc. on behalf of the Condominium.

Severance of Ownership Prohibited

Each conveyance of a Unit by a Unit Owner shall include as part of the property to be conveyed, his or her undivided interest in the Common Elements, together with his or her interest in any Unit or Units acquired by the Board of Managers from Unit Owners electing to sell or lease such Unit or at a foreclosure or other judicial sale involving such Unit or Units, in accordance with the provisions of the By-Laws, all of which are interests appurtenant to each Unit.

Amendments to Condominium Declaration and By-Laws

The Declaration and By-Laws of the Condominium may be modified or amended by the affirmative vote of Unit Owners owning not less than seventy-five percent (75%) of the Units and whose percentage of Common Interest, in the aggregate, equals or exceeds seventy five percent (75%). However, for as long as the Sponsor or its designee owns title to one or more Units, neither the House Rules and Regulations of the Condominium nor the By-Laws may be amended in a manner that would adversely affect the Sponsor, its designee, or the

owners of the Commercial Unit or Community Facility Unit in any way, as determined by the Sponsor in the Sponsor's sole discretion, unless the Sponsor, its designee or the owners of the Commercial Unit or Community Facility Unit gives their written consent to such an amendment. Additionally, (i) no such amendment shall adversely affect the lien of any mortgage without the written consent of the mortgagee; (ii) no such amendment may change the percentage of Common Interests allocated to any Unit or Units without the written consent of the owner of the relevant Unit; and (iii) no such amendment shall increase the percentage of Common Interests allocated to any Unit or Units without the written consent of the mortgagee(s) of such Unit, or Units, if any.

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

Sale and Lease of Units

A Unit Owner may sell or lease his or her Unit, provided, that said Unit Owner first gives the Board notice of intention to sell or lease such Unit and an opportunity to purchase or lease the Unit, as the case may be, at the same price or rental and on the same terms as offered in good faith by a prospective purchaser or lessee, as the case may be. If the Board does not elect to purchase or lease said Unit, by given notice as provided in the By-Laws, to such Unit Owner within ten (10) business days after receipt of the Unit Owner's notice of intention to sell or lease, then the Unit Owner will have ninety days to enter into an agreement with the prospective purchaser or lessee, as the case may be, embodying the terms set forth in the notice. After the expiration of the Unit Owner's ninety (90) day period, the Unit Owner will again be required to first offer the Unit to the Condominium Board as provided above. Consent of 66.66% of the Unit Owners will be required before the Board may exercise its right of first refusal.

In the event the Board does exercise its right of first refusal, the acquisition or lease of the Unit may be made from the working capital or Common Charges (or both) or, if such funds are insufficient, the Board of Managers may assess each Unit Owner, other than the offering Unit Owner, in proportion to each Unit Owner's percentage of Common Interest for any funds so borrowed for the Unit to be acquired. The Board of Managers may also assess each Unit Owner, as provided above, for the cost of paying the Common Charges or rent and the maintenance of such Unit. In the event any Units are acquired or leased by the Board of Managers the title or lease shall be held by the Board of Managers on behalf of all Unit Owners in proportion to their percentage of Common Interest and any sale or lease of such Unit shall be made by the Board of Managers on behalf of all Unit Owners in proportion to their percentage of Common Interests. Such Unit, while owned or leased by the Board of Managers, may be used for any purpose for which it could be used by an individual Unit Owner. In no event, however, may the Board of Managers at any meeting of Unit Owners vote the votes appurtenant thereto.

Each Unit Owner, at the closing of title to his or her Unit, shall be required to execute an instrument in the form of that contained in the Section in Part II of the Plan entitled "Power of Attorney," designating the Board of Managers and their successors as his or her attorneys in 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.

The foregoing restrictions upon the sale and lease of Units will not apply to the Sponsor or its designee with respect to any Unsold Units, or to Units acquired by a mortgagee in foreclosure or by deed in lieu of foreclosure or to the Owners of the Commercial Unit and the Community Facility Unit with respect to their Units. Each

succeeding Unit Owner, other than the Owner of the Commercial Unit and the Community Facility Unit, shall be bound by, and his Unit will be subject to, the sale and lease restrictions described above.

A Unit Owner may, without restriction, make a gift of his or her Unit to anyone during his or her lifetime, devise such Unit by will or pass the same by intestacy and thereafter the succeeding Unit Owner will be bound by the Board's right of first refusal upon the transfer or lease of his Unit.

Each conveyance of a Unit by a Unit Owner shall include, as part of the property to be conveyed, the Unit Owner's: (i) Common Interest; (ii) undivided interest in any Unit or Units acquired by the Condominium Board from Unit Owners (or the proceeds received at a foreclosure or other judicial sale of a Unit); and (iii) undivided interest in any other assets of the Condominium. In addition, title to a Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit, other than mortgages placed on such Unit in compliance with the By-Laws, are paid and satisfied at or prior to Closing.

The lease for any Residential Unit (other than Unsold Units) will be in substantially the form of lease printed by Julius Blumberg, Inc., or the Real Estate Board of New York, Inc., with such modifications as shall be approved in writing by the Condominium Board. The terms of the lease will not provide for State, City or local rent regulations.

The Condominium Board may not discriminate against any person on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status or other grounds proscribed by the laws of the State of New York.

Mortgage of Units

Each Unit Owner is free to mortgage his or her Unit, provided that any such mortgage shall be a first mortgage or second mortgage made to a bank, trust, trust company, insurance company, federal savings and loan association, pension fund or other institutional lender, a family member, business associate or employer, the seller of such Unit. A mortgage may be made to a reputable private lender, other than a lender as above described, provided the same is approved in writing by either the Sponsor, as long as Sponsor owns any Unsold Units, or the Board of Managers, subsequent to the sale of all Units. Such approval shall be in the sole and absolute discretion of the Sponsor or the Board of Managers, as the case may be. Prior to or simultaneously with the closing of any mortgage transaction, the Unit Owner must satisfy all arrearages for any unpaid Common Charges and assessments owed by such Unit Owner and discharge any liens therefore. A Unit Owner who mortgages his or her Unit shall notify the Board of Managers of the name and address of his or her mortgagee and shall file a copy of the note and mortgage with the Board of Managers. Sponsor or its designee as the Owner of Unsold Units and the Commercial Unit Owner or the Community Facility Owner shall have the right to mortgage their Units without any restriction or limitation, except to notify the Condominium Board of the name and address

of the lender.

Determination of and Liens for Nonpayment of Common Charges

Each Unit Owner shall have an obligation to pay Common Charges and assessments when due. Common Charges for each Unit shall be determined by multiplying that Unit's percentage of Common Interest by the total annual net expenses incurred or anticipated to be incurred for those items listed in Schedule B herein, together with the expense of any repairs, capital improvements or other expenses deemed by the Board of Managers to be a part of the Common Expenses and to be paid as Common Charges, together with certain other items (if any) that the Board of Managers may deem proper, such as amounts for reserve and/or working capital fund (not to exceed one month's Common Charges per annum without the majority vote of the Unit Owners), contingency fund and all in accordance with Article V, Section 1 of the By-Laws of the Condominium. Common Charges will be established on an annual basis and be paid in equal monthly installments, due and payable on the first day of each month. The Board of Managers may also, in accordance with Article V, Section 1(B) of the By-Laws, impose such Special Assessments as it deems necessary to meet unanticipated or extraordinary expenses, including but not limited to, expenses incurred for major capital improvements and the purchase or lease of a Unit pursuant to its right of first refusal. The special assessment to be paid by each Unit Owner, whether payable in a lump sum or in installments as determined by the Board, shall also be allocated in accordance with the Unit Owner's percentage of Common Interest and shall constitute part of the Common Charges.

Under the provisions of Section 339-z of the New York Real Property Law, the Board of Managers, on behalf of the Unit Owners, will have a lien on each Unit for unpaid Common Charges assessed by the Board of Managers. Such lien will be subordinate only to liens for real estate taxes on the Unit and to any sums unpaid on a first mortgage of record thereon. Any lien for unpaid Common Charges against a Unit shall be effective from and after the filing of notice thereof with the City Register's Office and until all sums secured thereby with the interest thereon shall have been fully paid or until six (6) years from the date of filing (unless foreclosure of such lien is started within such six (6) year period), whichever may be earlier. Such lien may be foreclosed by a suit brought in the name of the Board of Managers acting on behalf of the Unit Owners in like manner as the foreclosure of a mortgage on real property or an action may be brought by the Board of Managers to recover the unpaid Common Charges without foreclosing the lien. While the Sponsor is in control of the Board of Managers, the Sponsor will cause the Board of Managers to file a lien as provided in Section 339-aa of the New York Real Property Law on Unsold Units owned by the Sponsor in which the Sponsor is more than thirty (30) days in arrears of Common Charges.

Upon the failure of a Unit Owner to pay Common Charges for the Unit within thirty (30) days of the same becoming due and payable, the Board of Managers shall have the right to place a lien against the Unit Owner's Unit for the unpaid Common Charges as set forth above. Payment of Common Charges made after the fifteenth day of the due date shall bear a

late charge at the rate of two cents per dollar per month or any part thereof from the due date to the date of payment. The Board shall be authorized to determine an appropriate fee from time to time. Failure of the Board of Managers to place a lien shall not constitute a waiver of the right to do so at a later date or with respect to a subsequent failure to pay within the designated time. No Unit Owner may exempt himself or herself from liability for his or her Common Charges by waiving use of any of the Limited Common Elements or Common Elements or by abandonment of his or her Unit.

In the event of a foreclosure by the Board of Managers of its lien on any Unit for unpaid Common Charges, Special Assessments, if any, fees and other expenses, if the net proceeds of the foreclosure sale shall be insufficient for the payment of such unpaid charges, the Unit Owner will remain liable for the unpaid balance. Neither (a) a mortgagee acquiring title to a Unit at foreclosure sale nor (b) a purchaser at a foreclosure sale shall be liable, and the Unit shall not be subject to a lien, for the payment of the Common Charges assessed prior to the acquisition of title to such Unit by such mortgagee or purchaser. However, such mortgagee or purchaser at a foreclosure sale shall be liable for payment of all Common Charges after the acquisition of title to such Unit.

No Unit Owner shall be liable for the payment of any part of the Common Charges or Special Assessments, if any, late fees and other charges, assessed against his or her Unit subsequent to a sale, transfer, or other conveyance made by him or her of his or her Unit, with appurtenant Common Elements, in accordance with the Declaration and By-Laws.

All Unit Owners shall be required to comply with the Declaration, By-Laws, Rules and Regulations of the Condominium and with any other requirements duly imposed by the Board of Managers pursuant to the authority granted to them. The Board of Managers shall have the power to impose appropriate sanctions where a Unit Owner is in default. Such sanctions include placing a lien against the Unit Owner's Unit, instituting foreclosure proceedings and filing suit against a Unit Owner.

New York State Real Property Law Section 339-kk became law on July 22, 1998. It is intended to provide financial protection for condominiums when a Unit Owner leasing a Unit to a rental tenant fails to meet the obligations to pay common charges, assessments or late fees. It applies to all Unit Owners including Sponsors.

Real Property Law Section 339-kk may be summarized as follows:

(a) If the payment of Common Charges, assessments or late fees for a Unit has not been made in full to the Condominium within sixty (60) days after the expiration of any grace period after they are due, upon notice the Condominium may collect all rental payments from the Tenant of the Unit. After payments are again current, the Condominium shall give notice to the Tenant and Unit Owner within three (3) business days, at which time payments shall be made to the Unit Owner.

(b) If a non-occupying Unit Owner disputes the Condominium's claim to rental payments, the Unit Owner shall be entitled to submit facts in support of his or her position at the next scheduled meeting of the Board of Managers. This meeting must be held within thirty (30) days of the date the Board receives notice that the Unit Owner seeks to dispute the claim.

(c) Payment by the Rental Tenant to the Condominium following the initial notice shall relieve the Tenant from the obligation to pay rent to the non-occupying Unit Owner and shall be an absolute defense to any non-payment proceeding commenced by such Unit Owner against the Tenant.

Repairs

All maintenance and repairs to any Unit, ordinary or extraordinary, its doors, windows frames, electrical (except Common Elements), plumbing (except Common Elements), mechanical equipment, if any, and air conditioning units within the Unit or belonging to the Unit Owner shall be at the Unit Owner's expense, except as otherwise specifically provided in the By-Laws.

All maintenance, repairs and replacements to the General Common Elements as defined in the Declaration, and the painting and decorating of hallways, lobby, main entry door, common stairs and doors, shall be made by the Board of Managers and be charged to all the Unit Owners as a Common Expense, except to the extent the same are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner. Maintenance, repair and replacements in or to the Limited Common Elements as defined in the Declaration will be performed by (a) the Board of Managers as a Common Expense, if such Limited Common Element involves structural or extraordinary maintenance, repairs or replacements (including, but not limited to, the repair of any leaks that are not caused by the acts or omissions of the Unit Owner having direct and exclusive access thereto), or (b) by the Unit Owner having direct and exclusive access thereto at his or her sole cost and expense, if involving nonstructural, ordinary maintenance, repairs or replacements such as a roofing surface and/or a roof deck above such surface or as a result of the Unit Owner's negligence, misuse or neglect.

Additions, Alterations and Improvements

The Sponsor or its designee may make alterations, additions or improvements, structural or non-structural, including the addition of signage to any of its Units or facade of the Building, or to improve or remedy conditions in the Building without the consent of the Board of Managers or Unit Owners or anyone else provided all work shall be done in accordance with all governmental or quasi-governmental laws, codes and ordinances. **Prior to the issuance of the permanent Certificate of Occupancy for the Building and the Units, no repairs or alterations of any kind may be made by any Unit Owner (other than Sponsor or its designee or the Owners of the Commercial Unit and the**

Community facility) whether to the interior of the Units or to the Limited Common Elements or to the Common Elements or prior to Sponsor's completion of items set forth on a punch list, if any. The Sponsor shall have the right to stop any such work and undo any such changes or alterations and bill the Unit Owner for the cost thereof. No Residential Unit Owner, other than the Sponsor or its designee as a holder of Unsold Units, may make a structural alteration, addition or improvement in his or her Unit or with respect to any Limited Common Element for which he or she has exclusive use or which affects the exterior of the Building or the value of other Units without the prior written approval of the Sponsor, as long as it owns any Units, or the Board of Managers thereafter. Any required Board approval, if granted, shall provide that such alteration, addition or improvement shall be at the Unit Owner's sole cost and expense, that work shall be done in accordance with all governmental or quasi-governmental laws, rules, regulations, codes and ordinances, that all work shall be done by reputable contractors with adequate liability, property damage and workers' compensation insurances (certificates for which shall be delivered to the Board of Managers prior to the commencement of construction), that any additions, alterations or improvements shall be maintained in their entirety by said Unit Owner who shall also be responsible for any subsequent repairs, including structural repairs, to such addition, alteration or improvement in any event, and to the Unit and any Common Elements where such repairs become necessary due to additional stresses caused by the structural alteration, addition or improvement or due to improper design or construction of the structural alteration, addition or improvement. Such approval shall further provide that the Unit Owner shall reimburse the Board of Managers for any out-of-pocket expenses incurred by the Board of Managers in connection with the granting of such approval and in connection with any services provided to such alteration, addition or improvement. Such expenses may include, but shall not be limited to, fees of an attorney and/or fees of an architect consulted in connection with the request by a Unit Owner for approval of a structural alteration, addition or improvement.

The Sponsor or its designee, even when it no longer owns any Unsold Units, may make such alterations or improvements, structural or non-structural, in order to comply with building codes or regulations or in order to comply with its contractual obligations with purchasers or the Condominium Association and to file permits or other documents required for such repairs or alterations without the approval or consent of the Board or Unit Owners or the managing agent.

The Owner of the Commercial Unit and the Community Facility Unit all have the right without the consent of the Unit Owners or the Condominium Board or its agents to change the use of the Unit or to make alterations and improvements to the interior of its Unit including changing the layout of the Unit or subdividing the Unit or combining any such sub-division provided that such changes are lawful and done in accordance with applicable code. Copies of permits or drawings shall be submitted to the Board and the Declaration and floor plans shall be amended, if applicable, according to the terms of the Offering Plan. Any and all costs related to making such changes shall be the obligation of the Owner of the Commercial Unit and the Community Facility Unit as to their respective Unit. However, the

use of the Unit may not be changed to any business conducting illegal or immoral business, a headshop, dry cleaning establishment, massage parlors, OTB establishment, government agency, drug paraphernalia shop, sex shop.

Finally, any approval of work to a Unit Owner, where granted and if granted, shall be subject to regulation by the Condominium Board, including but not limited to regulation, as to any one or more of 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 which must be taken to prevent compromising security of the Building during construction;

4. the interruption of services during construction; and

5. liability insurance for contractors during construction.

Until such time as the initial construction of the Building is completed and a permanent Certificate of Occupancy is issued, including completion of punch-list items for the Common Elements or Units, no Unit Owner or the Board of Managers performing work shall employ any labor forces that are incompatible with labor forces that are completing work in the Building on behalf of the Sponsor.

Certain structures cannot be built as of right with respect to the City of New York Building Code and require a variance from the City Board of Standards and Appeals. If the Board of Managers does not consent to the proposed alteration, an application for a variance is moot, since the Board of Managers would not permit the proposed alteration in any event.

If a Unit Owner does not need the consent of the Condominium for such alteration, but a variance is needed, such a variance may be denied if it is opposed by the Board of Managers. Structures that increase the size of the Building require a variance. These structures include: additional floors, additions to the rear of the Building above the cellar level, additional penthouses, roof mezzanines, greenhouses and gazebos. The Sponsor or the Sponsor's designee may not be restricted by the Board of Managers.

Subject to the By-Laws and the House Rules and Regulations of the Condominium, which, among other requirements, assign responsibility for negligence, misuse or neglect, a Unit Owner who has an exclusive terrace or roof terrace may install plantings and furniture on it provided such items protect the surface of the roof unless a permit is required. In the event of any damage to the surface or structure of the roof due to such plantings or furniture or roof traffic, the Board shall notify the Unit Owner to correct such condition or the Board shall have the authority to cause such condition to be remedied and to bill the Unit Owner

directly for such costs. In the event that a majority of the Board shall deem such areas to be unkept and unsightly, the Board shall have the right clean and restore the terrace and bill the Unit Owners for the cost and expense thereof. The General Common residential storage unit in the cellar will be free of perishable items, hazardous or flammable elements or materials.

Rights of Access

The Board of Managers and/or the Managing Agent shall have a right of access to any Unit for the purpose of inspection, performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements contained in such Unit or elsewhere in the Building, remedying any condition which would result in damage to any other Unit or to the Common Elements, or which would violate the provisions of any mortgage encumbering another Unit, or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof, or to cure any defaults by a Unit Owner or for any other purposes permitted by the By-Laws. The Sponsor or its designee shall have a right of access, upon reasonable notice during reasonable hours, to any Unit for the purpose of performing punch-list work, if any, or to make repairs or improvements required by law or code or ordinance or to comply with the terms of the Plan.

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

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

Without limiting the foregoing, the violation of the House Rules and Regulations, any other rule or regulation or resolution adopted by the Board of Managers, the breach of any By-Law, or the breach of any provision of the Declaration, shall give the Board of Managers the rights, in addition to any other right set forth in the By-Laws: (a) upon reasonable notice to the Unit Owner, to enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions of the By-Laws, Declaration or House Rules and Regulations, as the case may be (provided, however, that no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Property of the Condominium or for the safety of the residents of the Condominium or other persons or required to avoid the suspension of any necessary service to the Condominium); and/or (b) to enjoin, abate or remedy such breach or the continuance thereof (or both) by appropriate legal proceedings, either at law or in equity; and (c) in any event to charge the Unit Owner with the cost of legal and other fees and costs

njoining, abating or remedying such violation.

Board of Managers shall be required to obtain and maintain the following fire insurance with extended coverage, vandalism and malicious mischief nts, insuring the Building containing the Units, including all of the Units and all stalled therein by the Sponsor and any property customary to the servicing and cupancy (but not including furniture, furnishings, equipment or other personal upplied or installed by Unit Owners), together with all service machinery therein, and covering the interests of the Condominium, the Board of Managers nit Owners and their mortgagees, as their interest may appear, in an aggregate be determined by the Board of Managers but in no event to be less than eighty 0%) of the full replacement cost of the Building, including the above noted items, sive of footings and foundations, as approved by a fire insurance company or a insurance broker. All such policies shall provide that adjustment of loss, if more 0,000.00, shall be made by the Board of Managers with approval of the Insurance if any. Additionally, the net proceeds of such adjustment, if $100,000.00 or less, payable to the Board of Managers, and if more than $100,000.00, shall be payable to rance Trustee, if any, to be applied for the purpose of repairing, restoring or g the Building, unless otherwise determined by the Unit Owners. Said coverage maintained while the Sponsor is in control of the Board of Managers.

The Board of Managers shall have the right to select an Insurance Trustee as such defined in Article XII, Section 12.5 of the By-Laws of the Condominium.

All policies of physical damage insurance shall contain waivers of subrogation, of luction of pro rata liability of the insurer as a result of any insurance carried by Unit s or any invalidity thereof arising from any acts of the insured or any Unit Owners, ll provide that such policies may not be canceled or substantially modified without at en (10) days prior written notice to all of the insureds, including all mortgagees of The standard New York mortgagee loss payable clause shall be attached to all es.

The cost of all such insurance and the fees and expenses of the Insurance Trustee be paid by the Board of Managers and shall constitute a Common Expense.

The Board of Managers shall also obtain and maintain to the extent obtainable: (1) ers' compensation insurance for Condominium employees, if any; (2) public liability ance covering each member of the Board of Managers and each Unit Owner in such s as the Board of Managers may deem proper, and covering all claims for bodily injury roperty damage arising out of any occurrence in the Common Elements or the Units, pt that such policy will not cover liability of a Unit Owner arising from occurrences in his or her own Unit. The Board of Managers shall review such limits once each year.

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

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

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

Repair or Reconstruction After Fire or Other Casualty

In the event of damage to or destruction of the Building containing the Units as a result of fire or other casualty, unless seventy-five percent (75%) or more of the Building containing the Units is destroyed or substantially damaged and Unit Owners whose percentage of Common Interest totals seventy-five percent (75%) in the aggregate of the total Common Interest do not duly and promptly resolve to proceed with repair or restoration, the Board of Managers shall arrange for the prompt repair and restoration of the Building containing the Units (including any damaged Units, and any kitchen and bathroom fixtures and floor coverings initially installed therein by the Sponsor, but not including any wall, ceiling or floor decorations or coverings or other furniture, furnishings, fixtures or equipment installed in the Units by the Unit Owners), and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies in appropriate progress payments for distribution to the contractors engaged in such repairs and restoration. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges.

If seventy-five percent (75%) or more of the Building containing the Units is destroyed or substantially damaged and Unit Owners whose percentage of Common Interest totals seventy-five percent (75%) in the aggregate of the total Common Interest do not duly and promptly resolve to proceed with repair or restoration, the Property shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common, in which event the net proceeds of sale, together with the net proceeds of insurance policies (or if there shall have been a repair or restoration pursuant to the preceding paragraph, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration, then the excess of such insurance proceeds) shall be divided by the Board of Managers or the

Insurance Trustee, as the case may be, among all the Unit Owners in proportion to their respective Common Interest, after first payment out of the share of each Unit Owner the amount of any unpaid liens on his Unit, in the order of priority of such liens.

Use of Units

The Residential Units may be used only for a private residence, except that a Unit Owner may use his or her Unit for any home occupation use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction. Such Residential Units may also be used as professional offices by a resident thereof, provided such professional use does not violate any zoning law or ordinance and provided further that the prior written consent of the Board of Managers to such professional use is obtained, except that Sponsor shall require no such consent. No illuminated or other sign may be used in connection with the aforementioned use, excepting only a professional sign, non-illuminated, not larger than the size permitted by the Board of Managers. The Community Facility Unit may be used medical and professional offices, senior centers, educational centers or such uses that are permitted by any applicable zoning law or ordinance. The Commercial Unit may be used for all lawful uses and in accordance witht the Building's certificate of occupancy, as same may be amended, except adult or sex related establishments, adult book shops, peep shows, dry cleaning shops, government agency, massage parlors, drug paraphernalia shops, or OTB establishments.

Except as set forth above, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise, designed for profit, altruism, or otherwise, shall be conducted, maintained or permitted in any part of the Residential Units, nor shall any "For Sale," "For Rent," or "For Lease" signs or other window displays or advertising be maintained or permitted in any Residential Unit therein or adjoining Common Elements, nor shall any Residential Unit be rented for transient, hotel or motel purposes. The right, however, is reserved by the Sponsor, its designee, and the Board of Managers, or its agent, for any Unit owned by the Condominium Association to place "For Sale," "For Rent," or "For Lease" or similar signs on any Unsold or unoccupied Units, and the right is hereby given to any mortgagee, who may become the owner of any Unit, to place such signs on any Unit owned by such mortgagee, but in no event will any such sign be larger than one foot (1) by two feet (2). Additionally, the right is reserved by the Sponsor and its designee to maintain and staff one or more vacant and Unsold Units in the Building as a sales office and/or model Unit or to use any Unit for any lawful use permitted by law or codes without the consent of the Board. The Sponsor and its designee shall have the right to place "For Sale," "For Rent," or "For Lease" signs or similar signs on or in the vicinity of the Building or on the facade of the Building without regard to the size of such signs. The Sponsor or its designee shall be responsible for installing, repairing and removing such signs. The Owners of the Commercial Unit and the Community Facility Unit shall have the right to install, repair and replace, in addition to placing "For sale" or "For Rent" signs, business and promotional signs of any type on or about their property but only with the Sponsor's consent while the Sponsor owns any Unsold Units.

There shall be no playing or lounging in the entrances, passages, public halls, vestibules, corridors, stairways, or fire towers of the Building, except in any recreational areas, if any, or other areas designated as such in the Declaration or by the Board of Managers.

Except as elsewhere provided, no exterior of any Residential Unit or the windows or doors thereof or any other portions of the Common Elements shall be painted or decorated by any Unit Owner in any manner without prior written consent of the Board of Managers.

No furniture, equipment, or other personal articles shall be placed in entrances, hallways, stairways, or other General Common Elements.

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

Each Unit Owner shall keep his or her Unit in a good state of preservation and cleanliness and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows of a Unit, any dirt or other substances. In addition, where applicable, each Unit Owner shall keep his or her terrace(s) and terrace drain(s) free of debris.

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

Except as provided above, no sign, notice, lettering, or advertisement shall be inscribed or exposed on or at any window, door, or other part of a Unit or adjoining Common Element except such as shall have been approved in writing by the Board of Managers, nor shall anything be projected out of any window of the Building without similar approval.

All garbage and refuse from the Building shall be deposited with care in plastic bags or other suitable receptacles intended for such purpose only at such times and in such manner as the Board of Managers may direct. Unit Owners shall be responsible for complying with all applicable recycling laws pertaining thereto.

No clothes, sheets, blankets, laundry, or other articles of any kind shall be hung on or out of a Unit or its appurtenant Limited Common Elements.

Water closets and other water apparatus in the Building shall not be used for any purposes other than those for which they were constructed; nor shall any sweepings, rubbish, rags, paper, ashes, or any other article be thrown into the same. Any damage resulting from

misuse of any water closet or other apparatus shall be paid for by the Unit Owner causing such damage.

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

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

No radio or television aerial or dish shall be attached to or hung from the exterior of the Building without prior written approval of the Board of Managers. The Board of Managers, upon the request of any Unit Owner, shall allow the installation of any hook-up necessary to provide cable television or satellite service to the Unit.

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

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

If any key or keys are entrusted by a Unit Owner, by any family member thereof, or by his or her agent, servant, employee, invitee, licensee, guest, visitor, patient, or client to an employee of the Condominium or of the Managing Agent, whether for such Unit Owner's Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Board of Managers nor the Managing Agent shall (except as provided above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

No Unit Owner or any family member, agent, servant, employee, invitee, licensee, guest, visitor, patient or client of a Unit Owner shall be allowed in the heating, electrical or mechanical equipment areas without the express prior permission of the Board of Managers.

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

No Unit Owner shall interfere in any manner with any portion of the heating or lighting apparatus that is a part of the Common Elements and not part of the Unit Owner's Unit.

Nothing shall be done or kept in any Residential Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof, without the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in his or her Unit or in the Common Elements, that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any law. No Unit Owner or any of his or her family members, agents, servants, employees, invitees, licensees, guests, visitors, patients, or clients shall, at any time, bring into or keep in his or her Unit or Limited Common Elements 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 Limited Common Elements.

The Residential Unit Owners shall not be allowed to put their names on any entry to the Building or entrance to any Unit, except in the proper places approved by the Board of Managers for such purposes.

Any damage to the Building or equipment caused by Unit Owners, their guests, visitors, clients, patients, licensees, invitees, agents, servants, family members or employees shall be repaired at the expense of the said Unit Owner.

Complaints regarding the management of the Building and grounds or regarding the actions of other Unit Owners shall be made in writing to the Board of Managers.

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

Certain parts of the Common Elements are intended for use for the purpose of affording passage to common areas such as stairwells, elevator, shaftways, and roof and for providing access to the Units. No part of the Common Elements shall be obstructed so as to interfere with its use for the purposes hereinabove recited; nor shall any part of the Common Elements be used for general storage purposes, except maintenance storage or where

specifically designated as such; nor shall anything be done thereon in any manner which shall increase the rate of hazard and liability insurance covering said area and improvements situated thereon.

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

Unless expressly authorized by the Board of Managers in each case, at least eighty percent (80%) of the floor area of each room in each residential Unit must be covered with rugs or carpeting or equally effective noise reducing material, excepting only kitchens, pantries, bathrooms, maid's rooms, closets and foyers.

Smoke detectors and carbon dioxide detectors must be installed in every Unit as required by the New York City Building Code. It is the obligation of the Unit Owner to maintain the alarms and to make certain that such detectors are in working order at all times.

Each Unit Owner shall notify the Managing Agent in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. Each Unit Owner shall install, at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable law and in any event, without prior written notice to the Managing Agent. The obligation of installing and maintaining such window guards shall belong to the Unit Owner.

The cost of maintenance and repair of the sidewalks, and adjacent curbs, including keeping them free from snow, ice, dirt and rubbish, shall be the responsibility of the Condominium.

No group tour or exhibition of any part of a Residential Unit or its contents shall be conducted nor shall any auction sale be held in any part of a Unit without the prior consent of the Board of Managers or the Managing Agent in each instance.

If permitted by the Board of Managers, plantings on any terrace or balcony shall be contained in boxes of wood, lined with metal or other materials impervious to dampness and standing on supports at least two inches (2") from the terrace or balcony surface, and, if adjoining a wall, at least three inches (3") from such wall. Suitable weep holes shall be provided in the boxes to draw off water. In special locations, such as a corner abutting a parapet wall, plantings may be contained in masonry or hollow tile walls which shall be at least three inches (3") from the parapet and flashing, with the floor of drainage tiles and

suitable weep holes at the sides to draw off water. Such masonry planting beds shall not, however, rest directly upon the surface of such terrace or balcony, but shall stand on supports at least two inches (2") above such surface. It shall be the responsibility of the Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition. Such Unit Owner shall pay the cost of any repairs rendered necessary, or damage caused, by such plantings.

The Board of Managers shall require a security deposit of $1,000 for Unit Owners who move. $700 of the security deposit will be refunded promptly after such move is completed unless there is damage to any portion of the Building, or to any Unit, as a result of such move, and such security deposit or portion thereof shall be used for the cost of repairing such damages. $300 of the security deposit shall be paid to the managing agent for coordinating moving schedule, elevator access and collection of insurance certificates, etc.

Any consent or approval by the Board of Managers or the Managing Agent given under the House Rules and Regulations of the Condominium may be amended, modified, added to, or repealed at any time by resolution of the Board of Managers except as such are restricted as to the rights and privileges of Sponsor and Sponsor's designee or the Commercial Unit Owner or the Owner of the Community Facility Unit. Further, any such consent or approval may, in the discretion of the Board of Managers or the Managing Agent, be conditional in nature.

The House Rules and Regulations of the Condominium are set forth in Part II of this Plan. Such Rules and Regulations may be amended from time to time but no amendment may affect any Unsold Unit or the rights and privileges of the Sponsor or the Sponsor-designee or the Owners of the Commercial Unit or the Community Facility Unit unless they agree to such amendment in writing.

Easements

Each Unit Owner shall have certain easement rights with respect to the Limited Common Elements and Units owned by other Unit Owners. As more fully described in the Declaration set forth in Part II of this Plan, each Unit Owner will have an easement in common with the owners of all other Units to use the pipes, wires, ducts, cables, conduits, public utility lines and other Common Elements located in any of the other Units and serving his or her Unit. Each Unit shall be subject to an easement in favor of the owners of all other Units to use the pipes, ducts, cables, wires, conduits, public utility lines and other Common Elements serving such other Units and located in such Unit.

The Board of Managers shall have a right of access to each Unit and any Limited Common Elements appurtenant thereto to inspect the same, to remove violations therefrom and/or to maintain, repair, add to or replace the Common Elements contained therein or elsewhere in the Building.

Review of Real Estate Tax Assessments

It shall be the responsibility of the individual Unit Owners, at their sole cost and expense, to review the real estate tax assessments of their Units and, if they so desire, to take any steps necessary to review and/or challenge such assessments. Notwithstanding the foregoing, if proceedings are pending for the reduction of real estate taxes on the land and building for the tax year in which the First Unit Closing occurs, the Condominium will continue such proceedings with the attorney previously employed by the Sponsor. The Sponsor shall have the sole right to negotiate and settle all claims in connection with such proceedings. The cost of such proceedings, including legal fees, and (in the event taxes are reduced) any refund, shall be apportioned between the Sponsor and the respective Unit Owners according to the ownership of the Property during respective portions of the tax year. Any refund covering a period prior to the First Unit Closing and all expenses incurred in connection with obtaining such refund shall belong to and be incurred by the Sponsor alone.

Termination of Condominium

The Condominium may be terminated by casualty loss, condemnation or eminent domain, in accordance with the provisions of the By-Laws, or by withdrawing the Property from the provisions of the New York Condominium Act if authorized by an affirmative vote of Unit Owners who own not less than seventy five percent (75%) in number and in Common Interest of the Units. The Sponsor or its designees will not vote its or their interests appurtenant to any Unsold Units for such withdrawal unless at least seventy five percent (75%) in number and in Common Interest of all other Unit Owners have elected for such withdrawal, in which event the Sponsor may choose to vote in favor of or against such withdrawal. In the event such withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all the Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of his or her share of such net proceeds all liens on his or her Unit, in the order of priority of such liens.

The Declaration and By-Laws

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

REAL ESTATE TAXES

Projection of Property Valuation and Real Estate Taxes

After the Units are separately assessed, each Unit will be taxed as a separate tax lot for real estate tax purposes. No Unit Owner will be responsible for the payment of, nor will the Unit be subject to, any lien arising from the non-payment of real estate taxes on other Units. The City of New York Department of Finance is responsible for subdividing tax lots and assigning new tax lots to Units as of July 1st of every year. Accordingly, depending upon when the Declaration and By-Laws are recorded, there can be a delay of up to a year and several months until a separate assessment can be obtained. Until such time, it will be the duty of the Board of Managers to collect payments for real estate taxes directly from each Unit Owner and to hold such in the Condominium's separate account until payment is made to the City of New York Department of Finance.

Please refer to Expert's opinion letter by the Mazursky Group, Inc. ("Mazursky") on the projection of real estate taxes for the fiscal year 2007/08, and, upon completion of construction, for the fiscal year 2008/09 set forth on page 123.

Under the classification system adopted by the New York State Legislature in its revision of Section 305, Article 1802 and Section 581 of the Real Property Tax Law, applicable to cooperatives and condominiums, the Residential Units will be assessed in Tax Class 2 (residential properties with more than ten units) and Class 4 for the Community Facility Unit and the Commercial Unit. The City's policy is to value such properties as income producing at an exemption ratio of 45% of market value. The increased valuation due to construction is phased in over a five-year period. The non-residential spaces will be assessed in Tax Class 4.

The projected assessment and tax rate results in a projected total real estate tax liability for the Property that is then apportioned amongst the Units based primarily on the Unit's percentage of Common Interests. The percentage of Common Interests reflects the Unit's value and sales price. The City may, however, use another basis in determining such liability that may result in modification to the projections used by Mazursky and included in Schedule A, column 7, on page 23. Other factors such as changes in the tax rate or the assessed valuation or special assessments may also affect these calculations.

Upon completion of construction, for the first year of condominium operation Mazursky estimates a tax rate of: .1145% per $100 for the Commercial Unit and the Community Facility Unit . The Residential Units of the Property are estimated at a tax rate of .125% per $100. This results in a projected tax liability for the Commercial Unit of $51,136.00, the Community Facility Unit of $2,841.00 and $88,067.00 for the Residential Units at a tax rate of .125%.

There are no tax certiorari proceedings pending. The Sponsor reserves the right: (i) to challenge the assessed valuation of the Property for the tax years preceding the first closing and the year when the First Unit Closing is held in its own name and the name of the Condominium, the Board and the Unit Owners by attorneys selected by the Sponsor; (ii) settle any such proceedings in its sole discretion and without the consent of the Condominium Board or the Unit Owners. Any net tax refunds (after deducting all costs related to such proceedings) attributable to either: (x) any tax year commencing after the First closing shall be paid to the Sponsor, or (y) after the First Closing, shall be apportioned between the Sponsor and the Condominium on the basis of the percentage of Common Interests owned.

The By-Laws provide that the Board of Managers has the power to act as an agent on behalf of each of the Unit Owners who has given written authorization to apply for a review by filing a single complaint on behalf such unit Owner. The Board may retain legal counsel or expert on behalf of all Unit Owners for which it is acting as agent and do a special assessment, on the basis of the percentage of Common Interests, against such Unit Owners who join in the application.

421-a Real Estate Tax Benefits

The Sponsor has retained the firm the Mazursky Group, Inc. to apply for 421-a Real Estate Tax Exemption benefits. The Sponsor, at its sole cost, will use its best efforts to obtain such benefits but does not anticipate that even if such benefits are granted, that such benefits will be effective as of the date of the First Closing. In the event that the benefits are retroactive, the Sponsor shall apportion any real estate tax refunds on the basis of the percentage of Common Interest for the applicable period of time.

The tax benefit program exempts from taxation increases to the valuation of the Property during the construction period.

Mazursky believes that such benefits may be approved and if approved may be 100% effective for the first twenty-one years and declining by 20% a year starting the twenty-second year. In the twenty-fifth year, the exemption is reduced to 20%, after which, the property will be fully taxed.

NEITHER SPONSOR, SPONSOR'S COUNSEL, THE 421-A EXPERT, THE SELLING AGENT, THE MANAGING AGENT NOR ANY OTHER PERSON MAKES ANY REPRESENTATION OR WARRANTY THAT A TAX EXEMPTION FROM REAL ESTATE TAXES UNDER SECTION 421-A WILL BE GRANTED OR, AS TO THE AMOUNT, IF ANY, OF THE MINIMUM TAX WHICH WILL BE ASSESSED AGAINST THE UNITS OR THE AMOUNT OF REAL ESTATE TAXES PAYABLE AT ANY TIME BY ANY UNIT OWNER. There is no guaranty or assurance that the criteria for Section 421-a benefits will be satisfied and neither Sponsor nor Sponsor's Counsel offers any opinion with respect to the eligibility of the Units for Section 421-a benefits. If, for any

reason, an application is not approved by HPD, the Units will be subject to full taxation and will receive no benefits under Section 421-a.

Prospective purchasers should note that increases in a property's assessed valuation resulting from changes in its market value (other than changes resulting from new construction or alteration of an existing improvement) are phased in over five fiscal tax years in annual increments of twenty percent each. Any further increase in assessed valuation during such five-year period resulting from a still higher market value is similarly phased in over an additional five-year period from the date of such increase. The full increased assessed valuation is targeted to be in effect after the end of the five-year period from the date of such increase. The full increased assessed valuation targeted to be in effect after the end of the five-year period is called the "actual" assessed valuation, and the amount of the incremental assessed valuation upon which taxes are actually computed for each fiscal tax year during such five-year period is called the "transitional" assessed valuation.

Prospective purchasers should note that the real estate taxes that will be payable by the Unit Owners for future years will vary in accordance with the amounts of the Unit's assessed valuation (transitional and actual) and of the real estate tax rate. In this regard, prospective purchasers should note that, assuming the partial exemption from real estate taxes pursuant to Section 421-a is maintained, the real estate taxes payable by the Unit Owners will in any event increase periodically over the ten years of condominium ownership as an integral part of the Section 421-a program.

Benefit Years	% of Exemption
1-21	100%
22nd	80%
23rd	60%
24th	40%
25th	20%
26th	Fully Taxed

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

Please refer to the Expert's opinion letter on 421-a real estate tax benefits for the Property by Mazursky, on page 123.

The Mazursky Group, inc.
Real Estate Tax Consultants and Appraisers

March 28, 2006

2279 Third Avenue Associates LLC
c/o North Management Construction
104 East 126th Street, Suite 2A
New York, N.Y. 10035

Attention: Mr. Michael Waldman

Re: 2279 Third Avenue
New York, New York

I, JEROME MAZURSKY, CERTIFY:

THAT I am a real estate appraiser and have many years of experience in the assessment of real estate for tax purposes both as an Assessor in the Borough of Manhattan and as the Department of Finance's Assistant Commissioner of the Real Property Assessment Division;

THAT I have been retained by the sponsor to estimate for inclusion in an Offering Plan to be submitted to the Attorney General, the assessed valuation of the above-captioned property after completion of new construction and the establishment of condominium status;

THAT in estimating the assessed valuation of the property, I am aware of the construction costs, rental values and offering prices of the units;

THAT I have consulted with personnel in the Property Division of the Department of Finance regarding the current practice in assessing newly constructed condominium buildings. Specifically, discussions centered around appropriate land and building factors and income projections for properties similar to the subject in type and location.

42 Broadway, Suite 1744, New York, NY 10004 (212) 344-2788
386 Park Avenue So., Suite 600, New York, NY 10016 (212) 696-2005

I have discovered the following:

1) The subject property is located at 2279-2281 Third Avenue in the borough of Manhattan. The sponsor has started construction of a 7-story, mixed-use building on the site. After completion of construction and the establishment of a condominium, the building will contain thirteen residential units, two retail units and one community facility unit. Prior to construction, the property was vacant land.

The site has a total of 41' 5 ½" frontage on the easterly side of Third Avenue and extends 100' in depth along the southerly side of East 124th Street. It is rectangularly-shaped and contains 4,146 square feet of ground area. It is identified on the city's tax records as Block 1788 Lot 47.

2) After completion of construction, which is scheduled for April 2007, the building will contain the following square foot areas and uses.

FLOOR	AREA	USE
Cellar	4,129	Boiler, Mechanical, Meter, and Storage Rooms, Super's Office, Part of Retail Unit A
1	4,080	Residential Lobby, Retail Units A and B, Commercial Lobby
2	4,129	Part of Retail Unit A, Community Facility
3-5	9,930	3-2BR, 6-1BR Apartments
6	2,642	1-2BR, 1-1BR Apartments
7	2,469	1-2BR, 1-1BR Apartments
Roof	148	Part of 7th Floor 2-BR Apartment

3) The property is currently assessed in Tax Class 4. After completion of construction and the establishment of a condominium, the retail and community facility units will continue to be assessed in Tax Class 4, whereas the residential units will be assessed in Tax Class 2 under the classification system adopted by the State Legislature in its revision of the Real Property Tax Law (Section 305, Article 1802, and Section 581, applicable to the assessment of cooperative apartments and condominiums.)

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3) cont'd.

Tax Class 4 includes most properties which have uses other than residential. Tax Class 2 is comprised of residential rental, cooperatives or condominiums with 11 or more units. The City's assessment ratio policy for properties in Tax Classes 2 and 4 is to assess at 45% of market value based upon value as an income-producing property. Increases to value are unlimited, but except for increases due to physical changes, are required to be phased-in over a five-year period. The taxable value is the lower of the actual or transitional values.

The Class 4 tax rate for 2005/06 is $11.306 per $100. The Class 2 rate is $12.396 per $100. I estimate the tax rates for 2006/07, 2007/08 and 2008/09 at $11.45 per $100 for Class 4 and $12.50 per $100 for Class 2.

4) The recent history of assessed valuation for 2279 Third Avenue is as follows:

2004/05	Land	Total
Actual:	$ 52,650	$ 52,650
Transitional:	$ 45,630	$ 45,630

2005/06	Land	Total
Actual:	$ 60,750	$ 60,750
Transitional:	$ 49,680	$ 49,680

2006/07	Land	Total
Actual:	$ 64,350	$ 64,350
Transitional:	$ 54,450	$ 54,450

5) Construction started in February 2006, and is scheduled to be completed in March 2007. It is my judgment that after completion of construction, the assessed valuation of the property will be as follows:

2007/08	Land	Total
Actual:	$ 200,000	$ 1,250,000
Transitional:	$ 86,350	$ 1,136,350

2008/09	Land	Total
Actual:	$ 435,000	$ 1,850,000
Transitional:	$ 165,250	$ 1,580,250

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6) Using relative values as a rental building as the criterion, I have estimated that the retail units will be assessed at 36%, the community facility at 2% and the residential units at 62 % of the total assessed valuation. The tax liability during the first year of operation is estimated at $51,136 for the retail, $2,841 for the community facility and $88,067 for the residential units. During the second year, the estimated taxes are $65,138 for the retail units, $ 3,619 for the community facility and $122,469 for the residential units. The calculations are as follows:

First Year of Operation

Retail Units
7/01/07 - 6/30/08
$ 1,136,350 [1] x .36 [2] x .125 [3] = **$ 51,136**

Community Facility Unit
7/01/07 - 6/30/08
$ 1,136,350 [1] x .02 [2] x .125 [3] = **$ 2,841**

Residential Units
7/01/07 - 6/30/08
$ 1,136,350 [1] x .62 [2] x .125 [3] = **$ 88,067**

Second Year of Operation

Retail Units
7/01/08 - 6/30/09
$ 1,580,250 [4] x .36 [2] x .1145 [5] = **$ 65,138**

Community Facility Unit
7/01/08 - 6/30/09
$ 1,580,250 [4] x .02 [2] x .1145 [5] = **$ 3,619**

Residential Units
7/01/08 - 6/30/09
$ 1,580,250 [4] x .62 [2] x .125 [3] = **$ 122,469**

Each unit will be given a separate tax lot number. Individual tax liability for each unit may be estimated by apportioning the total tax among the unit owners in proportion to the relative value of their space as indicated by the Offering Plan prices.

1. Estimated 2007/08 Taxable Assessed Value
2. Percentage of value for this type space.
3. Estimated 2007/08 and 2008/09 Class 2 Tax Rates
4. Estimated 2008/09 Taxable Assessed Value
5. Estimated Class 4 Tax Rate

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7) It is my understanding that the sponsor is seeking 421-a real estate tax exemption benefits. If granted, the benefits provide a varied exemption of increases in assessed value over the 2004/05 base tax year. There may be up to a 100% exemption of building value during the construction period (not to exceed three years)and the first twenty-one years of operation. In the twenty-second year, the exemption decreases to 80%, in the twenty-third year, it is reduced to 60%, and to 40% in the twenty-fourth year. In the twenty-fifth year, the exemption is further reduced to 20%, after which, the property will be fully taxed.

The 421a exemption generally applies to the entire taxable assessed value, over and above the "mini-tax [6]." However, if the amount of commercial space exceeds 12% of the building's aggregate floor area, the percentage of the property's assessed value that qualifies for the 421a exemption is reduced by the same percentage by which the amount of non-residential space exceeds the 12% cap. Using the architect's calculations, I have applied a 20.6 % excess of commercial space above the 12% permitted by 421a rules. The current practice is to penalize the commercial units for the additional taxes created by the excess commercial space. I have estimated the first year's tax, with 421a exemption benefits, at $ 29,774 for the retail units, $1,654 for the community facility unit and $ 3,536 for the residential units. I have estimated the second year's tax, with 421a exemption benefits, at $ 39,197 for the retail units, $2,177 for the community facility unit and $ 3,536 for the residential units. The calculations are as follows:

First Year of Operation with 421a

Estimated Penalty Due to Excess Commercial Space
7/1/07 - 6/30/08
$ 1,136,350 [1] x 20.6 % [7] x .125 [3] = **$ 29,261**

Retail Units
7/01/07 - 6/30/08
$ 45,630 [8] x .36 [2] x .125 [3] + $27,721 [9] = **$ 29,774**

Community Facility Unit
7/01/07 - 6/30/08
$ 45,630 [8] x .02 [2] x .125 [3] + $1,540 [9] = **$ 1,654**

Residential Units
7/01/07 - 6/30/08
$ 45,630 [8] x .62 [2] x .125 [3] = **$ 3,536**

6. The mini-tax is the minimum tax paid each year that the property receives 421a benefits. It is based upon the taxable assessed value in the tax year preceding the tax year in which construction started.
7. Excess commercial space over the 12% limitation
8. 2004/05 base year taxable assessed value used for calculating the mini-tax
9. Estimated penalty for excess commercial space, distributed proportionately to the non-residential units.

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7) cont'd.

Second Year of Operation with 421a

Estimated Penalty Due to Excess Commercial Space

7/01/08 - 6/30/09

$ 1,580,250 [4] x 20.6 % [7] x .121 [10] = **$ 39,389**

Retail Units

7/01/08 - 6/30/09

$ 45,630 [8] x .36 [2] x .1145 [5] + $37,316 [9] = **$ 39,197**

Community Facility Unit

7/01/08 - 6/30/09

$ 45,630 [8] x .02 [2] x .1145 [5] + $2,073 [9] = **$ 2,177**

Residential Units

7/01/08 - 6/30/09

$ 45,630 [8] x .62 [2] x .125 [3] = **$ 3,536**

8) The co-op/condominium real estate tax abatement law, that over the past few years has had a favorable effect on the real estate tax burden of residential co-op and condominium unit owners, expires in June 2008. The Legislature indicated its intention in passing this law was to address the disparity between the tax burden of one to three family homeowners and that of residential co-op and condominium unit owners. If the law is extended and the abatement is granted, it would allow up to a 17.5% abatement of the real estate tax bill of a unit owner who owned fewer than four units on the city's taxable status date of January 5, 2008. The law, however, does not affect properties that receive real estate tax exemption benefits.

10. Blended Rate

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42 Broadway, Suite 1744, New York, NY 10004 (212) 344-2788
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9) This estimate of the assessed valuation has been prepared for inclusion in the Offering Plan, and I consent to its use for this purpose.

Although the aforesaid estimate of the Actual Assessed Valuation is a good-faith estimate, it is not possible to estimate same with any degree of certainty. Assessed valuations, when actually made, may be lesser or greater based on our interpretation of the administrative code and the applicable rules and regulations of the City of New York. Although I believe my opinions are well-founded, they are not intended, and should not be construed as warranties as to future assessed valuations of the property under discussion.

In no event will this firm, the Sponsor, the Sponsor's counsel or any other person be liable if the assessed valuation, when actually made, is lesser or greater than that estimated above, or if the administrative code and the applicable rules and regulations of the City of New York are changed in the future, or if the facts as represented prove to be untrue.

Jerome Mazursky, MAI, CAE

The Mazursky Group, Inc.
42 Broadway, Suite 1744, New York, NY 10004 (212) 344-2788
386 Park Avenue So., Suite 600, New York, NY 10016 (212) 696-2005

2279 Third Avenue
New York, N.Y.

	Percentage of Value	Estimated 1st Year's R.E Taxes w/o 421a	Estimated Monthly R.E Taxes w/o 421a	Estimated 2nd Year's R.E Taxes w/o 421a	Estimated Monthly R.E Taxes w/o 421a	Estimated 1st Year's R.E Taxes with 421a	Estimated 1st Year's Monthly R.E Taxes with 421a	Estimated 2nd Year's R.E Taxes with 421a	Estimated 2nd Year's Monthly R.E Taxes with 421a
Retail Units:									
Retail A	85%	$ 43,312.19	$3,609.35	$ 55,171.89	$ 4,597.66	$25,218.58	$ 2,101.55	$ 33,199.86	$ 2,766.65
Retail B	15%	$ 7,823.81	$ 651.98	$ 9,966.11	$ 830.51	$ 4,555.42	$ 379.62	$ 5,997.14	$ 499.76
Total Retail Units:	100%	$ 51,136.00	$4,261.33	$ 65,138.00	$ 5,428.17	$ 29,774.00	$ 2,481.17	$ 39,197.00	$ 3,266.42
Community Facility	100%	$ 2,841.00	$ 236.75	$ 3,619.00	$ 301.58	$ 1,654.00	$ 137.83	$ 2,177.00	$ 181.42
Residential Units:									
3A	8.15%	$ 7,173.11	$ 597.76	$ 9,975.18	$ 831.27	$ 288.01	$ 24.00	$ 288.01	$ 24.00
2B	5.35%	$ 4,712.27	$ 392.69	$ 6,553.04	$ 546.09	$ 189.20	$ 15.77	$ 189.20	$ 15.77
3C	7.07%	$ 6,230.66	$ 519.22	$ 8,664.57	$ 722.05	$ 250.17	$ 20.85	$ 250.17	$ 20.85
4A	8.32%	$ 7,330.19	$ 610.85	$ 10,193.61	$ 849.47	$ 294.32	$ 24.53	$ 294.32	$ 24.53
4B	5.59%	$ 4,921.70	$ 410.14	$ 6,844.28	$ 570.36	$ 197.61	$ 16.47	$ 197.61	$ 16.47
4C	5.35%	$ 4,712.27	$ 392.69	$ 6,553.04	$ 546.09	$ 189.20	$ 15.77	$ 189.20	$ 15.77
5A	8.50%	$ 7,487.27	$ 623.94	$ 10,412.05	$ 867.67	$ 300.62	$ 25.05	$ 300.62	$ 25.05
5B	5.77%	$ 5,078.77	$ 423.23	$ 7,062.72	$ 588.56	$ 203.92	$ 16.99	$ 203.92	$ 16.99
5C	5.65%	$ 4,974.06	$ 414.50	$ 6,917.10	$ 576.42	$ 199.71	$ 16.64	$ 199.71	$ 16.64
6A	11.47%	$ 10,105.19	$ 842.10	$ 14,052.63	$ 1,171.05	$ 405.74	$ 33.81	$ 405.74	$ 33.81
6B	8.03%	$ 7,068.40	$ 589.03	$ 9,829.56	$ 819.13	$ 283.80	$ 23.65	$ 283.80	$ 23.65
7A	12.49%	$ 10,995.29	$ 916.27	$ 15,290.42	$ 1,274.20	$ 441.47	$ 36.79	$ 441.47	$ 36.79
7B	8.26%	$ 7,277.83	$ 606.49	$ 10,120.80	$ 843.40	$ 292.21	$ 24.35	$ 292.21	$ 24.35
Total Residential Units:	100.00%	$ 88,067.00	$7,338.92	$ 122,469.00	$ 10,205.75	$ 3,536.00	$ 294.67	$ 3,536.00	$ 294.67

INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM

Deductibility of Mortgage Interest and Real Estate Taxes

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

As fully set forth in the tax opinion of Shaw & Associates, counsel to the Sponsor, in Part I of this Plan ("Counsel's Tax Opinion Letter"), it is the opinion of Martin Shaw, Esq. that, under present law, a Unit Owner who uses his Residential Unit as a personal residence will, for Federal income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid or accrued under Sections 163 and 164. These deductions are subject, however, to certain exceptions and limitations that are more particularly discussed in Counsel's Tax Opinion Letter. These deductions may also affect an individual Unit Owner's liability for the alternative minimum Federal income tax. Each individual Residential Unit Owner will, for New York State and New York City income tax purposes, be entitled to similar deductions for the mortgage interest and real estate taxes paid or accrued during the taxable year. Such deductions may also affect his or her New York City minimum tax liability.

Certain purchasers of Offered Units, including senior citizens and veterans, may be exempt, in whole or in part, from real estate taxes. Each potential Purchaser should consult his or her own tax adviser as to the availability of such exemptions.

Purchasers should note that mortgage interest is deductible generally only with respect to (1) secured debt used to acquire or substantially improve a principal or second residence (up to a total indebtedness of $1,000,000), plus (2) other debt (not in excess of $100,000) secured by a principal or second residence. Interest on home mortgage debt in excess of those limitations would not be deductible.

Since the rules and limitations regarding the deductibility of home mortgage interest are complex, Purchasers are urged to consult their tax advisers regarding the application of such rules and limitations to them, as well as regarding the deductibility of interest with respect to their Residential Units for Federal alternative minimum tax purposes (which at present is subject to rules different than those described above for regular tax purposes). In addition, owners of Residential Units should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans and on the overall limitation on the allowance of itemized deductions.

Taxation of the Condominium

Once the Building is converted to condominium ownership, the affairs of the Condominium will be governed by a Condominium Board of Managers. Common Charges will be borne by all Unit Owners and assessed and collected by the Condominium Board. Under present law, the exact tax status of the Condominium Board is uncertain and no opinion has been rendered with respect to it. The Federal income tax consequences to the Condominium Board with respect to the receipt of the Common Charges and of the expenditure of Condominium funds will depend on whether the Condominium Board:

(i) is treated as a conduit, or
(ii) qualifies and elects to be taxed under Section 528.

If the Condominium Board is treated as a conduit, it will not be subject to tax. Rather, Unit Owners would, in the aggregate, include in their gross income all income earned by the Condominium, and deduct (subject to applicable limitations) the expenses incurred in earning such income. Thus, for example, interest earned on funds held by the Condominium Board would be taxed to the Unit Owners.

If it satisfies the requirements of Section 528, the Condominium Board may elect to be exempt from Federal income tax on the Common Charges. Generally, those requirements are:

(i) the condominium management association must be organized and operated solely to provide for the acquisition, construction, management, maintenance, and care of association property;

(ii) sixty percent (60%) or more of the gross income of the condominium management association must consist of assessments from residential unit owners ("Exempt Function Income");

(iii) ninety percent (90%) of the expenditures of the condominium management association must be for the acquisition, construction, management, maintenance, and care of the condominium management association's property;

(iv) no part of the net earnings can inure to the benefit of private individuals other than by the acquisition, construction, management, or maintenance of the condominium management association's property or by rebates of excess assessments;

(v) the Condominium must elect to be treated as a homeowners association; and

(vi) substantially all of the units must be used as residences.

Under the Treasury regulations issued pursuant to Section 528, a condominium management association must qualify annually for the election under Section 528, and additionally, it must make a separate election for each taxable year. Accordingly, the ability of the Condominium Board to elect the benefits of Section 528 will depend on the particular facts and circumstances prevailing in the taxable year at issue.

The Sponsor's Attorney has not opined that the Condominium will qualify as a "Condominium Management Association" under Section 528 of the Internal Revenue Code of 1986, as amended. The possible income tax consequences to the Condominium of not qualifying as a "Condominium Management Association" is a special risk of the offering hereunder. But Sponsor does not anticipate the condominium generating taxable income the first year of condominium operation based on the projection of income and expenses in the projected budget, Schedule B. Therefore, an estimate of the possible income tax due from the Condominium is not included as a projected expense in Schedule B. It is also assumed that all of the Working Capital Fund established from each of the closings will be expended on closing adjustments owed to Sponsor pursuant to the terms of the Plan and/or for deductible operating expenses of the Condominium. In the event that the Condominium has a net income or capital assets either in the first year of condominium operation or any subsequent years and therefore a tax is due, the amount of each Unit's Common Charges shall increase.

A condominium management association meeting the requirements of Section 528 and electing to be exempt from Federal income tax on Exempt Function Income would be taxable at a rate of thirty percent (30%) on the amount by which its other income, such as income from a non-residential lease of common elements and interest earned on any reserve funds, exceeds the amount of allowable deductions that are directly connected with the production of such income. Such an association, however, would not be allowed certain deductions that are available to corporations that are not taxable under Section 528. If such an election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have that is not Exempt Income, such as income from the non-residential lease of common elements and interest earned on any reserve funds (less expenses directly connected with the production of such income).

The foregoing summary is for informational purposes only and the Sponsor's counsel expresses no opinion with respect to the likelihood of which method of taxation will be applied to the Condominium.

No warranties are given that the Internal Revenue Service, the New York State Department of Taxation and Finance or the New York City Department of Finance will allow the aforementioned deductions for mortgage interest and real estate taxes. There is also no assurance that the tax laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof, upon which Martin Shaw, Esq., as counsel to the Sponsor, bases its opinion, will not change. The opinion of the Sponsor, Martin Shaw, Esq., the

Selling Agent, the Managing Agent or any other person connected with this offering is not a guarantee that such income tax or other applicable deductions will be granted. Additionally, there shall be no liability to any of the persons or firms connected with this Plan in the event that critical facts prove to be incorrect or there are changes in the applicable law and regulations, decisional law or Internal Revenue Service rulings. The opinion of Shaw & Associates by Martin Shaw, Esq. contained within this plan, regarding income tax deductions and whether the condominium will be eligible for tax-exempt status, is that of an attorney and not a guarantee. If at any time it is held that the Unit Owners, or any of them, are not entitled to such income tax deductions, Martin Shaw, Esq., the Selling Agent and the Managing Agent will not be liable. In addition, none of the aforesaid give any warranties with respect to the tax consequences of this Plan or the tax consequences of ownership of any Units offered under this Plan, and no one has been authorized to give any warranties.

SHAW & ASSOCIATES BY MARTIN SHAW, ESQ. IS COUNSEL TO THE SPONSOR AND NOT THE PROSPECTIVE PURCHASERS OR UNIT OWNERS. EACH PURCHASER SHOULD CONSULT HIS OR HER OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF UNIT OWNERSHIP UNDER THE PLAN.

Real Estate Tax Exemption (Section 421-a)

Sponsor has retained the firm the Mazursky Group, Inc. to apply, on its behalf and on behalf of the Unit Owners, to the New York City Department of Housing Preservation & Development ("HPD") for a partial real estate tax exemption under Section 421-a of the New York Real Property Tax Law ("Section 421-a").

SHAW & ASSOCIATES
ATTORNEYS AT LAW

EMPIRE STATE BUILDING
350 FIFTH AVENUE
SUITE 2816
NEW YORK, NEW YORK 10118
TEL: (212) 279-4490
FAX: (212) 279-4495

Martin Shaw
mshaw@shawbleckner.com

Daniel Abramoff
dabramoff@shawbleckner.com

Of Counsel
David J. Bleckner
Daniel Gammerman
Ian Lester

January 9, 2006

2279-2283 Third Avenue Associates LLC
c/o 69 East 130th Street
New York, New York 10035

Re: 2279 Third Avenue New York, New York
(the "BRIDGE SOUTH CONDOMINIUM")

Ladies and Gentlemen:

You have requested our opinion concerning (i) the deductibility, for Federal, New York State and New York City income tax purposes, of real estate taxes and mortgage interest paid by residents of New York who purchase the Offered Residential Units pursuant to the above-referenced Condominium Offering Plan (the "Plan"), and (ii) the qualification of the Condominium as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended (the "Code"). This opinion does not address the tax consequences of the ownership of Offered Residential Units by corporations, other entities or foreign persons. Furthermore, this opinion does not address the tax consequences of ownership of any Units other than the Offered Residential Units or of the tax consequences, if any, of any rebates or other payments that may be made, or benefits provided, to owners of Offered Residential Units. Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Plan.

In connection with rendering this opinion, we have reviewed the Plan and have examined the schedules, exhibits and documents accompanying the Plan, including the declaration establishing, and the By-Laws governing, the operations of the Condominium

(the "Plan Documents"). We have also considered the relevant sections of the Code, the New York State Tax Law, the New York City Administrative Code, the regulations promulgated thereunder and such other materials as we deemed relevant. In rendering this opinion, we have assumed that the Plan is the document pursuant to which owners of Offered Residential Units will acquire their offered Residential Units and that the relevant facts are as set forth therein.

I. Deduction for Real Estate Taxes and Mortgage Interest

Pursuant to the Plan, the purchaser of an Offered Residential Unit will receive legal title in fee simple to his or her Offered Residential Unit, coupled with ownership of an undivided interest in the Common Elements held in common with the other Unit Owners. Such purchaser, per the terms of the Plan, will have the right to place an individual mortgage on his or her separate Offered Residential Unit and will be liable to the local tax authority for the tax assessment with respect to his or her interest in the Property. Under these circumstances, the Internal Revenue Service (the "IRS") has ruled that the owner of a residential condominium unit may deduct the real estate taxes assessed and paid on his or her interest in the property and interest paid on his or her mortgage indebtedness. Rev. Rul. 64-31, 1964-1 (Part I) C.B. 300.

Accordingly, based on the foregoing, it is our opinion that an owner of an Offered Residential Unit who itemizes his or her deductions will be entitled under current law to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code, real estate taxes assessed against his or her Offered Residential Unit and paid to the local tax authority. However, no deduction for real estate taxes is permitted for purposes of the Federal alternative minimum tax.

It is also our opinion that an owner of an Offered Residential Unit who itemizes his or her deductions will be entitled to deduct for Federal income tax purposes, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code, interest that is paid or accrued during the taxable year on acquisition indebtedness or home equity indebtedness which is secured by a qualified residence. "Acquisition indebtedness" (the aggregate amount of which may not exceed $1,000,000 ($500,000 in the case of a married individual filing a separate return)) is indebtedness which is incurred in acquiring, constructing or substantially improving a qualified residence and which is secured by such residence. "Home equity indebtedness" (the aggregate amount of which may not exceed $100,000 ($50,000 in the case of a married individual filing a separate return)) is any indebtedness (other than acquisition indebtedness) secured by a qualified residence to the extent the aggregate amount of such indebtedness does not exceed the fair market value of the qualified residence, reduced by the amount of acquisition indebtedness with respect to such residence. The term "qualified residence" means (i) the principal residence (within the meaning of section 121 of the Code) of the taxpayer and (ii) one other residence of the taxpayer which is selected by the taxpayer and which is used by the taxpayer as a residence

(within the meaning of section 280A(d)(1) of the Code). Thus, a single taxpayer or a married couple filing a joint return may have two, and only two, qualified residences. If a married couple does not file a joint return for the taxable year, such couple is treated as 1 taxpayer and each individual is entitled to take into account only 1 residence unless both individuals consent in writing to 1 individual taking into account the principal residence and 1 other residence.

It is also our opinion that each owner of a Residential Unit will, for New York State and New York City income tax purposes, be entitled to the same deduction for real estate taxes and mortgage interest which is allowed for Federal (regular) income tax purposes. However, under New York State and New York City income tax law, itemized deductions, such as real estate tax and mortgage interest deductions, are subject to reduction by as much as 50% in the case of individuals having income exceeding certain prescribed levels. Additionally, the benefit of an Offered Residential Unit Owner's deductions may be reduced if he or she is subject to the Federal alternative minimum tax, or the New York State and City minimum tax.

II. Common Charges

If the Condominium qualifies as a "homeowners association" within the meaning of Section 528 of the Code, it may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Residential Unit Owners. However, even if the Condominium qualifies and the election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources such as interest earned on any reserve funds (less expenses directly connected with the production of such income).

To qualify as a homeowners association, the Condominium must meet all of the following conditions:

(i) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property;

(ii) at least 60% of its gross income for each taxable year must consist solely of amounts received as membership dues, fees or assessments from Residential Unit Owners;

(iii) 90% or more of its expenditures for each taxable year must be made for the acquisition, construction, management, maintenance and care of association property;

(iv) no part of its net earnings can inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of association property, and other than

by rebate of excess membership dues, fees, or assessments);

(v) the Condominium must elect to be treated as a homeowners association; and

(vi) at least 85% of the total square footage of all Units within the Condominium must be used by individuals for residential purposes.

Under Treasury Regulations issued pursuant to Section 528, the Condominium must qualify annually for the election under Section 528, and additionally, it must make a separate election for each taxable year. Accordingly, the ability of the Condominium Board to elect the benefits of Section 528 will depend on the particular facts and circumstances prevailing in the taxable year at issue.

Despite the information contained in Schedule A, the Description of the Property and Building Specifications and the Plot and Floor Plans to the Plan, we cannot affirmatively opine that the Property will or will not qualify as a condominium management association under Section 528 of the Code. Our inability to affirmatively opine is due to the uncertainty of the current state of the law as to what floor space specifically qualifies as total square footage for residential purposes (i.e., stairwells, lobby, terraces, balconies, cellar storage areas, etc...). Accordingly for this reason the Condominium may or may not be eligible to elect to be treated as a condominium management association under Section 528 of the Code.

Even if the Condominium Board were eligible to make a Section 528 election, it would still be subject to tax on any income not received as assessments or other such payment from Unit Owners; thus, if the Condominium Board realized interest income from funds on deposit, such interest may be taxable to it.

If an election under Section 528 is not in effect for the taxable year, which as stated above we assume to be the case for the First Year of Condominium operation, the tax status of the Condominium Board will be governed by the rules in effect prior to the enactment of Section 528 ("existing law").

Under existing law, the tax status of the Condominium Board is uncertain. The By-Laws provide that the Condominium Board will act as the agent of the Unit Owners. Thus, the Condominium Board may take the position that it is simply a conduit for receipts and payments of the Unit Owners for whom it acts as agent and not a separate entity. In such case, the Unit Owners would themselves be taxable on any interest or similar income which is earned from investments of the amounts which are assessed and collected from the Unit Owners and / or held as reserve funds.

However, the Internal Revenue Service may contend that for purposes of those matters administered through the Condominium Board, such as the assessment and expenditure of Common Charges, the Unit Owners through the Condominium Board,

constitute an association taxable as a corporation. In such event, such association maybe deemed subject to the Federal corporate income tax (and also to New York State and New York City corporate income taxes) on the portion of the Common Charges which is deemed to constitute gross income of such association, to the extent that such portion (together with any income earned from other sources, such as interim investments of funds by such association) exceeds the current expenses paid or incurred through the Condominium Board which are deductible for Federal income tax purposes.

In this connection, published rulings indicate that Common Charges which are assessed by the Condominium Board and designated for use solely to make specified capital improvements and which are maintained in a separate bank account should not constitute gross income to such Board, either because it is deemed to receive and hold such Common Charges as agent for the Unit Owners from whom the assessments were collected, Rev. Rul. 75-370, 1975-2 Cum. Bull. 25, or because the assessed Common Charges are deemed to be nontaxable contributions to the capital of the association. Rev. Rul. 75-371, 1975-2 Cum. Bull. 52 Cf. Concord Village, Inc., 65 T.C. 142 (1975). However, if treated as contributions to the capital of the association, it should be noted that when such amounts (together with any other funds accumulated by the association) are expended for capital improvements, the Internal Revenue Service may contend that the capital expenditures benefit the Unit Owners, and that each Unit Owner should therefore be treated as receiving a distribution equal to the fair market value of that benefit; under the usual rules applicable to distributions of associations, a distribution is first treated as taxable ordinary income to the extent of the distributee's proportionate share of the association's earnings and profits, then as a tax-free recovery of basis to the extent thereof, and the balance, if any, as capital gain.

In this connection, it should be noted that if the Condominium Board is determined to be a separate taxable entity for federal income tax purposes, it is possible that the limitations of Section 277 may be found to apply. If this were the case, the Condominium Board's income from sources other than Unit Owners, if any, could not be offset by the Condominium Board's expenses incurred in the provision of services to Unit Owners. It is unclear how interest or other income earned on the investment of a required reserve fund would be treated for this purpose; if such income were treated as not derived from the Unit Owners in consideration of services rendered them by the Condominium Board, then such income may not be reduced by the Condominium Board's operating expenses with respect to the property and may result in a liability for taxes.

In the event that the Condominium Board is required to pay any Federal, New York State or New York City income tax, and the Condominium Board makes an additional assessment in order to meet this tax liability, it should be noted that the additional amount collected through such assessment may itself be subject to tax. See, Old Colony Trust Co. v. Commission, 279 U.S. 716 (1929); Rev. Rul. 74-75.1974-1 Cum. Bull. 19; Rev. Rul. 86-14 I.R.B. 1986-5,33.

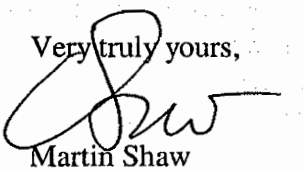
We express no views as to any Federal, New York State and/or New York City tax

consequences or as to any aspects of the Plan other than those consequences and aspects explicitly discussed in this opinion, or as to any tax status of the Plan of a Unit under the laws of any other U.S. or foreign jurisdiction. Thus, this opinion does not deal with tax consequences which may result from ownership of a Residential Unit in connection with the Residential Unit Owner's trade or business, other than set forth herein, or for purposes of investment or the production of income, or which may result to a foreign Unit Owner by reason of his foreign status. This opinion also does not deal with the tax consequences which may arise if Units or Limited Common Elements are acquired and/or leased by the Condominium Board. It is also to be noted that under certain circumstances an owner of any Residential Unit, by virtue of such ownership, may be deemed to become a resident of New York City and that this opinion does not deal with the circumstances under which this may occur, or with the income, estate or other tax consequences that may arise therefrom. Thus, each person contemplating the purchase of a Residential Unit is strongly advised to consult his own tax advisor as to all such tax matters (as well as with respect to the tax matters discussed in this opinion).

It is our opinion that (i) the Residential Unit Owners will be entitled to income tax deductions, and (ii) the tax status of the Condominium Board is uncertain. However, this opinion is not a guarantee; it is based on existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which counsel base this opinion will not change. In no event will the Sponsor, the Sponsor's counsel, the Board of Managers of the Condominium or any other person be liable if there are changes in the facts on which counsel relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or Internal Revenue Service rulings on which counsel relied which cause Unit Owners not to be entitled to income tax deductions.

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

Very truly yours,



Martin Shaw

RESERVE FUND

No provision has been made for any Reserve Fund. The Sponsor can make no guaranty or warranty that there will be no need for replacement of capital equipment within five (5) years subsequent to the first Unit Closing. However, as a result of the new construction of the Building and obtaining a new Certificate of Occupancy for the Building, it is not anticipated that major capital improvements will be needed the first years subsequent to the First Unit Closing.

WORKING CAPITAL FUND

At the time of the first closing of title to each Unit (other than Sponsor or Sponsor designee), such Purchaser shall pay the sum equal to two (2) months of Common Charges for the Unit being purchased at the time of the Closing to the Board of Managers for its working capital (the "Working Capital Fund"). This fund would ordinarily be used for the payment of any net closing adjustments in favor of the Sponsor for pre-paid expenses of the Condominium. However, the Sponsor shall waive any such net closing adjustments with the Condominium Board in its favor, which would reduce the Working Capital Fund below $2,000 for the first year of operation but is to be paid to Sponsor monthly thereafter beginning upon the anniversary of the First Closing. If the net closing adjustments are in favor of the Condominium Board, the amount thereof will be paid or credited to the Working Capital Fund at the First Unit Closing by the Sponsor. It is not possible to project when the Working Capital fund will be fully funded since the Fund depends on closings.

The amounts in the Working Capital Fund may be held or used or increased at any time for working capital to make repairs or for such other appropriate purposes permitted under the Declaration and the By-Laws as will be determined by the Board of Managers in its sole discretion.

No provision has been made for any Reserve Fund or for any Working Capital Fund other than as set forth in the preceding paragraph. If additional funds are required, it may be necessary to increase Common Charges or make a special assessment on Unit Owners. Alternatively, the Board of Managers may determine to seek financing from a bank or other lending institution for such expenditures in accordance with the terms of the By-Laws and subject, in certain instances, to Unit Owner approval.

For such period as the Sponsor retains control of the Board of Managers, the Working Capital Fund shall not be used to reduce Common Charges.

NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENTAL AGENCY HAS PASSED UPON THE ADEQUACY OF EITHER THE WORKING CAPITAL FUND OR THE RESERVE FUND, IF ANY.

MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

Management Agreement

At or prior to the First Unit Closing, the Condominium Board will enter into a management agreement with Andrea Bunis Company, having an office at 45 West 45th Street, New York, New York 10036 (the "Managing Agent" or the "Agent"). The agreement will be for an initial term of two (2) years, commencing on the date of the First Unit Closing. The Managing Agent will receive a stated annual fee of $15,000 for the first two years in equal monthly installments. The fee is in accordance with the prevailing rate charged for similar type and size Building. The agreement shall be subject to the right of the Managing Agent to cancel at any time upon at least sixty (60) days prior written notice. During the term of the contract, the Managing Agent may assign the Agreement to another Managing Agent provided the management fee does not exceed the fee provided herein. The Board of Managers may cancel the management agreement after the first year from the date of the first closing only for cause. In the event of such cancellation, the Managing Agent shall have the right to address the Board of Managers at a scheduled meeting. After the term of the management agreement has expired it will be automatically renewed from month to month until canceled by either party on 30 days' prior written notice.

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

(a) Subject to the prior right of approval by the Board of Managers, cause to be hired, paid and supervised, all persons necessary to be employed, if any, in order to properly maintain and to operate the Property and Common Elements of the Building, who, in each instance, shall be the Board's and not the Agent's employees, and cause to be discharged by written order of either the Board or the Agent all persons unnecessary or undesirable, all subject to such union contracts or other agreements as are concluded on behalf of the Principal or with the Board's approval.

(b) Cause the Lands and Common Elements to be maintained in such a condition as may be deemed advisable by the Board, including interior and exterior cleaning, snow removal, sidewalk maintenance, maintenance of grounds which are not Limited Common Elements; and cause repairs and alterations thereof to be made, including, but not limited to, plumbing, steam fitting, carpentry, paving, plowing, mowing, decorating and such other incidental alterations or changes therein as may be proper, subject only to the limitations contained in the management agreement or in any agreement with any Unit Owner or tenant. Ordinary repairs or alterations involving expenditure of over $1,000 for any one (1) item shall be made only with prior written approval of the Board, but emergency repairs, immediately necessary for the preservation or safety of the Lands and Common Elements of the Building or for the safety of the Unit Owners, tenants or other persons, or required to avoid the suspension of any necessary service in or to the Lands or the Building, may be made

by the Agent irrespective of the cost thereof, without the prior approval of the Board. But, in such occurrences, the Board shall be notified as soon as possible. Agent's responsibility under the management agreement shall not extend to supervising or managing major renovations or major capital improvements, unless specifically agreed upon in writing by the Board and Agent.

(c) Cause all such acts and things to be done in or about the Lands and Common Elements as shall be necessary to comply with any and all orders and violations affecting the premises, placed thereon by any federal, state or municipal authority having jurisdiction thereover, and orders of the New York Board of Underwriters, the New York Fire Insurance Exchange or other similar body, subject to the limitation with respect to the amount of expenditure involved as contained in Paragraph (b) above.

(d) Enter into contracts for electricity, gas, telephone, window cleaning, ash and rubbish removal, sidewalk maintenance, security agency protection, vermin extermination and other services or such of them as shall be approved by the Board; and purchase all supplies to be used for the Common Elements;

(e) Cause to be effected and maintained to the extent obtainable, as the Board shall designate, fire, rent, water damage, liability, workers' compensation, disability and such other insurance as the Principal may deem necessary or advisable.

(f) Make a careful audit of all bills received for services, work and supplies ordered in connection with maintaining and operating the Lands and Common Elements, pay all such bills as and when the same shall become due and payable.

(g) At the direction of the Board, carry out required procedures and give required notifications as set forth in the Declaration and By-Laws, in connection with the exercise of the right of first refusal on proposed sales or leases of Units.

(h) Procure social and credit references from all prospective Unit Owners or tenants.

(i) Supervise the moving in of Unit Owners and tenants, and, as far as possible, arrange the dates thereof so that there shall be a minimum of disturbance to the operation of the Building and of inconvenience to other Unit Owners and tenants.

(j) Bill Unit Owners for Common Charges and use it's best efforts to collect such Common Charges and other charges that may at any time be or become due to the Board from any Unit Owner.

(k) Maintain all required payroll records and cause to be prepared and

filed the necessary forms for unemployment insurance, social security taxes and withholding taxes with assistance from a paycheck service at the expense of the Board if desired by the Agent.

(l) Maintain the records of cash receipts and cash disbursements, checkbooks, operating bank account(s), minute books and other records of the Board and render monthly statements supported by disbursement vouchers and bills to the Board not later than the 25th day of each month

(m) In conjunction with the certified public accountant of the Board, arrange for an annual audit or review of each of the books of the account of the Board, including an annual report each year of the operations of the Board for the preceding year. A copy of such annual report shall be sent by the Agent to each Unit Owner no later than the end of March of each year.

(n) Prepare and submit to the Board an operating budget setting forth the anticipated income and expenses of the Condominium for the ensuing year; send to each Unit Owner a copy of the operating budget as adopted by the Board; and notify Unit Owners of annual and special assessments of Common Charges as determined by the Board of Managers at least ten (10) days prior to the Board's approval of the Budget.

(o) Make all necessary arrangements for the holding of meetings of the Unit Owners and Board of Managers and cause a representative of its organization to attend meetings of the Unit Owners and of the Board of Managers, if required.

(p) Prepare and send out all notices of Board of Managers' meetings and Unit Owners' meetings and such other letters and reports as the Board of Managers may request.

(q) Generally do all things reasonably deemed necessary or desirable by the Board of Managers for the proper management of the Common Elements of the Building.

For services in connection with processing each application for the sale or lease of a Unit by a Unit Owner other than the Sponsor or Holder of Unsold Units, including obtaining a waiver of right of first refusal and other agreements necessary to properly effect the transfer of interest, there shall be a fee of $500 per transfer or lease to the Managing Agent exclusive of legal fees or any other charges incurred in the transfer of such Unit and an additional attendance fee if required and a fee of $200 in connection with any appraisal or mortgage refinancing; and $100 per hour in connection with court appearances on behalf of the Board or any Unit Owner. The fees referred to above shall be paid in full upon the submission of the application. No such fees shall be payable for Units owned by the Sponsor, Sponsor-designee, the Commercial Unit owner or the Community Facility owner .

The annual certified financial statements with respect to the Condominium will not be prepared by the Managing Agent. Such statements will be prepared by an independent certified public accountant engaged by the Condominium Board whose fees are to be paid by the Condominium Board and charged to the Unit Owners as a Common Expense.

All expenses incurred by the Managing Agent in performance of its duties will be reimbursed by the Condominium Board and charged to the Unit Owners as a Common Expense. In addition, the Condominium Board will indemnify the Managing Agent against any claims or liabilities in connection with acts properly performed by it pursuant to the instructions of the Condominium Board or for personal injury or property damage not resulting from the Managing Agent's gross negligence or willful misconduct.

Other Contractual Agreements

At or prior to the First Unit Closing the Board of Managers may enter into an elevator maintenance service contract with Rotavele Elevator with an office at 7-06 149th Street, Whitestone, New York 11357, 718-767-3875 for maintenance and service of two elevators at the building. The agreement, proposed for a term of two (2) year, provides for 24-hour emergency call back service as well as regular monthly inspections to clean, adjust and lubricate elevator equipment and the performance of one yearly inspection. This proposal is also set forth in the Section of the Plan entitled "Notes to Schedule B."

IDENTITY OF PARTIES

The Sponsor

The Sponsor of the Offering Plan is 2279-2283 Avenue Associates LLC, a New York Limited Liability Company organized and filed in March, 2004 and that maintains an office at c/o North Manhattan Construction Corp., 69 East 130th Street, New York, New York 10035. Tel: 212-427-8861. Michael Waldman is the sole principal and managing member of the Sponsor entity. Mr. Waldman has over 20 years of experience in real estate development in New York City. His prior developments in condominiums/cooperatives in New York in the past five (5) years includes 240 East 10th Street that closed in April, 2002, 349 West 11th Street that closed in November, 2001, and 69 East 130th Street that closed in August, 2005. A Cooperative Offering Plan was filed in August, 2005 for 2002 Fifth Avenue Apartment Corp., but has not yet closed. A Condominium Offering Plan for 2283 Third Avenue, New York, New York was submitted to the New York State Department of Law but has not yet been accepted for filing. None of the other principals have 10% or more interest in the Sponsor or participate actively in the development of the Property. These plans are on file with the Department of Law at 120 Broadway, 23rd Floor, New York, New York 10271.

The Sponsor is current in its financial obligations regarding its interests in said properties, including but not limited to, payment of maintenance or common charges, taxes, reserve or working capital fund payments, assessments, payments for repairs and improvements promised in the plan, and payments of underlying mortgages and loans for which shares or units have been pledged or mortgaged.

Managing Agent

Bunis Management Company, having an office at 45 West 45th Street, New York, New York 10036, is to be the managing agent of the Condominium pursuant to a management agreement as discussed in the section of the Offering Plan entitled "Management Agreement, Contracts and Leases." The Managing Agent has more than 15 years managing buildings in rentals and conversions including such properties as 240 E. 46th Street, New York, New York, 240 Columbus Avenue, New York, New York, 552 LaGuardia Place, New York, New York, 240-244 East 87th Street, New York, New York, 414 West 54th Street, New York, New York, and 55 West 95th Street, New York, New York. The Managing Agent has no relationship with the Sponsor other than being retained as managing agent for the Condominium. (Tel: 212-302-5544).

Selling Agent

Prudential Douglas Elliman shall be the sales agent for the Sponsor. The sales agent maintains an office at 575 Madison Avenue New York, New York 10022 (Tel: 212-891-7000). Prudential Douglas Elliman is a large national company with many years experience

in the sales of residential and commercial properties.

Architect

The architect who prepared the "Description of Property and Building Condition", the Report set forth in Part II of the Plan, is Alexander Compagno & Associates, with an office at 236 West 26th Street, Suite 604, New York, New York 10001. The Sponsor's Architect has no ownership or proprietary interest, past or present, in the Sponsor, the Property or the Condominium except to be paid for services rendered in its capacity as Sponsor's architect. Alexander Compagno & Associates has over fifteen (15) years experience in planning and designing all forms of housing. Tel: 646-638-9308.

Engineer

Engineering Solutions, PLLC, provided the Analysis Report of energy consumption and costs, which Report is reproduced in Part I of this Plan. Neither the firm nor its principals have any financial relationship with the Sponsor or the principals of the Sponsor except for being retained to do the analysis contained herein and paid a fee for its services. The firm has an office at 1140 Broadway, Suite 204, New York, New York 10001. Tel: 212-849-1030.

Counsel to the Sponsor

The Sponsor has retained the law firm of Shaw & Associates, 350 Fifth Avenue, Suite 2816, New York, New York 10118 (Tel. No.: 212-279-4490), to represent it in the preparation, filing and consummation of this Offering Plan and is advising the Sponsor in connection with all legal matters incidental thereto. Mr. Shaw has read all the printed copy submitted to the Department of Law but disclaims any responsibility to have made an independent inspection of the building or property or investigation of the information furnished by the Sponsor. The law firm has no financial interest in the Property or the Sponsor, except that it is paid a legal fee for its services.

No separate counsel has been retained to represent the Condominium.

It is suggested and expected that each Purchaser will consult and be represented by his or her own counsel in connection with this Offering.

Condominium Budget Expert

The Sponsor retained Bunis Management Company, located at 45 West 45th Street, New York, New York, 10036 (Tel. # 212-302-5544) an experienced management company in the City of New York, to assist in the preparation of the Projected Budget for First Year of Condominium Operation and provide the certification of Budget. Bunis Management has many years experience in managing rental and condominium projects in New York City.

The Sponsor is not affiliated with Bunis Management or its principals other than being retained to provide management service to the Condominium.

Real Estate Tax Projection Expert and Tax Exemption 421-a Benefits

Sponsor retained the firm of the Mazursky Group, Inc. with an office at 42 Broadway, Suite 1744, New York, New York 10004 (212-344-2788) to prepare the projection of real estate taxes for the Property upon completion of construction and the 421-a real estate tax exemption application for the Property. The Mazursky Group has over twenty years of experience as an experienced appraiser and was assistant commissioner of the Real Property Assessment Division of the Department of Finance. The Mazursky Group has no affiliation or connection to the Sponsor other than fees for work regarding the 421-a application and the projection of future real estate taxes after completion of construction.

REPORTS TO UNIT OWNERS

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

(a) provide financial statements of the Condominium prepared by a certified public accountant or public accountant by March 15th of each calendar year for the prior fiscal year; such statements shall be certified while the Sponsor is in control of the Board of Managers;

(b) give prior notice of the annual Unit Owner's meeting; and

(c) provide a copy of the proposed annual budget of the Condominium within ten (10) days prior to the date set for adoption thereof by the Board of Managers. Sponsor shall provide a budget certified by an expert with management experience until Sponsor no longer controls the Board of Managers.

DOCUMENTS ON FILE

Copies of this Plan and all exhibits or documents referred to herein shall be available for inspection by prospective Purchasers and by any person who shall have purchased a Unit offered under this Plan or shall have participated in the offering of such Unit, at the office of the Selling Agent at all times such office is open or the Sponsor's office and shall remain available for such inspection for a period of six (6) years from the date of the First Unit Closing. The Sponsor shall, at the time of the First Unit Closing, deliver to the Board of Managers a copy of all documents filed with the appropriate recording office. Copies of the Plan and exhibits are also available for review under the Freedom of Information Act at the New York State Department of Law, 120 Broadway, 23rd floor, New York, New York 10271 and for copying at a reasonable cost.

GENERAL

This Plan does not knowingly omit any material fact or knowingly contain any untrue statement of a material fact. This Plan does not contain a full summary of all the provisions of the various documents referred to herein. Statements made as to the provisions of such documents are qualified in all respects by the contents of such documents and, in the case of any such documents executed by or with the written consent of a Purchaser pursuant to this Plan, any rider or separate agreement changing or adding provisions to such document.

There are no lawsuits or other legal proceedings now pending or any judgments outstanding that could materially and adversely affect this offering, the Purchasers of Units, the Property, the Condominium or the operation thereof, or the Sponsor's capacity to perform all its obligations under the Plan, which are not covered by insurance.

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

To the best of the Sponsor's knowledge the Property has not been the subject of any prior public offering. The Property consisted of a lot. A planned seven-story building is under new construction. As of the filing date of this offering plan, the Sponsor has not entered into any contracts or agreements and no deposits or advances of funds have been accepted.

In accordance with the provisions of the laws of the State and City of New York, neither the Sponsor nor any Selling Agent engaged by the Sponsor will discriminate against any person because of race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or any other ground proscribed by law in the sale of Units offered by the Sponsor pursuant to this Plan, or in the leasing of any such Units or any other portion of the Building.

The Sponsor reserves the right to revise, from time to time, the terms and conditions upon which Units are to be sold and to otherwise revise this Plan, including revisions affecting the rights, obligations and liabilities of the Sponsor, Purchasers or prospective Purchasers, without obtaining the consent of Purchasers or others, except that this Plan shall not be amended or modified without the Lender's prior written consent. However, the Sponsor may neither unilaterally cancel an outstanding Purchase Agreement, except as therein provided, such as in the case of an uncured default, nor unilaterally change the purchase price or the payment terms contained in such a Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment to this Plan. If there is a substantial amendment to the Plan that materially adversely affects the rights, obligations or liabilities of then existing Purchasers or reduces the undertakings or

obligations of the Sponsor, then, except as otherwise provided herein, such Purchasers will be given, for fifteen (15) days after the presentation of the amendment, a right to rescind their Purchase Agreements by written notice to the Sponsor and be refunded the Down Payment made thereunder, with any interest accrued thereon, if any. Notwithstanding the above, except the Purchaser will not receive a refund of any funds released for actual custom work, upgrades or extras authorized by Purchaser. Sponsor shall retain such Down Payment, and any interest, in the case of a Purchaser who is in default under the Purchase Agreement beyond any applicable grace period, but not to exceed ten percent (10%) of the purchase price (together with interest earned thereon, if any and the costs of actual work authorized by Purchaser). Sponsor must comply with the provisions of the Escrow agreement set forth in Part II of the Plan.

All statements and representations made in this Plan with respect to items prepared by others such as the Section of the Plan entitled "The Sponsor's Statement of Specifications or Building Condition" and the Floor Plans of the Building, have been made in reliance upon the respective firms and their authority as experts, as well the opinion letters on energy consumption and costs, on projected real estate tax liability after construction, on real estate tax benefits, which have been reproduced in the Plan.

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

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

The Sponsor is not reserving the right to add to the building except as is necessary to complete the Units being offered hereunder.

THE SPONSOR'S STATEMENT OF BUILDING CONDITION

The Sponsor is not an architect or an engineer but adopts the "Description of Property and Building Condition" (the "Description") set forth in Part II of the Plan as of the filing date. Sponsor represents that it has no knowledge of any material defects or need for major repairs to the Property, except as set forth in the Description of Property and Building Condition Report prepared by Alexander Compagno and Associates, registered architects in the State of New York, that accurately states the description of the Property and the planned new construction as of the date and was prepared subject to being amended as necessary. The project is new construction and substantial completion is estimated on or about March 1, 2007.

The proposed number of the Units in the Offering Plan, thirteen (13) Residential Units, one (1) Commercial Unit and one (1) Community Facility Unit, and their uses will be identical to the number of Units and uses for which a Certificate of Occupancy will be obtained upon completion of construction.

Under applicable Federal and local law, lead-based paint cannot be used in the construction of a building. Sponsor will comply with all laws and regulations concerning the non-use of lead-based paint.

Please refer to Architect's description of Property and Building Condition and floor plans in Part II, Document 2.

PROPERTY:	2279 THIRD AVENUE New York, New York
BLOCK:	1788 Lot: 47 (new lots to be designated)
ZONING:	C4-4 (R-7 equivalent) Residential use, commercial and community facility uses as of right.
LOT SIZE:	4,150 SF approximately
BUILDING HEIGHT:	7 stories

PART II

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DOCUMENT A

PURCHASE AGREEMENT

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PURCHASE AGREEMENT
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THE BRIDGE SOUTH CONDOMINIUM

PURCHASE AGREEMENT made this _____ day of _____, 200__ between Purchaser and 2279-2283 Third Avenue Associates LLC ("Sponsor") with an office at 104 East 126th Street, New York, New York 10035 and:

Purchaser(s) _____

_____

Home Address: _____

Telephone: (Bus.) _____ (Home) _____

Social Security No.: _____

(or Federal ID #)

Unit Purchased: _____

% Common Interest
Appurtenant to Unit: _____

Unit Purchase Price: $_____

Down Payment Herewith: $_____

Balance due at Closing: $_____

Selling Agent/Broker: _____

Address and Phone No. _____

Mortgage Financing Contingency* Yes _____ No _____

If yes:
Amount of loan $_____
(Not to exceed 80%
of the Purchase Price)

***This Purchase is NOT contingent on financing unless Purchaser signs the Purchase Agreement Rider, Exhibit A, to this Purchase Agreement. See also paragraph No. 7 hereof.**

STATEMENT BY SPONSOR

2279-2283 Third Avenue Associates LLC, with an office at 104 East 126th Street, New York, New York 10035 ("Sponsor"), has promulgated an Offering Plan of Condominium Ownership of the Property (the "Plan") pursuant to which the Property with appurtenances, and the Units (the "Units"), located in New York County, City and State of New York, will be declared to be a Condominium under the provisions of Article 9-B of the Real Property Law of the State of New York on the terms and conditions more particularly set forth in the Offering Plan.

The Property, 2279 Third Avenue, New York, New York 10035 is a seven story, plus cellar, newly constructed elevator Building consisting of thirteen (13) Residential Units, one (1) Commercial Unit and one (1) Community Facility Unit as set forth in Schedule A in Part I of the Plan and Schedule B to the Declaration set forth in Part II of the Plan. Upon recording of the Declaration, the Condominium shall be known as the "**BRIDGE SOUTH CONDOMINIUM**".

This Agreement shall not be binding on Sponsor until a fully executed counterpart of this Agreement has been delivered to Purchaser or Purchaser's attorney. Within twenty (20) days after receipt of four (4) copies of this Agreement, bearing Purchaser's original signature, together with the above stated Down Payment, Sponsor shall either (i) accept this Purchase Agreement and return one fully executed copy thereof to Purchaser or Purchaser's attorney; or (ii) reject this Agreement by notice to Purchaser or Purchaser's attorney together with a refund of the Down Payment with interest earned thereon, if any. If Sponsor takes no action within said twenty (20) day period, then in such event this Agreement shall be deemed canceled and the Down Payment will be fully returned with interest earned thereon, if any. Upon such refund being made, neither party shall have any further rights, obligations or liabilities hereunder with respect to the other.

Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. However, this Agreement may not be rejected due to Purchaser's sex, race, creed, color, national origin, ancestry, disability or other ground proscribed by law.

STATEMENT BY PURCHASER

PURCHASER ACKNOWLEDGES AS FOLLOWS:

I HAVE RECEIVED AND READ A COPY OF THE CONDOMINIUM OFFERING PLAN AND ALL FILED AMENDMENTS THERETO, IF ANY, WITH THE DEPARTMENT OF LAW AT LEAST THREE BUSINESS DAYS PRIOR TO EXECUTING THIS PURCHASE AGREEMENT. SUCH OFFERING PLAN TOGETHER WITH ANY AMENDMENTS HERETOFORE OR HEREAFTER MADE THERETO ARE HEREIN COLLECTIVELY REFERRED TO AS THE "PLAN"; AND:

A. I hereby adopt, accept and approve the Plan (including, without limitation, the CONDOMINIUM DOCUMENTS, including floor plans, which will be recorded at the Office of the Register of the City of New York, New York County) and agree to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor. Such amendments may include, without limitation, amendments of changes, modifications, or updating of the estimated Common Charges, the estimated real estate taxes to be paid by Purchaser (see "Schedule A"), or the estimated annual Budget reflected in the Projected Expenses for the First Year of Condominium Operation (see "Schedule B") or revisions to the floor plans and other material changes. Any such amendments shall neither excuse me from performing my obligations hereunder nor entitle me to any offset or credit against the Purchase Price and such amendments may be made by Sponsor without my consent or approval. However, if an amendment adversely affects my rights, I shall have fifteen (15) days after presentation of such amendment to rescind pursuant to the terms of the Plan and have the Down Payment, with interest earned thereon, if any, returned promptly provided I am not in default of the terms of this Agreement. However, if I am in possession of the Unit under an interim lease, Sponsor will condition the return of the Down Payment upon my delivering the Unit vacant and in good condition as when leased from Sponsor.

B. I acknowledge having had full opportunity to examine all documents, and investigate all statements, made herein and in the Offering Plan. I did not rely on any written or oral representations, or architect's plans, sales plans, selling brochures, advertisements, warranties statements or estimates of any nature whatsoever made by Sponsor or anyone on his behalf except as herein or in the Plan specifically set forth. The Plan is hereby incorporated in this Agreement with the same force and effect as if set forth at length. In the event of any inconsistency or conflict between the provisions of this Agreement and those contained in the Plan, the provisions of the Plan shall govern and be binding.

C. I agree that Sponsor or the Selling Agent may, at its option, request that I furnish a completed application prior to or simultaneously with this Purchase Agreement to determine my qualifications to purchase and own the Unit. The submission of such application does not constitute a binding obligation on me to purchase the Unit or on the Sponsor to sell the Unit to me.

OTHER TERMS OF THE PURCHASE AGREEMENT BETWEEN SPONSOR AND PURCHASER

1. Agreement to Purchase

Sponsor agrees to sell and convey and Purchaser agrees to purchase the above-described Unit together with the stated Common Interests appurtenant thereto in the Condominium known as the BRIDGE SOUTH CONDOMINIUM at the stated purchase price on the first page of this Agreement and subject to the terms and conditions set forth in this Purchase Agreement.

2. Payment of the Purchase Price

A. Purchaser shall deliver herewith, to the Sponsor, or to Sponsor's attorney, Purchaser's check to the order of **"Martin Shaw Esq., Escrow Agent for The BRIDGE SOUTH CONDOMINIUM"**, for the above-stated Down Payment, subject to collection. In the event that such check is returned for insufficient funds or any reason whatsoever, Sponsor may declare this Purchase Agreement void *ab initio* and of no further force and effect.

B. The balance and any other fees and charges due pursuant to the terms of this Purchase Agreement shall be due at closing to the Unit and made payable as stated above or to such payee as Sponsor may direct. All checks shall be made by unendorsed certified or official bank check drawn in either case on a bank or trust company that is a member of the New York Clearinghouse Association.

C. Purchaser's payment of the Balance and acceptance of a Condominium Deed to the Unit shall constitute Purchaser's acknowledgment that Sponsor has satisfactorily performed those obligations stated in the Plan and this Agreement except for any outstanding work to be performed by Sponsor after closing pursuant to a Statement of Exceptions, if any.

D. If any check for any payment made by Purchaser under this Agreement shall be dishonored for any reason whatsoever, it shall be deemed a material default by Purchaser hereunder and in that event Sponsor may cancel this Agreement and notwithstanding such cancellation, be entitled to recover the amount of such check in addition to any sums Sponsor may be entitled to under this Agreement. Notwithstanding the foregoing, if the check representing the Down Payment is returned for insufficient funds or any reason such event shall be deemed a non-curable default by Purchaser and this Agreement shall automatically be deemed cancelled. Upon such cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan and the Unit may be sold to another as though this Agreement had never been made and without obligation to account to Purchaser for any of the proceeds of sale. However, Purchaser shall reimburse Sponsor for all costs and expenses of collection of any such check or other instrument.

E. By executing the Purchase Agreement, Purchaser shall be deemed to have consented to the release of the Down Payment to the Sponsor at the Closing without the need of any further written agreement.

3. Monies to be Held in Escrow

A. The Sponsor will cause to be held in trust the Down Payment received by it directly or through its agents, employees, or Escrow Agent, including any interest earned thereon, (collectively the "Deposit"), until the Unit is transferred to Purchaser or the Purchase Agreement is canceled in accordance with its terms. The Down Payment will be deemed to have been unconditionally tendered when it is delivered to the Sponsor or Sponsor's Attorney or Selling Agent, together with an executed Purchase Agreement without any request for changes in the terms thereof. The Down Payment received hereunder will be placed within five (5) business days after the date on which such Down Payment has been unconditionally tendered, with Commerce Bank, N.A. located at 317 Madison Avenue, New York, New York 10017 (the "Escrow Bank") in a special segregated escrow account entitled "**Martin Shaw Escrow Account for the Bridge South Condominium**" or similar name until actually employed in connection with the consummation of the Plan as herein described, which account shall be interest bearing in accordance with Section 71-a(3) of the Lien Law. Interest will be at the prevailing rate for this type of account and shall belong to the Purchaser unless Purchaser defaults and the Plan is consummated. The account shall be Master Account with a sub-account for each of the purchasers in the Condominium, the "BRIDGE SOUTH CONDOMINIUM". The funds so deposited will be disbursed only in accordance with the provisions of this Agreement and the Plan and such funds may be release only by signature of a member of the law firm of Shaw & Associates. In the event the Plan is abandoned or withdrawn, the Deposit will be returned to Purchaser as provided herein except for the actual costs of special work or upgrades, including materials, authorized by the Purchaser. All funds received under this Purchase Agreement will be handled in accordance with Sections 352-e(2-b) and 352-h of the New York General Business Law (the "GBL") which states that monies which are held in trust for the purpose of securing a deposit on the sale of securities shall not be co-mingled with the personal monies or assets of the person receiving said funds and shall remain in trust until actually employed in connection with the consummation of the transaction in accordance with the Rules and Regulations promulgated by the Department of Law pursuant to said Sections of the GBL. A copy of the Escrow Agreement is reproduced in full in Part II of the Offering Plan.

B. Purchaser shall not be obligated to pay any legal or other expense of Sponsor in connection with the handling or disposition of the Down Payment paid by Purchaser other than any charges or debit by the Escrow Bank against the amount deposited. However, nothing in the preceding sentence shall limit the obligation of Purchaser to pay the fees and expenses of Sponsor's attorney as set forth herein or in the Plan in connection with the purchase and/or closing of the Unit purchased.

C. The Escrow Account shall bear interest, to be credited to Purchaser at closing or if the Plan is abandoned or under a permitted rescission of purchase, at the rate paid from time to time by the Bank for the same or similar type of account as the Escrow Account. Interest will accrue from the date of deposit into the sub-account from the Master Account. Such transfer from the Master account shall occur only when the Down Payment check has cleared for payment and all required documents such as form 1099 and Purchaser's W-9 have been submitted by Purchaser.

D. The Escrow Bank is covered by federal bank deposit insurance generally to a maximum of $100,000. Such maximum amount includes any other accounts or deposits of the Purchaser in said Escrow Bank. In the event that Purchaser's deposits in the aggregate exceed $100,000, any amounts in excess of $100,000 will not be federally insured.

E. Within ten (10) business days after the unconditional tender and delivery by Purchaser to Sponsor or Sponsor' Attorney a check for the Down Payment submitted with this Purchase Agreement, on account of the purchase price hereunder, the Escrow Agent will notify the Purchaser that such funds have been deposited into the Escrow Account referred to above and will provide the account number and the initial interest rate. Subject to the provision of the next sentence, if Purchaser does not receive said notice of such deposit within fifteen (15) days thereof, then Purchaser may cancel the Purchase Agreement and rescind so long as such right to rescind is exercised within ninety (90) days after unconditional tender of Down Payment or may apply to the Attorney General for relief. However, Purchaser shall not be entitled either to rescind this Purchase Agreement or to receive a refund of the Down Payment where proof satisfactory to the Attorney General is submitted establishing that such Down Payment was timely deposited and notice as herein provided was timely mailed to Purchaser in conformity with the regulations of the Attorney General.

4. <u>Disposition of Escrow Funds</u>

A. The Escrow Agent will hold the Down Payment in escrow until:

(i) the Deposit is paid to the Sponsor at closing or otherwise as provide herein; or

(ii) the Deposit is paid to Purchaser under a permitted rescission, or abandonment of the Plan, or as otherwise provided herein; or

(iii) directed in a written agreement signed by both Sponsor and Purchaser; or

(iv) a determination of the Attorney General pursuant to the dispute resolution procedures of Section 23.3(0)(2) of the Regulations; or

(v) a judgment or order of a court of competent jurisdiction permitting or requiring the release of the Deposit; or

(vi) released pursuant to the regulations of the attorney General pertaining to release of escrowed funds; or

(vii) the Deposit is paid by the Escrow Agent into a court of competent jurisdiction;

B. If there is no written agreement between the parties to release the escrow funds, the Escrow Agent shall not pay the funds to the Sponsor until the Escrow Agent has given the Purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to Sponsor unless Purchaser has already made an application to the Department of Law

pursuant to the dispute resolution provisions of the Attorney General regulations and the Escrow Agent has received a copy of such application within such ten (10) business day period. A copy of the form of the dispute resolution application of the Attorney General is reproduced in full in Part II of the Plan.

C. In the event of a dispute, Purchaser or the Escrow Agent may apply to the Attorney General for a determination on the disposition of the Deposit. Sponsor must avail itself of this procedure in the event of a dispute relating to the Deposit. The party making such application must simultaneously send a copy of such application to all parties. Pending determination of the Attorney General to grant or deny the application, the Sponsor, the Purchaser and the Escrow Agent shall abide by any interim directive issued by the Attorney General.

D. Sponsor shall not apply for release of the escrowed funds of a defaulting Purchaser until after consummation of the Plan. In no event shall the Escrow Agent release funds in dispute other than a payment of such funds into court, until such dispute is finally resolved

E. The Sponsor shall not object to the release of the escrowed funds provided the purchaser has not defaulted and:

(i) to a Purchaser who timely rescinds in accordance with an offer of rescission contained in the plan; or in an amendment to the plan; or

(ii) to all purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law.

F. Nothing contained herein shall diminish or impair Sponsor's statutory obligation to each purchaser pursuant to GBL Section 352-h to hold in trust all deposits, advances or payments made in connection with the offer until consummation of the transactions with such Purchaser. Funds from the Escrow Account remain the property of the Purchaser until consummation of the transaction. Such funds shall not be part of the estate of the Sponsor or the Escrow Agent upon bankruptcy, incapacity or death.

G. Notices by Escrow Agent, Sponsor, or its agents shall be deemed given (i) upon delivery if personally delivered, or, (ii) upon the fifth date of mailing.

5. Waiver Void

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. This provision shall prevail over any conflicting or inconsistent provisions in the Offering Plan or in a purchase agreement.

6. Purchase May Be Conditionally Contingent on Financing

(a) If page 1 of this Agreement contains a mortgage contingency amount, Purchaser must complete the Financing Contingency Rider to this Purchase Agreement. In the event the Financing Contingency Rider is not executed by Purchaser, then Purchaser

acknowledges herein that the purchase is **NOT** contingent on financing. Purchaser may rely on his or her own funds for the purchase of the Unit, or may apply to any institutional lender on whatever terms and conditions Purchaser may be offered provided the loan does not exceed eighty (80%) percent of the price of the Apartment.

If the Rider to this Agreement is completed, Purchaser's obligation to close on this Unit is contingent upon the issuance within thirty (30) days of the date of this Purchase Agreement of a written condominium loan commitment (a "Commitment") in the amount as set forth in the Financing Contingency Rider, at prevailing rates and terms for a conventional first lien purchase money condominium loan from a commercial bank, savings bank, trust company, licensed mortgage banker, savings and loan association, insurance company, educational institution, federal, state municipal or similar public employee's welfare, pension or retirement fund system credit union to which Purchaser is a member, or state or an agency thereof ("**Institutional Lender**").

In order for this purchase to be contingent on obtaining financing, an application for such a condominium loan commitment must be made through Two River Mortgage Company ("Two River"). Two River is located at 157 Broad Street, Suite 318, Red Bank, New Jersey 07701 (Tel. No. 732-345-5000) within five (5) business days after Sponsor accepts and delivers to Purchaser, or Purchaser's attorney, the fully executed Agreement. Please note: the above provision does not prevent the Purchaser from applying and/or obtaining financing from any other lender or mortgage broker in addition to Two River. The Purchaser must simply apply to Two River in addition to any other lender the Purchaser desires. Sponsor shall have the right, but not the obligation, to cancel the loan financing contingency if Purchaser fails to make such application for such condominium loan within such five (5) business day time period.

Purchaser will further agree promptly to furnish to any prospective Institutional Lender such truthful, accurate and complete information, data and documents pertaining to Purchaser's financial condition as may be required by such prospective Institutional Lender, pay all fees, points and charges required in connection with such application and the condominium loan, pursue such application with diligence, cooperate in good faith with the Institutional Lender to the end of securing the condominium loan, comply with all requirements of the Commitment (or of any other Commitment accepted by Purchaser) and furnish Sponsor with a copy thereof promptly after receipt. Purchaser's failure to provide information promptly upon request therefore, or failure to accept a Commitment issued to Purchaser on the terms set forth herein, shall constitute an event of default for which Sponsor shall have the right to cancel this Purchase Agreement and retain Purchaser's Down Payment, together with any interest earned thereon.

In the event Purchaser fails to obtain a Commitment within such time period, Purchaser must notify Sponsor of same within five (5) business days subsequent to such thirty (30) day period, or the financing contingency shall be deemed waived by Purchaser. Unless waived by Sponsor, Sponsor, if it so desires, shall then have thirty (30) days after receipt of such notice to secure a Commitment for Purchaser from the same or another Institutional

Lender in the same amount at the same or the then prevailing interest rate. In the event no such Commitment is furnished prior to the expiration of such thirty (30) day period, this Purchase Agreement shall be terminated and the Down Payment, together with any interest earned thereon, shall be refunded to Purchaser, provided Purchaser has not waived the financing contingency prior to the expiration of such thirty (30) day period.

Notwithstanding anything to the contrary contained herein, Sponsor shall have no obligation to secure a condominium loan for Purchaser. Notwithstanding anything above or herein to the contrary, once a Commitment from an Institutional Lender has been issued to Purchaser, then any financing contingency which previously existed is deemed extinguished; provided, however, a Commitment subject to an appraisal satisfactory to the Institutional Lender shall not result in extinguishment of the financing contingency until satisfied. Accordingly, any lapse, revocation or withdrawal of such Commitment shall not reinstate any financing contingency, and in such event this Agreement shall remain in full force and effect and Purchaser must pay the balance of the Purchase Price at Closing or be in default.

(b) Purchaser, at Purchaser's option, may apply for a loan solely to other lenders directly or through a mortgage broker other than through Two River; however, this will not entitle Purchaser to a mortgage contingency and Purchaser's failure to obtain financing through such other lender or mortgage broker will not relieve the Purchaser from any obligations under this Agreement, including Purchaser's obligation to pay the full amount of the Purchase Price at Closing. However, so long as Purchaser applies through Two River and Purchaser signs the mortgage contingency rider attached to this Purchase Agreement, Purchaser may, in addition to its application to Two River, apply to any other lender or mortgage broker and still be entitled to a mortgage contingency.

7. Closing Contingent on Plan Being Declared Effective

A. This Purchase Agreement is contingent upon the Plan being declared effective. The Plan shall not be declared effective except in accordance with the prerequisites set forth in the section entitled "Effective Date of Plan" that require that within twenty-four (24) months of the Filing Date of the Plan, at least fifteen percent (15%) of the Units offered for sale are purchased by bona fide purchasers for occupancy. Sponsor shall amend the Plan to disclose that the Plan was made effective by notice to Purchasers. No closings will be held until such amendment has been accepted for filing by the Department of Law. Purchaser understands and agrees that the Sponsor shall have the right to abandon the Plan at any time for any reason prior to (i) the Plan being declared effective or (ii) prior to Sponsor accepting Purchase Agreements for eighty percent (80%) or more of the Units or (iii) in certain limited cases set forth in the Plan (see section in the Plan entitled Effective Date of This Plan). The Plan will be abandoned or deemed abandoned if it has not been declared effective within such twenty-four (24) months period. The Sponsor shall notify Purchaser in such event and file an amendment with the Department of Law that Sponsor has abandoned the Plan. The amendment shall account for the disposition of all Deposits belonging to Purchasers. Copies of all amendments shall be delivered, mailed or faxed to all Purchasers.

B. If the Plan is abandoned, or if, after being declared effective the Plan shall not be consummated for any reason, this Agreement shall be deemed canceled and all monies paid by Purchaser hereunder shall be disbursed in accordance with the provisions of the Plan. After the funds are so disbursed Purchaser and Sponsor shall have no claim against each other or the Selling Agent in connection with this Agreement or the Plan, and all of parties shall be released and discharged from all liabilities and obligations hereunder and under the Plan.

8. Acceptance and Inspection of Unit

A. Purchaser will accept title to the Unit without any reduction or postponement in payment of the purchase price if the Unit is substantially but not fully complete, or the Common Elements and other Units are not fully completed. Purchaser agrees to inspect the Unit with a representative of Sponsor during normal business hours no later than five (5) business days prior to the Closing Date and to complete, sign and deliver to Sponsor an Inspection Statement (Exhibit 2 hereto) showing the condition in which Purchaser has received the Unit and, if agreed to by Sponsor, those items that require repair or completion after closing. Purchaser agrees that: (i) Sponsor's acceptance of the Inspection Statement shall not constitute Sponsor's agreement to perform any exceptions noted therein and that Sponsor's sole obligation with respect to same shall be as provided in the Plan unless Sponsor signs the excepted items; (ii) notwithstanding that construction items may be cited in the Inspection Statement which are the obligation of Sponsor under the Plan, Purchaser shall nonetheless be obligated to close on the Closing Date and pay the full balance of the purchase price without provision for any escrow. Only Sponsor shall decide whether any exception item or other construction obligations shall be repaired or replaced. Purchaser also acknowledges and agrees that Sponsor shall not be obligated to make adjustments, repairs or replacements to the Unit or any portion thereof or its fixtures, appliances, equipment, etc., contained therein from and after the date of delivery of possession of the Unit to the undersigned, except for those items, if any, expressly excepted in the Inspection Statement attached hereto to the extent Sponsor is required to repair, adjust or correct the same under the Plan. Sponsor's obligation regarding such excepted items shall cease upon either: (i) the completion of such or (ii) the assignment to the Purchaser of any applicable warranty covering such items or (iii) Sponsor and Sponsor's contractors or agents are not given prompt access to the Unit. Nothing contained herein shall be construed to expand Sponsor's obligations to correct defects in construction beyond the extent required under the Plan and on the terms and conditions set forth therein.

B. If any such work is to be performed by Sponsor to the Unit whether under Sponsor's construction obligations under the Plan or pursuant to the statement of Inspection containing items agreed to by Sponsor: (i) Purchaser agrees not to do any work in his Unit until Sponsor has completed its work as per the Statement of Inspection; and (ii) Sponsor or Sponsor's contractors or agents shall be given access upon prompt notice of 24-hours to Purchaser in order to perform such work. Purchaser acknowledges that refusal to give access or to cause delay in providing access shall be deemed to excuse Sponsor from any further work in such Unit and the Inspection Statement shall be deemed terminated and no further obligation to Purchaser shall exist as to those exceptions contained therein.

9. Closing Date and Place

A. The closing of title shall occur on the date and at the time and place in the City of New York as Sponsor shall designate to Purchaser on not less than thirty (30) days prior written notice, provided the amendment disclosing effectiveness has been filed with the Department of Law. Purchaser may waive the 30-day waiting period to close. Sponsor shall have the right, from time to time, to adjourn such date and time for closing on written notice to Purchaser. If adjourned, Sponsor shall fix a new date and time for title closing and shall give Purchaser not less than five (5) business days prior written notice of the newly scheduled date and time for closing. Purchaser shall be entitled to one reasonable adjournment of up to fifteen (15) days provided Purchaser has given written notice to Sponsor at least five (5) business days prior to the Closing Date. If Sponsor grants any additional adjournments, beyond the one permitted adjournment, Purchaser will be obligated to pay at closing a proportionate share of the Unit's real estate taxes, special assessments, and common charges. In addition to other payments made to Sponsor under this agreement and the Plan, Purchaser agrees to pay Sponsor an amount equal to interest of sixteen percent (16%) of the purchase price per annum for each day starting from the originally scheduled day to the day prior to closing. If Purchaser fails to close title as scheduled, unless the delay is caused by Sponsor, such failure to close may result in a default and for payments provided herein in addition to any other rights Sponsor may have by reason of Purchaser's default. If through no fault of Purchaser, Sponsor postpones the original scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

B. Additionally, closing of title shall occur only after or concurrently with compliance with the prerequisites set forth under Prerequisites to Closing of Title in Part I of the Plan.

C. The actual date of the first closing is not guaranteed or warranted, and may be earlier or later depending on the progress of construction and compliance with the prerequisites recited in the section "closing of Title to Units" in the Plan. Purchaser acknowledges that construction may be delayed because of events beyond Sponsor's reasonable control. Purchaser further acknowledges that the Units in the Building will be completed at varying times over a period that could extend well beyond the First closing.

10. The Deed

A. At closing and upon receipt of all payments and documents required hereunder, Sponsor shall deliver to Purchaser a **Bargain and Sale Deed** with covenants against grantor's acts conveying to Purchaser full ownership (fee simple title) to the Unit, subject only to liens, encumbrances, and title exceptions referred to in the Plan. The Deed shall be prepared by sponsor substantially in the form reproduced in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. The Deed shall contain such description of the premises as shall be acceptable so as to validly convey under Article 9-B of the Real Property Law (the Condominium Act) the Unit and the undivided interest in the Common

Elements referred to herein. Such executed deed shall be delivered immediately to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to Purchaser's attorney) for recording at the office of the Register of The City of New York, Kings County. Purchaser shall pay the cost of recording the deed. After being recorded, the deed shall be returned to Purchaser.

B. Simultaneously with delivery of the deed, Purchaser shall: (i) cause the proceeds of the mortgage loan, or personal funds, as the case may be, to be transferred to Sponsor on account of the total purchase price; (ii) execute and deliver the mortgage and mortgage note, if any, and any other documents required by Sponsor and Lender; (iii) deliver the balance due at closing; and (iv) pay all closing costs as set forth in this Plan and this Purchase Agreement; (v) complete and sign all forms required by Sponsor or the Condominium.

C. Purchaser's acceptance of the deed to the Unit shall be deemed to be a full performance and discharge of each and every agreement and obligation on the part of the Sponsor to be performed under the provisions of this Purchase Agreement, the Plan and Part 20 of NYCRR issued by the Department of Law and Article 23-A of the general Business Law, except those, if any, herein or therein expressly stated to survive delivery of such deed.

D. The covenants in the Deed will be solely for the personal benefit of the Purchaser and will not inure to the benefit of Purchaser's successors or subrogee. In the event of a claimed breach of any covenant of the grantor contained in the deed, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor, it being agreed that that Sponsor's liability will be limited to any loss or damages not covered by such title insurance. If Purchaser elects not to purchase title insurance, Sponsor shall not have any obligation to Purchaser for any such claimed breach. This paragraph D shall survive the closing.

11. Power of Attorney to the Condominium Board of Managers and to Sponsor

At Closing, Purchaser shall execute, acknowledge and deliver to the representative of the title insurance company insuring Purchaser's title to the Unit (or, if no representative is present, then to Sponsor's attorney) for recording in the New York City Register's Office of the County and State of New York, at Purchaser's expense, a Power of Attorney in favor of the Condominium Board relative to purchasing or leasing of Units; and in favor of Sponsor relative to amending the Condominium Documents to the extent permitted in the Power of Attorney. The Power of Attorney shall be substantially in the form set forth in Part II of the Plan. Failure to execute and deliver said Power of Attorney by Purchaser shall be deemed a default herein.

12. Binding Effect of Declaration, By-Laws, and House Rules and Regulations

Purchaser, and any occupant or user or guest or agents of Purchaser, agrees to be bound by the terms of the Condominium's Declaration, By-Laws and the Residential House Rules and Regulations as set forth herein or as amended from time to time.

13. State of Title

A. Except as otherwise set forth in Paragraph 15, legal ownership to the Unit shall be transferred to Purchaser at closing subject only to the liens, encumbrances and title conditions other than those set forth in the Plan ("Terms of Sale") and Exhibits submitted in connection therewith and any mortgages obtained by Purchaser. Any other liens, of any kind at the time of closing, encumbrances, or conditions shall not be an objection to title if: (i) the instrument required to remove it from the record is delivered to said representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for recording in the proper office, together with the requisite recording or filing fees; or (ii) Purchaser's title insurance company will insure Purchaser against its collection or enforcement out of the Unit.

B. The parties agree that Sponsor may pay and discharge any liens and encumbrances upon the Property not provided for in the Plan and this Agreement out of the monies to be paid by Purchaser at closing including pay down of the mortgage on the Property. Sponsor will obtain releases on the Unit from the mortgagee on the closing of the Unit.

14. Title Company Approval

Sponsor shall give, and Purchaser shall accept, such title as any title insurance company that is a member of the New York Board of Title Underwriters will approve and insure, provided that the only liens, encumbrances and conditions affecting title noted above and subject to the terms of the Offering Plan and this Purchase Agreement and Property mortgage. Sponsor recommends that Purchaser should obtain title insurance from Philip O'Hara Associates, Inc. located at 140 Remsen Street, Brooklyn, NY 11201, (718) 875-7506.. If Purchaser orders title from another title company, a copy of such must be deliver to Sponsor or Sponsor's attorney at least 15 days prior to closing.

15. Sponsor's Inability to Convey Marketable Title

A. If the Sponsor is unable to deliver to Purchaser marketable title to the Unit in accordance with the provisions of this Agreement and subject to the exceptions set forth in the Plan, Sponsor shall be entitled to adjourn the closing to remove or correct any defect in title which is not set forth in Exhibit 3, entitled Permitted Encumbrances. However, if such defect existed at least ten (10) days prior to the closing and Purchaser, or Purchaser's attorney, failed to send Sponsor written notice of such defect in title at least ten days prior to the closing of title, then, Purchaser will be deemed at fault and the Closing will be adjourned. Furthermore, said closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as being at the request of Purchaser. Sponsor will not be obligated to bring action, suit, or other proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of two thousand dollars ($2,000) to render title marketable. If Sponsor elects to cure such inability, that is, to cure title defects, then Sponsor shall be entitled to an adjournment of the Closing Date for a reasonable period of time within which time to complete such cure. However, if Sponsor notifies Purchaser at any time of its refusal to either remedy the defect in

title or continue to remedy, as the case may be, and if Purchaser is not in default hereunde Purchaser sole remedy shall be to either (i) take title subject to such title defect (without an abatement in, or credit against the Purchase Price, or claim or right of action against Sponso for damages or otherwise); or (ii) terminate this Agreement. If Purchaser elects to terminate Sponsor shall instruct the Escrow Agent to return to Purchaser, within twenty (20) days afte receipt of Purchaser's termination notice, all monies deposited hereunder, with interest earne thereon, if any, except for actual costs undertaken for extra work orders or upgrades, includin materials, authorized by Purchaser. Upon making such refund, this Agreement shall be nul and void and neither party shall have any further rights, obligations, or liabilities with respec to the other hereunder or under the Plan, except for any provisions that by their terms surviv the termination hereof. The foregoing option must be exercised by Purchaser in writing an sent to Sponsor within fifteen (15) days after the giving of Sponsor's notice of refusal t remedy the title defect. If Purchaser fails to respond to Sponsor's notice, it shall b conclusively deemed that Purchaser elected the first option above to acquire title subject to th title defect.

B. If subsequent to the closing of title, Purchaser claims that Sponsor did no convey fee simple title to the Unit in accordance with the Plan, Purchaser must first seel recovery against the Purchaser's title insurance company before proceeding against Sponsor Sponsor and Purchaser agree that Sponsor's liability will be limited to any loss or damage no covered by Purchaser's title insurance. If Purchaser did not obtain title insurance at th closing, for purposes of this paragraph, the amount and coverage which Purchaser could hav obtained from All New York title shall be deducted from the loss or damage collectabl against Sponsor. Nothing contained herein shall be construed to waive Purchasers' rights o abrogate any of sponsor's obligations under the Plan or Article 23-A of the General Busines Law.

16. Closing Adjustments

A. At closing, Sponsor and Purchaser shall apportion, as of midnight of the da preceding the closing adjustments (made payable to Sponsor for prepaid expenses):

(i) real estate taxes (including all prepaid real estate taxes) and real estat special assessments, if any, on the basis of the fiscal year for whic assessed. The basis for allocation of real estate liability is the Unit' percentage of Common Interests set forth in Schedule A of the Plan an Schedule B to the Declaration. The managing agent will hold in trust in separate account any payment of real estate taxes for the Property whe due for the following half, unless such is paid to the mortgagee at closing An adjustment to the amount collected may be needed according to an reassessment by the New York City Department of Finance and such ma increase or reduce the escrowed fund for payment of real estate taxes fo the Property. If Units have been separately assessed and billed by the New York City Department of Finance, then the Purchaser shall pay such tax liability directly as billed

(ii) Common Charges for the month in which title closes, and Special Assessments, if any;

(iii) real estate taxes based on Unit's percentage of Common Interests;

(iv) any other prepaid expenses relative to the Unit; and

(v) rent, if Purchaser has an interim lease.

B. The "Customs in Respect of Title Closings" recommended by the Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned, except as otherwise provided herein.

C. Any errors or omissions in computing apportionment at closing shall be corrected and payment made to the proper party promptly after discovery. This provision shall survive the closing.

D. Installments for tax assessments due after delivery of the deed, if any, shall be paid by the Purchaser and shall not be considered a defect in title.

E. Purchaser agrees that, if Sponsor obtains a refund for real estate taxes paid (or a credit for such taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the closing of title.

17. Closing Costs

A. In addition to the purchase price and any closing adjustments at the time of title closing, each Purchaser of a Unit shall have additional closing costs some of which are set forth below. Such closing costs vary for Purchasers depending on whether Purchaser is financing the purchase, the amount and terms of such financing, the cost of mortgage tax and mortgage recording fees; title insurance; and recording fees of various documents such as the Unit's Deed, the Condominium Power of Attorney; and legal fees or fees of any other professional consultants hired by Purchaser. Sponsor makes no representation or warranty as to mortgage closing costs and expenses or as to availability of such financing. Purchaser is advised to consult with his attorney and accountant for an estimate of these and other possible costs. Closing costs include, but are not limited to, as follows:

(i) Purchaser will pay $1,300 legal fee of Sponsor's counsel for preparation of Closing Documents and attendance at closing plus an additional fee of $300 if the closing is held outside the office of Sponsor's attorney (outside of NYC, an extra fee will be charged); and $200 to Sponsor's attorney if Purchaser adjourns a scheduled closing through no fault of Sponsor on less than a 48-hour notice;

(ii) Purchasers will also be charged $500 by Sponsor's attorney for any unusual aspect related to the Purchase Agreement caused by Purchaser;

(iii) Purchaser will pay $750 to Sponsor's attorney for each permitted assignment of the Purchase Agreement; and

(iv) The New York City (RPT) and New York State Real Estate Transfer taxes (deed stamps) will be the obligation of the Purchaser at the current rate as follows: the New York City Real Property Transfer Tax (RPT) of 1% of the purchase price if the purchase price is $500,000 or less, or 1.425% if the purchase price is more than $500,000; and $25.00 filing fee; and (b) New York Real Estate Transfer Tax of $2.00 per $500.00 of the purchase price. The costs of both transfer taxes are added to the price of the Unit, which is then taxed on the higher amount. Purchaser shall duly execute and swear to a New York City Real Property transfer tax form, New York State form and any other form then required by law, all of which shall be prepared by the Sponsor. The title company shall collect such transfer tax forms and payments due thereunder for filing with the proper government office. Purchaser should also note that New York State has a so-called "mansion" tax, currently one percent (1%) of the purchase price, on sales in excess of a million dollar. Such tax, if applicable, shall be paid by the Purchaser.

B. Any adjustments or expenses payable to Sponsor in excess of $500 shall be paid by certified check, bank check, or attorney's escrow check drawn on or by a bank which is a member of the New York Clearinghouse Association.

18. Other Closing Costs

A. Purchasers will make a contribution to the Condominium Working Capital Fund of the Condominium an amount equal to two (2) months common charges, payable at closing to the BRIDGE SOUTH CONDOMINIUM. In the event that Sponsor certifies that it has advanced such amount, Purchaser shall reimburse the Sponsor instead of paying such amount to the Condominium Association;

B. At closing the Managing agent shall collect from each Owner a move-in fee of $1,000 of which $500 shall be the manager's fee and $500 shall be refunded within ten (10) days of the moving date if no damages to any part of the Common Areas are assessed against the Owner or its agents.

19. Mortgage Tax Credit

In the event a mortgage tax credit becomes available pursuant to Section 339(ee)- (2) of the Real Property Law, it is specifically understood that such credit shall inure to the benefit of the Sponsor. Payment of such mortgage tax credit is not in addition to any mortgage tax that Purchaser may be obligated to pay if Purchaser obtains financing.

20. Rent Security Deposit

If Purchaser becomes a tenant of the Unit under an interim lease, Purchaser's unapplied rent security deposit, if any, will be refunded to Purchaser, together with any interest earned

thereon, within thirty (30) days following the closing, provided Purchaser is not in default under Purchaser's lease or tenancy obligations. In either event, the Sponsor will have the right to deduct from any tenant's security deposit the amount of any rent arrears due and owing to Sponsor and to sue the tenant to the extent such rent security is insufficient.

21. Events of Defaults

A. The following shall constitute "Events of Default" hereunder:

(i) Purchaser's check for the down-payment is dishonored or fails of collection;

(ii) Failure to close title on the date and time scheduled for closing or on an agreed rescheduled date of closing.

(iii) Purchaser's failure to pay the balance of the purchase price on the Closing Date designated by Sponsor herein; and payments of all closing costs set forth herein including mortgage tax credit, if any;

(iv) Purchaser's failure to duly sign, notarize and deliver at closing transfer tax return forms and pay the New York City and New York State real property transfer taxes;

(v) Purchaser's failure to duly sign, notarize and deliver at closing the Power of Attorney to the Condominium Board of Managers and Sponsor; and

(vi) Purchaser's failure to pay, perform or observe any of the Purchaser's other obligations under this Agreement or the Plan.

B. If Purchaser becomes a tenant pursuant to an Interim Lease for the Unit, and the Purchaser shall default in such interim Lease, then Sponsor may elect to terminate the Interim Lease and such default shall be deemed a default under this Agreement. The provisions of this Agreement shall not limit any other rights or remedies at law or in equity or under the Interim Lease that Sponsor or any other party may have by reason of such default under the Interim Lease. The right is reserved to the Sponsor to apply any rent security against any rent arrearage or other default and in addition to sue any tenant to the extent such rent security is insufficient. Notwithstanding the forgoing, before sponsor may utilize the default under the this Agreement, the Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee unless the lessee has vacated the Unit.

C. The failure to pay, perform, or observe any of Purchaser's obligations hereunder, which is not cured within thirty (30) days after the mailing of written notice specifying the nature of such default. **TIME IS OF THE ESSENCE TO CURE ANY DEFAULT UNDER THIS AGREEMENT WITHIN SUCH THIRTY (30) DAY PERIOD.** Time of the Essence means that Purchaser must cure the default specified in the

notice within said thirty (30) day period or be held in default with no further notice. Sponsor has no obligation to extend the time to cure and may, at its option, (i) cancel the Purchase Agreement, or (ii) bring an action against Purchaser for specific performance. If Sponsor elects to cancel the Purchase Agreement, Sponsor shall notify Purchaser of the cancellation and any Down Payment, but not in excess of ten percent (10%) of the purchase price, plus any amounts paid by Purchaser for actual work orders or upgrades authorized by Purchaser, including materials, (even if such additional amounts in the aggregate exceed ten percent (10%) of the purchase price), shall be paid to Sponsor as and for "liquidated damages". Any excess deposit shall be returned to Purchaser promptly. Thereafter, the Purchase Agreement shall become null and void and Sponsor may sell the Unit to any other party and have no obligation to account to Purchaser for any terms of such sale. Sponsor will comply with the terms and provisions of the Escrow Agreement set forth in full in Part II of the Plan.

D. If Purchaser has made an application to the Department of Law pursuant to the dispute resolution provisions of the Escrow Agreement and has so notified the Escrow Agent and followed the provisions contained therein, the Escrow Agent shall continue to hold the down payment until resolution of such dispute or pay the down payment into court. Upon cancellation of this Agreement and giving such refund to Purchaser, Purchaser, Sponsor and Selling Agent will be released and discharged of all further liability and obligations hereunder and under the Plan. Thereafter, the Unit may be sold to another, subject to any lawful tenancy of the Unit, as though this Agreement had never been made, and without accounting to Purchaser for the proceeds of such sale. Martin Shaw, Esq. may rely upon the truth and accuracy of the facts contained in the representations and shall have no liability as a result of such reliance.

E. Notwithstanding the occurrence of an Event of Default, Sponsor may, in its sole discretion, keep this Agreement in effect and proceed to close title without prejudicing Sponsor's right to recover from the Purchaser damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled (including, but not limited to, legal fees and costs of collection).

22. Appliances, Fixtures and Equipment and Construction

A. Only those appliances, hardware, fixtures and equipment and items of personal property, which are described in the Plan as being part of the Unit and are actually located in the Unit on the Closing Date, are included in the sale of the Unit pursuant to this Agreement. In addition, cabinets, appliances, furniture, wall coverings, furnishings, decorations and the like in or about any model apartment are for display purposes only and are not included in the sale. Any floor plans or sketches shown to Purchaser are only approximations of the Unit's dimensions and arrangements, and Purchaser should not rely thereon. Purchaser acknowledges and agrees that other than as expressly provided in the Plan, Sponsor makes no representation in connection with such appliances, fixtures, furnishings and items of personal property and Sponsor expressly disclaims any implied warranty of merchantability or fitness for a particular purpose.

B. There will be no modifications, changes or upgrades unless agreed to in writing by the parties. All such modifications, changes or upgrades to the Unit desired by Purchaser

must be approved by Sponsor in writing and, if approved, shall be performed by Sponsor at Purchaser's expense.

C. Purchaser understands that the Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Unit or the Installations other than as set forth in the Plan. Purchaser acknowledges and agrees that Sponsor will not be liable for and will have no obligation to correct certain unsubstantial variations from the Plan.

D. The construction of the Building and the Unit shall be substantially in accordance with the Plans and specifications, subject to the right of Sponsor to amend the plans and specifications in order to substitute materials, equipment or fixtures of equal or better quality, provided such changes conform to code. The issuance of a final Certificate of Occupancy for the Building shall be presumptive evidence that the Building and the Unit have been fully completed in accordance with the plans and specifications. However, nothing herein contained shall excuse Sponsor from its obligation to correct any defects in construction in accordance with the conditions set forth in the Section of the Plan "Rights and Obligations of Sponsor." Sponsor will not be liable for and will have no obligation to correct certain variations from the Plan and the specifications as indicated in the Section "Rights and Obligations of Sponsor" and will only be responsible to correct any construction defects to the extent, and on the terms and conditions, set forth in such Section.

23. Possession of Unit and Purchaser's Work

A. It is expressly understood and agreed that Purchaser shall in no event take possession of the Unit until after Closing to the Unit has occurred under this Agreement. Should the Purchaser violate this provision, the Purchaser consents that the Sponsor shall have the right to remove Purchaser from the Unit as a squatter and intruder by summary proceedings. Upon the Purchaser's unauthorized possession or occupancy, the Purchaser shall be deemed in default hereunder at the option of the Sponsor, and if the Sponsor so elects, the Sponsor may cancel this Agreement and the amount deposited hereunder shall belong to the Sponsor as liquidated damages deemed earned hereunder, but not more than ten percent (10%) of the purchase price, together with any amounts, if any, release to Sponsor to be used for special work or upgrades. The Sponsor may receive actual incurred expenses for any special work or upgrades or extras ordered by Purchaser as part of the liquidated damages even if such total amount exceeds ten percent (10%) percent of the purchase price. It is further understood and agreed that Sponsor will not be responsible for any loss or damage to any property belonging to Purchaser whether same is delivered before or after the Closing of title.

B. Purchaser shall not make or cause to be made any alterations or installation in the Unit and the Purchaser will not make any applications to any government entity with any respect to such alterations or installations until the later of (i) Closing Date (except as limited by paragraph 8(B) above); and (ii) after the new permanent certificate of occupancy ("CO") with the respect to the Building has been obtained after the completion of the work described on the Plans and Specifications.

24. Damage to the Unit

A. If a Purchaser, or one claiming by or through Purchaser, enters into possession of the Unit prior to closing of title without permission of Sponsor under an Interim Lease or otherwise, then Purchaser shall be solely responsible and bear the risk of loss or other casualty with respect to the Unit and any damage to, or loss or other condition in, the Unit, including to Purchaser's personal property contained therein. If Purchaser is obligated to repair the damage, then Purchaser's failure to make such repairs shall not excuse Purchaser from paying the Balance due hereunder and accepting delivery of the deed to the Unit on the Closing Date. Sponsor shall not be obligated to make repairs or alterations to the Unit or appliances, fixtures and equipment or Installations therein. However, until closing Sponsor will remain responsible to make those repairs required of it as landlord under any interim lease.

B. Purchaser does not assume the risk of loss to the Unit if the cause thereof originated outside the Unit and did not result from the acts of Purchaser, or other occupants of the Unit, or of Purchaser's guest, invitees, or workmen.

C. Except as provided herein, all other risk of loss until the earlier of Closing or possession of the Unit by Purchaser, is assumed by Sponsor, but without any obligation or liability to repair the damage or restore the Unit or the Property. If Sponsor, at its sole discretion, elects to repair or restore the Property and the Unit, Sponsor shall be entitled to an adjournment of the Closing Date for a reasonable period of time in order to perform such work. In that case, this Agreement shall continue in full force and effect and Purchaser shall be obligated to close title without abatement in or a credit against the purchase price. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall belong entirely to Sponsor and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing of title.

D. If Sponsor notifies Purchaser that it does not elect to repair or restore the Unit, or, if the Declaration has been recorded prior thereto, there is damage to part of the Building other than the Unit covered by this Agreement and the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, then (provided Purchaser has not assumed the risk of loss by taking possession of the Unit), this Agreement shall be deemed terminated and provided that Purchaser is not then in default under this Agreement, Sponsor shall return all sums deposited by Purchaser hereunder, together with interest earned thereon, if any. Purchaser shall not be required to pay the Balance unless and until (i) the Unit has been substantially repaired as near as is reasonably possible to its condition immediately prior to the casualty and (ii) its essential services (such as gas, electricity, and heat) and a reasonable means of ingress and egress to the street having been restored. Any proceeds received from insurance, or in satisfaction of any claim or action in connection with such loss, shall belong entirely to Sponsor. If such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt turn them over to Sponsor. The provisions of the preceding sentences shall survive the closing.

E. In the event that Sponsor notifies Purchaser that it does not elect to repair or restore the Unit or if the Unit Owners do not resolve to make such repairs or restoration

pursuant to the Condominium's By-Laws, this Agreement shall be deemed canceled and of no further force or effect, and Sponsor shall instruct the Escrow Agent to return to Purchaser all sums deposited hereunder, whereupon the parties shall be released and discharged from all obligations and liability hereunder and under the Plan, except that, if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor shall retain the Liquidated Sum pursuant to Paragraph 4.

25. Notices

All notices, elections, consents, demands and communications (collectively called "notices" or individually called "notice") shall be delivered personally or given in writing by regular mail, registered or certified mail, return receipt requested, postage prepaid and, if sent to Purchaser, addressed to Purchaser at Purchaser's address given in the preamble to this Agreement and, if sent to Sponsor, 2279-2283 Third Avenue Associates LLC 104 East 126th Street, New York, New York 10035 with a copy to Shaw & Associates, attn: Martin Shaw, Esq., 350 Fifth Avenue, Suite 2816, New York, New York 10118. Either party may, by written notice to the other, change the address to which notices are to be sent. Unless otherwise provided herein, all notices shall be deemed given when personal delivery is effected or five (5) days from the date when deposited in any branch, station or depository maintained by the U.S. Postal Service in the City and State of New York, except that a notice of a change of address shall be deemed given when actually received.

26. Broker

Purchaser represents to Sponsor that the Selling Agent listed on page 1 of this Agreement is the only broker or sales agent with whom Purchaser has dealt in connection with this transaction. Sponsor agrees to pay the commission due the Selling Agent pursuant to separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than the Selling Agent, on account of any acts of Purchaser or of Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from any and all liabilities and expenses in connection therewith, including (without limitation) reasonable legal fees and disbursements. The provisions of this Paragraph 26 shall survive the closing.

27. Federal Form 1099

Purchaser shall cause its attorney to execute a designation agreement designating such attorney, or such other person specified by the Sponsor, as the "real estate broker" who is required to file a 1099 return with respect to the sale of the Unit pursuant to Section 6045 of the code. The Purchaser shall cause such real estate broker to make such 1099 return and to comply with all other requirements of Section 6045 of the code in connection with the sale of the Unit, and the Purchaser shall indemnify and hold harmless the Sponsor and its attorneys against any and all penalties, loss and expenses, including attorney's fees, resulting from the failure of the Purchaser or such real estate broker to comply with the code and the provisions of this Agreement and such designation agreement.

28. No Lien; Agreement Subordinate to Mortgage

A. No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any monies deposited hereunder. This Agreement shall not be recorded and any purported recordation hereof by Purchaser shall constitute an Event of Default.

B. In furtherance, and not in limitation of the provisions of the preceding subparagraph A, Purchaser agrees that the provisions of this Agreement are, and shall continue to be, subject and subordinate to the lien of any mortgages heretofore or hereafter made and any payments or expenses already made or incurred or which hereafter may be made or incurred pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent without the execution of any further legal documents by Purchaser. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date unless Purchaser assumes such mortgages. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of Sponsor, provided that any such mortgage is subordinated to the Declaration and the Unit is released from the lien of such mortgage at closing.

29. Entire Agreement

This Purchase Agreement, together with the Plan, as may be amended from time to time, constitutes the entire agreement between the parties as to the subject matter hereof and supersedes all prior understandings and agreements.

30. Agreement May Not Be Assigned Nor Unit Advertised

Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor. Any purported assignment by Purchaser in violation of this Agreement shall be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment shall not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. Prior to closing of title to the Unit, Purchaser shall not advertise or otherwise offer, promote or publicize the availability of this Unit for sale or rent.

31. Joint Purchasers

The term "Purchaser" shall be read as "Purchasers" if there is more than one person purchasing the Unit, in which case their obligations shall be joint and several.

32. Limitation of Sponsor's Liability

A. The Sponsor's liability under this Purchase Agreement for failure to complete and or deliver or have delivered title for any reason whatsoever shall be limited to the return of the money deposited hereunder with interest, if any, except for any funds released to Sponsor for actual work or upgrades, including cost of materials, authorized by Purchaser. Upon return

of such deposits, this Purchase Agreement shall be null and void and the parties hereto released from any and all liability hereunder except for provisions that by their terms survive termination of this Agreement. In any event, the Sponsor shall not be required to bring any action or other proceedings to render title marketable or to cure any objection to title.

B. Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed, or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials, or supplies in the open market, failure of transportation, strike, lockout, action of labor unions or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligation or undertaking shall be tolled for the length of the period during which such performance was excused.

33. Further Assurances

Either party shall execute, acknowledge and deliver to the other party such instruments and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provision of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction, before or after the Closing. This provision shall survive the Closing.

34. Severability

If any provision of this Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

35. Strict Performance

Any failure by Sponsor to insist upon strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches that may occur, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

36. Governing Law

The provisions of this Agreement shall be governed by, construed and enforced in accordance with, the laws of the State of New York.

37. Foreign Investment in Real Property Tax Act (FIRPTA)

Upon disposition of a United States real property interest by a foreign person on or after January 1, 1985, the Purchaser of such real property interest must deduct and withhold a tax equal to ten percent (10%) of the purchase price unless the Sponsor furnishes a certificate that it is not a foreign entity or individual. Sponsor, a New York limited liability company will furnish the Purchaser a non-foreign certificate at closing, thereby complying with FIRPTA and relieving Purchaser from any withholding obligations.

38. Special Work Ordered by Purchaser

Purchaser agrees that all custom work ordered by Purchaser is to be performed by Sponsor's contractors. The cost of such work will be in addition to the total purchase price for the Unit and will be at the sole cost and expense of Purchaser. The initial Down-Payment will be increased by the total amount of the special work so ordered and shall be deposited in escrow. However, if the Purchaser rescinds his Purchase Agreement, such funds will not be refunded to Purchaser to the extent such funds have been disbursed or are required to pay for the special work.

39. Tax Certiorari Proceedings

Sponsor may bring proceedings in court or take other actions which Sponsor believes may result in the lowering of the assessed valuation of the Property. If these proceedings or actions are successful, the amount of taxes payable by each Unit Owner will be lessened. Sponsor may undertake such proceedings or actions on Purchaser's behalf, although it shall have no obligation to start such proceedings or actions or to continue them after Sponsor has started them. If Sponsor does take such action, Purchaser will cooperate with Sponsor and will not take any actions or proceedings while Sponsor's actions are underway. If Sponsor is successful in obtaining a reduction in the amount of taxes or other assessments which Purchaser must pay, the parties will apportion the reduction, based on the proportion of time for which the reduction is granted, during which each party owned the Unit, and Purchaser agrees to apportion the legal fees and expenses for such actions or proceedings. Purchaser will pay the proportionate share of such fee and expenses to Sponsor or to the Party designated by Sponsor within thirty (30) days after the Sponsor has notified Purchaser of (i) the amount of the reduction that has been obtained; (ii) the amount of the reduction attributable to the Purchaser; (iii) the amount of the fee for obtaining the reduction; (iv) the amount of the fee for obtaining the reduction attributable to the Purchaser; and (v) the party to whom Purchaser should send a check for the amount of such fees attributable to Purchaser. The provisions of this paragraph shall survive the closing of title.

40. Lead-Based Paint

The United States Department of Housing and Urban Development and the Environmental Protection Agency recently adopted 'Lead-Based Paint Regulations" applicable to most housing built prior to 1978 (called "Target Housing"). The Building at 2279 Third Avenue is new construction and no lead-based paint will be used.

41. Waiver of Jury Trial

Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, connected with, or relating to this Agreement or the relationship created hereby. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding that a jury trial is waived.

42. Gender

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

43. Certain References

The term "herein," "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used. Unless otherwise stated, all references herein to Paragraphs, subparagraphs or other provisions are references to Paragraph, subparagraphs or other provisions of this Agreement.

44. Captions

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

45. Successors and Assigns

Subject to the provisions of Paragraph 24 hereof, the provisions of this Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

46. No Oral Changes

This Agreement cannot be changed or any provision waived orally. Any changes or additional provisions or must be set forth in a rider attached hereto or in a separate written agreement signed by the parties.

47. No Representation

Purchaser acknowledges that Purchaser has not relied upon any architect's or engineer's plan, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Sponsor's Counsel, Selling Agent or others, including, but not limited to, any relating to the description or physical condition of the Property, the Building, the Unit, the size or the dimensions of the Unit, the room therein contained, any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges and estimated real estate taxes for the Unit, the right to any income tax deduction for any real estate taxes or

mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchaser of the Unit, or any other data, except as may be specifically represented herein or in the Plan. Purchaser has relied solely on Purchaser's own examination and investigation in deciding to enter into this Agreement and to purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as specifically set forth herein or in the Plan. No oral representations or statements shall be considered a part of this Agreement. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any part of the Property other than as set forth herein or in the Plan. Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans, is accurate or correct, provided the layouts and dimensions conform substantially to such Floor Plans and (b) that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any minor inaccuracy or error. The provisions of this Paragraph 47 shall survive the closing of title.

48. Conflict with the Plan

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

49. Rule of Construction

There shall be no presumption against the drafter of the Purchase Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

Purchaser: _____

_____

Accepted: **2279-2283 Third Avenue Associates LLC**

By: _____

EXHIBIT 1 to the Purchase Agreement

STATEMENT BY PURCHASER FOR OCCUPANCY

The undersigned, the Purchaser of the Residential Condominium Unit of the BRIDGE SOUTH CONDOMINIUM, verifies and represents that the undersigned intends that the undersigned or one or more of the undersigned's immediate family will occupy the below Unit at or prior to closing. The undersigned represents that he/she has not made a similar representation within the past twelve months.

Unit # _____ PURCHASER

_____

_____

Specified Family Member (if applicable):

_____

Sworn to before me this
____day of _____ 200___

_____
Notary Public

EXHIBIT 2 to the Purchase Agreement

STATEMENT OF EXCEPTIONS:
ADJUSTMENT AND/OR REPAIRS

Re: 2279 Third Avenue
New York, New York 10035
BRIDGE SOUTH CONDOMINIUM

Purchaser: _____
Unit No.: _____
Date: _____

I (we) hereby acknowledge that I (we) have purchased this Unit in "As Is" and therefore Sponsor has no obligation to make any repairs or replacements in or to my Unit except for any condition that may be unsafe or in violation of building code. I (we) found the above referenced Unit, its floors, walls, doors, fixtures, appliances, equipment, hardware, and all other general items to be in good and satisfactory condition and acceptable to me (us) except for those matters, if any, expressly noted below and which Sponsor has agreed, at Sponsor's sole discretion, to repair or replace, prior to closing or within a reasonable time thereafter. Nothing herein is inconsistent with the obligations of the Sponsor under this offering plan.

Upon completion of work to each open item, if any, listed below, I agree to initial each such item.

ITEMS:	DATE & INITIALS
a. Walls: _____	_____
b. Floors: _____	_____
c. Ceilings: _____	_____
d. Windows: _____	_____
e. Electrical Fixtures: _____	_____
f. Painted Surfaces: _____	_____
g. Kitchen Cabinets: _____	_____
h. Appliances: _____	_____
i. Kitchen Sink: _____	_____
j. Medicine Cabinets: _____	_____
k. Vanities: _____	_____

l. Bathroom sinks: _____ _____
m. Water Closet: _____ _____
n. Bathtubs: _____ _____
o. Bathroom tile: _____ _____
p. Other: _____ _____

The undersigned understands and agrees that Sponsor shall not be obligated to make any repairs, adjustments or corrections to the Unit or any portion thereof or fixtures, appliances, equipment, etc., contained therein, from or after the date of delivery of possession of the Unit to the undersigned, except as to those items (if any) expressly excepted above (and Sponsor's obligation regarding any such excepted items shall cease upon the completion of the repair, adjustment or correction of same).

Purchaser acknowledges that except as set forth above, Sponsor's work on the Unit is complete. Nothing contained herein shall be construed to excuse Sponsor from its obligations to correct defects in construction to the extent required in the section entitled "Rights and Obligations of Sponsor" contained in the Offering Plan.

I (we) understand that the full Balance of the Purchase Price of the Unit must be paid at Closing under the Purchase Agreement, without provision for escrow, notwithstanding Sponsor's obligation to complete or correct the items noted above after the closing

I (we) also agreed that that Sponsor will be excused from completing any excepted items contained herein if: (a) I (we) undertake any repairs or alterations, or improvements in the Unit prior to Sponsor's start or completion of such excepted items; or (b) if Sponsor or its contractors are not given access to the Unit promptly upon notice.

Purchaser or Purchaser's Representative

_____

Sponsor: 2279-2283 Third Avenue Associates LLC

By: _____
or Representative

Date: _____

(Delete if not applicable)

FINANCING CONTINGENCY RIDER TO PURCHASE AGREEMENT

Sponsor: 2279-2283 Third Avenue Associates LLC

Purchaser(s): _____

Unit No.: _____

BECAUSE THE PURCHASE AGREEMENT IS NOT CONTINGENT ON FINANCING, A PURCHASER WHO WANTS MORTGAGE FINANCING AND DESIRES TO MAKE THE PURCHASE AGREEMENT CONTINGENT ON OBTAINING FINANCING, MUST COMPLY WITH THE TERMS OF THIS RIDER.

1. The provisions of this Rider shall be effective if and only if Purchaser applies for financing through Two River Mortgage Company ("Two River") within five (5) business days of receipt of a fully executed Agreement and then only with respect to such application.. Two River is located at 157 Broad Street, Suite 318, Red Bank, New Jersey 07701 (Tel. No. 732-345-5000). There will be no broker's fee payable by Purchaser to Two River. Please note that so long as Purchaser submits an application with Two River, Purchaser may, but is not required to, apply for financing with any other lender or mortgage broker and still be in accordance with this contingency rider.

2. Notwithstanding anything to the contrary contained in this Purchase Agreement, but subject to the provisions of paragraph 3 of this Rider, Purchaser may cancel this Purchase Agreement and recover the Down Payment if Purchaser fails, through no fault of Purchaser, to obtain a "Loan Commitment Letter" (as defined below) provided Purchaser has complied with Purchaser's "Financing Obligations" set forth below and Purchaser's other obligations under this Rider and the Purchase Agreement. Purchaser is required to comply with the procedure in Paragraphs 6 and 7 below. Any conflict between the provisions of this Rider and the provisions of the Purchase Agreement to which this Rider is attached shall be resolved in favor of this Rider.

3. As used herein, "Loan Commitment Letter" means a written commitment for purchase money financing which is issued to Purchaser by a lending institution with or without recourse, and whether or not conditional upon any factor other than an appraisal satisfactory to the lending institution, which provides for substantially the following:

(a) principal amount not less than $_____ or any lower amount applied for by Purchaser (but not more than 80% of the purchase price) ;

(b). interest rate then prevailing for similar loans (including, without limitation, fixed, variable or adjustable rate);

(c) a term of not less than fifteen (15) years (either fixed, by available renewals or otherwise) and not more than thirty (30) years;

(d) collateral security for repayment, including a mortgage on the Unit, together with its undivided interest in the Common Elements; and

(e) such other terms and conditions as are usual and customary for the issuer of such commitment.

An offer to make a loan that is conditioned on obtaining a satisfactory appraisal shall become a "Loan Commitment Letter" upon such condition being met.

4. Purchaser's right to cancel under Paragraph 2 above and recover the Downpayment is conditioned upon Purchaser's diligent compliance with all of the following "Financing Obligations": (i) Purchaser shall submit an application for a loan on the loan terms set forth in Paragraph 3 above (the "Loan Terms") to Two River in good faith within five (5) days of receipt of a duly executed copy of the Purchase Agreement; (ii) Purchaser promptly submits to Two River, or as Two River may direct, all additional fees and all information and supporting documents necessary for processing such loan application; (iii) Purchaser's application shall contain truthful, accurate and complete information as required by the lending institution; and (iv) Purchaser shall comply with all other requirements of the lending institution to obtain a Loan Commitment Letter. Purchaser shall submit to Sponsor (a) a copy of the application within such five (5) day period referred to in clause (i) above and (b) a copy of any Loan Commitment Letter within five (5) days after receipt thereof by Purchaser.

5. Purchaser may also cancel this Purchase Agreement and recover the Down Payment in accordance with the procedure set forth in Paragraphs 6 and 7 below if Purchaser obtains a Loan Commitment Letter and (i) such Loan Commitment Letter expires prior to the scheduled closing of title to the Unit; (ii) Purchaser has taken all possible steps to maintain his or her Loan Commitment Letter, including, but not limited to, the submission of a timely written request for a renewal or extension of such commitment to the same lending institution and written application at the direction of the Mortgage company to at least one (1) other lending institution, all at the then prevailing rate of interest, and is unable in good faith to obtain either a renewal or extension of the Loan Commitment Letter or a new Loan Commitment Letter for the principal amount set forth in Paragraph 3 (a) of this Rider (or any lower amount applied for by the Purchaser) or the principal amount stated in the expired Loan Commitment Letter, whichever is lower, at the same or the then prevailing interest rate; (iii) the closing of title was either not scheduled by Sponsor within the term of the Loan Commitment Letter (unless Sponsor did not schedule the closing within such period at Purchaser's request) or was adjourned to a date beyond such period at Sponsor's request; (iv) the Loan Commitment Letter did not expire as a result of (x) Purchaser's refusal, inability or unwillingness to close title or delay in closing title or (y) Purchaser's acts or omissions, including, but not limited to,

Purchaser's failure to comply with or satisfy any of the conditions of the Loan Commitment Letter; and (v) Purchaser is not otherwise in default at such time under the Purchase Agreement.

6. If Purchaser complies with Purchaser's Financing Obligations and its other obligations under this Purchase Agreement and is unable to obtain a Loan Commitment Letter pursuant to Paragraph 3 above or a renewal or extension of the Loan Commitment Letter or a new Loan Commitment Letter pursuant to Paragraph 5 above, Purchaser shall give notice ("Notice of Termination") to Sponsor within five (5) days after the expiration of the Mortgage Contingency Period or the expiration of Purchaser's Loan Commitment Letter (as the same may have been renewed or extended), as the case may be). In the case of cancellation pursuant to Paragraph 2, a copy of the loan refusal letter or non-complying Loan Commitment Letter (as the case may be) issued by the lending institution shall accompany the notice, if available, or if not then available, shall be provided promptly after receipt. In case of cancellation pursuant to Paragraph 5, a copy of all written communications between the lending institution and Purchaser concerning the renewal or extension of the Loan Commitment Letter shall accompany the notice (or a copy of any letter refusing to extend the Loan Commitment Letter or make a new loan commitment received by Purchaser after sending the notice shall be sent to Sponsor promptly after receipt). Purchaser's obligations under this Paragraph 6 shall survive the cancellation of this Purchase Agreement.

7. Notwithstanding the foregoing, within seven (7) business days of receipt of Purchaser's written Notice of Termination as provided above and subject to the conditions of this Rider, Sponsor shall advise Purchaser by written notice, return receipt requested, stating whether Sponsor shall: (i) try to secure financing for Purchaser from a lending institution; or (ii) terminate the Purchase Agreement. Sponsor shall have the right, at its sole discretion, but not the obligation, to attempt to secure such financing.

A. If Sponsor so elects to try to secure financing for Purchaser, Sponsor shall have thirty (30) days from the date of Sponsor's notice to Purchaser to obtain a loan commitment for Purchaser and Purchaser shall be required, in addition to all of the terms hereunder, to accept said commitment and close promptly with Sponsor. In which event, this Purchase Agreement shall not terminate but shall continue in full force and effect and the financing contingency shall be deemed satisfied. The loan terms shall be for not more than 80% of the purchase price at the then prevailing rate of interest on a 30-year basis. In such event, Purchaser is required to complete all forms and provide all documents and otherwise comply with all the applicable terms of this rider.

B. If Sponsor does not elect to secure financing for the Purchaser within 7-days of Purchaser's Termination Notice or if Sponsor notifies Purchaser that it was unable to secure financing on Purchaser's behalf then this Purchase Agreement shall terminate and the Downpayment will be refunded, with interest earned thereon, provided Purchaser is not then in default.

C. Purchaser shall be responsible for all expenses in connection with any loan application or extension thereof.

8. In the event of a termination notice and the cancellation of this Purchase Agreement and upon a refund of the Deposit if Purchaser is entitled to such, neither party shall have a right against or obligation or liability to the other or the Condominium by reason of this Agreement and Sponsor may sell and enter into a new Purchase agreement as if this Agreement had never been made.

9. Unless Purchaser duly exercises his or her right to terminate this Purchase Agreement in accordance with the provisions of this Rider, Purchaser shall be deemed conclusively to have waived this financing contingency and this Purchase Agreement shall be deemed binding on an all cash basis.

Dated: _____

2279-2283 Third Avenue Associates LLC

By:_____

_____

PURCHASER

_____

PURCHASER

EXHIBIT 3 to the Purchase Agreement

Permitted Encumbrances

1. Building restrictions and zoning laws and other regulations, resolutions an ordinances and any amendments thereto now or hereafter adopted by any governmental c quasi-governmental authority having "jurisdiction";

2. Any state of facts that an accurate survey of the Unit would show, provided such stat of facts does not render title unmarketable;

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

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

5. Any easement or right of use in favor of any utility company for construction, us maintenance, repair and replacement of all utility lines, wires, boxes, mains, pipes, cable conduits, poles, connections and other equipment and facilities on, under and across the Lan and Building;

6. Encroachments of stoops, areas, cellar steps or doors, trip, copings, terraces, retainin walls, bay windows, balconies, cornices, foundations, footings, chutes, drainage and stan pipes, and similar projections, if any, on, over, or under the Property or the streets c sidewalks abutting the Property and the rights of governmental authorities to require th removal of any such projections and variations between record lines of the Property an retaining walls and the like, if any;

7. Leases and service, maintenance, employment, concessionaire and licens agreements, if any, of other Units or portions of the Common Elements;

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

9. Any encumbrances as to the title insurance company which insures Purchaser's titl to the Unit would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser tha such encumbrance (a) will not be collected out of the Unit if it is a lien and (b) will nc prevent the use of the Unit for dwelling (if the Unit is a Residential Unit) c commercial/professional (if the Unit is a commercial/Professional Unit) purposes;

10. Any recorded covenant, restriction, reservation, agreement, assessment and encumbrance against the Property other than a mortgage or other lien for the payment of money, which does not prevent the use of the Unit for dwelling purposes;

11. Any lease covering, or tenancy or occupancy of, the Unit and the rights of such tenant(s) and occupant(s), if any, under applicable law;

12. Any violations against the Property (other than the Unit's) which are the obligation of the Condominium Board of Managers or another Unit Owner to correct;

13. The Terms, Covenanants, Conditions and Land Use Provisions of the Harlem-East Harlem Neighborhood Development Area Urban Renewal Plan which said plan is attached to a certain Agreement recorded in Reel 321 Page 1661. None of the terms of said Agreement apply to the premises to be insured herein except for the terms of the Urban Renewal Plan attached to the aforesaid agreement.

14. Certification Pursuant to Zoning Lot Subdivision recorded under CRFN 200500530699.

15. Zoning Lot description and Ownership Statement recorded under CFRN 200500530700.

16. Standard exceptions contained in the form of fee title insurance policy then issued by the title insurance company insuring Purchaser's title to the Unit;

The survey reading is of the land and building of which the Unit is a part only. Policy will except any state of facts an accurate survey of the unit would show, however, policy will insure that any encroachments of a portion of the unit structure upon other units or upon the common elements may remain undisturbed as long as same shall stand.

INTENTIONALLY LEFT BLANK

DOCUMENT B

DESCRIPTION OF PROPERTY AND EXISTING BUILDING CONDITION

Of

2279 THIRD AVENUE
NEW YORK, NEW YORK 10035

By

ALEXANDER COMPAGNO & ASSOCIATES
236 W. 26TH STREET
SUITE 604
NEW YORK, NEW YORK 10001

October 9, 2006

DESCRIPTION OF PROPERTY AND BULDING CONDITION

PREPARED BY THE OFFICE OF

ALEXANDER COMPAGNO, Architect

(WITH THE AIDE OF CONSULTANTS BELOW)

ADDRESS:	2279 Third Avenue New York, NY 10035
	Block: 1788 Lot(s): 47 Zoning: C4-4 (R-7 Equivalent) Map: 6B
REQUESTING PARTY:	2279 THIRD AVENUE ASSOCIATES, LLC 104 East 126th Street New York, NY 10035
STRUCTURAL ENGINEER:	Blue Sky Design, Inc 121 West 27th Street Suite 805 New York, NY 10001
	Tel: 646.230.9900
MEP ENGINEER:	Engineering Solutions 1140 Broadway, Suite 204 New York NY, 10001
	Tel: 212.840.1030
CONTRACTOR:	North Manhattan Construction 69 East 130th Street New York NY, 10037
	Tel: 212.840.1030

INTRODUCTION

This Report was prepared for the sponsor for the inclusion in an offering plan for the development of the property into condominium units. The Report is based on (a) a description of the proposed work to be performed as deemed necessary, and (b) information provided by the sponsor and/or his representatives.

This Report fairly describes the proposed work. Proposed work to be performed and described herein is accurate and as descriptive of the date of this report. This Report provides a general description of the Property, interior spaces and mechanical equipment, but is not intended to be a complete detailed list of every piece of equipment or of their condition.

The contents of this Report are correct to the best of my knowledge and belief. No representation is made, however, as to the truth, completeness or accuracy of this information.

This Report is not to be construed as a guarantee or warranty. It is not intended or prepared for the purpose of fixing a value to the Property or as an option as to the advisability or inadvisability to purchase the Property or acquire share(s) in the condominium units being offered pursuant to the Sponsor's Offering Plan.

DESCRIPTION OF PROPERTY AND BUILDING
2279 Third Avenue
New York, NY

Date of Inspection: Last inspected- June 17, 2005

A. **Location and Use of Property.** State whether this property and proposed use will comply with all zoning and use requirements at closing. Include in discussion:

(1) Address: 2279 Third Avenue
New York, NY 10035

(2) Block and Lot Number:
Block: 1788
Lot(s): 47
Tentative Tax Lots: pending

(3) Zoning: C4-4 (R-7 Equivalent)

(4) Permissible Use: Residential, commercial facilities, and community facilities, use groups 1 through 10 (not including 7) & 12. Permissible uses of the Community Facility are defined by the NYC Zoning Resolution under Use Group 3 & 4, and include uses such as: medical offices. Permissible uses of the Retail & Commercial are defined by the NYC Zoning Resolution under Use Group 5 through 12 (not including 7 or 11), and include uses such as: offices, retail stores, and service establishments

(5) Proposed Use: Proposed use in the cellar will have spaces accessed by the entire building, such as the mechanical and equipment rooms. Cellar will contain commercial space. Cellar will also contain (1) community storage room for the residential condominium units 1st floor will have the residential lobby and commercial spaces. The second floor will have a commercial facility (Use groups 6, 9, 10, & 11), the 2nd floor will have community facility uses (Use groups 2 and 4) and the 3rd will have an outdoor recreation space accessed through the residential portion of building ; the 3rd through 7th floors are residential (Use group 2). Proposed uses are permitted as of right.

B. **Status of Construction:**
State: Under construction
(For existing buildings state): The building is new Construction.

(1) Year Built: Under Construction

(2) Class of Construction: I-C, non-combustible and fire protected.

(3) Certificate of Occupancy, Type and Number: Not Available at time of this report. Upon completion of construction owner shall obtain a temporary Certificate of Occupancy and prior to its expiration shall renew or obtain a permanent Certificate of Occupancy for the building.

(4) Alteration Permit Numbers and Description of Work Done: A new building is to be constructed. Plans have been filed and approved with the New York City Department of Buildings and permits have been issued. The application numbers are as follows: for General Construction # 104176348, for HVAC/ Mechanical/Plumbing #104341259, for Structural #104215207, For Sprinkler #(pending) and for Builders Pavement Plan # (pending).

Construction commenced in December 2005, and is scheduled to be substantially complete by March 2007. After all the work is completed a new Certificate of Occupancy for the proposed uses as set forth above.

C. **Site:** Discuss

(1) Size: The lot is approximately 4,150 square feet and the approximate lot coverage is 99%.

(2) Number of Buildings and Use: There is (1) building to be used for residential apartments, commercial businesses and community facility.

(3) Streets Owned or Maintained by the Project: See site plan for location. The streets are owned and maintained by the City of New York.

(i) Paving (material and condition): The street paving is asphalt and is in fair condition.

(ii) Curbing (material and condition): The existing curbing is metal faced with concrete and is in fair to poor condition. New curbing will be installed.

(iii) Catch Basins, Drainage (location and condition): There is a catch basin located at the intersection of 3rd Avenue and 124th Street and it is in good condition.

(iv) Street Lighting (material, type, location and condition): See site plan. The street lamps are aluminum as provided by the City of New York.

(v) State whether these Items are in Conformity with Local Fire District, Town or Municipal Building codes: All the items above are in conformity with local fire district, town and municipal building codes.

(4) Drives, sidewalks and ramps:

(i) Paving (material and condition): New concrete sidewalks will be installed.

(ii) Curbing (material and condition): See (3) (ii) above.

(iii) Catch Basins, Drainage (location and condition): See (3) (iii) above.

(iv) Street Lighting (material, type, location and condition): See (3) (iv) above.

State whether these Items are in Conformity with Local Fire District, Town or Municipal Building codes: All the items above will be in conformity with local fire district, town and municipal building codes.

D. **Utilities.** Identify source or provider of each utility. Specifically identify which are public utilities or regulated companies and which are solely the obligation of the board of managers of the condominium. Indicate whether water, sewer (or septic tank), gas, electric and telephone are metered individually, collectively or by any other method of billing:

(1) Domestic Water: Both fire and domestic water service is supplied by the New York City Department of Water supply. The water service is centrally metered prior to distribution to the domestic and sprinkler systems.

(2) Sewage: The combined storm and sanitary drainage connects to the New York City Public Sewer System in 124th Street.

(3) Gas: Natural gas is supplied by Con Edison for residential units. Gas service consists of one meter that will provide heat & one that will provide hot water & cooking. The meters are located in the mechanical/meter room at the cellar level.

(4) Electricity: Provided by Con Edison. Individual electric meters are provided for each dwelling, the community facility space, the commercial spaces and the common areas. These will be located in the Electric Meter Room in the cellar

(5) Telephone: Telephone service is provided by Verizon.

E. **Sub-soil Conditions**: Describe (including water conditions)

(1) Whether Uneven Foundation Movement or Settling has Occurred (cracking, mortar joint decay, etc.): Test borings were done by C.E. Boss Co., Inc, in June of 2005 and they indicate undisturbed soil approximately 12'6" feet below grade of sufficient bearing capacity to support the building.

(2) Whether there is any Evidence of Moisture or Seepage or Ground Water Infiltration and, if so, whether Corrective Action is Needed: Test pits were done by North Manhattan Construction and they indicate water at approximately 14 1/2 feet below grade. Borings were done by C.E. Boss Co., Inc, in June of 2005. There is no evidence of moisture or seepage or ground water at the depth of the foundation of the adjacent buildings, retaining walls in the rear yard of the building will be adequately designed to support the surrounding soil and are above the level of the water table.

(3) Whether there is any Danger from Flooding, either due to Water Table in Area or Overflow from other Bodies of Water: Test pits were done by North Manhattan Construction and they indicate water at approximately 14 1/2 feet below grade. Borings were done by C.E. Boss Co., Inc, in June of 2005. Historical data indicates that there has been no movement in the level of the water table and therefore there is little threat of water seepage. Waterproof membranes will be installed below the foundation to mitigate any threat.

F. **Landscaping and Enclosures:** Describe:

(1) Grass Cover (type, location): None

(2) Plantings (type, location): See site plan.

(3) Trees (location): (6) trees on site in front of the building along 3rd Avenue and 124th Street, which are required to be maintained by the building.

(4) Fencing (type, location): none

(5) Gates (type, location): none

(6) Garden Walls (type, location): none

(7) Retaining Walls (type, location): none.

(8) Display Pools and Fountains (location, materials): None

(9) Concrete Drywell (type, location): none

G. **Building Size:** Specify:

(1) Total Height (approximate total feet from ground level to highest part of roof): 80'-0". (See schematic section for the total height of the building from the ground level to the main roof.)

(2) Crawl Spaces (floor to ceiling height): None

(3) Number of Sub-Cellars and Cellars: No sub-cellar, one cellar.

(4) Number of Floors (actual including penthouses): There are 7 floors, an elevator machine room/ stair bulkheads and a cellar.

(5) Equipment rooms (location and use): There is a water room, gas service room, electrical meter room, a boiler room, trash compactor room in the cellar. There is an elevator machine room on the roof level

(6) Parapet (height above roof): Parapet and/or equivalent protective guardrails will be a min. 3'-6" above all roofs requiring them.

H. **Structural System:** Describe materials used, include type of foundation(s) and method of installation. Specify:

The building shall be constructed of concrete columns and concrete reinforcing walls on the cellar floor and steel on the 1st and 2nd floors. Masonry bearing walls w/ steel reinforcing shall be located at the 3rd-7th floors. Floor construction shall consist of concrete on metal deck on metal joists supported by steel beams on the 1st, 2nd, and 3rd floors and concrete plank covered by floor finishes on the 4th through 7th floors. The foundation of the building will consist of a new reinforced concrete mat slab, footings and concrete foundation walls. Walls and steel columns will rest on the foundation walls and footings. The structure has been designed to support the dead load of the building and their structural components as well as the following live loads. :

Residential Portions	40 pounds/sq.ft.
Commerical Spaces	100 pounds/sq.ft.
Community Facility	100 pounds/sq. ft.
Rooves/ Terraces	60 pounds/sq.ft.
Upper Roof	30 pounds /sq.ft.

(1) Exterior of Building

(i) Walls: List materials, type of construction, method of construction. For New York City buildings, if Local Law 10 applies, include the entire report of the inspection. If Local Law 10 is inapplicable, so state. If such an inspection is required, but not performed, specify as a violation. If insulated, describe material, type, size and insulating value where available.

The 4 main facades of the building will be made of brick with cast stone lintels, spandrels and sills. Bulkheads shall be of concrete block or metal stud construction with a stucco finish. Local Law 10 is applicable, and regularly scheduled façade inspection and maintenance shall be required. Insulation values for exterior walls shall be R-13 and for inhabitable roof areas R-30.

(ii) Windows: Specify type and materials in all parts of the building including sills, screens, window guards, lintels, storm, sash, hardware, single or double-glazing and caulking. Indicate whether lot line windows exist and describe any potential future problems.

Windows for all units shall be extruded aluminum with a painted finish and a minimum ½ " thick insulated glazing. All windows will be "double-hung" type by Northern Windows. The windows/doors facing yards and terraces will be painted metal. There will be no screens, storm windows, or window guards provided. Window guards shall be provided in accordance with NYC Health Code [S.131.15]

Lot Line Windows: Lot line windows are proposed on the side of the building facing south. These windows are to be anodized/ painted aluminum with min. ½" insulated safety glass, and with a sprinkler head located just above it in accordance with NYC building laws. In the future event that construction is proposed by adjacent property owners in front of these windows, the windows may need to be sealed in accordance to NYC building laws at the expense of the condominium owner.

A 20-square-foot, plain glass, metal framed window will be provided at the upper roof level of each public stair.

(iii) Landmark Status: State whether building has landmark status and discuss consequences.

The building is not in a landmark district.

(2) Parapets and Copings: State type of materials, how firmly secured in place and whether there is any indication of problems e.g., leakage, spalling, deterioration of mortar, cracking, etc.:

The rear facade shall have a masonry parapet 3'-6" (min) with metal coping. Other parapets to be topped with metal and cast stone copings along all exposed facades of the building 3'-6" (min). The parapets will be built of masonry clad in brick. The upper roof level of the bulkheads will have metal coping around its entire perimeter.

(3) Chimneys and caps: Indicate number, location and material of each chimney for boilers, incinerators, compactors and fireplaces. If fireplaces are not usable for wood fires, this fact must be conspicuously disclosed.

There is (1) metal flue for the venting of the boiler at the roof of the building. There are no wood burning fireplaces provided.

(4) Balconies and Terraces. Describe:

There shall be terraces accessible to 3C, 6A, 7A and 7B units for use by the owners. There shall be a roof terrace accessible from the main roof level available for use by the owners of the 7A, and 7B. The support of furniture and planters will be the responsibility of the unit purchasers. There shall be one common terrace (accessible from the 3rd floor) located on the side yard available for to all the residential tenants. The side yard is appurtenant to unit 3C and Corridor 301 and 20' wide and runs along 124th Street to the neighboring property lines. An areaway covered by a metal grate shall be provided in the 124th street yard as a fresh air intake for the boiler in the cellar.

(i) Deck finish (material): See (7)(i)(c)

(ii) Balustrade (type, material): Painted metal

(iii) Railings (material): Painted metal

(iv) Copings (material): See parapets

(v) Soffits (material): None.

(vi) Doors to balconies and terraces (type, material): Painted metal with glass.

(vii) Fences (material): plastic coated wire mesh with plastic privacy slats. Fences on roof terraces shall have operable gates that will allow access across adjacent terraces

to egress stairs. Unit owners shall be responsible to maintain clear access from these gates to the egress stair.

(5) Exterior Entrances. Describe:

(i) Exterior doors and frames (material, type, lock): On the west façade facing Third Avenue, there are two (2) exterior and vestibule doors serving as entrances to commercial retail space #1. On the north façade facing 124th Street there is an entrance to the commercial lobby, an entrance to the residential lobby, and an entrance to commercial retail space #2, these doors shall be made of aluminum and tempered glass. There are also two (2) exits from egress stairs with painted hollow metal doors. The lobby door and frame as well as sidelight and transom shall be made of aluminum and tempered glass, one of which will have an electric strike. The intercom directory will permit voice contact between this front door and the units. There shall be (1) have metal/glass doors accessing the side yard from the 3rd floor. Units' spaces accessing terraces shall each have metal/glass doors accessing each of their respective outdoor areas.

(ii) Vestibule doors and frames (material, type, lock): Aluminum with safety glass. See (5) (i)

(iii) Exterior stairs (material, location): none

(iv) Railings (material, location): none

(v) Mail boxes (type, location): Mailboxes are located in the residential lobby of the building. Mailboxes are U.S. Government approved. Mailboxes are front loading, horizontal type.

(vi) Lighting (type, location): There will be (2) incandescent wall mounted lights at the building entrances. Also, an incandescent wall mounted light will be provided at each ground floor level entrance. Each roof terrace and balcony will have an incandescent light .

(6) Services Entrances. Describe:

i. Doors and frames (material, type, lock): The service door will be painted hollow metal with a cylinder w/ deadbolt and electric strike.

ii. Gates (material, type, lock): none will be provided.

iii. Exterior stairs (material, location): none.

iv. Railings (material, location): (see 5. iv.)

(7) Roof and Roof Structures: Describe:

(i) Type roofs for all areas

a. Material: All roofing shall be modified bitumen over a base sheet. All exposed roof edges will be installed with a metal coping or parapet.

b. Insulation (size, type and insulating value if available): 2" minimum rigid.

c. Surface finish: Roof surface to be used on terraces will receive traction surface.

d. Bond or guarantee: Roofing bond or guarantee to be 10 years by John Mansville for labor and materials and assigned to condominium.

e. Finish material including counter flashing: Bituminous sheet flashing at base of parapet walls comparable to roofing material, with metal counter flashing.

(ii) Drains

a. Location, material and type: The roof drains are cast iron, located on the main roof, upper roof, roof terraces, and side yards.

b. Gutters and leaders (type, material): There are scuppers from the bulkhead roof onto the main roof.

(iii) Skylights (location, type, material): Will be provided on the top of the stair bulkhead in accordance with NYC Building Code 27-375(i)(4)c.:

"In Occupancy group J-2 buildings exceeding three stories in height with more than one dwelling unit per story shall be provided with a skylight at least twenty square feet in area, glazed with plain glass with a wire screen over and under and provided with fixed or movable ventilators having a minimum open area of one hundred forty-four square inches installed in or immediately adjacent to the window."

(iv) Bulkheads:

a. Stairs (material): There is (1) stair bulkheads constructed of masonry and metal stud.

b. Elevator (material): The elevator shaft and bulkhead are constructed of masonry.

c. Other: None

(v) Metal work at roof levels

(a) Exterior, metal stairs (material): There will be a metal stair accessing the elevator machine room on the main roof level.

(b) Vertical ladders, including gooseneck (material): painted metal

(c) Railings (material): All railings to be painted steel. The handrails and the parapet heights to meet minimum code requirements.

(d) Hatches to roof (type, material): Unit 7B shall have a hatch and an accompanying access ladder as a private means of access to the roof.

(e) Other: Privacy fences shall be provided between roof terraces of units 7A and 7B.

(vi) Rooftop facilities: A common roof top area will be provided at the main roof/penthouse level only in order to access to the elevator machine room and to provide second means of egress from each private terrace.

(8) Fire escapes. Describe at each floor and specify any unusual access situations. None

(i) Location (describe how attached and supported): none

(ii) Floors covered: none

(iii) Drop ladder: none

(iv) Type: none

(v) Materials: none

(9) Yard and courts. Describe each yard or court including front, rear and interior areas, listing methods of access. See H.(4).

i. Paving (material): front yards: concrete and earth, sideyard: see H. 7.(i.)d.

ii. Drainage (type and material): see H.(7)(ii)

iii. Railings (material): see H. (4)(iii)

iv. Stairs (material): none

v. Fencing (type and material): plastic coated wire mesh with plastic privacy slats. Fences on roof terraces shall have operable gates that will allow access across adjacent terraces to egress stairs. Unit owners shall be responsible to maintain clear access from these gates to the egress stair.

vi. Walls (type and material):

Side Yard:
East wall: Masonry Parapet
West wall: Masonry (East façade of building)
North wall: Masonry Parapet
South wall: Masonry Parapet

(10) Interior stairs. Describe number of stairs for each type:

i. There are four stairs that service the residential units: two that extend from the ground floor to the main roof, and two stairs from the cellar to the ground floor. There are four stairs that service the commercial spaces: two that extend from the cellar to the ground floor, and two stairs from the ground to the second floor, these also serve the community facility on the second floor. There will be an accessory stair within Unit 7A.

ii. Enclosure (construction and interior finishes): The public stair walls are masonry or metal stud and sheetrock. The interior, accessory stair walls are sheetrock.

iii. Stair construction (steel, concrete, wood): The public stair from cellar to roof is concrete filled, steel pan stairs. Interior, accessory stair shall be constructed of wood and metal.

iv. Stringers (material): Steel or wood, respectively.

v. Treads (material): Steel and concrete or wood, respectively.

vi. Risers (material): Steel or wood, respectively.

vii. Guide rails (material): Steel pipe rail or wood, respectively.

viii. Balustrade: Steel or wood, respectively.

(11) Interior doors and frames. Describe material, type and location for each, and state whether fireproof or exceeds fire/safety standards

(i) Unit entrance and interior doors and frames: Entrance doors and frames are hollow metal and 1 ½ hr. fireproof self-closing as per NYC Building Code. Interior doors within units are masonite doors with metal frames.

(ii) Corridor doors and frames: Hollow metal fireproof self-closing 1 ½ hr. rated as per NYC code.

(iii) Stair hall doors and frames: Hollow metal fireproof self-closing 1 ½ hr. rated as per NYC code.

(iv) Roof doors, basement doors and frames: Roof and cellar doors are hollow metal 1 ½ hr. fireproof self-closing as per NYC code.

(12) Elevators. Describe: One elevator will serve the residential portion of the building and another elevator shall serve the community and commercial spaces. The elevators will be new. All related components but not limited to cab, motor, rails, etc. will be new.

(i) Number of passenger and service elevators: 2 passenger

(ii) Manufacturer, age of each and capacity (in pounds and number of passengers): (1) New Traction Elevator with "#44 overhead geared traction machine" 15 HP @ 1200 S.R.P.M by Hollister-Whitney Elevator Corp. Capacity 2,000 lbs., 13 persons and (1) New Hydraulic Elevator by Butcher Hydraulic will be run by a submersible 208V-3PH-60HZ with 25 HP. Capacity 2,000 lbs

(iii) Type of operation for each elevator by elevator number or location in building (for large numbers of elevators describe by class-passenger/freight): Automatic passenger

(iv) Automatic (type of controls): Automatic

(v) Floors served: Cellar through 7th floor, & Cellar through 2nd floor

(vi) Type (hydraulic; gearless): (1) electric overhead traction and (1) hydraulic elevator.

(vii) Doors (sliding, swinging, manual, automatic): Sliding

(viii) Location of machine rooms: One (1) at the Bulkhead at Roof level and one (1) in the cellar.

(ix) DC motor (manufacturer): see above

(x) AC motor-generator set (manufacturer): see above

(xi) Other: None

(13) Elevator cab, Passenger. Describe:

(i) Kind (manufacturer): by the Park Avenue Cab Corp.

(ii) Floor (material): vinyl tile

(iii) Walls (material): Plastic Laminate

(iv) Ceiling (material): painted metal.

(v) Lighting recessed incandescent or fluorescent

(vi) Alarm, safety systems: Standard stop and alarm button(s), as required per NYC code.

I. Auxiliary Facilities

(1) Laundry Rooms. Describe:

(i) Location and number of rooms: No laundry room for common use is provided. Each individual unit will be provided with their own washer/dryer.

(ii) Clothes washers, number and type (e.g. heavy duty, coin operated, and type): Each unit will be provided with a residential grade clothes washer.

(iii) Clothes dryers (number and type, electric or gas): Each unit will be provided with a residential grade ventless electric clothes dryer.

(iv) Room ventilation (method and final exhaust): None

(v) Dryer ventilation (method and final exhaust): None

(2) Refuse disposal. Describe: A room for the storage of refuse and recycling shall be provided in the cellar, and one at each of floors 2, 3, 4, 5,6 & 7?

(i) Incinerator(s) (number, location, capacity, type, and manufacturer): None.

(ii) Compactor(s) (number, location, capacity, type, manufacturer):One (1) compactor located in the cellar trash room, horizontal type, Royal-Pak Systems, Inc., model, "Econo-Krusher" with control system, or equal.

(iii) Approvals by authority having jurisdiction (date of each approval): In accordance with NYC Building code Sub chapter 14, Article 18.

(iv) Initial storage location (ultimate storage location): Initial storage location will be within each floor's refuse room; ultimate storage location will be in the cellar refuse room. There is a trash chute that adjacent to each trash room and connects directly to the trash room in the cellar.

(v) Pick-up schedule and whether public or private provider: The pick-up is by the New York City Department of Sanitation on a regular basis.

(3) Storage. A portion of the cellar level shall be provided for the use of the unit owners.

J. Plumbing and Drainage

(1) Water supply:

Water shall be supplied by the City of New York through a water main located in East 124th Street. A copper domestic water service of 4" diameter shall enter through the foundation wall facing 124th Street. Hot and cold water risers of sufficient diameter shall serve the units in common. These main and branches will be copper pipe.

(2) Fire protection system:

(i) Sprinkler system: A 6" diameter schedule 40 steel pipe sprinkler service entrance shall be distributed throughout the building via mains and branches so as to furnish full sprinkler coverage for the entire structure in accordance with NYC Building Code. The service will be complete with all controls, backflow devices and valves. The system shall be a wet system consisting of Schedule 10 black steel pipe with fusible link heads. All appropriate drawings and forms and permits and sign offs will be obtained.

(ii) Siamese connection: located on East 124th Street facade at grade level.

(3) Water pressure and how maintained. Required water pressure at plumbing fixtures is maintained by a duplex booster pump (model #: "Federal Sp-8050-2) .

(4) Sanitary sewage system: All sanitary sewage shall be drained through standard weight cast iron pipe sized in accordance with New York City Building Code to a house trap in the cellar at the East 124th Street side. The house trap will be connected to a new 8" diameter cast iron combined sewer, which will be connected to the combined sewer on East 124th Street. The sanitary system shall be vented through a system of cast iron pipe. All plumbing pipe below the cellar floor will be service weight cast iron with extra heavy connectors.

(i) Sewage piping: Cast iron sanitary system inside the building is connected to the house sewer to the street.

(ii) Sewage pumps: A duplex sewer ejector (model #: "Federal" VSS-QD-4A-2-4) is located below the slab in the cellar for the ejection of sewage from the cellar level plumbing fixtures and floor drains. There will be floor drains located in the following cellar spaces; commercial bathroom, super's bathroom, super's office, refuse room, boiler room, and water/gas meter room

(iii) Sewage disposal: City of New York

(5) Permit(s) required. All plans have been filed and approved as part of the project filing listed above. Refer to item B(4) above.

(6) Storm drainage system: All storm water shall be drained through standard weight cast iron pipe sized in accordance with New York City Building Code to a storm house trap in the cellar at the 124th Street side. The house trap will be connected to a new 8" diameter cast iron combined sewer, which will be connected to the combined sewer on East 124th Street. All plumbing pipe below the cellar floor will be service weight cast iron with extra heavy connectors.

(i) Catch basins: None

(ii) Roof drains: There are roof drains, and roof terrace drains. The elevator bulkhead roofs are drained via scupper to the roof terrace below.

(iii) Piping: Piping is cast iron. Drains are cast iron.

K. <u>Heating</u>:

(1) Space heating and distribution of domestic hot water: The building will have one (1) Slant/Fin-Model #GGHT1200E in the cellar with an input of 1197 MBH. This boiler is designated for the residential units and common area usage. Each residential unit shall have Through the wall PTAC Units. Hot water will be circulated through the apartment by means of a circulating hot water pump. Copper pipe will make up the mains and risers to convection heating elements A control with outside temperature sensor and re-set will control the boiler. The heating for other

areas with exterior wall windows will be by hot water convector heaters. The vestibule will have a hot water convector heater. Hot water heating coil will heat the cellar level area. The heating system shall be adequate and maintain comfortable environment under anticipated weather conditions.

Domestic hot water for the residential units will be provided via two (2) gas-fired A.O. Smith hot water heaters Model HW-160M 225 MBH input, (2) 120 gal. storage tanks. Domestic hot water will be supplied to the plumbing fixtures in each unit via copper pipe.

(2) Number of boilers and description: Described above.

(3) Type of controls: electronic type for the modular boiler specified.

(4) Fuel: Natural gas

L. **Gas Supply**: A new gas service will enter from East 124th Street.

(1) Type: Natural

(2) Meters: There will be two (2) gas meters:

(1) Cooking and Domestic Hot Water
(1) Heating

(3) Piping: Standard weight black steel.

M. **Air Conditioning** Each residential unit will have Packaged Terminal Air Conditioning Units ("PTAC") installed for heating and cooling, Manufacturer: Ice-Cap inc. (Model #5RSK07, with heating capacity of 13,600btu and cooling capacity of 7,700btu.) located under the windows in each bedroom and living area of each unit. Each unit will be size appropriately to adequately cool and heat each space.

N. **Ventilation** Kitchens where required are mechanically ventilated for each residential unit through exhaust ductwork risers, which terminate at the roof level through shared fan(s). Bathrooms are mechanically ventilated for each residential unit through several common exhaust ductwork risers, which terminate at the roof level through a common fan.

The Cellar areas are ventilated by a general Heating and Ventilating Unit through a common supply ductwork, which terminates at the exterior wall.

The Compactor room is ventilated by a general exhaust fan through an exhaust ductwork riser, which terminates at the exterior wall.

O. **Electrical System**

(1) Service from Con Edison switchgear: 120/208 V, 3 phase, 4 wire. All equipment will be new with (4) service switches as follows:

SS#1 400AS/400AF – commercial space wiring trough
SS#2 1200AS/1000AF – Fire and Jockey Pump
SS#3 400AS/400AF – "DP-H"
SS#4 400AS/400AF – Residential Meter Bank

(2) Service to individual units: 90 amp, 240 V, 1-phase or 80 amp, 240v, 1 phase, or 60 amp, 240v, 1 phase. All equipment will be new. Each unit will be metered separately. A separate house meter will be provided for power provided to common spaces.

(3) Emergency Lighting: Exit lighting and Exit Signs shall be provided in accordance with NYC code with illumination of at least 2 foot candles measured at the floor level shall be maintained continuously. All exit signs and emergency lighting shall be provided with (2) hour battery back ballast.

(4) Adequacy:

(i) Service – average number of circuits per apartment and capacity to handle modern appliances – specifically air conditioners, dishwashers, and electric dryers: Apartment service has been designed to accommodate appliances, air conditioners, lighting, and miscellaneous household electrical requirements. The service meets the National Electric Code requirements.

(ii) Lighting and fixtures: Bathrooms, some halls and foyers have ceiling or wall mounted incandescent fixtures. The lighting meets code.

(iii) Convenience outlets are provided approximately 12'-0" apart. Kitchen appliances are wired with dedicated circuits. Bathroom receptacles are provided with dedicated circuits and receptacles are GFI type.

P. **Intercommunication and/or Door Signal Systems, Security Closed Circuit TV.** Specify mode of operation and condition. Describe television reception facilities (master antennae, cable TV, antennae by tenants).

All residential units shall be connected to an intercom (model: GF- Multi-unit Audio/Video Entry System by AIPHONE.) and remote door release system with an annunciation panel located at the lobby entrance. Each unit shall be provided with one apartment station for communication. All residential units shall have cable television and telephone connection terminals.

Q. **Public Area Lighting.** Describe and state adequacy (entrances, halls and stairs, corridors, basements, courts and yards)

The lobby entrance, lobby and public stairway shall be adequately lit with surface mounted lighting. The common areas in the cellar shall be adequately lit by wall or ceiling surface mounted lighting.

R. **Garage and Parking Areas.** Describe: none required by law.

(1) Location of garages (description and facility): N/A.

(2) Location of parking areas (number of spaces in each): N.A.

(3) Surfaces (materials used, lighting, fencing etc.): N.A.

(4) Parking (attended or unattended): N.A.

(5) Garage ventilation: N.A.

(6) Garage fire protection (method and equipment): N.A.

(7) Drainage: N.A.

S. **Swimming Pools.** Describe in detail: There will be no swimming pool or other recreational facilities provided.

(1) Type (concrete, material and composition) and location on property: N.A.

(2) Size, including length, width, depth, and approximate number of bathers permitted at any time: N.A.

(3) Enclosure (material including roof): N.A.

(4) Pumping and filter system (describe material): N.A.

(5) Water heating equipment or usage of building's hot water (feed or heat exchange): N.A.

(6) If on building roof, specify structural support system: N.A.

T. **Tennis Courts, Playgrounds, and Recreational Facilities**

(1) Tennis courts. Describe: None

(i) Type (clay, macadam, turf): N.A.

(ii) Number and size: N.A.

(iii) Lighting (number and type): N.A.

(iv) Fencing and enclosures (including distance between fence or enclosure and all sides of court): N.A.

(2) Playgrounds. Describe location and size(s), fencing (if any) equipment types and sand bed or safety padding: None.

(3) Other Recreational Facilities. An outdoor recreation space will be provided on the 3rd floor and available to all residential tenants.

U. **Permits and Certificates.** List all applicable permits which must be obtained and inspections which are to be done. List type of inspection, authority inspecting and duration of approval once obtained. Include all compactors, incinerators, boilers, oil storage, tanks, elevators, etc. In New York City include Department of Air Resources, Elevator Safety, Boiler Safety, Fire Department, and Building Department permits. All these inspection and reports must be filed with Department of Buildings and all necessary defects corrected

(i) Department of Air Resources: A new boiler will be installed and has been filed with the Department of Buildings.

(ii) Elevator Safety: Two (2) new elevators shall be installed, see above. Annual inspections and 5-year tests will have to occur.

(iii) Boiler Safety: A new boiler will be installed and signed off. Annual inspections will have to occur.

(iv) Building Department: An "NB" application was filed for a new building. Drawings are approved. Sign off and new C. of O. will have to be obtained.

(v) Building Department: The sprinkler and standpipe system will require annual inspections by the building's sprinkler maintenance company.

(vi) Building Department: Local Law 10 applies.

(vii) Permits: Construction, plumbing, fire protection, electrical, mechanical, structural, elevator, boiler, builder's pavement plan.

(viii) Inspections: Construction, plumbing, fire protection, electrical, elevator, boiler and builder's pavement prior to obtaining a new C. of O.

V. **Violations.** List all violations outstanding as of the date of this report and the agency imposing the violation, the condition involved, the date violation issued, and work required by violation notice to cure. If no violations are outstanding, so state. Currently there are no outstanding violations at the subject property.

W. **Unit Information.** Specify the number of units inspected. Specify the unit designations for each typical unit or line of units, including the number and type of rooms. For lofts give useable residential space in square feet. Describe (include foyers, living rooms, dining areas, kitchen, bedrooms, bathrooms, etc.) Square footages for approximate square feet are provided on drawings. All units as listed below shall be new and in new condition.

Unit No.	Level	Type	Rooms	Description
3A, 4A, 5A	3rd –5th	Residential	5 (per unit)	(1) Living/dining /kitchenette, (2) bedrooms, (2) baths
6A	6th	Residential	5	(1) Living/dining/ kitchen, (2) bedrooms, (2) baths
7A	7th/Roof	Residential	5	(1) Living/dining/ kitchen, (2) bedrooms, (2) baths
3B, 4B, 5B	3rd –5th	Residential	3 (per unit)	(1) Living/dining/kitchen, (1) bedrooms, (1) baths
6B	6th	Residential	3	(1) Living/dining/ kitchen, (1) bedrooms, (1) baths
7B	7th/Roof	Residential	3	(1) Living/dining/ kitchen, (1) bedrooms, (1) baths
3C, 4C, 5C	3rd –5th	Residential	3 (per unit)	(1) Living/dining/kitchen, (1) bedroom, (1) baths
2nd Facility	Community	N/A	N/A	

Unit No.	Level	Approx. Ceiling heights	Net sqft	Gross sqft.

3A	3rd Floor	8'-10"	1305 sqft	1305 sqft
3B	3rd Floor	8'-10"	745 sqft	745 sqft
3C	3rd Floor	8'-10"	757 sqft	757 sqft
4A	4th Floor	9'-0"	1305 sqft	1305 sqft
4B	4th Floor	9'-0"	745 sqft	745 sqft
4C	4th Floor	9'-0"	757 sqft	757 sqft
5A	5th Floor	9'-10"	1305 sqft	1305 sqft
5B	5th Floor	9'-10"	745 sqft	745 sqft
5C	5th Floor	9'-10"	757 sqft	757 sqft
6A	6th Floor	9'-11"	1296 sqft	1296 sqft
6B	6th Floor	9'-11"	868 sqft	868 sqft
7A	7th Floor	8'-11"	1236 sqft	1236 sqft
7B	7th Floor	8'-11"	755 sqft	755 sqft

1. Type and grade of finish materials used in each type of unit and the number of coverings given. Include paint, wall and floor coverings, as well as specifying the type of flooring, walls and ceiling used:

Walls are primed and painted sheetrock. Ceilings are primed and painted g.w.b. Floors are 3", 4", & 5" oak strip wood. Bathrooms have ceramic tile on floors, shower surrounds and base. Room walls and ceilings are gypsum board. Bath walls are water resistant type "MR" gypsum board (a.k.a. "greenboard"). All finishes will be as stated or equal.

2. Describe presence, type and condition of all bathroom fixtures:

All bathrooms will have new water closets, lavatories, and bathtubs.

Master Bath: W.C. (1)- Kohler Santa Rosa K3323 White or equal
Lavatory (1)- LeBijou V-804 lavatory 20x18x6 white w/ single hole or Kohler Caxton K2210-0
Shower (1)- Swan Stone SS3260 60x32 tahiti ivory fiberglass shower base
Danze Parma D112000BT shower body w/500058T trim in chrome or equal
With glass door

Bath #2: W.C. (1)- Kohler Santa Rosa K3323 White or equal
Lavatory (1)- Kohler Caxton K2210-0 white undermount sink or equal
Tub (1)- Kohler Mendota K-506 or K-505 60x32 16" deep or equal

In each bathroom, accessories included:
Towel bar
Toilet paper holder
Shower Rod or glass door
Medicine Cabinet: Robern CDC2026FS or equal

3. Describe presence, type and condition of kitchen and laundry equipment:

1. If data is substantially the same for all units, a single narrative may be substituted for this schedule: Kitchen equipment provided for the units will be:

Refrigerator: GE GTS18SBSSS 18 CU FT. FROST FREE REFRIGERATOR 29 1/2"W or equal
Dishwasher: GE GLD5860LSS 24"W 6 LEVEL DISHWASHER or equal
Range/oven: GE JGBP35SEJSS 30"W SELF CLEAN GAS RANGE W/SEALED BURNERS
Microwave: GE/PROFILE JVM1870SK 30"W OVER THE RANGE MICRO HOOD COMBO

2. If any equipment or fixtures described are not included in the offering price, or the offering price is conditioned on the equipment and fixtures selected, such fact must be conspicuously noted in the body of the plan.

In each kitchen: Kitchen cabinets and counters are made of plastic laminate. Kitchen and cabinets are new as provided by the sponsor.

X. **Finish Schedule of Spaces Other than Units.** The following is a form of schedule to be given for each floor. (Include all common rooms and spaces including but not limited to: sub-sub cellar, sub-cellar, basement, cellar, first floor, penthouse floor, public and service halls, corridors, lobbies.):

The lobby shall have a tiled floor, painted gypsum wallboard ceiling. Lobby and common corridor walls are painted gypsum wallboard. All stairways, landings, corridors, and public areas in the cellar shall have tile, concrete floors or carpeting. Ceilings are gypsum drywall. Walls are gypsum drywall or exposed masonry. All finishes will be as stated or equal.

Community facility space shall have concrete floors, painted GWB walls and ceilings.

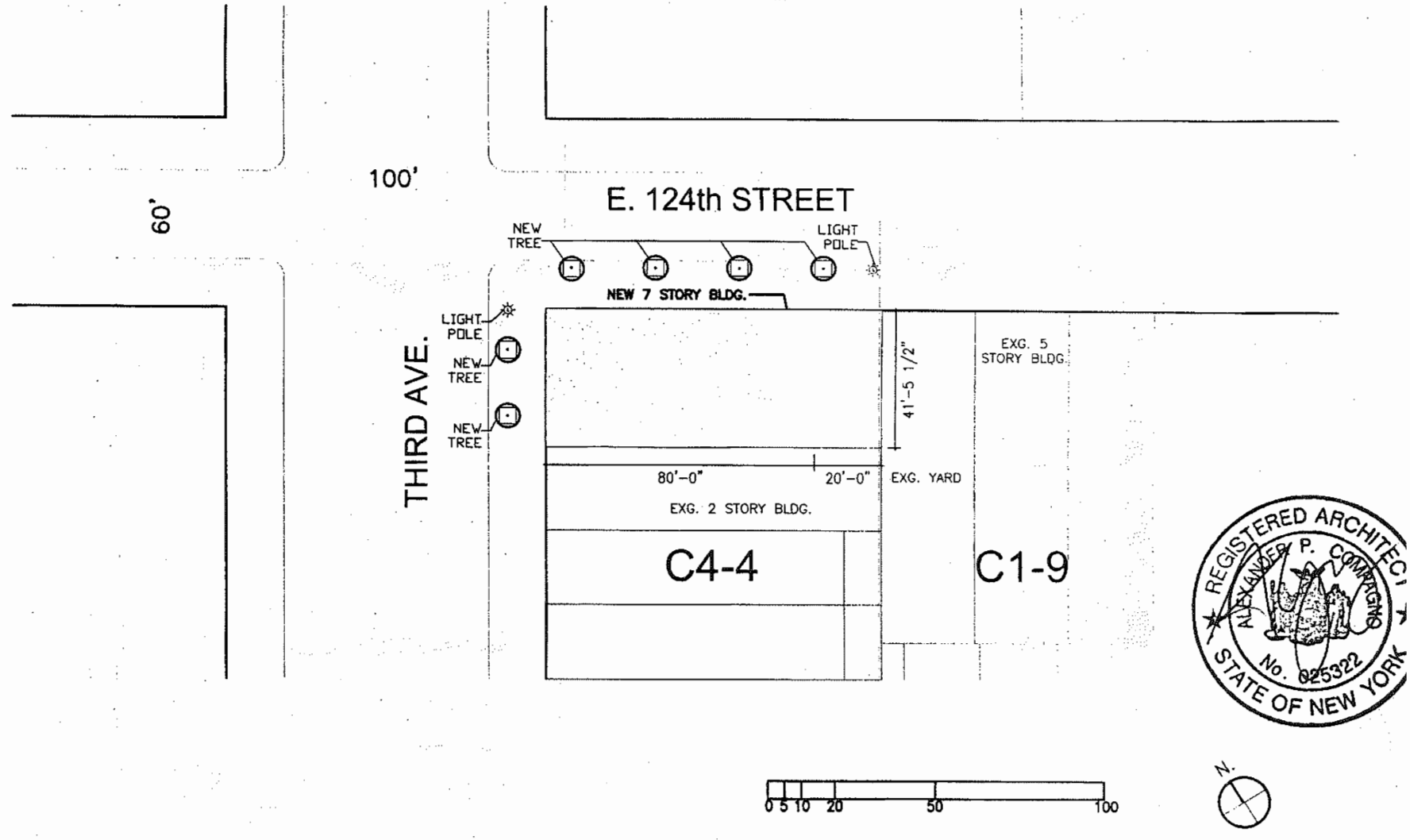
Y. **Safety and Warning Devices.** Describe any fire or smoke safety devices installed in units and common areas. State what devices are required by law, and whether any required devices have not been installed.

Smoke /carbon monoxide detectors are located within 15'-0" of sleeping areas in all residential units. Detectors are hardwired to individual apartment panels. The sprinkler system is provided with an alarm check valve located in cellar level and outdoor alarm bell.

Submitted by:
Alexander Compagno, R.A.

date 10/11/06





REGISTERED ARCHITECT
ALEXANDER P. COMPAGNO
No. 025322
STATE OF NEW YORK

2279 THIRD AVENUE
SITE PLAN

NOT TO SCALE

ALEXANDER COMPAGNO and ASSOCIATES
architecture and design

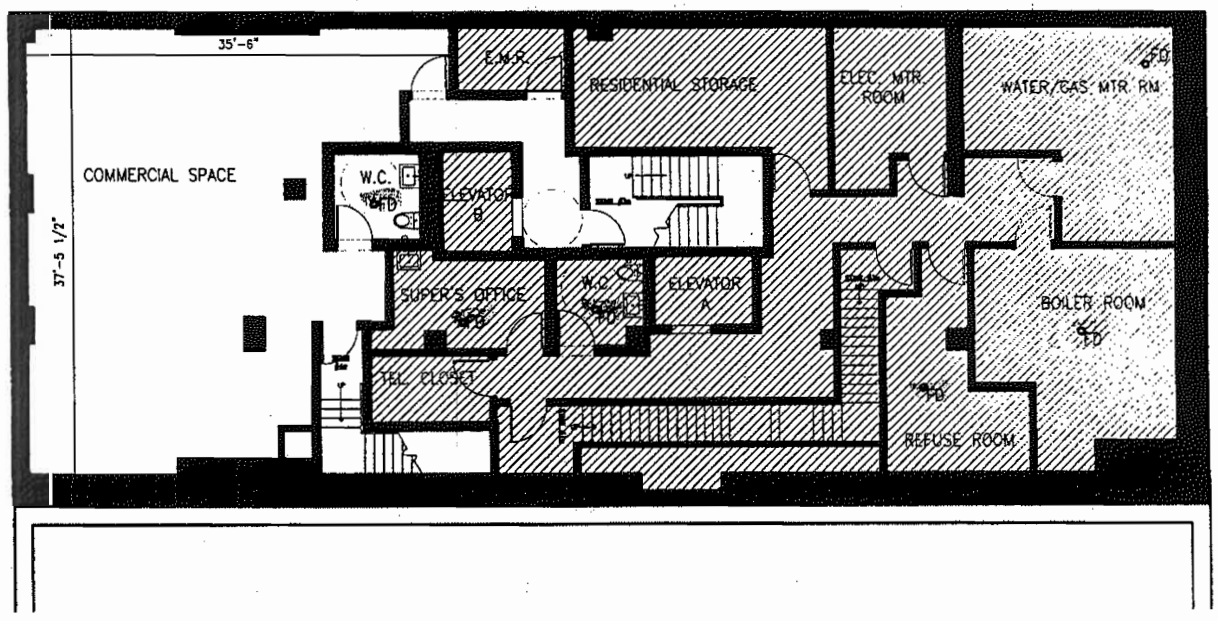
236 W. 26th Street Suite 804 New York, NY 10001
t. 646.638.9308 f.646 638 9352

CELLAR FLOOR

UNIT A– COMMERCIAL SPACE APPROX. GROSS SF = 1760 SF
GENERAL COMMON: APPROX. SF = 2369 SF
TOTAL GROSS AREA: APPROX. TOTAL SF = 4129 SF

GENERAL COMMON

FRONT YARD (COMMON)





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2279 THIRD AVENUE

CELLAR FLOOR

NOT TO SCALE

ALEXANDER COMPAGNO and ASSOCIATES
architecture and design

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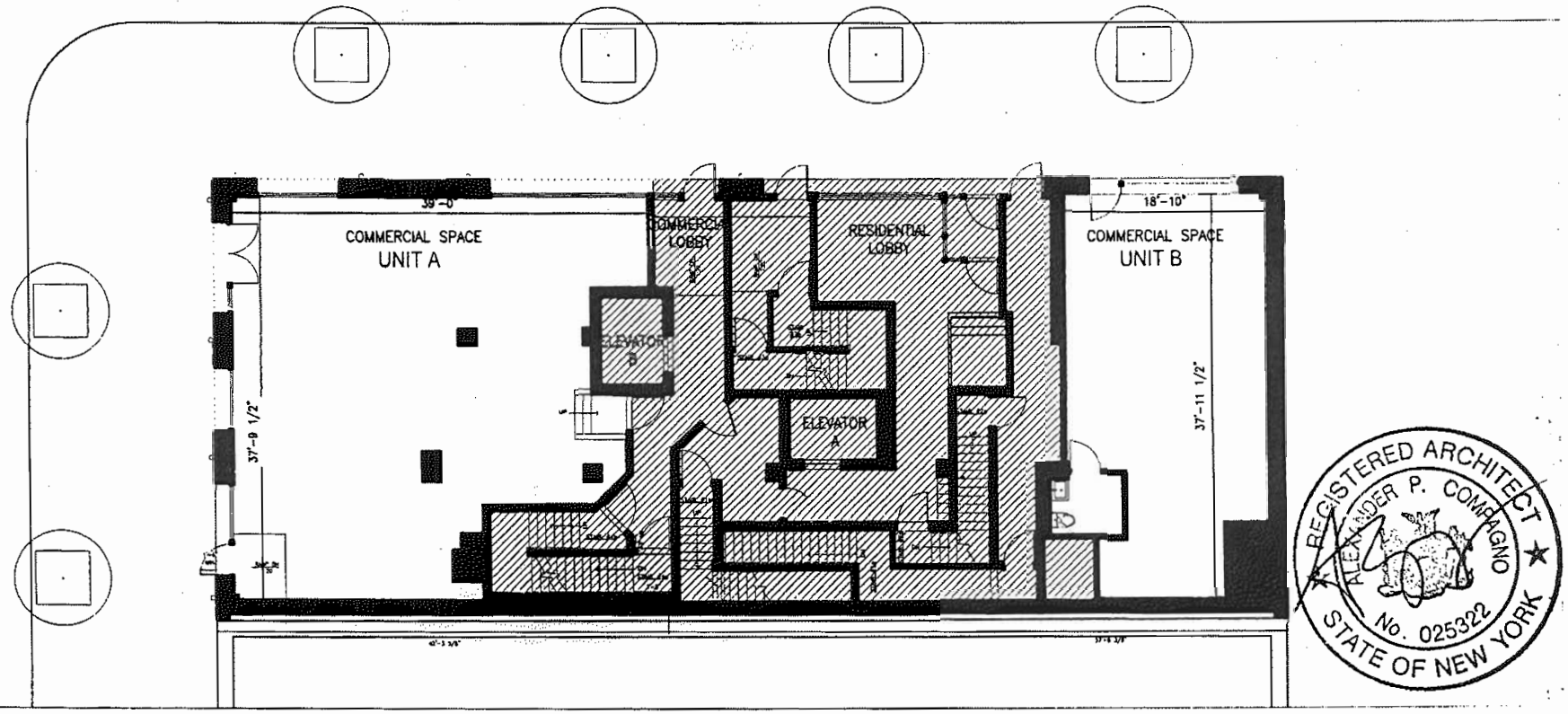
UNIT A– COMMERCIAL SPACE
APPROX. GROSS SF = 1458 SF

UNIT B– COMMERCIAL SPACE
APPROX. GROSS SF = 839 SF

GENERAL COMMON:
APPROX. SF = 1784 SF

TOTAL GROSS AREA:
APPROX. TOTAL SF = 4080 SF

GENERAL COMMON
FRONT YARD (COMMON)



REGISTERED ARCHITECT
ALEXANDER P. COMPAGNO
No. 025322
STATE OF NEW YORK

2279 THIRD AVENUE
GROUND FLOOR

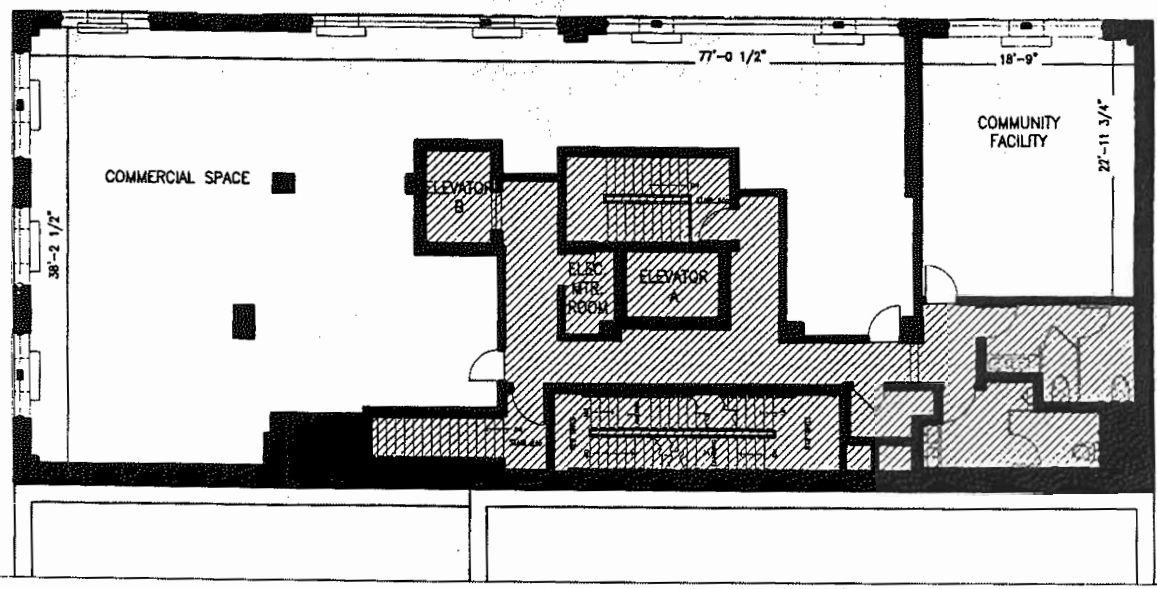
NOT TO SCALE

ALEXANDER COMPAGNO and ASSOCIATES
architecture and design

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t. 646.638.9308 f.646.638.9352

SECOND FLOOR

UNIT A– COMMERCIAL SPACE APPROX. GROSS SF = 2311 SF	GENERAL COMMON FRONT YARD (COMMON)
UNIT B– COMMUNITY SPACE APPROX. GROSS SF = 521 SF	
GENERAL COMMON: APPROX. SF = 1297 SF	
TOTAL GROSS AREA: APPROX. TOTAL SF = 4129 SF	





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2279 THIRD AVENUE
SECOND FLOOR

NOT TO SCALE

ALEXANDER COMPAGNO and ASSOCIATES
architecture and design

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THIRD FLOOR

UNIT 3A– RESIDENTIAL
APPROX. GROSS SF = 1305 SF

UNITS 3B– RESIDENTIAL
APPROX. GROSS SF = 745 SF

UNITS 3C– RESIDENTIAL
APPROX. GROSS SF = 757 SF

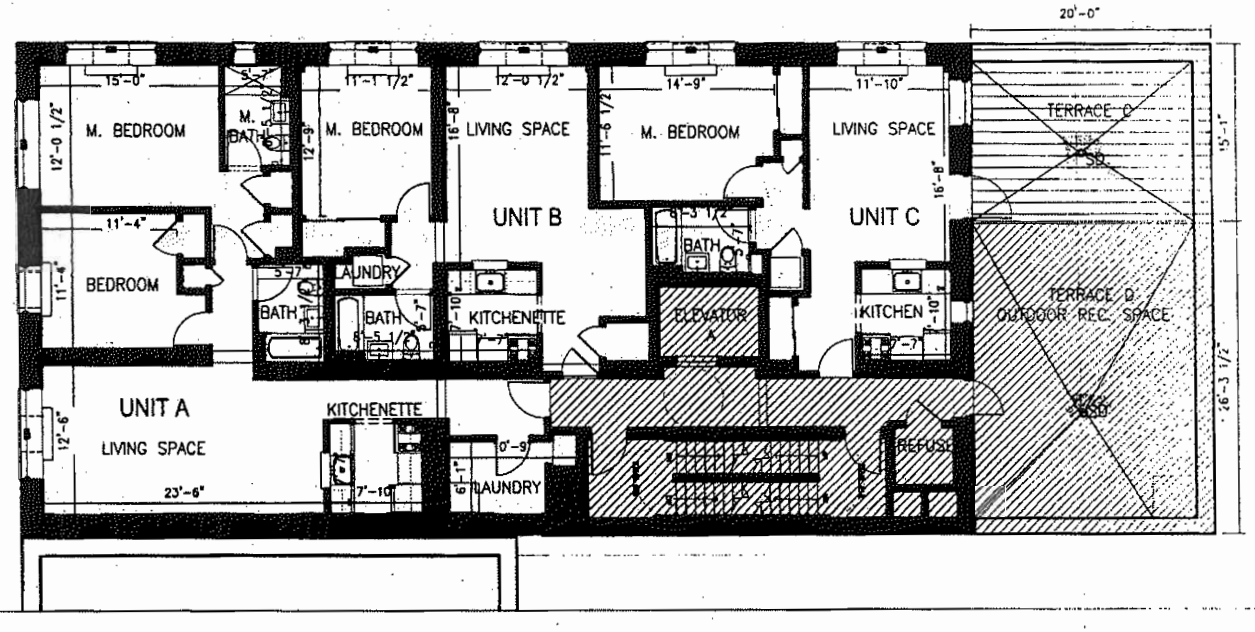
TERRACE C – PRIVATE
APPROX. GROSS SF = 305 SF

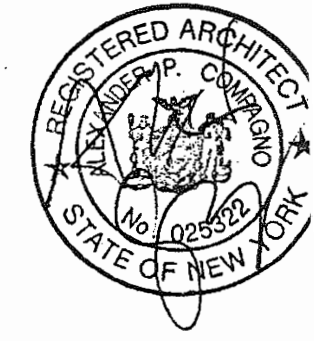
GENERAL COMMON:
APPROX. SF = 502 SF

GENERAL COMMON
TERRACE D – PUBLIC REC SPACE
APPROX. GROSS SF = 523 SF

TOTAL GROSS AREA:
APPROX. TOTAL SF = 3310 SF

GENERAL COMMON
PRIVATE TERRACE





2279 THIRD AVENUE
THIRD FLOOR

NOT TO SCALE

ALEXANDER COMPAGNO and ASSOCIATES
architecture and design

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FOURTH & FIFTH FLOOR

UNIT 4A– RESIDENTIAL
APPROX. GROSS SF = 1305 SF

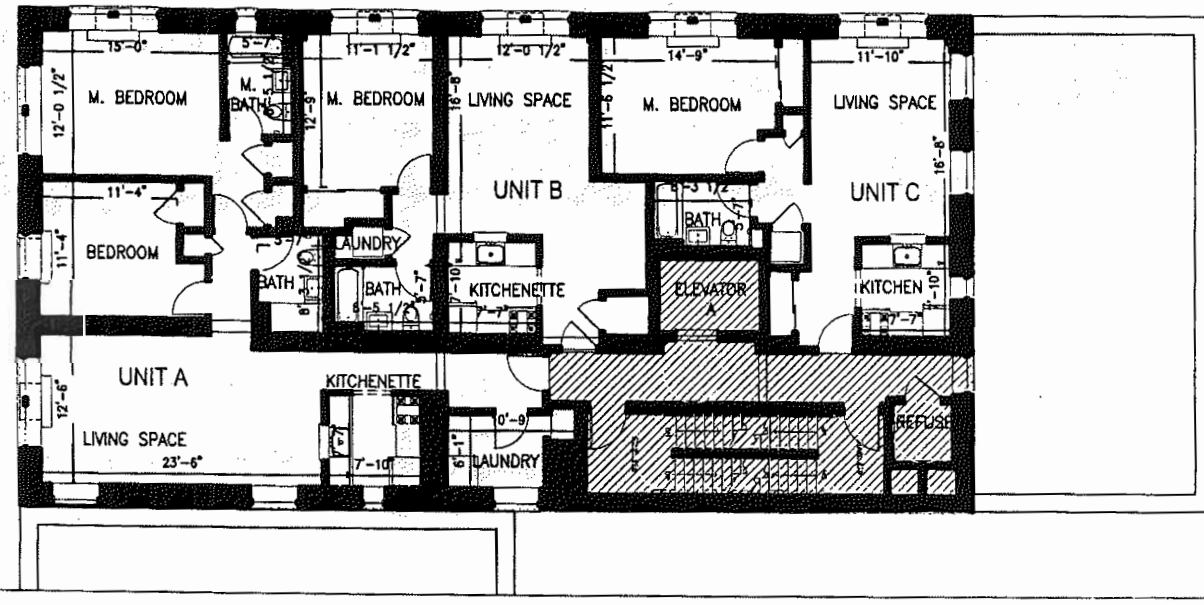
UNITS 4B– RESIDENTIAL
APPROX. GROSS SF = 745 SF

UNITS 4C– RESIDENTIAL
APPROX. GROSS SF = 757 SF

GENERAL COMMON:
APPROX. SF = 502 SF

TOTAL GROSS AREA:
APPROX. TOTAL SF = 3310 SF

GENERAL COMMON
PRIVATE TERRACE



REGISTERED ARCHITECT
ALEXANDER P. COMPAGNO
No. 025322
STATE OF NEW YORK

220

2279 THIRD AVENUE
FOURTH & FIFTH FLOOR

NOT TO SCALE

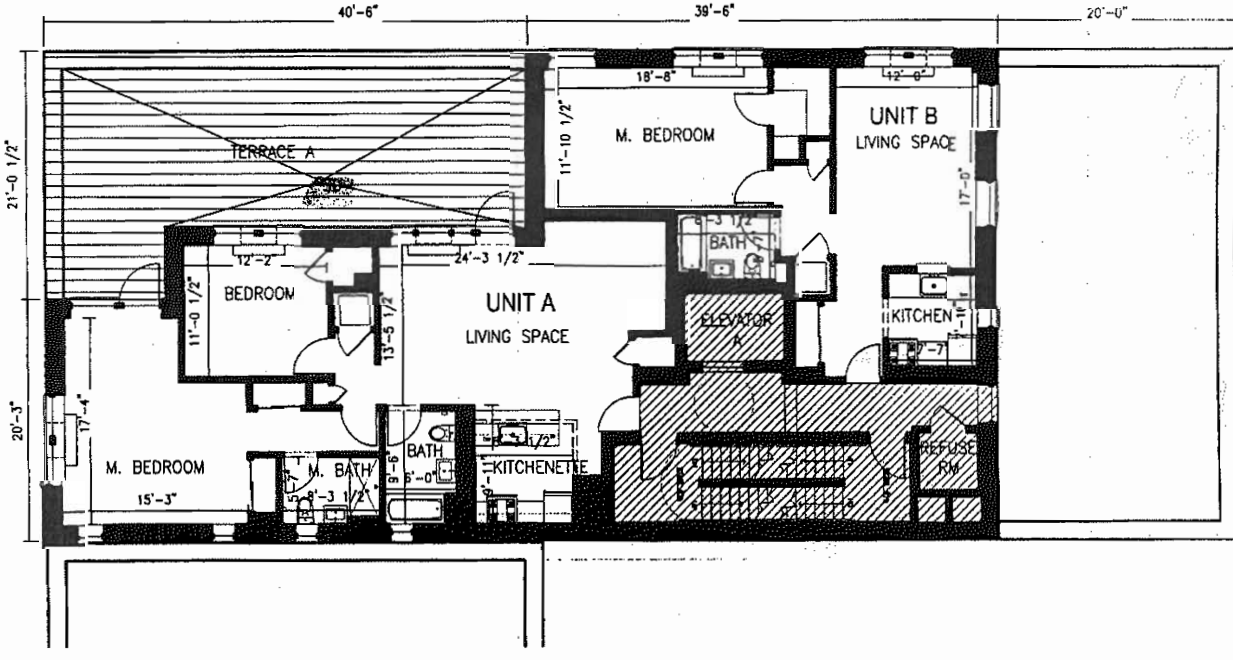
ALEXANDER COMPAGNO and ASSOCIATES
architecture and design

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SIXTH FLOOR

UNIT 6A– RESIDENTIAL APPROX. GROSS SF = 1296 SF	TERRACE A – PRIVATE APPROX. GROSS SF = 668 SF
UNITS 6B– RESIDENTIAL APPROX. GROSS SF = 868 SF	
GENERAL COMMON: APPROX. SF = 478 SF	
TOTAL GROSS AREA: APPROX. TOTAL SF = 2642 SF	

GENERAL COMMON
PRIVATE TERRACE





221

2279 THIRD AVENUE
SIXTH FLOOR

NOT TO SCALE

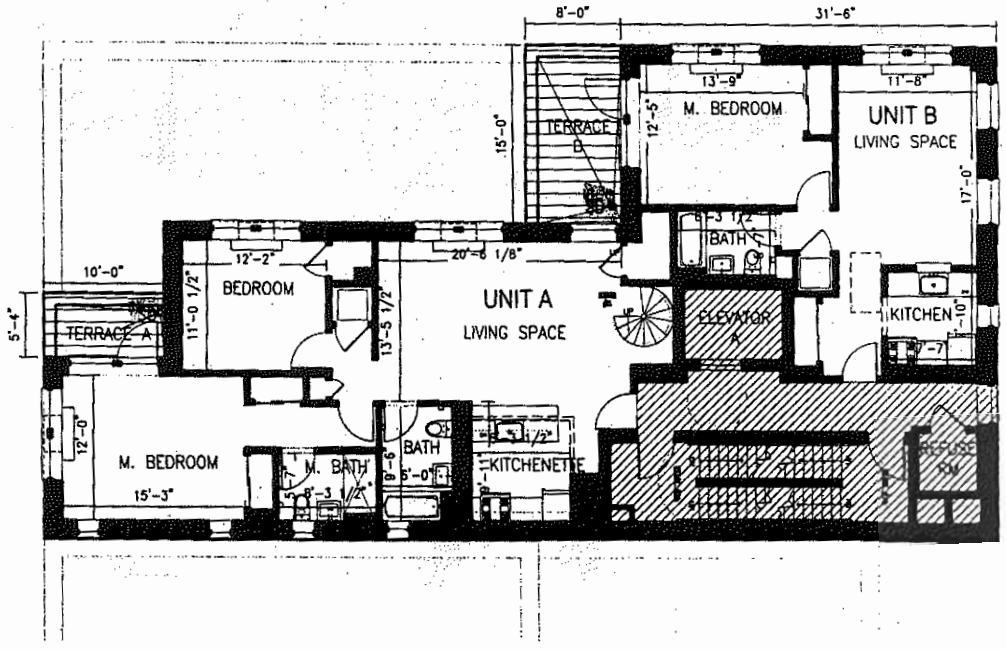
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architecture and design
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t. 646.638.9308 f. 646.638.9352

SEVENTH FLOOR

UNIT 7A– RESIDENTIAL APPROX. GROSS SF =	1236 SF	TERRACE A – PRIVATE APPROX. GROSS SF =	53 SF
UNITS 7B– RESIDENTIAL APPROX. GROSS SF =	755 SF	TERRACE B – PRIVATE APPROX. GROSS SF =	120 SF
GENERAL COMMON: APPROX. SF =	478 SF		
TOTAL GROSS AREA: APPROX. TOTAL SF =	2469 SF		

GENERAL COMMON

PRIVATE TERRACE





222

2279 THIRD AVENUE
SEVENTH FLOOR

NOT TO SCALE

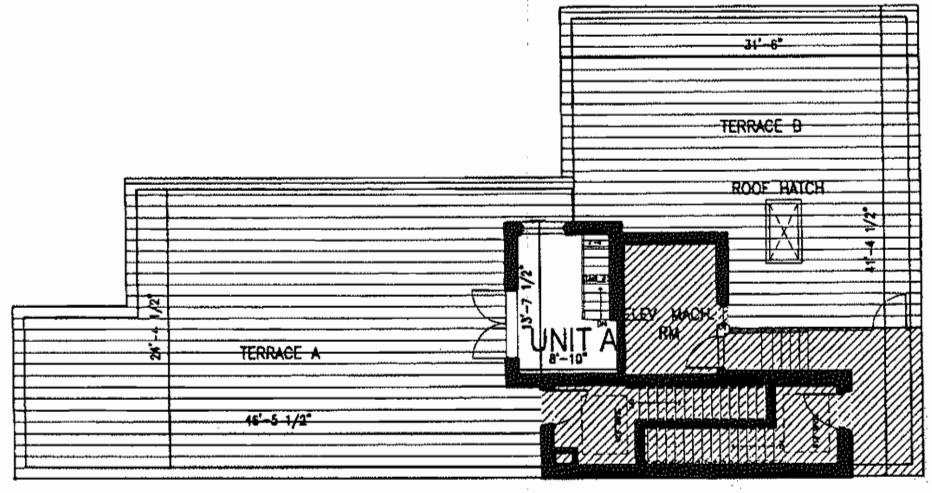
ALEXANDER COMPAGNO and ASSOCIATES
architecture and design

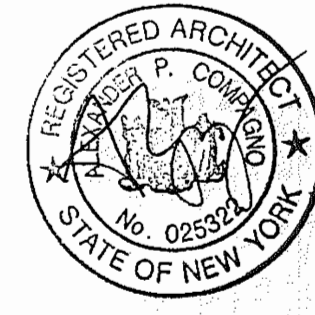
ROOF LEVEL

UNIT 7A– RESIDENTIAL		**TERRACE A – PRIVATE**	
APPROX. GROSS SF =	148 SF	APPROX. GROSS SF =	1080 SF
UNITS 7B– RESIDENTIAL		**TERRACE B – PRIVATE**	
APPROX. GROSS SF =	0 SF	APPROX. GROSS SF =	768 SF
GENERAL COMMON:		**GENERAL COMMON:**	
APPROX. SF =	351 SF	APPROX. SF =	122 SF
TOTAL GROSS AREA:			
APPROX. TOTAL SF =	2468 SF		

GENERAL COMMON

PRIVATE TERRACE





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2279 THIRD AVENUE

MAIN ROOF

NOT TO SCALE

ALEXANDER COMPAGNO and ASSOCIATES
architecture and design

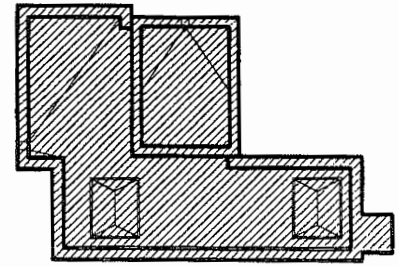
236 W. 26th Street Suite 604 New York, NY 10001
t. 646.638.9308 f.646.638.9352

BULKHEAD LEVEL

GENERAL COMMON:
APPROX. SF = 509 SF

TOTAL GROSS AREA:
APPROX. TOTAL SF = 0 SF

GENERAL COMMON
PRIVATE TERRACE



REGISTERED ARCHITECT
ALEXANDER P. COMPAGNO
No. 025322
STATE OF NEW YORK

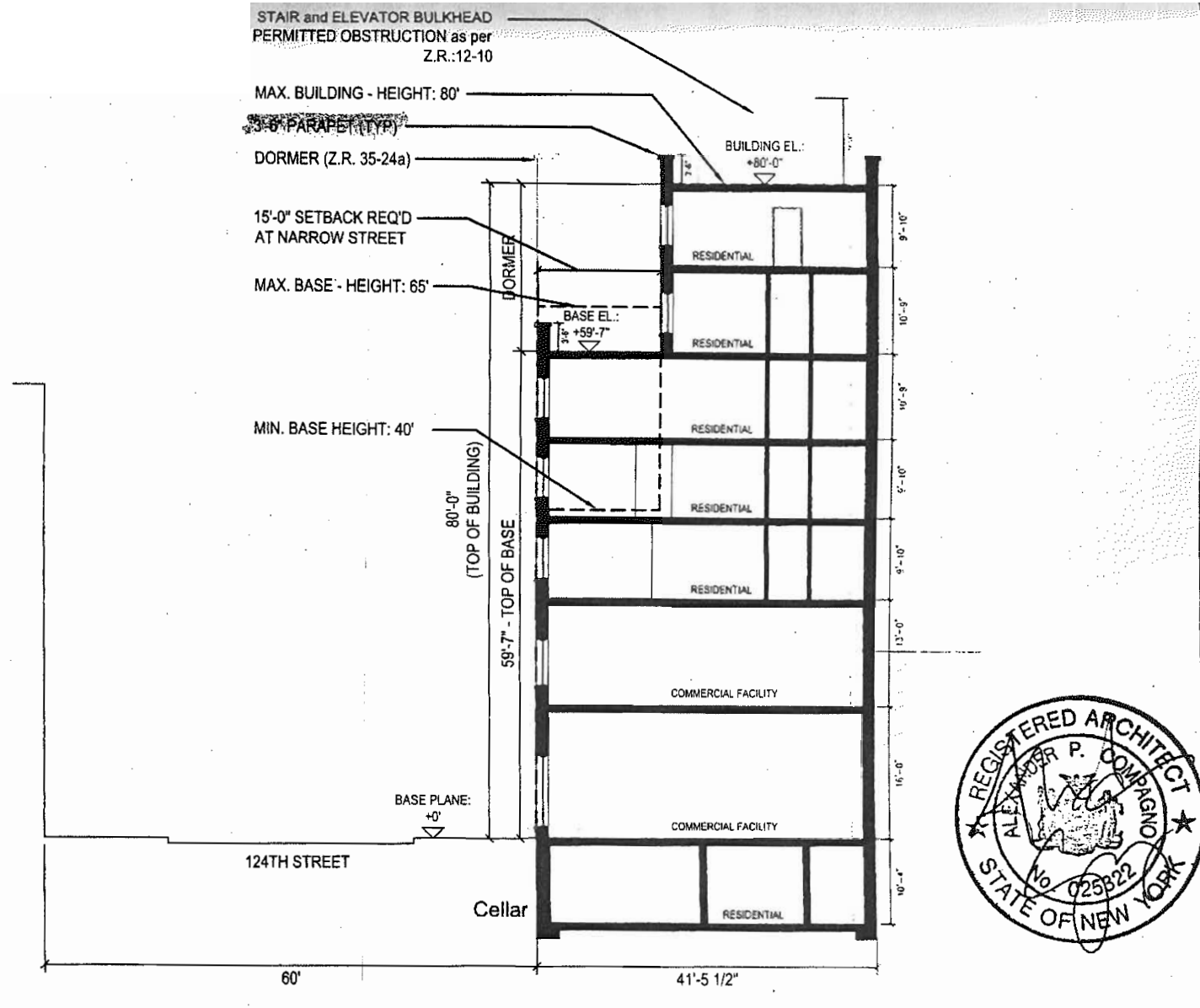
224

2283 THIRD AVENUE
BULKHEAD ROOF

NOT TO SCALE

ALEXANDER COMPAGNO and ASSOCIATES
architecture and design

236 W. 26th Street Suite 604 New York, NY 10001
t. 646.638.9308 f.646.638.9352



REGISTERED ARCHITECT
ALEXANDER P. COMPAGNO
No. 025322
STATE OF NEW YORK

225

2279 THIRD AVENUE
SCHEMATIC SECTION

NOT TO SCALE

ALEXANDER COMPAGNO and ASSOCIATES
architecture and design

236 W. 26th Street Suite 604 New York, NY 10001
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DOCUMENT C

UNIT OWNER'S POWER OF ATTORNEY

THE BRIDGE SOUTH CONDOMINIUM

UNIT No._____

2279 THIRD AVENUE

NEW YORK, NEW YORK 10035

Block # 1788 Lot # F/K/N as 1

NKA # _____

Return to:
Shaw & Associates
Attn: Martin Shaw, Esq.
350 Fifth Avenue
Suite 2816
New York, New York 10118
(212-279-4490)

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UNIT OWNER'S POWER OF ATTORNEY

All terms used in this Unit Owner's Power of Attorney that are used (a) in the Declaration establishing a Plan for condominium ownership of the premises known by the street address 2279 Third Avenue, New York, New York and recorded in the New York County office of the Register of the City of New York on _____, in CFRN #_____ _____, (hereinafter referred to as "Declaration"), or (b) in the By-Laws of **THE BRIDGE SOUTH CONDOMINIUM** (hereinafter referred to as the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Unit Owner's Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____ (having an office/ residing) at _____, the Owner of the Condominium Unit No. _____ in the Condominium known as **THE BRIDGE SOUTH CONDOMINIUM** located at 2279 Third Avenue, New York. New York and consisting of the real property and improvements thereon and more particularly describe in Schedule A to the Declaration which Declaration was submitted to the provisions of Article 9-B of the Real Property Law of the State of New York, dated _____,200__ and recorded on _____, 200___ in CFRN #_____. Said Unit being designated and described as Unit No._____ in the Declaration was designated as **Tax Lot No._____ in Block 1788** of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, (does) (do)* hereby irrevocably nominate, constitute and appoint the persons who may from time to time constitute the Board of Managers of **THE BRIDGE SOUTH CONDOMINIUM** jointly, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board of Managers or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with the Unit Owners' respective Common Interests subject to provisions of the By-Laws then in effect: (1) (a) to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, surrender, or lease the same, or (b) to acquire any Unit, together with its Appurtenant Interests, that becomes the subject of a foreclosure or other similar sale, on such terms and conditions and at such price or at such rental, as the case may be, as said attorneys-in-fact shall deem proper, and thereafter to convey, sell, lease, mortgage, or otherwise deal with (but not vote the interest appurtenant to) any such Unit so acquired by them, or to sublease any Unit so leased by them, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in-fact the power to do all things in said premises that the undersigned could do if the undersigned were personally present; and (2) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Condominium that the Condominium Board of Managers deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution, or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Condominium or (b) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Condominium or the Common Elements, that the Condominium Board of Managers deems necessary or appropriate.

The acts of a majority of such persons constituting the Condominium Board, if it includes one member from the Sponsor if Sponsor owns at least one Unit in the Condominium, shall constitute the acts of said attorneys-in-fact.

The undersigned (does) (do)* hereby irrevocably nominate, constitute and appoint **2279-2283 Third Avenue Associates LLC** (hereinafter referred to as "Sponsor") as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time said Declaration, By-Laws and the Rules and Regulations of the said Condominium, or any of said condominium documents, when such amendment (1) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the affected Unsold Units resulting therefrom made by Sponsor or its designee in accordance with Article XII of the Declaration or (2) shall be required by (a) an Institutional Lender designated by Sponsor to make a mortgage loan secured by a mortgage on any Unit, (b) or shall be required by any governmental agency having regulatory jurisdiction aver the Condominium for any reason including in regard to the construction obligation of the Sponsor and the issuance of a permanent certificate of occupancy, or (c) any title insurance company selected by Sponsor to insure title to any Unit, provided, however, that any amendment made pursuant to their terms of subdivision (1) or (2) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, or (ii) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender covering the Undersigned's Unit unless the undersigned (in the event described in subdivision (i) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to, this paragraph shall remain in full force and effect until such time as the Sponsor or its designees shall cease to own any of the Units in **THE BRIDGE SOUTH CONDOMINIUM.**

IN WITNESS WHERE OF, the undersigned (has) (have) executed this Unit Owner's Power of Attorney as of the _____day of_____, 200____.

_____

_____

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

On the _____ day of _____ 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(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

DOCUMENT D

THE BRIDGE SOUTH CONDOMINIUM

CONDOMINIUM UNIT DEED

For

UNIT No. _____

2279 THIRD AVENUE

NEW YORK, NEW YORK 10035

Block # 1788 Lot #_____

Return to:
Shaw & Associates
Attn: Martin Shaw, Esq.
350 Fifth Avenue
Suite 2816
New York, New York 10118
(212)-279-4490

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CONDOMINIUM UNIT DEED

THIS INDENTURE, made the ____day of _____, 2004, by and between **2279-2283 Third Avenue Associates LLC** having an office at 104 East 126th Street, NY 10035 (hereinafter referred to as the ("Grantor") and_____ (having an office) (residing) at _____(hereinafter referred to as the "Grantee").

WITNESSETH:

That the Grantor, in consideration of Ten Dollars ($10) and other valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, and the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit (hereinafter referred to as the "Unit") known as Unit No.____ at the Property known as **THE BRIDGE SOUTH CONDOMINIUM** and by the street number 2279 Third Avenue, Borough of Manhattan, City, County and State of New York (hereinafter called the "Property"), said Unit being designated and described as Unit No._____ in a certain Declaration establishing condominium ownership of the Property and the land (which land is more particularly described in Schedule A to the Declaration and annexed hereto and by this reference made a part hereof) on which it is erected (hereinafter collectively called the "Property") under the name of **THE BRIDGE SOUTH CONDOMINIUM** made by Grantor under the Condominium Act of the State of New York (Article 9-B of the Real Property Law of the State of New York) which Declaration was recorded in the City Register, New York County on _____, 200____, under CFRN #_____ which Declaration and amendments thereto are hereinafter collectively referred to as the "Declaration". This Unit is also designated as Tax Lot _____ in Block 1788 of the Borough of Manhattan on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans of the Property, certified by Alexander Compagno & Associates, on _____, 200__, and filed simultaneously with the Declaration in said office as Condominium Plan No. . The land area of the Property is defined as follows:

See description of land, Schedule A attached hereto.

TOGETHER with an undivided _____ percent (___%) interest in the Common Elements (as such term is defined in the Declaration);

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

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

TOGETHER with an easement for the continuance of all encroachments by the Unit on any adjoining Units or the Common Elements now existing as a result of the construction of the

Building and the Property or which may come into existence hereafter as a result of the settling of the Building and the Property, or as a result of renovations or repairs of the Building, the Property or the Unit, after damage by fire or other casualty, or after taking in condemnation or eminent domain proceedings, or by reason of an alteration or repair to the common elements made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand;

TOGETHER with, and **SUBJECT** to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws of **BRIDGE SOUTH CONDOMINIUM** as same may be amended from time to time by instruments recorded in the Office of the Register of the City of New York, New York County, all of which rights, obligations, easements, restrictions and other provisions shall constitute covenants running with the Land and shall bind any and all persons having at any time any interest or estate in the Unit, as though recited and stipulated at length herein and subject to any other matters of record as of the date hereof;

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

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

SUBJECT also to such other liens, agreements, covenants, easements, restrictions, consents and other matters of record as pertain to the Unit, to the Land and/or the Building in which the Unit is located.

SUBJECT to all the exceptions to the Title as set forth in the Offering Plan.

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

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

The Unit is intended to, and, subject to and by the terms of the Declaration, is to be used as a (Residential) (Commercial) (Community Facility) Unit.

If any provisions of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to the provisions of the New York State Condominium Act, or if any provision that is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of said Condominium Act, is missing from the Declaration or the By-Laws, or, if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of Article 23 of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium Board of Managers (as such term is defined in the Declaration) or provided in the Declaration or in the By-Laws, or by the Sponsor, the Unit is intended for all legal uses permitted subject to applicable governmental regulations and the restrictions contained in the Declaration.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as set forth in the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws). This covenant is for the personal benefit of the Grantee only and cannot be assigned to or exercised by, and shall not insure to the benefit of any other person or entity, including, but not limited to, any insurer of the Grantee's title or any successor to the Grantee's interest.

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

The Grantee by accepting delivery of this deed covenants and agrees to be bound by and to comply with the provisions of the Declaration and the By-Laws (including the Rules and Regulations adopted under the By-Laws) as same may be amended from time to time by instruments recorded in the Office of the Register of the City of New York, New York county.

This conveyance is made in the regular course of business actually conducted by the Grantor. The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

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

Sponsor (Grantor): 2279-2283 Third Avenue Associates LLC
By: _____

_____
Grantee

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

On the _____ day of _____ 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(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

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

On the _____ day of _____ 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(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

SCHEDULE A

DESCRIPTION OF LAND

ALL THAT CERTAIN plot, piece or parcel of land, situate, lying and being in the borough of Manhattan, County of New York, City of New York and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the easterly side of Third Avenue with the southerly side of 124th Street;

RUNNING THENCE Easterly and along said southerly side of 124th Street, 100 feet;

THENCE Southerly, parallel with Third Avenue, 41 feet 5-1/2 inches to the land now or formerly of W.D. Webb ;

RUNNING THENCE Westerly, parallel with 124th Street and along land of Webb, 100 feet to the easterly side of Third Avenue; and

THENCE Northerly along said easterly side of Third Avenue, 41 feet 5-1/2 inches to the point or place of **BEGINNING**

INTENTIONALLY LEFT BLANK

DOCUMENT E

THE DECLARATION

Establishing a Plan for Condominium Ownership
of the Premises known as

2279 THIRD AVENUE

New York, New York 10035

Pursuant to Article 9-B of
the Real Property Law of the State of New York

By Declarant,

2279-2283 Third Avenue Associates LLC

For

THE BRIDGE SOUTH CONDOMINIUM

Prepared by
Shaw & Associates
Attorneys for Sponsor
350 Fifth Avenue
Suite 2816
New York, NY 10118

This land affected by the within instrument
on the Tax Map of the Borough of Manhattan
Block 1788
FKA Lot 47
N/K/A Lots _____

City, County and State of New York.

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DECLARATION
OF THE
THE BRIDGE SOUTH CONDOMINIUM

Pursuant to Article 9-B of the Real Property Law of the State of New York, **2279-2283 Third Avenue Associates LLC** (hereinafter referred to as "Sponsor" or "Declarant"), fee owner of the subject Property, having an office at 104 East 126th Street, New York, New York 10037 does hereby declare as follows:

PART I

Article 1
Definitions

All references to "Property" or "Building" shall mean 2279 Third Avenue, New York, New York 10035. All references to the "Declaration" shall mean the Declaration for **THE BRIDGE SOUTH CONDOMINIUM**. All capitalized terms used in this Declaration that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require, or as defined in Schedule C, attached hereto. Each of the said capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Article 2
Submission of the Property

Sponsor hereby submits the Land and Building and all other property, real, personal or mixed, intended for use in connection therewith (collectively the "Property") at 2279 Third Avenue, New York NY 10035 to the provisions of Article 9-B of the Real Property Law of the State of New York (the **"Condominium Act"**) and, pursuant thereto, does hereby establish a regime for condominium ownership of the land and improvements thereto as set forth herein and in the By-Laws. The Building together with all other improvements now or hereafter erected thereon or on the Land are sometimes herein referred to as the "Building".

Article 3
Name of Condominium

The Condominium shall be known as **THE BRIDGE SOUTH CONDOMINIUM.**

Article 4
The Land

The Property consists in part of all that certain tract, plot, piece and parcel of Land that has area of approximately 4,150 square feet situate, lying and being in the County of New York, City and State of New York and is more particularly described in Schedule A annexed hereto and

made a part hereof, together with all the easements, rights, privileges and hereditaments appurtenant thereto (collectively sometimes herein referred to as the "Land").

Article 5
The Building

The Building contains seven stories, a cellar, lobby, two elevators, General Common Elements and Limited Common Elements. The Building shall consist of thirteen (13) Residential Units on floors three thru seven, one (1) Commercial Triplex Unit located on the cellar, first floor and second floor level and one (1) Unit designated "Community Facility" that is located on the second floor. There are also certain areas designated "Limited Common Elements" that are for the exclusive use of certain Units and consist of the following: terraces for the exclusive use of Units 3C, 6A, 7A, and 7B and roof terraces for Units 7A and 7B. The Building is constructed of concrete columns and concrete reinforcing walls on the cellar floor and steel on the first and second floors. Masonry bearing walls with steel reinforcing shall be located on floors 3 thru 7. Floor construction shall consist of concrete on metal deck on metal joists supported by steel beams on floors 1-3 and concrete plank covered by floor finishes on floors 4-7th. The foundation of the Building will consist of a new reinforced concrete mat slab, footings and concrete foundations walls. Walls and steel columns will rest on the foundation walls and footings. The main facades shall be of brick with cast stone lintels, spandrels and sills.

Article 6
The Units

(A) **Exhibit B**, annexed hereto and made a part hereof, sets forth the following data with respect to each Unit necessary for the proper identification thereof:

(i) its designation number;
(ii) its tax lot number;
(iii) the approximate square footage of each Unit;
(iv) the percentage of interest in the Common Elements for each Unit;
(v) the Limited Common Elements allocated to specific Units for their exclusive use.

The precise location of each unit within the property is shown on the Floor Plans, certified by Alexander Compagno & Associates, R.A, which are intended to be filed in the Office of the Register of the City of New York, County of New York, simultaneously with the recording of the Declaration. The approximate physical dimensions of each Unit consists of the area of the Unit, measured horizontally by either the unexposed face of the drywall when located at an exterior wall of the building, or where there are no drywalls, the interior exposed face of the masonry, brick or block exterior walls of the Building and by either the unexposed face of the drywall, or where there are no drywalls, the interior exposed face of the masonry, brick or block demising walls dividing the Unit from other Unitsor the Common Elements. Vertically, each Unit, including any applicable storage space consists of the space between the upper face of either the subfloor or concrete floor and the upper face of the drywall ceiling above or where

there is no dry wall ceiling, the under face of the joists or floor above. Doors and windows which open from or form a border of a Unit shall be deemed part of the Unit.

The Commercial Unit, the Community Facility Unit and the Residential Units are sometimes collectively referred to as "Units" and the owner(s) thereof as the "Unit Owner".

(B) Every Unit, together with its common interest, shall for all purposes be, and it is hereby declared to be and to constitute, a separate parcel of real property and the Unit Owner thereof shall be entitled to the exclusive ownership and possession of his Unit subject only to the covenants, restrictions, easements, by-laws, rules, regulations, resolutions and decisions adopted pursuant thereto as may be contained in the Condominium documents or as may from time to time be passed in accordance with this Declaration and the By-Laws.

(C) Any transfer of a Unit shall include its Common Interest in **BRIDGE SOUTH CONDOMINIUM.** The Common Interest means the proportionate undivided interest in fee simple absolute of each Unit Owner in the Common Elements appertaining to each Unit.

(D) Each Unit includes, and the Unit Owner shall be responsible for the following areas in or bounding each such Unit: (i) its entrance door to such Unit, including doors to the terraces or roof terraces of certain Units; (ii) the interior walls, partitions, wood or other floor coverings and gypsum board ceilings affixed, attached, or appurtenant to such Unit; (iii) all windows (including without limitation, their panes, casements and frames) located within, or opening from, such Unit; (iv) any and all equipment, fixtures and appliances (including without limitation, heating and cooling equipment, plumbing facilities, sinks, bathtubs, waterclosets, kitchen appliances) affixed, attached or appurtenant to such Unit; (v) all other facilities affixed, attached, or appurtenant to such Unit and benefiting only that Unit; ("Limited Common Elements") appurtenant thereto for the Unit Owner's exclusive use (but not items of a structural nature).

(E) Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner shall have the right, exercisable at any time and from time to time, to install, at such Unit Owner's sole cost and expense, such decorations, fixtures and coverings (including, without limitation, painting, finishing, wall papering, carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts, and the like. A Unit Owner may alter or remove non-structural interior partitions in whole or in part, or make other repairs in order to change the layout of the Unit provided: (i) a permanent Certificate of Occupancy has been issued to the Building and the Sponsor or its designee has completed all of its obligations pursuant to the construction obligations under the Plan and any Statement of Exceptions of the Purchase Agreement to any given Unit; (ii) such installation or alteration shall not impair the structural or functional integrity of such Unit, the Building or the Property or violate any law or any building code to which the Building or Property is subject; (iii) such changes will not alter the number of rooms within the Unit unless the Unit Owner has obtained the prior written consent of the Sponsor if the Sponsor or its designee retain any Unsold Units or the Condominium Board after the Sponsor or its designee no longer owns any Unsold Units. Consent by the Board shall not be unreasonably withheld. Such

Owner desiring to make such changes must obtain appropriate permits, if applicable, and cause the Declaration to be amended and pay all expenses related to such changes. Any and all work shall be performed in accordance with the By-Laws. Other than Sponsor or its designee or the Owner of the Community Facility or the Commercial Unit, no Unit Owner shall change the color of the Unit's entry door, the exterior of any door, or the exterior side of windows without the prior written consent of the Sponsor or the Board of Managers after the Sponsor no longer owns any Units.

(F) The restrictions set forth above do not apply to the Sponsor or its designee or the Owner of the Community Facility or the Commercial Unit provided such alterations and replacements are code compliant. However, any changes in room count, subdivision of a Unit or combining of a Unit shall be done in accordance with Articles 12 and 18 herein.

(G) Any Common Element located within a Unit shall not be considered a part of such Unit.

Article 7
The Common Elements

(A) The Common Elements consists of the entire Property including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements are comprised of the General Common Elements and the Limited Common Elements, if any, which are described below.

(B) The General Common Elements include the Land on which the Building is physically erected and all other lands comprising the Property; and all sides of the Building within the boundaries of the Property together with all easements, rights and privileges appurtenant thereto in addition to;

(i) All foundations, columns, beams, supports, wood joists, girders, bearing walls; those portions of the exterior walls beyond the interior face of the exterior but excluding any framing, insulation, and/or sheetrock attached thereto which are part of a Unit; those portions of the walls and partitions dividing the Units from the corridors, elevator shaft and staircases located beyond the unexposed face of the dry walls enclosing a Unit, or, where applicable, the masonry blockwork or concrete work of the interior walls of the Building separating one Unit from another Unit, or from corridors, elevator shaft, staircases or lobbies not within a Unit; roof bulkheads or roof areas which are not part of a Unit or for the exclusive use of a particular Unit; skylights, if any, other those directly over Units; water tanks or towers, if any, the sprinkler system or parts thereof, if any, installed in the common areas of the Building, corridors, halls and staircase areas located beyond the unexposed face of the drywalls or masonry blockwork or concrete work of the walls enclosing a Unit; mechanical, storage and utility areas which are not part of a Unit or which are not specifically designated as Limited Common Elements, located beyond the unexposed face of the drywalls or masonry blockwork or concrete work enclosing a Unit or the unexposed face of a dry wall enclosing all or part of such

Units; floors and ceilings in, on, or under the Building, to the extent that same are not expressly included as part of the Unit pursuant to the terms of Article 6 above or as part of the Limited Common Elements pursuant to (C) below;

(ii) All concrete floor slabs and concrete ceilings, all sidewalks, curbs, hallways, corridors, mechanical and electrical spaces, service entrance, lobbies, vestibule, the common areas of the cellar and roof, entrances to and exits from the Building, exterior access stairs, railings and gates, if any, storage and common laundry spaces, if any, mail rooms, mail boxes, elevator shafts and pit, as well as those facilities therein, or elsewhere, either currently or hereafter existing for the common use of the Units or of the Unit Owners or necessary for, or convenient to, the existence, maintenance, management, operation, or safety of the Property and are not limited in use to one or more Units to the exclusion of all other Units. Without intending to limit the generality of the foregoing in any respect, the General Common Elements include:

(iii) all central and appurtenant installations and facilities for services such as power, light, telephone, intercom, gas, sewer, fire safety, plumbing, drainage, pipes, ducts, flues, wires, motors, fans, pumps, tanks, compressors, fireplace chimneys which service a particular Unit including the Commercial and Community Facility Units, refuse and recycling areas in the cellar, and roof, cables and conduits, hot and cold water distribution, heat, ventilation, cable television, mechanical and electrical systems to the extent that the same are not expressly included as a part of a Unit or as part of the Limited Common Elements;

(iv) all other parts of the Property, and all apparatus and installations now existing or hereafter constructed in the Building or on the Property, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property to the extent same are not expressly included as part of a Unit or the Limited Common Elements.

(C) The Common Elements will be owned and used by all Units Owners in common and its maintenance, repair, replacement and operation will be borne by all Unit Owners in proportion to their respective percentage of Common Interest which costs will be included, amongst all the others costs of operating the Condominium, in the annual operating Budget. The Common Charges shall constitute trust funds for the purpose of the operation of the Condominium.

(D) The Common Elements shall remain undivided, and no Unit Owner or any other Person shall bring, or shall have the right to bring, any action for partition or division thereof, except as is expressly permitted pursuant to the terms of Articles 12 and 15 hereof and Section 5 of the By-Laws.

(E) Each Unit Owner may use the Common Elements in accordance with the purpose for which they are intended provided such use does not encroach upon the rights of other Unit Owners.

(F) If a Unit Owner questions the proper use of a Common Element, the Condominium Board of Managers, if the Sponsor no longer owns at least one Unit, shall determine the purpose for which a Common Element is intended to be used in accordance with this Declaration.

(G) No Unit Owner shall repair, replace, alter, replace or move any portion of the Common Elements or permit such to happen except in connection with an emergency pursuant to the grants of easements set forth in Article 11 hereof, without the prior written consent of the Sponsor, if Sponsor owns any Unsold Units, or the Condominium Board thereafter.

(H) No liens of any nature shall arise or be created against the Common Elements except with the unanimous consent in writing of all Unit Owners, except such liens as may arise or be created against one or several Units and their respective Common Interests under Section 339(i) of the Condominium Act.

(I) The Limited Common Elements specifically refers to those areas of the Land and Building (other than the Units) or facilities that enclose, service or benefit only specified Units to the exclusion of all other Units. In this Plan, such Limited Common Elements are:

a. at the cellar level through and including the 7th floor and at the roofs of the building: All columns, beams, supports, bearing walls, those portions of the exterior walls and any insulation or framing beyond the unexposed face of the dry wall at the exterior face of the Building, or, where applicable, those portions of the exterior walls beyond the interior face of the exterior walls; those portions of the walls and partitions dividing the Units from the corridors, the elevator shafts, fire staircases and stairs located beyond the unexposed face of the dry walls enclosing a Unit, or, where applicable, the blockwork or concrete work of the interior walls of the Building separating one Unit from another Unit, or from corridors, the elevator shafts, fire staircases, stairs, vestibules or lobbies not within a Unit; the subfloors and framing joists, if any, including any framing attached to such joists from which the dry wall ceiling of the Unit below is attached; roof bulkheads and roof areas which are not for the exclusive use of a particular Unit or Units, the use of which shall be at the sole discretion of the Board of managers; skylights and/or glass enclosures, if any, other than those directly over Units; sprinkler systems, standpipe systems, or parts thereof installed in common areas of the Building, if any, service corridors, fore corridors, halls stairs and stairway areas at those levels located beyond the unexposed face of the dry walls or blockwork or concrete work of the walls enclosing a Unit; storage and utility areas, if any, at those levels which are not part of a Unit and located beyond the unexposed face of the drywalls or blockwork or concrete work enclosing a unit;

b. At the ground floor level, the sidewalks in from of the building, including any tree, shrubbery, flower or other planting or horticulture tub or box located thereon, subject to an easement in favor of a Commercial Unit Owner for ingress or egress or for any other lawful purpose; other than the loading dock to the building, the entrances to and exits from the Building, which are not part of a particular Unit;

but all subject to an easement in favor of a Commercial Unit Owner or the tenants and patrons thereof, their servicemen, consultants, and/or repairmen (i) to install, access, maintain, repair and/or replace any and all mechanical equipment servicing a Commercial Unit; and (ii) for fire egress purposes and access to and/or egress from a Commercial Unit;

c. Private terraces for 3A, 6A, 7A and 7B, roof terraces adjacent to and with direct access from Units 7A and 7B. Non-structural, ordinary repairs of the terraces, including any fencing demarcating such area, shall be the responsibility of the individual Residential Unit Owner who has the exclusive use thereof;

d. Those portions of the main roofs of the Building which have been designated for the installation of mechanical equipment, including, but not limited to, any heating, air-conditioning and ventilation equipment or Facilities which service the Commercial Units and/or the Community Facility, which shall be for the exclusive use of the Commercial Unit Owners and/or Community Facility Owner, as the case may be.

Article 8
Determination of Common Interests

The undivided percentage interest of each Unit in the Common Elements (the "Common Interests" of such Unit) is based on the provisions of Section 339-i(1)(iv) of the Condominium Act, and is based substantially on floor area of the Unit at the date of this Declaration subject to the location of the Unit in the Building and reflecting the substantially exclusive advantages or uniqueness enjoyed by the Unit but not other Units in a part or parts of the Common Elements, and Limited Common Elements, if any. The Common interest of each Unit is declared to be permanent in character and cannot be altered without the prior written consent of any or all Unit Owners affected thereby.

Article 9
Use of Units

(A) Except as set, forth below or in the By-Laws, a Residential Unit shall be used only for private residence and not more than one family may occupy a Unit at one time. A Residential Unit Owner may use his Residential Unit for any home occupation use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction. Residential Units may be used as professional offices by the resident thereof provided such professional use does not violate any zoning law and ordinances and provided further, that the prior written consent of the Sponsor (or when all Units are sold, the Condominium Board), if obtained. Consent to such use by the Condominium Board shall not be unreasonably denied. Sponsor's right to grant permission for use of an Unsold Unit as a professional office or for other purpose shall be entirely at Sponsor's option and provided that such use complies with all government regulations and does not violate the then existing Certificate of Occupancy for the Building. Notwithstanding the foregoing, Sponsor shall

have the right to use, or lease, any one or more of its Unsold Units as model Units and offices for selling, renting, management, operation and promotion of such Units or for any other lawful use or purpose, without the consent of the Condominium Board, the Unit Owners, mortgagees, or anyone else, subject only, to compliance with the Law. Neither the Board or Unit Owners or any agent of the Condominium may authorize a different use of any Unit or Unsold Unit while Sponsor or its designee owns at least one Unsold Unit without the prior consent of the Sponsor or its designee.

(B) Within thirty (30) days after a Person, other than a natural person, becomes the owner of a Residential Unit (other than Units owned by Sponsor or Sponsor's designee), such non-individual owner shall notify the Condominium Board or the Managing Agent, in writing, of the name of the officer, director, stockholder, partner or employee, fiduciary, or other entity, beneficiary, or the family member or guest of any of the foregoing, designated by such owner to occupy its Unit. The non-individual owner may change such designee from time to time by similar written notice to the Managing Agent. The foregoing restrictions do not apply to Sponsor's Unsold Units.

(C) The Commercial Unit and the Community Facility Unit may be used for any lawful purpose permitted under the Zoning Resolution of the City of New York and other applicable laws. Provided the use is lawful, only the Sponsor or the subsequent Owner of such Units shall have the right to determine its use or to the change the use thereof. The consent or vote of the Condominium Board, or any of its agents, or the Unit Owners shall not be required. The Sponsor or its designee or a subsequent Owner of the said Units shall have the right, without the payment of any fees or charges to the Board of Managers or the Managing Agent, to lease or sell the Unit or any part thereof, without the consent of the Condominium Board, or its agents, or the Unit Owners or any right of first refusal. The Condominium Board and the Unit Owners may not apply to change the use of the Commercial Unit or the Community Facility Unit without the prior consent of the respective Owner of such Units. All sale and/or rental proceeds shall belong solely to the respective Owner of such Units.

The Sponsor, Sponsor's designee and/or a non-residential Unit Owner and any tenant or tenants of the non-residential Unit pursuant to the terms of any lease pertaining thereto, shall have the right, without charge or limitation and without the consent of the Board of Managers, any Unit Owner or mortgagee thereof, to install and use additional equipment in the risers and conduits serving the Building, including but not limited to, any equipment, piping and/or ductwork or a flue which will be sized for possible restaurant or commercial grade kitchen use in or on the common areas of the Building and such flue may run from the cellar or first floor level through the roof or some other point in the Building where it will terminate in accordance with the New York City Building Code. The Sponsor, Sponsor's designee and/or such non-residential Unit Owner and any tenant or tenants thereof, shall have an easement, without charge or limitation, to use said flue for any lawful purpose and in conjunction with the use of a non-residential Unit provided such Owner reimburses the Board of Managers for the actual costs attributable to such installation and use. .

The Board of Managers does not have the right to approve any change in the use of the Commercial Unit or the Community Facility, or any part thereof, or the right to apply for or

cause any amendment to the Building's Certificate of Occupancy to authorize a different use except at the request of the Commercial Unit Owner or the Community Facility Owner as to their Unit. Nor shall the Board of Managers or Residential Unit Owners or mortgagees other than the affected Unit, to change the use or subdivide such Units and to reallocate the Common Interests of either Unit among the newly established Commercial Unit or Community Facility Unit, as the case may be, in proportion to their respective floor areas. Such division shall be reflected in a duly recorded amendment to the Declaration by the new Unit Owners. Under no circumstance will the Common Interest of any Residential Unit Owner be changed as a result of such subdivision or will the aggregate Common Interest for the new Units be greater than the Common Interest for the original Units. Any new established Units shall have the same rights as the original Commercial Unit Owner or the Community Facility Unit Owner, as the case may be.

At the request of the Sponsor, a Sponsor-designee, the Commercial Unit Owner or the Community Facility Unit Owner, the Board of Managers 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, repair or subdivision of such Unit or the use or operation of such Units, at which time the requesting party shall indemnify and hold the Board of Managers of the Condominium and the other Unit Owners harmless from any expense or liability by virtue of the execution of the application or such other documents.

The Owners of the Commercial Unit and the Community Facility Unit, and any tenant or tenants of such Units pursuant to the terms of any lease pertaining thereto, shall have the right, without charge or limitation, to install, repair, maintain and replace either within or in the immediate location of such Units or the windows of such Units, below the third floor windows, and for the Commercial Unit on the sidewalk adjacent to the Commercial Unit's entrance, a sign or signs, canopy or awning which may be illuminated, including neon, for advertising or identification purposes subject to compliance with all applicable laws and orders, rules and regulations of the governmental authorities having jurisdiction thereof, including zoning laws, building codes and as required by insurance underwriters. The Commercial Unit Owner and/or the Community Facility Unit Owner and their tenants, as the case may be, shall obtain and pay for all permits required for such signs, canopy or awnings and any necessary renewals fees.

Article 10
Easements for the Enjoyment of Common Elements

(A) Subject to the terms of the By-Laws and the House Rules and Regulations, the Unit Owners (including Sponsor and Sponsor's designee, as long as it owns any Unit and the Owner of the Commercial Unit and/or the Community Facility Unit), all other permitted occupants of the Property, the Selling Agent, the Managing Agent, the Condominium Board of Managers and all officers, partners, employees, agents, guests, invitees and licensees of the foregoing shall have, in common with all of the others, an easement for ingress and egress through as well as for the use and enjoyment of, all of the General Common Elements, and the General Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no Person shall use or enjoy the General Common Elements except in accordance with the reasonable

purposes for which they are intended and without encroaching upon the rights of other Persons to do so.

(B) Notwithstanding anything to the contrary contained in paragraph (A) of this Article 10, or (C) below, Sponsor and its successors, assignees, invitees, licensees, contractors, employees, agents and lessees, shall have an easement in, over, under, through, upon and across all areas of the Property and the use thereof for construction and renovation of the Building, or any part thereof, the inspection, maintenance and performance of alterations, replacements, and repairs in or about Units owned by the Sponsor or its designee or the Common Elements and in fulfilling Sponsor's obligations under the offering plan for the Property and for any other lawful purpose provided: (i) Sponsor, or any other Owner, repairs any resulting damages to a Unit or the Common Elements and restores any damaged part or portion of the Property to substantially its prior condition and (ii) Sponsor provides reasonably prior notice to the Owner of the Unit to which access is required or the Board in case of the Common Elements. The Sponsor or its designee shall not require the prior consent of the Board and shall not be subject to any fee or charge, for all purposes and activities in connection with the development, sale or renting of Unsold Units or the Commercial Unit or the Community Facility Unit, including a subsequent Owners of the Commercial Unit or the Community Facility Unit. In addition, Sponsor or its designee shall have the right, without the consent of the Condominium Board or Unit Owners or Managing Agent, or anyone else, to the extent not prohibited by Law, to use one or more portions of the Common Elements, including but not limited to lobbies, staircase, and corridors, as designated by Sponsor or Sponsor-designee, in its sole discretion, for sales, rental, or display purposes, which right shall include, without limitation, the right to place "for sale", "for rent" and other signs and promotional materials, of such size, type and content as Sponsor or its designee shall determine, in, on, about and adjacent to the Building (including on the exterior walls thereof) and including advertising any of the services or facilities of the Commercial Unit or the Community Facility Unit. However, a subsequent Owner of the Commercial Unit or the Community Facility Unit (other than a Sponsor-designee) may only install signs that are approved as to its size, content, type and location on the exterior portion of Building or that are visible from the exterior of the property with the consent of the Sponsor or its designee as long as Sponsor or its designee shall own at least one Unsold Unit, and thereafter, only with the prior consent of the Condominium Board, whose consent shall not be unreasonably denied. The Sponsor or the Board shall approve or deny any such requests from the Owner of the Commercial Unit or the Community Facility Unit within ten (10) business days. The Sponsor or its designee and the Owner of the Commercial Unit or the Community Facility Unit shall have the right to repair or replace any sign(s) when needed, at own cost, without the prior consent of the Board if such consent was required.

(C) The Owner of the Commercial Unit and the Community Facility Unit and its principals shall have the right, if required or desirable to: (i) erect and maintain a secondary means of ingress or egress through the Common Elements for fire, emergency or such other purposes as may be required by law; and (ii) to construct one or more internal means of access from any level of the Unit to another level of the Unit.

(D) Each Unit Owner, including the Commercial Unit Owner and the Community Facility Unit Owner, shall have the right and an easement, without charge, to install, access, connect to, repair and maintain, and replace, in a sufficient area of the main roof or wherever located in Building to be designated by the Board of Managers in their sole discretion, air-conditioning equipment and other mechanical equipment, flues or chimneys which service one or more those Units. Not withstanding anything herein to the contrary, the rights and easements set forth in this paragraph D shall not interfere with the rights and easements granted to the Sponsor, its designee or the Commercial Unit Owner or the Community Facility Unit Owner.

(E) Each Unit Owner whose Unit has one or more appurtenant Limited Common Elements shall have an exclusive easement for the use thereof. The Units have such Limited Common Elements are indicated on Exhibit B attached hereto.

Article 11
Other Easements

(A) Subject to the terms of the By-Laws and to the House Rules and Regulations, each Unit Owner shall have, in common with all other Unit Owners, an easement to use any of the Common Elements and all pipes, wires, ducts, cables, conduits, public utility lines and all other utility distribution systems, heat, air-conditioning and hot and cold water distribution systems, whether or Common Elements, located in, over, under through, adjacent to, or upon any other Unit or the Common Elements to the extent that such Common Elements and utility distribution system serves, or is necessary to the service of, such owner's Unit, and all the Common Elements shall be subject to such easement. In addition, the Condominium Board of Managers, its agents, contractors, subcontractors, and employees shall have an easement and a right of access to each Unit and any Limited Common Element appurtenant thereto and to the Common Elements to inspect the same, to remove violations therefrom or conditions which constitute violations of any law or regulation of any governmental authority with jurisdiction therefrom; and to install, operate, maintain, repair, alter, rebuild, restore and replace any of the Common Elements or distribution systems located in, over, under, through, adjacent to, or upon the same, to remedy any condition which would result in damage to the Common Elements or other units or which would violate the provisions of a mortgage, and each Unit and the Common Elements shall be subject to such easement and right of access. The easements and the rights of access granted in this paragraph shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on not less than one (1) day's notice, except that no such notice shall be necessary in the event of repairs or replacements immediately necessary or required for the preservation or safety of the Building, for the safety of the occupants of the Building or other persons, or to avoid the suspension of any necessary service in the Building. The Condominium Board shall have an easement for the relocation of any part of the Building's systems, pipes, wires, conduits, risers, flues ducts, cables, lines and similar facilities required in connection with such relocation of mechanical equipment.

(B) Sponsor or designee for so long as either owns any Unsold Unit reserves for itself, and grants to the Condominium Board, on behalf of all Unit Owners, the right to grant such additional electric, gas, steam, cable television, telephone, telecommunication equipment,

transformer, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility easements to any portion of the Property as Sponsor, or its designee, or the Condominium Board of Managers, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Property or any portion thereof or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided, however, that the grant of such additional utility easements, or the relocation of existing utility easements, shall not unreasonably interfere with the use of the Units for their permitted purposes. Any utility company, as well as its officers, employees and agents, shall have a right of access to each Unit and to the Common Elements in furtherance of such easement. However, such right of access shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes.

(C) Sponsor or its designee for so long as it shall own at least one Unsold Unit shall have an easement for ingress and egress through all of the Common Elements in order to make alterations, additions, or improvements whether structural or non-structural, interior or exterior ordinary or extraordinary, in, to or upon Unsold Units or the Common Elements, or in order to fulfill its obligations under the terms of the Offering Plan or to comply with the Law or governmental agency having jurisdiction thereon. The Owners of the Commercial Unit and the Community Facility Unit shall also have easement for ingress and egress through all the Common Elements in order to make alterations or improvements in, to or upon the Unit including but not limited to, flues and/or ducts, security systems, smokestacks, heating and air conditioning systems and devices and exhaust and ventilation fans located anywhere in the Property.

(D) Any easement or right of use in favor of any utility company for construction, use maintenance, repair and replacement of all utility lines, wires, boxes, mains, pipes, cables conduits, poles, connections and other equipment and facilities on, under and across the Land and the Building.

(E) Each Unit and the Common Elements shall have easements of subjacent, support and necessity, and the same shall be subject to such easements in favor of all of the other Units and the Common Elements. Each Unit shall have an easement to use any building service serving such Unit that is located in another Unit.

(F) If any portion of the Common Elements now encroaches upon any Unit or if any Unit now encroaches upon any other Unit or upon any other portion of the Common Elements, or if any such encroachment shall hereafter occur as a result of: (i) the settling or shifting of the Building; (ii) any repair or alteration made to the Common Elements in accordance with the terms of this Declaration and the By-Laws by, or with the consent of, the Condominium Board, by Sponsor or Sponsor's designee, or (iii) as a result of any repair or restoration made to the Property or any portion thereof, to any Unit, or to the Common Elements in accordance with the terms of this Declaration and the By-Laws after damage by fire or other casualty; or (iv) after any taking by condemnation or eminent domain proceedings, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same for so long as the Building or the affected Unit or Common Elements shall stand.

(G) In addition to the specific easements set forth in this Article 11 and in Article 10 hereof, the Property and every portion thereof shall be subject to all easements and rights of access prescribed in the Condominium Act or in any agreement with the City of New York or with any utility companies in effect prior to the recording of this Declaration.

(H) The user of any easement granted by the Articles 10 & 11 shall have the responsibility of repairing any damage resulting therefrom.

Article 12
Changes in Units

(A) Sponsor or its designee shall have the right, to the extent not prohibited by Law, without obtaining the consent or approval of the Condominium Board, other Unit Owners or Managing Agent or Mortgage Representatives affected (if any), or anyone else to:

(i) make alterations, additions, improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon its Unsold Units and its appurtenant Limited Common Elements, if any;

(ii) change the layout of, or number of rooms in, any Unsold Units;

(iii) change the size, and/or number of Unsold Units by subdividing one or more Unsold Units into two (2) or more separate Units; or combine 2 or more separate Unsold Units into one or more Units; or uncombine the combined Units; or alter the boundary walls between any Unsold Units, or otherwise;

(iv) and, if appropriate, reapportion among the Unsold Units affected by such change, in size or number pursuing to the preceding clause their respective Common Interests; provided, however, that with respect to any such alteration, addition, improvement, or change in, to, of, or upon an Unsold Unit: (a) no physical modification shall be made to any Unit, and the Common Interest, as the case may be, or interior dimensions of any other Unit shall not be changed by reason thereof, unless the Owner of such other affected Unit shall consent thereto; (b) Sponsor or its designee shall comply with Law, ordinances or regulations; (c) Sponsor shall agree to hold all other Unit Owners and the Condominium Board harmless from any liability arising therefrom; and (d) such alteration, addition, improvement, or change shall not jeopardize the soundness or structural integrity of the Building or the safety of the residents or tenants of the Building.

(B). When applicable, such changes shall be appropriately reflected in (a) an Amendment to the Offering Plan, (b) an Amendment to this Declaration recorded in the Register's Office along with the floor plans with the Register's Office and each such Amendment shall set forth the designation of each newly established Unit, its location, approximate area, Common Elements to which it has immediate access and all other information required by the Condominium Act;

(i) the Common Interest of each newly established Unit shall be determined in the approximate proportion that the floor area bears to the total floor area of the original Unit as shown in this Declaration, reflecting however, the substantially exclusive advantages, if any, enjoyed by one or more, but not all Units in a part or parts of the Common Elements. In the event of a reapportionment of the Common Interests appurtenant to any Unit, Sponsor the Selling Agent or the Managing Agent shall deliver to the Board of Managers a certification that such apportionment has been made according to the factors set forth in Article 8 hereof. Such certification shall be delivered at Sponsor's election, by Sponsor or the Selling Agent or the Managing Agent, or any other person reasonably acceptable to the Condominium Board;

(ii) however, (a), the Common Interests of all newly established Units shall equal the Common Interest of the original Units being so subdivided; (b) the Common Interest of any sold Units not being subdivided shall not be changed by reason thereof and (c) the Common Interests of all Units shall always equal 100%;

(iii) The Owners of the non-residential Units shall have the right to make repairs and alterations and change the interior of the Unit with the consent of the Sponsor but does not require the consent of the Board of Managers provided such changes are code compliant and all permits and plans are filed with the Board.

(C). No Unit Owner, other than Sponsor or designee or the Owner of the Commercial Unit or the Community Facility Unit, shall have the right to subdivide a Unit or to combine two Units or more, or to separate them after such combining, to change the layout of the Unit, or to make alterations, additions, or changes whether structural or non-structural without obtaining the prior written consent of the Sponsor if the Sponsor is the Holder of an Unsold Unit(s) or of the Condominium Board after the Sponsor and its designee have no Unsold Units. In no event shall any repairs, alternations or improvements be commenced prior to the Sponsor obtaining a permanent Certificate of Occupancy for the Building. In the event that such changes or alterations are approved, the Unit Owner must comply as follows:

(i) no physical modification shall be made to any other Units and the Common Interest and interior dimension of any other Units shall not be changed by reason thereof, unless the Owner of any such other affected Unit shall consent thereto;

(ii) the Unit Owner shall comply with the Law;

(iii) the Unit Owner shall indemnify and hold harmless the Condominium Board and all other Unit Owners from any liability arising therefrom; and

(iv) such alteration, addition or improvement shall not jeopardize the soundness or structural integrity of any part of the Building and the Property or the safety of any Owner or occupant or other Persons at the Property;

(v) if required by Section 339(i) of the Condominium Act, the consent of all Unit Owners affected by such changes is obtained.

(D) In the event a Unit is subdivided into two or more Units in accordance with the foregoing provisions of this Article 12, all newly established Units (as the case may be) as well as the owners, tenants and occupants thereof, shall be subject to, bound by and shall comply with, the provisions of this Declaration, the By-Laws, and the House Rules and Regulations, as they may be amended from time to time, and resolutions and decisions adopted thereto;

(E) The provisions of this Article 12 may not be added to, amended, modified, or deleted without the prior written consent of Sponsor or its designee as long as they own at least one Unsold Unit or the Owner of the Commercial Unit or the Community Facility Unit as to their units.

Article 13
Acquisitions of Units by the Condominium Board of Managers

If (i) any Unit Owner surrenders his or her Unit, together with its Appurtenant Interests, to the Condominium Board of Managers pursuant to the terms of the By-Laws or of Section 339-X of the Condominium Act or (ii) the Condominium Board of Managers, pursuant to the terms of the By-Laws or otherwise, either (x) acquires or leases a Unit, together with its Appurtenant Interests, or (y) purchases a Unit, together with its Appurtenant Interests, at a foreclosure or other similar sale, then, in any such event, title or the leasehold estate, as the case may be, in and to such Unit and such Appurtenant Interest shall be held by the Condominium Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests. Any lease or sublease of any Unit leased or subleased by the Condominium Board of Managers or its designee shall be held by the Condominium Board of Managers or such designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests.

Article 14
Power of Attorney to Sponsor and the Condominium Board of Managers

(A) Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney-in-fact, coupled with an interest and with power of substitution, (i) Sponsor, to amend the Condominium Documents pursuant to the terms of Article 19 hereof and to execute, acknowledge and deliver any application, declaration, document or other instrument affecting the Condominium that Sponsor or Sponsor designee deem necessary or appropriate to comply with any Law, zoning resolution, or requirement of the Department of Buildings, or any other governmental authority applicable to the rehabilitation, maintenance, demolition, alteration,

restoration, or repair of the Property or any part thereof; and (ii) the Persons who shall from time to time constitute the Condominium Board, jointly, to:

(i) employ counsel for the purpose of protesting New York City real property tax assessments and instituting tax certiorari proceedings on behalf of the Unit Owners for the reduction of assessed valuation of their Units, such Unit Owners agreeing not protest said assessments and bring such tax certiorari proceedings at their own initiative and on their own behalf;

(ii) acquire or lease any Unit, together with its Appurtenant Interests, (1) whose owner desires to sell, convey, transfer, assign, lease, or surrender the same or (2) that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners in proportion to their respective Common Interests;

(iii) convey, sell, lease, mortgage, or otherwise deal with (but not to vote the Common Interest appurtenant to) any Unit so acquired or to sublease any Unit so leased; and

(iv) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Condominium that the Condominium Board of Managers deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Condominium or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Condominium or the Common Elements that the Condominium Board of Managers deems necessary or appropriate.

(B) In confirmation of the foregoing power of attorney, each Unit Owner, upon the request of either Sponsor or the Condominium Board of Managers, shall duly execute, acknowledge and deliver to the requesting party, for recording in the Register's Office, a Unit Owner's Power of Attorney in the form set forth as Document 7 to this Declaration or such other form then in use by the Condominium.

(C) The powers granted to Sponsor shall remain in full force and effect until such time as the Sponsor or its designee shall cease to own any of the Units at BRIDGE SOUTH CONDOMINIUM.

Article 15
Termination of Condominium

The Condominium shall continue until termination by:

(i) casualty loss, condemnation, or eminent domain, as more particularly provided in the By-Laws; or

(ii) withdrawal of the Property from the provisions of the Condominium Act by a vote of at least seventy five (75%) percent of all Unit Owners, both in number and in aggregate Common Interests.

No such vote under clause (b) in the preceding sentence shall be effective without the written consent of the Mortgage Representatives, if any, which consent shall not be unreasonably withheld or delayed. Sponsor will not vote the aggregate Common Interest appurtenant to the Unsold Units for such withdrawal unless at least seventy-five (75%) percent, both in number and in aggregate Common Interest, of all other Unit Owners (excluding Sponsor) so elect for such withdrawal, at which time Sponsor may choose to vote either in favor of, or against withdrawal from condominium ownership as it sees fit. In the event that said withdrawal is authorized as aforesaid, but only in such event, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid, out of such Unit Owner's share of such net proceeds, all liens on the Unit Owner's Unit, in the order of priority of such liens.

Article 16
Covenant of Further Assurances

(A) Any Person who is subject to the terms of this Declaration, whether such Person is a Unit Owner, a lessee or a sublessee of a Unit Owner, an occupant of a Unit, a member of the Condominium Board of Managers, an officer of the Condominium Board of Managers, or otherwise, shall, at the expense of any such other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action, as such other Person may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

(B) If any Unit Owner or any other Person who is subject to the terms of this Declaration fails or refuses to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action that such Unit Owner or Person is required to take pursuant to this Declaration, then the Condominium Board of Managers is hereby authorized as attorney-in-fact for such Unit Owner or other Person, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

(C) If any Unit Owner or the Condominium Board of Managers or any other Person who is subject to the terms of this Declaration fails or refuses to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action that the Condominium Board of Managers, Unit Owner, or other Person is required to take pursuant to this Declaration at the request of Sponsor, then Sponsor is hereby authorized as attorney-in-

fact for the Condominium Board of Managers, such Unit Owner, or other Person, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Condominium Board of Managers, such Unit Owner, or other Person, and such document or action shall be binding on the Condominium Board of Managers, such Unit Owner, or other Person, as the case may be.

Nothing contained in this Article 16 shall be in derogation of Section 339(i) of the Condominium Act.

Article 17
Covenants to Run With the Land

(A) All provisions of this Declaration, the By-Laws and the Rules and Regulations, including, without limitation, the provisions of this Article 17, shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions thereof shall be binding upon, and shall inure to the benefit of, the Owner of all or any part therein, or interest therein, and his or her heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in, or for the benefit of, the general public. All present and future Owners, sub-lessees and occupants of Units shall be subject to, and shall comply with, the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, and resolutions adopted pursuant thereto. The acceptance of a deed or conveyance or the succeeding to title, the entering into a lease, or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, and resolutions adopted pursuant thereto, are accepted and ratified by such Owner, sub-lessee, or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having, at any time, any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed, conveyance, or lease.

(B) If any provision of this Declaration or of the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act, but shall nevertheless be valid and binding upon, and shall inure to the benefit of the Owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant with the Land. If any provision that is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be

deemed included as a part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

(C) Subject to the terms of paragraph (B) of this Article 17, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon, and shall inure to the benefit of, the Owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

Article 18
Amendments to this Declaration

(A) Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions, or deletions affecting Sponsor or its designee, or any Unsold Unit and except as restricted below, any provision of this Declaration may be amended, modified, added to, or deleted by the vote of at least seventy-five percent (75%) of all Unit Owners, both in number and in aggregate Common Interests, taken in accordance with the provisions of the By-Laws. No amendments, additions, or deletions pursuant to the preceding sentence shall be effective without the written consent of the Mortgage Representative, if any, (which consent shall not be unreasonably withheld or delayed) that may: (i) adversely affect the lien of any mortgage without the written consent of the mortgagee; or (ii) change the percentage of Common Interests allocated to any Unit without the consent of the Unit Owner; or (iii) increase the percentage of Common Interests of any Unit without the written consent of the mortgagee of the Unit; or (iv) be effective against the Sponsor or its designee or any Unsold Unit, or the Owner of the Commercial Unit or the Community Facility Unit as to their Units, without the prior written consent of Sponsor or its designee, consent thereto in writing; and such amendments:

(i) shall not be effective until recorded in the Register's Office; and

(ii) shall be executed by the Condominium Board of Managers hereby authorized by the Unit Owners so to act as their attorney-in-fact, subject to the rights of Sponsor or its designee under Articles 9, 10, 11, 12, 15, 16, and 19 of this Declaration;

(B) Articles 9, 10, 11, 12, 15, 16 and 19 of this Declaration may not be amended, modified, added to, or deleted unless Sponsor consents (in addition to the consent, if required, of the Mortgage Representatives, if any, as set forth above, or the Sponsor as set forth below) seventy-five percent (75%), both in number and in aggregate Common Interests, of all Unit Owners affected thereby approve such amendment, modification, addition, or deletion in the manner set forth above.

(C) Sponsor or its designee shall have the right, at its sole cost and expense (but not subject to any fees or charges of the Condominium Board or the Managing Agent or Unit Owners) and without the vote or consent of any other Unit Owners, the Condominium Board of Managers, managing agent, or the Mortgage Representatives (if any), or anyone else, unless such consent is required under Sections 339 (I) of the Condominium Act, to execute, acknowledge and record (or, at the Sponsor's or designee's sole option, to require the Condominium Board of Managers or any other Unit Owners to execute, acknowledge and record) in the Register's Office and elsewhere, if required by Law, one or more amendments, to this Declaration including Exhibit B hereto, together with such documents, plans and maps as the Sponsor or such designee deems appropriate to effectuate the same:

(i) to reflect any changes in Units owned by Sponsor or by Sponsor's designee, including any portions of the Building and appurtenances which are incomplete at the time the Declaration is recorded and/or the Building's permanent Certificate of Occupancy is issued, and any reapportionment of the Common Interest resulting therefrom made by the Sponsor in accordance with the term of Articles 8 and 12 hereof; or

(ii) to reflect any changes required by Law or Code as to the Property or the Condominium;

(iii) or is required by (x) an Institutional Lender designated by the Sponsor to make a loan secured by a mortgage on any Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Sponsor to insure title to any Unit; provided, however, that any amendment made pursuant to the terms of subparagraph (i) and (ii) of this paragraph shall not (1) change the Common Interest of any Unit not then owned by Sponsor or its designee, (2) require a material, physical modification of any Unit not then owned by Sponsor, or (3) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender unless the Owner of the affected Unit (in the event described in subparagraph (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subparagraph (3) of this paragraph) shall consent thereto by joining in the execution of such amendment.

(D) Notwithstanding anything contained in the Condominium Documents to the contrary, but subject to any limitation imposed by the Condominium Act, no amendment to the Condominium Documents shall be adopted for so long as Sponsor owns any Unit which would:

(i) unreasonably interfere with the sale, lease or other disposition of Units owned by Sponsor, or Sponsor's designee;

(ii) abridge, modify, suspend, eliminate or otherwise affect any right, easement, privilege or benefit reserved to Sponsor or its designee; or

(iii) impose any discriminatory charge or fee against Sponsor or such designee, unless Sponsor or such designee shall consent thereto, by joining in the execution of such Amendment;

(iv) abridge, modify, suspend, eliminate or otherwise affect any right, power, easement, privilege or benefit reserved to the Sponsor or its designee unless the Sponsor or its designee shall consent thereto by joining in the execution of such Amendment; or

(v) change the permitted use of any Unit or such Unit's Common Interest, unless the Owner of such affected Unit shall consent thereto by joining in the execution of such Amendment.

(E) Likewise no amendment contained in the Condominium Documents, but subject to any limitation imposed by the Condominium Act and Article 15 hereof, shall be adopted that adversely affects the rights of the Owner of the Commercial Unit or the Community Facility unless the Owner thereof shall consent thereto in writing.

(F) Any amendment to this Declaration may be executed: (i) if on behalf of Sponsor or its designee pursuant to the terms of paragraph (B) hereof, by any principal of Sponsor or its designee; (ii) if on behalf of the Unit Owners or by the Condominium Board, by any Vice President and the Secretary/Assistant Secretary of the Condominium. If the amendment requires the approval of a specific percentage of Unit Owners as provided in the Declaration or the By-laws, then there shall be attached an original executed Certificate certifying that the requisite number and percentage of Unit Owners approved the amendment at a duly constituted meeting or giving approval in writing without a meeting, if such is permitted.

(G) The provisions of this Article 18 may not be modified, amended, added to, or deleted, in whole or in part, without the written consent of Sponsor if the same relate to Sponsor or Sponsor designee or the Owner of the Community Facility Unit as it relates to its Unit.

Article 19
Consent of Sponsor

Wherever the consent, approval, satisfaction, or permission of Sponsor or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction, or permission shall not be required when Sponsor or such designee (as the case may be) no longer owns any Units.

Article 20
Person to Receive Service

2279-2283 Third Avenue Associates LLC with an office at 104 East 126th Street, New York, New York, 10035, or any successor managing agent of the Condominium, is hereby designated to receive service of process in any action that may be brought against the Condominium.

Article 21
Incorporation by Reference

The terms, covenants, conditions, descriptions and other information contained in:

(i) the Property description annexed hereto as Exhibit A;
(i) the description of the Units annexed hereto as Schedule B;
(ii) the Table of Definitions annexed hereto as Exhibit C;
(iv) the By-Laws and House Rules and Regulations annexed hereto as Exhibit 6;
(v) the Unit Owner's Power of Attorney annexed hereto as Exhibit 7; and
(vi) the Floor Plans;

are, by this reference, each incorporated herein and made a part of this Declaration as if the same were set forth at length in the text hereof.

Article 22
Waiver

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches that may occur.

Article 23
Severability

Subject to the provisions of paragraphs (B) and (C) of Article 18 hereof, if any provision of the Condominium Documents is invalid or unenforceable as against any Person or under certain circumstances, the reminder of the Condominium Documents and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of the Condominium Documents shall, except as otherwise provided herein, be valid and enforced to the fullest extent permitted by Law. Any conflict between any provision of the Condominium Documents and the Condominium Act or any questions regarding the interpretation of any of the Condominium Documents, shall be governed by the Condominium Act.

Article 24
Successors and Assigns

The rights and/or obligations of, and limitations imposed on, Sponsor or its designee as set forth herein shall inure to the benefit of and shall be binding upon, their respective successors and assignees as well as any designated transferees of their respective Units. Subject to the foregoing, Sponsor or its designee shall each have the right, at any time, in its sole discretion, to assign or otherwise transfer its interest herein, whether by merger, consolidation, lease, assignment, or otherwise. Notwithstanding the foregoing, any permitted mortgagee of a Unit or purchaser at a foreclosure sale of a permitted mortgage whose succeeds to the interests of a Unit

Owner shall be responsible only for the obligations such Unit Owner arising from or after the effective date of succession to title to such Unit and shall not be liable for any unpaid common charges or assessments owing prior thereto.

Article 25
Gender

A reference in this Declaration to any one gender, masculine, feminine, or neuter, includes the other two, and the singular includes the plural, and vice-versa, unless the context otherwise requires.

Article 26
Captions

The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of this Declaration or the intent of any provision hereof.

Article 27
Common Charges

The Common Charges and any special assessments to be borne by the Unit Owners for the operation and maintenance of the property shall be assessed and payable in accordance with the By-Laws.

IN WITNESS WHEREOF, Declaring has caused this Declaration to be executed as of the _____ day of _____ 2000___.

2279-2283 Third Avenue Associates LLC

By: _____

CITY OF NEW YORK)
)ss:
COUNTY OF NEW YORK)

On the _____ day of_____, 200___ before me, the undersigned personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to the individual(s) whose names(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

SCHEDULE A
TO THE DECLARATION

ALL THAT CERTAIN plot, piece or parcel of land, situate, lying and being in the borough of Manhattan, County of New York, City of New York and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the easterly side of Third Avenue with the southerly side of 124th Street;

RUNNING THENCE Easterly and along said southerly side of 124th Street, 100 feet;

THENCE Southerly, parallel with Third Avenue, 41 feet 5-1/2 inches to the land now or formerly of W.D. Webb ;

RUNNING THENCE Westerly, parallel with 124th Street and along land of Webb, 100 feet to the easterly side of Third Avenue; and

THENCE Northerly along said easterly side of Third Avenue, 41 feet 5-1/2 inches to the point or place of **BEGINNING**

SCHEDULE B
TO THE
DECLARATION
DESCRIPTION OF UNITS
NEW YORK, NEW YORK

NO. UNIT	INTERIOR Sq. Ft.	PERCENTAGE OF COMMON INTERESTS	LIMITED COMMON ELEMENTS	TENTATIVE TAX LOTS
Commercial Unit:				
A	5,529	19.84 %		
B	839	3.29 %		
Community Facility Unit				
2nd Floor	521	1.87 %		
3A	1,305	6.91 %		
3B	745	4.21 %		
3C	757	4.92 %	305 SF (Terrace)	
4A	1,305	6.97 %		
4B	745	4.30 %		
4C	757	4.27 %		
5A	1,305	7.04 %		
5B	745	4.37 %		
5C	757	4.38 %		
6A	1,296	8.26 % (Terrace)	668 SF	
6B	868	5.66 %		
7A	1,236	8.38 % (Terrace) 1080 SF	53 SF (Roof Terrace)	
7B	755	5.34 %	120 SF (Terrace) 768 SF (Roof Terrace)	
TOTALS	19,096 SF	100.00 %	2,994 SF	

SCHEDULE C

TABLE OF DEFINITIONS

"Land" means all that certain tract, plot, piece and parcel of land situate, lying and being in the City of New York, New York, County, State of New York, as more particularly described in Schedule A to the Declaration for the Property located at 2279 Third Avenue, New York, NY 10035.

"Unit" or "Residential Unit" means any one of the eighteen (13) Residential Units in the Building offered for sale pursuant to a Condominium Offering Plan and more particularly described in Schedule B to the Declaration.

"Unsold Unit" shall mean any Units in the Building not sold to a purchaser and still owned by the Sponsor or its designee.

"Community Facility Unit" means that space limited in use to provide essential services to the community or perform such activities more effectively in a residential environment, but that do not create objectionable influences in residential areas. Examples of such us are medical offices, or philanthropic/non-profit institutions, educational/professional schools.

"Purchase Agreement", Document No. 1, is a contract between the Sponsor (Seller) and a Purchaser setting forth the terms governing the obligations between both parties in the selling and purchasing of a specific Unit in the Condominium.

"Downpayment" means the percentage of the Purchase Price of the Unit being purchased, usually 10% of the Purchase Price, which will be unconditionally tendered with the executed Purchase Agreement. No Purchase Agreement will be effective unless and until counter signed by the Sponsor. The Downpayment will be held in escrow pursuant to the terms of the Escrow Agreement and the Offering Plan.

"Deposits" shall also refer collectively to all payments made by purchaser deposited into the escrow account for the purchase of the Unit and any extra work to be performed in purchaser's Unit.

"Escrow Agreement" refers to the model form Escrow Agreement of the Office of the Attorney General of the State of New York, set forth in the Plan as Document 8, that will be used to regulate the terms of deposits collected by the Sponsor with the executed Purchase Agreement and held in escrow until disbursed at closing or according to the terms of the Agreement and the Plan.

"Condominium" means a form of ownership of real property in which individual Units as component parts of a whole are owned in fee simple with the right of exclusive use by separate individuals or entities, which separate individuals and/or entities jointly own those parts of the whole designated as Common Elements. In the context of this Offering Plan, "Condominium"

specifically refers to **THE BRIDGE SOUTH CONDOMINIUM.**

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

"Condominium Documents" means the Declaration and all Schedules thereto, the By-Laws, the Rules and Regulations, the Floor Plans, the form of Unit Deed and the form of Power of Attorney.

"Declaration" means the instrument, as may be amended from time to time, by which the Property is submitted to the provisions of the New York State Condominium Act, consistent with the provisions of the New York Condominium Act and the By-Laws.

"By-Laws" means the by-laws governing the operation of the Condominium and that may be amended from time to time by the Unit Owners.

"City Register's Office" means the New York County Office of the Register of the City of New York where the Declaration and the floor plans will be filed.

"Appurtenant Interest" means with respect to any Unit, the undivided interest of the owner thereof, pursuant to the terms of Section 339-x of the Condominium Act, in and to: (i) the Common Elements; (ii) any other Units owned or leased at the time in question by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or lease of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

"Common Interest" means the proportionate, undivided interest in fee simple absolute in the Common Elements appertaining to each Unit as expressed in the Declaration.

"Common Charges" means each Unit's proportionate share of the Common Expenses in accordance with its Common Interest.

"Common Expenses" means (a) the expenses of operation of the Property, and (b) all sums designated Common Expenses by or pursuant to the provisions of the New York Condominium Act, the Declaration or the By-Laws.

"Special Assessments" means charges, in addition to Common Charges, assessed by the Board of Managers and allocated to the Unit Owners in accordance with their respective Common Interest (except as otherwise provided in the Declaration or in the By-Laws) in order to meet an extraordinary expense not included in the annual operating Budget. Special Assessments may be a one-time assessment or may be payable over a period of time as determined by the Board of Managers.

"Common Elements" means the entire Property, including the Land and all parts of the Building and improvements thereon other than the Units. Common Elements are comprised of

General Common Elements and Limited Common Elements. The Limited Common Elements are those portions of the Property that are for the exclusive use of a particular Unit Owner or Owners. In this Plan it means private terraces and roof terraces..

"Board of Managers" or "Condominium Board" means the governing Board of the Condominium composed of representatives elected by Unit Owners voting in accordance with their respective percentages of Common Interest. The Initial Board, consisting of three (3) members, is appointed by the Sponsor until the first annual meeting of the Unit Owners is held at which time, depending on how many Units are still owned by the Sponsor, some members will be elected by the Unit Owners. The Sponsor will be entitled to elect a majority of the members of the Board as long as it owns seventy-five percent or more of the Units.

"Closing" or "Closing Date" means respectively the transaction by which or date on which legal title to a Unit is conveyed by the Sponsor to a Purchaser who shall have fully paid the required Purchase Price for his or her Unit and who shall have otherwise fully performed all obligations on his or her part to be performed under the Purchase Agreement.

"First Unit Closing" means the first closing of title with a bona fide Purchaser of a Unit.

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

"Sponsor's Architect" means Alexander Compagno and Associates, as the architect engaged by the Sponsor to file with the Department of Buildings the Building Plans for the construction of the Building and draft the Unit floor plans.

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

"Lender" shall have the meaning ascribed to such term in the Section of this Plan entitled " Terms of Sale" or the "Rights and Obligations of Sponsor."

"Majority of Unit Owners" means either (i) more than fifty percent (50%) in Common Interest in the aggregate, or (ii) more than fifty percent (50%) in number of Units in the aggregate, or (iii) more than fifty percent (50%) in the aggregate in both Common Interest and in number of Units, as may be specified herein or in the Declaration or the By-Laws with respect to any matter or matters. Any specified percentage of Unit Owners means (i) such percentage in Common Interest in the aggregate, or (ii) such percentage in number of Units in the aggregate, or (iii) such percentage in Common Interest and such percentage in number of Units, as may be specified herein or in the Declaration or the By-Laws with respect to any matter or matters, provided, however, that different percentages in interest and in number of Units may be so

specified. However, as noted above, the sponsor will control the Board as long as it owns eighty percent of the Units or up to two (2) years from the date of the first Unit closing.

"Unit Deed" means the deed transferring title to a specified Unit from the Sponsor to the Purchaser in fee simple absolute, the original of which is returned to the Purchaser or Purchaser's attorney upon filing with the City Register's Office.

"Power of Attorney" means the document, signed by Unit Owners, also recorded, which appoints:

(i) the Board of Managers as attorney-in-fact to acquire, on behalf of all Unit Owners, any Unit the Unit Owner of which wishes to sell or abandon together with the Appurtenant Interests thereto and to deal with any such Units so acquired as it may determine; or to execute and acknowledge documents to be filed on behalf of the Unit Owners in order to amend the Declaration or to file permits or other agency documents necessary for the operation of the Building.

(ii) the Sponsor, as attorney-in-fact, to amend the Declaration, the By-Laws, and Floor Plans of the Condominium, or to execute, acknowledge and file with the appropriate agencies any required documents in order to complete construction, make repairs or alterations and complete Sponsor obligations under the Offering Plan.

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

"Unavoidable Delays" means delays due to strike, lockout, or other labor or industrial disturbance (whether or not on the part of employees or contractors of the Sponsor), civil disturbance, future order of any government, court or regulatory body claiming jurisdiction, war, act of the public enemy, riot, sabotage, blockade, embargo, shortage of or failure or inability to secure materials or labor by reason of priority or similar regulation or order of any government or regulatory body, or lightning, earthquake, fire, storm, hurricane, flood, washout, explosion, act of God or any cause whatsoever beyond the reasonable control of the Sponsor whether or not similar to any of the causes hereinabove stated.

"Permitted Encumbrances" means the title exceptions set forth in Exhibit 3 to the Purchase Agreement subject to which a Unit may be conveyed.

EXHIBIT F

BY-LAWS

OF THE

THE BRIDGE SOUTH CONDOMINIUM

2279 Third Avenue
New York, New York 10035

County, City and State of New York

Prepared By:
Shaw & Associates
Attorneys for Sponsor
350 Fifth Avenue
Suite 2816
New York, New York 10118

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BY-LAWS
Of THE

THE BRIDGE SOUTH CONDOMINIUM

ARTICLE 1

Plan of Unit Ownership

Section 1. **General**

The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium. The Condominium covers the Property at 2279 Third Avenue, New York, New York 10035 that consists of: (i) the Land, more particularly described in Exhibit A to the Declaration, (ii) the Building which includes, without limitation, the Units, the Common Elements, Limited Common Elements and all easements, rights and appurtenances belonging thereto and all other property, real, personal, or mixed, intended for use in connection therewith. The Property has been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by recording the Declaration in the office of the Register of the City of New York, New York County, simultaneously herewith and shall hereafter be known as the **"THE BRIDGE SOUTH CONDOMINIUM"** (hereinafter called the "Condominium"). The purpose of the Condominium is to carry on the management, maintenance, and, when required, repairs and improvements to the Common Elements, to make acquisition on behalf of the Unit Owners, and to perform related functions to the other portions of the Property.

Section 2. **Applicability of By-Laws.**

The provisions of these By-Laws are applicable to the Property of the Condominium at 2279 Third Avenue, New York, New York and to the use and occupancy thereof.

Section 3. **Application of By-Laws**

All present and future Unit Owners, mortgagees, lessees, sub-lessees and occupants of Units and their employees, agents and guests as well as all other Persons who may use the Property and facilities of the Property in any manner are subject to these By-Laws, the Declaration and the House Rules and Regulations as each of the same may be amended from time to time (except for certain privileges accorded the Sponsor, its designee, the Owner of the Commercial Unit and the Owner of the Community Facility Unit as set forth in the Declaration and these By-Laws). The acceptance of a deed or conveyance, or the succeeding to title to, or the entering into of a lease or the act of occupancy of a Unit shall constitute an agreement that these By-Laws, the House Rules and Regulations and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with. Failure to so comply shall be grounds, for an action to recover sums due for damages or injunctive relief or both, maintainable by the Condominium Board or the Manager on behalf of the Unit Owners, or,

should the Condominium Board or the Manager decline to take such action within sixty (60) days after written demand therefor by an aggrieved Owner, by such Owner.

Section 4. **Office**

The principal office of the Condominium and of the Condominium Board shall be located either at 104 East 126th Street or at such other place that may be designated by the Sponsor or the Condominium Board from time to time.

Section 5. **Sponsor**

All references herein to Sponsor shall refer to **2279-2283 Third Avenue Associates LLC** with an office at 104 East 126th Street, New York, NY 10035.

Section 6. **Other Defined Terms**

All capitalized terms used herein which are not separately defined in Exhibit C of this Declaration or in these By-Laws shall have the meanings set forth in the Offering Plan.

ARTICLE II

Condominium Board of Managers

Section 1. **Status of the Condominium**

The affairs of the Condominium shall be governed by a Condominium Board. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Condominium Board shall act as, and shall be, the agent of the Unit Owners, subject to, and in accordance with the terms of the Declaration and these By-Laws. Unless the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have to the extent permitted by Law, the status conferred upon unincorporated association under, or pursuant to, the terms of the General Association Law of the State of New York. The Condominium Board shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

Section 2. **Number and Qualifications**

The Initial Condominium Board shall consist of three (3) persons all of whom shall be designated from time to time by the Sponsor until their respective successors shall have been appointed or elected by the Unit Owners at the first meeting of Unit Owners held pursuant to Section I of Article III of these By-Laws. Thereafter, the Condominium Board shall be composed of five (5) members, all of whom, other than a representative of Sponsor or its designee or the Owner of the Commercial Unit or the Community Facility Unit, shall be Unit Owners or adult members of the Owner's household, or, in the case of partnership Owners or mortgagees, shall be members or employees of such partnership, or, in the case of corporate owners or mortgagees,

shall be officers, directors, shareholders or employees of such corporations or, in the case of fiduciary owners or mortgagees (in the event of a foreclosure of a Unit), shall be the fiduciaries or officers or employees of such fiduciaries, or, in the case of the Sponsor, shall be designees of the Sponsor. Refer to Section 4 of this Article for election and term of office of members of the Board.

Section 3. **Powers and Duties.**

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

(A) to manage, operate, care for, upkeep and maintain the Common Elements in such a manner that standards of quality, service and appearance are maintained or to repair, alter, replace or improve the Common Elements as the Condominium Board shall deem necessary or proper in connection therewith, including the purchase or leasing of supplies, material, and equipment;

(B) (i) to prepare and adopt a budget for the Condominium for each fiscal year thereof, setting forth a detailed accounting of the anticipated Common Expense for the ensuing fiscal year and a detailed projection of income necessary to discharge the same; (ii) to maintain complete and accurate records with respect to the finances and the operation of the Condominium including, without limitation, detailed account of receipts and expenditures affecting the Property and all financial records of the Condominium;

(C) to determine the amount and establish the means and method of payment of, and collection of, the Common Charges and Special Assessments from the Unit Owners; and to charge and determine the amount of any fine for late or non-payment of the Common Charges; to use such Common Charges, and Special Assessments, if any, collected from the Unit Owners as well as other funds held by the Condominium Board or received in connection with the operation of the Property, for the administration of the Condominium for payment of common expenses and to make repairs or alterations as deemed necessary for the maintenance, safety, improvement or appearance of the Common Elements;

(D) to employ (or dismiss) the personnel necessary for the maintenance and operation of the Property; to contract with others to make repairs, improvements and alterations of the Property;

(E) to adopt and amend the House Rules and Regulations of the Condominium and to levy and collect or authorize collection of fines against Unit owners for violations of the Rules and Regulations (any such fines shall constitute Common Charges payable by the Unit Owner against which they are levied);

(F) to open and maintain the bank accounts on behalf of the Condominium and to designate the signatories required therefor which at no time shall be less than two;

(G) to purchase, lease or otherwise acquire, in the name of the Condominium Board or its designee, corporate or otherwise, Units offered for sale or leased by their owners, or surrendered by their Owners to the Condominium Board on behalf of all Unit Owners;

(H) to purchase Units at foreclosure or other judicial sale in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners;

(I) to sell, lease, mortgage, and otherwise deal with Units acquired by, and to sublease Units leased by, the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, provided, however, that the Condominium Board or its designee shall in no event be entitled to vote the votes appurtenant to any such Unit;

(J) to organize corporations to act as designees of the Condominium Board on such matters as the Board may determine, including, without limitation, in acquiring title to Units on behalf of all Unit Owners; to acquire rights, titles and interest in real and personal property in connection with the ownership and operation of the Property;

(K) to obtain insurance for the Property, including the Units, pursuant to the provisions of Article V, Section 2 hereof and to adjust and (i) settle claims under such insurance policies; (ii) to execute and deliver releases upon such adjustments and settlements on behalf of all Unit Owners, holders of mortgages and other liens on Units and holders of any other interest in the Property; (iii) to make or to contract with others, for repairs or restorations of the Property or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings, in accordance with the terms of the By-Laws; (iv) to obtain and keep in force fidelity bonds, in amounts deemed appropriate by the Condominium Board, but not less than $25,000 for: all members and officers of the Condominium Board; all employees of the condominium; and the managing agent. All premiums of such insurance and fidelity bonds shall be a common expense;

(L) to borrow money on behalf of the Condominium when required in connection with the operation, care, upkeep, maintenance and improvement of the Common Elements, or for making repairs, replacements, restorations, or additions, or alterations of the Common Elements, provided however, that:

(i) consent of Sponsor (or of at least 75% in Common Interest of all Unit Owners including the Sponsor if Sponsor is not in control of the Board) shall be required for the borrowing of any sum in excess of five-thousand dollars ($5,000) in any one fiscal year; 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 consent of the Unit Owner; the documentation executed in connection with any such

borrowing shall provide that if any sum borrowed by the Condominium Board on behalf of the Condominium pursuant to the authority contained in this paragraph (L) is not repaid by the Condominium Board, any Unit Owner who pays to the creditor thereunder such proportion of the then outstanding indebtedness represented or secured thereby as such Unit Owner's Common Interest bears to the aggregate Common Interest of all the Unit Owners shall be entitled to obtain from the creditor a release of any judgment or other lien that said creditor shall have filed or shall have the right to file against the Unit Owner's Unit.

(M) to adopt and amend the terms, covenants and conditions contained in the Condominium Documents and to bring or defend against any proceedings that may be instituted on behalf of, or against, the Unit Owners.

(N) to execute, acknowledge and deliver any declaration or other instrument affecting the Property that the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of any applicable government agency, applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Building; or any consent, covenant, restriction, easement, or declaration affecting the Property that the Condominium Board deems necessary or appropriate provided such does not adversely affect the rights granted to or reserved for Sponsor;

(O) to prepare, execute, acknowledge and record on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration and/or these By-Laws, whenever the Condominium Board deems advisable to consolidate or restate all amendments, modifications, additions and deletions heretofore made to the same;

(P) to sue, or when sued, to complain, defend, compromise and settle the lawsuits in the name of or on behalf of the Board and/or a Unit owner(s); and to enforce by legal means the terms, covenants and conditions contained in the Condominium Documents;

(Q) to prepare, execute, acknowledge and record on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, protests of real property tax assessments and tax certiorari proceedings with respect to all Units and to assess any costs incurred thereby as a common expense;

(R) to carry out any other duties determinable by the Board and deemed necessary or desirable by the Board pursuant to the Declaration and these By-Laws;

(S) The Condominium Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or is occupied by the owner thereof or by a permitted lessee or permitted occupant.

(T) Notwithstanding anything to the contrary contained in these By-Laws, so long as the Sponsor or Sponsor-designee owns twenty-five percent (25%) or more of the Common Interest

but in no event later than five (5) years after the Closing of the first Unit, the Condominium Board may not, without the Sponsor's or Sponsor-designee's prior written consent:

(i) make any addition, alteration or improvement to the Common Elements or to any Unit unless the same shall be required by law, or to remedy any notice of violation of law or work order by an insurer or mortgagee for the health and safety of the Unit Owners;

(ii) assess in any fiscal year any Common Charges or Special Assessments for the creation of, addition to, or replacement of all or part of a reserve contingency or surplus fund, in excess of five-thousand dollars ($5,000) or 5% percent of the budgeted operating expenses for the ensuing twelve months of operation, whichever is less;

(iii) hire any employee or change the type of employees from that described in the First Year's Annual Operating Budget set forth in the Plan;

(v) enter into any contract for work not covered by contracts in existence at the time of recording the Declaration;

(vi) borrow money on behalf of the Condominium, except when necessary to perform work required by law to the extent that existing reserves are insufficient.

The restrictions cited above shall not apply to expenses set forth in the Budget for the first year of operation or over expenses required to comply with applicable laws or regulations, or to remedy any notice of violation; or to remedy any work order by an insurer.

(U) As long as the Sponsor or Sponsor-designee continues to own at least one Unit, the Condominium Board may not, without the prior consent of the Sponsor or Sponsor-designee, (i) amend the Declaration or these By-laws so as to in any way adversely affect the Sponsor or its designee, or (ii) interfere with the offer, the sales or leasing of Unsold Units including the posting of signs on or in the Building for such purposes; (iii) or interfere with the renovation, repairs, correction, improvements at the Property, as determined by Sponsor; (iv) restrict the rights of the Commercial Unit or the Community Facility Unit Owners; (v) interfere with or delay the filing of documents or amendments to the Condominium Documents.

Section 4. **Manager.**

Notwithstanding anything to the contrary contained in these By-Laws, the Condominium Board may employ for the Condominium a Manager (who may be an affiliate of Sponsor) at compensation to be established by the Condominium Board, but subject to any contract for a managing agent existing as of the date of the recording of the Declaration for a stated amount, to perform such duties and services as the Condominium Board shall authorize to the extent permitted by Law. The Condominium Board may delegate to the Manager certain

powers granted to the Condominium Board as set forth in (a), (b), (c) and (d) of the preceding section.

Section 5. **Election and Term of Office.**

The Initial Control period shall end when 20% or more of the Units offered for sale are closed and the first annual meeting of the Unit Owners shall be held at which meeting a new Condominium Board shall either be appointed (by the Sponsor or its designee) or elected (by the Unit Owners). The Sponsor shall be entitled to designate four of five Board members for so long as Sponsor owns at least 80% of the Units (but not longer than two years from the First Unit Closing), at least two members after the two year period as long as it owns at least ten percent or more of the Unsold Units and one member as long as Sponsor owns at least one Unsold Unit. The Owner of the Commercial Unit shall be entitled to be a member of the Board. Elections shall be held pursuant to Article III, Section 1. The term of office shall be for one year and, except for Sponsor or its designee or the Owner of the Commercial Unit, is restricted to not more than three (3) consecutive years for any one office holder.

Section 6. **Removal of Members of the Condominium Board.**

At any regular or special meeting of Unit Owners, any one or more of the members of the Condominium Board, other than a member designated by Sponsor or Sponsor-designee or the Owner of the Commercial Unit, may be removed with or without cause by a majority of the Unit Owners and a successor may then and there or thereafter be elected by the Unit Owners to fill the vacancy thus created. Any member of the Condominium Board whose proposed removal is to be acted upon at a meeting of the Unit Owners shall be given prior written noticed thereof and an opportunity to be present and heard thereat.

A member of the Condominium Board who has been designated or elected by Sponsor or Sponsor-designee or the Commercial Unit may only be removed by the principals thereof who shall immediately name a replacement.

Section 7. **Vacancies.**

(A) In the event a member of the Condominium Board who has been elected by the Unit Owners, other than Sponsor or its designee or the Commercial Unit Owner, ceases to be a member for any reason other than by reason of removal pursuant to Article II Section 5 of these By-Laws, the vacancy shall be filled by a vote of a majority of those remaining members who have been elected by Unit Owners at a special meeting of the Condominium Board held for that purpose promptly after the occurrence of any such vacancy, even though the members present or voting at such meeting shall constitute less than a quorum, and each such person so elected shall be a member of the Condominium Board for the remainder of the term of the predecessor member and until a successor shall be elected at the next annual meeting of the Unit Owners.

(B) In the event a member of the Condominium Board who has been appointed by Sponsor or its designee or the Commercial Unit Owner ceases to be a member for any reason, Sponsor or

its designee or the Owner of the Commercial Unit shall promptly thereafter appoint a replacement, without the vote or approval by the Board, to fill the vacancy, which replacement shall be a member of the Condominium Board for the remainder of the term of the predecessor and until a successor shall be designated.

Section 8. **Organization Meeting.**

The first meeting of the members of the Condominium Board shall be scheduled at the annual meeting of the Unit Owners and such Board meeting shall be held within ten (10) days thereafter, at the office of the Sponsor or at such time and place as shall be fixed by a majority of the members of the Condominium Board. At such meeting, the officers of the Condominium Board shall be elected.

Section 9. **Regular Meetings.**

Regular meetings of the Condominium Board may be held at such time and place in the as shall be determined from time to time by a majority of the members of the Condominium Board, but at least four (4) such meetings shall be held during each fiscal year. Notice of regular meetings of the Condominium Board shall be given to each member of the Condominium Board, by personal delivery, mail or facsimile at least ten (10) business days prior to the day for such meeting. Any decisions or resolutions regarding the Condominium approved at a meeting of the Board in the absence of such notice to any one or more members of the Board, such decisions or resolutions shall not be valid. If all the members of the Condominium Board are present at a meeting of the Board, no written notice shall be required and any business may be transacted at such meeting.

Section 10. **Special Meetings.**

Special meetings of the Condominium Board may be called by the President on five (5) business days' notice to each member of the Condominium Board, given by personal delivery, mail or facsimile which notice shall state the time, place and purpose of the meeting. Special meetings of the Condominium Board shall be called by the Sponsor, President or Secretary in like manner and on like notice on the request to any officer of the Board by at least three (3) Unit Owners.

Section 11. **Waiver of Notice.**

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

Section 12. **Quorum of Condominium Board.**

At all meetings of the Condominium Board, a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the members of the Condominium Board present at a meeting at which a quorum is present shall constitute the decision of the Condominium Board. If at any meeting of the Condominium Board there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting originally called may be transacted without further notice.

Members of the Condominium Board may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in a meeting can hear each other, and such participation in a meeting shall constitute presence at such meeting. Action permitted or required to be taken at a meeting may be taken without a meeting if all members of the Board consent thereto in writing. Such written consents shall be filed by the Secretary of the Board in the Minutes of the Board.

Section 13. **Fidelity Bonds.**

The Condominium Board shall obtain adequate fidelity bonds naming the Managers and such other persons as may be designated by the Condominium Board as principals and the Condominium Board as obligee in an amount to be determined by the Condominium Board; provided that if the Managers shall be a corporation with a net worth in excess of one-million dollars ($1,000,000) the Condominium Board need not, in its discretion obtain such coverage. The premiums on such bonds shall constitute a Common Expense.

Section 14. **Compensation.**

No member of the Condominium Board shall receive any compensation from the Condominium for acting as such.

Section 15. **Common or Interested Members of the Condominium Board**

Each member of the Condominium Board shall perform his duties and shall exercise his powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by Law, no contract or other transaction between the Condominium Board and either (a) any of its members or (b) any corporation, partnership, fiduciary, firm, association, or other entity in which any of the members of the Condominium Board (except Sponsor) are officers, directors, employees, partners, fiduciaries, beneficiaries, or principal, or otherwise interested, pecuniary or otherwise, shall be deemed either void or voidable because either (c) such member was present at the meeting or meetings of the Condominium Board where such contract or transaction was discussed, authorized, approved, or ratified, or (d) the vote of any such member was counted for such purpose, provided, however, that either:

(i) the fact thereof is disclosed to, or known by, the Condominium Board or a majority of the members thereof, and the Condominium Board shall authorize, approve, or ratify such contract or transaction in good faith by a vote of a majority of the entire Condominium Board, less the number of such members; or

(ii) the fact thereof is disclosed to, or known by, a majority of Unit Owners and such majority of Unit Owners shall authorize, approve, or ratify such contract or transaction nevertheless.

Any such member of the Condominium Board may be counted in determining the presence of a quorum of any meeting of the condominium Board that authorizes, approves, or ratifies any such contract or transaction, but no such member shall be entitled to vote thereat on the matter.

Section 16. **Liability of the Condominium Board.**

(A) The members of the Condominium Board shall not be liable to the Unit Owners (except in his/her capacity as a Unit Owner) for any errors of judgment, negligence, or otherwise, except each member of the Board shall be liable thereto for his own individual willful misconduct, bad faith or gross negligence. Members of the Condominium Board designated by the Sponsor shall not incur any liability for self-dealing in connection with any contract made or other transaction entered into by the Condominium Board on behalf of the Unit Owners with the Sponsor or its agents, provided that any compensation paid or to be paid under such contract or transaction shall be disclosed in the Plan or an amendment to the Plan or is at the then competitive rates for similar goods and services rendered in the Borough in which the Property is located.

(B) The Condominium Board, or the members of the Board, shall not be liable for the failure or interruption of any utility or other services obtained to be obtained by, or on behalf, of the Condominium Board or to be paid for as a Common Expense; or for any injury, loss, or damage to any individual property, occurring in or upon either a Unit or the Common Elements, and either: (i) caused by the elements, by any Unit Owner, or by any other person; (ii) resulting from electricity, water, snow, or ice that may leak or flow from any Unit or any portion of the Common Elements or from any part of the Property, from any of its pipes, drains, conduits, appliances, or equipment; or (iii) arising out of theft or otherwise; except as to (i) and (ii) above, such occurrences did not result from any act of negligence by the Board after due notice was given to the Board to take prompt and corrective action, and the Board acted in good faith to determine the cause, the party having responsibility, if possible, and takes the proper action to make such correction if such is determined to be the obligation of the Condominium Board.

No diminution or abatement of Annual Charges shall be claimed or allowed for failure to provide service, cause inconveniences or discomfort, arising from the making of repairs or improvements to the Common Elements or in the event of any emergency or from any action taken to comply with any law, ordinance or order of a governmental authority or to act to make corrections.

(C) All Unit Owners shall indemnify and hold harmless each of the members of the Board against all contractual liability to others arising out of contracts made by the Condominium Board, any committee thereof, or the Managing Agent on behalf of the Condominium unless any such contract shall have been made in bad faith or willful misconduct or contrary to the provisions of the Declaration or of these By-Laws. Every contract or agreement made by the Condominium Board, any executive committee thereof, or by the Managing Agent on behalf of the Condominium shall expressly state same is made or executed by or on behalf of the Condominium Board, such committee, or the Managing Agent, as the case may be, solely as agents for the Unit Owners, in the case of a contract or other document relating to the Common Elements and that the members of the Condominium Board or such committee or Managing Agent shall have no liability thereon, except to the extent their liability, if any, as Unit Owners is limited to such proportionate share of the total liability thereunder as the Common Interests of such Unit Owners bear to the aggregate Common Interest of all Unit Owners in the case of a contract relating to the Common Elements; and (ii) such Unit Owner's interest in his Unit and its Appurtenant Interests, unless otherwise provided by Law.

(D) The Unit Owners shall jointly and severally indemnify and hold harmless each member of the Condominium Board harmless from and against any claim or liability to others arising from his acts or omissions relative to the General Common Elements as, or by reason of the fact that such individual is or was a member of the Condominium Board except, however, to the extent that such claim or liability shall be due to, or shall arise out of, bad faith or willful misconduct of such member.

Section 17. **Liability of the Officers of the Condominium Board**

The officers of the Condominium shall have no liability to the Unit Owners for any errors of judgment, negligence, or otherwise, except that each officer of the Condominium shall be liable thereto for his own bad faith, willful misconduct or gross negligence. The Unit Owners shall jointly and severally indemnify and hold each officer of the Condominium harmless from and against any claim or liability to others arising from his acts or omissions relative to the Common Elements, as, or by reason of the fact that such individual is or was an officer of the Condominium, except, however, to the extent that such claim or liability shall be due to, or shall arise out of, bad faith or willful misconduct of such officer. Additionally, every contract made and other documents executed by one or more officers or other Persons on behalf of the Condominium shall expressly state that the same is made or executed solely as agent for the Unit Owners and such officer or Person shall have no personal liability thereunder, except to the extent of their liability, if any, as Unit Owners pursuant to the terms of Section 14 hereof.

Section 18. **Executive Committee.**

The Condominium Board may, at its option, by resolution duly adopted, appoint an Executive Committee to consist of three (3) or more members of the Condominium Board. Such Executive Committee shall have and may exercise all the powers of the Condominium Board in the management of the business and affairs of the Condominium during the intervals between the meetings of the Condominium Board insofar as may be permitted by law. The Sponsor or its

designee shall be a member of such Executive Committee as long as Sponsor or its designee own at least one Unsold Unit.

ARTICLE III
Unit Owners

Section 1. **Annual Meetings.**

(A) Within ninety (90) days after the closing of title of the first Unit and provided at least 25% of the aggregate Common Interests of the Condominium have closed, but not later than six months after the First Closing, the annual meeting of Unit Owners shall be held. At the first annual meeting Unit Owners may bring issues to the floor for discussion (new business) provided a written notice specifying such issues has been giving to the Sponsor and the Managing agent and all Unit Owners either by mail or fax at least ten (10) business days prior to the meeting. Additional issues will not be permitted at the first meeting. Thereafter, new issues shall be treated any meeting of the Unit Owners as "new business". At the annual meetings a new Condominium Board shall be elected for a one (1) year term.

(B) Thereafter, annual meetings of Unit Owners shall be held on the second Monday of January of each succeeding year or as designated by the Board but not later than March 15th of any year. At such meetings, the Unit Owners shall elect the members of the Condominium Board and there shall also be transacted such other business as may properly come before such meeting.

Section 2. **Place of Meetings.**

Meetings of Unit Owners shall be held at 2279 Third Avenue, New York, New York or at such suitable convenient place as may be designated by the Condominium Board with respect to meetings of Unit Owners represented thereby.

Section 3. **Special Meetings.**

The President of the Board shall call a special meeting of Unit Owners if so directed by resolution of the Condominium Board or upon a petition signed and presented to the Secretary of the Board by not less than three (3) Unit Owners or by Sponsor or the managing agent. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. **Notice of Meetings and Actions Taken.**

(A) Notice of each annual or special meeting shall be given by the secretary to all Unit Owners of record entitled to vote thereat. Each such notice shall state the purpose of the meetings and the time and place where it is to be held and no business shall be transacted thereat except as stated in the notice. All notices hereunder, including notice of scheduled meeting for the adoption of the proposed Annual Budget with a copy of the projected Common Expenses for

the coming fiscal year, shall be given by personal delivery, mail or facsimile at least twenty (20) but not more than thirty (30) business days prior to the day named for the meeting and shall be given or sent to the Unit Owners entitled to receive same at their address at the Property or at such other address as any Unit Owner has designated by notice in writing to the appropriate Secretary.

(B) The Condominium Board shall cause to be promptly delivered to the Unit Owners copies of all resolutions adopted at meetings of Unit Owners represented thereby except to the extent (a) of matters privileged under applicable law or (b) relating to the terms of the sale, leasing or subleasing of any Unit, other than the nature of the use thereof. Except as otherwise required by Law or otherwise provided in these By-Laws, the affirmative vote of a majority of Unit Owners present at a meeting shall be binding upon all Unit Owners for all purposes provided all Unit Owners shall have been properly notified of such meeting and the agenda.

(C) Resolutions by the Board approved at any meeting where proper notice has not been given to all members of the Board shall be deemed invalid.

Section 5. **Adjournment of Meetings.**

If any meeting of Unit Owners cannot be held because a quorum is not present, a majority of Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time fixed for the original meeting. Notice of such rescheduled meeting shall be delivered to all Unit Owners.

Section 6. **Order of Business.**

The order of business at all meetings of Unit Owners shall be as follows:

(a) Roll Call;
(b) Proof of notice of meeting;
(c) Reading of minutes of preceding meeting;
(d) Reports of officers;
(e) Reports of members of Board (after the initial annual meeting);
(f) Reports of committees;
(g) Election of inspectors of election (when so required);
(h) Election of members of Board (when so required);
(i) Unfinished business;
(j) New business.

Section 7. **Title to Units.**

Title to Units may be taken by any individual, corporation, partnership, association, trust, limited liability company, limited liability partnership, or other entity, or any two (2) or more of such owners as joint tenants, tenants in common or tenants by the entirety, as may be appropriate, but not as owners in severalty.

Section 8. **Voting.**

(A) Each Unit Owner, or a person designated by such Unit Owner to act as proxy on his behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit, expressed as the proportionate undivided interest in the Common Elements ("Common Interest") at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary on or before the appointed time of the meeting during which same is to be effective. Such designation shall be revocable at any time by written notice to such Secretary by the Unit Owner so designating prior to any meeting but such revocation shall not be effective with respect to any prior votes cast by such proxy. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. Any Unit owned by the Board or its designee shall not be entitled to vote and shall be excluded from the total of Common Interests when computing the interest of Unit Owners for voting purposes. In regard to the designation of a permitted Mortgagee to act as the proxy of its mortgagor shall not be effective for a period in excess of six months after the date thereof. If two or more Persons own a Unit, they shall designate one Person amongst them to vote the Common Interests appurtenant to their Unit in writing given to the Secretary of the Condominium and the vote of such designee shall be binding upon all of such Persons. Failing such designation, all of such Persons shall mutually vote such Common Interest under one ballot without division, and the concurrence of all such Persons shall be conclusively presumed if any one of them purports to vote such common Interests without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the common Interest appurtenant to such Unit shall be counted solely for the purpose of determining whether quorum is present for such voting.

(B) Except as set forth herein, at all meetings of Unit Owners each Unit Owner (or his proxy), including Sponsor for so long as Sponsor owns any Unsold Units, is entitled to cast there at one vote for each one percent (1%) of the Common Interest (or fraction thereof) attributable to his or its Unit.

(C) Notwithstanding the terms of paragraph (A) hereof, no Unit Owner may vote at any meeting of the Unit Owners or the Condominium Board if same is a Board member, if such member is not current in payment of Common Charges and Special Assessments for his or her Unit for thirty (30) days or more, unless the Unit Owner has protested the accuracy of his charges at least ten (10) days prior to such meeting. In the event of such a dispute, said Unit Owner shall be allowed to be heard at the meeting of the Unit Owners or the Condominium Board and a majority of those present may consent to allow the said Unit Owner to vote on other matters not pertaining to the non-payment until resolution of the dispute.

Section 9. **Election of Board: Rights of Unit Owner and Sponsor.**

(A) At all elections of members of the Board, each Unit Owner shall have the right to cast with respect to the Units owned by him, the number of votes as set forth in Section 8 and he may cast all of such votes for a single member or may distribute them among the total number of members to be voted for or for any two or more of them as he may see fit. All elections of

Condominium Board members (other than the designations by the Sponsor or Sponsor designee or the Commercial Unit Owner) shall be determined by a majority of the members.

(B) When voting for members of the Condominium Board, the voting shall be by ballot and each ballot shall state the name of a Unit Owner voting and the percentage interest in the Common Elements owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

(C) Notwithstanding any other provision of this Section or of any other provision of these By-Laws to the contrary:

(i) so long as the Sponsor or Sponsor-designee owns one or more Unsold Units, the Sponsor shall have the right to designate one (1) member of the Condominium Board;

(ii) such designated member may be removed under Article II, Section 5, only by the Sponsor or Sponsor-designee;

(iii) any vacancy created by removal of a Sponsor designated member shall be immediately filled by a member designated only by the Sponsor; and

(iv) as long as Sponsor has the right to designate a member of the Board, the number of members of the Board may not be increased above five (5) members without the consent of the Sponsor or its designee.

(v) the Commercial Unit Owner shall be entitled to name one member of the Board.

(D) Board meetings shall be open meetings unless it is designated an executive meeting by a vote of a majority of Board members. Otherwise, Unit Owners shall have the right to attend all meetings of the Board. Reasons for designating an executive meeting shall include but are not limited to confidential discussions relating to non-payments of common charges, special assessments, real estate taxes, or mortgage payments by an Unit Owner, complaints made by a Unit Owner against another; issues related to staff.

The terms of this Section C and D may not be changed unless agreed to by the Sponsor as long as Sponsor, or its designee, owns one Unsold Unit or as to the Commercial Unit without the consent of the Owner thereof.

Section 10. **Majority of Unit Owners**

Except as may otherwise by provided by law, as used in these By-Laws, the term "Majority of Unit Owners" means Unit Owners having more than fifty percent (50%) of the total authorized votes of Unit Owners who are present in person or by proxy and voting at any meeting

at which a quorum is present. Majority of the Board shall mean two of a three-member Board or three members of a five-member Board.

Section 11. **Quorum**

Except as otherwise provided in these By-Laws, only the presence in person or by proxy of Unit Owners owning more than fifty percent (50%) of the Common Interest attributable to all Units shall constitute a quorum at all meetings of Unit Owners.

Section 12. **Conduct of Meetings**

The President shall preside at all meetings of the Condominium Board and the Secretary shall record the meetings thereof, which minutes shall include the full text of any resolutions adopted by the Board and record all transactions and proceedings occurring thereat. The then current edition of the Robert's Rules of Order, or any other rules of procedure from time to time acceptable to a majority of the Board, shall govern the conduct of the meetings unless the same shall be in conflict with the terms of the Declaration or these By-Laws or the condominium Act.

Section 13. **Majority Vote**

Except where otherwise provided by law, the Declaration or these By-Laws, at all meetings of the Unit Owners the affirmative vote of a majority of Unit Owners who are present in person or by proxy shall be binding upon all Owners for all purposes unless prohibited herein or in the Declaration.

ARTICLE IV
Officers

Section 1. **Designation.**

The **Initial Condominium Board** shall be appointed by the Sponsor or its designee who shall designate all the members and officers of the Board. Such members and officers of the Board need not be Unit Owners. Upon turning control of the Board to the Unit Owners (upon the sale of 80% of the Units but not later than two years from the date of the first closing) the new Board shall elect new officers. The principal officers of the Condominium shall be a President, Vice President and Treasurer/Secretary or such officers as in its judgment may be desirable. All officers of such Board must be Unit Owners who are members of the Board.

Section 2. **Election of Officers.**

The officers shall be elected annually by the Condominium Board at the organizational meeting thereof, except that the initial officers shall be elected by the initial Condominium Board thereof and shall hold office at the pleasure of such and until their successors are elected. While Sponsor is in control of the Board, Sponsor, at its option, shall be the President of the Board or hold another office.

Section 3. **Removal of Officers.**

Upon the affirmative vote of a majority of the members of the Condominium Board, any officer may be removed either with or without cause, and the successor of any such officer may be elected at any regular meeting of the Condominium Board or at any special meeting of the Board called for such purpose. In the case of the Sponsor or a designee of Sponsor or the Owner of the Commercial Unit, same shall be removed only by the Sponsor or its designee or the Commercial Unit Owner as the case may be and each shall have the right to appoint another successor immediately thereafter.

Section 4. **President.**

The President shall be the chief executive officer of the Condominium. He shall preside at all meetings of the Unit Owners and the Condominium Board. He shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including but not limited to the power to appoint committees from among the Unit Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Condominium. The President shall be a member of the Board.

Section 5. **Vice President.**

The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Condominium Board shall appoint some other resident member of the Condominium Board to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Condominium Board or by the President. The Vice President shall be a member of the Board and a resident Unit Owner or spouse of a resident Unit Owner except for Sponsor or its designee who need not be occupants.

Section 6. **Secretary and Treasurer.**

The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Condominium Board; he shall have charge of such books and papers as the Condominium Board may direct; and he shall, in general, perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York. The Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data. He shall be responsible for the deposit of all monies and other valuable effects in the name of the Condominium Board or the Manager, in such depositories as may from time to time be designated by the Condominium Board, and he shall, in general, perform all the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 7. **Agreements, Contracts, Deeds, Checks, etc.**

All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any two (2) officers of the Condominium or by such other person or persons as may be designated by the Condominium Board.

Section 8. **Compensation of Officers.**

No officer shall receive any compensation from the Condominium for acting as such, except as otherwise provided by the Board and under no condition shall such compensation be approved while Sponsor owns a majority of the Unsold Units nor may Sponsor vote in favor of such act.

ARTICLE V
Operation of the Property

Section 1. **Determination of Common Expenses and Allocation of Common Charges**

(A) The Condominium Board shall from time to time, and at least annually:

(i) prepare an annual Budget of income and expenses for the Condominium and deliver a copy of the proposed Budget to all Unit Owners at least twenty (20) but not more than thirty (30) days prior to adoption of such Budget;

(ii) determine the aggregate amount of Common Charges payable by the Unit Owners as per their percentage of the Common Interests for the maintenance, repair and replacement of the Common Elements and such items as provided for in the Declaration and in these By-Laws for Common Expenses that include among other things, the cost of insurance premiums, an amount for working capital, a general operating reserve, a reserve fund for capital improvements and replacements, funds to make up any deficit in the Annual Charges for a prior year, a management fee to pay a Managing Agent, if any, employed by the Condominium Board; and may also include such amounts as may be required for the leasing or the purchase by the Condominium Board or its designee in the exercise of its right of first refusal on behalf of all Unit Owners, or lease or purchase a Unit which is to be sold at a foreclosure or other judicial sale, together with such amounts as may be necessary to maintain such Unit.

(iii) allocate and assess Common Charges and Common Expenses among the Unit Owners according to their respective Common Interests;

(iv) deliver a copy of the annual Budget and written notice of the amount of Common Charges payable by the Unit Owners either at the next scheduled annual meeting of the Unit Owners or by mail or personal delivery provided that Unit Owners receive a copy of said Budget and determination of Common Charges payable by

the Unit Owners not less than twenty (20) days prior to the date when the next monthly payment of Common Charges is due.

(B) The Condominium Board may, at its sole discretion, modify its prior determination of Common Expenses for the fiscal year and thereby cause an increase or decrease in the amount of Common Charges allocated to the Units for the fiscal year, or portion thereof. Such revised determination shall not be retroactive. During the first year of operation, Sponsor may not reduce services provided in the Budget set forth in the Offering Plan, or amendment thereto, in order to lower the Common Charges unless a majority of the Unit Owners, other than Sponsor, consent thereto or unless certain services are not required due to Units being vacant or not yet closed.

(i) In accordance with the procedures set forth above regarding Common Charges, the Condominium Board shall have the right to levy Special Assessments to meet the Common Expenses or capital improvements in proportion to their respective Common Interests which Special Assessment may be paid in a lump sum or in installments as determined by the Board. Notice of such assessment shall include in reasonable detail the nature and purpose of such assessment. The Condominium Board shall have all the rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges.

(ii) The failure or delay of the Condominium Board to prepare and adopt an annual Budget or determine the Common Expenses for any fiscal year shall not be deemed as a waiver or modification in any respect of the covenants and provisions hereof or release any Unit Owner from the obligation to pay Common Charges. In such event, the Common Charges that were previously computed on the basis of Common Expenses last determined shall continue thereafter until a new determination of the Common Expenses shall be made.

(iii) In the event of excess rents, profits or revenues derived from the rental or use of any space forming a part of, or included in, any Common Element remaining after deduction of all expenses incurred in connection with generating the same shall constitute income of the Unit Owners and shall be collected on behalf of the Unit Owners by the Condominium Board and applied against the Common Expenses for the fiscal year in which collected or may be applied to the following year. No Unit Owners shall be entitled to a distribution of any portion of such excess unless the Condominium Board shall determine to distribute all or part of such excess to all Unit Owners in proportion to their respective Common Interests. Any such distribution must be made out of the Common Charges collected from the Unit Owners.

(iv) That portion of the annual expenses which is allocated by the Condominium Board to principal payments on indebtedness or for capital

improvements shall be treated upon the books of the Condominium as capital contributions.

(v) Each Unit Owner agrees that if the Condominium Board determines that certain of the Common Charges or portions thereof should be assumed by a Unit Owner or by a group of Unit Owners, rather than by all Unit Owners, because, for example, they cause an increase in the Building's insurance due to his/their business or occupation, then such Unit Owner or group of Unit Owners shall be responsible for the payment of such increased charges.

Section 2. **Sponsor's obligations for Common Charges for Unsold Units**

The Sponsor or Sponsor-designee shall be responsible for the Common Charges assessed against all Units owned by it from the date of the First Unit Closing until such Unit is sold to a bona fide purchaser. Until title to all Units has been conveyed, the Sponsor or Sponsor-designee, as owner of any Unsold Units, may at Sponsor's or Sponsor-designee's sole discretion, pay in lieu of payment of all Common Charges due for the Unsold Units, an aggregate amount equal to the difference between the Common Charges due for all sold Units and the total cost necessary to operate the Condominium with the services provided for under the Offering Plan.

Section 3. **Payment of Common Charges.**

(A) All Unit Owners shall be obligated to pay the Common Charges assessed by the Condominium Board and Special Assessments, if any, pursuant to the provisions of Section 1 hereof at such time or times as the Condominium Board shall determine. Unless otherwise determined by the Board, Common Charges shall be payable monthly, in advance, on the first day of each month. To the extent permitted by Law, the Condominium Board shall have a lien on each Unit, on behalf of all Unit Owners, for unpaid Common Charges assessed against such Unit. Such lien, however, shall be subordinate, to the extent required by Law, to any liens for real estate taxes assessed against such Unit and any sums unpaid on a first mortgage recorded against the Unit.

(B) No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessment assessed against the Unit subsequent to a sale, transfer or other conveyance by him of such Unit together with the Appurtenant Interests (made in accordance with the provisions of Section 1 of Article VII of these By-Laws). A purchaser or other successor-in-title to the Owner of the Unit shall be liable for the payment of all Common Charges and Special Assessments, if any, accrued and unpaid against such Unit prior to his acquisition thereof. Except that, to the extent permitted by Law, a Permitted First Mortgagee acquiring title to a mortgaged Unit or a purchaser of a mortgage foreclosure sale held with respect to a Permitted First Mortgage shall not be liable, and such mortgaged Unit shall not be subject to a lien for any such Common Charges and Special Assessments subsequent to the recording of such Permitted First Mortgage and prior to the acquisition of title to such Unit by a Permitted First Mortgagee or by such purchaser. However, in the event of a foreclosure of a

Permitted First Mortgage, the defaulting Unit Owner shall remain fully liable for the payment of all unpaid Common Charges and Special Assessments, if any, that accrued prior to the foreclosure or sale. Any excess proceeds from such foreclosure or sale shall be paid directly to the Condominium Board in payment of all such unpaid Common Charges and Special Assessments. Any remaining unpaid Common Charges or Special Assessment uncollected from such foreclosure or sale or from the defaulting Unit Owner shall be deemed a Common Expense, collectible from all those who are Unit Owners at the time that the same is levied.

(C) A Unit Owner, subject to the terms and conditions specified in these By-Laws, may convey his Unit, together with the "Appurtenant Interests", to the Condominium Board or its designee, corporate or otherwise on behalf of all other Unit Owners, without being compensated therefore, and in such event be exempt from Common Charges and Special Assessments thereafter accruing provided that: (i) all Common Charges and Special Assessments, if any, then due and payable with respect to the Unit have been paid; (ii) such Unit is free and clear of all liens and encumbrances other than a Permitted First Mortgage and the statutory lien for unpaid Common Charges and Special Assessments; and (iii) no violation of any provision of the Condominium Documents then exist with respect to the Unit. However, under no condition shall Sponsor be permitted to convey any Unsold Unit to the Condominium Board and thereby exempt itself from the Common charges and any Special Assessments attributable to such Unit thereafter accruing. The Sponsor shall be permitted to convey its Units if their aggregate Common Interests constitute 15% or less of the total Common Interests of all Units and at least five (5) years shall have elapsed from the date of the First Closing. At the time of such conveyance, Sponsor shall pay to the Condominium Board an amount equal to the product of then current monthly Common Charges for the Unsold Unit(s) being conveyed multiplied by 24.

Section 4. **Collection of Assessments.**

The Condominium Board shall take prompt action to collect any Common Charge, and Special Assessments, if any, due from any Unit Owner which remains unpaid for more than thirty (30) days from the due date for payment thereof.

Section 5. **Default in Payment of Common Charges.**

(A) In the event of default by any Unit Owner in paying to the Condominium Board the Common Charges due to the Condominium Board that remain unpaid for more than thirty (30) days after the due date for the payment thereof. Then the Condominium Board shall have the right and the obligation to cause liens for all sums due and owing to the Condominium Board to be filed at the Register's Office pursuant to Section 339-z of the Condominium Act, to cause such liens to be foreclosed in the manner provided thereby and to institute all other proceedings deemed necessary or desirable by the Condominium Board to recover all such unpaid Common Charges, together with all additional sums of money collectible by reason of such non-payment. A suit to recover money judgments for unpaid Common Charges, however, shall be maintained without foreclosure or waiving the lien securing such charges.

(B) Such Unit Owner shall be obligated to pay (i) interest at the highest legal rate chargeab to individuals pursuant to Law on all such Common Charges computed from the due da thereof, until paid in full, together with all costs and expenses incurred by the Condominiu Board or the managing agent in connection with collecting all such Common Charges in a proceeding The Condominium Board shall have the right and duty to attempt to recover su Common Charges, together with interest thereon, and the expenses of the proceeding, includi attorneys' fees, disbursements and court costs. If action to foreclose is instituted, the defaulti Unit Owner will be required to pay reasonable rental for use of the Unit and the costs related such rental, The plaintiff in such foreclosure shall be entitled to the appointment of a receiver collect the same.

(C) All such interest and expenses and late charges shall be added to and shall constitu Common Charges payable by such Unit Owner. A Unit Owners defaulting in payment Common Charges or Assessments shall not be permitted to vote at any regular or special meeti of the Unit Owners.

(D) The Condominium Board, acting on behalf of all Unit Owners, shall have power purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage, convey otherwise deal with the same (but not vote the votes appurtenant to the same). If the net proce are insufficient to pay all outstanding charges, the Unit Owner shall remain liable for the defic Any surplus on such foreclosure sale shall be paid to the defaulting Unit Owner after payments all liens in the order of priority and costs and expenses in connection with such action foreclose.

Section 6. **Arrears of Common Charges by Sponsor**

In the event that Sponsor is more than thirty (30) days in arrears of Common Charg for Unsold Units, unless as otherwise stated above, and Sponsor is in control of t Condominium Board, Sponsor will cause the Condominium Board to file a lien on such Units provided for in Section 339-aa of the Real Property Law.

Section 7. **Statement of Annual Common Charges.**

The Condominium Board shall promptly provide a written statement of unpa Common charges due from any Unit Owner upon receipt of a written request therefore from su Unit Owner. Each unit Owner shall be permitted to examine the books of account of t Condominium at reasonable times on business days, but not more frequently than once a month.

Section 8. **Abatement and Enjoinment of Violations by Unit Owners.**

The violation of any house rule or regulation adopted by the Condominium Board, the breach of any By-Law contained herein, or the breach of any provision of the Declaratio shall give the Condominium Board the right, in addition to any other rights set forth in these B Laws:

(i) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach;

(ii) to also thereby secure the removal of any structure thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof at the expense of the defaulting Unit Owner; and

(iii) the violation or breach of any of the provisions of these By-Laws, any of the Rules and Regulations or the Declaration with respect to any rights, easements, privileges or licenses granted to Sponsor or its designee shall give to Sponsor and its designee the right, in addition to any other rights set forth in these By-Laws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

Section 9. **Insurance.**

The Condominium Board shall obtain to the extent obtainable and maintain in full force and effect :

A. (i) special multi-peril insurance policies including fire with extended "all risk" coverage, replacement cost coverage and agreed valuation in an amount not less than 80% of the full replacement cost of the Building, exclusive of footings and foundations (or be sufficient coverage so that the Condominium not be a co-insurer), vandalism and malicious mischief endorsements, insuring the entire Building (including the Units) and all service machinery contained therein, but not including appliances, fixtures, improvements, or decorations, furniture or furnishings, belongings, or other personal property of the Unit Owner and covering the interest of the Condominium and the Condominium Board, the Unit Owners and all permitted Mortgagees, as their interest may appear. Each of said policies shall contain:

(ii) waivers of subrogation, any defense based upon co-insurance or other insurance, invalidity arising out of any acts of the insured, and pro-rata reduction of liability.

(iii) a provision that any adjustment of loss will be made by the Condominium Board and that all proceeds thereof shall be paid to either the Condominium Board or the Insurance Trustee, as provided herein;

(iv) a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interest may appear, subject to the loss payment provisions in favor of the condominium Board and the Insurance Trustee set forth above;

(v) the provisions of such policy may not be cancelled or substantially modified except upon at least ten days prior written notice to the Condominium Board and all insureds requesting such notice.

(vi) duplicates originals or certificate of insurance of all such policies and of all renewals thereof, together with proof of payment of premiums, shall be on file at the office of the Manager or the Board. Copies of such shall be delivered to any Unit Owner or Permitted Mortgage on written request thereof.

(B) The Condominium Board shall also maintain, to the extent possible:

(i) comprehensive general liability insurance (of not less than $1,000,000) covering all listing as co-insureds the Condominium Board and its members, the Managing Agent, if any, each officer and employee of the Condominium, each Unit Owner, except for occurrences within the Unit of a Unit Owner or its Limited Common Element, if any;

(ii) rent insurance (equal to all the Common Charges for one year);

(iii) boiler and machinery insurance; water damage legal liability insurance; officers and directors liability insurance; fidelity bonds, such other insurance as the Condominium shall from time to time determine.

Each of the aforementioned policies of insurance shall also cover cross-liability claims of one insured against another.

(C) The Condominium Board will carry such other insurance as the Condominium Board may determine. The cost of all such insurance shall be paid by the Condominium Board and shall be reflected in the Annual Common Charges. Additional premiums incurred as a result of a particular use by any Unit, such additional premiums shall be borne by the owner of such Unit(s).

(D) Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that all such policies shall contain waivers of abrogation and further provided that the liability of carriers of the carriers issuing the insurance maintained by the condominium Board shall not be affected or diminished by reason of such additional insurance carried by any Unit Owner.

Section 10. **Casualty or Condemnation**

The following section specifically refers to the rights of its Unit Owners in the event of damage or condemnation in or to its Property.

(A) In the event that either the Property or any part thereof is damaged (i) by fire or other casualty ("casualty") or (ii) the Common Elements or any part thereof is taken ("Taking") in condemnation or by eminent domain, the net insurance payable under the insurance policies shall

be payable to the Condominium Board if the same shall be $50,000 or less in the aggregate, or to the insurance Trustee is same exceeds $50,000 in the aggregate. In either instance all such monies received shall be held in trust for the benefit of the Unit Owners with respect to the portion thereof allocated to a Casualty Loss or Taking of the Common Elements and their Units, and their Permitted Mortgages shall be disbursed pursuant to the terms herein. Notwithstanding anything to the contrary contained herein or elsewhere in these By-Laws, no affected Unit Owner shall be deemed to have waived whatever rights he may have to pursue a separate claim against the condemning authority by reason thereof.

(B) The Condominium Board shall, in the event of a casualty loss, arrange for the prompt repair or restoration of the Property and the Units, "Work", (exclusive of appliances, fixtures, improvements made therein by the Unit Owner or tenant, or furniture, furnishings, decoration or other personal property supplied or installed by the Unit Owner or tenant). In the event of a Taking, the portions of the Common Elements or the Units affected thereby, the Work to make repairs shall be performed to the extent such is practicable, first in or to the affected Units, and next to the Common Elements.

(C) In the event that Work shall be performed, the Condominium Board or the Trustee, as the case may be, shall disburse the Trust Funds to the contractors to be engaged in the Work in appropriate progress payments. If the Trust Funds should be insufficient to discharge the cost of the Work, the Condominium Board shall levy a Special Assessment against all Unit Owners for the amount of such insufficiency in proportion to their respective Common Interests and all proceeds of such Special Assessments shall become part of the trust funds. If, conversely, the Trust Funds prove to be more than sufficient to discharge the cost and expense of such work, such excess shall be paid to the Unit Owners in proportion to their respective Common Interests, except in regard to any Unit Owner who has unpaid liens on the Unit (other that a Permitted First Mortgage), which liens shall be paid first in the order of priority of liens and the balance, if any, shall be paid to such Unit Owner.

(D) In the event that 75% Property is damaged by fire or other casualty or 75% of the Common Elements are Taken, the Work shall not be performed unless 75% or more of all Unit Owners, including the Sponsor if Sponsor still owns Units, shall promptly resolve to proceed with the same and comply with process in paragraphs (B) and (C) above. Should, however, the Unit Owners representing seventy-five percent (75%) or more of the Common Interest (including Sponsor) elect not to rebuild the Property, the Property shall then be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be divided among the Unit Owners in accordance with each Owner's Common Interest, except that if any Unit Owner has unpaid liens (other than a Permitted First Mortgage) such liens shall be paid in the order of priority out of the Unit Owner's portion prior to any payment of proceeds to such Unit Owner.

(E) In the event that damage resulting from a Casualty Loss renders one or more Units wholly or partially unusable, or the means of entry to such Units, the common charges payable by any such affected Unit Owner shall be proportionally abated until such Unit is rendered useable and/or the means of access thereto shall be restored, as the case may be. However, if such

Casualty loss is caused by the act, omission to act, or the negligence of such Unit Owner or family member, guest, tenant or other occupant, such Unit's Common Charges shall only b abated to the extent of any proceeds of rent insurance, if any, collected by the Condominiu Board with respect to such Unit.

(F) If a portion of any Unit is taken in condemnation or by eminent domain, and th Condominium is not terminated, the Common Interests appurtenant to such Unit shall b adjusted in proportion that the floor area of such Unit after such Taken bears to the total floo area of such Unit prior to the Taken. The Condominium Board shall promptly amend th Declaration to reflect the new Common Interests appurtenant to such Unit. Such amendme shall be executed by the affected Unit Owner and promptly recorded. The Common Interests c the other or remaining Units shall be adjusted accordingly and reflected in an amendment to th Declaration, executed and acknowledged by the Condominium Board and all remaining Un Owners.

(G) Any disputes that arise under this Section 2, between Unit Owners or between Un Owners and the Condominium Board shall be resolved by arbitration.

(H) Unit Owners shall carry insurance for their own benefit at their own expense o contents and personal liability coverage provided that such policies contain waivers c subrogation and further provided that the liability of the carriers issuing insurance procured b the Condominium Board shall not be affected or diminished by reason of any other Unit Owner insurance.

Section 11. **Maintenance and Repair.**

Except as otherwise provided, Unit Owners shall be responsible for repairs an improvements to their Units and the Condominium Board shall be responsible for all repairs an improvements to the Common Elements. Each Unit Owner, immediately upon learning of an defects or need for repairs for which the Condominium Board is responsible, shall report such t the Board.

(A) All maintenance, replacements, improvements and repairs in and to any Unit and al portions thereof, that are not structural in nature or which will not change the dimension of th Unit, may be made by the Owner of such Unit, at his/her cost and expense. All such work shal be performed in such manner as shall not unreasonable disturb or interfere with any Unit Owner or the tenants or occupants of the Units. Each Unit Owner shall also be responsible for al damages to all other Units and/or to the Common Elements necessitated by his negligence o misuse, or that of his family, employees, tenants or guests.

(B) Each Owner shall at the Owner's expense maintain his Unit in first-class condition order and repair, the interior of his Unit, its equipment, furniture, furnishings, appliances, an appurtenances in good order and condition, and shall do all redecorating and other work that ma at any time be necessary to maintain the good condition of his Unit. Any breach of Owner' obligation to paint, decorate, maintain, repair or replace in his Unit or its appurtenant Limite

Common Elements, if any, without limitation, shall result in a notice to cure within fifteen (15) days of said notice from the Condominium Board or the Managing Agent. Failure to commence to cure within fifteen (15) days and to proceed to cure with due diligence will cause the Condominium Board to abate, remove or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. No notice is required in the event that the Condominium Board shall determine that the abatement, removal or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or the occupants or other individuals or to avoid suspension of necessary services in the Building. All sums expended and all costs and expenses incurred in connection with the making of any such painting, decorating, maintenance, repairs or replacement in such Unit Owner's Unit, together with interest thereon, at the maximum rate permitted by law, shall be immediately payable by such Unit Owner to the Board and shall for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

(C) All maintenance, repairs and replacements in and to the Common Elements (whether located inside or outside of the Units), shall be made by the Condominium Board and be charged to all the Unit Owners as a Common Expense (unless necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner).

Section 12. **Additions, Alterations or Improvements by Condominium Board.**

(A) Whenever, in the judgment of the Condominium Board, the Common Elements shall require additions, alterations or improvements, or such is deemed desirable by the Board, costing in excess of five-thousand dollars ($5,000) in the aggregate in any one fiscal year and the making of such additions, alterations or improvements shall have been approved by the majority of the Unit Owners, and by the representative or representatives, if any, appointed pursuant to Section 5 of Article VI hereof by the holders of mortgages constituting first liens upon Units, the Condominium Board shall proceed with such additions, alterations or improvements; except that such work costing less than $5,000 in any one fiscal year may be made by the Board at its discretion or work that is required by governmental authority having jurisdiction for conditions that are deemed unsafe or in violation of the building code, may be made without approval of the Unit Owners, or the representative or representatives, if any, of mortgagees of Units and the cost thereof shall constitute part of the Common Expenses.

(B) The Sponsor or its designee may at any time in its sole discretion at its own cost and expense make alterations, additions or improvements at its sole expense to the Common Elements without approval of the Condominium Board or other Unit Owners, provided that such action shall not impair the functioning or use of the Common Elements nor adversely affect the use of or value of any Unit.

(C) The Condominium Board shall also have the right to designate certain areas of the Common Elements as being for the exclusive use of one or more Unit Owners provided, however, that such designation shall only be made with respect to areas which abut or adjoin Units owned by any such Owners and that the use of such areas is not necessary or desirable for the use of Unit Owners generally. In the event of such designation, the Unit Owners granted

such exclusive use shall thereafter be responsible for the decoration, maintenance and repairs of such areas but not structural repairs or replacements which shall be a common expense. In the event of a dispute as to the structural or non-structural nature of the repair, the architect for the condominium will have final determination. The Condominium Board may subsequently revoke such designation if necessary to the best interests and proper operation of the Condominium.

Section 13. **Additions, Alterations, or Improvements in or to Units.**

(A) Except as otherwise provided in the Declaration and notwithstanding anything to the contrary in these By-Laws, a Unit owner may not, without the prior written consent of the Condominium Board, make structural alterations or additions in or to his Unit. In the event that the Condominium Board shall fail to answer any written, reasonably detailed request for such approval within thirty (30) days after such request is received, consent should be deemed given. Prior to and on condition of granting approval, the Condominium Board may, at its sole option, require the Unit Owner to procure and agree to maintain during the course of such work such insurance as the Board may reasonably require. The Condominium Board may also require a written agreement with the Unit Owner setting forth the terms and conditions under which work may be performed. In the event that such work necessitates drawings and/ or permits, copies of all such documents must be delivered to the Board. All alteration, addition, repair, replacement, or improvement by Unit Owners shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction thereof and no work shall commence until all such governmental approval and permits are issued, if same are required, and true copies submitted to the Board. Any and all costs in connection with such work including plans, permits, architectural drawing, copies of same for the Board, shall be borne solely by the Unit Owner. The Condominium Board may charge the Unit Owner for any reasonable costs in the event of consultation with an engineer or architect, or counsel deemed necessary for the consideration of such approval. The Board shall have no obligation to pay any fees or charges in connection with any applications submitted by the Unit Owner or his agents or to any contractor, subcontractor, architect, engineer or worker of said Unit Owner or to any person having any claim for injury to person or damage to property arising therefrom. No work of this nature may be done prior to the issuance of the permanent Certificate of Occupancy. All work must be done no earlier than 8:00 AM and later than 6:00 PM on week-days and Saturdays except in the case of an emergency. No work on Sundays and holidays shall be permitted except in the event of an emergency. All debris shall be stored in proper containers within the Unit being repaired or the Common Elements if work involves the Common Elements. Current Certificates of insurance of contractors and sub-contractors performing any work shall be filed with the Board.

(B) The Condominium Board shall, as a condition of consent, require any Unit Owner effecting an addition, alteration or improvement, whether structural or non-structural, to his Unit to agree to hold harmless the Condominium Board and all other Unit Owners from any liability arising therefrom. In addition, the Condominium Board may, as a condition of consent, require the Unit Owner at a later date to restore the Common Elements affected by the addition, alteration or improvement to their previous condition.

(C) The Condominium Board shall not withhold unreasonably its consent to a request of a Unit Owner owning abutting Units to make changes to interior connecting walls to permit such Units to be connected or, for any Units having been so connected, to permit such Units to be disconnected, provided that such changes do not interfere with the structural integrity of the Building and existing electrical, plumbing or mechanical systems, or violate the House Rules and Regulations outlined in this Part II of the Plan.

(D) The provisions of this Section shall not apply to the Sponsor and Sponsor's designee and to any Unsold Units until a deed to such Units have been delivered to a purchaser thereof. The Sponsor shall have no restrictions as to any alterations, repairs or improvements to all Unsold Units, whether structural or non-structural, ordinary or extra-ordinary, interior or exterior, to sub-divide, combine or change the boundary, and shall not require the consent of the Condominium Board, Unit Owners or managing agent, or anyone else for any or all such work. The Condominium Board, upon request, will execute any application or other document required to be filed with any governmental authority having or asserting jurisdiction in connection with any such structural addition, alteration or improvement made by the Sponsor or its designee provided, however, that neither the Condominium Board nor the Unit Owners shall be subjected to any expense or liability by virtue of the execution of the application or such other document or by virtue of such structural addition, alteration, or improvement.

Section 15. **Restrictions on Use of Units.**

In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of the Property shall be restricted to and shall be in accordance with the following provisions:

(A) All Residential Units shall be used for residential purposes and such occupation as permitted by Code and the Certificate of Occupancy. Occupants of a Unit (other than Sponsor's or its designees) must be members of the family of the Unit Owner or lessee (or if the Unit Owner or lessee is a partnership, a corporation or a trust, then a partner or an officer, director, shareholder or employee of the corporation or of the beneficiary of the trust, as the case may be), or the families, employees or guests of any of them but not more than one family may occupy a unit at one time. "Members of the family of the Unit Owner of the lessee" as used herein shall be deemed to mean spouse, parents, parents-in-law, brothers, sisters, children and grandchildren.

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

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

(D) Sponsor or its designee may, without the consent of the Condominium Board, Un Owners or Managing Agent, grant permission for the use of any Unsold Unit as a professional c business office, or for any other purpose not in violation of law or the existing certificate c occupancy covering the Unsold Unit. The Commercial Unit Owner and the Community Facilit Owner does not require the consent of the Board for any lawful use of their respective Unit.

(E) The Commercial Unit may be used for any lawful purpose and may change its use, se or lease the Unit without the prior consent of the Board of Managers. The Community Facilit Unit may be used for any lawful purpose such as professional offices, community care c educational centers, medical offices, and the like, and any other use permitted by zonin regulation. The use of the commercial space may be changed if permitted by zoning regulatior and code by changing the Certificate of Occupancy. The Owner thereof must comply with th law and building code and with the Condominium's By-laws that relate to substantial changes t Units. The Owners of the Commercial or the Community Facility does not require the pric consent of the Board or the Unit Owners for making such application or affecting a change in th use of the Unit provided that no illegal or immoral business, headshop, peep-show, massag parlors, or OTB parlors may be conducted on the premises.

Section 16. **Use of Common Elements.**

(A) A Unit Owner shall not place or cause to be placed in the vestibules, corridors, servic areas, stairways, garden spaces, or other Common Elements, any furniture, packages, refuse c other objects of any kind.

(B) The Common Elements shall be used only for those purposes for which they ar reasonably suited and intended. Any Common element in or passing through a Unit shall be th responsibility of the Unit Owners as to decorations, repairs and maintenance. But any structura repairs or replacements shall be a common expense.

Section 17. **Right of Access.**

A Unit Owner shall grant a right of access to his Unit to the Board, the Manager and/c any other person authorized by the Condominium Board for the purpose of making inspection c for the purpose of correcting any violation or condition originating in his Unit and threatenin another Unit or a Common Element, or for the purpose of performing installations, alterations o repairs to the mechanical or electrical services or other Common Elements in his Unit o elsewhere in the Building, or to correct any condition which violates the provisions of an mortgage covering another Unit, or curing defaults hereunder or under the Declaration or th Rules and Regulations provided that requests for entry are made in advance and that any suc entry is at time reasonably convenient to the Unit Owner and further provided that such righ shall be exercised in such a manner as will not unreasonably interfere with the normal use of th Units for residential or business purposes. In case of an emergency, such right of entry shall b immediate, whether the Unit Owner is present at the time or not. The Condominium Board shal grant rights of access to the Common Elements, to Sponsor and its contractors an

subcontractors, agents and employees for the purpose of fulfilling Sponsor's obligations under the Plan or amendments thereto.

Section 18. **Rules of Conduct.**

House Rules and Regulations concerning the use of the Units and the Common Elements, except for Sponsor's Units, may be promulgated and amended by the Condominium Board but may be overruled by a vote of a majority of Unit Owners. Copies of such Rules and Regulations shall be furnished by the Condominium Board to each Unit Owner at least twenty (20) days prior to the time when the same shall became effective. The Initial House Rules and Regulations, which shall be effective until amended by the Condominium Board, are annexed hereto and made a part hereof as Document F.

Section 19. **Utilities.**

Electricity and incoming cable and telephone service shall be supplied to all of the Units (directly for own consumption and each Unit shall be responsible for own expenses). Gas for heat, hot water, and cooking, electricity for the common areas, and water charges and sewer rents, shall be billed and the Condominium Board shall pay, as Common Expense, all such charges promptly after the bills for the same shall have been rendered except for those utilities and services provided or metered directly to individual Units. In the event of a proposed sale of a Unit by the Owner thereof, the Condominium Board, on request of the selling Unit Owner, shall execute and deliver to the Purchaser of such Unit or to the Purchaser's title insurance company, a letter agreeing to pay all charges for utilities affecting the Unit as of the date of closing of title to such unit, promptly after such charges shall have been billed.

Section 20. **Refurbishing and Redecoration.**

The Condominium Board shall from time to time redecorate and refurbish the Common Elements as necessary to maintain high standards of appearance and service. Such redecoration and refurbishing may include (but shall not be limited to) the repair, cleaning or replacement of:

(i) carpets or other floor coverings;
(ii) wall coverings;
(iii) lighting fixtures;
(iv) pictures, furnishings, paintings, or other decor; and
(v) painted ceilings, walls, stairways, doors and trim;

The expenditure of funds for this purpose shall be assessed to all of the Unit Owners as part of the Common Charges.

ARTICLE VI
Mortgages

Section 1. **Notice to the Condominium Board.**

A Unit Owner who mortgages his Unit shall supply the Condominium Board with the name and address of his mortgagee and, if requested by the Condominium Board, shall file a conformed copy of the note and mortgage with the Condominium Board; when the mortgage is satisfied, the Unit Owner shall also file a copy of such satisfaction; the Condominium Board shall maintain such information in a book entitled "Mortgages of Units." The Sponsor or sponsor-designee shall not be subject to the provisions of this article unless where required by Law.

Section 2. **Notice of Unpaid Common Charges or Other Default**

The Condominium Board, whenever so requested in writing by a mortgagee of a Unit, shall promptly report any then unpaid Common Charges due from, or any other default by, the Owner of the mortgaged Unit. The Board shall accept payment of any sum or performance of any act by a permitted mortgagee of a Unit Owner with the same force and effect as though paid or performance by such Unit Owner.

Section 3. **Notice of Default**

The Condominium Board, when giving notice to a Unit Owner of a default in paying Common Charges or other default, shall send a copy of such notice to each holder of a mortgage covering such Unit, whose name and address has heretofore been furnished to the Condominium Board. The Condominium Board shall have no liability for any failure in notifying a mortgagee of any default by a mortgagor.

Section 4. **Examination of Books**

Each Unit Owner and each mortgagee of a Unit shall be permitted to examine the books of account of the Condominium at reasonable times, on business days.

Section 5. **Mortgage of Units**

Each Unit Owner shall have the right to mortgage his Unit without restriction except as noted below in Article VII, provided that any such mortgage shall be substantially in the form of the New York statutory form of mortgage, except for such changes or additions as may be necessary in order to permit a particular bank, trust company, insurance company, savings and loan association or other institutional lender to make the mortgage loan. No Unit Owner shall be permitted to mortgage, pledge, or hypothecate his Unit unless and until he shall have paid in full to the Condominium Board all unpaid Common Charges as Special Assessments heretofore assessed against such Units and shall have satisfied all unpaid liens levied against such Unit except lien of permitted mortgages.

Section 6. **Restriction**

No Unit Owner shall execute any mortgage or other document mortgaging, pledging or hypothecating title to his Unit without including therein its appurtenant Interests, it being the intention to prevent any severance of such combined ownership.

Section 7. **Consent of the Mortgagees**

Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to the determination or act of the Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagees against his mortgagor.

ARTICLE VII
Sales, Leases and Mortgages of Units

Section 1. **Sales and Leases**

Other than Sponsor or Sponsor-designee or the Owners of the Commercial Unit and the Community Facility Unit, no Unit Owner may sell or lease his Unit except in compliance with the applicable provisions of this Article VII. Any purported sale or lease consummated in default in the applicable terms hereof shall be voidable at the sole election of the Condominium Board and, if the Board so elects, the selling or leasing Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized leasing) in the name of the Unit Owners as the owner or the landlord, as the case may be. The said Unit Owner shall reimburse the Condominium Board for all costs and expenses paid in connection with the proceedings, including without limitations, reasonable attorney's fees and disbursements and court cases. Succeeding Unit Owners shall be bound by this Article VII of the By-Laws.

Section 2. **Right of First Refusal**

Any contract to sell a Unit together with its appurtenant Interests or lease a Unit ("Contract of Sale" or "Lease Agreement") shall contain the following language: "**THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHTS IF ANY, OF THE CONDOMINIUM BOARD WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF ARTICLE VII OF THE BY-LAWS OF THE BRIDGE SOUTH CONDOMINIUM, AS SAME MAY HAVE BEEN AMENDED**".

(A) Promptly after any such bona fide contract of sale or lease shall be executed, the Unit Owner ("Offeree Unit Owner") executing the same shall send written notice thereof to the Condominium Board by certified or registered mail, return receipt requested, which notice shall

be accompanied by a fully executed original counterpart of the contract of sale or the lease, as the case may be, containing the terms offered in good faith by the prospective purchaser or tenant (the "Outside Offer") (a) for the sale of his Unit together with: (i) the undivided interest of the Common Elements and any Limited Common Elements appurtenant thereto; (ii) the interest of such Unit Owner in any Units theretofore acquired by the Condominium Board, or its designee, corporate or otherwise, on behalf of all Unit Owners, or the proceeds of the sale or lease thereof, if any; and (iii) the interest of such Unit Owner in any other assets of the Condominium, as defined in the Declaration, (hereinafter collectively called the "Appurtenant Interests"), or (b) for a lease of his Unit, which Outside Offer for the sale or lease of the Unit he believes to be bona fide in all respects and intends to accept and shall offer to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, to the Condominium Board, or its designee, corporate or otherwise, on behalf of the owners of all other Units, on the same terms and conditions as contained in such Outside Offer. Thereafter, upon written demand of not more than ten (10) days from receipt of notice and Agreement, the Offeree Unit Owner shall submit further information or documentation with respect to the outside Offer as the condominium Board may reasonably request.

(B) Within thirty (30) days after receipt of such notice, the Condominium Board may elect, by notice given to such Unit Owner within said thirty (30) day period by certified or registered mail, or by hand of messenger against receipt therefor, to purchase such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all other Unit Owners, on the same terms and conditions as contained in the Outside Offer and as stated in the notice from the offering Unit Owner.

(C) In the event the Condominium Board shall elect to purchase such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be, or to cause the same to be purchased or leased by its designee, corporate or otherwise, The Condominium Board shall deliver or send by certified or registered mail no later than thirty (in the case of a proposed sale) or fifteen days (in the event of a proposed lease) after receipt of notice and proper documentation, notice of its decision to purchase such Unit or lease such Unit, as the case may be, upon the same terms and conditions as were contained in the Sale Agreement or Lease Agreement. Notwithstanding anything to the contrary contained herein, however, the Condominium Board may not exercise such option contained herein to purchase or lease any Unit without the prior approval of fifty percent (50%) or more of all Unit Owners, including Sponsor if Sponsor owns any Unsold Units.

(D) The Condominium Board may not discriminate against any person on the basis of race, creed, color, origin, sex, sex orientation, disability, marital status or other grounds prohibited by Law in connection with its exercise of the right of first refusal.

(E) In the event of such purchase of a Unit or lease such Unit, title shall close or a lease shall be executed at the office of the attorneys for the Condominium in accordance with the terms of such offer within forty-five (45) days after the giving of notice by the Condominium Board of its election to accept such offer. At the closing, the Unit Owner, if such Unit, together with the

Appurtenant Interests, is to be sold, shall convey the same to the Condominium Board, or to its designee, corporate or otherwise, on behalf of all other Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all transfer stamps affixed, and shall pay all other taxes arising out of such sale. In the event such Unit is to be leased, the offering Unit Owner shall execute and deliver to the Condominium Board, or to its designee, a lease between the offering Unit Owner, as landlord, and the Condominium Board, or its designee, as tenant, covering such Unit, for the rental and term contained in such Outside Offer. The Condominium Board shall charge a reasonable fee for reviewing such proposed sale or lease Agreement.

(F) In the event the Condominium Board or its designee fails to notify the offering Unit Owner of its decision to accept such offer within thirty (30) days after receipt of notice as aforesaid or notify the offering Unit Owner within said period of its decision not to accept such offer, the offering Unit Owner shall be free to contract to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be, within sixty (60) days after the expiration of the thirty (30) day period in which the Condominium Board or its designee might have accepted such offer, to the Outside Offeror, on the terms and conditions set forth in the notice from the offering Unit Owner to the Condominium Board of such Outside Offer. Any such deed to any Outside Offeror shall provide that acceptance thereof by the grantee shall constitute an assumption of all the provisions of the Condominium Documents, as the same may be amended from time to time, and, in the absence of such express language, the same shall be conclusively deemed to have been included herein.

(G) Any such lease shall be consistent with these By-Laws and shall provide that it (i) may not be modified, amended, extended or assigned without the prior consent in writing of the Condominium Board in each instance; (ii) that the tenant thereunder shall not assign his interest in such lease or sublet the premises demised thereunder or any part thereof, without the prior consent in writing of the Condominium Board in each instance; and (iii) that the Condominium Board shall have power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event (a) of default by the tenant in the performance of such lease or (b) by foreclosure of the lien granted by section 339-z of the Condominium Act.

Except as hereinfore set forth, the form of any such lease for Units shall be the then current form of apartment lease recommended by Julius Blumberg, Inc., or the Real Estate Board of New York, Inc., with such modifications as shall be approved in writing by the Condominium Board.

(H) In the event the offering Unit Owner shall not, within such sixty (60) day period, contract to sell such Unit together with the Appurtenant Interests, or to lease such Unit, as the case may be, to the Outside Offeror on the terms and conditions contained in the Outside Offer, or if the Unit Owner shall so contract to sell or lease his Unit within such sixty (60) day period, but such sale or lease shall not be consummated pursuant to the terms of such contract, then should such offering Unit Owner thereafter elect to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be, to the same or another Outside Offeror on the same or

other terms and conditions, the offering Unit Owner shall be required to again comply with all of the terms and provisions of this Section 8.1 of this Article VIII. Unit Owners shall be limited to sending not more than two such proposed Agreement of sale or lease within a twelve month period except that the Condominium Board shall have the sole right, in its discretion, to waive such limitation for good cause shown.

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

Section 3. **Termination of, and Exceptions to, the Right of First Refusal**

A certificate executed and acknowledged by the Secretary of the Condominium or the Managing Agent, stating that the provisions of this Article have been met by the Unit Owner or that the right of first refusal provided for therein has been duly released or waived by the Condominium Board and that, as a result thereof, the rights of the Condominium Board thereunder have been terminated, shall be conclusive upon the Condominium Board and all Unit Owners in favor of all persons who rely upon such certificate in good faith. After the due issuance of such certificate, the Unit with its appurtenant Interests, may be sold, conveyed, or leased free and clear of the terms and conditions contained in this section. The condominium Board shall furnish or cause the Managing Agent to furnish without further charges, such certificate upon written request to any Unit Owner in respect to whom the provisions of Section hereof have, in fact, been terminated. In no event, however, shall the right of first refusal described in the Article be deemed released or waived by the Condominium Board in the absence of such executed, acknowledged and issued certificate. Said certificate shall be issued promptly within the time limits afforded the Condominium Board to exercise the right of first refusal or to waive such right.

The terms and conditions of Sections of this article shall not apply with respect to the sale, lease or conveyance of a Unit, together with its Appurtenant Interests, by:

(i) The Unit Owner thereof to any of his adult family members, to any combination of the same, or to a trust for the benefit of any of them provided that the succeeding Unit owner is an infant or a person judicially declared incompetent of managing his affairs, then the Unit shall be held by the personal representative of such individual(s) or entity or individual who owns more than fifty percent of the legal and beneficial interest thereof;

(ii) Sponsor with respect to Unsold Units;

(iii) The Condominium Board;

(iv) Any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such unit or delivering a Deed in lieu of such foreclosure; or

(v) Any Permitted Mortgagee or his nominee, who has acquired title to any Unit at any foreclosure sale of his Permitted mortgage or by deed in lieu of foreclosure in a bona fide transaction;

Such exceptions are permitted provided, however, that each succeeding Unit Owner shall be bound by, and his Unit shall be subject to, all of the terms and conditions of this Article.

Section 4. **No Severance of Ownership**

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

Section 5. **Financing of Units Purchased by Condominium Board**

Acquisition of Units by the Condominium Board, or its designee, on behalf of all Unit Owners, as provided herein, may be made from the working capital and Common Charges in the hands of the Condominium Board, or if such funds are insufficient, the Condominium Board may levy a Special Assessment against each Unit Owner in proportion to his ownership in the Common Elements, as a Common Charge, which Special Assessment shall be enforceable in the same manner as provided in Sections 6 and 7 of Article V, or the Condominium Board, in its discretion, may borrow money to finance the acquisition of such Unit, provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the Unit, together with the Appurtenant Interests, so to be acquired by the Condominium Board. In addition, if the Outside Offeror was to assume or take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages pursuant to the Sale Agreement, the Condominium Board may purchase the Unit and assume title thereto subject to such mortgage or mortgages as the case may be.

Section 6. **Gifts and Devises**

Any Unit Owner shall be free to convey or transfer his Unit together with its appurtenant Interests, by gift, or to devise his Unit by will, or to pass the same by intestacy without restriction provided that succeeding Unit Owners shall be bound by and their Unit shall be subject to the provisions of this Article.

Section 7. **Waiver of Right of Partition With Respect to Such Units as Are Acquired by the Condominium Board, or Its Designee, on Behalf of All Unit Owners as Tenants in Common**

In the event that a Unit shall be acquired by the Condominium Board, or its designee, on behalf of all Unit Owners as tenants in common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit.

Section 8. **Payment of Common Charges and Special Assessments**

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

Section 9. **Power of Attorney**

At the time of acquiring title to a unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and deliver to the representative of his title insurance company (or to Sponsor or the Condominium Board as the case may be) for recording in the Register's Office, the Unit Owner's Power of Attorney required in the Declaration, in the form set form in the Condominium Documents.

Section 10. **Transfer Tax**

No transfer tax (or flip fee) shall be imposed on any Units sold, transferred, assigned or leased by the Sponsor or its designee, the Owners of the Commercial Unit or the Community Facility Unit at any time.

ARTICLE VIII
Condemnation

In the event of a taking in condemnation or by eminent domain of part or all of the Common Elements, the award made for such taking shall be payable to the Condominium Board. If the Owners of seventy-five percent (75%) or more of the Common Interest duly and promptly approve the repair and restoration of such Common Elements, the Condominium Board shall arrange for the repair and restoration of such Common Elements, and the Condominium Board shall disburse the net proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that the Owners of seventy-five percent (75%) or more of the Common Interest do not duly and promptly approve the repair and restoration of such Common Elements, the Condominium Board shall divide the net proceeds of such award 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 his Unit, in the order of the priority of such liens.

ARTICLE IX
Records - and Audits

(A) The Condominium Board or the Manager shall keep detailed records of the actions of the Condominium Board, minutes of the meetings of the Condominium Board, minutes of the meeting of the Unit Owners and financial records and books of account of the Condominium, as well as a separate account for each Unit which, among other things, shall contain the amount of each assessment of Annual Charges against such Unit, the date when due, the amounts paid thereon, and the balance remaining unpaid.

(B) An annual report of the receipts and expenditures of the Condominium, audited by an independent public accountant (who may also serve in such capacity for the Manager), shall be rendered by the Condominium Board to all Unit Owners and to all mortgagees of Units who have requested the same, promptly after the end of each fiscal year. The cost of such report shall be paid by the Condominium Board as a Common Expense.

(C) Any Owner may, at any reasonable time at his own expense, cause an audit or inspection of the books of account of the Condominium Board pertaining to the Condominium.

(D) Copies of the Declaration, the By-Laws, the Rules and Regulations, and Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Board and shall be available for inspection by Unit Owners and their authorized agents, upon request, during business hours.

ARTICLE X
Miscellaneous

Section 1. **Notices**

All notices hereunder shall be sent by registered or certified mail to the Condominium Board c/o the Manager or, if there be no Manager, to the office of the Condominium Board or to such other address as the Condominium Board may hereafter designate from time to time, by notice in writing, to all Unit Owners and to all mortgagees of Units. All notices to any Unit Owner shall be sent by registered or certified mail to the Property or to such other address as may have been designated by him from time to time, in writing, to the Condominium Board. All notices to mortgagees of Units shall be sent by registered or certified mail to their respective addresses, as designated by them from time to time, in writing, to the Condominium Board. All notices shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received.

Section 2. **Invalidity**

The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Laws.

Section 3. **Captions**

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws, or the intent of any provisions thereof.

Section 4. **Gender**

The use of the masculine gender in these By-Laws shall be deemed to include the feminine gender and the neuter and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 5. **Waiver**

No restriction, condition, obligation, or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 6. **Further Assurances**

(A). Any person that is subject to the terms of these By-Laws, whether such person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member of the Condominium Board, an officer of the Condominium, or otherwise, shall, at the expense of any other person requesting the same, execute, acknowledge and deliver to such other person such instruments, in addition to those specifically provided for therein, and take such other action as such other person may reasonably request in order either to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

(B). If the Condominium Board, Unit Owner, or such person subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses within twenty (20) business days after request therefor, to take any action that the Condominium Board, such Unit Owner, or such person is required to execute, acknowledge, or deliver or to take pursuant to these By-Laws at the request of Sponsor, then Sponsor is hereby authorized, as attorney-in-fact for the Condominium Board, such Unit Owner, or other person, and such document or action shall be binding on the Condominium Board, such Unit Owner, or other person.

(C). Prior to Sponsor obtaining a permanent Certificate of Occupancy for the Property, no Unit Owner shall make repairs, alterations or improvements, except minor repairs and painting.

Section 7. **Insurance Trustee**

The Insurance Trustee shall be a bank or trust company in the City of New York, designated by the Board and having a capital surplus and undivided profits of $500,000.00 or

more. In the event the Insurance Trustee resigns or is replaced by the Board, the Board shall appoint a new Insurance Trustee which shall be a bank or a trust company having an office located in the City of New York having a capital surplus and individual profits of $500,000.00 or more. The Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense.

Section 8. **Successors and Assigns**

The rights and/or obligations of Sponsor as set forth herein shall accrue to and be binding upon any successor to or assignee of Sponsor, or with the consent of Sponsor, to a transferee of three (3) or more Units owned by Sponsor, provided, in the case of an assignment or transfer of Units, that the assignee or transferee shall agree in writing to assume the said rights and obligations.

ARTICLE XI
Amendments to By-Laws

Except as hereinafter provided otherwise, these By-Laws may be modified or amended by the vote of seventy-five percent (75%) in number and Common Interest of all Unit Owners at a meeting of Unit Owners duly held for such purpose except that after five (5) years from the date of Closing or upon fifty percent (50%) sale of the Units, whichever comes first, Sponsor shall be entitled to vote only if he is the Owner of any Unsold Units. Section 1 of Article III, insofar as it provides that the Sponsor or its designee, so long as it is the Owner of one (1) Unsold Unit, shall be entitled to elect at least one (1) member of the Condominium Board; Section 2 of Article II, insofar as it provides that the Condominium Board may not exercise certain powers without the Sponsor's prior written consent so long as the Sponsor or its designee shall continue to own one (1) Unsold Unit; except that no amendment shall impose any transfer tax, flip fee or similar charges on the sale, transfer, assignment or sublease of any Unit of the Sponsor, its designee or the Owners of the Commercial Unit or the Community Facility Unit; and further that no such transfer tax or similar charges shall be imposed on the sale or sublease of any unit by any Unit Owner above two percent (2%) of the gross purchase price less brokerage fees and legal fees; and this provision regarding flip fees may not be amended without the consent in writing of the Sponsor or its designee as long as Sponsor, or its designee, own one (1) Unsold Unit or the Commercial Unit and the Community Facility Unit as to their Units.

ARTICLE XII
Conflicts

These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Law of the State of New York. In case any of these By-Laws conflict with the provisions of said statute or of the Declaration, the provisions of said statute or of the Declaration, as the case may be, shall control.

Anything herein contained to the contrary notwithstanding, these By-Laws may not be altered, repealed or added to with regard to a proposed amendment that would affect the rights or

interests of Sponsor, and its successors or assigns who own at least one Unsold Unit without Sponsor's, or its assignee's, written consent or as to the rights of the Commercial and the Community Facility Units, as the case may be.

DOCUMENT F

THE HOUSE RULES AND REGULATIONS

THE BRIDGE SOUTH CONDOMINIUM

1. The sidewalks, entrances, garden spaces, if any, passages, public halls, and stairways of or appurtenant to the Property or any part of the Common Elements shall not be obstructed or used for any other purpose than ingress and to egress from the Units, except for terraces and roof terraces and any other portions of the Condominium that are Limited Common Elements.

2. No articles (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the halls or any of the staircases or other common areas.

3. No occupant or their children or guests shall play in such common areas of the Property.

4. No public halls shall be decorated or furnished by any Residential Unit Owner in any manner except upon written permission of the Board.

5. Each Unit Owner shall keep his/her Unit in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance.

6. No Owner shall occupy or use his/her Unit, or permit the same or any part thereof to be occupied or used, for any immoral or illegal purpose.

7. No owner shall permit anything to be done or kept in his Unit or in the Common Elements which would be in violation of any Law.

8. Nothing shall be done or kept in any Unit or in the Common Elements (including inflammable, combustible or explosive fluids or substances) that will increase the rate of insurance in the Building without the prior written consent of the Sponsor or the Condominium Board; or that will result in the cancellation of insurance on the Building, or that would be in violation of any law.

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

10. No sign or advertisement of any kind shall be displayed to the public view or from any Units or from the Common Elements, without the prior written consent of the Sponsor or the Condominium Board; however, this provision shall not apply to signs placed by Sponsor or its designee or the Commercial Unit Owner who may install, repair and replace such signs on the façade of the Property or Sponsor's Units, as the case may be, at own cost and expense.

11. No window guards or other window decorations shall be used in or about any Unit except those which are legally permissible and have been approved in writing by the Board at its sole discretion. Such restrictions are not applicable to the Sponsor, its designee regarding Unsold Units unless required by Law.

12. No bicycles, carts, or other similar vehicles shall be taken into or from the Property through any entrance not designated by the Condominium Board or the Manager for that purpose, and no baby carriages, bicycles, scooters or vehicles of any type shall be allowed to stand in any Common Element or public area of the Property.

13. No vehicle belonging to a Unit Owner or a family member, guest, tenant or employee, shall be parked in such manner as to impede or prevent ready access to any entrance to or exit from the Property.

14. The Board (or the Managing Agent thereof) may from time to time curtail or relocate any portion of the Common Elements devoted for service purposes.

15. No refuse or article shall be placed or stored in any of the Common Elements nor shall any fire exit be obstructed in any manner.

16. Clothes and other articles shall not be dried or aired on or from any terrace, window, door, or roof.

17. Nothing shall be thrown, swept, hung, shaken or dried from the doors, windows, or terraces or placed upon the window sills of the Building.

18. No Common Element of the Property shall be decorated or furnished by any Unit Owner (other than Sponsor) in any manner unless approved by the Condominium Board.

19. No radio or television aerial shall be attached to or hung from a window or the exterior of the Property except such as shall have been approved in writing by the Condominium Board, nor shall anything be projected from any window of any Unit without similar approval except that no permission is required for satellite television.

20. No ventilator or air conditioning device shall be installed in any Unit, (other than Unsold Units), without the prior written approval of the Condominium Board or the Managing Agent, as to the type, location and manner of installation of such device, which approval may be granted or refused in the sole discretion of the Condominium Board or the Building Manager.

21. Any and all motor driven equipment, compressors, commercial vacuum cleaners and air conditioners shall be insulated as needed in order to minimize noise and vibration.

22. No Unit Owner shall conduct a business which will damage or threaten the soundness of floors, ceilings, walls or structural elements or their surfaces. Upon determination by the Condominium Board of any such damage by any Unit Owner, the cost of such repairs or replacements shall be the sole obligation of such Unit Owner.

23. All radio, television, dish antennas, or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television or the electrical equipment.

24. No Unit Owner shall make or permit any disturbing noises or activity in the Property, or do or permit anything to be done therein, which will interfere with the rights, comforts or conveniences of other occupants of the Building. No Unit Owner shall play upon or suffer to be played upon any musical instrument, or operate or permit to be operated a radio or television set or other audible device in such Owner's Unit between the hours of twelve (12) o'clock midnight and the following seven (7) o'clock A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall practice or suffer to be practiced either vocal or instrumental music between the hours of ten (10) P.M. and the following nine (9) A.M.

25. No nuisances shall be allowed on the Property nor shall any use or practice be allowed which unreasonably interferes with the peaceful possession or proper use of the Property by its owners, residents or occupants.

26. Unit Owners shall not cause or permit any unusual or objectionable noise or odors to be produced upon or to emanate from their Units.

27. No refuse shall be removed from the Units except at such times and in such manner as the Condominium Board or the manager may direct.

28. Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designated, nor shall any refuse or any other article be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit by the owner, his guests, his employees, his tenants, or his family shall be repaired and paid for by the owner of such Unit.

29. Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from Units.

30. The agents of the Condominium Board or the Manager, and any contractor or worker authorized by the Condominium Board or the Manager, may enter any Unit in the Property at any reasonable hour of the day on at least one (1) day's prior notice to the Unit Owner for the purpose

of inspecting such Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; or to make repairs, replacements or improvements, or to remedy certain conditions which would result in damage to other portions of the Building or result in a violation of the Certificate of Occupancy; or for emergency repairs; or to abate any violation of law or orders of governmental agencies having jurisdiction thereof.

31. The Condominium Board or the Manager may retain a passkey to each Unit. If the Unit Owner is not personally present to open and permit an entry to his 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, then the Board or their agents (but, except in an emergency, only when specifically authorized by an officer of the Board) may forcibly enter such Unit without liability for damages or trespass by reason thereof (provided reasonable care is given to such Unit Owner's property).

32. If any key or keys are entrusted by a Unit Owner or by a family member, agent, servant, employee, licensee or visitor to an employee of the Condominium the acceptance of such key shall be at the sole risk of such Unit owner and the Board shall not (except as provided above) be liable for injury, loss or damage of any nature directly or indirectly resulting therefrom or connected therewith.

33. No occupants of the Property, guest or employee may send any employee or agent of the Condominium thereof out of the Building on any private business.

34. No bird, reptile or animal shall be permitted in any of the public portions of the Property unless carried or leashed. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the Property or sidewalk or street adjacent to the Property.

35. Unit Owners will faithfully observe the procedures established from time to time by the Condominium Board or the Manager with respect to services provided and the management of the Property.

36. All repairs, construction and installations by Unit Owners shall be performed in or to the Common Elements or Units only between 8:00 a.m. and 6:00 p.m. on any day except Sundays and holidays unless necessitated by an emergency and shall be subject to the rules noted below.

37. During repairs or construction, all debris must be stored within the Unit creating the debris and thereafter be removed and disposed of by a licensed independent carter engaged by the Unit Owner unless otherwise directed by the Sponsor, Sponsor's construction supervisor or the Managing Agent. All construction work, except during an emergency, may not start earlier than 8:00 AM or end later than 6:00 PM on week-days and Saturdays. No work shall be permitted on Sundays or holidays except in the event of an emergency. All Owners must complete and file any appropriate application to the Board of Managers setting forth the work to be performed prior to commencement of repairs and renovations. All contractors and sub-contractors must identify all

personnel to be employed on the premises and submit copies of permits and certificates of insurance as required by the Board. No work of any kind except minor repairs or decoration shall be permitted until the permanent Certificate of Occupancy for the building shall have been issued. Refer to Article V, Section 13 (A) for fuller details.

38. All unit owners will be responsible to ensure that any worker admitted by them shall secure entrance doors immediately upon entry. The names and business addresses of all contractors/subcontractors shall be given to the Condominium Board or the Managing Agent prior to the commencement of any work in the Property. At the discretion of the Sponsor, the Condominium Board or the Managing Agent, such safety requirements may be supplemented or revised. All contractors and sub-contractors shall also submit proof of contractor's valid liability insurance prior to commencement of work.

39. Any work that may affect or interrupt the Property's services shall require that the Unit Owner or his contractor in addition to submitting plans and specifications as required by the By-Laws, submit a schedule of the proposed work to the Sponsor or the Board for approval and for notification to all Unit Owners and tenants in the Property. The Sponsor or the Board may appoint an agent to coordinate the proposed work or build-outs of Unit Owners as to delivery of materials, entry for workers, etc., and to charge a reasonable fee for same.

40. No group tour or exhibition of any Residential Units or its contents shall be conducted nor shall any auction sale be held in any Residential Unit without the consent of the Condominium Board.

41. Complaints regarding services and facilities shall be made in writing to the Condominium Board or to the Manager.

42. The Sponsor or the Condominium Board shall charge a fee of $1000 for move-in (per event) of which $300 shall be a fee to the Managing Agent and $700 shall be refunded to the Unit Owner if there is no damage to any portion of the Building and the Common Elements. The Managing Agent may also charge $250 in the event of construction or build-outs as noted in No. 39. Such charges may be changed by resolution of the Condominium Board without the consent of the Sponsor or its designee.

43. Any regulations, house rules or resolutions, stated herein or are amended to same, that restrict the rights of Sponsor or sponsor designee shall not be applicable or enforceable except those rules or resolutions to which Sponsor has consented to in writing or that are explicitly required by Law.

44. Any consent or approval given under these House Rules and Regulations may be added to, amended or repealed at any time by vote of seventy-five percent (75%) of the Unit Owners except as noted above.

DOCUMENT H

ESCROW AGREEMENT

AGREEMENT, made this _____ day of _____, 200____ between 2279-2283 Third Avenue Associates LLC, (SPONSOR") as Sponsor of the offering plan and Martin Shaw, Esq. ("ESCROW AGENT") as escrow agent.

WHEREAS, **SPONSOR** is the Sponsor under the Condominium Offering Plan for the premises located at 2279 Third Avenue, New York, NY, 10035 which premises are known as THE BRIDGE SOUTH CONDOMINIUM; and

WHEREAS, Martin Shaw, Esq. is authorized to act as an escrow agent hereunder in accordance with General Business Law ("GBL") Section 352-e(2-b) and the Attorney General's regulations promulgated thereunder; and

WHEREAS, **SPONSOR** desires that **ESCROW AGENT** act as escrow agent for deposits 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**.

SPONSOR and **ESCROW AGENT** hereby establish an escrow account with **ESCROW AGENT** for the purpose of holding deposits or payments made by purchasers ("Purchasers") pursuant to the Offering Plan at Commerce Bank N.A. 317 Madison Avenue, New York, New York 10017.

1.2 The name of each sub-segregated account is entitled "Martin Shaw, Esq. 2279 Third Avenue Escrow Account".

1.3 **ESCROW AGENT** is the sole signatory on the account.

1.4 Unless the Purchaser defaults, all interest will be credited or paid (at the option of **SPONSOR**) to Purchaser at such time as (i) there is a closing under the Purchase Agreement, or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited or paid to the **SPONSOR** only in the event Purchaser defaults.

2. **DEPOSITS INTO THE ESCROW ACCOUNT**.

2.1 All funds received from prospective purchasers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited in the Master Escrow Account. All instruments to be deposited into the Master Escrow Account shall be made payable to, or endorsed by the purchaser to the order of "Martin

Shaw, 2279 Third Avenue Escrow Agent." Endorsed instruments will not be accepted. Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such escrow account, shall be returned to the prospective purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by **ESCROW AGENT**. In the event of such return of funds, the instrument shall be deemed not to have been delivered to **ESCROW AGENT** pursuant to the terms of this Agreement.

2.2 Within ten (10) business days after tender of the deposit submitted with the purchase agreement, **ESCROW AGENT** shall notify the purchaser of the deposit of such funds in the bank indicated in the offering plan and provide the account number. If the purchaser does not receive notification of such deposit within fifteen (15) business days after tender of the deposit, the purchaser may cancel the purchase and rescind within ninety (90) days after tender of the deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited in accordance with these regulations and requisite notice was timely mailed to the Purchaser.

3. **RELEASE OF FUNDS**:

3.1 **ESCROW AGENT** shall not release the escrowed funds of a defaulting purchaser until after consummation of the 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 until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.

3.3 **SPONSOR** shall not object to the release of the escrowed funds to (a) a Purchaser who timely rescinds in accordance with 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 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.

4. **RECORD KEEPING**.

4.1 **ESCROW AGENT** shall maintain all records concerning the escrow account for seven (7) years after release of the funds.

4.2 Upon the dissolution of a law firm which was **ESCROW AGENT**, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the 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 **ESCROW AGENT** shall not be liable to **SPONSOR** for any error in judgment, mistake or fact or law or for any act or omission on **ESCROW AGENT'S** part, including, without limitation, any act or omission which permits a Purchaser to rescind a Purchase Agreement, unless taken or suffered in bad faith or in willful disregard of this Agreement or involving gross negligence on the part of **ESCROW AGENT.**

5.4 **ESCROW AGENT** shall be permitted to act as counsel for **SPONSOR** in any dispute as to the disbursement of the Deposit or any other dispute between **SPONSOR** and a Purchaser whether or not **ESCROW AGENT** is in possession of the Deposit and continues to act as **ESCROW AGENT.**

5.5 **ESCROW AGENT** may rely upon any paper or document which may be submitted to it in connection with its duties under this Agreement and which is believed by **ESCROW AGENT** to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

5.6 **ESCROW AGENT** may consult with legal counsel selected by it and the opinion of such counsel shall be full and complete authorization and protection to **ESCROW AGENT** in respect of any action taken or omitted in good faith by **ESCROW AGENT** hereunder in accordance with the opinion of such counsel.

6. RESPONSIBILITIES OF SPONSOR.

6.1 **SPONSOR** agrees that **SPONSOR** and its agents, including any selling agents, shall immediately deliver all Deposits and payments received by them prior to closing of an individual transaction to **ESCROW AGENT** within two (2) business days of tender of the Deposit by a Purchaser, using such transmittal forms as may be required by **ESCROW AGENT** from time to time.

6.2 **SPONSOR** agrees that it shall not interfere with **ESCROW AGENT'S** performance of its fiduciary duties and compliance with the Attorney General's regulations.

6.3 **SPONSOR** shall obtain or cause the selling agent with the Offering Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from each Purchaser and deliver such form to **ESCROW AGENT** together with the Deposit and the Purchase Agreement.

7. **TERMINATION OF AGREEMENT.**

7.1 This Agreement shall remain in effect unless and until it is canceled, by either:

(a) Written notice given by **SPONSOR** to **ESCROW AGENT** of cancellation of designation of **ESCROW AGENT** to act in said capacity, which cancellation shall take effect only upon the filing of an amendment 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 Units offered pursuant to the plan have been sold and all sales transactions have been consummated.

7.2 Upon termination of the duties of **ESCROW AGENT** as described in paragraph 7.1(a) or (b) above, **ESCROW AGENT** shall deliver any and all funds held by it in escrow and any and all contracts or documents maintained by **ESCROW AGENT** to the new escrow agent.

8. **SUCCESSORS AND ASSIGNS.**

8.1 This Agreement shall be binding upon **SPONSOR** and **ESCROW AGENT** and their successors and assigns.

9. **GOVERNING LAW.**

9.1 This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. **ESCROW AGENT'S COMPENSATION.**

10.1 **SPONSOR** agrees to pay **ESCROW AGENT** for services rendered by its and paralegals and expenses, costs and disbursements incurred by **ESCROW AGENT** in connection with this Agreement, including, without limitation, disputes arising with respect to the Deposit. **SPONSOR** shall not be charged with any administrative costs for maintenance of the Master Escrow Account. **SPONSOR** agrees that **ESCROW AGENT'S** compensation shall not be paid

from the Deposit nor from any interest accruing thereon and that compensation to **ESCROW AGENT** shall not be deducted from escrowed funds by any financial institution under any circumstance.

11. **SEVERABILITY.**

11.1 If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. **INDEMNIFICATION.**

12.1 **SPONSOR** agrees to defend, indemnify and hold **ESCROW AGENT** harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of this Agreement or the performance or non-performance of **ESCROW AGENT'S** duties under this Agreement, except with respect to actions or omissions taken or suffered by **ESCROW AGENT** in bad faith or in willful disregard of this Agreement or involving gross negligence on the part of **ESCROW AGENT**. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by **ESCROW AGENT** to itself.

13. **ENTIRE AGREEMENT.**

13.1 This Agreement, read together with GBL Section 352-e(2-b) and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed the Agreement as of the day and year written below.

ESCROW AGENT:

Martin Shaw, Esq.

SPONSOR: 2279 THIRD AVENUE ASSOCIATES LLC

By: _____

Michael Waldman

INTENTIONALLY LEFT BLANK

EXHIBIT 4 to the Purchase Agreement

Attorney General
of the State of New York
Application for a Determination on the Disposition of Downpayments

Send this application to the reviewing attorney assigned to the subject plan.

Re: 2279 Third Avenue
New York, NY 10035

File No. _____

Application is made to the Attorney General to consider and determine the disposition of down-payments held pursuant to GBL Sections 352-e(2-b) and 352-h. The following information is submitted in support of this application:

1. Name of Applicant:_____

2. Address of Applicant:_____

3. Name, Address and Telephone Number of Applicant's Attorney (if any):

_____

4. This is an application for
( ) return of down-payment.
( ) forfeiture of down payment.
( ) other:_____

5. The project is newly rehabilitated.

6. The project is structured as a condominium.

7. Sponsor: 2279-2283 Third Avenue Associates LLC
104 East 126th Street
New York, NY 10035
212-427-8861

8. Escrow Agent: Martin Shaw, Esq.
350 Fifth Avenue
Suite 2816
New York, NY 10118
212-279-4490

9. Down-payment escrow account:

(a) Name: Attorneys Escrow Account: "Martin Shaw, Esq.2279 Third Avenue Escrow Account"

(b) Bank: Commerce Bank N.A.
317 Madison Avenue New York, New York 10017

(c) Account No._____

(d) Initial Interest Rate (if known) _____

10. If down payment has been secured by bonds: _____

Name and address of bond Issuer or surety _____

_____

Copy of Bond, if any. DO NOT SEND ORIGINAL BOND.

11. If down payment has been secured by a letter of credit:

Name and address of Bank that issued the letter of credit:

_____

12. Plan information:

(a) Date of filing of plan: _____

(b) Plan
( ) has been declared effective.
Approximate date:_____
( ) has not been declared effective.

(c) If effective, the plan
( ) has closed or the first unit has closed.
Approximate date:_____
( ) has not closed.
( ) don't know.

(d) Down-payments are secured by escrow account.

13. Contract information:

(a) Copy of contract and of all riders or modification letters are attached. **(Do not send originals.)**

(b) Date(s) on which purchase agreement(s) was/were signed: _____

(c) Date(s) of downpayment(s):_____

(d) Total amount of downpayment(s): _____

Names and addresses of 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: _____

_____

_____

DOCUMENT G

CERTIFICATIONS PERTAINING TO THE OFFERING PLAN

1. SPONSOR CERTIFICATION
2. ENGINEER'S CERTIFICATION
3. BUDGET CERTIFICATION

CERTIFICATION BY SPONSOR
and by
Principal of Sponsor
Pursuant to Section 20.4

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

Re: 2279 Third Avenue, New York, New York

We are the Sponsor and the principal of Sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statements of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where We:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

2279 THIRD AVENUE ASSOCIATES LLC

By: _____
Michael Waldman

Sworn to before me this
1st day of May, 2006

Yolanda DeArteaga
Notary

YOLANDA DEARTEAGA
Notary Public, State of New York
No. 01DE6102545
Qualified in Suffolk County
Commission Expires December 8, 2007

CERTIFICATION BY ARCHITECT

Department of Law of the State of New York
120 Broadway
New York, New York 10271

Attn: Real Estate Financing Bureau
Re: 2279 Third Avenue, New York, NY

The Sponsor of the offering plan to develop the captioned Property to condominium ownership retained our firm to prepare a report describing the construction of the property (the "Report"). We visually inspected existing portions of the existing property on 1/11/06 and examined the building plans and specifications that were prepared by Alexander Compagno & Associates, dated 11/01/05 and prepared the Report dated 3/15/06, a copy of which is intended to be incorporated into Offering Plan so that prospective purchasers may rely on the Report.

We are a registered architect in State of New York State, the state in which the property is located.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

We have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

We certify that the Report:

(i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of construction provided that construction is in accordance with the plans and specifications that we examined;

(ii) in our professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that we examined.

236 W. 26th St. Suite 604, New York, NY 10001 646.638.9308 fax: 646.638.9352

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representation or statement made

We further certify that we are not owned or controlled by and have no beneficial interest in the sponsor and that our compensation for preparing this Report is not contingent on the profitability or price of the offering.

This statement is not intended as a guarantee or warranty of the physical condition of the property.

Sworn to before me this
28th day of April, 2006

Notary

LIBRADA ALVAREZ
Notary Public, State of New York
No. 01AL6133912
Qualified in Kings County
Commission Expires September 19, 2009

236 W. 26th St. Suite 604, New York, NY 10001 646.638.9308 Fax: 646.638.9352

CERTIFICATION ON ADEQUACY OF BUDGET PURSUANT TO PART 20.4(d)

New York State Department of Law
Real Estate Financing Bureau
120 Broadway
New York, New York 10271

Re: 2279 Third Avenue
New York, New York 10035

The Sponsor of the condominium offering plan for the captioned property retained our firm to review Schedules B and B1 containing projections of income and expenses for the first year of condominium operations.

Our experience in this field includes many years of managing both condominium and rental buildings in New York City over the past 20 years. Among recently managed buildings are the following:

- 240 Columbus Avenue
- 240 East 46th Street
- 552 LaGuardia Place
- 240-244 East 87th Street
- 414 West 54th Street
- 55 West 95th Street

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule B and B1.

We have reviewed the Schedule and investigated the facts set forth in Schedule B and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in Schedule B and B1 appear reasonable and adequate under existing circumstances and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedule:

(i) sets forth in detail the projected income and expenses for the first year of condominium operation;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment, or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) does not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Andrea Bunis Management Company
By: _____ AS AGENT FOR

Sworn to before me this
17th day of Oct, 2006

_____
Notary Public

GEORGE G. BUNIS
COMMISSIONER OF DEEDS
City of New York 3-706 Bronx
Certificate Filed in New York County
Commission Expires Nov. 1, 2007

CERTIFICATION ON ADEQUACY OF BUDGET
PURSUANT TO PART 20.4(e)

New York State Department of Law
Real Estate Financing Bureau
120 Broadway
New York, New York 10271

Re: 2279 Third Avenue
New York, New York 10035

The Sponsor of the condominium offering plan for the captioned property retained our firm to review Schedule B which includes projections of common charges payable by the owners of the commercial unit.

Our experience in this field includes many years of managing both condominium and rental buildings in New York City over the past 20 years. Among recently managed buildings are the following:

- 240 Columbus Avenue
- 240 East 46th Street
- 552 LaGuardia Place
- 240-244 East 87th Street
- 414 West 54th Street
- 55 West 95th Street

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to the Commercial Unit and the Community Facility listed in Schedule B.

We have reviewed the Schedule as it impacts upon the commercial units and investigated the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in Schedule B for common charges payable by the owner of the commercial units appear reasonable and adequate under existing circumstances to meet the anticipated operating expenses fairly attributable to such commercial unit for the projected first year of condominium operation, and that the allocation of common charges attributable to the commercial unit also reflects special or exclusive use or availability or exclusive control of particular common areas.

We certify that the estimates in Schedule B for the common charges payable by the owner of the commercial unit:

(i) set forth in detail the projected common charges for the commercial unit 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 owner of the commercial 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 we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial unit for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Andrea Bunis Management Company

By: AS AGENT FOR

Sworn to before me this
17th day of Oct 2006

Notary Public

GEORGE G. BUNIS
COMMISSIONER OF DEEDS
City of New York 3-706 Bronx
Certificate Filed in New York County
Commission Expires Nov. 1, 2007