AMENDED

89

CONDOMINIUM OFFERING PLAN
FOR 5TH STREET LOFTS CONDOMINIUM

5SL

5th Street Lofts LIC

PLAN TO CONVERT TO CONDOMINIUM OWNERSHIP
Premises known as 5-09 48th Avenue, Long Island City, NY and 5-26 47th Road, Long Island City, NY

Total Purchase Price of Offering	$81,307,830.00
Total Purchase Price for 161 Units at 5-09 48th Avenue, Long Island City, NY (102 Residential Units (including a Superintendent's Unit) and 59 Parking Units)	$70,336,990.00
Total Purchase Price for 19 Units at 5-26 47th Road, Long Island City, NY (16 Residential Units and 3 Cabana Units)	$10,970,840.00
Reserve Fund/Working Capital Fund	$ 0.00

SPONSOR

5-01-5-17 48th Avenue, LLC
16 Court Street, Suite 2403
Brooklyn, New York 11201

SELLING AGENT

Halstead Property
Development Marketing LLC
831 Broadway
New York, NY 10003

Date of Acceptance for Filing: January 25, 2007

This Plan May Not Be Used For More Than Twelve (12) Months From This Date Unless Extended By Amendment.

SEE PAGE 1 FOR SPECIAL RISKS TO PURCHASERS

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

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

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PART I
SPECIAL RISKS

1. (a) The Condominium Board will consist of five (5) members appointed or elected by the Unit Owners. While Sponsor owns Units representing at least 20% in Common Interests, Sponsor may appoint a majority of the Condominium Board. However, after the earlier of conveyance of title to Units representing 80% or more in Common Interest, or the 5th annual anniversary of the First Unit Closing, Sponsor may not appoint a majority of the Condominium Board. Sponsor will control the Condominium Board until the first meeting of Unit Owners which shall be held approximately 120 days following the First Unit Closing. Sponsor may maintain control thereafter (but for no longer than five years from the date of the First Unit Closing or the first date on which Sponsor owns less than 80% in Common Interest of all Units, whichever is sooner), as set forth in the Plan and in the By-Laws. After Sponsor relinquishes control, the Condominium Board will be controlled by the Unit Owners, except as set forth in this Plan. Sponsor shall disclose that a meeting will be held to elect new board members unrelated to Sponsor within thirty (30) days of the expiration of the Sponsor Control Period.

(b) While Sponsor owns (i) Units representing less than 20% but at least 10% in Common Interest, Sponsor shall have the right to appoint two (2) members of the Condominium Board, and (ii) Units representing less than 10% in Common Interest but at least one Unit, Sponsor shall have the right but not the obligation to appoint one member of the Condominium Board.

(c) At all annual meetings of Unit Owners Sponsor shall have the right to vote for non-Sponsor Unit Owners nominated for election to the Condominium Board in accordance with Sponsor's ownership of Units and the number of votes attributable to such Units.

(d) The Condominium Board shall be restricted from taking certain actions without Sponsor's prior consent for a period of time ending at the sooner of five (5) years after the First Unit Closing or the date on which the Sponsor or its successor does not own or control any of the Units. Owner-occupants and non-occupant Unit Owners, including Sponsor, may have conflicting positions on how the Condominium should be managed because of their different reasons for purchasing or owning Units, i.e. purchase as a home as opposed to as an investment. See Part I of the Plan entitled "Control By The Sponsor" for additional information about the items discussed in this Section.

2. If Purchaser fails for any reason to close on the Closing Date, then Purchaser shall pay Sponsor (i) all adjustments as of midnight of the Originally Scheduled Closing Date and (ii) an amount equal to .04% of the total Purchase Price from each day commencing and including the Originally Scheduled Closing Date to and including the actual Closing Date; except to the extent that the Originally Scheduled Closing Date is adjourned by Sponsor through no fault of Purchaser. These provisions shall then apply to the rescheduled Closing Date if Sponsor adjourns the Closing Date through no fault of Purchaser.

3. The By-Laws of the Condominium provide that for so long as Sponsor or its successor owns or controls any Unit (but only for a maximum period of five years from the date of the First Unit Closing), the Condominium Board may not, without Sponsor's prior written consent, (i) make any addition, alteration or improvement to the Common Elements (unless required by law); (ii) assess any Common Charges for the creation of, addition to, or replacement of, all or part of any reserve, contingency or surplus funds in excess of the reserve, contingency or surplus provided for in Schedule B hereof; (iii) hire any additional employee or engage any independent contractor to provide services to the Condominium on a continuing basis; (iv) enter into any service or maintenance contract for work not covered in Schedule B hereof, or otherwise provide services in excess of those contemplated by Schedule B or elsewhere in the Plan; or (v) borrow money on behalf of the Condominium. Sponsor may not exercise veto powers over expenses described in Schedule B or over expenses required: (i) to comply with applicable laws or regulations; (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer.

4. If a Contract Deposit exceeds One Hundred Thousand ($100,000.00) Dollars, then the amount in excess of such amount shall not be federally insured. During the period that the Contract Deposit is in the Master Escrow Account which is non-interest bearing, no portion of the Contract Deposit may be federally insured. On or prior to the execution of the first Purchase Agreement by Sponsor, Sponsor will obtain a Letter of Credit (will be in substantially the form set forth in Part II of the Plan. The Issuer has surplus funds and net worth of at least ten times the amount of the Letter of Credit and has a current Aa3 with respect to its debt securities that is rated "investment grade" by Moody's Investment Services, a nationally recognized reporting service that rates debt securities of banking institutions. Accordingly, the deposits paid by Purchasers under the Purchase Agreement shall not accrue any interest.

The following are the terms and conditions of the Letter of Credit:

(i) Amount: The amount of the Letter of Credit is at least 125% of the aggregate of all downpayments expected to be received by Purchasers pursuant to the Purchase Agreements and not retained in escrow during the period that the Letter of Credit will be needed, as estimated by the Sponsor. The amount of the Letter of Credit may be reduced or increased as warranted by the circumstances and pursuant tot a filed amendment to the Plan.

(ii) Irrevocability: The Letter of Credit is irrevocable during the term of the Letter of Credit and any renewal term. The initial term of the Letter of Credit is one (1) year commencing on ____ with automatic renewals of one (1) year terms.

(iii) Beneficiary: The beneficiary under the Letter of Credit is The Law Offices of Robert Flink.

5. All funds paid by Purchasers for upgrades or extras shall be deposited in the master escrow account. Such funds may be released from the master escrow account by Escrow Agent to Sponsor upon demand by Sponsor provided that Sponsor uses such funds to pay such upgrades and extras. In the event that Purchaser is entitled to rescind or otherwise terminate the Purchase Agreement for any reason, Purchaser shall not receive a refund of such funds used by Sponsor for such upgrades or extras.

6. Sponsor will endeavor in good faith to sell, in a reasonably timely manner, all Residential Units to Purchasers for personal occupancy by themselves or their families, but reserves the right, if market conditions become unfavorable after the filing of this Plan, to rent Unsold Units until they may be sold at prices determined in good faith to be satisfactory to Sponsor or to sell Unsold Units to unrelated Purchasers for rental operation and not personal occupancy. Because Sponsor is limiting the conditions under which it will rent rather than sell Units, there is no commitment by Sponsor to sell more Residential Units than the fifteen (15%) percent necessary to declare the Offering Plan effective and Purchasers may never gain effective control and management of the Condominium. If Sponsor makes a bulk sale of all or some of the Unsold Units, the transferee successor Sponsor is bound by Sponsor's representations regarding its commitment to sell the Units. Sponsor shall use its good faith efforts to sell to Purchasers for personal occupancy include listing Unsold Units with brokers, showing Unsold Units to brokers and prospective purchasers or their representatives, filing updated Amendments to the Plan and otherwise engaging in customary sales activities. Prospective Purchasers should nevertheless be aware that they potentially may be living with transient tenants for an indefinite period, depending upon market conditions, while Sponsor continues to endeavor in good faith to sell Units to Purchasers for personal occupancy at prices determined in good faith to be satisfactory to Sponsor; provided however, Sponsor shall not be required to sell any Unit for less than the Offering Prices set forth in the Offering Plan (which amount, for purposes of this calculation, shall be increased by 5% each year after the effective date of this Plan). The offering prices set forth in Schedule A may be changed only by a duly filed amendment to the Offering Plan. Transient tenants will receive the same Building services and use of the Building's amenities (e.g., the lobby) as owner occupants. However, they have no investment in their Units and, therefore, do not share the same economic interests as resident Unit Owners in the maintenance and care of the Building's facilities and amenities. Prospective Purchasers should also be aware that Sponsor and any other non-resident Unit Owners may be at odds with resident Unit Owners on expenditures for items like lobby and hallway decorations and capital improvements. In addition, Sponsor will have a significant role in the governance of the Condominium Board by reason of its voting control of the Condominium Board during the Sponsor Control Period. Even thereafter, Sponsor will continue to have a voice in governance due to its right to designate a specified minority of the Condominium Board for so long as Sponsor owns one or more Unsold Units. Moreover, Sponsor and any other Unit Owners will at all times have the same right to vote on issues that require the approval or consent of Unit Owners (such as the exercise of the Condominium Board's Right of First Refusal to purchase or lease a Unit or to borrow money in excess of $100,000 in any Budget Year). To further assure that this Plan will create a viable condominium, the By-Laws contain a residency requirement pursuant to which a majority of the Condominium Board must be owner-

occupants of the Building who are unrelated to Sponsor or its principals, after the end of the Sponsor Control Period.

7. TIME IS OF THE ESSENCE TO PURCHASER AS TO PURCHASER'S OBLIGATIONS PURSUANT TO THE PURCHASE AGREEMENT. (See Section entitled, "Procedure to Purchase" for further discussion of the foregoing.) TIME SHALL BE OF THE ESSENCE for payment of the Initial Contract Deposit, the balance of the Purchase Price and the Additional Contract Deposit due and the performance of any other obligations of a Purchaser under any Purchase Agreement to purchase a Unit. If a Purchaser fails to make a payment when required or fails to perform any of Purchaser's other obligations under any such agreement, Sponsor may cancel such agreement if any such default is not cured within 30 days after Sponsor gives written notice of such default to a Purchaser. If Purchaser fails to cure a default within such cure period, Sponsor shall retain as liquidated damages any Contract Deposit theretofore paid in connection with purchase of the Unit made thereunder, subject to the provisions of 13 NYCRR Section 20.3(o)(3) of the Regulations. Prior to delivering the Contract Deposit to the Sponsor, the Escrow Agent will give Purchaser written notice of no less than ten (10) business days as required pursuant to 13 NYCRR Section 20.3(o)(3)(vii)(d). Thereafter the Escrow Agent may pay such funds to Sponsor unless, during such ten (10) day period, the Purchaser makes application (a form for such application may be found in Part II of the Offering Plan) to the Department of Law pursuant to the dispute resolution provisions under 13 NYCRR Section 20.3(o)(3) or has given escrow agent written notice objecting to the release of the Initial Contract Deposit and the Additional Contract Deposit (collectively, the "Contract Deposit") in accordance with the provisions of the Purchase Agreement. In the event of a dispute Sponsor shall apply to the Attorney General for a determination on the disposition of the Contract Deposit and any interest earned thereon. Forms for this purpose will be available from the Department of Law. The party applying shall contemporaneously send to all other parties a copy of such application (See Section entitled "Procedure to Purchase").

8. Prior to closing of his or its Unit, Purchaser shall not advertise, offer, promote, or publicize the Unit for lease or sale. (See the Purchase Agreement set forth in Part II of the Plan).

9. Any Purchaser that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) will be required at the time of closing of title to such Purchaser's Unit, to deposit with the Condominium Board an amount equal to two years' estimated Common Charges.

10. This Offering Plan provides that the Purchase Agreement is not conditioned upon a Purchaser securing financing (which is the sole responsibility of each Purchaser); provided, however, Sponsor may be prepared to negotiate a financing contingency at the time of Purchaser's execution of a Purchase Agreement. Neither Sponsor makes any representation as to the terms or availability of any mortgage financing. If Purchaser enters into a Purchase Agreement not conditioned upon financing, then such Purchaser's failure to obtain financing will not relieve Purchaser of his obligations under the Purchase Agreement. If Purchaser enters into a Purchase Agreement and Sponsor agrees to a financing contingency in the Purchase Agreement but, for any reason, cannot close before

the expiration of such commitment, Purchaser may lose his Contract Deposit made under the Purchase Agreement. (See Section entitled "Procedure to Purchase").

11. Sponsor has a number of obligations with respect to this offering, including Sponsor's obligation to complete the construction of each Unit as described herein and to pay all expenses which are incurred prior to the establishment of the Condominium, before the closing of title for such Unit. Notwithstanding the foregoing, and except as may be required under the provisions of the New York State General Obligations Law, the General Business Law and 13 NYCRR-Part 20, Sponsor shall not have any liability to a Purchaser with respect to any of Sponsor's obligations under this Plan in excess of the Contract Deposit by Purchaser if the transaction does not close.

12. Other than the common roof, which is for the common use of all Unit Owners, the Terraces appurtenant to certain Units, as identified in Schedule A and the Floor Plans set forth in Part II of the Plan, is for the exclusive use of such Unit Owners. The Terraces are Limited Common Elements available for the exclusive use of the Unit Owner of the Unit to which such area is appurtenant, subject to and in accordance with the Declaration, By-Laws and Rules and Regulations as in effect from time to time. Each Unit Owner shall be responsible for all ordinary maintenance, repairs, replacements and cleaning of any such area appurtenant to its Unit and the appurtenant Limited Common Elements, if any, including without limitation, such Unit Owner is responsible to replace the surface of the Terrace when it becomes worn out; provided, however, the costs and expenses of any extraordinary or structural repairs or repairs or replacements caused by the need for such structural repairs to the Limited Common Elements (unless caused by or attributable to the Unit Owner to whose Unit the Limited Common Element is appurtenant, in which case such Unit Owner shall be responsible for the entire cost), shall be charged to all Unit Owners as a Common Expense. Terraces may not be enclosed without first obtaining the necessary authorizations from the New York City Department of Buildings. (See Part I of the Plan for further discussion.)

13. At or after the First Unit Closing, Sponsor will convey a Residential Unit to the Condominium for use as the Superintendent's residence ("Superintendent's Unit"). The Condominium Board shall be responsible for all title costs and transfer taxes in connection with the sale of the Superintendent's Unit. The Superintendent's Unit will be Unit 2L in Building A or another Residential Unit designated by Sponsor. Sponsor reserves the right, in its sole discretion, to designate a different Residential Unit in lieu of Residential Unit 2L in Building A as the Superintendent's Unit; provided that the Purchase Price is equal to or less than $531,300.00). The terms of such conveyance shall be as follows: (i) the purchase price ("Purchase Price for the Superintendent's Unit") for the Superintendent's Unit shall be $531,300.00 or if another Unit is substituted by Sponsor in place of Unit 2L in Building A, then the Purchase Price for the Superintendent's Unit shall be the price listed in Schedule A in effect at the time of signing the first purchase agreement; (ii) all closing costs and adjustments shall be made as if the Condominium is a Purchaser on the First Unit Closing Date (see the Section of the Plan entitled "Unit Closing Costs and Adjustments") which equals approximately $13,822.00 in the aggregate with respect to the "Unit Closing Costs and Adjustments" for Unit 2L in Building A; (iii) the Sponsor shall convey the Superintendent's Unit to the Condominium in accordance with the terms and conditions of the Purchase Agreement,

except as otherwise set forth in this Plan to the contrary (see the Purchase Agreement in Part II of the Plan); and (iv) at Closing of his or her respective Units, the Purchase Price and all closing costs and adjustments for the Superintendent's Unit shall be paid by each Unit Owner of a Residential Unit in proportion to his or her relative Common Interests. After the conveyance of the Superintendent's Unit, the Condominium Board on behalf of all Residential Unit Owners shall be responsible to pay all Common Charges, real estate taxes, repairs, maintenance, assessments and all other costs and expenses attributable to the Superintendent's Unit. All such costs shall be a Common Expense of the Residential Unit Owners. Sponsor shall deduct the Unit Closing Costs and Adjustments allocable to the Superintendent's Unit from the first payments of the Working Capital Contribution.

14. As described in the Notes to Schedule A below, the floor area (within reasonable tolerances) of each Unit has been measured from the exterior side of the exterior Building walls or the exterior point of the party wall on the Land (whichever is greater), or from the midpoint of the interior walls and partitions separating the Unit from another Unit, or from the outside point or common element side of the interior walls, partitions and continuous structural elements separating the Unit from stairs, elevators, other mechanical equipment spaces or any other Common Elements. Columns and mechanical pipes and chases (whether along the perimeter or within the Unit) are not deducted from the square foot area of the Unit. For purposes of calculating each Unit Owner's percentage of the Common Elements, 25% of the outdoor floor areas of terraces and balconies of a Unit are included in the Unit's floor areas, but such floor area is not included in Column 2 of Schedule A. Measured vertically, each Unit consists of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above. The square foot areas determined using the methodology set forth above, as shown in Schedule A in Part I of the Plan, would be different from that derived by using an alternative methodology of measuring from interior surfaces to interior surfaces (which would yield lesser actual useable floor area for each Unit). Measurements are approximate, within reasonable tolerances. The method of measurement is applicable to all Units. The room count for each Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York. The usable area of each Unit is substantially less than is shown on Schedule A and the Floor Plans. Prospective Purchasers should make their own measurements to determine usable area.

15. Premiums incurred by the Condominium to insure the Building shall be deemed Common Expenses. Section 339-bb of the New York Real Property Law provides that in charging insurance premiums to Unit Owners, consideration may be given to the higher-premium rates on some units than others. If the use of any of the Units by its owner or a tenant causes an increase in insurance premiums other than due to the existence of the residential/commercial make up of the Building and the Condominium Board does not elect to charge the owner of such Unit for such increase, the added expense shall be paid by the Unit Owners as part of the Condominium Common Charges.

16. In connection with Building improvements planned by Sponsor, Sponsor will apply for tax exemption benefits for the Units, pursuant to Section 11-245 of the Administrative Code of the City of New York ("Section 421-a" or "421-a"). Sponsor makes no

representation as to whether the City of New York will grant such benefits, when such benefits will take effect or whether the City of New York will grant the entire benefit (or any portion thereof) applied for.

17. The Building will contain both residential space and parking units. Sponsor makes no representation as to the compatibility of uses in the Building.

18. Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on loans. Such restrictions may 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 sold is lower than a particular lender's minimum.

19. Even after a building becomes a condominium, lenders may still impose minimum sales requirements before granting a loan. It may then be difficult for a purchaser to resell a Unit if prospective buyers are unable to obtain a loan due to such minimum sales requirements.

20. Purchasers shall be obligated to pay both the New York City Real Property Transfer Tax and the New York State Real Property Transfer Tax (Deed Stamps) which by law are the primary obligation of the Seller. Many condominium offering plans contractually obligate Purchasers to be responsible to pay for such transfer taxes. For purposes of calculating transfer taxes, the transfer tax is based on the amount of consideration paid by the Purchaser, which includes, amongst other things, the amount of the New York City Real Property Transfer Tax and the New York State Real Property Transfer Tax (Deed Stamps) paid by Purchaser. If Purchaser purchases 2 or more Units (e.g. a Residential Unit and a Cabana Unit or a Parking Unit), then the commercial tax rate may apply, i.e. New York State Real Estate Transfer Tax, as of the date of the Plan, would be at the rate of $2.00 per each $500 of consideration or part thereof or 4/10 of one (1%) percent and the New York City Real Property Transfer Tax for such combination of Units would be 1.425% if the aggregate consideration is $499,999.00 or less and 2.625% if the aggregate consideration exceeds $499,999.00.

21. Sponsor will not deposit any money to the reserve fund or working capital fund of the Condominium. If any funds are required, it may be necessary to increase Common Charges or make special assessments on Unit Owners.

22. Pursuant to existing laws and regulations Sponsor may declare the Plan effective by selling a minimum of fifteen (15%) percent of the Units in the Building. Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to convert the Building with fewer than the minimum number of sales, if purchasers counted towards declaring the Plan effective do not ultimately purchase a Unit.

23. No bond or other security has been posted by Sponsor to secure its obligations and the Sponsor's obligation to complete the construction of the Building.

24. The Parking Units can only be used by Unit Owners for parking automobiles. Cabana Units and Parking Units may only be owned by a Unit Owner who also owns a Residential Unit. Cabana Units and Parking Units may only be leased to and used by a tenant of a Residential Unit.

25. In the event that Purchaser requests any special or custom work to be performed by Sponsor in a Residential Unit, Purchaser shall pay to Escrow Agent the sum of the total cost of the special or custom work and same shall be added to the Initial Contract Deposit held by Escrow Agent under the Purchase Agreement. Escrow Agent shall release such escrow amount to Sponsor upon the earlier to occur of the closing under the Purchase Agreement or the earlier termination of the Purchase Agreement.

26. As a result of the complexities and time consuming nature of construction in New York City, the completion of construction of the Condominium will not be completed by the First Unit Closing. After the First Closing, work should be expected to be undertaken and continue by or on behalf of: (i) Sponsor to complete the balance of the Building; and (ii) individual Unit Owners within their Units. During at least the First Year of Operation, construction workers and related personnel of Sponsor and others will be at the Property from time to time performing construction work, making adjustments and performing various other tasks related to the completion of construction, fitting out of, and moving into, the Units and other portions of the Building. As a result of such work, noise and dust can be expected to be produced. Various systems, including, but not limited to, water supply, air conditioning, heating, cooling, ventilating and elevators, may require more than a year after any particular Unit closing to complete and may be disrupted temporarily and from time to time. The elevator and personnel may be taken out of service and diverted to facilitate construction and exterior hoists may be in place during at least the year following the First Closing, and from time to time thereafter, as needed, in connection with construction being performed in Units by the Unit Owners thereof. Various other adjustments, to windows and elevators and other systems, may require eighteen months or more after the First Closing to complete. Sponsor may not fully complete the decoration or finishing of the lobby, corridors, elevator finishes and other portions of the Building, including, but not limited to, installing light fixtures, painting, hanging wall coverings or laying carpeting, until that particular floor is fully occupied by Unit Owners or, if additional construction within a Unit is anticipated, for some period thereafter. All of the foregoing work and conditions will create a noisy and otherwise disruptive condition in the Building during the period such work is being performed. Certain portions of the Common Elements may be completed before or after completion of any particular Purchaser's Unit. Sponsor shall have no liability whatsoever in the event any services are delayed, not made available, or discontinued or disrupted. Further, the Condominium Board and/or Sponsor may refuse to permit a Unit Owner to perform alterations in a Unit until such time as the Building has been completed and permanent certificate(s) of occupancy have been obtained therefor. Even where such alterations are permitted, the Condominium Board and/or Sponsor may impose conditions and deadlines upon the planning, performing and completion of such work. No assurance can be given with regard to the accuracy of any projected schedules or completion dates set forth herein or with respect to the duration of any interim service period or periods of potential disruption to the Unit Owners and their tenants or occupants, all such dates and timetables, to the extent provided, being only good faith estimates.

27. Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery and/or the inability to obtain on a timely basis or otherwise, materials or equipment, governmental restrictions, acts of god or other events beyond its

reasonable control, construction of the Building will be sufficiently completed to permit closings of title to Units to begin in or about January 2008. Prospective Purchasers should note, however, that the Units may be completed at differing times over a period that may begin prior to and/or extend significantly beyond such date. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for his or her Unit or otherwise be relieved from any obligations under the Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to such Purchaser's Unit is accelerated, delayed or postponed by Sponsor, provided, however, that in the event the actual or anticipated commencement date of the projected First Year of Condominium Operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections and if: (i) the amended budget exceeds the projected budget set forth herein by 25% or more; or (ii) the First Closing does not occur within 12 months after January 2008, the date set forth in Schedule B as the commencement date for the projected First Year of Condominium Operation, then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period under their Agreements, if the Plan has been declared effective) the right to rescind their Agreements within not less than 15 days after the presentation date of the amendment containing such revised budget or after such 12-month period, as the case may be, and any Purchasers electing rescission pursuant to such offer will have their Contract Deposit and any interest accrued thereon returned. Purchasers' rights as described in the preceding sentence are in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of which shall be deemed to have been waived by all Purchasers. As set forth in the Section of this Plan entitled "Effective Date," no closing of title to any Unit will take place prior to the Plan being declared effective.

28. Sponsor shall not be obligated to correct, repair or replace any defects relating to construction of the Units or the Common Elements or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan. However, Sponsor is obligated, regardless of any limitations and disclaimers in this Plan, to construct the Building in accordance with applicable codes and filed plans and substantially in accordance with the specifications for the Building. If there is any conflict between any such limitations and disclaimers and such obligation to construct in accordance with applicable codes and filed plans and specifications, such obligation shall prevail. Sponsor will not warrant the materials or workmanship of any Unit or any of the Common Elements. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. (See Part I of the Plan for further discussion.)

29. A Unit Owner may, without the prior approval of the Condominium Board, alter, change and otherwise improve the Limited Common Elements appurtenant to his Unit.

30. Except for leases of Unsold Unit, no leases of Units may be for less than a term of one year.

31. Sponsor may not complete the construction of the Parking Units and/or the Cabana Units prior to the closing of a Residential Unit. Purchaser shall be required to close the purchase of the Residential Unit, the Parking Unit and the Cabana Unit even if such the

Parking Unit and/or Cabana Unit are not substantially completed and available for use; provided however, Purchaser shall deposit into escrow with Sponsor's attorney the purchase price for the Parking Unit and/or Cabana Unit, as the case may be. The escrow agent shall release such escrow amount to Sponsor upon receipt of a temporary certificate of occupancy for the Parking Unit and/or the Cabana Unit, as the case may be.

32. Parking Space Units 9, 10, and 11 have been designated as Handicapped Parking Units. The purchase of a Handicapped Parking Unit and any subsequent conveyance, sale, transfer or encumbrance of it, is hereby subject to the following covenant and restriction, which shall run with the Handicapped Parking Unit in perpetuity.

If at any time an Owner of a Residential Unit or member of his or her family who resides in such Residential Unit becomes handicapped and is given handicapped plates for his or her vehicle, and said Residential Unit Owner owns a Parking Unit, said Residential Unit Owner has the right to demand that the Owner who last acquired one (1) of the Handicapped Parking Units and who does not have handicapped plates for his or her vehicle exchange his or her Handicapped Parking Unit for the Parking Unit owned by said handicapped Owner.

If at any time an Owner of a Residential Unit or member of his or her family who resides in such Residential Unit becomes handicapped, is given handicapped plates for his or her vehicle and said Residential Unit Owner does not own a Parking Unit, said Residential Unit Owner has the right to demand that the Owner who last acquired one (1) of the Handicapped Parking Units and who does not have handicapped plates for his or her vehicle sell the Handicapped Parking Unit at the then current, fair market value, to said handicapped Owner. The Residential Unit Owner acquiring such Handicapped Parking Unit shall pay any and all reasonable costs and expenses incurred by either party in such transaction, including without limitation, reasonable attorneys' fees, transfer taxes, title charges and costs of arbitration.

If the parties can not agree on the fair market value of such Handicapped Parking Unit, then the parties agree to submit the matter to binding arbitration in accordance with Article 11 of the By-Laws of the Condominium. Either party can submit such dispute to arbitration in accordance with the By-laws of the Condominium.

The above covenant and restriction is contained in the Condominium Declaration, the By-laws and the form of Unit Owner's deed as set forth in Part II of the Plan.

33. If Purchaser fails to deliver to The Law Offices of Robert Flink a title search for the Unit from a title company selected by Purchaser and licensed to issue title insurance in the State of New York within ten (10) business days after the date of Purchaser's Purchase Agreement, the Seller shall have the right to order title insurance from Westminster Abstract Company, 250 Gibraltar Road, Horsham, Pennsylvania 19044 (215) 293-5088 on behalf of Purchaser and at Purchaser's expense.

INTRODUCTION

The purpose of this condominium offering plan is to set forth all of the material information relating to this offer and to convert to condominium ownership of the buildings (collectively the "Building") located at 5-09 48th Avenue, Long Island City, NY and 5-26 47th Road, Long Island City, NY and the underlying land (the Building and the land being referred to as the "Property"). The condominium will be known as 5th Street Lofts Condominium and is herein called the "Condominium". 5-01 – 5-17 48th Avenue, LLC ("Sponsor") acquired its interest in the Property on June 20, 2005.

Sponsor hereby offers for sale 118 Residential Units (including the Superintendent's Unit), 59 Parking Units and 3 Cabana Units (collectively hereinafter referred to as the "Units"). The restrictions upon the sale and lease of the Units shall not apply to Sponsor or its successor with respect to Unsold Units or to a mortgagee or purchaser at foreclosure. Parking Space Units 9, 10, and 11 have been designated as Handicapped Parking Units. The purchase of a Handicapped Parking Unit and any subsequent conveyance, sale, transfer or encumbrance of it, is hereby subject to the following covenant and restriction, which shall run with the Handicapped Parking Unit in perpetuity.

If at any time an Owner of a Residential Unit or member of his or her family who resides in such Residential Unit becomes handicapped and is given handicapped plates for his or her vehicle, and said Residential Unit Owner owns a Parking Unit, said Residential Unit Owner has the right to demand that the Owner who last acquired one (1) of the Handicapped Parking Units and who does not have handicapped plates for his or her vehicle exchange his or her Handicapped Parking Unit for the Parking Unit owned by said handicapped Owner.

If at any time an Owner of a Residential Unit or member of his or her family who resides in such Residential Unit becomes handicapped, is given handicapped plates for his or her vehicle and said Residential Unit Owner does not own a Parking Unit, said Residential Unit Owner has the right to demand that the Owner who last acquired one (1) of the Handicapped Parking Units and who does not have handicapped plates for his or her vehicle sell the Handicapped Parking Unit at the then current, fair market value, to said handicapped Owner. The Residential Unit Owner acquiring such Handicapped Parking Unit shall pay any and all reasonable costs and expenses incurred by either party in such transaction, including without limitation, reasonable attorneys' fees, transfer taxes, title charges and costs of arbitration.

If the parties can not agree on the fair market value of such Handicapped Parking Unit, then the parties agree to submit the matter to binding arbitration in accordance with Article 11 of the By-Laws of the Condominium. Either party can submit such dispute to arbitration in accordance with the By-laws of the Condominium.

The Parking Units can only be used by Unit Owners for parking automobiles. Cabana Units and Parking Units may only be owned by a Unit Owner who also owns a Residential Unit. The above covenant and restriction is contained in the Condominium

Declaration, the By-laws and the form of Unit Owner's deed as set forth in Part II of the Plan.

This Plan is presented in two (2) parts (in one (1) volume), which together constitute the entire Plan. Part I sets forth a general description of the Plan and Part II contains the basic documents necessary to create the Condominium and to otherwise implement the provisions of this Plan. Part II also contains a description of the current condition of the Building and a legal opinion as to certain matters discussed in the Plan. Prospective Purchasers should consult with their own attorney and provide them with a copy of the Plan before agreeing to purchase a Unit. All of these documents are important and should be read carefully by prospective purchasers.

Sponsor will convey title to the Units subject to certain permitted encumbrances (the "Permitted Encumbrances"), which include, among other things, any encumbrances as to which Westminster Abstract Company would be willing to insure against collection out of the Unit (See "Terms of Sale").

Sponsor shall disclose that a meeting will be held to elect new board members unrelated to Sponsor within thirty (30) days of the expiration of the Sponsor Control Period. Sponsor will endeavor in good faith to sell, in a reasonably timely manner, all Residential Units to Purchasers for personal occupancy by themselves or their families and all other Units, but reserves the right, if market conditions become unfavorable after the filing of this Plan, to rent Unsold Units until they may be sold at prices determined in good faith to be satisfactory to Sponsor or to sell Unsold Units to unrelated Purchasers for rental operation and not personal occupancy. Because Sponsor is limiting the conditions under which it will rent rather than sell Units, there is no commitment by Sponsor to sell more Units than the fifteen (15%) percent of the Residential Units necessary to declare the Offering Plan effective and Purchasers may never gain effective control and management of the Condominium. If Sponsor makes a bulk sale of all or some of the Unsold Units, the transferee successor Sponsor is bound by Sponsor's representations regarding its commitment to sell the Units.

Sponsor has the ability to complete construction of the project, but Sponsor reserves the right to apply for construction financing and/or permanent financing, which will be secured by a mortgage on the Property. If Sponsor obtains construction financing, the construction lender may impose requirements regarding sales by Sponsor and the Offering Plan will be amended to disclose the relevant terms of the construction loan when such financing is obtained.

The Condominium Board does not have the right to approve or disapprove purchasers, there is no limit on the number of owners who may purchase for investment rather than for personal occupancy and there may be a substantial percentage of owners who are non-residents. To further assure that this Plan will create a viable Condominium, the By-Laws contain a residency requirement pursuant to which a majority of the Condominium Board must be owner-occupants of the Building who are unrelated to Sponsor or its principals, after the end of the Sponsor Control Period. As more specifically set forth in "Recordation, Inspection and Delivery of Documents," Sponsor agrees to keep copies of the Plan and all exhibits and documents referred to herein on file at the office of Sponsor for a period of six years from the date the Declaration is

recorded. In addition, a set of the Floor Plans as filed with the City Register's Office will be furnished to the Condominium Board.

Copies of the Plan and all exhibits and documents referred to herein shall be available for inspection (without charge) and copying at a reasonable charge (the current charge is $200.00), by prospective purchasers, their attorneys and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit at the site whenever the on site sales office is open and at the office of Sponsor and shall remain available for such inspection for a period of six years from the date the Declaration is recorded.

The Plan may be amended from time to time when an amendment is filed with the Department of Law. The amendments will be served on (i) purchasers who have executed and delivered purchase agreements to the Sponsor and whose purchase agreements are in effect, (ii) unit owners and (iii) any other person entitled to service pursuant to local law or regulation.

Certain Definitions

For convenience of presentation, general definitions of certain of the terms used in Part I of the Plan are set forth below, which definitions are subject in most cases to the more particular definitions of such terms as set forth in the Declaration and By-Laws included in Part II of the Plan:

Board of Managers; Board; Condominium Board; Board: The Board of Managers of the Condominium, as created by the By-Laws to govern the affairs of the Condominium.

Building A: The building to be constructed on the land located at 5-09 48th Avenue, Long Island City, NY in which is located the Units of the Condominium substantially in accordance with the Plans to be filed with the New York City Department of Buildings.

Building B: The building to be constructed on the land located at 5-26 47th Road, Long Island City, NY in which is located the Units of the Condominium substantially in accordance with the Plans to be filed with the New York City Department of Buildings.

Buildings: The buildings collectively known as Building A and Building B.

By-Laws: The By-Laws governing the operation of the Condominium, the form of which is set forth in Part II of the Plan as Exhibit H.

Cabana Unit: Any Unit designated as a Cabana Unit in the Declaration and shall be known as Cabana Units.

City Register's Office: The New York County office of the Register of the City of New York.

Common Charges: Assessments payable to the Condominium Board by the Unit Owners for the purpose of meeting Common Expenses.

Common Elements: As defined in the Declaration and/or the Floor Plans.

Common Expenses: The costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements.

Common Interest: The proportionate interest, expressed as a numerical percentage, of each Unit Owner in the Common Elements, as determined in accordance with the Declaration. The total of all Common Interests of all Unit Owners equals one hundred (100%) percent. The Common Interests are the basis for determining, among other things, each Unit Owner's (a) voting power, (b) liability for Common Expenses and (c) share of any distributions upon termination of the Condominium.

Condominium: 5th Street Lofts Condominium, the condominium created by the filing and recording of the Declaration. The Condominium is sometimes hereafter referred to as "5th Street Lofts Condominium."

Declaration: The instrument creating the Condominium, the form of which is set forth in Part II of the Plan as Exhibit G.

First Unit Closing: The first closing of title with a bonafide Purchaser of a Unit.

Floor Plans: The floor plans of the Building to be filed with the City Register's Office simultaneously with the recording of the Declaration, and any subsequent amendments thereto, copies of which are set forth in Part II of the Plan as Exhibit E.

Handicapped Parking Unit: Any Unit designated as a Handicapped Parking Unit in the Declaration and shall be known as the Handicapped Parking Units.

Initial Control Period: The period ending on the earlier of: (i) the closing of title to at least 80% in Common Interest of all Units (excluding Units purchased or retained by Sponsor or its successor), or (ii) five years after the date of the First Unit Closing.

Land: The land located at 5-09 48th Avenue, Long Island City, NY and 5-26 47th Road, Long Island City, NY and more particularly described in the Declaration.

Limited Common Elements: The general term used to refer to a Common Element appurtenant to a particular Unit or Units, the use of which is restricted to owner(s) of such Unit or Units or which is so designated on the Floor Plans and/or in the Declaration.

Managing Agent: Penmark Realty Corp., a New York corporation, having an office at 5 East 86th Street, New York, NY 10028.

Offering Plan or Plan: The document, as may be amended from time to time, filed with the New York State Department of Law which describes the Property and pursuant to which individual Units in the Condominium are offered for sale.

Parking Unit(s): Any Unit designated as a Parking Unit in the Declaration and shall be known as Parking Units.

Property: The Land, the Building and the appurtenances thereto.

Purchase Agreement: The agreement to purchase a Unit pursuant to the Plan, the general form of which is set forth in Part II of the Plan as Exhibit A.

Purchaser: A purchaser of a Unit under a Purchase Agreement.

Residential Common Interest: The proportionate interest, expressed as a numerical percentage, of each Residential Unit Owner in the Residential Limited Common Elements, as determined in accordance with the Declaration. The total of all Residential Limited Common Interests of all Residential Unit Owners equals one hundred (100%) percent. The Residential Common Interests are the basis for determining, among other things, each Residential Unit Owner's (a) voting power with respect to the Residential Limited Common Elements and (b) liability for Common Expenses with respect to the Residential Limited Common Elements.

Residential Limited Common Elements or Residential Common Elements: The general term used to refer to those Common Elements which are so designated in the Floor Plans and/or in the Declaration.

Residential Unit(s): Any Unit designated as a Residential Unit in the Declaration and shall be known as Residential Units.

Selling Agent: Halstead Property Development Marketing, LLC, a New York limited liability company, having an office at 831 Broadway, New York, NY 10003 in its capacity as selling agent under this Plan.

Sponsor: 5-01 – 5-17 48th Avenue, LLC, a limited liability company having an office at 16 Court Street, Suite 2403, Brooklyn, New York 11201.

Sponsor Control Period: The period during which Sponsor will control the Board of Managers of the Condominium which shall last until 80 percent of the Units are sold or the fifth anniversary on the First Unit Closing, whichever is sooner.

Superintendent's Unit(s): Any Unit designated as the Superintendent's Unit in the Declaration and shall be known as the Superintendent's Units.

Terrace(s): Any terrace or balcony appurtenant to and made a part of certain Residential Units.

Unit; Units: Any space designated as a unit in the Declaration, specifically any unit designated as a Unit in the Declaration. All of such units are collectively called the "Units."

Unit Owner: Unit Owners: An owner of any Unit. All of such owners are collectively called the "Unit Owners."

Unsold Units: Any Units owned by Sponsor or its successor.

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

THE CONDOMINIUM

The Property is currently comprised of two (2) parcels of vacant land; one (1) of which is located on the north side of 48th Avenue and easterly side of 5th Street and one (1) of which is located on the north side of 48th Avenue and the westerly side of Vernon Boulevard in the County of Queens and State of New York. There will be two building structures on the property. Sponsor intends to construct two buildings that will be connected, but no access will be available between the Buildings. All Residential Units in Building A will be located on floors 1 through 8 and all Residential Units in Building B will be located on floors 1 through 5. A portion of the first floor of Building A will be used for the common lobby and a portion of the first floor of Building B will be used for the common lobby. The first floor of each Building will contain various mechanical and utility rooms, as more fully described in the Plans and it will be Common Elements. As more specifically described herein, Building A will be composed of: (i) 102 Residential Units (including the Superintendent's Unit); (ii) 59 Parking Units; (iii) the Common Elements, (iv) the Residential Limited Common Elements and (v) the Limited Common Elements and Building B will be composed of: (i) 16 Residential Units; (ii) 3 Cabana Units; (iii) the Common Elements, (iv) the Residential Limited Common Elements and (v) the Limited Common Elements. (See "Schedule A," "Description of the Property" and "Floor Plans of Condominium Units," attached as Exhibit E hereto.) Prior to the First Unit Closing, a temporary Certificate of Occupancy for the respective Unit will be obtained.

The entrance of Building A will be located at the south side of such building along 48th Avenue and will lead to the common area lobby and the entrance to Building B will be located on the north side of such building along 47th Road and will lead to the common area lobby. Neither Building A nor Building B has a service entrance. Building A will have a house telephone connected to the concierge's desk in the lobby of Building A. Building B will have a video/audio intercom and door release from the Residential Units in Building B to the common lobby area for such Units. Sponsor may, at its sole option, change the audio intercom and door release with another type of system. A doorman or a concierge station will monitor the common lobby area to Building A.

There will be two (2) passenger elevators servicing the Residential Units for Building A. There will be one (1) passenger elevator servicing the Residential Units for Building B. Two (2) enclosed, switch back stairs will serve Building A from the common area lobby on the first floor to the roof level and bulkhead. Two (2) enclosed, scissor stairs will serve Building B from the common area lobby on the first floor to the roof level and bulkhead. Each Building will contain a wet sprinkler system throughout the Building. Each Residential Unit will be provided with a washing machine and clothes dryer. Neither Building A nor Building B will have a laundry room. Each Unit Owner will deposit their garbage in the garbage chutes or in the compactor room located on the first floor level of their Building. Each Building will contain a compactor on the first floor. The heating of each Building is done by central natural gas fired boiler supplying each Residential Unit and common areas. Kitchens and bathrooms are ventilated in accordance with applicable laws. Most rooms in each Residential Unit will be wired to voice, data and cable television distribution, but Unit Owners will be responsible for arranging

service from the appropriate providers. Neither Building has any storage areas for the Unit Owners, except for bike storage in Building A. The Parking Units will be located in a heated and enclosed structure on the first floor of Building A with a capacity for 59 vehicles, 3 Parking Units of which will be handicapped parking spaces. Access to the parking garage will be from 5th Street and from the elevator alcove on the First floor. The parking garage will be unattended.

Parking Space Units 9, 10, and 11 have been designated as Handicapped Parking Units. The purchase of a Handicapped Parking Unit and any subsequent conveyance, sale, transfer or encumbrance of it, is hereby subject to the following covenant and restriction, which shall run with the Handicapped Parking Unit in perpetuity.

If at any time an Owner of a Residential Unit or member of his or her family who resides in such Residential Unit becomes handicapped and is given handicapped plates for his or her vehicle, and said Residential Unit Owner owns a Parking Unit, said Residential Unit Owner has the right to demand that the Owner who last acquired one (1) of the Handicapped Parking Units and who does not have handicapped plates for his or her vehicle exchange his or her Handicapped Parking Unit for the Parking Unit owned by said handicapped Owner.

If at any time an Owner of a Residential Unit or member of his or her family who resides in such Residential Unit becomes handicapped, is given handicapped plates for his or her vehicle and said Residential Unit Owner does not own a Parking Unit, said Residential Unit Owner has the right to demand that the Owner who last acquired one (1) of the Handicapped Parking Units and who does not have handicapped plates for his or her vehicle sell the handicapped Parking Unit at the then current, fair market value, to said handicapped Owner. The Residential Unit Owner acquiring such Handicapped Parking Unit shall pay any and all reasonable costs and expenses incurred by either party in such transaction, including without limitation, reasonable attorneys' fees, transfer taxes, title charges and costs of arbitration.

If the parties can not agree on the fair market value of such Handicapped Parking Unit, then the parties agree to submit the matter to binding arbitration in accordance with Article 11 of the By-Laws of the Condominium. Either party can submit such dispute to arbitration in accordance with the By-laws of the Condominium.

The above covenant and restriction is contained in the Condominium Declaration, the By-laws and the form of Unit Owner's deed as set forth in Part II of the Plan.

Gas and electrical service will be supplied by Consolidated Edison Company of New York. Building A and Building B will contain three gas meters (in the aggregate) to measure gas consumption for heating, building hot water and residential cooking; one for the residential cooking in the Building and a second for the building's heating boiler and HVAC roof top corridor and one for domestic hot water. All gas charges and domestic hot water will be included in the Common Charges. Each Residential Unit and Cabana Unit shall have its own electric meter. The parking garage will have its own electrical meter. The Common Elements have a dedicated electrical meter and usage will be included in the Common Charges. A central air conditioning system shall service the living rooms and bedrooms of each Residential Unit. The electrical and operating costs

of each Residential Unit's PTAC units (for heating and cooling) shall be borne by such Unit Owner and billed to such Unit Owner by the Condominium. There is one (1) water meter for the Building A and one water meter for Building B. Water and sewage charges are Common Charges.

The cost of operating the Condominium will be borne by the Unit Owners in proportion to their respective Common Interests and Limited Common Interests, as the case may be. (See Schedule B, "Projected Budget for First Year of Condominium Operation.")

The proposed "Declaration Establishing 5th Street Lofts Condominium" at premises known as 5-09 48th Avenue, Long Island City, NY and 5-26 47th Road, Long Island City, NY (the "Declaration") -- the instrument which will create the Condominium -- and the By-Laws governing the operation of the Condominium are found in Part II of the Plan. Operation of the Condominium will be vested in the Condominium Board. As more particularly set forth in the By-Laws, the Condominium Board will determine the amount of Common Expenses and will assess Common Charges monthly against Unit Owners to meet such Common Expenses. Common Charges will be assessed against Unit Owners in proportion to their respective Common Interests.
The Building on the Property will be constructed substantially in accordance with Plans to be filed with the Department of Buildings of the City of New York (the "Department of Buildings"). The plans will also be filed with all other appropriate governmental authorities as required by all applicable legal requirements, including, without limitation, the New York City Fire Department. The building plans will show the use of the Building for residential and other purposes in the manner described in this Plan.

A permanent certificate of occupancy is required for permanent occupancy of the Units. Prior to a Unit closing, Sponsor will have obtained a temporary or permanent certificate of occupancy for such Unit. If, prior to Closing, only a temporary certificate has been issued, Sponsor shall remain responsible to obtain a permanent certificate of occupancy. The Buildings have no lot line windows.

The "Architect's Report on Description of Property and Specifications," Exhibit D of Part II of the Plan, contains professional analysis of the Building to be constructed on the Property. While every effort has been made to describe the Building carefully, there can be no substitute for a thorough inspection by prospective purchasers. Each purchaser should arrange with the Sponsor for an inspection of the Property by qualified inspectors and prior thereto by qualified and licensed professionals.

Features of Condominium Ownership

The ownership of a Unit is similar in many respects to the ownership of any other real property. Each Unit Owner owns fee title to his Unit and is entitled to the exclusive possession thereof. He also owns, in common with the owners of all other Units, an undivided interest in the Common Elements which, as more particularly set forth in this Plan and the Declaration, including all parts of the Property other than the Units themselves, including, without limitation, the Land, the exterior walls of the Building, the elevators and elevator shafts, mechanical equipment and all mechanical equipment spaces, passages, walls, corridors, lobbies and stairs, all central and appurtenant installations for services, the foundation and the supports of the Building. Certain

Common Elements are reserved for the exclusive use of certain Unit Owners, as specifically set forth in the section entitled "Limited Common Elements."

Primary responsibility for operating the Condominium rests with the Board of Managers who is elected by the Unit Owners. Each Unit Owner, however, will be solely responsible for the cost of maintenance and interior repairs of his Unit, and for maintaining casualty insurance with respect to the personal property within his Unit and liability insurance with respect to occurrences in or about his Unit. A Unit Owner is required to pay monthly common charges, in accordance with Sections 339(i) and (m) of the Condominium Act or applicable state or local law, which common charges are assessed by the Board of Managers for the operation and maintenance of the Condominium. Fire and liability insurance covering the Common Elements are included with other items as part of the common charges (see "Schedule B — Projected Budget for First Year of Condominium Operation" for more details). HOWEVER, FIRE AND LIABILITY INSURANCE FOR THE PURCHASER'S PERSONAL EFFECTS AND THE INTERIOR IMPROVEMENTS TO THE UNIT SHOULD BE CARRIED BY THE INDIVIDUAL PURCHASER. A summary of the By-Laws which shall govern the operation of the Condominium will be found in the section entitled "Rights and Obligations of Board of Managers; Summary of By-Laws." A complete set of the By-Laws are in Part II of this Plan.

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

A Unit Owner may decorate the interior of his Unit in any way that he desires, subject to compliance with the By-Laws (and the Rules and Regulations promulgated in accordance therewith) and all applicable codes and regulations, and will be solely responsible for the cost of maintenance and interior repairs to his Unit after closing.

Each Unit will be taxed as a separate tax lot for real estate tax purposes and no Unit Owner will be responsible for the payment of, nor will his Unit be subjected to, any lien arising from the nonpayment of taxes on other Units. In the opinion of St. John & Wayne, L.L.C., counsel to Sponsor, under present income tax laws a Unit Owner may deduct from his income for Federal, New York State and New York City income tax purposes, his real estate taxes and the interest paid on the mortgage, if any, on his Unit.

THE READER IS DIRECTED TO THE INCOME TAX OPINION OF COUNSEL AND THE SECTION ENTITLED TAXES FOR A DISCUSSION OF FACTORS UPON WHICH THE AVAILABILITY OR NON-AVAILABILITY OF INCOME TAX DEDUCTIONS DEPEND.

With certain exceptions, any sale or lease of a Unit will be subject to a right of first refusal in favor of the Condominium Board to acquire or lease such Unit, or to produce a third party to do so, on the same terms as were offered to the owner of such Unit. For a more complete discussion of the foregoing, see "Sales and Leases of Units." The statute concerning condominiums in effect in the State of New York pursuant to which the Condominium will be organized is Article 9-B of the Real Property Law of the State of New York, as amended, commonly known as and hereinafter called the "New York

Condominium Act." The Property will be submitted in accordance with the provisions of this statute by Sponsor's recording the Declaration in the City Register's Office. From and after the date of recording the Declaration, Sponsor will be the owner of each Unit until it is sold and conveyed to a Purchaser.

Offering of Units for Sale

Sponsor hereby offers 118 Residential Units, 59 Parking Units and 3 Cabana Units for sale under the Plan. The prices for the Units offered under the Plan are listed in Schedule A, entitled "Offering Prices and Related Information."

THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

Under the New York Condominium Act, a Condominium Unit may be owned by an individual, a corporation, a partnership, a limited liability company, a trust, an association or other legal entity.

The estimated Common Charges for each Unit for the first year of operation of the Property as a condominium are also set forth in Schedule A.

In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes which will be assessed separately against his Unit, interest and amortization payments on the mortgage or mortgages, if any, covering his Unit and charges for electricity consumed in his Unit.[1] Schedule A sets forth estimates of the amount of real estate taxes which will be payable with respect to each Unit during the first year of operation of the Property as a condominium. See Note 6 to Schedule A for the basis of such estimates. For information as to the procedure for tax payments in the event that the Units have not been separately assessed prior to the First Unit Closing, see "Terms of Sale." Sponsor makes no representation as to when the Units will be separately assessed, but it is anticipated that there may be a substantial delay beyond the First Unit Closing before such separate tax assessment takes place.

Each Purchaser may, subject to certain limitations more particularly set forth in the By-Laws and in this Plan, obtain his own mortgage financing. New York banks are permitted by law to make loans to purchasers of condominium units who desire financing and whose credit is acceptable to the lender.

Sponsor makes no representation as to the terms or availability of such financing.

THE PURCHASE AGREEMENT BETWEEN PURCHASER AND SPONSOR MAY NOT BE CONTINGENT UPON PURCHASER OBTAINING FINANCING. ACCORDINGLY, FAILURE TO OBTAIN FINANCING MAY NOT RELIEVE A PURCHASER FROM HIS OBLIGATIONS UNDER HIS OR HER PURCHASE AGREEMENT.

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[1] Water charges, gas charges and sewer rents, unless separately assessed to Unit Owners by the City of New York, will be paid by the Condominium Board and included in Common Charges. See Schedule B with respect to certain other costs.

Parts I and II together constitute the entire Offering Plan. All the documents referred to in this Offering Plan are important.

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

DESCRIPTION OF THE PROPERTY

Acquisition of the Property

Sponsor acquired its interest in the Property on June 20, 2005.

Improvements to Property and Zoning

The Property, as it currently exists, is comprised of two (2) vacant lots. After completion of the project, the Condominium will consist of two (2) Buildings. Building A shall be comprised of 102 Residential Units (including the Superintendent's Unit) and 59 Parking Units along with Common Elements, all of which shall be contained in an eight (8) story structure above grade. Building B shall be comprised of 16 Residential Units and 3 Cabana Units along with Common Elements, all of which shall be contained in a five (5) story structure above grade. Neither Building A nor Building B shall have a cellar level. The Residential Units will each contain a gas range, refrigerator and dishwasher. Terraces for Building A will be located at the 2nd and 7th floors and at the roof level of Building A, as more fully described in the Plans. Terraces for Building B will be located at the 1st and 5th floors and at the roof level of Building B, as more fully described in the Plans. Building A will have a common terrace on the second floor and roof level of Building A, as more fully described in the Plan. Building A will have private terraces on the second floor and roof level and Building B will have private terraces on the first floor and roof level; all as more fully described in the Plan. Building A will have a gymnasium with two (2) powder rooms, a bicycle storage room and a children's playroom. The Condominium Board may impose a fee for use of the bicycle storage room and/or the gymnasium. The Cabanas are located on the roof of Building B, as more fully described on the Floor Plans. The Residential Units with appurtenant Terraces shall have exclusive use of such Terraces. The first floor of each Building and the bulkheads will contain certain mechanical and electrical equipment, which shall be Common Elements. The construction of the Building is expected to commence on or about June 15, 2006. Sponsor projects that the first Unit will be substantially completed and ready for occupancy on or about January 1, 2008. Neither Building A nor Building B has any storage areas for the Unit Owners, except the bicycle storage room in Building A. The Parking Units will be located in a heated and enclosed structure on the first floor of Building A. The parking garage will be unattended.

Residential Unit 2L in Building A may be designated as the Superintendent's Unit for the occupancy of the superintendent of the Property. At or after the First Unit Closing, the

Superintendent's Unit shall be purchased by the Condominium Board on behalf of all of the Residential Unit Owners of the Condominium. Sponsor reserves the right, in its sole discretion, to designate a different Residential Unit in lieu of Residential Unit 2L as the Superintendent's Unit; provided that the purchase is equal to or less than $531,300.00). The terms of such conveyance shall be as follows: (i) the purchase price for the Superintendent's Unit shall be $531,300.00 or if another Unit is substituted by Sponsor in place of Unit 2L, then the Purchase price for the Superintendent's Unit shall be the price listed in Schedule A in effect at the time of signing the first purchase agreement; (ii) all closing costs and adjustments shall be made as if the Condominium is a Purchaser on the First Unit Closing Date (see the Section of the Plan entitled "Unit Closing Costs and Adjustments"; (iii) the Sponsor shall convey the Superintendent's Unit to the Condominium in accordance with the terms and conditions of the Purchase Agreement, except as otherwise set forth herein (see the Purchase Agreement in Part II of the Plan); and (iv) at Closing of his or her respective Units, the Purchase Price and all closing costs and adjustments for the Superintendent's Unit shall be paid by each Residential Unit Owner in proportion to his or her relative Common Interests. After the conveyance of the Superintendent's Unit, the Condominium Board on behalf of all Residential Unit Owners shall be responsible to pay all Common Charges, real estate taxes, repairs, maintenance, assessments and all other costs and expenses attributable to the Superintendent's Unit. All such costs shall be a Common Expense of the Residential Unit Owners.

There will be two (2) passenger elevators servicing the Residential Units of Building A. There will be one (1) passenger elevator servicing the Residential Units of Building B. Two (2) enclosed, switch back stairs will serve Building A from the common area lobby on the first floor to the roof level and bulkhead. Two (2) enclosed, scissor stairs will serve Building B from the common area lobby on the first floor to the roof level and bulkhead. Each Building will contain a wet sprinkler system throughout the Building. Each Residential Unit will be provided with a washing machine and clothes dryer. Neither Building A nor Building B will have a laundry room. Each Unit Owner will deposit their garbage in the garbage chutes or in the compactor room located on the first floor level of their Building. Each Building will contain a compactor on the first floor. The heating of each Building is done by central natural gas fired boiler supplying each Unit and common areas. Most rooms in each Residential Unit will be wired to voice, data and cable television distribution, but Unit Owners will be responsible for arranging service from the appropriate providers. Kitchens and bathrooms are ventilated in accordance with applicable laws. Mail is deposited in the lobby of each Building in separate mailboxes for each Unit Owner.

If Sponsor agrees, at the request of a Purchaser, to perform custom work in a Residential Unit, then all such work will be performed by Sponsor or at the direction of Sponsor (without warranty). Purchaser shall be responsible to pay for the cost of all such work and the cost thereof shall be added to the Purchase Price. The Initial Downpayment shall be increased by the total cost of such work. Upon closing or earlier termination of this Agreement, the amount deposited for the custom work shall be released to Sponsor.

The Property has a zoning classification of M1-4/R7A and M1-4/R6B. Within this classification, the Zoning Resolution of the City of New York permits residential,

community facilities, retail and commercial uses. The intended use of the Buildings as described in the Plan shall be in compliance with the currently existing requirements of the Zoning Resolution of the City of New York.

LOCATION AND AREA INFORMATION AND DESCRIPTION OF PROPERTY

The Condominium is located at 5-09 48th Avenue and 5-26 47th Road, in the Borough of Queens, City and State of New York.

The building is convenient to both subway and bus transportation. The #7 train located at Vernon Boulevard and Jackson Avenue provides one stop access into Manhattan's Grand Central Station. Connections are available to the 4, 5 or 6 subway lines running North/South along Lexington Avenue. Continue on to Times Square and connect to virtually all other subway lines. Along Vernon Boulevard you will find the Q103, walking to Jackson Avenue you will the B61. Quick rides to Queens Plaza will connect you with a host of subway or additional bus lines.

The City of New York will provide water, sanitation (unless a Unit is used for commercial purposes); police and fire services to the Building and will remove the snow from the streets surrounding the Building. Sponsor does not make any representation that any of the information regarding the area, schools and services set forth in this Section of the Plan will remain unchanged.

District:

Long Island City falls under New York City's Department of City Planning #2.

Demographics:

The male population in Long Island City is 37,352; the female population is comprised of 30,560. The median age is 34.2, with 21% ratio of College graduates. There are a total of 26,777 households and 8,033 family households; the average family size is 3.3. The median household income for the neighborhood is $35,506.

Police Stations:

The New York City Police Department 9th Precinct is located as follows:

108th Precinct 57-47 50th Avenue Long Island City, NY 11105 718.784.5411	Managing Long Island City, Sunnyside and Woodside

Nearby Subways and Buses:

The #7 train located at Vernon Boulevard and Jackson Avenue provides one stop access into Manhattan's Grand Central Station. Connections are available to the 4, 5 or 6

subway lines running North/South along Lexington Avenue. Continue on to Times Square and connect to virtually all other subway lines. Along Vernon Boulevard you will find the Q103, walking to Jackson Avenue you will find the B61. Quick rides to Queens Plaza will connect you with a host of subway or additional bus lines.

Immediate Shopping and Amenities:

Cleaners:

CITY VIEW CLEANERS 49-04 VERNON BOULEVARD	MP LAUNDROMAT 47-45 VERNON BOULEVARD

Banks:

CHASE MANHATTAN BANK	10-51 JACKSON AVENUE	718-935-9935
WESTERN UNION	49-15 VERNON BOULEVARD	718-729-6560

Pharmacy:

VERNON BOULEVARD PHARMACY	48-15 VERNON BOULEVARD	718-361-7390

Gas Station & Auto Repair:

GETTY	11-47 11TH STREET
AMOCO	2117 JACKSON AVENUE
ROAD RUNNER AUTO REPAIR	47-28 11TH STREET

Restaurants:

BELLA VIA
47-46 VERNON BOULEVARD
718-361-0821

LOUNGE 47
47-10 VERNON BOULEVARD
718-937-2044

BUTCHER DELI & PIZZA
49-16 VERNON BOULEVARD
718-786-9209

CASSINO
47-18 VERNON BOULEVARD
718-937-9662

SAN REMO PIZZA
48- VERNON BOULEVARD
718-937-2484

CITY LIGHTS GRILL
48-17 VERNON BOULEVARD

Educational Facilities:
(Public and Private Schools in the area).

ACADEMY OF AMERICAN STUDIES
2804 41ST AVE
Institution Type:: Pubic
9 – 12
Students: 615

ACADEMY OF FINANCE AND ENTERPRISE
3020 THOMSON AVE
Institution Type:: Pubic
9 – 12
Students: 120

ALBERT SHANKER SCHOOL FOR VPA
3151 21ST ST
Institution Type:: Pubic
6 - 8
Students:849

AVIATION CAREER AND TECH HIGH SCHOOL
610 E 12TH ST
Institution Type:: Pubic
9 – 12
Students: 1792

BACCALAUREATE SCHOOL GLOBAL EDUCATION
3412 36TH AVE
Institution Type:: PUBLIC
7 – 10
Students: 314

EVANGEL CHRISTIAN SCHOOL
3921 CRESCENT ST
Institution Type:: Private
Pre K - 12
Students: 447

FRANK SINATRA HIGH SCHOOL
3020 THOMSON AVE
Institution Type: Public
9 - 12
Students: 528

HIGH SCHOOL FOR INFORMATION TECHNOLOGY
21-16 44TH RD
Institution Type: Public
9 - 11
Students: 505

HIGH SCHOOL OF APPLIED COMMUNICATIONS
3020 THOMSON AVE
Institution Type: Public
9 - 12
Students: 100

IDEAL ISLAMIC SCHOOL
3121 12TH ST
Institution Type: Private
Pre K - 8
Students: 121

INTERNATIONAL HIGH SCHOOL
3110 THOMSON AVE
Institution Type: Public
9 - 12
Students: 463

IS 204 OLIVER W HOLMES SCHOOL
3641 28TH ST
Institution Type: Public
6 - 8
Students: 1006

LONG ISLAND CITY HIGH SCHOOL
1430 BROADWAY
Institution Type: Public
9 - 12
Students: 3778

MIDDLE COLLEGE HIGH SCHOOL
3110 THOMSON AVE
Institution Type: Public
9 - 12
Students: 477

NEWCOMERS HIGH SCHOOL ACADEMY AMERICAN STD
2801 41ST AVE
Institution Type: Public
9 - 12
Students: 1070

OUR WORLD NEIGHBORHOOD CHARTER
3612 35TH AVE
Institution Type: Public
1 – 7
Students: 579

PS 076 WILLIAM HALLETT SCHOOL
3636 10TH ST
Institution Type: Public
Pre K - 5
Students: 667

PS 111 JACOB BLACKWELL SCHOOL
3715 13TH ST
Institution Type: Public
Pre K - 5
Students: 414

PS 112 DUTCH KILLS SCHOOL
2505 37TH AVE
Institution Type: Public
Pre K - 5
Students: 612

PS 166 HENRY GRADSTEIN SCHOOL
3309 35TH AVE
Institution Type: Public
K - 5
Students: 1117

PS 78 ROBERT F WAGNER JUNIOR HIGH SCHOOL
4809 CENTER BLVD
Institution Type: Public
Pre K - 5
Students: 219

Health Clubs

Astoria Sports Complex
34-38 38th St
718-472-4455

Medical Facilities

Local medical service is offered as follows:

HUNTER'S POINT
DENTAL SERVICES
49-13 Vernon
Boulevard
718-392-4022

MEDICAL OFFICES
47-12 Vernon
Boulevard
718-729-8794

HEALTH-MAX
CHIROPRACTIC
5-53 48th Ave 2nd
floor
718-707-3500

QHN MEDICAL CENTER
AT SUNNYSIDE
43-12 43RD ST

Sanitation Service

The collection schedule:

Refuse: Tuesday Thursday Saturday
Recycling: Tuesday

Place refuse and recyclables at the curb the night before collection day. There is no garbage or recycling collection on Department of Sanitation holidays.

Adjacent Properties

The project is located at the corner of 48th Avenue and 5th Street. Located to the north and east of the development are industrial buildings. Hunters Point Community Park and a residential condominium building are located south of the building. To the west of the development is currently a vacant lot, on which a residentail development is planned.

Construction of the Building, Permits and Certificates of Occupancy

Sponsor has retained H. Thomas O'Hara Architect, PLLC, as architect, Axis Design Group, as structural engineer and Ettinger Engineering Associates, as mechanical engineers to prepare the Plans. (See the Section of the Plan entitled "Identity of the Parties" for further details). The Building, including the Units and Common Elements, will be completed substantially in accordance with the Plans and all legal requirements. The work to be performed by Sponsor, which is described in detail in "Architects Report on Description of Property and Building Condition" (Exhibit D in Part II of this Plan) includes all of the alterations required to obtain such certificates of occupancy. Sponsor will complete the necessary construction to obtain either a temporary or permanent certificate of occupancy for each Unit prior to the closing date for such Unit. Copies of the building plans, which are subject to the approval of the Department of Buildings, will be available for inspection at Sponsor's office. Purchasers are advised that if the certificate of occupancy for a Unit is a temporary certificate of occupancy, such certificate may only be renewed for a total period of two years from the date of its original issuance and that if the temporary certificate of occupancy shall have expired prior to obtaining a permanent certificate of occupancy, occupancy of such Unit will be in violation of the law, subjecting the Unit Owners and the Condominium Board to penalties, including the possibility of eviction. Sponsor agrees to ultimately obtain a permanent certificate of occupancy for each Unit within two (2) years after the closing of such Unit, unless Sponsor is prevented from doing so because of strikes, labor troubles, inability to obtain materials, fire or other casualty, war, legal requirements or any other reason outside of Sponsor's control. See "Rights and Obligations of Sponsor."

The architectural firm of H. Thomas O'Hara Architect, PLLC has been retained to prepare architectural plans and to make such applications as may be necessary to allow for legal use of the Building and for obtaining permanent certificates of occupancy. If a Purchaser intends to modify the building plans which have been approved for a particular Unit by the Department of Buildings, such Purchaser must, prior to commencement of any alteration in his Unit, submit the alteration plans to the Managing Agent for approval by the Condominium Board.

Sponsor reserves the right to amend or modify, in any way, the Buildings and alteration plans (including, without limitation, changing materials, appliances, equipment, fixtures, other construction details and adding vents, utility boxes and other items to the roof and the Terraces and substitute in place of any materials, appliances, equipment and fixtures set forth therein or in the "Architect's Report on Description of Property and Building Condition" materials, appliances, equipment and fixtures of substantially equal or better quality, provided only that any necessary approval of any governmental authority having jurisdiction thereover is first obtained. Any amendment to the alteration plans which materially adversely changes a Unit's size, layout, Common Interest or amount or quality of Common Elements shall be made only after filing an amendment to the Plan disclosing such changes.

At the Closing of a Unit, Sponsor shall assign (to the extent assignable) to the Unit Owners any manufacturer's warranties on any equipment, appliances and fixtures which Sponsor installed in the Unit.

Sponsor shall assign any warranties with respect to equipment and appliances installed in the Common Elements of the Building to the Board of Managers. Sponsor shall not be responsible for and shall have no liability for conditions resulting from normal wear and tear, or natural deterioration, or from the normal settling or shifting of the Building, or for defects of insubstantial nature, such as, without limitation, nail pops, ridging on sheetrock walls, lumber shrinkage, door sticking due to weather, door warpage of less than one-half of one inch, ridging or gaps in hardwood flooring of less than normal tolerances, minor scratches on doors, flooring, appliances or countertops, normal plumbing, heating and air conditioner noises, for work damaged by Purchasers, their contractors or those working in the Purchaser's Unit at such Purchaser's request, acts of God, strikes, lack of control over subcontractors, and damages caused by moving other than by Sponsor

THE HOUSING MERCHANT IMPLIED WARRANTY (SEE THE NEW YORK STATE GENERAL BUSINESS LAW ARTICLE 36-B) IS INAPPLICABLE. ACCORDINGLY, SUCH WARRANTY SHALL NOT APPLY TO PURCHASER OR ITS SUCCESSORS AND/OR ASSIGNS, IN CONNECTION WITH THE UNIT. THERE ARE NO OTHER WARRANTIES WHICH EXTEND BEYOND THE FACE HEREOF.

All construction undertaken by individual Purchasers must conform to the applicable codes and laws including, but not limited to, the Building Code of the City of New York, the New York State Multiple Dwelling Law and the New York City Housing Maintenance Code. All construction must conform to the various building codes, which minimally require the use of proper materials, legal configurations and dimensions of rooms, adequate light and natural or mechanical ventilation for all spaces including bathrooms, kitchens and bedrooms, legal plumbing and electrical systems, waterproof bathroom floors and bases, plaster or water resistant sheetrock walls and proper fire retardation of cooking spaces. Each Purchaser will be obligated to do any additional painting and decorating of his Unit at his own cost and expense. All said additional painting, decorating and any other special work which a Purchaser desires for his Unit must be performed by a contractor approved by the Condominium Board or the Managing Agent, which approval shall not be unreasonably withheld or delayed, and which contractor will not employ any persons or means that may cause labor disturbances

or stoppages in the work of Building employees or other contractors or subcontractors employed in the Building or at the Property. No Purchaser may perform any work in his Unit without the prior written consent of Sponsor and the Condominium Board unless and until Sponsor receives a permanent Certificate of Occupancy for the Building.

Sponsor adopts the Remedial Action Plan dated March 6, 2006 prepared by Environmental Liability Management of New York LLC. for the Property. Based upon the Plan and the locations and levels of the contamination of the soil, excavation in the normal course of construction of the Building will serve as the soil remedial action for the Property. Accordingly, Sponsor shall remove all contaminated soil recommended in such plan from the Property in accordance with all legal requirements.

Sponsor anticipates that the construction of the Building will be substantially completed on or before the First Unit Closing.

Any alterations to the common elements are generally prohibited by the Condominium By-Laws. In addition, any improvements that are structural, permanently affixed to the structure of the Building, increase in the shade structure (i.e., enclosed floor area), result in the enlargement or creation of any stair openings, involve modifications to or additions of any plumbing or plumbing fixtures, or any electrical or mechanical work will also require a permit from the Department of Buildings.

Until the delivery of title to a Purchaser, Sponsor will be liable for operation and maintenance of any Unsold Units.

Sponsor represents that all expenses incurred prior to the establishment of the Condominium have been paid or will be paid by Sponsor, or an appropriate credit given therefor on the date of the First Unit Closing. All costs or expenses incurred in connection with the sale of Units held or owned by Sponsor will be charged to and will be paid by Sponsor, including, but not limited to, advertising and printing costs, architects' fees, attorneys' fees (except as described herein) organization costs, brokerage commissions, if any, engineering, appraisal and surveying fees and costs as the same may be approved by Sponsor on its own behalf, but under no circumstances on behalf of a Purchaser. Sponsor shall cause all mechanics' liens, if any, with respect to such construction to be promptly discharged or bonded.

Sponsor reserves the right, without prior notice or amendment to the Plan and without prior notice to the Condominium or Condominium Board, to use any Unit or Units, as the case may be, as sales offices and/or model apartments.

Submission of Property to Condominium Ownership

The Declaration and By-Laws of the Condominium, substantially in the forms set forth, respectively, as Exhibits G and H of Part II of this Plan, will be recorded in the City Register's Office prior to the First Unit Closing. A set of the Floor Plans of the Building prepared by H. Thomas O'Hara Architect, PLLC, showing the layouts, locations and dimensions of the Units (within reasonable tolerances) and the unit designations certified by the Real Property Assessment Bureau of the City of New York as conforming to the official tax lot number for each Unit will also be filed in the City Register's Office prior to the First Unit Closing. Copies of such Floor Plans are set forth as Exhibit E of Part II of this Plan.

The Units

The percentage interest in the Common Elements applicable to each Unit, as shown in Schedule A, was determined by Penmark based upon the portion that the floor area (within reasonable tolerances) of the Unit bears to the aggregate floor area of all of the Units, the location of such Unit, the uniqueness of the Unit, the use, the availability of Common Elements for exclusive or shared use, and usage of the Building services among the Units.

Each Unit will conform substantially to the Floor Plans to be filed in the Register's Office of the City of New York, New York County. Copies of these plans may be examined at the Sponsor's office or other location designated by the Sponsor.

Sponsor believes that the layouts and dimensions of the Units as shown on the Floor Plans set forth herein as Exhibit E of Part II of this Plan will be substantially accurate. Sponsor shall have no liability or responsibility to Purchasers, nor shall any Purchaser be released from a Purchase Agreement, by reason of any minor or insubstantial inaccuracy or error in the Floor Plans.

THE UNITS ARE OFFERED IN "AS IS" CONDITION SUBJECT TO SPONSOR'S OBLIGATIONS HEREUNDER AND IN ACCORDANCE WITH THE "ARCHITECT'S REPORT ON DESCRIPTION OF PROPERTY AND BUILDING CONDITION" WHICH IS ATTACHED AS EXHIBIT D OF PART II HEREOF ANY PROSPECTIVE PURCHASER SHOULD CAREFULLY INSPECT SUCH UNITS AND CONSULT WITH HIS ADVISORS PRIOR TO ENTERING INTO A PURCHASE AGREEMENT FOR A UNIT.

The Parking Space Units shall only be used for accessory parking purposes in accordance with all legal requirements, including without limitation the New York City Zoning Resolution, as amended. A Parking Unit Owner may only store one automobile in the Parking Unit. No person may perform any repair work of any nature, exterior or indoor cleaning or washing or servicing work such as changing oil or tune-ups may be performed in any Parking Space Unit, except emergency repair work to the extent required tow an inoperable automobile from the Parking Unit. Sponsor and Sponsor's designees shall have the right, without charge, to (a) perform work in the Parking Garage and (b) to park or store any vehicle, including, without limitation, a van and/or truck.

The Rules and Regulations of the Condominium are set forth in Part H of this Offering Plan as an addendum to the By-Laws. The Rules and Regulations govern the use of the Units.

General Description

Subject to the rights of Sponsor and its designee or any other owner of any Unsold Unit to change the number thereof, there will be a total of 118 Units in the Condominium (102 Residential Units including the Superintendent's Unit and 59 Parking Units in Building A and 16 Residential Units and 3 Cabana Units in Building B and Common Elements in each Building), as more particularly described in the Declaration (Exhibit G of Part II), in "Architect's Report on Description of Property and Building Condition" (Exhibit D of Part II).

Common Elements

Each Unit Owner will have an undivided interest in the Common Elements in the respective percentage set forth in Schedule A as the General Common Interest. The Common Elements consist of all portions of the Property other than the Units themselves, the Limited Common Elements and the Residential Limited Common Elements, including, without limitation, the following:

(a) the Land, together with all easements, rights and privileges appurtenant thereto;

(b) all foundations, columns, girders, beams, structural elements, supports, pile caps, and their enclosures;

(c) all exterior walls of the Buildings, not including the portions thereof on the Unit side of the brick work or masonry of such walls, all walls and partitions separating Units from corridors, stairs, and other mechanical equipment spaces other than the portions thereof between the Unit side of such walls and partitions and the brick work, sheetrock work or masonry of such walls and partitions separating Units; the portions of the plaster or equivalent partitions separating Units between the Unit side of the plaster or its equivalent on each side of such partition, and all concrete floors, steel joists, floor joists and concrete ceilings;

(d) all roofs, overhangs, halls, passages, corridors, stairs, stairways, either within or without, excluding the Limited Common Elements and the Cabana Units;

(e) lobby of each Building;

(f) all space devoted to the use of a superintendent or any other person(s) employed in connection with the operation of the Property, including without limitation, the Superintendent's Unit;

(g) all central and appurtenant installations for services such as power, central intercom system, light fixtures in the common areas, security system, telephone, television, cable, gas, boiler, garbage (including without limitation, garbage chutes), hot and cold water, heat and air conditioning (excluding heating, ventilating and air conditioning units, appurtenances or other equipment which exclusively serve a Unit) and including all pipes, ducts, chutes, wires, cables, and conduits and their enclosures used in connection therewith, whether located in common areas or in Units;

(h) all mechanical equipment and mechanical equipment space including, but not limited to, the meter rooms located throughout the Building, the mechanical room, the boiler room, the telephone equipment room, the pump room and the elevator mechanical room;

(i) all tanks, pumps, motors, fans, compressors and control equipment;

(j) all sewer pipes;

(k) all areaways and any drains contained therein;

(l) vaults not used by any Unit Owner, if any;

(m) the sidewalks;

(n) fire staircases;

(o) the remains of any party wall which is the responsibility of the owner of the Property;

(p) all doors leading to the elevator lobby;

(q) all passages, halls and corridors located in the Building;

(r) the entrances and exits to the Building used exclusively by the Unit Owners;

(s) all elevators, elevator mechanical room, elevator shafts and pits; and

(t) garbage room for use of the Unit Owners, which is to be located on the first floor of the Building;

(u) the house phone system in each Building and the house telephones in each Residential Unit;

(v) gym, children's playroom and bicycle storage area in Building A;

(w) mailboxes; and

(x) all other parts of the Property and all apparatus, installations, systems, equipment, main telecommunications room, voice, data and cable distributions systems, telecom closets, facilities, pipes, conduits, ducts, chutes, wires and cables and their enclosures existing in the Building or on the Property for common use or necessary or convenient to the existence, maintenance or safety of the Property.

Each Unit Owner has the right to use and enjoy the Common Elements jointly with all other Unit Owners, except for those certain Common Elements that are designated for the exclusive use of the Unit Owners. The Common Elements cannot be divided or partitioned except as provided in the New York Condominium Act. Except with respect to certain Limited Common Elements (as more particularly described in the Declaration), a Unit Owner's interest in the Common Elements shall not be separated from the Unit to which such interest is appurtenant.

The cost of maintaining, repairing and replacing the Common Elements will be borne by all of the Unit Owners and will be included in the Common Charges. The cost for maintaining, repairing and redesigning the Limited Common Elements shall be borne by the Unit Owner(s) having exclusive use of such areas in accordance with this Plan and the Declaration.

Limited Common Elements

The terrace or balcony appurtenant to a Unit (if any) is for the exclusive use of the Owner of such Unit (collectively hereinafter referred to as "Terraces"). Terraces are designated as a Limited Common Element herein. The Limited Common Elements may only be sold with the Units to which they are appurtenant. Terraces are for passive recreational use only. Use of the Terraces must be in compliance with all applicable laws and regulations. Terraces (i) are designated a Limited Common Element, (ii) may be used for any legal purpose and (iii) are the responsibility of the owner of the appurtenant Unit to maintain and repair. Notwithstanding anything to the contrary, each Unit Owner shall be responsible for all ordinary maintenance, repairs, replacements and cleaning of any such area appurtenant to its Unit and the appurtenant Limited Common Elements, if any (including, without limitation, replacement of tiles and the surface of the Terrace, the repair and maintenance of in, on or from the Terrace, when necessary); however, the costs and expenses of any extraordinary or structural repairs or repairs or replacements caused by the need for such structural repairs to the Limited Common Elements (unless

caused by or attributable to the Unit Owner to whose Unit the Limited Common Element is appurtenant, in which case such Unit Owner shall be responsible for the entire cost), shall be charged to all Unit Owners as a Common Expense.

SCHEDULE A

5TH STREET LOFT
5-09 48TH AVENUE
LONG ISLAND CITY, NY

OFFERING PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION JANUARY 1, 2008- DECEMBER 31, 2008 (1)

BUILDING	UNIT	NUMBER BEDROOMS/ BATHS	APPROXIMATE UNIT SQ. FOOTAGE	APPROXIMATE EXTERIOR SQ. FOOTAGE	OFFERING PRICE	(4) GENERAL COMMON INTEREST	(5) PROJECTED MONTHLY COMMON CHARGES	(6) PROJECTED MONTHLY RE TAXES W/ 421-A	(6) PROJECTED MONTHLY RE TAXES W/O 421-A	(6) PROJECTED MONTHLY RE TAXES FOR SECOND YEAR W/O 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/ 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/O 421-A	(7) PROJECTED SHARE OF PURCHASE PRICE FOR RESIDENT MANAGER'S UNIT
A	2A	3/2	1,542	4,811	$ 1,100,990	2.0830%	$ 2,127.58	$ 122.40	$ 792.94	$ 1,536.34	$ 2,249.98	$ 2,920.52	$ 12,207.80
A	3A	3/2	1,542		$ 980,990	1.1761%	$ 1,201.25	$ 109.06	$ 706.52	$ 1,368.89	$ 1,310.31	$ 1,907.77	$ 6,892.63
A	4A	3/2	1,542		$ 994,990	1.1819%	$ 1,207.23	$ 110.61	$ 716.60	$ 1,388.43	$ 1,317.84	$ 1,923.83	$ 6,926.93
A	5A	3/2	1,542		$ 1,008,990	1.1878%	$ 1,213.20	$ 112.17	$ 726.68	$ 1,407.96	$ 1,325.37	$ 1,939.89	$ 6,961.22
A	6A	3/2	1,542		$ 1,022,990	1.1936%	$ 1,219.18	$ 113.73	$ 736.77	$ 1,427.50	$ 1,332.91	$ 1,955.94	$ 6,995.51
A	7A	2/2	1,217	283	$ 974,990	1.0017%	$ 1,023.15	$ 108.39	$ 702.20	$ 1,360.52	$ 1,131.54	$ 1,725.34	$ 5,870.70
A	8A	2/2	1,217	972	$ 1,068,000	1.1412%	$ 1,165.66	$ 118.73	$ 769.18	$ 1,490.31	$ 1,284.39	$ 1,934.85	$ 6,688.44
A	2B	2/2	1,109		$ 720,990	0.8416%	$ 859.64	$ 80.15	$ 519.26	$ 1,006.08	$ 939.79	$ 1,378.90	$ 4,932.49
A	3B	2/2	1,109		$ 730,990	0.8458%	$ 863.93	$ 81.27	$ 526.46	$ 1,020.04	$ 945.20	$ 1,390.40	$ 4,957.15
A	4B	2/2	1,109		$ 740,990	0.8500%	$ 868.23	$ 82.38	$ 533.67	$ 1,033.99	$ 950.61	$ 1,401.90	$ 4,981.82
A	5B	2/2	1,109		$ 750,990	0.8543%	$ 872.53	$ 83.49	$ 540.87	$ 1,047.94	$ 956.02	$ 1,413.40	$ 5,006.48
A	6B	2/2	1,109		$ 760,990	0.8585%	$ 876.83	$ 84.60	$ 548.07	$ 1,061.90	$ 961.43	$ 1,424.90	$ 5,031.14
A	7B	1/1	775	492	$ 674,990	0.6985%	$ 713.48	$ 75.04	$ 486.13	$ 941.89	$ 788.52	$ 1,199.62	$ 4,093.88
A	8B	1/1	775	716	$ 698,990	0.7457%	$ 761.67	$ 77.71	$ 503.42	$ 975.38	$ 839.38	$ 1,265.09	$ 4,370.39
A	2C	2/2	1,048		$ 696,990	0.7953%	$ 812.35	$ 77.49	$ 501.98	$ 972.59	$ 889.84	$ 1,314.33	$ 4,661.18
A	3C	2/2	1,048		$ 706,990	0.7993%	$ 816.41	$ 78.60	$ 509.18	$ 986.55	$ 895.01	$ 1,325.59	$ 4,684.49
A	4C	2/2	1,048		$ 716,990	0.8033%	$ 820.48	$ 79.71	$ 516.38	$ 1,000.50	$ 900.18	$ 1,336.86	$ 4,707.79
A	5C	2/2	1,048		$ 726,990	0.8073%	$ 824.54	$ 80.82	$ 523.58	$ 1,014.45	$ 905.36	$ 1,348.12	$ 4,731.10
A	6C	2/2	1,048		$ 736,990	0.8112%	$ 828.60	$ 81.93	$ 530.79	$ 1,028.41	$ 910.53	$ 1,359.39	$ 4,754.41
A	7C	1/1	797	495	$ 684,990	0.7162%	$ 731.56	$ 76.15	$ 493.34	$ 955.85	$ 807.71	$ 1,224.89	$ 4,197.59
A	8C	1/1	797	415	$ 698,990	0.7041%	$ 719.16	$ 77.71	$ 503.42	$ 975.38	$ 796.87	$ 1,222.58	$ 4,126.45
A	2D	0/1	460		$ 350,990	0.3491%	$ 356.57	$ 39.02	$ 252.79	$ 489.78	$ 395.59	$ 609.35	$ 2,045.94
A	3D	0/1	460		$ 368,990	0.3508%	$ 358.35	$ 41.02	$ 265.75	$ 514.90	$ 399.37	$ 624.10	$ 2,056.17
A	4D	0/1	460		$ 386,990	0.3526%	$ 360.13	$ 43.02	$ 278.71	$ 540.01	$ 403.15	$ 638.85	$ 2,066.40
A	5D	0/1	460		$ 404,990	0.3543%	$ 361.92	$ 45.02	$ 291.68	$ 565.13	$ 406.94	$ 653.59	$ 2,076.63
A	6D	0/1	460		$ 424,990	0.3561%	$ 363.70	$ 47.25	$ 306.08	$ 593.04	$ 410.94	$ 669.78	$ 2,086.86
A	7D	2/2	1,080	599	$ 898,990	0.9566%	$ 977.07	$ 99.94	$ 647.46	$ 1,254.47	$ 1,077.01	$ 1,624.53	$ 5,606.29

The accompanying notes should be read in conjunction with this schedule.

RM indicates Resident Manager's Unit

SCHEDULE A

5TH STREET LOFT
5-09 48TH AVENUE
LONG ISLAND CITY, NY

OFFERING PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION JANUARY 1, 2008- DECEMBER 31, 2008 (1)

BUILDING	UNIT	NUMBER BEDROOMS/ BATHS	APPROXIMATE UNIT SQ. FOOTAGE	APPROXIMATE EXTERIOR SQ. FOOTAGE	OFFERING PRICE	(4) GENERAL COMMON INTEREST	(5) PROJECTED MONTHLY COMMON CHARGES	(6) PROJECTED MONTHLY RE TAXES W/ 421-A	(6) PROJECTED MONTHLY RE TAXES W/O 421-A	(6) PROJECTED MONTHLY RE TAXES FOR SECOND YEAR W/O 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/ 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/O 421-A	(7) PROJECTED SHARE OF PURCHASE PRICE FOR RESIDENT MANAGER'S UNIT
A	8D	2/2	1,080	421	$ 925,990	0.9265%	$ 946.30	$ 102.94	$ 666.91	$ 1,292.14	$ 1,049.25	$ 1,613.21	$ 5,429.78
A	2E	1/1	706		$ 489,990	0.5358%	$ 547.25	$ 54.47	$ 352.89	$ 683.74	$ 601.73	$ 900.15	$ 3,140.07
A	3E	1/1	706		$ 503,990	0.5385%	$ 549.99	$ 56.03	$ 362.98	$ 703.28	$ 606.02	$ 912.97	$ 3,155.77
A	4E	1/1	706		$ 517,990	0.5411%	$ 552.72	$ 57.59	$ 373.06	$ 722.81	$ 610.31	$ 925.79	$ 3,171.47
A	5E	1/1	706		$ 531,990	0.5438%	$ 555.46	$ 59.14	$ 383.14	$ 742.35	$ 614.60	$ 938.60	$ 3,187.17
A	6E	1/1	706		$ 552,990	0.5465%	$ 558.20	$ 61.48	$ 398.27	$ 771.65	$ 619.67	$ 956.47	$ 3,202.87
A	7E	2/2	1,102	1,033	$ 978,990	1.0581%	$ 1,080.75	$ 108.84	$ 705.08	$ 1,366.10	$ 1,189.59	$ 1,785.83	$ 6,201.22
A	8E	2/2	1,102	1,100	$ 964,990	1.0764%	$ 1,099.40	$ 107.28	$ 694.99	$ 1,346.56	$ 1,206.68	$ 1,794.39	$ 6,308.21
A	2F	1/1	728		$ 495,990	0.5525%	$ 564.31	$ 55.14	$ 357.22	$ 692.11	$ 619.45	$ 921.52	$ 3,237.92
A	3F	1/1	728		$ 509,990	0.5552%	$ 567.13	$ 56.70	$ 367.30	$ 711.65	$ 623.82	$ 934.43	$ 3,254.11
A	4F	1/1	728		$ 523,990	0.5580%	$ 569.95	$ 58.25	$ 377.38	$ 731.18	$ 628.20	$ 947.33	$ 3,270.30
A	5F	1/1	728		$ 537,990	0.5608%	$ 572.77	$ 59.81	$ 387.46	$ 750.72	$ 632.58	$ 960.23	$ 3,286.49
A	6F	1/1	728		$ 558,990	0.5635%	$ 575.59	$ 62.14	$ 402.59	$ 780.02	$ 637.74	$ 978.18	$ 3,302.68
A	7F	3/2	1,587	1,075	$ 1,388,000	1.4436%	$ 1,474.44	$ 154.31	$ 999.65	$ 1,936.84	$ 1,628.74	$ 2,474.09	$ 8,460.15
A	8F	3/2	1,587	1,445	$ 1,388,990	1.5229%	$ 1,555.48	$ 154.42	$ 1,000.36	$ 1,938.22	$ 1,709.90	$ 2,555.84	$ 8,925.17
A	2G	1/1	729		$ 495,990	0.5532%	$ 565.08	$ 55.14	$ 357.22	$ 692.11	$ 620.22	$ 922.30	$ 3,242.37
A	3G	1/1	729		$ 509,990	0.5560%	$ 567.91	$ 56.70	$ 367.30	$ 711.65	$ 624.60	$ 935.20	$ 3,258.58
A	4G	1/1	729		$ 523,990	0.5588%	$ 570.73	$ 58.25	$ 377.38	$ 731.18	$ 628.98	$ 948.11	$ 3,274.79
A	5G	1/1	729		$ 537,990	0.5615%	$ 573.56	$ 59.81	$ 387.46	$ 750.72	$ 633.37	$ 961.02	$ 3,291.00
A	6G	1/1	729		$ 558,990	0.5643%	$ 576.38	$ 62.14	$ 402.59	$ 780.02	$ 638.53	$ 978.97	$ 3,307.22
A	7G	0/1	513		$ 489,990	0.3991%	$ 407.59	$ 54.47	$ 352.89	$ 683.74	$ 462.06	$ 760.49	$ 2,338.71
A	8G	0/1	513	319	$ 544,990	0.4633%	$ 473.25	$ 60.59	$ 392.51	$ 760.49	$ 533.84	$ 865.76	$ 2,715.46
A	2H	1/1	700		$ 489,990	0.5312%	$ 542.60	$ 54.47	$ 352.89	$ 683.74	$ 597.07	$ 895.50	$ 3,113.38
A	3H	1/1	700		$ 503,990	0.5339%	$ 545.31	$ 56.03	$ 362.98	$ 703.28	$ 601.34	$ 908.29	$ 3,128.95
A	4H	1/1	700		$ 517,990	0.5365%	$ 548.03	$ 57.59	$ 373.06	$ 722.81	$ 605.61	$ 921.09	$ 3,144.52
A	5H	1/1	700		$ 531,990	0.5392%	$ 550.74	$ 59.14	$ 383.14	$ 742.35	$ 609.88	$ 933.88	$ 3,160.09
A	6H	1/1	700		$ 552,990	0.5419%	$ 553.45	$ 61.48	$ 398.27	$ 771.65	$ 614.93	$ 951.72	$ 3,175.65

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RM indicates Resident Manager's Unit

SCHEDULE A

5TH STREET LOFT
5-09 48TH AVENUE
LONG ISLAND CITY, NY

OFFERING PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION JANUARY 1, 2008- DECEMBER 31, 2008 (1)

BUILDING	UNIT	NUMBER BEDROOMS/ BATHS	APPROXIMATE UNIT SQ. FOOTAGE	APPROXIMATE EXTERIOR SQ. FOOTAGE	OFFERING PRICE	(4) GENERAL COMMON INTEREST	(5) PROJECTED MONTHLY COMMON CHARGES	(6) PROJECTED MONTHLY RE TAXES W/ 421-A	(6) PROJECTED MONTHLY RE TAXES W/O 421-A	(6) PROJECTED MONTHLY RE TAXES FOR SECOND YEAR W/O 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/ 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/O 421-A	(7) PROJECTED SHARE OF PURCHASE PRICE FOR RESIDENT MANAGER'S UNIT
A	7H	2/2	1,109		$ 838,990	0.8627%	$ 881.13	$ 93.27	$ 604.25	$ 1,170.74	$ 974.40	$ 1,485.37	$ 5,055.80
A	8H	2/2	1,101	473	$ 957,990	0.9531%	$ 973.45	$ 106.50	$ 689.95	$ 1,336.80	$ 1,079.95	$ 1,663.40	$ 5,585.53
A	2J	0/1	503		$ 365,990	0.3817%	$ 389.90	$ 40.69	$ 263.59	$ 510.71	$ 430.59	$ 653.49	$ 2,237.19
A	3J	0/1	503		$ 383,990	0.3836%	$ 391.85	$ 42.69	$ 276.55	$ 535.83	$ 434.54	$ 668.40	$ 2,248.38
A	4J	0/1	503		$ 401,990	0.3855%	$ 393.80	$ 44.69	$ 289.52	$ 560.94	$ 438.49	$ 683.31	$ 2,259.56
A	5J	0/1	503		$ 419,990	0.3875%	$ 395.75	$ 46.69	$ 302.48	$ 586.06	$ 442.44	$ 698.23	$ 2,270.75
A	6J	0/1	503		$ 444,990	0.3894%	$ 397.70	$ 49.47	$ 320.49	$ 620.95	$ 447.17	$ 718.18	$ 2,281.93
A	7J	2/2	1,102		$ 838,990	0.8572%	$ 875.56	$ 93.27	$ 604.25	$ 1,170.74	$ 968.84	$ 1,479.81	$ 5,023.89
A	8J	2/2	1,102	653	$ 957,990	0.9890%	$ 1,010.17	$ 106.50	$ 689.95	$ 1,336.80	$ 1,116.68	$ 1,700.13	$ 5,796.27
A	2K	1/1	1,010		$ 696,990	0.7665%	$ 782.90	$ 77.49	$ 501.98	$ 972.59	$ 860.38	$ 1,284.87	$ 4,492.17
A	3K	2/2	1,216		$ 851,990	0.9274%	$ 947.29	$ 94.72	$ 613.61	$ 1,188.88	$ 1,042.01	$ 1,560.90	$ 5,435.44
A	4K	2/2	1,216		$ 869,990	0.9321%	$ 952.00	$ 96.72	$ 626.57	$ 1,214.00	$ 1,048.72	$ 1,578.58	$ 5,462.48
A	5K	2/2	1,216		$ 887,990	0.9367%	$ 956.71	$ 98.72	$ 639.54	$ 1,239.12	$ 1,055.43	$ 1,596.25	$ 5,489.52
A	6K	2/2	1,216		$ 912,990	0.9413%	$ 961.43	$ 101.50	$ 657.54	$ 1,274.00	$ 1,062.93	$ 1,618.97	$ 5,516.56
A	7K	2/2	1,093		$ 838,990	0.8502%	$ 868.41	$ 93.27	$ 604.25	$ 1,170.74	$ 961.69	$ 1,472.66	$ 4,982.86
A	8K	2/2	1,093	677	$ 957,990	0.9867%	$ 1,007.78	$ 106.50	$ 689.95	$ 1,336.80	$ 1,114.28	$ 1,697.73	$ 5,782.52
A	2L(RM)	1/1	759		$ 531,300	0.5760%	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A	3L	0/1	554		$ 361,990	0.4225%	$ 431.58	$ 40.24	$ 260.71	$ 505.13	$ 471.82	$ 692.29	$ 2,476.34
A	4L	0/1	554		$ 376,990	0.4246%	$ 433.72	$ 41.91	$ 271.51	$ 526.06	$ 475.64	$ 705.24	$ 2,488.66
A	5L	0/1	554		$ 391,990	0.4267%	$ 435.87	$ 43.58	$ 282.31	$ 546.99	$ 479.45	$ 718.19	$ 2,500.98
A	6L	0/1	554		$ 406,990	0.4288%	$ 438.02	$ 45.25	$ 293.12	$ 567.92	$ 483.26	$ 731.14	$ 2,513.30
A	7L	1/1	814		$ 594,990	0.6332%	$ 646.74	$ 66.15	$ 428.52	$ 830.26	$ 712.89	$ 1,075.26	$ 3,710.93
A	8L	1/1	814		$ 716,990	0.6363%	$ 649.90	$ 79.71	$ 516.38	$ 1,000.50	$ 729.61	$ 1,166.28	$ 3,729.03
A	2M	3/2	1,594	1,279	$ 1,049,990	1.4524%	$ 1,483.43	$ 116.73	$ 756.21	$ 1,465.17	$ 1,600.16	$ 2,239.64	$ 8,511.77
A	3M	3/2	1,594		$ 1,004,990	1.2157%	$ 1,241.76	$ 111.73	$ 723.80	$ 1,402.38	$ 1,353.49	$ 1,965.56	$ 7,125.07
A	4M	3/2	1,594		$ 1,014,990	1.2218%	$ 1,247.94	$ 112.84	$ 731.00	$ 1,416.33	$ 1,360.78	$ 1,978.94	$ 7,160.52
A	5M	3/2	1,594		$ 1,024,990	1.2278%	$ 1,254.11	$ 113.95	$ 738.21	$ 1,430.29	$ 1,368.06	$ 1,992.32	$ 7,195.97

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RM indicates Resident Manager's Unit

SCHEDULE A

5TH STREET LOFT
5-09 48TH AVENUE
LONG ISLAND CITY, NY

OFFERING PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION JANUARY 1, 2008- DECEMBER 31, 2008 (1)

BUILDING	UNIT	NUMBER BEDROOMS/ BATHS	APPROXIMATE UNIT SQ. FOOTAGE	APPROXIMATE EXTERIOR SQ. FOOTAGE	OFFERING PRICE	(4) GENERAL COMMON INTEREST	(5) PROJECTED MONTHLY COMMON CHARGES	(6) PROJECTED MONTHLY RE TAXES W/ 421-A	(6) PROJECTED MONTHLY RE TAXES W/O 421-A	(6) PROJECTED MONTHLY RE TAXES FOR SECOND YEAR W/O 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/ 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/O 421-A	(7) PROJECTED SHARE OF PURCHASE PRICE FOR RESIDENT MANAGER'S UNIT
A	6M	3/2	1,594		$ 1,034,990	1.2339%	$ 1,260.29	$ 115.06	$ 745.41	$ 1,444.24	$ 1,375.35	$ 2,005.70	$ 7,231.41
A	2N	1/1	784	116	$ 485,990	0.6170%	$ 630.19	$ 54.03	$ 350.01	$ 678.16	$ 684.22	$ 980.21	$ 3,615.97
A	3N	1/1	784		$ 469,990	0.5980%	$ 610.75	$ 52.25	$ 338.49	$ 655.83	$ 663.00	$ 949.24	$ 3,504.43
A	4N	1/1	784		$ 479,990	0.6009%	$ 613.79	$ 53.36	$ 345.69	$ 669.79	$ 667.15	$ 959.48	$ 3,521.86
A	5N	1/1	784		$ 489,990	0.6039%	$ 616.83	$ 54.47	$ 352.89	$ 683.74	$ 671.30	$ 969.72	$ 3,539.30
A	6N	1/1	784		$ 499,990	0.6069%	$ 619.87	$ 55.58	$ 360.10	$ 697.69	$ 675.45	$ 979.96	$ 3,556.73
A	2P	2/2	1,087	681	$ 771,990	0.9541%	$ 974.55	$ 85.82	$ 555.99	$ 1,077.25	$ 1,060.37	$ 1,530.54	$ 5,591.86
A	3P	2/2	1,087		$ 716,990	0.8291%	$ 846.80	$ 79.71	$ 516.38	$ 1,000.50	$ 926.50	$ 1,363.18	$ 4,858.82
A	4P	2/2	1,087		$ 728,990	0.8332%	$ 851.01	$ 81.04	$ 525.02	$ 1,017.25	$ 932.05	$ 1,376.03	$ 4,882.99
A	5P	2/2	1,087		$ 740,990	0.8373%	$ 855.22	$ 82.38	$ 533.67	$ 1,033.99	$ 937.60	$ 1,388.89	$ 4,907.16
A	6P	2/2	1,087		$ 752,990	0.8414%	$ 859.43	$ 83.71	$ 542.31	$ 1,050.74	$ 943.15	$ 1,401.74	$ 4,931.33
A	2Q	2/2	1,103	1,701	$ 771,990	1.1598%	$ 1,184.62	$ 85.82	$ 555.99	$ 1,077.25	$ 1,270.44	$ 1,740.61	$ 6,797.19
A	3Q	2/2	1,103		$ 716,990	0.8413%	$ 859.26	$ 79.71	$ 516.38	$ 1,000.50	$ 938.97	$ 1,375.64	$ 4,930.33
A	4Q	2/2	1,103		$ 728,990	0.8454%	$ 863.53	$ 81.04	$ 525.02	$ 1,017.25	$ 944.58	$ 1,388.56	$ 4,954.86
A	5Q	2/2	1,103		$ 740,990	0.8496%	$ 867.81	$ 82.38	$ 533.67	$ 1,033.99	$ 950.19	$ 1,401.48	$ 4,979.39
A	6Q	2/2	1,103		$ 752,990	0.8538%	$ 872.08	$ 83.71	$ 542.31	$ 1,050.74	$ 955.80	$ 1,414.39	$ 5,003.92
A	2R	2/2	1,093	1,736	$ 771,990	1.1589%	$ 1,183.65	$ 85.82	$ 555.99	$ 1,077.25	$ 1,269.47	$ 1,739.64	$ 6,791.63
A	3R	2/2	1,093		$ 716,990	0.8336%	$ 851.47	$ 79.71	$ 516.38	$ 1,000.50	$ 931.18	$ 1,367.85	$ 4,885.63
A	4R	2/2	1,093		$ 728,990	0.8378%	$ 855.71	$ 81.04	$ 525.02	$ 1,017.25	$ 936.75	$ 1,380.73	$ 4,909.94
A	5R	2/2	1,093		$ 740,990	0.8419%	$ 859.94	$ 82.38	$ 533.67	$ 1,033.99	$ 942.32	$ 1,393.61	$ 4,934.25
A	6R	2/2	1,093		$ 752,990	0.8461%	$ 864.18	$ 83.71	$ 542.31	$ 1,050.74	$ 947.89	$ 1,406.49	$ 4,958.55
B	1A	3/2	1,438	470	$ 965,990	1.1805%	$ 1,205.74	$ 107.39	$ 695.71	$ 1,347.96	$ 1,313.13	$ 1,901.45	$ 6,918.39
B	2A	1/1	754		$ 525,990	0.5751%	$ 587.38	$ 58.48	$ 378.82	$ 733.98	$ 645.86	$ 966.20	$ 3,370.33
B	3A	1/1	754		$ 541,990	0.5779%	$ 590.30	$ 60.25	$ 390.35	$ 756.30	$ 650.56	$ 980.65	$ 3,387.10
B	4A	1/1	754		$ 557,990	0.5808%	$ 593.23	$ 62.03	$ 401.87	$ 778.63	$ 655.26	$ 995.10	$ 3,403.86
B	5A	2/2	1,076	470	$ 952,990	0.9239%	$ 943.64	$ 105.95	$ 686.35	$ 1,329.82	$ 1,049.58	$ 1,629.99	$ 5,414.49
B	1B	3/2	1,498	734	$ 980,990	1.2761%	$ 1,303.41	$ 109.06	$ 706.52	$ 1,368.89	$ 1,412.46	$ 2,009.92	$ 7,478.80

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RM indicates Resident Manager's Unit

SCHEDULE A

5TH STREET LOFT
5-09 48TH AVENUE
LONG ISLAND CITY, NY

OFFERING PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION JANUARY 1, 2008- DECEMBER 31, 2008 (1)

BUILDING	UNIT	NUMBER BEDROOMS/ BATHS	APPROXIMATE UNIT SQ. FOOTAGE	APPROXIMATE EXTERIOR SQ. FOOTAGE	OFFERING PRICE	(4) GENERAL COMMON INTEREST	(5) PROJECTED MONTHLY COMMON CHARGES	(6) PROJECTED MONTHLY RE TAXES W/ 421-A	(6) PROJECTED MONTHLY RE TAXES W/O 421-A	(6) PROJECTED MONTHLY RE TAXES FOR SECOND YEAR W/O 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/ 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/O 421-A	(7) PROJECTED SHARE OF PURCHASE PRICE FOR RESIDENT MANAGER'S UNIT
B	2B	2/2	1,185		$ 865,990	0.9038%	$ 923.14	$ 96.27	$ 623.69	$ 1,208.42	$ 1,019.41	$ 1,546.83	$ 5,296.87
B	3B	2/2	1,207		$ 881,990	0.9252%	$ 944.96	$ 98.05	$ 635.22	$ 1,230.74	$ 1,043.01	$ 1,580.17	$ 5,422.05
B	4B	2/2	1,207		$ 897,990	0.9297%	$ 949.63	$ 99.83	$ 646.74	$ 1,253.07	$ 1,049.47	$ 1,596.37	$ 5,448.89
B	5B	2/2	1,062	553	$ 942,990	0.9291%	$ 948.97	$ 104.83	$ 679.15	$ 1,315.86	$ 1,053.81	$ 1,628.12	$ 5,445.11
B	2C	0/1	555		$ 365,990	0.4233%	$ 432.36	$ 40.69	$ 263.59	$ 510.71	$ 473.04	$ 695.95	$ 2,480.81
B	3C	0/1	555		$ 379,990	0.4254%	$ 434.51	$ 42.24	$ 273.67	$ 530.24	$ 476.75	$ 708.18	$ 2,493.15
B	4C	0/1	555		$ 393,990	0.4275%	$ 436.66	$ 43.80	$ 283.75	$ 549.78	$ 480.46	$ 720.41	$ 2,505.50
B	2D	1/1	732		$ 499,990	0.5583%	$ 570.24	$ 55.58	$ 360.10	$ 697.69	$ 625.83	$ 930.34	$ 3,271.99
B	3D	1/1	732		$ 511,990	0.5611%	$ 573.08	$ 56.92	$ 368.74	$ 714.44	$ 630.00	$ 941.82	$ 3,288.27
B	4D	1/1	732		$ 523,990	0.5639%	$ 575.92	$ 58.25	$ 377.38	$ 731.18	$ 634.17	$ 953.30	$ 3,304.55
B	RC1	-	388		$ 60,000	0.1472%	$ 150.38	$ 7.86	$ 50.83	$ 98.53	$ 158.24	$ 201.21	$ 862.85
B	RC2	-	566		$ 60,000	0.2148%	$ 219.37	$ 7.86	$ 50.83	$ 98.53	$ 227.23	$ 270.20	$ 1,258.70
B	RC3	-	551		$ 60,000	0.2091%	$ 213.55	$ 7.86	$ 50.83	$ 98.53	$ 221.41	$ 264.39	$ 1,225.34
RES. TOTAL			113,450	23,719	$ 81,837,150	91.2315%	$ 92,595.08	$ 9,042.50	$ 58,580.00	$ 113,500.00	$ 101,637.58	$ 151,175.08	$ 531,300.00
A	P1	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P2	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P3	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P4	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P5	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P6	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P7	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P8	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P9	-	386		$ 40,000	0.1471%	$ 45.62	5.85	38.01	73.42	$ 51.47	$ 83.63	$ -
A	P10	-	386		$ 40,000	0.1471%	$ 45.62	5.85	38.01	73.42	$ 51.47	$ 83.63	$ -
A	P11	-	386		$ 40,000	0.1471%	$ 45.62	5.85	38.01	73.42	$ 51.47	$ 83.63	$ -
A	P12	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P13	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -

The accompanying notes should be read in conjunction with this schedule.

RM indicates Resident Manager's Unit

SCHEDULE A

5TH STREET LOFT
5-09 48TH AVENUE
LONG ISLAND CITY, NY

OFFERING PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION JANUARY 1, 2008- DECEMBER 31, 2008 (1)

BUILDING	UNIT	NUMBER BEDROOMS/ BATHS	APPROXIMATE UNIT SQ. FOOTAGE	APPROXIMATE EXTERIOR SQ. FOOTAGE	OFFERING PRICE	(4) GENERAL COMMON INTEREST	(5) PROJECTED MONTHLY COMMON CHARGES	(6) PROJECTED MONTHLY RE TAXES W/ 421-A	(6) PROJECTED MONTHLY RE TAXES W/O 421-A	(6) PROJECTED MONTHLY RE TAXES FOR SECOND YEAR W/O 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/ 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/O 421-A	(7) PROJECTED SHARE OF PURCHASE PRICE FOR RESIDENT MANAGER'S UNIT
A	P14	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P15	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P16	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P17	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P18	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P19	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P20	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P21	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P22	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P23	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P24	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P25	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P26	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P27	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P28	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P29	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P30	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P31	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P32	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P33	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P34	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -

The accompanying notes should be read in conjunction with this schedule.

RM indicates Resident Manager's Unit

SCHEDULE A

5TH STREET LOFT
5-09 48TH AVENUE
LONG ISLAND CITY, NY

OFFERING PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION JANUARY 1, 2008- DECEMBER 31, 2008 (1)

BUILDING	UNIT	NUMBER BEDROOMS/ BATHS	APPROXIMATE UNIT SQ. FOOTAGE	APPROXIMATE EXTERIOR SQ. FOOTAGE	OFFERING PRICE	(4) GENERAL COMMON INTEREST	(5) PROJECTED MONTHLY COMMON CHARGES	(6) PROJECTED MONTHLY RE TAXES W/ 421-A	(6) PROJECTED MONTHLY RE TAXES W/O 421-A	(6) PROJECTED MONTHLY RE TAXES FOR SECOND YEAR W/O 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/ 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/O 421-A	(7) PROJECTED SHARE OF PURCHASE PRICE FOR RESIDENT MANAGER'S UNIT
A	P35	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P36	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P37	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P38	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P39	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P40	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P41	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P42	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P43	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P44	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P45	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P46	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P47	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P48	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P49	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P50	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P51	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P52	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P53	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P54	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P55	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P56	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P57	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P58	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P59	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
PARKING TOTAL			22,770		$ 2,360,000	8.7685%	$ 2,700.00	$ 345.08	$ 2,242.58	$ 4,331.92	$ 3,045.32	$ 4,942.82	$ -
GRAND TOTAL			136,220	23,719	$ 84,197,150	100.0000%	$ 95,295.08	$ 9,387.58	$ 60,822.58	$ 117,831.92	$ 104,682.90	$ 156,117.90	$ 531,300.00

The accompanying notes should be read in conjunction with this schedule.

RM indicates Resident Manager's Unit

NOTES TO SCHEDULE A

1. The floor plans depicting layouts of the Units in this Schedule A are included in Part II of the Offering Plan. The square footage of each Unit as reflected in Schedule A and the floor plans are within reasonable tolerances and may change due to field conditions and construction issues. The number of rooms and baths has been calculated by Sponsor's architect and does not necessarily conform to the standards of the Real Estate Board of New York, Inc. or governmental standards. In preparing the room count in Schedule A, Sponsor counted each bedroom and bathroom. Each bathroom containing a toilet, sink and shower facilities was counted as one bathroom. Each bathroom containing a sink and a toilet was counted as a half bathroom.

2. Prior to Closing, each Unit should be inspected to determine its condition, layout, and present position of partitions. The Floor Plans in Part II of the Plan should be examined for the layout of each Unit. The Floor Plans contain approximations of the dimensions of the Units and are subject to change for any reason outside of Sponsor's control. The floor area of each Unit (within reasonable tolerances) has been measured from the exterior side of the exterior Building walls or the exterior point of the party wall on the Land (whichever is greater), or from the midpoint of the interior walls and partitions separating the Unit from another Unit, or from the outside point or common element side of the interior walls, partitions and continuous structural elements separating the Unit from stairs, elevators, other mechanical equipment spaces or any other Common Elements . Columns and mechanical pipes and chases (whether along the perimeter or within the Unit) are not deducted from the square foot area of the Unit. For purposes of calculating each Unit Owner's percentage of the Common Elements, 25% of the outdoor floor areas of terraces and balconies of a Unit are included in the Unit's floor areas, but such floor area is not included in Column 2 of Schedule A. Measured vertically, each Unit consists of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above. The square foot areas determined using the methodology set forth above, as shown in Schedule A in Part I of the Plan, would be different from that derived by using an alternative methodology of measuring from interior surfaces to interior surfaces (which would yield lesser actual useable floor area for each Unit). Measurements are approximate, within reasonable tolerances. The method of measurement is applicable to all Units. The room count for each Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York. The usable area of each Unit is substantially less than is shown on Schedule A and the Floor Plans. Prospective Purchasers should make their own measurements to determine usable area. Columns and mechanical pipes and chases (whether along the perimeter or within the Unit) are not deducted from the square foot area of the Unit. The outdoor floor areas of terraces and balconies and the rear yard of a Unit are not included in Column 2 of Schedule A. Measured vertically, each Unit consists of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above. Sponsor reserves the right to change the interior finish of any Unit and make other non-structural changes and reserves the right to change the location of any demising walls used in defining the spaces of any Unit and thereby change the gross square footage (within

reasonable tolerances) of the Units so affected. Prior to any change which would include the relocation of a demising wall, Sponsor shall file an amendment to the Plan to that effect and an amendment to the Declaration, if the Declaration has already been filed. No such change, however, will be made in respect to any Unit or for which a Purchase Agreement has been executed by both the Purchaser and Sponsor. (See "Floor Plans of Condominium Units" at Exhibit E of Part II of this Plan.)

3. Offering prices are negotiable. Accordingly, the purchase prices of Units may be changed so that Purchasers may pay different purchase prices for similar Units. The effect of this, as well as the right of Sponsor to change purchase prices, is more particularly discussed under "Changes in Prices and Units." The purchase price does not include certain closing costs, including without limitation, transfer taxes, title insurance, mortgage recording taxes, Purchaser's own legal fees and any fees and costs associated with mortgage financing obtained by Purchaser for the purchase of a Unit. See "Terms of Sale" and "Purchase Agreement."

4. The percentage of Common Interest for each Unit has been determined 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 the exclusive or shared use, and the overall dimensions of the particular Unit. These factors contributed to calculating the square footages allocated to each Unit (hereinafter called "Allocated Square Footage") when calculating the Unit's Percentage of Common Interest. The Allocated Square Footage of each Unit is calculated as follows:

a. Each Unit is allocated its full Unit Square Footage (within reasonable tolerances).

b. The Terraces have been allocated 25% of its Square Footage (within reasonable tolerances).

The Percentage of Common Interest is calculated by dividing the Allocated Square Footages of the Units into the Total Allocated Square Footages.

The percentage interest of each Unit in the Common Elements has been determined, pursuant to Section 339(i)(1)(iv) of the Condominium Act, based upon the floor space, the use, the location of such space and the additional factors of relative value to other space in the Condominium, use of Common Elements, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, the overall dimensions of the particular Unit and the projected demand and usage of the Building services among the Units.

5. The estimates contained in this Schedule were prepared by Penmark. The estimated monthly Common Charges for each Unit is calculated by multiplying the Common Expenses attributable to all Units (estimated to be $159,983 per annum for the projected first year of Condominium operation) by the Common Interest of each Unit relative to the aggregate Common Interests of all Units. The estimated Common Charges are for the period from January 1, 2008 to December 31, 2008, which period is assumed to be the

first year of condominium operation. This period is used only for purposes of projection and illustration. Sponsor does not warrant that Condominium operation will commence on January 1, 2008. The estimated Common Charges are based upon the estimates of income and expenses set forth in Schedule B. The actual amounts of income and expenses may differ from the estimates thereof and may change in subsequent years. Due to the possibility of unforeseeable changes in the economy or increase or decrease in the amount of income and/or expenses of operation, the projections are not intended to be taken as guarantees or warranties of any kind whatsoever or as any assurance that the actual expenses or income of the Condominium for any period of operation may not vary from the amounts shown. In fact, it may be expected, based on current trends, that the operating expenses, including heating costs, utilities, maintenance and repairs, labor and other related expenses, will increase in the future.

In addition to these estimated Common Charges, each Unit Owner will be responsible for paying: (i) mortgage payments under any loan or loans obtained to finance the acquisition of his or her Unit: (ii) the cost of electricity supplied to his or her Unit; (iii) the cost of painting and decoration of his or her Unit; (iv) the cost of interior repairs to and the maintenance of his or her Unit and appurtenant Limited Common Elements, including but not limited to, repairs to and maintenance of the exposed face of all walls, ceilings and floors and with respect to the Units all kitchen and bathroom fixtures and appliances installed therein by the Sponsor pursuant to this Offering Plan; (v) the cost of any insurance that he or she obtains covering (a) furniture, belongings, equipment and other personal property, and (b) liability to others for personal injury or property damage as a result of occurrences in his or her Unit; (vi) real estate taxes; (vii) the cost of repairs to any part of the Building which, in the opinion of the Condominium Board, was caused by an act or omission of such Unit Owner; and (viii) other expenses incidental to the ownership of real property.

6. Each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for the payment of, nor will his Unit be subject to, any lien arising from the non-payment of taxes on other Units. Until the Units are separately assessed (which is unlikely to occur by the First Unit Closing), the Condominium Board will pay all real estate taxes with respect to the Property and will allocate the cost thereof among all Unit Owners in the same manner that common charges are apportioned among the unit owners. According to Mazursky's (hereinafter defined) opinion letter, the Property is in tax class 4 for 2006/2007.

The figures shown in the columns reflect the estimated real estate taxes with and without the 421-a benefits for the first year of condominium operation based on the assumption that the first year of condominium operation will begin on January 1, 2008. Jerome Mazursky of The Mazursky Group, Inc. having an address at 42 Broadway, New York, NY 10004 ("Mazursky") states that the actual assessed valuation of the Property for the tax year 2006/2007 is $833,850 and the transitional assessed valuation of the Property for the tax year 2006/2007 is $882,620.00. Real estate taxes are payable on the lower of the actual assessed valuation or the transitional assessed valuation.

The Residential Units and the Cabana Units will be designated as a tax class 2 property and will pay on the class 2 tax rate, while the Parking Units will be designated as tax

class 4 property and will pay of the class 4 tax rate. The Class 4 tax rate for 2005/2006 is $11.3060 per $100 of assessed valuation. The Class 2 tax rate for 2005/2005 is $12.396 for each $100 of assessed valuation.

The first year of Condominium operation is expected to consist of one-half of tax year 2007/08 and one-half of tax year 2008/2009. Since the construction of the Building will not be complete on the "taxable status date", i.e. January 1, 2008, for tax year 2008/2009, which date is the date that the Building's assessed valuation for tax year 2008/2009 will be tentatively determined, such estimated assessed valuation was not based on the estimated value of the Property upon the completion of the rehabilitation. Further, such assessed valuation does not reflect any increase attributable to a change in use of the Property (i.e., from vacant lot to residential condominium units). It is anticipated that commencing January 1, 2008 to December 31, 2008 and thereafter, the assessed valuation of the Property will increase (as discussed above) to reflect the value of the new construction and other physical improvement to the Building.

This estimate assumes that the assessed valuation will be increased solely due to the construction being completed by Sponsor. All prospective Purchasers are advised that although the estimate of assessed valuation upon completion of construction is a good-faith estimate, such projections of the assessed valuation, when actually made, may be less or greater than as estimated above and are not guaranteed.

The real estate taxes for future years will vary in accordance with the tax rate, and the Property's assessed valuation which may change on an annual basis. Mazursky has estimated the real estate taxes for the Property in the first year of the condominium's operation at $701,130.00 for Residential Units, $26,911.00 for Parking Units and $1,830.00 for Cabana Units in the tax year 2008/2009. Consequently, Purchasers should anticipate that real estate taxes will increase for the second budget year.

Until the Units are separately assessed, all Unit Owners in proportion to their relative Common Interests will pay the entire assessment attributable to the Units.

On or after the filing and recording of the Declaration and a deed for a Unit, a separate tax lot is to be or will have been created for each Unit in the Condominium. After creation of the separate tax lot for a Unit, the local assessor ("assessor") apportions the assessed valuation of the Property to each of the newly created tax lots representing the Units. There can be no assurance that the assessor will apportion the assessed valuation of the Property (i) to the Units in the proportion set forth above and (ii) to a tax lot representing a Unit on the basis of the percentage of Common Interest appurtenant to the Unit relative to the other Units. Moreover, there can be no assurance that there will not be an increase in the tax rate or the assessed valuation of a Unit or the Property as described above on or after such apportionment or for any reason. Such an increase will increase a Unit Owner's real estate taxes above the amounts estimated on Schedule A. Based upon the current fiscal difficulties of New York City, it is reasonable to anticipate that there will be an increase in the tax rate in future years.

On June 1, 2004, Governor Pataki signed legislation extending property tax abatements for homeowners in New York City cooperatives and condominiums through June 30, 2008 at the rate of 25% for buildings with average assessments of $15,000 or less per unit, and 17.5% where assessments are higher. It is unclear as to whether the law will be

renewed. The law does not apply to building that receive 421-a tax exemption benefits and therefore unit owners may not be able to take advantage of this benefit. In predicting the taxes on this Building, Schedule A does not take into consideration this possible tax benefit.

Owners of condominium apartments in the City of New York may be eligible for New York State Tax Relief (STAR). STAR is the New York State School Tax Relief Program, which provides a tax reduction benefit for all New Yorkers who own their home and use it as their primary residence. The Department of Finance administers STAR for property owners in the five boroughs of New York City. There are two levels of benefits: Basic STAR for most homeowners and Enhanced STAR for qualified senior citizens. However, STAR benefits are not available to buildings which have 421-a tax exemption benefits. Accordingly, unit owners may not take advantage of this tax benefit if 421-a tax exemption benefits are received. It is unknown at this time if this law will be in effect when the 421-a tax benefits have expired.

In his letter dated June 6, 2006, Mazursky states:

It is my judgment that during and after construction is completed, the property will be assessed as follows:

2007/08	Land	Total
Actual:	$500,000	$ 500,000 P [1]
Transitional:	$387,000	$ 387,000 P [1]

2008/09	Land	Total
Actual:	$600,000	$11,500,000
Transitional:	$429,000	$11,329,000

2009/10	Land	Total
Actual:	$600,000	$11,500,000
Transitional:	$471,000	$11,371,000

Using relative values as a rental building as the criterion, MAZURSKY has estimated that the residential units will be assessed at 95.75%, the roof cabanas at .25 % and the parking units at 4% and of the total assessed value. The tax liability for each component, during the first year of operation, is estimated at $701,130 for the residential units, $26,911 for the parking units and $1,830 for the cabana units. During the second year, the tax liability is estimated at $1,358,453 for the residential units, $51,983 for the parking units and $3,547 for the cabana units. The calculations are as follows:

First Year of Operation

Residential Units

1/1/08 - 6/30/08

$ 387,000 [2] x .9575 [3] x .125 [4] x .5 [5] = $ 23,160

7/1/08 - 12/31/08

$ 11,329,000 [6] x .9575 [3] x .125 [4] x .5 [5] = 677,970

Total: $ 701,130

Cabana Units

1/1/08 - 6/30/08

$ 387,000 [2] x .0025 [3] x .125 [4] x .5 [5] = $ 60

7/1/08 - 12/31/08

$ 11,329,000 [6] x .0025 [3] x .125 [4] x .5 [5] = 1,770

Total: $ 1,830

Parking Units

1/1/08 - 6/30/08

$ 387,000 [2] x .04 [3] x .125 [4] x .5 [5] = $ 968

7/1/08 - 12/31/08

$ 11,329,000 [6] x .04 [3] x .1145 [7] x .5 [5] = 25,943

Total: $ 26,911

Second Year of Operation

Residential Units
1/1/09 - 6/30/09
$ 11,329,000[6] x .9575[3] x .125[4] x .5[5] = $677,970

7/1/09 - 12/31/09
$ 11,371,000[8] x .9575[3] x .125[4] x .5[5] = 680,483
Total: $ 1,358,453

Cabana Units
1/1/09 - 6/30/09
$ 11,329,000[6] x .0025[3] x .125[4] x .5[5] = $ 1,770

7/1/09 - 12/31/09
$ 11,371,000[8] x .0025[3] x .125[4] x .5[5] = 1,777
Total: $ 3,547

Parking Units
1/1/09 - 6/30/09
$ 11,329,000[6] x .04[3] x .1145[7] x .5[5] = $ 25,943

7/1/09 - 12/31/09
$ 11,371,000[8] x .04[3] x .1145[7] x .5[5] = 26,040
Total: $ 51,983

There may be up to a 100% exemption of building value during the construction period (not to exceed three years)and the first eleven years of operation. In the twelfth year, the exemption decreases to 80%, in the thirteenth year it is reduced to 60% and to 40% in the fourteenth and in the fifteenth year, the exemption is further reduced to 20%, after which, the property will be fully taxed. In the first year of operation, Mazurksy has estimated the tax, with 421a exemption benefits, at $108,227 for the residential units, $4,141 for the parking units and $283 for the cabana units. Mazursky's calculations are as follows:

First Year of Operation with 421a

Residential Units
1/1/08 - 12/31/08
$ 904,250[9] x .9575[3] x .125[4] = $ 108,227

Cabana Units
1/1/08 - 12/31/08
$ 904,250[9] x .0025[3] x .125[4] = $ 283

Parking Units
1/1/08 - 12/31/08
$ 904,250[9] x .04[3] x .1145[7] = $ 4,141

Footnotes

1. "P" stands for progress assessment. The law provides that the initial increase for a new building in the course of construction, be removed from the final assessment roll if the construction is not substantially completed by April 15th. Construction is scheduled to be completed in October 2007.

2. Estimated 2007/08 Taxable Assessed Value

3. Portion of value attributable to this type of space.

4. Estimated 2007/08, 2008/09 and 2009/10 Class 2 Tax Rates

5. Half-year

6. Estimated 2008/09 Taxable Assessed Value

7. Estimated 2008/09 and 2009/10 Class 4 Tax Rate

8. Estimated 2009/10 Taxable Assessed Value

9. The 2005/06 base year taxable assessed value used to calculate the "mini-tax."

The foregoing analysis is based upon the experience of Mazursky with the Real Property Division of the New York City Department of Finance and the Tax Commission of the City of New York, and their assessment policies regarding newly constructed properties held in condominium ownership. Application of a particular approach to valuation by an individual assessor may yield a different result. In such event, it might be desirable to commence real property tax review proceedings at the Tax Commission or Supreme Court level to bring the assessment in line with the estimates presented herein.

Sponsor intends to apply for partial exemption from real estate taxes for the Building pursuant to Section 421-a of the New York State Real Property Tax Law, but there is no guaranty or warranty that the Building will receive such benefits. The Mazurksy Group, Inc. having an office at 42 Broadway, Suite 1744, New York, NY 10004, ("Mazursky"), has been engaged by the sponsor to apply for Section 421-a tax exemption benefits on its behalf. Mazursky's opinion is based upon the Building being comprised of 118 Residential units and no commercial units.

Sponsor makes no representation if and when such benefits will be available. See "Tax Exemption Benefits" and "Opinion of Counsel" for more information and discussion regarding 421-a benefits. For information with respect to deductibility of real estate taxes for income tax purposes, see "Opinion of Counsel." The real estate taxes described above paid by a Unit Owner with respect to his Unit are deductible by such Unit Owner for income tax purposes provided that the conditions applicable thereto discussed in "Counsel's Tax Opinion" are satisfied. These amounts may change in subsequent years

as a result of changes in the assessed valuation of Units, the tax rate and the method of assessing real property. If any Unit Owner obtains mortgage financing for his Unit, the interest paid on such mortgage indebtedness may also be deductible for income tax purposes, provided the conditions applicable thereto discussed in "Counsel's Tax Opinion" are satisfied. For the most part an individual Unit Owner may only deduct interest on debt incurred to acquire his principal residence or a designated second residence subject to certain limitations. See "Counsel's Tax Opinion." Such Unit Owner's income tax deduction may vary in future years due to changes in the interest rate on such Unit Owner's mortgage (if any) or from changes in the allocation of constant debt service payments between interest and principal.

5 & 6. These columns estimate the total carrying charges (Common Charges plus real estate taxes both with and without the 421-a benefits) payable by each Unit Owner for the projected first year of operation.

SCHEDULE "B"

5th Street Lofts Condominium

Projected Budget for the First Full Year of Condominium Operation

January 1, 2008 – December 31, 2008

PROJECTED INCOME:	
Common Charges (1).....	
Residential Unit Common Charges.....	$1,111,141
Parking Unit Common Charges.....	$ 32,400
TOTAL PROJECTED INCOME.....	$1,143,541
PROJECTED EXPENSES:	
Salary, Wages, Payroll Taxes & Benefits (2).....	$ 554,480
Heat and Hot Water (3).....	$ 135,674
Cooking Gas (4).....	$ 18,172
Electricity (5).....	$ 112,582
Water & Sewer (6).....	$ 40,555
Repairs & Maintenance (7).....	$ 35,000
Services & Supplies (8).....	$ 92,900
Insurance (9).....	$ 60,178
Management Fee (10).....	$ 50,000
Legal & Auditing Fees (11).....	$ 9,000
Administration (12).....	$ 15,000
Contingency (13).....	$ 20,000
TOTAL PROJECTED EXPENSES (14).....	$1,143,541

The accompanying notes are an integral part of this Schedule B and should be read in conjunction herewith

Notes to Schedule B

(1) COMMON CHARGES - (Budget - $1,143,541)

The estimated Common Charges to be collected from Unit Owners during the first year of Condominium operation are based upon the assumption that the first year of Condominium operation will be the twelve months commencing January 1, 2008. The actual first year of operation may be earlier or later.

The allocation for the General Common Expenses to be borne by the Parking Unit have been allocated on the basis of the Parking Unit's respective Percentage of Common Interest 8.7685%

	Total	Residential Unit	Parking Unit
Projected Income			
Common Charges (1)			
Residential Unit Common Charges	$1,111,141	$1,111,141	
Parking Unit Common Charges	$ 32,400		$ 32,400
Total Projected Income	$1,143,541	$1,111,141	$ 32,400
Projected Expenses			
Salary, Wages, Payroll Taxes (2) & Benefits	$ 554,480	$ 553,130	$ 1,350
Heat, & Hot Water (3)	$ 135,674	$ 123,777	$ 11,897
Cooking Gas (4)	$ 18,172	$ 18,172	$ —
Electricity (5)	$ 112,582	$ 111,595	$ 987
Water & Sewer (6)	$ 40,555	$ 40,555	$ —
Repairs & Maintenance (7)	$ 35,000	$ 31,931	$ 3,069
Services & Supplies (8)	$ 92,900	$ 91,322	$ 1,578
Insurance (9)	$ 60,178	$ 54,901	$ 5,277
Management Fee (10)	$ 50,000	$ 45,616	$ 4,384
Legal & Auditing Fees (11)	$ 9,000	$ 8,211	$ 789
Administration (12)	$ 15,000	$ 13,685	$ 1,315
Contingency (13)	$ 20,000	$ 18,246	$ 1,754
Total First Year Budget	$1,143,541	$1,111,141	$ 32,400

In the event the projected commencement date of the first year of Condominium operation is to be delayed more than six (6) months from the anticipated date of the First Closing, the Plan will be amended to include a revised budget disclosing the then current budget projections. Sponsor will not declare the plan effective if any material changes to the budget are not yet disclosed in an amendment to the plan.

If the Common Charges in the revised budget projections exceed the earlier budget projections by twenty-five percent (25%) or more, the Sponsor will offer all purchasers the right to rescind their Purchase Agreements and have their Deposits refunded to them, whether or not the Sponsor offers to guarantee the earlier budget projections.

(2) SALARIES, WAGES, PAYROLL TAXES & BENEFITS - (Budget - $554,480)

The budgeted amount includes base wages, worker's compensation and disability insurance, welfare and pension costs, payroll taxes and the cost of sick days, holidays and vacation pay for a projected shared building staff of 1 Superintendent, 1 handyman, 4.2 concierges, and 2

porters. The full staff may not be employed until certain Building occupancy levels are achieved. The projected level of staffing for the Building complies with all applicable housing and labor laws. It is anticipated that such employees will be union members. Accordingly, the labor costs described below are computed in accordance with the current Contract rates of Local 32B-32J of the Service Employees International Union, AFL-CIO, expiring April 20, 2010.

Position	Weekly Base Wage Rate
(1) Superintendent	$60,000 per annum plus telephone, electricity, gas, apartment
(1) Handyman	$824.63 for 26 weeks $836.63 for 26 weeks
(6.2) 4.2 Concierges, 2 Porters	$747.63 each for 26 weeks $757.63 each for 26 weeks

The projections allow for 28 sick days, holidays and vacation pay and miscellaneous payroll expenses.

Total Base Wages		$372,444
FICA @ 7.65% of Base Wages		$ 28,492
Worker's Compensation @ 5.5% of total wages		$ 20,484
FUI and FUTA-NYS Unemployment, @ $425 per employee		$ 3,825
NYS Disability @ $60 per employee		$ 540
Union welfare (health) @ $11,830.64. per employee		$ 94,645
Union pension @ $64.75 per week per employee		$ 26,936
Legal Fund/Training School fund @ $369.20 per employee		$ 2,954
Union annuity Plan @ $10 per employee x 52 weeks		$ 4,160
Total Benefit	$182,036	
TOTAL WAGES TAXES & BENEFITS	**$554,480**	

The employer's will be devoting a substantial portion of their time and effort to service the Residential Units and Residential Common Elements except that a small portion of the Resident Superintendent and one porter's time estimated 10% (ten percent) or 4 hours per week will be devoted to the General Common Elements. Accordingly, salaries and related expenses have been allocated to the Residential Unit's except for the time charged to the General Common Elements ($15,395) that has been apportioned to all the Unit's within the Condominium based upon each Unit's respective Percentage of Common Interest.

(3) HEAT & HOT WATER - (Budget - $135,674)

The budgeted amount is based upon a letter from Ettinger Engineering Associates located at 505 Eighth Avenue, New York 10018 sponsor's consulting engineers dated March 29, 2006. It is anticipated that the annual consumption of gas for heat and hot water for the Residential Units and Garage will be approximately 88,100 therms at $1.40 per therms for a total cost of $123,340. A 10 % inflation factor has been added. The Parking Unit will share in this cost based on its Common Interest Percentage.

It is not possible to predict how closely the budgeted figure will reflect the actual cost of gas for heat and hot water during the first year of Condominium operation, because such cost will vary with the level of consumption and the price of gas. Consumption will be affected by the severity of the weather and by any conservation measures adopted by the Condominium Board or individual Unit Owners.

(4) COOKING GAS (Budget - $18,172)

The Residential Units will not be separately metered for gas to be used for cooking. Based on a letter dated March 29, 2006 from, Ettinger Engineering Associates it is estimated that the gas cost for apartment cooking based on 11,800 therms of gas/year at $1.40 per therm, will be $16,520. A 10% inflation factor has been added.

(5) ELECTRICITY - (Budget - $112,582)

The electricity consumption for the first year of Condominium operation for the Common Areas was estimated by Ettinger Engineering Associates in a letter dated March 29, 2006, at 487,370 kilowatt hours of electricity, at an average rate of $.21 per kilowatt hour of electricity including applicable sales tax, resulting in an annual cost of $102,348.
This estimate includes costs for the common area air conditioning units, distribution pumps, miscellaneous floor loads, elevators, and lighting. Electricity costs can vary depending upon consumption and demand factors. A 10% inflation factor has been included.
These costs are only the estimated electricity costs for the Common Elements within the building and have been allocated 90 percent to the Residential Common Elements and charged to the Residential Units, with the remaining 10 percent allocated to the General Common Elements within the Condominium based upon each unit's respective Percentage of Common Interest.

(6) WATER & SEWER – (Budget - $40,555)

The building will have a single main water meter which will measure actual water usage. Based upon a letter from Ettinger Engineer Associates dated March 29, 2006, water and sewer charges are based upon a combined charge of $4.28 per 100 Cu. Ft. and an estimated usage of 8614 C.C.F.
The annual water and sewer charges during the first year of condominium operation is estimated at $36,868. A 10% inflation factor has been added.
The Parking Unit will be separately sub-metered or metered for water and sewer and will pay the costs of water and sewer usage directly to the condominium or taxing authority.

(7) REPAIRS & MAINTENANCE – (Budget - $35,000)

Since the Building will be newly constructed it has no operating history upon which to project future costs of repairs and maintenance. No major capital repairs are included in the First Year's Budget since all major construction and mechanical systems will be new. Future major capital repairs to the Common Elements will be borne by all Unit Owners.
The budgeted figure for this item includes the cost of normal maintenance and repairs to the Common Elements of the Building that are the responsibility of the Condominium. Each Unit Owner will be responsible for the cost of the interior maintenance, repairs, decoration and painting of their respective units, including the appliances, incremental heating/air-conditioning units and any Limited Residential Common Elements appurtenant thereto.
Repairs and Maintenance have been allocated to all Units based upon each unit's respective Percentage of Common Interest.

(8) SERVICE & SUPPLIES - (Budget - $92,900)

The budgeted amount includes the cost of cleaning equipment and miscellaneous supplies for the Common Elements, as well as the anticipated cost of service contracts during the first year of Condominium operation.

All of the mechanical systems within the Building will be new, and some will be under a full service maintenance contract for the first year of Condominium operation from the contractor who will install the system. No maintenance or service contracts have been entered into as of the date of the Plan. The budgeted amounts are based upon the experience of the Sponsor's budget expert in operating similar buildings. While this Schedule B includes a reasonable allowance for possible increases in cost that may occur prior to and during the first year of Condominium operations, no warranty is made that the actual cost for these or other services will be in accordance with this projection.
It is projected that the Condominium will enter into maintenance agreements for the following services:

Heating and Cooling System	$ 10,000
Elevator Maintenance	$ 16,900
Sprinkler System/Fire Protective Alarm System	$ 10,000
Metal, Wood, and Marble Maintenance	$ 10,000
Exterminator	$ 5,000
Uniform Cleaning & Maintenance	$ 6,000
Water Treatment	$ 5,000
Miscellaneous Supplies	$ 30,000

The cost for services relating to the, sprinkler system/fire protection alarm system, exterminator and $3,000 of the miscellaneous supplies of $30,000, have been allocated to all units within the Condominium based upon each unit's respective Percentage of Common Interest.

(9) INSURANCE – (Budget - $60,178)

Based upon the proposal dated May 15, 2006, from J G S Insurance, having an office address at 960 Holmdel Road, Holmdel, NJ 07233. The following insurance coverage will be obtained for the Building for the first year of Condominium operation:
A Comprehensive Condominium Package Policy, including Boiler & Machinery and Water Damage, with the following General Coverage and Limits:

Property Policy

$25,000,000 Building "All Risk", Agreed Amount, No Co-insurance, Replacement Cost, $5,000 Deductible
$30,000,000 Boiler & Machinery - $5,000 Deductible

General Liability Policy

$1,000,000 Each Occurrence
$2,000,000 General Aggregate
$ 5,000 Medical Payments
$ 100,000 Elevator Collision
$1,000,000 Non-Owned Automobile/Hired Car

Crime

$150,000 Employee Dishonesty
Money & Securities $2,000/ $10,000 - $1,000 Deductible
$1,000,000 Directors & Officers Liability - $2,500 Deductible Per Claim

Umbrella Liability

$50,000,000 – Umbrella Liability

The annual premium for the above mentioned insurance policy is estimated to be $60,178.

The insurance costs are for the entire Condominium and have been allocated to all units within the Condominium based upon each unit's respective Percentage of Common Interest.

The fire, casualty and general liability insurance carried by the Condominium will provide that each unit owner is an additional insured party; that there will be no cancellation without notice to the Condominium Board and Permitted Mortgagees; a waiver of subrogation; a waiver of invalidity because of the acts of the insured and Unit Owners; and a waiver of pro-rata reduction if Unit Owners obtain additional coverage.

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

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

(10) MANAGEMENT FEE - (Budget - $50,000)

At or prior to the First Closing, the Condominium will enter into a management agreement with Penmark Realty Corp., having an office address at 820 Second Avenue, New York, NY 10017, a real estate management firm. The agreement will be for an initial term of 2 year. Thereafter, the agreement will be automatically renewed from year to year, but may be cancelled by either party without cause, upon not less than sixty (60) days' prior written notice.

The Managing Agent will receive an annual fee of $50,000 payable in equal monthly installment of $4,166.67. The Managing Agent's fee for the first year of Condominium operation is comparable to the "going rate" for similar services in comparable buildings.

The Management Fee has been allocated to each unit based on each unit's respective Percentages of Common Interest.

See the section of the plan entitled "Management Agreement" for further details.

(11) LEGAL & AUDIT FEES – (Budget - $9,000)

The Condominium will engage a law firm to act as the attorney for the Condominium. The estimated cost for these services for the Condominium's first year is $1,000. It is anticipated that the Condominium will enter into an agreement with Hyman & Associates, located at 580 Sylvan Avenue, Englewood Cliffs, NJ to provide audit tax returns preparation and financial statement preparation services for the Condominium. It is estimated that the first year cost for these services will be $8,000.

These professional fees are for the entire Condominium and have been allocated to all units within the Condominium based upon each unit's Percentage of Common Interest.

(12) ADMINISTRATION – (Budget - $15,000)

The budgeted amount includes anticipated expenses for telephone, beepers, postage, printing, miscellaneous office supplies, payroll processing costs, permits and fees and local telephone usage in the Superintendent's office.

These costs for administrative fees have been allocated to each unit within the Condominium based upon each unit's respective Percentage of Common Interest.

(13) CONTINGENCY – (Budget - $ 20,000)

This item is included in the budget to provide funds for unforeseen increases in Residential Common Expenses and General Common Expenses before or after the First Closing or to cover expenses not included in this budget.

The contingency reserve is for the entire Condominium and has been allocated to all units within the Condominium based upon each unit's respective Percentage of Common Interest.

(14) TOTAL PROJECTED EXPENSES – (Budget - $1,143,541)

The projections set forth in this budget assume that the first year of Condominium operation will cover the period from January 1, 2008 – December 31, 2008

IN THE OPINION OF PENMARK REALTY CORP., HAVING AN OFFICE AT 820 SECOND AVENUE, NEW YORK, NEW YORK 10017. THE PROJECTED INCOME IS ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION. THE BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR COMMON EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY BY THE BOARD WILL BE AS SET FORTH IN THE BUDGET. IN FACT, IT IS LIKELY THAT THE ACTUAL INCOME AND EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION WILL VARY FROM THE AMOUNTS SHOWN IN THE BUDGET.

SCHEDULE B-1

ETTINGER ENGINEERING
ASSOCIATES

PROJECTED ENERGY CONSUMPTION COSTS FOR Residential Units (Individually metered)

Robert Ettinger, P.E., M.M.E.
Eric Ettinger, P.E.

March 31, 2006

H. Thomas O'Hara Architects
135 West 36th Street
12th Floor
New York, NY 10018

Attn: Mr. Gianfranco Cerini

Re: 5-05 48th Avenue
Long Island City, NY
Apartment Electric Usage - Estimates

Dear Gianfranco:

In accordance with your request, we list below estimates of annual electric energy costs for lighting, heating and air conditioning, and for operating the typical electrical appliances located in each apartment.

The estimated KWHR per year per square foot and annual cost of electricity per square foot utilized by individual apartments are 13.50 KWHR/Sq.Ft/Year and $1.40 per square foot, based on Con Edison rate of $0.21 per KW hour. This cost per kilowatt hour represents a 5% increase above the current approximate cost for electricity. The following table lists annual costs of electricity for all apartments individually:

Unit	Unit Type	SF	Total Annual KWH	Total Annual Cost
2-6A	3BR	1542	20817	2159
7, 8A	2BR	1217	16430	1704
2-6B	2BR	1109	14972	1553
7, 8B	1BR	775	10463	1085
2-6C	2BR	1048	14148	1467
7, 8C	1BR	797	10760	1116
2-6D	0BR	460	6210	644
7, 8D	2BR	1080	14580	1512
2-6E	1BR	706	9531	988

505 Eighth Avenue
New York, NY 10018
Ph. 212.244.2410
Fax. 212.643.1606
eea@ettingerengineering.com

Unit	Unit Type	SF	Total Annual KWH	Total Annual Cost
7, 8E	2BR	1102	14877	1543
2-6F	1BR	728	9828	1019
7, 8F	3BR	1587	21425	2222
2-6G	1BR	729	9842	1021
7, 8G	0BR	513	6926	718
2-6H	1BR	700	9450	980
7, 8H	2BR	1109	14972	1553
2-6J	0BR	503	6791	704
2K	1BR	1010	13635	1414
1A	3BR	1438	19413	2013
2-4A	1BR	754	10179	1056
5A	2BR	1062	14337	1487
1B	3BR	1498	20223	2097
2B	2BR	1185	15998	1659
3, 4B	2BR	1207	16295	1690
5B	2BR	1076	14526	1506
2, 4C	0BR	554	7479	776
2, 4D	1BR	732	9882	1025

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

Sincerely,

Eric S. Ettinger, P.E.

ESE/kr

C889-03.DOC

STATE OF NEW YORK · ERIC STEVEN ETTINGER · NO. 060293-1 · LICENSED PROFESSIONAL ENGINEER

Ettinger Engineering Associates
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ETTINGER ENGINEERING
ASSOCIATES

Robert Ettinger, P.E., M.M.E.
Eric Ettinger, P.E.

March 29, 2006

Toll Brothers
16 Court Street, Suite 1009
Brooklyn, NY 11201

Attn: Mr. Jeff Schneider

Re: 5-05 48th Avenue
Long Island City, Queens, NY
Energy Use Calculations

Dear Jeff:

The following are the utility budget cost estimates for the central and owners utility usage for the above-mentioned project as requested:

1. *Electricity*

   A. *Residential Common Elements*

   The projection of residential area electricity costs contained in this budget includes the cost of electricity to the Residential Common Elements and covers the operation of such items as elevators, residential portion, building motors, exhaust fans, and lighting for corridors, elevator lobbies and stairways. The projections contained herein are based on consumption estimates made by Eric Ettinger of 348,100 kilowatt hours per year with the average summer and winter rate of $0.21 per kilowatt hour. The total estimated annual electricity cost for the Residential Common Elements is $73,100.

   B. *Garage Element*

   The projection of electricity costs contained in this budget includes the cost of electricity to the garage element and covers the operation of electric power to lighting, appliances and fan motor. The projection of 139,270 kilowatt hours per year with the average summer and winter rate of $0.21 per kilowatt hour. The total estimated electricity cost for the general common elements is $29,247.

505 Eighth Avenue
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Ph. 212.244.2410
Fax. 212.643.1606
eea@ettingerengineering.com

The projected unit price per kilowatt hour allows for a reasonable increase over the average rates in effect over the course of the past year.

2. A. *Cooking Gas- (Budget - $16,520)*

Gas cooking in the Residential Units will be supplied by the Condominium. The gas projections were made by Eric Ettinger, based upon a consumption of 11,800 therms at a cost of $1.40 per therm for a total of $16,520.

B. *Residential Heating & Domestic Hot Water - (Gas Budget $108,920)*

Heat and domestic hot water for the Condominium will be fueled by gas fired boilers. The budgeted amount for the first year of operation of the entire residential portion including public spaces serving the residential condominium is based on estimated total consumption for heat and hot water of 77,800 therms at an estimated cost of $1.40 per therm gas including sales tax, or an estimated cost of $68,740 for heat and $40,180 for domestic hot water.

It is not possible to predict how closely the budgeted figure will reflect the actual cost of heat and hot water during the first year of operation of the Condominium, in part because such costs will vary with the level of consumption and the price per therm. The projected unit cost of gas ($1.40 per therm) allows for a reasonable increase in the unit price of gas over the average gas rates in effect as of April 2005. Consumption of gas for heat and gas rates will be affected by the weather.

C. *Garage Heating (Gas Budget - $14,420)*

The budgeted amount for the first year of operation for the garage heating is based upon a total consumption of 10,300 therms at $1.40 per therm including sales tax or an estimated cost of $14,420.

Ettinger Engineering Associates
Ph. 212.244.2410
Fax. 212.643.1606
eea@ettingerengineering.com
www.ettingerengineering.com

3. Water Charges and Sewer Rents Budget - $40,485 (Res)

A. The Residential Area is separately metered for water consumption. The amount budgeted is predicated upon an estimate prepared by Eric Ettinger.

Based upon projected residential consumption of 861,400 cubic feet of water per year and the current rate of $0.047 per cubic foot, the total cost of $40,485/yr.

Sincerely,

Eric S. Ettinger, P.E.

STATE OF NEW YORK ERIC STEVEN ETTINGER NO. 060293-1 LICENSED PROFESSIONAL ENGINEER

ESE/ga

cc: Gianfranco Cerini – H. Thomas O'Hara Archs.

C889-02.DOC

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Ph. 212.244.2410
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eea@ettingerengineering.com
www.ettingerengineering.com

PENMARK
REALTY CORP

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i(1)

June 16, 2006

The Board of Managers of 5th Street Lofts Condominium
5-09 48th Avenue
Long Island City, NY

Re: **5th Street Loft**
Premises: **5-09 48th Avenue, Long Island City, NY and 5-26 47th Road, Long Island City, NY**

Gentlemen/Mesdames:

This letter is with respect to the Plan of Condominium Organization of the premises at the above address and the allocation of the Percentage of Common Interest to the respective Units therein.

It is our opinion that the allocation of the Percentages of Common Interest allocated to the respective Units as set forth in Schedule A of the Plan of Condominium Organization are in compliance with the regulations issued pursuant to Real Property Law Article 9-B, Section 339-i(1).

The Sponsor has used method (iv) contained in Section 339-i(1) of the New York Condominium Act, that is upon floor space, subject to 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 particular Unit.

The allocation of the percentages of Common Interest as set forth in the said "Schedule A" is based on the following: size of Unit, layout of Unit, location of the Unit in the Building and its status as a Residential or Commercial Unit.

Our firm is in the real estate management business for a period in excess of thirty-five (35) years. We currently manage residential and conventional elevator and non-elevator apartment buildings which are either operated in the cooperative or condominium form of ownership, many of which contain commercial property. Some of the properties that we manage are as follows:

345 East 57th Street
45 East 25th Street
838 Fifth Avenue

820 Second Avenue • New York, NY 10017 • 212-876-4200 • F 212-876-

This firm will not act as the selling agent or the Managing Agent of the Property. We have no beneficial interest in the Sponsor and no interest in the profits of this offering plan other than the fee for this service.

Very truly yours,

Penmark Realty Corporation

By: _____
Bernard Friedman, President

Dated: June 16, 2006

CHANGES IN PRICES AND UNITS

The offering prices set forth in Schedule A may be decreased or increased only by a duly filed amendment to the Offering Plan when the change of price (i) is an across-the-board change affecting one or more lines of Units or Unit models, (ii) is to be advertised or (iii) is a price increase for an individual purchaser. As set forth in the Notes to Schedule A, offering prices are negotiable. Accordingly, except as provided above, Sponsor may enter into a Purchase Agreement to sell one or more Units at purchase prices lower than those set forth in Schedule A, although an individual price increase may be made only by duly filed amendment to the Offering Plan. As a result of the negotiability of offering prices and the right to change them, certain Purchasers may pay or may have paid more or less than other Purchasers under this Offering Plan for similar Units. However, no change in price will affect the percentage of Common Interest or Limited Common Interest allocated to a Unit. The offering prices set forth in Schedule A may be changed only by a duly filed amendment to the Offering Plan.

In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right to change the interior finishes, the layout of, or number of rooms in, or combine any Unsold Unit (except to the extent prohibited by law) at any time and from time to time, before or after the recording of the Declaration, without prior notice or prior amendment to the Plan and without the consent of the Condominium Board, any Unit Owner or mortgagee.

Before the recording of the Declaration, Sponsor reserves the right (except to the extent prohibited by law) at any time and from time to time, by amendment to the Plan to (i) change the size and/or number of Unsold Units by subdividing one or more such Units into two or more separate Units, by combining separate Unsold Units (including those resulting from such subdivision or otherwise) in one or more Units, altering any boundary walls between one or more Unsold Units, or otherwise, including the use of any portion of the Common Elements adjacent to such Unsold Units except to the extent that such Common Elements are required to be maintained as Common Elements in accordance with the By-Laws; and (ii) if appropriate, reapportion among the Unsold Units affected by any such change, their Common Interests. In the event of any change pursuant to either subparagraph (i) or (ii), such change may only be made after Sponsor has disclosed such changes in a duly filed amendment to this Plan and, if the Common Interest or any Common Elements are materially adversely affected by such changes, an offer of rescission has been made to any party who has executed a Purchase Agreement and is material adversely affected by such changes. Notwithstanding the foregoing, Sponsor may not subdivide or decrease the number of Units to the extent that such increase or decrease would substantially change the character of the offering. No material adverse change will be made in the size of a Unit, its layout, its percentage of Common Interest or in the amount or quality of Common Elements directly affecting or servicing the Unit with respect to any Unit for which a Purchase Agreement is then in effect and with respect to which the Purchaser is not in default unless the Purchaser consents thereto.

Except for Sponsor's right to change the layout of, or number of rooms in, at Unsold Unit and combine Units, as set forth above, once the Declaration is filed and recorded no change may be made in the number of Units or number of rooms within a Unit nor may

the size of any Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid, or otherwise, nor may the Common Interest of any Unit or the amount or quality of the Common Elements be changed, unless the Plan and the Declaration a amended with the consent of all Unit owners directly affected.

So long as the layout and relative dimensions of a Unit conform substantially to the Floor Plans, a Purchaser will not be excused from purchasing such Unit for such reason and will not have any claim against Sponsor as a result of such deviation.

Since there are fewer Parking Units than Residential Units and the Sponsor expects a high demand from Purchasers to purchase the Parking Units, Sponsor shall offer the Parking Units on a first come first served basis. Valet parking will not be provided to or from the Parking Units. Accordingly, all vehicles will be self-parked. In the event that Sponsor or its designee does not sell a Parking Unit, then such Parking Unit may be rented to any person or entity selected by Sponsor or its designee (including without limitation, persons and entities who do not own or reside in a Residential Unit) at any price determined by Sponsor or its designee. However, Sponsor and its designee shall rent all Parking Spaces in compliance with all legal requirements, including without limitation, Multiple Dwelling Law Section 60.

EFFECTIVE DATE OF PLAN

All Purchase Agreements signed by Sponsor shall be contingent upon Sponsor declaring the Offering Plan effective pursuant to the requirements and terms of the Offering Plan. These requirements, stated below, must be satisfied within one year of the date the Offering Plan is accepted for filing unless the Offering Plan is amended so as to extend this period. Prior to the First Unit Closing, the Offering Plan will be declared effective, an amendment will be filed substantiating same, and the Declaration and By-Laws will be duly recorded.

The Offering Plan may be declared effective when Purchase Agreements have been executed by bona fide purchasers (including investors) and accepted by Sponsor for the sale of eighteen (18) Residential Units, which represents a minimum of at least fifteen (15%) percent of the Residential Units offered under the Offering Plan.

Pursuant to existing laws and regulations Sponsor may declare the Plan effective by selling a minimum of fifteen (15%) percent of the Residential Units in the Building. Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to convert the Building with fewer than the minimum number of sales, if Purchasers counted towards declaring the Offering Plan effective do not ultimately purchase a Unit.

The Plan will not be declared effective based on Purchase Agreements:

(i) signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived; or

(ii) if the Purchaser was not afforded the protection that any "time is of the essence" provision concerning Purchaser's obligations must be explained in easily understandable terms and must be highlighted as a special risk; or

(iii) with any Purchaser who is the Sponsor or the Managing Agent or is a principal of the Sponsor or the Managing Agent or is related to the Sponsor or the Managing Agent or to any principal of the Sponsor or the Managing Agent by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner; except that such a Purchaser other than the Sponsor or a principal of the Sponsor may be included if the Sponsor has submitted proof satisfactory to the Department of Law establishing that the Purchaser is bona fide.

The Offering Plan must be declared effective when Purchase Agreements have been executed and accepted by Sponsor for the sale of ninety-five (95) Residential Units, which represents a minimum of at least of eighty (80%) percent of the Units offered under the Offering Plan. As of the date this Plan was accepted for filing by the New York State Attorney General, Sponsor represents that no contracts or agreements, written or oral, have been entered into for the sale or transfer of any of the Units and no deposits or advances of funds have been taken by or on behalf of Sponsor in connection with the reservation, sale or transfer of the Units

The Offering Plan will be declared effective by the mailing or personal delivery of written notice to all Purchasers. Within three business days after such notice is given, an amendment to the Offering Plan will be submitted by Sponsor stating that the Offering Plan has been declared effective. Upon request of the Department of Law, Sponsor will submit to the Department of Law copies of all Purchase Agreements, together with any amendments or modifications to such Purchase Agreements, within five business days after the request is received.

At Sponsor's sole option, the Offering Plan may be abandoned at any time before it is declared effective and before eighty (80%) percent of the Units have been purchased. If abandoned, the Offering Plan shall be abandoned by amendment filed with the Department of Law in appropriate form or by filing with the Department of Law a notice of abandonment on Form RS-3 or such other form as the Department of Law may require. Such amendment or notice of abandonment shall explain the basis for abandonment and must state how any funds received pursuant to the Offering Plan will be distributed. All monies paid by Purchasers pursuant to Purchase Agreements shall be refunded to them in full, with any interest, within ten days of such abandonment.

Sponsor also reserves the right to withdraw or abandon the Offering Plan for any reason whatsoever at any time prior to its being declared effective. Once the Plan has been declared effective, Sponsor may not abandon the Plan for any reason other than (i) a defect in title which cannot be cured without litigation or cannot be cured for less than one-half of one (0.5%) percent of the total offering amount, or (ii) work orders of a mortgagee or violations that cannot be cured for less than one-half of one (0.5%) percent of the total offering amount, or (iii) substantial damage or destruction of the Building or any portion thereof by fire or other casualty which cannot be cured for less than one-half of one (0.5%) percent of the total offering amount (as estimated by the insurance adjuster retained by Sponsor), or (iv) the taking of any material portion of the Property by condemnation or eminent domain. Sponsor shall have no obligation to incur any expenses or engage in litigation to cure title defects.

PROCEDURE TO PURCHASE

Purchase Agreement; Contract Deposit

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 in duplicate a contract to purchase ("Purchase Agreement"), in the form of Exhibit A in Part II, and return it to the Sponsor's attorney, together with a check in the amount of ten (10%) percent of the purchase price drawn to the order of "The Law Offices of Robert Flink, Escrow Agent for 5th Street Lofts Condominium." All checks delivered by Purchaser in payment of the Contract Deposit shall be subject to collection. If any check is returned for insufficient funds or any other reason, then Sponsor shall have the right, but not the obligation, to cancel the Purchase Agreement. Within 30 days of receiving two copies of a Purchase Agreement, both executed by Purchaser, together with the required Contract Deposit, Sponsor must either accept the Purchase Agreement by returning to Purchaser a fully executed counterpart of the Purchase Agreement or reject the Purchase Agreement by returning to Purchaser the Contract Deposit tendered. If Sponsor takes no action within said 30-day period, the Purchase Agreement shall be deemed null and void and Sponsor shall return the Contract Deposit to Purchaser.

Sponsor may not complete the construction of the Parking Units and/or the Cabana Units prior to the closing of a Residential Unit. Purchaser shall be required to close the purchase of the Residential Unit, the Parking Unit and the Cabana Unit even if such the Parking Unit and/or Cabana Unit are not substantially completed and available for use; provided however, Purchaser shall deposit into escrow with Sponsor's attorney an amount equal to the purchase price of such Parking Unit and/or Cabana Unit. The escrow agent shall release such escrow amount to Sponsor upon receipt of a temporary certificate of occupancy for the Parking Unit and/or the Cabana Unit, as the case may be.

As a condition to the closing of a Unit, the Purchaser shall, at the closing, be required to execute a Power of Attorney to the Board of Managers and to the Sponsor. The Form of the Power of Attorney is set forth in Part II of the Plan.

Right of Recission

Purchasers who have not had an opportunity to review the Offering Plan and any filed amendments for at least three business days prior to their executing a Purchase Agreement shall be given seven days, after delivering an executed Purchase Agreement, together with the required Contract Deposit, to rescind the Purchase Agreement and have the full Contract Deposit refunded promptly. Such recission must be in writing, addressed and sent to Sponsor in care of and at the address of the Sponsor's attorney, and be postmarked or hand delivered by midnight of the seventh day subsequent to Purchaser's executing and delivering such Purchase Agreement. Purchasers who execute a Purchase Agreement after having had an opportunity to review the Offering Plan and any filed amendments for not less than three business days prior to their executing a Purchase Agreement shall not be permitted the aforementioned time period to rescind for any reason.

Mortgage Financing Contingency

Each Purchaser may elect to include in his Purchase Agreement a mortgage financing contingency clause. The Purchase Agreement contains a mortgage financing contingency for Purchasers of a Unit which must be completed by Purchasers. If Purchaser elects such financing contingency, Purchaser shall in good faith make a truthful and complete application to TBI Mortgage and any other lender of Purchaser's choosing. Purchaser agrees to submit a loan application to TBI Mortgage Company ("TBI Mortgage") at no cost to Purchaser within fourteen (14) days of Purchaser's execution of the Purchase Agreement ("Mortgage Application Period"), under conditions herein stated. Purchaser may also submit an application at Purchaser's own expense to any mortgage lender of Purchaser's choosing within the Mortgage Application Period. If Purchaser chooses to apply to a lender other than TBI Mortgage, Purchaser shall, within the Mortgage Application Period, complete and return to Seller the Request for Lender Information form.

Purchaser shall furnish, within five (5) days of any request, all information required by any Lender. Purchaser acknowledges that Seller is relying on Purchaser's information in determining to proceed with building the Unit. Purchaser agrees immediately to send Seller copies of any notice from Purchaser's lender(s) rejecting Purchaser's loan application(s). If Purchaser is not approved for a mortgage within sixty (60) days of the date of Purchaser's execution of the Purchase Agreement, Seller shall extend the mortgage application approval process until such time as: (1) Seller submits another application on substantially the same terms described above to a lender chosen by Seller, with no additional application fee to Purchaser, or (2) Seller declares the Purchase Agreement null and void in which event all sums paid on account of the purchase price and extras shall be returned to Purchaser with interest, if any, and neither party shall have any further rights or liabilities hereunder.

Purchaser agrees within five (5) days of receipt (i) to accept a loan commitment from the Lender that Purchaser's intends to use for settlement and (ii) to mail an executed copy of the commitment to Seller. Purchaser further agrees to execute all documents and pay all fees required to consummate the mortgage transaction. By accepting the loan commitment, Purchaser agrees to be responsible for and bear the risk of meeting all conditions, if any, including but not limited to, the sale of other real estate presently owned by Purchaser. Purchaser's failure to fulfill any of such conditions or the termination or expiration of the mortgage commitment after it is received, for any reason, shall not release Purchaser from its obligations under the Purchase Agreement. Notwithstanding anything to the contrary, Sponsor shall have no obligation to secure a mortgage loan for Purchaser from the same or another lender. If Sponsor does not secure a mortgage loan for Purchaser or Purchaser fails to obtain a loan commitment on or before sixty (60) days after the date of Purchaser's execution of the Purchase Agreement, then Sponsor may declare the Purchase Agreement null and void as described above. Notwithstanding anything to the contrary, once a written loan commitment from a lending institution has been issued to Purchaser, then any financing contingency which previously existed is deemed extinguished. Accordingly, any expiration or revocation or withdrawal of such commitment shall not reinstate the financing contingency and in such

event the Purchase Agreement shall remain in full force and effect and Purchaser must pay the balance of the purchase price at closing or be in default.

Escrow Account

Sponsor will comply with the escrow and trust fund requirements of General Business Law Section 352-e(2-b) and 352-h and the Attorney General's Regulations promulgated pursuant thereto.

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 the Purchase Agreement. Purchasers shall not be obligated to pay any legal or other expense of Sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds.

All Deposits, the Contract Deposit, or advances made by Purchasers prior to closing of a Unit whether received before or after the date of consummation of the Plan, will be placed within five (5) business days after the Purchase Agreement is signed by all necessary parties into a special segregated escrow account of The Law Offices of Robert Flink (the "Escrow Agent").

The sole signatory on this account authorized to withdraw funds is Robert Flink, 555 5th Avenue, New York, New York 10017 (212) 377-2062.

The name of the account is entitled "5th Street Lofts Condominium Escrow Account" (the "escrow account"). The escrow account is a sub-account of The Law Offices of Robert Flink, Escrow Account located in First Republic Bank at 1230 Avenue of the Americas, New York, NY 10020. This bank is covered by the Federal Deposit Insurance Corporation to a maximum of $100,000 per individual Contract Deposit.

The account is interest bearing provided that the Sponsor no longer is using the Letter of Credit or any other form of alternate security acceptable to the Attorney General to secure such funds and, unless Purchaser defaults, interest will be paid to the Purchaser at closing. The interest rate to be earned will be the prevailing rate for these accounts which as of the date of the Plan is as follows: (i) Deposits equal to or greater than $150,000 is 3.10%, (ii) Deposits equal to or greater than $25,000 is 2.71% and (iii) Deposits equal to or greater than $5,000 is .10%.

Interest will begin to accrue within five business days of tender of the Contract Deposit, except no interest shall accrue on such funds if Sponsor is using a letter of credit to secure such funds.

All instruments shall be made payable to the direct order of "The Law Offices of Robert Flink, as Escrow Agent for 5th Street Lofts Condominium."

Within ten business days after tender of the deposit submitted with the Purchase Agreement, the Escrow Agent will notify the Purchaser that such funds have been deposited into the escrow account and will provide the account number and the initial interest rate. If the purchaser does not receive notification of such deposit within fifteen (15) business days after tender of the deposit, the purchaser may cancel the 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.

Since all Purchase Agreements are contingent upon the Plan becoming effective, under no circumstances shall Sponsor apply for release of the escrowed funds of a defaulting Purchaser until after consummation of the Plan, except for the release of the funds to Sponsor from the escrow account in connection with the Letter of Credit.

At or before the first Purchase Agreement is executed by Sponsor, Sponsor will obtain a Letter of Credit ("Letter of Credit") in the amount of $11,000,000.00 from the Royal Bank of Scotland PLC, having an address at 101 Park Avenue, 10th Floor, New York, NY 10178 (the "Issuer") for the purpose of securing Sponsor's use of the deposits paid by Purchasers under the Purchase Agreements. The Letter of Credit will be in substantially the same form as set forth in Part II of the Plan. The Issuer has surplus funds and net worth of at least ten times the amount of the Letter of Credit and has a current Aa3 with respect to its debt securities that is rated "investment grade" by Moody's Investment Services, a nationally recognized reporting service that rates debt securities of banking institutions.

The following are the terms and conditions of the Letter of Credit:

(i) Amount: The amount of the Letter of Credit is at least 125% of the aggregate of all downpayments expected to be received by Purchasers pursuant to the Purchase Agreements and not retained in escrow during the period that the Letter of Credit will be needed, as estimated by the Sponsor. The amount of the Letter of Credit may be reduced or increased as warranted by the circumstances and pursuant tot a filed amendment to the Plan.

(ii) Irrevocability: The Letter of Credit is irrevocable during the term of the Letter of Credit and any renewal term. The initial term of the Letter of Credit is one (1) year commencing on ____ with automatic renewals of one (1) year terms.

(iii) Beneficiary: The beneficiary under the Letter of Credit is The Law Offices of Robert Flink.

Except for the release of the funds to Sponsor from the escrow account in connection with the Letter of Credit, the Escrow Agent will not release the funds from the escrow account until otherwise directed in:

(i) a written agreement signed by both Sponsor and Purchaser;

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

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

If there is no written agreement between the parties to release the escrowed funds, the Escrow Agent will not pay the funds to Sponsor until the Escrow Agent has given the Purchaser written notice of not fewer than ten (10) business days, except for the release of the funds to Sponsor from the escrow account in connection with the Letter of Credit. Thereafter, the funds may be paid to Sponsor unless the Purchaser has already made application to the Department of Law pursuant to the dispute resolution provisions of the Attorney General regulations and has so notified the Escrow Agent in accordance with such provisions or otherwise objects in writing to such release of the funds.

The Escrow Agent as the beneficiary of the Letter of Credit, acting as a fiduciary for the benefit of Purchasers under the Plan whose funds were released from escrow by reason of the grant of Sponsor's application to secure such deposits with the Letter of Credit, shall have the duty and the right to draw upon and collect the proceeds of the Letter of Credit, ten (10) business days after notice to the Sponsor and Sponsor's failure or refusal to restore such funds to the Escrow Agent, without the consent or despite the objection of the Sponsor or the provider of the credit, upon the following events or circumstances:

(a) timely rescission of a Purchase Agreement by a Purchaser pursuant to an offer of rescission contained in the Plan or an amendment to the Plan;
(b) acceptance for filing by the Office of the Attorney General of an amendment abandoning the Plan;
(c) determination by the Attorney General mandating that rescission or the return of funds is required;
(d) failure by the Sponsor to obtain a renewal or replacement letter of credit no later than 60 days prior to the expiration of the existing letter of credit;
(e) direction by the Sponsor upon request of the Purchaser;
(f) notice of impending cancellation of the Letter of Credit has been given or received, or the issuer has filed a bankruptcy or insolvency petition or has been taken over by a federal or state authority, and no proper replacement of the letter of credit has been furnished although continuation of the same in effect is required hereunder.

If the Letter of Credit will expire prior to the latest date of closings of sales of all the Units, provision for renewal of the Letter of Credit without loss of irrevocability and without any change of terms shall be afforded by:

(a) an "evergreen" or automatic renewal clause, if obtainable; and
(b) the irrevocable undertaking and covenant of the Sponsor and by any other provider of underlying credit to provide successive renewals thereof until consummation and closings of sales of all units or until the covered funds of Purchasers have been returned in full.

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.

Purchasers and the Escrow Agent may apply to the Attorney General in the event of a dispute for a determination on the disposition of the contract deposit and any interest thereon.

Escrow Agent and Sponsor must avail itself of this procedure if there is a dispute which needs to be resolved. A form for this purpose is attached as Exhibit K of Part II hereof. The party applying for a determination must send all other parties a copy of the application.

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

In the event that a dispute does arise as to the disposition of all or any portion of the escrowed funds, the Escrow Agent will not be obligated to withdraw as Sponsor's attorneys due to any conflict of interest between the Escrow Agent's role as attorneys for Sponsor and as the Escrow Agent. The Escrow Agent shall be entitled to consult with counsel and be reimbursed for all expenses of such consultation with respect to its duties as the Escrow Agent and shall be further entitled to all reasonable out-of-pocket expenses incurred in connection with such activities. All such expenses shall be paid by Sponsor.

A copy of the escrow agreement which incorporates the terms of the Attorney General's regulations is on file with the Department of Law.

Any moneys paid by Purchasers for upgrades or extras to be performed by Sponsor in such Purchaser's Unit shall be deposited into Escrow Agent's master escrow account. Such escrow account may be non-interest bearing. Escrow Agent may release such funds to Sponsor for the purpose of paying for upgrades or extras to the Purchaser's Unit based on a demand by Sponsor. Escrow Agent is not required to conduct any due diligence or inspection to determine the accuracy of such request by Sponsor. Escrow Agent is not required to notify Purchaser of the release of such funds. In the event that Purchaser is entitled to rescind or otherwise terminate the Purchase Agreement for any reason, Purchaser shall not receive a refund of such funds used by Sponsor for such upgrades or extras.

Escrow Agent shall release the contract deposits to the Sponsor provided that the Escrow Agent has documentation showing that the Letter of Credit or renewal or replacement Letter of Credit has been issued and is in effect. The Escrow Agent shall no longer release funds from escrow if the Escrow Agent receives notice or information warranting draw down of the Letter of Credit as set forth herein.

All funds received from Purchasers whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be made payable to or endorsed by the Purchaser to the order of The Law Offices of Robert Flink as Escrow Agent.

In the event of a dispute, the Sponsor shall apply, and the Purchaser, the Escrow Agent or the bank issuing the letter of credit may apply to the Attorney General for a determination on the disposition of funds secured by the letter of credit, the deposit and any interest earned thereon. Forms for this purpose shall be available from the Office of the Attorney

General. The party making such application shall contemporaneously send to the other three parties a copy of such application.

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

Such funds secured by the Letter of Credit, 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.

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

In no event shall the disputed funds secured by the Letter of Credit be paid to the Purchaser nor shall the Letter of Credit be terminated until any dispute is finally resolved either by written agreement of the parties directing payment of the funds, or by a determination of the Attorney General or by order or judgment of a court of competent jurisdiction.

Where the Letter of Credit is no longer needed by the Sponsor, or new or additional alternate security cannot be obtained by a Sponsor or its successor, Sponsor shall submit an amendment for filing which provides that any future purchaser deposits or down payments shall be held in the escrow account in accordance with this Section. Such amendment shall not affect the Sponsor's obligation to account for funds previously released to the sponsor unless the funds representing all such deposits or down payments are restored to the escrow account.
The Escrow Agent will maintain all records concerning the escrow account for seven years after the release of funds.

Lead Based Paint Regulations:

The United States Department of Housing and Urban Development and the Environmental Protection Agency have adopted "Lead-Based Paint Regulations" applicable to housing built prior to 1978, except as expressly set forth in such Regulations (called "Target Housing"). The Regulations address the necessary disclosure of known presence of lead-based paint and lead-based paint hazards in Target Housing. The disclosures are required to be made in contracts of sale or lease (including lease renewals and subleases) of Target Housing. The Regulations apply to all owners (including Unit Owners) of residential co-operative and condominium units in Target Housing.

In order to comply with the Lead-Based Paint Regulations:

(i) Each prospective Purchaser of a Unit will be given a copy of United States Consumer Product Safety Commission pamphlet entitled "Protect Your Family From Lead in the Home;"

(ii) Each prospective Purchaser of a Unit and Sponsor will be required to complete and sign a form entitled "Disclosure of Information on Lead-Based Paint and/or Lead- Based Paint Hazards," a copy of which is included in Part II of the Plan (the "Lead-Based Paint Disclosure Form"). The text of the Lead-Based Paint Disclosure Form is the sample disclosure form contained in the Lead-Based Paint Regulations.

(iii) Unless:

(a) the Purchaser waives Purchaser's opportunity to conduct a test/inspection for the presence of lead-based paint and/or lead-based paint hazards in the Unit and common areas of the Building by completing the Lead-Based Paint Disclosure Form in the appropriate manner and executing and delivering same to Sponsor prior to the execution and delivery of the Purchase Agreement by Sponsor; or

b) in the case where the construction of the Unit and the common areas of the Building have been substantially completed in accordance with the Plans and Specifications (as defined in the Plan) prior to the execution and delivery of the Purchase Agreement by the Purchaser, the Purchaser has already received an opportunity for ten (10) days to conduct such a test/inspection for the presence of lead-based paint and/or lead-based paint hazards and/or has indicated that the Purchaser has had such opportunity (or waives such opportunity) on the Lead-Based Paint Disclosure Form executed by the Purchaser and delivered to Sponsor prior to the execution and delivery of the Purchase Agreement by Sponsor;

Purchaser shall be given a ten (10) day period (the "Inspection Period") in which to conduct a risk assessment or inspection (collectively, "Inspection") for the presence of lead-based paint and/or lead- based paint hazards in the Unit and in the common areas of the Building on the terms and conditions set forth below:

The Inspection Period will commence on that date which is three days after the date that Sponsor has sent a written notice ("Inspection Period Commencement Notice") to the Purchaser (at its address set forth in the Purchase Agreement) to the effect that (i) the Unit and the common areas of the Building have been substantially completed in accordance with the requirements of the Plans and Specifications and (ii) advising the Purchaser that the Inspection Period will commence three days after the date of the Inspection Period Commencement Notice. The Inspection Period Commencement Notice will be accompanied by the Lead-Based Paint Disclosure Form as executed by Sponsor. If the testing or inspection discloses any lead-based paint or lead-based paint hazard in the Unit or the common areas, Purchaser shall have the right to terminate the Purchase Agreement (and receive the return of Purchaser's Down Payment with interest, if any, earned thereon) by notice ("Lead Inspection Contract Termination Notice") received by Sponsor prior to the end of the Inspection Period, which notice shall be accompanied by the inspection report obtained by Purchaser indicating the presence in the Unit or the common areas of lead-based paint or a lead-based paint hazard. If Sponsor shall fail to receive a Lead Inspection Contract Termination Notice prior to the end of the 10 Day Inspection Period, or if Purchaser shall waive its right to conduct such inspection on the

Lead-Based Paint Disclosure Form or by other writing, Purchaser shall have no right to terminate the Purchase Agreement or claim that it is not obligated under the Purchase Agreement or is otherwise not obligated to close thereunder on the basis of any lead-based paint or lead-based paint hazard in the Unit or the common areas.

Sponsor reserves the right to reject and decline to accept (or enter into) a Purchase Agreement unless the Purchaser has first waived Purchaser's opportunity to conduct a test/inspection for the presence of lead-based paint and/or lead-based paint hazards by completing the Lead-Based Paint Disclosure Form in the appropriate manner and executing and delivering same to Sponsor at the time of the delivery of the Purchase Agreement.

As used in this Plan, the terms "lead-based paint", "lead-based paint hazard" and "common area", are intended to have the meaning given such terms in the Lead-Based Paint Regulations, that is:

"lead-based paint" means paint or other surface coatings that contain lead equal to or in excess of 1.0 milligram per square centimeter or 0.5 percent by weight.

"lead-based paint hazard" means any condition that causes exposure to lead from lead-contaminated dust, lead-contaminated soil or lead-contaminated paint that is deteriorated or present in accessible surfaces, friction surfaces or impact surfaces that would result in adverse human health effects as established by the appropriate Federal agency.

"common area" means a portion of a building generally accessible to all residents/users, including, but not limited to, hallways, stairways, common roof, gym and recreational rooms, playgrounds, community centers and boundary fences.

Notice of Closing of Title; Balance of Purchase Price

Purchasers shall be given not less than 30 days written notice of the closing of title to their Units. This notice period may be waived by Purchasers. The notice shall provide that the balance of the purchase price shall be due at closing of title. The notice to Purchaser shall also specify when Common Charges will be due and payable. All closings will take place at either the offices of Sponsor's attorneys, The Law Offices of Robert Flink, 555 5th Avenue, 14th Floor, New York, NY 10017 or at such other location in New York County as Sponsor shall designate.

AT THE CLOSING OF TITLE, THE BALANCE OF THE PURCHASE PRICE MUST BE PAID BY (i) UNENDORSED CERTIFIED CHECK PAYABLE TO THE DIRECT ORDER OF SPONSOR OR (ii) UNENDORSED TELLER'S OR CASHIER'S CHECK PAYABLE TO THE DIRECT ORDER OF "5-01-5-17 48th Avenue, LLC" OR AS MAY BE DIRECTED IN WRITING BY SPONSOR'S ATTORNEYS.

All checks must be drawn on a bank or trust company which is a member of the New York Clearinghouse Association or any successor organization.

Date of First Closing

If the First Closing does not occur within twelve months of the date set forth in Schedule B as the commencement date for the first year of Condominium operation, Sponsor will

amend the Plan to update the budget and to offer Purchasers the right to rescind their Purchase Agreements within 20 days following the expiration of such twelve-month period (provided, however, that if the Plan has been declared effective, a Purchaser who is in default under his Purchase Agreement beyond the expiration of any applicable grace period will not be offered such right to rescind).

Default

If Purchaser defaults under the Purchase Agreement, Sponsor shall notify Purchaser in writing of such default and advise Purchaser that he or she has 30 days after Sponsor gives written notice to such Purchaser to cure such default.

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 30 days after Sponsor gives written notice to the Purchaser, Sponsor may (but shall not be obligated to) elect to cancel the Purchase Agreement. In such event the Contract Deposit, together with accrued interest, if any, and any other monies held in the Escrow Account shall be paid over to Sponsor as and for liquidated damages, the Purchase Agreement shall become null and void and Sponsor shall have the right to immediately offer for sale the Unit which was the subject of such Purchase Agreement.

Entry Prior to Closing

Prior to the closing of title to a Unit, no Purchaser shall be permitted to enter the Unit without the prior consent of Sponsor. Purchaser shall have the right to enter and inspect such Unit immediately prior to the closing of title but shall be obligated to make an inspection appointment with Sponsor. Under no circumstances shall Purchaser perform or cause to be performed any work in such Unit prior to the closing of title thereto.

Risk of Loss

The risk of loss from fire or other casualty with respect to each Unit shall remain with Sponsor until the closing of title for the particular Unit. Notwithstanding the above, in the event that Purchaser, or one claiming by or through Purchaser, enters into possession of a Unit prior to the closing of title, then Purchaser shall bear the risk of loss or other casualty with respect to that Unit to the extent not covered by insurance. Despite any loss, such Purchaser will remain obligated to purchase such Unit under the terms of the Purchase Agreement.

PURCHASER SHOULD CONSULT WITH AN ATTORNEY AND/OR AN INSURANCE AGENT AS TO PURCHASER'S INSURANCE NEEDS.

Floor Plans

The dimensions and layout of the Units set forth on the Floor Plans are within reasonable tolerances and may vary from the actual dimensions and layout of a Unit due to among other things any change in the design and placement of the windows, pre-existing conditions and or other revisions which are necessary due to job conditions or which are deemed advisable by any governmental agency or Sponsor. The floor area of each Unit (within reasonable tolerances) has been measured from the exterior side of the exterior Building walls or the exterior point of the party wall on the Land (whichever is greater),

or from the midpoint of the interior walls and partitions separating the Unit from another Unit, or from the outside point or common element side of the interior walls, partitions and continuous structural elements separating the Unit from stairs, elevators, other mechanical equipment spaces or any other Common Elements . Columns and mechanical pipes and chases (whether along the perimeter or within the Unit) are not deducted from the square foot area of the Unit. For purposes of calculating each Unit Owner's percentage of the Common Elements, 25% of the outdoor floor areas of terraces and balconies are included in the Unit's floor areas, but such floor area is not included in Column 2 of Schedule A. Measured vertically, each Unit consists of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above. The square foot areas determined using the methodology set forth above, as shown in Schedule A in Part I of the Plan, would be different from that derived by using an alternative methodology of measuring from interior surfaces to interior surfaces (which would yield lesser actual useable floor area for each Unit). Measurements are approximate, within reasonable tolerances. The method of measurement is applicable to all Units. The room count for each Unit was determined by Sponsor's architect in accordance with industry practice for new construction condominiums and does not necessarily conform to the zoning room count or the method utilized by the Real Estate Board of New York. The usable area of each Unit is substantially less than is shown on Schedule A and the Floor Plans. Prospective Purchasers should make their own measurements to determine usable area. Columns and mechanical pipes and chases (whether along the perimeter or within the Unit) are not deducted from the square foot area of the Unit. Measured vertically, each Unit consists of the volume from the top of the floor slab below (located under the finished flooring and sub-floor materials) to the underside of the floor slab above. Sponsor reserves the right to change the interior finish of any Unit and make other non-structural changes and reserves the right to change the location of any demising walls used in defining the spaces of any Unit and thereby change the gross square footage of the Units so affected. Purchasers should be advised that the actual net usable space of the individual Units may be less than the actual total square footage for such Unit.

Purchasers shall not be excused from purchasing a Unit pursuant to a Purchase Agreement so long as the dimensions and layout of such Unit substantially conform to the Floor Plans.

Notices

Any notice or other communication required or permitted to be given under the Purchase Agreement shall be in writing and shall be deemed to have been given if delivered personally or sent by certified or registered mail, return receipt requested. All such notices and communications shall be deemed to have been received on the date of personal delivery or on the fifth day after mailing.

Miscellaneous

Any conflict between this Offering Plan and the Purchase Agreement will be resolved in favor of the Offering Plan. In no event may the Purchase Agreement contain, or be modified to contain, any provision waiving Purchaser's rights, other than the ability of Purchaser to waive his or her right to 30 days' written notice prior to the closing of title to

Purchaser's Unit. In no event may the Purchase Agreement contain, or be modified to contain, any provision abrogating Sponsor's obligations under the Offering Plan or under Article 23-A of the General Business Law. No Purchase Agreement is assignable without Sponsor's prior written consent.

TERMS OF SALE

Prerequisites to Closing of Title

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

(a) compliance by Purchaser with all terms of any mortgage financing;

(b) the recording or filing, as required by law, of the Declaration, By-Laws and Floor Plans; in City Register's Office;

(c) the release of the Unit and its appurtenant interest in the Common Elements from the lien of all mortgages;

(d) the filing of an amendment to the Plan which declares the Plan effective;

(e) the issuance of a valid certificate of occupancy for such Unit, provided, however, that if closing of title to a Unit takes place with a temporary certificate of occupancy, Sponsor shall maintain all deposits received on account of such Unit in a special escrow account required by Section 352-e(2)(b) of the General Business Law of the State of New York unless Sponsor's engineer or architect certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent certificate of occupancy for such Unit, in which case the sum exceeding the amount so certified by Sponsor's engineer or architect may be released from the special escrow account upon Sponsor's written instructions to the escrow agent of such account. If Sponsor elects not to maintain such deposits in a special escrow account, Sponsor must file an amendment to the Plan disclosing such election and thereafter must deposit with an escrow agent an unconditional, irrevocable letter of credit or post a surety bond in an amount so certified and in accordance with the regulations promulgated by the Attorney General of the State of New York (the "Attorney General");

(f) if the Purchaser so requests, at Purchaser's sole cost and expense, the issuance of a title insurance policy or certificate insuring fee title to the Unit in the Purchaser subject only to the encumbrances set forth in Schedule A annexed to the form of Purchase Agreement, which policy or certificate will also insure that a valid condominium has been created pursuant to the New York Condominium Act. (For an estimate of the cost to the Purchaser of obtaining such title insurance, see "Closing Costs and Adjustments");

(g) Purchaser is served with a written notice of the closing date not less than 30 days in advance and given the opportunity to inspect the Unit and other property subject to the Declaration;

(h) Sponsor assigns (to the extent assignable) to the Unit Owner any manufacturer's warranties on any equipment, appliances and fixtures which Sponsor has had installed in

the Unit, and Sponsor assigns any warranties it has with respect to the equipment and appliances installed in the Common Elements of the Building to the Board of Managers;

(i) All personal property located within the Unit and attached to the Unit on the date the purchase agreement is signed or located within the common elements on the date the Declaration is filed, that is owned by the Sponsor, is included in the conveyance except as expressly set forth herein to the contrary; and

(j) At the time of the First Unit Closing, each mortgagee will either: (i) consent to the formation of the Condominium and acknowledge that its lien will be limited to unsold condominium units; (ii) subordinate the lien of its mortgage to the declaration of the condominium or (iii) release its lien on the Unit being conveyed and its interest in the Common Elements.

(k) The risk of loss from fire or other casualty with respect to each Unit shall remain with Sponsor until the closing of title for the particular Unit. Notwithstanding the above, in the event that Purchaser, or one claiming by or through Purchaser, enters into possession of a Unit prior to the closing of title, then Purchaser shall bear the risk of loss or other casualty with respect to that Unit to the extent not covered by insurance. Despite any loss, such Purchaser will remain obligated to purchase such Unit under the terms of the Purchase Agreement.

Closing of Title

The Units, when sold by Sponsor, will be sold in fee simple to Purchasers who may be individuals, a partnership, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, limited liability company, organization, government, any department or agency thereof, or any other entity which is permitted to own property in the State of New York. The sale of the Units will be made at the respective sales prices set forth in Schedule A (as such prices may be changed by Sponsor), and will include the respective undivided interests in the Common Elements. Sponsor will convey good and marketable title to the Unit, and its Appurtenant Interests, by bargain and sale deed with covenants against grantor's acts, containing the provisions set forth in subdivision 5, Section 13 of the Lien Law, free and clear of all liens and encumbrances other than the Permitted Encumbrances. The Permitted Encumbrances are as follows:

1. Zoning and building regulations, resolutions, restrictions and ordinances of municipal authorities having jurisdiction and any amendments thereto, now or hereafter adopted, provided same will not be violated by the contemplated structures and use.

2. State of facts shown in the survey made by Montrose Surveying Co., LLP, dated April 13, 2005 and any additional state of facts which an updated and accurate survey would show, provided it would not prevent the use of the unit for its stated purposes.

3. The Declaration, the By-Laws (and the Rules and Regulations made thereunder), the power of attorney from Purchaser to the Condominium Board and maps and the Floor Plans, all as may be amended from time to time, to be recorded or filed in the City Register's Office.

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

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

6. Revocability of the right to maintain street vaults and other areas, under the sidewalks and streets.

7. All easements created by the Declaration.

8. Encroachments of stoops, areas, entrance steps or doors, trim, copings, retaining walls, bay windows, ledges, window sills, balconies, sidewalk elevators, fences, fire escapes, vaults, chutes, fuel oil lines, drainage pipes, sewerage pipes, air conditioning units, canopies, cornices, foundations, footings and similar projections, retaining walls, if any, on, over, or under the Property or the streets or sidewalks abutting the Property and the 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 and the like, if any.

9. Leases and service, maintenance and license agreements, if any, in effect on the date of the First Unit Closing.

10. Easements in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units, Limited Common Elements or Common Elements on the Unit, existing as a result of construction of the Building, or construction of the 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 or Limited 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, the Limited Common Elements and the Common Elements.

11. Beams and beam rights and party walls and party wall agreements, if any.

12. Any variations between tax lot lines and lines of record title.

13. All covenants, restrictions, reservations, agreements and easements of record 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 the use of any Unit at the Property for dwelling or commercial purposes, as the case may be, nor prevent the existence of the promised structure.

14. Permanent easement for Subterranean Transmission Lines recorded March 25, 1996 in Reel 4305 page 1467.

15. Standard printed exceptions contained in the form of title insurance policy then issued by the title insurance company insuring Purchaser's title to his or her Unit and appurtenant interests.

16. The terms, provisions and conditions of the Plan.

17. Terms, covenants and restrictions contained in a License Agreement dated June 2, 1975 between [redacted] and [redacted] recorded June 4, 1975 in Reel 837 Page 685.

18. Any encumbrance as to which Westminster Abstract Company would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that such encumbrances (a) will not be collected out of the Unit if it is a lien and (b) will not prevent the use of the Unit for dwelling purposes.

19. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, which shall be adjusted at the closing of title.

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

21. Any other declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any law, ordinance, regulations, 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. Sponsor shall file an amendment to the Plan to reflect any such other declaration or other instrument affecting the Property which is not already disclosed herein.

22. Any other 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 and/or commercial purposes, as the case may be, or which does not render title uninsurable, subject to the Permitted Encumbrances, or with respect to which a title insurance company is willing to insure against collection out of the Unit.

UNIT CLOSING COSTS AND ADJUSTMENTS

General Costs and Adjustments

In addition to Purchaser's own legal fees, Purchaser will pay the following closing costs, fees and expenses and adjustments at the closing of title to each Residential Unit, Parking Unit and Cabana Unit:

(a) As of the effective date of the Offering Plan, Westminster Abstract Company has agreed to issue a title policy for good and marketable title to the Unit subject to the Permitted Encumbrances. Accordingly, if Purchaser elects to obtain fee title insurance, Sponsor recommends to Purchaser that he order such insurance from Westminster Abstract Company and Purchaser shall pay Westminster Abstract Company the cost of fee title insurance which will vary depending on the purchase price of the Unit. As of the date of this Offering Plan, fee title insurance rates as quoted by Westminster Abstract Company are as follows:

Payment to **Westminster Abstract** Company (the "Title Company") of the cost of fee title insurance, if Purchaser elects to obtain title insurance. Fee title insurance rates, as quoted by the Title Company, as of the date of this Plan are as follows: a base rate of $402.00 for the first $35,000.00 coverage; $6.67 per additional thousand dollars of the purchase price up to $50,000.00, plus $5.43 per thousand dollars of purchase price in excess of $50,000.00 up to $100,000.00, plus $4.36 per thousand dollars of purchase price in excess of $100,000.00 up to $499,999.00; plus $3.98 per thousand dollars of purchase price in excess of $499,999.00 up to $1,000,000.00; plus $3.66 per thousand dollars of purchase price in excess of $1,000,000.00 up to $5,000,000.00.

According to **Westminster Abstract** Company, when fee and mortgage policies are being simultaneously issued, the premium for the mortgage insurance is 21% of a flat mortgage rate.

Sponsor makes no representation that such rates will not increase before any Unit Closing. Each Purchaser will be free to obtain title insurance from a title insurance company other than Westminster Abstract Company. Sponsor makes no representation as to costs, terms or availability of other such title insurance.

(b) Recording fee for Condominium Unit Deed and Power of Attorney to the Condominium Board is approximately $280.

(c) Purchaser shall be obligated to pay the administrative filing fee for the New York State Real Property Transfer Report (RP-5217NYC) and the NYC RPT Tax Return described below, which fee is currently in the aggregate amount of $75.

(d) Real estate taxes, rent and security deposits, if any, and assessments, if any, (including water charges and sewer rents, if separately assessed), from midnight 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 Sponsor shall be reimbursed at closing by Purchaser for the cost of any real estate taxes which Sponsor would not otherwise have had to pay but for an unauthorized delay in closing of title by Purchaser. (If separate real estate tax bills are not

provided by the time of the closing of title to a Purchaser's Unit, such taxes will be allocated to such Unit based upon its Common Interest.)

(e) New York State Real Estate Transfer Tax and New York City Real Property Transfer Tax computed as follows:

(i) calculate the "tentative" city and state transfer taxes based on the consideration (or net consideration), exclusive of the transfer tax liabilities which the Purchaser is assuming; and

(ii) add the sum of the "tentative" taxes to the consideration (or net consideration) and calculate the city transfer tax and state transfer tax to be paid on the total.

For Units: The New York State Real Estate Transfer Tax, as of the date of the Plan, is at the rate of $2.00 per each $500 of consideration or part thereof or 4/10 of one (1%) percent. The New York City Real Property Transfer Tax for Units is at the rate of one (1%) percent of the purchase price for the Unit if the purchase price is $499,999 or less or 1.425 percent if the purchase price is more than $499,999.

If Purchaser purchases 2 or more Units: The New York State Real Estate Transfer Tax, as of the date of the Plan, is at the rate of $2.00 per each $500 of consideration or part thereof or 4/10 of one (1%) percent. The New York City Real Property Transfer Tax for Units is at the rate of 1.425% of the consideration paid by Purchaser for the Unit if the consideration is $499,999 or less or 2.625% if the consideration is more than $499,999. If Purchaser purchases 2 or more Units (e.g. a Residential Unit and a Cabana Unit or a Parking Unit), then the commercial tax rate may apply, i.e. New York State Real Estate Transfer Tax, as of the date of the Plan, would be at the rate of $2.00 per each $500 of consideration or part thereof or 4/10 of one (1%) percent and the New York City Real Property Transfer Tax for such combination of Units would be 1.425% if the aggregate consideration is $499,999.00 or less and 2.625% if the aggregate consideration exceeds $499,999.00.

It is customary in real estate transactions for a seller to pay these transfer taxes. However, a seller and a purchaser can agree that the purchaser shall pay the transfer taxes. In addition, Purchaser will be responsible for paying the applicable filing fee in connection with the filing of the New York City Real Property Transfer Tax Return. The obligation is assumed by a purchaser if such obligation is imposed on the purchaser by the terms of the sale. Under the Offering Plan and the Purchase Agreement, Purchasers are required to pay these taxes as well as the filing fee for the filing of the New York City Real Property Transfer Tax Return as a closing cost.

(f) If applicable, Purchaser will also be responsible for the payment of the "Mansion Tax", which is one (1%) percent of the purchase price if the purchase and all other consideration payable by Purchaser (including without limitation, the transfer taxes payable by Purchaser) are more than $1,000,000. Purchasers are further advised that the New York State Department of Taxation and Finance takes the position for purposes of determining if the mansion tax is due and payable, that consideration includes not only the purchase price for the unit listed in the purchase agreement, but also the aggregate of any transfer taxes payable by purchaser under the purchase agreement. Thus, for instance, a residential unit priced at $985,000 under a purchase agreement where a

purchaser pays the transfer taxes, would subject the purchaser to liability for the mansion tax as the aggregate of the purchase price plus the transfer taxes exceeds $1 million.

(g) Contribution to the Working Capital Fund in the amount of two months' Common Charges per Unit, payable to the Condominium Board. This contribution is not refundable or transferable if the Purchaser sells his Unit. No initial contribution to the Working Capital Fund of the Condominium will be made by Sponsor (or any other owner of an Unsold Unit). The funds contributed by Purchasers as Working Capital will be deposited in the general operating account of the Condominium and may be used for the repayment of moneys due to Sponsor hereunder and for such other purposes as the Board of Managers shall determine to be appropriate, including for ordinary operating expenses.

(h) Each Purchaser will be responsible for the legal fees of his own attorney and if a mortgage is obtained, the fees of his lender's attorney. In addition, a Purchaser shall also be responsible for the following fees of Sponsor's attorneys, in connection with the closing of title to the Purchaser's Unit:

(i) A fee of $2,000.00 for each Unit if the closing is held at the offices of Sponsor's counsel or other such place as Sponsor may designate in its closing notice, provided, however, that in no event shall Sponsor be required to close at any location outside of the Borough of Queens, unless the actual travel time of Sponsor's counsel is paid in addition to all other amounts due hereunder at the regular billing rates of such attorney.

(ii) A fee of $250, payable in advance, for preparation of an assignment agreement, if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement.

(iii) A fee of $500 (each time) if Sponsor, in its sole discretion, shall adjourn the closing at Purchaser's request.

(iv) A fee of $500 for each loan taken by Purchaser.

(i) If a mortgage loan is obtained from a lending institution, Purchaser will be responsible for the following costs, if any:

(i) Legal fees of the lending institution's attorney;

(ii) origination, points and other fees;

(iii) appraiser fees; and

(iv) Mortgage title insurance policy costs for a mortgage title insurance policy naming the lending institution as the insured, if applicable. Mortgage title insurance rates as quoted by the Title Company as of the date of this Plan will cost a base rate of $344.00 for the first $35,000.00 in coverage; $5.55 per additional thousand dollars of coverage up to $50,000.00; plus $4.54 per thousand dollars of coverage in excess of $50,000.00 up to $100,000.00; plus $3.64 per thousand dollars in coverage in excess of $100,000.00 up to $499,999.00; plus $3.31 per thousand dollars of coverage in excess of $499,999.00 up to $1,000,000.00; plus $3.05 per thousand dollars of coverage in excess of $1,000,000.00 to $5,000,000.00. Please note that if a mortgage title policy is

purchased simultaneously with a fee insurance policy and through the same company, fee insurance coverage rates shall be discounted;

In addition, Purchaser may be required by the lending institution to deposit a reserve fund on a monthly basis with the lending institution for the payment of real estate taxes and insurance premiums for the Unit. Sponsor makes no representation what other fees and charges a lending institution may impose upon a Purchaser.

Mortgage title insurance rates as quoted by **Westminster Abstract** Company as of the date of this Offering Plan are as follows: 70 percent of the regular mortgage title premium rates (e.g., $4,070.00 for $1,100,000.00, $4,010.00 for $1,080,000.00, $3,947.00 for $1,060,000.00 and $3,827.00 for $1,275,000.00);

If, however, the mortgage title insurance policies referred to herein are issued simultaneous with the fee title insurance policies, described in (a), then the mortgage title insurance rates as quoted by **Westminster Abstract** Company as of the date of this Offering Plan are as follows: 30 percent of the regular mortgage title premium rates (e.g., $1,221.00 for $1,100,000.00, $1,203.00 for $1,080,000.00, $1,184.00 for $1,060,000.00 and $1,148.00 for $1,275,000.00) as long as the amount of the mortgage title insurance does not exceed the amount of the simultaneously issued for title insurance.

(iii) For the Units: mortgage recording tax of 2.05% percent of the amount of the mortgage actually executed by Purchaser in the amount of less than $499,999. If the mortgage is in excess of $499,999, the mortgage recording tax is 2.175 percent. Purchaser will pay Sponsor at closing a sum equal to the partial mortgage tax credit pursuant to Section 339-ee(2) of the New York Real Property Law, if applicable. The portion of the tax paid by the purchaser is reduced by $30 credit given for an individual residential condominium unit.

(iv) Recording fee of approximately $250 for recording the mortgage; and

(v) Commitment fee, origination fee, appraisal fee, application fee, credit fee, and other closing costs and expenses, if any, charged by the lending institution.

(j) Within 30 days after the closing of title, Escrow Agent will remit to the Purchaser an amount equal to interest, if any, earned on the Contract Deposit made by Purchaser under the Purchase Agreement.

THE AFOREMENTIONED COSTS ARE ONLY ESTIMATES AND ARE SUBJECT TO CHANGE WITHOUT NOTICE, PROVIDED, HOWEVER, IN THE EVENT OF ANY SUBSTANTIAL CHANGE TO SUCH CLOSING EXPENSES, SPONSOR SHALL FILE AN AMENDMENT TO THE PLAN DISCLOSING THE SAME.

From and after the closing of title to each Unit, the Purchaser will become obligated for the payment of Common Charges, real estate taxes and assessments (including water charges and sewer rents if separately assessed) and all other expenses with respect to his Unit whether or not he resides in the Unit. Purchaser will pay to the Board of Managers, in advance, the monthly Common Charges allocable to Purchaser's Unit. Common Charges assessed during the month in which title closes shall be adjusted with Sponsor as of midnight preceding the closing date, provided, however, that Sponsor shall be reimbursed by Purchaser for the cost of any Common Charges which Sponsor was

obligated to pay to the Board of Managers as a result of any unauthorized delay in closing of title by Purchaser. 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 on Schedule A.

If the Units have not been separately assessed for real estate tax purposes prior to the First Unit Closing, Sponsor shall determine the amount equal to the unpaid real estate taxes which will be levied against the Units for the period of six (6) months from the First Unit Closing and shall place such amount in escrow for such six-month period or until the Units are separately assessed, for whichever is shorter. Sponsor will pay the real estate taxes from this escrow account as they become due and payable. Sponsor is entitled to reimbursement from Unit Owners: (i) on the basis of Common Interest attributable to their respective interests if no separate Unit apportionment has to occurred, or (ii) on the basis of actual apportionment if tax lots have been apportioned. When the Units are separately assessed, any balance, with interest, in the Escrow Account will be returned to the Sponsor. At Unit closings each Purchaser shall adjust real estate taxes with Sponsor from midnight preceding the date of the Unit closing through the end of the tax payment period within which the closing date occurs. If no separate Unit apportionment has yet occurred, such adjustment shall be on the basis of the percentage of Common Interest attributable to such Unit. When the tax lots are apportioned, if a subsequent adjustment needs to be made to correct any discrepancy between adjustment on the basis of the percentage of Common Interest and adjustment on the basis of actual apportionment, it shall be made at that time.

If a Purchaser fails for any reason to close title to his Unit on the originally scheduled Closing Date (the "Scheduled Closing Date"), the closing apportionments described above will be made as of midnight of the day preceding the Scheduled Closing Date, regardless of when the actual Closing occurs. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to his Unit on the rescheduled Closing Date.

(k) ACRIS Service Fee: approximately $150.00

(l) At the Closing, Purchaser of a Residential Unit shall pay Sponsor its proportionate share of the Purchase Price and all closing costs and adjustments for the Superintendent's Unit based on such Unit Owner's Common Interests. All adjustments related to the Superintendent's Unit shall be made as of the First Unit Closing.

EXAMPLE OF ESTIMATED CLOSING COSTS FOR TYPICAL UNIT

Unit 7B in Building A based on a purchase price of $635,500.00 and assuming a mortgage of $508,400.00:

1. Working Capital Contribution	$707.75
2. Title Insurance premium for Fee	$2,141.00 (bulk rate)
3. Title Insurance premium for Mortgage	$449.00 (bulk rate)
4. Recording deed, Power of Attorney	

	and mortgage (estimated)	$260.00
5.	RPT Tax	$75.00
6.	State Transfer Tax	$2,542.00 (without $75 filing fee)
7.	Mansion Tax	$0
8.	Mortgage Tax	$9,756.70 (borrower's share)
9.	Legal Fee of Sponsor's Attorney (basic fee assuming the closing takes place at the location designated by Sponsor, no assignment of the contract and no delay by Purchaser of the closing)	$ 2,000.00
10.	ACRIS Service Fee:	Approximately $150.00
11.	Purchaser's share of Superintendent's Unit	$4,086.71

Total estimated closing costs for this typical transaction is $22,243.16 (including the $75 state transfer tax filing fee)

Tax, insurance and recording rates are subject to change. Other fees can not be estimated because such fees are outside of the Sponsor's control, including without limitation, attorneys' fees for purchaser and purchaser's lender, appraisal, application fees to purchaser's lender, penalty for late closing, filing fees and costs for additional documents, adjustments with Sponsor, adjustments for common charges, apportionments for real estate taxes, credit check, commitment fee or loan origination fee, escrows for real estate taxes and insurance and insurance premiums for the Unit.

Mortgage Tax Credit

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 years prior to the recording of the declaration of condominium, and a mortgage recording 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 253 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.

Sponsor intends to apply for construction financing and/or permanent financing, which will be secured by a mortgage on the Property. If Sponsor obtains construction financing, the construction lender may impose requirements regarding sales by Sponsor and the Offering Plan will be amended to disclose the relevant terms of the construction loan when such financing is obtained. Sponsor has the necessary funds to complete construction of the Units if Sponsor does not obtain construction financing. In the event that a mortgage tax credit becomes available, pursuant to the Section 339-ee (2) of the New York Real Property Law, such credit shall inure to the benefit of Sponsor. Accordingly, at closing, each Purchaser electing mortgage financing shall pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. The amount equal to the mortgage tax credit will be paid to Sponsor and the balance for the mortgage recording tax.

Working Capital Fund

At Unit Closings, each Purchaser is required to pay into a working capital fund of the Condominium (the "Working Capital Fund") an amount equal to two months' Common Charges attributable to such Unit. This fund is to be used for payment by the Condominium Board of any net closing adjustment expenses owed to Sponsor in accordance with the Plan, and for the working capital needs of the Condominium Board. The amount of the net closing adjustment owed to Sponsor will be paid to Sponsor by the Condominium Board, without interest, by applying the Working Capital Fund to the terms of a non-interest bearing note due on the first anniversary of the First Unit Closing, which note will be executed by the Condominium Board at the First Unit Closing in the principal amount of the net closing adjustment owed to Sponsor. Sponsor is hereby authorized to endorse the checks payable to the Condominium Board under this Paragraph over to Sponsor and to apply such payments without any further action of the Condominium Board until the promissory note is paid in full. If the promissory note is not fully paid by the due date from such payments, the Condominium Board will pay the note in full at that time from its general funds. The Condominium Board will be entitled to prepay the note, in full or in part, at any time and without penalty. If the result of the closing adjustments is a net credit in favor of the Condominium Board, or if any amounts remain after the promissory note has been fully paid, such amounts in the Working Capital Fund may be held or used at any time for working capital, to make repairs or for such other appropriate purposes permitted under the Declaration and the By-Laws as determined by the Condominium Board in its sole discretion.

Closing adjustments with the Condominium Board

Immediately prior to the First Unit Closing, Sponsor shall apportion the following items with the Condominium Board as of midnight of the day immediately preceding such closing:

(a) Common Charges for the period from the First Unit Closing to the end of the month in which the First Unit Closing occurs;

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

(c) fees for assignable permits and licenses, if any;

(d) charges for electricity for the Common Elements, for which Sponsor shall obtain a reading;

(e) charges for gas for the Common Elements for which Sponsor shall obtain a reading;

(f) charges under service and maintenance contracts and concession agreements, if any;

(g) water charges and sewer rents on the basis of the fiscal or calendar year for which assessed;

(h) supplies on hand at Sponsor's cost (plus sales tax);

(i) premiums for transferable insurance policies, provided that the amount and the extent of coverage conforms to the disclosures in the Offering Plan in Schedule B;

(j) installments for assessments due and payable prior to the First Unit Closing shall be paid by Sponsor and all other installments of assessments due and payable after the First Unit Closing shall be paid by the Condominium;

(k) Common Charges and all other closing costs with respect to the Superintendent's Unit; and

(l) such other items as are customarily included in closing adjustments in the City of New York.

The Condominium Board shall reimburse Sponsor in full for any electric, utility, prepayments or other deposits paid by Sponsor.

RIGHTS AND OBLIGATIONS OF SPONSOR

Construction Financing for the Condominium

The project is being financed from Sponsor's own funds. Sponsor reserves the right to seek construction financing if it so chooses.

Alterations to the Condominium

In order to meet the possible varying demand for number and type of Units, or to meet particular requirements of prospective purchasers, or for any other reason, Sponsor reserves the right to combine unsold Units, change the layout of, or number of rooms in, any Unsold Unit (except to the extent prohibited by law) at any time and from time to time, before or after the recording of the Declaration, without prior notice or prior amendment to the Plan and without the consent of the Condominium Board, any Unit Owner or mortgagee.

Before the recording of the Declaration, Sponsor reserves the right (except to the extent prohibited by law) at any time and from time to time, by amendment to the Plan to (i) change the size and/or number of Unsold Units by subdividing one or more such Units into two or more separate Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, altering any

boundary walls between one or more Unsold Units, combining Units or otherwise, including the use of any portion of the Common Elements adjacent to such Unsold Units except to the extent that such Common Elements are required to be maintained as Common Elements in accordance with the By-Laws; and (ii) if appropriate, reapportion among the Unsold Units affected by any such change, their Common Interests and (iii) install vents, utility boxes and other items to the roof. In the event of any change pursuant to either subparagraphs (i) or (ii), such change may only be made after Sponsor has disclosed such changes in a duly filed amendment to this Plan and, if the Common Interest or any Common Elements are materially adversely affected by such changes, an offer of recission has been made to any party who has executed a Purchase Agreement and is materially adversely affected by such changes. No material adverse change will be made in the size of a Unit, its layout, its percentage of Common Interest or in the amount or quality of Common Elements directly affecting or servicing the Unit with respect to any Unit for which a Purchase Agreement is then in effect and with respect to which the Purchaser is not in default unless the Purchaser consents thereto.

Except for Sponsor's right to change the layout of, or number of rooms in, any Unsold Unit or combine Units, as set forth above, once the Declaration is filed and recorded, no change may be made in the number of Units or number of rooms within a Unit, nor may the size of any Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid, or otherwise, nor may the Common Interest of any Unit or the amount or quality of the Common Elements be changed, unless the Plan and the Declaration are amended with the consent of all Unit Owners directly affected.

SO LONG AS THE LAYOUT AND RELATIVE DIMENSIONS OF A UNIT CONFORM SUBSTANTIALLY TO THE FLOOR PLANS, A PURCHASER WILL NOT BE EXCUSED FROM PURCHASING SUCH UNIT FOR SUCH REASON AND WILL NOT HAVE ANY CLAIM AGAINST SPONSOR AS A RESULT OF SUCH DEVIATION. (IN CONNECTION WITH THIS SECTION, PURCHASER IS DIRECTED TO READ THE SECTION ENTITLED "CHANGES IN PRICES AND UNITS.")

Certificates of Occupancy and Warranties of Sponsor

Sponsor will cause Building to be constructed in accordance with the requirements for obtaining a certificate of occupancy for the Units. Sponsor will cause the necessary construction to be completed to obtain either a temporary or permanent certificate of occupancy for each Unit prior to the closing date for such Unit. Purchasers are advised that if the certificate of occupancy for a Unit is a temporary certificate of occupancy, such type of certificate of occupancy may only be renewed for a maximum of two years from the date of its original issuance and that if the temporary certificate of occupancy expires prior to obtaining a permanent certificate of occupancy, occupancy of such Unit will be in violation of the law, subjecting the Unit Owners and the Condominium Board to penalties, including the possibility of eviction. Sponsor agrees ultimately to obtain a permanent certificate of occupancy for each Unit within two (2) years after the closing of such Unit, unless Sponsor is prevented from doing so because of strikes, labor troubles, inability to obtain materials, fire or other casualty, war, legal requirements or any other reason outside of Sponsor's control.

Sponsor will cause the construction of the Building to be completed expeditiously substantially in accordance with the plans and specifications described herein and will diligently perform all of its obligations set forth in the Plan and will deliver to the Board of Managers a set of "as-built" plans as filed with the recording of the Declaration and any amendments thereto.

Notwithstanding the foregoing, Sponsor reserves the right to amend or modify, in any way, the building and alteration plans (including, without limitation, changing materials, appliances, equipment, fixtures and other construction details) and substitute in place of any materials, appliances, equipment and fixtures set forth therein or in "Architect's Report on Description of Property and Building Condition" which is Exhibit D in Part II of the Plan, materials, appliances, equipment and fixtures of substantially equal or better quality, provided only that any necessary approval of any governmental authority having jurisdiction thereover is first obtained. All of the foregoing amendments or changes may be made after filing an amendment to the Plan to such effect. Sponsor shall install a carbon monoxide detector in each Residential Unit as required by legal requirements.

At the Closing of a Unit, Sponsor shall assign (to the extent assignable) to the Unit Owners any manufacturer's warranties on any equipment, appliances and fixtures which Sponsor installed in the Unit.

Sponsor shall assign any warranties with respect to equipment and appliances installed in the Common Elements of the Building to the Board of Managers. Sponsor shall not be responsible for and shall have no liability for conditions resulting from normal wear and tear, or natural deterioration, or from the normal settling or shifting of the Building, or for defects of insubstantial nature, such as, without limitation, nail pops, ridging on sheetrock walls, lumber shrinkage, door sticking due to weather, door warpage of less than one-half of one inch, ridging or gaps in hardwood flooring of less than normal tolerances, minor scratches on doors, flooring, appliances or countertops, normal plumbing, heating and air conditioner noises, for work damaged by Purchasers, their contractors or those working in the Purchaser's Unit at such Purchaser's request, acts of God, strikes, lack of control over subcontractors, and damages caused by moving other than by Sponsor

Sponsor represents that all expenses incurred prior to the establishment of the Condominium have been paid or will be paid by Sponsor, or an appropriate credit given therefore at the closing date. All costs or expenses incurred in connection with the sale of Units held or owned by Sponsor will be charged to and will be paid by Sponsor, including, but not limited to, advertising and printing costs, architects' fees, organization costs, brokerage commissions, if any, engineering appraisal and surveying fees and costs as the same may be approved by Sponsor on its own behalf but under no circumstances on behalf of a Purchaser. Sponsor shall cause all mechanics' liens, if any, with respect to such construction to be promptly discharged or bonded. Until the delivery of title to a Purchaser, Sponsor will be liable for operation and maintenance of any Unsold Units. Sponsor reserves the right, without prior notice or amendment to the Plan and without prior notice to the Condominium or Condominium Board, to use any Unit or Units, as the case may be, as sales offices and/or model apartments. (For a further description of the above discussion Purchasers are directed to the sections entitled "Alterations to the Building, Construction Permit and Certificates of Occupancy" and "Unsold Units.")

If a Unit closing takes place prior to the issuance of a permanent certificate or temporary certificate of occupancy for such Unit, Sponsor shall maintain all deposits and funds received on account of such Unit in a special escrow account required by Section 352-e(2)(b) of the General Business Law of the State of New York unless Sponsor's engineer or architect certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent certificate of occupancy for such Unit, in which case the sum exceeding the amount so certified by Sponsor's engineer or architect may be released from the special escrow account upon Sponsor's written instruction to the escrow agent of such account. Alternatively, Sponsor must deposit with the escrow agent an unconditional, irrevocable letter of credit, post a surety bond in an amount so certified or provide other collateral acceptable to the Department of Law.

As set forth in "Rights of Access", Sponsor and its contractors, subcontractors, agent and employees will have a right of access to each Unit and to all of the Common Elements for purposes of performing certain alterations and repairs in or about Unsold Units and fulfilling Sponsor's obligations under the Plan.

Unsold Units

Title to each Unsold Unit will remain in Sponsor or its successor until the Unit is sold and a deed delivered to the Purchaser. From and after the date of the First Unit Closing, Sponsor shall be responsible for and will pay all Common Charges, real estate taxes and special assessments attributable to each Unsold Unit until it is sold to a bona fide Purchaser for value. Sponsor expects to have the financial resources to meet the aforesaid obligations with respect to Unsold Units and fund the same from income from projected sales, the rental or leasing of Unsold Units and Sponsor's other financial resources.

While Sponsor owns a Unit, it shall have the right to maintain general and sales offices on or about the Property, to have its employees present on the Property, to use the Common Elements and to do all things necessary or appropriate to sell or lease Units, including, but without being limited to, the right to maintain signs on exterior portions of the Building, but Sponsor shall be obligated to repair and maintain the portions of the Property used by it for such purpose so long as such use by Sponsor shall continue.

Sponsor reserves the right to place "For Sale" or "For Lease" signs in, at or on the Building and to maintain and staff a Unit or Units throughout the Building as a sales office and may designate certain of the Units as model Units. Sponsor may change the designation of the sales office and/or model Units from time to time at its discretion without notice to the Condominium Board or Unit Owners.

Sponsor also reserves the right, without prior notice or amendment to this Plan, to use Unsold Units for the purpose of storing construction materials and supplies, provided such Units are maintained in a safe, neat and workmanlike manner. Upon the sale of any Unit, Sponsor shall remove at Sponsor's sole expense any construction materials which Sponsor has placed therein.

Sponsor will endeavor in good faith to sell, in a reasonably timely manner, all Units to Purchasers for personal occupancy by themselves or their families, but reserves the right, if market conditions become unfavorable after the filing of this Plan, to rent Unsold Units until they may be sold at prices determined in good faith to be satisfactory to Sponsor or

to sell Unsold Units to unrelated Purchasers for rental operation and not personal occupancy. Because Sponsor is limiting the conditions under which it will rent rather than sell Units, there is no commitment by Sponsor to sell more Residential Units than the fifteen (15%) percent necessary to declare the Offering Plan effective and Purchasers may never gain effective control and management of the Condominium. If Sponsor makes a bulk sale of all or some of the Unsold Units, the transferee successor Sponsor is bound by Sponsor's representations regarding its commitment to sell the Units. Sponsor shall use its good faith efforts to sell to Purchasers for personal occupancy include listing Unsold Units with brokers, showing Unsold Units to brokers and prospective purchasers or their representatives, filing updated Amendments to the Plan and otherwise engaging in customary sales activities.

Miscellaneous

As set forth in detail in Schedule B and "Notes to Schedule B," Sponsor has agreed to procure fire and casualty insurance. Based upon the opinion delivered by Jacobson, Goldfarb & Scott, Inc., Sponsor warrants that the insurance coverage is adequate so that the Condominium will not be deemed a co-insurer of the Building. Such insurance coverage will be in effect on the date of the First Unit Closing.

As more specifically set forth in "Recordation, Inspection and Delivery of Documents," Sponsor agrees to keep copies of the Plan and all exhibits and documents referred to herein on file at the office of Sponsor for a period of six years from the date the Declaration is recorded. In addition, a set of the Floor Plans as filed with the City Register's Office will be furnished to the Condominium Board.

No bond or other security has been furnished to secure Sponsor's obligations under the Plan, including Sponsor's obligations to complete construction of the Condominium.

Sponsor shall defend any suits arising out of the acts, omissions or representations of Sponsor. Sponsor shall indemnify the members of the Board and the Unit Owners from claims arising out of the acts, omissions or representations of Sponsor.

All of Sponsor's representations under the Offering Plan, all of Sponsor's obligations under the GBL and all additional obligations under the offering plan which are to be performed subsequent to the closing date will survive delivery of the deed.

In the event of the dissolution or liquidation of Sponsor or the transfer of ten or more Units or 20 percent or more of the total number of Units, whichever is less, the principals of Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of Sponsor for those Units under the Plan, applicable laws or regulations.

The risk of loss from fire or other casualty with respect to the Unit shall remain with Sponsor until the closing of title for the particular Unit to the extent same is not covered by insurance. Notwithstanding the above, in the event that (i) Purchaser enters into actual possession of a Unit prior to the closing of title, or (ii) another person enters into actual possession of a Unit prior to the closing of title at the direction of Purchaser, then Purchaser shall bear the risk of loss or other casualty with respect to that Unit to the extent same is not covered by insurance.

If Sponsor elects to obtain construction financing, the construction lender may impose requirements regarding sales by Sponsor and the Plan must be amended to disclose the relevant terms of the construction loan agreement when financing is obtained.

Parking Space Units 9, 10, and 11 have been designated as Handicapped Parking Units. The purchase of a Handicapped Parking Unit and any subsequent conveyance, sale, transfer or encumbrance of it, is hereby subject to the following covenant and restriction, which shall run with the Handicapped Parking Unit in perpetuity.

If at any time an Owner of a Residential Unit or member of his or her family who resides in such Residential Unit becomes handicapped and is given handicapped plates for his or her vehicle, and said Residential Unit Owner owns a Parking Unit, said Residential Unit Owner has the right to demand that the Owner who last acquired one (1) of the Handicapped Parking Units and who does not have handicapped plates for his or her vehicle exchange his or her Handicapped Parking Unit for the Parking Unit owned by said handicapped Owner.

If at any time an Owner of a Residential Unit or member of his or her family who resides in such Residential Unit becomes handicapped, is given handicapped plates for his or her vehicle and said Residential Unit Owner does not own a Parking Unit, said Residential Unit Owner has the right to demand that the Owner who last acquired one (1) of the Handicapped Parking Units and who does not have handicapped plates for his or her vehicle sell the handicapped Parking Unit at the then current, fair market value, to said handicapped Owner. The Residential Unit Owner acquiring such Handicapped Parking Unit shall pay any and all reasonable costs and expenses incurred by either party in such transaction, including without limitation, reasonable attorneys' fees, transfer taxes, title charges and costs of arbitration.

If the parties can not agree on the fair market value of such Handicapped Parking Unit, then the parties agree to submit the matter to binding arbitration in accordance with Article 11 of the By-Laws of the Condominium. Either party can submit such dispute to arbitration in accordance with the By-laws of the Condominium.

The above covenant and restriction is contained in the Condominium Declaration, the By-laws and the form of Unit Owner's deed as set forth in Part II of the Plan.

CONTROL BY THE SPONSOR

Until the first annual meeting of Unit Owners, the initial Condominium Board shall consist of three persons designated by Sponsor. Accordingly, until the first annual meeting, Sponsor will have absolute voting control of the Condominium Board. Commencing with the first annual meeting of Unit Owners and thereafter, the Condominium Board shall be comprised of five members Board of Managers. The first annual meeting of Unit Owners will be held 120 days after the First Unit Closing. Sponsor shall disclose that a meeting will be held to elect new board members unrelated to Sponsor within thirty (30) days of the expiration of the Sponsor Control Period.

So long as Sponsor or its successor owns at least one Unsold Unit, and whenever there is a vacancy on the Board, Sponsor shall have the right to designate, prior to the election of members of the Condominium Board at the annual meeting of Unit Owners, a sufficient

number of Board members so that Sponsor or its successor shall have designated the following number of Board members at any one time: (a) two members if Sponsor owns less than eighty (80%) percent in Common Interest of all Units, and (b) three members if Sponsor owns eighty (80%) percent or more in Common Interest of all Units before the fifth anniversary of the First Unit Closing. The number of Board members may not be increased prior to the fifth anniversary of the First Unit Closing. Under no circumstances may Sponsor control the Board beyond the earlier of: (a) the fifth anniversary of the First Unit Closing and (b) the first date on which Sponsor owns less than eighty (80%) percent in Common interest of all Units.

The By-Laws provide that for so long as the Sponsor or its successor owns or controls any Unit (but only for a maximum of five years from the date of the First Unit Closing), the Condominium Board may not, without Sponsor's prior written consent, (i) make any addition, alteration or improvement to the Common Elements (unless required by law); (ii) assess any Common Charges for the creation of, addition to, or replacement of, all or part of any reserve, contingency or surplus funds in excess of the reserve, contingency or surplus provided for in Schedule B hereof; (iii) hire any additional employee or engage any independent contractor to provide services to the Condominium on a continuing basis; (iv) enter into any service or maintenance contract for work not covered in Schedule B hereof, or otherwise provide services in excess of those contemplated by such Schedule B or elsewhere in the Plan; or (v) borrow money on behalf of the Condominium.

Sponsor may not exercise veto power over expenses described in Schedule B or over expenses required: (i) to comply with applicable laws or regulations, (ii) to remedy any notice of violation, or (iii) to remedy any work order by an insurer.

BOARD OF MANAGERS

The affairs of the Condominium shall be governed by the Condominium Board which shall be comprised of representatives of the Unit Owners. At the first annual meeting, the Unit Owners will elect the Condominium Board which will then consist of five persons. Members of the Board of Managers shall serve for two-year terms. Except at the first annual meeting when the Unit Owners shall elect all members of the Board, three members shall be elected in years ending with an even number and two members will be elected in years ending with an odd number.

Within 120 days after the First Unit Closing, Sponsor shall call the first annual meeting of Unit Owners for the purpose of electing the five member Condominium Board. Until the first election, the Condominium Board shall consist of three persons designated by Sponsor. The By-Laws provide that the Unit Owners shall receive no less than 30 days written notice of an annual meeting of the Unit Owners. (See "Meetings and Votes of Unit Owners" and Part I of the Plan). Except for the first Condominium Board, as aforesaid, each member of the Condominium Board shall be elected at the annual meeting thereof and until a successor has been elected and qualified as set for above. Except for Board members elected by Sponsor or its successor, after the Sponsor Control Period, all members of the Condominium Board must be either Unit Owners or certain interested parties who control a Unit Owner. All Board members shall serve without compensation. Persons who wish to be elected to the Board or persons who wish to

nominate others to serve shall deliver written notice of the names of such persons no less than fourteen days prior to the annual meeting.

The Condominium Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium. As more fully set forth in the By-Laws, all determinations required to be made by the Condominium Board shall be by majority of the votes cast at any meeting at which a quorum is present.

To the extent and in the manner provided in the New York Condominium Act, the Board may, as provided in Article 2 of the By-Laws, be incorporated under the applicable statutes of the State of New York. In the event that the Board so incorporates it shall have, to the extent permitted by applicable law, the status conferred upon it under such statutes in addition to the statutes conferred upon the Board under or pursuant to the provisions of the New York Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the provisions of the Declaration and the By-Laws. In the event of any inconsistency or conflict between the provisions of such certificate of incorporation and such By-Laws, and the Declaration and the By-Laws, the provisions of the Declaration and By-Laws shall control. The By-Laws contain a residency requirement pursuant to which a majority of the Condominium Board must be owner-occupants of the Building who are unrelated to Sponsor or its principals, after the end of the Sponsor Control Period.

Meetings and Votes of Unit Owners

The first annual meeting of Unit Owners shall be held on a date not later than 120 days after the First Unit Closing. At this meeting the incumbent Condominium Board shall resign and the Unit Owners shall elect a new Condominium Board. Thereafter, annual meetings of Unit Owners shall be held in May of each succeeding year. At each annual meeting, the Unit Owners shall elect two or three members to the Condominium Board. The By-laws provide that persons being nominated or who wish to be nominated to serve on the Condominium Board shall give notice to the Managing Agent of the Condominium no less than fourteen days prior thereto. Special meetings of the Unit Owners may be held from time to time pursuant to the By-Laws. At all meetings of Unit Owners, the presence in person or by proxy of Unit Owners owning more than fifty (50%) percent of the Common Interests attributable to all Units shall constitute a quorum and, except as otherwise provided in the By-Laws or Declaration, a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Unit Owners. Sponsor shall disclose that a meeting will be held to elect new board members unrelated to Sponsor within thirty (30) days of the expiration of the Sponsor Control Period.

At all meetings, each Unit Owner (or his proxy) entitled to vote (including Sponsor with respect to Units owned by Sponsor or its successor) shall be entitled to cast one vote for each .001% of interest in the Common Elements attributable to his Unit or Units.

Officers

The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Condominium Board. The

Condominium Board may appoint additional officers. None of the officers of the Condominium need be Unit Owners, have any interest in the Condominium or be Board members until the first organization meeting of the Condominium Board following the first annual meeting of Unit Owners. Thereafter, the President and Vice President of the Condominium must be members of the Condominium Board. Except as otherwise provided by the Condominium Board, no officer shall receive any compensation for acting as such. The names of the anticipated first officers and members of the Board of Managers are David Von Spreckelsen, Nimita Shah and Giuliano Pignataro. David Von Spreckelsen is an officer of the Sponsor. However, Sponsor reserves the right to designate other initial officers and members of the Board.

Insurance

The Condominium Board is required to obtain and maintain, to the extent obtainable and to the extent determined by the Condominium Board to be appropriate, the following insurance:

(a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit), together with all service machinery contained therein and covering the interests of the Condominium, the Condominium Board and a Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount not less than an amount sufficient to avoid any defense based on co-insurance or other insurance or any invalidity arising from any acts of the insured and of pro-rata reduction of liability but in no event greater than the full insurable replacement value of the Building (exclusive of foundation and footings), without deduction for depreciation; (b) rent insurance in an amount equal to estimated Common Charges for one year; (c) workmen's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) water damage legal liability insurance; (f) elevator liability and collision insurance; (g) fidelity insurance covering all officers, members of the Condominium Board and employees of the Condominium and of the Managing Agent or agents who handle funds of the Condominium; and (h) such other insurance as the Condominium Board may determine.

The amount of fire insurance and all risk extended coverage to be maintained until the first meeting of the Condominium Board following the first annual meeting of the Unit Owners shall be in at least the sum of $25,000,000.00.

All policies of physical damage insurance shall contain waivers of subrogation and waivers of any defense based on co-insurance or other insurance or of invalidity arising from any acts of the insured and of pro-rata reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least ten days' prior written notice to all of the insureds, including all Permitted Mortgagees. Upon request in each instance, duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, shall be delivered to Unit Owners and Permitted Mortgagees at least ten days prior to the expiration of the then current policies.

The Condominium Board also shall be required to obtain and maintain comprehensive general liability insurance in such limits as the Condominium Board may from time to

time determine, covering (1) the Condominium Board and the Managing Agent, each Condominium Board member and each officer and employee of the Condominium, and (2) each Unit Owner, and covering all claims for personal injury or property damage arising out of any occurrence on the Property, except that such policy will not cover liability of a Unit Owner arising from occurrences within his own Unit or within the Common Elements, if any, exclusive to his Unit. Such insurance shall also cover cross-liability claims of one insured against another. The Condominium Board shall review such limits once each year. Until the first meeting of the Condominium Board following the annual meeting of the Unit Owners, such liability insurance shall be $1,000,000.00 per occurrence and $2,000,000.00 in the aggregate covering all claims for personal injury or property damage arising out of one occurrence.

Any insurance maintained by the Condominium Board may provide for such deductible amounts as such Board determines. The premiums for all insurance referred to above shall be a Common Expense and shall be borne by the Unit Owners in proportion to their respective Common Interests.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit provided that all such policies shall contain waivers of subrogation, and further provided that the liability of the carriers issuing insurance obtained by the Condominium Board 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

Except as set forth in the next paragraph, in the event that the Building or any part hereof is damaged or destroyed by fire or other casualty, the Condominium Board will arrange for the prompt repair and restoration thereof (including any damaged Units, but excluding any appliances, fixtures, furniture, furnishings, or other personal property not constituting a part of such Unit or not covered by the Condominium Board's insurance policy and subject to the limitation set forth in the next sentence). The aforesaid restoration obligation of the Condominium Board with respect to the Units shall be limited to solely restoring any damaged Unit to the condition that the Unit was in on the date that Sponsor conveyed title to the Unit to the original Unit Owner (i.e., the Closing Date) or the Condominium Board may elect to assign the insurance proceeds attributable to such Unit, in which case such Unit Owner would be responsible for the restoration of the Unit to the condition that the Unit was in on the Closing Date. If the insurance proceeds are insufficient to cover the cost of repairs or restorations, the Condominium Board may assess the deficit as a Common Expense to all of the Unit Owners in accordance with their respective interests in the Common Elements. Any surplus insurance proceeds will be paid to all Unit Owners at the discretion of the Board in proportion to their respective Common Interests, except that no payment may be made to a Unit Owner until there has first been paid, out of his share of such funds, such amounts as may be necessary to eradicate unpaid liens on his Unit (other than mortgages that are Permitted Mortgages, as such term is defined in the Declaration) in the order or priority of such liens.

Each Unit Owner should make sure that he or she is adequately insured to the extent of any changes, modifications and/or deletions that he may have made to his Unit subsequent to the initial transfer of the Unit from Sponsor.

If three-fourths or more of the Building is destroyed or substantially damaged and if 75 percent or more of all Unit Owners, both in number and in Common Interests, do not duly resolve within 60 days from the date of such damage or destruction to proceed with the repair or restoration of the same, the Building may not be repaired and will be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of the resulting sale, together with the net proceeds of insurance policies, will be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his share of such funds, such amounts as may be necessary to eradicate all unpaid liens on his Unit (other than mortgages which are Permitted Mortgages) in the order of the priority of such liens. If Sponsor or his designee is then a Unit Owner, Sponsor or such designee will have the right to vote at any meeting of Unit Owners called for the purpose of deciding whether or not to proceed with the restoration or repair of the Building.

Units Acquired by the Condominium Board

All Units acquired or leased by the Condominium Board or its designee, shall be held by the Board or its designee, on behalf of all Unit Owners, and the rent or purchase price, closing costs and adjustments payable in connection therewith shall be assessed against all Unit Owners. No Units held by the Condominium Board or its designee shall carry any voting rights.

Liability of Condominium Board and Unit Owners

Every contract made by the Condominium Board or by any managing agent thereof shall state that: (a) it is made only as agent for all Unit Owners, and Condominium Board members or the managing agent shall have no personal liability thereon (except in their capacities as Unit Owners), and (b) the liability of any Unit Owner with respect to such contract to the Condominium Board shall be limited to (i) such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners, and (ii) except as otherwise provided by law or as otherwise determined by the Condominium Board in its sole and absolute discretion, such Unit Owner's interest in his Unit and its appurtenant interest in the Common Elements. Condominium Board members shall have no liability to Unit Owners for errors of judgment, negligence or otherwise, except that a Condominium Board member shall be liable for his own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant interests in the Common Elements, indemnify each Condominium Board member against any liability or claim except those arising out of his own bad faith or willful misconduct. The Condominium Board may contract or effect any other transaction with any Board member, any Unit Owner, Sponsor or any affiliate of any of them without, except in cases of bad faith or willful misconduct, incurring any liability for self-dealing.

Budgets and Reports to Unit Owners

The Board of Managers shall cause a copy of the proposed annual budget to be delivered to the Unit Owners no less than twenty days prior to the date set for adoption thereof by the Board of Managers. For so long as the Board of Managers is controlled by Sponsor, such budget shall be certified by an expert.

An annual report of the receipts and expenditures of the Condominium, prepared by an independent certified public accountant, shall be submitted by the Condominium Board to all Unit Owners within eight months after the end of each fiscal year. Such report shall be certified while Sponsor is in control of the Condominium Board.

Leasing of Unsold Units

At any time after a temporary certificate of occupancy has been issued for the Building authorizing its occupancy for uses described herein, Sponsor reserves the right to rent or lease any Unit to any prospective Purchaser who has executed a Purchase Agreement which has been accepted by Sponsor and who has paid the Contract Deposit required by such Purchase Agreement, if the Purchaser so desires, prior to the date of closing of title thereto (an "Interim Lease"). Such rental or lease shall be for such rent and on such terms and other conditions as Sponsor and such Purchaser may agree. Any such lease will provide, however, among other things, that an uncured default by the Purchaser under the Purchase Agreement with respect to the Unit which is the subject of the lease will constitute a default under the lease entitling Sponsor, at its sole option, to terminate such lease immediately. In addition, each Purchase Agreement will provide, among other things, that an uncured default by the Purchaser under any lease with respect to the Unit which is the subject of the Purchase Agreement will constitute a default under the Purchase Agreement; provided, however, before Sponsor may utilize the default under the lease to declare a default under the Purchase Agreement, Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee unless the lessee has vacated the Unit. In the event the lessee elects to rescind his or her Purchase Agreement as provided in an amendment to the Plan, the interim lessee will be given 30 days to vacate the Unit, but will be liable to Sponsor for the rent due and owing for such period.

Sponsor also reserves the right to use or occupy or to rent or lease to a tenant who is not a Purchaser or to an affiliate, subsidiary or related entity of Sponsor (on such terms and conditions as may be agreed upon by Sponsor and such tenant) any Unit not conveyed or with respect to which a Purchase Agreement is not signed.

No rental protection laws are applicable to Interim Leases. However, if the Offering Plan is not declared effective, Sponsor may preserve its application for 421-a benefits only by registering the Building with the New York State Department of Housing and Community Renewal within thirteen months of the acceptance date of the Offering Plan and submitting the Building to the guidelines of the Emergency Tenant Protection Act of 1974 and, to the extent it is in effect, the amended Code of the Rent Stabilization Association of N.Y.C., Inc. (such Act and Code being known herein collectively as "Rent Stabilization"), and any tenant of a Unit would be entitled to the benefits provided to residential tenants by Rent Stabilization.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS

Sales and Leases of Units

Each Unit Owner may sell or lease his Unit, provided he first gives the Condominium Board, on behalf of all Unit Owners, notice of his intention to sell or lease such Unit and an opportunity to purchase or lease such Unit at the same price or rental and on the same terms and conditions as set forth in an executed contract of sale or lease made with a prospective Purchaser or lessee as more specifically provided for in Article 8 of the By-Laws. In connection with any notice given hereunder to the Condominium Board, a Unit Owner must deliver a copy of the contract of sale or lease, as the case may be, to the Condominium Board and must provide the Condominium Board with such other information as the Condominium Board may reasonably require. Except with respect to leases of Unsold Units, no lease of a Unit shall be for a term less than one (1) year. If the Condominium Board does not elect to purchase for itself or a designee or lease the Unit within 20 days after receipt of the offering Unit Owner's notice and any information requested by the Condominium Board in accordance with the terms of the notice and the contract of sale or lease, said written contract of sale or lease agreement with the prospective purchaser or lessee, as the case may be, shall be deemed approved by the Condominium Board. The Condominium Board may not exercise its option to purchase or lease any Unit without prior approval of 80 percent in number of the members of the Condominium Board. Any such lease shall be in the form then recommended by The Real Estate Board of New York, Inc. for condominium apartments, stores or offices, as the case may be, except for such changes therein as are provided in the By-Laws. A Unit Owner may lease, sell or convey his Unit to a spouse, domestic partner, adult child, parent, parent-in-law or adult sibling, or may convey his Unit by gift, or may devise his Unit by will, or have it pass by intestacy, without complying with the foregoing restrictions, provided, however, that each succeeding Unit Owner shall be bound by such restrictions. In addition, any Unit Owner may lease, sell or convey his Unit to a related or controlled person as more particularly set forth in Article 8 of the By-Laws.

Notwithstanding the foregoing, title to a Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit (other than those held by any Permitted Mortgagees, as defined below) are paid and satisfied at or prior to closing.

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

Each conveyance of a Unit by a Unit Owner shall include as part of the property to be conveyed such Unit Owner's (i) undivided interest in the Common Elements, (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), (iii) undivided interest in any other assets of the Condominium, and, if applicable, (iv) undivided interest in any Limited Common Element which may be part of a Unit including, but not limited to, the Terraces.

Parking Space Units 9, 10, and 11 have been designated as Handicapped Parking Units. The purchase of a Handicapped Parking Unit and any subsequent conveyance, sale, transfer or encumbrance of it, is hereby subject to the following covenant and restriction, which shall run with the Handicapped Parking Unit in perpetuity.

If at any time an Owner of a Residential Unit or member of his or her family who resides in such Residential Unit becomes handicapped and is given handicapped plates for his or her vehicle, and said Residential Unit Owner owns a Parking Unit, said Residential Unit Owner has the right to demand that the Owner who last acquired one (1) of the Handicapped Parking Units and who does not have handicapped plates for his or her vehicle exchange his or her Handicapped Parking Unit for the Parking Unit owned by said handicapped Owner.

If at any time an Owner of a Residential Unit or member of his or her family who resides in such Residential Unit becomes handicapped, is given handicapped plates for his or her vehicle and said Residential Unit Owner does not own a Parking Unit, said Residential Unit Owner has the right to demand that the Owner who last acquired one (1) of the Handicapped Parking Units and who does not have handicapped plates for his or her vehicle sell the handicapped Parking Unit at the then current, fair market value, to said handicapped Owner. The Residential Unit Owner acquiring such Handicapped Parking Unit shall pay any and all reasonable costs and expenses incurred by either party in such transaction, including without limitation, reasonable attorneys' fees, transfer taxes, title charges and costs of arbitration.

If the parties can not agree on the fair market value of such Handicapped Parking Unit, then the parties agree to submit the matter to binding arbitration in accordance with Article 11 of the By-Laws of the Condominium. Either party can submit such dispute to arbitration in accordance with the By-laws of the Condominium.

The above covenant and restriction is contained in the Condominium Declaration, the By-laws and the form of Unit Owner's deed as set forth in Part II of the Plan.

Mortgage of Units by Unit Owners

Each Unit Owner may mortgage ("Permitted Mortgages") his Unit to a bank, trust company, insurance company, savings and loan association or any institution or non-institutional lender including, without limitation, the seller of a Unit (collectively "Permitted Mortgagees"), provided that the conditions with respect thereto set forth in Article 8 of the By-Laws are first complied with by him. As more fully set forth in said Article 8, these conditions include the requirements that (i) the mortgage be substantially in the form of the New York statutory form of mortgage, except for such changes or additions as may be required to permit a lender to make the loan, (ii) the Condominium Board is notified in writing of the making of such mortgage and (iii) the owner making such mortgage first satisfies all unpaid liens against his Unit, other than Permitted Mortgages. Sponsor or its successor, as owner of any Units, may mortgage or otherwise encumber such Units including one mortgage which shall cover all of the Units in the Building owned by Sponsor or its successor without any notice to the Condominium Board.

Common Charges: Determination and Assessment

Common Expenses are allocated among Unit Owners in proportion to their respective Common Interests, except that the cost and expenses in connection with the cost and expense of maintaining and repairing the Limited Common Elements shall be borne by the Unit Owners having the right to the exclusive use thereof. The respective Common Interests of each Unit, as estimated by Penmark are based upon floor space, the overall dimensions of the particular Unit, the location of such space, the uniqueness of the Unit and the availability of Common Elements for exclusive or shared use. Common Expenses include, among other things, all costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements, water charges and sewer rents (unless separately assessed to individual Units), payroll and associated costs and may include certain amounts for reserves or in connection with the purchase or lease by the Condominium Board of any Unit. In addition, until the Units are separately assessed, Sponsor or the Condominium Board will pay all real estate taxes with respect to the Property and allocate the cost thereof among all Units in proportion to each Unit's Common Interest. Each Unit Owner will be required to reimburse the Condominium Board, as a Common Charge, for his proportionate share of such taxes, if any, and will then be entitled to a deduction for Federal, New York State and New York City income taxes with respect to such amount to the same extent as if such Unit Owner had paid such taxes directly to the taxing authority. Any refund of real estate taxes as a result of Section 421-a or other tax benefits or any similar tax reduction/abatement programs shall be allocated pro-rata (based on Common Interest) among those Unit Owners entitled to such benefits. Unit Owners will be responsible for any fees or charges incurred in conjunction with the application for 421-a benefits including HPD fees and any 421-a consultant fees and attorneys fees in connection with obtaining such benefits.

At least annually, the Condominium Board will prepare a budget for Common Expenses and allocate to, as aforesaid, and assess to, the Unit Owners' Common Charges to meet such expenses. While Sponsor is in control of the Condominium Board, such budget shall be certified. The Condominium Board will furnish copies of each budget on which Common Charges are based to all Unit Owners and advise each Unit Owner of the amount of Common Charges payable by him. Unless otherwise determined by the Condominium Board, Common Charges will be payable monthly in advance on the first day of each month.

Common Charges: Collection and Lien for Nonpayment

No Unit Owner may exempt himself from liability for his Common Charges by waiving use of any of the Common Elements or by abandonment of his Unit. However, no Unit Owner will be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to a permissible sale, transfer or other conveyance by him of such Unit. In addition, as more specifically set forth in the By-Laws, a Unit Owner may, by conveying his Unit to the Condominium Board without consideration and complying with certain conditions in connection therewith, exempt himself from Common Charges thereafter accruing. However, in no event shall Sponsor or its successor be permitted to convey any Unsold Unit to the Condominium Board and thereby exempt itself from Common Charges attributable to such Unit thereafter accruing.

On a resale of any Unit, Purchaser will be liable for the payment of Common Charges accrued and unpaid against that Unit prior to his acquisition. In the event of a foreclosure by the Condominium Board of its lien on any Unit for unpaid Common Charges, if the net proceeds of the foreclosure sale shall be insufficient for the payment of the unpaid charges or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the Unit Owner before the foreclosure shall remain liable for the unpaid balance of those charges. The Condominium Board will have the right to assess the unpaid balance as a Common Charge against all Unit Owners.

Under the provisions of Section 339-z of the New York Condominium Act and Article 6 of the By-Laws, the Condominium Board, on behalf of all Unit Owners, will have a lien on each Unit for unpaid Common Charges, with interest thereon, assessed against that Unit. All such liens, however, to the extent permitted by applicable law, will be subordinate to liens for real estate taxes and first mortgage liens on the Unit. Any lien for unpaid Common Charges against a Unit will be effective from and after filing of a verified notice thereof in the City Register's Office and until all sums secured by the lien, with accrued interest, shall have been fully paid, or until six years from the date of filing (unless foreclosure of the lien is commenced within such six-year such period), whichever shall be sooner. The Condominium Board (acting on behalf of all Unit Owners) may foreclose such liens in like manner as the foreclosure of a mortgage on real property or may bring an action to recover the unpaid Common Charges without foreclosing the lien.

Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the New York Condominium Act on Units in which Sponsor is more than 30 days in arrears in common charges while Sponsor is in control of the Board of Managers.

Purchase of Units by Non-Occupying Owners

Real Property Law Section 339-kk ("Section 339-kk"), provides that if the owner of a Unit who rents his Unit (a "Non-Occupying Owners") fails to make payments due for common charges, special assessments or late fees (collectively "Condominium Charges") for such Unit within 60 days of the expiration of any grace period after they are due, then upon notice in accordance with the following paragraph, all rental payments from the tenant shall be directly payable to the Condominium Board.

If the common charges, special assessments or late fees due for any Unit have not been paid in full, within 60 days after the expiration of any grace period of the earliest due date, the Condominium Board shall provide written notice to the tenant and the Non-Occupying Owner providing that, commencing immediately and until such time as all payments for common charges, special assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the Condominium Board at the address listed on the notice.

The notice will also include a detailed statement of each of the unpaid Condominium Charges, including the amount owed, when the amount was due and the nature of the unpaid Condominium Charges (that is, common charges, special assessments and/or late fees, as applicable). Where a majority of the Condominium Board has been elected by and from among the Unit Owners who are in occupancy, the Condominium Board may elect not to require that rental payments be made payable to the Condominium Board. At

such time as payments for common charges, special assignments, and late fees from the Non-Occupying Owner are once again current, notice of such fact shall be given within three business days to the rental tenant and Non-Occupying Owner. Thereafter, all rental payments shall be made payable to the Non-Occupying Owner or a designated agent. A Non-Occupying Owner who disputes the Condominium Board's claim to rental payments pursuant to Section 339-kk shall be entitled to present facts supporting such Unit Owner's position at the next scheduled meeting of the Condominium Board, which must be held within 30 days of the date that such Board receives notice that such Unit Owner seeks to dispute such claim.

If an owner owns two or more Units occupied by rental tenants, the Condominium Board may collect the rent from only the rental tenant of each Unit whose Condominium Charges are in arrears for 60 days or more. The Condominium Board shall apply the rent collected from the rental tenant to reduce the unpaid Condominium Charges of the Unit occupied by such rental tenant.

No less often than once a month, the Condominium Board or designated agent (as applicable) will send the owner of a Unit a detailed written accounting of the amount received and collected from the rental tenant. If a rental agent's rent check is dishonored or returned uncollected, the Condominium Board or designated agent (as applicable) shall send the Owner the dishonored or uncollected check promptly after receipt. The Unit Owner shall continue to have the exclusive right to enforce the rental tenant's lease (if any) and tenancy obligations and to assert all rights and remedies available to the owner as landlord.

Nothing in Section 339-kk shall limit any rights of Unit Owners or of the Condominium Board existing under any other law or agreement.

Payment by a rental tenant to the Condominium Board made in connection with Section 339-kk shall relieve that rental tenant from the obligation to pay such rent to the non occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

To the extent not prohibited by Section 339-kk, the rights granted to the Condominium Board under this statute are subordinate to the rights of a holder of any lien or other security interest in a Unit held by a Non-Occupying Owner.

Use of Units

Prospective purchasers should carefully review the section herein titled "The Units" in order to understand the specific uses to which the Units offered hereunder may be used. Further restrictions on the use and leasing of Units are set forth in the By-Laws and in the rules and regulations concerning the use of Units ("Rules and Regulations"), made in accordance therewith and attached as Schedule A to the By-Laws.

No nuisance, immoral, improper, offensive or unlawful use shall be allowed in any portion of the Building. All valid laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Property, shall be complied with at the sole expense of the respective Unit Owners or the Condominium Board, whoever shall have the obligation to maintain or repair such portion of the Property. Rules and Regulations may be promulgated and amended from

time to time by the Condominium Board provided that copies thereof are furnished to each Unit Owner prior to the time that they become effective.

Repairs to and Maintenance of Units and Common Elements

Generally, all painting, decorating, maintenance, repairs and replacements, whether structural or nonstructural, ordinary or extraordinary, (i) in or to any Unit and appurtenant Limited Common Element and the interior side of entrance doors to that Unit will be made by the owner of the Unit at such Unit Owner's sole cost and expense, and (ii) in or to the Common Elements will be made by the Condominium Board and the cost and expense thereof will be charged to the Unit Owners as a Common Expense except to the extent that Sponsor is obligated to maintain, repair or replace the same. The exterior glass surfaces of all windows located in any Unit are to be washed and cleaned by the Unit Owner of such Unit at the sole cost and expense of such Unit Owner. Any cost and expense of maintaining, repairing and replacing the Limited Common Elements shall be paid for by the Unit Owners having the right to the exclusive use thereof. However, any maintenance or repair to the Common Elements that are used by all of the Unit Owners shall be the responsibility of the Condominium Board. Any cost and expense of maintaining, repairing and replacing the Residential Limited Common Elements shall be paid for by the Residential Unit Owners in accordance with the Percentage of Residential Common Interest set forth in Schedule A. Any repair to or maintenance of any portion of the Building which, in the judgment of the Condominium Board and Managing Agent, is necessitated by an act or omission of a Unit Owner, shall be performed at the sole cost and expense of such Unit Owner. No Unit Owner, except for Sponsor or its successor may perform or permit any work to be done to the Building which would jeopardize the historic tax credits attributable to the Building, if any.

The By-Laws provide that each Unit and all portions of the Common Elements shall be kept in first-class condition by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof. In the event that any Unit Owner fails to keep his Unit in such condition, the Condominium Board may, at the expense of such Unit Owner, enter his Unit and perform such acts as are necessary to cure such default. (See "Rights of Access"). Each Unit Owner shall be responsible for all ordinary maintenance, repairs, replacements and cleaning of any such area appurtenant to its Unit and the appurtenant Limited Common Elements, if any (including, without limitation, replacement of tiles and the surface of the Terrace, the repair and maintenance of the portion of the roof surface on which such Terrace is located, the repair of leaks in, on or from such Terrace; provided, however, the costs and expenses of any extraordinary or structural repairs or repairs or replacements caused by the need for such structural repairs to the Limited Common Elements (unless caused by or attributable to the Unit Owner to whose Unit the Limited Common Element is appurtenant, in which case such Unit Owner shall be responsible for the entire cost), shall be charged to all Unit Owners as a Common Expense.

The By-Laws further require that those public or other areas of the Building exposed to public view, which are required to be maintained by each Unit Owner or the

Condominium Board, be kept in good appearance in conformity with the dignity and character of the Building by such Unit Owner or the Condominium Board.

Additions, Alterations and Improvements of Units and Common Elements

No Unit Owner may make any structural alteration, addition, improvement or repair in or to his Unit without the prior written approval of the Condominium Board which shall not be unreasonably withheld, and any such alteration, addition or improvement by such Unit Owner can not result in his Unit being subdivided into separate Units, except for Sponsor or a successor owner of the Unsold Units. No Unit Owner may make any non-structural alteration, addition, improvement or repair in or to his Unit which affects any building system or any Common Element without the prior written approval of the Condominium Board which shall not be unreasonably withheld, except for Sponsor or a successor owner of the Unsold Units. Wherever in this Plan the Condominium Board's consent or approval is required, if Condominium Board shall refuse such consent or approval, the Unit Owners in no event shall be entitled to make, nor shall any Unit Owner make, any claim, and each Unit Owner hereby waives any claim, for money damages (nor shall any Unit Owner claim any money damages by way of setoff, counterclaim or defense) based upon any claim or assertion by a Unit Owner that the Condominium Board unreasonably withheld or unreasonably delayed its consent or approval. The Unit Owner's sole remedy shall be an action or proceeding to enforce any such provision, for specific performance, injunction or declaratory judgment. As more fully set forth in the Declaration, this provision does not apply to Sponsor or its successor which is an owner of an Unsold Unit. Any Unit Owner who shall make any alterations, additions or improvements shall be solely responsible for all costs and expenses, including professional fees and expenses, incurred by such Unit Owner and/or Condominium Board in connection therewith. All Unit Owners shall be required to obtain their own individual work permits and file separate alteration applications with the appropriate authorities, prior to the commencement of any alterations being performed in their Unit. Such Unit Owners shall be responsible for the cost and expense of obtaining all required sign-offs from the appropriate authorities in connection with any open building permits or alteration applications filed for the Unit. Except as otherwise permitted in the By-Laws or the Declaration, no Unit Owner may make any alteration, addition, improvement or repair in or to the Common Elements without the prior written approval of the Condominium Board. In connection with the granting of such approval, the Condominium Board may regulate or impose conditions relating to the proposed construction or build-out, including, but not limited to, anyone of the following: time periods during which work may be performed; the manner in which construction debris should be handled; security measures that are to be taken during the construction and/or build-out; and insurance requirements.

A Unit Owner may, without the prior approval of the Condominium Board, alter, change and otherwise improve the Limited Common Elements appurtenant to his Unit, provided that same is in compliance with all legal requirements and do not effect the structure of the Building. Certain alterations to the Terraces may not be built as of right and will require a variance from The New York City Department of Buildings and The Landmark's Commission, if applicable. In particular, no permanent alterations resulting in the addition of enclosed floor area on the roof will be approved by the New York City

Department of Buildings without a variance. Sponsor makes no representation that any such variances will be granted, particularly if any application for a variance is opposed by the Condominium Board.

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

Rights of Access to Units and Roof

As more fully set forth in the By-Laws, the Condominium Board and its managing agent, superintendent and other persons authorized by them will have a right of access to any Unit, Common Elements and Limited Common Element for the purposes, among others, of making inspections of, or removing violations of governmental laws or regulations against, any part of the Property, curing defaults under the By Laws, Declaration or Rules and Regulations made in accordance therewith by the owner of such Unit, or correcting any conditions originating in any Unit, Limited Common Element or Common Elements and threatening another Unit or any Common Element or Limited Common Element.

In the event that any Unit Owner fails to maintain or repair parts of the Building required to be maintained or repaired by such Unit Owner or in the event of any breach of the Declaration, By-Laws or Rules and Regulations, then, as set forth in Article 6 of the By-Laws, the Condominium Board shall have certain rights to perform such maintenance or repairs or cure such breach.

Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit, Limited Common Elements and to all of the Common Elements for purposes of performing certain alterations and repairs in or about Unsold Units and fulfilling Sponsor's obligations under the Plan. Sponsor will endeavor to exercise its right of access in such a manner as will not unreasonably interfere with the normal conduct of business of the occupants and tenants of the Units or with the use of the Units for their permitted purposes, but Sponsor does not guarantee same. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an "emergency" (a condition requiring repairs or replacements immediately (i) necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or (ii) required to avoid the suspension of any necessary service in the Building).

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

Each Unit Owner must strictly comply with the provisions of the Declaration, By Laws and Rules and Regulations. Failure to comply is grounds for an action for damages or injunctive relief, or both. The By-Laws, together with the Rules and Regulations, will be recorded with the Declaration in the City Register's office.

Amendments to Condominium Documents

Generally, subject to certain exceptions including, among others, exceptions concerning Sponsor, Unsold Units and provided that required consents of mortgage representatives for Units in the Condominium, if any, are obtained, any provision of the Declaration, By-Laws or Rules and Regulations may be amended, modified, added to or deleted by

affirmative vote of at least sixty (60%) percent in number and in Common Interest of all Unit Owners.

Termination of Condominium

The Condominium shall continue (unless terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the New York Condominium Act as a result of the vote to do so of at least 80 percent in number and in Common Interest of all Unit Owners. In addition, the written consent of the Mortgage Representatives, if any, shall be required before such vote is effective. Sponsor will not vote its interests appurtenant to Unsold Units for such withdrawal unless at least 80 percent in number and in Common Interest of all other Unit Owners elect to withdraw, 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 of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on his Unit, in the order of priority of such liens.

Mechanic's Liens

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

Easements

In order to comply with any legal requirements, including without limitation, providing egress and ingress from or to any Unit, each of the Units will be subject to certain easements including easements in favor of Sponsor. These easements will be set forth in detail in the Declaration, as amended. Sponsor shall have an easement to erect, maintain and replace any sign on the Property for the purposes of advertising the sale or lease of any Unit, the leasing of space in any Unit and the operation of any business of an owner, tenant or occupant of any Unit.

REAL ESTATE TAXES

The following discussion of certain income tax consequences of the Plan was prepared by Sponsor based, in part, upon the opinion of Mazursky, consultant to Sponsor, a copy of which opinion is included herein in Part II of the Plan. Prospective Purchasers should refer to such opinion letter itself for a more detailed discussion of the tax consequences summarized below.

Prospective Purchasers should note that the opinion letter addresses the tax consequences that would result from the ownership of a Unit by an individual taxpayer for use as his or her own primary or secondary residence. It does not address the tax consequences that might result from the ownership of a Unit by a taxpayer that is not an individual or who is a foreign person. It also does not address the tax consequences that might result from the ownership of a Unit that is held by an individual taxpayer either in connection with his or her trade or business, for investment, or for the production of income.

THE MAZURSKY GROUP, INC. IS A CONSULTANT TO SPONSOR AND NOT TO ANY PURCHASER UNDER THE PLAN. EACH PURCHASER SHOULD CONSULT WITH HIS OR HER OWN TAX COUNSEL, ACCOUNTANT OR OTHER FINANCIAL ADVISOR AS TO THE TAX CONSEQUENCES OF THE OWNERSHIP OF A UNIT.

Currently, there are no are no tax certiorari proceedings pending with respect to the Building. The By-Laws provides that the Board may execute, acknowledge and deliver any applications or other instruments necessary to commence, compromise, settle or pursue certiorari proceedings to obtain reduced real estate tax assessments with respect to the Units.

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

Deductibility of Real Estate Taxes and Mortgage Interest

Each Unit Owner will own legal (fee simple) title to his or her Unit, together with an undivided interest in the Common Elements. Subject to certain restrictions, each Unit Owner may mortgage his or her Unit, and thereby become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness. Additionally, each Unit will be a separate tax lot for purposes of New York State and New York City real estate taxes and assessments. As a result, each Unit Owner will be individually liable for the real estate taxes and assessments levied against his or her Unit.

Generally, it is the opinion of St. John & Wayne, L.L.C. that each Unit Owner will, under the present income tax laws and regulations, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for:

(a) the real estate taxes assessed against his or her Unit and paid by such Unit Owner; and

(b) subject to certain qualifications and limitations discussed below, "qualified residence interest" paid by such Unit Owner with respect to such Unit.

Qualified residence interest includes interest paid by the Unit Owner on (i) debt used to acquire, construct or substantially improve any "qualified residence," as defined below,

and secured by such residence, up to $1,000,000 ($499,999 in the case of a married individual filing a separate return), and (ii) other indebtedness secured by a qualified residence, up to $100,000 ($50,000 in the case of a married individual filing a separate return). Interest on home mortgage indebtedness in excess of these limitations is not deductible.

A "qualified residence" is defined in the Opinion Letter.

The Code also provides an overall limitation on itemized deductions that may reduce the amount of the deductions for real estate taxes and interest on mortgage indebtedness available to a Unit Owner whose adjusted gross income exceeds the "applicable amount" for a given year. Under Section 68 of the Code, the amount of itemized deductions allowable to an individual whose adjusted gross income exceeds the "applicable amount" ($100,000, adjusted for inflation from 1991) is reduced by the lesser of (1) three percent (3%) of the excess of adjusted gross income-over the applicable amount, or (2) eighty percent (80%) of the itemized deductions otherwise allowable for the year.

Prospective Purchasers should note that no deduction will be allowed to a cash basis taxpayer in the year of payment for prepaid interest (except in the case of "points" paid under certain circumstances), and that the deductions for real estate taxes and qualified residence interest may be subject to the overall limitation on the allowance of itemized deductions. The opinion also describes limitations on the deduction of real estate taxes and mortgage interest available to a Unit Owner based on the alternative minimum tax. (See Opinion Letter)

Taxation of the Condominium

This Section contains a description of (but not an opinion with respect to) the tax structure of the Condominium Board. As stated below, certain condominium boards may qualify as a "homeowners association" within the meaning of Internal Revenue Code Section 528(c) and, therefore, can elect to be exempt from federal income tax on Common Charges. In order for the Condominium Board to qualify as a homeowners association, Section 528 and the Treasury Regulations promulgated thereunder require (i) the association must be organized and operated to provide for the acquisition, construction, management, maintenance, and care of association property; (ii) 60 percent or more of the association's gross income must consist of assessments from Unit owners ("exempt function income"); (iii) 90 percent of the association's expenditures must be for the acquisition, construction, management, maintenance, and care of association 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 association property or by rebates of excess assessments; and (v) substantially all units must be used as residences. The Treasury Regulations promulgated under Code Section 528 state that substantially all of the condominium units will be considered as used by individuals for residences if at least 85 percent of the total square footage of all units within the project is used by individuals for residential purposes.

If the Condominium satisfies all of the requirements of Code Section 528, it may elect to be subject to tax under such Section. Generally, under Code 528, the Condominium

would be subject to tax at the rate of 30 percent on its taxable income exclusive of exempt function income.

In the event that the Condominium does not qualify for, or chooses not to make, the election under Code Section 528, the present state of the law is uncertain as to the proper reporting and tax treatment of the income of the Condominium derived from Unit Owners and others in excess of appropriate deductions and credits. The status of the Condominium Board for Federal, New York State and New York City income tax purposes is uncertain. If the Condominium Board is deemed to be merely a conduit for the Unit Owners, all income earned by the Condominium Board, less the expenses incurred in earning such income, would be deemed to constitute income to the Unit Owners and be taxable to them.

However, under this analysis, Common Charges would not be considered income to the Condominium Board.

The Internal Revenue Service may contend that the Unit Owners, acting through the Condominium Board, constitute an association taxable as a corporation. If the Condominium Board were to be so treated, it would be subject to Federal, New York State and New York City income tax on that portion of the Common Charges deemed to constitute gross income, to the extent that such portion (together with any income earned from interim investment of funds) exceeds allowable deductions.

The Condominium Board may make an assessment against Unit Owners to cover the amounts of Federal, New York State or New York City tax liability, if any, which it incurs. If the Condominium Board makes any such assessment, the additional amount collected through such assessment may also be subject to tax.

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 any of the aforementioned deductions or that the tax laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof, upon which counsel to Sponsor bases its opinion, will not change. In addition, no warranties are given by Sponsor, counsel to Sponsor, the Managing Agent or any other person connected with this offering, with respect to the tax consequences of the Plan or the tax consequences of ownership of any Units offered under the Plan, and no one has been authorized to give any such warranties.

If the Condominium Board does not satisfy the requirements set forth in Section 528(c) of the Code or chooses not to make the necessary election, the Condominium Board may be deemed to be the agent for the Unit Owners rather than a separate taxable entity, in which event each Unit Owner would be allocated his proportionate share of the income, expenses, credits and deductions derived by the Condominium Board. It is possible, however, that if the Condominium Board cannot qualify or chooses not to elect the benefits of Section 528 of the Code, the Condominium Board will be treated for Federal income tax purposes as an association taxable as a corporation and will be subject to Federal income tax to the extent that the portion of the Common Charges which is deemed to constitute gross income, together with income derived from any other sources, exceeds expenses paid or incurred which are deductible for Federal income tax purposes. Alternatively, the Condominium Board may be able to elect to be

treated for Federal income tax purposes as a partnership under Treasury Regulation §301.7701-3. In that case, the Condominium Board would not be subject to tax and each Unit Owner would be allocated his proportionate share of income, expenses, credits and deductions derived by the Condominium Board.

Tax Exemption and Abatement Benefits

In connection with the construction of the Building, Sponsor intends to apply for (and will use reasonable efforts to obtain) a certificate of eligibility for real estate tax abatement and exemption for the Units pursuant to Section 421-a. Section 421-a was enacted to encourage renovations and renewal of deteriorated real estate in New York City, and, to that end, it provides real estate tax exemption benefits to qualified buildings.

In the opinion of Mazursky the Units will qualify for exemption (but not abatements) from real estate taxes subject to satisfying certain conditions and based on certain assumptions. See "Tax Exemption Benefits" and "Opinion of Counsel" for more information and discussion regarding 421-a benefits.

Sponsor represents that all records and information to be submitted to local governmental authorities in connection with the application for Section 421-a benefits will be met and correct and will not omit any material fact or matter. Sponsor shall keep such records and information and make them available to the HPD whenever so requested. Upon the First Unit Closing, Sponsor shall make such records and information available to the Condominium Board for copying, and shall keep them available for the life of the benefits. Furthermore, Sponsor shall timely file all applications and timely comply with all procedures required to properly process and maintain the 421-a benefits. The Condominium will be responsible to reimburse Sponsor and/or pay all costs incurred in connection with obtaining 421-a benefits. Sponsor intends to make application to the appropriate agencies of the City of New York (the "City") for real estate tax abatement benefits (commonly known as "421-a Benefits") pursuant to Section 11-243 (formerly Section 421-a-2.5) of the Administrative Code of the City of New York (hereinafter, the "Act"). The benefits which are available to eligible projects which meet the qualifications of the statute are as follows:

Tax Abatement

It is not anticipated that this Building will qualify for tax abatement.

Impact of 421-a Exemption Benefits

As more fully set forth in the tax exemption opinion letter of The Mazursky Group, Inc. ("Mazursky") set forth in Part II of the Plan, it is anticipated that the Building will be entitled to Section 421-a Benefits. While it is not anticipated that the appropriate City agencies will allocate any Section 421-a Benefits to any Unit, no assurance can be provided to such effect. Sponsor and its counsel shall not be liable to any Unit Owner or any other party if the City fails to allocate Section 421-a Benefits to any of the Units or the Building, nor will Purchaser be able to cancel or otherwise terminate its Purchase Agreement.

Each Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for the payment of, nor will his Unit be subject to, any lien

arising from the non-payment of taxes on other Units. Until the Units are separately assessed (which is unlikely to occur by the First Unit Closing), the Condominium Board will pay all real estate taxes with respect to the Property and will allocate the cost thereof among all Unit Owners in the same manner that common charges are apportioned among the unit owners. According to Mazursky's (hereinafter defined) opinion letter, the Property is in tax class 4 for 2006/2007.

The figures shown in the columns reflect the estimated real estate taxes with and without the 421-a benefits for the first year of condominium operation based on the assumption that the first year of condominium operation will begin on January 1, 2008. Mazursky states that the actual assessed valuation of the Property for the tax year 2006/2007 is $833,850 and the transitional assessed valuation of the Property for the tax year 2006/2007 is $882,620.00. Real estate taxes are payable on the lower of the actual assessed valuation or the transitional assessed valuation.

The Residential Units and the Cabana Units will be designated as a tax class 2 property and will pay on the class 2 tax rate, while the Parking Units will be designated as tax class 4 property and will pay of the class 4 tax rate. The Class 4 tax rate for 2005/2006 is $11.3060 per $100 of assessed valuation. The Class 2 tax rate for 2005/2005 is $12.396 for each $100 of assessed valuation.

The first year of Condominium operation is expected to consist of the tax year 2008/2009. Since the construction of the Building will not be complete on the "taxable status date", i.e. January 1, 2008, for tax year 2008/2009, which date is the date that the Building's assessed valuation for tax year 2008/2009 will be tentatively determined, such estimated assessed valuation was not based on the estimated value of the Property upon the completion of the rehabilitation. Further, such assessed valuation does not reflect any increase attributable to a change in use of the Property (i.e., from vacant lot to residential condominium units). It is anticipated that commencing January 1, 2008 to December 31, 2008 and thereafter, the assessed valuation of the Property will increase (as discussed above) to reflect the value of the new construction and other physical improvement to the Building.

This estimate assumes that the assessed valuation will be increased solely due to the conversion being completed by Sponsor. All prospective Purchasers are advised that although the estimate of assessed valuation upon completion of construction is a good-faith estimate, such projections of the assessed valuation, when actually made, may be less or greater than as estimated above and are not guaranteed.

The real estate taxes for future years will vary in accordance with the tax rate, and the Property's assessed valuation which may change on an annual basis. Mazursky has estimated the actual assessed valuation for the Property upon the completion of the construction at $701,130.00 for Residential Units, $26,911.00 for Parking Units and $1,830.00 for Cabana Units in the tax year 2008/2009. Consequently, Purchasers should anticipate that real estate taxes will increase for the second budget year.

Until the Units are separately assessed, the entire assessment attributable to the Units will be paid by all Unit Owners in proportion to their relative Common Interests.

On or after the filing and recording of the Declaration and a deed for a Unit, a separate tax lot is to be or will have been created for each Unit in the Condominium. After creation of the separate tax lot for a Unit, the local assessor ("assessor") apportions the assessed valuation of the Property to each of the newly created tax lots representing the Units. There can be no assurance that the assessor will apportion the assessed valuation of the Property (i) to the Units in the proportion set forth above and (ii) to a tax lot representing a Unit on the basis of the percentage of Common Interest appurtenant to the Unit relative to the other Units. Moreover, there can be no assurance that there will not be an increase in the tax rate or the assessed valuation of a Unit or the Property as described above on or after such apportionment or for any reason. Such an increase will increase a Unit Owner's real estate taxes above the amounts estimated on Schedule A. Based upon the current fiscal difficulties of New York City, it is reasonable to anticipate that there will be an increase in the tax rate in future years.

On June 1, 2004, Governor Pataki signed legislation extending property tax abatements for homeowners in New York City cooperatives and condominiums through June 30, 2008 at the rate of 25% for buildings with average assessments of $15,000 or less per unit, and 17.5% where assessments are higher. It is unclear as to whether the law will be renewed. The law does not apply to building that receive 421-a tax exemption benefits and therefore unit owners may not be able to take advantage of this benefit. In predicting the taxes on this Building, Schedule A does not take into consideration this possible tax benefit.

Owners of condominium apartments in the City of New York may be eligible for New York State Tax Relief (STAR). STAR is the New York State School Tax Relief Program, which provides a tax reduction benefit for all New Yorkers who own their home and use it as their primary residence. The Department of Finance administers STAR for property owners in the five boroughs of New York City. There are two levels of benefits: Basic STAR for most homeowners and Enhanced STAR for qualified senior citizens. However, STAR benefits are not available to buildings which have 421-a tax exemption benefits. Accordingly, unit owners may not take advantage of this tax benefit if 421-a tax exemption benefits are received. It is unknown at this time if this law will be in effect when the 421-a tax benefits have expired.

Mazurksy believes that during and after construction is completed, the property will be assessed as follows:

2007/08	Land	Total
Actual:	$500,000	$ 500,000 P [1]
Transitional:	$387,000	$ 387,000 P [1]
2008/09	**Land**	**Total**
Actual:	$600,000	$11,500,000
Transitional:	$429,000	$11,329,000
2009/10	**Land**	**Total**
Actual:	$600,000	$11,500,000
Transitional:	$471,000	$11,371,000

Using relative values as a rental building as the criterion, Mazursky has estimated that the residential units will be assessed at 95.75%, the roof cabanas at .25 % and the parking units at 4% and of the total assessed value. The tax liability for each component, during the first year of operation, is estimated at $701,130 for the residential units, $26,911 for the parking units and $1,830 for the cabana units. During the second year, the tax liability is estimated at $1,358,453 for the residential units, $51,983 for the parking units and $3,547 for the cabana units. The calculations are as follows:

First Year of Operation

Residential Units

1/1/08 - 6/30/08

$387,000[2] x .9575[3] x .125[4] x .5[5] = $23,160

7/1/08 - 12/31/08

$11,329,000[6] x .9575[3] x .125[4] x .5[5] = 677,970

Total: $701,130

Cabana Units

1/1/08 - 6/30/08

$387,000[2] x .0025[3] x .125[4] x .5[5] = $60

7/1/08 - 12/31/08

$11,329,000[6] x .0025[3] x .125[4] x .5[5] = 1,770

Total: $1,830

Parking Units

1/1/08 - 6/30/08

$387,000[2] x .04[3] x .125[4] x .5[5] = $968

7/1/08 - 12/31/08

$11,329,000[6] x .04[3] x .1145[7] x .5[5] = 25,943

Total: $26,911

Second Year of Operation

Residential Units

1/1/09 - 6/30/09

$11,329,000[6] x .9575[3] x .125[4] x .5[5] = $677,970

7/1/09 - 12/31/09

$11,371,000[8] x .9575[3] x .125[4] x .5[5] = 680,483

Total: $1,358,453

Cabana Units

1/1/09 - 6/30/09

$11,329,000[6] x .0025[3] x .125[4] x .5[5] = $1,770

7/1/09 - 12/31/09

$11,371,000[8] x .0025[3] x .125[4] x .5[5] = 1,777

Total: $3,547

Parking Units

1/1/09 - 6/30/09
$ 11,329,000 [8] x .04 [3] x .1145 [7] x .5 [5] = $ 25,943

7/1/09 - 12/31/09
$ 11,371,000 [8] x .04 [3] x .1145 [7] x .5 [5] = 26,040

Total: $ 51,983

There may be up to a 100% exemption of building value during the construction period (not to exceed three years)and the first eleven years of operation. In the twelfth year, the exemption decreases to 80%, in the thirteenth year it is reduced to 60% and to 40% in the fourteenth and in the fifteenth year, the exemption is further reduced to 20%, after which, the property will be fully taxed. In the first year of operation, Mazursky has estimated the tax, with 421a exemption benefits, at $108,227 for the residential units, $4,141 for the parking units and $283 for the cabana units. Mazursky's calculations are as follows:

First Year of Operation with 421a

Residential Units

1/1/08 - 12/31/08
$ 904,250 [9] x .9575 [3] x .125 [4] = **$ 108,227**

Cabana Units

1/1/08 - 12/31/08
$ 904,250 [9] x .0025 [3] x .125 [4] = **$ 283**

Parking Units

1/1/08 - 12/31/08
$ 904,250 [9] x .04 [3] x .1145 [7] = **$ 4,141**

Footnotes

1. "P" stands for progress assessment. The law provides that the initial increase for a new building in the course of construction, be removed from the final assessment roll if the construction is not substantially completed by April 15th. Construction is scheduled to be completed in October 2007.

2. Estimated 2007/08 Taxable Assessed Value

3. Portion of value attributable to this type of space.

4. Estimated 2007/08, 2008/09 and 2009/10 Class 2 Tax Rates

5. Half-year

6. Estimated 2008/09 Taxable Assessed Value

7. Estimated 2008/09 and 2009/10 Class 4 Tax Rate

8. Estimated 2009/10 Taxable Assessed Value

9. The 2005/06 base year taxable assessed value used to calculate the "mini-tax."

The foregoing analysis is based upon the experience of Mazursky with the Real Property Division of the New York City Department of Finance and the Tax Commission of the City of New York, and their assessment policies regarding newly constructed properties held in condominium ownership. Application of a particular approach to valuation by an individual assessor may yield a different result. In such event, it might be desirable to commence real property tax review proceedings at the Tax Commission or Supreme Court level to bring the assessment in line with the estimates presented herein.

Sponsor intends to apply for partial exemption from real estate taxes for the Building pursuant to Section 421-a of the New York State Real Property Tax Law, but there is no guaranty or warranty that the Building will receive such benefits. Mazursky's opinion is based upon the Building being comprised of 118 Residential units and no commercial units.

Sponsor makes no representation if and when such benefits will be available. See "Tax Exemption Benefits" and "Opinion of Counsel" for more information and discussion regarding 421-a benefits. For information with respect to deductibility of real estate taxes for income tax purposes, see "Opinion of Counsel." The real estate taxes described above paid by a Unit Owner with respect to his Unit are deductible by such Unit Owner for income tax purposes provided that the conditions applicable thereto discussed in "Counsel's Tax Opinion" are satisfied. These amounts may change in subsequent years as a result of changes in the assessed valuation of Units, the tax rate and the method of assessing real property. If any Unit Owner obtains mortgage financing for his Unit, the interest paid on such mortgage indebtedness may also be deductible for income tax purposes, provided the conditions applicable thereto discussed in "Counsel's Tax Opinion" are satisfied. For the most part an individual Unit Owner may only deduct interest on debt incurred to acquire his principal residence or a designated second residence subject to certain limitations. See "Counsel's Tax Opinion." Such Unit Owner's income tax deduction may vary in future years due to changes in the interest rate on such Unit Owner's mortgage (if any) or from changes in the allocation of constant debt service payments between interest and principal.

Sponsor shall use all reasonable efforts to file the 421-a application and all related documents on a timely basis and timely comply with all procedures required to process and maintain the 421-a Benefits. Sponsor shall keep all records required by HPD and will make them available to HPD whenever requested to do so. HPD routinely conducts audits, which can result in the reduction or revocation of benefits if proper documentation is not provided. Sponsor shall make all tax benefit documents available to the Condominium Board for inspection and copying for the life of the benefits.

No representation is made that the provisions of law will apply at the time the alterations to the building are completed, and if they do apply, that HPD will hold that the Property is entitled to the benefits conferred by Section 11-243 of the Administrative Code of the City of New York.

No warranty is or can be made that HPD or the Real Property Division of the New York City Department of Finance, or any other agency with jurisdiction, will approve Sponsor's application for 421-a tax Benefits. Should tax abatement and/or exemption be denied, in whole, or in part, then each Unit Owner will be responsible for all taxes due and owing from the Closing Date. See "Counsel's Real Estate Tax Benefits Opinion" for details.

Once a separate tax lot is established for a Unit and apportionment of the assessed valuation of the Property to the newly created tax lot representing the Unit is officially made, a Unit Owner will not be responsible for the payment of real estate taxes assessed against another Unit [such real estate taxes are included in Common Charges because, for example such real estate taxes are assessed against a Unit which is owned as part of the Common Elements (i.e., a Unit acquired by the Condominium Board pursuant to its right of first refusal)] nor will his Unit be subject to any lien arising out of non-payment of real estate taxes assessed against another Unit (except to the extent provided above in this sentence). However, until separate tax bills are available for each Unit, real estate taxes will be paid by the Condominium as a Common Expense. The taxes payable by all Units will be further apportioned among said Units in the proportion that the Common Interest of each Unit bears to the aggregate Common Interests of all Units and such proportionate share of the real estate taxes will be assessed against each Unit as part of the Common Charges. It should be noted that both the tax rate and the assessed valuation of the Property may be changed from time to time.

HPD routinely conducts 421-a audits, the result of which may be a reduction or revocation of benefits if proper documentation is not provided.

ST. JOHN & WAYNE, L.L.C.

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July 13, 2006

5-01-5-17 48th Avenue, LLC
16 Court Street, Suite 2403
Brooklyn, New York 11201

Re: Offering Plan for 5-09 48th Avenue and 5-26 47th Road Condominium
Certain Income Tax Consequences

Ladies and Gentlemen:

We have reviewed the proposed Offering Plan (the "Plan") for the condominium ownership of the land and the building at street address 5-09 48th Avenue and 5-26 47th Road, Long Island City, New York. We did not prepare the Plan. As sponsor of the Condominium offering relating to such land and building which will be known as 5th Street Lofts Condominium (the "Condominium"). You have asked for our opinion as to certain Federal, New York State and New York City income tax consequences to a purchaser of an individual apartment and its appurtenances (a "Residential Unit"), and for a description of the tax treatment of the Condominium Board. Capitalized terms used herein shall have the same meanings as defined terms in the Plan, unless otherwise specified.

We have also examined the exhibits and documents attached to the Plan, including the Declaration and the By-Laws governing the operation of the Condominium, and such other documents, as we deem appropriate. We have also considered the relevant provisions of the Internal Revenue Code of 1986, as amended (the "Code"), the New York State Tax Law (the "State Tax Law") and the Administrative Code of the City of New York (the "City Code"), and such regulations and rulings issued thereunder which we deemed appropriate. We have assumed that the Condominium meets the requirements for condominiums set forth in the New York State and New York City law on condominiums. We have further assumed that the statements set forth in the Plan are accurate and that the documents described and/or printed therein are genuine.

Pursuant to the Plan, the purchaser of a Residential Unit ("Residential Unit Owner") will receive legal title in fee simple to a residential apartment, coupled with the ownership of an undivided interest in common in a portion of real property (which may be a fee simple estate or an estate for years, such as a leasehold or subleasehold) with the other owners of

the Residential Units. Under New York law, each Residential Unit (including its undivided interest in the Common Elements) will be taxed as a separate parcel for real estate tax purposes. A Residential Unit Owner will have the right to mortgage his Residential Unit and will be liable local taxing authorities for real estate taxes assessed with respect to his interest in the condominium.

Based upon the foregoing and provided that the Plan is declared effective in accordance with its terms, we are of the opinion that:

A. Subject to the limitations described below, a Residential Unit Owner, if he itemizes deductions, will be entitled to deduct, for purposes of computing his Federal taxable income, amounts paid or accrued during a taxable year in respect of (i) real estate taxes and (ii) interest on mortgage indebtedness secured by his Residential Unit if such into interest qualifies as "qualified residence interest" under Section 163(h)(3) of the Code as described below.

The Code significantly limits the deductibility of certain categories of interest. In general, non-corporate taxpayers are not permitted any deduction for "personal interest", but are generally permitted a deduction for "qualified residence interest." Qualified residence interest means, interest paid. or accrued (i) on "acquisition indebtedness", which is debt (limited to $1,000,000) incurred to acquire, construct or substantially improved taxpayer's principal or secondary residence and which is secured by such residence, and (ii) on "home equity indebtedness", which is other debt (limited to $100,000) secured by a taxpayer's primary or secondary residence in an amount not exceeding the fair market value of such residence less the cut of outstanding acquisition indebtedness with respect to such residence. For married individuals filing separate tax returns, the foregoing $1,000,000 and $100,000 limitations are reduced to $500,000 and $50,000, respectively. Refinanced acquisition indebtedness will continue to be treated as acquisition indebtedness to the extent that the principal amount of such indebtedness is not thereby increased.

The Code also provides an overall limitation on itemized deductions that may reduce the amount of the deductions for real estate taxes and interest on mortgage indebtedness available to a Residential Unit Owner whose adjusted gross income exceeds the "applicable amount" for a given year. Under Section 68 of the Code, the amount of itemized deductions allowable to an individual whose adjusted gross income exceeds the "applicable amount" ($100,000, adjusted. for inflation from 1991) is reduced by the lesser of (1) three percent (3%) of the excess of adjusted gross income over the applicable amount, or (2) eighty percent (80%) of the itemized deductions otherwise allowable for the year.

For purposes of computing alternative minimum taxable income of a Residential Unit Owner, real estate taxes imposed on a Residential Unit will not be deductible and interest on any mortgage loan secured by a Residential Unit shall only be deductible to the extent that such interest qualifies as "qualified housing interest" as defined in Code Section 56(e). Interest on such a mortgage loan cannot be "qualified housing interest" unless, among other requirements, the mortgage loan is incurred in acquiring, constructing or substantially improving the

Residential Unit and the Residential Unit is the principal or secondary residence of the Residential Unit Owner at the time the interest accrues or is paid.

While no deduction for prepaid mortgage interest payments will be allowed to a cash basis taxpayer in the year of payment, Code Section 461(g) provides that "points" paid in respect of any indebtedness incurred in connection with the purchase or improvement of, and secured by, the principal residence of the taxpayer, may be deducted when paid to the extent that such payment is in a reasonable amount pursuant to established business practices in the area. The amount of such points is considered to be qualified residence interest.

B. With certain modifications, a Residential Unit Owner will be entitled for New York State and New York City income tax purposes to deductions equivalent to those allowable for Federal income tax purposes for mortgage interest payments and real estate taxes paid or accrued during the taxable year.

C. Certain owners of Residential Units who are veterans of the United States Armed Forces may be entitled to exemptions covering part of the real estate taxes otherwise assessed against their Residential Units by the local taxing authorities.

It should be noted that the foregoing conclusions are applicable only to Residential Unit Owners who are individuals and U.S. residents for Federal income tax purposes, and who occupy their Residential Units solely for their own residential purposes and not for purposes of investment, production of income or use in a trade or business.

The Description of the Tax treatment of the Condominium Board

The Federal income tax treatment of the Condominium Board will depend on whether the Condominium Board qualifies and elects to be taxed under Section 528 of the Code. If it is not taxed under Code Section 528, then it may be treated as an agent for the Unit Owners and not as a separate taxable entity, or as an association taxable as a corporation, or as a partnership. If the Condominium Board satisfies the requirements set forth in Section 528(c) of the Code, it may elect not to be subject to Federal income tax on amounts received from Unit Owners as assessments for the purpose of maintaining the common elements ("Common Charges"). Generally, the requirements set forth in Section 528(e) of the Code are:

A. The Condominium Board must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property;

B. Sixty percent (60%) or more of the gross income for each taxable year must consist solely of membership dues, fees or assessments from Residential Unit Owners ("exempt function income");

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

property;

D. No part of the net earnings of the Condominium Board may inure to the benefit of any private shareholder or individual (other than by acquiring, constructing or providing management, maintenance and care of association property or by rebates of excess membership lies, fees or assessments); and

E. Substantially all of the Units (representing, in general, at least eighty-five percent 85%) of the total square footage of all Units (whether or not residential)), must be used by individuals as residences on the last day of each taxable year.

A condominium management association meeting these requirements, which elects to be governed by Section 528 of the Code, will be subject to Federal income tax at the rate of thirty percent (30%) on any income (including gains) other than exempt function income (less expenses directly connected with the production of such other income). However, it will not be allowed certain deductions available to other corporations.

A condominium management association wishing to be taxed under Section 528 must make a separate election for each taxable year. The ability of the Condominium Board to qualify for the benefits of Section 528 of the Code will depend on whether the Condominium Board meets the foregoing requirements during any taxable year for which it desires to elect such benefits. Based upon the foregoing and assuming (i) the Plan becomes effective during the taxable year ending December 31, 2007 (the "2007 Taxable Year"); (ii) the actual gross income and expenditures of the Condominium for the 2007 Taxable Year are the same as (or, if such tax year is a shorter taxable year than estimated, are in the same proportions as) the gross estimated income and expenditures for the Condominium's first full taxable year of operations, as set forth in Schedule B to the Plan; (iii) the Condominium otherwise operates in accordance with the terms of the Plan and the schedules, exhibits and documents accompanying the Plan, including the declaration establishing and the By-Laws governing the operations of the Condominium; (iv) at least 85% of the total square footage of all Units is used by individuals for residential purposes; and (v) there are no changes in the facts and/or relevant provisions of the current law, the Condominium will be eligible to elect to be treated as a homeowners association under Section 528 of the Code for the 2007 Taxable Year.

If the Condominium Board does not satisfy the requirements set forth in Section 528(c) of the Code or chooses not to make the necessary election, the Condominium Board may be deemed to be the agent for the Unit Owners rather than a separate taxable entity, in which event each Unit Owner would be allocated his proportionate share of the income, expenses, credits and deductions derived by the Condominium Board. It is possible, however, that if the Condominium Board cannot qualify or chooses not to elect the benefits of Section 528 of the Code, the Condominium Board will be treated for Federal income tax purposes as an association taxable as a corporation and will be subject to Federal income tax to the extent that the portion of the Common Charges which is deemed to constitute gross income, together with income derived from any other sources, exceeds expenses paid or incurred which are deductible for Federal

income tax purposes. Alternatively, the Condominium Board may be able to elect to be treated for Federal income tax purposes as a partnership under Treasury Regulation § 301.7701-3. In that case, the Condominium Board would not be subject to tax and each Unit Owner would be allocated his proportionate share of income, expenses, credits and deductions derived by the Condominium Board.

The Condominium Board may make an assessment against Unit Owners to cover the amounts of Federal, New York State or New York City tax liability, if any, which it incurs. If the Condominium Board makes any such assessment, the additional amount collected through such assessment may also be subject to tax.

No warranties or assurances are made by the Sponsor, Sponsor's counsel or any other person connected with the Plan that the United States Treasury Department, the New York State Department of Taxation and Finance or the New York City Department of Finance will allow any of the foregoing deductions, or that the tax laws, regulations or rulings upon which this opinion is based will not change. This opinion is expressed as of the date hereof, and we disclaim any undertaking to advise you of any subsequent changes of the matters stated, represented or assumed herein or any subsequent changes in applicable law. Any change in applicable law or any of the given facts and circumstances may affect the continued validity of this opinion.

No opinion is herein rendered with respect to any legal or tax consequences except as specifically set forth above. Each person contemplating the purchase of a Residential Unit should consult his own tax advisor as to the tax consequences of the Plan and of the ownership of a Residential Unit.

We understand that this letter is to be made part of the Plan and consent to its inclusion therein.

Very truly yours,

St. John & Wayne, L.L.C.

St. John & Wayne, L.L.C.

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

June 6, 2006

5-01-5-17 48th Avenue, LLC
c/o Toll Brothers
16 Court Street
Brooklyn, NY 11201

Attention: Mr. David Von Spreckelsen

Re: 5TH Street Lofts
5-09 48th Avenue
Long Island City, 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 5-01-5-17 48th Avenue, LLC, ("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 construction of a new 8-story condominium;

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 residential condominium buildings. Specifically, discussions centered around appropriate land and building factors and income projections for properties similar to the subject in type and location.

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I have discovered the following:

1) The subject property is located at 5-09 48th Avenue in the Long Island City section of the borough of Queens. The sponsor has filed plans to construct an 8-story and a 5-story elevator apartment houses, known as buildings A and B, on the site. After completion of construction and the establishment of a condominium, known as 5TH Street Lofts, the buildings will contain a total of one hundred-eighteen residential units, fifty-nine parking spaces and three private roof cabanas. Prior to construction, a 3-story light-manufacturing (F9) building was demolished.

The site has 265' frontage on the northerly side of 48th Avenue and extends 200' in depth. It is irregularly-shaped and contains approximately 35,000 square feet of ground area. It is identified on the city's tax records as Block 30 Lot 16 and 22.

2) After completion of construction, scheduled for October 2007, the buildings will contain the following approximate square foot areas and uses:

Building A - 48th Avenue

FLOORS	AREA	USE
1	29,625	Lobby, 59 Parking Spaces, Exercise Room, Storage, etc.
2-4	50,787	8-Studios, 17-1BR, 17-2BR, 6-3BR Apartments
5-6	33,858	6-Studios, 10-1BR, 12-2BR, 4-3BR Apartments
7-8	25,903	2-Studios, 6-1BR, 12-2BR, 2-3BR Apartments

Building B - 47th Avenue

FLOORS	AREA	USE
1	3,680	2-3BR Apartments, Lobby
2-4	11,103	3-Studios, 6-1BR, 3-2BR Apartments
5	2,582	2-2BR Apartments
Roof		3-Private Roof Cabanas

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3) The property is currently assessed in Tax Class 4. After completion of construction and conversion to condominium status, the residential and roof cabana units will be assessed in Tax Class 2, whereas the parking units will be assessed in Tax Class 4 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).

Tax Class 2 is comprised of primarily residential rental, cooperatives and condominiums containing more than ten units. Tax Class 4 includes most properties which have uses other than residential. 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 $11.3060 per $100. The Class 2 rate is $12.396 per $100. I estimate the tax rates for 2006/07, 2007/08, 2008/09, and 2009/10 at $11.45 per $100 for Class 4 and $12.50 per $100 for Class 2.

4) The recent history of assessed valuation of Block 30 Lot 16 and 22 is as follows:

2004/05	Land	Total
Actual:	$347,400	$ 882,000
Transitional:	$382,680	$ 922,170

2005/06	Land	Total
Actual:	$ 347,400	$ 900,900
Transitional:	$ 373,860	$ 904,250

2006/07	Land	Total
Actual:	$ 347,400	$ 833,850
Transitional:	$ 365,040	$ 882,620

5) It is my judgment that during and after construction is completed, the property will be assessed as follows:

2007/08	Land	Total
Actual:	$500,000	$ 500,000 P [1]
Transitional:	$387,000	$ 387,000 P [1]

2008/09	Land	Total
Actual:	$600,000	$11,500,000
Transitional:	$429,000	$11,329,000

2009/10	Land	Total
Actual:	$600,000	$11,500,000
Transitional:	$471,000	$11,371,000

6) Using relative values as a rental building as the criterion, I have estimated that the residential units will be assessed at 95.75%, the roof cabanas at .25 % and the parking units at 4% and of the total assessed value. The tax liability for each component, during the first year of operation, is estimated at $701,130 for the residential units, $ 26,911 for the parking units and $ 1,830 for the cabana units. During the second year, the tax liability is estimated at $ 1,358,453 for the residential units, $ 51,983 for the parking units and $ 3,547 for the cabana units. The calculations are as follows:

First Year of Operation

Residential Units

1/1/08 - 6/30/08

$ 387,000 [2] x .9575 [3] x .125 [4] x .5 [5] = $ 23,160

7/1/08 - 12/31/08

$ 11,329,000 [6] x .9575 [3] x .125 [4] x .5 [5] = 677,970

Total: $ 701,130

Cabana Units

1/1/08 - 6/30/08

$ 387,000 [2] x .0025 [3] x .125 [4] x .5 [5] = $ 60

7/1/08 - 12/31/08

$ 11,329,000 [6] x .0025 [3] x .125 [4] x .5 [5] = 1,770

Total: $ 1,830

Parking Units

1/1/08 - 6/30/08

$ 387,000 [2] x .04 [3] x .125 [4] x .5 [5] = $ 968

7/1/08 - 12/31/08

$ 11,329,000 [6] x .04 [3] x .1145 [7] x .5 [5] = 25,943

Total: $ 26,911

Second Year of Operation

Residential Units

1/1/09 - 6/30/09

$ 11,329,000 [6] x .9575 [3] x .125 [4] x .5 [5] = $677,970

7/1/09 - 12/31/09

$ 11,371,000 [8] x .9575 [3] x .125 [4] x .5 [5] = 680,483

Total: $ 1,358,453

Cabana Units

1/1/09 - 6/30/09

$ 11,329,000 [6] x .0025 [3] x .125 [4] x .5 [5] = $ 1,770

7/1/09 - 12/31/09

$ 11,371,000 [8] x .0025 [3] x .125 [4] x .5 [5] = 1,777

Total: $ 3,547

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6) cont'd.

Parking Units

1/1/09 - 6/30/09

$ 11,329,000 [6] x .04 [3] x .1145 [7] x .5 [5] = $ 25,943

7/1/09 - 12/31/09

$ 11,371,000 [8] x .04 [3] x .1145 [7] x .5 [5] = 26,040

Total: $ 51,983

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 2005/06 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 eleven years of operation. In the twelfth year, the exemption decreases to 80%, in the thirteenth year it is reduced to 60% and to 40% in the fourteenth and in the fifteenth year, the exemption is further reduced to 20%, after which, the property will be fully taxed. In the first year of operation, I have estimated the tax, with 421a exemption benefits, at $108,227 for the residential units, $ 4,141 for the parking units and $283 for the cabana units. The calculations are as follows:

First Year of Operation with 421a

Residential Units

1/1/08 - 12/31/08

$ 904,250 [9] x .9575 [3] x .125 [4] = **$ 108,227**

Cabana Units

1/1/08 - 12/31/08

$ 904,250 [9] x .0025 [3] x .125 [4] = **$ 283**

Parking Units

1/1/08 - 12/31/08

$ 904,250 [9] x .04 [3] x .1145 [7] = **$ 4,141**

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, was extended by the State Legislature to June 30,2008. 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 abatement to this condominium is granted, the law will allow up to a 17.5% abatement of the real estate tax bill of a unit owner who will own fewer than four units on the city's taxable status date of January 5, 2008. Excluded from receiving the abatement benefits are co-ops and condominiums that receive tax exemption benefits.

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

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Footnotes

1. "P" stands for progress assessment. The law provides that the initial increase for a new building in the course of construction, be removed from the final assessment roll if the construction is not substantially completed by April 15th. Construction is scheduled to be completed in October 2007.

2. Estimated 2007/08 Taxable Assessed Value

3. Portion of value attributable to this type of space.

4. Estimated 2007/08, 2008/09 and 2009/10 Class 2 Tax Rates

5. Half-year

6. Estimated 2008/09 Taxable Assessed Value

7. Estimated 2008/09 and 2009/10 Class 4 Tax Rate

8. Estimated 2009/10 Taxable Assessed Value

9. The 2005/06 base year taxable assessed value used to calculate the "mini-tax."

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5-09 48th Avenue
Long Island City, New York

			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 w/421a	Estimated Monthly R.E Taxes w/421a
		Percentage of Value						
Residential Units:								
BUILDING A:								
2	A	1.43%	$ 10,042.84	$ 836.90	$ 19,458.20	$ 1,621.52	$ 1,550.22	$ 129.19
3	A	1.30%	$ 9,141.56	$ 761.80	$ 17,711.95	$ 1,476.00	$ 1,411.10	$ 117.59
4	A	1.34%	$ 9,399.07	$ 783.26	$ 18,210.88	$ 1,517.57	$ 1,450.85	$ 120.90
5	A	1.38%	$ 9,656.58	$ 804.71	$ 18,709.81	$ 1,559.15	$ 1,490.60	$ 124.22
6	A	1.36%	$ 9,527.82	$ 793.99	$ 18,460.34	$ 1,538.36	$ 1,470.72	$ 122.56
7	A	1.12%	$ 7,824.54	$ 652.05	$ 15,160.20	$ 1,263.35	$ 1,207.80	$ 100.65
8	A	1.19%	$ 8,332.63	$ 694.39	$ 16,144.63	$ 1,345.39	$ 1,286.23	$ 107.19
2	B	0.88%	$ 6,204.17	$ 517.01	$ 12,020.71	$ 1,001.73	$ 957.68	$ 79.81
3	B	0.90%	$ 6,296.77	$ 524.73	$ 12,200.12	$ 1,016.68	$ 971.98	$ 81.00
4	B	0.91%	$ 6,389.37	$ 532.45	$ 12,379.53	$ 1,031.63	$ 986.27	$ 82.19
5	B	0.92%	$ 6,481.97	$ 540.16	$ 12,558.95	$ 1,046.58	$ 1,000.56	$ 83.38
6	B	0.94%	$ 6,574.57	$ 547.88	$ 12,738.36	$ 1,061.53	$ 1,014.86	$ 84.57
7	B	0.76%	$ 5,306.32	$ 442.19	$ 10,281.09	$ 856.76	$ 819.09	$ 68.26
8	B	0.83%	$ 5,824.01	$ 485.33	$ 11,284.12	$ 940.34	$ 899.00	$ 74.92
2	C	0.87%	$ 6,125.43	$ 510.45	$ 11,868.15	$ 989.01	$ 945.53	$ 78.79
3	C	0.89%	$ 6,212.94	$ 517.75	$ 12,037.69	$ 1,003.14	$ 959.03	$ 79.92
4	C	0.90%	$ 6,300.45	$ 525.04	$ 12,207.24	$ 1,017.27	$ 972.54	$ 81.05
5	C	0.91%	$ 6,387.95	$ 532.33	$ 12,376.78	$ 1,031.40	$ 986.05	$ 82.17
6	C	0.91%	$ 6,387.95	$ 532.33	$ 12,376.78	$ 1,031.40	$ 986.05	$ 82.17
7	C	0.77%	$ 5,390.40	$ 449.20	$ 10,444.00	$ 870.33	$ 832.07	$ 69.34
8	C	0.84%	$ 5,856.24	$ 488.02	$ 11,346.57	$ 945.55	$ 903.97	$ 75.33
2	D	0.43%	$ 2,995.92	$ 249.66	$ 5,804.65	$ 483.72	$ 462.45	$ 38.54
3	D	0.44%	$ 3,072.74	$ 256.06	$ 5,953.49	$ 496.12	$ 474.31	$ 39.53
4	D	0.45%	$ 3,149.56	$ 262.46	$ 6,102.33	$ 508.53	$ 486.17	$ 40.51
5	D	0.45%	$ 3,187.96	$ 265.66	$ 6,176.74	$ 514.73	$ 492.10	$ 41.01
6	D	0.46%	$ 3,226.37	$ 268.86	$ 6,251.16	$ 520.93	$ 498.03	$ 41.50
7	D	1.05%	$ 7,394.61	$ 616.22	$ 14,327.20	$ 1,193.93	$ 1,141.44	$ 95.12
8	D	1.11%	$ 7,755.32	$ 646.28	$ 15,026.09	$ 1,252.17	$ 1,197.12	$ 99.76
2	E	0.57%	$ 4,008.59	$ 334.05	$ 7,766.71	$ 647.23	$ 618.77	$ 51.56
3	E	0.59%	$ 4,126.49	$ 343.87	$ 7,995.15	$ 666.26	$ 636.97	$ 53.08
4	E	0.60%	$ 4,185.44	$ 348.79	$ 8,109.36	$ 675.78	$ 646.07	$ 53.84
5	E	0.61%	$ 4,244.39	$ 353.70	$ 8,223.58	$ 685.30	$ 655.17	$ 54.60
6	E	0.61%	$ 4,303.34	$ 358.61	$ 8,337.80	$ 694.82	$ 664.27	$ 55.36
7	E	1.06%	$ 7,453.22	$ 621.10	$ 14,440.77	$ 1,203.40	$ 1,150.49	$ 95.87
8	E	1.13%	$ 7,913.30	$ 659.44	$ 15,332.17	$ 1,277.68	$ 1,221.50	$ 101.79
2	F	0.57%	$ 4,011.93	$ 334.33	$ 7,773.18	$ 647.77	$ 619.28	$ 51.61
3	F	0.59%	$ 4,133.50	$ 344.46	$ 8,008.74	$ 667.39	$ 638.05	$ 53.17
4	F	0.59%	$ 4,133.50	$ 344.46	$ 8,008.74	$ 667.39	$ 638.05	$ 53.17
5	F	0.61%	$ 4,255.07	$ 354.59	$ 8,244.29	$ 687.02	$ 656.82	$ 54.73
6	F	0.62%	$ 4,315.86	$ 359.65	$ 8,362.06	$ 696.84	$ 666.20	$ 55.52
7	F	1.55%	$ 10,865.97	$ 905.50	$ 21,053.02	$ 1,754.42	$ 1,677.28	$ 139.77
8	F	1.55%	$ 10,865.97	$ 905.50	$ 21,053.02	$ 1,754.42	$ 1,677.28	$ 139.77
2	G	0.57%	$ 4,017.44	$ 334.79	$ 7,783.86	$ 648.66	$ 620.13	$ 51.68
3	G	0.59%	$ 4,139.18	$ 344.93	$ 8,019.74	$ 668.31	$ 638.93	$ 53.24
4	G	0.59%	$ 4,139.18	$ 344.93	$ 8,019.74	$ 668.31	$ 638.93	$ 53.24
5	G	0.61%	$ 4,260.92	$ 355.08	$ 8,255.61	$ 687.97	$ 657.72	$ 54.81
6	G	0.62%	$ 4,321.79	$ 360.15	$ 8,373.55	$ 697.80	$ 667.11	$ 55.59
7	G	0.46%	$ 3,255.43	$ 271.29	$ 6,307.46	$ 525.62	$ 502.51	$ 41.88
8	G	0.57%	$ 3,983.62	$ 331.97	$ 7,718.34	$ 643.20	$ 614.91	$ 51.24
2	H	0.57%	$ 3,974.52	$ 331.21	$ 7,700.71	$ 641.73	$ 613.51	$ 51.13
3	H	0.58%	$ 4,091.42	$ 340.95	$ 7,927.20	$ 660.60	$ 631.55	$ 52.63
4	H	0.59%	$ 4,149.87	$ 345.82	$ 8,040.44	$ 670.04	$ 640.58	$ 53.38
5	H	0.61%	$ 4,266.76	$ 355.56	$ 8,266.94	$ 688.91	$ 658.62	$ 54.89
6	H	0.62%	$ 4,325.21	$ 360.43	$ 8,380.18	$ 698.35	$ 667.64	$ 55.64
7	H	1.00%	$ 7,037.57	$ 586.46	$ 13,635.43	$ 1,136.29	$ 1,086.33	$ 90.53
8	H	1.11%	$ 7,814.19	$ 651.18	$ 15,140.14	$ 1,261.68	$ 1,206.20	$ 100.52
2	J	0.44%	$ 3,065.97	$ 255.50	$ 5,940.38	$ 495.03	$ 473.27	$ 39.44
3	J	0.44%	$ 3,107.97	$ 259.00	$ 6,021.76	$ 501.81	$ 479.75	$ 39.98

5-09 48th Avenue
Long Island City, New York

			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 w/421a	Estimated Monthly R.E Taxes w/421a
		Percentage of Value						
4	J	0.46%	$ 3,191.97	$ 266.00	$ 6,184.51	$ 515.38	$ 492.72	$ 41.06
5	J	0.47%	$ 3,275.97	$ 273.00	$ 6,347.26	$ 528.94	$ 505.68	$ 42.14
6	J	0.47%	$ 3,317.97	$ 276.50	$ 6,428.63	$ 535.72	$ 512.16	$ 42.68
7	J	1.00%	$ 6,993.15	$ 582.76	$ 13,549.36	$ 1,129.11	$ 1,079.47	$ 89.96
8	J	1.10%	$ 7,729.27	$ 644.11	$ 14,975.61	$ 1,247.97	$ 1,193.10	$ 99.42
2	K	0.81%	$ 5,650.33	$ 470.86	$ 10,947.62	$ 912.30	$ 872.19	$ 72.68
3	K	1.06%	$ 7,411.98	$ 617.66	$ 14,360.85	$ 1,196.74	$ 1,144.12	$ 95.34
4	K	1.12%	$ 7,818.11	$ 651.51	$ 15,147.74	$ 1,262.31	$ 1,206.81	$ 100.57
5	K	1.13%	$ 7,919.65	$ 659.97	$ 15,344.47	$ 1,278.71	$ 1,222.48	$ 101.87
6	K	1.14%	$ 8,021.18	$ 668.43	$ 15,541.19	$ 1,295.10	$ 1,238.16	$ 103.18
7	K	1.00%	$ 7,027.30	$ 585.61	$ 13,615.53	$ 1,134.63	$ 1,084.74	$ 90.39
8	K	1.11%	$ 7,757.41	$ 646.45	$ 15,030.13	$ 1,252.51	$ 1,197.44	$ 99.79
2	L	0.68%	$ 4,753.14	$ 396.10	$ 9,209.30	$ 767.44	$ 733.70	$ 61.14
3	L	0.45%	$ 3,145.55	$ 262.13	$ 6,094.56	$ 507.88	$ 485.55	$ 40.46
4	L	0.46%	$ 3,238.06	$ 269.84	$ 6,273.81	$ 522.82	$ 499.83	$ 41.65
5	L	0.49%	$ 3,423.10	$ 285.26	$ 6,632.32	$ 552.69	$ 528.39	$ 44.03
6	L	0.49%	$ 3,469.35	$ 289.11	$ 6,721.94	$ 560.16	$ 535.53	$ 44.63
7	L	0.69%	$ 4,825.70	$ 402.14	$ 9,349.89	$ 779.16	$ 744.90	$ 62.07
8	L	0.83%	$ 5,845.21	$ 487.10	$ 11,325.22	$ 943.77	$ 902.27	$ 75.19
2	M	1.45%	$ 10,140.53	$ 845.04	$ 19,647.48	$ 1,637.29	$ 1,565.30	$ 130.44
3	M	1.30%	$ 9,100.48	$ 758.37	$ 17,632.36	$ 1,469.36	$ 1,404.76	$ 117.06
4	M	1.34%	$ 9,360.49	$ 780.04	$ 18,136.14	$ 1,511.34	$ 1,444.89	$ 120.41
5	M	1.35%	$ 9,490.50	$ 790.87	$ 18,388.03	$ 1,532.34	$ 1,464.96	$ 122.08
6	M	1.37%	$ 9,620.51	$ 801.71	$ 18,639.92	$ 1,553.33	$ 1,485.03	$ 123.75
2	N	0.71%	$ 5,004.30	$ 417.03	$ 9,695.93	$ 807.99	$ 772.47	$ 64.37
3	N	0.69%	$ 4,867.20	$ 405.60	$ 9,430.29	$ 785.86	$ 751.30	$ 62.61
4	N	0.70%	$ 4,935.75	$ 411.31	$ 9,563.11	$ 796.93	$ 761.89	$ 63.49
5	N	0.71%	$ 5,004.30	$ 417.03	$ 9,695.93	$ 807.99	$ 772.47	$ 64.37
6	N	0.72%	$ 5,072.86	$ 422.74	$ 9,828.76	$ 819.06	$ 783.05	$ 65.25
2	P	1.00%	$ 6,988.72	$ 582.39	$ 13,540.79	$ 1,128.40	$ 1,078.79	$ 89.90
3	P	1.00%	$ 6,988.72	$ 582.39	$ 13,540.79	$ 1,128.40	$ 1,078.79	$ 89.90
4	P	1.01%	$ 7,079.49	$ 589.96	$ 13,716.64	$ 1,143.05	$ 1,092.80	$ 91.07
5	P	1.02%	$ 7,170.25	$ 597.52	$ 13,892.50	$ 1,157.71	$ 1,106.81	$ 92.23
6	P	1.04%	$ 7,261.01	$ 605.08	$ 14,068.35	$ 1,172.36	$ 1,120.82	$ 93.40
2	Q	0.95%	$ 6,631.10	$ 552.59	$ 12,847.89	$ 1,070.66	$ 1,023.58	$ 85.30
3	Q	1.02%	$ 7,183.69	$ 598.64	$ 13,918.54	$ 1,159.88	$ 1,108.88	$ 92.41
4	Q	1.04%	$ 7,275.79	$ 606.32	$ 14,096.99	$ 1,174.75	$ 1,123.10	$ 93.59
5	Q	1.05%	$ 7,367.89	$ 613.99	$ 14,275.43	$ 1,189.62	$ 1,137.31	$ 94.78
6	Q	1.06%	$ 7,459.99	$ 621.67	$ 14,453.87	$ 1,204.49	$ 1,151.53	$ 95.96
2	R	0.94%	$ 6,570.98	$ 547.58	$ 12,731.40	$ 1,060.95	$ 1,014.30	$ 84.53
3	R	1.00%	$ 7,027.30	$ 585.61	$ 13,615.53	$ 1,134.63	$ 1,084.74	$ 90.39
4	R	1.02%	$ 7,118.56	$ 593.21	$ 13,792.36	$ 1,149.36	$ 1,098.83	$ 91.57
5	R	1.03%	$ 7,209.83	$ 600.82	$ 13,969.18	$ 1,164.10	$ 1,112.91	$ 92.74
6	R	1.04%	$ 7,301.09	$ 608.42	$ 14,146.01	$ 1,178.83	$ 1,127.00	$ 93.92
BUILDING B:								
1	A	1.16%	$ 8,164.80	$ 680.40	$ 15,819.45	$ 1,318.29	$ 1,260.32	$ 105.03
2	A	0.58%	$ 4,092.25	$ 341.02	$ 7,928.82	$ 660.73	$ 631.68	$ 52.64
3	A	0.60%	$ 4,218.17	$ 351.51	$ 8,172.78	$ 681.07	$ 651.12	$ 54.26
4	A	0.63%	$ 4,407.04	$ 367.25	$ 8,538.73	$ 711.56	$ 680.27	$ 56.69
5	A	1.04%	$ 7,277.38	$ 606.45	$ 14,100.06	$ 1,175.01	$ 1,123.34	$ 93.61
1	B	1.20%	$ 8,380.39	$ 698.37	$ 16,237.17	$ 1,353.10	$ 1,293.60	$ 107.80
2	B	1.00%	$ 7,025.13	$ 585.43	$ 13,611.32	$ 1,134.28	$ 1,084.40	$ 90.37
3	B	1.02%	$ 7,155.55	$ 596.30	$ 13,864.02	$ 1,155.34	$ 1,104.54	$ 92.04
4	B	1.03%	$ 7,256.34	$ 604.69	$ 14,059.29	$ 1,171.61	$ 1,120.09	$ 93.34
5	B	1.06%	$ 7,448.72	$ 620.73	$ 14,432.03	$ 1,202.67	$ 1,149.79	$ 95.82
2	C	0.46%	$ 3,197.57	$ 266.46	$ 6,195.35	$ 516.28	$ 493.58	$ 41.13
3	C	0.46%	$ 3,243.91	$ 270.33	$ 6,285.14	$ 523.76	$ 500.73	$ 41.73
4	C	0.47%	$ 3,290.25	$ 274.19	$ 6,374.92	$ 531.24	$ 507.89	$ 42.32
2	D	0.58%	$ 4,095.09	$ 341.26	$ 7,934.32	$ 661.19	$ 632.12	$ 52.68
3	D	0.60%	$ 4,217.33	$ 351.44	$ 8,171.16	$ 680.93	$ 650.99	$ 54.25
4	D	0.63%	$ 4,400.69	$ 366.72	$ 8,526.43	$ 710.54	$ 679.29	$ 56.61

5-09 48th Avenue
Long Island City, New York

		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 w/421a	Estimated Monthly R.E Taxes w/421a
Total Residential Units:		**100.00%**	**$ 701,130.00**	**$ 58,427.50**	**$ 1,358,453.00**	**$ 113,204.42**	**$ 108,227.00**	**$ 9,018.92**
Cabana Units:								
	1	33.33%	$ 610.00	$ 50.83	$ 1,182.33	$ 98.53	$ 94.33	$ 7.86
	2	33.33%	$ 610.00	$ 50.83	$ 1,182.33	$ 98.53	$ 94.33	$ 7.86
	3	33.33%	$ 610.00	$ 50.83	$ 1,182.33	$ 98.53	$ 94.33	$ 7.86
Total Cabana Units:		**100.00%**	**$ 1,830.00**	**$ 152.50**	**$ 3,547.00**	**$ 295.58**	**$ 283.00**	**$ 23.58**
Parking Units:								
	1	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	2	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	3	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	4	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	5	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	6	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	7	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	8	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	9	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	10	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	11	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	12	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	13	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	14	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	15	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	16	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	17	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	18	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	19	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	20	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	21	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	22	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	23	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	24	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	25	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	26	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	27	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	28	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	29	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	30	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	31	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	32	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	33	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	34	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	35	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	36	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	37	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	38	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	39	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	40	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	41	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	42	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	43	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	44	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	45	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	46	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	47	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	48	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	49	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	50	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	51	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85

5-09 48th Avenue
Long Island City, New York

		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 w/421a	Estimated Monthly R.E Taxes w/421a
	52	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	53	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	54	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	55	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	56	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	57	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	58	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
	59	1.69%	$ 456.12	$ 38.01	$ 881.07	$ 73.42	$ 70.19	$ 5.85
Total Parking Units:		**100.00%**	**$ 26,911.00**	**$ 2,242.58**	**$ 51,983.00**	**$ 4,331.92**	**$ 4,141.00**	**$ 345.08**

JEROME MAZURSKY, MAI, CAE
President

NYS Certified General R.E. Appraisers
46000001594

QUALIFICATIONS

EDUCATION

N.Y.U. School of Commerce - B.S.
Real Estate Courses

Appraising I, II	CUNY
Advanced Assessing	Cornell University
Appraising Problems	University of Connecticut
Computerized Mass Assessing	I.A.A.O.
Various Appraisal Courses	Appraisal Institute

PROFESSIONAL DESIGNATIONS EARNED

MAI	(Member of the Appraisal Institute)
CAE	(Certified Assessment Evaluator, IAAO)
IAO	(Institute of Assessing Officers, NYSAA)

EMPLOYMENT

1973-1980	Assessor - Manhattan
1978	Interim Acting Tax Commissioner for Staten Island
1981-1982	Assistant Commissioner (in charge of the Real Property Assessment Division of the Department of Finance)
1983- Present	Real Estate Tax Consultant/Fee Appraiser

MEMBERSHIPS HELD IN PROFESSIONAL ORGANIZATIONS

International Association of Assessing Officers
N.Y.S. Association of Assessors
Appraisal Institute
American Arbitration Association

ARTICLES PUBLISHED

"The Future of Assessed Valuations in New York City"
Assessment Digest, July 1979
The Valuer's Line, May 1980

Book Review of "You Can Get Your Real Estate Reduced"
Real Estate Review, Spring 1980

"Reflections of an Acting Tax Commissioner"
Real Values, September 1978

"Real Estate Taxes and the Review Process"
C.P.A. Journal, July 1981

"The New Real Estate Tax in New York City"
C.P.A. Journal, July 1982

"Battling Taxes From a Different Vantage Point"
Real Estate Weekly, December 28, 1988

"Forecast of Real Estate Taxes in NYC"
Real Estate Weekly, January 1990

"Real Estate Tax Burden Shifting in New York"
REW - Review & Forecast, July 25, 1990

SCOPE OF APPRAISAL EXPERIENCE

Over a period of twenty-five years, I have valued thousands of properties of almost every conceivable type in New York City. Some of the more notable properties for which I have performed tax projections for offering plans are:

The Plaza Hotel Condominium
500 West End Avenue
350 West 42nd Street
The Corinthian Condominium
Trump Parc Condominium
The Stanhope Condominium
330 East 72nd Street
823 Park Avenue
123 West 44th Street

PENMARK
REALTY CORP

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i(1)

June 16, 2006

The Board of Managers of 5th Street Lofts Condominium
5-09 48th Avenue
Long Island City, NY

Re: **5th Street Loft**
Premises: **5-09 48th Avenue, Long Island City, NY and 5-26 47th Road, Long Island City, NY**

Gentlemen/Mesdames:

This letter is with respect to the Plan of Condominium Organization of the premises at the above address and the allocation of the Percentage of Common Interest to the respective Units therein.

It is our opinion that the allocation of the Percentages of Common Interest allocated to the respective Units as set forth in Schedule A of the Plan of Condominium Organization are in compliance with the regulations issued pursuant to Real Property Law Article 9-B, Section 339-i(1).

The Sponsor has used method (iv) contained in Section 339-i(1) of the New York Condominium Act, that is upon floor space, subject to 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 particular Unit.

The allocation of the percentages of Common Interest as set forth in the said "Schedule A" is based on the following: size of Unit, layout of Unit, location of the Unit in the Building and its status as a Residential or Commercial Unit.

Our firm is in the real estate management business for a period in excess of thirty-five (35) years. We currently manage residential and conventional elevator and non-elevator apartment buildings which are either operated in the cooperative or condominium form of ownership, many of which contain commercial property. Some of the properties that we manage are as follows:

345 East 57th Street
45 East 25th Street
838 Fifth Avenue

820 Second Avenue • New York, NY 10017 • 212-876-4200 • F 212-876-4258

This firm will not act as the selling agent or the Managing Agent of the Property. We have no beneficial interest in the Sponsor and no interest in the profits of this offering plan other than the fee for this service.

Very truly yours,

Penmark Realty Corporation

By: _____
Bernard Friedman, President

WORKING CAPITAL FUND AND RESERVE FUND

Working Capital Fund

At each Unit closing (both under this Plan and in the future), the Condominium Board shall collect an amount equal to twice the monthly Common Charges applicable to each Unit from each Purchaser to be paid to the Board of Managers for its working capital ("Working Capital Fund") which shall be used to pay any net closing adjustment owed to Sponsor by the Condominium Board or for such other appropriate purposes permitted under the Declaration and the By-Laws as well as determined by the Board of Managers in its sole discretion. This contribution is not refundable or transferable if the Purchaser sells his Unit. No contribution to the Working Capital Fund of the Condominium will be made by Sponsor (or any other owner of an Unsold Unit). The funds so contributed by Purchasers will be deposited in the general operating account of the Condominium and may be used for such purposes as the Board of Managers shall determine to be appropriate, including for ordinary operating expenses. No representation is made by the Sponsor that the Working Capital Fund will be adequate to cover current or future expenses, including repairs or replacements. It may be necessary to increase Common Charges if additional funds are required above the Working Capital Fund for the payment of items not covered by Sponsor's obligations. During the Sponsor Control Period, the working capital fund may not be used to reduce projected Common Charges, not may it be used to pay for closing adjustments with the Condominium.

Reserve Fund

Sponsor will not contribute any money to the Condominium Board for a reserve fund (the "Reserve Fund"). In no event shall any portion of the reserve fund be used to pay any Common Charges attributable to Unsold Units. For such period as Sponsor retains control of the Board of Managers, the Reserve Fund will not be used to reduce projected Common Charges as set forth in Schedule A. If additional funds are required, it may be necessary to increase Common Charges or make special assessments on Unit Owners. The Condominium Board will be able to utilize the money in the reserve fund at any time and, accordingly, no representation is made as to the exact amount of funds available at any specific time. No representation is made that the reserve fund will be, or is intended to be, adequate to cover current or future expenses, including repairs or replacements, and if additional funds are required over and above the reserve fund, it may be necessary to increase Common Charges. During the Sponsor Control Period, the reserve fund may not be used to reduce projected Common Charges, not may it be used to pay for closing adjustments with the Condominium.

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

MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

Management Agreement

It is presently contemplated that prior to the First Unit Closing, the Condominium Board will enter into a management agreement (the "Management Agreement") with the

Managing Agent. Under the Management Agreement, the Managing Agent will manage the Building for an initial term of one (1) year. Thereafter, the Management Agreement shall be automatically renewed unless the Condominium Board notifies the Managing Agent 30 days prior to the expiration that it elects not to renew. The Managing Agent shall be entitled to a change in the fees reflected in a written notice given by the Managing Agent at least 45 days prior to the expiration of the term. The Condominium Board may terminate the Agreement (at any time) on 30 days notice and the Managing Agent may terminate the Agreement at any time on 60 days notice. The Managing Agent may not assign the Management Agreement.

Penmark Realty Corp. ("Penmark"), the Managing Agent, is a New York corporation. During the period in which Sponsor controls the Condominium Board, Sponsor shall have the right to automatically renew the Management Agreement. Each subsequent renewal shall be for an additional period not to exceed one year.

The Management Agreement shall provide that the Managing Agent shall bill and collect Common Charges, supervise the maintenance of the Building, hire the persons necessary to properly maintain and operate the Building, cause all bills incurred by the Condominium Board to be paid, purchase all supplies necessary advise the Condominium Board on the operation of the Building and perform such other duties as are usually associated with a management agreement for a property like the Building.

The annual financial statement with respect to the Condominium will not be prepared by the Managing Agent. Such statement will be prepared by an independent certified public accountant engaged by the Condominium Board, at the sole expense of the Unit Owners. While the Sponsor is in control of the Condominium Board such statement shall be certified.

All expenses incurred by the Managing Agent in the performance of its duties are Common Expenses and will be paid by all Unit Owners. The Unit Owners will indemnify the Managing Agent from all of the Managing Agent's acts and omissions (excluding its gross negligence and intentional misconduct) in connection with the Management Agreement.

Other Contractual Agreements

The Managing Agent intends to enter into the following contractual agreements with respect to the maintenance of the Building:

(i) Elevator Maintenance;

(ii) Extermination;

(iii) Sprinkler service;

(iv) Superintendent; and

(v) Fire Alarm.

Sponsor reserves the right prior to the First Unit Closing to enter into, extend, renew or replace any or all of the service contracts listed above. As of the date of the Plan, Sponsor has not entered into any service contracts for elevator, alarm, fire alarm, extermination, superintendent and sprinkler systems and water treatment service; however, the budget

provides for estimates for such service contracts (see notes to Schedule B). The terms of such service contracts will be disclosed in a duly filed amendment to the Plan.

IDENTITY OF PARTIES

Sponsor

5-01-5-17 48th Avenue, LLC, the Sponsor, is a New York limited liability company maintaining an office at 16 Court Street, Suite 2403, Brooklyn, New York 11201. The sole member of Sponsor is 5-01-5-17 48th Avenue II, LLC. The active officer of Sponsor is Mr. David Von Spreckelsen. Mr. Von Spreckelsen maintains an office at 16 Court Street, Suite 2403, Brooklyn, New York 11201 and is a resident of the State of [redacted]

Mr. David Von Spreckelsen is actively involved in the planning and consummation of this offering. He is an officer of 51 N. 8th Street L.P. who is the Sponsor of a condominium offering plan for a new construction project located at 47-63 North 8th Street, Brooklyn, New York, which plan is pending acceptance by the New York State Attorney General. Other than this Offering Plan, Mr. Von Spreckelsen has not been a sponsor or a principal of the sponsor of a condominium, cooperative, homeowner's association or time share in the United States which was initially offered during the preceding five (5) years.

Mr. David Von Spreckelsen has not participated as a principal in any cooperative or condominium conversions. Sponsor and/or its principals and/or entities in which principals of sponsor were principals have (i) no prior felony convictions, (ii) no prior bankruptcies, and (iii) no prior convictions, injunctions or judgments against sponsor and/or its principals and/or entities in which principals of sponsor were principals.

Attorneys for Sponsor

Sponsor has retained The Law Offices of Robert Flink, having an office at 555 5th Avenue, 14th Floor, New York, New York 10017 to represent it in connection with the Plan. The Law Offices of Robert Flink prepared the Plan, the Declaration, the By-Laws and the forms of Purchase Agreement, Condominium Unit Deed for the Units, the Condominium Unit Power of Attorney. The Law Offices of Robert Flink will represent Sponsor in connection with the Closing of Units under the Plan. Sponsor shall designate which law firm will perform the closings of the Units. St. John & Wayne, having an office at 70 East 55th Street, New York, NY 10022 has rendered an opinion with respect to the availability of income tax deductions to purchasers of Units. Sponsor has also retained The Mazursky Group, Inc. having an address at 42 Broadway, New York, NY 10004 as Sponsor's special real estate tax exemption consultant. None of the Sponsor's attorneys are the same principals as the Sponsor.

Selling Agent and Managing Agent

The Selling Agent for this offering is Halstead Property Development Marketing, LLC, a New York limited liability company, having an office at 831 Broadway, New York, NY 10003. The Selling Agent and the principals of the Selling Agent have been involved in the development and marketing of many condominium projects over the last ten (10) years. The Selling Agent and/or its principals and/or entities in which principals of Selling Agent were principals have (i) no prior felony convictions, (ii) no prior

bankruptcies, and (iii) no prior convictions, injunctions or judgments against sponsor and/or its principals and/or entities in which principals of sponsor were principals. No principal or employee of the Selling Agent has any financial interest in the Property or the Sponsor. The fee for the above-mentioned services will be paid by Sponsor.

(See "Management Agreement, Contracts and Leases").

Sponsor has engaged Penmark Realty Corp. ("Penmark"), a New York corporation, having an office at 5 East 86th Street, New York, NY 10028 to act as the managing agent for the Condominium Board. Penmark has approximately ten (10) years of experience acting as the managing agent in a condominium. No prior felony convictions, bankruptcies, convictions, injunctions, or judgments exist against the managing agent and/or its principals and/or entities in which principals of managing agent were principals. The principals of the Managing Agent are not the same principals as the Sponsor. (See "Management Agreement, Contracts and Leases").

Sponsor's Architect

Sponsor has retained H. Thomas O'Hara Architect, PLLC, having an office at 135 West 36th Street, New York, NY 10018 to prepare the Floor Plans as set forth in Part II of the Plan. H. Thomas O'Hara Architect, PLLC has been providing architectural services for approximately 20 years. H. Thomas O'Hara Architect, PLLC inspected the Building and prepared the "Architect's Report on Description of Property and Building Condition", which is Exhibit D to Part II of the Plan, on the basis of which Sponsor makes its representations hereunder.

No principal or employee of H. Thomas O'Hara Architect, PLLC has any financial interest in the Property or the Sponsor. The fee for the above-mentioned services will be paid by Sponsor.

Sponsor's Engineer

Sponsor has engaged Joseph Lieber of Axis Design Group having an address at 744 Broad Street, Suite 1924, Newark, NJ 07102, as its structural engineer. No principal or employee of Axis Design Group has any interest in the Building. Joseph Lieber has extensive experience providing engineering services. The fee for the above-mentioned services will be paid by Sponsor. Sponsor has engaged Eric Ettinger of Ettinger Engineering Associates, 505 Eighth Avenue, New York, NY 10018 as its MEP engineer. No principal or employee of Ettinger Engineering Associates has any financial interest in the Property or the Sponsor. Eric Ettinger has been providing mechanical engineering services for many years. The fees for the above-mentioned services will be paid by Sponsor.

Sponsor's Contractor

Sponsor has not yet determined who will be the general contractor for the construction of the Building. When Sponsor determines the general contractor, Sponsor shall amend the Offering Plan. The fees for the above-mentioned services will be paid by Sponsor.

Other Experts

Sponsor has engaged Penmark to review the Projected Budget for the First Year of Condominium Operation; Letter of Compliance with Section 339-i; Certification of Sponsor's Expert Concerning Allocation of Common Charges and Certification of Sponsor's Expert Concerning Adequacy of Budget. Sponsor has engaged Penmark to prepare the Letter of Compliance with Section 339-i. No principal or employee of Penmark has any interest in the Building and is not affiliated with Sponsor. The fee for the preparation of these items will be paid by Sponsor.

REPORTS TO UNIT OWNERS

The Board of Managers will provide each Unit Owner annually with the following: (i) a financial statement of the Condominium prepared by a certified public accountant will be mailed to all Unit Owners within six (6) months after the end of each fiscal year; (ii) prior notice of Unit Owner meetings and (iii) a copy of the proposed annual budget of the Condominium will be sent to the Unit Owners by mail not less than ten (10) days prior to the date set for adoption thereof. During the Sponsor Control Period, the proposed annual budget shall be certified by an independent public accountant.

DOCUMENTS ON FILE

Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan and all exhibits and documents referred to herein shall be available for inspection (without charge) and copying at a reasonable charge, by prospective purchasers, their attorneys and by any person who shall have purchased a Unit offered by the Plan or shall have participated in the offering of such Unit at the site whenever the on site sales office is open and at the office of Sponsor and shall remain available for such inspection for a period of six years from the date the Declaration is recorded. In addition, a set of the Floor Plans showing the layout, locations and dimensions of each Unit (within reasonable tolerances) and its unit number designation and tax lot number, certified by the appropriate governmental authority of the City of New York as conforming to the official tax lot number for each such Unit, will be filed with the City Register's Office when the Declaration is recorded and an additional set will be furnished to the Condominium Board.

The Declaration and By-Laws will be recorded in the City Register's Office prior to or concurrently with the First Unit Closing. The recording of all deeds conveying individual Units and all mortgages covering individual Units will also be in such office.

GENERAL

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. Sponsor represents that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, other than those documents contained in Part II of the Plan. Exact copies of the forms of Declaration, By-Laws, Purchase Agreement, Condominium Unit Deed for the Units, Condominium Unit Power of Attorney, and certain other documents including the Architect's Report are

contained in Part II of the Plan. Any statement herein is 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 the Plan, any rider or separate agreement changing or adding provisions to such document.

In accordance with the provisions of the laws of the State of New York, neither Sponsor nor any selling agent engaged by Sponsor will discriminate against any person because of his race, creed, sexual orientation, color, national origin or ancestry in the sale of Units offered by the Plan or in the leasing of any such Units or any other portion of the Building.

There are no lawsuits, administrative proceedings or other legal proceedings now pending or any judgment outstanding which could materially affect this offering, the Units, the Property, the Condominium or the operation thereof.

To Sponsor's knowledge, neither the Units nor the Building have been the subject of any cooperative or condominium offerings.

Sponsor will sell all Units with the intention of making a profit. Because of numerous contingent factors, it is not presently possible to determine with exactitude the amount of such profit.

As of the date of this Plan, neither Sponsor nor any representative or agent of Sponsor received funds or made any preliminary offering or binding agreement with respect to Units in the Building.

Sponsor reserves the right to amend the Plan at any time subject to the rights of persons who have theretofore executed Purchase Agreements. If such amendment has a material and adverse effect on the rights of persons who have theretofore executed Purchase Agreements, such Purchasers may elect to cancel their Purchase Agreements within 30 days and obtain a refund, in full, of the down payment, with accrued interest, if any.

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

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

SPONSOR'S STATEMENT OF SPECIFICATIONS OR BUILDING CONDITION

Sponsor adopts the Description of Property and Building Condition prepared by H. Thomas O'Hara Architect, PLLC contained in Part II of the Plan. 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. Sponsor reserves the right substitute in place thereof, without prior notice or amendment to the Plan, equipment, materials, systems, fixtures, appliances and any other item of equal or better quality. Sponsor reserves the right to make any and all decisions with respect to the constructions means, methods, practices and designs.

Lead-Based Paint Disclosure

As of the date the Plan was first submitted to the Department of Law, Sponsor has no knowledge, records or reports of the presence of lead-based paint and/or lead-based paint hazards at the Property. Any knowledge, records or reports of the presence of lead-based paint and/or lead-based paint hazards that hereafter become known or available to Sponsor will be disclosed to each prospective Purchaser under the Plan as and to the extent required by the Regulations, but need not be disclosed in an amendment to this Plan.

PART II

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EXHIBIT A

Agreement of Sale

This Agreement is made this _____ day of _____, 20__, by and between 5-01-5-17 48th Avenue, LLC **("Seller")** and _____ _____ **("Buyer")**, whose address is: _____ _____.

1. PURCHASE: Seller shall sell to Buyer, who shall purchase from Seller, Unit _____ (hereinafter "the "Unit"), in the Condominium known as "5th Street Lofts Condominium Offering Plan" having an address at [5-09 48th Avenue, Long Island City, NY] or [5-26 47th Road, Long Island City, NY] with an undivided _____% interest in the Condominium's Common Elements, and Cabana Unit _____ with an undivided _____% interest in the Condominium's Common Elements and Parking Unit _____ with an undivided _____% interest in the Condominium's Common Elements, respectively (as defined in the Declaration), with the Unit and the respective share of the Common Elements hereinafter referred to as the "Premises".

PURCHASE PRICE:

Seller and Buyer agree that the base Purchase Price for the Unit with an undivided __% interest in the Condominium Common Elements is: $ _____

Seller and Buyer agree that the total Purchase Price for Cabana Unit ___ with an undivided __% interest in the Condominium Common Elements is: $_____

Seller and Buyer agree that the total Purchase Price for Parking Unit ___ with an undivided __% interest in the Condominium Common Elements is: $_____

PAYMENT TERMS:

(a) Cash at signing of this Agreement $ _____

(b) Balance of Purchase Price by Buyer's bank check or Federal wired funds at closing $ _____

BASE PURCHASE PRICE WITH CABANA AND PARKING UNIT (IF ANY): $ _____

2. **THE CONDOMINIUM DOCUMENTS:** The Unit and its included respective interest in the Common Elements shall be as designated in the Declaration of the Condominium, to be dated and recorded prior to closing of title to the first Unit at the Premises in the Office of the City Register of the City, County and State of New York as same may be amended from time to time (the "Declaration"), the Bylaws of the Condominium (the "Bylaws") and the Offering Plan of the Condominium (the "Offering Plan" and, together with the Declaration and Bylaws, the "Condominium Documents" as may be amended from time to time). If not already filed, the Seller may amend the Declaration prior to the closing date and file at such time a verified statement of a registered architect or licensed professional engineer certifying that the plans theretofore filed or being filed simultaneously with such amendment fully and fairly depict the layout, location, lot designation and approximate dimensions of the lot as built. The Declaration and Bylaws, as recorded, are substantially in the form and substance of the Declaration and Bylaws delivered to the Buyer as part of the Offering Plan and any changes made thereto will not substantially adversely affect the Buyer unless disclosed in an Amendment to the Offering Plan duly filed with the New York State Department of Law.

3. **BUYER BOUND BY CONDOMINIUM DOCUMENTS:** The Seller has exhibited and delivered to the Buyer and Buyer represents that Buyer has received and read the Condominium Documents at least three (3) business days prior to executing this Agreement of Sale. Only if Buyer has not had an opportunity to review the Offering Plan and any filed amendments for at least three (3) business days prior to delivery of the Condominium Documents, after delivering an executed Agreement of Sale, together with the required deposit, Buyer will be afforded seven (7) days to rescind this Purchase Agreement and have the full deposit refunded promptly. Buyer agrees to be bound by the proposed Declaration, Bylaws and Offering Plan of the said Condominium (and the Schedules, Plans and Exhibits attached thereto all of which are incorporated herein by reference and made a part of this Agreement of Sale with the same force and effect as if set forth in full herein. Any conflict between the Offering Plan and the Agreement of Sale is to be resolved in favor of the Offering Plan. Buyer's continuing liability to pay, when assessed by the Condominium, a share of the expenses of maintaining and operating the common areas in accordance with the provisions of the Declaration and Bylaws of the Condominium. In addition to any other costs incident to the closing hereunder and as set forth in the Offering Plan which Buyer has agreed to pay, Buyer also agrees to pay at closing the additional sum of two (2) months Common Charges, for the Unit, as set forth in schedule A to the Offering Plan as a nonrefundable contribution to the Working Capital Fund of the Condominium. Such contribution is to be in addition to and not in lieu of Common Charges assessments levied by the Condominium as they thereafter regularly or specially accrue.

4. **DEED; TITLE:** Title to the Premises shall be conveyed by Seller's bargain and sale deed with covenants against Grantors Acts at closing and shall be insurable by a licensed title company, subject to restrictions, agreements, conditions and easements of

record, conditions and notes on the recorded plat or plan and any amendments thereto, any utility and drainage easements, the Condominium Documents and any and all conditions set forth in the "Terms of Sale" section of the Offering Plan.

5. **MORTGAGE APPLICATION:** Buyer shall in good faith make a truthful and complete application to TBI Mortgage and any other lender of Buyer's choosing. Buyer agrees to submit a loan application to TBI Mortgage Company ("TBI Mortgage") at no cost to Buyer within fourteen (14) days of Buyer's execution of this Agreement of Sale ("Mortgage Application Period"), under conditions herein stated for a mortgage amount not to exceed , for a term of not less than years and at the following interest rate: . Buyer may also submit an application at Buyer's own expense to any mortgage lender of Buyer's choosing within the Mortgage Application Period. If Buyer chooses to apply to a lender other than TBI Mortgage, Buyer shall, within the Mortgage Application Period, complete and return to Seller the Request for Lender Information form.

Buyer shall furnish, within five (5) days of any request, all information required by any Lender. Buyer acknowledges that Seller is relying on Buyer's information in determining to proceed with building the Unit. Buyer agrees immediately to send Seller copies of any notice from Buyer's lender(s) rejecting Buyer's loan application(s). If Buyer is not approved for a mortgage within sixty (60) days of the date of Buyer's execution of this Agreement, Seller shall extend the mortgage application approval process until such time as: (1) Seller submits another application on substantially the same terms described above to a lender chosen by Seller, with no additional application fee to Buyer, or (2) Seller declares this Agreement null and void in which event all sums paid on account of the purchase price and extras shall be returned to Buyer with interest, if any, and neither party shall have any further rights or liabilities hereunder.

Buyer agrees within five (5) days of receipt (i) to accept a loan commitment from the Lender that Buyer's intends to use for settlement and (ii) to mail an executed copy of the commitment to Seller. Buyer further agrees to execute all documents and pay all fees required to consummate the mortgage transaction. By accepting the loan commitment, Buyer agrees to be responsible for and bear the risk of meeting all conditions, if any, including but not limited to, the sale of other real estate presently owned by Buyer. Buyer's failure to fulfill any of such conditions or the termination or expiration of the mortgage commitment after it is received, for any reason, shall not release Buyer from its obligations under the Agreement.

Notwithstanding anything to the contrary, Sponsor shall have no obligation to secure a mortgage loan for Purchaser from the same or another lender. If Sponsor does not secure a mortgage loan for Purchaser or Purchaser fails to obtain a loan commitment on or before sixty (60) days after the date of Purchaser's execution of this Agreement, then Sponsor may declare this Agreement null and void as described above. Notwithstanding anything to the contrary, once a written loan commitment from a lending institution has been issued to Purchaser, then any financing contingency which previously existed is deemed extinguished. Accordingly, any expiration or revocation or withdrawal of such

commitment shall not reinstate the 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.

6. **SETTLEMENT COSTS; APPORTIONMENTS:** Buyer shall pay for title insurance, Seller's document preparation, including without limitation, conveyancing, recording and notary fees and all other customary and usual settlement costs. Buyer shall pay all real estate transfer taxes. Real estate taxes, and all other charges that are customarily apportioned shall be apportioned to midnight the date prior to settlement as well as the closing costs and expenses referred to in the Section of the Plan titled "Unit Closing Costs and Adjustment," including, but not limited to, the amount of any credit for mortgage recording tax as set forth in such section.

7. **TITLE INSURANCE:** Buyer has the right to select the title insurance company for settlement; however, if Buyer fails to notify Seller in writing of Buyer's selection within 30 days of Buyer's execution hereof, or if Buyer's title company is unwilling to insure title as good and marketable, then, in order to facilitate the preparation of settlement documents, Seller is authorized to obtain title insurance for Buyer at Buyer's expense at prevailing rates.

8. **DEFAULT:** If Buyer defaults in performing any of its obligations under this Agreement of Sale, and such default continues for (7) days after written notice, time being of the essence, Seller shall have the right, as its sole remedy, to terminate this Agreement of Sale and retain all sums paid to Seller its successor and/or assigns or its parents, subsidiaries or affiliates on account of liquidated damages, in which event this Agreement of Sale shall be null and void. Buyer and Seller agree that such damages are not a penalty, but represent the parties' best estimate of the actual or liquidated damages which Seller will sustain upon a default by Buyer, which damages are substantial but are not capable of precise determination. No delay or forbearance by Seller in exercising any right or remedy hereunder shall be deemed to be a waiver thereof. If Seller defaults under this Agreement of Sale prior to the Outside Settlement Date (as defined herein) and such default continues for 7 days after written notice, Seller's sole liability shall be the return of all sums paid on account of the purchase price and extras to Buyer and this Agreement of Sale shall be null and void.

9. **APPROVAL OF SELLER:** This Agreement of Sale will not be binding upon Seller unless executed by an officer of Seller within 30 days; Seller's salesperson has no authority to bind Seller hereunder. This Agreement of Sale shall constitute an irrevocable offer by Buyer for this 30 day period.

10. **TRUST FUNDS:** The Seller will comply with the escrow and trust fund requirements of Section 71a (3) of the Lien Law; General Business Law Sections 352-e (2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto.

Any provisions of any contract or agreement, whether oral or in writing, by which a Buyer purports to waive or indemnify any obligation of the escrow agent holding trust

funds is absolutely void. The provisions of the Attorney General's regulations concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in the Offering Plan or in this Agreement of Sale. Buyers shall not be obligated to pay any legal or other expense of the Seller in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of trust funds.

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

Buyer, as the purchaser of the Unit, may require the recipient or contractor to deposit the initial advance made by Buyer in an escrow account. In lieu of such deposit, the recipient or contractor may post a bond or contract of indemnity with Buyer guaranteeing the return of such advance.

All deposits, down payments, or advances made by Buyers prior to closing of each individual transaction, whether received before or after the date of consummation of the Plan, will first be placed, within five (5) business days after the Agreement of Sale is fully signed by all necessary parties, in a segregated special escrow account of The Law Offices of Robert Flink the Escrow Agent, whose address is 555 5th Avenue, 14th Floor, New York, NY 10017, and whose telephone number is (212) 377-2062. The signatories on this account authorized to withdraw funds is Robert Flink. The name of the account is 5th Street Lofts Condominium Escrow Account or similar name, Escrow Account, located in First Republic Bank, located at 1230 Avenue of the Americas, New York, NY. Said bank is covered by federal bank deposit insurance to a maximum of $100,000 per individual deposit. If an individual makes a deposit in excess of $100,000 for the purchase of the Premises, it is a special risk of this offer that such deposit will not be federally insured in excess of $100,000.

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

11. CONSTRUCTION: The Unit will be completed substantially similar to the Unit depicted in the floor plans set forth in the Offering Plan, without extras, for the Unit set

forth in Paragraph 1, and will be built to the standard specifications set forth in the Offering Plan, without extras.

The furnishings, decorations, extras and all optional, decorator and other extra cost items displayed in the model Unit, if any, are not included in this sale unless specifically itemized as extras on the Exhibits attached hereto if any.

Where applicable the Premises will be graded and seeded. Seller may remove or leave any trees or other vegetation on the Premises in Seller's sole discretion and shall not be liable for any damage to trees or other vegetation. Location of the Unit, final grading of the yard areas, if any, and the number of exterior steps are at Seller's sole discretion. Seller reserves the right to reverse the plan of the Unit at Seller's sole discretion. Seller may make substitutions of material of equivalent or better value and quality.

Certain items of outside work (e.g. grading, seeding and driveway) may not be completed prior to settlement. Seller agrees to complete such items after settlement as soon as practical and weather permitting and Buyer agrees that there will be no holdback or escrow of any part of the purchase price.

A certificate of occupancy (temporary or permanent) will be provided at settlement. If a temporary certificate of occupancy is provided at settlement, the permanent certificate of occupancy will be provided within two (2) years of the closing of the first Unit in the Condominium.

12. PRE-CLOSING INSPECTION: A pre-closing inspection will take place approximately 5-7 days prior to closing, the purpose of which is to note issues including, but not limited to, spackle and painting touch-ups. These items will be completed prior to closing, if possible. An additional pre-closing inspection will take place prior to closing to verify if the work is complete. Issues noted in the pre-settlement inspection shall not prevent closing, require an escrow and Seller's obligation to remedy any issue mutually agreed to any noted on either inspection shall survive closing.

13. SETTLEMENT: Settlement shall be made by Buyer at a place of Seller's choosing within thirty (30) days after written notice by Seller to Buyer.

If construction of the Premises is not commenced within 6 months of the date of Seller's acceptance of this Agreement of Sale or substantially completed within 12 months of the estimated First Unit Closing date of on or about July 1, 2007 and said failure is not caused by strikes, emergencies, acts of God, bad weather, shortages of labor or materials or other events beyond Seller's reasonable control, then Buyer's sole remedy at such time shall be to terminate this Agreement of Sale by giving written notice to Seller within 10 days thereafter and in such event, all sums paid on account of the purchase price with interest, if any, but payments on account of extras shall be returned to Buyer and neither party shall have any further rights or liabilities hereunder. Notwithstanding anything to the contrary in this Agreement of Sale, in the event that Seller fails to complete construction of the Premises within two (2) years of the date of Buyer's execution of this

Agreement of Sale (the "Outside Settlement Date"), then Buyer shall have all remedies available to Buyer at law and in equity without limitation.

14. POST-SETTLEMENT REMEDIES AND WARRANTIES: SELLER SHALL HAVE NO LIABILITY OR OBLIGATION WHATSOEVER AFTER SETTLEMENT WITH RESPECT TO THE PREMISES OR THIS AGREEMENT OF SALE. SELLER HEREBY SPECIFICALLY EXCLUDES ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY, HABITABILITY, WORKMANSHIP AND FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL SELLER BE LIABLE FOR RECISSION, ANY SPECIAL, EXEMPLARY, INDIRECT OR CONSEQUENTIAL DAMAGES. THE PROVISIONS OF THIS PARAGRAPH SHALL SURVIVE SETTLEMENT.

15. ARBITRATION: Buyer hereby agrees that any and all disputes with Seller, Seller's parent company or their subsidiaries or affiliates arising out of the Premises, this Agreement of Sale, any other agreement involving Buyer, or the construction or condition of the Premises including, but not limited to, disputes concerning breach of contract, warranties, personal injuries and/or illness, mold-related claims, representations and/or omissions by Seller, on-site and off-site conditions and all other torts and statutory causes of action ("Claims") shall be resolved by binding arbitration in accordance with the rules and procedures of Construction Arbitration Services, Inc. ("CAS") or its successor or an equivalent organization selected by Seller. If CAS is unable to arbitrate a particular claim, then that claim shall be resolved by binding arbitration pursuant to the Construction Rules of Arbitration of the American Arbitration Association or its successor or an equivalent organization selected by Seller. In addition, Buyer agrees that Buyer may not initiate any arbitration proceeding for any Claim(s) unless and until Buyer has first given Seller specific written notice of each claim (at 250 Gibraltar Road, Horsham, PA 19044, Attn: Dispute Resolution) and given Seller a reasonable opportunity after such notice to cure any default. The provisions of this paragraph shall be governed by the provisions of the Federal Arbitration Act, 9 U.S.C. § §1, et seq. and shall survive settlement.

Buyer's Initials: _____

BUYER HEREBY WAIVES THE RIGHT TO A PROCEEDING IN A COURT OF LAW (INCLUDING WITHOUT LIMITATION A TRIAL BY JURY) FOR ANY CLAIMS OR COUNTERCLAIMS BROUGHT PURSUANT TO THIS AGREEMENT. THE PROVISIONS OF THIS SECTION SHALL SURVIVE SETTLEMENT.

Buyer's Initials: _____

Notwithstanding the above the Purchaser shall not waive its rights or Sponsor shall not abrogate its obligations pursuant to Article 23-A of the GBL, including but not limited to, the Purchaser's right to seek the assistance of the New York State Department of Law for

disputes arising for determining the disposition of escrowed deposits and to enforce the provisions of the Offering Plan.

16. **EXTRAS SELECTIONS:** Buyer shall make all selections of extras, if any, within fifteen (15) days of the Buyer's execution hereof. If such extras selections are not made within the required time periods, Seller will have the right to select and install standard materials for Buyer as disclosed in the Offering Plan. In the event extras materials selected by Buyer are not available from Seller's ordinary and usual sources of supply, then Buyer shall make substitute selections within ten (10) days following Seller's request; if Buyer fails to make timely substitute selections, Seller may make such substitutions of equivalent or better materials as may be reasonable and necessary under the circumstances.

Buyer's Initials:_____

17. **COVENANTS:** The Premises are encumbered by a Declaration and By Laws which contain covenants and easements for the benefit of all Unit Owners and Seller. The declaration sets forth certain use and architectural restrictions, including without limitation restrictions on the construction and location of fences, signs, clotheslines, antennas, commercial vehicles, boats, trailers, campers, storage sheds and other structures.

18. **CONDOMINIUM ASSOCIATION:** A condominium association, 5th Street Lofts Condominium (the "Association") will be established as of the first Unit closing for the benefit of all Unit Owners in the Condominium and Seller for the purpose of managing, operating and maintaining certain common and/or services within the Condominium in which the Unit is located. Buyer will be a Unit Owner in the Condominium and will be subject to the provisions of the Declaration, By Laws and Rules and Regulations, covenants, conditions, easements and restrictions for the Condominium, pursuant to which the Condominium will be established and will be operated. Among other things, the Declaration, By Laws and Rules and Regulations set forth the certain use and architectural restrictions, including without limitation, restrictions on the construction and location of fences, signs, clotheslines, antennas, boats, trailers, commercial vehicles, campers, storage sheds and other structures. The affairs of the Condominium will be conducted by a Board of Managers which will initially be selected by Seller. Buyer hereby acknowledges having read and accepts the provisions of the Declaration, By Laws and Rules and Regulations relating to the Condominium, as the same may be amended from time to time under the applicable provisions of such documents or as permitted by law, and agrees to pay and acknowledges Buyer's continuing liability to pay, when assessed by the Condominium, a share of the expenses of maintaining and operating the Common Elements in accordance with the provisions of the Declaration, Bylaws Laws and Rules and Regulations of the Condominium. In addition to any other costs incident to the settlement hereunder which Buyer has agreed to pay, Buyer also agrees to pay at Settlement the additional sum of two (2) months Common Charges as a non-refundable Working Capital contribution to the Condominium, such contribution to be in addition to and not in lieu of Common Charges

and assessments levied by the Condominium as they thereafter regularly or specially accrue. Buyer acknowledges that the amount of assessments due to the Condominium is subject to change in accordance with the terms of the Declaration, and By Law and Buyer's failure to pay assessments when due could result in a lien on or the foreclosure of the Premises.

19. ORAL STATEMENTS OR PROMISES: Oral statements or promises may cause disputes between Sellers and Buyers the Unit. This section of the Agreement of Sale attempts to alleviate potential problems. Unless oral statements or promises are included in this Agreement of Sale, they are not enforceable. By including the terms below, Buyer and Seller are making them part of this Agreement of Sale. THIS SECTION SHOULD NOT BE LEFT BLANK IF YOU ARE RELYING ON ANY ORAL STATEMENTS OR PROMISES.

_____

_____

_____

20. MISCELLANEOUS:

(a) This Agreement of Sale and all Exhibits and Endorsements contain the entire agreement between the parties. Buyer acknowledges that no one has the authority to make and no one has made any statements or representations which have been relied upon by Buyer which modify or add to the terms and conditions set forth herein, including any statements relating to the existence, condition, use or development of nearby property, roads or open space, except as may be expressly set forth in an Exhibit or an Endorsement hereto, (or the Offering Plan, where applicable). No modification of this Agreement shall be binding unless it is in writing and signed by the parties.

Buyer's Initials:_____

(b) This Agreement of Sale shall not be recorded.

(c) This Agreement of Sale shall be binding upon the respective heirs and successors of the parties.

(d) Buyer acknowledges that the Model Unit if any and brochure insert if any referred to herein, the location the Unit purchased hereunder, the list of standard features and extra items for the Premises have been inspected by Buyer and that the Premises are being purchased by Buyer as a result of said inspection.

(e) Buyer's obligation to pay the entire purchase price, the price of any extras and settlement costs shall survive settlement.

(f) Until settlement, Seller shall assume the risk of loss to the Premises due to fire or other casualty. Seller will not be responsible, however, for any loss or damage

caused by the acts or omissions of Buyer or Buyer's agents, representatives or invitees.

(g) Buyer hereby releases and agrees to indemnify, defend and hold Seller harmless from all claims and liabilities incurred by Seller resulting from the presence of Buyer or Buyer's family members or invitees on the premises or Seller's other property during the term of this Agreement of Sale.

(h) Buyer acknowledges Buyer's receipt of Seller's Affiliated Business Disclosure and understands that Buyer has the right to select the mortgage lender and title company for Settlement.

(i) Any and all exhibits or endorsements signed by any one Buyer are deemed to be authorized and accepted by all signatories to the Agreement of Sale who have signed as Buyer.

(j) Buyer shall have no right to assign this Agreement without the prior consent in writing of Seller and any purported assignment of this Agreement in violation hereof shall be voidable at the option of Seller. In the event Sponsor consents to the assignment of this Agreement, Purchaser shall pay The Law Offices of Robert Flink the legal fee of Sponsor's attorneys for reviewing the assignment agreement. Such fee shall be approximately $250.00, plus disbursement. Prior to the closing of title to the Unit, Purchaser shall not advertise or otherwise offer, promote or publicize the availability of such Unit for sale.

(k) Any notice to be given hereunder shall be in writing and sent by registered or certified mail or personal delivery to Buyer at the address given above and to Seller at 16 Court Street, Suite 2403, Brooklyn, NY 11201 (with copy to The Law Offices of Robert Flink, 555 5th Avenue, 14th Floor, New York, NY 10017) or at such other address as either party may hereafter designate to the other in writing. All such notices and communications shall be deemed to have been received on the date of personal delivery or on the fifth day after mailing.

(l) Buyer agrees that all terms and provisions of this Agreement are and shall be subject and subordinate to the lien of any building loan mortgage or development loan mortgage heretofore or hereafter made and any advances heretofore or hereafter made thereon and any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by Buyer. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the building loan schedule of payments or accelerated thereunder by virtue of lender's right to make advances before they become due in accordance with the schedule of payments. Notwithstanding anything to the contrary contained in this paragraph 1, however, on the settlement date the only mortgage to which the Unit will be subject will be the mortgage referred to in Paragraph 5 hereof, if any, as well as any other mortgage(s) obtained by Buyer.

(m) The captions in this Agreement are for convenience and reference only and in no way define, limit or describe the scope of this Agreement of Sale, or the intent of any provision hereof.

(n) Buyer represents and warrants to Seller that Halstead Property, LLC and _____ is (are) the only broker(s) or sales agent(s) with whom Buyer has dealt in connection with this transaction, hereinafter the "Broker." Seller agrees to pay the commission earned by Broker pursuant to a separate agreement between Seller and Broker. Buyer agrees that should any claim be made against Seller for commissions by any broker, other than the aforementioned Broker, on account of any acts of Buyer or Buyer's representatives, Buyer will indemnify and hold Seller free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this paragraph (o) shall survive the closing of title.

(o) At the closing of title and simultaneously with the delivery to Buyer of the deed conveying the Unit, Buyer shall execute and acknowledge the irrevocable power of attorney to the Board of Managers in the form contained in Part II of the Plan. Buyer agrees to deliver such power of attorney to Seller at the closing of title for recording and to pay the recording fee.

(p) The closing of title to the Unit and the delivery of the deed thereto shall be deemed full compliance by Seller with each and every term of this Agreement of Sale, except as to any item specifically listed and excepted therefrom. All representations under the Offering Plan, all obligations pursuant to the General Business Law, and such additional obligations under the Offering Plan which are to be performed subsequent to

the Closing will survive delivery of the deed.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have executed and delivered this Agreement of Sale on the day and year above written.

BUYER: _____	DATE: _____
BUYER: _____	
SELLER: 5-01-5-17 48TH AVENUE, LLC By: _____	DATE ACCEPTED: _____
	ESCROW AGENT:
	THE LAW OFFICES OF ROBERT FLINK By: _____ By: _____ , Partner Dated: _____, 20__

ETF-1 APPLICATION TO THE ATTORNEY GENERAL Exhibit
A
FOR A DETERMINATION ON THE
DISPOSITION OF DOWNPAYMENTS

[Send this application to the reviewing attorney assigned to the subject plan.]

Re:
Address of Building or Name of Project

File Number:

Application is made to the Attorney General to consider and determine the disposition of downpayments held pursuant to GBL Sections 352-e(2-b) and 352-h. The following information is submitted in support of this application.

1. Name of Applicant

2. Address of Applicant

3. Name, Address, and Telephone Number of Applicant's Attorney (if any)

4. This is an application for
   [ ] return of downpayment.
   [ ] forfeiture of downpayment.
   [ ] other:

5. The project is
   [ ] a conversion of occupied premises.
   [ ] newly constructed or rehabilitated.
   [ ] vacant (as is).

6. The project is structured as

   [ ] a cooperative.
   [ ] a condominium.
   [ ] a homeowners association.
   [ ] a timeshare.
   [ ] other:

7. Name and Address of Sponsor:

8. Name and Address of Escrow Agent:

9. If down payments are maintained in an escrow account:

   a) Name of Account

   b) Name and Address of Bank

   c) Account Number (if known)

   d) Initial Interest Rate (if known)

10. If downpayments have been secured by bonds:

   a) Name and address of bond issuer or surety:

   b) Copy of bond included in this application. (DO NOT SEND ORIGINAL BOND). If not included, explain:

11. If downpayments have been secured by a letter of credit:

   a) Name and Address of Bank which issued the letter of credit:

   b) Date of expiration of the letter of credit, if known:

12. Plan information:

   a) Date of filing of Plan:

   b) Plan

      [ ] has been declared effective. Approximate date:
      [ ] has not been declared effective.

c) If effective, the Plan
   [ ] has closed or the first unit has closed. Approximate date:
   [ ] has not closed.
   [ ] don't know.

d) Downpayments are secured by
   [ ] escrow account.
   [ ] bonds.
   [ ] letter of credit.

13. Contract information:

a) Copy of contract and of all riders or modification letters are attached. (DO NOT SEND ORIGINALS.)

b) Date on which subscription or purchase agreement was signed:

c) Date(s) of downpayment(s):

d) Total amount of downpayment(s):

e) Names and Address of subscribers or purchasers affected by this application:

14. State the basis for your claim. Please be as specific as possible. You may add additional sheets. Attach copies of any relevant documents.

15. I am contemporaneously sending a copy of this application to the following persons:

Note: You are required to mail a copy of this Application to all other affected parties.

In filing this application, I understand that the Attorney General is not my private attorney, but represents the public in enforcing laws designed to protect the public from unlawful business practices. I also understand that if I have any questions concerning my legal rights or responsibilities I may contact a private attorney. The above application is true and accurate to the best of my knowledge. False statements made herein are punishable as a Class A misdeameanor under Section 175.30 and/or Section 210.45 of the Penal Law.

Signature: _____ Date:

Name (Printed):

Telephone: (Home) _____ (Business)
Mailing Address:

Exhibit B

WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY
AND CONSENT TO JURISDICTION

In consideration of Sponsor/Seller conveying title to Unit ____ of 5th Street Lofts Condominium, a condominium located at 5-09 48th Avenue, Long Island City, NY and 5-26 47th Road, Long Island City, NY and for other good and valuable consideration to Sponsor/Seller, the receipt and sufficiency of which is hereby acknowledged by Sponsor/Seller, Purchaser hereby agrees to the following:

1. Capitalized terms used and not otherwise defined in this Waiver shall have the respective meanings ascribed thereto in the Offering Plan, as amended from time to time.

2. Purchaser represents and warrants that the Purchase Agreement for Unit ____ and the sales transaction contemplated thereunder is a commercial rather than a public or governmental act, and that Purchaser is not entitled to claim immunity from legal proceedings with respect to Purchaser or any property of Purchaser on the grounds of sovereignty or otherwise under any law or in any jurisdiction where any action may be brought for enforcement of Purchaser's obligations thereunder.

3. To the extent that Purchaser has now or may hereafter acquire such, Purchaser hereby irrevocably waives, in respect of Purchaser's obligations under the Purchase Agreement and the Condominium Declaration and By-Laws, (i) immunity from the jurisdiction of any court (including but not limited to the courts of the United States or any State thereof) and (ii) immunity of Purchaser's revenues, assets or properties (whether commercial or non-commercial) (A) from execution upon, attachment in aid of execution upon, and attachment prior to a judgment of any such court, (B) from setoff, and (C) from any other legal action or proceeding taken to enforce any obligation or liability of Purchaser arising, directly or indirectly, out of or relating to the Purchase Agreement and/or the Condominium Declaration and By-Laws. In addition to the extent not prohibited by the laws of the United States or international law, Purchaser hereby irrevocably waives, in respect of Purchaser's obligations under the Purchase Agreement and/or the Condominium Declaration and By-Laws, "mission inviolability" as same has been interpreted under the Vienna Convention on Diplomatic Relations, 23 U.S.T. 3227.

4. Purchaser, Sponsor/Seller and the Board of Managers of the Condominium acknowledge and agree that all disputes arising, directly or indirectly, out of or relating to the Purchase Agreement and/or the Condominium Declaration and By-Laws and all actions to enforce the Purchase Agreement and/or the Condominium Declaration and By-Laws may be dealt with and adjudicated in the courts of the United States of America or the State of New York, as Sponsor/Seller and/or the Board of Managers of the Condominium elect, and, by execution of the Purchase

Agreement, Purchaser hereby expressly and irrevocably accepts for itself and, to the extent permitted by law, in respect of Purchaser's property, generally and unconditionally, the non-exclusive jurisdiction of the aforesaid courts in any suit, action or proceeding arising, directly or indirectly, out of or relating to the Purchase Agreement and/or the Condominium Declaration and By-Laws or in any action to enforce the Purchase Agreement and/or the Condominium Declaration and By-Laws. So far as is permitted under applicable law, this consent to personal jurisdiction by Purchaser shall be self operative and no further instrument or action, other than service of process in one of the manners specified in this Waiver, or as otherwise permitted by law, shall be necessary in order to confer jurisdiction upon the person of Purchaser in any such court.

5. Provided that service of process is effected upon Purchaser in one of the manners specified in this Waiver or as otherwise permitted by applicable law, Purchaser hereby irrevocably waives, to the fullest extent permitted by law, and agrees not to assert, by way of motion, as a defense or otherwise, (i) any objection which Purchaser may now or hereafter have to the laying of venue or any suit, action or proceeding relating, directly or indirectly, to the Purchase Agreement and/or the Condominium Declaration and By-Laws in the State of New York, (ii) any claim that the State of New York is not a convenient forum for any such suit, action or proceeding, and (iii) any claim that Purchaser is not personally subject to the jurisdiction of the above named courts. Provided that service of process is effected upon Purchaser in one of the manners specified in this Waiver or as otherwise permitted by law, Purchaser agrees that final judgment from which Purchaser has not or may not appeal or further appeal in any such suit, action or proceeding brought in such a court of competent jurisdiction shall be conclusive and binding upon Purchaser and may, to the fullest extent permitted by applicable law, be enforced in the courts of any state or any federal court and in any other courts to the jurisdiction of which Purchaser is subject by a suit upon such judgment and that Purchaser will not assert any defense, counterclaim, or set off in any such suit upon such judgment.

6. In the case of the courts of the United States of America and the State of New York, Purchaser hereby designates, appoints and empowers the party described below ("Purchaser's Agent"):

_____

as its authorized agent to accept and acknowledge for and on Purchaser's behalf service of process in any legal action or proceeding of the nature referred to in the Purchase Agreement and/or the Condominium Declaration and By-Laws, but for no other purpose. Purchaser acknowledges that the provisions of this Section 6, and the provisions of Section 8, below constitute a "special arrangement for service" within the meaning of 28 USC § 1608.

7. Purchaser shall have Purchaser's Agent execute all documents and affidavits reasonably necessary to insure that (i) the designation and appointment of Purchaser's Agent as such shall be irrevocable until one year after the date of the closing of title to the Unit, and (ii) Purchaser's Agent shall not cease to act as the agent for service unless and until, in either case, another agent for such purpose reasonably satisfactory to Sponsor/Seller and/or the Board of Managers of the Condominium shall have been irrevocably designated and appointed and Purchaser shall have delivered to Sponsor/Seller and/or the Board of Managers of the Condominium or any of its successors or assigns, evidence in writing of such other agent's acceptance of such appointment. Any attempt by Purchaser's Agent to cease to so act shall be ineffective and without force or effect unless the foregoing provisions of this Section 7 shall be complied with.

8. Purchaser hereby consents to process being served in any suit, action or proceeding of the nature referred to in the Purchase Agreement and/or the Condominium Declaration and By-Laws either by the mailing of a copy thereof by registered or certified mail, postage prepaid, return receipt requested to (i) Purchaser at the address set forth in the Purchase Agreement, if mailed prior to the closing of title to the Unit, and thereafter at the Unit conveyed, and (ii) to Purchaser's Agent at the address set forth in Section 6 of this Waiver. Service shall be deemed completed ten (10) days after delivery thereof to such party served. Purchaser irrevocably waives, to the fullest extent permitted by law, all claim of error by reason of any such service and agrees that such service (i) shall be deemed in every respect effective service of process upon Purchaser in any such suit, action or proceeding, and (ii) shall to the fullest extent permitted by law, be taken and held to be valid personal service upon and personal, delivery to Purchaser. Copies of any process or other papers served on Purchaser's Agent shall be forwarded promptly to Purchaser but failure to do so shall have no effect on the effectiveness of such service on Purchaser's Agent. Purchaser undertakes to enter an unconditional appearance within thirty (30) days after the completion of such service.

9. Purchaser agrees to execute, deliver and file all such further instruments as may be necessary under the laws of the State of New York in order to make effective (a) the appointment of Purchaser's Agent, (b) the consent of Purchaser to jurisdiction of the state courts of New York and the federal courts sitting in New York, and (c) any other provisions of this Waiver.

10. Nothing in this Waiver shall affect the right of Sponsor/Seller and/or the Board of Managers of the Condominium to serve process in any other manner permitted by law or limit the right of Sponsor/Seller and/or the Board of Managers of the Condominium or any of its successors or assigns, to bring proceedings against Purchaser in the courts of any jurisdiction or jurisdictions.

11. The provisions of this Waiver shall survive the closing of title to the Unit to Purchaser for the purpose of any suits, action or proceeding arising, directly or indirectly, out of or relating to the Purchase Agreement and/or the Condominium Declaration and By-Laws or any action to enforce the Purchase Agreement and/or Condominium Declaration and By-Laws.

Dated _____, 200_

_____
Purchaser

_____
Purchaser

SCHEDULE A

Permitted Encumbrances

1. Zoning and building regulations, resolutions, restrictions and ordinances of municipal authorities having jurisdiction and any amendments thereto, now or hereafter adopted, provided same will not be violated by the contemplated structures and use.

2. State of facts shown in the survey made by Montrose Surveying Co., LLP, dated April 13, 2005 and any additional state of facts which an updated and accurate survey would show, provided it would not prevent the use of the unit for its stated purposes.

3. The Declaration, the By-Laws (and the Rules and Regulations made thereunder), the power of attorney from Purchaser to the Condominium Board and maps and the Floor Plans, all as may be amended from time to time, to be recorded or filed in the City Register's Office.

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

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

6. Revocability of the right to maintain street vaults and other areas, under the sidewalks and streets.

7. All easements created by the Declaration.

8. Encroachments of stoops, areas, cellar steps or doors, trim, copings, retaining walls, bay windows, ledges, window sills, balconies, sidewalk elevators, fences, fire escapes, vaults, chutes, fuel oil lines, drainage pipes, sewerage pipes, air conditioning units, canopies, cornices, foundations, footings and similar projections, retaining walls, if any, on, over, or under the Property or the streets or sidewalks abutting the Property and the 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 and the like, if any.

9. Leases and service, maintenance and license agreements, if any, in effect on the date of the First Unit Closing.

10. Easements in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units, Limited Common Elements or Common Elements on the Unit, existing as a result of construction of the Building, or construction of the 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 or Limited 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, the Limited Common Elements and the Common Elements.

11. Beams and beam rights and party walls and party wall agreements, if any.

12. Any variations between tax lot lines and lines of record title.

13. All covenants, restrictions, reservations, agreements and easements of record 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 the use of any Unit at the Property for dwelling or commercial purposes, as the case may be, nor prevent the existence of the promised structure.

14. Permanent easement for Subterranean Transmission Lines recorded March 25, 1996 in Reel 4305 page 1467.

15. Standard printed exceptions contained in the form of title insurance policy then issued by the title insurance company insuring Purchaser's title to his or her Unit and appurtenant interests.

16. The terms, provisions and conditions of the Plan.

17. Terms, covenants and restrictions contained in a License Agreement dated June 2, 1975 between [redacted] and [redacted] recorded June 4, 1975 in Reel 837 Page 685.

18. Any encumbrance as to which Westminster Abstract Company would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that such encumbrances (a) will not be collected out of the Unit if it is a lien and (b) will not prevent the use of the Unit for dwelling purposes.

19. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, which shall be adjusted at the closing of title.

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

21. Any other declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any law, ordinance, regulations, 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. Sponsor shall file an amendment to the Plan to reflect any such other declaration or other instrument affecting the Property which is not already disclosed herein.

22. Any other 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 and/or commercial purposes, as the case may be, or which does not render title uninsurable,

subject to the Permitted Encumbrances, or with respect to which a title insurance company is willing to insure against collection out of the Unit.

EXHIBIT A

PUNCHLIST

INSPECTION STATEMENT

5-01-5-17 48th Avenue, LLC
16 Court Street, Suite 2403
Brooklyn, NY 11201

Re: Unit No._____

5th Street Lofts Condominium

Gentlemen:

As a result of my/our final inspection, please be advised that except as otherwise noted, I/we found the following items in good condition, free of chips, mars, breaks or other defects:

Items	Initials if any	Exceptions
Windows, window frames		
Electric fixtures & globes		
Interior painted surfaces		
Sinks, tubs, bowls & shower doors & trim		
Kitchen cabinets & counter tops		
Vanity tops & base		
Medicine cabinets, doors & mirror		
Hardware		
Flooring		
Appliances		

I/we understand that to prevent pilferage, certain items such as medicine cabinet doors, shower heads, toilet seats, kitchen cabinets, vanity knobs and mechanical chimes will be installed just prior to my/our date of moving. I/we agree and I/we will sign off each item requiring adjustment or repairs as it is completed.

_____
Purchasers Signatures

_____
Sponsor's Representative

EXHIBIT B

Lead Warning Statement: Disclosure of Information on Lead-Based Paint
and/or Lead-Based Paint Hazards

Every Purchaser of any interest in residential property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Seller's Disclosure

(a) Presence of lead-based paint and/or lead-based paint hazards (check (i) or (ii) below):

(i) __ Known lead-based paint and/or lead-based paint hazards are present in the housing.

(ii) X Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the seller (check (i) or (ii) below):

(i)_____Seller has provided the purchaser with all available records and reports in Seller's possession pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents).

(ii) X___Seller has no reports or records in Seller's possession pertaining to lead-based paint and/or lead-based paint hazards in the housing, and Seller has no knowledge of any such reports or records.

Purchaser's Acknowledgment (initial)

(c) _____ Purchaser has received copies of all information listed above, if any.

(d)_____ Purchaser received the pamphlet *Protect Your Family from Lead in Your Home.*

(e) Purchaser has (check (i) or (ii) below):

(i) ____ received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

(ii) _____ waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Agent's Acknowledgment (initial)

(f) _____ Agent has informed the seller of the seller's obligations under 42 U.S.C. 4852d and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

Seller:

By:_____

_____

Date

_____

Agent

Date:

Purchaser:

_____

Purchaser

_____

Date

_____

Purchaser

_____

Date:

EXHIBIT B

CONDOMINIUM UNIT POWER OF ATTORNEY

Terms used in this Condominium Unit Power of Attorney which are used (a) in the Declaration ("Declaration") establishing a plan for condominium ownership of the premises known as 5th Street Lofts Condominium and by the street number ___ Queens, New York under Article 9B of the Real Property Law of the State of New York, dated _____ 200_, and recorded in the New York County office of the Register of The City of New York (the "City Register") on _____, 200_, in Reel _____, Page _____, or (b) in the By-Laws of 5th Street Lofts Condominium (the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____, having an address at _____ _____ the owner(s) of the Condominium Unit (the "Unit") known as Unit No. _____ and Parking Unit No. ___ and Cabana Unit No. ___ in 5th Street Lofts Condominium, said Unit being designated and described in the Declaration and also designated as Tax Lot _____ in Block _____ of Section _____ for the Residential Unit as Tax Lot _____ in Block _____ of Section _____ for the Parking Unit as Tax Lot _____ in Block _____ of Section _____ for the Cabana Unit in the Borough of Queens on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board (or in the name of their designee corporation or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect, (1)(a) to acquire or lease any Unit, together with its Appurtenant Interests, if any, from any Unit Owner desiring to sell, convey, transfer, assign, lease or surrender the same, (b) to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, on such terms and (with respect to any transfer under (a) or (b) above) at such price or at such rental, as the case may be, as said attorney-in-fact may determine, granting to said attorney-in-fact the power to do all things in the said Premises which the undersigned could do if the undersigned were personally present and (2) to execute, acknowledge and deliver and record in the City Register and elsewhere, if required by law, regulation or administrative practice such instruments and documents, including, without limitation (a) any declaration or other instrument affecting the Condominium which the Condominium Board 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 which the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ____ day of _____, 200_.

_____

STATE OF NEW YORK)

ss.:

COUNTY OF)

On the _____ day of_____ in the year 200_, before me, the undersigned, a Notary Public in and for said state, personally appeared

personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____

Notary Public

EXHIBIT C

CONDOMINIUM UNIT DEED

THIS INDENTURE, made the _____ day of _____, 200_ , between 5-01-5-17 48th Avenue, LLC, a New York limited liability company, having an address at 16 Court Street, Brooklyn, New York 11201 (the "Grantor"), and _____ having an address at _____ (the "Grantee"),

WITNESSETH:

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

The Condominium Unit (the "Unit") known as Residential Unit No. ____, Parking Unit No. __ and Cabana Unit No. ___ in the premises known as 5th Street Lofts Condominium and by the street number ___th Street, County of Queens and State of New York (the "Property"), said Unit being designated and described as Residential Unit No. _____, Parking Unit No. __ and Cabana Unit No. ___ in the Declaration Establishing a Plan for Condominium Ownership of said premises under Article 9-B of the Real Property Law of the State of New York (the "New York Condominium Act"), dated _____ 200_, in Reel _____, Page , and also designated as Tax Lot _____, in Block _____ of Section of the Borough of Queens on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans of said building, certified by H. Thomas O'Hara Architect, PLLC, licensed architects, on _____, 200_, and filed with the Real Property Assessment Department of The City of New York on , 200_, as Condominium Plan No. _____ and recorded in the City Register's Office on _____, 200_, as Condominium Plan No. _____. The premises within which the Unit is located are more particularly described in Schedule A attached hereto and made a part hereof. All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the declaration or in the By-Laws of 5th Street Lofts Condominium. (Said By-Laws, as the same may be amended from time to time, are hereinafter referred to as the "By-Laws.");

Together with the following undivided interest in the Common Elements:

Residential Unit: ___%

Parking Unit: ___%

Cabana Unit: ___%

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

Together with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws, all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein;

Subject also to such other liens, agreements, encumbrances, covenants, easements, restrictions and other matters of record as pertain to the Unit and/or to the Property as more particularly described in Schedule B attached hereto and made a part hereof.

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

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the New York Condominium Act, or if any provision which is necessary to cause the Declaration and the By Laws to be sufficient to submit the Property to the provisions of the New York 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 New York Condominium Act, the applicable provisions of Article 16 of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or the By-Laws, the Residential Units and the Cabana Units are intended for residential purposes and the Parking Unit is for ancillary parking purposes.

Parking Space Units 9, 10, and 11 have been designated as Handicapped Parking Units. The purchase of a Handicapped Parking Unit and any subsequent conveyance, sale, transfer or encumbrance of it, is hereby subject to the following covenant and restriction, which shall run with the Handicapped Parking Unit in perpetuity.

If at any time an Owner of a Residential Unit or member of his or her family who resides in such Residential Unit becomes handicapped and is given handicapped plates for his or her vehicle, and said Residential Unit Owner owns a Parking Unit, said Residential Unit Owner has the right to demand that the Owner who last acquired one (1) of the Handicapped Parking Units and who does not have handicapped plates for his or her vehicle exchange his or her Handicapped Parking Unit for the Parking Unit owned by said handicapped Owner.

If at any time an Owner of a Residential Unit or member of his or her family who resides in such Residential Unit becomes handicapped, is given handicapped plates for his or her vehicle and said Residential Unit Owner does not own a Parking Unit, said Residential Unit Owner has the right to demand that the Owner who last acquired one (1) of the Handicapped Parking Units and who does not have handicapped plates for his or her vehicle sell the handicapped Parking Unit at the then current, fair market value, to said handicapped Owner. The Residential Unit Owner acquiring such Handicapped Parking Unit shall pay any and all reasonable costs and expenses incurred by either party in such transaction, including without limitation, reasonable attorneys' fees, transfer taxes, title charges and costs of arbitration.

If the parties can not agree on the fair market value of such Handicapped Parking Unit, then the parties agree to submit the matter to binding arbitration in accordance with Article 11 of the By-Laws of the Condominium. Either party can submit such dispute to arbitration in accordance with the By-laws of the Condominium.

The Parking Units can only be used by Unit Owners for parking automobiles. Cabana Units and Parking Units may only be owned by a Unit Owner who also owns a Residential Unit.

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 By-Laws (and any Rules and Regulations adopted under the By-Laws).

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

The Grantee accepts and ratifies the provisions of the Declaration and By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

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

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

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

5-01-5-17 48th Avenue, LLC

By:_____

_____

Grantee

STATE OF NEW YORK)

:ss.:

COUNTY OF)

On the _____ day of_____ in the year 200__, before me, the undersigned, a Notary Public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____

Notary Public

STATE OF NEW YORK)

ss:

COUNTY OF)

On the _____ day of_____ in the year 200_, before me, the undersigned, a Notary Public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____

Notary Public

SCHEDULE A

All that certain plot, piece or parcel of land, situate, lying and being in the Borough of Queens, County of Queens and State of New York, bounded and described as follows:

TO BE PROVIDED BY **WESTMINSTER ABSTRACT COMPANY**AT CLOSING

SCHEDULE B

PERMITTED ENCUMBRANCES

1. Zoning and building regulations, resolutions, restrictions and ordinances of municipal authorities having jurisdiction and any amendments thereto, now or hereafter adopted, provided same will not be violated by the contemplated structures and use.

2. State of facts shown in the survey made by Montrose Surveying Co., LLP, dated April 13, 2005 and any additional state of facts which an updated and accurate survey would show, provided it would not prevent the use of the unit for its stated purposes..

3. The Declaration, the By-Laws (and the Rules and Regulations made thereunder), the power of attorney from Purchaser to the Condominium Board and maps and the Floor Plans, all as may be amended from time to time, to be recorded or filed in the City Register's Office.

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

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

6. Revocability of the right to maintain street vaults and other areas, under the sidewalks and streets.

7. All easements created by the Declaration.

8. Encroachments of stoops, areas, entrance steps or doors, trim, copings, retaining walls, bay windows, ledges, window sills, balconies, sidewalk elevators, fences, fire escapes, vaults, chutes, fuel oil lines, drainage pipes, sewerage pipes, air conditioning units, canopies, cornices, foundations, footings and similar projections, retaining walls, if any, on, over, or under the Property or the streets or sidewalks abutting the Property and the 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 and the like, if any.

9. Leases and service, maintenance and license agreements, if any, in effect on the date of the First Unit Closing.

10. Easements in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units, Limited Common Elements or Common Elements on the Unit, existing as a result of construction of the Building, or construction of the 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 or Limited 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, the Limited Common Elements and the Common Elements.

11. Beams and beam rights and party walls and party wall agreements, if any.

12. Any variations between tax lot lines and lines of record title.

13. All covenants, restrictions, reservations, agreements and easements of record 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 the use of any Unit at the Property for dwelling or commercial purposes, as the case may be, nor prevent the existence of the promised structure.

14. Permanent easement for Subterranean Transmission Lines recorded March 25, 1996 in Reel 4305 page 1467.

15. Standard printed exceptions contained in the form of title insurance policy then issued by the title insurance company insuring Purchaser's title to his or her Unit and appurtenant interests.

16. The terms, provisions and conditions of the Plan.

17. Terms, covenants and restrictions contained in a License Agreement dated June 2, 1975 between [redacted] and [redacted] recorded June 4, 1975 in Reel 837 Page 685.

18. Any encumbrance as to which Westminster Abstract Company would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that such encumbrances (a) will not be collected out of the Unit if it is a lien and (b) will not prevent the use of the Unit for dwelling purposes.

19. The lien of any unpaid Common Charge, real estate tax, water charge or sewer rent, which shall be adjusted at the closing of title.

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

21. Any other declaration or other instrument affecting the Property which Sponsor deems necessary or appropriate to comply with any law, ordinance, regulations, 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. Sponsor shall file an amendment to the Plan to reflect any such other declaration or other instrument affecting the Property which is not already disclosed herein.

22. Any other 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 and/or commercial purposes, as the case may be, or which does not render title uninsurable,

subject to the Permitted Encumbrances, or with respect to which a title insurance company is willing to insure against collection out of the Unit.

EXHIBIT D

Description of Property and Building Condition

5th STREET LOFTS

A. *Location of Property*

1.	Address:	5-09 48th Avenue (Building A) 5-26 47th Road (Building B) Long Island City, New York
2.	Block No.: Lot No.:	30 16
3.	Zoning District:	M1-4/R7A & M1-4/R6B, Map 9B
4.	Zoning Lot:	Lot 16
5.	Permissible Uses:	Residential, Retail, Commercial and Community Facilities. (As of right)

B. *Status of Construction*

1. Class of Construction: The Buildings will be classified as Class 1C (Non-Combustible. The Building bearing walls and other major structural elements are generally of two-hour fire-resistance rating) and will conform to all applicable regulations of the Building Code of the City of New York ("Building Code"). The buildings will comply with Local Law 58/87 for handicap accessibility requirements.

2. Status of Construction: The buildings will be constructed under a New Building Permit. The estimated completion of the construction work is October 2007.

3. Certificate of Occupancy: After completion of construction, a Certificate of Occupancy will be issued for the buildings. The sponsor will obtain a temporary Certificate of Occupancy for each residential unit prior to the closing of each residential unit.

C. *Site*

1. The total lot area is 34,982 square feet.

2. There will be two building structures on the property. An eight story structure (5-09 48th Avenue - Building A) will be located on the South side of the property. Building A will wrap the South West corner of the property and will have street frontages on 48th Avenue and 5th Street. A five story structure (5-26 47th Road - Building B) will be located on the North side of the property and will have frontage on 47th Road. Both, Building A and Building B, will be used for residential purposes including 118 residential units and off-street parking.

3. The property fronts on 48th Avenue, 5th Street and 47th Road. These streets are paved with asphalt and are owned and maintained by the City of New York.

   i) All curbs will be new, and shall be granite and steel. There will be a new curb cut to access the off-street parking on the 5th Street side.

   ii) The streets are presently pitched to drain through existing and new cast iron catch basins into the New York City storm water drainage system.

   iii) The street lighting is 4 existing light poles provided (3 on 48th Avenue and 1 on 5th Street) by the City of New York.

4. Drives, Sidewalks, Ramps

   i) The sidewalks on the property shall be new-sloped concrete.

   ii) The sidewalk and street drainage is described in Section (3)(ii).

D. <u>Utilities</u>

1. A new 4" domestic water service will be provided from the New York City water main in 5th Street. Triplex constant pressure house pumps will be provided at the 1st floor to provide all domestic water. Gas and Electric service will be provided by Con Edison and gas will be master metered for each entity. Separate gas is provided for the cooking and domestic hot water production at the Residential Section. Con Edison has also separate gas metering for heating use for the Residential Section. Gas for heating at the garage shall be separately metered. Gas supplied to the Residential Apartments for cooking will be billed as part of the Residential Common Charge. Electricity consumption for each Residential Apartment will be individually metered and billed to the tenant. All building sewage will be collected into three (3) combined sewer lines which connect into the existing city sewer pipes located in 5th Street, 48th Avenue and 47th Road. These sewers will serve the entire

building. Telephone, Internet service and cable service will be provided by third party vendors. It will be the purchaser's responsibility to purchase telephones and arrange for telephone, cable and Internet services in their apartment.

E. Sub-Soil Conditions

1. The superstructure will be supported on steel piles with pile caps. Grade beams will support the exterior walls and will bear on the piles. The ground floor construction will be a framed concrete slab supported on the piles.

F. Landscaping Enclosures

1. Grass cover: at Second floor private terraces for Building A for Units 2A, 2M, 2Q & 2R.

2. Plantings: TBD

3. Trees: TBD (subject to DOT approval).

4. Fencing, Gates, Garden Walls, Retaining Walls, Pools and Fountains: Public and private terraces (including private yards) will be separated by metal terrace dividers mechanically secured to the structural slab below and painted to match window frames.

G. Building Height

1. Total Height:

   Building A: 79'-11 1/2" from average curb level to the top of slab at roof level.

   Building B: 50'-0" from average curb level to the top of slab at roof level.

2. Cellar: There are no Cellar levels for Buildings A or B.

3. Number of Floors Above Grade:
   Building A:
   There are 10 stories above grade, floors 1st, 2nd, 3rd-6th, 7th-8th, 9th (Mechanical) and 10th (Bulkhead).

   Building B:
   There are 6 stories above grade, floors 1st, 2nd-4th, 5th and 6th (Bulkhead).

4. Equipment Rooms: At 1st Floor of Building A, Main Roofs and Bulkheads of Buildings A & B.

5. Parapet/Railing Assemblies:
The parapet and/or railing assemblies extend a minimum of 3' -6 " above the finished roofs.

6. **Except in certain areas with dropped ceilings and/or soffits the floor-to-ceiling heights of the residential units are as follows:**

Building A:

Ground:	No residential units at this level.
2nd through 5th:	9'-0" Max. (varies)
6th & 8th :	9'-9 ½ " Max. (varies)
7th:	9'-0" Max. (varies)

Building B:

Ground:	9'-9 3/4" Max. (varies)
2nd through 5th:	9'-0" Max. (varies)

H. Occupancy

1. Location of Units and residential lobby:

Building A:

i) Floor 1: Residential Lobby, Mail Room, Package Room, Cart Storage, Bicycle Storage, Amenities, Mechanical Rooms, Parking Garage.
ii) Floor 2-8: Residential (102 Units)
iii) Main Roof 9: Mechanical.
iv) Bulkhead: Mechanical.

Building B:

i) Floor 1: Residential Lobby, Mail Room, Compactor Room.
ii) Floor 1: Residential (2 Units)
iii) Floor 2-4: Residential (12 Units)
iv) Floor 5: Residential (2 Units)
v) Main Roof 6: Mechanical.
vi) Bulkhead: Mechanical.

2. The floors of the building are designated 1st through 8th for Building A and 1st through 5th for Building B. All floor references in the Plan and in this report are in Accordance with such designations. The 8th floor of Building A is approximately 69'-11" above street level. The 5th floor of Building B is approximately 39'-3" above street level. Floor numbering in the Plans and Specifications filed with the Building's Department is based upon construction levels rather than the actual height of the floors.

3. There will be no asbestos or lead paint in the building.

Building A

Construction Floors (actual)	Marketing Floors	Floor Elevation (Top of Slab above Sea Level)
1	1	Varies
2	2	20'-10"
3	3	30'-6"
4	4	40'-2"
5	5	49'-10"
6	6	59'-6"
7	7	69'-11½"
8	8	79'-7½"

Building B

Construction Floors (actual)	Marketing Floors	Floor Elevation (Top of Slab above Sea Level)
1	1	Varies
2	2	21'-10½"
3	3	31'-6½ "
4	4	41'-2½"
5	5	50'-10½"

I. Structural System

1. Structural System: The building structures are comprised of cast-in-place concrete flat slabs supported on concrete columns and shear walls. Typically, the concrete slabs are 8" thick for the residential floors. The First Floors of Building A & Building B will be constructed as 12" concrete framed slabs. The Second floor slab of Building A will be a transfer level for the building columns and will consist of a reinforced concrete slab 18-inches thick. The roof slabs are also anticipated to be 8" thick. Concrete shear walls will provide lateral support against wind and seismic loads. The structural design conforms to the requirements of the New York City building code.

2. Exterior Walls: The exterior walls of the proposed development (Buildings A & B) will be composed of pre-cast concrete panels supported on the structural concrete slab, a 4 1/2" air space, exterior 5/8" gypsum board sheathing, 4" batt insulation with a minimum R-value of 11 between metal studs, finished with 5/8" gypsum board. The interior at spandrel panel conditions will be furred with 5/8" gypsum board over 3 ½" foil faced batt insulation having a minimum R-value of 11.

3. Windows: All windows will be aluminum with double layer insulated glass with a Low E coating and fully thermally broken. Both buildings, A and B, exhibit window wall and punched window systems. The operable awning windows will have an out-swing action. There will be no lot line openings. Window Units have 10 year limited warranty and the Insulated Glass Units have a 10 year limited warranty.

4. The R-value of the exterior walls is min. 11.

5. Parapets and Copings: The parapets and copings are an extension of the pre-cast concrete panel wall system. Metal copings will be used where parapets adjoin existing building structures.

6. Chimneys and Caps: All flues are terminated min 3'-0" above the adjacent elements, and provided with a sheet metal cap in conformance with the New York City Dept. of Building requirements. The development will not have any fireplaces.

7. Terraces:

   i) The terraces will be finished with 2' x 2' precast concrete pavers over adjustable pedestals.

   ii) Balustrades: None.

   iii) Railings: None.

   iv) Copings: Pre-cast concrete.

   v) Soffits: None.

   vi) Terrace Doors: Swing doors with painted finish aluminum frames and double layer insulated glass.

   vii) Terraces are located as follows:

Building A: 2nd Floor: Units 2A, 2M, 2N, 2P, 2Q & 2R.
7th Foor: Units 7A, 7B, 7C, 7D, 7E & 7F.
Roof level: Units 8A, 8B, 8C, 8D, 8E, 8F, 8G, 8H, 8J, 8K & 8L

Building B: 1st Floor: Units 1A & 1B.
5th Floor: Units 5A & 5B.
Roof level: 3 unassigned private terraces.

Terraces may not be enclosed without obtaining the proper authorization from The New York City Department of Buildings.

8. Exterior Entrance:
   i) Exterior Doors and Frames: Aluminum and Glass (Both buildings) for tenant use. Exterior doors and frames to mechanical and electrical rooms are hollow metal. Locks are of heavy-duty steel mortise type.

   ii) Vestibules: Aluminum and Glass (Building A only). . Locks are of heavy-duty steel mortise type.

   iii) Railings: Metal handrails at the ramp to the Parking Garage(Building A only).

   iv) Mail Boxes: At residential Lobbies (Both buildings).

   v) Lighting: Area Lighting (wall sconces) will be provided at building entrance (Both buildings).

   vi) Canopies/Marquee: Metal panel & Glass (Building A only).

9. Service Entrance:

   i) Doors and Frames: Hollow metal (Both buildings). Locks are of heavy-duty steel mortise type.

   ii) Railings: Metal handrails at egress stair locations.

10. Roof and Roof Structures:

   i) Material: Monolithic waterproofing membrane 6125 – American Hydrotech or approved equal.

   ii) Insulation: 2" Dow Roofmate Roofing Insulation Board with R-value of 5 per inch (~R=10) system or approved equal.

iii) Surface Finish: 2'x2' pre-cast concrete pavers leveled over adjustable pedestals and/or gravel.

iv) Bond of Guarantee: American Hydrotech System or approved equal.
20 Year Watertight Warranty covering every component in the system.

v) Flashing Material: Metal.

vi) Drains: There are multiple roof drains provided, adequate for area drainage of the roofs which are connected to internal leaders. The roof drains are ductile iron, and are piped to iron roof leaders located within the buildings envelope. Adequate drains are also provided for each of the residential terraces.

viii) Skylights: None.

viii) Bulkheads: Stairs, elevators and mechanical bulkheads' exterior walls will consist of a 14" cavity wall: Nominal 4" exterior brick, 2" air space, and a nominal 6" or 8"interior concrete block.

11. Yards and Courts:

There are public terraces on the Second floor and on the Roof Level of Building A. Private terraces are also provided on the Second Floor and Roof level of Building A and on the First floor, Fifth floor and Roof level of Building B. Refer to vii, section 7.

12. Interior Stairs:

1. Building A: Stairs A and B are a pair of switch back stairs (separately enclosed) that serve the Building from the 1st floor level up to the Roof level and Bulkhead.

Building B: Stairs A and B are a pair of scissor stairs (separately enclosed) that serve the Building from the 1st floor lobby up to the Roof level and Bulkhead.

ii) Enclosure: Egress stairs will be enclosed with 2 hour rated partitions and painted.

iii) Stair Construction: All the stairs will be concrete construction unless otherwise noted.

iv) Stringers: None.

v) Treads: Concrete.

vi) Risers: Concrete.

vii) Guard Rails: Metal.

ix) Balustrades: None.

13. Interior Doors and Frames:

i) Unit Entrances: The apartment entrances shall be hollow metal and will meet the New York City Building Code requirement. The apartment interior doors shall be solid core wood doors with hollow-metal frames.

ii) Corridor Doors and Frames: All doors and frames shall be hollow-metal and will meet the New York City Building Code requirements.

iii) Stair Doors and Frames: All doors and frames shall be hollow-metal and will meet the New York City Building Code requirements.

iv) Roof Doors and Frames: These doors and frames shall be hollow-metal and will meet the New York City Building Code requirements.

14. Elevators:

i) There will be two geared overhead traction passenger elevators (PE #1 and PE #2) servicing the Residential Units for Building A. There will be one geared overhead traction passenger elevator (PE #1) servicing the Residential Units for Building B.

ii) The elevators will be manufactured by: Gearless ACVF Traction – Imperial Model 470 or Equal.

iii) The elevators shall have a capacity as follows:

Building A:
PE#1 Capacity: 2000 lb.
Speed: 350 Feet Per Minute
PE#2 Capacity: 2500 lb.
Speed: 350 Feet Per Minute

Building B:
PE#1 2000 lb. capacity

iv) The type of operation for PE #1 and PE#2 will be as follows:
Building A: Duplex
Building B: Simplex

v) The elevator type of controls will be variable voltage –SCR Drive
Building A: PE#1 & PE#2 = Motion Control, Elevator Controls, Computerized Elev. Controls.
Building B: PE#1 = Motion Control, Elevator Controls, Computerized Elev. Controls.

vii) The elevators will have stops at floors as follows:
Building A:
PE#1 and PE#2: First Floor to Roof.

Building B:
PE#1: First Floor to Fifth Floor.

viii) The elevator speeds are as follows:
Building A:
PE#1 and PE#2: 350 FPM
Building B:
PE#1: 350 FPM

ix) The elevator machine types will be as follows:

Building A: PE#1, PE#2: Imperial or approved equal.
Building B: PE#1: Imperial or approved equal.

x) The Elevator doors will be as follows,
Buildings A & B:
PE1, PE2: G.A.L or approved equal

x) The elevator machine rooms are located as follows:

Building A:
PE#1 and PE#2: Overhead at Roof Level
Building B:
PE#1: at Roof Level

15. Elevator Cabs (PE1 and PE2)

i) The elevators cabs will be manufactured by Imperial or approved equal

ii) Finishes: Stainless Steel and Wood with Stone flooring.

J. Auxiliary Facilities

1. Refuse Disposal

i) Incinerators: None

ii) Compactors: There will be two compactors, one per building, located on the First floor servicing the residential units. Refuse compactors shall be manufactured by Royal-Pak Systems or approved equal.

iii) Approvals: None required.

iv) Storage Location: The compacted bags will be stored in the Compactor Rooms located on the First floor levels.

v) Building personnel collect compacted refuse and deposit compacted refuse curbside for pick up by NYC Department of Sanitation.

vi) Fireplaces: None.

2. Amenities

The Amenity floors will have a gym with powder rooms, a children's room, a bicycle storage room and a public terrace space. All amenities, except the public terrace located on the 2nd Floor, will be located on the 1st Floor of Building A. Building B tenants will have access to the amenities mentioned above. Both Buildings will have a full time concierge stationed at the lobby of Building A. The concierge station will monitor both Buildings through an intercom system.

i) All Residential Units will have individual clothes washers and dryers.

K. Plumbing Drainage & Fire Protection

1. Water Supply:

(2) New water services from the municipal street main in 5th Street: one 4" domestic and one 6" fire to the new water meter room at 1st Floor. New 4" double check valve (DCV) device and meter are provided on the domestic line and new 6" DCDA device is provided on the fire line.

The domestic water service feeds a new triplex constant pressure house pump system which supplies domestic water to the entire building.

Domestic hot water is provided by three (3) hot water to hot water heat exchangers fed from two (2) roof mounted boilers. All domestic water heating equipment is located on the main roof in a mechanical equipment room. Hot water temperature is maintained by re-circulating pumps and copper re-circulating hot water piping.

The piping system consists of type L copper tubing with 95-5 tin-antimony soldered joints. All mains and risers are insulated.

New 6" fire water service is provided from municipal street main in street to new double check detector assembly (DCDA) device and then to the new automatic fire pump.

2. Fire Protection System:

a. Standpipes

The Fire Standpipe System consists of one (1) combined fire standpipe/sprinkler riser and (2) standpipe risers serving each floor, located in the stairways.

The risers are supplied from a new 500 GPM automatic fire pump to feed standpipe and sprinkler systems.

A 2½ inch hose valve with cap and chain is located at the fire standpipe risers at each floor. Approved hose racks are provided in the garage.

Piping is schedule 40 steel with threaded joints.

b. Hose Rack, Hoses and Nozzles

A central hose station and locked key box is located at the lobby.

c. Sprinkler System

An automatic wet sprinkler system will be provided throughout the building in compliance with the New York City Building Code.

The sprinkler system is supplied from the combined fire standpipe/sprinkler risers via a floor control valve assembly typically located in the same stair enclosure as the fire standpipe. There is one floor control valve assembly on each floor to feed residential areas.

There is a new 2" sprinkler drain riser located in the stair enclosure. The garage and remainder of the 1st Floor are fully sprinklered.

d. Siamese Connections

Three new 5"x3"x3" combined fire standpipe/sprinkler siamese connections supply the new combined fire standpipe/sprinkler main.

3. Water Pressure and How Maintained

Water pressure is controlled by providing a single zone system.

Domestic water pressure is maintained by a new triplex constant pressure booster system with a hydro-pneumatic tank system shall be Peerless/Synchroflo 55TA53GAF, (3 each) C610AM pumps 100 GPM 94 feet, 5 HP each.

Fire standpipe and sprinkler system pressures are maintained by an automatic fire pump which shall be Peerless 5AEF8, 40 HP, 500GPM, 79PSI.

4. Sanitary Sewage System

a. Sewage Piping (Materials)

Sanitary sewage is conveyed by gravity via vented soil and waste branches, stacks and house drains, to the sanitary house sewers.

Drainage and vent piping is no-hub cast iron piping with stainless steel couplings and rubber gaskets. Soil and waste branches and stacks to consist of all new piping.

b. Sewage Disposal (Sanitary & Storm)

(3) New combined 6" house sewer connections are provided, one in 5th Street, one in 48th Avenue and one in 47th Road.

5. Permits for plumbing and sprinkler/standpipe work will be obtained by the plumbing and sprinkler contractors respectively.

6. Storm Drainage System

Gravity roof drainage including vertical leaders, storm house drains and storm house sewers connected to detention system and combined street municipal sewers. There shall be a reinforced concrete storm detention tank located at the 1st floor.

a. Catch basins

None.

b. Roof Drains

Main roof drains with connections to vertical leaders.

c. Piping

Piping is no-hub cast-iron with stainless steel joints and rubber gaskets; and cast iron with hub and spigot fittings and lead/oakum joints.

d. Sump Pumps

New sump pumps located below grade at all elevator pits.

e. Ejectors

None.

7. Methods of Domestic Water Heating

Three (3) Turbomax Model 109 heat exchangers which are fed from two roof mounted gas fired heating boilers.

L. **Heating**

1. The heat source for the domestic hot water will be a gas fired modular boiler plant. The system will consist of two (2) Pennant or equal boilers model # PNCH2000 with a gross output of 2000 MBTU/hr each. The domestic hot water system will consist of three (3) turbomax model 109 units.

2. The heating system is adequate to maintain comfortable conditions and complies with New York State Energy code. It shall consist of Gas fired PTAC units located in each apartment. Public areas shall be heated via air handlers with Gas fired duct furnaces and in certain places by electric heaters.
   In the individual apartments there will be various sized gas fired PTAC units. There are four (4) different sizes that will be utilized.

   PTAC-A Island Aire EZ-09, 9,500 BTU/Hr Cooling, Heating Capacity 12.14 MBH, 10.4 EER and 8.3 amps (110 volts).
   PTAC-B Island Aire EZ-12, 12,200 BTU/Hr Cooling, Heating Capacity 12.14 MBH, 10.0 EER and 10.5 amps (110 volts).
   PTAC-C Island Aire EZ-15, 14,800 BTU/Hr Cooling, Heating Capacity 14.7 MBH, 9.4 EER and 7.9 amps (208 volts).
   PTAC-D Island Aire EZ-18, 16,700 BTU/Hr Cooling, Heating Capacity 20.6 MBH, 9.3 EER and 9.0 amps (208 volts).

3. The cost of domestic hot water supplied to the Residential Apartments is billed as part of the Residential Common Charge.

4. Number of boilers and description: (2) modular hot water boilers for the Residential Section.

5. Manufacturer of boilers: Pennant Model PNCH 2000.

6. Manufacturer of burners: The burners are part of the boiler assembly supplied by Rheos.

7. Type of controls: Hot water temperature is controlled by aquastat.

8. Fuel: Natural gas.

9. Gas:

   a. Type: Natural gas is supplied by Con Edison.
   b. Meters: Standard gas meters furnished by Con Edison.
   c. Piping: Standard weight schedule 40 steel.

M. Gas Supply

1. Type: Con Edison will supply a low-pressure gas service.

2. Meters: There will be a total of three gas meters. One meter will be for the building space heating at PTAC units, garage and HVAC rooftop corridor unit and the second meter will be for domestic hot water heating and a third meter will be for apartment kitchen cooking. All gas usage, both for common areas and for the individual Condominium Units, will be borne by the individual Condominium Unit Owners as a common expense.

3. Piping: Piping is steel with threaded malleable iron fittings.

N. Air Conditioning

1. PTAC units and public area air conditioning equipment are adequately sized to maintain code required comfort conditions and comply with the New York State Energy code. These systems are as follows:

   a. HVAC unit servicing the corridors for the Residential Section:
   RTU-1 A Building – AAON RM 030-8-0 (30 tons).
   RTU-2 B Building – AAON RM 003 (3 tons)

   b. Residential Section Lobby:

   AC-1 Building A – Skil Aire BAA/CAA-120– 120/CAA-120 – 10 tons with Reznor Heedu 170 gas furnace.

   AC-4 Building B – Mitsubishi split system - PK H24EK – 2 tons with
   PUH24EK roof mounted condensing unit.

   AC-2 Gym – Skil Aire BAA/CAA-120 -120/CAA-120 – 10 tons with Reznor Heedu 170 gas furnace.

   AC-3 Children's Play Room – Mitsubishi split system PKH24EK – 2 tons with PUH24EK roof mounted condensing unit.

   c. Individual Apartments – Each room (living room and bedrooms) shall be fed from a gas PTAC unit. There are (4) different sizes that will be utilized. (See (M)(2) above.)

The operating cost for the electric aspect of the apartment PTAC units within the apartments, for heating and cooling will be billed to the individual unit owner as part of their electric bill.

O. Ventilation

1. Kitchens (where required by Code) to be exhausted through wall or ceiling mounted registers connected to a vertical duct exhausted to roof top exhaust fans.

2. Bathrooms are exhausted via rooftop exhaust fans.

3. All back of house areas, and garage areas shall be exhausted and ventilated via roof mounted and 2nd floor roof mounted exhaust fans.

P. Electrical

1. Service entrances to main service
   a. Switchboards:
      i. Amperes: One (1) 3,000 amp main switchboard.
      ii. Voltage: 208/120V 3-phase, 4 wire
      iii. Phases: 3
      iv. Wire Protective Equipment: Fuses

2. Compartment Switchboard:
   a. The electrical service room and switchboards, distribution panels will be located at the 1st floor. The electrical service for the Garage Unit will be separately metered in the main electric room and then fed to the garage. The loads for the Residential Common areas shall be fed from separate distribution panels and will be metered in discreet meter closets and billed directly by Con Edison.

3. Unit Service:
   a. Ratings of main fuses: Fuses are by Bussman or equal rated @ 200,000 sym amps.
   b. Service size to Residential Units shall range from circuit breakers of fuses to units and ratings: 100-150 amps.
   c. Number, Size and Type for tapping wire for apartments and apartment load calculations (see attached schedules).
4. Adequacy
   a. Service:
      i. Number of circuits per apartment: Adequate @ 14-24
      ii. Capacity to handle modern appliances:

a. Air conditioning units: Adequate @ 20 amps
b. Dishwashers: Adequate @ 20 amps
c. Electric dryers: Adequate @ 6,500 watts-208-single phase
d. Electric range: Adequate @ 8000 watts 208 volt single phase

b. Lighting and fixtures: Adequate. See attached Table 2. for lighting fixture schedule

c. Convenience and appliance outlets:
   i. Average number per living room: (6) (see plans)
   ii. Average number per bedroom: (5) (see plans)

5. Telecom, Intercommunication and/or door signal systems.
   a. The Residential Section intercommunication system shall be provided by a separate house phone system with one house telephone in each apartment.
   b. The Residential Section will be provided with Internet, cable TV and telephone backbone, from the main telecommunications room at the 1st floor to satellite telecom closets located throughout the building. These will feed distribution to all apartments. Every apartment will have a voice, data and cable TV distribution system, providing voice data and TV outlets in most rooms, connected to this backbone. The residents will be responsible for arranging the service from the respective providers.

Q. Telephone System and Television Facilities

1. See P. 5. C. above.

R. Fire Protective Alarm System

1. Fire Alarm System: A code compliant J-2 sprinkler alarm system will monitor the building fire alarm devices including sprinkler and fire pump flow and tamper switches, smoke and heat detectors in mechanical rooms.

2. Smoke Detection System:

   a. Each Condominium Unit will contain a carbon monoxide and smoke detector located in the vicinity of the bedrooms. The detector will be wired to 120-volt local power and will be self-contained with its own sounding device.

   b. Smoke detectors will be provided in Electric, Telephone, and Elevator Machine Rooms as well as in HVAC duct served by fan systems over 2000 CFM. System will also include flow and tamper switches for each floor sprinkler system including compactor chute and vestibule.

S. *Public Area Lighting*

There will be fluorescent fixtures in the service areas and the public stairs. Incandescent fixtures will be provided at the residential entrance lobby. Lighting in the public corridors will be compact fluorescent. Emergency lighting will be provided in tenant corridors, lobby and all stairwells. Adequate Exterior Lighting shall be provided.

1. Describe and state adequacy:

   a. Residential Entrance Adequate. Fluorescent and incandescent.

   b. Residential Lobby & First Floor Corridors: Combination down lights and wall sconces. Adequate.

   c. Halls and Stairs: Fluorescent fixtures. Adequate.

   d. Residential Corridors: Down light wall sconces. Adequate.

   e. Yards and Terraces : Exterior building lights. Adequate.

   f. Garage Levels: Fluorescent fixtures.

T. *Garage*

There will be a private enclosed, unattended Parking Garage located on the First floor level of Building A with a capacity for 59 vehicles, three of which will be handicapped parking spaces. Access to the garage will be from 5th Street and from the elevator alcove on the First floor. The structure will be constructed of reinforced concrete and/or concrete block and will have fluorescent lighting, mechanical ventilation and a dry sprinkler system throughout. The finish on the concrete floor will be a clear sealant; the walls will be painted and the ceiling will have acoustical rigid insulation to prevent sound transmition to the units above.

U. *Swimming Pool*

None

V. *Communication and Security Service*

1. A closed circuit TV system shall provide security at selected areas with monitors at the concierge station.

2. An audio/video intercom system will be provided for Building B.

X. ***Residential Unit Information***

1. There will be 118 Residential Units.

2. Ceiling heights in the Residential Units may range between 9'-0" to 9'-9 1/2" varying from floor to floor. Ceiling heights in foyers, kitchens, powder rooms and bathrooms will be approximately 8'-0". Ceiling heights in the public corridors will be approximately 8'-0". At beam drops and/or where there are concealed mechanical pipes or ducts or dropped ceilings, heights may be lower than the above stated heights and may also vary from room to room.

3. Finish Schedule:

Building A:

LEVEL	LOCATION	FLOOR	BASE	WAINSCOT	WALLS	CEILING	REMARKS
First Floor	Stair #A & #B	Painted Concrete	None	None	Painted C.M.U. /Concrete	Painted Concrete	
	Exit Passageways Serv. Corridors	Painted Concrete	None	None	Painted C.M.U.	Painted Concrete	
	Pump/Sewer Rm.	Painted Concrete	None	None	Painted C.M.U.	Painted Concrete	
	Compactor Rm.	Painted Concrete	None	None	Painted C.M.U.	Painted Concrete	
	Electrical Rm.	Painted Concrete	None	None	Painted C.M.U.	Painted Concrete	
	Gas Rm.	Painted Concrete	None	None	Painted C.M.U.	Painted Concrete	
	Telephone Rm.	Painted Concrete	None	None	Painted C.M.U.	Painted Concrete	
	Bicycle Storage	Painted Concrete	None	None	Painted C.M.U.	Painted Concrete	

	Children's Rm.	Carpet	Wood	None	GWB Painted	GWB Painted	
	Gym	Rubber	Vinyl	N/A	Wall Covering/ GWB Painted	GWB Painted	
	Powder Rooms	CT	CT	CTR	GWB Painted	GWB Painted	
	Res. Lobby	Stone	Stone	None	GWB Painted	GWB Painted	Faux Finish
	Elevator Alcove	Stone	Stone	None	Wall Covering/ GWB Painted	GWB Painted	Faux Finish
	Mail Room	Stone	Stone	None	Wall Covering/ GWB Painted	GWB Painted	
	Cart Storage	Carpet	Wood	N/A	GWB Painted	GWB Painted	
	Package Rm.	Carpet	Wood	N/A	GWB Painted	GWB Painted	
	Hallway	Carpet	Wood	N/A	GWB Painted	GWB Painted	
2nd thru 8th Floors	Elevator Lobby/ Res. Corridor	Carpet	Stone	Stone	Wall Covering/ GWB Painted	GWB Painted	
	Exit Stair #'s A & B	Painted Concrete	N/A	N/A	Painted C.M.U. /Concrete	Painted Concrete	
	Refuse Closet	CT	CT	CT	GWB Painted	GWB Painted	
Roof & Bulkhead	Mech. Space	Painted Concrete	None	None	Painted C.M.U. /Concrete	Painted Concrete	
	Stairs	Painted Concrete	None	None	Painted C.M.U. /Concrete	Painted Concrete	

Building B:

LEVEL	LOCATION	FLOOR	BASE	WAINSCOT	WALLS	CEILING	REMARKS
First Floor	Stair #A & #B	Painted Concrete	None	None	Painted C.M.U. /Concrete	Painted Concrete	

	Exit Passageways Serv. Corridors	Painted Concrete	None	None	Painted C.M.U.	Painted Concrete	
	Compactor Rm.	Painted Concrete	None	None	Painted C.M.U.	Painted Concrete	
	Electrical Cl.	Painted Concrete	None	None	Painted C.M.U.	Painted Concrete	
	Res. Lobby	Stone	Stone	None	GWB Painted	GWB Painted	Faux Finish
	Elevator Alcove	Stone	Stone	None	Wall Covering/ GWB Painted	GWB Painted	Faux Finish
	Mail Room	Stone	Stone	None	Wall Covering/ GWB Painted	GWB Painted	
	Elevator Lobby/ Res. Corridor	Carpet	Stone	Stone	Wall Covering/ GWB Painted	GWB Painted	
1st thru 5th Floors	Elevator Lobby/ Res. Corridor	Carpet	Stone	Stone	Wall Covering/ GWB Painted	GWB Painted	
	Exit Stair #'s A & B	Painted Concrete	N/A	N/A	Painted C.M.U. /Concrete	Painted Concrete	
	Refuse Closet	CT	CT	CT	GWB Painted	GWB Painted	
Roof & Bulkhead	Mech. Space	Painted Concrete	None	None	Painted C.M.U. /Concrete	Painted Concrete	
	Stairs	Painted Concrete	None	None	Painted C.M.U. /Concrete	Painted Concrete	

7.Light Fixtures: Ambient Lighting shall be provided in Foyers, Bathrooms, Kitchens and Closets.

8. All construction within the units and/or roof terraces by Residential Unit Owners shall be subject to approval by the condominium board and subject to the provisions of Title 26, and Title 27 of the Administrative Code of New York City.

ABBREVIATIONS FOR FINISHES

AT	ACOUSTICAL TILE
CMU	CONCRETE MASONRY UNIT
CT	CERAMIC TILE
CPT	CARPET
CONC	CONCRETE
DP	DUSTPROOFING AND HARDENER
DE	DECK ENAMEL
FWC	FABRIC WALL COVERING
GT	GRANITE TILE
GWB	GYPSUM WALLBOARD
HC	HUNG CEILING
K	KADEX
LWP	LIQUID WATERPROOFING
MT	MARBLE TILE
MP	METAL PAN
P	PAINT
QT	QUARRY TILE
SP	SPRAY PAINT
TCP	TEXTURED CEILING PAINT
V	VINYL
VCT	VINYL COMPOSITION TILE
VWC	VINYL WALL COVERING
WRWB	WATER RESISTANT GYPSUM WALL BOARD
WD	WOOD

Y. Substitutions

The Sponsor reserves the right to substitute manufacturers, materials, appliances, fixtures, finishes and equipment of equal or better quality than those set forth in this report.

Z. Fire and/or Smoke Safety Devices

1. Apartment Smoke and Carbon Monoxide Detection System:

   Each Residential Unit will contain a combination smoke detector and a carbon monoxide detector located in the vicinity of the bedrooms. The detector will be wired to a 120-volt local power supply and will be self-contained with its own sounding device.

2. Common Area Fire Detection System

Each corridor contains a manual fire pull station located in the vicinity of the stairway. A strap key communication device is located in the main stairway of each floor (fire standpipe stairway) for fireman's use.

Fire alarm gong is located in the elevator shaft every N floors. Sub master stations are provided at Fire Pump Room and First Floor.

AA. Additional Information
Dimension of Units:

The square foot area of the Units set forth in the floor plans, Schedule A to the Offering Plan and Schedule B to the Declaration are within reasonable tolerances and were obtained by using the method customarily used in New York City to measure rental, cooperative and condominium apartments. The units were measured from the exterior side of the exterior walls (perimeter columns and mechanical pipes/ducts/shafts are not deducted) to the midpoint of the interior walls and partitions separating one Unit from another Unit, or separating a Unit from public corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements or Limited Common Elements. Any common elements located within a unit shall not be considered a part of such unit. As is customary in New York City, these square foot areas exceed the useable floor area of each Unit.

Measured vertically, each Unit will consist of the volume from the top of the concrete floor slab below (located under the finished flooring and sub-floor materials) to the underside of the concrete slab above. However, the Board, Sponsor and Sponsor's

designee will each have an easement to install and maintain pipes, conduits, wires, ducts and other facilities in the space between the underside of each such floor slab and the top surface of each Unit's finished ceiling, without any need to obtain the consent of any Unit Owner with respect to the same. The clearance between the top of the concrete floor slab and the bottom of the finish ceiling in the Units is indicated in section G., but certain Units and areas within other Units may have clearances of less than indicated in section G. to accommodate facilities located above the same or otherwise to respond to field conditions.

H. Thomas O'Hara, A

Sign before me this 4th day

Of December 2006

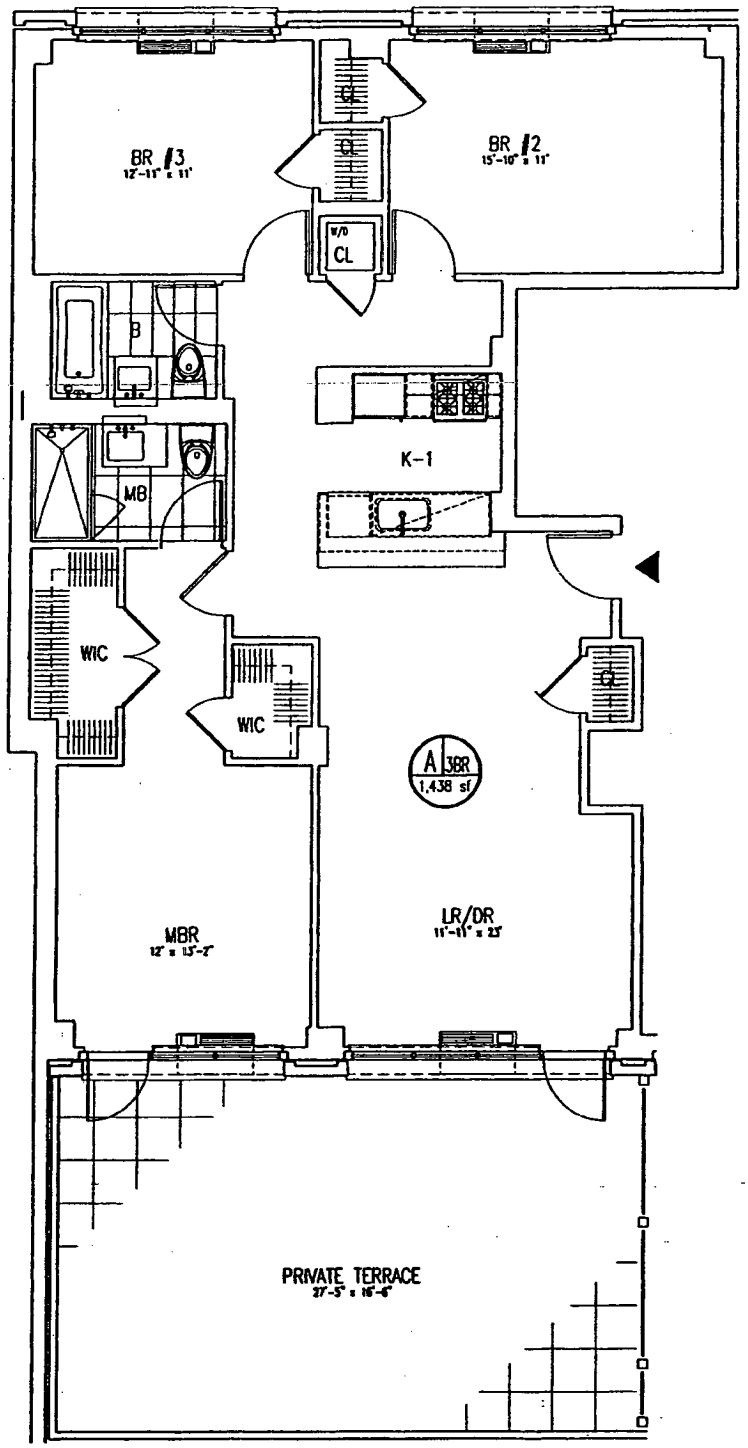
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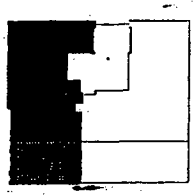
REGISTERED ARCHITECT
HENRY THOMAS O'HARA, JR.
025215
STATE OF NEW YORK

YENA HUANG
NOTARY PUBLIC-STATE OF NEW YORK
No. 01HU6145819
Qualified in Queens County
My Commission Expires May 15, 2010

EXHIBIT E

Floor Plans





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

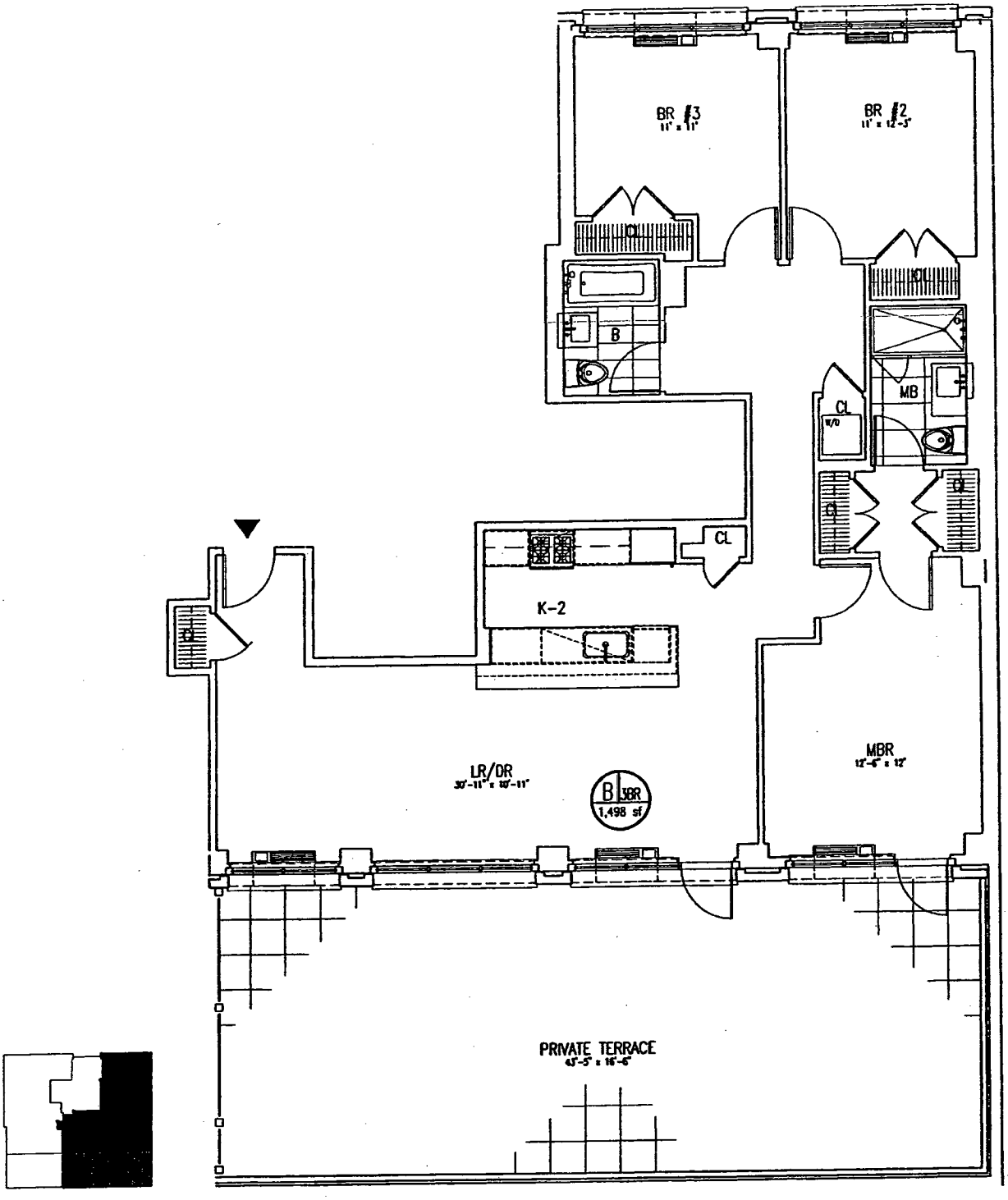
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 1A
47th Road Building

project number: 0534
date: 01/04/07
scale: N.T.S.
drawn by: RCM
checked by: GC

drawing number: 1A



All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

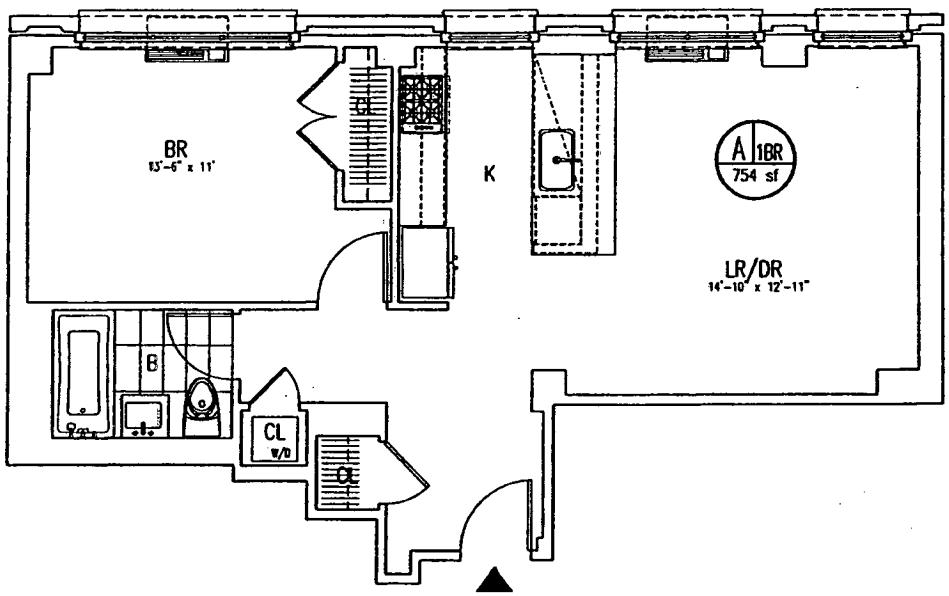
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 1B
47th Road Building

project number: 0534
date: 01/04/07
scale: N.T.S.
drawn by: RCM
checked by: GC

drawing number: 1B





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

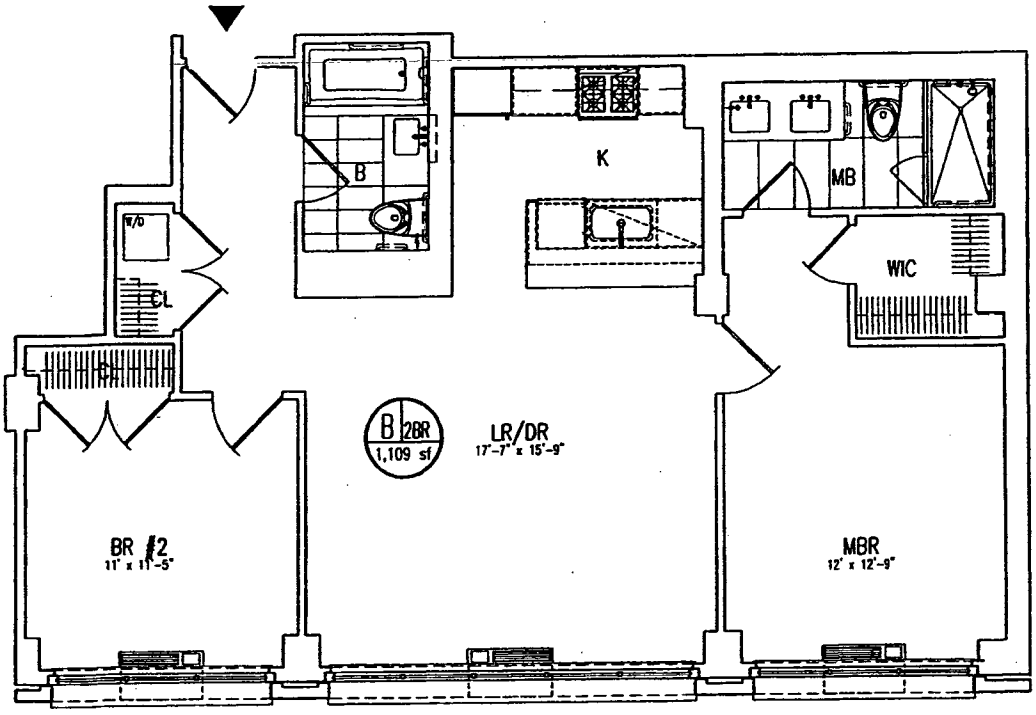
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

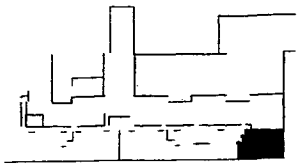
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5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 2-4A
47th Road Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'
drawn by: RCM
checked by: CC

drawing number:
2-4A





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

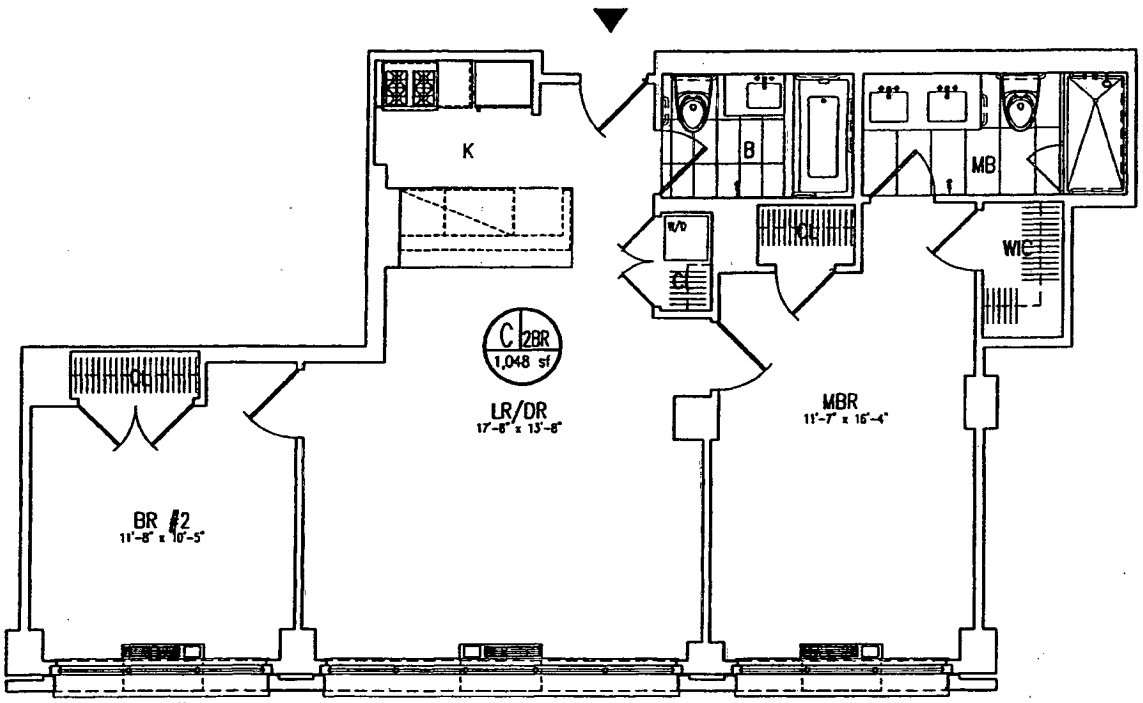
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

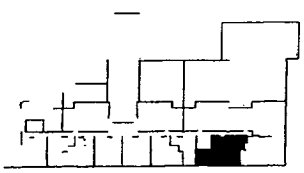
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 2-4B
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'
drawn by: RCM
checked by: GC

drawing number:
2-4B





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

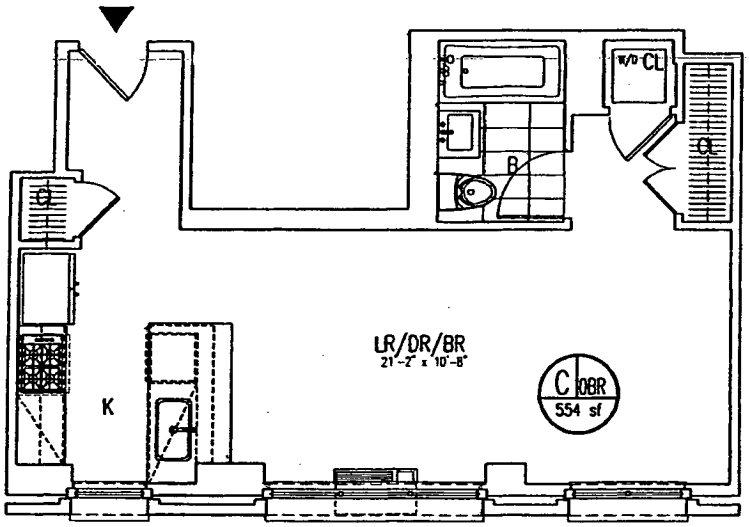
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 2-4C
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 3/32"=1'
drawn by: RCM
checked by: GC

drawing number:
2-4C





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

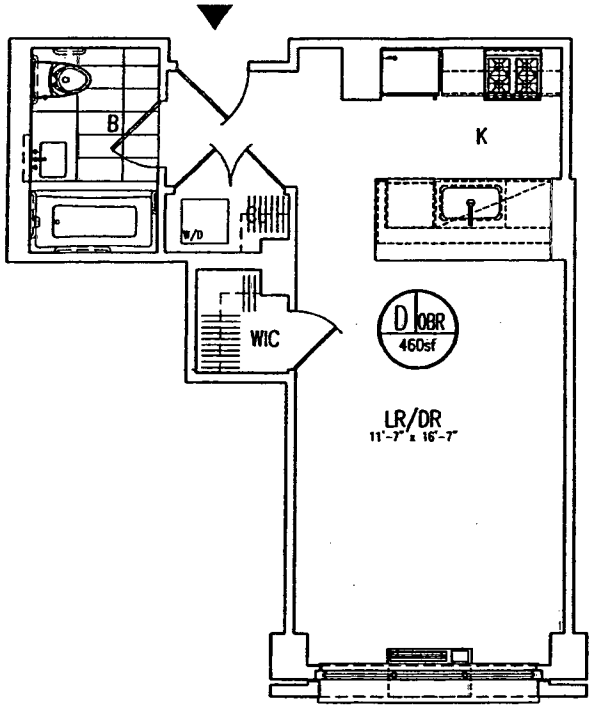
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 2-4C
47th Road Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'-0"
drawn by: RCM
checked by: GC

drawing number: 2-4C





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

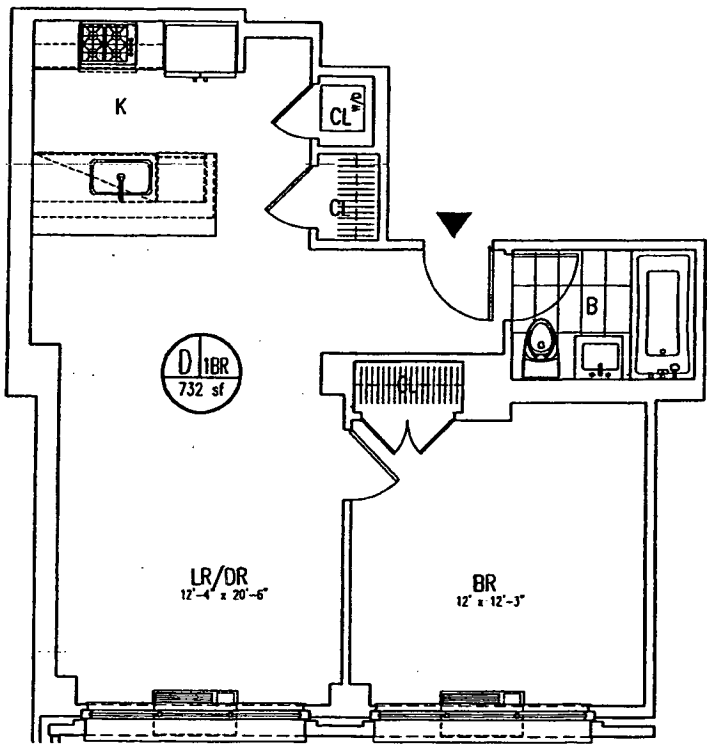
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ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

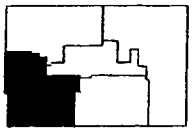
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5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 2-4D
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'
drawn by: RCM
checked by: GC

drawing number:
2-4D





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

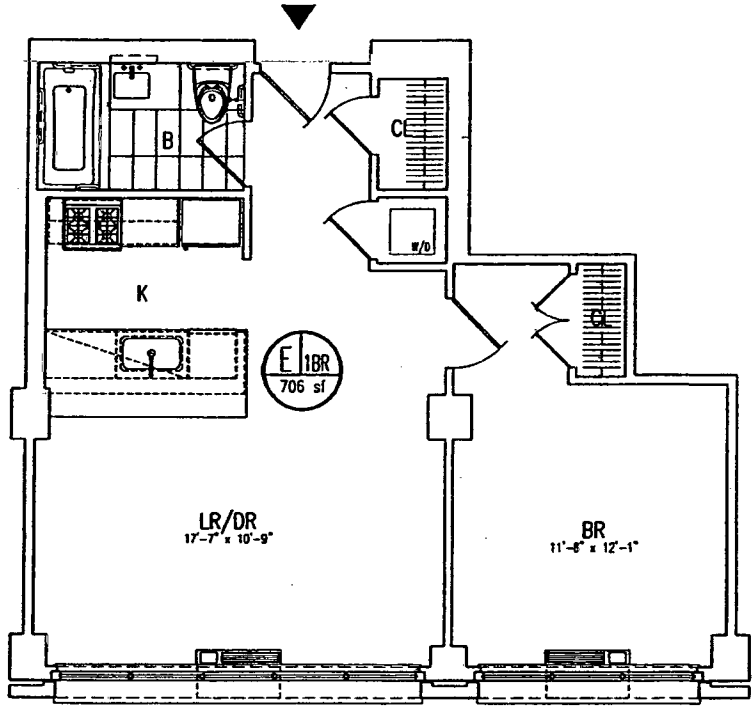
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

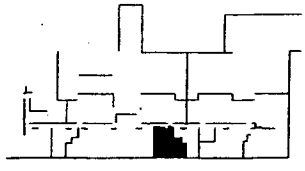
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 2-4D
47th Road Building

project number: 0534
date: 01/04/07
scale: 1/8"-1"
drawn by: RCM
checked by: CC

drawing number: 2-4D





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

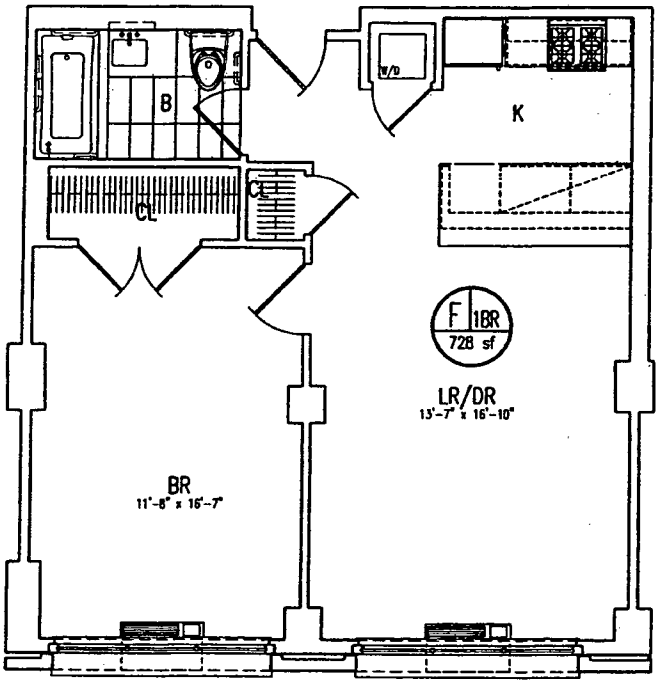
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ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

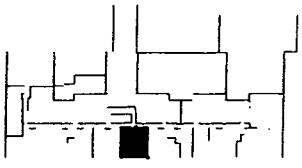
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 2-4E
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"-1'
drawn by: RCM
checked by: GC

drawing number:
2-4E





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

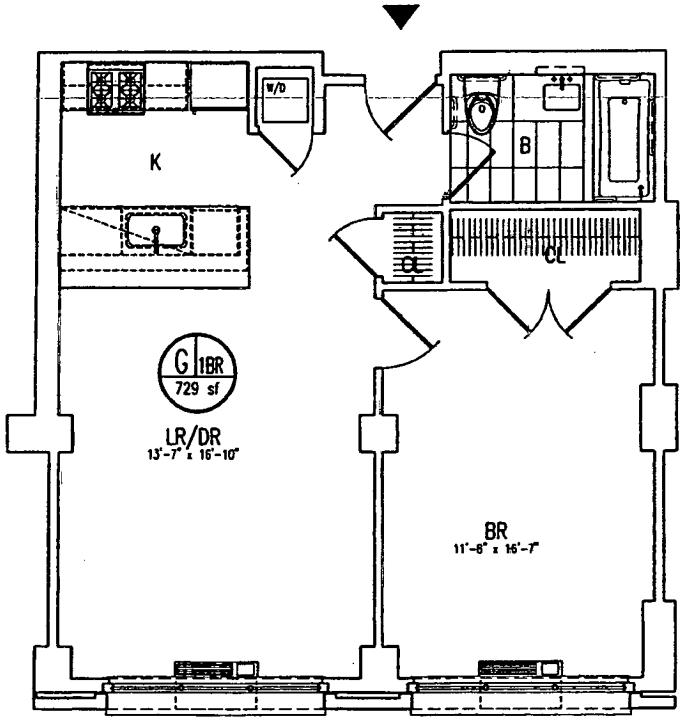
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 2-4F
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/16"=1'
drawn by: RCM
checked by: CC

drawing number:
2-4F





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

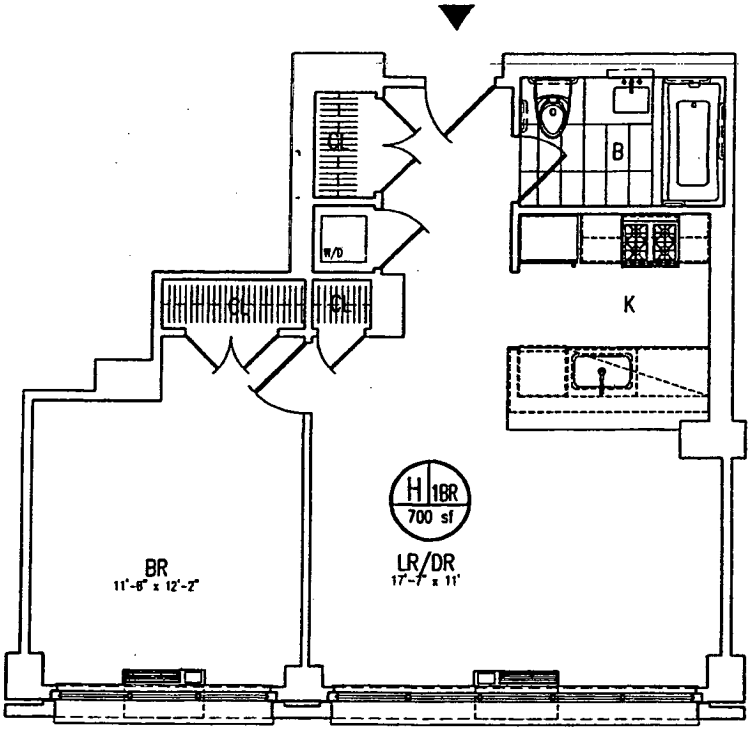
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ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
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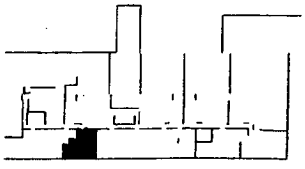
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 2-4G
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"-1'
drawn by: RCM
checked by: GC

drawing number:
2-4G





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

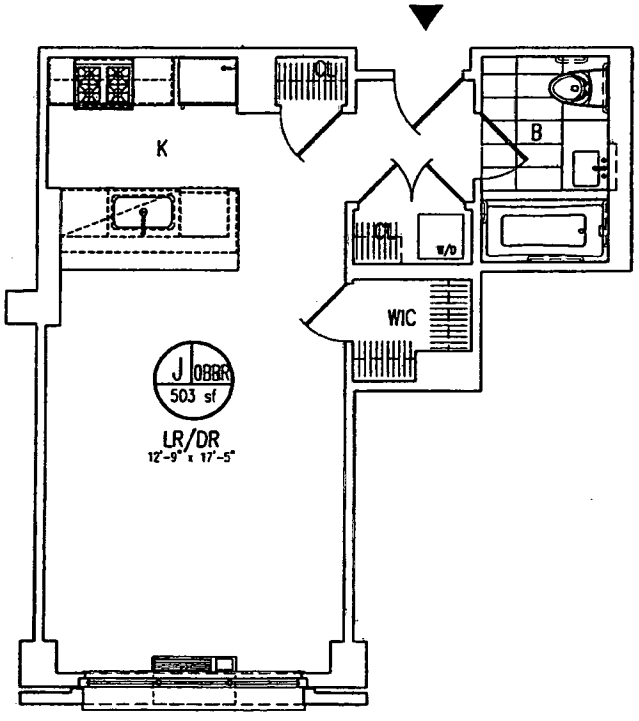
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
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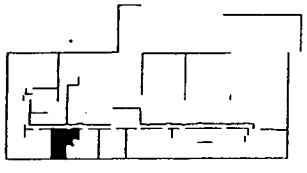
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5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 2-4H
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'
drawn by: RCM
checked by: GC

drawing number:
2-4H





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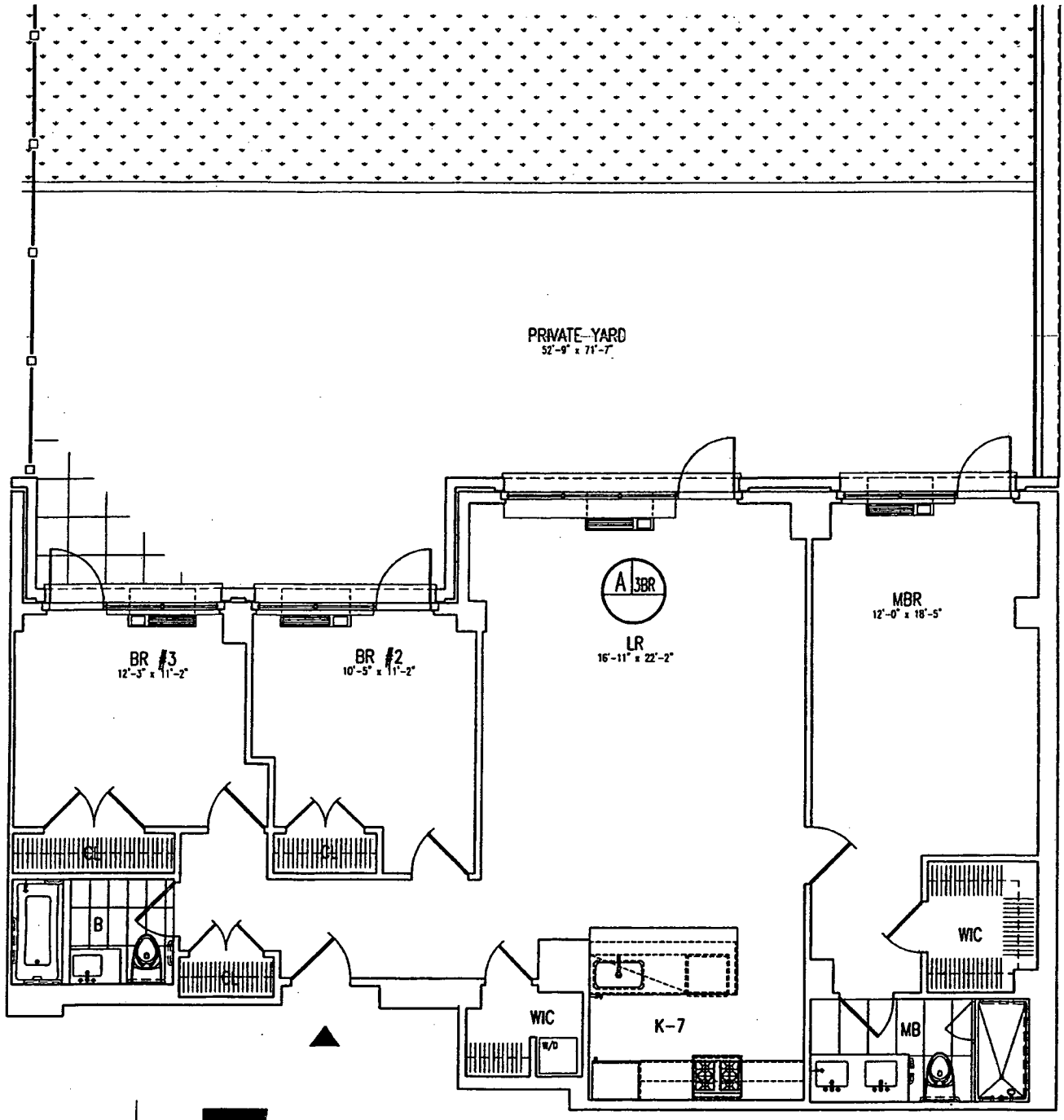
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 2-4J
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'
drawn by: RCM
checked by: GC

drawing number:
2-4J



All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

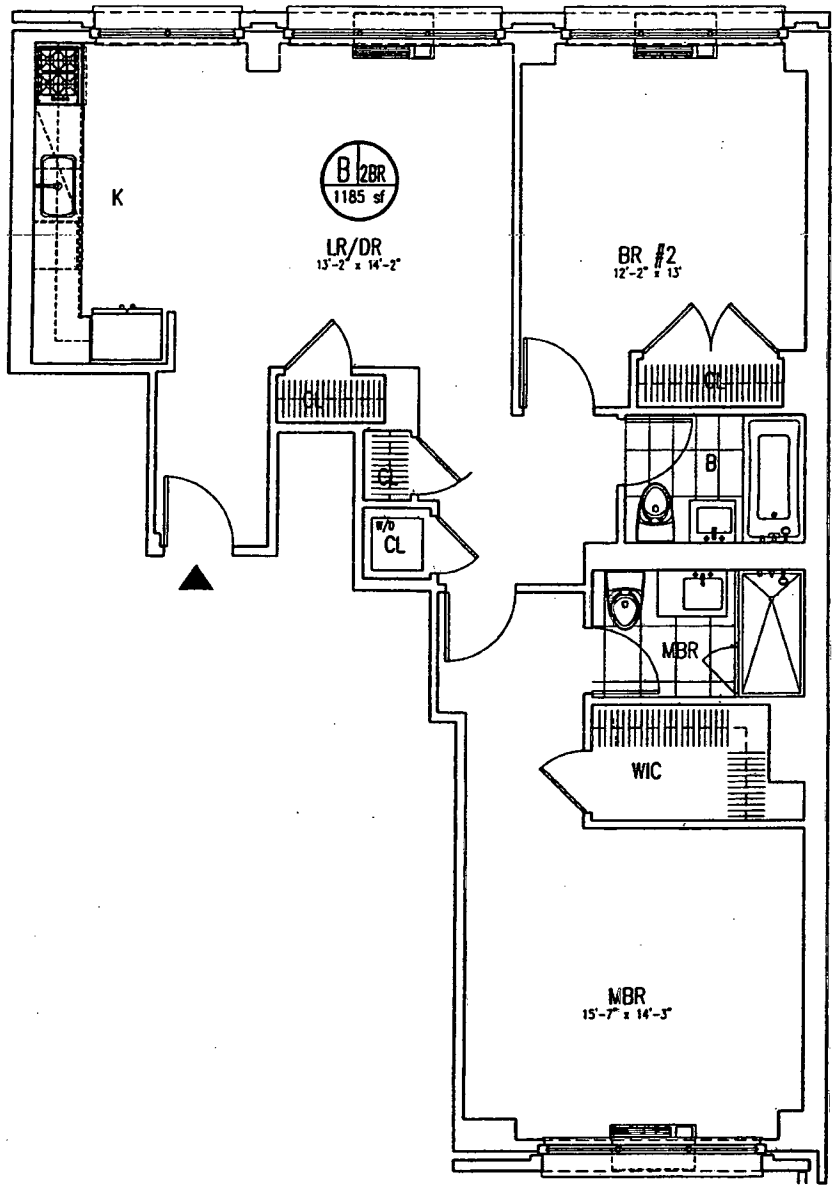
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 2A
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"-1'
drawn by: RCM
checked by: GC

drawing number: 2A





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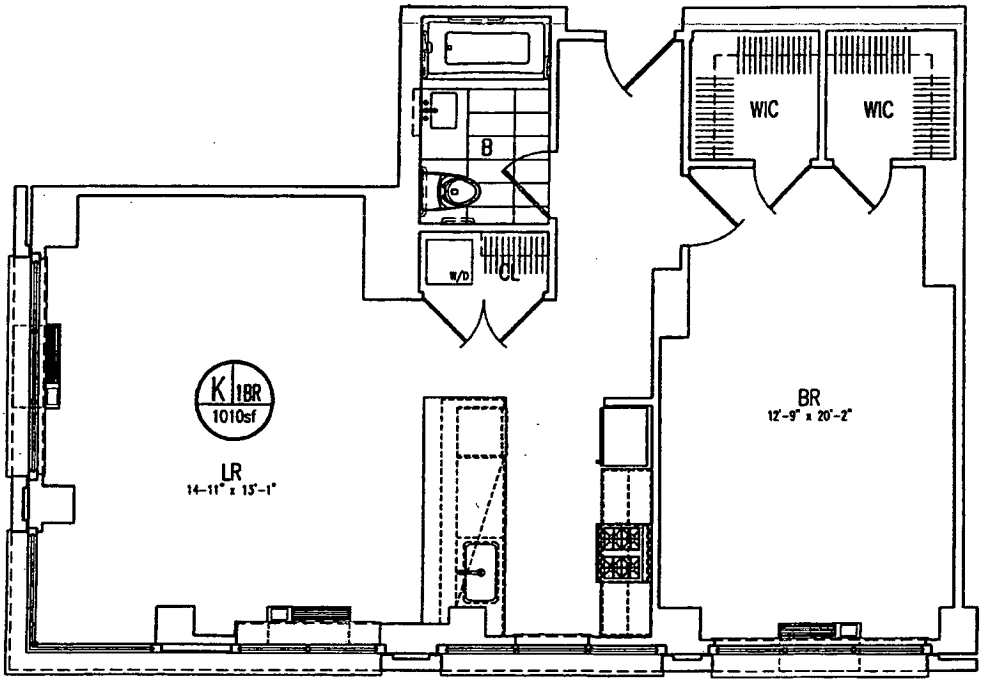
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
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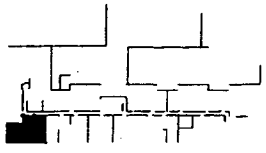
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 2B
47th Road Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'-0"
drawn by: RCM
checked by: GC

drawing number: 2B





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

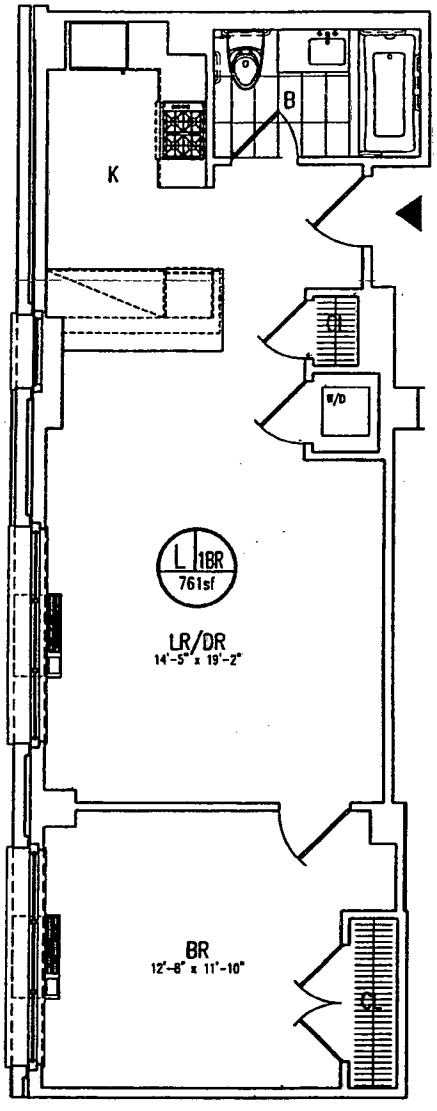
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

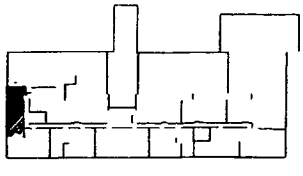
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 2K
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'
drawn by: RCM
checked by: CF

drawing number: 2K





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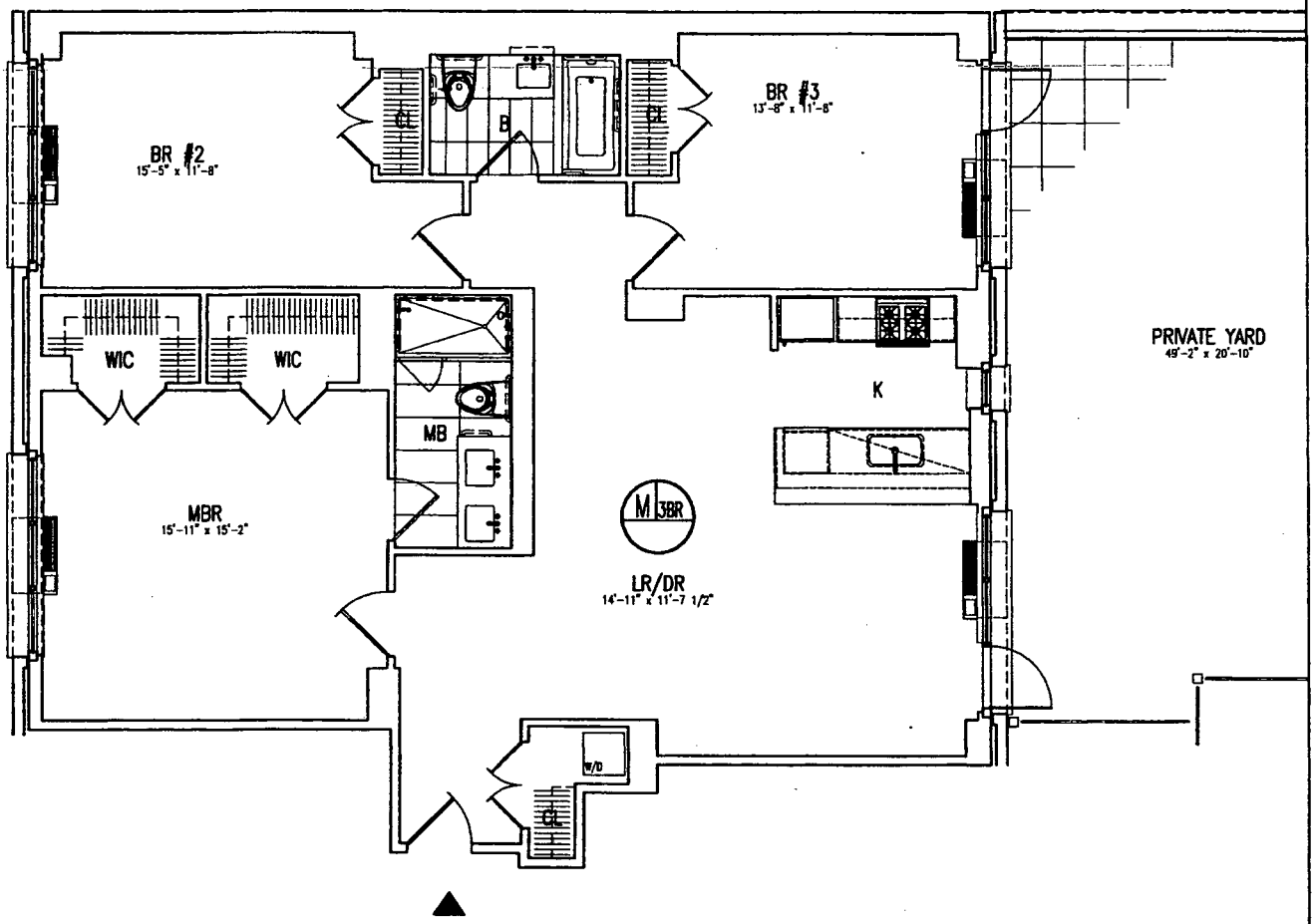
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

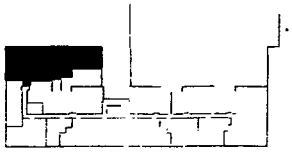
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 2L
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"-1'
drawn by: RCM
checked by: GC

drawing number:
2L





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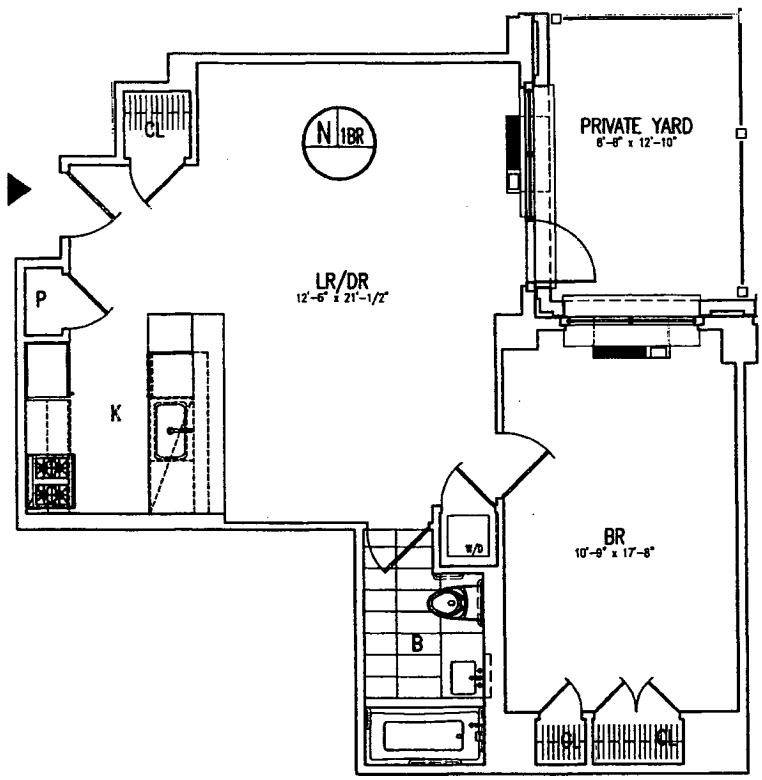
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project: 5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title: Apartment 2M
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"-1'
drawn by: RCM
checked by: GC

drawing number: 2M





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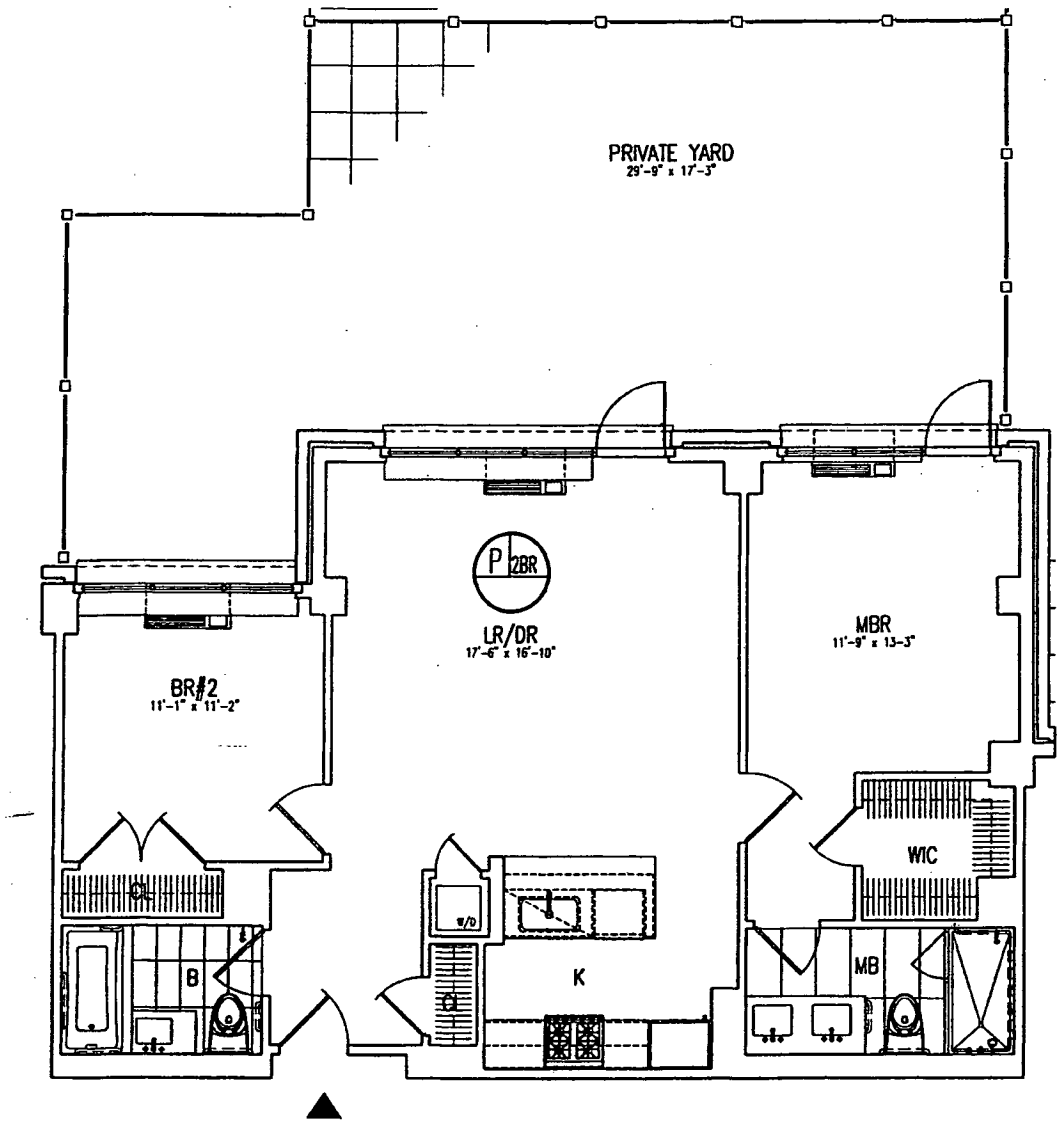
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project: 5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title: Apartment 2N
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"-1'
drawn by: RCM
checked by: GC

drawing number: 2N





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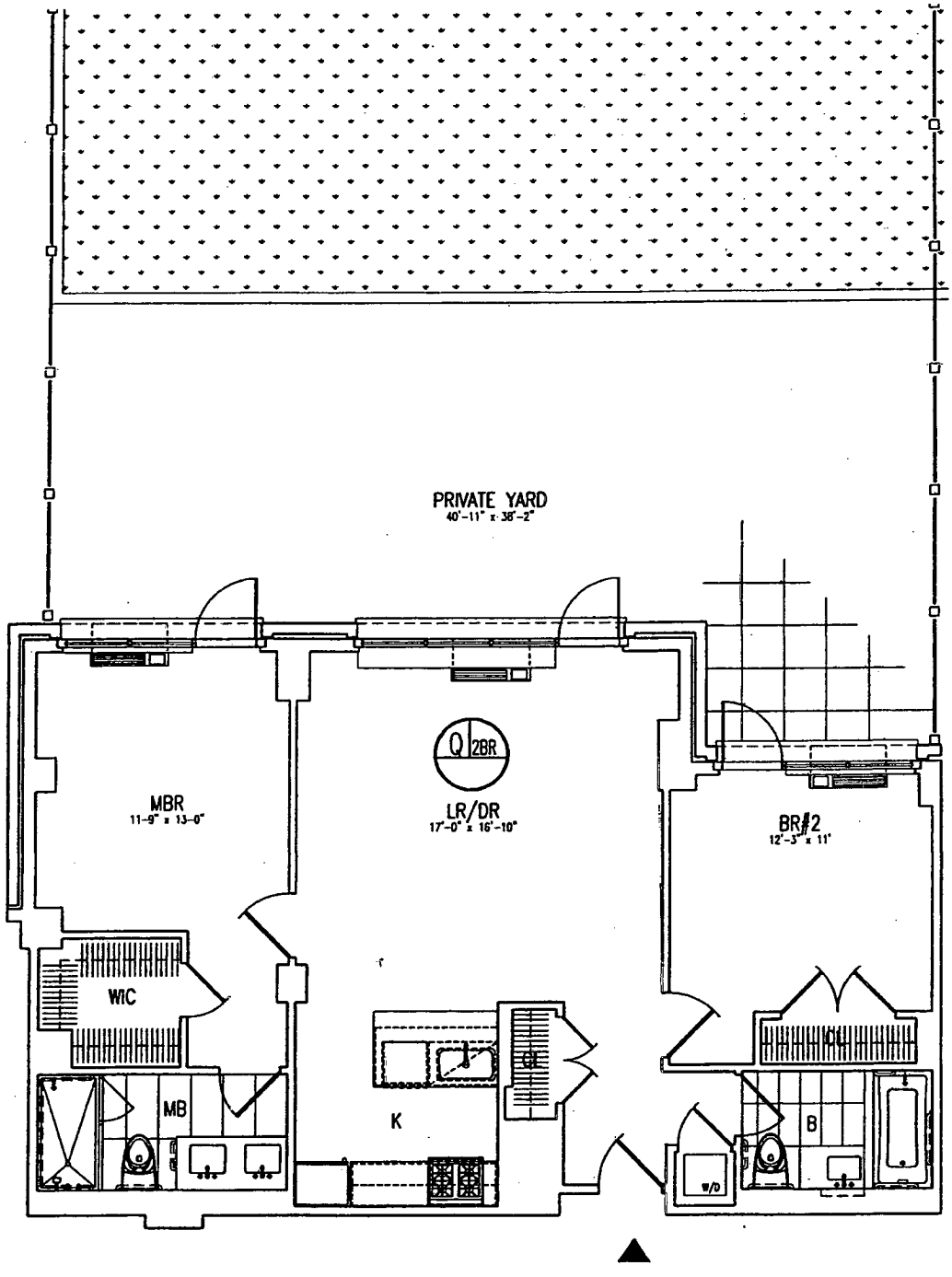
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

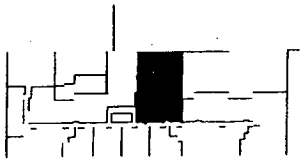
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 2P
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"-1'
drawn by: RCM
checked by: GC

drawing number: 2P





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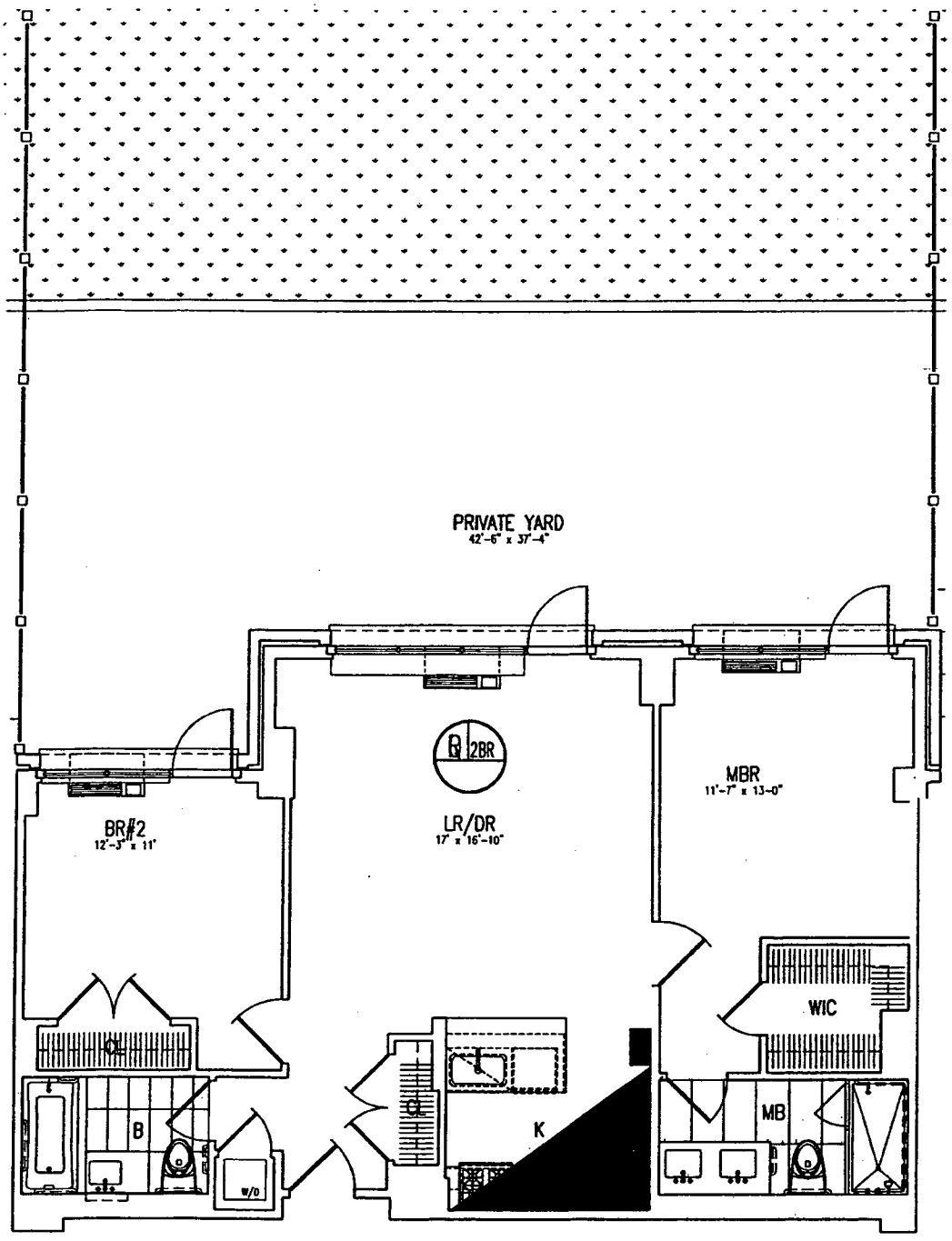
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 2Q
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"-1'
drawn by: RCM
checked by:

drawing number:
2Q





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

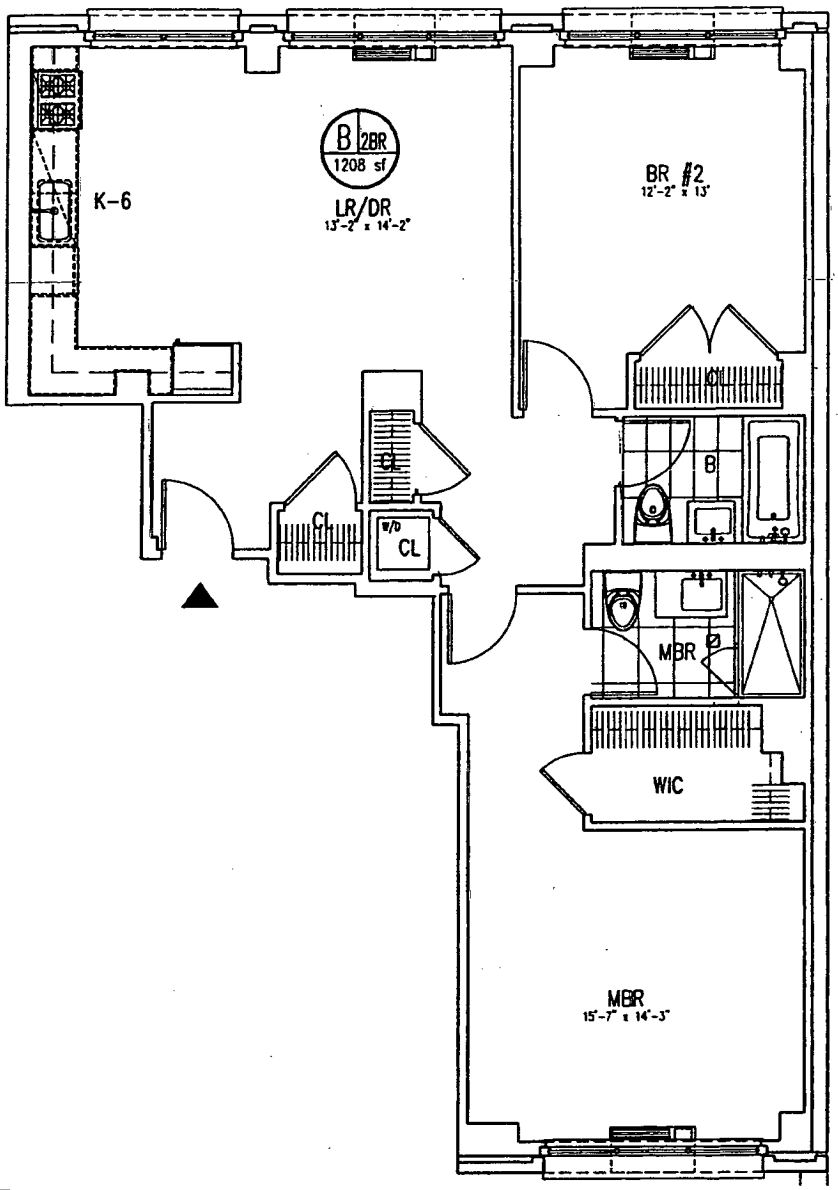
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

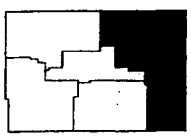
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 2R
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'
drawn by: RCM
checked by: GC

drawing number: 2R





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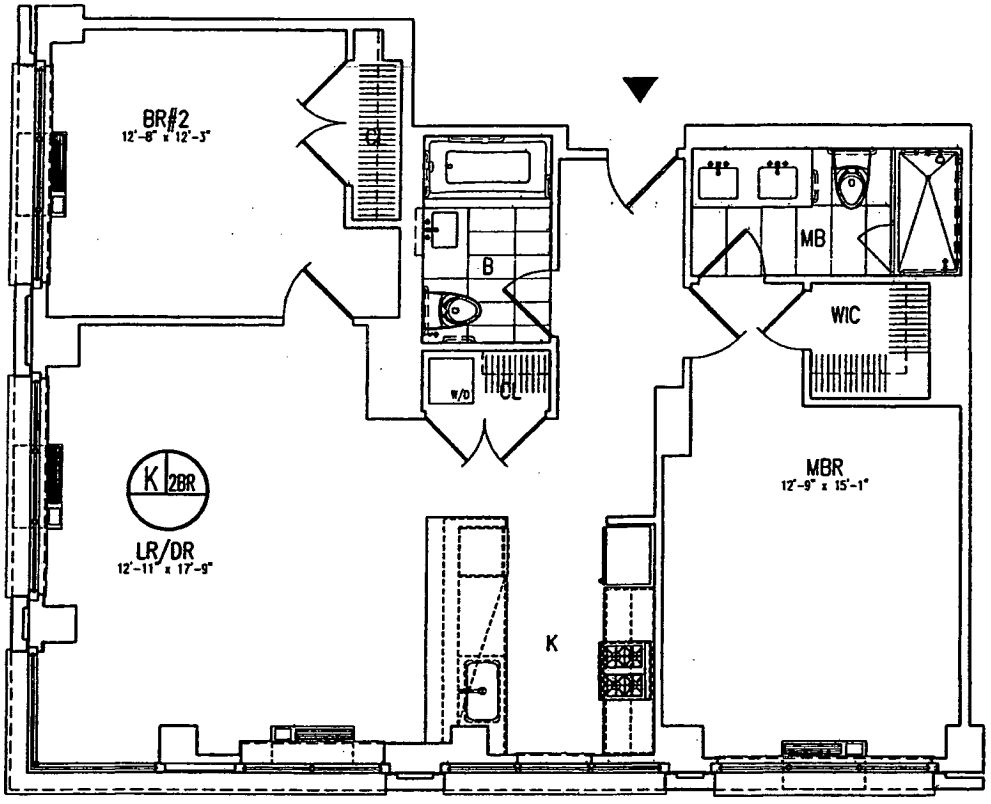
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
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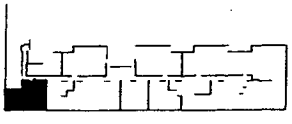
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 3-4B
47th Road Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'-0"
drawn by: RCM
checked by: GC

drawing number:
3-4B





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

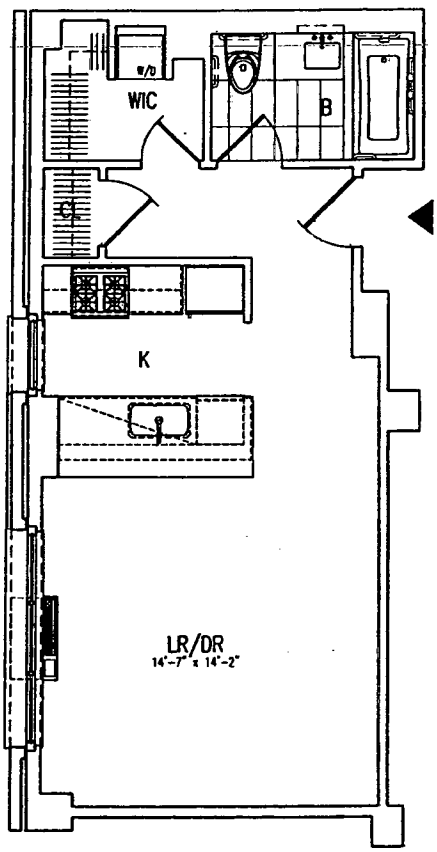
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

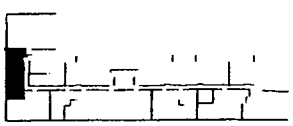
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 3-4K
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'
drawn by: RCM
checked by: GC

drawing number: 3-4K





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

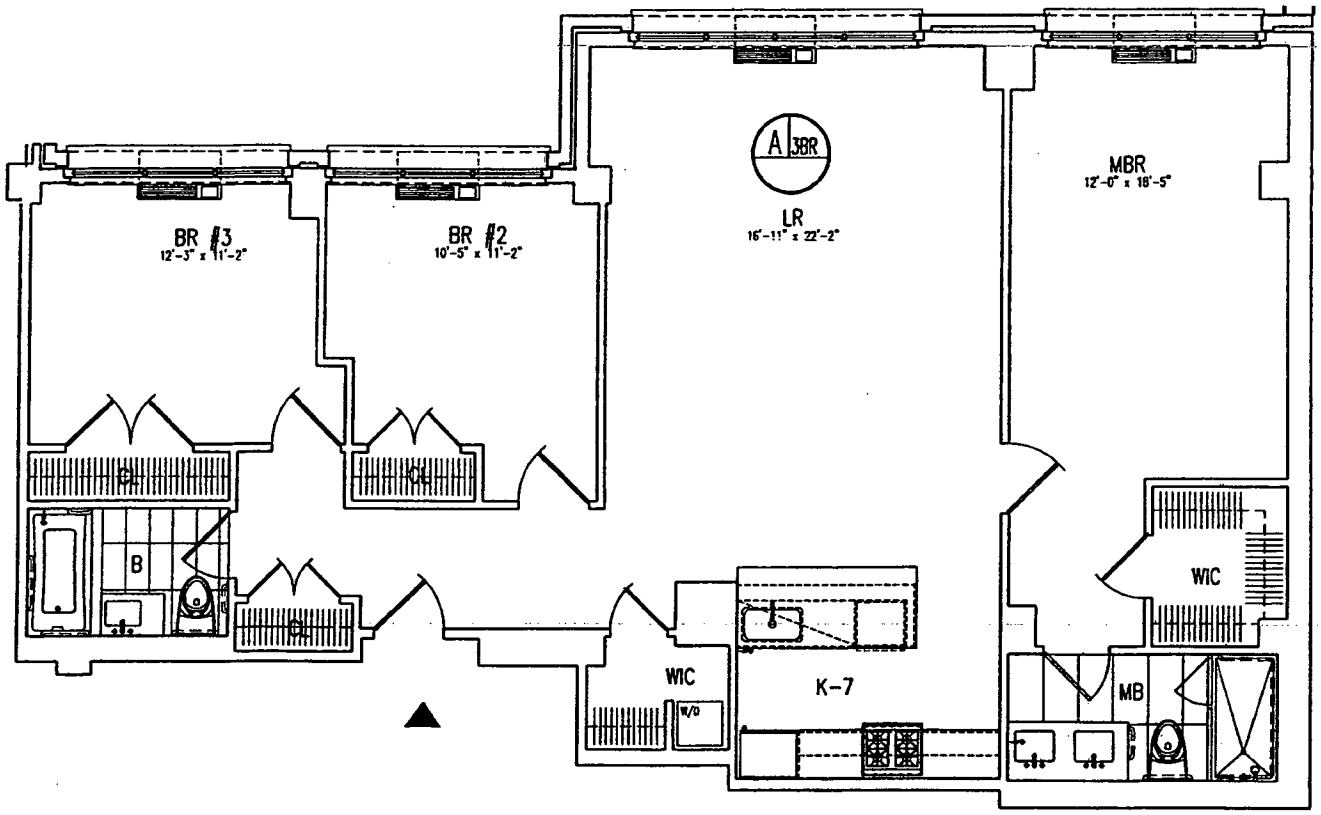
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 3-4L
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'
drawn by: RCM
checked by: GC

drawing number: 3-4L





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

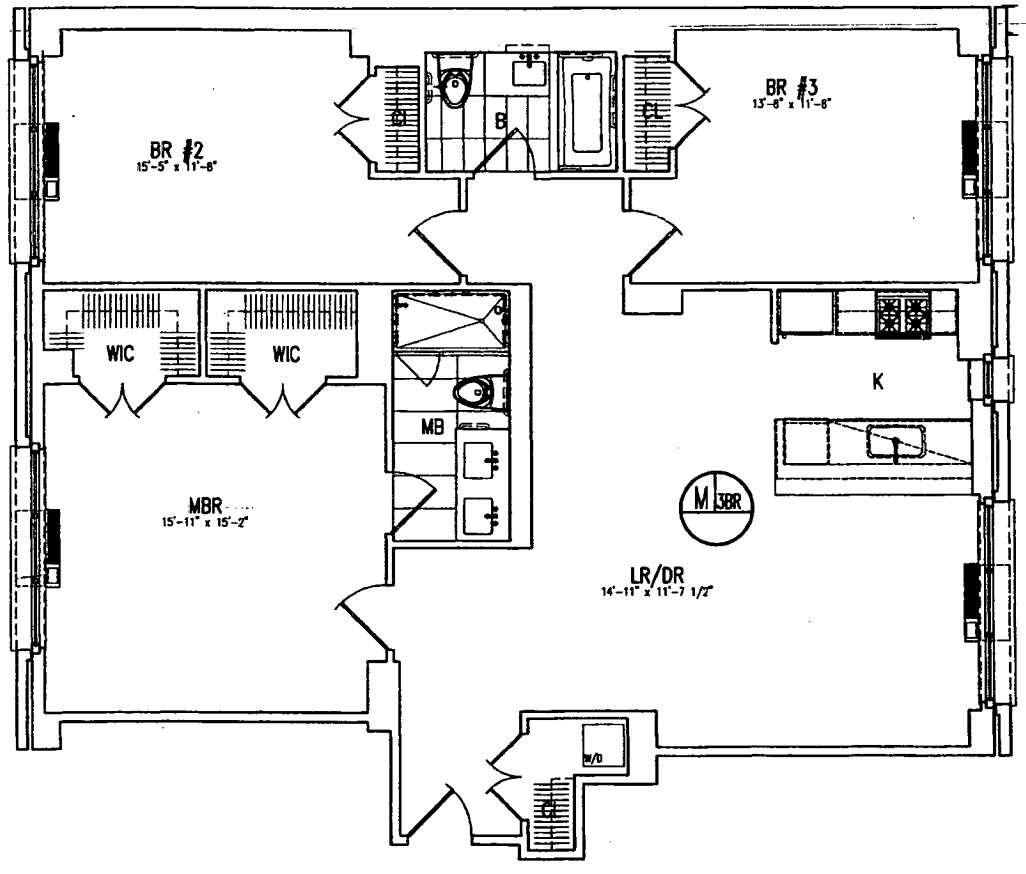
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ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

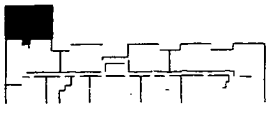
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 3-6A
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"-1'
drawn by: RCM
checked by: GC

drawing number:
3-6A





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

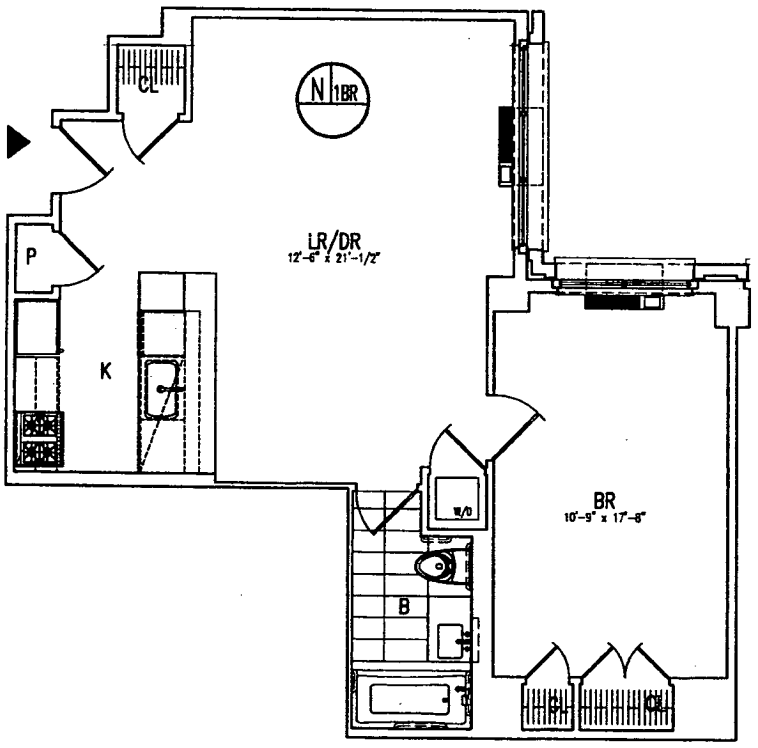
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

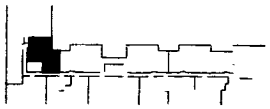
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 3-6M
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"-1'
drawn by: RCM checked by: GC

drawing number: 3-6M





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

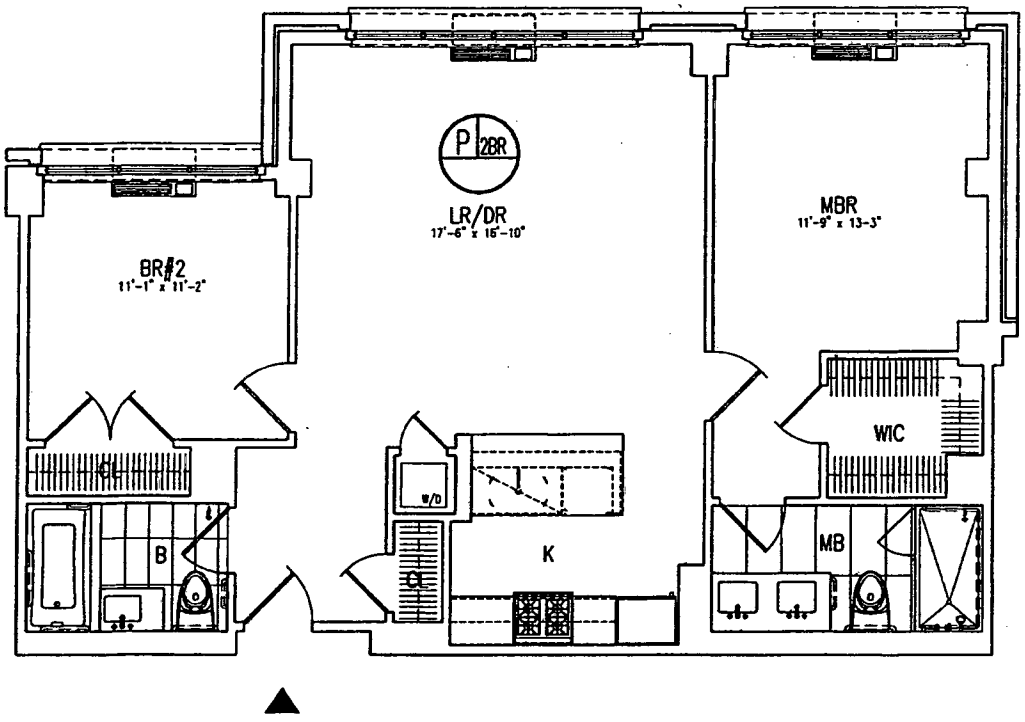
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

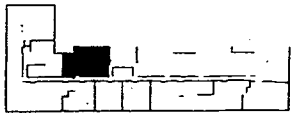
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 3-6N
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"-1'
drawn by: RCM checked by: GC

drawing number:
3-6N





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

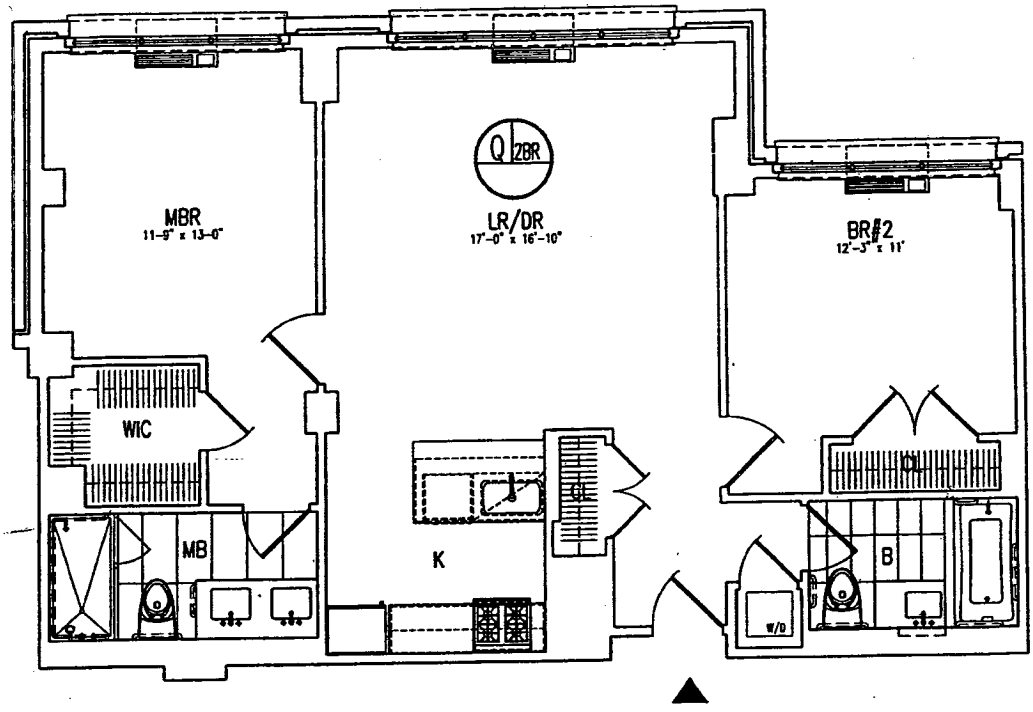
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 3-6P
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'
drawn by: RCM checked by: GC

drawing number: 3-6P





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

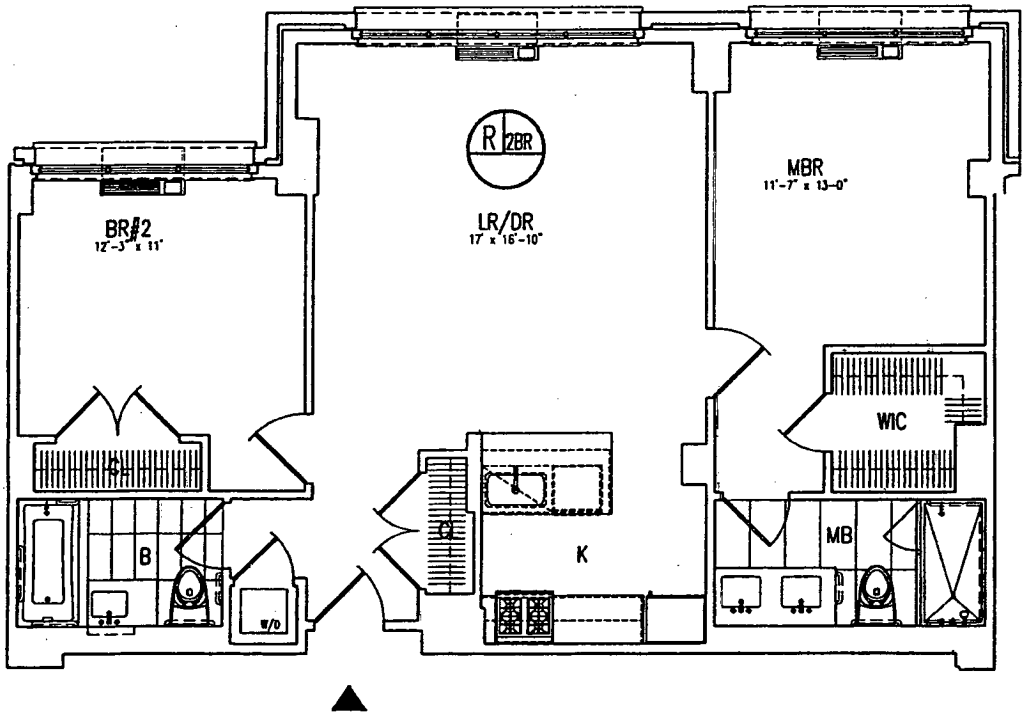
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

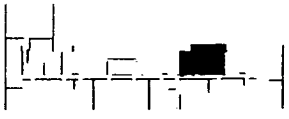
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 3-6Q
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"-1'
drawn by: RCM
checked by:

drawing number: 3-6Q





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

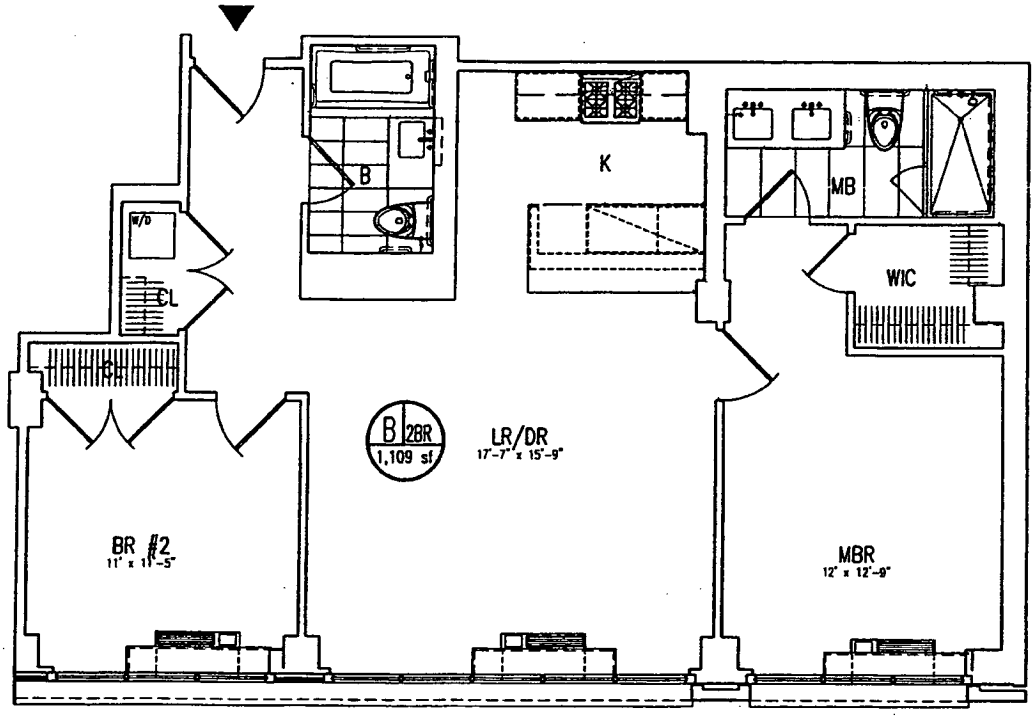
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

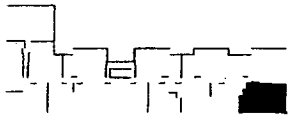
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 3-6R
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'
drawn by: RCM
checked by: GC

drawing number:
3-6R





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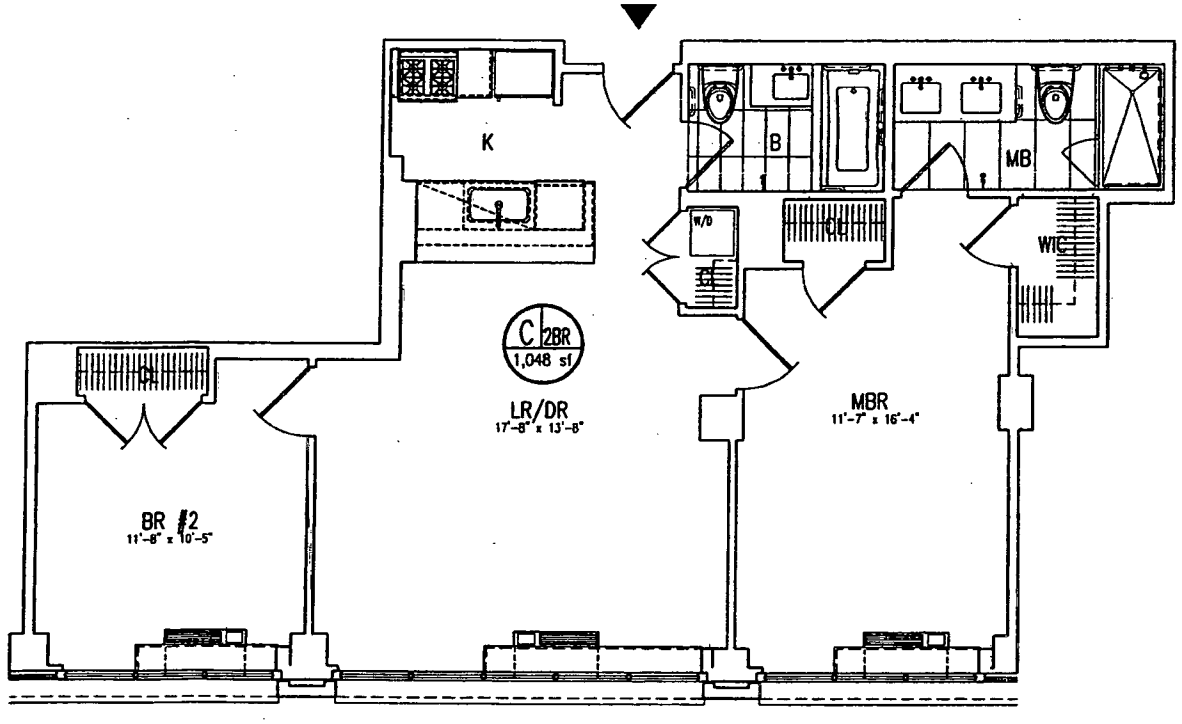
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
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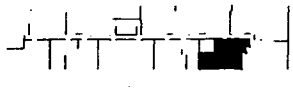
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 5-6B
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'
drawn by: RCM
checked by: GC

drawing number:
5-6B





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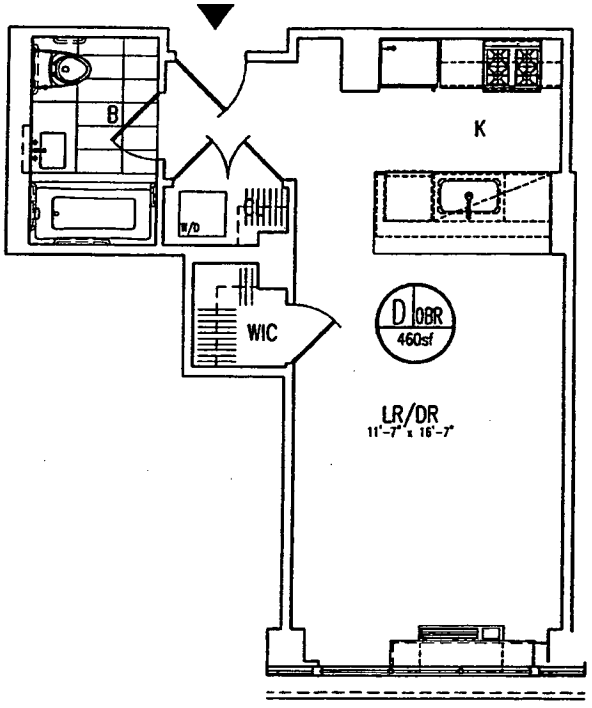
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 5-6C
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"-1'
drawn by: RCM
checked by: GC

drawing number:
5-6C





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

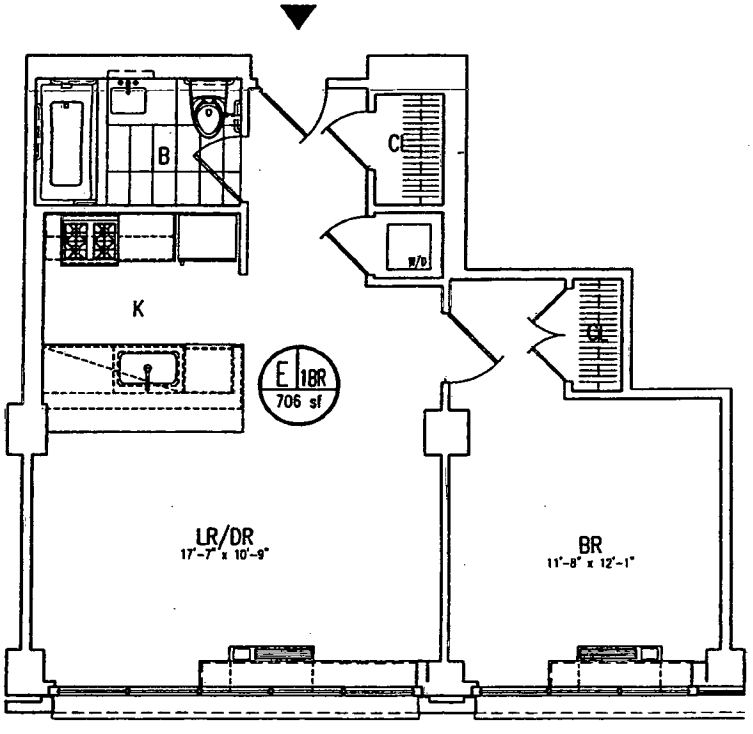
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

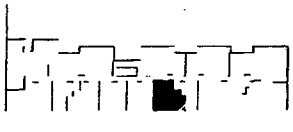
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 5-6D
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'
drawn by: RCM
checked by: GC

drawing number:
5-6D





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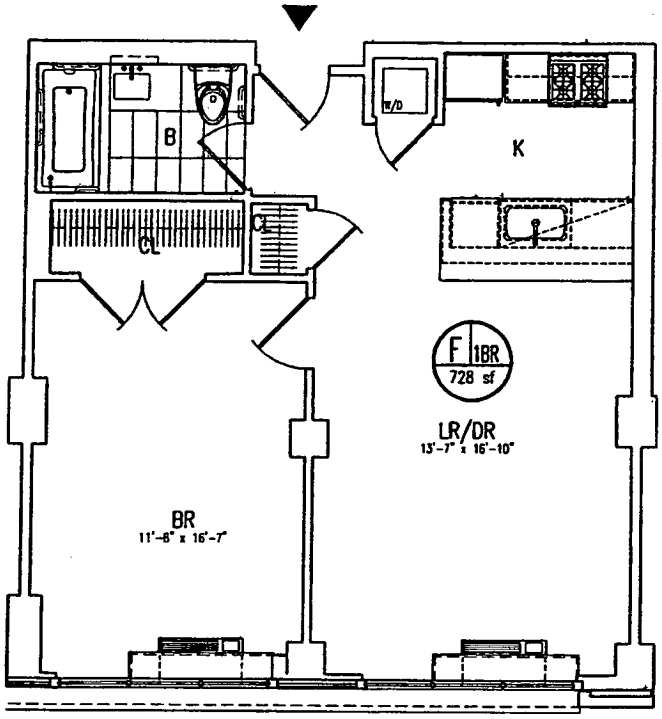
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 5-6E
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"-1'
drawn by: RCM
checked by: GC

drawing number:
5-6E





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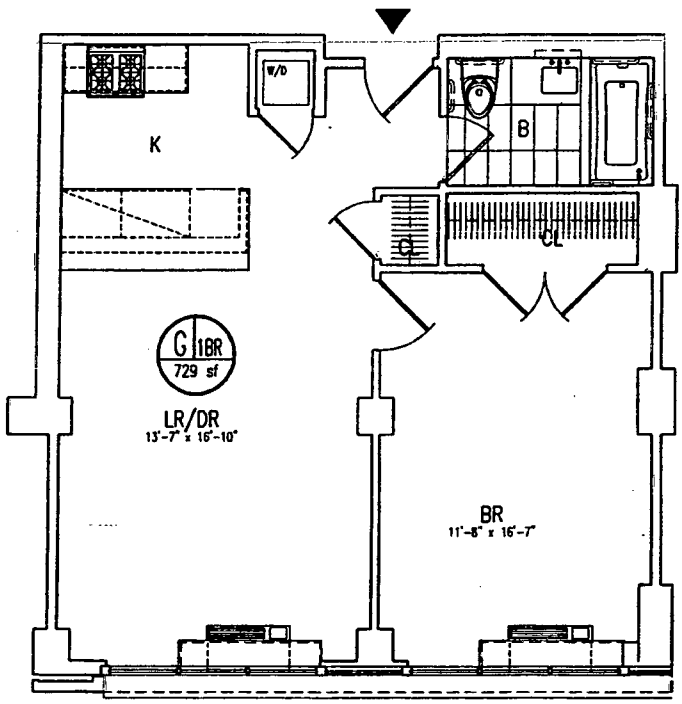
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 5-6F
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"-1'
drawn by: RCM
checked by: GC

drawing number:
5-6F





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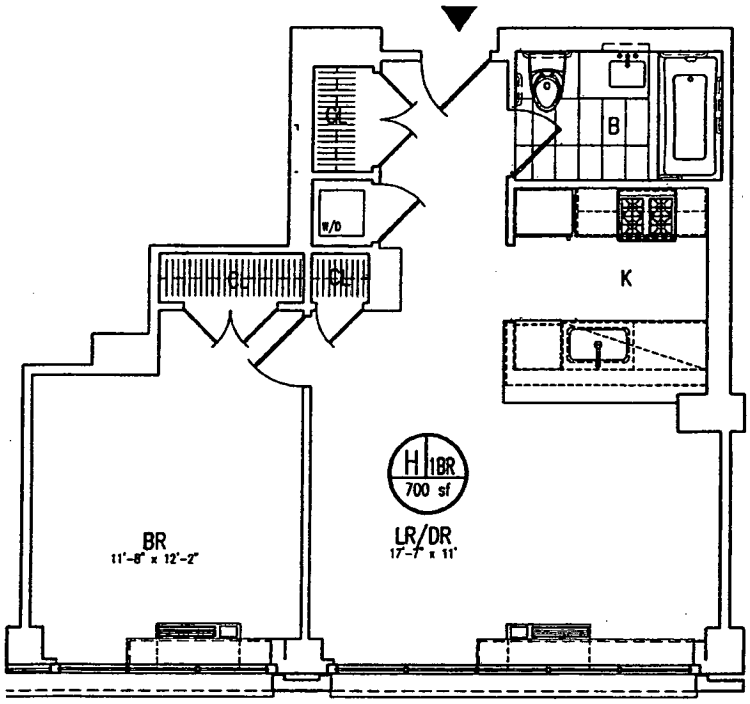
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
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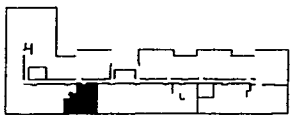
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 5-6G
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"-1'
drawn by: RCM
checked by: GC

drawing number:
5-6G





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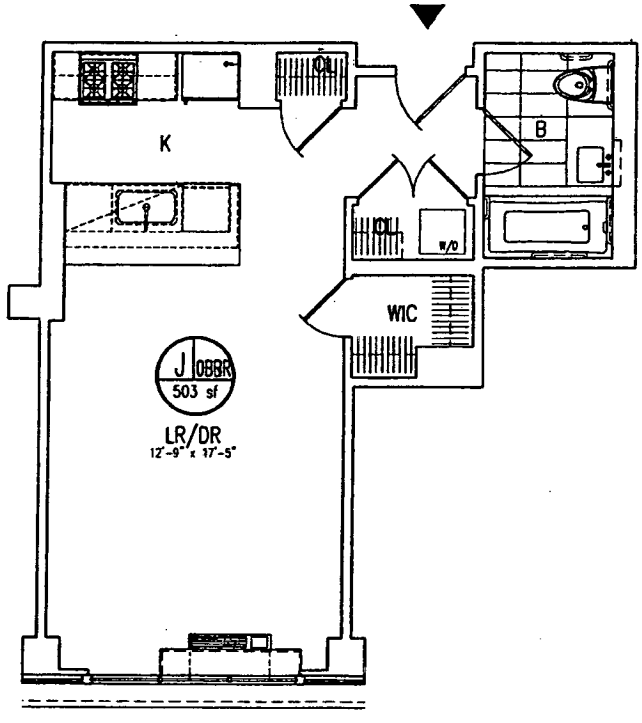
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

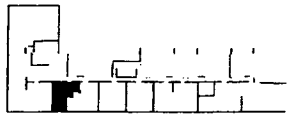
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 5-6H
48th Avenue Building

project number: 0534
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scale: 1/8"=1'
drawn by: RCM
checked by: GC

drawing number:
5-6H





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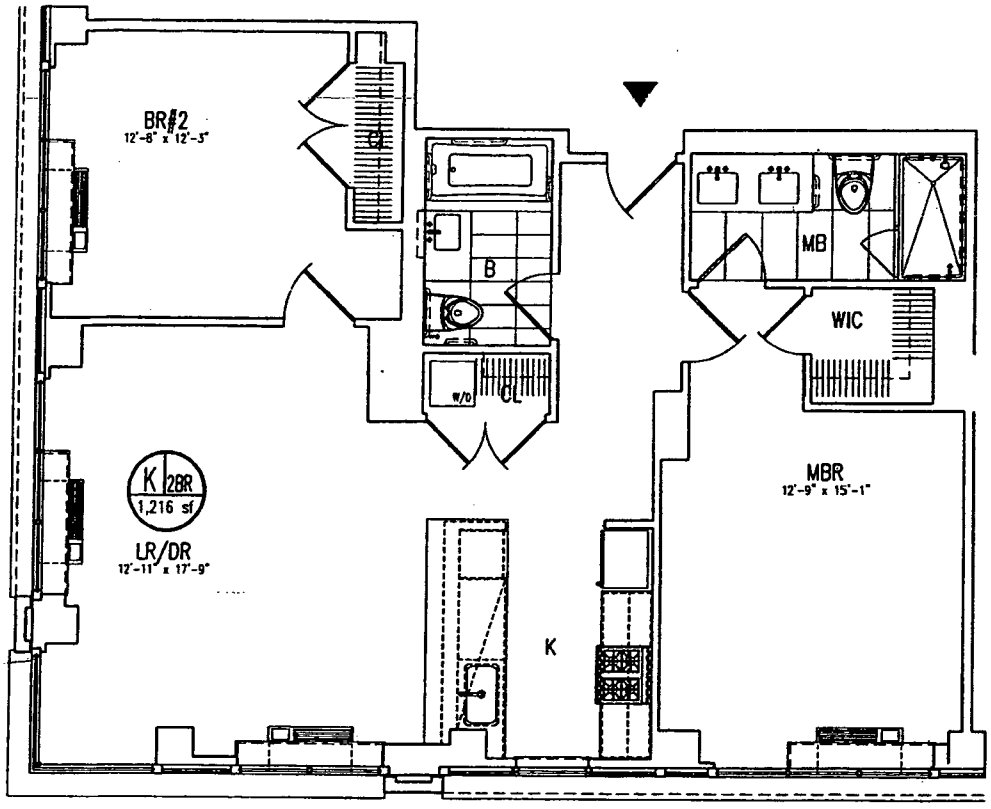
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

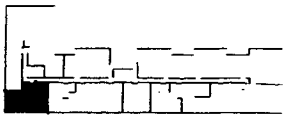
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 5-6J
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'
drawn by: RCM
checked by: GC

drawing number:
5-6J





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

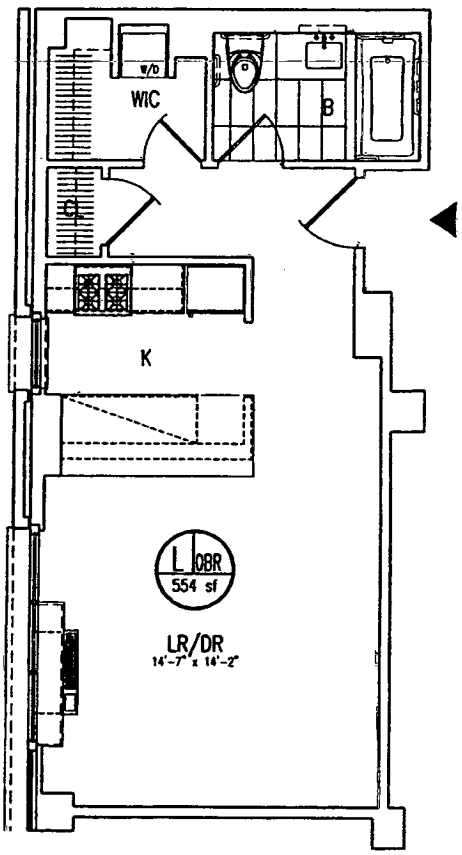
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

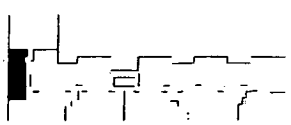
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 5-6K
48th Avenue Building

project number: 0534
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scale: 1/8"=1'
drawn by: RCM
checked by: GC

drawing number:
5-6K





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

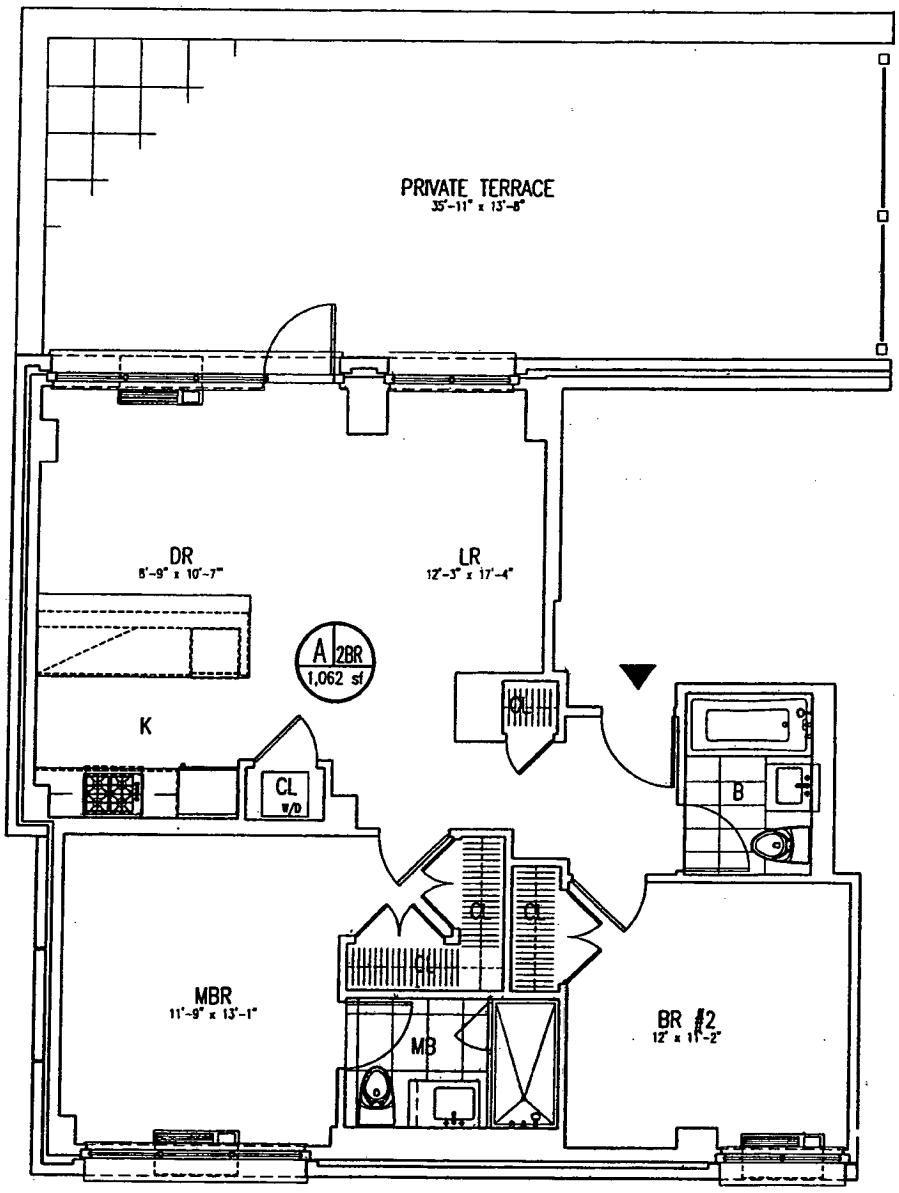
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
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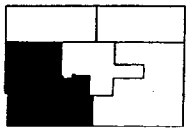
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 5-6L
48th Avenue Building

project number: 0534
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scale: 1/8"=1'
drawn by: RCM
checked by: GC

drawing number:
5-6L





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

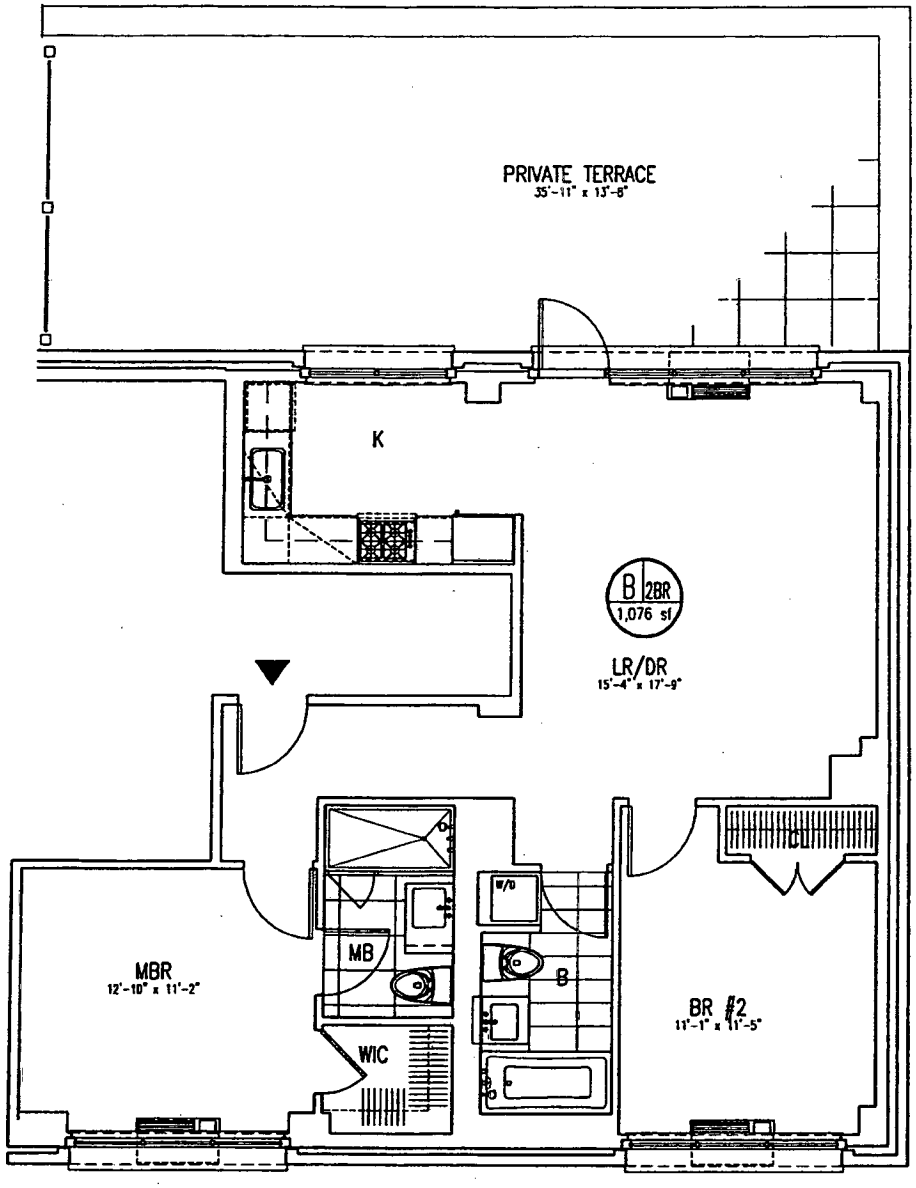
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

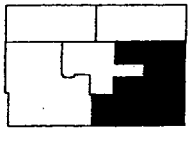
project: 5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title: Apartment 5A
47th Road Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'-0"
drawn by: RCM
checked by: CC

drawing number: 5A





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

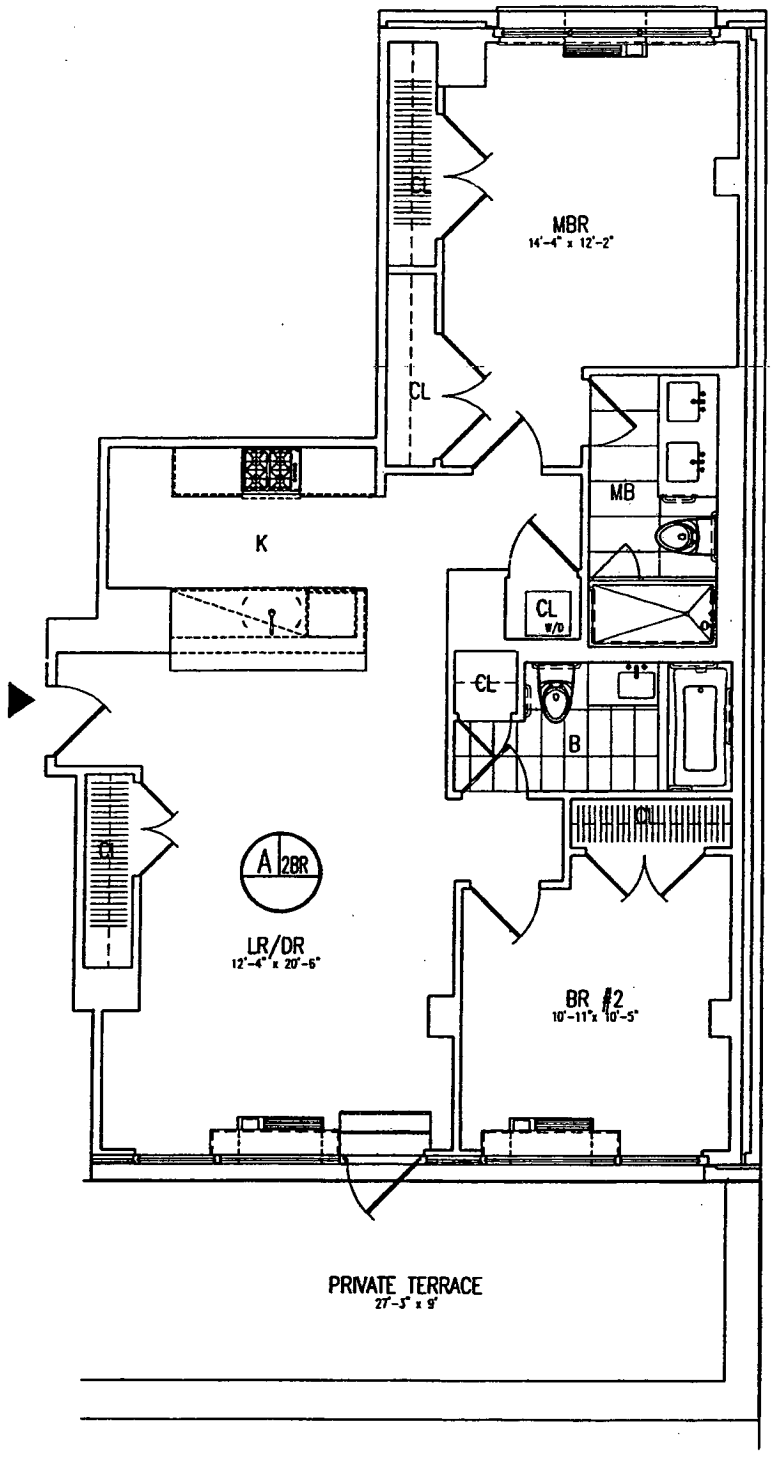
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ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

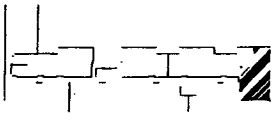
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 5B
47th Road Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'-0"
drawn by: RCM
checked by: GC

drawing number:
5B





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

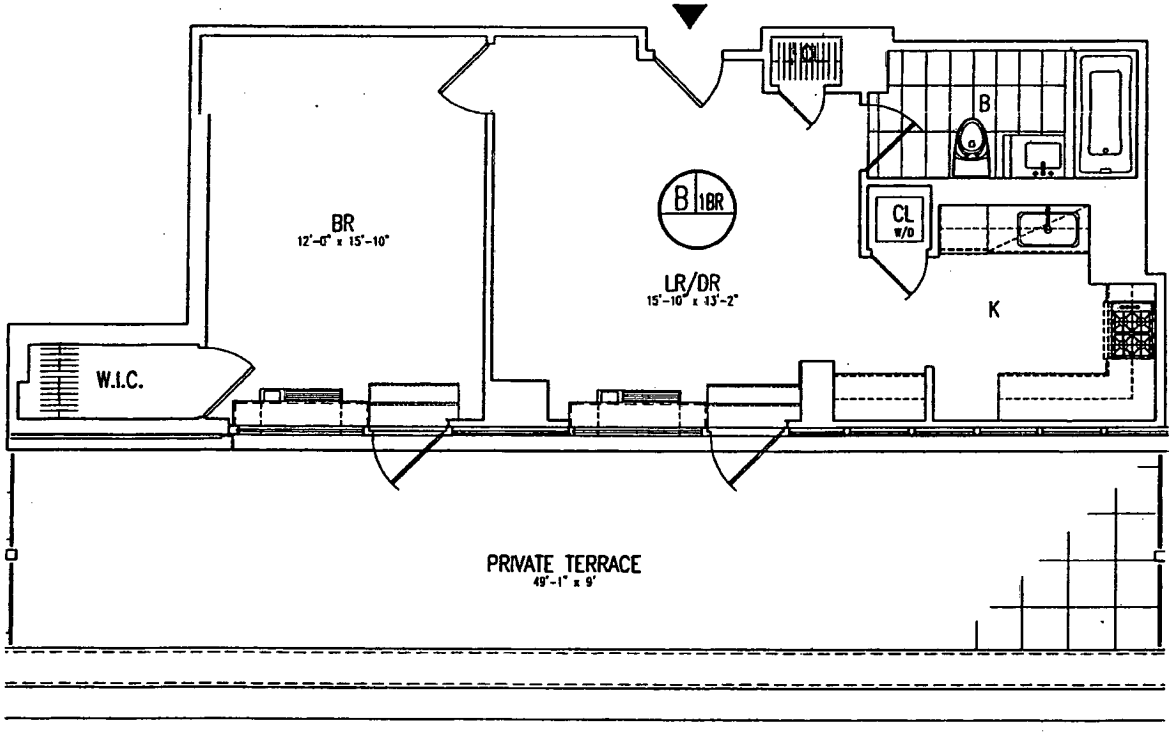
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

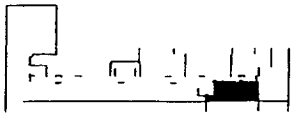
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 7A
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'-0"
drawn by: RCM
checked by: GC

drawing number: 7A





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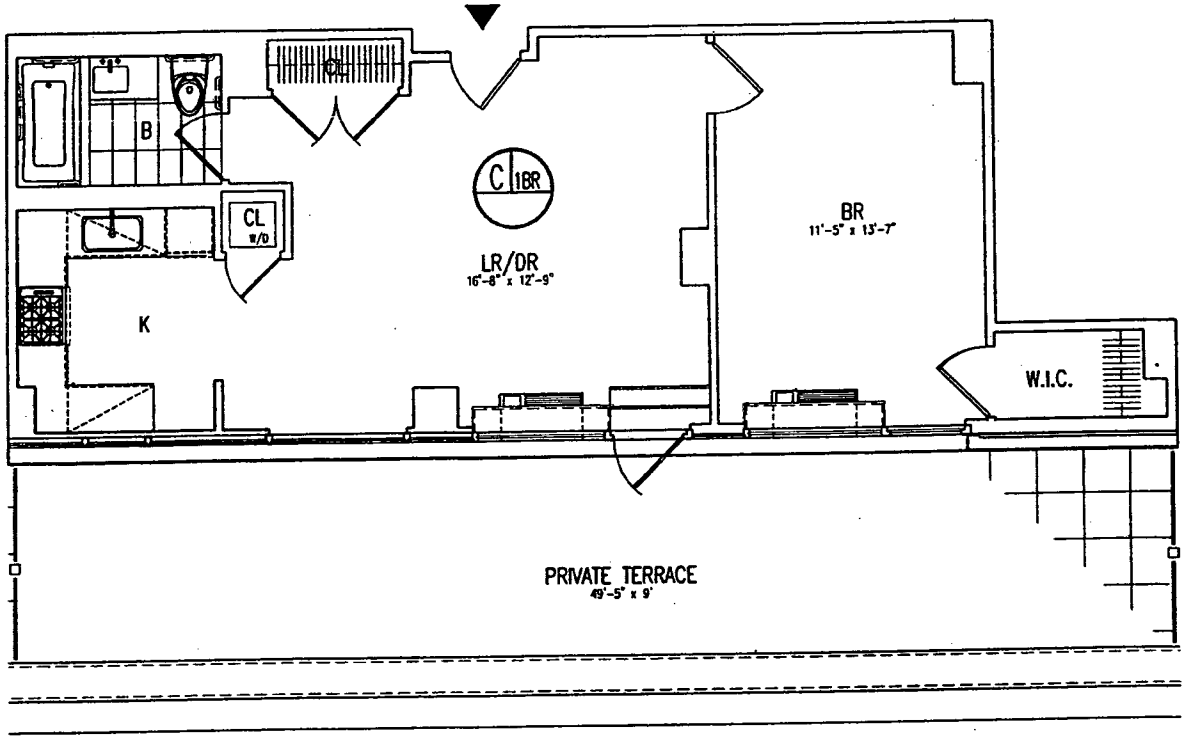
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 7B
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'-0"
drawn by: RCM
checked by: GC

drawing number: 7B





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

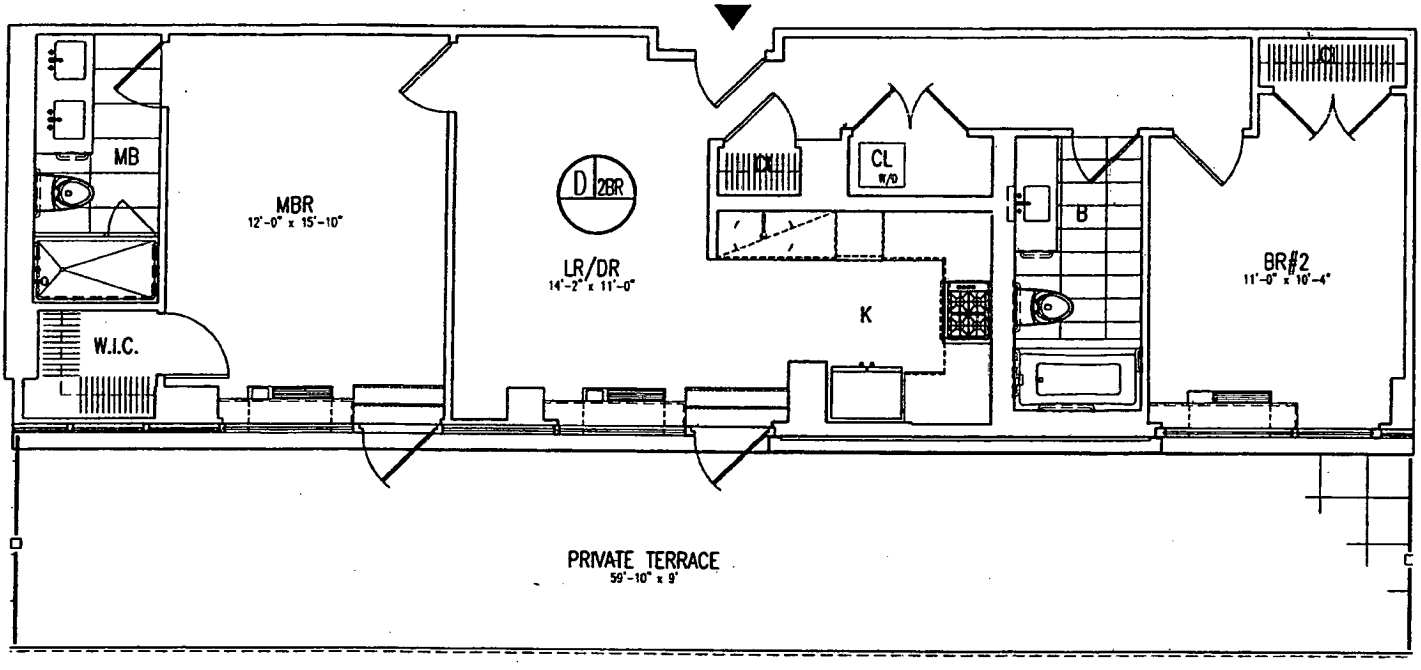
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 7C
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'-0"
drawn by: RCM
checked by: GC

drawing number: 7C





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

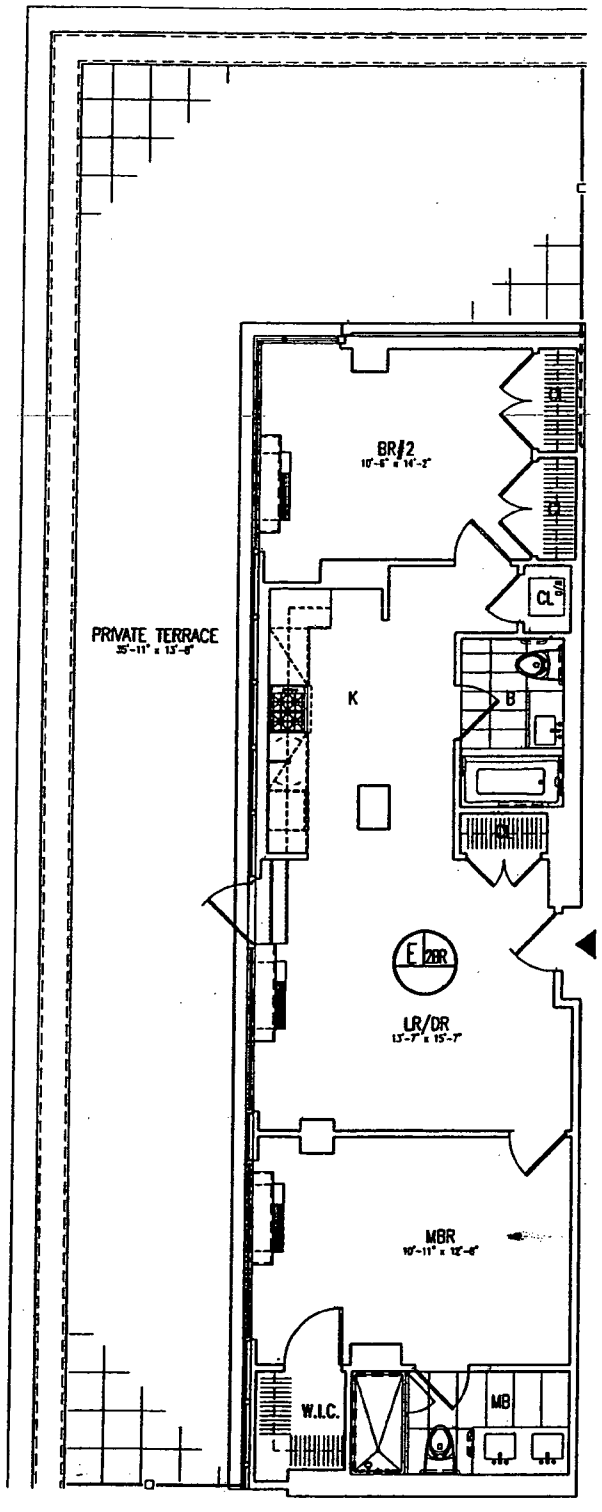
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 7D
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'-0"
drawn by: RCM
checked by: OC

drawing number: 7D



All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

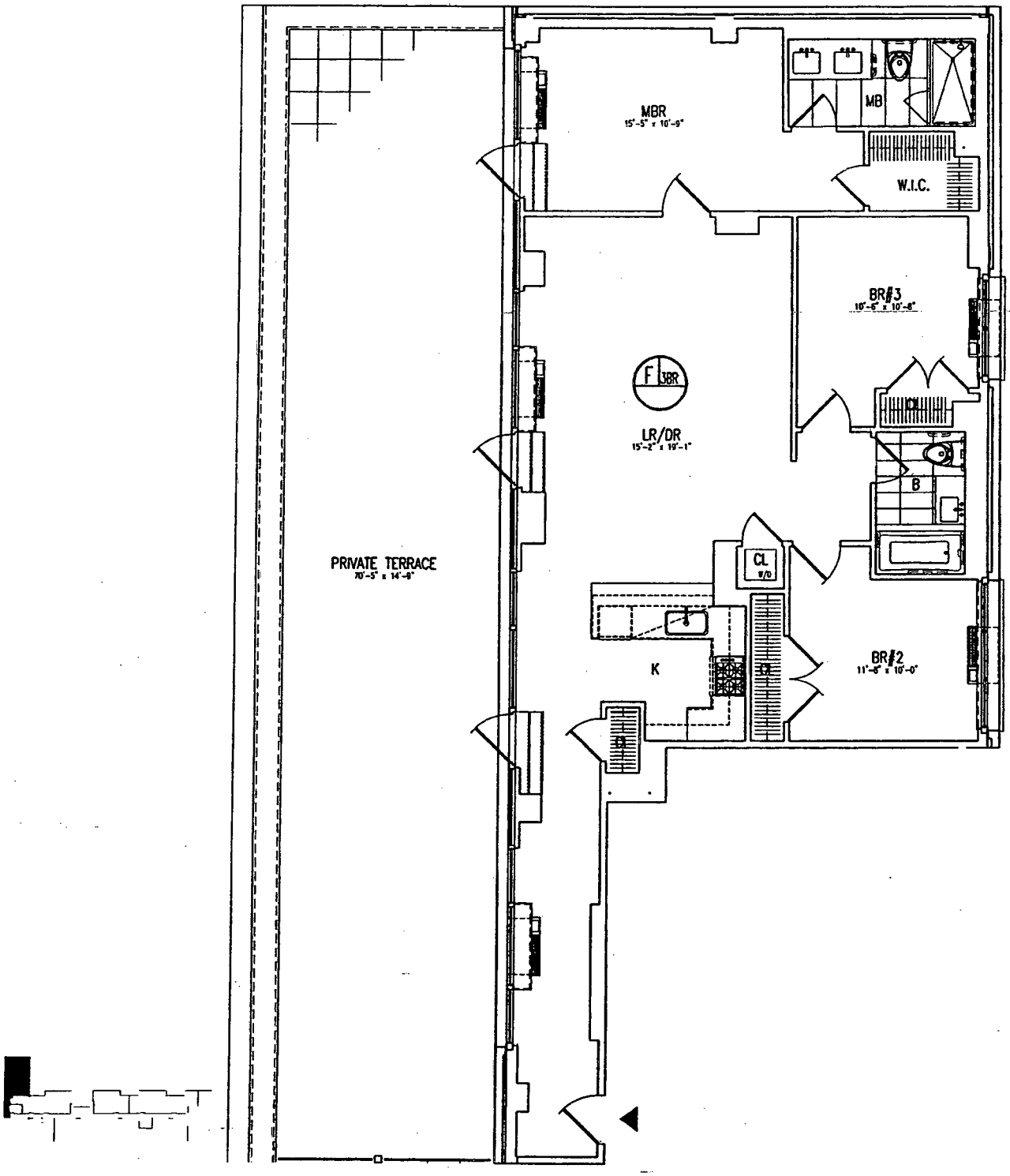
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 7E
48th Avenue Building

project number: 0534
date: 01/04/07
scale: N.T.S.
drawn by: RCM
checked by: GC

drawing number: 7E



All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

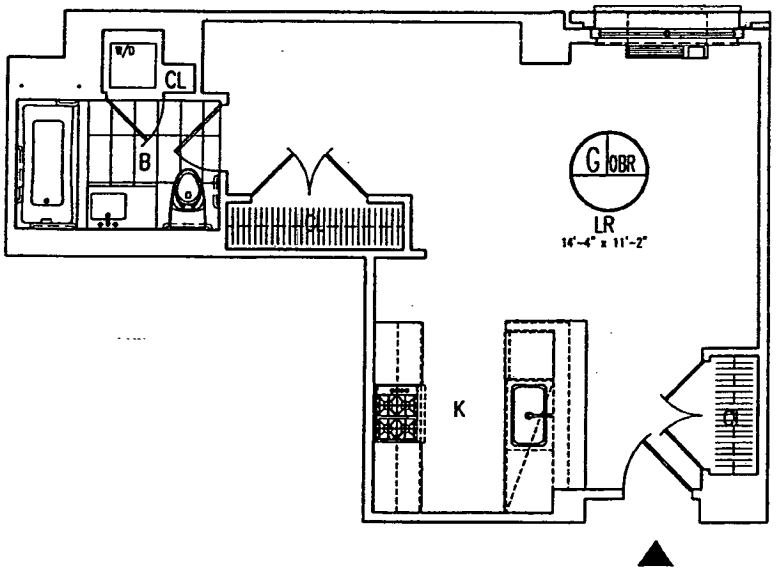
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

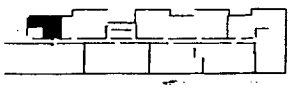
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 7F
48th Avenue Building

project number: 0534
date: 01/04/07
scale: N.T.S.
drawn by: RCM
checked by: GC

drawing number: 7F





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

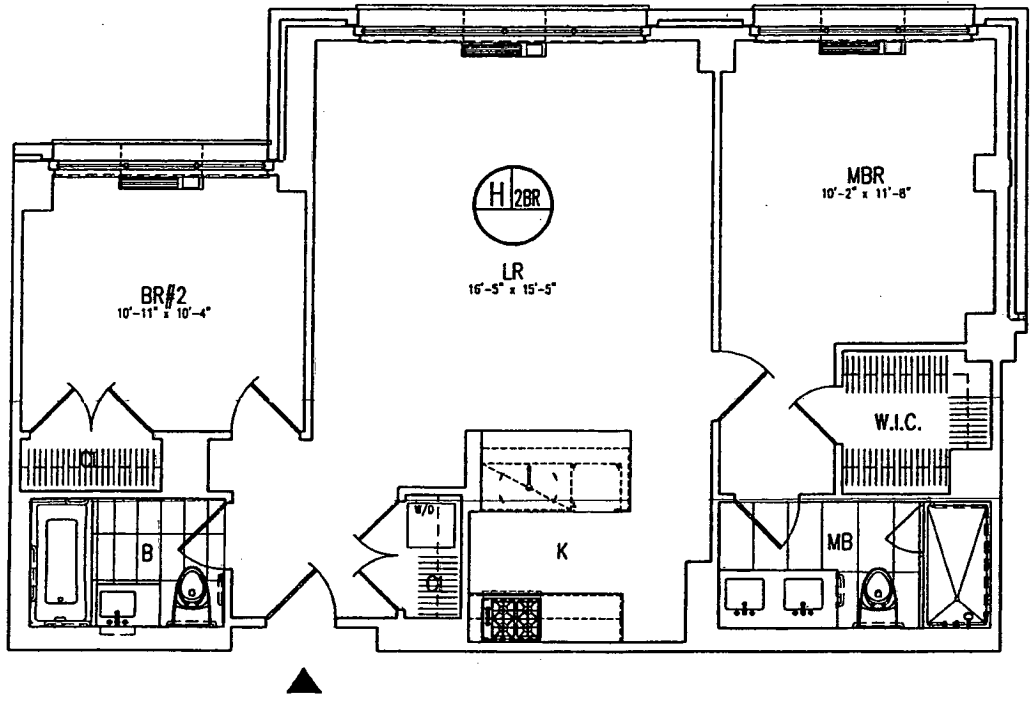
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 7G
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'-0"
drawn by: RCM
checked by: GC

drawing number:
7G





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

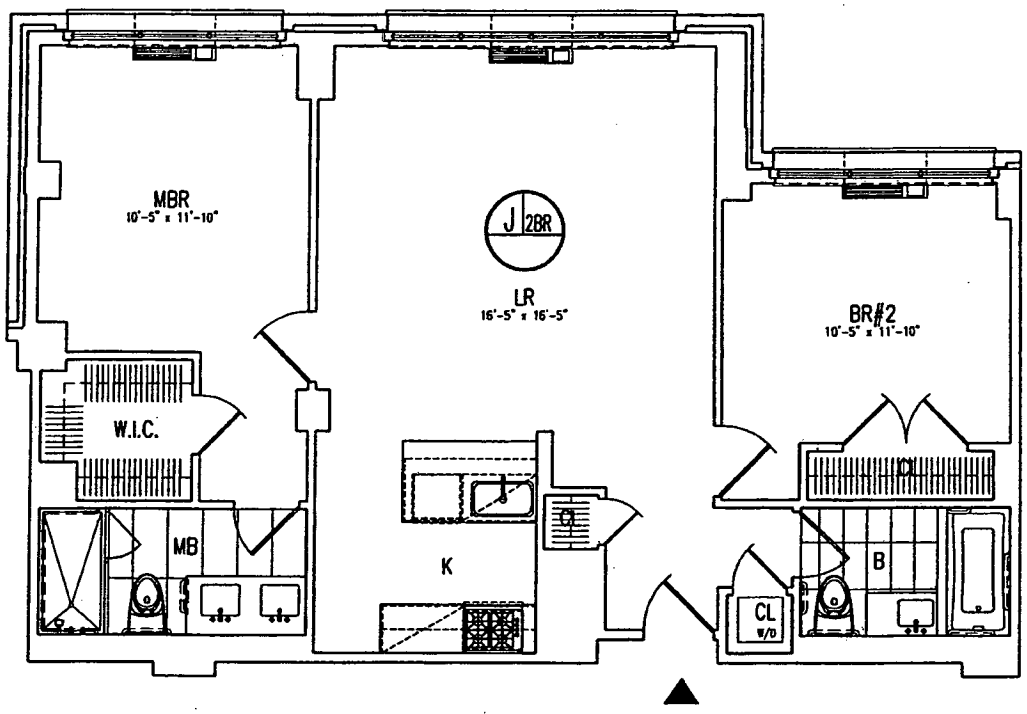
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

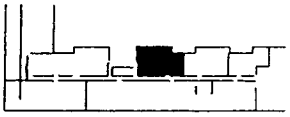
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 7H
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'-0"
drawn by: RCM
checked by: CC

drawing number: 7H





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

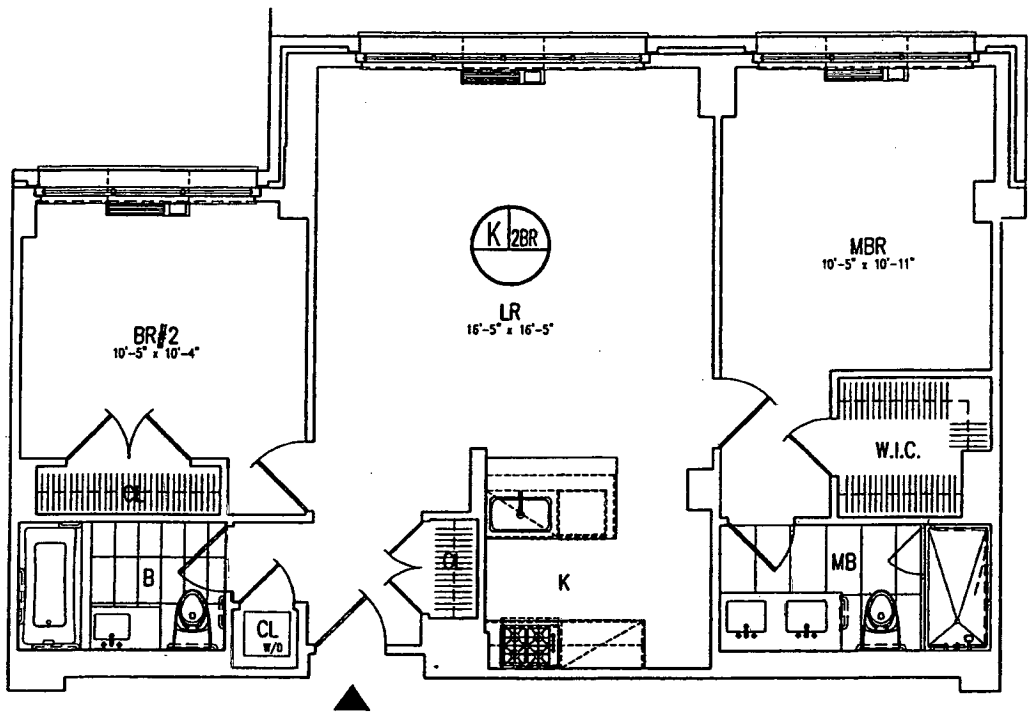
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
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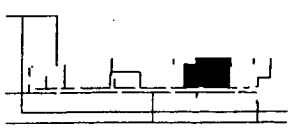
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 7J
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'-0"
drawn by: RCM
checked by: GC

drawing number: 7J





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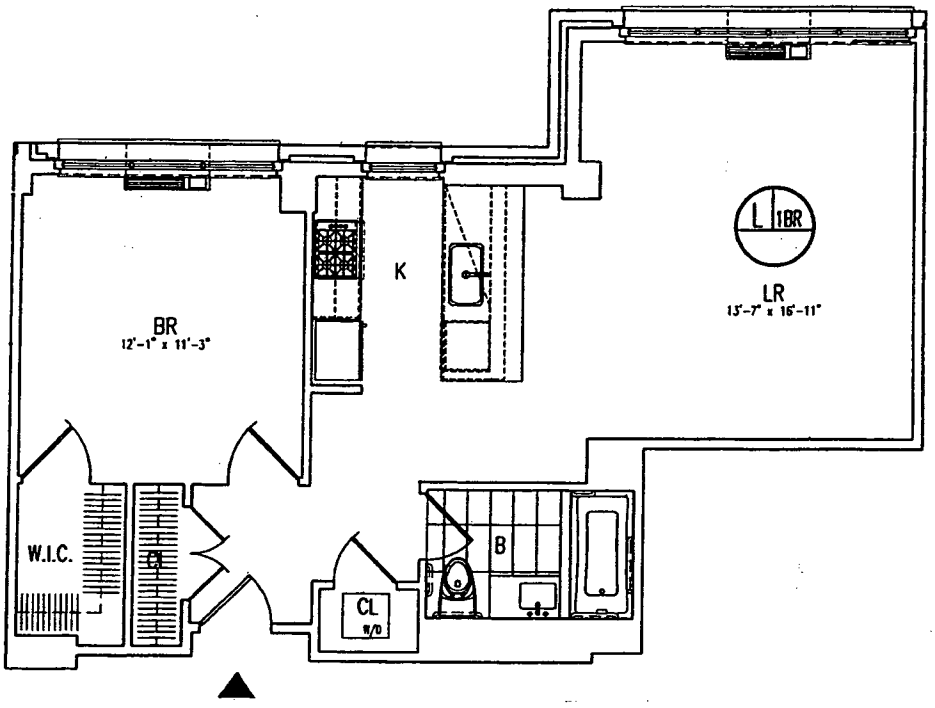
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

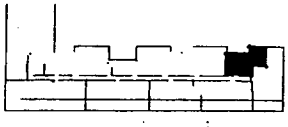
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 7K
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'-0"
drawn by: RCM
checked by: GC

drawing number: 7K





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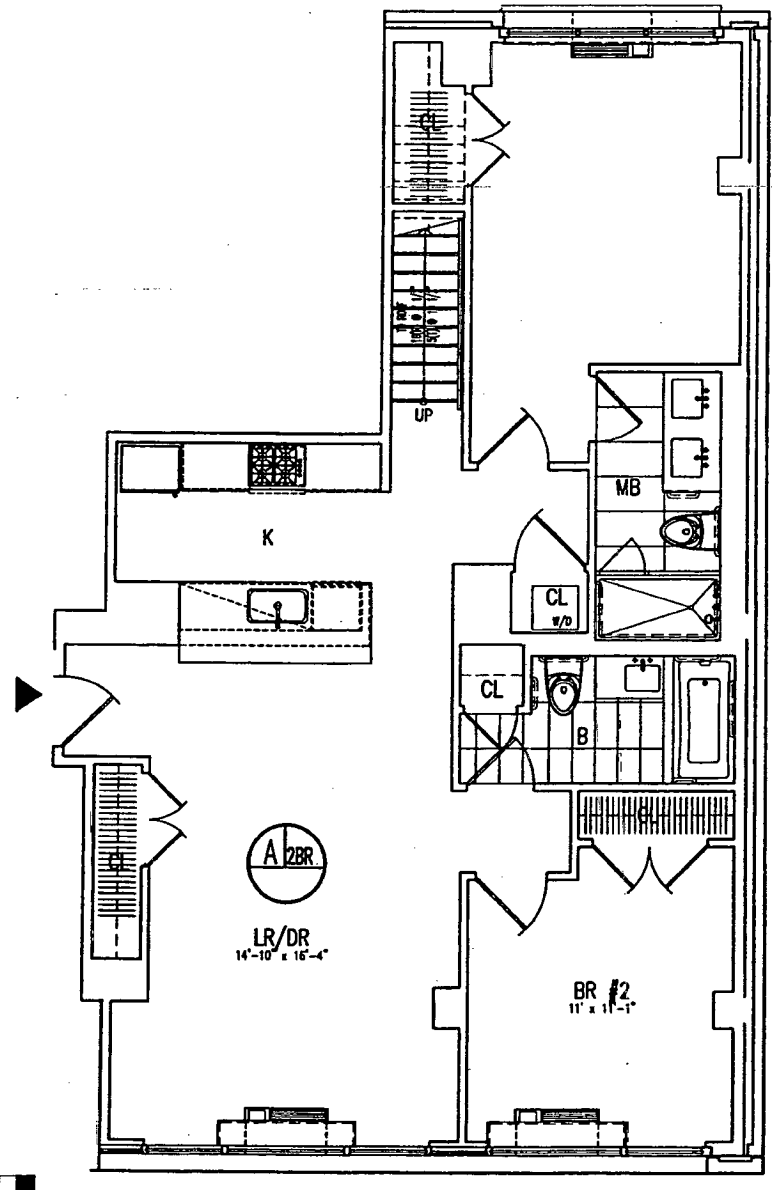
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
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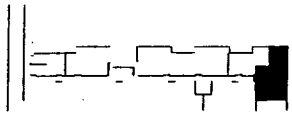
project: 5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title: Apartment 7L
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'-0"
drawn by: RCM checked by: GC

drawing number: 7L





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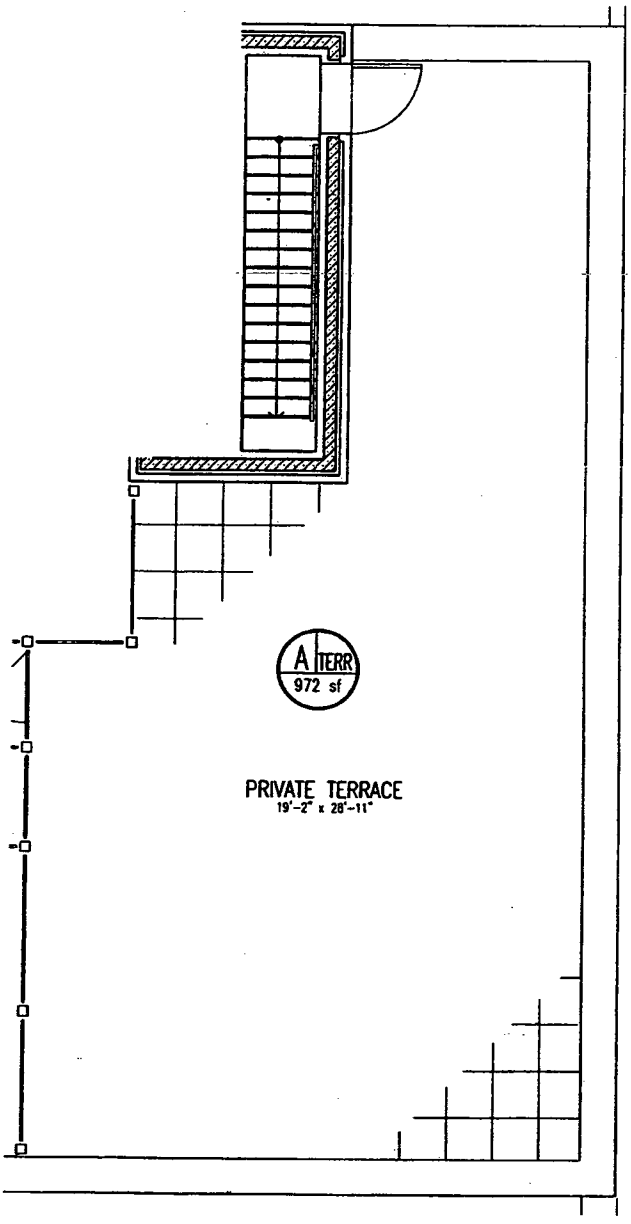
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 8A
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'-0"
drawn by: RCM
checked by: GC

drawing number:
8A





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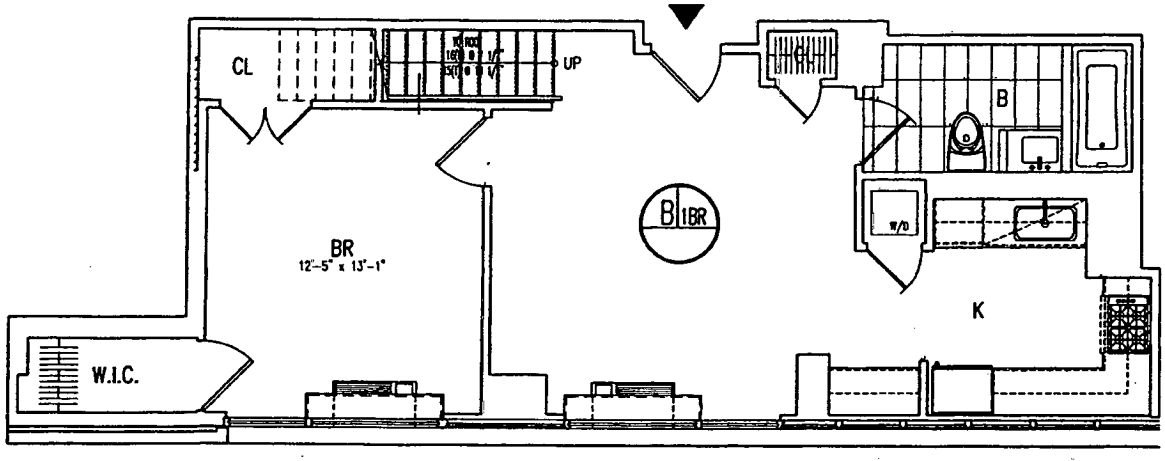
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

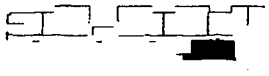
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 8A Roof Terrace
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'-0"
drawn by: RCM
checked by: GC

drawing number:
8A-TERR





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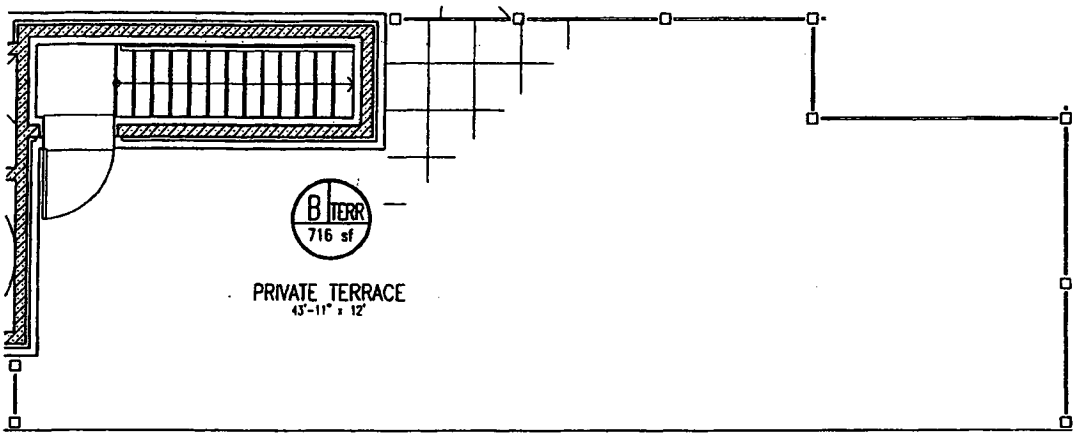
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 8B
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'-0"
drawn by: RCM
checked by: GC

drawing number:
8B



All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

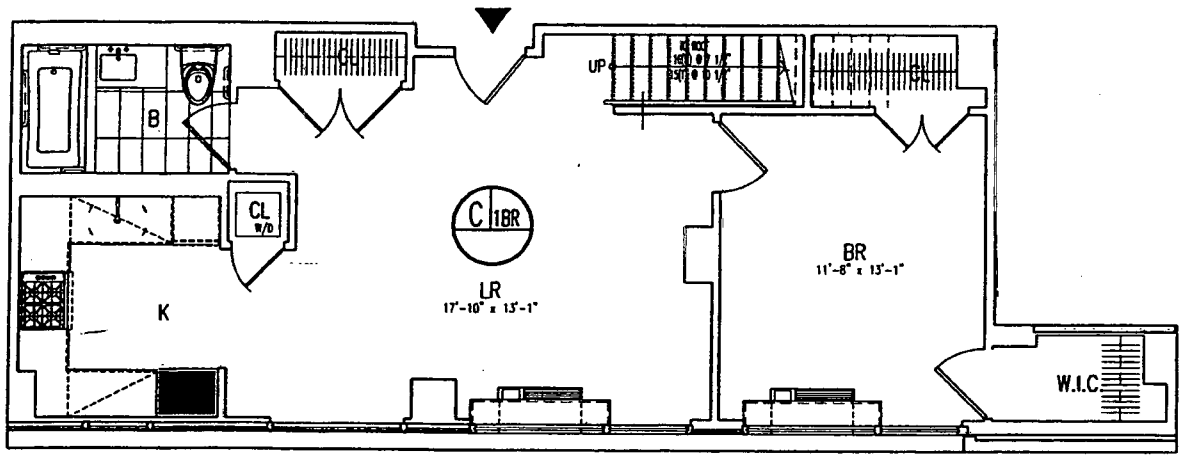
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 8B Roof Terrace
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'-0"
drawn by: RCM
checked by: GC

drawing number:
8B-TERR





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

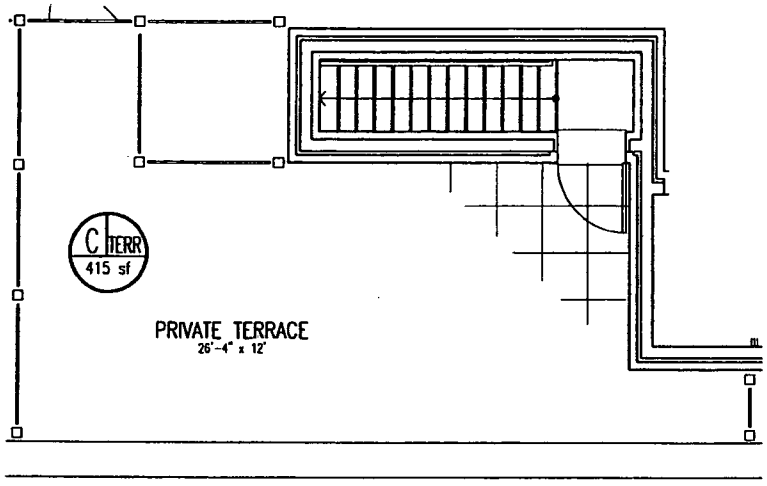
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

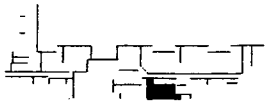
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 8C
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'-0"
drawn by: RCM
checked by: GC

drawing number:
8C





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

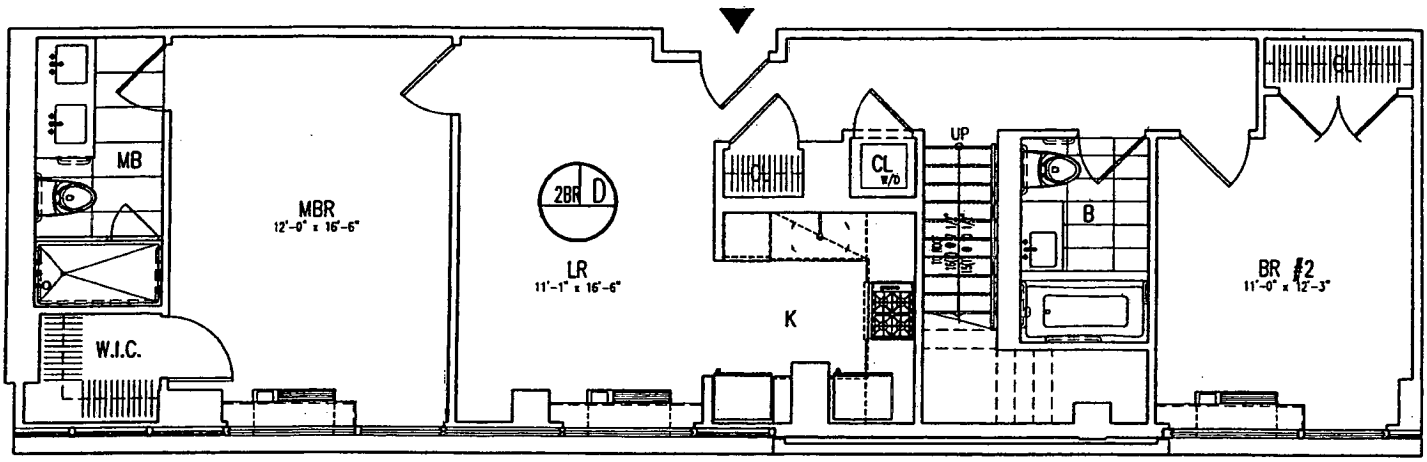
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

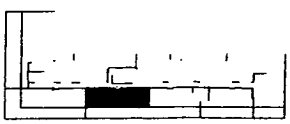
project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 8C Roof Terrace
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'-0"
drawn by: RCM
checked by: GC

drawing number:
8C-TERR





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

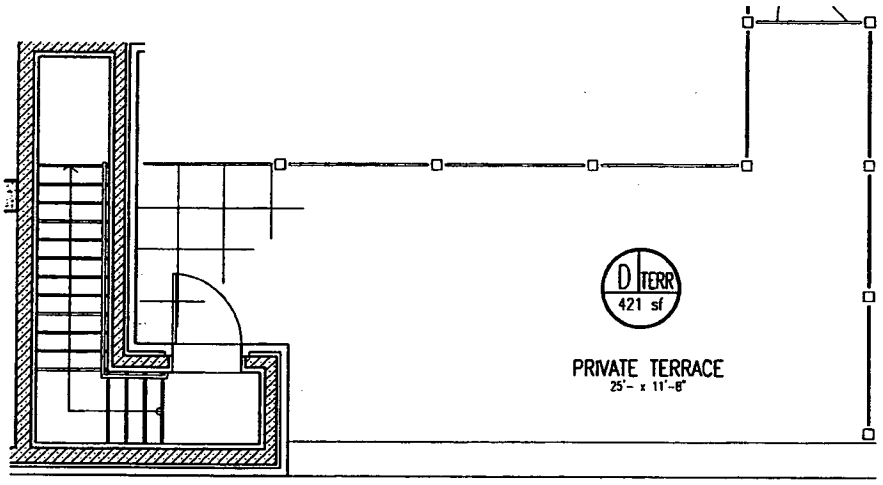
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 8D
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'-0"
drawn by: RCM
checked by: GC

drawing number:
8D





All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with the offering plan.

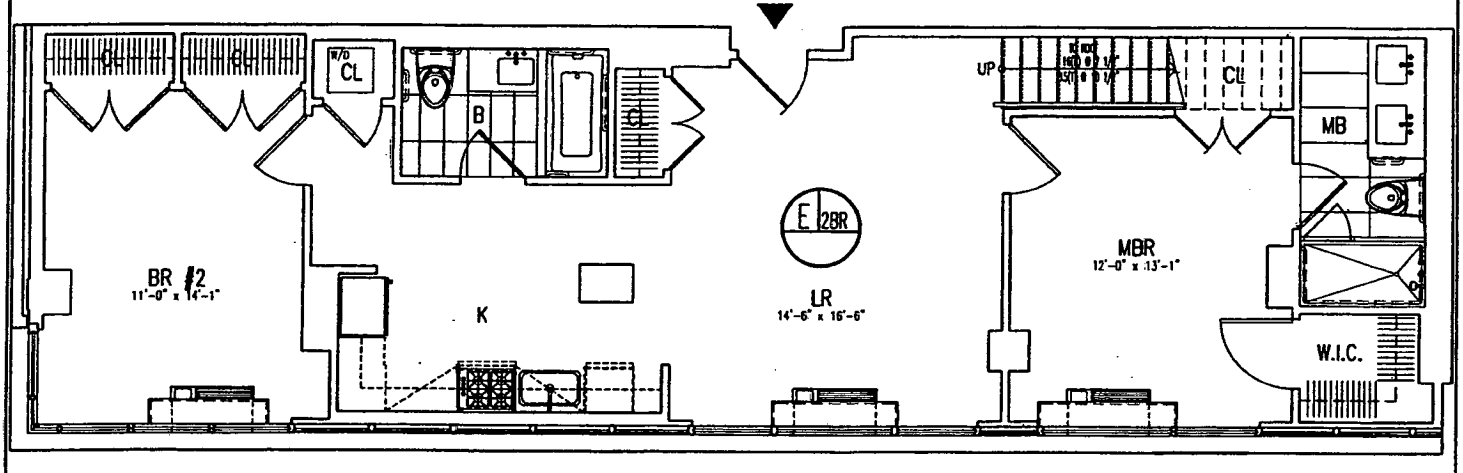
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ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
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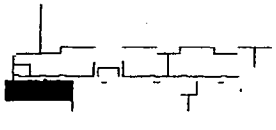
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5-01-5-17 48th AVENUE, LLC

drawing title:
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48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'-0"
drawn by: RCM
checked by: GC

drawing number:
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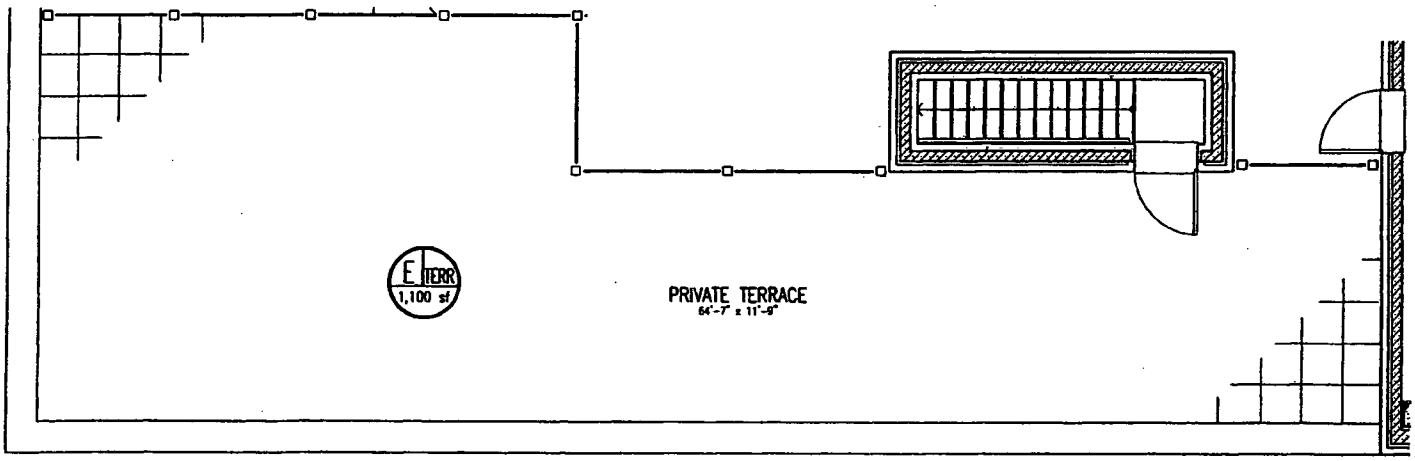
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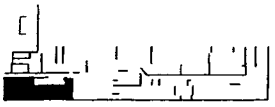
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drawing title:
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48th Avenue Building

project number: 0534
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scale: 1/8"=1'-0"
drawn by: RCM
checked by: GC

drawing number:
8E





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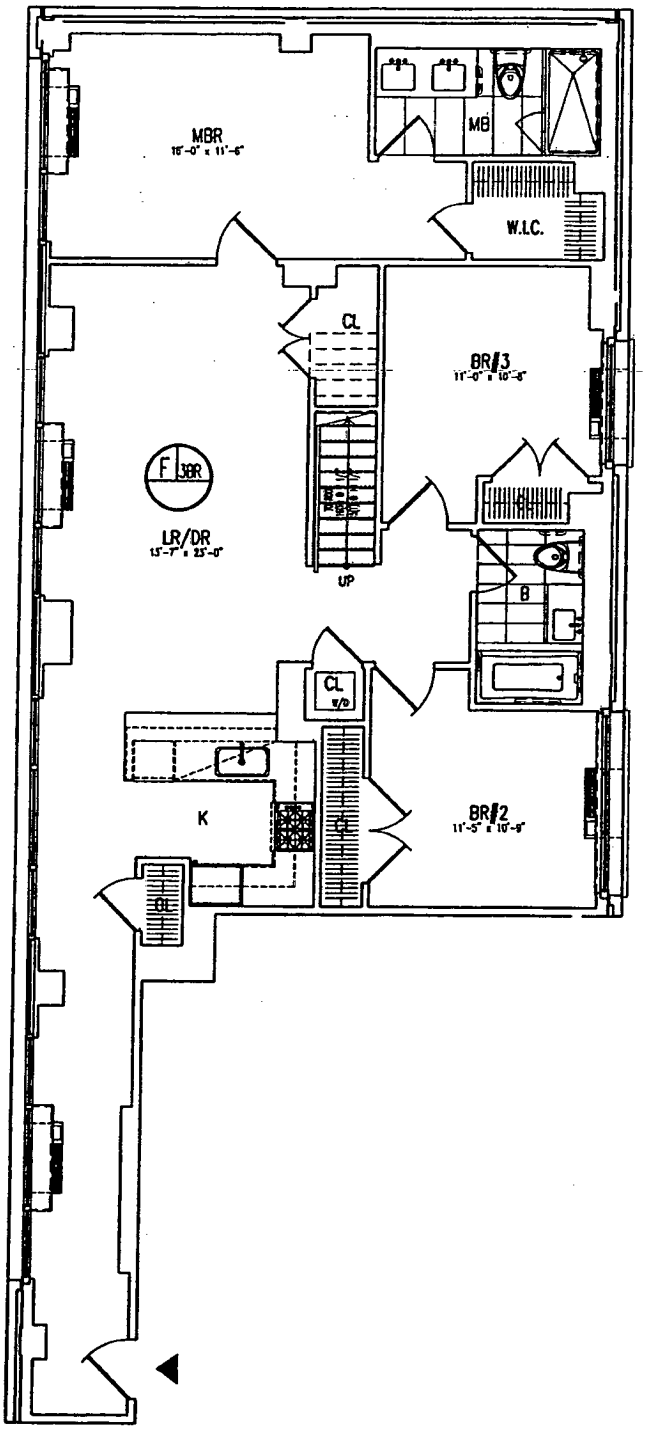
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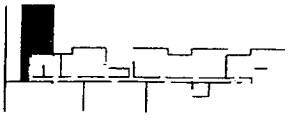
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48th Avenue Building

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drawn by: RCM checked by: GC

drawing number:
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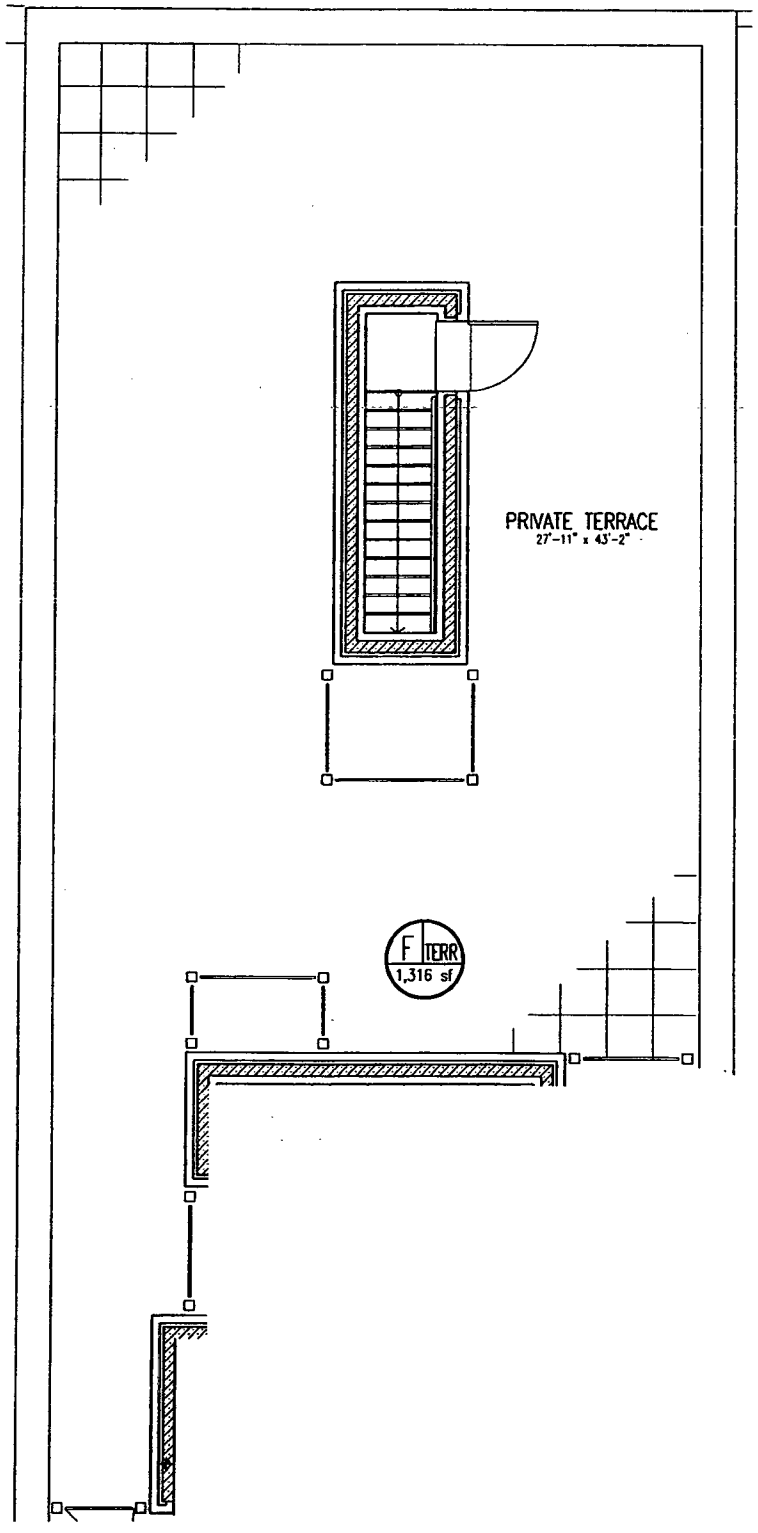
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135 W. 36th Street
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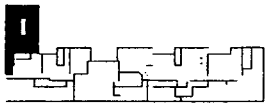
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drawing title:
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project number: 0534
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scale: NTS
drawn by: RCM
checked by: GC

drawing number:
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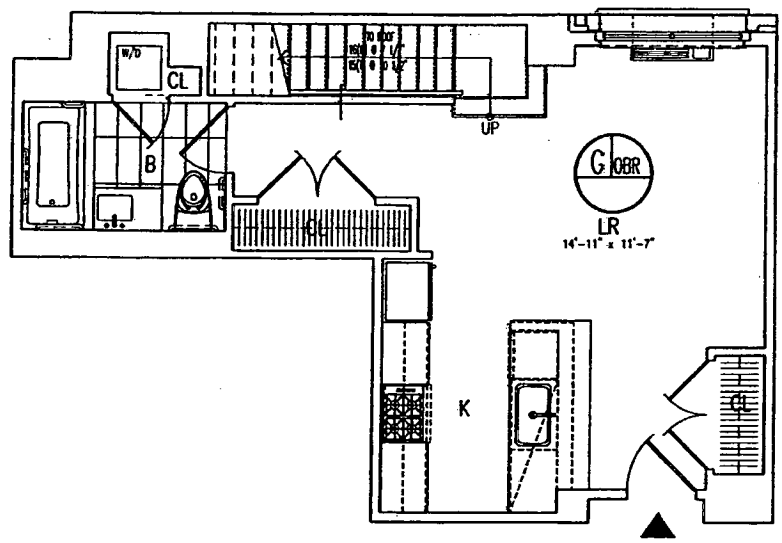
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135 W. 36th Street
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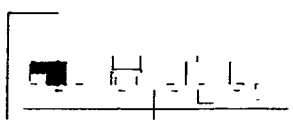
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drawing title:
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drawn by: RCM
checked by: GC

drawing number:
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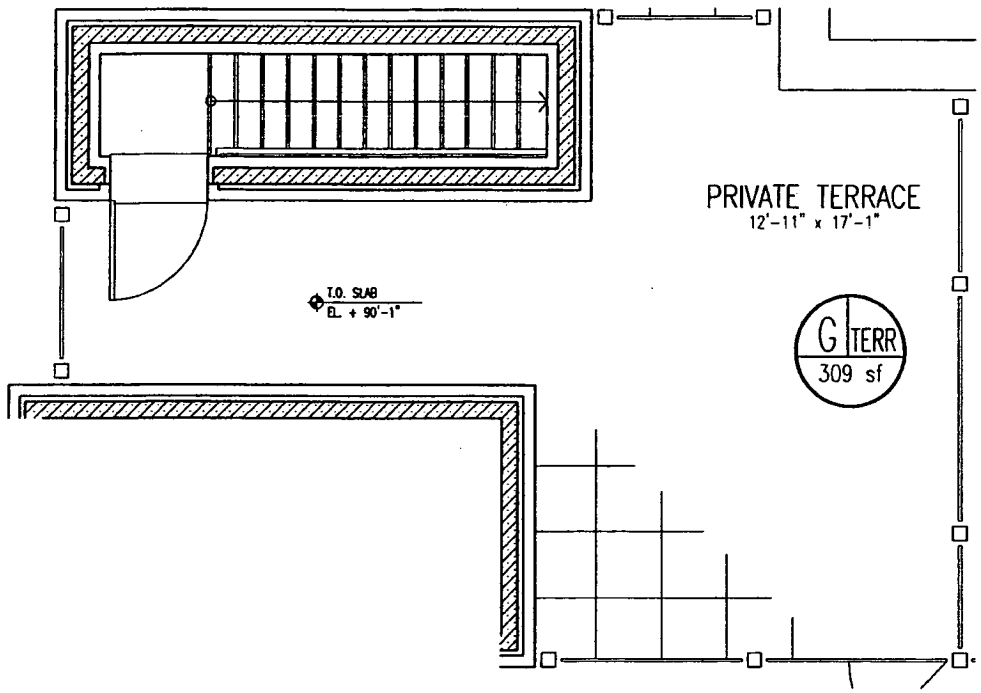
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
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48th Avenue Building

project number: 0534
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checked by: GC

drawing number:
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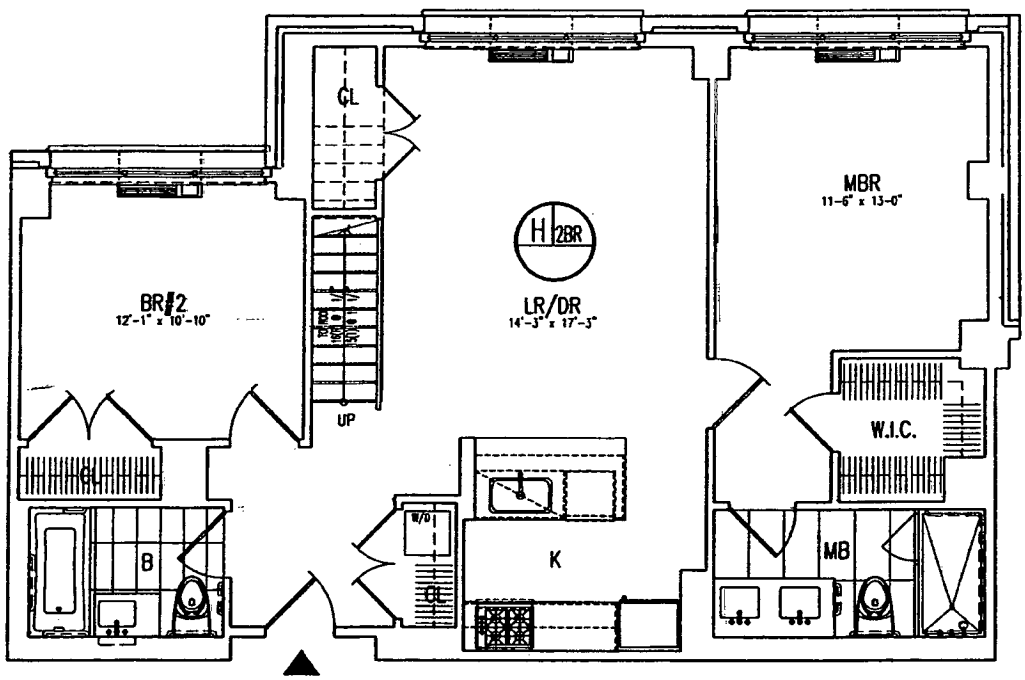
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ARCHITECT, PLLC
135 W. 36th Street
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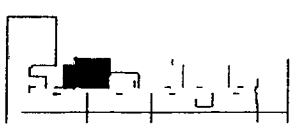
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checked by: GC

drawing number:
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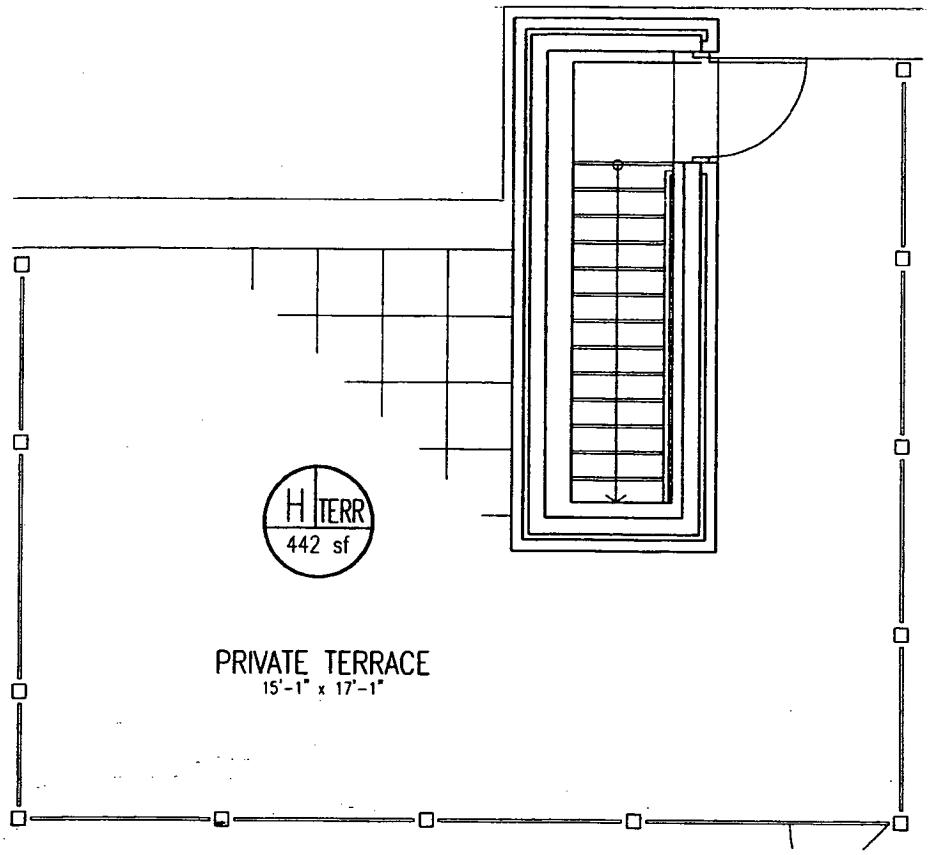
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135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
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48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'-0"
drawn by: RCM
checked by: GC

drawing number:
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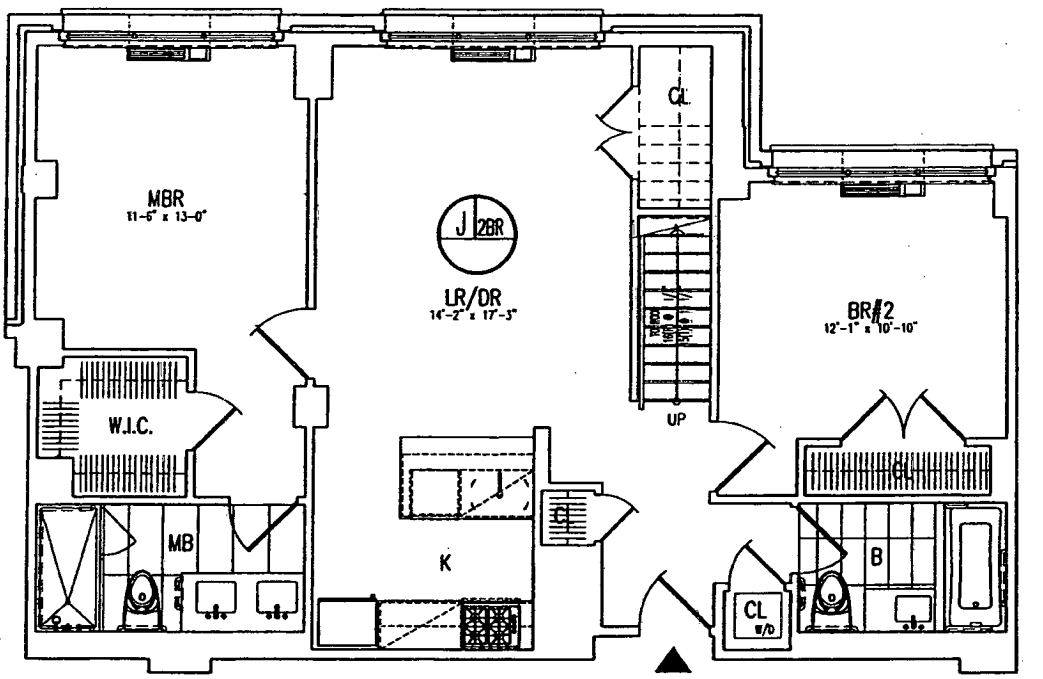
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ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
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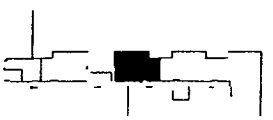
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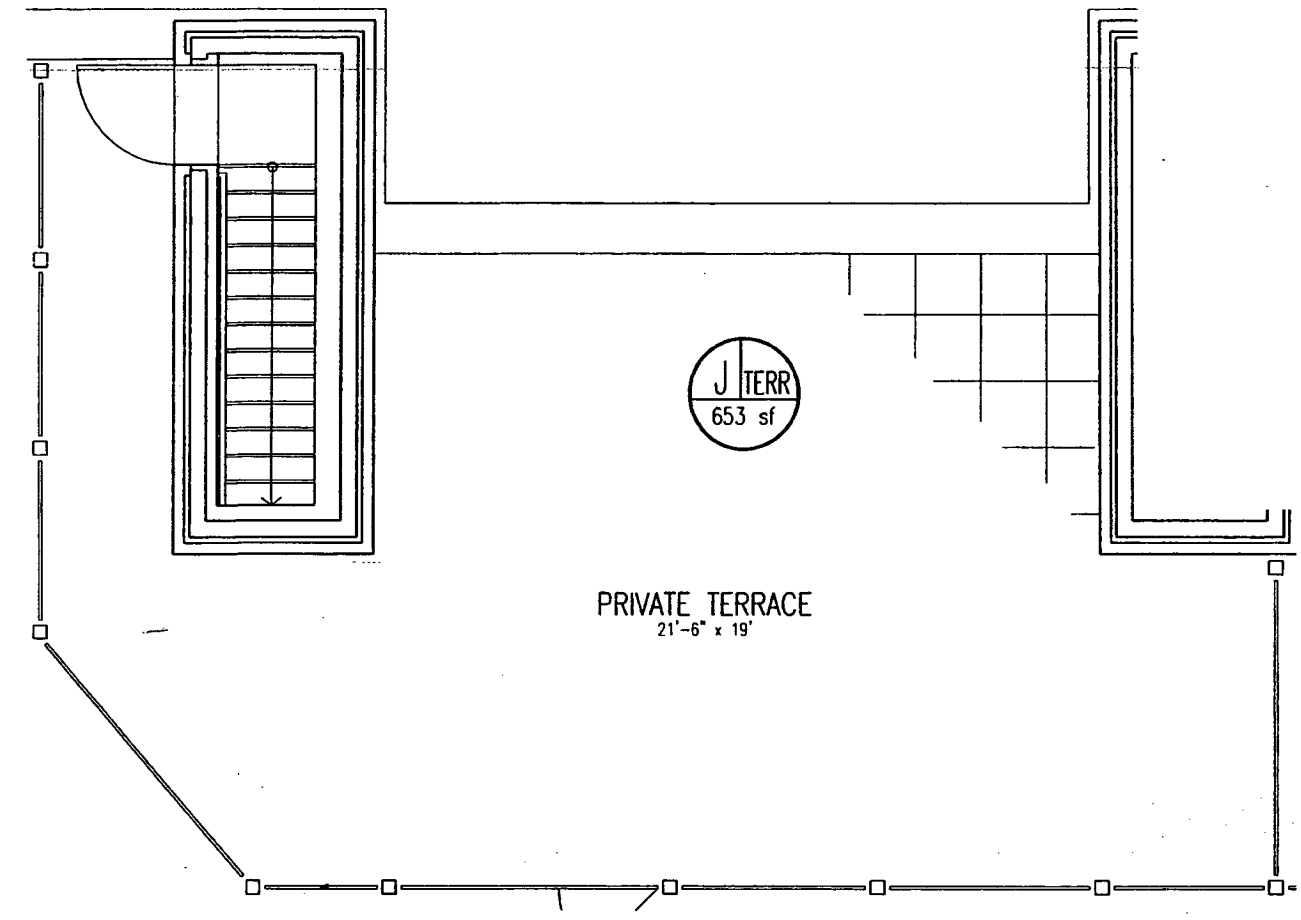
H. THOMAS O'HARA
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135 W. 36th Street
New York, NY 10018
212 695 3117
212 695 3118 : fax

project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
Apartment 8J
48th Avenue Building

project number: 0534
date: 01/04/07
scale: 1/8"=1'-0"
drawn by: RCM
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drawing number: 8J





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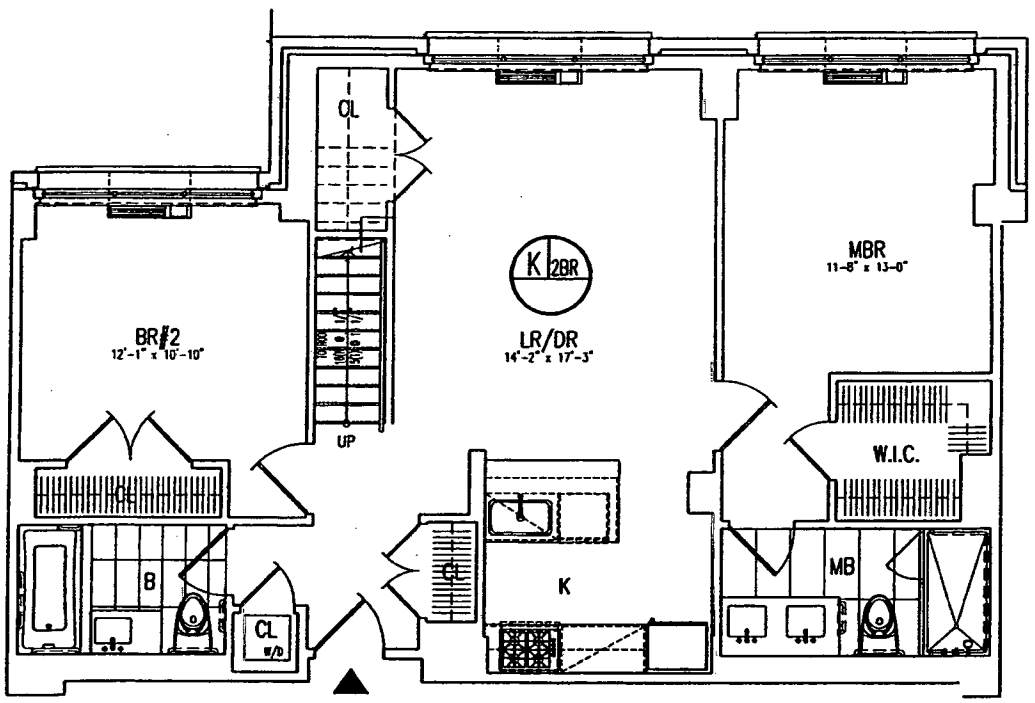
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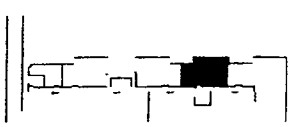
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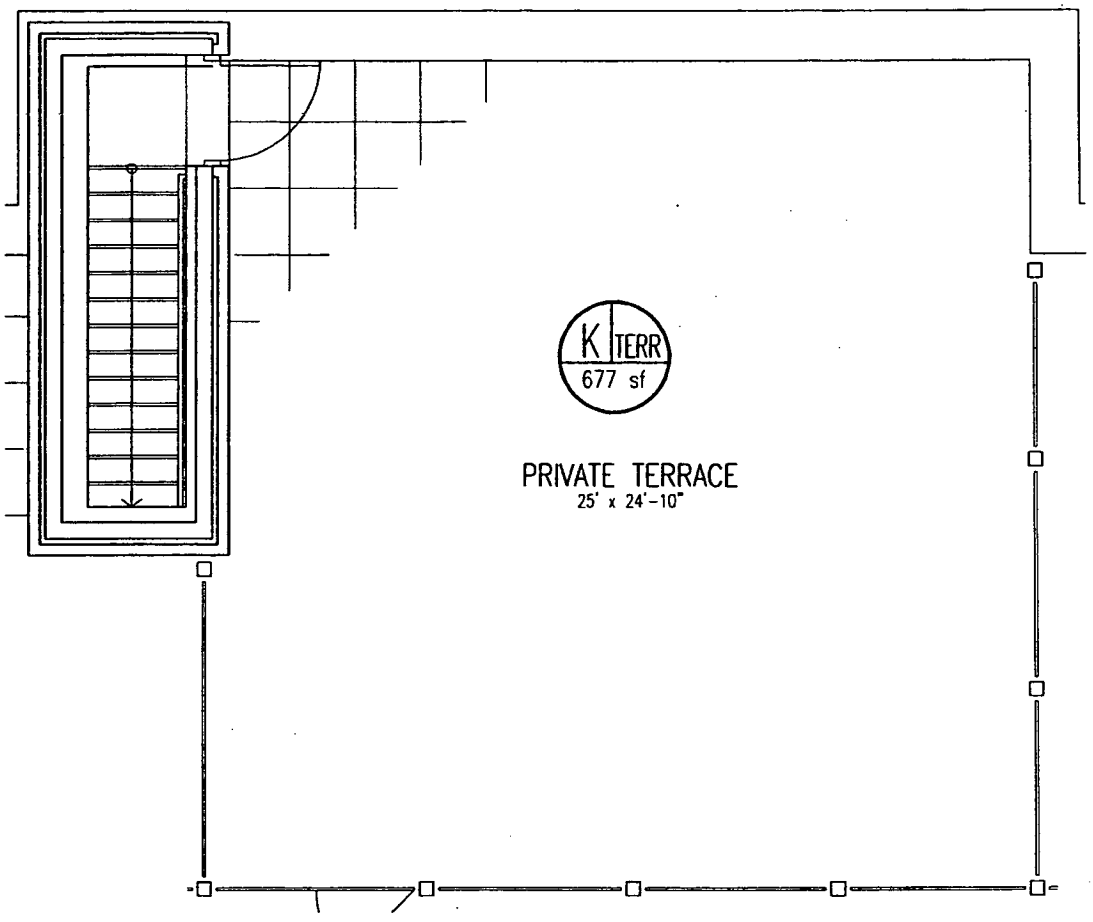
H. THOMAS O'HARA
ARCHITECT, PLLC
135 W. 36th Street
New York, NY 10018
212 695 3117
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drawing title:
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48th Avenue Building

project number: 0534
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drawing number:
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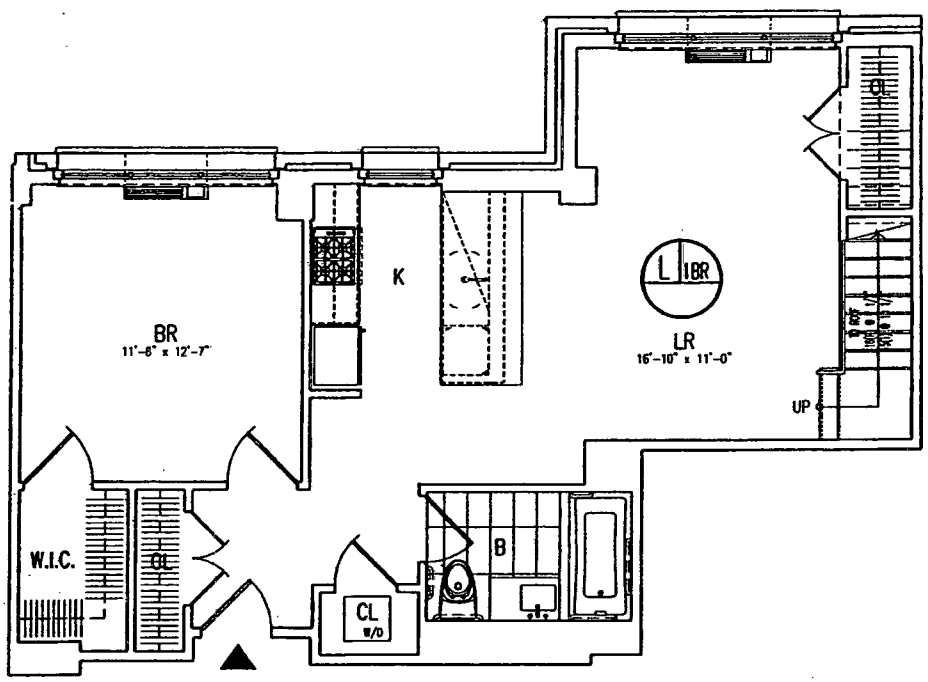
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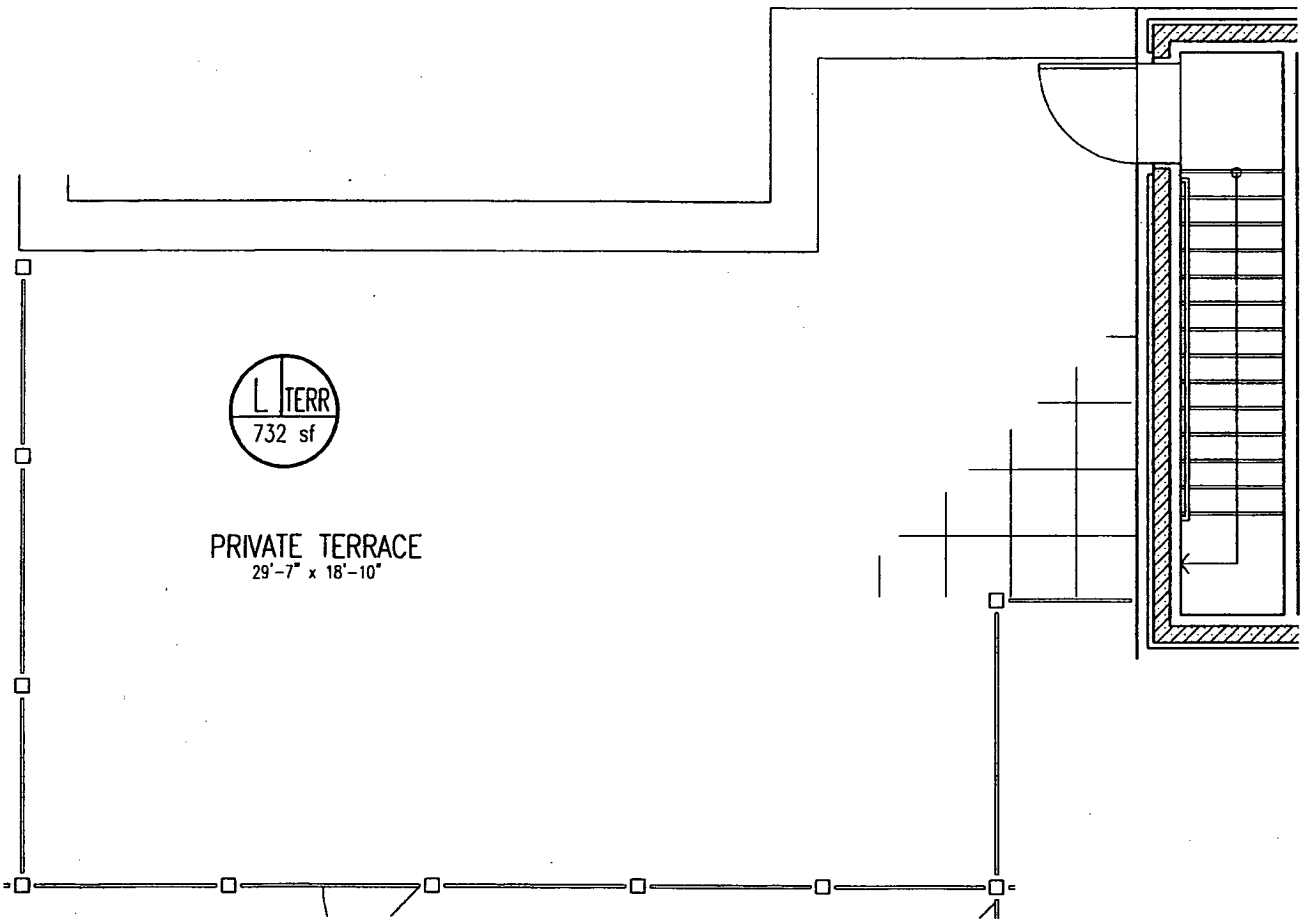
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New York, NY 10018
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project:
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5-01-5-17 48th AVENUE, LLC

drawing title:
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48th Avenue Building

project number: 0534
date: 01/04/07
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checked by: GC

drawing number: 8L





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project:
5-09 48TH AVENUE
5-01-5-17 48th AVENUE, LLC

drawing title:
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EXHIBIT F

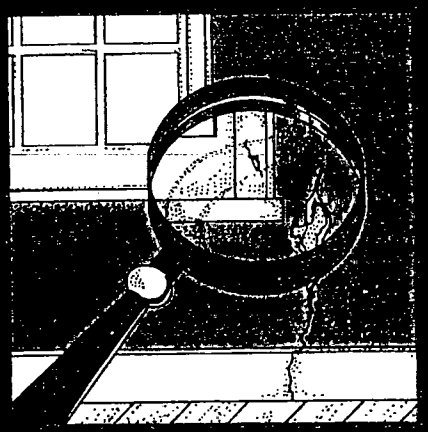
Pamphlet Entitled "Protect Your Family From Lead in Your Home"

Simple Steps To Protect Your Family From Lead Hazards

If you think your home has high levels of lead:

- Get your young children tested for lead, even if they seem healthy.
- Wash children's hands, bottles, pacifiers, and toys often.
- Make sure children eat healthy, low-fat foods.
- Get your home checked for lead hazards.
- Regularly clean floors, window sills, and other surfaces.
- Wipe soil off shoes before entering house.
- Talk to your landlord about fixing surfaces with peeling or chipping paint.
- Take precautions to avoid exposure to lead dust when remodeling or renovating (call 1-800-424-LEAD for guidelines).
- Don't use a belt-sander, propane torch, high temperature heat gun, scraper, or sandpaper on painted surfaces that may contain lead.
- Don't try to remove lead-based paint yourself.

Recycled/Recyclable
Printed with vegetable oil based inks on recycled paper (minimum 50% postconsumer) process chlorine free.



Protect Your Family From Lead In Your Home





United States Environmental Protection Agency

United States Consumer Product Safety Commission

United States Department of Housing and Urban Development

Are You Planning To Buy, Rent, or Renovate a Home Built Before 1978?

Many houses and apartments built before 1978 have paint that contains high levels of lead (called lead-based paint). Lead from paint, chips, and dust can pose serious health hazards if not taken care of properly.



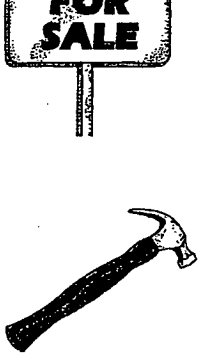
OWNERS, BUYERS, and RENTERS are encouraged to check for lead (see page 6) before renting, buying or renovating pre-1978 housing.

Federal law requires that individuals receive certain information before renting, buying, or renovating pre-1978 housing:



LANDLORDS have to disclose known information on lead-based paint and lead-based paint hazards before leases take effect. Leases must include a disclosure about lead-based paint.

SELLERS have to disclose known information on lead-based paint and lead-based paint hazards before selling a house. Sales contracts must include a disclosure about lead-based paint. Buyers have up to 10 days to check for lead.



RENOVATORS disturbing more than 2 square feet of painted surfaces have to give you this pamphlet before starting work.

IMPORTANT!

Lead From Paint, Dust, and Soil Can Be Dangerous If Not Managed Properly

FACT: Lead exposure can harm young children and babies even before they are born.

FACT: Even children who seem healthy can have high levels of lead in their bodies.

FACT: People can get lead in their bodies by breathing or swallowing lead dust, or by eating soil or paint chips containing lead.

FACT: People have many options for reducing lead hazards. In most cases, lead-based paint that is in good condition is not a hazard.

FACT: Removing lead-based paint improperly can increase the danger to your family.

If you think your home might have lead hazards, read this pamphlet to learn some simple steps to protect your family.

Lead Gets in the Body in Many Ways

Childhood lead poisoning remains a major environmental health problem in the U.S.

Even children who appear healthy can have dangerous levels of lead in their bodies.

People can get lead in their body if they:

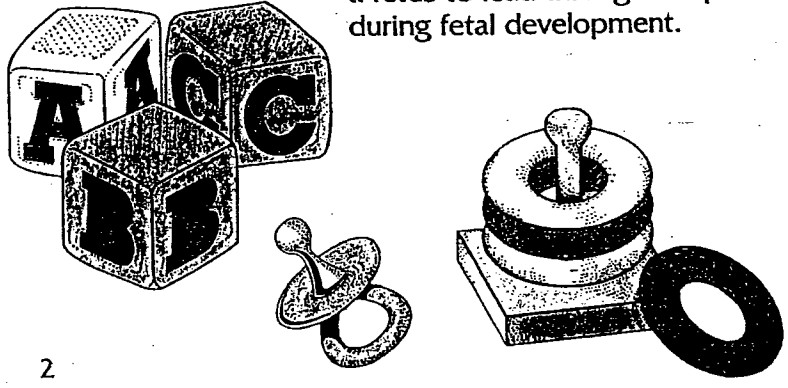
- Breathe in lead dust (especially during renovations that disturb painted surfaces).
- Put their hands or other objects covered with lead dust in their mouths.
- Eat paint chips or soil that contains lead.

Lead is even more dangerous to children under the age of 6:

- At this age children's brains and nervous systems are more sensitive to the damaging effects of lead.
- Children's growing bodies absorb more lead.
- Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.

Lead is also dangerous to women of childbearing age:

- Women with a high lead level in their system prior to pregnancy would expose a fetus to lead through the placenta during fetal development.



Lead's Effects

It is important to know that even exposure to low levels of lead can severely harm children.

In children, lead can cause:

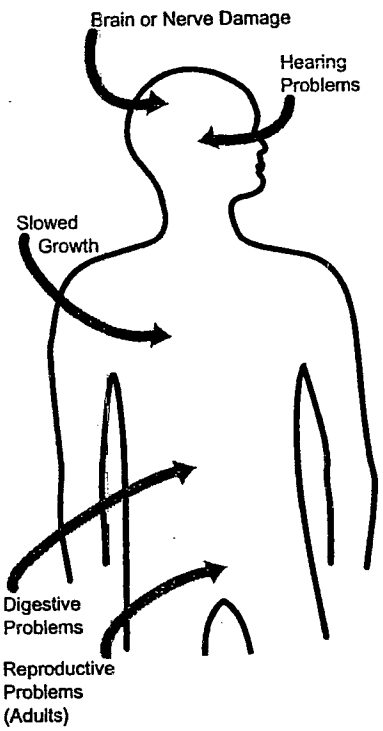
- Nervous system and kidney damage.
- Learning disabilities, attention deficit disorder, and decreased intelligence.
- Speech, language, and behavior problems.
- Poor muscle coordination.
- Decreased muscle and bone growth.
- Hearing damage.

While low-lead exposure is most common, exposure to high levels of lead can have devastating effects on children, including seizures, unconsciousness, and, in some cases, death.

Although children are especially susceptible to lead exposure, lead can be dangerous for adults too.

In adults, lead can cause:

- Increased chance of illness during pregnancy.
- Harm to a fetus, including brain damage or death.
- Fertility problems (in men and women).
- High blood pressure.
- Digestive problems.
- Nerve disorders.
- Memory and concentration problems.
- Muscle and joint pain.



Lead affects the body in many ways.

Where Lead-Based Paint Is Found

In general, the older your home, the more likely it has lead-based paint.

Many homes built before 1978 have lead-based paint. The federal government banned lead-based paint from housing in 1978. Some states stopped its use even earlier. Lead can be found:

- In homes in the city, country, or suburbs.
- In apartments, single-family homes, and both private and public housing.
- Inside and outside of the house.
- In soil around a home. (Soil can pick up lead from exterior paint or other sources such as past use of leaded gas in cars.)

Checking Your Family for Lead

Get your children and home tested if you think your home has high levels of lead.

To reduce your child's exposure to lead, get your child checked, have your home tested (especially if your home has paint in poor condition and was built before 1978), and fix any hazards you may have. Children's blood lead levels tend to increase rapidly from 6 to 12 months of age, and tend to peak at 18 to 24 months of age.

Consult your doctor for advice on testing your children. A simple blood test can detect high levels of lead. Blood tests are usually recommended for:

- Children at ages 1 and 2.
- Children or other family members who have been exposed to high levels of lead.
- Children who should be tested under your state or local health screening plan.

Your doctor can explain what the test results mean and if more testing will be needed.

Identifying Lead Hazards

Lead-based paint is usually not a hazard if it is in good condition, and it is not on an impact or friction surface, like a window. It is defined by the federal government as paint with lead levels greater than or equal to 1.0 milligram per square centimeter, or more than 0.5% by weight.

Lead from paint chips, which you can see, and lead dust, which you can't always see, can both be serious hazards.

Deteriorating lead-based paint (peeling, chipping, chalking, cracking or damaged) is a hazard and needs immediate attention. It may also be a hazard when found on surfaces that children can chew or that get a lot of wear-and-tear, such as:

- Windows and window sills.
- Doors and door frames.
- Stairs, railings, banisters, and porches.

Lead dust can form when lead-based paint is scraped, sanded, or heated. Dust also forms when painted surfaces bump or rub together. Lead chips and dust can get on surfaces and objects that people touch. Settled lead dust can re-enter the air when people vacuum, sweep, or walk through it. The following two federal standards have been set for lead hazards in dust:

- 40 micrograms per square foot ($\mu g/ft^2$) and higher for floors, including carpeted floors.
- 250 $\mu g/ft^2$ and higher for interior window sills.

Lead in soil can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. The following two federal standards have been set for lead hazards in residential soil:

- 400 parts per million (ppm) and higher in play areas of bare soil.
- 1,200 ppm (average) and higher in bare soil in the remainder of the yard.

The only way to find out if paint, dust and soil lead hazards exist is to test for them. The next page describes the most common methods used.

Checking Your Home for Lead

Just knowing that a home has lead-based paint may not tell you if there is a hazard.

You can get your home tested for lead in several different ways:

- A paint **inspection** tells you whether your home has lead-based paint and where it is located. It won't tell you whether or not your home currently has lead hazards.
- A **risk assessment** tells you if your home currently has any lead hazards from lead in paint, dust, or soil. It also tells you what actions to take to address any hazards.
- A combination risk assessment and inspection tells you if your home has any lead hazards and if your home has any lead-based paint, and where the lead-based paint is located.



Hire a trained and certified testing professional who will use a range of reliable methods when testing your home.

- Visual inspection of paint condition and location.
- A portable x-ray fluorescence (XRF) machine.
- Lab tests of paint, dust, and soil samples.

There are state and federal programs in place to ensure that testing is done safely, reliably, and effectively. Contact your state or local agency (see bottom of page 11) for more information, or call **1-800-424-LEAD (5323)** for a list of contacts in your area.

Home test kits for lead are available, but may not always be accurate. Consumers should not rely on these kits before doing renovations or to assure safety.

What You Can Do Now To Protect Your Family

If you suspect that your house has lead hazards, you can take some immediate steps to reduce your family's risk:



- **If you rent, notify your landlord of peeling or chipping paint.**
- **Clean up paint chips immediately.**
- **Clean floors, window frames, window sills, and other surfaces weekly.** Use a mop or sponge with warm water and a general all-purpose cleaner or a cleaner made specifically for lead. REMEMBER: NEVER MIX AMMONIA AND BLEACH PRODUCTS TOGETHER SINCE THEY CAN FORM A DANGEROUS GAS.



- **Thoroughly rinse sponges and mop heads after cleaning dirty or dusty areas.**
- **Wash children's hands often, especially before they eat and before nap time and bed time.**
- **Keep play areas clean.** Wash bottles, pacifiers, toys, and stuffed animals regularly.
- **Keep children from chewing window sills or other painted surfaces.**
- **Clean or remove shoes before entering your home to avoid tracking in lead from soil.**
- **Make sure children eat nutritious, low-fat meals high in iron and calcium,** such as spinach and dairy products. Children with good diets absorb less lead.



Reducing Lead Hazards In The Home

Removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.

Always use a professional who is trained to remove lead hazards safely.



In addition to day-to-day cleaning and good nutrition:

- You can **temporarily** reduce lead hazards by taking actions such as repairing damaged painted surfaces and planting grass to cover soil with high lead levels. These actions (called "interim controls") are not permanent solutions and will need ongoing attention.
- To **permanently** remove lead hazards, you should hire a certified lead "abatement" contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not permanent removal.

Always hire a person with special training for correcting lead problems—someone who knows how to do this work safely and has the proper equipment to clean up thoroughly. Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

Once the work is completed, dust cleanup activities must be repeated until testing indicates that lead dust levels are below the following:

- 40 micrograms per square foot ($\mu g/ft^2$) for floors, including carpeted floors;
- 250 $\mu g/ft^2$ for interior windows sills; and
- 400 $\mu g/ft^2$ for window troughs.

Call your state or local agency (see bottom of page 11) for help in locating certified professionals in your area and to see if financial assistance is available.

Remodeling or Renovating a Home With Lead-Based Paint

Take precautions before your contractor or you begin remodeling or renovating anything that disturbs painted surfaces (such as scraping off paint or tearing out walls):



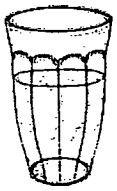
- **Have the area tested for lead-based paint.**
- **Do not use a belt-sander, propane torch, high temperature heat gun, dry scraper, or dry sandpaper** to remove lead-based paint. These actions create large amounts of lead dust and fumes. Lead dust can remain in your home long after the work is done.
- **Temporarily move your family** (especially children and pregnant women) out of the apartment or house until the work is done and the area is properly cleaned. If you can't move your family, at least completely seal off the work area.
- **Follow other safety measures to reduce lead hazards.** You can find out about other safety measures by calling 1-800-424-LEAD. Ask for the brochure "Reducing Lead Hazards When Remodeling Your Home." This brochure explains what to do before, during, and after renovations.

If not conducted properly, certain types of renovations can release lead from paint and dust into the air.

If you have already completed renovations or remodeling that could have released lead-based paint or dust, get your young children tested and follow the steps outlined on page 7 of this brochure.

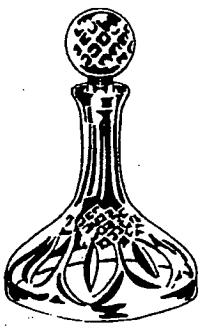


Other Sources of Lead



While paint, dust, and soil are the most common sources of lead, other lead sources also exist.





- **Drinking water.** Your home might have plumbing with lead or lead solder. Call your local health department or water supplier to find out about testing your water. You cannot see, smell, or taste lead, and boiling your water will not get rid of lead. If you think your plumbing might have lead in it:
  - Use only cold water for drinking and cooking.
  - Run water for 15 to 30 seconds before drinking it, especially if you have not used your water for a few hours.
- **The job.** If you work with lead, you could bring it home on your hands or clothes. Shower and change clothes before coming home. Launder your work clothes separately from the rest of your family's clothes.
- Old painted **toys** and **furniture.**
- Food and liquids stored in **lead crystal** or **lead-glazed pottery or porcelain.**
- **Lead smelters** or other industries that release lead into the air.
- **Hobbies** that use lead, such as making pottery or stained glass, or refinishing furniture.
- **Folk remedies** that contain lead, such as "greta" and "azarcon" used to treat an upset stomach.

For More Information



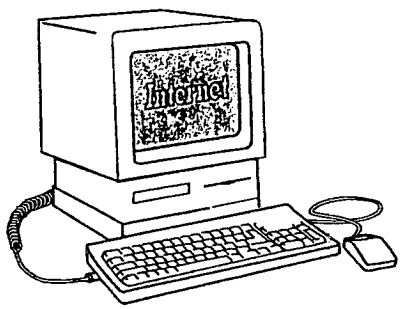
The National Lead Information Center

Call **1-800-424-LEAD (424-5323)** to learn how to protect children from lead poisoning and for other information on lead hazards. To access lead information via the web, visit **www.epa.gov/lead** and **www.hud.gov/offices/lead/.**

EPA's Safe Drinking Water Hotline

Call **1-800-426-4791** for information about lead in drinking water.

Consumer Product Safety Commission (CPSC) Hotline



To request information on lead in consumer products, or to report an unsafe consumer product or a product-related injury call **1-800-638-2772**, or visit CPSC's Web site at: **www.cpsc.gov.**

Health and Environmental Agencies

Some cities, states, and tribes have their own rules for lead-based paint activities. Check with your local agency to see which laws apply to you. Most agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards. Receive up-to-date address and phone information for your local contacts on the Internet at **www.epa.gov/lead** or contact the National Lead Information Center at **1-800-424-LEAD.**

For the hearing impaired, call the Federal Information Relay Service at **1-800-877-8339** to access any of the phone numbers in this brochure.

EPA Regional Offices

Your Regional EPA Office can provide further information regarding regulations and lead protection programs.

EPA Regional Offices

Region 1 (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)

Regional Lead Contact
U.S. EPA Region 1
Suite 1100 (CPT)
One Congress Street
Boston, MA 02114-2023
1 (888) 372-7341

Region 2 (New Jersey, New York, Puerto Rico, Virgin Islands)

Regional Lead Contact
U.S. EPA Region 2
2890 Woodbridge Avenue
Building 209, Mail Stop 225
Edison, NJ 08837-3679
(732) 321-6671

Region 3 (Delaware, Maryland, Pennsylvania, Virginia, Washington DC, West Virginia)

Regional Lead Contact
U.S. EPA Region 3 (3WC33)
1650 Arch Street
Philadelphia, PA 19103
(215) 814-5000

Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)

Regional Lead Contact
U.S. EPA Region 4
61 Forsyth Street, SW
Atlanta, GA 30303
(404) 562-8998

Region 5 (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)

Regional Lead Contact
U.S. EPA Region 5 (DT-8J)
77 West Jackson Boulevard
Chicago, IL 60604-3666
(312) 886-6003

Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas)

Regional Lead Contact
U.S. EPA Region 6
1445 Ross Avenue, 12th Floor
Dallas, TX 75202-2733
(214) 665-7577

Region 7 (Iowa, Kansas, Missouri, Nebraska)

Regional Lead Contact
U.S. EPA Region 7
(ARTD-RALI)
901 N. 5th Street
Kansas City, KS 66101
(913) 551-7020

Region 8 (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)

Regional Lead Contact
U.S. EPA Region 8
999 18th Street, Suite 500
Denver, CO 80202-2466
(303) 312-6021

Region 9 (Arizona, California, Hawaii, Nevada)

Regional Lead Contact
U.S. Region 9
75 Hawthorne Street
San Francisco, CA 94105
(415) 947-4164

Region 10 (Alaska, Idaho, Oregon, Washington)

Regional Lead Contact
U.S. EPA Region 10
Toxics Section WCM-128
1200 Sixth Avenue
Seattle, WA 98101-1128
(206) 553-1985

CPSC Regional Offices

Your Regional CPSC Office can provide further information regarding regulations and consumer product safety.

Eastern Regional Center
Consumer Product Safety Commission
201 Varick Street, Room 903
New York, NY 10014
(212) 620-4120

Western Regional Center
Consumer Product Safety Commission
1301 Clay Street, Suite 610-N
Oakland, CA 94612
(510) 637-4050

Central Regional Center
Consumer Product Safety Commission
230 South Dearborn Street, Room 2944
Chicago, IL 60604
(312) 353-8260

HUD Lead Office

Please contact HUD's Office of Healthy Homes and Lead Hazard Control for information on lead regulations, outreach efforts, and lead hazard control and research grant programs.

U.S. Department of Housing and Urban Development
Office of Healthy Homes and Lead Hazard Control
451 Seventh Street, SW, P-3206
Washington, DC 20410
(202) 755-1785

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U.S. EPA Washington DC 20460
U.S. CPSC Washington DC 20207
U.S. HUD Washington DC 20410

EPA747-K-99-001
June 2003

EXHIBIT G

DECLARATION

Establishing a Plan for Condominium

Ownership of the Premises

5-09 48th Avenue, Long Island City, NY ("Building A") and
5-26 47th Road, Long Island City, NY (Building B")

Pursuant to Article 9-B of the Real

Property Law of the State of New York

Name: 5th Street Lofts Condominium

Sponsor: 5-01-5-17 48th Avenue, LLC
16 Court Street, Suite 2403
Brooklyn, NY 11201

Date of Declaration: _____, 200_

The land affected by the within instrument

Lies in Block 30 and Lot 16, on the

Tax Map of the Borough of Queens,

County of Queens

Attorneys for Declarant

THE LAW OFFICES OF ROBERT FLINK
555 5TH AVENUE, 14TH FLOOR
NEW YORK, NY 10017
Attn: Robert H. Flink, Esq.

INDEX TO DECLARATION

Article	Subject
1.	Submission of the Property
2.	The Land
3.	The Property and the Building
4.	The Units
5.	Dimensions of Units
6.	Common Elements
7.	Use of Units
8.	Changes in the Condominium
9.	Person to Receive Service
10.	Determination of Percentage Interests in Common Elements
11.	Encroachments
12.	Facilities and All Other Common Elements
13.	Easements
14.	Limited Common Elements
15.	Power of Attorney to the Condominium Board
16.	Acquisitions of Units
17.	Covenants Running with the Land
18.	Amendments of Declaration
19.	Termination of Condominium
20.	Waiver
21.	Captions
22.	Certain References
23.	Severability
24.	Covenant of Further Assurances
25.	Successors and Assigns
Schedule A	Property Description
Schedule B	Description of Units
Schedule C	Definitions

DECLARATION

OF

5TH STREET LOFTS CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

5-01-5-17 48TH AVENUE, LLC, a New York limited liability company having an office at 16 Court Street, Suite 2403, Brooklyn, NY 11201 ("Sponsor"), does hereby declare as follows:

ARTICLE 1

SUBMISSION OF THE PROPERTY

1.1 Sponsor hereby submits the Land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "New York Condominium Act") and pursuant thereto does hereby establish a condominium to be known as 5th Street Lofts Condominium (the "Condominium").

1.2 Attached to this Declaration and made a part hereof are the By-Laws of 5th Street Lofts Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said By-Laws, as they may be amended from time to time, are hereinafter referred to as the "By-Laws"). All capitalized terms which are not separately defined herein shall have the meanings given to those terms in the By-Laws.

ARTICLE 2

THE LAND

Included in the Property described in Article 1 is all that certain tract, plot, piece and parcel of land (the "Land") situate, lying and being in the County of Queens and State of New York, and more particularly described in Schedule A annexed hereto and made a part hereof. The Land has an area of approximately 34,982 square feet.

ARTICLE 3

THE PROPERTY AND THE BUILDING

Included in the Property are two (2) buildings; Building A and Building B (collectively the "Building") having no cellar. The Building contains:

(a) Building A is composed of: (i) 102 Residential Units (including the Superintendent's Unit) located on the first floor through the eighth (8th) floor and (ii) 59 Parking Units located on the first floor. Building B is composed of: (i) 16 Residential Units located on the first floor through the fifth (5th) floor; and (ii) 3 Cabana Units located on the roof. (collectively, the "Units" and individually a "Unit");

(b) The Common Elements (as defined in Article 6);

(c) The Limited Common Elements; and

(d) The Residential Limited Common Elements.

The Units are sometimes collectively referred to as the "Units" and individually as a "Unit". The owner of a Unit is herein called a "Unit Owner" and the owners of all Units are herein collectively called the "Unit Owners".

ARTICLE 4

THE UNITS

Schedule B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; tax lot number; location; square foot area (within reasonable tolerances); number of rooms; the portions of the Common Elements (as hereinafter defined) to which the Unit has immediate access, and the percentage interest in the Common Elements appurtenant to such Unit. The location of each Unit is also shown on the floor plans of the Building (the "Floor Plans") certified by H. Thomas O'Hara Architect, PLLC licensed architect, intended to be filed in the New York County office of the Register of the City of New York (the "City Register's Office") simultaneously with the recording of this Declaration. Consents executed by each Unit Owner and relating to a Building-wide allocation of 421-A tax benefits will also be recorded in the City Register's Office.

ARTICLE 5
DIMENSIONS OF UNITS

5.1 Each Unit is measured horizontally from the exterior sides of its windows or exterior walls at the midpoint of the Unit's demising walls and vertically from the top of the concrete floor to the underside of the ceiling. Unit dimensions listed on Schedule B are within reasonable tolerances and include allocable portions of the elevators, hallways and entrances reserved for the exclusive or shared use of the Unit Owners.

5.2 Any Common Elements located within any Unit shall not be considered as part of that Unit.

5.3 Each Unit includes, and each Unit Owner shall be responsible for, all plumbing, gas, heating fixtures and air-conditioning equipment such as refrigerators, heating equipment, ranges, air-conditioners and other appliances, as may be affixed, attached or appurtenant to such Unit. Plumbing, gas, heating fixtures and air-conditioning equipment as used in the preceding sentence shall include exposed gas, steam and water pipes attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within a wall or ceiling, or under the floor, but shall not include gas, steam, water or other pipes, conduits, wiring or duct work within the walls, ceiling or floors which service other portions of the Building. Each Unit shall also include all lighting and electrical fixtures and appliances within the Unit and any special equipment, fixtures, facilities, skylights, windows and window sills and frames affixed, attached or appurtenant to the Unit to the extent located within a Unit and the door(s) to the Unit, and serving or benefiting only that Unit.

ARTICLE 6

COMMON ELEMENTS

6.1 The Common Elements of the Condominium (the "Common Elements") consist of the entire Property including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements include, but are not limited to, those rooms, areas, corridors, spaces and other parts of the Building and all facilities therein for the common use of the Units and the Unit Owners (except for those Common Elements which are designated for the exclusive use of a particular Unit Owner or particular group of Unit Owners) or which are necessary or convenient for the existence, maintenance or safety of the Property.

6.2 The Common Elements consist of all portions of the Property, except the Limited Common Elements, Residential Limited Common Elements and the Units themselves, including, without limitation, the following:

(a) the Land, together with all easements, rights and privileges appurtenant thereto;

(b) all foundations, columns, girders, beams, structural elements, supports, pile caps, and their enclosures;

(c) all exterior walls of the Buildings, not including the portions thereof on the Unit side of the brick work or masonry of such walls, all walls and partitions separating Units from corridors, stairs, and other mechanical equipment spaces other than the portions thereof between the Unit side of such walls and partitions and the brick work, sheetrock work or masonry of such walls and partitions separating Units; the portions of the plaster or equivalent partitions separating Units between the Unit side of the plaster or its equivalent on each side of such partition, and all concrete floors, steel joists, floor joists and concrete ceilings;

(d) all roofs, overhangs, halls, passages, corridors, stairs, stairways, either within or without, excluding the Limited Common Elements and the Cabana Units;

(e) lobby of each Building;

(f) all space devoted to the use of a superintendent or any other person(s) employed in connection with the operation of the Property, including without limitation, the Superintendent's Unit;

(g) all central and appurtenant installations for services such as power, central intercom systems, light fixtures in the common areas, security system, telephone, television, cable, gas, boiler, garbage (including without limitation, garbage chutes), hot and cold water, heat and air conditioning (excluding heating, ventilating and air conditioning units, appurtenances or other equipment which exclusively serve a Unit) and including all pipes, ducts, chutes, wires, cables, and conduits and their enclosures used in connection therewith, whether located in common areas or in Units;

(h) all mechanical equipment and mechanical equipment space including, but not limited to, the meter rooms located throughout the Building, the mechanical room, the boiler room, the telephone equipment room, the pump room and the elevator mechanical room;

(i) all tanks, pumps, motors, fans, compressors and control equipment;

(j) all sewer pipes;

(k) all areaways and any drains contained therein;

(l) vaults not used by any Unit Owner, if any;

(m) the sidewalks;

(n) fire staircases;

(o) the remains of any party wall which is the responsibility of the owner of the Property;

(p) all doors leading to the elevator lobby;

(q) all passages, halls and corridors located in the Building;

(r) the entrances and exits to the Building used exclusively by the Unit Owners;

(s) all elevators, elevator mechanical room, elevator shafts and pits; and

(t) garbage room for use of the Unit Owners, which is to be located on the first floor of the Building;

(u) the house phone system in each Building and the house telephones in each Residential Unit;

(v) gym, children's playroom and bicycle storage area in Building A;

(w) mailboxes; and

(x) all other parts of the Property and all apparatus, installations, systems, equipment, main telecommunications room, voice, data and cable distributions systems, telecom closets, facilities, pipes, conduits, ducts, chutes, wires and cables and their enclosures existing in the Building or on the Property for common use or necessary or convenient to the existence, maintenance or safety of the Property.

6.3 The Unit Owners and their tenants, guests and invitees shall have the exclusive use of the Common Elements. Each Unit Owner will have an undivided interest in the Common Elements in the respective percentage set forth in Schedule A as the Common Interest. The Unit Owners shall maintain, repair and replace all Common Elements in a first class manner, including without limitation, preventing any and all odors from emanating outside of the garbage room. Each Unit Owner is responsible to maintain and repair all windows, skylights, window frames and glass surfaces of windows appurtenant to its Unit.

ARTICLE 7

USE OF UNITS

7.1 A Unit may be used for any lawful purpose so long as such use conforms and complies with the terms and conditions of the then existing certificate of occupancy. A Parking Space Unit may only be used for parking purposes by Unit Owners in accordance with the Rules and Regulations of the Condominium Board, as may be amended from time to time. Sponsor may change the use of any of the Units that it owns without the consent of the Condominium Board provided that Sponsor shall comply with all applicable legal requirements. The Condominium Board shall execute all documents

requested by Sponsor in connection therewith, including without limitation, changing the permitted use, amending the certificate of occupancy and obtaining a variance.

7.2 As more particularly set forth in the By-Laws, Residential Units may be used only as a residence and for permitted professional and ancillary business uses as permitted by law, and not more than one family may occupy a Residential Unit at one time, except Units owned by Sponsor and the Parking Units. A Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary or any other legal entity, may only be occupied by said individual, or an officer, director, stockholder or employee of such corporation, or a partner or employee of such partnership, or member or employee of such limited liability company, or said fiduciary (including directors, officers, stockholders or employees of corporate fiduciaries or partners or employees of partnership fiduciaries) or the beneficiary of said fiduciary, or a principal or employee of such other entity, respectively, or members of the immediate family (including domestic partners) or guests of any of the foregoing (and nothing contained in this sentence shall be deemed to prohibit the exclusive occupancy of any Unit by such family members, including domestic partners, or guests). Any use of a Unit must conform to the terms and conditions of the then existing certificate of occupancy for such Units and applicable federal, state and local governmental and municipal regulations (including any zoning variance applicable to such Units).

7.3 The Cabanas are for the exclusive use of the Unit Owner who purchases such Cabana Unit and is part of such Unit. Cabana Units may only be used for residential uses. The Terraces appurtenant to Units are for the exclusive use of such Unit Owners and are part of such Unit. The Parking Units may only be used for ancillary parking purposes.

7.4 Notwithstanding the foregoing or anything contained in the By-Laws or the Rules and Regulations to the contrary, Sponsor may, without the permission of the Condominium Board, (a) grant permission for the use of any Unsold Unit (as hereinafter defined) as a professional office or for any other purpose, provided such use is permitted by law, does not violate the then existing certificate of occupancy for such Unit and the user of the Unit complies with all applicable governmental and municipal regulations; and (b) use any Unsold Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable governmental laws and regulations. Anything contained herein to the contrary notwithstanding, if any of such Units are used for commercial office use purposes as hereinabove provided, they shall nevertheless be deemed Units hereunder and shall be entitled and subject to all of the rights and restrictions provided or imposed hereunder with respect to the Units.

7.5 Parking Space Units 9, 10, and 11 have been designated as Handicapped Parking Units. The purchase of a Handicapped Parking Unit and any subsequent conveyance, sale, transfer or encumbrance of it, is hereby subject to the following covenant and restriction, which shall run with the Handicapped Parking Unit in perpetuity.

If at any time an Owner of a Residential Unit or member of his or her family who resides in such Residential Unit becomes handicapped and is given handicapped plates for his or her vehicle, and said Residential Unit Owner owns a Parking Unit, said Residential Unit Owner has the right to demand that the Owner who last acquired one (1) of the

Handicapped Parking Units and who does not have handicapped plates for his or her vehicle exchange his or her Handicapped Parking Unit for the Parking Unit owned by said handicapped Owner.

If at any time an Owner of a Residential Unit or member of his or her family who resides in such Residential Unit becomes handicapped, is given handicapped plates for his or her vehicle and said Residential Unit Owner does not own a Parking Unit, said Residential Unit Owner has the right to demand that the Owner who last acquired one (1) of the Handicapped Parking Units and who does not have handicapped plates for his or her vehicle sell the Handicapped Parking Unit at the then current, fair market value, to said handicapped Owner. The Residential Unit Owner acquiring such Handicapped Parking Unit shall pay any and all reasonable costs and expenses incurred by either party in such transaction, including without limitation, reasonable attorneys' fees, transfer taxes, title charges and costs of arbitration.

If the parties can not agree on the fair market value of such Handicapped Parking Unit, then the parties agree to submit the matter to binding arbitration in accordance with Article 11 of the By-Laws of the Condominium. Either party can submit such dispute to arbitration in accordance with the By-laws of the Condominium.

ARTICLE 8

CHANGES IN THE CONDOMINIUM

8.1 Except as prohibited by law, Sponsor and its successor shall have the right, without the vote or consent of the Condominium Board, other Unit Owners or the Mortgage Representatives, if any, to: (a) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon Units, owned by Sponsor or its successor ("Unsold Units") retained by Sponsor and/or its successor; (b) change the layout of, or number of rooms in, any Unsold Units and combine the Units from time to time; (c) change the size and/or number of Unsold Units by subdividing one or more Unsold Units into two or more separate Units, combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, altering the boundary walls between any Unsold Units or otherwise; (d) if appropriate, reapportion among the Unsold Units affected by such change in size or number pursuant to the preceding clause and their percentage interests in the Common Elements; provided, however, that the percentage interest in the Common Elements of any other Units (other than Unsold Units) shall not be changed by reason thereof unless the owners of such Units shall consent thereto and, provided further, that Sponsor or its successor shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom.

8.2 In the event of any change pursuant to subsection 8.1, such change may only be made after Sponsor has disclosed such changes in a duly filed amendment to the Plan. No change in size of a Unit or its layout will be made with respect to any Unit for which a Purchase Agreement is then in effect and with respect to which the Purchaser is not in default unless the Purchaser consents thereto. Except for Sponsor's right to make certain changes in Unsold Units, as set forth in subparagraphs (a) through (d) of subsection 8.1, once the Declaration is filed and recorded, no change may be made in the number of

Units or number of rooms within a Unit, nor may the size of a Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid, or otherwise, nor may the Common Interest of any Unit or the amount or quality of the Common Elements be changed, unless the Plan and the Declaration are amended with the consent of all Unit Owners directly affected. Sponsor or its successor shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction, including filing an amendment to the Plan and the Declaration, and shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom.

8.3 The provisions of this Article 8 may not be added to, amended, modified or deleted without the prior written consent of Sponsor or its successor. By the written permission of the Condominium Board, which shall not be unreasonably withheld, any Unit Owner may be given, with respect to such owner's Unit, the same rights as are set forth in this Article 8 with respect to Unsold Units, except that such Unit Owner may not subdivide his Unit into separate Units. In addition to the restrictions set forth above in this Article 8, no reapportionment of the interests in the Common Elements appurtenant to any Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the percentage interests of the respective Units in the Common Elements, immediately after such reapportionment, will be 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 respective Units, the availability of Common Elements for exclusive or shared use and the overall dimensions of the respective Units. The certification referred to in the preceding sentence shall be delivered (a) in the case of any Unsold Unit, at Sponsor's election, by Sponsor, the managing agent of the Condominium or any other person reasonably acceptable to the Condominium Board, and (b) in the case of any Unit, by either the managing agent of the Condominium or any other person reasonably acceptable to the Condominium Board.

8.4 Any Unit Owner who shall make any changes to his Unit in accordance with this Article 8 shall be solely responsible for all costs and expenses, including professional fees and expenses, incurred by such Unit Owner and/or Condominium Board in connection therewith.

ARTICLE 9

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York is hereby designated as agent of the Condominium Board upon whom process against it may be served, and the post office address to which the Secretary of State shall mail a copy of any process against it served upon him is 5-01-5-17 48th Avenue LLC, a New York corporation, having an office at 16 Court Street, Suite 2403, Brooklyn, New York 11201. As required by law, the Condominium Board shall notify the Secretary of State of any change in the managing agent or person authorized to receive a copy of any process served against the Secretary of State.

ARTICLE 10

DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

The respective percentage interests of each Unit in the Common Elements has been determined upon the basis of 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. All Unit Owners agree to share the 421-a tax benefits amongst all of the Unit Owners.

ARTICLE 11

ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements, or (c) any encroachment shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration or repair to the Common Elements made by or with the consent (when required by the By-Laws) of the Condominium Board or made by Sponsor or its successor in accordance with this Declaration or the By-Laws or (iii) any repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element or after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

ARTICLE 12

FACILITIES AND ALL OTHER COMMON ELEMENTS

Each Unit Owner shall have an easement in common with all other Unit Owners to use, maintain, repair, alter and replace all facilities and all other Common Elements and Limited Common Elements, located in any of the other Units or elsewhere on the Property which serve or directly benefit his Unit. Each Unit shall be subject to an easement in favor of all Unit Owners to use, maintain, repair, alter and replace the facilities and all other Common Elements and Limited Common Elements located in such Unit or elsewhere on the Property which serve other Units. The Condominium Board shall have a right of access to each Unit to inspect the same, to remove violations therefrom and to maintain, repair or replace the Common Elements and Limited Common Elements contained therein or elsewhere in the Property, provided such right of access shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business of the occupants and tenants of the Units or with the use of the Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an "emergency" (a condition requiring repairs or replacements immediately (i) necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or (ii) required to avoid the suspension of any necessary service in the Building).

ARTICLE 13

EASEMENTS

13.1 Each Unit Owner shall have, in common with all other Unit Owners, an easement, for the non-exclusive use of the Common Elements, except for those Common Elements which are designated for the exclusive use of certain Unit Owners as set forth herein. Each Unit Owner shall have, in common with all other Unit Owners, an easement, for the non-exclusive use of the Limited Common Elements.

13.2 Each Unit Owner shall have, in common with all other Unit Owners, and each Unit shall be subject to, an easement to install, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property, and provided that access to any Unit or the Common Elements in furtherance of such easement 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 day's notice, except that no notice will be necessary in the case of an emergency. The Condominium Board shall have, in common with all other Unit Owners, and each Unit shall be subject to, an easement to install, operate, maintain, repair, alter, rebuild, restore and replace the Limited Common Elements located in, over, under, through or upon any Unit, or any other Limited Common Elements or elsewhere on the Property, and provided that access to any Unit or the Limited Common Elements in furtherance of such easement 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 day's notice, except that no notice will be necessary in the case of an emergency.

13.3 Each Unit shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements and Limited Common Elements.

13.4 A Unit Owner who owns a Unit with a terrace or balcony appurtenant to and directly accessible from such Unit shall have the exclusive use of such terrace or balcony. Such terrace or balcony is designated herein as a Limited Common Element.

13.5 Sponsor or its successors and assigns shall, to the extent permitted by law, have an easement to erect, maintain, repair and replace, from time to time, one or more signs on the Property (including without limitation, the Building) for the purposes of advertising the sale or lease of any Unsold Unit.

13.6 Sponsor or its successor and the Condominium Board shall have the right to grant such additional electric, gas, steam, other utility and telecommunications easements (collectively "Utility Easements") or relocate any existing or future Utility Easements in any portion of the Property, as Sponsor, its successor, or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof, or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Units for their permitted purposes. Any utility company and its employees and agents shall have the right of access to any Unit or the Common Elements or the Limited Common Elements in furtherance of such easement, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the use of the Units for their permitted purposes.

ARTICLE 14

LIMITED COMMON ELEMENTS AND LIMITED COMMON ELEMENTS

The terrace or balcony appurtenant to a Unit (if any) is for the exclusive use of the Owner of such Unit (collectively hereinafter referred to as "Terraces"). Terraces are designated as a Limited Common Element herein. The Limited Common Elements may only be sold with the Units to which they are appurtenant. Terraces are for passive recreational use only. Use of the Terraces must be in compliance with all applicable laws and regulations. Terraces (i) are designated a Limited Common Element, (ii) may be used for any legal purpose and (iii) are the responsibility of the owner of the appurtenant Unit to maintain and repair. Notwithstanding anything to the contrary, each Unit Owner shall be responsible for all ordinary maintenance, repairs, replacements and cleaning of any such area appurtenant to its Unit and the appurtenant Limited Common Elements, if any (including, without limitation, replacement of tiles and the surface of the Terrace, the repair and maintenance of in, on or from the Terrace, when necessary); however, the costs and expenses of any extraordinary or structural repairs or repairs or replacements caused by the need for such structural repairs to the Limited Common Elements (unless caused by or attributable to the Unit Owner to whose Unit the Limited Common Element is appurtenant, in which case such Unit Owner shall be responsible for the entire cost), shall be charged to all Unit Owners as a Common Expense. The Residential Unit Owners and their tenants, guests and invitees shall have the exclusive use of the Residential Limited Common Elements. Each Residential Unit Owner will have an undivided interest in the Residential Limited Common Elements in the respective percentage set forth in Schedule A as the Residential Common Interest. The Residential Limited Common Elements consist of all areas of the Building used exclusively by the Residential Unit Owners, including, without limitation, the following:

(i) fire staircases from the first floor of the Building to the roof of the Building;

(ii) lobby;

(iii) doors leading to the lobby;

(iv) all passages, halls and corridors, except those located in the garage;

(v) the entrances and exits to the Building used by the Residential Unit Owners;

(vi) all elevators, elevator mechanical room, elevator shafts and pits, except if located in one of the Commercial Units; and

(vii) garbage rooms for use of the Residential Unit Owners.

The Residential Unit Owners shall maintain, repair and replace all Residential Limited Common Elements in a first class manner, including without limitation, preventing any and all odors from emanating outside of the garbage room. Each Unit Owner is responsible to maintain and repair all windows, skylights, window frames and glass surfaces of windows appurtenant to its Unit.

ARTICLE 15

POWER OF ATTORNEY TO THE CONDOMINIUM BOARD

Each Unit Owner shall grant to the persons who shall from time to time constitute the Condominium Board, an irrevocable power of attorney, coupled with an interest (in such form and content as the Condominium Board shall determine), (a) to acquire or lease any Unit, together with its Appurtenant Interests (as hereinafter defined), whose owner desires to sell, convey, transfer, assign, lease or surrender the same, or which becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners;(b) to convey, sell, lease, mortgage or otherwise deal with (but not to vote the interest appurtenant to) any such Unit so acquired or leased; and (c) to execute, acknowledge and deliver and record in the City Register's Office and elsewhere, if required by law, regulation or administrative practice, such instruments and documents including, without limitation (i) any declaration or other instrument affecting the Condominium which the Condominium Board 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 (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or the Common Elements which the Condominium Board deems necessary or appropriate.

ARTICLE 16

ACQUISITIONS OF UNITS BY THE CONDOMINIUM BOARD

If (a) any Unit Owner surrenders his Unit, together with (i) the undivided interest in the Common Elements appurtenant thereto, (ii) the interest in the Limited Common Elements appurtenant to such Unit, if applicable, (iii) the interest of such Unit Owner in any other Units and Limited Common Elements, if applicable, 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 (iv) the interest of such Unit Owner in the Common Elements and any other assets of the Condominium (such interests in (i), (ii), (iii) and (iv) being hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the New York Condominium Act; or (b) the Condominium Board acquires or leases a Unit, together with its Appurtenant Interests, or purchases, at a foreclosure or other similar sale, a Unit, together with its Appurtenant Interests, then, in any such event, title to any such Unit, together with its Appurtenant Interests, shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements. The lease or sublease covering any Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements.

ARTICLE 17

COVENANTS RUNNING WITH THE LAND

17.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations (true copies of which are annexed hereto and made a part hereof), 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 inure to the benefit of the owner of all or any part thereof, or interest therein, and his heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public. All present and future owners, tenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

17.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the New York 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 New York Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the New York Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the New York Condominium Act.

17.3 Subject to Section 17.2, if this Declaration and the By-Laws are sufficient to submit the Property to the provisions of the New York Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under 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 OF DECLARATION

18.1 Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Sponsor or any successor owner of any Unsold Units, except as hereinafter set forth, any provision of this Declaration may be added to, amended, modified or deleted by the vote of at least sixty (60%) percent in number and in common interest of all Unit Owners taken in accordance with the provisions of the By-Laws. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Sponsor or its successor or any Unsold Units, no amendment, modification, addition or deletion pursuant to the preceding sentence shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any. No such amendment, modification, addition or deletion shall be effective until recorded in the City Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Sponsor or its successor or any Unsold Units, any such amendment, modification, addition or deletion shall be executed by the Condominium Board as attorney-in-fact for the Unit Owners coupled with an interest, which the Condominium Board is hereby authorized by the Unit Owners so to act as their attorney-in-fact. Subject to the rights of Sponsor or its successor under Articles 7 and 8 of this Declaration, Articles 7 and 8 of this Declaration may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, if any, as set forth above) 100 percent in number and in common interest of all Unit Owners affected thereby approve such amendment, modification, addition or deletion in the manner set forth above.

18.2 If any changes are made by the Sponsor to the Property, the Condominium, any Units or the Common Elements in accordance with Article 8 hereof, then Sponsor or its successor or the owner of an Unsold Unit shall have the right to execute, or (on its request) to require any other Unit Owner or the Condominium Board to execute, and record in the City Register's Office and elsewhere, if required by law, an amendment to this Declaration (together with such other documents as Sponsor or its successor deems appropriate to effectuate the same) reflecting such changes.

18.3 Notwithstanding anything contained in this Declaration to the contrary, no change in the common interest of any Unit Owner shall be made or effective without the consent of all Unit Owners whose common interests would be affected thereby.

18.4 The provisions of Sections 18.1 and 18.2 may not be modified, amended, added to or deleted, in whole or in part, without the consent of Sponsor or any successor owner of the Unsold Units.

ARTICLE 19

TERMINATION OF CONDOMINIUM

The Condominium shall continue until (a) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws or (b) such time as withdrawal of the Property from the provisions of the New York Condominium Act is

authorized by a vote of at least 80 percent in number and in common interest of all Unit Owners. No such vote under clause (b) in the preceding sentence shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Sponsor's representatives, if any. Sponsor will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least 80 percent in number and in common interest of all other Unit Owners 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 said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective common interest, provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of his share of such net proceeds all liens on his Unit in the order of priority of such liens.

ARTICLE 20

WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 21

CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration nor the intent of any provision thereof.

ARTICLE 22

CERTAIN REFERENCES

22.1 A reference in this Declaration to any gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

22.2 The terms "herein," "hereof," or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used.

22.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 23

SEVERABILITY

Subject to the provisions of Sections 17.2 and 17.3, if any provision of this Declaration is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Declaration and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Declaration shall,

except as otherwise herein provided, be valid and enforceable to the fullest extent permitted by law.

ARTICLE 24

COVENANT OF FURTHER ASSURANCES

24.1 Any party which is subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Condominium Board, or otherwise, shall, at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

24.2 If any Unit Owner or any other party which is subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action which such Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to this Declaration, then the Condominium Board is hereby authorized as attorney-in-fact for such Unit Owner or other party, 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 party and such document or action shall be binding on such Unit Owner or other party.

24.3 If any Unit Owner or the Condominium Board or any other party which is subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action which the Condominium Board or Unit Owner or other party is required to execute, acknowledge and deliver or take pursuant to this Declaration at the request of Sponsor, then Sponsor, is hereby authorized as attorney-in-fact for the Condominium Board or such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument or to take such action, in the name of the Condominium Board or such Unit Owner or other party and such document or action shall be binding on the Condominium Board or such Unit Owner or other party, as the case may be.

ARTICLE 25

SUCCESSORS AND ASSIGNS

The rights and/or obligations of Sponsor as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Sponsor or, with consent of Sponsor, any transferee of the Unsold Units. Subject to the foregoing, Sponsor shall have the rights, at any time, in its sole discretion, to assign or, otherwise transfer its interest herein, whether

by merger, consolidation, lease, assignment or otherwise.

IN WITNESS WHEREOF, Sponsor has caused this Declaration to be executed as of the ___ day of ____, 200_.

5-01-5-17 48TH AVENUE

By:_____

Managing Member

STATE OF NEW YORK)
ss.:
COUNTY OF)

On the _____ day of_____ in the year 200_, before me, the undersigned, a Notary Public in and for said state, personally appeared , personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____

Notary Public

SCHEDULE A
TO THE DECLARATION
OF 5TH STREET LOFTS CONDOMINIUM
DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Queens, County of Queens, City and State of New York, bounded and described as follows:

Building A:

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough and County of Queens, City and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the northerly side of 48th Avenue with the easterly side of 5th Street;

THENCE northerly along the easterly side of 5th Street 100.10 feet;

THENCE easterly at right angles to the easterly side of 5th Street 100.40 feet;

THENCE northerly at right angles to the last mentioned course and part of a distance through a party wall 45 feet;

THENCE easterly at right angles to the last mentioned course and part of a distance of through a party wall 24.60 feet;

THENCE southerly at right angles to the last mentioned course 45.10 feet;

THENCE easterly at right angles to the last mentioned course 30 feet;

THENCE southerly at right angles to the last mentioned course and part of the distance through a party wall .33 of a foot;

THENCE easterly at right angles to the last mentioned course and part of the distance through a party wall 9.45 feet;

THENCE southerly at right angles to the northerly side of 48the Avenue and part of a distance through a party wall 99.67 feet to the northerly side of 48th Avenue; and

THENCE westerly along the northerly side of 48th Avenue 164.45 feet to the corner, the point or place of BEGINNING.

Building B:

ALL that certain plot, piece or parcel of land, situate, lying and being at Long Island City, Queens County, City and State of New York, bounded and described as follows:

BEGINNING at a point on the northerly side of 48th Avenue (formerly 6th Avenue) distant 335.75 feet westerly from the corner formed by the intersection of the northerly side of 48th Avenue with the westerly side of Vernon Boulevard (formerly Vernon Avenue);

RUNNING THENCE northerly on a line at right angles to the northerly side of 48th Avenue a distance of 98.50 feet and through a party wall;

THENCE easterly on a line at right angles to the prior course a distance of 10 feet and through a party wall;

THENCE northerly and on a line at right angles to the prior course, a distance of 101.50 feet to the southerly side of 47th Road;

THENCE westerly along the southerly side of 47th Road, a distance of 75.20 feet;

THENCE southerly and on a line at right angles to the southerly side of 47th Road, a distance of 36.37 feet;

THENCE easterly through the center of an existing wall, a distance of 0.80 feet;

THENCE southerly and on a line at right angles to the southerly side of 47th Road, a distance of 64.78 feet and through a party wall;

THENCE westerly on a line at right angles to the prior course, a distance of 7.87 feet and through a party wall;

THENCE in a northwesterly direction and through the center of an existing wall, a distance of 1.84 feet;

THENCE still westerly and on a line parallel to the northerly side of 48th Avenue, a distance of 26.63 feet and through a party wall;

THENCE southerly on a line at right angles to the northerly side of 48th Avenue a distance of 99.67 feet and through a party wall to the northerly side of 48th Avenue; and

THENCE easterly along the northerly side of 48th Avenue, a distance of 100.55 feet to the point or place of BEGINNING.

SCHEDULE B

DESCRIPTION OF UNITS

SCHEDULE A

5TH STREET LOFT
5-09 48TH AVENUE
LONG ISLAND CITY, NY

OFFERING PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION JANUARY 1, 2008- DECEMBER 31, 2008 (1)

BUILDING	UNIT	NUMBER BEDROOMS/ BATHS	APPROXIMATE UNIT SQ. FOOTAGE	APPROXIMATE EXTERIOR SQ. FOOTAGE	OFFERING PRICE	(4) GENERAL COMMON INTEREST	(5) PROJECTED MONTHLY COMMON CHARGES	(6) PROJECTED MONTHLY RE TAXES W/ 421-A	(6) PROJECTED MONTHLY RE TAXES W/O 421-A	(6) PROJECTED MONTHLY RE TAXES FOR SECOND YEAR W/O 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/ 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/O 421-A	(7) PROJECTED SHARE OF PURCHASE PRICE FOR RESIDENT MANAGER'S UNIT
A	2A	3/2	1,542	4,811	$ 1,100,990	2.0830%	$ 2,127.58	$ 122.40	$ 792.94	$ 1,536.34	$ 2,249.98	$ 2,920.52	$ 12,207.80
A	3A	3/2	1,542		$ 980,990	1.1761%	$ 1,201.25	$ 109.06	$ 706.52	$ 1,368.89	$ 1,310.31	$ 1,907.77	$ 6,892.63
A	4A	3/2	1,542		$ 994,990	1.1819%	$ 1,207.23	$ 110.61	$ 716.60	$ 1,388.43	$ 1,317.84	$ 1,923.83	$ 6,926.93
A	5A	3/2	1,542		$ 1,008,990	1.1878%	$ 1,213.20	$ 112.17	$ 726.68	$ 1,407.96	$ 1,325.37	$ 1,939.89	$ 6,961.22
A	6A	3/2	1,542		$ 1,022,990	1.1936%	$ 1,219.18	$ 113.73	$ 736.77	$ 1,427.50	$ 1,332.91	$ 1,955.94	$ 6,995.51
A	7A	2/2	1,217	283	$ 974,990	1.0017%	$ 1,023.15	$ 108.39	$ 702.20	$ 1,360.52	$ 1,131.54	$ 1,725.34	$ 5,870.70
A	8A	2/2	1,217	972	$ 1,068,000	1.1412%	$ 1,165.66	$ 118.73	$ 769.18	$ 1,490.31	$ 1,284.39	$ 1,934.85	$ 6,688.44
A	2B	2/2	1,109		$ 720,990	0.8416%	$ 859.64	$ 80.15	$ 519.26	$ 1,006.08	$ 939.79	$ 1,378.90	$ 4,932.49
A	3B	2/2	1,109		$ 730,990	0.8458%	$ 863.93	$ 81.27	$ 526.46	$ 1,020.04	$ 945.20	$ 1,390.40	$ 4,957.15
A	4B	2/2	1,109		$ 740,990	0.8500%	$ 868.23	$ 82.38	$ 533.67	$ 1,033.99	$ 950.61	$ 1,401.90	$ 4,981.82
A	5B	2/2	1,109		$ 750,990	0.8543%	$ 872.53	$ 83.49	$ 540.87	$ 1,047.94	$ 956.02	$ 1,413.40	$ 5,006.48
A	6B	2/2	1,109		$ 760,990	0.8585%	$ 876.83	$ 84.60	$ 548.07	$ 1,061.90	$ 961.43	$ 1,424.90	$ 5,031.14
A	7B	1/1	775	492	$ 674,990	0.6985%	$ 713.48	$ 75.04	$ 486.13	$ 941.89	$ 788.52	$ 1,199.62	$ 4,093.88
A	8B	1/1	775	716	$ 698,990	0.7457%	$ 761.67	$ 77.71	$ 503.42	$ 975.38	$ 839.38	$ 1,265.09	$ 4,370.39
A	2C	2/2	1,048		$ 696,990	0.7953%	$ 812.35	$ 77.49	$ 501.98	$ 972.59	$ 889.84	$ 1,314.33	$ 4,661.18
A	3C	2/2	1,048		$ 706,990	0.7993%	$ 816.41	$ 78.60	$ 509.18	$ 986.55	$ 895.01	$ 1,325.59	$ 4,684.49
A	4C	2/2	1,048		$ 716,990	0.8033%	$ 820.48	$ 79.71	$ 516.38	$ 1,000.50	$ 900.18	$ 1,336.86	$ 4,707.79
A	5C	2/2	1,048		$ 726,990	0.8073%	$ 824.54	$ 80.82	$ 523.58	$ 1,014.45	$ 905.36	$ 1,348.12	$ 4,731.10
A	6C	2/2	1,048		$ 736,990	0.8112%	$ 828.60	$ 81.93	$ 530.79	$ 1,028.41	$ 910.53	$ 1,359.39	$ 4,754.41
A	7C	1/1	797	495	$ 684,990	0.7162%	$ 731.56	$ 76.15	$ 493.34	$ 955.85	$ 807.71	$ 1,224.89	$ 4,197.59
A	8C	1/1	797	415	$ 698,990	0.7041%	$ 719.16	$ 77.71	$ 503.42	$ 975.38	$ 796.87	$ 1,222.58	$ 4,126.45
A	2D	0/1	460		$ 350,990	0.3491%	$ 356.57	$ 39.02	$ 252.79	$ 489.78	$ 395.59	$ 609.35	$ 2,045.94
A	3D	0/1	460		$ 368,990	0.3508%	$ 358.35	$ 41.02	$ 265.75	$ 514.90	$ 399.37	$ 624.10	$ 2,056.17
A	4D	0/1	460		$ 386,990	0.3526%	$ 360.13	$ 43.02	$ 278.71	$ 540.01	$ 403.15	$ 638.85	$ 2,066.40
A	5D	0/1	460		$ 404,990	0.3543%	$ 361.92	$ 45.02	$ 291.68	$ 565.13	$ 406.94	$ 653.59	$ 2,076.63
A	6D	0/1	460		$ 424,990	0.3561%	$ 363.70	$ 47.25	$ 306.08	$ 593.04	$ 410.94	$ 669.78	$ 2,086.86
A	7D	2/2	1,080	599	$ 898,990	0.9566%	$ 977.07	$ 99.94	$ 647.46	$ 1,254.47	$ 1,077.01	$ 1,624.53	$ 5,606.29

The accompanying notes should be read in conjunction with this schedule.

RM indicates Resident Manager's Unit

SCHEDULE A

5TH STREET LOFT
5-09 48TH AVENUE
LONG ISLAND CITY, NY

OFFERING PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION JANUARY 1, 2008- DECEMBER 31, 2008 (1)

BUILDING	UNIT	NUMBER BEDROOMS/ BATHS	APPROXIMATE UNIT SQ. FOOTAGE	APPROXIMATE EXTERIOR SQ. FOOTAGE	OFFERING PRICE	(4) GENERAL COMMON INTEREST	(5) PROJECTED MONTHLY COMMON CHARGES	(6) PROJECTED MONTHLY RE TAXES W/ 421-A	(6) PROJECTED MONTHLY RE TAXES W/O 421-A	(6) PROJECTED MONTHLY RE TAXES FOR SECOND YEAR W/O 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/ 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/O 421-A	(7) PROJECTED SHARE OF PURCHASE PRICE FOR RESIDENT MANAGER'S UNIT
A	8D	2/2	1,080	421	$ 925,990	0.9265%	$ 946.30	$ 102.94	$ 666.91	$ 1,292.14	$ 1,049.25	$ 1,613.21	$ 5,429.78
A	2E	1/1	706		$ 489,990	0.5358%	$ 547.25	$ 54.47	$ 352.89	$ 683.74	$ 601.73	$ 900.15	$ 3,140.07
A	3E	1/1	706		$ 503,990	0.5385%	$ 549.99	$ 56.03	$ 362.98	$ 703.28	$ 606.02	$ 912.97	$ 3,155.77
A	4E	1/1	706		$ 517,990	0.5411%	$ 552.72	$ 57.59	$ 373.06	$ 722.81	$ 610.31	$ 925.79	$ 3,171.47
A	5E	1/1	706		$ 531,990	0.5438%	$ 555.46	$ 59.14	$ 383.14	$ 742.35	$ 614.60	$ 938.60	$ 3,187.17
A	6E	1/1	706		$ 552,990	0.5465%	$ 558.20	$ 61.48	$ 398.27	$ 771.65	$ 619.67	$ 956.47	$ 3,202.87
A	7E	2/2	1,102	1,033	$ 978,990	1.0581%	$ 1,080.75	$ 108.84	$ 705.08	$ 1,366.10	$ 1,189.59	$ 1,785.83	$ 6,201.22
A	8E	2/2	1,102	1,100	$ 964,990	1.0764%	$ 1,099.40	$ 107.28	$ 694.99	$ 1,346.56	$ 1,206.68	$ 1,794.39	$ 6,308.21
A	2F	1/1	728		$ 495,990	0.5525%	$ 564.31	$ 55.14	$ 357.22	$ 692.11	$ 619.45	$ 921.52	$ 3,237.92
A	3F	1/1	728		$ 509,990	0.5552%	$ 567.13	$ 56.70	$ 367.30	$ 711.65	$ 623.82	$ 934.43	$ 3,254.11
A	4F	1/1	728		$ 523,990	0.5580%	$ 569.95	$ 58.25	$ 377.38	$ 731.18	$ 628.20	$ 947.33	$ 3,270.30
A	5F	1/1	728		$ 537,990	0.5608%	$ 572.77	$ 59.81	$ 387.46	$ 750.72	$ 632.58	$ 960.23	$ 3,286.49
A	6F	1/1	728		$ 558,990	0.5635%	$ 575.59	$ 62.14	$ 402.59	$ 780.02	$ 637.74	$ 978.18	$ 3,302.68
A	7F	3/2	1,587	1,075	$ 1,388,000	1.4436%	$ 1,474.44	$ 154.31	$ 999.65	$ 1,936.84	$ 1,628.74	$ 2,474.09	$ 8,460.15
A	8F	3/2	1,587	1,445	$ 1,388,990	1.5229%	$ 1,555.48	$ 154.42	$ 1,000.36	$ 1,938.22	$ 1,709.90	$ 2,555.84	$ 8,925.17
A	2G	1/1	729		$ 495,990	0.5532%	$ 565.08	$ 55.14	$ 357.22	$ 692.11	$ 620.22	$ 922.30	$ 3,242.37
A	3G	1/1	729		$ 509,990	0.5560%	$ 567.91	$ 56.70	$ 367.30	$ 711.65	$ 624.60	$ 935.20	$ 3,258.58
A	4G	1/1	729		$ 523,990	0.5588%	$ 570.73	$ 58.25	$ 377.38	$ 731.18	$ 628.98	$ 948.11	$ 3,274.79
A	5G	1/1	729		$ 537,990	0.5615%	$ 573.56	$ 59.81	$ 387.46	$ 750.72	$ 633.37	$ 961.02	$ 3,291.00
A	6G	1/1	729		$ 558,990	0.5643%	$ 576.38	$ 62.14	$ 402.59	$ 780.02	$ 638.53	$ 978.97	$ 3,307.22
A	7G	0/1	513		$ 489,990	0.3991%	$ 407.59	$ 54.47	$ 352.89	$ 683.74	$ 462.06	$ 760.49	$ 2,338.71
A	8G	0/1	513	319	$ 544,990	0.4633%	$ 473.25	$ 60.59	$ 392.51	$ 760.49	$ 533.84	$ 865.76	$ 2,715.46
A	2H	1/1	700		$ 489,990	0.5312%	$ 542.60	$ 54.47	$ 352.89	$ 683.74	$ 597.07	$ 895.50	$ 3,113.38
A	3H	1/1	700		$ 503,990	0.5339%	$ 545.31	$ 56.03	$ 362.98	$ 703.28	$ 601.34	$ 908.29	$ 3,128.95
A	4H	1/1	700		$ 517,990	0.5365%	$ 548.03	$ 57.59	$ 373.06	$ 722.81	$ 605.61	$ 921.09	$ 3,144.52
A	5H	1/1	700		$ 531,990	0.5392%	$ 550.74	$ 59.14	$ 383.14	$ 742.35	$ 609.88	$ 933.88	$ 3,160.09
A	6H	1/1	700		$ 552,990	0.5419%	$ 553.45	$ 61.48	$ 398.27	$ 771.65	$ 614.93	$ 951.72	$ 3,175.65

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RM indicates Resident Manager's Unit

SCHEDULE A

5TH STREET LOFT
5-09 48TH AVENUE
LONG ISLAND CITY, NY

OFFERING PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION JANUARY 1, 2008- DECEMBER 31, 2008 (1)

BUILDING	UNIT	NUMBER BEDROOMS/ BATHS	APPROXIMATE UNIT SQ. FOOTAGE	APPROXIMATE EXTERIOR SQ. FOOTAGE	OFFERING PRICE	(4) GENERAL COMMON INTEREST	(5) PROJECTED MONTHLY COMMON CHARGES	(6) PROJECTED MONTHLY RE TAXES W/ 421-A	(6) PROJECTED MONTHLY RE TAXES W/O 421-A	(6) PROJECTED MONTHLY RE TAXES FOR SECOND YEAR W/O 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/ 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/O 421-A	(7) PROJECTED SHARE OF PURCHASE PRICE FOR RESIDENT MANAGER'S UNIT
A	7H	2/2	1,109		$ 838,990	0.8627%	$ 881.13	$ 93.27	$ 604.25	$ 1,170.74	$ 974.40	$ 1,485.37	$ 5,055.80
A	8H	2/2	1,101	473	$ 957,990	0.9531%	$ 973.45	$ 106.50	$ 689.95	$ 1,336.80	$ 1,079.95	$ 1,663.40	$ 5,585.53
A	2J	0/1	503		$ 365,990	0.3817%	$ 389.90	$ 40.69	$ 263.59	$ 510.71	$ 430.59	$ 653.49	$ 2,237.19
A	3J	0/1	503		$ 383,990	0.3836%	$ 391.85	$ 42.69	$ 276.55	$ 535.83	$ 434.54	$ 668.40	$ 2,248.38
A	4J	0/1	503		$ 401,990	0.3855%	$ 393.80	$ 44.69	$ 289.52	$ 560.94	$ 438.49	$ 683.31	$ 2,259.56
A	5J	0/1	503		$ 419,990	0.3875%	$ 395.75	$ 46.69	$ 302.48	$ 586.06	$ 442.44	$ 698.23	$ 2,270.75
A	6J	0/1	503		$ 444,990	0.3894%	$ 397.70	$ 49.47	$ 320.49	$ 620.95	$ 447.17	$ 718.18	$ 2,281.93
A	7J	2/2	1,102		$ 838,990	0.8572%	$ 875.56	$ 93.27	$ 604.25	$ 1,170.74	$ 968.84	$ 1,479.81	$ 5,023.89
A	8J	2/2	1,102	653	$ 957,990	0.9890%	$ 1,010.17	$ 106.50	$ 689.95	$ 1,336.80	$ 1,116.68	$ 1,700.13	$ 5,796.27
A	2K	1/1	1,010		$ 696,990	0.7665%	$ 782.90	$ 77.49	$ 501.98	$ 972.59	$ 860.38	$ 1,284.87	$ 4,492.17
A	3K	2/2	1,216		$ 851,990	0.9274%	$ 947.29	$ 94.72	$ 613.61	$ 1,188.88	$ 1,042.01	$ 1,560.90	$ 5,435.44
A	4K	2/2	1,216		$ 869,990	0.9321%	$ 952.00	$ 96.72	$ 626.57	$ 1,214.00	$ 1,048.72	$ 1,578.58	$ 5,462.48
A	5K	2/2	1,216		$ 887,990	0.9367%	$ 956.71	$ 98.72	$ 639.54	$ 1,239.12	$ 1,055.43	$ 1,596.25	$ 5,489.52
A	6K	2/2	1,216		$ 912,990	0.9413%	$ 961.43	$ 101.50	$ 657.54	$ 1,274.00	$ 1,062.93	$ 1,618.97	$ 5,516.56
A	7K	2/2	1,093		$ 838,990	0.8502%	$ 868.41	$ 93.27	$ 604.25	$ 1,170.74	$ 961.69	$ 1,472.66	$ 4,982.86
A	8K	2/2	1,093	677	$ 957,990	0.9867%	$ 1,007.78	$ 106.50	$ 689.95	$ 1,336.80	$ 1,114.28	$ 1,697.73	$ 5,782.52
A	2L(RM)	1/1	759		$ 531,300	0.5760%	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A	3L	0/1	554		$ 361,990	0.4225%	$ 431.58	$ 40.24	$ 260.71	$ 505.13	$ 471.82	$ 692.29	$ 2,476.34
A	4L	0/1	554		$ 376,990	0.4246%	$ 433.72	$ 41.91	$ 271.51	$ 526.06	$ 475.64	$ 705.24	$ 2,488.66
A	5L	0/1	554		$ 391,990	0.4267%	$ 435.87	$ 43.58	$ 282.31	$ 546.99	$ 479.45	$ 718.19	$ 2,500.98
A	6L	0/1	554		$ 406,990	0.4288%	$ 438.02	$ 45.25	$ 293.12	$ 567.92	$ 483.26	$ 731.14	$ 2,513.30
A	7L	1/1	814		$ 594,990	0.6332%	$ 646.74	$ 66.15	$ 428.52	$ 830.26	$ 712.89	$ 1,075.26	$ 3,710.93
A	8L	1/1	814		$ 716,990	0.6363%	$ 649.90	$ 79.71	$ 516.38	$ 1,000.50	$ 729.61	$ 1,166.28	$ 3,729.03
A	2M	3/2	1,594	1,279	$ 1,049,990	1.4524%	$ 1,483.43	$ 116.73	$ 756.21	$ 1,465.17	$ 1,600.16	$ 2,239.64	$ 8,511.77
A	3M	3/2	1,594		$ 1,004,990	1.2157%	$ 1,241.76	$ 111.73	$ 723.80	$ 1,402.38	$ 1,353.49	$ 1,965.56	$ 7,125.07
A	4M	3/2	1,594		$ 1,014,990	1.2218%	$ 1,247.94	$ 112.84	$ 731.00	$ 1,416.33	$ 1,360.78	$ 1,978.94	$ 7,160.52
A	5M	3/2	1,594		$ 1,024,990	1.2278%	$ 1,254.11	$ 113.95	$ 738.21	$ 1,430.29	$ 1,368.06	$ 1,992.32	$ 7,195.97

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RM Indicates Resident Manager's Unit

SCHEDULE A

5TH STREET LOFT
5-09 48TH AVENUE
LONG ISLAND CITY, NY

OFFERING PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION JANUARY 1, 2008- DECEMBER 31, 2008 (1)

BUILDING	UNIT	NUMBER BEDROOMS/ BATHS	APPROXIMATE UNIT SQ. FOOTAGE	APPROXIMATE EXTERIOR SQ. FOOTAGE	OFFERING PRICE	(4) GENERAL COMMON INTEREST	(5) PROJECTED MONTHLY COMMON CHARGES	(6) PROJECTED MONTHLY RE TAXES W/ 421-A	(6) PROJECTED MONTHLY RE TAXES W/O 421-A	(6) PROJECTED MONTHLY RE TAXES FOR SECOND YEAR W/O 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/ 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/O 421-A	(7) PROJECTED SHARE OF PURCHASE PRICE FOR RESIDENT MANAGER'S UNIT
A	6M	3/2	1,594		$ 1,034,990	1.2339%	$ 1,260.29	$ 115.06	$ 745.41	$ 1,444.24	$ 1,375.35	$ 2,005.70	$ 7,231.41
A	2N	1/1	784	116	$ 485,990	0.6170%	$ 630.19	$ 54.03	$ 350.01	$ 678.16	$ 684.22	$ 980.21	$ 3,615.97
A	3N	1/1	784		$ 469,990	0.5980%	$ 610.75	$ 52.25	$ 338.49	$ 655.83	$ 663.00	$ 949.24	$ 3,504.43
A	4N	1/1	784		$ 479,990	0.6009%	$ 613.79	$ 53.36	$ 345.69	$ 669.79	$ 667.15	$ 959.48	$ 3,521.86
A	5N	1/1	784		$ 489,990	0.6039%	$ 616.83	$ 54.47	$ 352.89	$ 683.74	$ 671.30	$ 969.72	$ 3,539.30
A	6N	1/1	784		$ 499,990	0.6069%	$ 619.87	$ 55.58	$ 360.10	$ 697.69	$ 675.45	$ 979.96	$ 3,556.73
A	2P	2/2	1,087	681	$ 771,990	0.9541%	$ 974.55	$ 85.82	$ 555.99	$ 1,077.25	$ 1,060.37	$ 1,530.54	$ 5,591.86
A	3P	2/2	1,087		$ 716,990	0.8291%	$ 846.80	$ 79.71	$ 516.38	$ 1,000.50	$ 926.50	$ 1,363.18	$ 4,858.82
A	4P	2/2	1,087		$ 728,990	0.8332%	$ 851.01	$ 81.04	$ 525.02	$ 1,017.25	$ 932.05	$ 1,376.03	$ 4,882.99
A	5P	2/2	1,087		$ 740,990	0.8373%	$ 855.22	$ 82.38	$ 533.67	$ 1,033.99	$ 937.60	$ 1,388.89	$ 4,907.16
A	6P	2/2	1,087		$ 752,990	0.8414%	$ 859.43	$ 83.71	$ 542.31	$ 1,050.74	$ 943.15	$ 1,401.74	$ 4,931.33
A	2Q	2/2	1,103	1,701	$ 771,990	1.1598%	$ 1,184.62	$ 85.82	$ 555.99	$ 1,077.25	$ 1,270.44	$ 1,740.61	$ 6,797.19
A	3Q	2/2	1,103		$ 716,990	0.8413%	$ 859.26	$ 79.71	$ 516.38	$ 1,000.50	$ 938.97	$ 1,375.64	$ 4,930.33
A	4Q	2/2	1,103		$ 728,990	0.8454%	$ 863.53	$ 81.04	$ 525.02	$ 1,017.25	$ 944.58	$ 1,388.56	$ 4,954.86
A	5Q	2/2	1,103		$ 740,990	0.8496%	$ 867.81	$ 82.38	$ 533.67	$ 1,033.99	$ 950.19	$ 1,401.48	$ 4,979.39
A	6Q	2/2	1,103		$ 752,990	0.8538%	$ 872.08	$ 83.71	$ 542.31	$ 1,050.74	$ 955.80	$ 1,414.39	$ 5,003.92
A	2R	2/2	1,093	1,736	$ 771,990	1.1589%	$ 1,183.65	$ 85.82	$ 555.99	$ 1,077.25	$ 1,269.47	$ 1,739.64	$ 6,791.63
A	3R	2/2	1,093		$ 716,990	0.8336%	$ 851.47	$ 79.71	$ 516.38	$ 1,000.50	$ 931.18	$ 1,367.85	$ 4,885.63
A	4R	2/2	1,093		$ 728,990	0.8378%	$ 855.71	$ 81.04	$ 525.02	$ 1,017.25	$ 936.75	$ 1,380.73	$ 4,909.94
A	5R	2/2	1,093		$ 740,990	0.8419%	$ 859.94	$ 82.38	$ 533.67	$ 1,033.99	$ 942.32	$ 1,393.61	$ 4,934.25
A	6R	2/2	1,093		$ 752,990	0.8461%	$ 864.18	$ 83.71	$ 542.31	$ 1,050.74	$ 947.89	$ 1,406.49	$ 4,958.55
B	1A	3/2	1,438	470	$ 965,990	1.1805%	$ 1,205.74	$ 107.39	$ 695.71	$ 1,347.96	$ 1,313.13	$ 1,901.45	$ 6,918.39
B	2A	1/1	754		$ 525,990	0.5751%	$ 587.38	$ 58.48	$ 378.82	$ 733.98	$ 645.86	$ 966.20	$ 3,370.33
B	3A	1/1	754		$ 541,990	0.5779%	$ 590.30	$ 60.25	$ 390.35	$ 756.30	$ 650.56	$ 980.65	$ 3,387.10
B	4A	1/1	754		$ 557,990	0.5808%	$ 593.23	$ 62.03	$ 401.87	$ 778.63	$ 655.26	$ 995.10	$ 3,403.86
B	5A	2/2	1,076	470	$ 952,990	0.9239%	$ 943.64	$ 105.95	$ 686.35	$ 1,329.82	$ 1,049.58	$ 1,629.99	$ 5,414.49
B	1B	3/2	1,498	734	$ 980,990	1.2761%	$ 1,303.41	$ 109.06	$ 706.52	$ 1,368.89	$ 1,412.46	$ 2,009.92	$ 7,478.80

The accompanying notes should be read in conjunction with this schedule.

RM indicates Resident Manager's Unit

SCHEDULE A

5TH STREET LOFT
5-09 48TH AVENUE
LONG ISLAND CITY, NY

OFFERING PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION JANUARY 1, 2008- DECEMBER 31, 2008 (1)

BUILDING	UNIT	NUMBER BEDROOMS/ BATHS	APPROXIMATE UNIT SQ. FOOTAGE	APPROXIMATE EXTERIOR SQ. FOOTAGE	OFFERING PRICE	(4) GENERAL COMMON INTEREST	(5) PROJECTED MONTHLY COMMON CHARGES	(6) PROJECTED MONTHLY RE TAXES W/ 421-A	(6) PROJECTED MONTHLY RE TAXES W/O 421-A	(6) PROJECTED MONTHLY RE TAXES FOR SECOND YEAR W/O 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/ 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/O 421-A	(7) PROJECTED SHARE OF PURCHASE PRICE FOR RESIDENT MANAGER'S UNIT
B	2B	2/2	1,185		$ 865,990	0.9038%	$ 923.14	$ 96.27	$ 623.69	$ 1,208.42	$ 1,019.41	$ 1,546.83	$ 5,296.87
B	3B	2/2	1,207		$ 881,990	0.9252%	$ 944.96	$ 98.05	$ 635.22	$ 1,230.74	$ 1,043.01	$ 1,580.17	$ 5,422.05
B	4B	2/2	1,207		$ 897,990	0.9297%	$ 949.63	$ 99.83	$ 646.74	$ 1,253.07	$ 1,049.47	$ 1,596.37	$ 5,448.89
B	5B	2/2	1,062	553	$ 942,990	0.9291%	$ 948.97	$ 104.83	$ 679.15	$ 1,315.86	$ 1,053.81	$ 1,628.12	$ 5,445.11
B	2C	0/1	555		$ 365,990	0.4233%	$ 432.36	$ 40.69	$ 263.59	$ 510.71	$ 473.04	$ 695.95	$ 2,480.81
B	3C	0/1	555		$ 379,990	0.4254%	$ 434.51	$ 42.24	$ 273.67	$ 530.24	$ 476.75	$ 708.18	$ 2,493.15
B	4C	0/1	555		$ 393,990	0.4275%	$ 436.66	$ 43.80	$ 283.75	$ 549.78	$ 480.46	$ 720.41	$ 2,505.50
B	2D	1/1	732		$ 499,990	0.5583%	$ 570.24	$ 55.58	$ 360.10	$ 697.69	$ 625.83	$ 930.34	$ 3,271.99
B	3D	1/1	732		$ 511,990	0.5611%	$ 573.08	$ 56.92	$ 368.74	$ 714.44	$ 630.00	$ 941.82	$ 3,288.27
B	4D	1/1	732		$ 523,990	0.5639%	$ 575.92	$ 58.25	$ 377.38	$ 731.18	$ 634.17	$ 953.30	$ 3,304.55
B	RC1	-	388		$ 60,000	0.1472%	$ 150.38	$ 7.86	$ 50.83	$ 98.53	$ 158.24	$ 201.21	$ 862.85
B	RC2	-	566		$ 60,000	0.2148%	$ 219.37	$ 7.86	$ 50.83	$ 98.53	$ 227.23	$ 270.20	$ 1,258.70
B	RC3	-	551		$ 60,000	0.2091%	$ 213.55	$ 7.86	$ 50.83	$ 98.53	$ 221.41	$ 264.39	$ 1,225.34
RES. TOTAL			113,450	23,719	$ 81,837,150	91.2315%	$ 92,595.08	$ 9,042.50	$ 58,580.00	$ 113,500.00	$ 101,637.58	$ 151,175.08	$ 531,300.00
A	P1	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P2	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P3	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P4	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P5	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P6	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P7	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P8	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P9	-	386		$ 40,000	0.1471%	$ 45.62	5.85	38.01	73.42	$ 51.47	$ 83.63	$ -
A	P10	-	386		$ 40,000	0.1471%	$ 45.62	5.85	38.01	73.42	$ 51.47	$ 83.63	$ -
A	P11	-	386		$ 40,000	0.1471%	$ 45.62	5.85	38.01	73.42	$ 51.47	$ 83.63	$ -
A	P12	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P13	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -

The accompanying notes should be read in conjunction with this schedule.

RM indicates Resident Manager's Unit

SCHEDULE A

5TH STREET LOFT
5-09 48TH AVENUE
LONG ISLAND CITY, NY

OFFERING PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION JANUARY 1, 2008- DECEMBER 31, 2008 (1)

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A	P14	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P15	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P16	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P17	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P18	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P19	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P20	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P21	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P22	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P23	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P24	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P25	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P26	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P27	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P28	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P29	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P30	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P31	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P32	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P33	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P34	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -

The accompanying notes should be read in conjunction with this schedule.

RM indicates Resident Manager's Unit

SCHEDULE A

5TH STREET LOFT
5-09 48TH AVENUE
LONG ISLAND CITY, NY

OFFERING PRICES AND RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION JANUARY 1, 2008- DECEMBER 31, 2008 (1)

BUILDING	UNIT	NUMBER BEDROOMS/ BATHS	APPROXIMATE UNIT SQ. FOOTAGE	APPROXIMATE EXTERIOR SQ. FOOTAGE	OFFERING PRICE	(4) GENERAL COMMON INTEREST	(5) PROJECTED MONTHLY COMMON CHARGES	(6) PROJECTED MONTHLY RE TAXES W/ 421-A	(6) PROJECTED MONTHLY RE TAXES W/O 421-A	(6) PROJECTED MONTHLY RE TAXES FOR SECOND YEAR W/O 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/ 421-A	(6) PROJECTED TOTAL MONTHLY CARRYING CHARGES W/O 421-A	(7) PROJECTED SHARE OF PURCHASE PRICE FOR RESIDENT MANAGER'S UNIT
A	P35	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P36	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P37	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P38	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P39	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P40	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P41	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P42	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P43	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P44	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P45	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P46	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P47	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P48	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P49	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P50	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P51	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P52	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P53	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P54	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P55	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P56	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P57	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P58	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
A	P59	-	386		$ 40,000	0.1487%	$ 45.77	5.85	38.01	73.42	$ 51.62	$ 83.78	$ -
PARKING TOTAL			22,770		$ 2,360,000	8.7685%	$ 2,700.00	$ 345.08	$ 2,242.58	$ 4,331.92	$ 3,045.32	$ 4,942.82	$ -
GRAND TOTAL			136,220	23,719	$ 84,197,150	100.0000%	$ 95,295.08	$ 9,387.58	$ 60,822.58	$ 117,831.92	$ 104,682.90	$ 156,117.90	$ 531,300.00

The accompanying notes should be read in conjunction with this schedule.

RM indicates Resident Manager's Unit

SCHEDULE C

Certain Definitions

For convenience of presentation, general definitions of certain of the terms used in the Declaration or the By-Laws are set forth below, but are subject in most cases to the more particular definitions of such terms as set forth in the Declaration and By-Laws:

Board of Managers; Board; Condominium Board; Board: The Board of Managers of the Condominium, as created by the By-Laws to govern the affairs of the Condominium.

Building A: The building to be constructed on the land located at 5-09 48th Avenue, Long Island City, NY in which is located the Units of the Condominium substantially in accordance with the Plans to be filed with the New York City Department of Buildings.

Building B: The building to be constructed on the land located at 5-26 47th Road, Long Island City, NY in which is located the Units of the Condominium substantially in accordance with the Plans to be filed with the New York City Department of Buildings.

Buildings: The buildings collectively known as Building A and Building B.

By-Laws: The By-Laws governing the operation of the Condominium, the form of which is set forth in Part II of the Plan as Exhibit H.

Cabana Unit: Any Unit designated as a Cabana Unit in the Declaration and shall be known as Cabana Units.

City Register's Office: The New York County office of the Register of the City of New York.

Common Charges: Assessments payable to the Condominium Board by the Unit Owners for the purpose of meeting Common Expenses.

Common Elements: As defined in the Declaration and/or the Floor Plans.

Common Expenses: The costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements.

Common Interest: The proportionate interest, expressed as a numerical percentage, of each Unit Owner in the Common Elements, as determined in accordance with the Declaration. The total of all Common Interests of all Unit Owners equals one hundred (100%) percent. The Common Interests are the basis for determining, among other things, each Unit Owner's (a) voting power, (b) liability for Common Expenses and (c) share of any distributions upon termination of the Condominium.

Condominium: 5th Street Lofts Condominium, the condominium created by the filing and recording of the Declaration. The Condominium is sometimes hereafter referred to as "5th Street Lofts Condominium."

Declaration: The instrument creating the Condominium, the form of which is set forth in Part II of the Plan as Exhibit G.

First Unit Closing: The first closing of title with a bonafide Purchaser of a Unit.

Floor Plans: The floor plans of the Building to be filed with the City Register's Office simultaneously with the recording of the Declaration, and any subsequent amendments thereto, copies of which are set forth in Part II of the Plan as Exhibit E.

Handicapped Parking Unit: Any Unit designated as a Handicapped Parking Unit in the Declaration and shall be known as Handicapped Parking Units.

Initial Control Period: The period ending on the earlier of: (i) the closing of title to at least 80% in Common Interest of all Units (excluding Units purchased or retained by Sponsor or its successor), or (ii) five years after the date of the First Unit Closing.

Land: The land located at 5-09 48th Avenue, Long Island City, NY and 5-26 47th Road, Long Island City, NY and more particularly described in the Declaration.

Limited Common Elements: The general term used to refer to a Common Element appurtenant to a particular Unit or Units, the use of which is restricted to owner(s) of such Unit or Units or which is so designated on the Floor Plans and/or in the Declaration.

Managing Agent: Penmark Realty Corp., a New York corporation, having an office at 5 East 86th Street, New York, NY 10028.

Offering Plan or Plan: The document, as may be amended from time to time, filed with the New York State Department of Law which describes the Property and pursuant to which individual Units in the Condominium are offered for sale.

Parking Unit(s): Any Unit designated as a Parking Unit in the Declaration and shall be known as Parking Units.

Property: The Land, the Building and the appurtenances thereto.

Purchase Agreement: The agreement to purchase a Unit pursuant to the Plan, the general form of which is set forth in Part II of the Plan as Exhibit A.

Purchaser: A purchaser of a Unit under a Purchase Agreement.

Residential Common Interest: The proportionate interest, expressed as a numerical percentage, of each Residential Unit Owner in the Residential Limited Common Elements, as determined in accordance with the Declaration. The total of all Residential Limited Common Interests of all Residential Unit Owners equals one hundred (100%) percent. The Residential Common Interests are the basis for determining, among other things, each Residential Unit Owner's (a) voting power with respect to the Residential Limited Common Elements and (b) liability for Common Expenses with respect to the Residential Limited Common Elements.

Residential Limited Common Elements or Residential Common Elements: The general term used to refer to those Common Elements which are so designated in the Floor Plans and/or in the Declaration.

Residential Unit(s): Any Unit designated as a Residential Unit in the Declaration and shall be known as Residential Units.

Selling Agent: Halstead Property Development Marketing, LLC, a New York limited liability company, having an office at 831 Broadway, New York, NY 10003 in its capacity as selling agent under this Plan.

Sponsor: 5-01 – 5-17 48th Avenue, LLC, a limited liability company having an office at 16 Court Street, Suite 2403, Brooklyn, New York 11201.

Sponsor Control Period: The period during which Sponsor will control the Board of Managers of the Condominium which shall last until 80 percent of the Units are sold or the fifth anniversary on the First Unit Closing, whichever is sooner.

Superintendent's Unit(s): Any Unit designated as the Superintendent's Unit in the Declaration and shall be known as the Superintendent's Units.

Terrace(s): Any terrace or balcony appurtenant to and made a part of certain Residential Units.

Unit; Units: Any space designated as a unit in the Declaration, specifically any unit designated as a Unit in the Declaration. All of such units are collectively called the "Units."

Unit Owner: Unit Owners: An owner of any Unit. All of such owners are collectively called the "Unit Owners."

Unsold Units: Any Units owned by Sponsor or its successor.

All other capitalized terms in the Declaration or the By-Laws shall have the meanings ascribed to them in the By-Laws or in the Declaration, as the case may be.

EXHIBIT H

BY-LAWS OF

5TH STREET LOFTS CONDOMINIUM

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BY-LAWS OF 5TH STREET LOFTS CONDOMINIUM

ARTICLE 1

GENERAL

1.1. Purpose. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of 5th Street Lofts Condominium (the "Condominium"). The Condominium covers the property (the "Property") consisting of approximately 34,982 square feet of land (the "Land") located on Lot 16 which forms a part of Block 30 on the Tax Map of the Borough of Queens, County of Queens and State of New York, the building and other improvements now or hereafter to be constructed thereon (hereinafter collectively called the "Building"), including, without limitation, the Units, the Limited Common Elements and the Common Elements, all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which have been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the recording of a Declaration (which, as the same may be amended from time to time, is herein called the "Declaration") in the New York County office of the Register of The City of New York ("City Register's Office"), together with these By-Laws. All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration.

1.2. Applicability of By-Laws. These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units and employees and guests of Unit Owners, as well as all other persons who may use the facilities of the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations (as hereinafter defined). The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations and the Declaration are accepted, ratified, and will be complied with.

1.3. Principal Office of Condominium The principal office of the Condominium shall be located within the Property or at such other place within the Borough of Queens reasonably convenient thereto, as may be designated from time to time by the Condominium Board (as hereinafter defined).

ARTICLE 2

BOARD OF MANAGERS

2.1. Number, Term and Qualification.

2.1.1. As more particularly set forth in Section 2.2, the affairs of the Condominium shall be governed by a board of managers of the Condominium (the "Condominium Board" or the "Board" or the "Board of Managers") which shall be comprised of representatives of the Unit Owners. From and after the holding of the first annual meeting of Unit Owners, the Condominium Board shall consist of five persons elected by the Unit Owners.

2.1.2. Each Board Member elected by the Unit Owners shall serve for a two year term. Except at the first annual meeting (at which meeting the Unit Owners shall elect five managers), two managers shall be elected at elections held in years ending with an even number and the other two managers shall be elected in years ending with an odd number provided, however, this provision shall not apply to managers appointed by Sponsor or its successor. At all annual meetings of Unit Owners, Sponsor and/or its designee shall be entitled to vote for both Sponsor and non-Sponsor nominees for election to the Condominium Board in accordance with Sponsor's and/or its designee's ownership of Units and the number of votes attributable to such Units. In addition, while Sponsor and/or its designee owns Units representing at least 20% in Common Interest, Sponsor and/or its designee shall have the right, but not the obligation, to appoint a majority of the Board of Managers. However, after the earlier of conveyance of title by Sponsor to Units representing more than 80% of the Common Interest or the fifth (5th) annual anniversary of the First Unit Closing, Sponsor will not have the right to appoint a majority of the Board of Managers even if Sponsor's Common Interest or any provisions of these By-laws would otherwise allow Sponsor to do so. Accordingly, if upon the earlier to occur of the two foregoing dates Sponsor's appointees to the Board of Managers constitute a majority of the Board of Managers, then Sponsor shall cause a special meeting of Unit Owners to be called within approximately thirty (30) days after that date to elect replacement Board members for the Sponsor-appointees. In addition to the foregoing, so long as Sponsor and/or its designee shall continue collectively to own (i) Units representing less than 20% but at least 10% in Common Interest, Sponsor shall have the right to appoint two (2) members of the Board of Managers and (ii) Units representing less than 10% in Common Interest but at least one Unit, Sponsor and/or its designee shall have the right to appoint one (1) member of the Board of Managers. Notwithstanding anything in these By-laws to the contrary, whenever Sponsor shall have the right to designate more than one member of the Board, Sponsor may appoint one individual to serve on the Condominium Board and that person shall have the same rights and votes as would have been available to Sponsor had Sponsor appointed two separate Board members. So long as Sponsor and/or its designee continues to own at least one Unit, the number of members of the Board of Managers may not be changed without the prior consent of Sponsor and/or its designee. If a member of the Board of Managers ceases to meet the qualifications for membership set forth in the previous paragraph, he or she shall be deemed to have resigned from the Condominium Board effective as of the date such ownership, stock ownership, partnership, mortgage or other qualifying interest ceased. So long as the Sponsor owns at least one (1) Unit, Sponsor may designate one manager of the Board of Managers to serve in one of the three manager positions allocated to the Units. Any person who wishes to serve as a member of the Condominium Board or wishes to nominate a person to serve as a member of the Condominium Board (other than those persons designated by Sponsor or its successor) shall give written notice to the managing agent of the Condominium no less than fourteen days prior to the annual meeting at which such election is being held. There shall be no limit on the number of successive terms a Board member may serve.

2.1.3. Except for Board members elected or designated by Sponsor or its successor, all members of the Condominium Board shall be either resident Unit Owners or officers, directors, shareholders, partners, members, principals, employees or beneficiaries of

corporations, partnerships, limited liability companies, fiduciaries or any other entities which are resident Unit Owners, Permitted Mortgagees (as such term is defined as Section 7.1 hereof), or family members (including domestic partners) of any of the foregoing. Other than Board members elected or designated by Sponsor or its successor, no Board member shall continue to serve after he ceases to be qualified as set forth above.

2.2. Powers and Duties.

2.2.1. The Condominium Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by law, the Declaration or these By-Laws may not be delegated to the Condominium Board by the Unit Owners).

All determinations with respect to the administration of the affairs of the Condominium shall be made by the Condominium Board. The Condominium Board will provide each Unit Owner annually with the following: (i) a financial statement of the Condominium prepared by a certified public accountant will be mailed to all Unit Owners within six (6) months after the end of each fiscal year; (ii) prior notice of Unit Owner meetings and (iii) a copy of the proposed annual budget of the Condominium will be sent to the Unit Owners by mail not less than ten (10) days prior to the date set for adoption thereof. During the Sponsor Control Period, the proposed annual budget shall be certified by an independent public accountant.

2.2.2. Subject to the provisions of subsection 2.2.1 and without limiting the generality thereof, the Condominium Board shall be entitled to make determinations with respect to the following matters:

2.2.2.1. Operation, care, upkeep, maintenance, repair or replacement of the Common Elements, except to the extent that certain Unit Owners are responsible for certain Common Elements designated for their exclusive use, as set forth in the Declaration and in Section 6.9 hereof.

2.2.2.2. Determination and collection of Common Charges (as hereinafter defined).

2.2.2.3. Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements.

2.2.2.4. Adoption of, and amendments and additions to, the Rules and Regulations (as hereinafter defined).

2.2.2.5. Maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating the signatories required therefore.

2.2.2.6. Obtaining and reviewing insurance of the Property, including the Units, pursuant to the provisions of Section 6.2.

2.2.2.7. Making repairs, restorations, additions and improvements to, or alterations of, the Common Elements, except to the extent that certain Unit Owners are responsible for certain Common Elements designated for their exclusive use, as set forth in the Declaration and in Section 6.9 hereof.

2.2.2.8. Levying fines against Unit Owners for violations of the Rules and Regulations (any such fines shall constitute Common Charges payable by the Owner of the Unit against which they are levied).

2.2.2.9. Adjusting and settling insurance claims and executing and delivering releases in connection therewith, as set forth in Section 6.2.

2.2.2.10. Borrow money on behalf of the Condominium and all Unit Owners when required for major and minor maintenance repairs, additions, improvements, replacements, working capital, bad debt and unpaid common expenses, depreciation, obsolescence and similar purposes. Such debt may be incurred no earlier than the fifth anniversary of the first conveyance of a Unit and the consent of a majority in interest of Unit Owners must be obtained. In order to secure such loans, the Board of Managers may (a) assign the rights to receive future income and common charges that it will be entitled to collect from Unit Owners; (b) create a security interest in, assign, pledge, mortgage or otherwise encumber funds or other real or personal property that it holds; (c) agree that to the extent of any amounts due under any of the provisions of the agreements under which the debt was incurred and subject to the provisions of Real Property Law § 339.1(2) all common charges received and to be received by it, and the right to receive such funds shall constitute trust funds for the purpose of paying such debt and the same shall be expended for such purpose before expending any part of the same for any other purpose; and (d) agree that at the lender's direction it will increase common charges to the extent necessary to pay any amounts when due under any of the provisions of the agreements under which the debt was incurred.

2.2.2.11. Collection of Common Charges from Unit Owners.

2.2.2.12. Enforcing obligations of Unit Owners.

2.2.2.13. Subject to the provisions of these By-Laws and the Declaration, execution, acknowledgment and delivery of (i) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of 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 Building, or (ii) any consent, covenant, restriction, easement or declaration affecting the Property which the Board deems necessary or appropriate.

2.2.2.14. Prepare, execute 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, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws.

2.2.2.15. Accepting the surrender of any Unit in the name of the Condominium Board or its designee, on behalf of all Unit Owners.

2.2.2.16. Purchasing, leasing or otherwise acquiring in the name of Condominium Board or its designee, on behalf of all Unit Owners, Units offered for sale or lease by their owners.

2.2.2.17. Purchasing any Unit, at foreclosure or other similar sale, in the name of the Condominium Board or its designee, on behalf of all Unit Owners.

2.2.2.18. Organizing corporations to act as designees of the Condominium Board with respect to such matters as the Condominium Board may determine, including, without limitation, in connection with the acquisition of title to any Unit and/ , by the Condominium Board on behalf of all Unit Owners.

2.2.2.19. Selling, leasing, mortgaging or otherwise dealing with (but not voting the interest appurtenant to) any Unit if acquired by the Condominium Board or its designee, on behalf of all Unit Owners.

2.2.2.20. Making repairs and restorations of the Common Elements, Limited Common Elements and Residential Limited Common Elements or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings.

2.2.2.21. Any act with respect to a matter determinable by the Condominium Board and deemed necessary or desirable by the Condominium Board in connection therewith shall be done or performed by the Condominium Board or shall be done on its behalf and at its direction by the agents, employees or designees of the Condominium Board.

2.2.2.22. Notwithstanding anything to the contrary contained in these By-Laws, so long as Sponsor or its successor owns or controls any Unit (but only for a maximum period of five years from the date of the first closing of title to a Unit under a Purchase Agreement pursuant to the Offering Plan as hereinafter defined), the Condominium Board may not, without Sponsor's prior written consent: (i) make any addition, alteration or improvement to the Common Elements (unless required by law); (ii) assess any Common Charges or assessments for the creation of, addition to, or replacement of, all or part of any reserve, contingency or surplus provided for in Schedule B of the Condominium Offering Plan for the premises located at 5-09 48th Avenue and 5-26 47th Road, Queens, New York, as the same has been and may from time to time be amended (the "Offering Plan"); (iii) hire any additional employee or engage any independent contractor to provide services to the Condominium on a continuing basis; (iv) enter into any service or maintenance contract for work not covered in Schedule B of the Offering Plan, or otherwise provide services in excess of those contemplated by Schedule B or elsewhere in the Offering Plan; or (v) borrow money on behalf of the Condominium. Sponsor may not exercise veto powers over expenses described in Schedule B or over expenses required: (i) to comply with applicable laws or regulations; (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer.

2.2.2.23 Executing, acknowledging and delivering any applications or other instruments necessary to commence, compromise, settle or pursue certiorari proceedings to obtain reduced real estate tax assessments with respect to the Units.

2.3. Managing Agent and Manager The Condominium Board shall, with respect to decisions on matters which the Condominium Board is entitled to make, employ a managing agent and/or a manager at a compensation established by the Condominium Board, to perform such duties and services as the Condominium Board shall authorize including, but not limited to, the duties listed in subsections 2.1, 2.2, 2.3, 2.6, 2.7, 2.11 and 2.20. The Condominium Board may also delegate to such managing agent or

manager other powers granted to it by these By-Laws, except the powers set forth in subsections 2.2, 2.4, 2.5, 2.8, 2.9, 2.10 and 2.19.

2.4. First Board Until the first annual meeting of Unit Owners, the Condominium Board shall consist of three persons designated by Sponsor, from time to time. Within 120 days after the recording of the Declaration in the City Register's Office, such first Board shall call the first annual meeting of Unit Owners in accordance with the provisions of Section 3.1.

2.5. Removal Subject to the provisions of Section 2.4 and subsection 3.9.3, any Board member may, be removed, with or without cause, by a vote of Unit Owners present in person or by proxy at a regular or special meeting of Unit Owners at which a quorum is present and any Board member designated as such by Sponsor may be removed, only for cause, by a vote of all Unit Owners, present in person or by proxy at a meeting of all Unit Owners at which a quorum is present. Any Board member whose removal has been proposed shall be given an opportunity to be heard at the meeting.

2.6. Vacancies Subject to the provisions of Section 2.4 and subsection 3.9.3, any vacancy on the Condominium Board for whatever reason shall be filled by the members of the Condominium Board then in office, at a special meeting of the Condominium Board held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Condominium Board for the remainder of the term of the member creating such vacancy and until a successor shall be elected at the next annual meeting of Unit Owners.

2.7. Organization Meeting of Condominium Board. The first meeting of the Condominium Board following each annual meeting of Unit Owners shall be held within ten days after such annual meeting at such time and place in the Borough of Queens as shall be fixed by a majority of the members thereof, and no notice shall be necessary to the newly elected Board members in order to legally constitute such meeting, provided that a majority of the members of the Condominium Board shall be present thereat.

2.8. Regular Meetings of Condominium Board Regular meetings of the Condominium Board may be held at such time and place in the Borough of Queens as shall be determined from time to time by a majority of the members thereof, provided that at least four such meetings shall be held during each fiscal year. Notice of regular meetings shall be given to each member thereof, by personal delivery, mail or telegram, at least five business days prior to the day named for such meeting.

2.9. Special Meetings of Condominium Board Special meetings of the Condominium Board maybe called by the President or Vice President of the Condominium by giving five business days' prior notice to each member of the Condominium Board, by personal delivery, mail or telegram, which notice shall state the time, place (in the Borough of Queens) and purpose of the meeting. Special meetings of the Condominium Board shall be called by the President or Vice President of the Condominium in like manner and on like notice on the written request of at least two members of the Condominium Board.

2.10. Waiver of Notice Any Board member may at any time waive notice of any Board meeting in writing and such waiver shall be deemed equivalent to the giving of such

notice. Attendance by a member of the Condominium Board at any meeting thereof shall constitute a waiver of notice by him of the time and place thereof. If all the members are present at any meeting of the Condominium Board, no notice shall be required and any business may be transacted at such meeting.

2.11. Determinations by Condominium Board; Quorum

2.11.1. Except as otherwise set forth in 2.11.3, all determinations of the Condominium Board shall be made at a meeting of the Condominium Board at which a quorum thereof is present. At any such Board meeting, a majority of the members thereof shall constitute a quorum and the votes of a majority of such members present shall constitute the decision of the Condominium Board.

2.11.2. If at any Board meeting there is 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 which might have been transacted at the meeting originally called may be transacted without further notice.

2.11.3. Members of the Condominium Board may participate in a meeting thereof by means of a conference telephone or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the Condominium Board may be taken without a meeting if all members of the Condominium Board consent thereto in writing.

2.12. Compensation No member of the Condominium Board shall receive any compensation for acting as such.

2.13. Liability of Condominium Board and Unit Owners To the extent permitted by applicable law, no member of the Condominium Board shall have any personal liability with respect to any contract, act or omission of the Condominium Board or of any managing agent or manager in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Condominium Board or by any managing agent or manager thereof shall state that it is made by the Condominium Board, managing agent or manager only as agent for all Unit Owners, that such Board members or managing agent or manager shall have no personal liability thereon (except in their capacities as Unit Owners) and shall also state the applicable limitations of liability of Unit Owners provided for in the next sentence. The liability of any Unit Owner with respect to any contract, act or omission with respect to the Condominium shall be limited to such proportionate share of the total liability as the interest of such Unit Owner bears to the aggregate common interests of all Unit Owners and, unless expressly stated to the contrary in such contract (as determined by the Condominium Board in its sole and absolute discretion), to the extent permitted by applicable law, shall be limited to such Unit Owner's interest in his Unit and his appurtenant interest in the Common Elements so that such Unit Owner shall have no personal liability for such contract, act or omission. Nothing in the preceding sentence shall limit a Unit Owner's liability for his payment of Common Charges. Any such contract or agreement may also provide that it covers the assets, if any, of the

Condominium Board. Board members shall have no liability to Unit Owners for errors of judgment, negligence or otherwise, except that a Condominium Board member shall be liable for his own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant interests in the Common Elements, indemnify each Board member against any liability or claim except those arising out of his own bad faith or willful misconduct. The Condominium Board may contract or effect any other transaction with any Board member, any Unit Owner, Sponsor or any affiliate of any of them without, except in cases of bad faith or willful misconduct, incurring any liability for self-dealing. Wherever in this Plan the Condominium Board's consent or approval is required, if Condominium Board shall refuse such consent or approval, the Unit Owners in no event shall be entitled to make, nor shall any Unit Owner make, any claim, and each Unit Owner hereby waives any claim, for money damages (nor shall any Unit Owner claim any money damages by way of set-off, counterclaim or defense) based upon any claim or assertion by a Unit Owner that the Condominium Board unreasonably withheld or unreasonably delayed its consent or approval. The Unit Owner's sole remedy shall be an action or proceeding to enforce any such provision, for specific performance, injunction or declaratory judgment.

2.14. Fidelity Bonds: The Condominium Board may obtain fidelity bonds in amounts deemed appropriate by it for all of its members, officers and employees and of the managing agent or manager, if any, employed by it and the premiums on such bonds shall constitute Common Expenses.

2.15. Committees: The Condominium Board may, subject to such limitations and exceptions as the Condominium Board may prescribe, appoint an Executive Committee and such other committees as the Condominium Board may deem appropriate, each to consist of three or more members of the Condominium Board. Each such committee, to the extent provided in the resolution which creates it, shall have and may exercise all the powers of the Condominium Board during the intervals between the meetings of the Condominium Board insofar as may be permitted by law.

2.16. Principal Office of Condominium Board: The principal office of the Condominium Board shall be located within the Property or at such other place in the Borough of Queens reasonably convenient thereto, as may be designated from time to time by the Condominium Board.

2.17. Status of Condominium Board: In addition to the status conferred upon the Condominium Board under or pursuant to the provisions of the New York Condominium Act, the Condominium Board shall, to the extent permitted by applicable law, be deemed to constitute a separate unincorporated association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation of the Condominium Board pursuant to the provisions of Section 2.18, the provisions of this Section 2.17 shall no longer be applicable.

2.18. Incorporation of Condominium Board: To the extent and in the manner provided in the New York Condominium Act, the Condominium Board may, as provided in this Article 2, be incorporated under the applicable statutes of the State of New York. In the event that the Condominium Board so incorporates it shall have, to the extent permitted by applicable law, the status conferred upon it under such statutes in addition to the status

conferred upon the Condominium Board under or pursuant to the provisions of the New York Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the provisions of the Declaration and these By-Laws and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions thereof and the provisions of such certificate of incorporation and by-laws.

2.19. Condominium Board as Agent of Unit Owners: 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 provisions of the Declaration and these By-Laws.

ARTICLE 3

UNIT OWNERS

3.1. Annual Meetings On a date not later than 120 days after the First Unit Closing, the first annual meeting of Unit Owners shall be held. At such meeting, the incumbent Board shall resign and a new Board shall be elected (as provided herein) consisting of five members who shall be elected by the Unit Owners. Thereafter, annual meetings of Unit Owners shall be held in May of each succeeding year. Unit Owners shall receive no less than 30 days written notice of such annual meetings. At each annual meeting, the Unit Owners shall elect the two members of the Condominium Board who shall each serve for a two year term. One member of the Condominium Board shall be elected by the Unit Owners in alternating years to serve for a two year term. There shall also be transacted such other business as may properly come before such meeting. Written notices of persons who intend to run for election to the Board of Managers shall be delivered to the Managing Agent by such person or the persons who wish to nominate such persons no less than fourteen days prior to the annual meeting of Unit Owners.

3.2. Place of Meetings: Meetings of Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the Borough of Queens, as may be designated by the Condominium Board.

3.3. Special Meetings: The President of the Condominium 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 Condominium by not less than 20% in common interest of Unit Owners.

3.4. Notice of Meetings: Notice of each annual or special meeting shall be given by the Secretary of the Condominium to all Unit Owners of record entitled to vote thereat. Each such notice shall state the purposes of the meeting 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 shall be given by personal delivery, mail or telegram, at least five 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 Secretary at least ten days prior to the giving of notice of the applicable meeting.

3.5. 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 48 hours from the time fixed for the original meeting.

3.6. 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 the Condominium Board;

(f) Reports of committees;

(g) Election of inspectors of election (when so required);

(h) Election of members of the Condominium Board (when so required);

(i) Unfinished business; and

(j) New business.

3.7. Title to Units: Title to Units and the Appurtenant Interests may be taken by any individual, corporation, partnership, limited liability company, association, trust or other entity, or any two 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.

3.8. Voting:

3.8.1. Each Unit Owner or a person designated by such Unit Owner to act as proxy on his behalf (who need not be a Unit Owner) shall be entitled to cast the votes appurtenant to such Unit at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary of the Condominium and shall be revocable at any time by written notice to such Secretary by the Unit Owner so designating. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. Neither the Condominium Board nor its designee shall be entitled to vote the interest appurtenant to any Unit owned by the Condominium Board and the common interest of such Unit shall be excluded from the total of interests ("Common Interests") in the Common Elements when computing the interest of Unit Owners for voting purposes.

3.8.2. Except as set forth in Section 3.9, at all meetings of Unit Owners each Unit Owner (or his proxy) entitled to vote thereat (including Sponsor with respect to Units owned by Sponsor or its designee) shall be entitled to cast one vote for each .001 percent of Common Interest attributable to his or its Unit.

3.9. Election of Condominium Board: Rights of Sponsor

3.9.1. All elections of Board members shall be determined by plurality vote.

3.9.2. When voting for members of the Condominium Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting and the percentage of Common Interest 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.

3.9.3. Notwithstanding anything in this Section 3.9 or these By-Laws to the contrary, so long as Sponsor or its designee owns at least one Unsold Unit, and whenever there is a vacancy on the Condominium Board, Sponsor shall have the right to designate, prior to the election of members of the Condominium Board at the annual meeting of Unit Owners, and whenever there is a vacancy on the Condominium Board, a sufficient number of Board members so that Sponsor or its designee shall have designated the following number of Board members at any one time: (a) two (2) members, if Sponsor owns less than eighty (80%) percent in Common Interest of all Units; and (b) three (3) members, if Sponsor owns eighty (80%) percent or more in Common Interest of all Units before the fifth anniversary of the First Unit Closing. The number of Board members may not be increased without the Sponsor's or its designee's prior written approval. Any vacancy created by removal or by any other cause of the Condominium Board member designated by Sponsor shall be filled by a member designated by Sponsor.

3.10. Majority of Unit Owners: Except as may otherwise be provided by law, as used in these By-Laws, the term "Majority of Unit Owners" means those Unit Owners having more than fifty (50%) percent of the total authorized votes of all Unit Owners (determined in accordance with the provisions of Section 3.8), who are present in person or by proxy and voting at any meeting at which a quorum is present.

3.11. Quorum: Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners owning more than fifty (50%) percent of the Common Interests attributable to all Units shall constitute a quorum at all meetings of Unit Owners.

3.12. Majority Vote: Except where otherwise provided by law, the Declaration or these By-Laws, at all meetings of Unit Owners, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

ARTICLE 4

OFFICERS

4.1. Designation: The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer thereof, all of whom shall be elected by the Condominium Board. The Condominium Board may appoint an Assistant Treasurer, Assistant Secretary and such other officers as in its judgment may be desirable. None of the officers of the Condominium need be Unit Owners nor have any interest therein nor be Board members until the first organization meeting of the Condominium Board after the first annual meeting of Unit Owners. Thereafter, the President and Vice President of the Condominium must be members of the Condominium Board.

4.2. Election of Officers: The officers of the Condominium shall be elected annually by the Condominium Board at the organization meeting thereof, except that the initial officers of the Condominium shall be elected by the initial Board and shall hold office at the pleasure of such Board and until their successors are elected.

4.3. 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 his

successor may be elected, at any regular meeting of the Condominium Board or at any special meeting of the Condominium Board called for such purpose.

4.4. President: The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all meetings of Unit Owners and at all meetings of the Condominium Board. The President 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 Unit Owners from time to time as he may in his discretion decide are appropriate to assist in the conduct of the affairs of the Condominium.

4.5. Vice President: The Vice President of the Condominium shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Condominium Board shall appoint some other member of the Condominium Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Condominium Board or by the President.

4.6. Secretary: The Secretary of the Condominium shall keep the minutes of all meetings of Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Condominium Board shall direct and 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.

4.7. Treasurer: The Treasurer of the Condominium shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Condominium Board (or in the name of the managing agent appointed by the Condominium Board) in such depositories as may from time to time be designated by the Condominium Board and shall in general perform all of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.8. Execution of Documents: All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any two officers thereof or by such other person or persons as may be designated by the Condominium Board.

4.9. Compensation of Officers: Except as otherwise provided by the Condominium Board, no officer shall receive any compensation for acting as such.

ARTICLE 5

NOTICES

5.1. Notices All notices required or desired to be given hereunder to the Condominium Board shall be in writing and shall be deemed to have been given if delivered personally or sent by certified or registered mail, return receipt requested to the office of the Condominium Board or to such other address as the Condominium Board may designate

from time to time, by notice in writing to all Unit Owners and Permitted Mortgagees, and, if there is a managing agent of the Condominium Board, a duplicate shall be sent in like manner to such managing agent. All notices to any Unit Owner shall, except as otherwise provided herein, be in writing and shall be deemed to have been given if delivered personally or sent by certified or registered mail, return receipt requested to the Property address of such Unit Owner or to such other address as may have been designated by such Unit Owner from time to time, in writing, to the Condominium Board. All notices to Permitted Mortgagees shall be sent by certified or registered mail, return receipt requested to their respective addresses, as designated by them from time to time, in writing to the Condominium Board. Except as otherwise expressly provided, all notices shall be deemed to have been received on the date of personal delivery or on the fifth day after mailing.

5.2. Waiver of Service of Notice: Whenever any notice is required to be given by law, the Declaration or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 6

OPERATION OF THE PROPERTY

6.1. Determination of Common Expenses and Fixing of Common Charges

6.1.1. Except as otherwise provided herein, all costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements ("Common Expenses") shall be determined by the Condominium Board and as set forth below, shall be borne by the Unit Owners. Common Expenses shall also include all such other items provided for in the Declaration or these By-Laws to be Common Expenses. Common Expenses may also include such amounts as the Condominium Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Common Elements and such amounts, determined by the Condominium Board, as may be required for the purchase, lease or sublease by the Condominium Board or its designees, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose owner has elected to sell, lease, transfer or convey such Unit or which is to be sold at a foreclosure or other sale. The Condominium Board shall from time to time and at least annually prepare a budget to meet Common Expenses and shall allocate and assess to the Unit Owners, pro-rata in accordance with their respective Common Interests (except as otherwise provided in the Declaration or these By-Laws), charges ("Common Charges") to meet Common Expenses. The Condominium Board shall advise all Unit Owners promptly in writing of the amount of Common Charges payable by each of them and shall furnish copies of the budget on which Common Charges are based to all Unit Owners and Permitted Mortgagees thereof. In addition, until the Units are separately assessed for real estate tax purposes, the Condominium Board will pay all taxes with respect to the Property and allocate the cost thereof among all Units in proportion to each Unit's Common Interest, and each Unit Owner will reimburse the Condominium Board for his proportionate share thereof. Such reimbursement shall be allocated as if it were a Common Charge. Except as otherwise provided herein, all costs and expenses in

connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Residential Common Elements ("Residential Common Expenses") shall be determined by the Board and as set forth below, shall be borne by the Residential Unit Owners. Residential Common Expenses shall also include all such other items provided for in the Declaration or these By-Laws to be Residential Common Expenses. Residential Common Expenses may also include such amounts as the Board may deem proper for a general operating reserve or for a reserve for working capital or for replacements with respect to the Residential Common Elements. The Board shall from time to time and at least annually prepare a budget to meet Residential Common Expenses and shall allocate and assess to the Residential Unit Owners, pro-rata in accordance with their respective Residential Common Interests (except as otherwise provided in the Declaration or these By-Laws), charges ("Residential Common Charges") to meet Residential Common Expenses. The Board shall advise all Residential Unit Owners promptly in writing of the amount of Residential Common Charges payable by each of them and shall furnish copies of the budget on which Residential Common Charges are based to all Residential Unit Owners and Permitted Mortgagees thereof.

6.1.2. The excess of all rents, profits and revenues derived from the rental or use of any space forming part of or included in any Common Element remaining after the deduction of the expenses in connection therewith shall constitute income of the Unit Owners and be collected on behalf of the Unit Owners by the Condominium Board. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental or use of any space in the Building be deemed to be derived from the rental or use of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

6.1.3. Allocations of insurance costs for the Condominium may be made by the Condominium Board in accordance with Section 339-bb of the New York Real Property Law. If any insurance premium required to be paid by the Condominium Board shall increase as a result of a change in the use of one of the Units, such increase shall be charged to such Unit Owner, and may not be allocated pro-rata to the Unit Owners according to their Common Interests.

6.2. Insurance

6.2.1. The Condominium Board shall be required to obtain and maintain, to the extent obtainable, the following insurance: (a) fire insurance with all risk endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit or not covered by the Condominium Board's insurance policy), together with all service machinery contained therein and covering the interests of the Condominium, the Condominium Board and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount not less than an amount sufficient to avoid any defense based on co-insurance or other insurance or of any invalidity arising from any acts of the insured and of pro-rata reduction of liability but in no event greater than the full insurable replacement value of the Building (exclusive of foundation and footings), without deduction for depreciation; each of said policies shall contain a New York standard

mortgagee clause in favor of each Permitted Mortgagee which shall provide that the loss, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject however, to the loss payment provisions hereinafter set forth; (b) rent insurance in an amount equal to Common Charges for one (1) year; (c) workmen's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) water damage legal liability insurance; (f) elevator liability and collision insurance; (g) fidelity insurance covering all officers, members of the Condominium Board and employees of the Condominium and of the managing agent or agents who handle funds of the Condominium; and (h) such other insurance as the Condominium Board may reasonably determine. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a Common Expense and shall be borne by the Unit Owners in proportion to their respective Common Interests. If additional coverage or other coverage is added by the Condominium, the premium for such coverage will be increased, thereby increasing the amount of Common Charges payable by all Unit Owners.

6.2.2. All such policies shall provide that adjustment of loss shall be made by the Condominium Board. Insurance proceeds with respect to any loss shall be payable to the Condominium Board, except that the proceeds of all policies of physical damage insurance, if in excess of $500,000.00 shall be payable to a bank or trust company designated by the Condominium Board as Insurance Trustee pursuant to the provisions of Section 12.5.

6.2.3. The amount of fire insurance and all risk extended coverage to be maintained until the first Board meeting following the first annual meeting of Unit Owners shall be in an amount at least equal to the sum of $25,000,000.00.

6.2.4. All policies of physical damage insurance shall contain waivers of subrogation and waivers of any defense based on co-insurance or other insurance or of invalidity arising from any acts of the insured and of pro-rata reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days' prior written notice to all of the insureds, including all Permitted Mortgagees. Upon request in each instance, duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, shall be delivered to Unit Owners and Permitted Mortgagees at least ten (10) days prior to expiration of the then current policies.

6.2.5. The Condominium Board also shall be required to obtain and maintain comprehensive general liability insurance in such limits as the Condominium Board may from time to time determine, covering (i) the Condominium Board, the managing agent thereof, each Board member and each officer and employee of the Condominium and (ii) each Unit Owner, and covering all claims for personal injury or property damage arising out of any occurrence on the Property, except that such policy will not cover liability of a Unit Owner arising from occurrences within his own Unit or within the Common Elements, if any, exclusive to his Unit. Such insurance shall also cover cross-liability claims of one insured against another. The Board shall review such limits once each year. Until the first meeting of the Board following the first annual meeting of Unit Owners, such liability insurance shall have a limit of $2,000,000 in the aggregate covering all claims for personal injury or property damage arising out of one occurrence.

6.2.6. Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board determines.

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

6.3. Repair or Reconstruction After Fire or Other Casualty

6.3.1. Except as set forth in the next paragraph, in the event that the Building or any part thereof is damaged or destroyed by fire or other casualty, the Condominium Board will arrange for the prompt repair and restoration thereof (including any damaged Units, but excluding any appliances, fixtures, furniture, furnishings, or other personal property not constituting a part of such Unit or not covered by the Condominium Board's insurance policy and subject to the limitation set forth in the next sentence). The aforesaid restoration obligation of the Condominium Board with respect to the Units shall be limited to solely restoring any damaged Unit to the condition that the Unit was in on the date that the Sponsor conveyed title to the Unit to the original Unit Owner (i. e., the Closing Date) or the Condominium Board may elect to assign the insurance proceeds attributable to such Unit, in which case such Unit Owner would be responsible for the restoration of the Unit to the condition that the Unit was in on the Closing Date. If the insurance proceeds are insufficient to cover the cost of repairs or restorations, the Condominium Board may assess the deficit as a Common Expense to in proportion to their respective share of the Common Elements. Any surplus insurance proceeds will be paid to all Unit Owners at the discretion of the Condominium Board in proportion to their respective Common Interests, except that no payment may be made to a Unit Owner until there has first been paid, out of his share of such finds, such amounts as may be necessary to eradicate unpaid liens on his Unit (other than mortgages that are Permitted Mortgages, as such term is defined in the Declaration) in the order of priority of such liens.

Each Unit Owner should make sure that he is adequately insured to the extent of any changes, modifications and/or deletions that he may have made to his Unit subsequent to the initial transfer of the Unit from the Sponsor.

6.3.2. If 75% or more of the Building is destroyed or substantially damaged and if 75% or more of all Unit Owners, both in number and in Common Interest, do not promptly resolve to proceed with the repair or restoration of the same, the Building may not be repaired and will be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of the resulting sale, together with the net proceeds of insurance policies, will be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his share of such funds, such amounts as may be necessary to eradicate all unpaid liens on his Unit (other than mortgages that are Permitted Mortgages, as such term is defined in the Declaration) in the order of priority of such liens. If Sponsor or his designee is then a Unit Owner, Sponsor or such designee will have the right to vote at any meeting of Unit Owners called for the purpose of deciding whether or not to proceed with the restoration

or repair of the Building. As used in this Section 6.3, the words "promptly resolve" shall mean not more than 60 days from the date of such damage or destruction.

6.3.3. Any dispute between Unit Owners or between any Unit Owner and the Condominium Board arising under this Section 6.3 shall be determined by arbitration.

6.4. Payment of Common Charges

6.4.1. All Unit Owners shall be obligated to pay Common Charges or Residential Common Charges assessed by the Condominium Board pursuant to the provisions of Section 6.1 at such time or times (but not less than monthly) as the Condominium Board determines. Unless otherwise determined by the Condominium Board, Common Charges and Residential Common Charges shall be payable monthly, in advance, on the first day of each month. At each Unit closing, the Condominium Board shall collect an amount equal to twice the monthly Common Charges applicable to each Unit from each Purchaser to be paid to the Condominium Board for its working capital ("Working Capital Fund") which shall be used to pay any net closing adjustment owed to Sponsor by the Condominium Board or for such other appropriate purposes permitted under the Declaration and these By-Laws as well as determined by the Board of Managers in its sole discretion. This contribution is not refundable or transferable if the Purchaser sells his Unit. No initial contribution to the Working Capital Fund of the Condominium will be made by Sponsor (or any other owner of an Unsold Unit). The funds so contributed by Purchasers will be deposited in the general operating account of the Condominium and may be used for such purposes as the Condominium Board shall determine to be appropriate, including for ordinary operating expenses.

6.4.2. No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to a sale or other conveyance by him (made in accordance with these By-Laws) of such Unit together with its appurtenant interests in the Common Elements. Any Unit Owner may, subject to the terms and conditions of these By-Laws and provided that (a) such Unit is free and clear of liens and encumbrances other than Permitted Mortgages and the statutory lien for unpaid Common Charges; and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then exists with respect to such Unit, convey such Unit together with its appurtenant interests in the Common Elements, to the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners and in such event be exempt from Common Charges thereafter accruing. However, in no event shall Sponsor or its designee be permitted to convey any Unsold Unit to the Condominium Board and thereby exempt itself from Common Charges attributable to such Unit thereafter accruing. A purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him of such Unit, except that, to the extent permitted by law, a purchaser of a Unit at a foreclosure sale of a Permitted Mortgagee shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by said purchaser of such Unit. However, in the event of a foreclosure sale of a Unit by a Permitted Mortgagee, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale. Except to the extent prohibited by law, the Condominium Board, on behalf of all Unit Owners, shall have a lien on each Unit for unpaid Common Charges, together

with interest thereon, assessed against such Unit in proportion to their respective Common Interests.

6.4.3. All liens provided for in subsection 6.4.2, to the extent permitted by applicable law, shall be subordinate to liens for real estate taxes and any first mortgage liens on the Unit. As used in these By-Laws, the term "Permitted Mortgage" means only a mortgage of a Unit or Units permitted to be placed thereon pursuant to the provisions of these By-Laws.

6.5. Collection of Common Charges The Condominium Board shall take prompt action to collect any Common Charges and Residential Common Charges due to the Condominium Board which remain unpaid for more than fifteen (15) days after the due date for payment thereof, including, without limitation, the institution of such actions for the recovery of interest and expenses as provided in this Article 6.

6.6. Default in Payment of Common Charges In the event any Unit Owner fails to make payment of Common Charges or Residential Common Charges, such Unit Owner shall be obligated to pay (a) a "late charge" of $.04 for each dollar of such amounts which remain unpaid for more than ten (10) days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid) and (b) interest at the rate of two percent per month (but in no event in excess of the maximum rate permitted by law) on such unpaid amounts (less any "late charges" theretofore collected on such amounts) computed from the due date thereof, together with all expenses, including, without limitation, attorneys' fees paid or incurred by the Condominium Board or by its managing agent in any proceeding brought to collect such unpaid Common Charges or Residential Common Charges or in an action to foreclose the lien on such Unit arising from said unpaid Common Charges or Residential Common Charges as provided in Section 339-z of the New York Condominium Act, in the manner provided in Section 339-an thereof or in any other manner permitted bylaw. All such "late charges," interest and expenses shall be added to and shall constitute Common Charges or Residential Common Charges payable by such Unit Owner.

6.7. Foreclosure of Liens for Unpaid Common Charges In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges or Residential Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use and occupancy of his Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. The Condominium Board, acting on behalf of all Unit Owners, shall have the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote the votes appurtenant to such Unit). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on such foreclosure (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit.

6.8. Statement of Common Charges The Condominium Board shall promptly provide any Unit Owner who so requests with a written statement of all unpaid Common Charges or Residential Common Charges due to it from such Unit Owner.

6.9. Maintenance and Repairs

6.9.1. Except as otherwise provided in the Declaration or these By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or nonstructural, ordinary or extraordinary, (a) in or to any Unit (including any portion of the Common Elements included therein and maintained as a part of such Unit pursuant to subsection 6.15.4 but excluding other Common Elements included therein) and the interior side of entrance doors thereto shall be made by the owner of such Unit at such Unit Owner's sole cost and expense and (b) in or to the Common Elements shall be made by the Condominium Board and the cost and expense thereof shall be charged to the Unit Owners as a Common Expense.

6.9.2. Notwithstanding the provisions of subsection 6.9.1 hereof:

6.9.2.1. In the event that any painting, decorating, maintenance, repairs or replacements to the Property or any part thereof is necessitated by the negligence, misuse or neglect of (a) any Unit Owner, the entire cost thereof shall be borne by such Unit Owner or (b) the Condominium Board, the entire cost thereof shall be charged to all Unit Owners as a Common Expense, except in all such cases to the extent such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof or (c) in or to the Residential Limited Common Elements shall be made by the Condominium Board and the cost and expense thereof shall be charged to the Residential Unit Owners as a Residential Common Expense.

6.9.2.2. The exterior glass surfaces of all windows located in any Unit shall not be colored or painted. The exterior glass surfaces of all windows located in any Unit shall be washed and cleaned by the owner thereof at such Unit Owner's sole cost and expense. All normal maintenance, repairs and replacements made to a particular Unit shall be made by the Unit Owner owning such Unit at his own cost and expense. Any structural or extraordinary repairs or replacements made to a Unit, which the Condominium Board determines are not caused by the acts or negligence of the Unit Owner owning such Unit, shall be made by the Condominium Board, and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense. Notwithstanding the foregoing, any replacements of glass windows, window frames, skylights and window sills in any Unit shall be made by the Condominium Board at the sole cost and expense of the owner of such Unit.

6.9.3. Each Unit and all portions of the Common Elements, Residential Limited Common Elements and the Limited Common Elements shall be kept in first-class condition (and with respect to any yard, roof or any part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Condominium Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work, repairs and replacements necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by (a) the Condominium Board with respect to such parts of the Building required to be maintained by it and (b) each Unit Owner with respect to the interior and exterior surfaces of windows and shades, venetian or other

blinds, drapes, curtains or other window decorations in or appurtenant to his Unit. No Unit Owner may make any alteration to the window treatments in his Unit except as may be permitted by the Board of Managers.

6.9.4 Each Unit Owner shall be responsible for all ordinary maintenance, repairs, replacements and cleaning of any such area appurtenant to its Unit and the appurtenant Limited Common Elements, if any (including, without limitation, such Unit Owner is responsible to replace the surface of the Terrace when it becomes worn out and repair leaks in, on or from the Terraces); however, the costs and expenses of any extraordinary or structural repairs or repairs or replacements caused by the need for such structural repairs to the Limited Common Elements (unless caused by or attributable to the Unit Owner to whose Unit the Limited Common Element is appurtenant, in which case such Unit Owner shall be responsible for the entire cost), shall be charged to all Unit Owners as a Common Expense.

6.10. Violations of Maintenance Obligations

6.10.1. In the event that any Unit Owner, after receipt of written notice from the Condominium Board, fails or neglects in any way to perform any obligations of his with respect to the painting, decorating, maintenance, repair or replacement of his Unit as provided in this Article 6 or of any Common Element for which such Unit Owner is responsible under the Declaration or these By-Laws, the Condominium Board shall perform or cause to be performed such painting, decorating, maintenance, repairs or replacements unless such Unit Owner, within five (5) days after receiving notice of such default by the Condominium Board, cures such default, or in the case of default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such default. All sums expended and all costs and expenses incurred in connection with the making of any such painting, decorating, maintenance, repairs or replacements in such Unit Owner's Unit, together with interest thereon at the rate of two percent per month (but in no event in excess of the maximum rate permitted by law), shall be immediately payable by such Unit Owner to the Condominium Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

6.11. Structural Alterations, Additions, Improvements and Repairs of Units

6.11.1. Except as otherwise provided in the Declaration, no Unit Owners, shall make any structural alteration, addition, improvement or repair in or to his Unit without the prior written approval of the Board of Managers which approval shall not be unreasonably withheld, and any such alteration, addition or improvement by such Unit Owner can not result in his Unit being subdivided into separate Units, except Sponsor or its successor. Notwithstanding anything to the contrary, no Unit Owner may perform any work which requires a building permit until a permanent Certificate of Occupancy is obtained for the Building covering all Units. Non-structural alterations and any interior decorating which do not affect the Building systems may be performed without the Condominium Board's prior approval. The Condominium Board shall have the obligation to answer any written request by a Unit Owner for approval of a proposed structural alteration, addition, improvement or repair in or to such Unit Owner's Unit within 30 days after such request is received, and the failure to do so within the stipulated time shall constitute the

Condominium Board's consent to the proposed alteration, addition, improvement or repair. Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Unit, the Condominium Board may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactory to the Condominium Board setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done. All Unit Owners will be required to obtain their own individual work permits and file separate alteration applications with the appropriate authorities, prior to the commencement of any alterations being performed in their Unit. Such Unit Owners shall be responsible for the cost and expense of obtaining all required sign offs from the appropriate governmental authorities in connection with any open building permits or alteration applications filed for the Unit. Notwithstanding anything contained herein to the contrary, no Unit Owner shall perform or permit any work to be done to the Building that would jeopardize the historic tax credits attributable to the Building, if any. The provisions of this subparagraph shall not apply to Sponsor or its successor so long as there are any Unsold Units. Each Unit Owner shall be responsible for all ordinary maintenance, repairs, replacements and cleaning of any such area appurtenant to its Unit and the appurtenant Limited Common Elements, if any (including, without limitation, such Unit Owner is responsible to replace the surface of the Terrace when it becomes worn out and repair leaks in, on or from the Terraces); however, the costs and expenses of any extraordinary or structural repairs or repairs or replacements caused by the need for such structural repairs to the Limited Common Elements (unless caused by or attributable to the Unit Owner to whose Unit the Limited Common Element is appurtenant, in which case such Unit Owner shall be responsible for the entire cost), shall be charged to all Unit Owners as a Common Expense.

6.11.2. All structural alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction thereof. A Unit Owner making or causing to be made any structural alteration, addition, improvement or repair shall agree, and shall be deemed to have agreed, to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom.

6.11.3. Any application to any department of The City of New York or to any other governmental authority having jurisdiction thereof for a permit to make a structural alteration, addition, improvement or repair in or to any Unit so approved by the Condominium Board shall be executed by the Condominium Board, provided that the Condominium Board shall not incur any liability, cost or expense in connection with such application or to any contractor, subcontractor, materialman, architect or engineer on account of such alteration, addition, improvement or repair or to any person having any claim for injury to person or damage to property arising therefrom.

6.12. Alterations, Additions or Improvements to Common Elements. Except as otherwise provided in the Declaration or these By-Laws, all alterations, additions or improvements in or to any Common Element, Limited Common Elements and Residential Common Elements shall be made either by the Condominium Board or Unit Owner required to maintain such Common Element, Limited Common Elements and/or Residential

Common Elements and the cost and expense thereof shall be charged either to all Unit Owners as a Common Expense or Limited Common Expense or to the Unit Owner responsible therefor, as the case may be. Whenever in the judgment of the Condominium Board the cost of any such alteration, addition or improvement would exceed $500,000.00 in the aggregate in any calendar year, then such proposed alteration, addition or improvement shall not be made unless first approved by a Majority in Interest of the Unit Owners who shall be required to bear the cost and expense thereof as aforesaid and by the Mortgage Representatives (as hereinafter defined), if any. Except as otherwise provided in the Declaration or these By-Laws, all such alterations, additions or improvements costing in the aggregate $500,000.00 or less in any calendar year may be made as aforesaid without the approval of the Unit Owners or said Mortgage Representatives. A Unit Owner may, without the prior approval of the Condominium Board, alter, change and otherwise improve the Limited Common Elements appurtenant to his Unit; provided that same is in compliance with all legal requirements and do not effect the structure of the Building

6.13. Alteration of Certain Common Elements

6.13.1. In the event that pursuant to any of the provisions of these By-Laws, any consent by the Condominium Board or any Unit Owner is required as a condition precedent to any alteration, addition or improvement to any Common Element or Residential Common Elements (sometimes referred to in this Section 6.13 as an "Alteration"), proposed to be made by Sponsor or its designee, or the Condominium Board (collectively sometimes referred to herein as the "Proponent"), such consent shall not be unreasonably withheld or delayed by Sponsor or the Condominium Board (referred to in this Section 6.13 as the "Opposing Party") whose consent is so required. The Proponent shall give to the Opposing Party notice setting forth in reasonable detail the material aspects of such proposed Alteration. If the Opposing Party does not give notice of any objection to the Proponent within twenty (20) days after the Proponent gives its notice, then the Opposing Party shall be deemed to have consented to the making of the proposed Alteration. If the Opposing Party does give notice of objection (which notice of objection shall set forth in reasonable detail the specific objections of the Opposing Party) within such 20 day period and the Proponent considers such objection unreasonable, then the Proponent may submit to Arbitration the question of whether or not the Opposing Party unreasonably withheld its consent. If in such Arbitration it is determined that the Opposing Party unreasonably withheld its consent to such proposal if (a) the Proponent makes or causes to be made reasonable provisions providing (i) for the costs and expenses of the Alteration to be paid by it and (ii) that all costs and expenses for maintaining and repairing such Alteration after its completion will not be charged to the Opposing Party, (b) the proposed Alteration would not unreasonably or unnecessarily interfere with the use and enjoyment of the owners, tenants and occupants of those Units affected by the Alteration and (c) the proposed Alteration would not materially weaken the structure of the Building.

6.13.2. Nothing contained in subsection 6.13.1 hereof shall in any way be deemed to limit (a) the Proponent's right to modify any proposal made by it thereunder in such a manner as the Proponent believes will meet the objections of the Opposing Party or of any arbitrator or (b) any party's right, pursuant to the other applicable provisions of these By-

Laws or the Declaration, to make any Alteration to a Common Element or Residential Common Elements without the Opposing Party's approval.

6.14. Restrictions on Use of Units

6.14.1. 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:

6.14.1 .1. Each Unit shall be used only as set forth in this Section 6.14. A Unit may be owned by an individual, corporation, partnership, limited liability company, fiduciary or any other legal entity and may only be occupied by (i) the individual Unit Owner (or members of his family or guests), (ii) an officer, director, stockholder or employee of such corporation (or members of his family or guests), (iii) a partner or employee of such partnership (or members of his family or guests), (iv) a member or employee of such limited liability company (or members of his family or guest), (v) the fiduciary or beneficiary of such fiduciary (or members of his family or guests) or (vi) a principal or employee of such other entity (or members of his family or guests), as the case may be. Unless otherwise consented to by the Condominium Board, occupants of a leased Unit must be (i) an individual lessee (or members of his family or guests), (ii) an officer, director, stockholder or employee of a corporate lessee (or members of his family or guests), (iii) a partner or employee of a partnership lessee (or members of his family or guests), (iv) a member or employee of a limited liability company lessee (or members of his family or guest), (v) a fiduciary or beneficiary of a fiduciary lessee (or members of his family or guests) or (vi) a principal or employee of such other entity which is a lessee (or members of his family or guests). "Members of his family" or words of similar import whenever used herein shall be deemed to mean spouse, domestic partner, parents, parents-in-law, brothers, sisters, children and grandchildren and nothing contained herein shall be deemed to prohibit the exclusive occupancy of any Unit by such family members or guests. Notwithstanding the foregoing, the Condominium Board may consent to occupancy of a Unit by persons other than those set forth above.

6.14.1.2. The Residential Units may be used for dwelling and/or commercial purposes, which must conform to the terms and conditions of the then existing certificate of occupancy for the Building and applicable federal, state and local governmental and municipal laws, rules and regulations. The Parking Units can only be used by Unit Owners for parking automobiles. Cabana Units and Parking Units may only be owned by a Unit Owner who also owns a Residential Unit.

6.14.1.3. No portion of a Unit (other than the entire Unit) may be sold, conveyed, leased or subleased, and no transient occupant (other than a guest permitted under this subsection 6.14.1) may be accommodated therein without the prior consent of the Condominium Board, which consent may be withheld in accordance with the absolute discretion of the Condominium Board.

6.14.1.4. Notwithstanding the provisions of subsection 6.14.1 hereof, Sponsor may, without the permission of the Condominium Board (a) grant permission for the use of any Unsold Unit as a professional office or for any other purpose provided such use is permitted by law, does not violate the then existing certificate of occupancy for such Unit and the user of such Unit complies with all applicable governmental regulations; and (b)

use any Unsold Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable governmental laws and regulations.

6.14.1.5 Parking Space Units 9, 10, and 11 have been designated as Handicapped Parking Units. The purchase of a Handicapped Parking Unit and any subsequent conveyance, sale, transfer or encumbrance of it, is hereby subject to the following covenant and restriction, which shall run with the Handicapped Parking Unit in perpetuity.

If at any time an Owner of a Residential Unit or member of his or her family who resides in such Residential Unit becomes handicapped and is given handicapped plates for his or her vehicle, and said Residential Unit Owner owns a Parking Unit, said Residential Unit Owner has the right to demand that the Owner who last acquired one (1) of the Handicapped Parking Units and who does not have handicapped plates for his or her vehicle exchange his or her Handicapped Parking Unit for the Parking Unit owned by said handicapped Owner.

If at any time an Owner of a Residential Unit or member of his or her family who resides in such Residential Unit becomes handicapped, is given handicapped plates for his or her vehicle and said Residential Unit Owner does not own a Parking Unit, said Residential Unit Owner has the right to demand that the Owner who last acquired one (1) of the Handicapped Parking Units and who does not have handicapped plates for his or her vehicle sell the handicapped Parking Unit at the then current, fair market value, to said handicapped Owner. The Residential Unit Owner acquiring such Handicapped Parking Unit shall pay any and all reasonable costs and expenses incurred by either party in such transaction, including without limitation, reasonable attorneys' fees, transfer taxes, title charges and costs of arbitration.

If the parties can not agree on the fair market value of such Handicapped Parking Unit, then the parties agree to submit the matter to binding arbitration in accordance with Article 11 of the By-Laws of the Condominium. Either party can submit such dispute to arbitration in accordance with the By-laws of the Condominium.

Cabana Units and Parking Units may only be leased to and used by a tenant of a Residential Unit, except Sponsor and its designee may lease Parking Units to a person or entity that does not own or reside in a Residential Unit.

6.15. Use of Common Elements

6.15.1. Subject to the provisions of subsection 6.15.4 hereof, Common Elements, Limited Common Elements and Residential Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.15.2. No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators or any other part of the Common Elements other than the areas designated as storage areas without the prior consent of the Condominium Board. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them.

6.15.3. Unit Owners shall require their tradesmen to utilize the Building entrance in a manner consistent with the rules and regulations of the Condominium.

6.15.4. The provisions of subsections 6.15.1, .2 and .3 hereof shall not apply to Sponsor or its successor so long as there are any Unsold Units, provided, however, that no such party shall use such Common Elements in such a manner as will unreasonably interfere with the use of the other Units for their permitted purposes.

6.16. Other Provisions as to Use No nuisance shall be allowed on the Property, nor shall any use or practice be allowed which is a source of annoyance to its residents or occupants or which interferes with the peaceful possession or proper use of the Property by its residents or occupants. No immoral, improper, offensive or unlawful use shall be made of the Property or any portion thereof and all valid laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Property, shall be complied with at the full expense of the respective Unit Owners or the Condominium Board, whoever shall have the obligation to maintain or repair such part of the Property.

6.17. Right of Access

6.17.1. Each Unit Owner shall grant a right of access to his Unit and appurtenant Limited Common Elements, to the Condominium Board, the managing agent, manager, superintendent and/or any other person authorized by any of the foregoing for the purpose of making inspections of, or for the purpose of removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property, or for the purpose of curing defaults hereunder or under the Declaration or Rules and Regulations by such Unit Owner or correcting any conditions originating in his Unit and threatening another Unit or all or any part of the Common Elements, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other portions of the Common Elements within his Unit or elsewhere in the Building, or for the purpose of reading, maintaining or replacing utility meters relating to the Common Elements, his Unit or any other Unit in the Building or to correct any condition which violates the provisions of any Permitted Mortgage covering another Unit, provided that requests for such entry are made not less than one day in advance and that any such right shall be exercised in such a manner as will not unreasonably interfere with the use of the Unit for its permitted purposes. In case of an emergency (i. e. a condition requiring repairs or replacements immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building), such right of entry shall be immediate, without advance notice, whether or not the Unit Owner is present.

6.17.2. A Unit Owner shall grant a right of access to his Unit, and the Condominium Board shall grant rights of access to the Common Elements, to Sponsor and its contractors, subcontractors, agents and employees, for the purposes of fulfilling Sponsor's obligations as set forth in the Offering Plan, provided that access thereto shall be exercised in such a manner as will not unreasonably interfere with the use of the Unit for its permitted purposes.

6.18. Rules and Regulations Annexed hereto as Schedule A and made a part hereof are rules and regulations ("Rules and Regulations of 5th Street Lofts Condominium") concerning the use of the Units and Common Elements. The Condominium Board may from time to time modify, amend or add to such Rules and Regulations except that a majority of Unit Owners may overrule the Condominium Board with respect to any such modification, amendment or addition. Copies of any newly adopted, or any modifications, amendments or additions to the Rules and Regulations shall be furnished by the Condominium Board to each Unit Owner not less than 30 days prior to the effective date thereof.

6.19. Real Estate Taxes. Water Charges and Sewer Rents Water for the Building shall be supplied by the City of New York. Unless and until real estate taxes, water charges and sewer rents are billed directly to Unit Owners by the City Collector, the Condominium Board shall promptly pay such taxes, charges and rents as a Common Expense, and the Unit Owners shall be required to reimburse the Condominium Board, as a Common Charge, for their proportionate share of such taxes, charges and rents. In the event of a proposed sale of any Unit, the Condominium Board (so long as the Condominium Board is still paying such real estate taxes, water charges and sewer rents), on request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to such purchaser's title company, a letter agreeing to promptly pay all such taxes, charges and rents affecting such owner's Unit to the date of the closing of title to such Unit.

6.20. Gas. Building A and Building B will contain three gas meters to measure gas consumption for heating, building hot water and residential cooking; one for the residential cooking in the Building and a second for the building's heating boiler and HVAC roof top corridor and one meter for domestic hot water. All gas charges and domestic hot water will be included in the Common Charges.

6.21. Electricity: Electricity shall be supplied to the Condominium through one or more electrical meters and that the cost thereof shall be borne by each Unit Owner. Each Unit Owner shall be required to pay the bills for electricity consumed or used in his Unit and the Limited Common Elements, if any, either to the Condominium or to the utility company as directed by the Condominium. Each Residential Unit shall have its own electric meter. Each Residential Unit and Cabana Unit shall have its own electric meter. The parking garage will have its own electrical meter. The Common Elements have a dedicated electrical meter and usage will be included in the Common Charges. A central air conditioning system shall service the living rooms and bedrooms of each Residential Unit. The electrical and operating costs of each Residential Unit's PTAC units (for heating and cooling) shall be borne by such Unit Owner and billed to such Unit Owner by the Condominium.

6.22. Utilities Serving the Common Elements The cost and expense of water and electricity serving or benefiting any Common Element shall (a) be considered part of the expense of maintaining such Common Element, (b) be determined by the Condominium Board, and (c) be charged to the Unit Owners as a Common Expense. Any disputes as to the amount of such cost or expense shall be determined by arbitration. There is one (1) water meter for the entire Building. Water and sewage charges are Common Charges.

6.23. Abatement and Enjoinment of Violations by Unit Owners

6.23.1. The violation of any of the Rules and Regulations or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Condominium Board the right, in addition to such other rights set forth in these By-Laws, to (a) enter any Unit or Common Element in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Condominium Board shall not thereby be deemed guilty or liable in any matter of trespass, or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

6.23.2. 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.

6.24. Vault Charges All license fees, and all periodic taxes and charges, for vaults or other protrusions beyond the building line, if any, shall be paid by the Condominium Board and charged to the Unit Owners as a Common Expense.

ARTICLE 7

MORTGAGES

7.1 As used herein the term "Permitted Mortgagee" means the holder of any mortgage ("Permitted Mortgage") encumbering a Unit or Units which is permitted to be placed thereon pursuant to Article 8 hereof. As more fully set forth in said Article 8, each Unit Owner may mortgage his Unit to a bank, trust company, insurance company, savings and loan association or any institutional or non-institutional lender, including, without limitation, the seller of a Unit, as a Permitted Mortgagee, provided that (a) the mortgage be substantially in the form of the New York statutory form of mortgage, except for such changes or additions as may be required to permit a lender to make the loan, (b) the Condominium Board is notified in writing of the making of such mortgage and (c) the owner making such mortgage first satisfies all unpaid liens against his Unit, other than Permitted Mortgages.

7.2 . Notice to Condominium Board A Unit Owner who mortgages his Unit or the holder of such mortgage shall notify the Condominium Board of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Condominium Board. A Unit Owner who satisfies a mortgage covering his Unit shall so notify the Condominium Board and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board. The Condominium Board shall maintain such information in a book entitled "Mortgages of Units."

7.3. Notice of Default and Unpaid Common Charges Whenever so requested in writing by a Permitted Mortgagee, the Condominium Board shall promptly report to such Permitted Mortgagee any default in the payment of Common Charges or any other default by the Unit Owner of such Unit under the provisions of the Declaration or these

By-Laws which may to the Condominium Board's knowledge then exist. The Condominium Board, when giving notice to a Unit Owner of any such default, shall, if requested, also send a copy of such notice to any Permitted Mortgagee thereof.

7.4. Performance by Permitted Mortgagees The Condominium Board shall accept payment of any sum or performance of any act by any Permitted Mortgagee of a Unit Owner required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations, with the same force and effect as though paid or performed by such Unit Owner.

7.5. Examination of Books The Condominium Board shall keep detailed, accurate records, in chronological order, of the receipts and expenditures arising from the operation of the property. Such records and the vouchers authorizing the payments shall be available for examination by the Unit Owners at convenient weekday hours. A written report summarizing such receipts and expenditures shall be rendered by the Condominium Board to all Unit Owners at least once annually.

7.6. Representatives of Mortgagees

7.6.1. In the manner more particularly set forth in subsection 7.5.2 hereof, the holders of Institutional Mortgages (as hereinafter defined) may, at their election, designate one or more (but not more than three) representatives ("Mortgage Representatives") who shall be empowered to act on behalf of all holders of Institutional Mortgages with respect to any matter requiring their consent or approval under the Declaration or these By-Laws. If any Mortgage Representatives are so designated and notice thereof is given to the Condominium Board, the act of any such representative (or a majority of such representatives if more than one is so designated) shall be deemed binding upon the holders of all Institutional Mortgages. As used herein, the term "Institutional Mortgage" means any first mortgage covering a Unit or Units (a) which is a Permitted Mortgage, and (b) the initial holder of which is (i) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust or mortgage trust or (ii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system.

7.6.2. Any designation of a Mortgage Representative made by the holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages shall be binding upon the holders of all Institutional Mortgages. Any such designation of any Mortgage Representative shall remain effective until (a) any subsequent designation thereof is made pursuant to the provisions hereof and (b) notice of such subsequent designation is given to the Condominium Board. Unless otherwise permitted by law, all Permitted Mortgagees other than holders of an Institutional Mortgage, shall have no right to participate in the selection of Mortgage Representatives, but shall be subject to all determinations made by such Mortgage Representatives pursuant to the Declaration or these By-Laws.

7.7. Consent of 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 Condominium Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against his mortgagor.

ARTICLE 8

SELLING, LEASING AND MORTGAGING OF UNITS

8.1. Selling and Leasing No Unit Owner other than Sponsor or its successor may sell or lease his Unit except by complying with the following provision:

8.1.1. Any Unit Owner who receives a bonafide offer to (a) purchase his Unit together with its appurtenant interests in the Common Elements including any Terrace appurtenant to such Unit or other appurtenant Limited Common Element or (b) lease his Unit (such offer to purchase or lease a Unit, as the case may be, is called a "Bona Fide Offer," the party making any such Bona Fide Offer is called a "Bona Fide Offeror" and the Unit Owner to whom the Bona Fide Offer is made is called an "Offeree Unit Owner"), which he intends to accept shall give notice in writing and shall be deemed to have been given if delivered personally or sent by certified or registered mail, return receipt requested, to the Condominium Board of the receipt of such Bona Fide Offer. Except with respect to leases of Unsold Units, no lease of a Unit shall be for a term of less than one (1) year. The term of a lease for an Unsold Unit may for any period of time. Said notice shall also state the name and address of the Bona Fide Offeror, the terms of the proposed transaction as set forth in an executed contract of sale or lease (which is made subject to approval by the Condominium Board) made with the prospective purchaser or lessee and such other information as the Condominium Board may reasonably require. The giving of such notice to the Condominium Board shall constitute an offer by such Unit Owner to sell his Unit together with its appurtenant interest in the Common Elements or to lease his Unit to the Condominium Board, or its designee, corporate or otherwise, on behalf of all other Unit Owners, upon the same terms and conditions as contained in such Bona Fide Offer and shall also constitute a representation and warranty by the Unit Owner who has received such Bona Fide Offer, to the Condominium Board on behalf of all Unit Owners, that such Unit Owner believes the Bona Fide Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Condominium Board may reasonably request. Not later than 20 days after receipt of such notice together with such further information as may have been requested, the Condominium Board may elect, by sending written notice to such Offeree Unit Owner before the expiration of said 20 day period, by delivering personally or sending certified or registered mail, return receipt requested, to purchase such Unit together with its appurtenant interests in the Common Elements 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 Unit Owners, upon the same terms and conditions as contained in the Bona Fide Offer and as stated in the notice from the Offeree Unit Owner.

8.1.2. In the event the Condominium Board shall timely elect to purchase such Unit together with its appurtenant interests in the Common Elements or to lease such Unit, or to cause the same to be purchased or leased by its designee, corporate or otherwise, title shall close or a lease shall be executed at the office of the attorneys for the Condominium Board, in accordance with the terms of the Bona Fide Offer, within 45 days after the giving of notice by the Condominium Board of its election to accept such offer. If, pursuant to such Bona Fide Offer to purchase said Unit the Bona Fide Offeror was to assume or take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Condominium Board may purchase the Unit and assume or take title to

the Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Unit together with its appurtenant interests in the Common Elements is to be sold, shall convey the same to the Condominium Board, or to its designee, on behalf of all other Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all tax and/or documentary stamps affixed at the expense of such Unit Owner, who shall also pay all other taxes arising out of such sale. Real estate taxes (including water charges and sewer rents if separately assessed), mortgage interest, if any, and Common Charges shall be apportioned between the Offeree Unit Owner and the Condominium Board, or its designee, corporate or otherwise, as of the closing date. In the event such Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Condominium Board, or to its designee, corporate or otherwise, a lease between the Offeree Unit Owner, as landlord, and the Condominium Board, or its designee, corporate or otherwise, as tenant, covering such Unit, for the rental and term contained in such Bona Fide Offer.

8.1.3. In the event the Condominium Board or its designee shall fail to accept such offer within 20 days after receipt of notice as aforesaid, said contract of sale or lease, as the case may be, shall be deemed approved by the Condominium Board. In the event the sale or lease pursuant to the said contract of sale or lease is not consummated for any reason, then, should such Offeree Unit Owner thereafter elect to sell such Unit or to lease such Unit, the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 8.1.

8.1.4. Any deed to a Bona Fide Offeror shall be deemed to provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, these By-Laws and the Rules and Regulations, as the same may be amended from time to time.

8.1.5. Any lease executed in connection with the acceptance of any Bona Fide Offer to lease a Unit shall be consistent with these By-Laws and shall provide that it may not be modified, amended, extended or assigned without the prior consent in writing of the Condominium Board, that the tenant shall not assign his interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of the Condominium Board and that the Condominium Board shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (i) a default by the tenant in the performance of its obligations under such lease or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York.

8.1.6. Except as hereinbefore set forth, the form of any such lease executed by the Condominium Board or a Bona Fide Offeror shall be the then current form of condominium apartment, store or office lease recommended by The Real Estate Board of New York, Inc., and shall contain such other modifications as shall be approved in writing by the Condominium Board. Any lease executed by the Condominium Board as tenant shall provide that the Condominium Board may enter into a sublease of the premises without the consent of the landlord.

8.1.7. Any purported sale or lease of a Unit in violation of this Section 8.1 shall be voidable at the election of the Condominium Board and if the Condominium Board shall

so elect, the Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to evict the purported tenant (in case of an unauthorized leasing), in the name of the said Unit Owner as the purported landlord. Said Unit Owner shall reimburse the Condominium Board for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

8.1.8. Parking Space Units 9, 10, and 11 have been designated as Handicapped Parking Units. The purchase of a Handicapped Parking Unit and any subsequent conveyance, sale, transfer or encumbrance of it, is hereby subject to the following covenant and restriction, which shall run with the Handicapped Parking Unit in perpetuity.

If at any time an Owner of a Residential Unit or member of his or her family who resides in such Residential Unit becomes handicapped and is given handicapped plates for his or her vehicle, and said Residential Unit Owner owns a Parking Unit, said Residential Unit Owner has the right to demand that the Owner who last acquired one (1) of the Handicapped Parking Units and who does not have handicapped plates for his or her vehicle exchange his or her Handicapped Parking Unit for the Parking Unit owned by said handicapped Owner.

If at any time an Owner of a Residential Unit or member of his or her family who resides in such Residential Unit becomes handicapped, is given handicapped plates for his or her vehicle and said Residential Unit Owner does not own a Parking Unit, said Residential Unit Owner has the right to demand that the Owner who last acquired one (1) of the Handicapped Parking Units and who does not have handicapped plates for his or her vehicle sell the handicapped Parking Unit at the then current, fair market value, to said handicapped Owner. The Residential Unit Owner acquiring such Handicapped Parking Unit shall pay any and all reasonable costs and expenses incurred by either party in such transaction, including without limitation, reasonable attorneys' fees, transfer taxes, title charges and costs of arbitration.

If the parties can not agree on the fair market value of such Handicapped Parking Unit, then the parties agree to submit the matter to binding arbitration in accordance with Article 11 of the By-Laws of the Condominium. Either party can submit such dispute to arbitration in accordance with the By-laws of the Condominium.

The Parking Units can only be used by Unit Owners for parking automobiles , except Sponsor and its designee may lease Parking Units to a person or entity that does not own or reside in a Residential Unit. Cabana Units and Parking Units may only be owned by a Unit Owner who also owns a Residential Unit, except Sponsor and its designee may lease Parking Units to a person or entity that does not own or reside in a Residential Unit.

8.1.9. The foregoing restrictions of this Section 8.1 shall not apply to Unsold Units. Sponsor or its successor shall have the right to freely sell Unsold Units or to freely lease all or any part thereof without having to first offer the same for sale or lease to the Condominium Board.

8.2. Consent of Unit Owners to Purchase or Lease of Units by Condominium Board The Condominium Board shall not exercise any option herein above set forth to purchase or lease any Unit without the prior approval of 76 percent in number of the members of the

Condominium Board. Further, no Unit acquired by the Condominium Board or its designee pursuant to this Article 8 shall carry voting rights as long as such Unit is so held.

8.3. No Severance of Ownership No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his Unit without including therein its appurtenant interests in the Common Elements, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the appurtenant interests in the Common Elements of any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance or other disposition of such part of the appurtenant interests in the Common Elements of all Units. Nothing in this Section 8.3 shall prohibit the lease of any Unit without the simultaneous lease of its appurtenant interests.

8.4. Release by Condominium Board of Right of First Refusal The right of first refusal contained in Section 8.1 may be released or waived by the Condominium Board only in the manner provided in Section 8.5. In the event the Condominium Board shall release or waive its right of first refusal as to any Unit, such Unit may be sold, conveyed or leased, free and clear of the provisions of Section 8.1.

8.5. Certificate of Termination of Right of First Refusal A certificate executed and acknowledged by the Secretary of the Condominium stating that the provisions of Section 8.1 have been met by a Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Condominium Board, and that as a result thereof the rights of the Condominium Board thereunder have terminated, shall be conclusive upon the Condominium Board and the Unit Owners in favor of all persons who rely on such certificate in good faith. The Condominium Board shall furnish, without charge, such certificate upon request to any Unit Owner with respect to whom the provisions of Section 8.1 have, in fact, terminated.

8.6. Financing of Purchase of Units by Condominium Board The purchase of any Unit by the Condominium Board or its designee, on behalf of all Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Condominium Board. If the funds in such accounts are insufficient to effectuate any such purchase, the Condominium Board may levy an assessment against each Unit Owner, in proportion to his respective Common Interest, as a Common Charge, and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit, provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant interests in the Common Elements.

8.7. Exceptions The provisions of Section 8.1 shall not apply with respect to any lease, sale or conveyance of any Unit by (a) the Unit Owner thereof to his spouse, domestic partner, adult children, parents, parents-in-law, adult siblings or to any one or more of them or to any related or controlled entity of the Unit thereof, (b) Sponsor or its successor

with respect to Unsold Units, (c) the Condominium Board, (d) 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 (e) a 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 thereof delivered in a bona fide transaction; provided, however, that each succeeding Unit Owner shall be bound by, and his Unit subject to, the provisions of this Article 8.

The term "related or controlled entity" shall mean an entity which owns more than fifty (50%) percent of the legal and beneficial interest of such Unit Owner, or an entity with respect to which such Unit Owner owns more than fifty (50%) percent of the legal and beneficial interest thereof.

8.8. Gifts and Devises etc Any Unit Owner, together with interest in the Limited Common Elements (if any), if any, shall be free to convey or transfer his Unit by gift, or may devise his Unit by will or have his Unit pass by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and his Unit subject to, the provisions of this Article 8.

8.9. Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants in Common In the event that any Unit shall be acquired by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners as tenants in common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired unit and the entire Property as herein provided.

8.10. Payment of Assessments No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease his Unit unless and until he shall have paid in full to the Condominium Board all unpaid Common Charges theretofore assessed against such Unit and until such Unit Owner shall have satisfied all unpaid liens against his Unit, other than Permitted Mortgages.

8.11. Mortgage of Units Subject to Article 7 and Section 8.10 hereof, each Unit Owner shall have the right to mortgage his Unit without restriction, provided that any such mortgage covering a Unit shall be substantially in the form of the New York statutory form of mortgage, except for such changes or additions as may be required in order to permit a particular bank, trust company, insurance company, savings and loan association or other institutional or non-institutional lender to make the mortgage loan and the Condominium Board is notified in writing of the making of such mortgage.

8.12. Waiver of Immunity; Purchase of Unit by Foreign Entity Unit Owners shall be required to waive any and all immunity from suit by Sponsor and/or the Condominium Board. In addition, any Unit Owner that is a foreign government, a resident representative of a foreign government or other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) will be required at the time of closing of title to such Unit, to deposit with the Condominium Board an amount equal to two years' estimated Common Charges

ARTICLE 9

CONDEMNATION

In the event of the taking in condemnation or by eminent domain of all or any part of the Common Elements, the Condominium Board, subject to the provisions set forth below, will arrange for the prompt repair and restoration of such part of the Common Elements so taken which, pursuant to the provisions of these By-Laws, are required to be maintained by the Condominium Board. The award made for any such taking shall be payable to the Condominium Board, provided, however, that if any such award exceeds $500,000.00, such award shall be payable to the Insurance Trustee and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments. If the net proceeds of any such award are insufficient to cover, or if such net proceeds exceed, the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be borne and shared by all Unit Owners to the extent that the taking involves the Common Elements shared by all of the Unit Owners in accordance with their respective Common Interests. Notwithstanding any provisions contained herein to the contrary, in the event that 76 percent or more in Common Interest of all Unit Owners do not duly and promptly resolve to proceed with such repair or restoration of the Common Elements, such repairs or restorations shall not be made and the proceeds of any such award with respect thereto will be divided among 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 such Units other than mortgages which are not Permitted Mortgages. As used in this Article 9, the words "promptly resolve" shall mean not more than 60 days from the date of such taking.

ARTICLE 10

RECORDS AND AUDITS

10.1. Records The Condominium Board or the managing agent thereof shall keep detailed records of the actions of the Condominium Board, minutes of the meetings of the Condominium Board, minutes of the meetings of the Unit Owners and financial records and books of account with respect to the activities of the Condominium Board, including a listing of all receipts and expenditures. In addition, the Condominium Board shall keep a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges against each such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

10.2. Audits Within four months after the end of each fiscal year, an annual report of receipts and expenditures prepared by an independent certified public accountant, shall be submitted by the Condominium Board to all Unit Owners and if so requested, to any Permitted Mortgagee. The cost of such report submitted by the Condominium Board shall be paid by the Unit Owners as a Common Expense.

10.3. Availability of Documents Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

ARTICLE 11

ARBITRATION

11.1. General Procedure Any arbitration provided for in these By-Laws shall be conducted before one arbitrator in Manhattan by the American Arbitration Association or any successor organization thereof, in accordance with its rules then in effect and the decision rendered in such arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. Notwithstanding the foregoing, any arbitration held pursuant to the Declaration or these By-Laws with respect to a dispute which arose prior to the first annual meeting of Unit Owners shall be non binding. In the event that the American Arbitration Association shall not then be in existence and has no successor, any arbitration hereunder shall be conducted in Manhattan before one arbitrator appointed, on application of any party, by any Justice of the highest court of appellate jurisdiction located in the County of New York. The decision of the arbitrator so chosen shall be given within ten (10) days after his appointment. All expenses of arbitration hereunder, including the fees and expenses of counsel and experts, shall be Common Expenses, except with regard an arbitration to determine the fair market value of a Handicapped Parking Unit (in which case the cost of such arbitration shall be borne by the party requesting such arbitration). Any arbitrator appointed or selected in connection with any arbitration hereunder shall be a member of a law firm whose principal office is in the Borough of Manhattan and which has at least five (5) members.

11.2. Agreement by Parties The parties to any dispute required or permitted to be submitted to arbitration hereunder may, by mutual agreement between them, vary any of the provisions of Section 11.1 hereof with respect to the arbitration of such dispute, or may agree to resolve their dispute in any other manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

ARTICLE 12

MISCELLANEOUS

12.1. Waiver No provision contained in these By-Laws or the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

12.2. Captions The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws or the intent of any provision hereof.

12.3. Certain References

12.3.1. A reference in these By-Laws 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.

12.3.2. The terms "herein," "hereof" or "hereunder" or similar terms used in these By-Laws refer to these entire By-Laws and not to the particular provision in which the terms are used.

12.3.3. Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of these By-Laws.

12.4. Severability Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any person, party or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law. In the event any provision of these By-Laws or the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.5. Insurance Trustee The Insurance Trustee shall be a bank or trust company designated by the Condominium Board and having a capital surplus and undivided profits of $10,000,000.00 or more. Any holder of Institutional Mortgage liens (as further qualified by this Section 12.5) on more than ten (10) Units shall have the right to require the Condominium Board to appoint such Institutional Mortgagee as Insurance Trustee. In the event the Insurance Trustee resigns or is replaced by the Condominium Board, the Condominium Board shall appoint a new Insurance Trustee which shall be a bank or trust company having a capital surplus and undivided profits of $10,000,000.00 or more. The Condominium Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense.

12.6. Successors and Assigns The rights and/or obligations of Sponsor as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Sponsor or, with the consent of Sponsor, upon any transferee of all then Unsold Units.

12.7. Covenant of Further Assurances

12.7.1. Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Condominium Board, or otherwise, shall, at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request to effectuate the provisions of 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.

12.7.2. If any Unit Owner or other party which is subject to the terms of these By-Laws fails to execute, acknowledge or deliver any instrument, or fails or refuses within ten (10) days after request therefor, to take any action which such Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, then the Condominium Board is hereby authorized, as attorney-in-fact for such Unit Owner or other party, 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 party and such document or action shall be binding on such Unit Owner or other party.

12.7.3. If the Condominium Board, any Unit Owner or other party which is subject to the terms of these By-Laws fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action which the Condominium Board, such Unit Owner or party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Sponsor, then Sponsor is hereby authorized, as attorney-in-fact for the Condominium Board, such Unit Owner or

other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Condominium Board, such Unit Owner or other party and such document or action shall be binding on such Unit Owner, Board or other party.

ARTICLE 13

AMENDMENTS TO BY-LAWS

13.1. Amendments by Unit Owners Subject to the provisions contained herein or in the Declaration with respect to amendments affecting Sponsor or its successor or any Unsold Units any provision of these By-Laws may be amended, modified, added to or restated by affirmative vote of at least sixty (60%) percent in number and in Common Interest of all Unit Owners, provided, however, that the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners affected thereby. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor or its designee or any Unsold Unit, any such amendment, modification, addition or deletion shall be executed by the Condominium Board, as attorney-in-fact for the Unit Owners, coupled with an interest, for the purpose of approving and executing any instrument effecting such amendment, modification, addition or deletion. Notwithstanding the foregoing and subject to the provisions contained herein or in the Declaration with respect to amendments affecting Sponsor or its designee or any Unsold Units, (i) no amendment, modification, addition or deletion pursuant to the provisions set forth above shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any, and (ii) the provisions of Section 6.14 hereof may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, as set forth above) 75 percent in number and in Common Interest of all Unit Owners affected thereby approve such amendment, modification, deletion or addition in the manner set forth above.

13.2. Amendments Affecting Sponsor or Unsold Units

Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of or to these By-Laws, the Declaration or the Rules and Regulations shall be effective in any way against (a) Sponsor or its successor or any Unsold Unit unless Sponsor has given its prior written consent thereto or (b) the holder of any present or future mortgage, pledge or other lien or security interest covering any Unsold Unit unless such holder has given its prior written consent thereto.

13.3. Amendments Affecting Permitted Mortgagees Notwithstanding any provision contained herein to the contrary, no modification, addition, amendment or deletion of or to Article 7 or Sections 6.2, 6.4.2 or 8.7 (d) or (e) hereof shall be effective as against the holder of any Permitted Mortgage theretofore made unless such holder has given its prior written consent thereto.

SCHEDULE A

RULES AND REGULATIONS

OF

5TH STREET LOFTS CONDOMINIUM

1. Subject to the rights of Unit Owners with respect to those Common Elements reserved for the exclusive or shared use, the sidewalks, entrances, passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any other purpose than ingress to and egress from the Units.

2. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the halls or on any of the staircase or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from any doors, windows, roofs or placed upon the window sills of the Building.

3. Subject to the rights of Unit Owners with respect to those Common Elements reserved for the exclusive or shared use, neither occupants nor their guests shall play in the entrances, passages, public halls, elevators, vestibules, corridors, or on the stairways of the Building.

4. Except as otherwise provided in the By-Laws, no public hail or public elevators of the Building shall be decorated or furnished by any Unit Owner in any manner. Except as otherwise provided in the By-Laws, the style, finish and hardware of the exterior side of the corridor doors shall not be altered.

5. Each Unit Owner shall keep his Unit, Cabana Unit and Terrace, if any, 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. Other than as required by law, no window guards or other window decorations shall be used in or about any Unit except such as shall have been approved in writing by the Condominium Board or the managing agent thereof, which approval shall not be unreasonably withheld or delayed.

7. No radio, television aerial or satellite dishes shall be attached to or hung from the exterior of the Building and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any window or other part of the Building except such as are permitted pursuant to the Declaration or By-Laws or shall have been approved in writing by the Condominium Board or the managing agent thereof; nor shall anything be projected from any window of a Unit without similar approval.

8. No ventilator, window screens or air conditioning device shall be installed in any Unit without the prior written approval of the Condominium Board, which approval may be granted or refused in the sole discretion of the Condominium Board.

9. All radio, television or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and public authorities

having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Unit Owner's Unit.

10. Baby carriages, shopping carts and luggage shall be taken into or from the Condominium through the lobby or be allowed in the elevators only if done in a manner which will not cause any damage to the Building, and no baby carriages or any of the above mentioned vehicles shall be allowed to stand in the public halls, passageways or other public areas of the Building. Motorcycles, velocipedes or any similar vehicles which require any petroleum motor fuel are strictly prohibited from the Building. Roller blades and skateboards are prohibited in the lobby of the Buildings.

11. No Unit Owner shall make or permit any disturbing noises or activity in the Building, or do or permit anything to be done therein, which will unreasonably interfere with the rights, comforts or conveniences of other Unit Owners. No Unit Owner shall play upon or suffer to be played upon any musical instrument, or operate or permit to be operated a phonograph or radio or television set or other loud speaker in such Unit Owner's Unit between midnight and the following 7:00 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 10:00 P.M. and the following 9:00 A.M. Unit Owners shall use their reasonable efforts to minimize interference with the use and enjoyment of the other Units in the Building, unless such construction or repair work is necessitated by an emergency.

12. Unit Owners shall have the right to keep and harbor pets in their Units; however, such Unit Owner's right shall be subject to the Condominium Board's right to revoke such Unit Owner's right at any time in its sole discretion. Notwithstanding the provisions of the immediately preceding sentence, certain tenants in the Building who have Units leased from Sponsor, shall be granted the right to keep and harbor pets in the Building by act of the Condominium Board at its first duly convened meeting. In no event shall any bird, reptile or animal be permitted in the elevators of the Building, or in any of the public portions of the Building, unless carried or on leash. No pigeons or other birds or animals shall be fed from the window sills or other public portions of the Building or on the sidewalk or street adjacent to the Building.

13. No refuse from the Units shall be sent to the compactor room of the Building except at such times and in such manner as the Condominium Board or the managing agent thereof may direct.

14. Waterclosets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any waterclosets or other apparatus in a Unit shall be repaired and paid for by the owner of such Unit

15. No occupant of the Building shall send any employee of the Condominium or of the Managing Agent thereof out of the Building on any private business.

16. The agents of the Condominium Board or the managing agent thereof, and any contractor or workman authorized by the Condominium Board or the managing agent thereof, may enter any room, Unit at any reasonable hour of the day, on at least one (1)

day's prior notice to the Unit Owner. Agents of the Condominium Board or Managing Agent shall also have the right to enter any unit at any time in the event of an emergency.

17. The Condominium Board or the managing agent thereof may retain a passkey to each Unit. If any lock is altered or a new lock is installed, including any elevator lock, the Condominium Board or the managing agent thereof 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 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 Condominium Board or the managing agent thereof, then the Condominium Board or such 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).

18. No vehicle belonging to a Unit Owner or to a member of the family or guest, tenant or employee of a Unit Owner shall be left unattended on any sidewalk surrounding the Building or in such manner as to impede or prevent ready access to any entrance to or exit from the Building by another vehicle.

19. The Condominium Board or the managing agent thereof may from time to time curtail or relocate any portion of the Common Elements devoted to storage or service purposes in the Building.

20. Complaints regarding the service of the Condominium shall be made in writing to the Condominium Board or to the managing agent thereof.

21. Any consent or approval given under these Rules and Regulations may be added to, amended or repealed at any time by resolution of the Condominium Board.

22. Clothes and other articles shall not be dried or aired on the roof of the Building or on any other public area of the Property.

23. Unit Owners shall not cause or permit any unusual or objectionable noises or odors to be produced upon or to emanate from their Units. Smoking is strictly prohibited in all Building Common Areas. Smoking shall not be prohibited on any Terrace.

24. No Unit Owner or any of his agents, servants, employees, licensees or visitors shall at any time bring into or keep in his Unit any inflammable, combustible or explosive fluid, material, chemical or substance, except as shall be necessary and appropriate for the permitted uses of such Unit.

25. If any key or keys are entrusted by a Unit Owner or by any member of his family or by his agent, servant, employee, licensee or visitor to an employee of the Condominium or of the managing agent thereof, whether for such Unit Owner's Unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner and neither the Condominium Board nor the managing agent thereof shall be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

26. Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

27. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance on the Building or which would be in violation of any law. No waste shall be committed in the Common Elements.

28. No group tour or exhibition of any Unit or its contents shall be conducted, nor shall any auction sale be held in any Unit, without the consent of the Condominium Board or its Managing Agent.

29. In the event that any Unit is used for home occupation purposes which are permitted by law, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

30. No Unit Owner shall install any plantings on any terrace, balcony or roof without the prior written approval of the Condominium Board. Plantings shall be contained in boxes of wood lined with metal or other materials impervious to dampness and standing on supports at least two (2) inches from the terrace, balcony or roof surface, and if adjoining a wall, at least three inches from such wall. No individual planting shall exceed 100 pounds or 350 pounds in the aggregate. No satellite dishes or other equipment may be placed or otherwise located on the Terraces. 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 (3) inches from the parapet and flashing, with a 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, balcony or roof but shall stand on supports at least two (2) inches above such surface. It shall be the responsibility of the appropriate Unit Owner to maintain the containers in good condition. Such Unit Owner shall pay the cost of any repairs rendered necessary by or damage caused by such plantings.

The Condominium Board shall have the right to require the the owners of Units with appurtenant Terraces to remove any plantings, equipment and other items located in, on or about such area. In no event shall such Unit Owner be permitted to enclose or erect any structure on the Terrace without the prior written consent of the Condominium Board.

31. Unless expressly authorized by the Condominium Board in each case, substantially all (which shall mean at least 50%) of the floor area of each Unit (excepting areas similar to kitchens, pantries, bathrooms, maid's rooms, closets, and foyers in such type Unit and also excepting work areas) must be covered with rugs, carpeting or equally effective noise-reducing material.

32. All Unit Owners and/or tenants shall comply with all requirements of law and regulations of the Condominium regarding recycling of trash. All Unit Owners and/or tenants shall separate their trash into "recyclable" and "non-recyclable" materials. The

Condominium may designate from time to time the types of materials which must be separated for recycling, the types of containers or binding to be used by Unit Owners and/or tenants for the disposal of designated recyclable materials, and the locations where designated recyclable materials shall be deposited. The Condominium may also establish other regulations regarding recycling of trash. Any costs incurred by the Condominium in the enforcement against Unit Owners and/or tenants of recycling requirements imposed by law or by the Condominium, including but not limited to, legal fees and fines or penalties imposed on the Condominium by any government agency, shall be payable by the Unit Owner and/or tenant and shall be deemed a fine under the By-Laws.

33. The Condominium Board reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Unit when, in the judgment of the Condominium Board, the Condominium Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Condominium, or the preservation of good order therein, or the operation or maintenance of the Condominium, or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Condominium. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Unit Owner or other occupant shall operate as a rescission, alteration or waiver in respect of any other Unit Owner or other occupant.

34. Except as permitted under the Declaration and the By-Laws, Unit Owners, their families, guests, servants, employees, agents, visitors or licensees shall not at any time nor for any reason whatsoever enter upon or attempt to enter upon the roof of the Building except for the Terraces.

35. The use of radios (including stereos and boom boxes) are not permitted on the roof or roof deck by any Unit Owner, their families, guests, servants, employees, agents, visitors or licensees.

36. No grilling or barbecuing shall be permitted by any Unit Owner, their families, guests, servants, employees, agents, visitors or licensees on any terraces, courtyards, the roof or the roof deck.

37. The Cabana Units, Terraces and balconies shall be used for passive recreational use only (i.e. walking, reading and quiet personal enjoyment).

38. All visitors must be announced. No non-residents who are not accompanied by a resident of the Building will be allowed into the Building without authorization from a resident.

39. The Managing Agent must be notified prior to the commencement of any alteration work. Written approval must be obtained from the Condominium Board before alterations (other than painting, wallpapering and carpeting) may be made to a Unit. After plans have been approved, there is a time limit of four (4) months for the completion of the construction or renovation work unless the time limit is extended by the Condominium Board. After receiving written approval for the proposed alteration, and at least two (2) business days prior to the commencement of work, residents are, required to inform the Managing Agent in writing of the nature and extent of the work, installation, or proposed repair, the number of personnel involved and the estimated time for

completion. Unit Owners will also assume financial responsibility and will indemnify the Condominium for any damage done to any other Unit, Limited Common Element or to any Common Element. Prior to the commencement of work, Unit Owners are required to provide certificates of insurance for all contractors and subcontractors, naming the condominium and the Managing Agents as additional insureds, as well as any required building permits.

40. No moving company will be permitted to enter the building without first providing the Managing Agent with a Certificate of Insurance.

41. Commercial film, video, and photographic shoots are prohibited in the Building.

42. If a Residential Unit Owner fails to provide the Board of Managers with all keys necessary to gain entrance to such Unit Owner's Unit promptly after such Unit Owner moves into his Unit, then Sponsor shall be automatically released from any obligation it may have for correcting defects in or making repairs to such Unit.

43. All Parking Unit Owners must provide the Board of Managers or the Managing Agent with a set of keys, alarm codes and keys, if any, and ignition keys to the automobile being parked in such Parking Unit Owner's Unit so that such automobile can be entered and moved at any time by either the Managing Agent, employees of the Managing Agent, employees of the Condominium or any other designee of the Managing Agent or Board of Managers.

Each Parking Space Unit Owner must provide the Board of Managers, the Managing Agent or any designee of the Managing Agent or Board of Managers at the closing of title to his Parking Unit with any and all information requested by such party regarding the automobile to be parked at such Parking Unit.

Each Parking Unit Owner must maintain his automobile in a condition such that it does not damage the Parking Unit. If the Managing Agent or any designee of the Managing Agent or the Board of Managers is notifies such Parking Unit Owner of such condition and the Parking Unit Owner fails to cure same within two (2) business days, then the Board of Managers may, in its sole discretion, impose fines and penalties against such Parking Unit Owner until same is corrected.

Any motor vehicle occupying a parking space must be currently registered with the Department of Motor Vehicles or similar agency. Any unregistered vehicles or vehicles parked in an area which is not designated for parking shall be towed away at the Parking Unit Owner's expense. The parking of commercial vehicles of any type, including without limitation, trailers, at the Property is strictly prohibited. The Board of Managers shall be the sole arbiter of whether or not a vehicle complies with the rules and regulations.

EXHIBIT I

Certifications

Sponsor and Principals

Sponsor's Engineer or Architect

Sponsor's Expert Concerning Adequacy of Budget

CERTIFICATION OF SPONSOR AND SPONSOR'S PRINCIPALS PURSUANT TO SECTION 20.4(b) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED

New York State Department of Law
Investment Protection Bureau
120 Broadway
New York, New York 10271
Attention: Real Estate Financing Section

Re: 5th Street Lofts Condominium

Premises: 5-09 48th Avenue, Long Island City, NY and 5-26 47th Road, Long Island City, NY

Ladies and Gentlemen:

We hereby certify as follows:

We are the sponsor and principals of the 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 Attorney General 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 following plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and

(vii) not contain any representation or statement which is false, where we: (a) knew the truth, (b) with reasonable effort could have known the truth, (c) made no reasonable effort to ascertain the truth, or (d) did not have knowledge concerning the representations or statement made.

This certification is made under the penalty of perjury for the benefit of all persons to

whom this offer is made. We understand the violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

JEAN WILKINSON
Notary Public, State of New York
No. 01WI6114149
Qualified in Kings County
Commission Expires 08/09/2008

5-01-5-17 48TH AVENUE, LLC, Sponsor

By: _____
David Von Spreckelsen, Division Vice President

_____
Richard T. Hartman, Regional President

Sworn to before me this 19
day of June, 2006

_____
Notary Public

Sworn to before me this 21
day of June, 2006

_____
Notary Public

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Martha Tanner, Notary Public
Horsham Twp., Montgomery County
My Commission Expires May 24, 2007
Member, Pennsylvania Association of Notaries

H. THOMAS O'HARA

ARCHITECT, PLLC 135 West 36th Street, New York, NY
212 695 3117 212 695 3118 : fax

CERTIFICATION OF SPONSOR'S ARCHITECT

June 20, 2006

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

RE: 5-09 48th Avenue
Long Island City
New York, New York 10036

The sponsor of the Offering Plan to establish the captioned property (the **"Property"**) as a condominium (the **"Offering Plan"**) retained our firm to prepare a report describing construction of the project. We also were retained to prepare plans and specification for the project. We accordingly prepared the plans dated April 21st, 2006, and specifications dated April 21st, 2006 (collectively, the **"Plans and Specifications"**), and prepared the report dated June 16th, 2006 (the **"Report"**), a copy of which Report is intended to be incorporated into the Offering Plan so prospective purchasers may rely on it.

I am a registered architect licensed in the State of New York.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

I have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

I certify that the Report:

(i) sets forth in narrative form the description of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the Plans and Specifications that I examined;

(ii) in my professional opinion, affords potential investors, purchasers, and participants an adequate basis upon which to found their judgement concerning the description of the property as it will exist upon completion of construction, provided that construction is in accordance with the Plans and Specifications that I examined;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of 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;

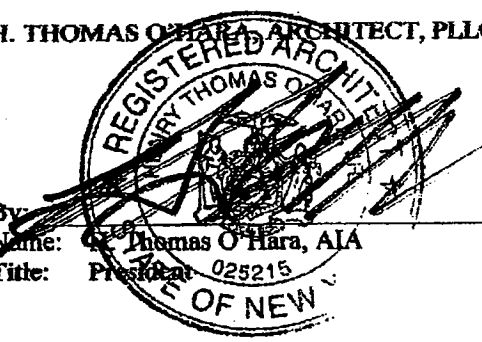
(vii) does not contain any representation or statement which is false, where we:

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 representations or statement made.

I further certify that I am not owned or controlled by and have no beneficial interest in the Sponsor and that my compensation for preparing the Report is not contingent on the conversion of the Property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

Very truly yours,

H. THOMAS O'HARA ARCHITECT, PLLC



By:
Name: H. Thomas O'Hara, AIA
Title: President

Sworn to before me this
20th day of June, 2006

Notary Public

YENA HUANG
NOTARY PUBLIC-STATE OF NEW YORK
No. 01HU6145819
Qualified In Queens County
My Commission Expires May 15, 2010

PENMARK
REALTY CORP

CERTIFICATION BY
EXPERT CONCERNING THE ADEQUACY OF BUDGET
PURSUANT TO SECTION 20.4(d)
OF THE REGULATIONS ISSUED PURSUANT
TO GENERAL BUSINESS LAW, ARTICLE 23-A
AS AMENDED

December 21, 2006

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

Re: 5th Street Lofts Condominium
5-09 48th Avenue, Long Island City, NY and 5-26 47th Road, Long Island City, New York ("Property")

The Developer and Sponsor of the Condominium Offering Plan for the captioned property retained our firm, Penmark Realty Corporation, to review Schedule B containing projections of income and expenses for the projected first year of condominium operation.

Penmark Realty Corporation has been engaged in the management of real estate for a period in excess of thirty-five (35) years and is licensed as a real estate broker in the State of New York. We currently manage and in the past have managed conventional elevator and non-elevator apartment buildings which are either operated in the cooperative or condominium form of ownership or as rental properties. Such properties contain approximately forty (40) residential apartments and commercial spaces. Some of the properties that we manage are as follows:

345 East 57th Street
45 East 25th Street
838 Fifth Avenue

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.

We have reviewed Schedule B and investigated the facts set forth in the Schedule and the facts underlying the Schedule with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

820 Second Avenue • New York, NY 10017 • 212-876-4200 • F 212-876-42

We certify that the projections in Schedule B 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:

1. set forth in detail the projected income and expenses for the first year of condominium operation;

2. afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

3. do not omit any material fact;

4. do not contain any untrue statement of a material fact;

5. do not contain any fraud, deception, concealment, or suppression;

6. do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

7. 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; (d) did not have knowledge concerning the representation or statements 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.

Penmark Realty Corporation

By: _____
Bernard Friedman, President

Sworn to before me this 26th
day December, 2006

MAUREEN G PORTER
Notary Public, State of New York
No. 01PO6088500
Qualified in New York County
Commission Expires March 3, 2007

Maureen G. Porter
Notary Public

PENMARK
REALTY CORP

CERTIFICATION BY
EXPERT CONCERNING THE ADEQUACY OF BUDGET
PURSUANT TO SECTION 20.4(d)
OF THE REGULATIONS ISSUED PURSUANT
TO GENERAL BUSINESS LAW, ARTICLE 23-A
AS AMENDED

December 21, 2006

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

Re: 5th Street Lofts Condominium
5-09 48th Avenue, Long Island City, NY and 5-26 47th Road, Long Island City, New York ("Property")

The Developer and Sponsor of the Condominium Offering Plan for the captioned property retained our firm, Penmark Realty Corporation, to review Schedule B containing projections of income and expenses for the projected first year of condominium operation.

Penmark Realty Corporation has been engaged in the management of real estate for a period in excess of thirty-five (35) years and is licensed as a real estate broker in the State of New York. We currently manage and in the past have managed conventional elevator and non-elevator apartment buildings which are either operated in the cooperative or condominium form of ownership or as rental properties. Such properties contain approximately forty (40) residential apartments and commercial spaces. Some of the properties that we manage are as follows:

345 East 57th Street
45 East 25th Street
838 Fifth Avenue

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.

We have reviewed Schedule B and investigated the facts set forth in the Schedule and the facts underlying the Schedule with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

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We certify that the projections in Schedule B 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:

1. set forth in detail the projected income and expenses for the first year of condominium operation;

2. afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

3. do not omit any material fact;

4. do not contain any untrue statement of a material fact;

5. do not contain any fraud, deception, concealment, or suppression;

6. do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

7. 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; (d) did not have knowledge concerning the representation or statements 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.

Penmark Realty Corporation

By: _____
Bernard Friedman, President

Sworn to before me this 26th day December, 2006

MAUREEN G PORTER
Notary Public, State of New York
No. 01PO6088500
Qualified in New York County
Commission Expires March 3, 2007

Maureen G. Porter
Notary Public

PENMARK
REALTY CORP

PART 20: CERTIFICATION BY EXPERT
CONCERNING ADEQUACY OF COMMON CHARGES
PAYABLE BY THE COMMERCIAL UNIT OWNER

August 17, 2006

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

Re: Condominium Offering Plan
5th Street Lofts Condominium
5-09 48th Avenue, Long Island City, NY and 5-26 47th Road, Long Island City, NY ("Property")

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedule B containing projections of common charges payable by the owner of the commercial unit. Penmark Realty Corporation has been engaged in the management of residential real estate for the past 32 years, manages approximately 35 cooperative and condominium buildings. Including buildings with commercial space, and is licensed as a real estate broker in the State of New York.

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 listed in Schedule B.

We have prepared Schedule B as it impacts upon the commercial unit 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 more fully set forth above.

We certify that the projections in Schedule B for the common charges payable by the owner of the commercial unit 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) sets forth in detail the projected common charges for the commercial unit for the first year of condominium operation;

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(ii) affords 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 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.

PENMARK REALTY CORPORATION

By: _____
Name: Bernard Friedman
Title: President

Sworn to before me this
22 day of August, 2006

Maureen G. Porter
Notary Public

MAUREEN G PORTER
Notary Public, State of New York
No. 01PO6088500
Qualified in New York County
Commission Expires March 3, 2007

EXHIBIT J

ESCROW AGREEMENT

Agreement made this 6th day of December, 2006 between 5-01-5-17 48th Avenue, LLC ("Sponsor") and The Law Offices of Robert Flink ("Escrow Agent") as escrow agent.

WHEREAS, Sponsor is the sponsor for the plan to convert to premises located at 5-09 48th Avenue and 5-26 47th Road, Queens, New York to a condominium (the "Plan"); and

WHEREAS, The Law Offices of Robert Flink 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 pursuant to the terms of this agreement.

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

1. ESTABLISHMENT OF THE ESCROW ACCOUNT

1.1 Sponsor and Escrow Agent hereby establish an escrow account with Escrow Agent for the purpose of holding deposits or payments made by purchasers. The escrow account has been opened with First Republic Bank, at its branch located at 30 Rockefeller Plaza, New York, New York. The account number for our master escrow account is [redacted]and a separate sub-account will be opened under such master escrow account with respect to each separate sale transaction.

1.2 The name of the account is The Law Offices of Robert Flink Master Escrow Account.

1.3 The separate escrow sub-account for each sale transaction shall be a non-interest-bearing account as disclosed in the Plan. During the period of time that the Sponsor uses a letter of credit to secure the deposits, Escrow Agent shall deposit the deposits and all payments made by Purchasers in the sub-account and same shall be non-interest bearing.

1.4 The escrow account is not an IOLA established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT

2.1 All funds received from prospective purchasers prior to closing, whether in the form checks, drafts, money orders, wire transfers, or other instruments which identify the shall be deposited in the escrow account. All instruments to be deposited into the escrow account shall be made payable to the order of the Escrow Agent. Any instrument payable 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 pursuant to the terms of this Agreement.

2.2 Within ten (10) business days after tender of the deposit submitted with the contract of Escrow Agent shall notify the purchaser of the deposit of such funds in the bank indicated in the Plan, provide the account number, and disclose the initial interest rate;

provided that the Sponsor is no longer using the Letter of Credit to secure such funds. 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' provided that the Sponsor is not using the Letter of Credit to secure such funds. 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.

At or before the first Purchase Agreement is executed by Sponsor, Sponsor will obtain a Letter of Credit ("Letter of Credit") in the amount of $11,000.00 from the Royal Bank of Scotland PLC, having an address at 101 Park Avenue, 10th Floor, New York, NY 10178 (the "Issuer") for the purpose of securing Sponsor's use of the deposits paid by Purchasers under the Purchase Agreements. The Letter of Credit will be in substantially the same form as set forth in Part II of the Plan. Except for the release of the funds to Sponsor from the escrow account in connection with the Letter of Credit, the Escrow Agent will not release the funds from the escrow account until otherwise directed in:

(i) a written agreement signed by both Sponsor and Purchaser;

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

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

If there is no written agreement between the parties to release the escrowed funds, the Escrow Agent will not pay the funds to Sponsor until the Escrow Agent has given the Purchaser written notice of not fewer than ten (10) business days, except for the release of the funds to Sponsor from the escrow account in connection with the Letter of Credit. Thereafter, the funds may be paid to Sponsor unless the Purchaser has already made application to the Department of Law pursuant to the dispute resolution provisions of the Attorney General regulations and has so notified the Escrow Agent in accordance with such provisions or otherwise objects in writing to such release of the funds.

The Escrow Agent as the beneficiary of the Letter of Credit, acting as a fiduciary for the benefit of Purchasers under the Plan whose funds were released from escrow by reason of the grant of Sponsor's application to secure such deposits with the Letter of Credit, shall have the duty and the right to draw upon and collect the proceeds of the Letter of Credit, ten (10) business days after notice to the Sponsor and Sponsor's failure or refusal to restore such funds to the Escrow Agent, without the consent or despite the objection of the Sponsor or the provider of the credit, upon the following events or circumstances:

(a) timely rescission of a Purchase Agreement by a Purchaser pursuant to an offer of rescission contained in the Plan or an amendment to the Plan;
(b) acceptance for filing by the Office of the Attorney General of an amendment abandoning the Plan;
(c) determination by the Attorney General mandating that rescission or the return of funds is required;
(d) failure by the Sponsor to obtain a renewal or replacement letter of credit no later than 60 days prior to the expiration of the existing letter of credit;
(e) direction by the Sponsor upon request of the Purchaser;

(f) notice of impending cancellation of the Letter of Credit has been given or received, or the issuer has filed a bankruptcy or insolvency petition or has been taken over by a federal or state authority, and no proper replacement of the letter of credit has been furnished although continuation of the same in effect is required hereunder.

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.

Purchasers and the Escrow Agent may apply to the Attorney General in the event of a dispute for a determination on the disposition of the contract deposit and any interest thereon.

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, except for the release of the funds to Sponsor from the escrow account in connection with the Letter of Credit. 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 (a) in. writing signed by both Sponsor and purchaser or (b) in determination of the Attorney General or (c) in judgment or order of a court of competent jurisdiction or (d) until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.

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 no less 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. RECORDKEEPING

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

4.2 Upon the dissolution of a law firm which was 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 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.

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.

6.2 Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and compliance with the Attorney General's regulations.

7. TERMINATION OF AGREEMENT

7.1 This Agreement shall remain in effect unless and until it is canceled, by either:

(a) Written notice given by Sponsor to Escrow Agent of cancellation of designation of Escrow Agent to act in said capacity, which cancellation shall take effect only upon the filing of an amendment 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 (which amendment Sponsor agree to file within thirty (30) days after such resignation); or

(c) All shares or 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 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 respective 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 AGENTS COMPENSATION

10.1 Sponsor agrees that Escrow Agent's compensation shall not be paid from escrowed principal nor from any interest accruing thereon and that compensation to Escrow Agent, if any, shall not be deducted from escrowed funds by any financial institution under any circumstance.

11. SEVERABILITY

11.1 If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. ENTIRE AGREEMENT

12.1 This Agreement, read together with GBL Section 352-e(2-b) and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:
THE LAW OFFICES OF ROBERT FLINK

By: _____
Robert Flink

SPONSOR:
5-01-5-17 48TH AVENUE, LLC

By: _____

EXHIBIT K

Application to Attorney General for Determination of the Disposition of Down Payments

ETF-1

APPLICATION TO THE ATTORNEY GENERAL FOR A DETERMINATION ON THE DISPOSITION OF DOWNPAYMENTS

[Send this application to the reviewing attorney assigned to the subject plan.]

Re: _____
Address of Building or Name of Project

File Number: _____

Application is made to the Attorney General to consider and determine the disposition of do payments held pursuant to GBL Sections 352-e(2-b) and 352-h. The following information is submitted support of this application:

1. Name of Applicant _____

2. Address of Applicant _____

3. Name, Address, and Telephone Number of Applicant's Attorney (if any) _____

_____

4. This is an application for
   - [ ] return of downpayment.
   - [ ] forfeiture of downpayment.
   - [ ] other: _____

5. The project is
   - [ ] a conversion of occupied premises.
   - [ ] newly constructed or rehabilitated.
   - [ ] vacant (as is).

6. The project is structured as
   - [ ] a cooperative.
   - [ ] a condominium.
   - [ ] a homeowners association.
   - [ ] a timeshare.
   - [ ] other: _____

7. Name and Address of Sponsor: _____

_____

8. Name and Address of Escrow Agent: _____

_____

9. If downpayments are maintained in an escrow account:

(a) Name of account _____

(b) Name and address of bank _____

(c) Account number (if known) _____

(d) Initial interest rate (if known) _____

10. If downpayments have been secured by bonds:

(a) Name and address of bond issuer or surety: _____

_____

(b) Copy of bond included in this application. (DO NOT SEND ORIGINAL BOND). If not included, explain:

_____

_____

11. If downpayments have been secured by a letter of credit:

(a) Name and address of bank which issued the letter of credit: _____

_____

(b) Date of expiration of the letter of credit, if known:

_____

12. Plan information:

(a) Date of filing of plan: _____

(b) Plan

[ ] has been declared effective. Approximate date: _____

[ ] has not been declared effective.

(c) If effective, the plan

[ ] has closed or the first unit has closed. Approximate date: _____

[ ] has not closed.

[ ] don't know.

(d) Downpayments are secured by

[ ] escrow account.

[ ] bonds.

[ ] letter of credit.

13. Contract information:

(a) Copy of contract and of all riders or modification letters are attached. (DO NOT SEN ORIGINALS.)

(b) Date on which subscription or purchase agreement was signed: _____

(c) Date(s) of downpayment(s): _____

(d) Total amount of downpayment(s): _____

(e) Names and addresses of subscribers or purchasers affected by this application:

_____

_____

_____

_____

14. State the basis for your claim. Please be as specific as possible. You may add additional sheet 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:

2/6/92

IRREVOCABLE STANDBY LETTER OF CREDIT NO. _____

DATE: SEPTEMBER 27, 2006

BENEFICIARY:
THE LAW OFFICES OF ROBERT FLINK
555 5TH AVENUE, 14H FLOOR
NEW YORK, NY 10017

LADIES AND GENTLEMAN:

WE, THE ROYAL BANK OF SCOTLAND PLC, HEREBY ESTABLISH, AT THE REQUEST OF FIRST HUNTINGDON FINANCE CORP. AND 5-01-5-17 48TH AVENUE, LLC ("ACCOUNT PARTY"), IN YOUR FAVOR AS BENEFICIARY ACTING AS A FIDUCIARY FOR THE BENEFIT OF THE PURCHASERS UNDER THE OFFERING PLAN FOR 5th STREET LOFTS CONDOMINIUM WHOSE ESCROWED FUNDS ARE TO BE DEPOSITED PURSUANT TO THAT ESCROW AGREEMENT BETWEEN THE ACCOUNT PARTY, AS "SPONSOR" AND BENEFICIARY AS "ESCROW AGENT" DATED _____ THEREUNDER, THIS IRREVOCABLE STANDBY LETTER OF CREDIT NO. , IN THE AGGREGATE AMOUNT OF ELEVEN MILLION US DOLLARS ($11,000,000.00) AS REDUCED FROM TIME TO TIME PURSUANT TO ANNEX B ATTACHED HERETO (THE "TOTAL CREDIT"), EFFECTIVE IMMEDIATELY, AND EXPIRING AT THE CLOSE OF BANKING BUSINESS AT OUR OFFICE AT 101 PARK AVENUE, NEW YORK, NY 10178, ATTENTION, LETTER OF CREDIT DEPARTMENT, 6TH FLOOR ON OCTOBER __, 2007.

THIS IRREVOCABLE STANDBY LETTER OF CREDIT IS BEING ISSUED TO SECURE THE OBLIGATION OF **5-01-5-17 48TH AVENUE, LLC**, AS SPONSOR, UNDER THE TERMS OF THE OFFERING PLAN TO SELL.

WE HEREBY IRREVOCABLY AUTHORIZE YOU, WITHOUT THE CONSENT OR DESPITE THE OBJECTION OF THE SPONSOR OR ANY PROVIDER OF UNDERLYING CREDIT, TO DRAW ON US, IN ACCORDANCE WITH THE TERMS AND CONDITIONS HEREINAFTER SET FORTH, IN ONE OR MORE DRAWINGS BY YOUR DRAFTS BEARING THEREON LETTER OF CREDIT NO. , PAYABLE AT SIGHT ON A BANKING DAY (AS DEFINED BELOW), AND EACH ACCOMPANIED BY THE ORIGINAL OF THIS LETTER OF CREDIT, TOGETHER WITH ANY AMENDMENTS THERETO, AND A WRITTEN AND APPROPRIATELY COMPLETED CERTIFICATE SIGNED BY YOU IN THE FORM

OF ANNEX A ATTACHED HERETO (ANY SUCH DRAFT ACCOMPANIED BY SUCH CERTIFICATE BEING A "DEMAND"). AS USED HEREIN, "BANKING DAY" MEANS A DAY OF THE YEAR ON WHICH BANKS ARE NOT REQUIRED OR AUTHORIZED TO CLOSE IN NEW YORK, NY. THE BENEFICIARYHAS THE SOLE POWER TO DRAW UPON THIS LETTER OF CREDIT WITHOUT CONSENT OR DESPITE THE OBJECTION OF THE SPONSOR OR ANY PROVIDER OF UNDERLYING CREDIT.

WE ENGAGE WITH YOU THAT DRAFT(S) AND REQUIRED DOCUMENTS PRESENTED UNDER AND IN COMPLIANCE WITH THE TERMS AND CONDITIONS OF THIS IRREVOCABLE STANDBY LETTER OF CREDIT WILL BE DULY HONORED BY US IN ACCORDANCE WITH YOUR INSTRUCTIONS, IF PRESENTED AT OUR COUNTERS AT THE ISSUER'S ADDRESS, 101 PARK AVENUE, NEW YORK, NY, 10178 ON OR BEFORE THE THEN CURRENT EXPIRATION DATE.

THIS LETTER OF CREDIT SETS FORTH IN FULL OUR UNDERTAKING, AND SUCH UNDERTAKING SHALL NOT IN ANY WAY BE MODIFIED, AMENDED, AMPLIFIED OR LIMITED BY REFERENCE TO ANY DOCUMENT, INSTRUMENT OR AGREEMENT REFERRED TO HEREIN, AND ANY SUCH REFERENCE SHALL NOT BE DEEMED TO INCORPORATE HEREIN BY REFERENCE ANY DOCUMENT, INSTRUMENT OR AGREEMENT EXCEPT FOR SUCH DEMAND.

IT IS A CONDITION OF THIS LETTER OF CREDIT, THAT IT SHALL BE AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR AN ADDITIONAL PERIOD OF TWELVE (12) MONTHS, UNLESS NOT LESS THAN SIXTY (60) DAYS PRIOR TO THE THEN-RELEVANT EXPIRATION DATE, WE SEND NOTICE TO THE BENEFICIARY BY REGISTERED MAIL OR A NATIONALLY RECOGNIZED COURIER, AT THE BENEFICIARY'S ADDRESS STATED ABOVE, THAT WE ELECT NOT TO EXTEND THIS LETTER OF CREDIT FOR ANY SUCH ADDITIONAL PERIOD. UPON BENEFICIARY'S RECEIPT OF SUCH A NOTIFICATION, BENEFICIARY MAY DRAW HEREUNDER FOR THE THEN-AVAILABLE BALANCE PRIOR TO THE THEN-RELEVANT EXPIRATION DATE BY PRESENTATION OF THIS ORIGINAL LETTER OF CREDIT AND YOUR SIGHT DRAFT AS MENTIONED ABOVE, ACCOMPANIED BY YOUR DATED STATEMENT READING:

> "THE ROYAL BANK OF SCOTLAND, PLC HAS ELECTED NOT TO RENEW LETTER OF CREDIT NO._____ BEYOND ITS PRESENT EXPIRATION DATE AND 5-01-5-17 48TH AVENUE, LLC HAS FAILED TO SUPPLY US WITH AN ACCEPTABLE REPLACEMENT LETTER OF CREDIT AND/OR OTHER ACCEPTABLE SUBSTITUTE COLLATERAL."

THIS LETTER OF CREDIT SHALL BE GOVERNED BY THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (1993 REVISION), INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 500 AND, TO

THE EXTENT NOT INCONSISTENT THEREWITH, BY THE LAWS OF THE STATE OF NEW YORK. COMMUNICATIONS WITH RESPECT TO THIS LETTER OF CREDIT SHALL BE IN WRITING AND SHALL BE ADDRESSED TO US AT THE ABOVE ADDRESS, SPECIFICALLY REFERRING TO THE NUMBER OF THIS LETTER OF CREDIT.

VERY TRULY YOURS,
THE ROYAL BANK OF SCOTLAND, PLC

_____
AUTHORIZED SIGNATURE

ANNEX A

CERTIFICATE FOR DRAWING UNDER

IRREVOCABLE LETTER OF CREDIT NO.

THE UNDERSIGNED, A DULY AUTHORIZED REPRESENTATIVE OF THE LAW OFFICES OF ROBERT FLINK, AS ESCROW AGENT ("BENEFICIARY"), HEREBY CERTIFY TO ROYAL BANK OF SCOTLAND, PLC (THE "ISSUER"), WITH REFERENCE TO IRREVOCABLE STANDBY LETTER OF CREDIT NO. (THE "LETTER OF CREDIT") ISSUED BY THE ISSUER IN FAVOR OF THE BENEFICIARY, THAT THIS CERTIFICATE HAS BEEN EXECUTED AND DELIVERED BY THE BENEFICIARY PURSUANT TO THE ESCROW AND TRUST FUND PROVISIONS STATING THAT ACCOUNT PARTY IS TO SECURE A LETTER OF CREDIT IN FAVOR OF BENEFICIARY IN THE AMOUNT OF $11,000,000.00 TO GUARANTEE ALL DOWN PAYMENTS OR PAYMENTS RECEIVED FROM PURCHASERS AND NOT RETAINED IN ESCROW.

IN WITNESS WHEREOF, BENEFICIARY HAS EXECUTED AND DELIVERED THIS CERTIFICATE AS OF THE ___ DAY OF _____, 200_.

THE LAW OFFICES OF ROBERT FLINK, AS ESCROW AGENT
BY: _____

NAME: _____

TITLE: _____

ANNEX B

NOTICE OF REDUCTION OF TOTAL CREDIT

UNDER IRREVOCABLE LETTER OF CREDIT NO _____

THE UNDERSIGNED, A DULY AUTHORIZED REPRESENTATIVE OF THE LAW OFFICES OF ROBERT FLINK, AS ESCROW AGENT ("BENEFICIARY"), HEREBY NOTIFY ROYAL BANK OF SCOTLAND, PLC (THE "ISSUER"), WITH REFERENCE TO IRREVOCABLE STANDBY LETTER OF CREDIT NO. _____ (THE "LETTER OF CREDIT") ISSUED BY THE ISSUER IN FAVOR OF THE BENEFICIARY, THAT EFFECTIVE AS OF THE DATE HEREOF, THE TOTAL CREDIT (AS DEFINED IN THE LETTER OF CREDIT) SHALL BE REDUCED BY $_____ SUCH THAT FROM AND AFTER THE DATE HEREOF THE TOTAL CREDIT UNDER THE LETTER OF CREDIT SHALL BE EQUAL TO $_____.

IN WITNESS WHEREOF, BENEFICIARY HAS EXECUTED AND DELIVERED THIS CERTIFICATE AS OF THE _____ DAY OF _____, 200_.

THE LAW OFFICES OF ROBERT FLINK, AS ESCROW AGENT

BY:_____

NAME:_____

TITLE:_____