THIS PLAN HAS BEEN AMENDED. SEE INSIDE COVER.

125 N 10TH
WILLIAMSBURG

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

125 NORTH 10TH, BROOKLYN, NY 11211

86 RESIDENTIAL UNITS	$ 71,010,000
8 STORAGE LOCKERS	$123,000
24 CABANAS	$938,000
51 PARKING SPACES	$2,805,000
TOTAL OFFERING AMOUNT	$74,876,000

The Condominium will include: 86 Residential Units, 8 Storage Lockers, 24 Cabanas and 51 Parking Spaces which are being offered for sale pursuant to this Offering Plan. The Cabanas, the Storage Lockers and Parking Spaces are collectively referred to as the "Ancillary Units." The Residential Units and the Ancillary Units are collectively referred to as the "Units."

SPONSOR
125NORTH10, LLC
10 EAST 53RD STREET
37TH FLOOR
NEW YORK,
NEW YORK 10022

SELLING AGENT
CORE GROUP MARKETING
417 FIFTH AVENUE
NEW YORK,
NEW YORK 10017
(212) 726-0726

THE TERMS OF THE INITIAL OFFERING OF THIS PLAN COMMENCED ON APRIL 16, 2007, AND EXPIRES ON APRIL 15, 2008 UNLESS THE SAID DATE IS EXTENDED IN A DULY FILED AMENDMENT.

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

SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL UNITS. CONSEQUENTLY, 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 AND PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE BOARD OF MANAGERS UNDER THE TERMS OF THIS PLAN (See Special Risks section of the Plan). THIS PLAN CONTAINS SPECIAL RISKS TO PURCHASERS. SEE PAGE 1 THROUGH 8.

THIRD AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

125 NORTH 10TH STREET CONDOMINIUM
125 NORTH 10TH STREET
BROOKLYN, NEW YORK 11211

SPONSOR

125NORTH10, LLC
10 East 53rd Street
New York, New York 10022

SELLING AGENT

Core Group Marketing
417 Fifth Avenue, 9th Floor
New York, New York 10016
(212) 726-0778

DATED: February 4, 2008

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5.	EXTENSION OF OFFERING PLAN	2

Exhibits

A RESCISSION NOTICE

B WAIVER NOTICE

THIRD AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

INTRODUCTION

This Third Amendment modifies and supplements the terms of the Condominium Offering Plan for the premises known as 125 North 10th Street Condominium ("Condominium") located at 125 North 10th Street, Brooklyn, New York dated April 16, 2007, ("Offering Plan") as previously amended by the First and Second Amendments thereto and should be read in conjunction with the Plan as amended.

The terms of this Third Amendment are as follows:

1. RIGHTS AND OBLIGATIONS OF SPONSOR

As set forth in the section of the Offering Plan entitled Rights and Obligations of Sponsor, Sponsor has procured financing for the construction of the Building from Lehman Brothers Holdings Inc. ("Construction Lender"). Sponsor is in the process of refinancing its loan with Construction Lender and in connection therewith, the loan documents require Sponsor to enter into Purchase Agreements with a minimum of 35% of the Residential Units prior to declaring the Plan effective.

As a result of this change in the Construction Loan, Sponsor hereby offers all Purchasers who have fully executed Purchase Agreements and paid the required Deposits prior to the Filing Date of this Amendment the right to rescind their Purchase Agreements for a period of 15 days following the Presentation Date of this Amendment ("Rescission Period") as described below.

(a) Rescission Notice

In order to rescind the Purchase Agreement, the Rescission Notice set forth as Exhibit "A" annexed to this Amendment must be sent to Sponsor no later than 5:00P.M. of the last day of the Rescission Period as follows: (1) by personally delivering the fully-executed Rescission Notice to Starr Associates LLP, 245 Fifth Avenue, Suite 1102, New York, New York 10016, Attention: Samantha Sheeber, Esq., between 9:00A.M. and 5:00P.M., or (2) by mailing, by certified mail, return receipt requested, the fully-executed Rescission Notice to Starr Associates LLP, 245 Fifth Avenue, Suite 1102, New York, New York 10016, Attention: Samantha Sheeber, Esq. If multiple Purchasers executed the Purchase Agreement, then all of the Purchasers must sign the Rescission Notice. Escrow Agent will return the Deposit together with interest accrued, if any, within 30 days following the expiration of the Rescission Period to any Purchaser who timely rescinds as set forth above.

In the event a Purchaser timely rescinds, the Purchase Agreement shall be deemed cancelled as of the date of the Rescission Notice and Purchaser and Sponsor shall be released and discharged of all further liability and obligations under the Purchase Agreement and the Plan, except for

Sponsor's obligation to return the Deposit to Purchaser together with interest accrued, if any. In addition, Sponsor may sell the Residential Unit to another purchaser as through the Purchase Agreement had never been made, and without any obligation to account for any proceeds of such sale.

(b) Waiver Notice

A Purchaser who does not wish to rescind the Purchase Agreement is not required to do anything and such Purchase Agreement will remain in full force and effect. Nevertheless, any Purchaser who elects to waive the right to rescind may do so by Purchaser personally delivering a fully-executed Waiver Notice set forth as Exhibit "B" annexed to this Amendment to Sponsor during the Rescission Period to Starr Associates LLP, 245 Fifth Avenue, Suite 1102, New York, NY 10016, Attention: Samantha Sheeber, Esq. If multiple Purchasers executed the Purchase Agreement, then all of the Purchasers must sign the Waiver Notice.

2. DEFINITIONS

Any term used in Amendment not otherwise defined herein shall have the same meaning ascribed to it in the Offering Plan.

3. NO MATERIAL CHANGES

Except as set forth in this Amendment, there have been no material changes of facts or circumstances affecting the Property or the offering.

4. INCORPORATION OF OFFERING PLAN

The Offering Plan, as modified and supplemented by this Amendment, is incorporated herein by reference with the same effect as if set forth at length.

5. EXTENSION OF OFFERING PLAN

The Offering Plan, as modified and supplemented by this Amendment, is hereby extended for six (6) months following the filing date of this Amendment, unless the Plan is extended or amended.

SPONSOR:

125NORTH10, LLC

EXHIBIT "A"

RESCISSION NOTICE

RESCISSION NOTICE

Dated: _____

By Certified Mail
Return Receipt Requested or By Personal Delivery

To: Starr Associates LLP
245 Fifth Avenue, Suite 1102
New York, NY 10016
Attn: Samantha Sheeber

Re: Residential Unit _____
125 North 10th Street Condominium
125 North 10th
Brooklyn, New York 11211

Gentlemen:

The undersigned are ALL of the purchasers (collectively, "Purchaser") who executed the Purchase Agreement for the above-referenced Residential Unit. Purchaser hereby elects to rescind the Purchase Agreement in accordance with the terms of the Third Amendment to the Plan.

Purchaser agrees that the Purchase Agreement shall be deemed cancelled as of the date of this Rescission Notice and that Purchaser and Sponsor will be released and discharged of all further liability and obligations under the Purchase Agreement and the Plan, except for Sponsor's obligation to return the Deposit to Purchaser together with interest accrued, if any. Purchaser further agrees that the Residential Unit may be sold to another as though the Purchase Agreement had never been made, and without any obligation to account to Purchaser for any proceeds for such sale.

Very truly yours,

_____
Name:

_____
Name:

EXHIBIT "B"

WAIVER NOTICE

WAIVER NOTICE

Dated: _____

By Certified Mail
Return Receipt Requested or By Personal Delivery

To: Starr Associates LLP
245 Fifth Avenue, Suite 1102
New York, NY 10016
Attn: Samantha Sheeber

Re: Residential Unit _____
125 North 10th Street Condominium
125 North 10th
Brooklyn, New York 11211

Gentlemen:

The undersigned are ALL of the purchasers who executed the Purchase Agreement for the above-referenced Residential Unit. The undersigned hereby elect to waive the undersigned's right to rescind the Purchase Agreement in accordance with the terms of the Third Amendment to the Plan.

Very truly yours,

_____
Name:

_____
Name:

SECOND AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

125 NORTH 10TH STREET CONDOMINIUM
125 NORTH 10TH STREET
BROOKLYN, NEW YORK 11211

SPONSOR

125NORTH10, LLC
10 East 53rd Street
New York, New York 10022

SELLING AGENT

Core Group Marketing
417 Fifth Avenue, 9th Floor
New York, New York 10016
(212) 726-0778

DATED: November 14, 2007

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Exhibit

A - SCHEDULE A - PURCHASE PRICES AND RELATED INFORMATION

SECOND AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

INTRODUCTION

This Second Amendment modifies and supplements the terms of the Condominium Offering Plan for the premises known as 125 North 10th Street Condominium ("Condominium") located at 125 North 10th Street, Brooklyn, New York dated April 16, 2007, ("Offering Plan") as previously amended by the First Amendment thereto and should be read in conjunction with the Plan as amended.

The terms of this Second Amendment are as follows:

1. SCHEDULE A – PURCHASE PRICES AND RELATED INFORMATION

Annexed hereto as Exhibit "A" is a revised "Schedule A – Purchase Prices and Related Information," which reflects the current purchase prices for the Residential Units, Storage Lockers, Cabanas and Parking Spaces being offered for sale.

2. DEFINITIONS

Any term used in Amendment not otherwise defined herein shall have the same meaning ascribed to it in the Offering Plan.

3. NO MATERIAL CHANGES

Except as set forth in this Amendment, there have been no material changes of facts or circumstances affecting the Property or the offering.

4. INCORPORATION OF OFFERING PLAN

The Offering Plan, as modified and supplemented by this Amendment, is incorporated herein by reference with the same effect as if set forth at length.

5. EXTENSION OF OFFERING PLAN

As this Amendment is limited solely to price changes, this Amendment does not extend the Plan.

SPONSOR:

125NORTH10, LLC

EXHIBIT 'A'

SCHEDULE A – PURCHASE PRICES AND RELATED INFORMATION

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION SEPTEMBER1, 2008 - AUGUST 31, 2009

(1) UNIT Residential Units	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
SOUTH BUILDING										
S Garden A	1BR/1BA	873	475	$ 695,000.00	1.0766%	$ 27.07	$ 416.43	$ 782.54	$ 809.61	$ 1,198.98
S Garden B	2BR/2BA	1,171	669	$ 955,000.00	1.4532%	$ 36.54	$ 562.12	$ 1,056.31	$ 1,092.85	$ 1,618.43
S Garden C	1BR/1BA	838	462	$ 690,000.00	1.0353%	$ 26.03	$ 400.47	$ 752.56	$ 778.59	$ 1,153.03
S Garden D	STUDIO/1BA	599	181	$ 450,000.00	0.6997%	$ 17.59	$ 270.63	$ 508.56	$ 526.15	$ 779.19
S Garden E	1BR/1BA	795	286	$ 580,000.00	0.9412%	$ 23.66	$ 364.04	$ 684.10	$ 707.76	$ 1,048.14
S Garden F	1BR/1BA	795	275	$ 580,000.00	0.9377%	$ 23.58	$ 362.72	$ 681.61	$ 705.19	$ 1,044.34
S Garden G	1BR/1BA	761		$ 550,000.00	0.8265%	$ 20.78	$ 319.70	$ 600.77	$ 621.55	$ 920.47
S 2 A	1BR/1BA	873		$ 660,000.00	0.9479%	$ 23.83	$ 366.65	$ 688.99	$ 712.82	$ 1,055.64
S 2 B	2BR/2BA	1,171		$ 880,000.00	1.2717%	$ 31.97	$ 491.92	$ 924.39	$ 956.36	$ 1,416.31
S 2 C	2BR/2BA	1,248		$ 915,000.00	1.3552%	$ 34.07	$ 524.21	$ 985.07	$ 1,019.15	$ 1,509.28
S 2 D	2BR/2BA	1,048		$ 785,000.00	1.1379%	$ 28.61	$ 440.14	$ 827.09	$ 855.70	$ 1,267.23
S 2 E	2BR/2BA	1,005		$ 755,000.00	1.0905%	$ 27.42	$ 421.83	$ 792.68	$ 820.10	$ 1,214.51
S 2 F	1BR/1BA	756		$ 595,000.00	0.8203%	$ 20.62	$ 317.31	$ 596.27	$ 616.89	$ 913.57
S 2 G	1BR/1BA	763		$ 595,000.00	0.8280%	$ 20.82	$ 320.29	$ 601.87	$ 622.69	$ 922.16
S 2 H	1BR/1BA	807		$ 625,000.00	0.8761%	$ 22.03	$ 338.89	$ 636.83	$ 658.86	$ 975.72
S 2 I	2BR/2BA	1,123		$ 885,000.00	1.2186%	$ 30.64	$ 471.38	$ 885.80	$ 916.44	$ 1,357.18
S 3 A	1BR/1BA	873		$ 675,000.00	0.9479%	$ 23.83	$ 366.65	$ 688.99	$ 712.82	$ 1,055.64
S 3 B	2BR/2BA	1,171		$ 905,000.00	1.2717%	$ 31.97	$ 491.92	$ 924.39	$ 956.36	$ 1,416.31
S 3 C	2BR/2BA	1,248		$ 940,000.00	1.3552%	$ 34.07	$ 524.21	$ 985.07	$ 1,019.15	$ 1,509.28
S 3 D	2BR/2BA	1,114	125	$ 890,000.00	1.2436%	$ 31.27	$ 481.03	$ 903.93	$ 935.20	$ 1,384.96
S 3 E	2BR/2BA	1,001	157	$ 820,000.00	1.1299%	$ 28.41	$ 437.04	$ 821.27	$ 849.68	$ 1,258.31
S 3 F	1BR/1BA	755	112	$ 620,000.00	0.8504%	$ 21.38	$ 328.95	$ 618.15	$ 639.53	$ 947.10

** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION SEPTEMBER1, 2008 - AUGUST 31, 2009

(1) UNIT	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
SOUTH BUILDING CONT.										
S 3 G	1BR/1BA	817	93	$ 660,000.00	0.9127%	$ 22.95	$ 353.05	$ 663.44	$ 686.39	$ 1,016.50
S 3 H	1BR/1BA	763	46	$ 620,000.00	0.8408%	$ 21.14	$ 325.24	$ 611.18	$ 632.32	$ 936.43
S 3 I	1BR/1BA	823	82	$ 665,000.00	0.9162%	$ 23.04	$ 354.40	$ 665.97	$ 689.00	$ 1,020.37
S 3 J	2BR/2BA	1,149	185	$ 1,075,000.00	1.2971%	$ 32.61	$ 501.71	$ 942.80	$ 975.41	$ 1,444.51
S 4 A	1BR/1BA	873		$ 695,000.00	0.9479%	$ 23.83	$ 366.65	$ 688.99	$ 712.82	$ 1,055.64
S 4 B	2BR/2BA	1,171		$ 930,000.00	1.2717%	$ 31.97	$ 491.92	$ 924.39	$ 956.36	$ 1,416.31
S 4 C	2BR/2BA	1,248		$ 965,000.00	1.3552%	$ 34.07	$ 524.21	$ 985.07	$ 1,019.15	$ 1,509.28
S 4 D	2BR/2BA	1,114		$ 890,000.00	1.2097%	$ 30.42	$ 467.94	$ 879.33	$ 909.75	$ 1,347.27
S 4 E	2BR/2BA	1,001		$ 820,000.00	1.0872%	$ 27.33	$ 420.53	$ 790.24	$ 817.57	$ 1,210.76
S 4 F	1BR/1BA	755		$ 620,000.00	0.8197%	$ 20.61	$ 317.05	$ 595.79	$ 616.40	$ 912.85
S 4 G	1BR/1BA	817		$ 660,000.00	0.8874%	$ 22.31	$ 343.26	$ 645.04	$ 667.35	$ 988.29
S 4 H	1BR/1BA	763	46	$ 620,000.00	0.8408%	$ 21.14	$ 325.24	$ 611.18	$ 632.32	$ 936.43
S 4 I	1BR/1BA	823	51	$ 665,000.00	0.9079%	$ 22.83	$ 351.16	$ 659.89	$ 682.72	$ 1,011.06
S 4 J	2BR/2BA	1,149	185	$ 1,100,000.00	1.2971%	$ 32.61	$ 501.71	$ 942.80	$ 975.41	$ 1,444.51
S 5 A	1BR/1BA	757	116	$ 695,000.00	0.8532%	$ 21.45	$ 330.02	$ 620.16	$ 641.61	$ 950.18
S 5 B	2BR/2BA	1,008	164	$ 880,000.00	1.1383%	$ 28.62	$ 440.30	$ 827.39	$ 856.00	$ 1,267.68
S 5 C	1BR/1BA	776	464	$ 695,000.00	0.9687%	$ 24.36	$ 374.70	$ 704.12	$ 728.48	$ 1,078.82
S 5 D	1BR/1BA	778	455	$ 695,000.00	0.9678%	$ 24.33	$ 374.35	$ 703.47	$ 727.81	$ 1,077.83
S 5 E	2BR/2BA	995	157	$ 870,000.00	1.1226%	$ 28.22	$ 434.23	$ 815.98	$ 844.21	$ 1,250.21
S 5 F	1BR/1BA	765	112	$ 675,000.00	0.8612%	$ 21.65	$ 333.11	$ 625.96	$ 647.61	$ 959.07
S 5 G	1BR/1BA	810		$ 640,000.00	0.8798%	$ 22.12	$ 340.32	$ 639.51	$ 661.63	$ 979.83
S 5 H	1BR/1BA	763	46	$ 675,000.00	0.8408%	$ 21.14	$ 325.24	$ 611.18	$ 632.32	$ 936.43
S 5 I	1BR/1BA	823	51	$ 795,000.00	0.9079%	$ 22.83	$ 351.16	$ 659.89	$ 682.72	$ 1,011.06
S 5 J	2BR/2BA	1,149	185	$ 1,145,000.00	1.2971%	$ 32.61	$ 501.71	$ 942.80	$ 975.41	$ 1,444.51
S PH A	2BR/2BA	1,059	789	$ 1,490,000.00	1.3636%	$ 34.28	$ 527.44	$ 991.15	$ 1,025.43	$ 1,518.59
S PH B	2BR/2BA	1,054	827	$ 1,100,000.00	1.3682%	$ 34.40	$ 529.23	$ 994.50	$ 1,028.90	$ 1,523.73

** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION SEPTEMBER1, 2008 - AUGUST 31, 2009

(1) UNIT	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
SOUTH BUILDING CONT.										
S PH C	2BR/2BA	1,073	437	$ 1,125,000.00	1.2834%	$ 32.27	$ 496.43	$ 932.87	$ 965.14	$ 1,429.30
S PH D	2BR/2BA	1,049	602	$ 1,545,000.00	1.3028%	$ 32.75	$ 503.92	$ 946.94	$ 979.69	$ 1,450.85
S PH E	1BR/1BA	793	120	$ 835,000.00	0.8936%	$ 22.47	$ 345.66	$ 649.55	$ 672.02	$ 995.22
S PH F	1BR/1BA	738		$ 775,000.00	0.8008%	$ 20.13	$ 309.75	$ 582.06	$ 602.20	$ 891.81
S PH G	3BR/2BA	1,570	466	$ 1,735,000.00	1.8314%	$ 46.05	$ 708.42	$ 1,331.23	$ 1,377.27	$ 2,039.64
Subtotal		**50,018**	**8,422**	**$ 43,400,000**	**56.5879%**	**$ 1,422.76**	**$ 21,888.57**	**$ 41,132.14**	**$ 42,554.90**	**$ 63,020.71**
NORTH BUILDING										
N Garden A	2BR/2BA	1,075		$ 725,000.00	1.1671%	$ 29.34	$ 451.43	$ 848.32	$ 877.66	$ 1,299.75
N Garden B	2BR/2BA	1,163		$ 755,000.00	1.2629%	$ 31.75	$ 488.51	$ 918.00	$ 949.75	$ 1,406.51
N Garden C	1BR/1BA	797	729	$ 660,000.00	1.0635%	$ 26.74	$ 411.36	$ 773.01	$ 799.75	$ 1,184.38
N Garden D	1BR/1BA	815	391	$ 675,000.00	0.9909%	$ 24.91	$ 383.30	$ 720.28	$ 745.19	$ 1,103.58
N Garden E	2BR/2BA	1,090	728	$ 890,000.00	1.3811%	$ 34.72	$ 534.20	$ 1,003.86	$ 1,038.58	$ 1,538.06
N 2 A	2BR/2BA	1,052		$ 790,000.00	1.1421%	$ 28.72	$ 441.78	$ 830.17	$ 858.88	$ 1,271.94
N 2 B	1BR/1BA	871		$ 655,000.00	0.9460%	$ 23.79	$ 365.93	$ 687.65	$ 711.44	$ 1,053.58
N 2 C	2BR/2BA	1,090		$ 815,000.00	1.1835%	$ 29.76	$ 457.78	$ 860.23	$ 889.99	$ 1,318.01
S 2 D	2BR/2BA	1,090		$ 815,000.00	1.1835%	$ 29.76	$ 457.78	$ 860.23	$ 889.99	$ 1,318.01
N 2 E	2BR/2BA	1,184		$ 885,000.00	1.2854%	$ 32.32	$ 497.21	$ 934.33	$ 966.65	$ 1,431.54
N 2 F	2BR/2BA	1,090		$ 815,000.00	1.1835%	$ 29.76	$ 457.78	$ 860.23	$ 889.99	$ 1,318.01
N 3 A	2BR/2BA	1,052		$ 815,000.00	1.1421%	$ 28.72	$ 441.78	$ 830.17	$ 858.88	$ 1,271.94
N 3 B	2BR/2BA	990	77	$ 795,000.00	1.0959%	$ 27.55	$ 423.92	$ 796.61	$ 824.16	$ 1,220.53
N 3 C	2BR/2BA	1,137	61	$ 895,000.00	1.2505%	$ 31.44	$ 483.69	$ 908.92	$ 940.36	$ 1,392.61
N 3 D	2BR/2BA	1,090		$ 840,000.00	1.1835%	$ 29.76	$ 457.78	$ 860.23	$ 889.99	$ 1,318.01
N 3 E	2BR/2BA	1,184		$ 895,000.00	1.2854%	$ 32.32	$ 497.21	$ 934.33	$ 966.65	$ 1,431.54
N 3 F	2BR/2BA	1,090		$ 840,000.00	1.1835%	$ 29.76	$ 457.78	$ 860.23	$ 889.99	$ 1,318.01

** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION SEPTEMBER1, 2008 - AUGUST 31, 2009

(1) UNIT	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
NORTH BUILDING CONT.										
N 4 A	2BR/2BA	1,052		$ 840,000.00	1.1421%	$ 28.72	$ 441.78	$ 830.17	$ 858.88	$ 1,271.94
N 4 B	2BR/2BA	990	159	$ 825,000.00	1.1183%	$ 28.12	$ 432.56	$ 812.85	$ 840.96	$ 1,245.40
N 4 C	2BR/2BA	1,137	61	$ 915,000.00	1.2505%	$ 31.44	$ 483.69	$ 908.92	$ 940.36	$ 1,392.61
N 4 D	2BR/2BA	1,090		$ 865,000.00	1.1835%	$ 29.76	$ 457.78	$ 860.23	$ 889.99	$ 1,318.01
N 4 E	2BR/2BA	1,184		$ 920,000.00	1.2854%	$ 32.32	$ 497.21	$ 934.33	$ 966.65	$ 1,431.54
N 4 F	2BR/2BA	1,090		$ 865,000.00	1.1835%	$ 29.76	$ 457.78	$ 860.23	$ 889.99	$ 1,318.01
N 5 A	2BR/2BA	1,052		$ 865,000.00	1.1421%	$ 28.72	$ 441.78	$ 830.17	$ 858.88	$ 1,271.94
N 5 B	2BR/2BA	990	159	$ 850,000.00	1.1184%	$ 28.12	$ 432.60	$ 812.92	$ 841.04	$ 1,245.52
N 5 C	2BR/2BA	1,137	61	$ 940,000.00	1.2505%	$ 31.44	$ 483.69	$ 908.92	$ 940.36	$ 1,392.61
N 5 D	2BR/2BA	1,090		$ 890,000.00	1.1835%	$ 29.76	$ 457.78	$ 860.23	$ 889.99	$ 1,318.01
N 5 E	2BR/2BA	1,184		$ 945,000.00	1.2854%	$ 32.32	$ 497.21	$ 934.33	$ 966.65	$ 1,431.54
N 5 F	2BR/2BA	1,090		$ 890,000.00	1.1835%	$ 29.76	$ 457.78	$ 860.23	$ 889.99	$ 1,318.01
N PH A	3BR/2.5BA	1,349	815	$ 1,350,000.00	1.6853%	$ 42.37	$ 651.87	$ 1,224.97	$ 1,267.34	$ 1,876.84
N PH B	2BR/2BA	1,090		$ 990,000.00	1.1835%	$ 29.76	$ 457.78	$ 860.23	$ 889.99	$ 1,318.01
N PH C	2BR/2BA	1,102	295	$ 1,100,000.00	1.2760%	$ 32.08	$ 493.56	$ 927.49	$ 959.57	$ 1,421.05
N PH D	3BR/2.5BA	1,399	620	$ 1,400,000.00	1.6871%	$ 42.42	$ 652.58	$ 1,226.31	$ 1,268.73	$ 1,878.90
Subtotal		**35,887**	**4,155**	**$ 29,010,000**	**40.0887%**	**$ 1,007.93**	**$ 15,506.59**	**$ 29,139.36**	**$ 30,147.29**	**$ 44,645.94**

** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION SEPTEMBER1, 2008 - AUGUST 31, 2009

(1) UNIT	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
					CABANAS					
CS1			172	$ 37,000	0.0467%	$ 1.17	$ 18.06	$ 33.93	$ 35.11	$ 51.99
CS2			164	$ 35,500	0.0446%	$ 1.12	$ 17.26	$ 32.43	$ 33.56	$ 49.69
CS3			164	$ 35,500	0.0446%	$ 1.12	$ 17.26	$ 32.43	$ 33.56	$ 49.69
CS4			164	$ 35,500	0.0446%	$ 1.12	$ 17.26	$ 32.43	$ 33.56	$ 49.69
CS5			164	$ 35,500	0.0446%	$ 1.12	$ 17.26	$ 32.43	$ 33.56	$ 49.69
CS6			164	$ 35,500	0.0446%	$ 1.12	$ 17.26	$ 32.43	$ 33.56	$ 49.69
CS7			164	$ 35,500	0.0446%	$ 1.12	$ 17.26	$ 32.43	$ 33.56	$ 49.69
CS8			164	$ 35,500	0.0446%	$ 1.12	$ 17.26	$ 32.43	$ 33.56	$ 49.69
CS9			164	$ 35,500	0.0446%	$ 1.12	$ 17.26	$ 32.43	$ 33.56	$ 49.69
CS10			164	$ 35,500	0.0446%	$ 1.12	$ 17.26	$ 32.43	$ 33.56	$ 49.69
CS11			164	$ 35,500	0.0446%	$ 1.12	$ 17.26	$ 32.43	$ 33.56	$ 49.69
CS12			178	$ 37,000	0.0484%	$ 1.22	$ 18.72	$ 35.18	$ 36.39	$ 53.89
CN1			224	$ 48,000	0.0607%	$ 1.53	$ 23.46	$ 44.09	$ 45.62	$ 67.56
CN2			220	$ 47,000	0.0596%	$ 1.50	$ 23.07	$ 43.34	$ 44.84	$ 66.41
CN3			220	$ 47,000	0.0596%	$ 1.50	$ 23.07	$ 43.34	$ 44.84	$ 66.41
CN4			237	$ 50,000	0.0644%	$ 1.62	$ 24.90	$ 46.80	$ 48.41	$ 71.70
CN5			223	$ 48,000	0.0606%	$ 1.52	$ 23.42	$ 44.01	$ 45.54	$ 67.44
CN6			207	$ 45,000	0.0560%	$ 1.41	$ 21.68	$ 40.74	$ 42.15	$ 62.42
CN7			207	$ 45,000	0.0560%	$ 1.41	$ 21.68	$ 40.74	$ 42.15	$ 62.42
CN8			205	$ 45,000	0.0556%	$ 1.40	$ 21.50	$ 40.40	$ 41.80	$ 61.90
CN9			158	$ 33,500	0.0429%	$ 1.08	$ 16.60	$ 31.19	$ 32.27	$ 47.79
CN10			158	$ 33,500	0.0429%	$ 1.08	$ 16.60	$ 31.19	$ 32.27	$ 47.79
CN11			158	$ 33,500	0.0429%	$ 1.08	$ 16.60	$ 31.19	$ 32.27	$ 47.79
CN12			160	$ 33,500	0.0433%	$ 1.09	$ 16.77	$ 31.51	$ 32.60	$ 48.27
Subtotal			**4369**	**$ 938,000**	**1.1859%**	**$ 29.82**	**$ 458.71**	**$ 861.99**	**$ 891.81**	**$ 1,320.70**

** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION SEPTEMBER1, 2008 - AUGUST 31, 2009

(1) UNIT	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
					PARKING					
P1			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P2			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P3			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P4			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P5			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P6			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P7			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P8			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P9			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P10			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P11			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P12			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P13			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P14			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P15			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P16			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P17			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P18			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P19			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P20			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P21			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P22			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P23			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P24			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P25			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P26			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25

** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION SEPTEMBER1, 2008 - AUGUST 31, 2009

(1) UNIT	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
					PARKING CONT.					
P27			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P28			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P29			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P30			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P31			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P32			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P33			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P34			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P35			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P36			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P37			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P38			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P39			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P40			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P41			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P42			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P43			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P44			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P45			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P46			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P47			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P48			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P49			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P50			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P51			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
Subtotal			7803	$ 2,805,000	2.1178%	$ 53.25	$ 819.20	$ 1,539.40	$ 1,592.65	$ 2,358.60

** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR
THE FIRST YEAR OF CONDOMINIUM OPERATION SEPTEMBER1, 2008 - AUGUST 31, 2009

(1) UNIT	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
STORAGE										
S1			59	$ 14,750	0.0160%	$ 0.40	$ 6.19	$ 11.64	$ 12.04	$ 17.83
S2			51	$ 12,750	0.0138%	$ 0.35	$ 5.35	$ 10.06	$ 10.41	$ 15.42
S3			51	$ 12,750	0.0138%	$ 0.35	$ 5.35	$ 10.06	$ 10.41	$ 15.42
S4			59	$ 14,750	0.0160%	$ 0.40	$ 6.19	$ 11.64	$ 12.04	$ 17.83
S5			52	$ 13,000	0.0141%	$ 0.35	$ 5.46	$ 10.26	$ 10.61	$ 15.72
S6			52	$ 13,000	0.0141%	$ 0.35	$ 5.46	$ 10.26	$ 10.61	$ 15.72
S7			61	$ 15,250	0.0166%	$ 0.42	$ 6.40	$ 12.03	$ 12.45	$ 18.44
S8			107	$ 26,750	0.0290%	$ 0.73	$ 11.23	$ 21.11	$ 21.84	$ 32.34
Subtotal			492	$ 123,000	0.1335%	$ 3.36	$ 51.65	$ 97.06	$ 100.42	$ 148.72

** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION SEPTEMBER1, 2008 - AUGUST 31, 2009

(1) UNIT	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
					TOTAL					
Total Residential		85,905	12,576	$ 72,410,000	96.6766%	$ 2,430.69	$ 37,395.16	$ 70,271.49	$ 72,702.19	$ 107,666.66
Total Cabanas			4369	$ 938,000	1.186%	$ 29.82	$ 458.71	$ 861.99	$ 891.81	$ 1,320.70
Total Parking			7803	$ 2,805,000	2.1178%	$ 53.25	$ 819.20	$ 1,539.40	$ 1,592.65	$ 2,358.60
Total Storage			492	$ 123,000	0.1335%	$ 3.36	$ 51.65	$ 97.06	$ 100.42	$ 148.72
GRAND TOTAL		85,905	25,241	$ 76,276,000	100%	$ 2,517.11	$ 38,724.72	$ 72,769.95	$ 75,287.06	$ 111,494.66

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Notes to Schedule A

(1) Purchasers should refer to the Floor Plans included in Part II of the Plan for an approximation of the dimensions and typical layouts of the Residential Units. The number of bedrooms and bathrooms for each Residential 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 Floor Plans also contain layouts of the Cabana Area, Parking Space and Storage Locker Area.

(2) The square foot area and dimensions of the Units listed in Schedule A or in the Declaration are approximate and may change due to field conditions, construction variances and tolerances and were obtained by using the method customarily used in New York City to measure condominium apartments. No such variation will affect a Purchaser's obligations under the Purchase Agreement or the Plan unless the square foot area of the Unit is materially and adversely increased or decreased (excluding interior partitions), thereby affording Purchaser a 15 day right to rescind. Any increase or decrease which does not change the square foot area of the Unit by more than 5% (excluding interior partitions), shall be presumed not to be material and adverse. Sponsor's sole obligation if the net square foot area of the Unit is so diminished shall be to refund the Deposit made under the Purchase Agreement and any interest earned thereon, except for funds expended by or reimbursed to Sponsor for upgrades or extras. Each Residential Unit consists of the area measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits are not deducted from measurement of each Unit) to the centerline of the partitions separating one Residential Unit from another Residential Unit, or separating one Residential Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Residential Unit or to the exterior side of the opposite exterior walls. Each Residential Unit consists of the area measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling. As is customary in New York, these square foot areas exceed the usable floor area of each Residential Unit. The method of measurement is applicable to all Residential Units. The floor area of each Cabana is measured from the interior side of the exterior parapet wall to the interior face of the dividing partition shared with another Cabana or with adjacent common roof areas. The floor area of each Parking Space is measured from the centerline of the painted striping to the centerline of the painted striping or to the face of any adjacent partition. Each Storage Locker is measured from the centerline of the dividing partition to the centerline of the dividing partition of any adjacent Storage Locker or to the face of any adjacent partition. Any Common Elements located within or appurtenant to any Unit shall not be considered as part of that Residential Unit. Terraces shown on Schedule A are Limited Common Elements.

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

(4) The Common Interest of each Unit in the Common Elements has been allocated pursuant to the method set forth in Real Property Law Section 339-i(l) (iv) based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit.

(5) The estimated monthly Common Charges for each Unit are based on the Schedule B - First Year's Budget prepared by Sponsor's Condominium Budget Expert on the assumption that the First Year of Condominium Operation will be the year from January 1, 2008. The actual First Year of Condominium Operation may be earlier or later than such year. In addition to these estimated payments, each Unit Owner will be responsible for real estate taxes on the Unit, mortgage payments under a loan, if any, obtained to finance the purchase of the Unit, the cost of electricity supplied to the Unit which will be separately metered and payable either directly to the utility company or to the Condominium Board for payment to the utility company, the cost of any insurance which the Unit Owner may wish to obtain for the Unit (and which Sponsor strongly urges each Unit Owner to obtain) and the cost of interior repairs and decorations to the Unit. See the Section of the Plan entitled "Schedule B-1 - Budget for Individual Energy Costs" concerning estimates of certain electric costs for the Units. All Unit Owners from and after the Closing, including Sponsor with respect to all Unsold Units, shall be responsible for payment of all Common Charges with respect to their Units.

It is presently anticipated that an application will be made to the New York State Public Service Commission in order to permit the Condominium Board to purchase electricity from Con Edison at a "bulk rate" (which may result in a savings to Unit Owners). In the event that such application is made, and subsequently granted, the Condominium Board will assess the cost of electricity provided to the Unit Owners. Each Unit will be billed by the Condominium Board for actual consumption on the basis of its submeter and the Condominium Board will, in turn, pay Con Edison. Alternatively, the cost of electricity supplied to each Unit will be separately metered and payable by the Unit Owner directly to Con Edison.

As discussed in the Section of the Plan entitled "Description of Property and Improvements" subsection "Services and Facilities," the full range of services and facilities described in the Plan may not be provided until such time as Sponsor has conveyed title to 75% of the Residential Units.

(6) Sponsor will apply for partial exemption from real estate taxes with respect to the Units of the Building pursuant to Section 421-a of the New York Real Property Tax Law. Based on the opinion of Sponsor's tax counsel described herein, under the 421-a program, the real estate tax estimate for the First Year of Condominium Operation will be based upon the taxable assessed valuation of the Property in the tax year prior to construction commencement, which is commonly referred to as the "mini-tax." As construction commenced subsequent to July 1, 2005, but prior to June 30, 2006, the "mini-tax" will be based upon the assessed valuation of the Property in the 2004/2005 tax year. The 2004/2005 actual assessed valuation of the Property was $ 234,000. Therefore, for the period of construction as defined under Section 421-a, not to exceed 3 years, and for 2 years following completion, or 3 years of construction, whichever occurs first, the real estate taxes for the residential portion of the Property will be based upon the estimated allocated actual assessed valuation of $221,598 payable at a tax rate then in effect in the year it is due. Purchasers should refer to the 421-a Real Estate Tax Exemption Benefits Opinion prepared by the Real Estate Tax Consultant set forth in Part II of the Plan for further discussion regarding the 421-a program and the availability of such program to this project. The estimated tax is based on the assumption that the partial exemption will be in effect for the First Year of Condominium Operation, and that there will not be any change in the taxable status of the Property. No warranty or guarantee is made as to the amount of any tax exemption that will actually be received. In addition, no warranty or guarantee is made that the actual

assessed valuation or the assessed valuation for the Property if Section 421-a benefits are granted will be as projected above, that the projected tax rate will be in effect for all or any portion of the Property during the First Year of Condominium Operation or that the real estate taxes will be allocated among Units in proportion to their Common Interests or Schedule A purchase prices. In no event will Sponsor, Sponsor's Counsel, Sponsor's Tax Consultant, Selling Agent or any offeror hereunder be liable to any Purchaser, nor will any Purchaser have the right to rescind the Purchase Agreement, in the event Section 421-a benefits are not granted or, if granted, in the event the amount of such exemption and the resulting taxes differ from those projected.

If for any reason the Section 421-a tax exemption is not granted, it is estimated that the aggregate real estate taxes payable with respect to all Residential Units for the First Year of Condominium Operation will total approximately $443,084, assuming (a) an actual assessed valuation for the Property of $2,840,00 for the ten months of the 2008/2009 tax year reflecting the assessment for a partially constructed property and (b) an actual assessed valuation for the Property of $6,250,000 for the two months of the 2009/2010 tax year based on the real estate tax projection opinion prepared by Tuchman, Katz, Schwartz, Gelles, Korngold & Weiss, LLP dated June 11, 2007 a copy of which is annexed as Exhibit "D" to the Second Amendment to the Plan, and (b) a tax rate of $13 per $100 of assessed valuation for the 2008/2009 and 2009/2010 tax years. Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the annual real estate taxes for the Residential Units will total approximately $ $812,500. This tax projection does not take into account any Section 421-a benefits that may be applicable to the Property at such time.

No warranty or guarantee is made that the actual assessed valuation will be as projected above, that the projected tax rate will be in effect for all or any portion of the Property during the First Year of Condominium Operation or the real estate taxes will be allocated among Units in proportion to their Common Interests or Schedule A purchase prices. In no event will Sponsor, Sponsor's Counsel, Sponsor's Tax Consultant, Selling Agent or any offeror hereunder be liable to any Purchaser, nor will any Purchaser have the right to rescind the Purchase Agreement, in the event the amount of real estate taxes differ from those projected.

In arriving at the assessed valuation for each Unit in the Condominium, the Building is first assessed as a single entity. This overall assessment is then apportioned among the respective Units, each of which will be assigned a tax lot designation once the Declaration has been recorded and the Floor Plans are filed with the Registers Office. 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 and a tax bill is issued by the City of New York to such Unit Owner, a Unit Owner will not be responsible for the payment of real estate taxes assessed against another Unit, nor will the Unit be subject to any lien arising out of non-payment of real estate taxes assessed against another Unit.

For purposes of Schedule A, the projected real estate taxes for the Units were apportioned based on the Common Interest appurtenant to the Unit. In the past, to determine the percentage of the total assessed value to be attributed to each Unit, the New York City Department of Finance has used (1) the Common Interest appurtenant to each Unit (2) the ratio of the Schedule A sales prices of any individual Unit to the total sales prices of all Units or (3) the ratio of square footage contained in each Unit to the total square footage in the Building. It is possible that the New York City Department of Finance may use any of these methods to apportion the assessed value. Although the estimate of New York City real estate taxes is a good faith estimate, it is not possible to estimate same with any degree of certainty. Assessed valuations, apportionment or taxes among the Units and tax rates, when actually established by the City of New York, may be lesser or greater. Accordingly, these estimates are to be considered opinions and are not intended, and should not be construed as, warranties as to

future assessed valuations, tax rates or the actual real estate taxes to be assessed. In no event will Sponsor, Sponsor's Counsel, Sponsor's Tax Consultant, Selling Agent or any other offeror hereunder be liable to any Purchaser nor will any Purchaser have the right to rescind the Purchase Agreement if the assessed valuations, tax rates or taxes, when actually established, are lesser or greater than that predicted herein or if the Administrative Code and the applicable rules and regulations of the City of New York are changed in the future.

In the opinion of Olshan Grundman Frome Rosenzweig & Wolosky LLP a copy of which is set forth in Part II of the Plan, a Unit Owner who uses the Residential Unit as a personal residence will, under present Law, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers, subject to certain exceptions and limitations which are more particularly discussed in the Attorney's Income Tax Opinion. Purchasers should note that deductions, if applicable, may vary in future years due to changes in the interest rate or the Residential Unit Owner's mortgage or from changes in the allocation of the constant debt service payments to interest and principal, or due to changes in real property taxes resulting from the expiration of real estate tax benefits, or from changes in the assessed value, the tax rate or the method of assessing real property. There will be no tax deductions available to Residential Unit Owners with respect to Cabanas, Storage Lockers and Parking Spaces they own. Sponsor makes no guaranty or warranty concerning the availability of any tax deductions. (See the Section of the Plan entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" for details.)

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

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

A Purchaser of a Unit will be required to make a contribution at the Closing of Title to the Working Capital Fund in an amount equal to 2 months' Common Charges assessed against the Unit. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for details.)

FIRST AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

125 NORTH 10TH STREET CONDOMINIUM
125 NORTH 10TH STREET
BROOKLYN, NEW YORK 11211

SPONSOR

125NORTH10, LLC
10 East 53rd Street
New York, New York 10022

SELLING AGENT

Core Group Marketing
417 Fifth Avenue, 9th Floor
New York, New York 10016
(212) 726-0778

DATED: July 31, 2007

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7. INCORPORATION OF OFFERING PLAN 2
8. EXTENSION OF OFFERING PLAN 2

Exhibit

A - SCHEDULE A - PURCHASE PRICES AND RELATED INFORMATION

B - SCHEDULE B – FIRST YEAR'S BUDGET

C - CERTIFICATION OF BUDGET EXPERT

D - REAL ESTATE TAX OPINION AND ATTORNEY'S 421-A REAL ESTATE TAX EXEMPTION BENEFITS OPINION

E - UPDATED FLOOR PLANS

FIRST AMENDMENT

TO

CONDOMINIUM OFFERING PLAN

INTRODUCTION

This First Amendment modifies and supplements the terms of the Condominium Offering Plan for the premises known as 125 North 10th Street Condominium ("Condominium") located at 125 North 10th Street, Brooklyn, New York dated April 16, 2007, ("Offering Plan") and should be read in conjunction with the Plan.

The terms of this First Amendment are as follows:

1. FIRST YEAR OF CONDOMINIUM OPERATION

Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by Force Majeure, construction of the Building will be sufficiently completed to permit the closing of residential units to begin on or about September 1, 2008.

All references in the Offering Plan to the First Year of Condominium Operation shall mean September 1, 2008 through August 31, 2009.

Annexed hereto as Exhibit "A" is a revised "Schedule A – Purchase Prices and Related Information," which has been updated to reflect that the first year of Condominium Operation is now expected to commence on or about September 1, 2008.

2. SCHEDULE B – FIRST YEAR'S BUDGET

Annexed hereto as Exhibit "B" is a copy of the updated and revised Schedule B – First Year's Budget for the first year of Condominium operation commencing September 1, 2008.

Annexed hereto as Exhibit "C" is an updated Certification of Budget Expert.

3. REAL ESTATE TAX OPINION

Annexed hereto as Exhibit "D" is an updated Real Estate Tax Opinion and Attorney's 421-a Real Estate Tax Exemption Benefits Opinion, which has been updated to reflect that the first year of condominium operation is now expected to commence on or about September 1, 2008.

4. UPDATED FLOOR PLANS

Annexed hereto as Exhibit "E" are copies of updated Floor Plans for the Building and each of the Units.

5. DEFINITIONS

Any term used in Amendment not otherwise defined herein shall have the same meaning ascribed to it in the Offering Plan.

6. NO MATERIAL CHANGES

Except as set forth in this Amendment, there have been no material changes of facts or circumstances affecting the Property or the offering.

7. INCORPORATION OF OFFERING PLAN

The Offering Plan, as modified and supplemented by this Amendment, is incorporated herein by reference with the same effect as if set forth at length.

8. EXTENSION OF OFFERING PLAN

The Plan, as modified and supplemented by this Amendment, may not be used after six (6) months following the Filing Date of this Amendment, unless the Plan is extended or amended.

SPONSOR:

125NORTH10, LLC

EXHIBIT 'A'

SCHEDULE OF PURCHASE PRICES OF UNITS AND RELATED INFORMATION

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION SEPTEMBER1, 2008 - AUGUST 31, 2009

(1) UNIT Residential Units	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
SOUTH BUILDING										
S Garden A	1BR/1BA	873	475	$ 695,000.00	1.0766%	$ 27.07	$ 416.43	$ 782.54	$ 809.61	$ 1,198.98
S Garden B	2BR/2BA	1,171	669	$ 955,000.00	1.4532%	$ 36.54	$ 562.12	$ 1,056.31	$ 1,092.85	$ 1,618.43
S Garden C	1BR/1BA	838	462	$ 690,000.00	1.0353%	$ 26.03	$ 400.47	$ 752.56	$ 778.59	$ 1,153.03
S Garden D	STUDIO/1BA	599	181	$ 450,000.00	0.6997%	$ 17.59	$ 270.63	$ 508.56	$ 526.15	$ 779.19
S Garden E	1BR/1BA	795	286	$ 580,000.00	0.9412%	$ 23.66	$ 364.04	$ 684.10	$ 707.76	$ 1,048.14
S Garden F	1BR/1BA	795	275	$ 580,000.00	0.9377%	$ 23.58	$ 362.72	$ 681.61	$ 705.19	$ 1,044.34
S Garden G	1BR/1BA	761		$ 550,000.00	0.8265%	$ 20.78	$ 319.70	$ 600.77	$ 621.55	$ 920.47
S 2 A	1BR/1BA	873		$ 660,000.00	0.9479%	$ 23.83	$ 366.65	$ 688.99	$ 712.82	$ 1,055.64
S 2 B	2BR/2BA	1,171		$ 880,000.00	1.2717%	$ 31.97	$ 491.92	$ 924.39	$ 956.36	$ 1,416.31
S 2 C	2BR/2BA	1,248		$ 915,000.00	1.3552%	$ 34.07	$ 524.21	$ 985.07	$ 1,019.15	$ 1,509.28
S 2 D	2BR/2BA	1,048		$ 785,000.00	1.1379%	$ 28.61	$ 440.14	$ 827.09	$ 855.70	$ 1,267.23
S 2 E	2BR/2BA	1,005		$ 755,000.00	1.0905%	$ 27.42	$ 421.83	$ 792.68	$ 820.10	$ 1,214.51
S 2 F	1BR/1BA	756		$ 595,000.00	0.8203%	$ 20.62	$ 317.31	$ 596.27	$ 616.89	$ 913.57
S 2 G	1BR/1BA	763		$ 595,000.00	0.8280%	$ 20.82	$ 320.29	$ 601.87	$ 622.69	$ 922.16
S 2 H	1BR/1BA	807		$ 625,000.00	0.8761%	$ 22.03	$ 338.89	$ 636.83	$ 658.86	$ 975.72
S 2 I	2BR/2BA	1,123		$ 885,000.00	1.2186%	$ 30.64	$ 471.38	$ 885.80	$ 916.44	$ 1,357.18
S 3 A	1BR/1BA	873		$ 675,000.00	0.9479%	$ 23.83	$ 366.65	$ 688.99	$ 712.82	$ 1,055.64
S 3 B	2BR/2BA	1,171		$ 905,000.00	1.2717%	$ 31.97	$ 491.92	$ 924.39	$ 956.36	$ 1,416.31
S 3 C	2BR/2BA	1,248		$ 940,000.00	1.3552%	$ 34.07	$ 524.21	$ 985.07	$ 1,019.15	$ 1,509.28
S 3 D	2BR/2BA	1,114	125	$ 890,000.00	1.2436%	$ 31.27	$ 481.03	$ 903.93	$ 935.20	$ 1,384.96
S 3 E	2BR/2BA	1,001	157	$ 820,000.00	1.1299%	$ 28.41	$ 437.04	$ 821.27	$ 849.68	$ 1,258.31
S 3 F	1BR/1BA	755	112	$ 620,000.00	0.8504%	$ 21.38	$ 328.95	$ 618.15	$ 639.53	$ 947.10

**** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.**

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR
THE FIRST YEAR OF CONDOMINIUM OPERATION SEPTEMBER1, 2008 - AUGUST 31, 2009

(1) UNIT	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
SOUTH BUILDING CONT.										
S 3 G	1BR/1BA	817	93	$ 660,000.00	0.9127%	$ 22.95	$ 353.05	$ 663.44	$ 686.39	$ 1,016.50
S 3 H	1BR/1BA	763	46	$ 620,000.00	0.8408%	$ 21.14	$ 325.24	$ 611.18	$ 632.32	$ 936.43
S 3 I	1BR/1BA	823	82	$ 665,000.00	0.9162%	$ 23.04	$ 354.40	$ 665.97	$ 689.00	$ 1,020.37
S 3 J	2BR/2BA	1,149	185	$ 1,015,000.00	1.2971%	$ 32.61	$ 501.71	$ 942.80	$ 975.41	$ 1,444.51
S 4 A	1BR/1BA	873		$ 695,000.00	0.9479%	$ 23.83	$ 366.65	$ 688.99	$ 712.82	$ 1,055.64
S 4 B	2BR/2BA	1,171		$ 930,000.00	1.2717%	$ 31.97	$ 491.92	$ 924.39	$ 956.36	$ 1,416.31
S 4 C	2BR/2BA	1,248		$ 965,000.00	1.3552%	$ 34.07	$ 524.21	$ 985.07	$ 1,019.15	$ 1,509.28
S 4 D	2BR/2BA	1,114		$ 890,000.00	1.2097%	$ 30.42	$ 467.94	$ 879.33	$ 909.75	$ 1,347.27
S 4 E	2BR/2BA	1,001		$ 820,000.00	1.0872%	$ 27.33	$ 420.53	$ 790.24	$ 817.57	$ 1,210.76
S 4 F	1BR/1BA	755		$ 620,000.00	0.8197%	$ 20.61	$ 317.05	$ 595.79	$ 616.40	$ 912.85
S 4 G	1BR/1BA	817		$ 660,000.00	0.8874%	$ 22.31	$ 343.26	$ 645.04	$ 667.35	$ 988.29
S 4 H	1BR/1BA	763	46	$ 620,000.00	0.8408%	$ 21.14	$ 325.24	$ 611.18	$ 632.32	$ 936.43
S 4 I	1BR/1BA	823	51	$ 665,000.00	0.9079%	$ 22.83	$ 351.16	$ 659.89	$ 682.72	$ 1,011.06
S 4 J	2BR/2BA	1,149	185	$ 1,035,000.00	1.2971%	$ 32.61	$ 501.71	$ 942.80	$ 975.41	$ 1,444.51
S 5 A	1BR/1BA	757	116	$ 695,000.00	0.8532%	$ 21.45	$ 330.02	$ 620.16	$ 641.61	$ 950.18
S 5 B	2BR/2BA	1,008	164	$ 880,000.00	1.1383%	$ 28.62	$ 440.30	$ 827.39	$ 856.00	$ 1,267.68
S 5 C	1BR/1BA	776	464	$ 695,000.00	0.9687%	$ 24.36	$ 374.70	$ 704.12	$ 728.48	$ 1,078.82
S 5 D	1BR/1BA	778	455	$ 695,000.00	0.9678%	$ 24.33	$ 374.35	$ 703.47	$ 727.81	$ 1,077.83
S 5 E	2BR/2BA	995	157	$ 870,000.00	1.1226%	$ 28.22	$ 434.23	$ 815.98	$ 844.21	$ 1,250.21
S 5 F	1BR/1BA	765	112	$ 675,000.00	0.8612%	$ 21.65	$ 333.11	$ 625.96	$ 647.61	$ 959.07
S 5 G	1BR/1BA	810		$ 640,000.00	0.8798%	$ 22.12	$ 340.32	$ 639.51	$ 661.63	$ 979.83
S 5 H	1BR/1BA	763	46	$ 675,000.00	0.8408%	$ 21.14	$ 325.24	$ 611.18	$ 632.32	$ 936.43
S 5 I	1BR/1BA	823	51	$ 725,000.00	0.9079%	$ 22.83	$ 351.16	$ 659.89	$ 682.72	$ 1,011.06
S 5 J	2BR/2BA	1,149	185	$ 1,075,000.00	1.2971%	$ 32.61	$ 501.71	$ 942.80	$ 975.41	$ 1,444.51
S PH A	2BR/2BA	1,059	789	$ 1,100,000.00	1.3636%	$ 34.28	$ 527.44	$ 991.15	$ 1,025.43	$ 1,518.59
S PH B	2BR/2BA	1,054	827	$ 1,100,000.00	1.3682%	$ 34.40	$ 529.23	$ 994.50	$ 1,028.90	$ 1,523.73

** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR
THE FIRST YEAR OF CONDOMINIUM OPERATION SEPTEMBER1, 2008 - AUGUST 31, 2009

(1) UNIT	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
SOUTH BUILDING CONT.										
S PH C	2BR/2BA	1,073	437	$ 1,125,000.00	1.2834%	$ 32.27	$ 496.43	$ 932.87	$ 965.14	$ 1,429.30
S PH D	2BR/2BA	1,049	602	$ 1,125,000.00	1.3028%	$ 32.75	$ 503.92	$ 946.94	$ 979.69	$ 1,450.85
S PH E	1BR/1BA	793	120	$ 725,000.00	0.8936%	$ 22.47	$ 345.66	$ 649.55	$ 672.02	$ 995.22
S PH F	1BR/1BA	738		$ 695,000.00	0.8008%	$ 20.13	$ 309.75	$ 582.06	$ 602.20	$ 891.81
S PH G	3BR/2BA	1,570	466	$ 1,600,000.00	1.8314%	$ 46.05	$ 708.42	$ 1,331.23	$ 1,377.27	$ 2,039.64
Subtotal		**50,018**	**8,422**	**$ 42,000,000**	**56.5879%**	**$ 1,422.76**	**$ 21,888.57**	**$ 41,132.14**	**$ 42,554.90**	**$ 63,020.71**
NORTH BUILDING										
N Garden A	2BR/2BA	1,075		$ 725,000.00	1.1671%	$ 29.34	$ 451.43	$ 848.32	$ 877.66	$ 1,299.75
N Garden B	2BR/2BA	1,163		$ 755,000.00	1.2629%	$ 31.75	$ 488.51	$ 918.00	$ 949.75	$ 1,406.51
N Garden C	1BR/1BA	797	729	$ 660,000.00	1.0635%	$ 26.74	$ 411.36	$ 773.01	$ 799.75	$ 1,184.38
N Garden D	1BR/1BA	815	391	$ 675,000.00	0.9909%	$ 24.91	$ 383.30	$ 720.28	$ 745.19	$ 1,103.58
N Garden E	2BR/2BA	1,090	728	$ 890,000.00	1.3811%	$ 34.72	$ 534.20	$ 1,003.86	$ 1,038.58	$ 1,538.06
N 2 A	2BR/2BA	1,052		$ 790,000.00	1.1421%	$ 28.72	$ 441.78	$ 830.17	$ 858.88	$ 1,271.94
N 2 B	1BR/1BA	871		$ 655,000.00	0.9460%	$ 23.79	$ 365.93	$ 687.65	$ 711.44	$ 1,053.58
N 2 C	2BR/2BA	1,090		$ 815,000.00	1.1835%	$ 29.76	$ 457.78	$ 860.23	$ 889.99	$ 1,318.01
S 2 D	2BR/2BA	1,090		$ 815,000.00	1.1835%	$ 29.76	$ 457.78	$ 860.23	$ 889.99	$ 1,318.01
N 2 E	2BR/2BA	1,184		$ 885,000.00	1.2854%	$ 32.32	$ 497.21	$ 934.33	$ 966.65	$ 1,431.54
N 2 F	2BR/2BA	1,090		$ 815,000.00	1.1835%	$ 29.76	$ 457.78	$ 860.23	$ 889.99	$ 1,318.01
N 3 A	2BR/2BA	1,052		$ 815,000.00	1.1421%	$ 28.72	$ 441.78	$ 830.17	$ 858.88	$ 1,271.94
N 3 B	2BR/2BA	990	77	$ 795,000.00	1.0959%	$ 27.55	$ 423.92	$ 796.61	$ 824.16	$ 1,220.53
N 3 C	2BR/2BA	1,137	61	$ 895,000.00	1.2505%	$ 31.44	$ 483.69	$ 908.92	$ 940.36	$ 1,392.61
N 3 D	2BR/2BA	1,090		$ 840,000.00	1.1835%	$ 29.76	$ 457.78	$ 860.23	$ 889.99	$ 1,318.01
N 3 E	2BR/2BA	1,184		$ 895,000.00	1.2854%	$ 32.32	$ 497.21	$ 934.33	$ 966.65	$ 1,431.54
N 3 F	2BR/2BA	1,090		$ 840,000.00	1.1835%	$ 29.76	$ 457.78	$ 860.23	$ 889.99	$ 1,318.01

** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR
THE FIRST YEAR OF CONDOMINIUM OPERATION SEPTEMBER1, 2008 - AUGUST 31, 2009

(1) UNIT	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
NORTH BUILDING CONT.										
N 4 A	2BR/2BA	1,052		$ 840,000.00	1.1421%	$ 28.72	$ 441.78	$ 830.17	$ 858.88	$ 1,271.94
N 4 B	2BR/2BA	990	159	$ 825,000.00	1.1183%	$ 28.12	$ 432.56	$ 812.85	$ 840.96	$ 1,245.40
N 4 C	2BR/2BA	1,137	61	$ 915,000.00	1.2505%	$ 31.44	$ 483.69	$ 908.92	$ 940.36	$ 1,392.61
N 4 D	2BR/2BA	1,090		$ 865,000.00	1.1835%	$ 29.76	$ 457.78	$ 860.23	$ 889.99	$ 1,318.01
N 4 E	2BR/2BA	1,184		$ 920,000.00	1.2854%	$ 32.32	$ 497.21	$ 934.33	$ 966.65	$ 1,431.54
N 4 F	2BR/2BA	1,090		$ 865,000.00	1.1835%	$ 29.76	$ 457.78	$ 860.23	$ 889.99	$ 1,318.01
N 5 A	2BR/2BA	1,052		$ 865,000.00	1.1421%	$ 28.72	$ 441.78	$ 830.17	$ 858.88	$ 1,271.94
N 5 B	2BR/2BA	990	159	$ 850,000.00	1.1184%	$ 28.12	$ 432.60	$ 812.92	$ 841.04	$ 1,245.52
N 5 C	2BR/2BA	1,137	61	$ 940,000.00	1.2505%	$ 31.44	$ 483.69	$ 908.92	$ 940.36	$ 1,392.61
N 5 D	2BR/2BA	1,090		$ 890,000.00	1.1835%	$ 29.76	$ 457.78	$ 860.23	$ 889.99	$ 1,318.01
N 5 E	2BR/2BA	1,184		$ 945,000.00	1.2854%	$ 32.32	$ 497.21	$ 934.33	$ 966.65	$ 1,431.54
N 5 F	2BR/2BA	1,090		$ 890,000.00	1.1835%	$ 29.76	$ 457.78	$ 860.23	$ 889.99	$ 1,318.01
N PH A	3BR/2.5BA	1,349	815	$ 1,350,000.00	1.6853%	$ 42.37	$ 651.87	$ 1,224.97	$ 1,267.34	$ 1,876.84
N PH B	2BR/2BA	1,090		$ 990,000.00	1.1835%	$ 29.76	$ 457.78	$ 860.23	$ 889.99	$ 1,318.01
N PH C	2BR/2BA	1,102	295	$ 1,100,000.00	1.2760%	$ 32.08	$ 493.56	$ 927.49	$ 959.57	$ 1,421.05
N PH D	3BR/2.5BA	1,399	620	$ 1,400,000.00	1.6871%	$ 42.42	$ 652.58	$ 1,226.31	$ 1,268.73	$ 1,878.90
Subtotal		**35,887**	**4,155**	**$ 29,010,000**	**40.0887%**	**$ 1,007.93**	**$ 15,506.59**	**$ 29,139.36**	**$ 30,147.29**	**$ 44,645.94**

** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR
THE FIRST YEAR OF CONDOMINIUM OPERATION SEPTEMBER1, 2008 - AUGUST 31, 2009

(1) UNIT	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
CABANAS										
CS1			172	$ 37,000	0.0467%	$ 1.17	$ 18.06	$ 33.93	$ 35.11	$ 51.99
CS2			164	$ 35,500	0.0446%	$ 1.12	$ 17.26	$ 32.43	$ 33.56	$ 49.69
CS3			164	$ 35,500	0.0446%	$ 1.12	$ 17.26	$ 32.43	$ 33.56	$ 49.69
CS4			164	$ 35,500	0.0446%	$ 1.12	$ 17.26	$ 32.43	$ 33.56	$ 49.69
CS5			164	$ 35,500	0.0446%	$ 1.12	$ 17.26	$ 32.43	$ 33.56	$ 49.69
CS6			164	$ 35,500	0.0446%	$ 1.12	$ 17.26	$ 32.43	$ 33.56	$ 49.69
CS7			164	$ 35,500	0.0446%	$ 1.12	$ 17.26	$ 32.43	$ 33.56	$ 49.69
CS8			164	$ 35,500	0.0446%	$ 1.12	$ 17.26	$ 32.43	$ 33.56	$ 49.69
CS9			164	$ 35,500	0.0446%	$ 1.12	$ 17.26	$ 32.43	$ 33.56	$ 49.69
CS10			164	$ 35,500	0.0446%	$ 1.12	$ 17.26	$ 32.43	$ 33.56	$ 49.69
CS11			164	$ 35,500	0.0446%	$ 1.12	$ 17.26	$ 32.43	$ 33.56	$ 49.69
CS12			178	$ 37,000	0.0484%	$ 1.22	$ 18.72	$ 35.18	$ 36.39	$ 53.89
CN1			224	$ 48,000	0.0607%	$ 1.53	$ 23.46	$ 44.09	$ 45.62	$ 67.56
CN2			220	$ 47,000	0.0596%	$ 1.50	$ 23.07	$ 43.34	$ 44.84	$ 66.41
CN3			220	$ 47,000	0.0596%	$ 1.50	$ 23.07	$ 43.34	$ 44.84	$ 66.41
CN4			237	$ 50,000	0.0644%	$ 1.62	$ 24.90	$ 46.80	$ 48.41	$ 71.70
CN5			223	$ 48,000	0.0606%	$ 1.52	$ 23.42	$ 44.01	$ 45.54	$ 67.44
CN6			207	$ 45,000	0.0560%	$ 1.41	$ 21.68	$ 40.74	$ 42.15	$ 62.42
CN7			207	$ 45,000	0.0560%	$ 1.41	$ 21.68	$ 40.74	$ 42.15	$ 62.42
CN8			205	$ 45,000	0.0556%	$ 1.40	$ 21.50	$ 40.40	$ 41.80	$ 61.90
CN9			158	$ 33,500	0.0429%	$ 1.08	$ 16.60	$ 31.19	$ 32.27	$ 47.79
CN10			158	$ 33,500	0.0429%	$ 1.08	$ 16.60	$ 31.19	$ 32.27	$ 47.79
CN11			158	$ 33,500	0.0429%	$ 1.08	$ 16.60	$ 31.19	$ 32.27	$ 47.79
CN12			160	$ 33,500	0.0433%	$ 1.09	$ 16.77	$ 31.51	$ 32.60	$ 48.27
Subtotal			**4369**	**$ 938,000**	**1.1859%**	**$ 29.82**	**$ 458.71**	**$ 861.99**	**$ 891.81**	**$ 1,320.70**

** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR
THE FIRST YEAR OF CONDOMINIUM OPERATION SEPTEMBER1, 2008 - AUGUST 31, 2009

(1) UNIT	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
PARKING										
P1			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P2			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P3			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P4			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P5			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P6			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P7			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P8			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P9			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P10			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P11			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P12			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P13			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P14			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P15			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P16			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P17			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P18			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P19			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P20			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P21			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P22			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P23			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P24			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P25			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P26			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25

** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR
THE FIRST YEAR OF CONDOMINIUM OPERATION SEPTEMBER1, 2008 - AUGUST 31, 2009

(1) UNIT	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
PARKING CONT.										
P27			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P28			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P29			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P30			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P31			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P32			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P33			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P34			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P35			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P36			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P37			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P38			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P39			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P40			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P41			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P42			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P43			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P44			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P45			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P46			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P47			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P48			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P49			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P50			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
P51			153	$ 55,000	0.0415%	$ 1.04	$ 16.06	$ 30.18	$ 31.23	$ 46.25
Subtotal			**7803**	**$ 2,805,000**	**2.1178%**	**$ 53.25**	**$ 819.20**	**$ 1,539.40**	**$ 1,592.65**	**$ 2,358.60**

** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR THE FIRST YEAR OF CONDOMINIUM OPERATION SEPTEMBER1, 2008 - AUGUST 31, 2009

(1) UNIT	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
					STORAGE					
S1			59	$ 14,750	0.0160%	$ 0.40	$ 6.19	$ 11.64	$ 12.04	$ 17.83
S2			51	$ 12,750	0.0138%	$ 0.35	$ 5.35	$ 10.06	$ 10.41	$ 15.42
S3			51	$ 12,750	0.0138%	$ 0.35	$ 5.35	$ 10.06	$ 10.41	$ 15.42
S4			59	$ 14,750	0.0160%	$ 0.40	$ 6.19	$ 11.64	$ 12.04	$ 17.83
S5			52	$ 13,000	0.0141%	$ 0.35	$ 5.46	$ 10.26	$ 10.61	$ 15.72
S6			52	$ 13,000	0.0141%	$ 0.35	$ 5.46	$ 10.26	$ 10.61	$ 15.72
S7			61	$ 15,250	0.0166%	$ 0.42	$ 6.40	$ 12.03	$ 12.45	$ 18.44
S8			107	$ 26,750	0.0290%	$ 0.73	$ 11.23	$ 21.11	$ 21.84	$ 32.34
Subtotal			**492**	**$ 123,000**	**0.1335%**	**$ 3.36**	**$ 51.65**	**$ 97.06**	**$ 100.42**	**$ 148.72**

** **Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.**

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES ARE FOR
THE FIRST YEAR OF CONDOMINIUM OPERATION SEPTEMBER1, 2008 - AUGUST 31, 2009

(1) UNIT	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
					TOTAL					
Total Residential		85,905	12,576	$ 71,010,000	96.6766%	$ 2,430.69	$ 37,395.16	$ 70,271.49	$ 72,702.19	$ 107,666.66
Total Cabanas			4369	$ 938,000	1.186%	$ 29.82	$ 458.71	$ 861.99	$ 891.81	$ 1,320.70
Total Parking			7803	$ 2,805,000	2.1178%	$ 53.25	$ 819.20	$ 1,539.40	$ 1,592.65	$ 2,358.60
Total Storage			492	$ 123,000	0.1335%	$ 3.36	$ 51.65	$ 97.06	$ 100.42	$ 148.72
GRAND TOTAL		**85,905**	**25,241**	**$ 74,876,000**	**100%**	**$ 2,517.11**	**$ 38,724.72**	**$ 72,769.95**	**$ 75,287.06**	**$ 111,494.66**

** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.

Notes to Schedule A

(1) Purchasers should refer to the Floor Plans included in Part II of the Plan for an approximation of the dimensions and typical layouts of the Residential Units. The number of bedrooms and bathrooms for each Residential 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 Floor Plans also contain layouts of the Cabana Area, Parking Space and Storage Locker Area.

(2) The square foot area and dimensions of the Units listed in Schedule A or in the Declaration are approximate and may change due to field conditions, construction variances and tolerances and were obtained by using the method customarily used in New York City to measure condominium apartments. No such variation will affect a Purchaser's obligations under the Purchase Agreement or the Plan unless the square foot area of the Unit is materially and adversely increased or decreased (excluding interior partitions), thereby affording Purchaser a 15 day right to rescind. Any increase or decrease which does not change the square foot area of the Unit by more than 5% (excluding interior partitions), shall be presumed not to be material and adverse. Sponsor's sole obligation if the net square foot area of the Unit is so diminished shall be to refund the Deposit made under the Purchase Agreement and any interest earned thereon, except for funds expended by or reimbursed to Sponsor for upgrades or extras. Each Residential Unit consists of the area measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits are not deducted from measurement of each Unit) to the centerline of the partitions separating one Residential Unit from another Residential Unit, or separating one Residential Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Residential Unit or to the exterior side of the opposite exterior walls. Each Residential Unit consists of the area measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling. As is customary in New York, these square foot areas exceed the usable floor area of each Residential Unit. The method of measurement is applicable to all Residential Units. The floor area of each Cabana is measured from the interior side of the exterior parapet wall to the interior face of the dividing partition shared with another Cabana or with adjacent common roof areas. The floor area of each Parking Space is measured from the centerline of the painted striping to the centerline of the painted striping or to the face of any adjacent partition. Each Storage Locker is measured from the centerline of the dividing partition to the centerline of the dividing partition of any adjacent Storage Locker or to the face of any adjacent partition. Any Common Elements located within or appurtenant to any Unit shall not be considered as part of that Residential Unit. Terraces shown on Schedule A are Limited Common Elements.

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

(4) The Common Interest of each Unit in the Common Elements has been allocated pursuant to the method set forth in Real Property Law Section 339-i(l) (iv) based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit.

(5) The estimated monthly Common Charges for each Unit are based on the Schedule B - First Year's Budget prepared by Sponsor's Condominium Budget Expert on the assumption that the First Year of Condominium Operation will be the year from January 1, 2008. The actual First Year of Condominium Operation may be earlier or later than such year. In addition to these estimated payments, each Unit Owner will be responsible for real estate taxes on the Unit, mortgage payments under a loan, if any, obtained to finance the purchase of the Unit, the cost of electricity supplied to the Unit which will be separately metered and payable either directly to the utility company or to the Condominium Board for payment to the utility company, the cost of any insurance which the Unit Owner may wish to obtain for the Unit (and which Sponsor strongly urges each Unit Owner to obtain) and the cost of interior repairs and decorations to the Unit. See the Section of the Plan entitled "Schedule B-1 - Budget for Individual Energy Costs" concerning estimates of certain electric costs for the Units. All Unit Owners from and after the Closing, including Sponsor with respect to all Unsold Units, shall be responsible for payment of all Common Charges with respect to their Units.

It is presently anticipated that an application will be made to the New York State Public Service Commission in order to permit the Condominium Board to purchase electricity from Con Edison at a "bulk rate" (which may result in a savings to Unit Owners). In the event that such application is made, and subsequently granted, the Condominium Board will assess the cost of electricity provided to the Unit Owners. Each Unit will be billed by the Condominium Board for actual consumption on the basis of its submeter and the Condominium Board will, in turn, pay Con Edison. Alternatively, the cost of electricity supplied to each Unit will be separately metered and payable by the Unit Owner directly to Con Edison.

As discussed in the Section of the Plan entitled "Description of Property and Improvements" subsection "Services and Facilities," the full range of services and facilities described in the Plan may not be provided until such time as Sponsor has conveyed title to 75% of the Residential Units.

(6) Sponsor will apply for partial exemption from real estate taxes with respect to the Units of the Building pursuant to Section 421-a of the New York Real Property Tax Law. Based on the opinion of Sponsor's tax counsel described herein, under the 421-a program, the real estate tax estimate for the First Year of Condominium Operation will be based upon the taxable assessed valuation of the Property in the tax year prior to construction commencement, which is commonly referred to as the "mini-tax." As construction commenced subsequent to July 1, 2005, but prior to June 30, 2006, the "mini-tax" will be based upon the assessed valuation of the Property in the 2004/2005 tax year. The 2004/2005 actual assessed valuation of the Property was $ 234,000. Therefore, for the period of construction as defined under Section 421-a, not to exceed 3 years, and for 2 years following completion, or 3 years of construction, whichever occurs first, the real estate taxes for the residential portion of the Property will be based upon the estimated allocated actual assessed valuation of $221,598 payable at a tax rate then in effect in the year it is due. Purchasers should refer to the 421-a Real Estate Tax Exemption Benefits Opinion prepared by the Real Estate Tax Consultant set forth in Part II of the Plan for further discussion regarding the 421-a program and the availability of such program to this project. The estimated tax is based on the assumption that the partial exemption will be in effect for the First Year of Condominium Operation, and that there will not be any change in the taxable status of the Property. No warranty or guarantee is made as to the amount of any tax exemption that will actually be received. In addition, no warranty or guarantee is made that the actual

assessed valuation or the assessed valuation for the Property if Section 421-a benefits are granted will be as projected above, that the projected tax rate will be in effect for all or any portion of the Property during the First Year of Condominium Operation or that the real estate taxes will be allocated among Units in proportion to their Common Interests or Schedule A purchase prices. In no event will Sponsor, Sponsor's Counsel, Sponsor's Tax Consultant, Selling Agent or any offeror hereunder be liable to any Purchaser, nor will any Purchaser have the right to rescind the Purchase Agreement, in the event Section 421-a benefits are not granted or, if granted, in the event the amount of such exemption and the resulting taxes differ from those projected.

If for any reason the Section 421-a tax exemption is not granted, it is estimated that the aggregate real estate taxes payable with respect to all Residential Units for the First Year of Condominium Operation will total approximately $443,084, assuming (a) an actual assessed valuation for the Property of $2,840,00 for the ten months of the 2008/2009 tax year reflecting the assessment for a partially constructed property and (b) an actual assessed valuation for the Property of $6,250,000 for the two months of the 2009/2010 tax year based on the real estate tax projection opinion prepared by Tuchman, Katz, Schwartz, Gelles, Korngold & Weiss, LLP dated June 11, 2007 a copy of which is annexed as Exhibit "D" to the First Amendment to the Plan, and (b) a tax rate of $13 per $100 of assessed valuation for the 2008/2009 and 2009/2010 tax years. Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the annual real estate taxes for the Residential Units will total approximately $ $812,500. This tax projection does not take into account any Section 421-a benefits that may be applicable to the Property at such time.

No warranty or guarantee is made that the actual assessed valuation will be as projected above, that the projected tax rate will be in effect for all or any portion of the Property during the First Year of Condominium Operation or the real estate taxes will be allocated among Units in proportion to their Common Interests or Schedule A purchase prices. In no event will Sponsor, Sponsor's Counsel, Sponsor's Tax Consultant, Selling Agent or any offeror hereunder be liable to any Purchaser, nor will any Purchaser have the right to rescind the Purchase Agreement, in the event the amount of real estate taxes differ from those projected.

In arriving at the assessed valuation for each Unit in the Condominium, the Building is first assessed as a single entity. This overall assessment is then apportioned among the respective Units, each of which will be assigned a tax lot designation once the Declaration has been recorded and the Floor Plans are filed with the Registers Office. 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 and a tax bill is issued by the City of New York to such Unit Owner, a Unit Owner will not be responsible for the payment of real estate taxes assessed against another Unit, nor will the Unit be subject to any lien arising out of non-payment of real estate taxes assessed against another Unit.

For purposes of Schedule A, the projected real estate taxes for the Units were apportioned based on the Common Interest appurtenant to the Unit. In the past, to determine the percentage of the total assessed value to be attributed to each Unit, the New York City Department of Finance has used (1) the Common Interest appurtenant to each Unit (2) the ratio of the Schedule A sales prices of any individual Unit to the total sales prices of all Units or (3) the ratio of square footage contained in each Unit to the total square footage in the Building. It is possible that the New York City Department of Finance may use any of these methods to apportion the assessed value. Although the estimate of New York City real estate taxes is a good faith estimate, it is not possible to estimate same with any degree of certainty. Assessed valuations, apportionment or taxes among the Units and tax rates, when actually established by the City of New York, may be lesser or greater. Accordingly, these estimates are to be considered opinions and are not intended, and should not be construed as, warranties as to

future assessed valuations, tax rates or the actual real estate taxes to be assessed. In no event will Sponsor, Sponsor's Counsel, Sponsor's Tax Consultant, Selling Agent or any other offeror hereunder be liable to any Purchaser nor will any Purchaser have the right to rescind the Purchase Agreement if the assessed valuations, tax rates or taxes, when actually established, are lesser or greater than that predicted herein or if the Administrative Code and the applicable rules and regulations of the City of New York are changed in the future.

In the opinion of Olshan Grundman Frome Rosenzweig & Wolosky LLP a copy of which is set forth in Part II of the Plan, a Unit Owner who uses the Residential Unit as a personal residence will, under present Law, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers, subject to certain exceptions and limitations which are more particularly discussed in the Attorney's Income Tax Opinion. Purchasers should note that deductions, if applicable, may vary in future years due to changes in the interest rate or the Residential Unit Owner's mortgage or from changes in the allocation of the constant debt service payments to interest and principal, or due to changes in real property taxes resulting from the expiration of real estate tax benefits, or from changes in the assessed value, the tax rate or the method of assessing real property. There will be no tax deductions available to Residential Unit Owners with respect to Cabanas, Storage Lockers and Parking Spaces they own. Sponsor makes no guaranty or warranty concerning the availability of any tax deductions. (See the Section of the Plan entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" for details.)

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

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

A Purchaser of a Unit will be required to make a contribution at the Closing of Title to the Working Capital Fund in an amount equal to 2 months' Common Charges assessed against the Unit. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for details.)

EXHIBIT 'B'

FIRST YEAR'S BUDGET

SCHEDULE "B"
125 North 10th Street Condominium
Projected Budget for the First Full Year of Condominium Operation
September 1, 2008 – August 31, 2009

PROJECTED INCOME:

Common Charges (1).....	$ 872,246
TOTAL PROJECTED INCOME.....	$ 872,246

PROJECTED EXPENSES:

Salary, Wages, Payroll Taxes & Benefits (2).....	$ 311,197
Gas Heat & Hot Water (3).....	$ 41,349
Cooking Gas (4).....	$ 9,933
Electricity (5).....	$ 232,175
Water & Sewer (6).....	$ 43,336
Repairs & Maintenance (7).....	$ 15,000
Services & Supplies (8).....	$ 75,131
Insurance (9).....	$ 38,125
Management Fee (10).....	$ 54,000
Legal & Auditing Fees (11).....	$ 11 ,000
Administration (12).....	$ 15,000
Contingency (13).....	$ 26,000
TOTAL PROJECTED EXPENSES (14).....	**$ 872,246**

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 - $872,246)

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 September 1, 2008. The actual first year of operation may be earlier or later.

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 - $311,197)

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 Non Resident Superintendent, 4.2 concierges, and 1 porter. 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 non union members.

Position	Weekly Base Wage Rate
(1) Superintendent	$50,000
4.2 Concierges, 1 Porter	$16 per hour

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

Total Base Wages	$ 240,214
FICA @ 7.65% of Base Wages	$ 18,376
Worker's Compensation @ 5.5% of total wages	$ 13,212
FUI and FUTA-NYS Unemployment, @ $425 per employee	$ 2,975
NYS Disability @ $60 per employee	$ 420
(health) @ $6,000 per employee	$ 36,000

Total Benefit	$ 70,983
TOTAL WAGES TAXES & BENEFITS	**$ 311,197**

(3) HEAT & HOT WATER - (Budget - $41,349)

The budgeted amount is based upon a letter from S. Schwartz Engineering PLLC, located at 307 West 38th Street, New York, NY 10018 sponsor's consulting engineers dated October 10, 2006. It is anticipated that the annual consumption of gas for heat and hot water for the residential units will be approximately 35800 therms at $1.05 per therm for a total cost of $37,590. A 10% inflation factor has been added.

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 - $9,933)

The Residential Units will not be separately metered for gas to be used for cooking. Based on a letter dated October 10, 2006 from, S. Schwartz Engineering PLLC, located at 307 West 38th Street, New York, NY 10018 it is estimated that the gas cost for apartment cooking and fireplaces based on 8600 therms of gas/year at $1.05 per therm, will be $9030. A 10% inflation factor has been added.

(5) ELECTRICITY - (Budget - $232,175)

The electricity consumption for the first year of Condominium operation for the Common Areas was estimated by S Schwartz Engineering PLLC, in a letter dated October 10, 2006, at 959,400 kilowatt hours of electricity, at an average rate of .22 per kilowatt hour of electricity including applicable sales tax, resulting in an annual cost of $211,068.

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.

(6) WATER & SEWER – (Budget - $ 43,336)

The building will have a single main water meter, which will measure actual water usage. Based upon a letter from S. Schwartz Engineering PLLC. dated October 10, 2006, water and sewer charges are based upon a combined charge of $4.69 per 100 Cu. Ft. and an estimated usage of 8400 C.C.F.

The annual water and sewer charges during the first year of condominium operation is estimated at $39,396. A 10% inflation factor has been added.

(7) **REPAIRS & MAINTENANCE – (Budget - $15,000)**

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.

(8) **SERVICE & SUPPLIES - (Budget - $75,131)**

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	$ 5,000
Elevator Maintenance	$18,000
Sprinkler System/Fire Protective Alarm System	$ 8,000
Exterminator	$ 5,000
Uniform Cleaning & Maintenance	$ 8,000
Water Treatment	$ 6,000
Miscellaneous Supplies	$15,000
GYM Equipment Lease	$10,131

(9) **INSURANCE – (Budget - $38,125)**

Based upon the proposal dated August 4, 2006, from DeWitt Stern Group Inc., having an office address at 420 Lexington Avenue, Suite 2700, New York, NY 10170. 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

$21,875,000	Building, "All Risk" Special Form Agreed Amount, No Co-insurance, Replacement Cost, $2,500 Deductible, Terrorism Included
Included	Loss of income – actual loss sustained with 12
$50,000	Personal Property Limit
$25,000	Personal Property of Others
Included	Back up sewer and Drain and seepage, $2,500 deductible
Included	Boiler & Machinery – deductible – $2,500 – loss income 12 hours
$5,000,000	Earthquake -- $10,000 deductible
$5,000,000	flood (Rising water) – $10,000 deductible

General Liability Policy

$1,000,000	Each Occurrence
$1,000,000	Personal & Advertising Injury
$2,000,000	General Aggregate
$1,000,000	Fire Legal Liability
$1,000,000	Non-Owned Automobile/Hired Car
$ 500,000	Medical Payments
$ 250,000	Crime (Fidelity Bond)
$1,000,000	Employee Benefits Liability - $1,000 Deductible
$1,000,000	Directors & Officers Liability Retention $2,500 Managing Agent Rider

Umbrella Liability

$200,000,000	Per Occurrence/Annual Aggregate

The annual premium for the above mentioned insurance policy is estimated to be $38,125.

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 - $ 54,000)

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 $54,000 payable in equal monthly installment of $4,500. The Managing Agent's fee for the first year of Condominium operation is comparable to the "going rate" for similar services in comparable buildings.

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

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

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 $5,500. It is anticipated that the Condominium will enter into an agreement with Shavelson, Neuman & Company LLP., to provide audit, tax return preparation and a certified financial statement for the Condominium. It is estimated that the first year cost for these services will be $5,500.

(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.

(13) CONTINGENCY – (Budget - $26,000)

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.

(14) TOTAL PROJECTED EXPENSES – (Budget - $872,246)

The projections set forth in this budget assume that the first year of Condominium operation will cover the period from September 1, 2008 – August 31, 2009

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.

EXHIBIT 'C'

CERTIFICATION OF BUDGET EXPERT

PENMARK
REALTY CORP

PART 20: CERTIFICATION BY EXPERT AS TO ADEQUACY OF CONDOMINIUM BUDGET

July 16, 2007

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

Re: Condominium Offering Plan
125 North 10th Street Condominium
125 North 10th Street
New York, New York ("Property")

The sponsor of the condominium offering plan for the captioned property retained our firm to (review) (prepare) Schedules B and review Schedule B-1 (collectively, "Schedules") containing projections of income and expenses for the first year of condominium operation. Our experience in this field includes: the management of residential and commercial real estate for the past 40 years, manages approximately 50 cooperative and condominium buildings 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 Schedules.

We have reviewed the Schedules and investigated the facts set forth in the Schedules and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in the Schedules 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 Schedules:

(i) set forth in detail the projected income and expenses for the first year of condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii) do not omit any material fact;

(iv) do not contain any untrue statement of a material fact;

(v) do not contain any fraud, deception, concealment or suppression

(vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) do not contain any representation or statement which is false, where I/we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income or 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: _____
Name: Leslie Bogen Winkler
Title: Vice President

Sworn to before me this
17 day of July, 2007

_____
Notary Public

MARIBEL ALVERIO
Notary Public, State of New York
No. 01AL6074898
Qualified in New York County
Commission Expires May 27, 2010

PENMARK
REALTY CORP

EXHIBIT 'D'

REAL ESTATE TAX OPINION AND ATTORNEY'S 421-A REAL ESTATE TAX EXEMPTION BENEFITS OPINION

TUCHMAN, KORNGOLD, WEISS, LIPPMAN & GELLES, LLP
COUNSELORS AT LAW
6 EAST 45TH STREET, NEW YORK, N. Y. 10017
(212) 687-3747
FAX: (212) 599-4459

BERT TUCHMAN
PAUL J. KORNGOLD
ERIC S. WEISS
MICHAEL R. LIPPMAN
JENNIFER POLOVETSKY

WALTER R. GELLES
COUNSEL

June 11, 2007

125 North10, LLC
10 East 53rd Street, 37th Floor
New York, New York 10022

RE: 125 North 10th Street
Block 2297, Lot 1
Borough of Brooklyn
City of New York

Dear Sir or Madam:

This letter is in response to your request for an update of our previous opinion which projected the estimated real estate assessments and taxes upon the completion of construction and creation of a condominium. This letter is being sent to you with the express understanding that our firm assumes no liability for our opinions presented herein. These opinions are presented only for your assistance in preparation of your offering plan.

You have requested our opinion concerning the real property assessment and to be levied upon the captioned premises as well as the taxes for the budget year for the first year of condominium operation which you have now advised us will be the period September 1, 2008 through August 31, 2009. You have also asked us to provide our estimate for the real estate taxes for the first full tax year after completion of construction. You have advised us that the physical characteristics of the project have not changed since our prior letter and unless specifically set forth herein, we have continued to rely on the information previously furnished to us.

Tax Assessments in New York City are made on a fiscal year basis running from July 1 of any one year to the next succeeding June 30. The status of the building on January 5 of any one year is the basis of the assessment for the fiscal year beginning that July 1. The final assessment tax roll containing the final 2007/2008 assessed values was published on May 25, 2007. The final assessment roll showed the following values:

Tax Class	Actual Assessed Value
4	$1,165,050

The current 2006/07 class 2 tax rate (2007/2008 will not be set until later this year) has been set at at $12.737 for each $100 of assessed valuation and the class 4 tax rate has been set at $10.997 for each $100 of assessed valuation.

Predicated upon the foregoing, it is our opinion that for the 2008/2009 tax year, the total assessed value of the property will be $3,000,000. For 2008/2009, the project will be only partially complete. We caution you that we have found that the assessment practices of the New York City Department of Finance are notoriously inconsistent in assessing properties during the course of construction and it is possible that there may be a substantial derivation in the assessed value for that tax year. For the post construction tax year of 2009/2010, we project that the total actual assessed value of the building will be $6,600,000.

Furthermore, it is our opinion that for the 2008/2009 tax year, the apportioned actual assessed value of the components of the property which are the subject of this letter will be as follows:

Residential Units:	$2,840,000
Parking Units	$160,000

Since it is unlikely that there will be an official apportionment of the 2007/2008 assessed value, we derived this apportionment by taking our projected post construction allocated assessed values and retroactively applying them (solely for the purpose of this letter) to our total projected 2007/2008 assessed value.

For the post construction tax year of 2009/2010, we project that the apportioned actual assessed value of the components of the property which are the subject of this letter will be as follows:

Residential Units:	$6,250,000
Parking Units	$350,000

Therefore assuming for 2008/2009 and 2009/2010 the tax class 2 tax rate increases to $13.000 for each $100 of assessed value and the tax class 4 tax rate increases to $11.00 for each $100 of assessed valuation, we make the following projections of the real estate taxes prior to any tax exemptions or abatements for the budget year September 1, 2008 to August 31, 2009 and the post construction budget year September 1, 2009 to August 31, 2010.

Initial Budget Year

2008/2009 (Ten Months)

Unit	Assessed Value	Tax Rate	Tax (10 Months)
Residential Units	$2,840,000	.13	$307,667
Parking Units	$160,000	.11	$14,667

2009/2010 (Two Months)

Residential Units	$6,250,000	.13	$135,417
Parking Units	$350,000	.11	$6,417

Estimated Budget Year Taxes for September 1, 2008 to August 31, 2009

Residential Units	$443,084
Parking Units	$21,084

Estimated Post Construction Budget Year Taxes

Residential Units	$812,500
Parking Units	$38,500

You have also requested our opinion as to the real estate taxes on the project after reducing the taxes due to the granting of 421-a tax benefits. As of this date, your application for 421-a tax benefits is pending with the New York City Department of Housing Preservation and Development and we expect the benefits to be in place before tax bills are issued for the 2008/2009 tax year.

We had previously set forth above our estimate of the taxes for the budget year September 1, 2008 to August 31, 2009 and for the post construction budget year. However, we estimate the taxes on the residential units after the 421-a benefits will be determined as follows for the budget years September 1, 2008 to August 31, 2009 and September 1, 2009 to August 31, 2010:

2008/2009 (10 Months)

Unit	Assessed Value	Exempt[1] Value	Taxable Value	Tax Rate	Tax
Residential	$2,840,000	$2,618,402	$221,598	.13	$24,006
Parking	$ 160,000	147,598	$ 12,402	.11	$ 1,137

2009/2010 (2 Months)

Unit	Assessed Value	Exempt Value	Taxable Value	Tax Rate	Tax (2 Mos.)
Residential	$6,250,000	$6,028,402	$221,598	.13	$ 4,801
Parking	$ 350,000	$ 337,598	$ 12,402	.11	$ 227

Total First Budget Year Taxes after 421-a Tax Benefit:

Residential	$28,807
Parking	$1,364

Total First Post Construction Year Taxes after 421-a Tax Benefit

Residential	$28,807
Parking	$1,364

Based upon our previous experience with such proceedings, we have issued the within letter with the specific understanding that we make no warranties that such exemption will be forthcoming.

Our firm has an extensive practice in real estate tax review matters and in 421-a and J-51 tax exemption/ tax abatement applications, and we currently represent the owners of approximately 3,000 buildings in the City of New York, and file applications for correction of the tax assessments and tax exemptions/tax abatements on these properties. This firm and its predecessors have been engaged in such practice for a period of approximately 50 years. Additionally, the writer is the chairman of the Law Committee of the Associated Builders and Owners of Greater New York, a

[1] It is possible that the 2008/2009 assessment roll will be prepared prior to the 421-a benefits being granted. If the 421-a exemption is not yet registered in the records of the NYC Department of Finance, any unit owner who pays on the non exempt valuation will receive a refund of real estate taxes when the befits are put into place. The above example computes the tax after the 421-a benefits are in place.

director of both the New York State Builders Association and the Associated Builders and Owners of Greater New York, a past member of the Tax Certiorari and Condemnation Committee of the Bar Association of the City of New York, and is a director and former President of the Real Estate Tax Review Bar Association, a specialized Bar dealing with real estate tax assessment matters.

We make no representations or guaranties that the assessed value will be fixed at any amount. This letter is being sent to you with the express understanding that our firm assumes no liability to you or to any purchaser of the condominium units or to any lender for our opinions presented herein. Neither we nor any person can guarantee what the real estate taxes will be at any future date. Changes in law or policies of government agencies may radically change the opinions expressed herein and interested parties should be aware that the estimate of the 2008/2009 and 2009/2010 tax assessments cover a period into the future. We assume no responsibility or liability for any variations in the taxes or assessed values from the projections made herein.

The opinion expressed herein is that of the undersigned, and does not purport to express the opinion of the New York City Department of Finance or any city or government agency. The Department's opinion may result in substantially different total taxes for both budget years as well as for tax years 2008/2009 and 2009/2010 than set forth herein. We consent to the inclusion of this letter in the offering plan.

Very truly yours,

TUCHMAN, KORNGOLD, WEISS, LIPPMAN & GELLES, LLP.

By: Paul J. Korngold

EXHIBIT 'E'

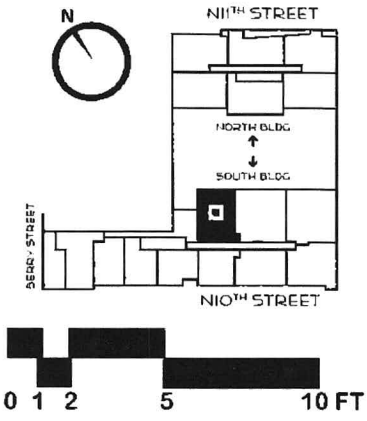
UPDATED FLOOR PLANS

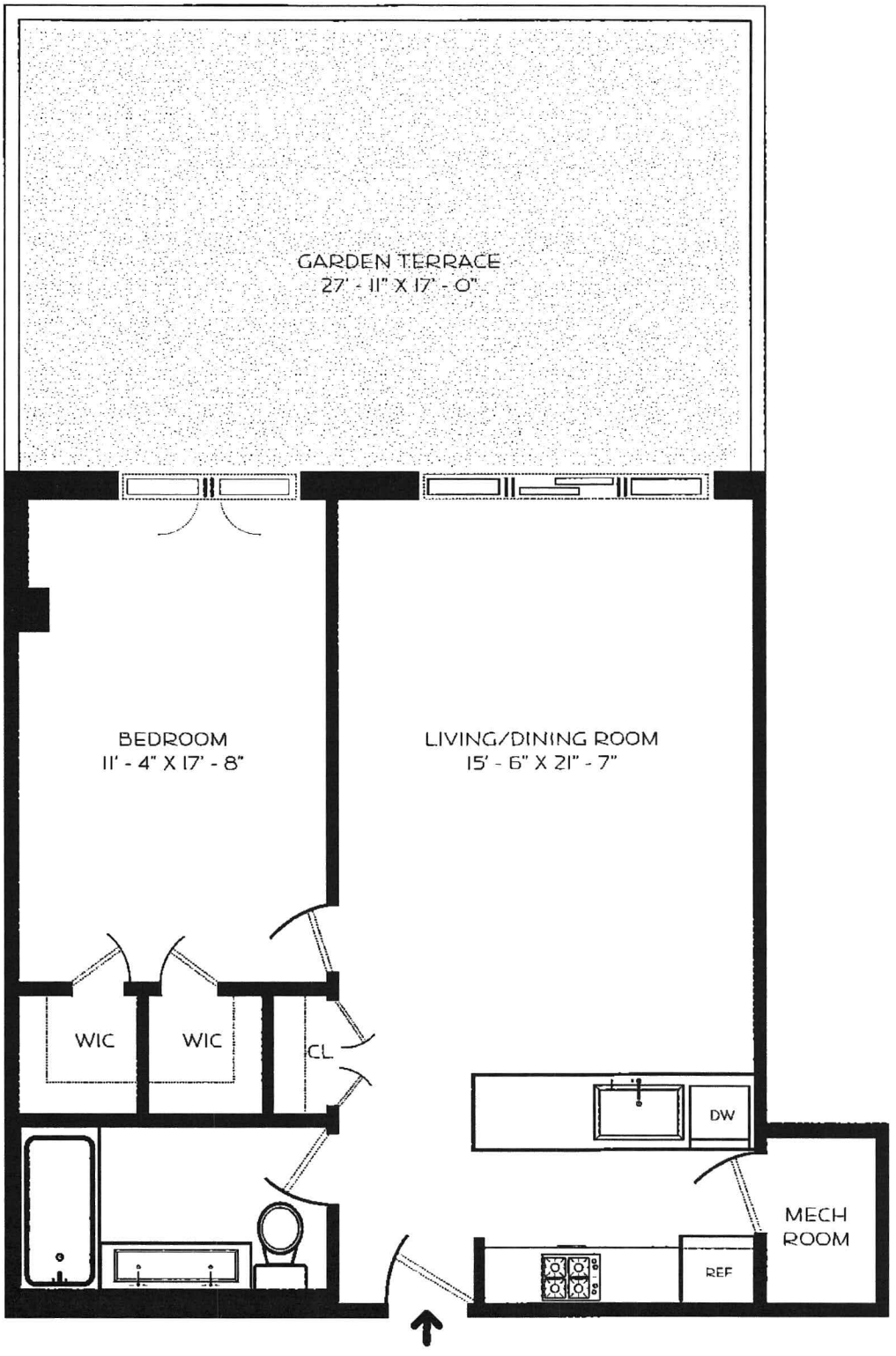
ARTISTRY IN LIVING

S GARDEN A

APT.AREA 873 SQ FT | EXT.AREA 475 SQ FT

1BR/1BTH



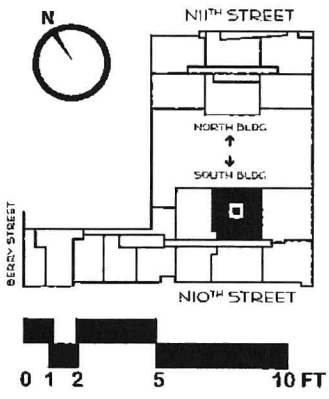


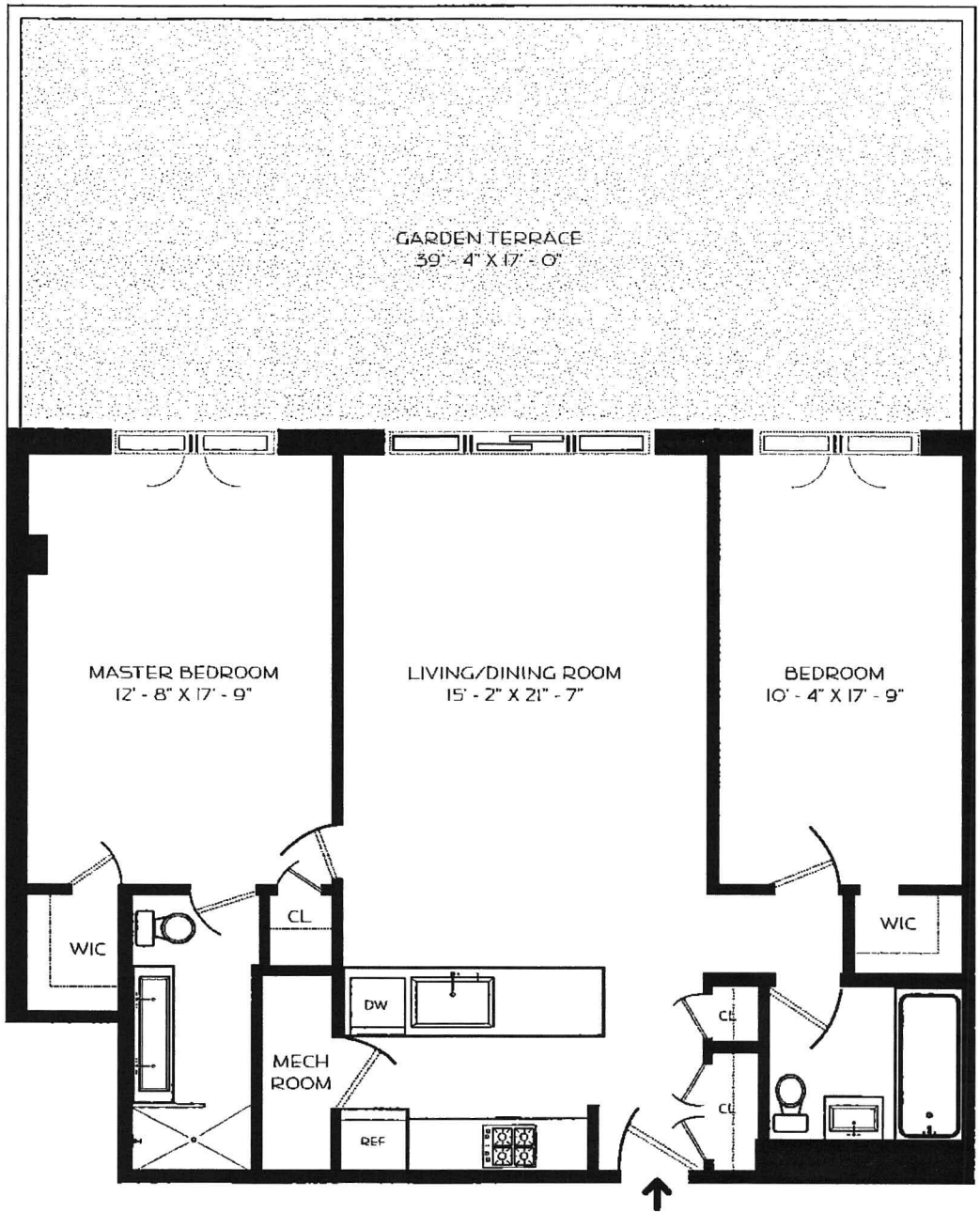
ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE ALL MAXIMUMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

ARTISTRY IN LIVING

S GARDEN B APT.AREA 1,171 SQ FT | EXT.AREA 669 SQ FT

2BR/2BTH





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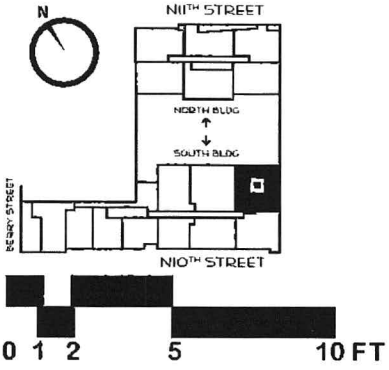
125 N 10TH

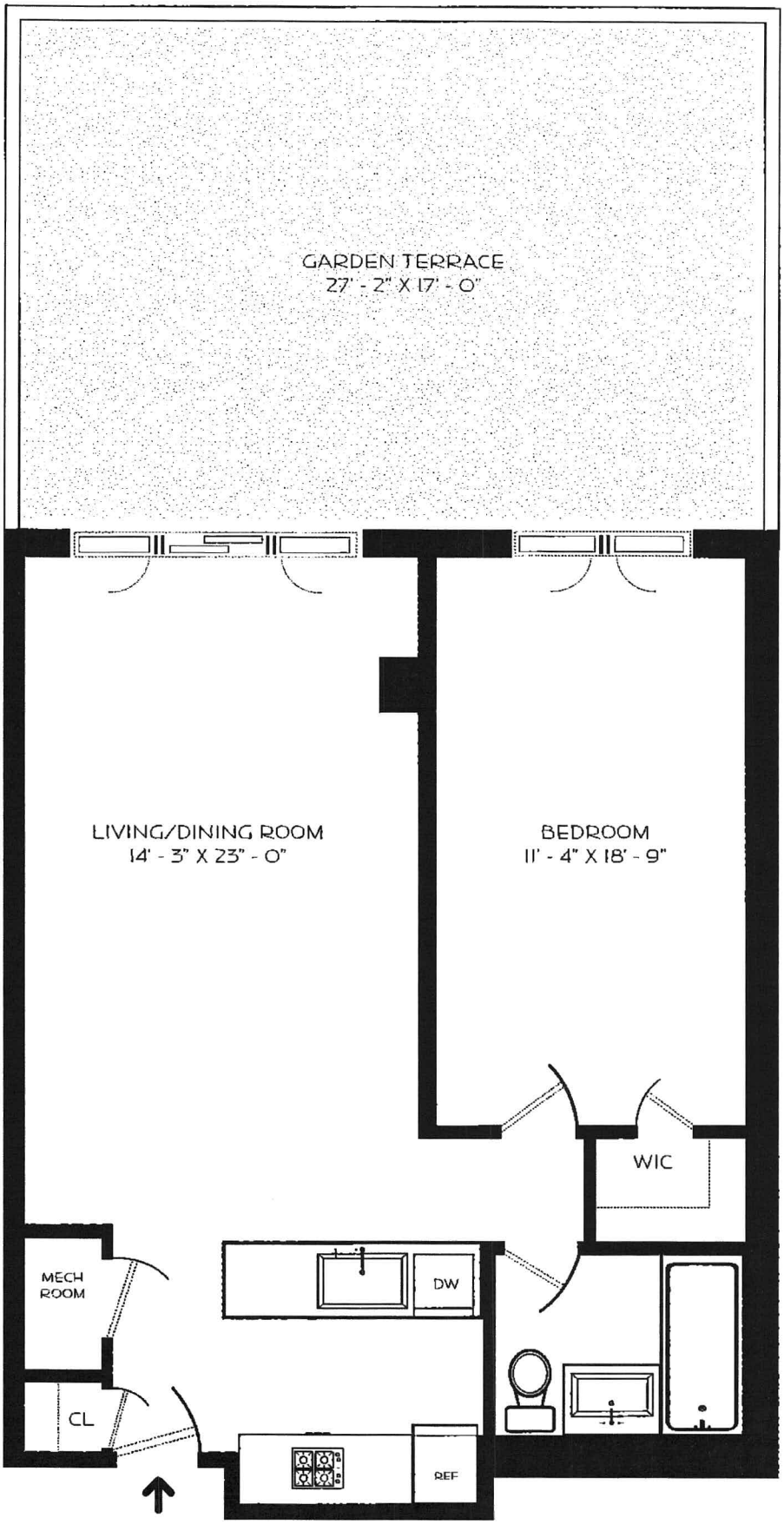
ARTISTRY IN LIVING

S
GARDEN C

APT.AREA
838 SQ FT
EXT.AREA
462 SQ FT

1BR/1BTH





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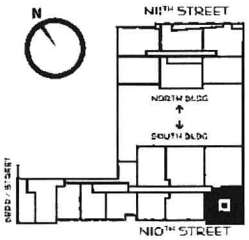
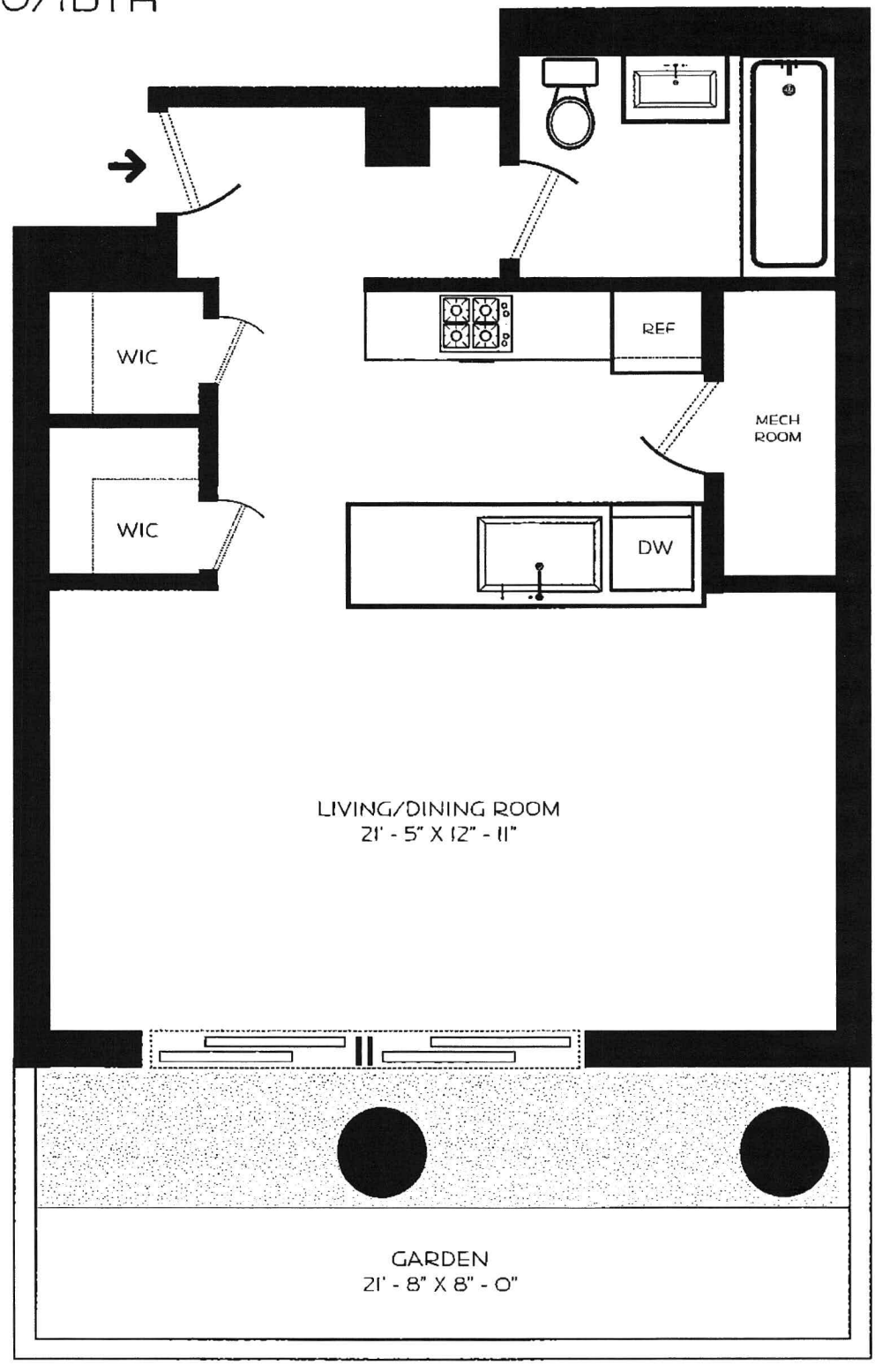
ARTISTRY IN LIVING

S GARDEN D STUDIO/1BTH

APT.AREA 599 SQ FT | EXT.AREA 181 SQ FT





0 1 2 5 10 FT

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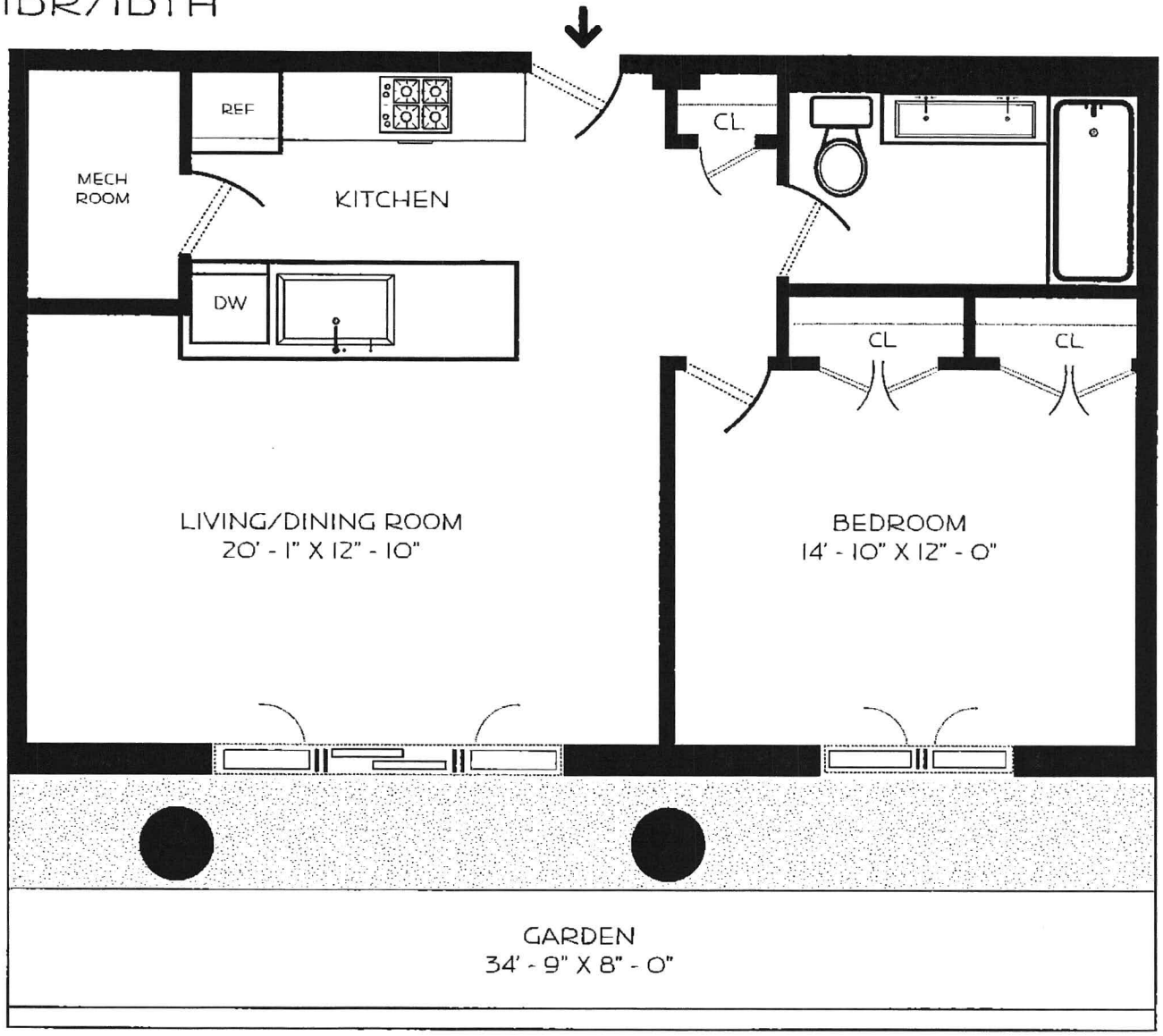
125 N 10TH

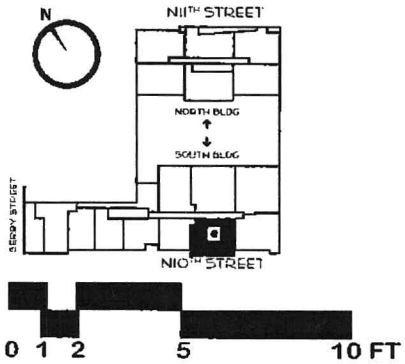
ARTISTRY IN LIVING

S GARDEN E

APT.AREA 795 SQ FT | EXT.AREA 286 SQ FT

1BR/1BTH





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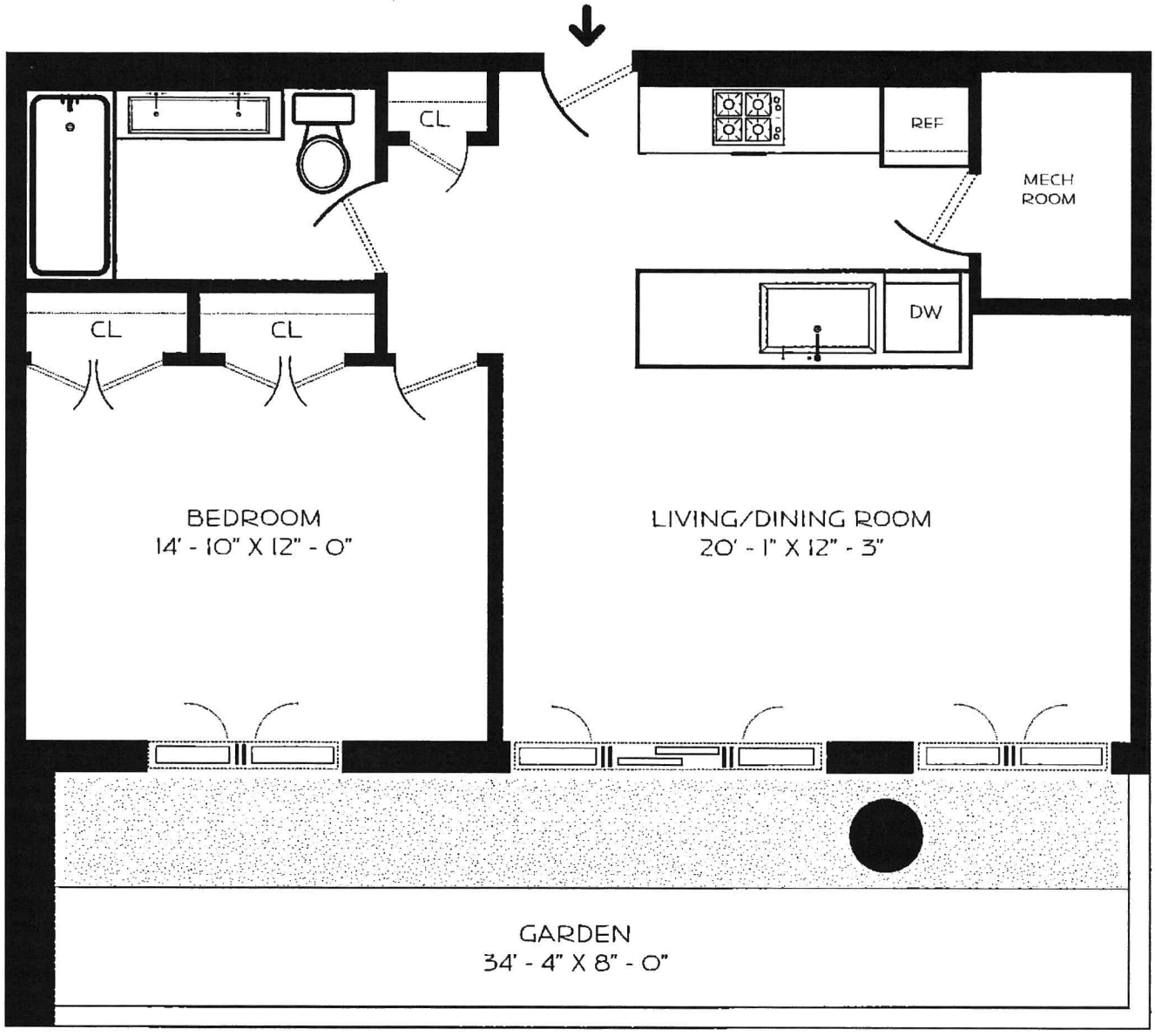
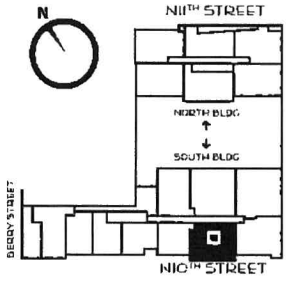
ARTISTRY IN LIVING

S GARDEN F APT.AREA 795 SQ FT | EXT.AREA 275 SQ FT

1BR/1BTH





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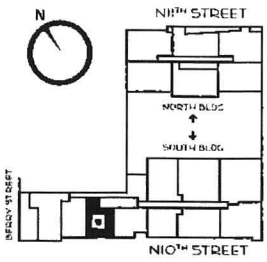
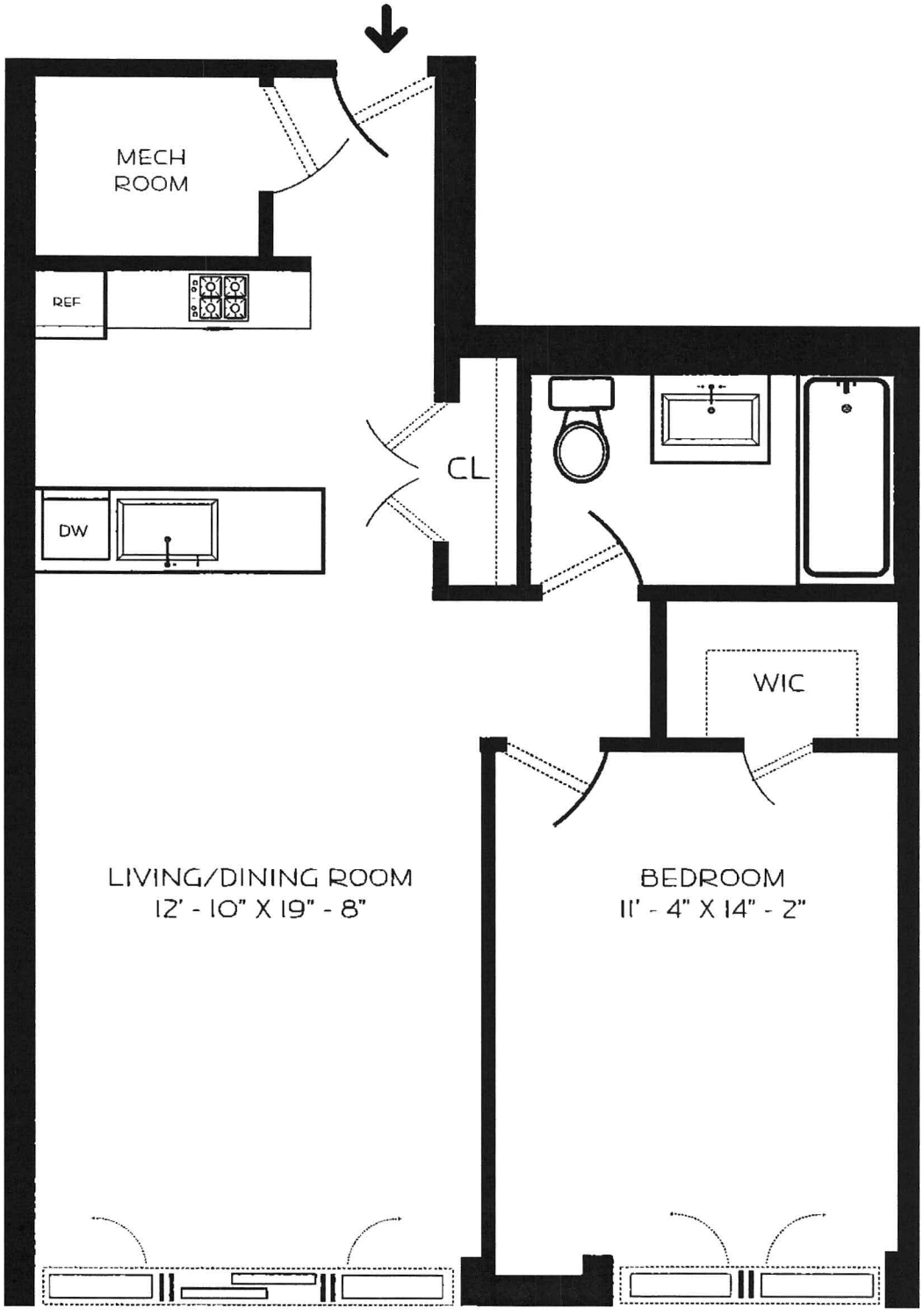
125 N 10TH

ARTISTRY IN LIVING

S GARDEN G APT. AREA 761 SQ FT
1BR/1BTH





0 1 2 5 10 FT

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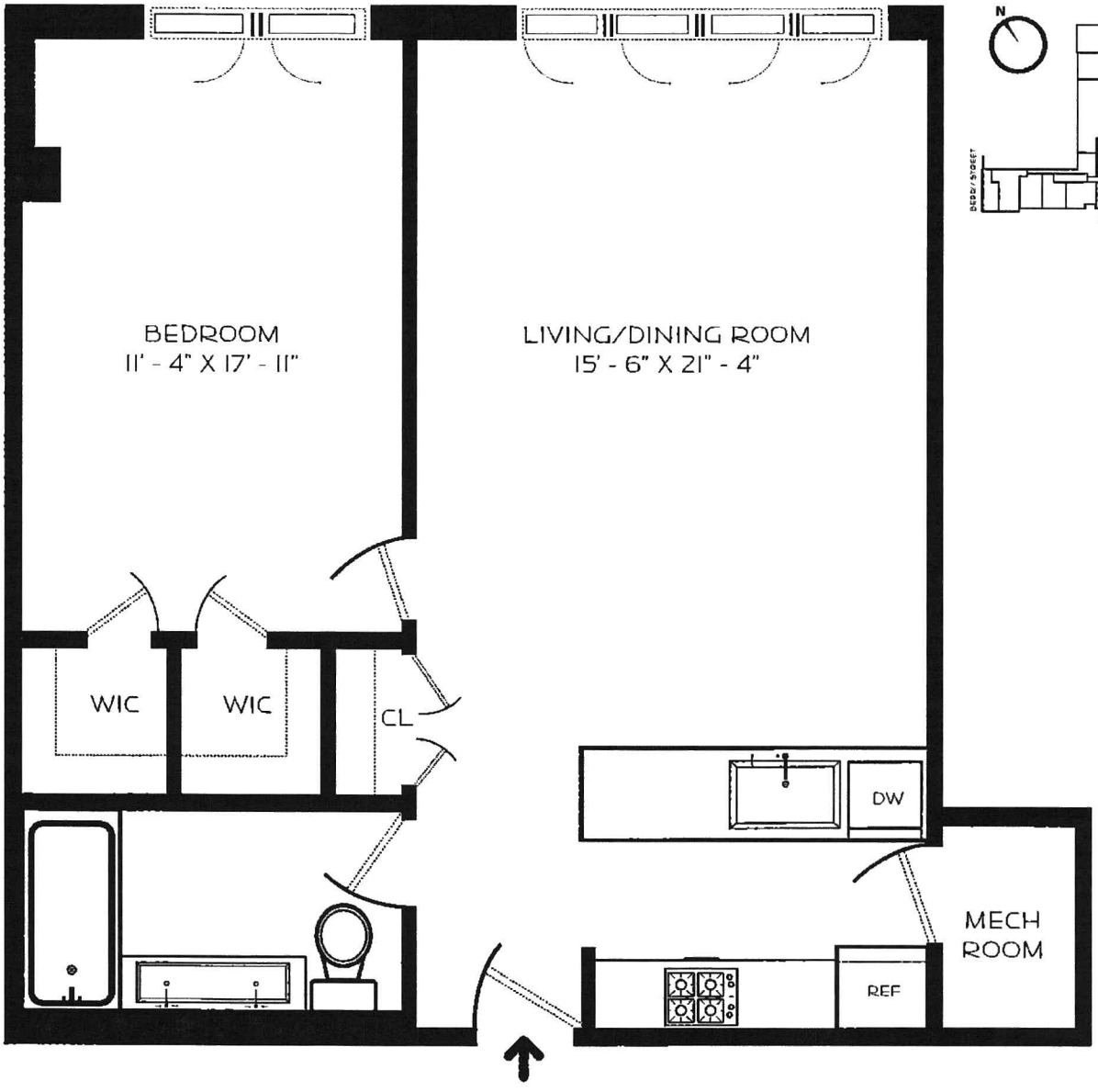
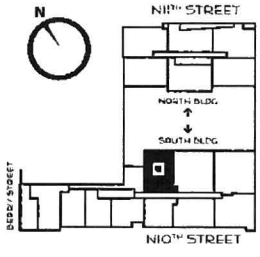
ARTISTRY IN LIVING

S 2A-4A APT.AREA 873 SQ FT

1BR/1BTH





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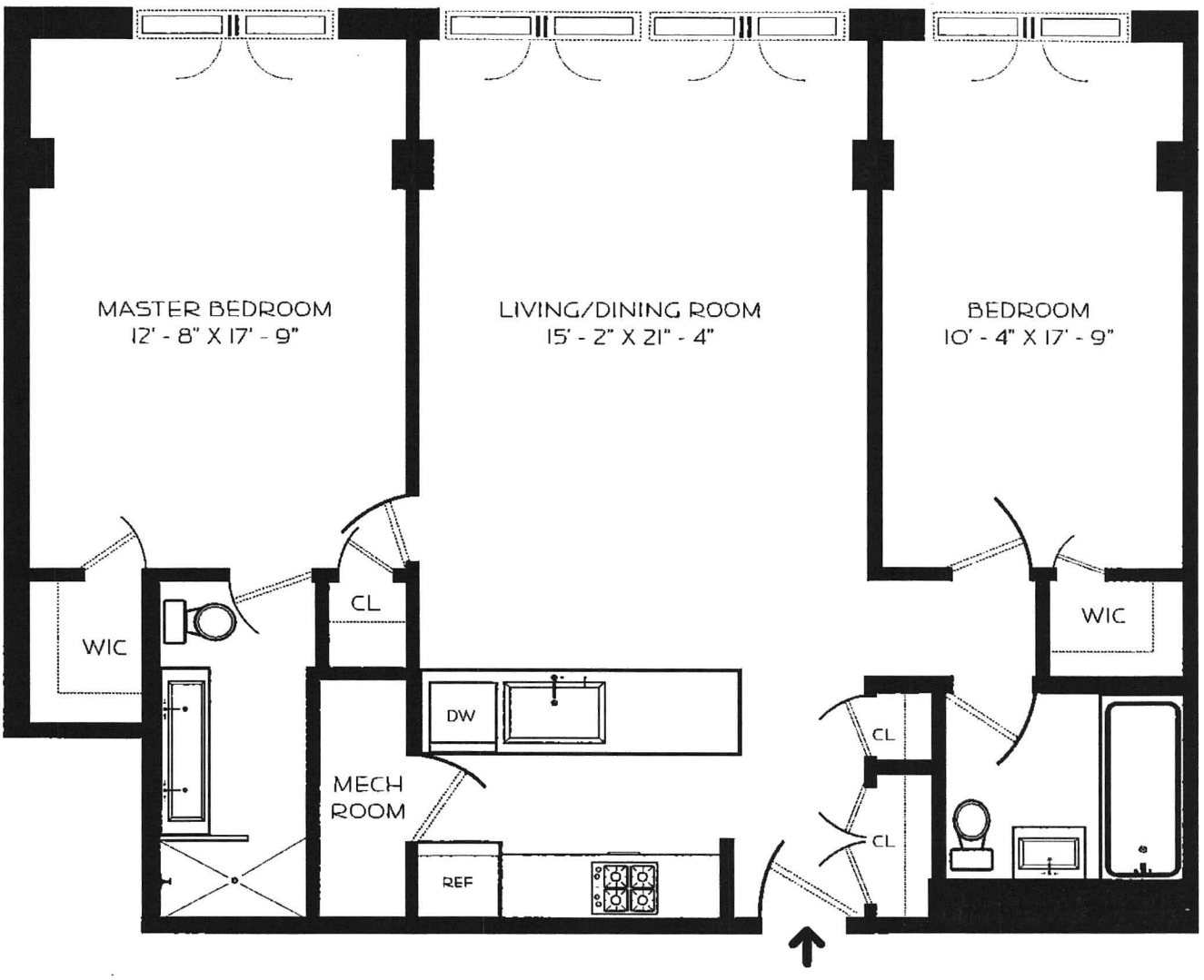
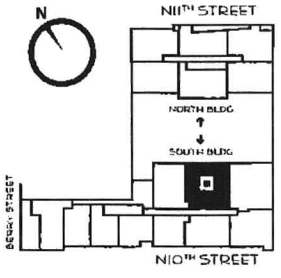
ARTISTRY IN LIVING

S 2B-4B APT. AREA 1,171 SQ FT

2BR/2BTH





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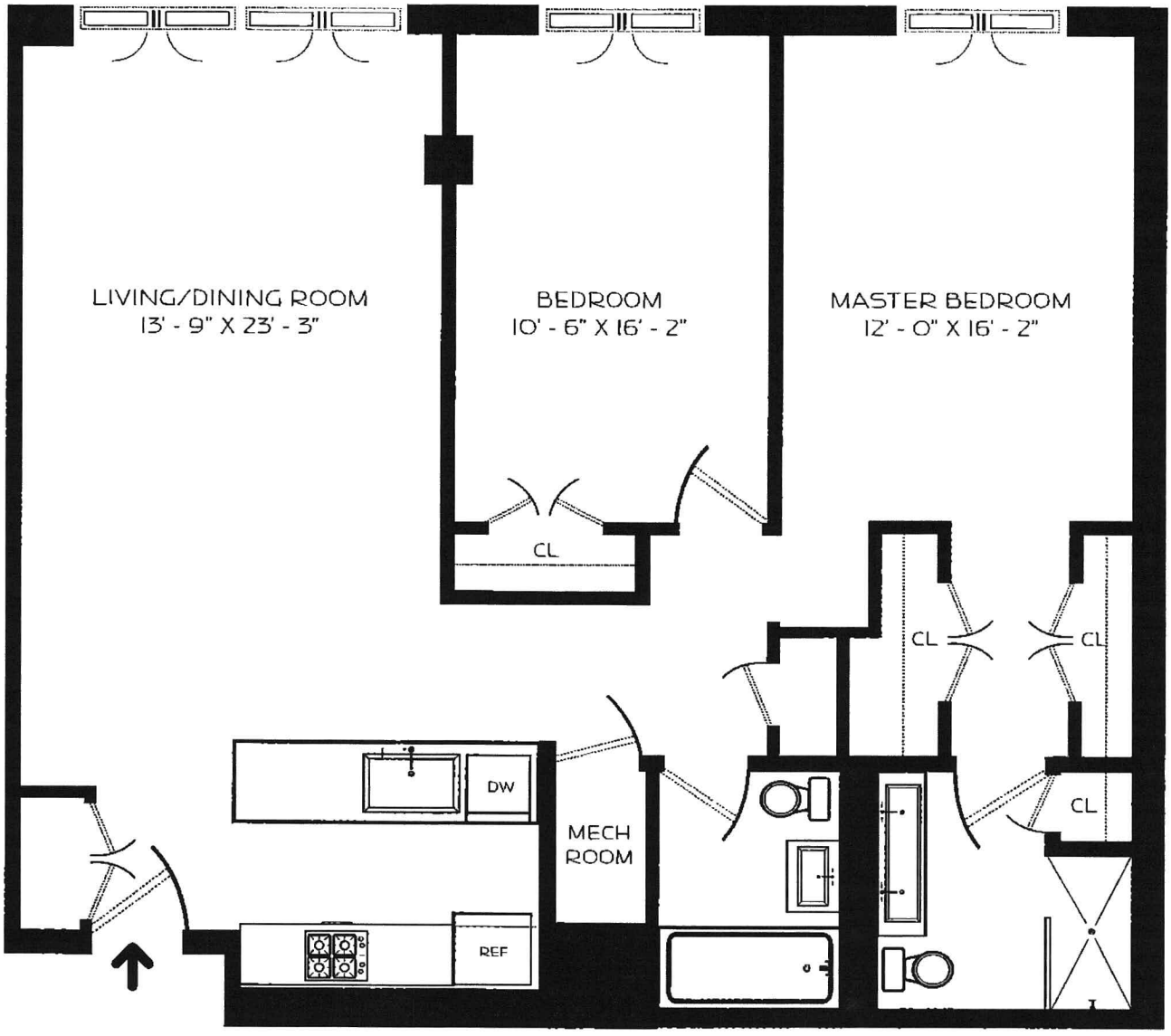
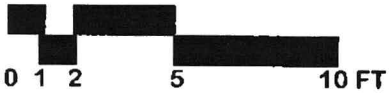
125 N 10TH

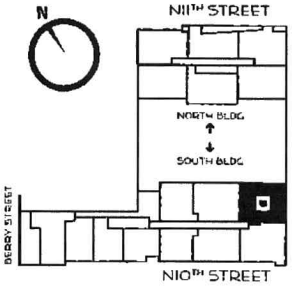
ARTISTRY IN LIVING

S 2C-4C APT. AREA 1,248 SQ FT

2BR/2BTH







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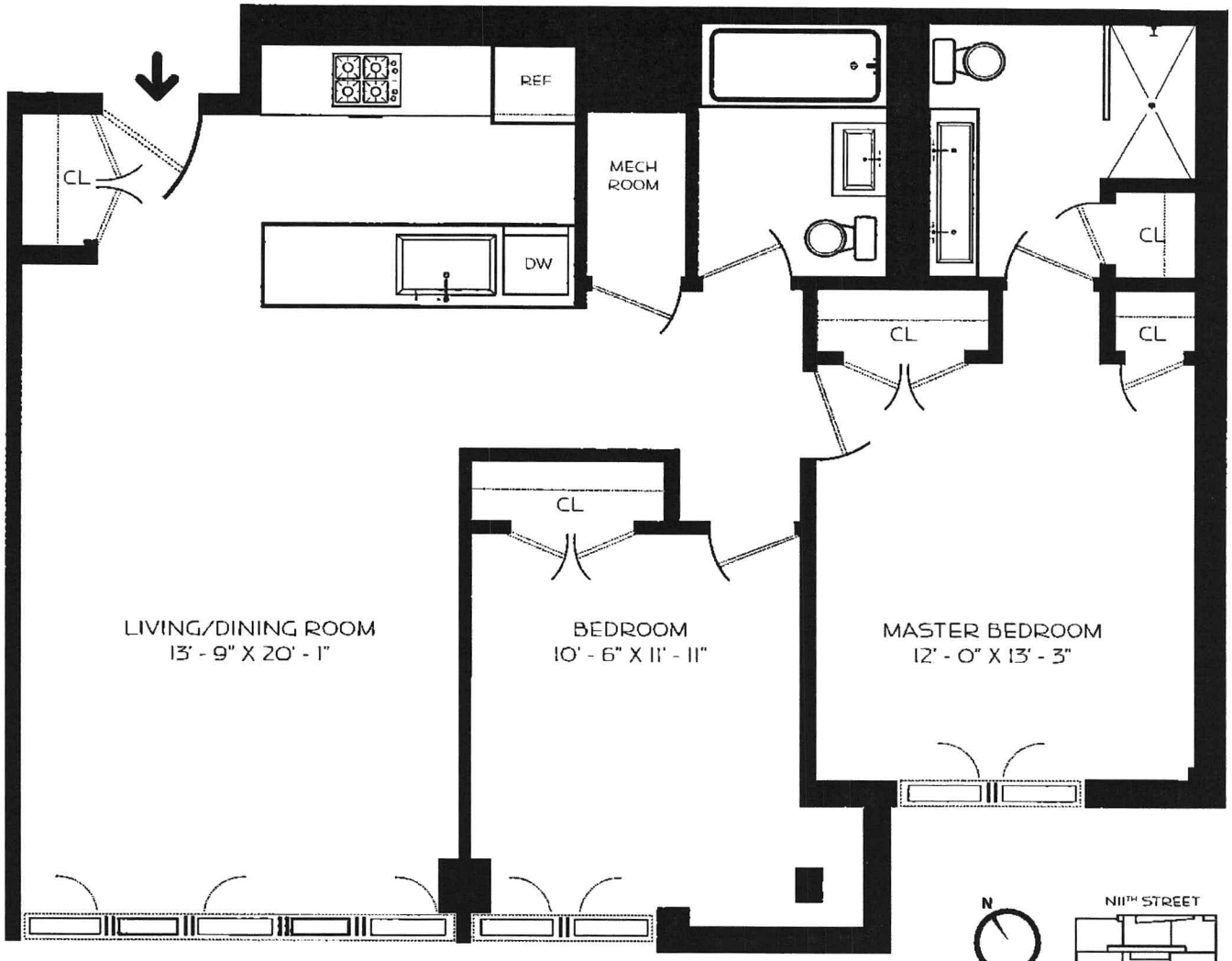
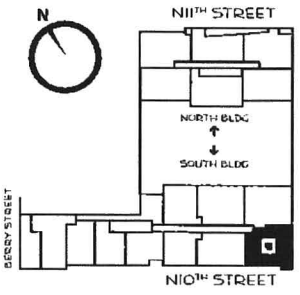
125 N 10TH

ARTISTRY IN LIVING

S 2D APT. AREA 1,048 SQ FT

2BR/2BTH





0 1 2 5 10 FT

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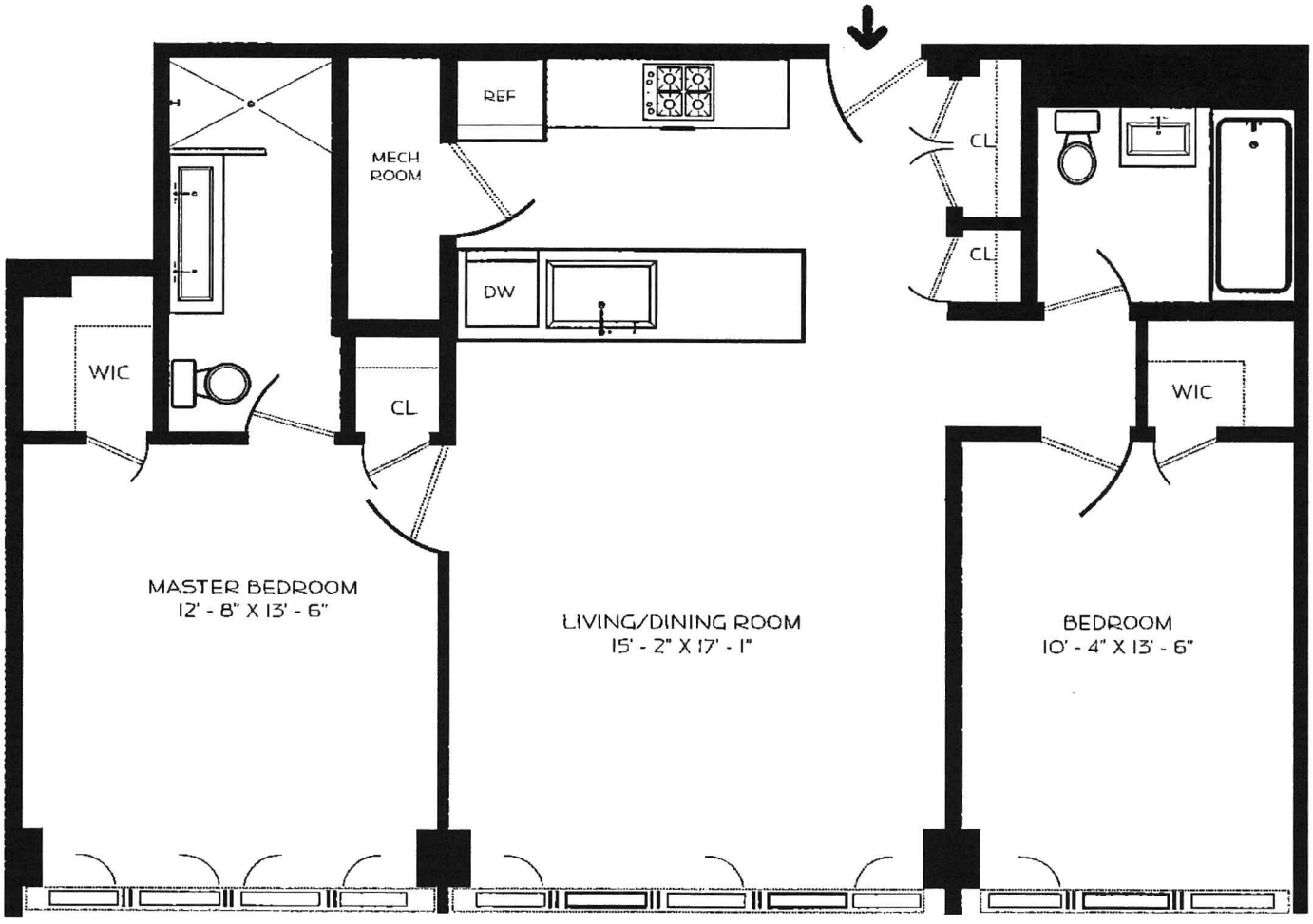
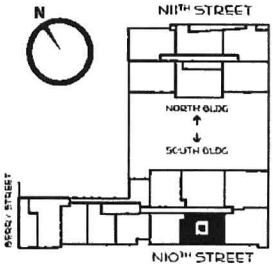
125 N 10TH

ARTISTRY IN LIVING

S 2E APT.AREA 1,005 SQ FT

2BR/2BTH





0 1 2 5 10 FT

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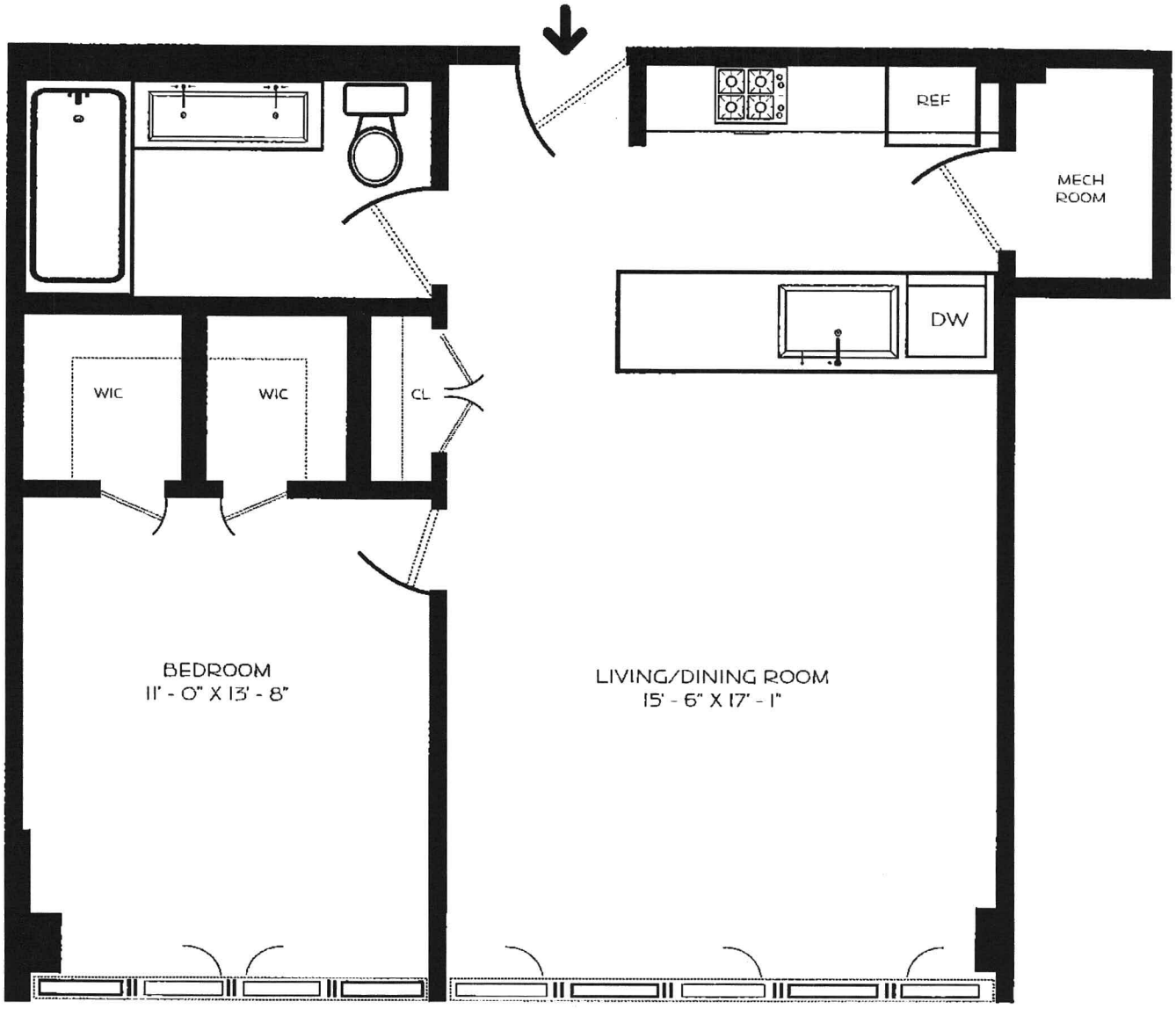
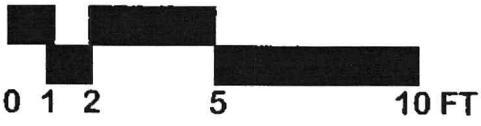
125 N 10TH

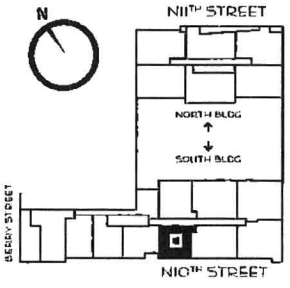
ARTISTRY IN LIVING

S 2F APT.AREA 756 SQ FT

1BR/1BTH







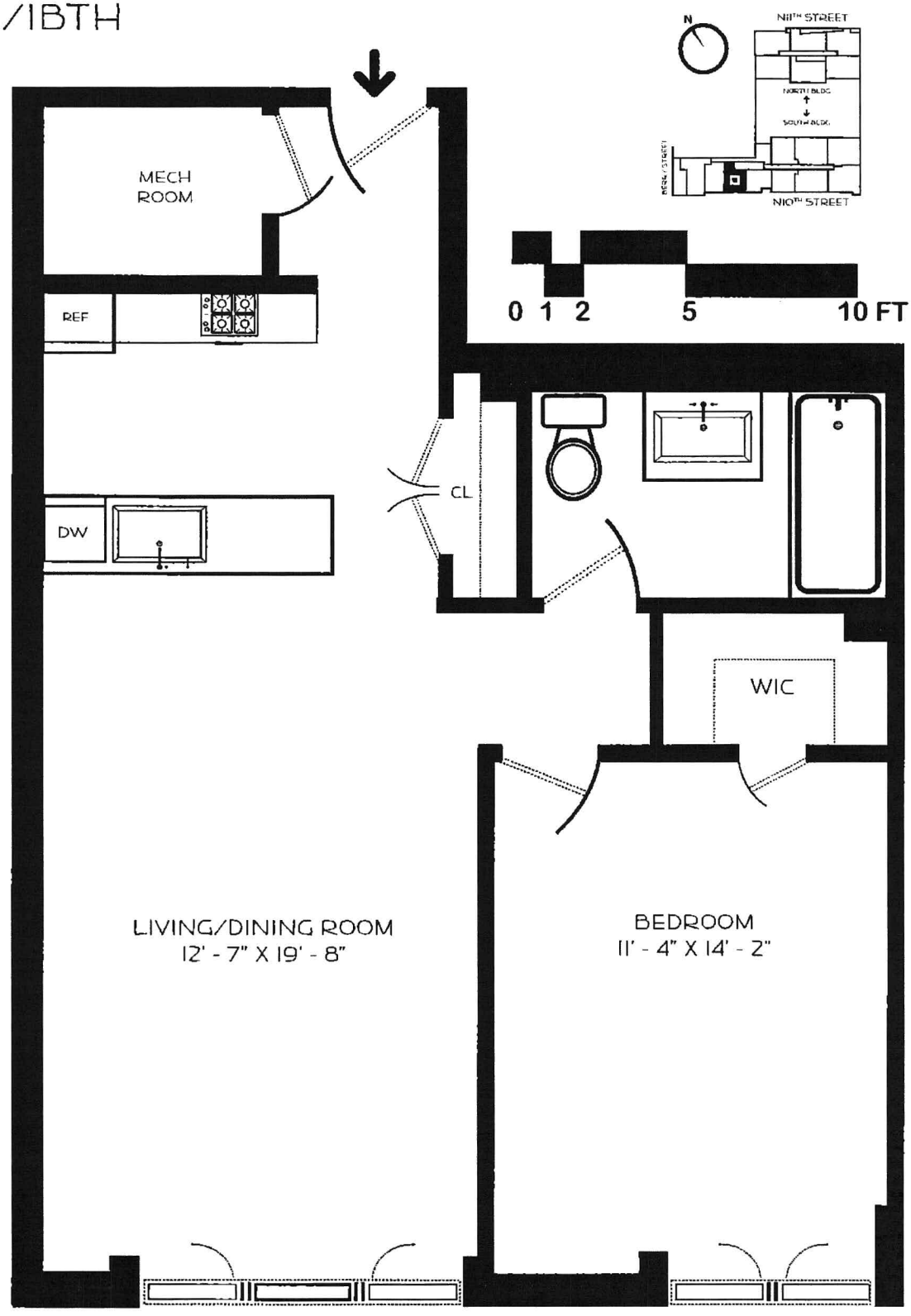
ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE ALL MAXIMUMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

125 N 10TH

ARTISTRY IN LIVING

S 2G APT.AREA 763 SQ FT

1BR/1BTH



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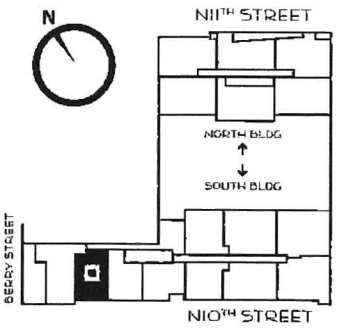
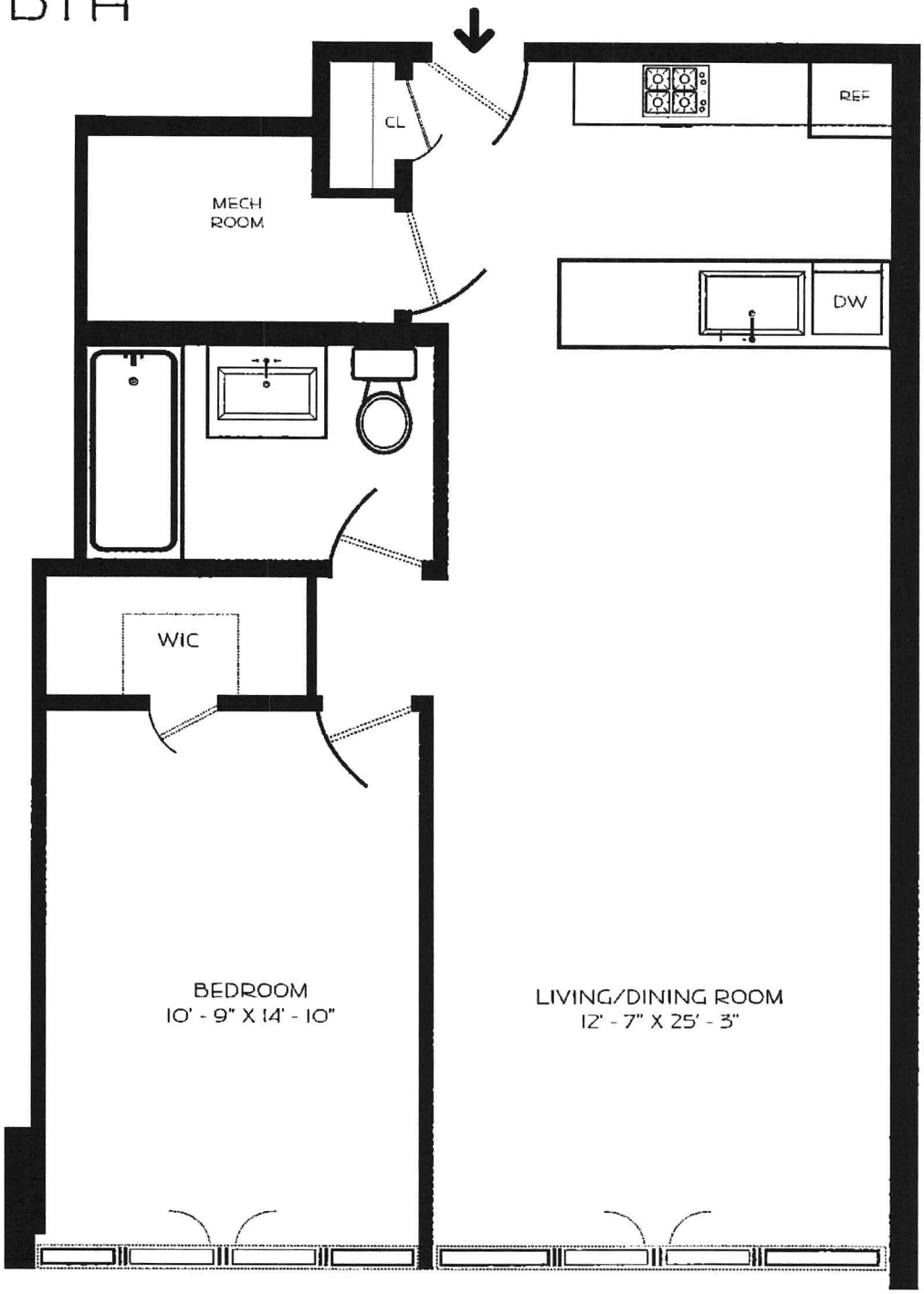
125 N 10TH

ARTISTRY IN LIVING

S 2H APT.AREA 807 SQ FT

1BR/1BTH





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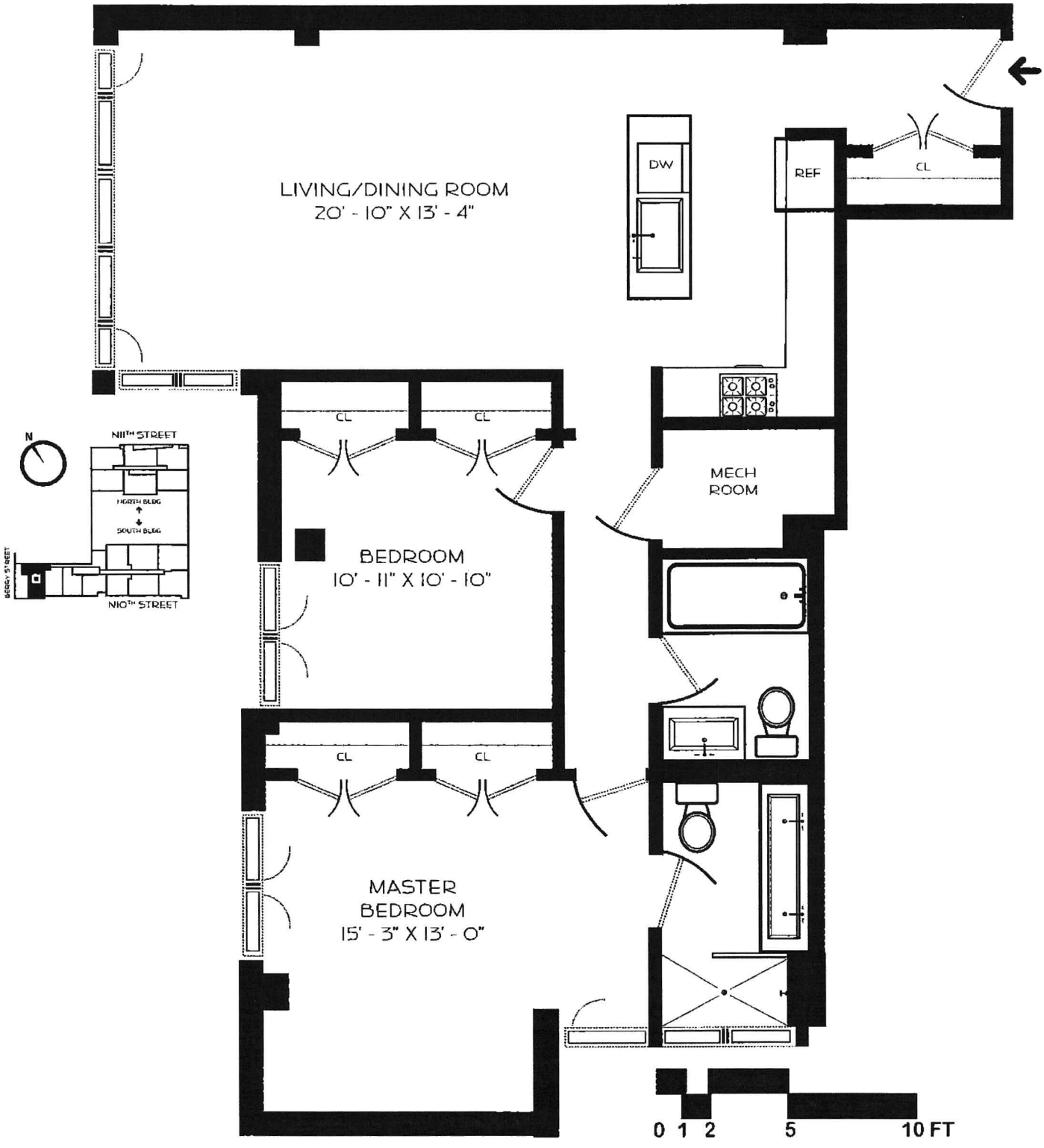
125 N10TH

ARTISTRY IN LIVING

S 2I APT.AREA 1,123 SQ FT

2BR/2BTH



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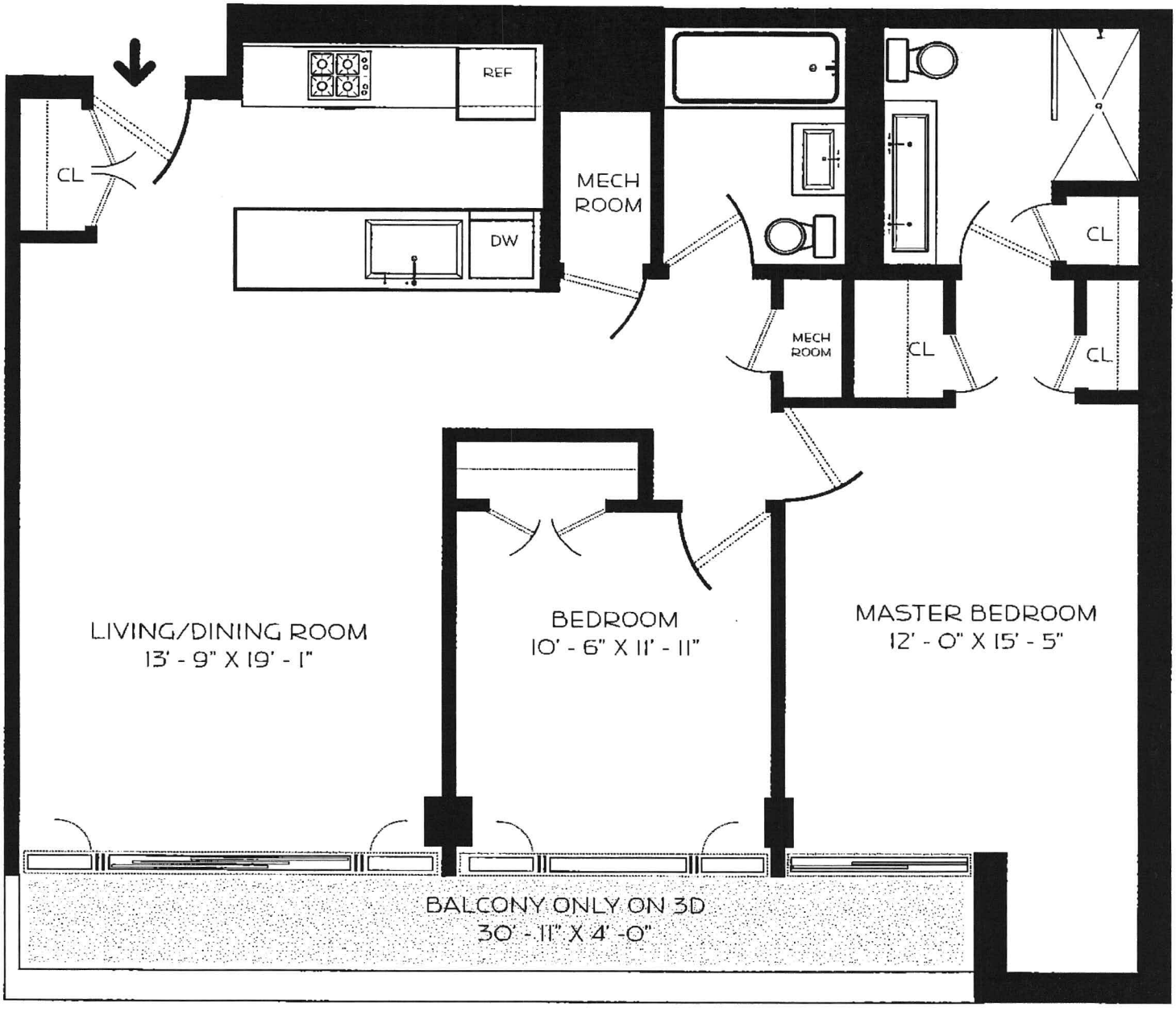
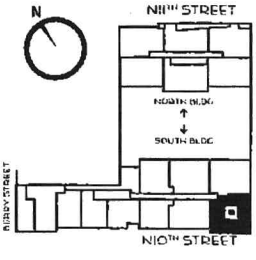
ARTISTRY IN LIVING

S 3D & 4D APT.AREA 1,114 SQ FT | EXT.AREA 125 SQ FT

2BR/2BTH





0 1 2 5 10 FT

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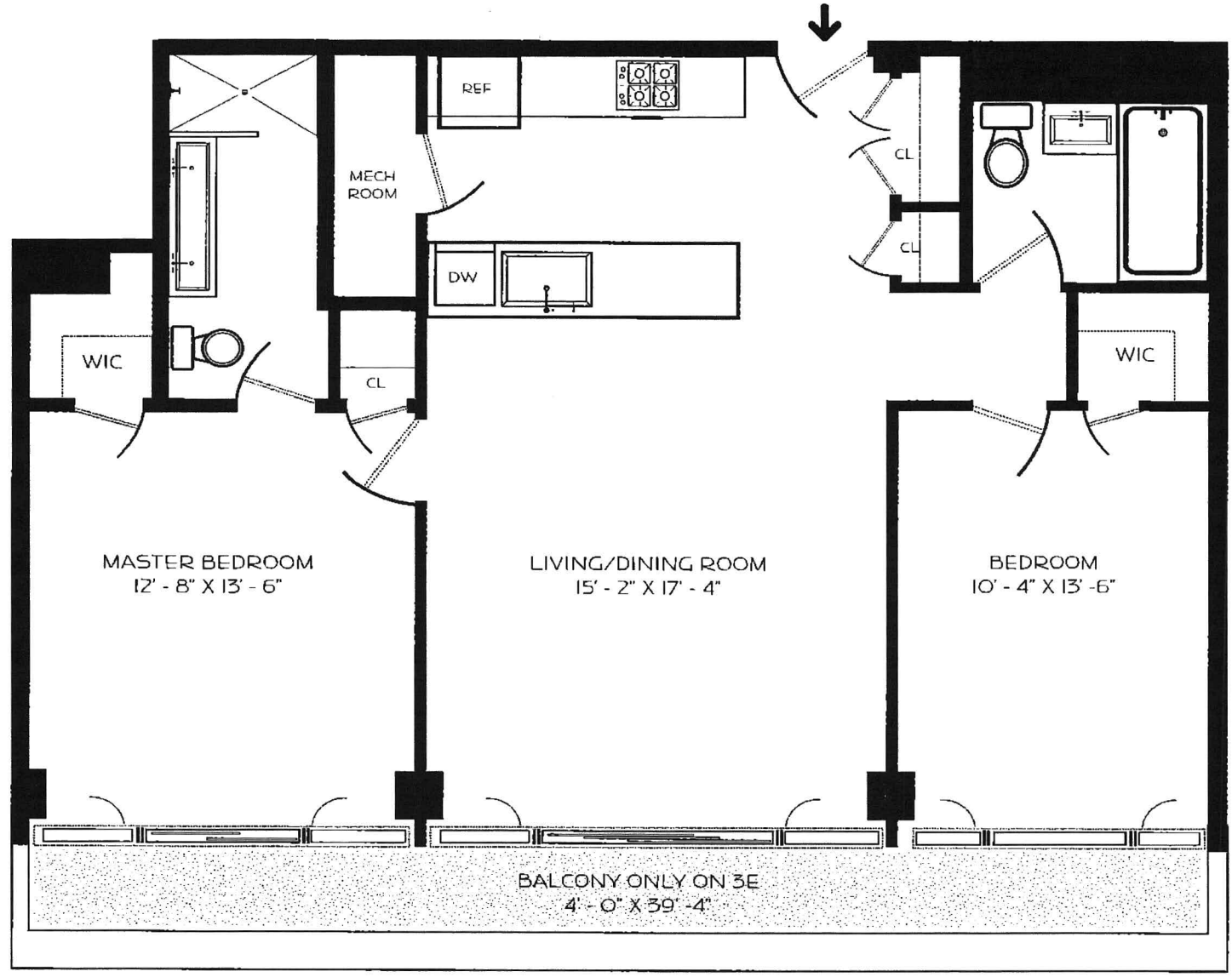
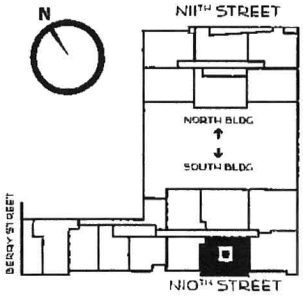
ARTISTRY IN LIVING

S 3E & 4E APT.AREA 1,001 SQ FT | EXT.AREA 157 SQ FT
2BR/2BTH



0 1 2 5 10 FT



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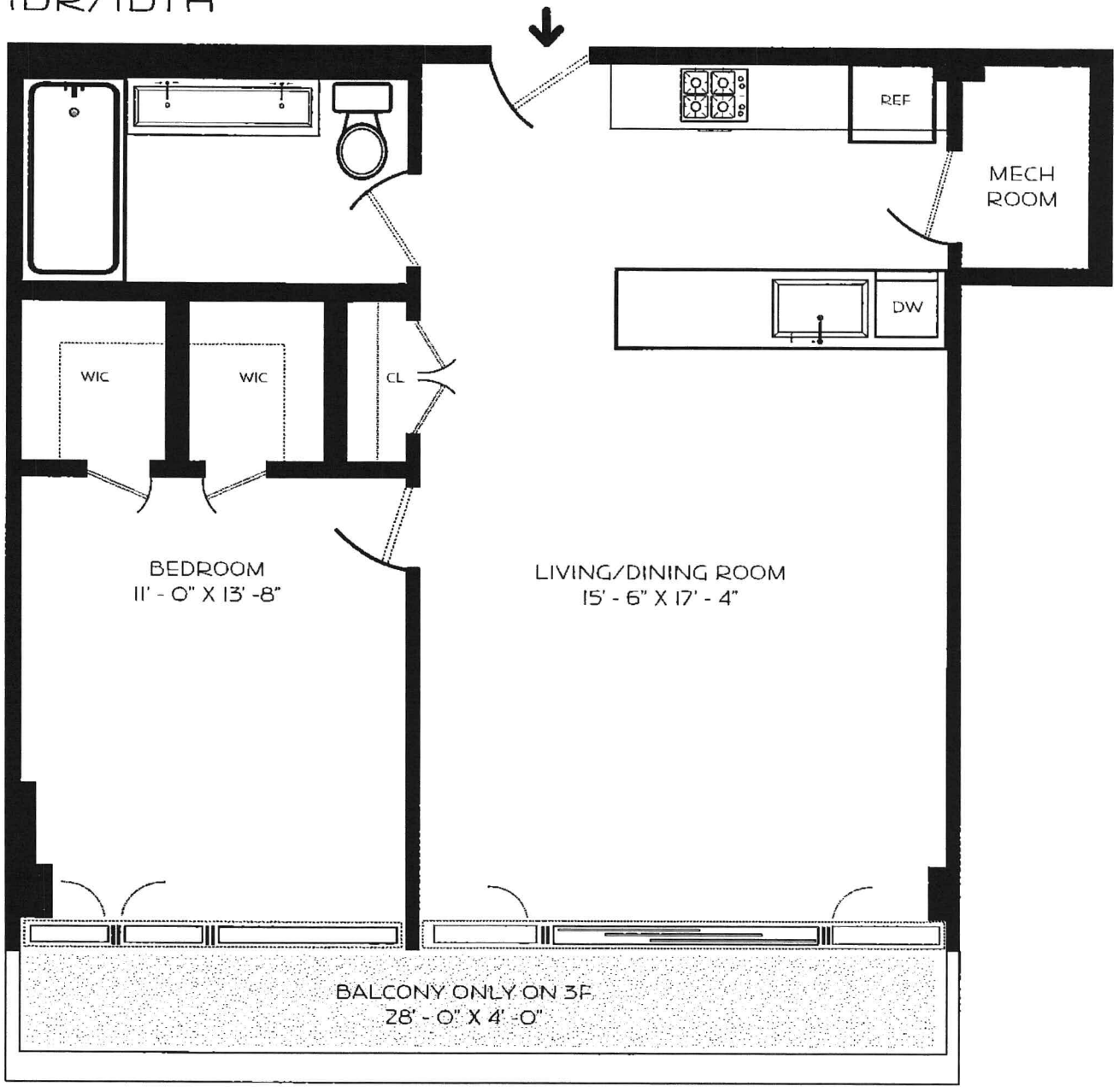
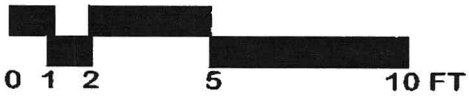
125 N 10TH

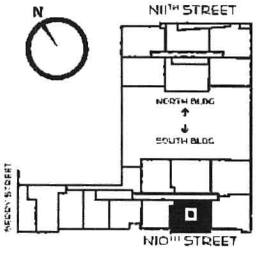
ARTISTRY IN LIVING

S 3F & 4F 1BR/1BTH

APT. AREA 755 SQ FT | EXT. AREA 112 SQ FT







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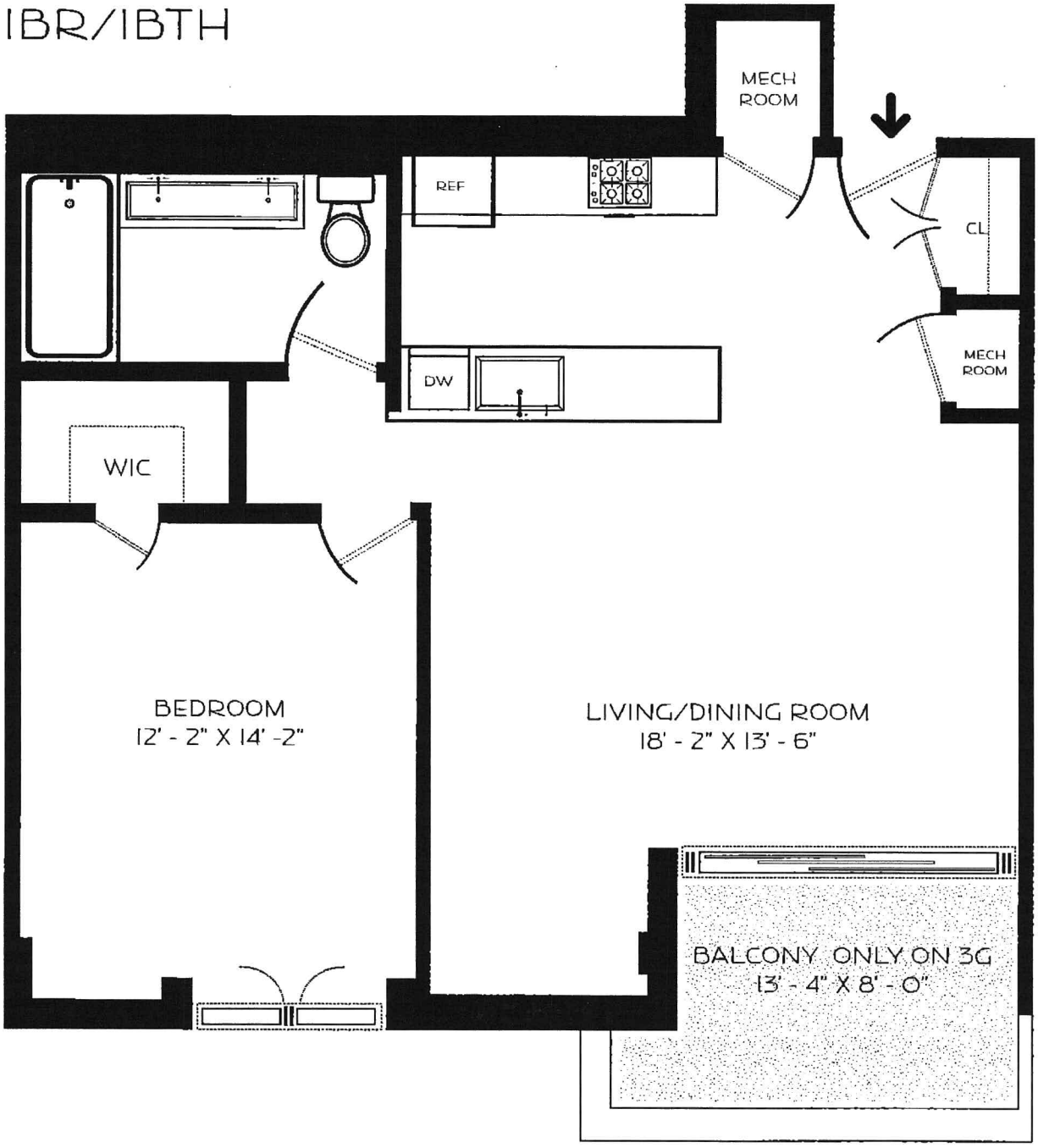
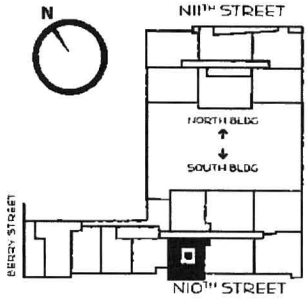
125 N 10TH

ARTISTRY IN LIVING

S 3G & 4G APT.AREA 817 SQ FT | EXT.AREA 94 SQ FT

1BR/1BTH





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125 N 10TH

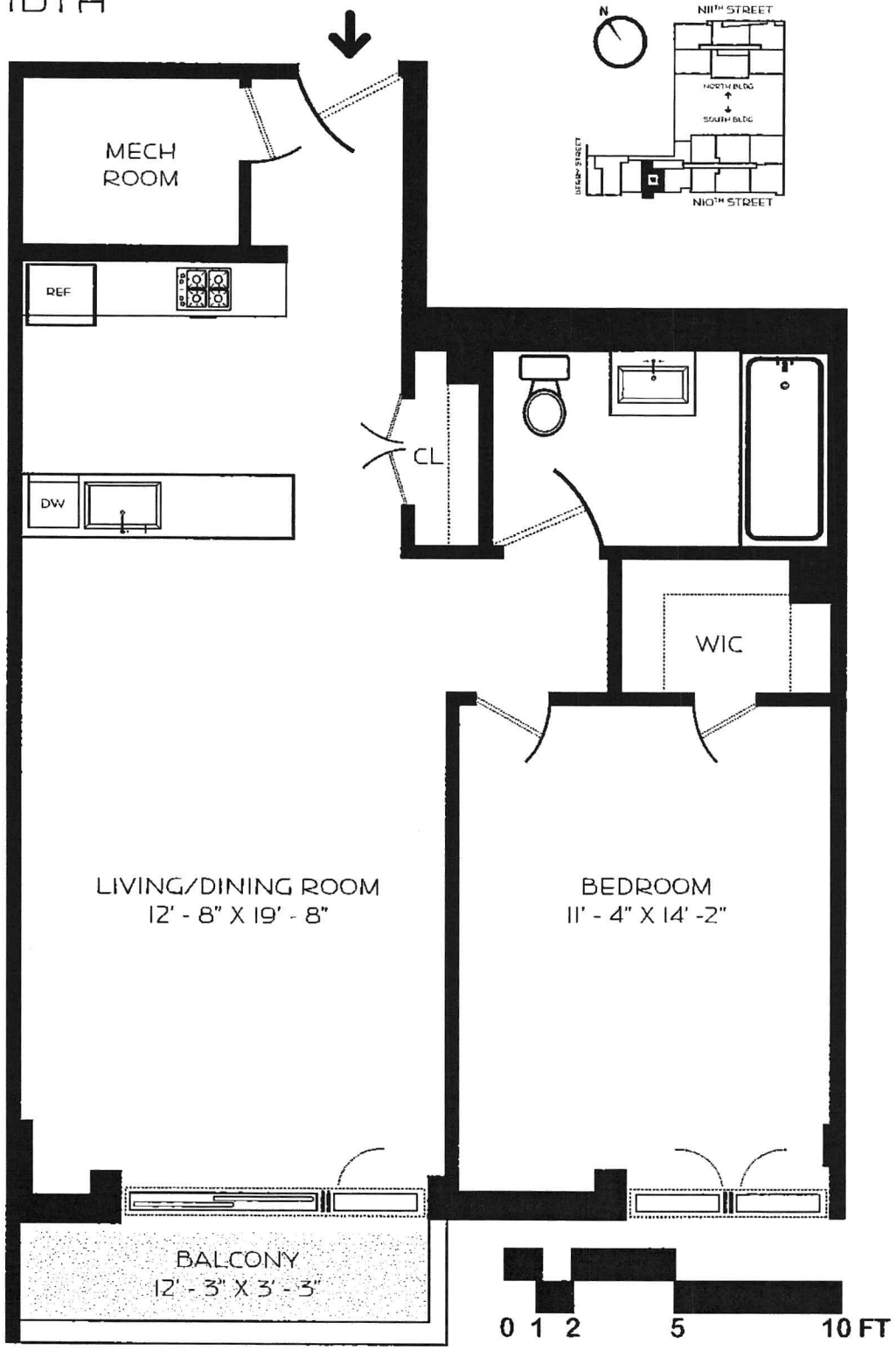
ARTISTRY IN LIVING

S 3H-5H

APT.AREA 763 SQ FT

EXT.AREA 46 SQ FT

1BR/1BTH



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125 N10TH

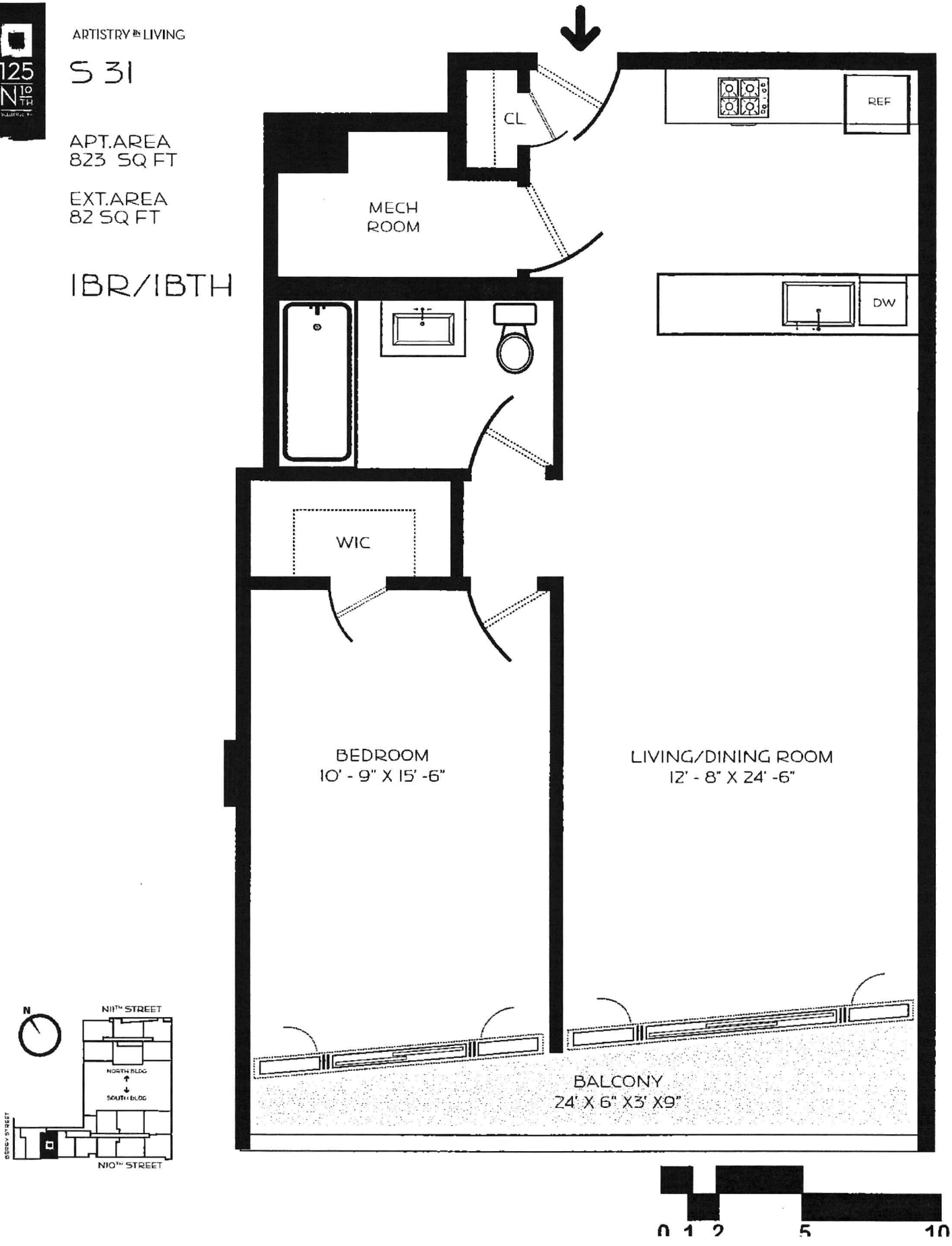
ARTISTRY IN LIVING

S 31

APT.AREA
823 SQ FT

EXT.AREA
82 SQ FT

1BR/1BTH



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125 N 10TH

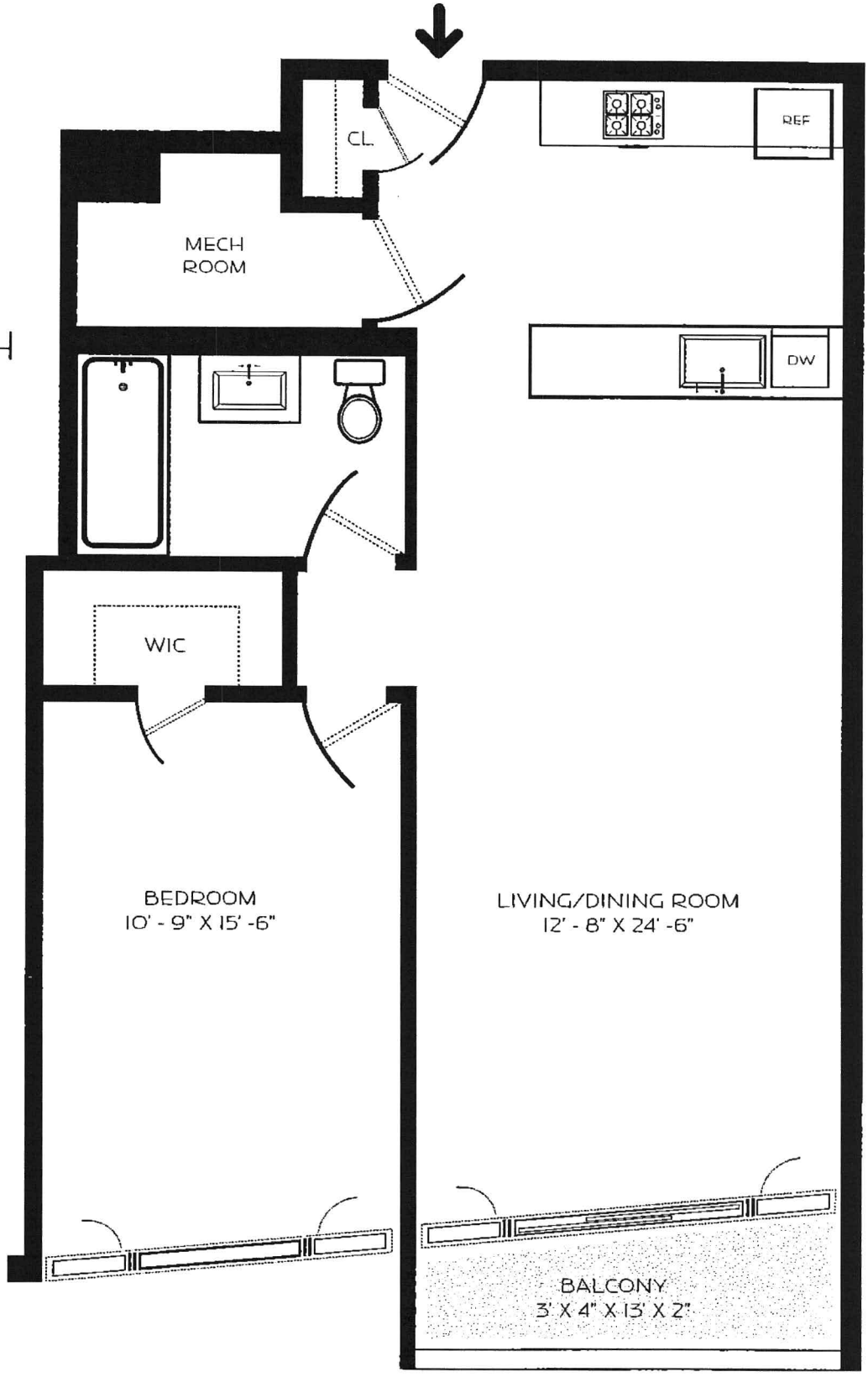
ARTISTRY IN LIVING

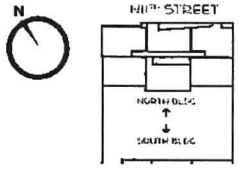
S 41 & 51

APT.AREA
823 SQ FT

EXT.AREA
51 SQ FT

1BR/1BTH





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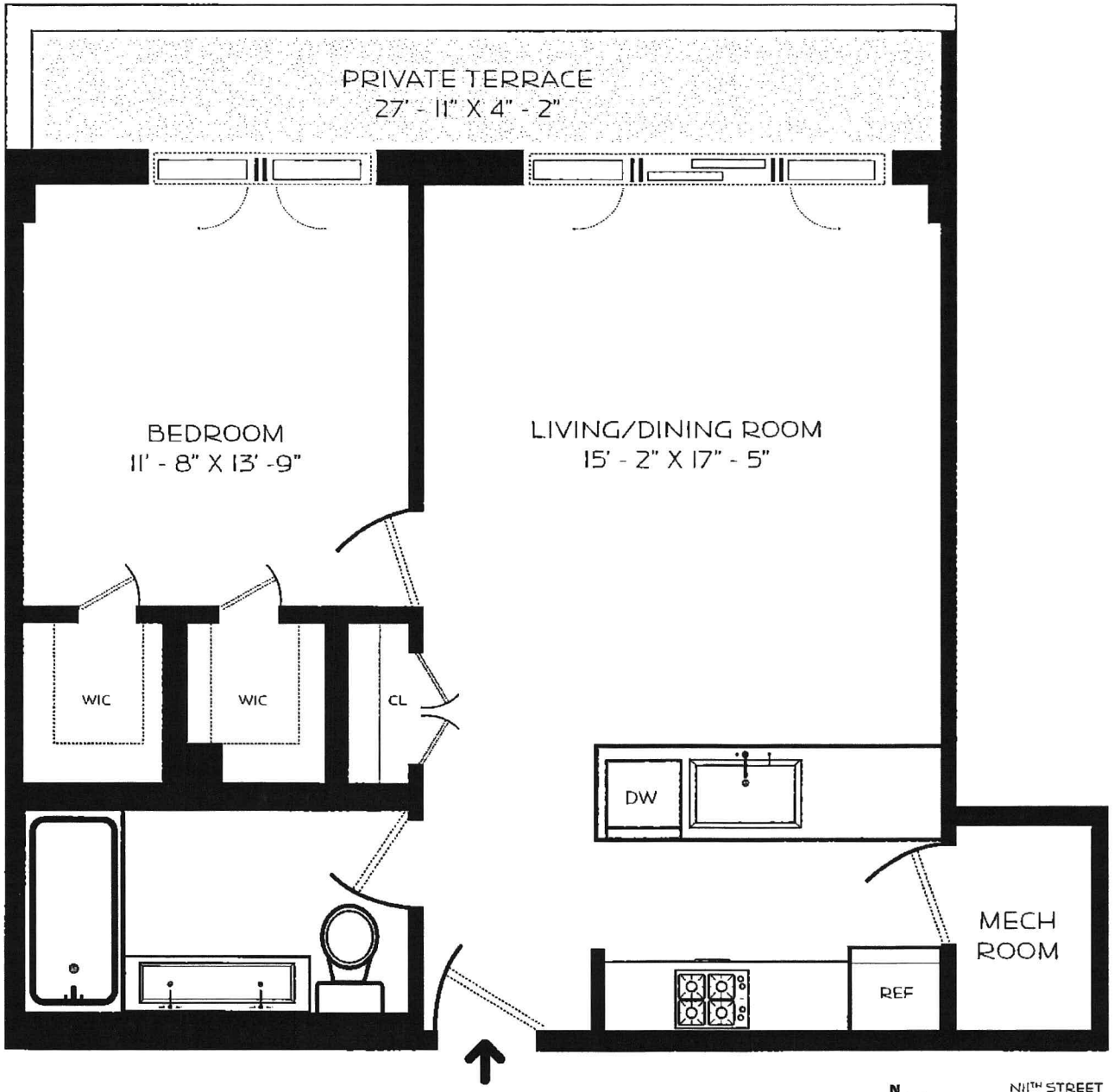
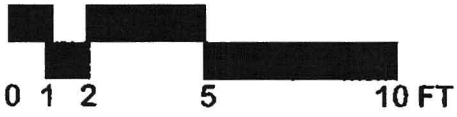
125 N 10TH

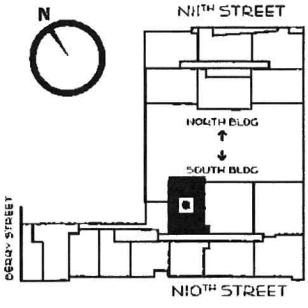
ARTISTRY IN LIVING

S 5A APT.AREA 757 SQ FT | EXT.AREA 116 SQ FT

1BR/1BTH







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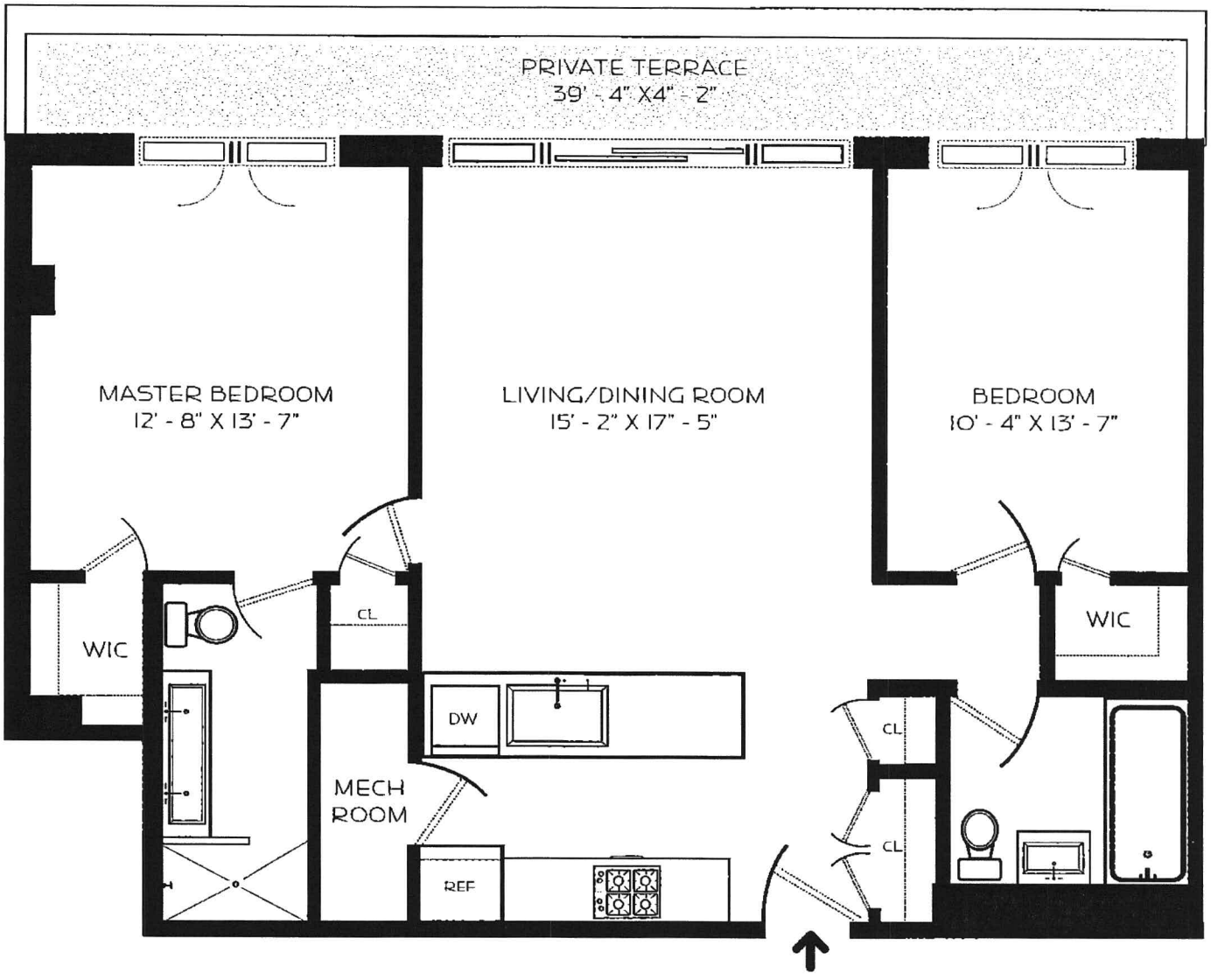
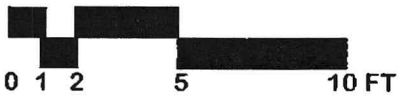
125 N 10TH

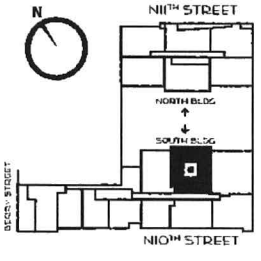
ARTISTRY BY LIVING

S 5B APT.AREA 1,008 SQ FT | EXT.AREA 164 SQ FT

2BR/2BTH







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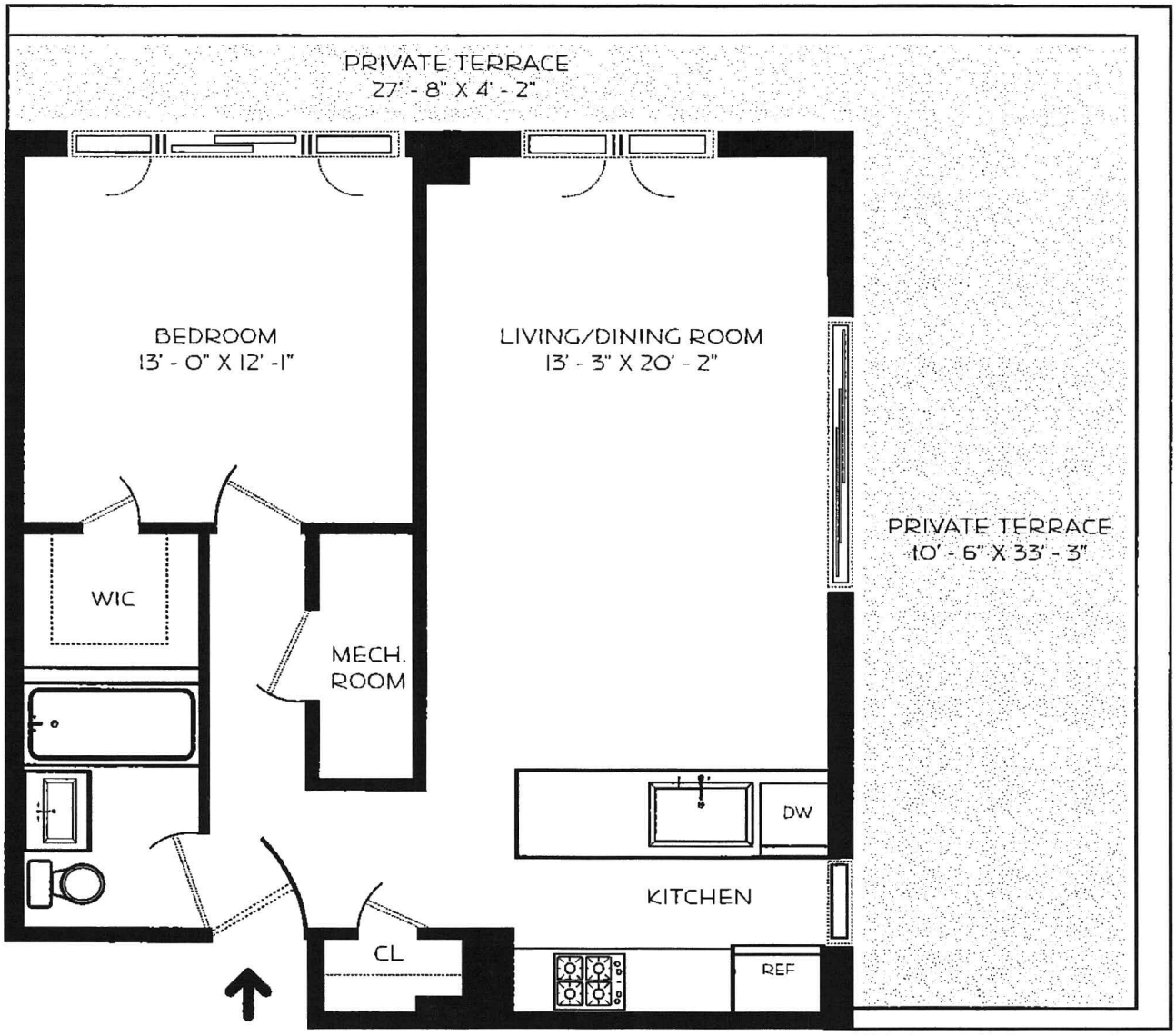
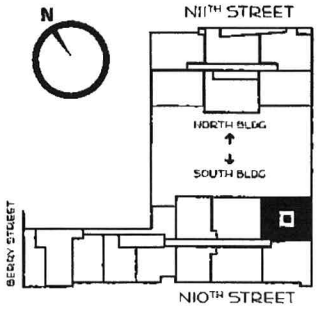
125 N 10TH

ARTISTRY IN LIVING

S 5C APT.AREA 776 SQ FT | EXT.AREA 464 SQ FT

1BR/1BTH





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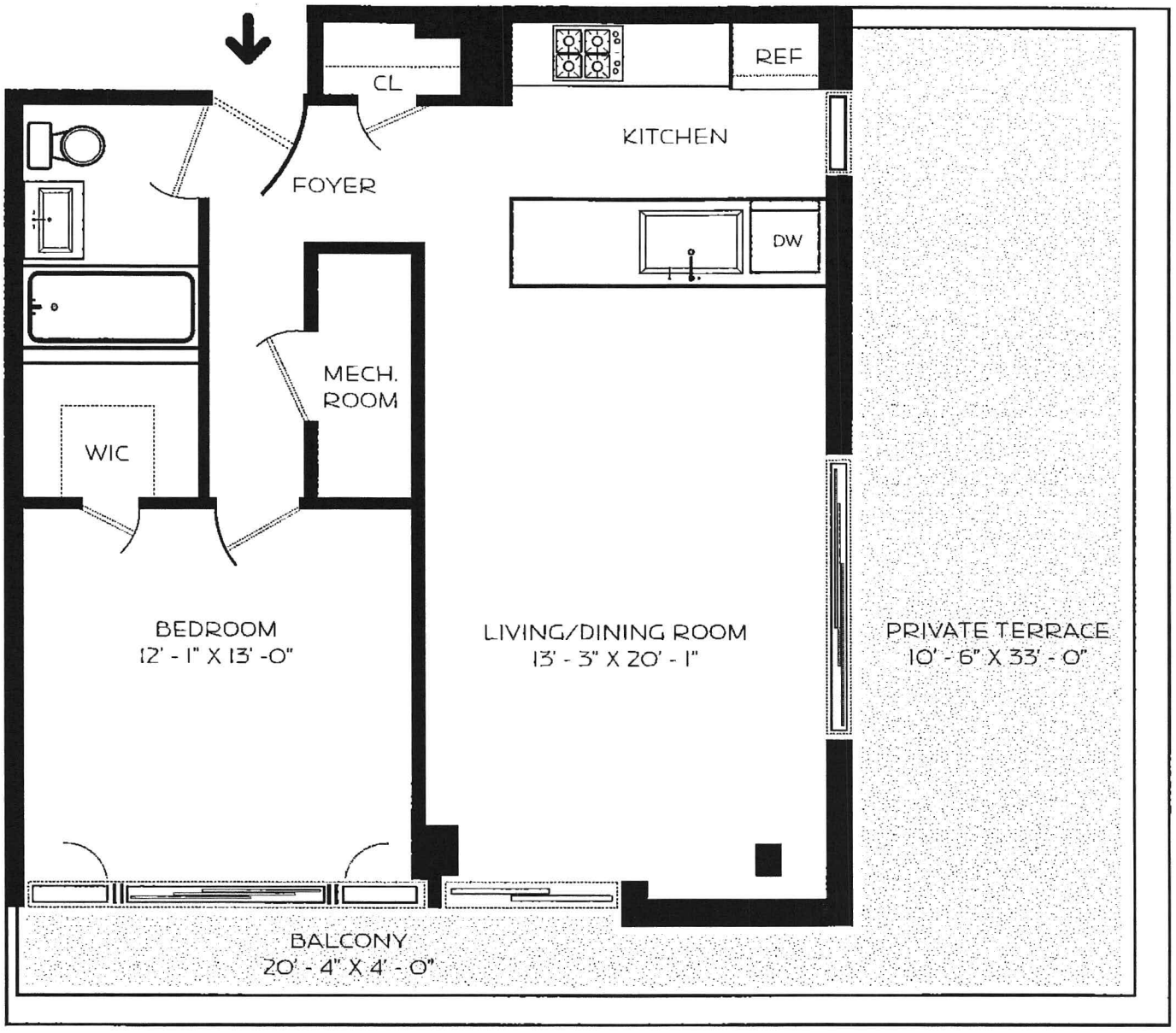
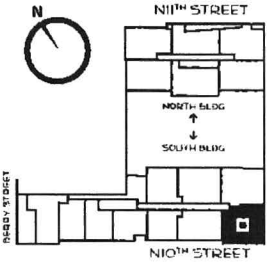
ARTISTRY IN LIVING

S 5D APT.AREA 778 SQ FT | EXT.AREA 455 SQ FT

1BR/1BTH





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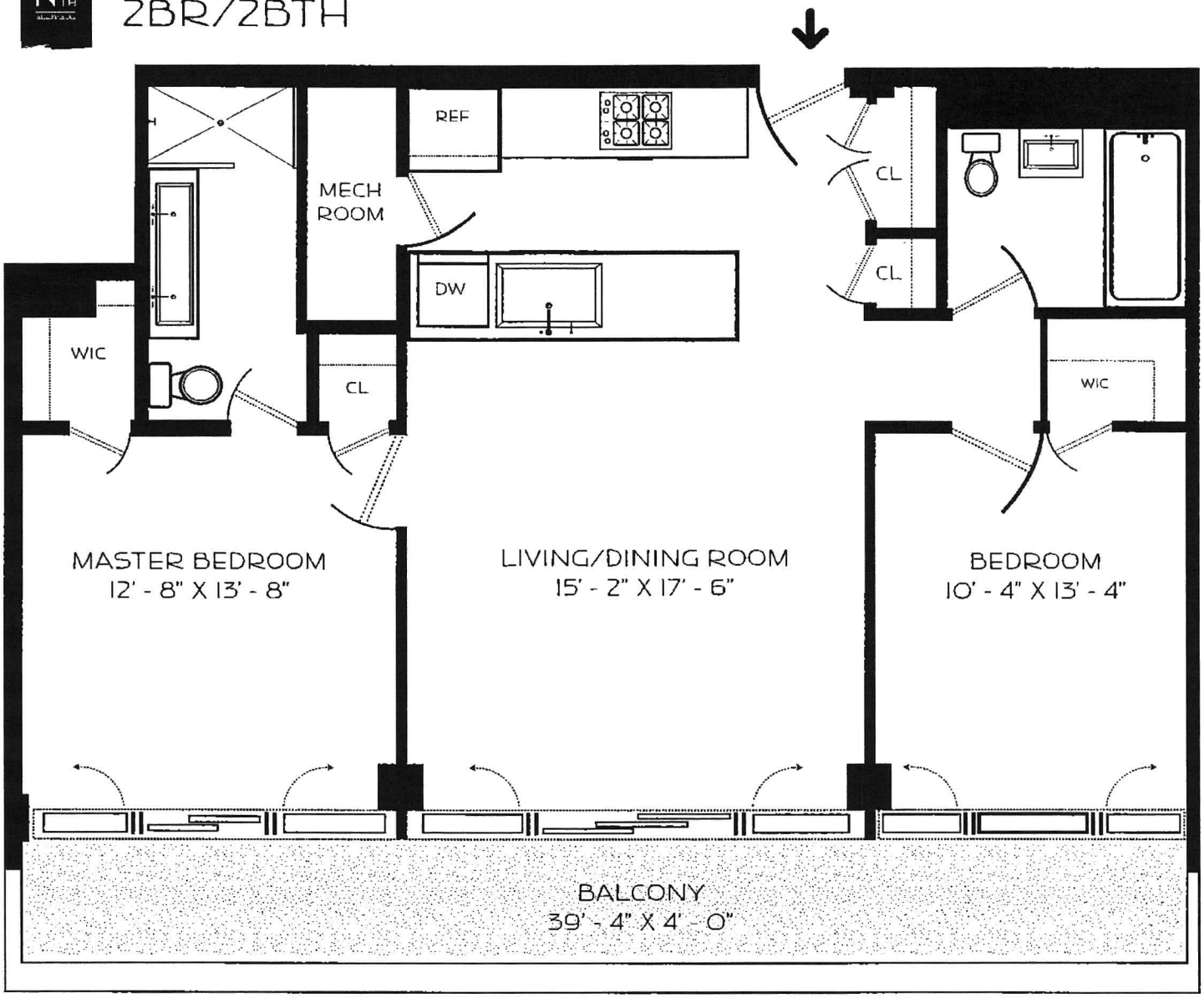
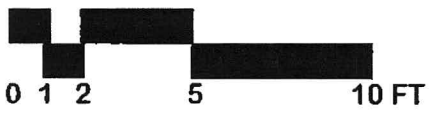
125 N10TH

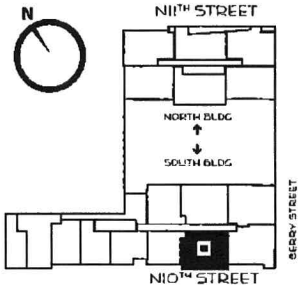
ARTISTRY IN LIVING

S 5E APT.AREA 995 SQ FT | EXT.AREA 157 SQ FT

2BR/2BTH







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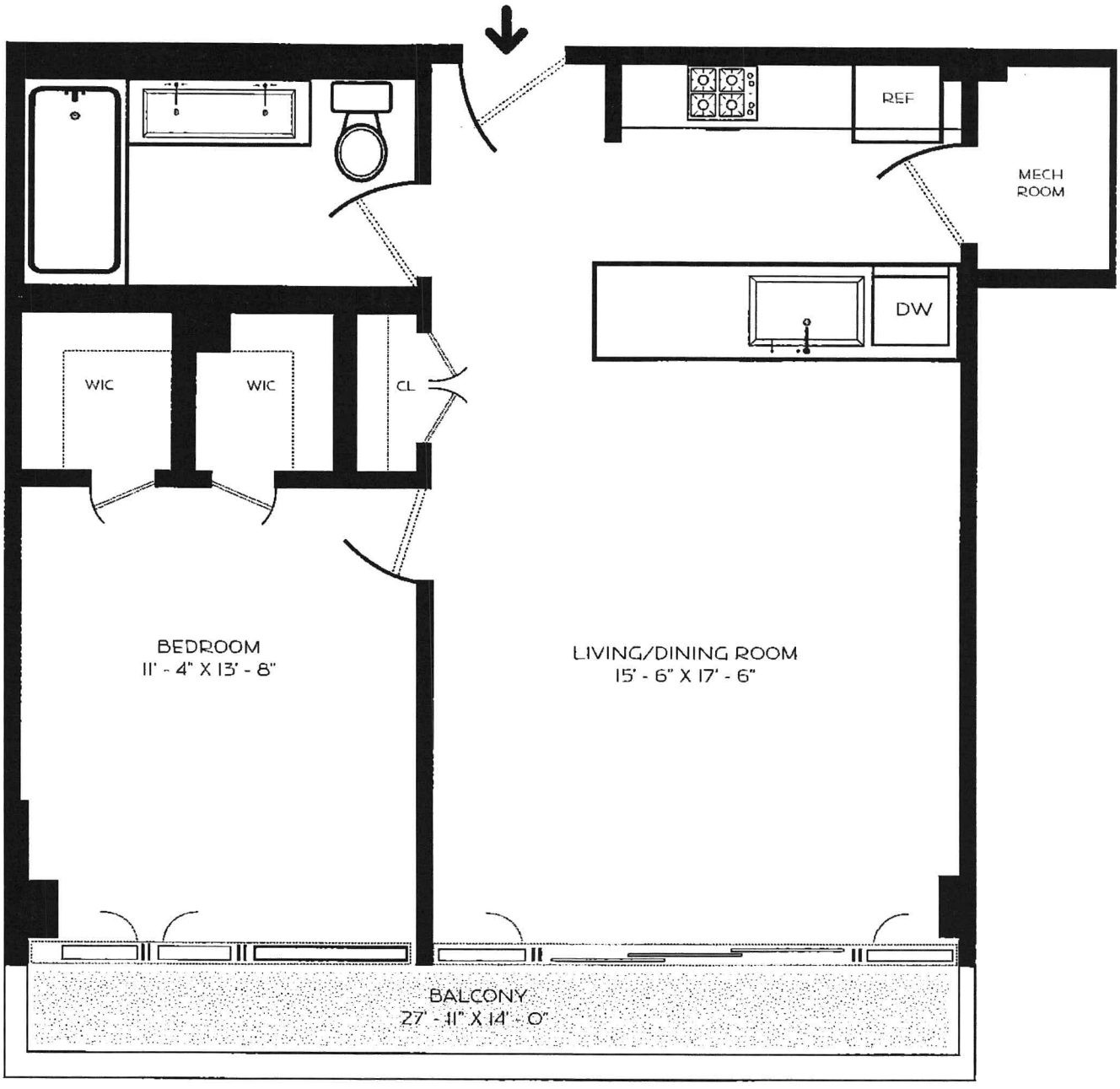
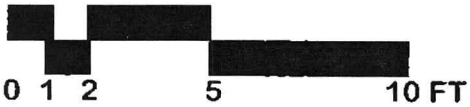
125 N10TH

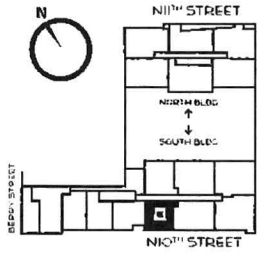
ARTISTRY IN LIVING

S 5F APT.AREA 765 SQ FT | EXT.AREA 112 SQ FT

1BR/1BTH







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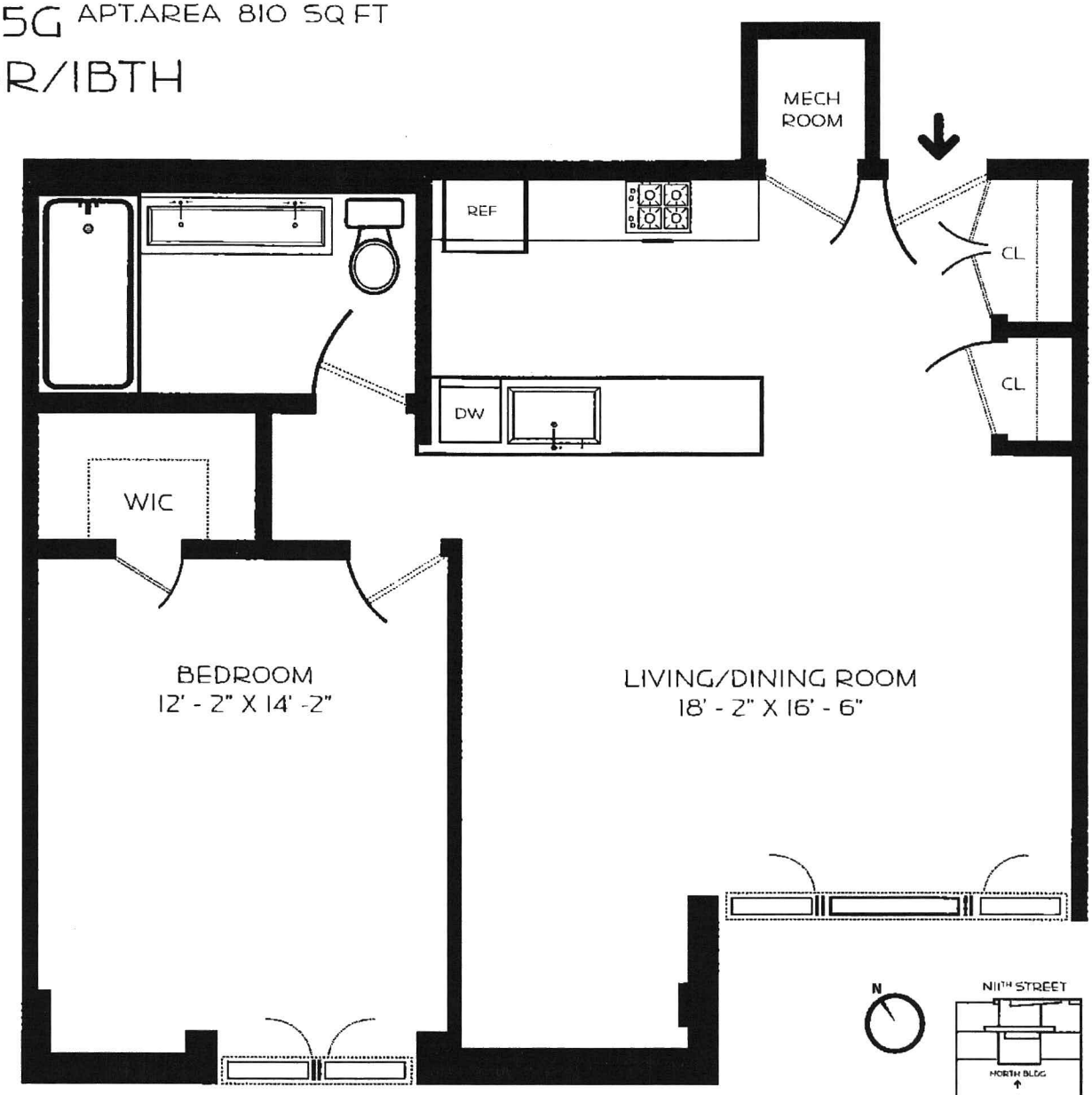
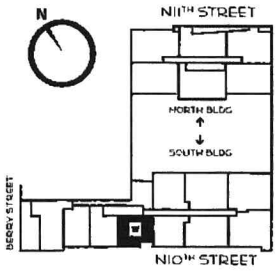
125 N 10TH

ARTISTRY IN LIVING

S 5G APT.AREA 810 SQ FT

1BR/1BTH





0 1 2 5 10 FT

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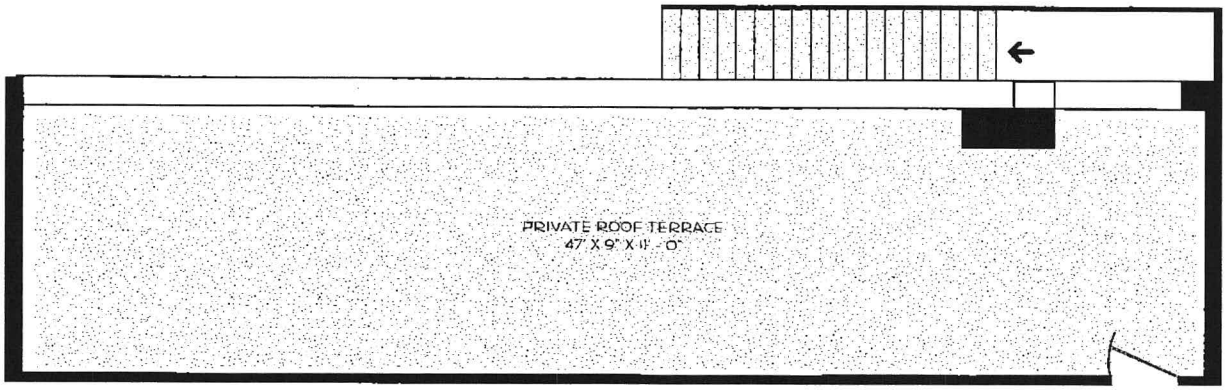
125 N 10TH

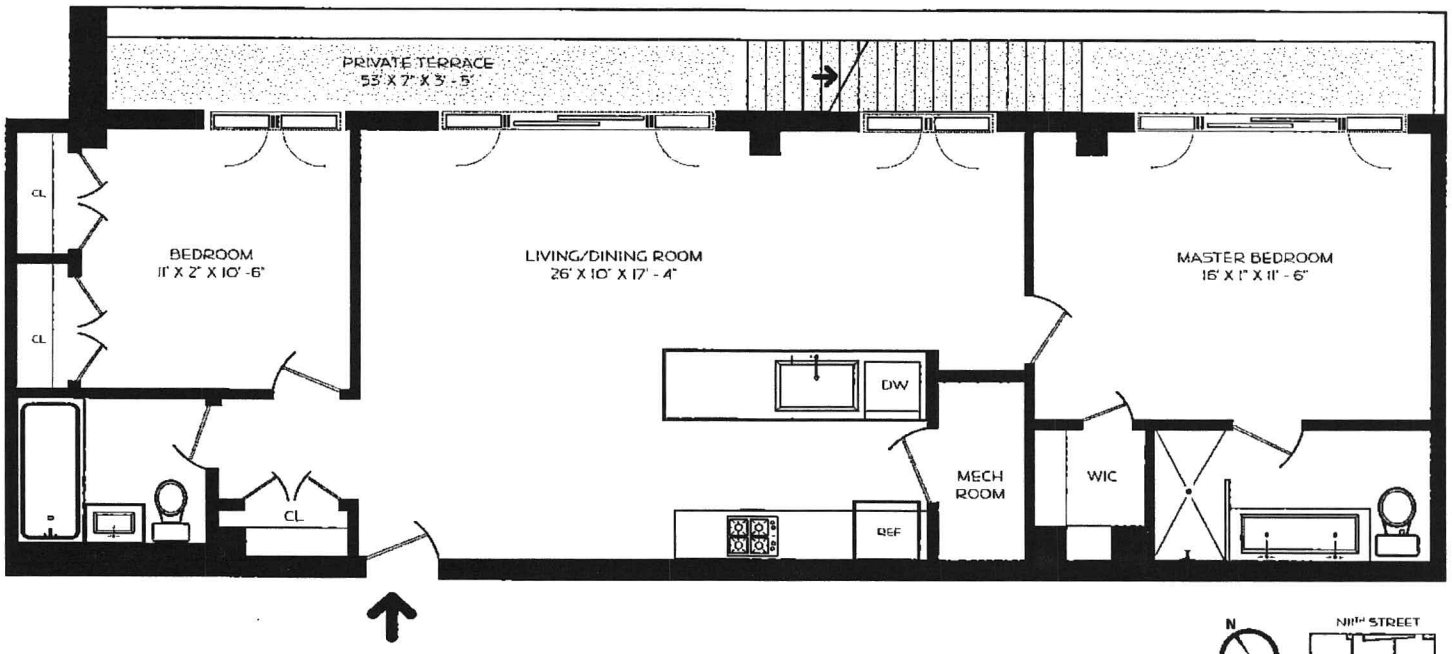
ARTISTRY IN LIVING

S PH A

APT.AREA 1,059 SQ FT | EXT.AREA 789 SQ FT

2BR/2BTH





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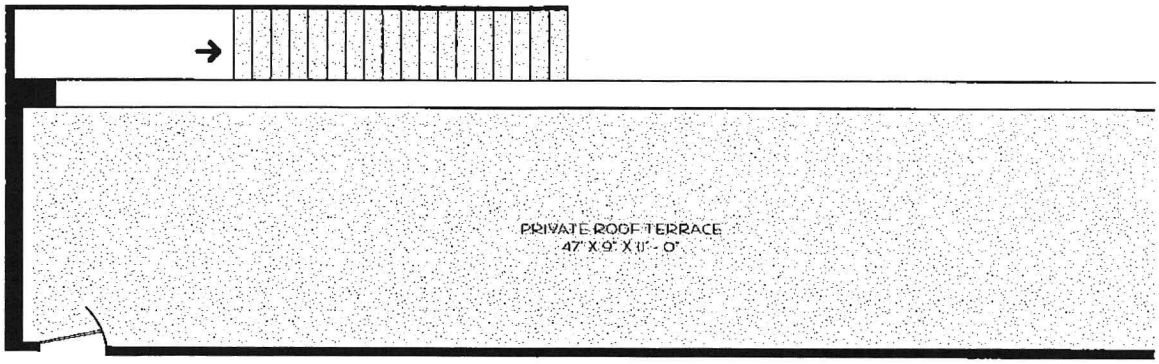
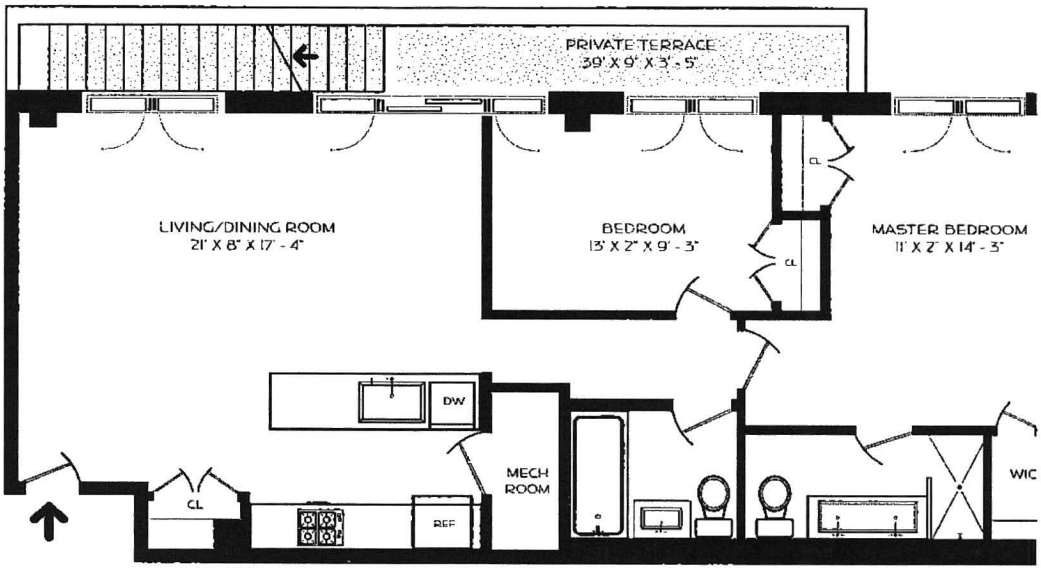
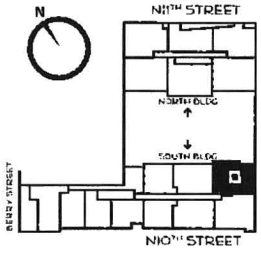
ARTISTRY IN LIVING

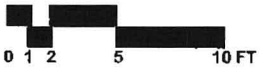
S PH B APT.AREA 1,054 SQ FT | EXT.AREA 827 SQ FT

2BR/2BTH







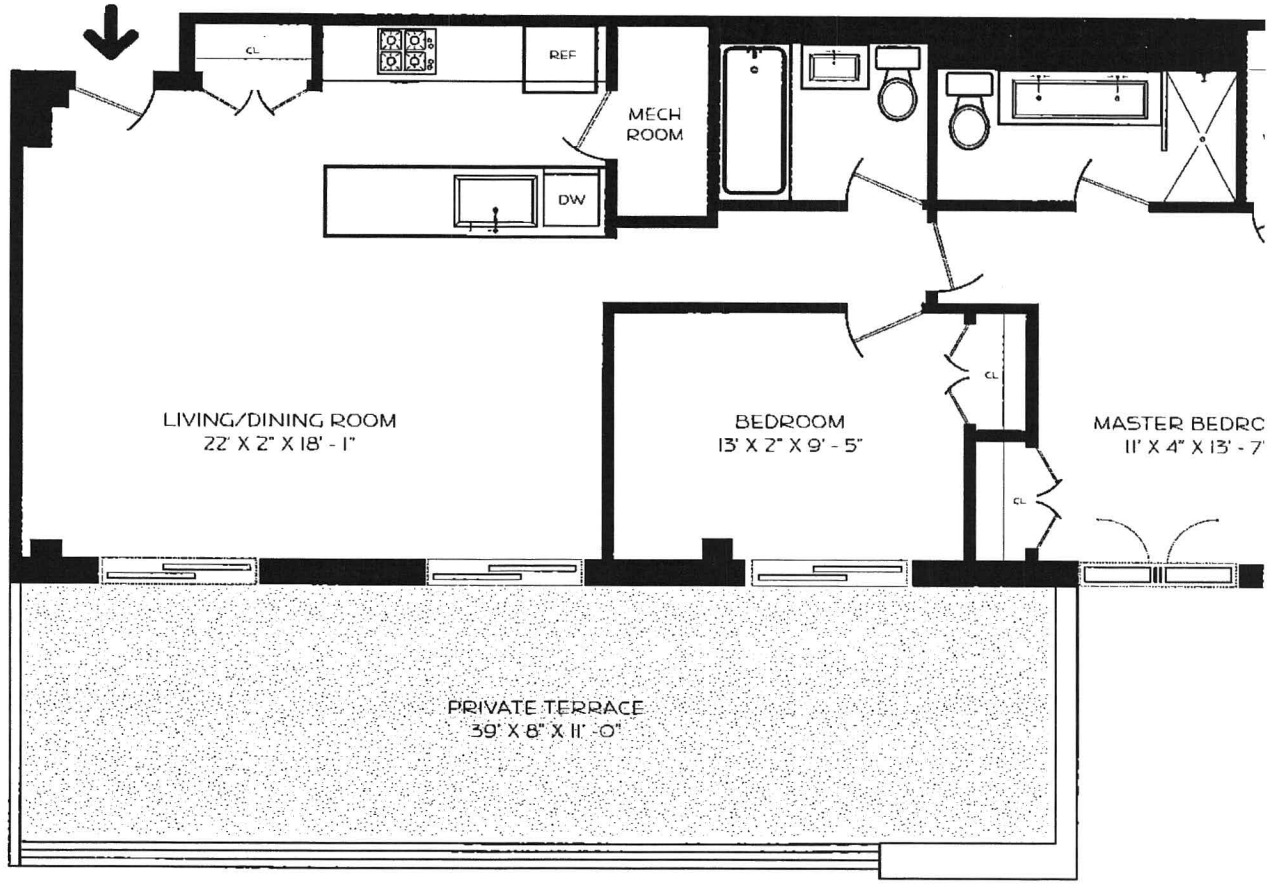


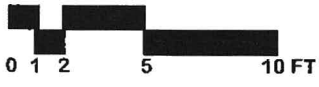
ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE ALL MAXIMUMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH THE OFFERING PLAN.

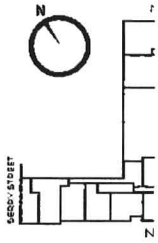
ARTISTRY IN LIVING

S PH C APT.AREA 1,073 SQ FT | EXT.AREA 437 SQ FT

2BR/2BTH







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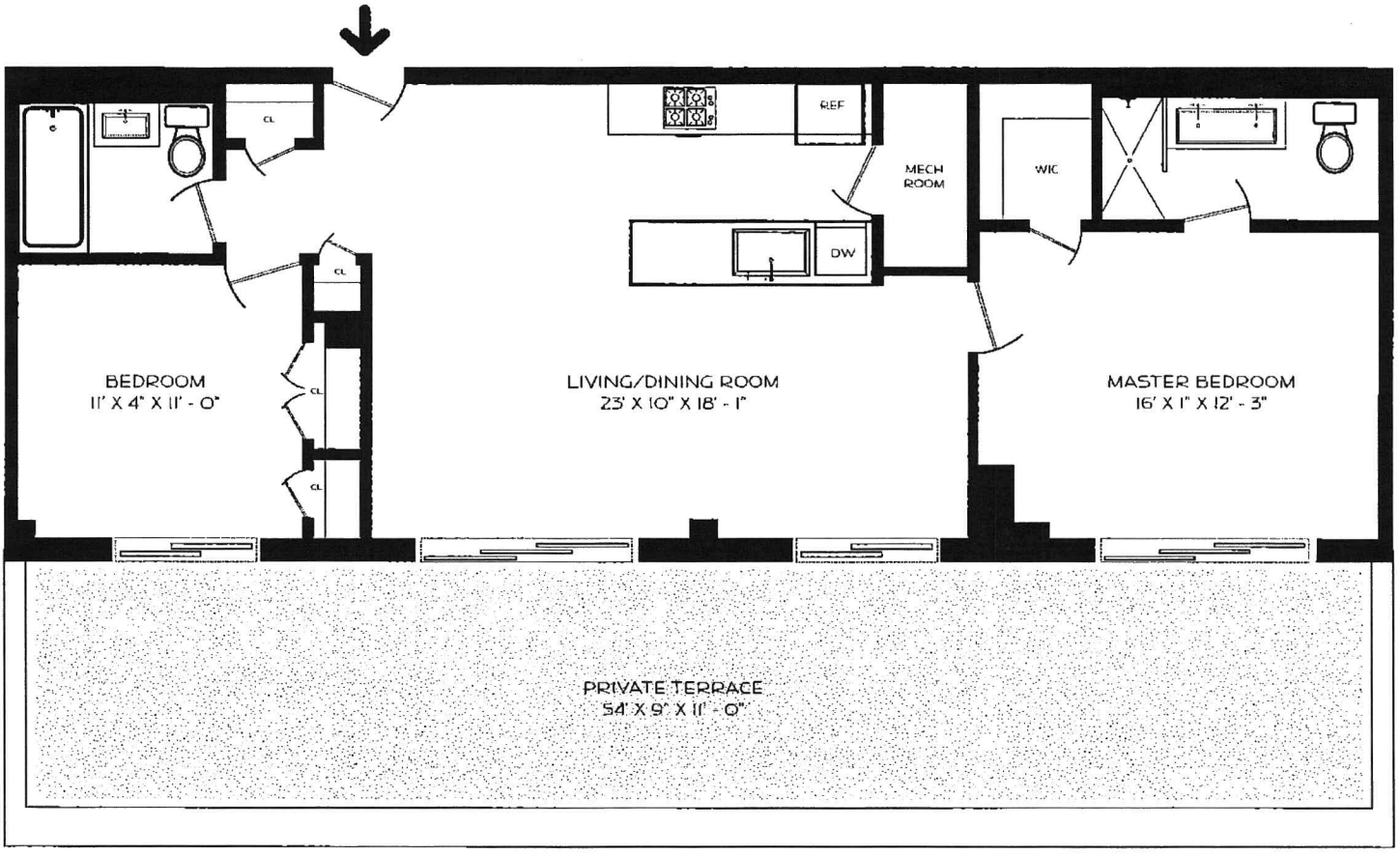
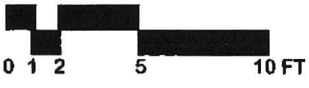
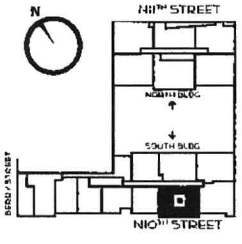
ARTISTRY IN LIVING

S PH D APT.AREA 1,049 SQ FT | EXT.AREA 602 SQ FT

2BR/2BTH







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125 N 10TH

ARTISTRY IN LIVING

S PH E

APT.AREA 793 SQ FT | EXT.AREA 120 SQ FT

1BR/1BTH

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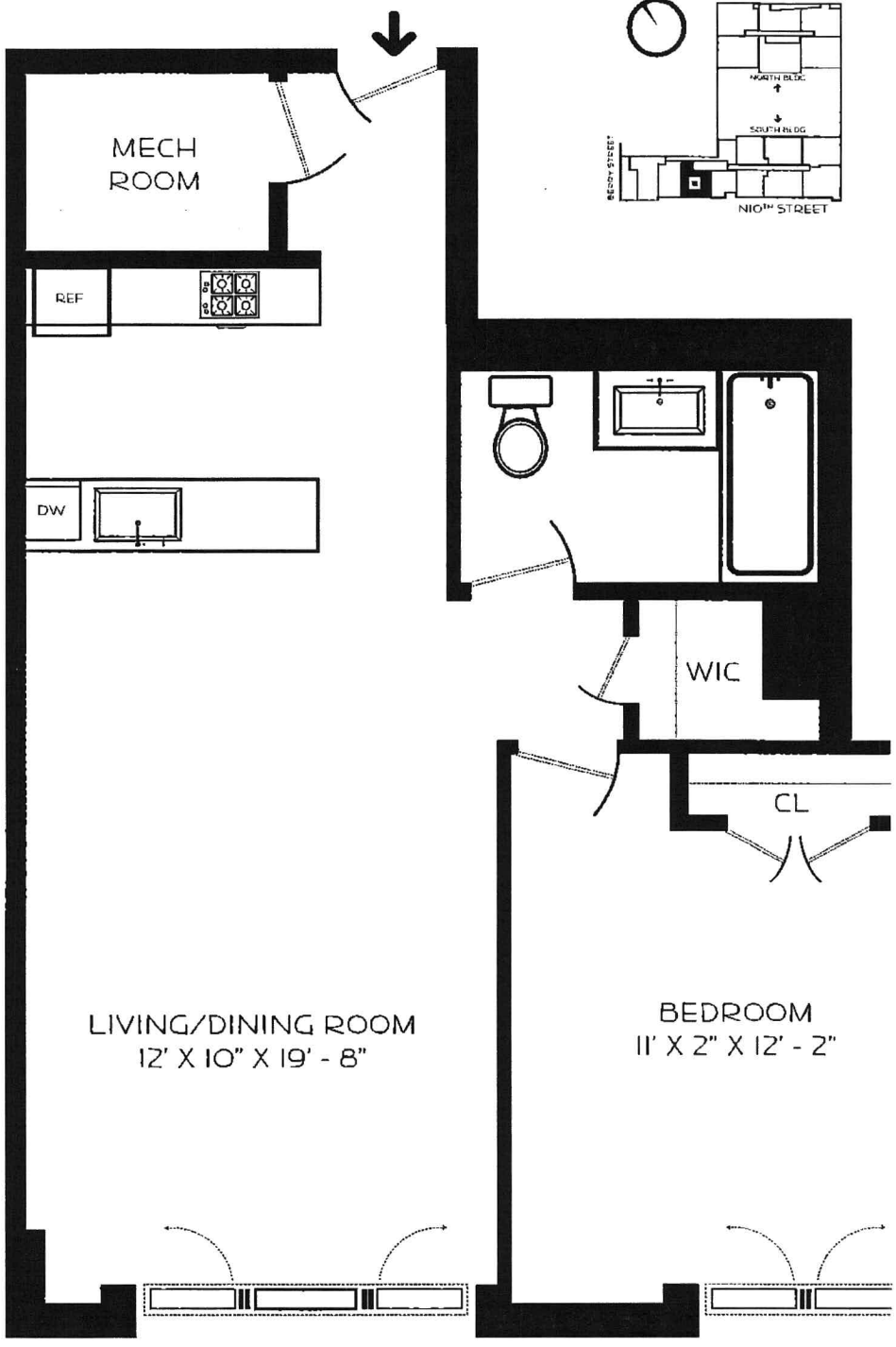
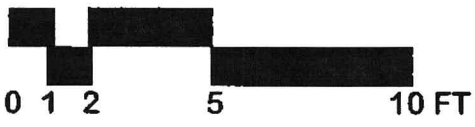
125 N 10TH

ARTISTRY IN LIVING

S PH F APT.AREA 738 SQ FT
1BR/1BTH





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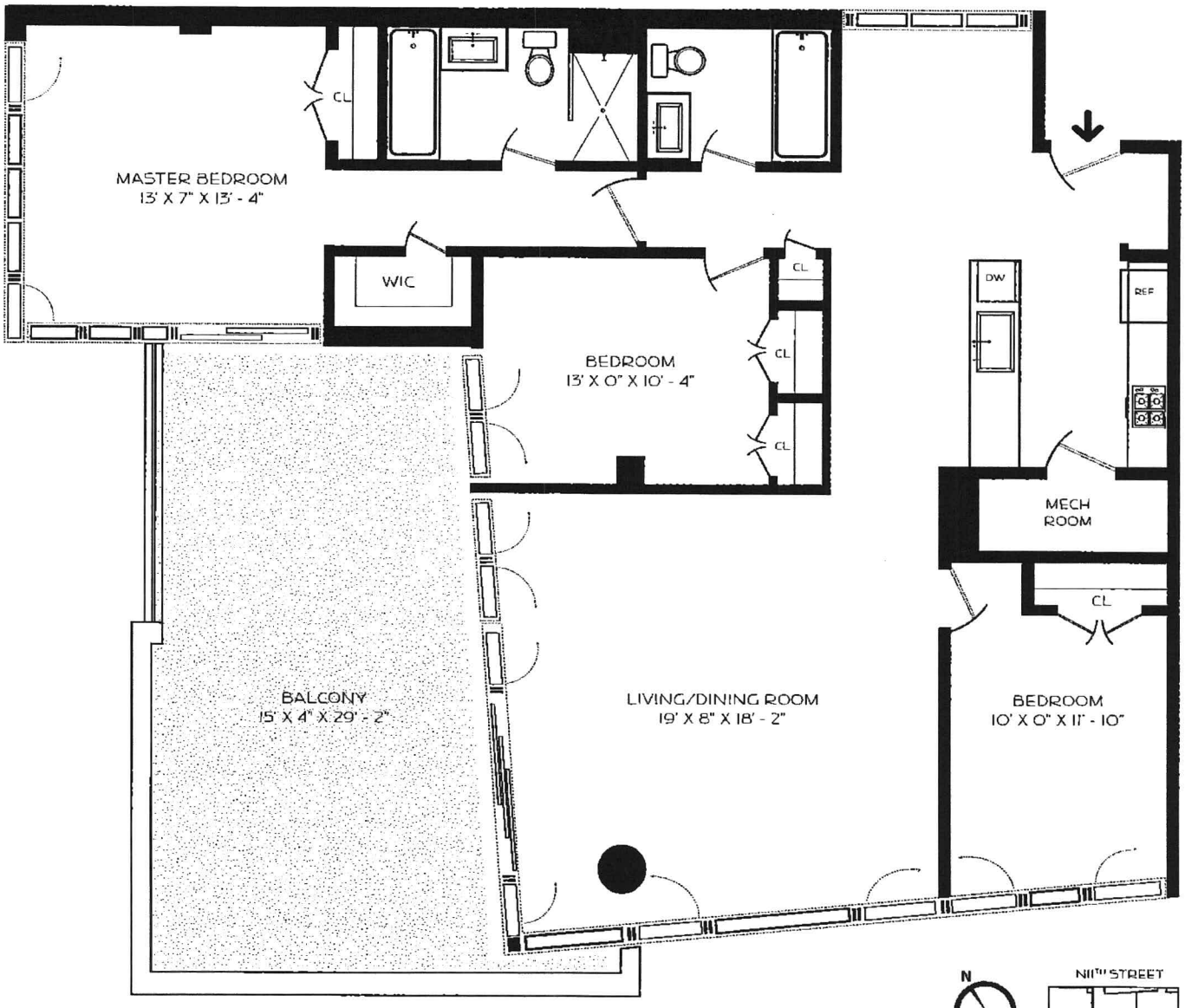
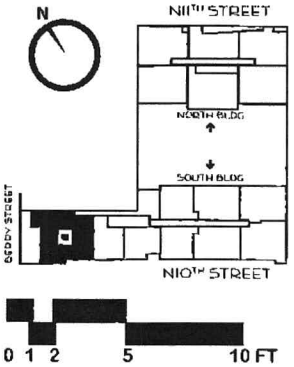
ARTISTRY IN LIVING

S PH G APT.AREA 1,570 SQ FT | EXT.AREA 466 SQ FT

3BR/2BTH





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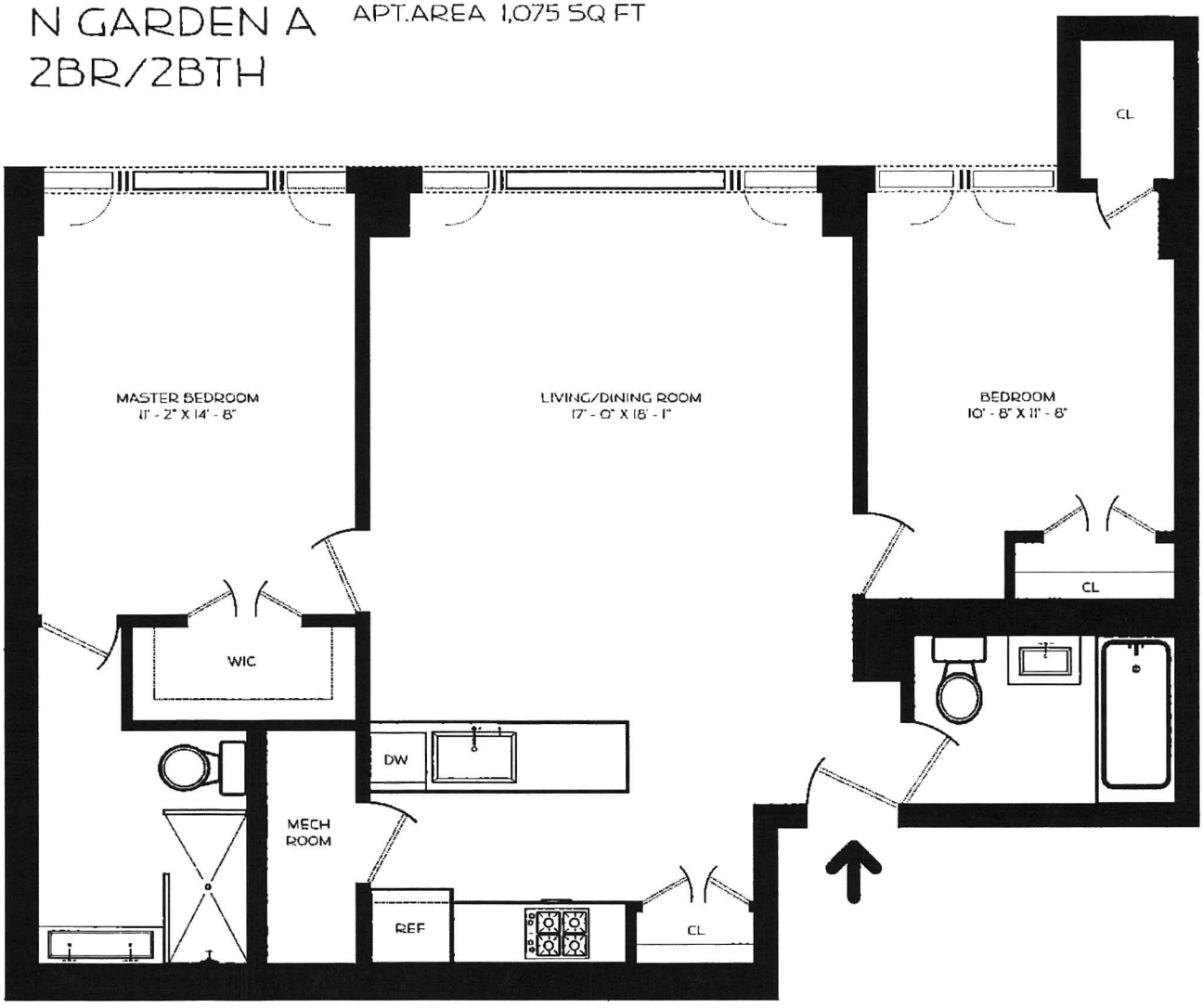
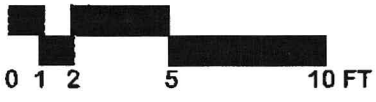
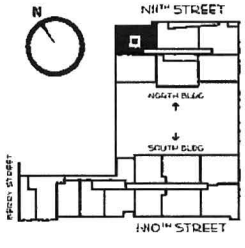
ARTISTRY IN LIVING

N GARDEN A
2BR/2BTH

APT.AREA 1,075 SQ FT







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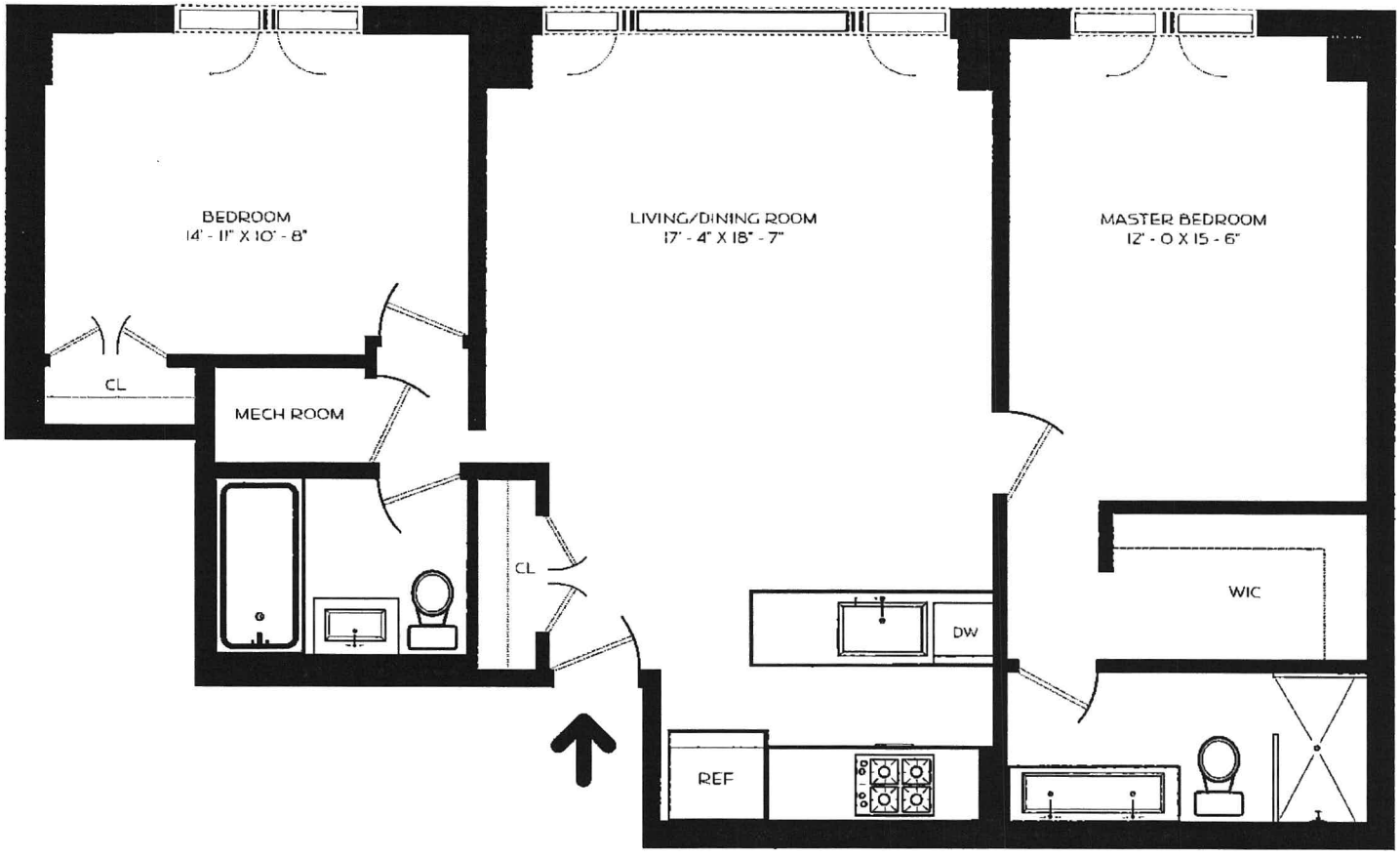
125 N 10TH

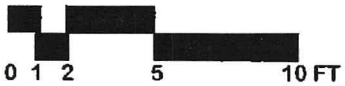
ARTISTRY IN LIVING

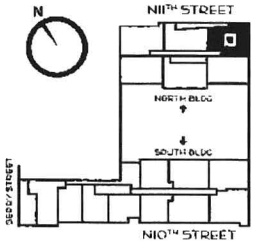
N GARDEN B

APT.AREA 1,163 SQ FT

2BR/2BTH







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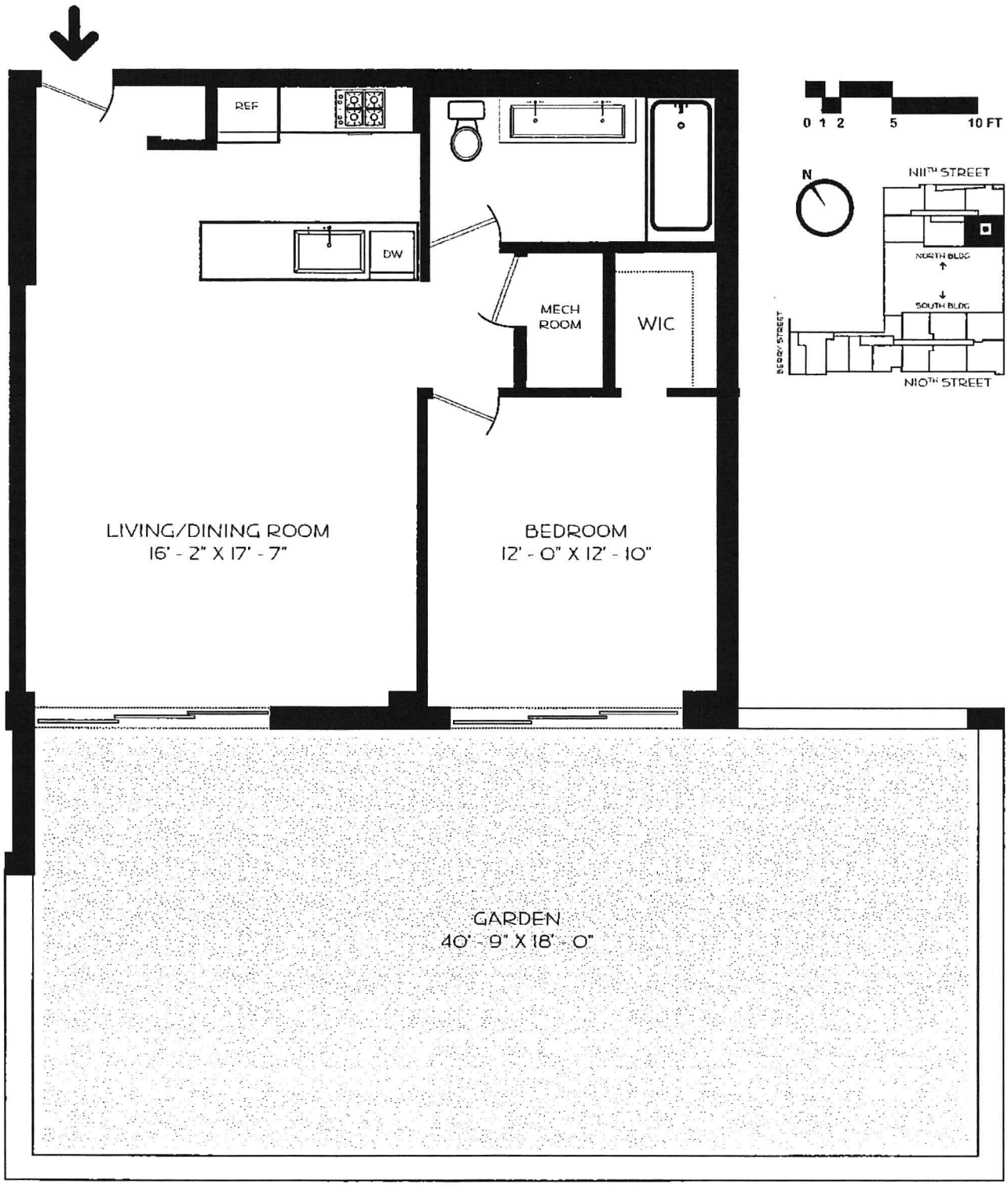
125 N 10TH

ARTISTRY IN LIVING

N GARDEN C

APT.AREA 797 SQ FT | EXT.AREA 729 SQ FT

1BR/1BTH



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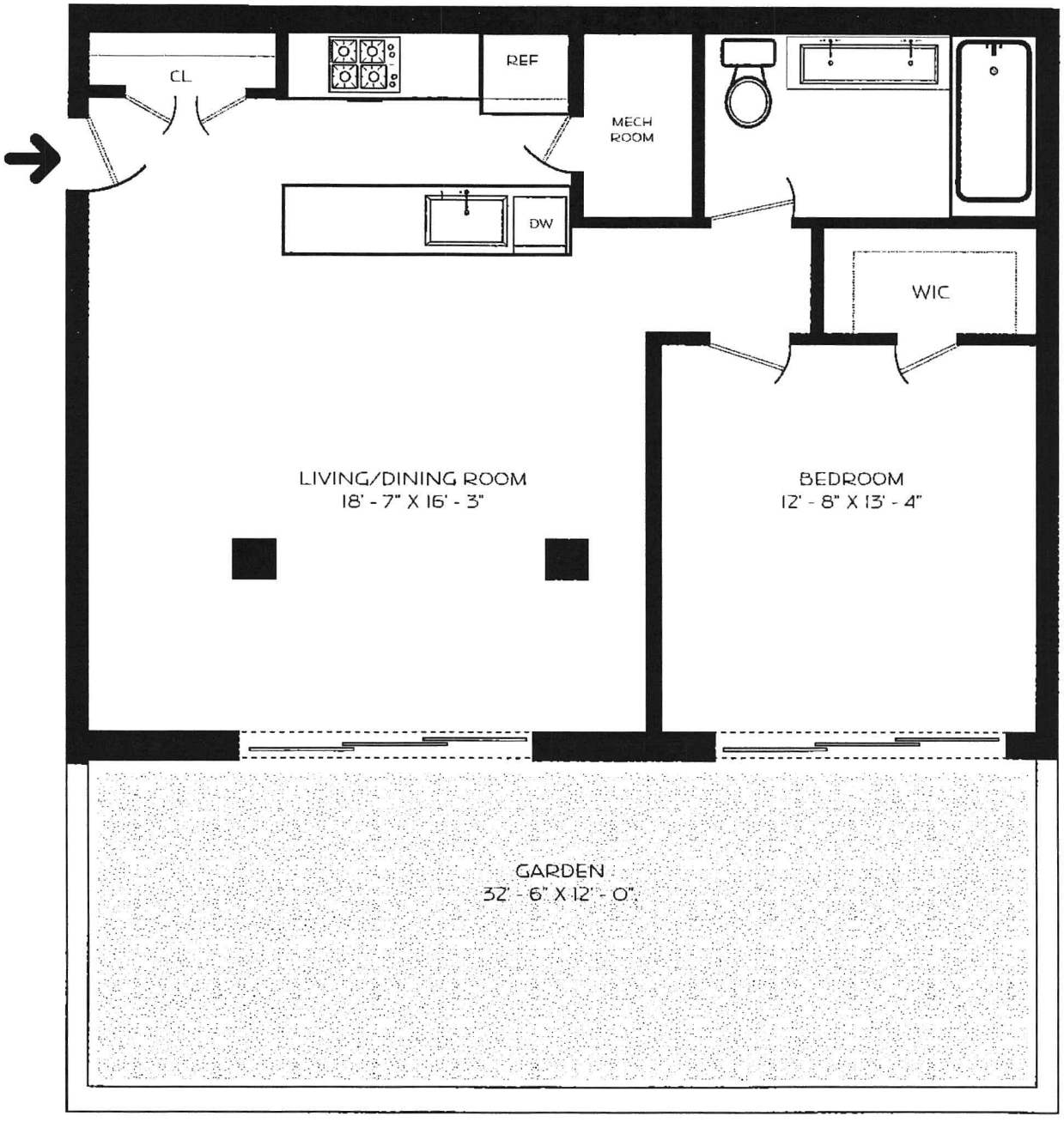
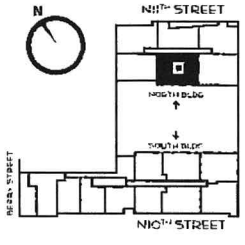
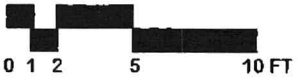
125 N 10TH

ARTISTRY IN LIVING

N GARDEN D APT.AREA 761SQ FT | EXT.AREA 81SQ FT







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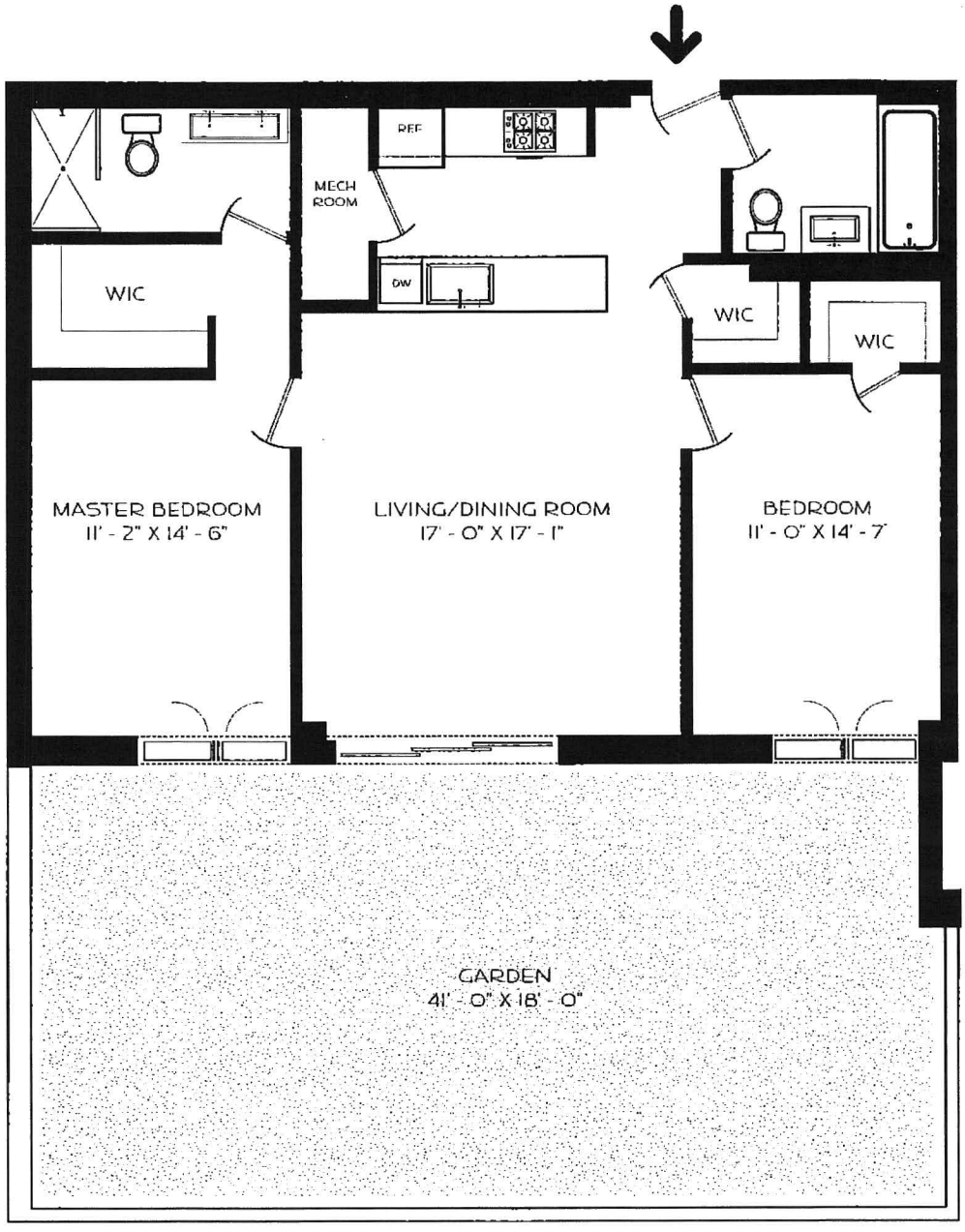
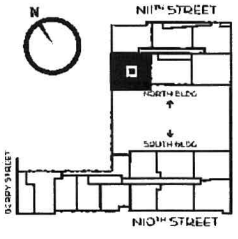
ARTISTRY IN LIVING

N GARDEN E

APT.AREA 1,090 SQ FT | EXT.AREA 728 SQ FT

2BR/2BTH





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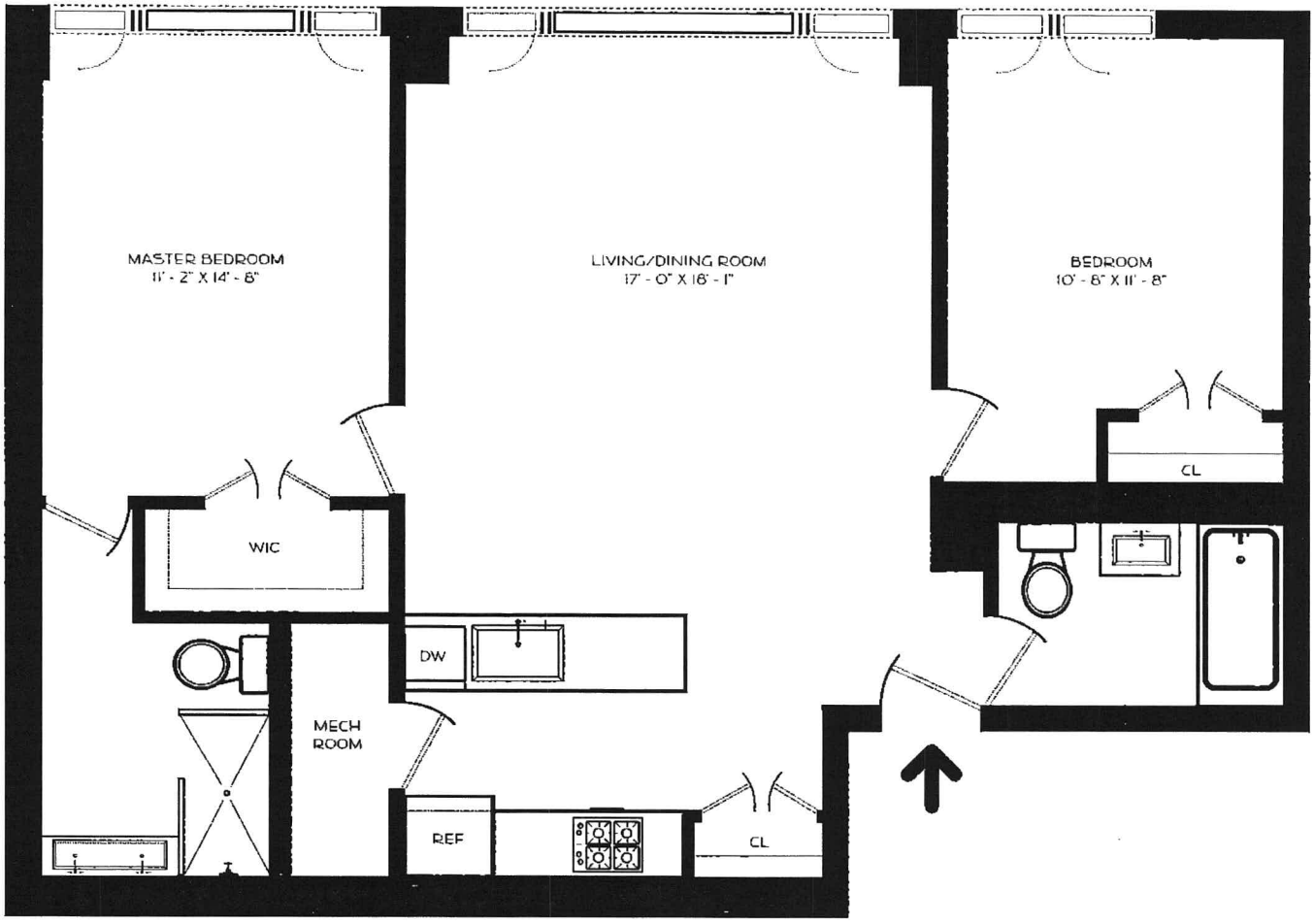
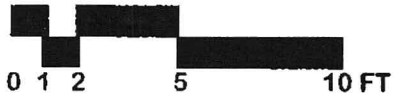
125 N 10TH

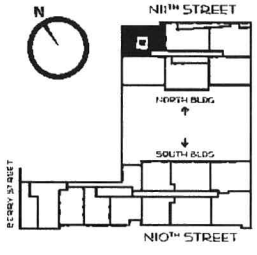
ARTISTRY IN LIVING

N 2-5A APT.AREA 1,052 SQ FT

2BR/2BTH







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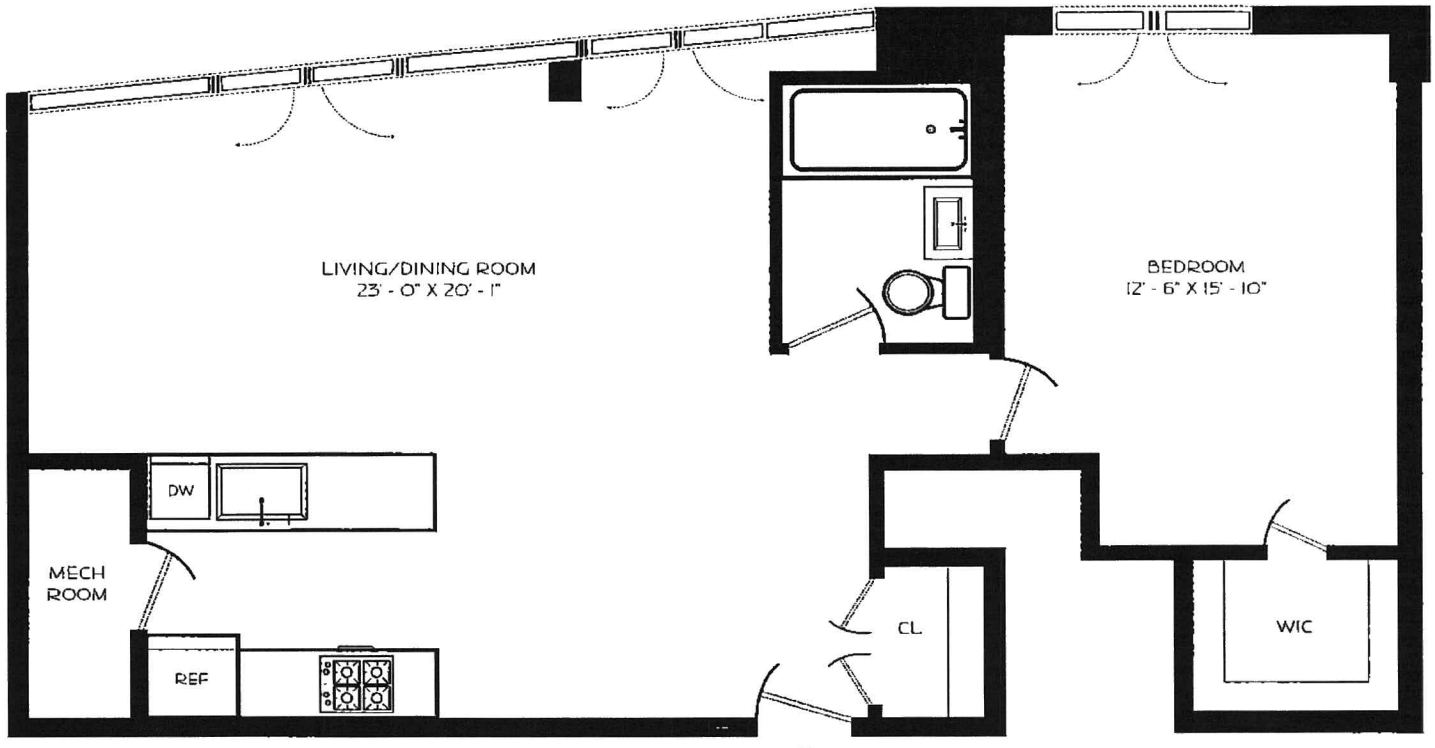
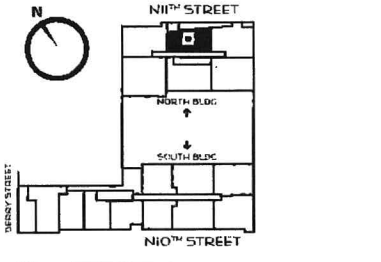
125 N 10TH

ARTISTRY IN LIVING

N 2B APT.AREA 871 SQ FT

1BR/1BTH





0 1 2 5 10 FT

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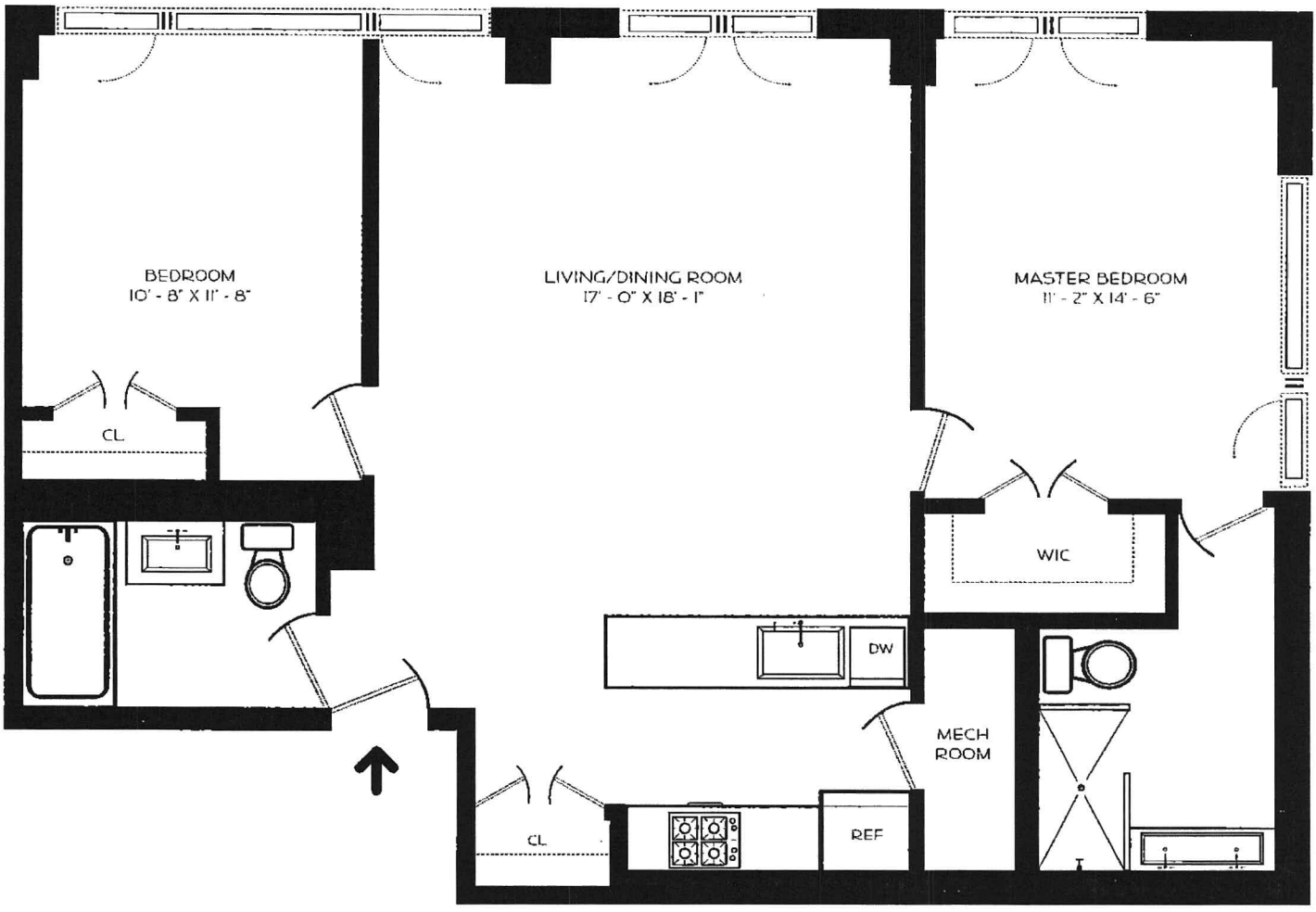
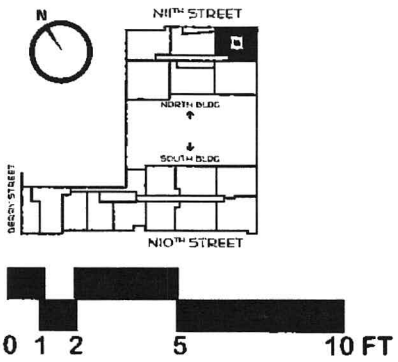
125 N10TH

ARTISTRY IN LIVING

N 2C APT.AREA 1,090 SQ FT

2BR/2BTH





0 1 2 5 10 FT

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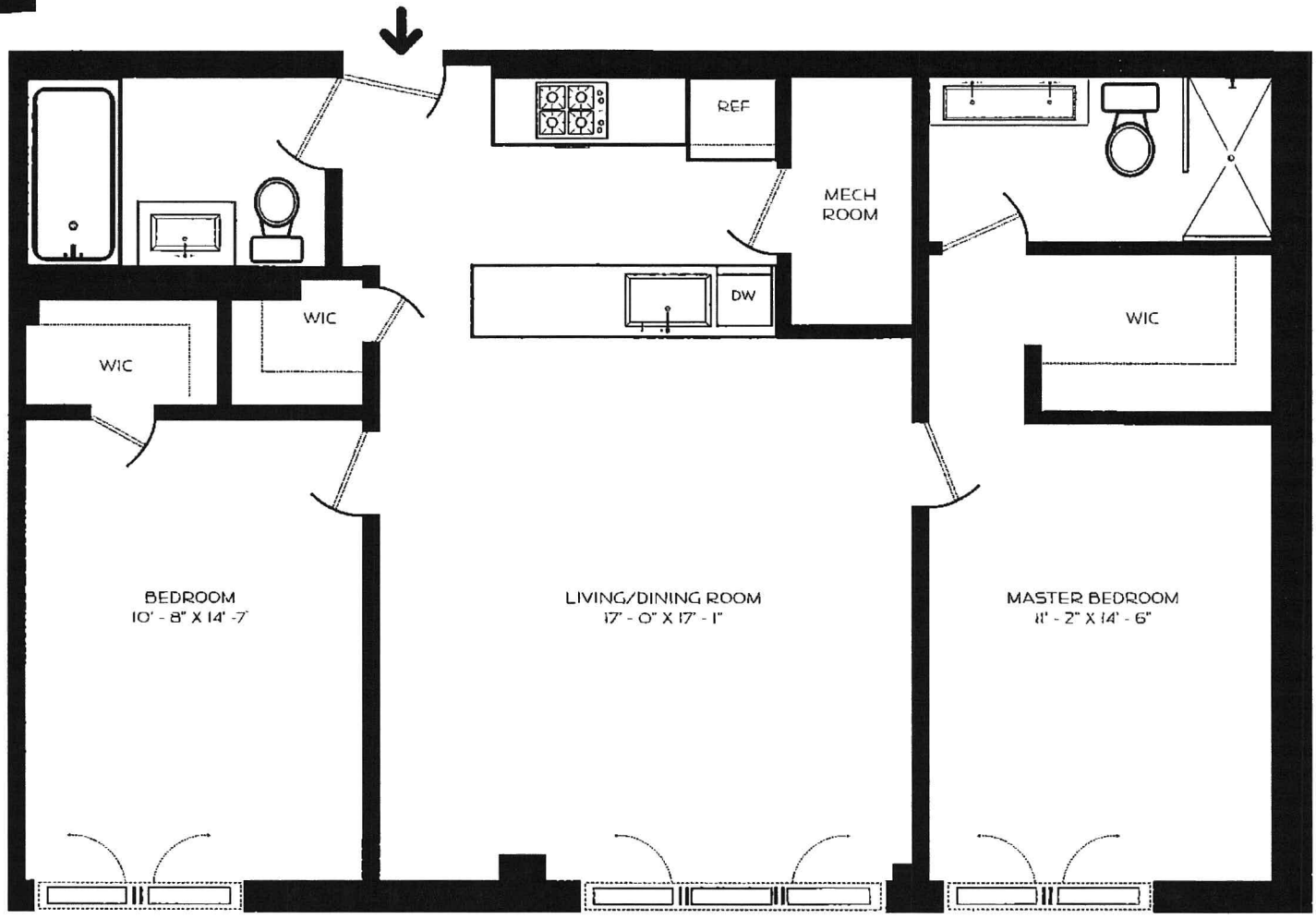
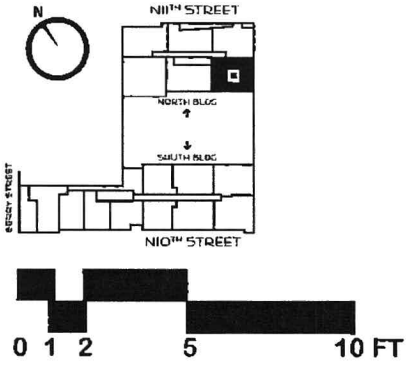
125 N 10TH

ARTISTRY IN LIVING

N 2D-5D APT.AREA 1,090 SQ FT

2BR/2BTH





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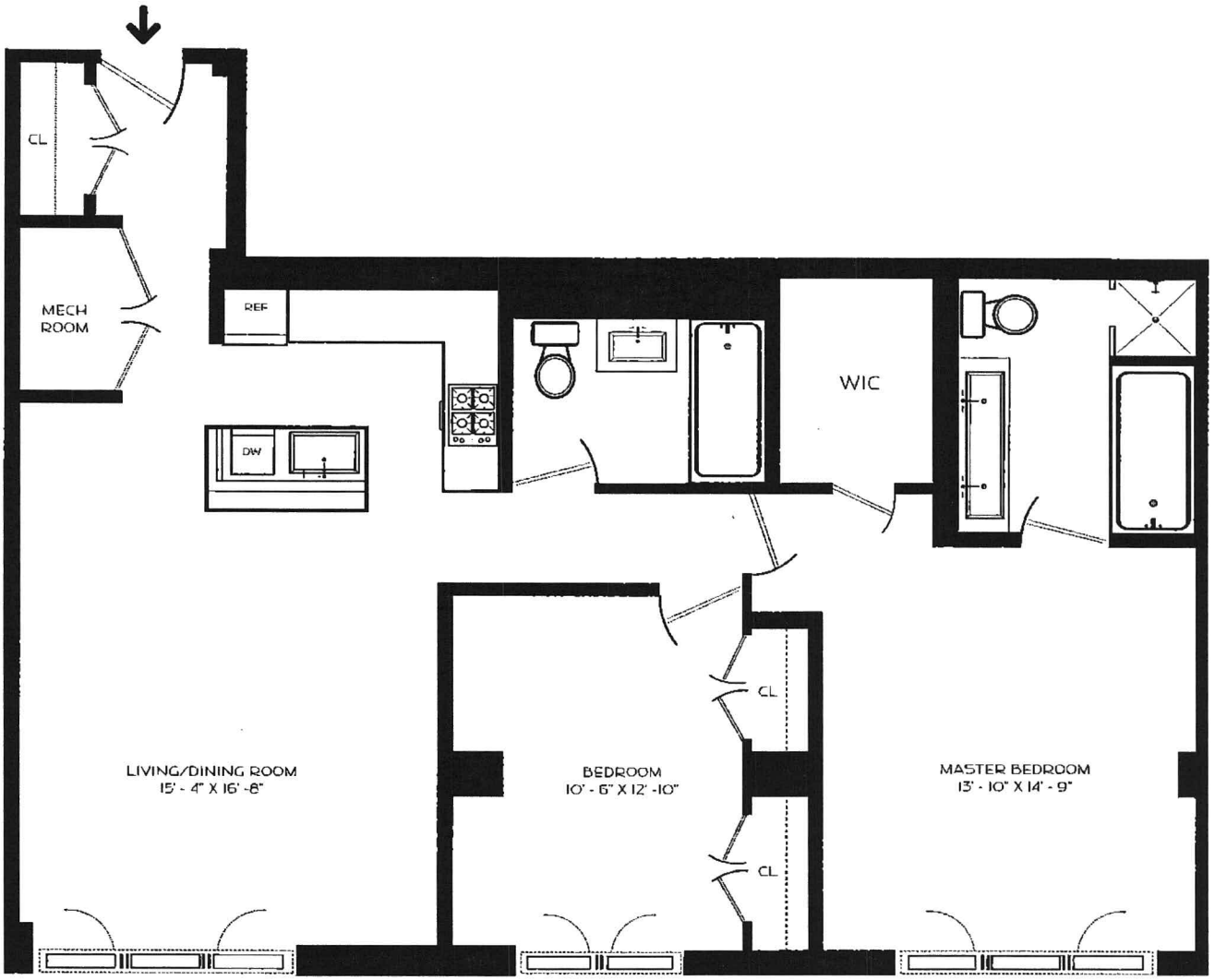
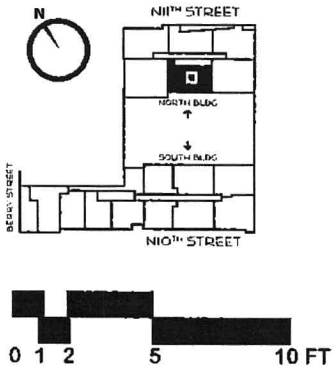
125 N 10TH

ARTISTRY IN LIVING

N 2E-5E APT.AREA 1,184 SQ FT

2BR/2BTH





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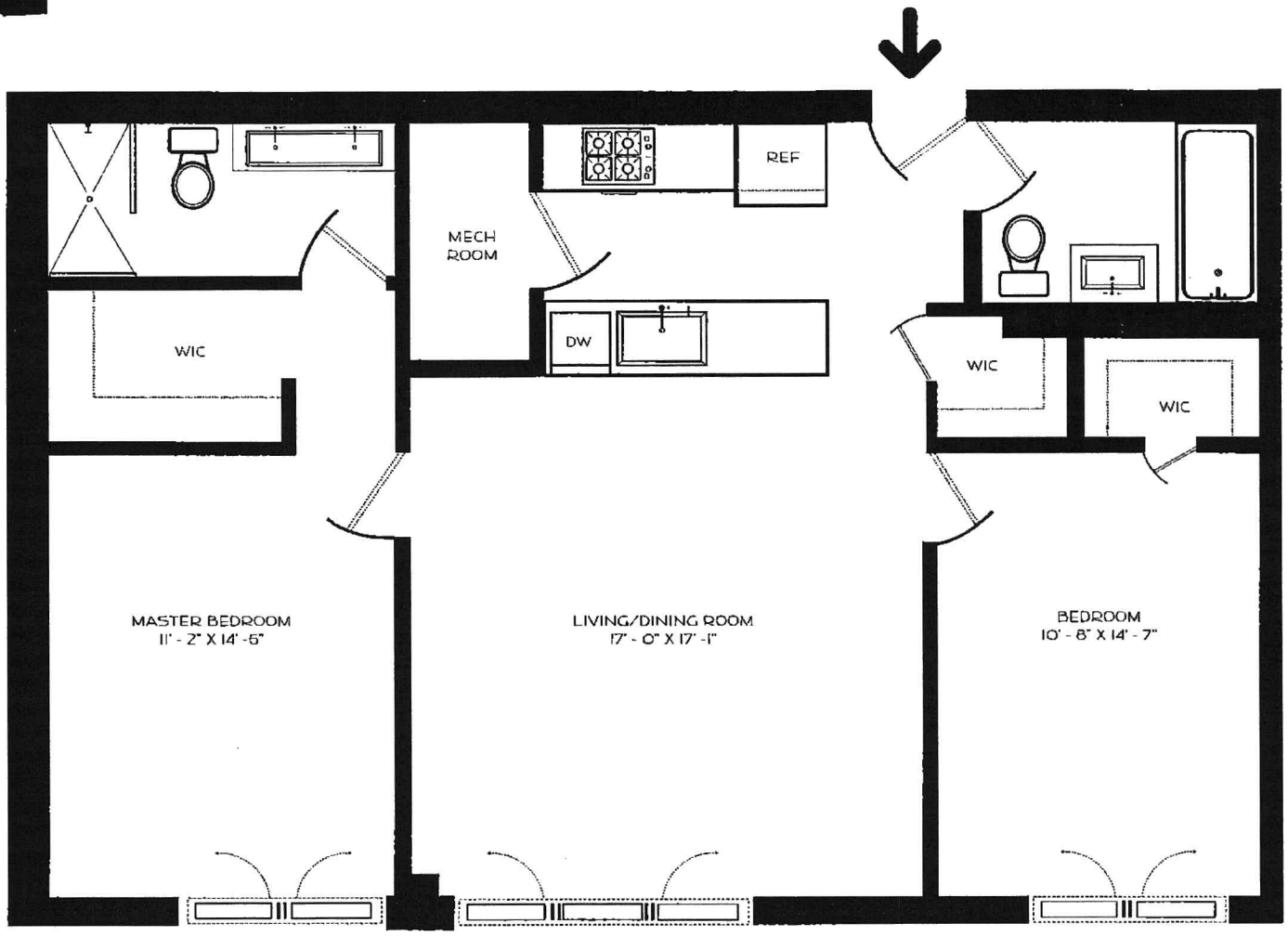
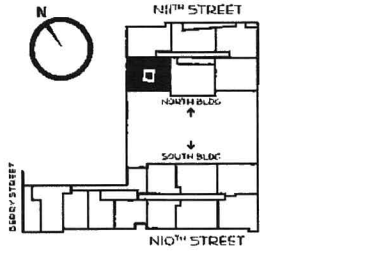
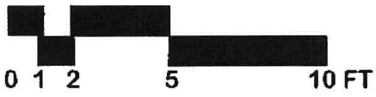
ARTISTRY IN LIVING

N 2F-5F APT.AREA 1,090 SQ FT

2BR/2BTH







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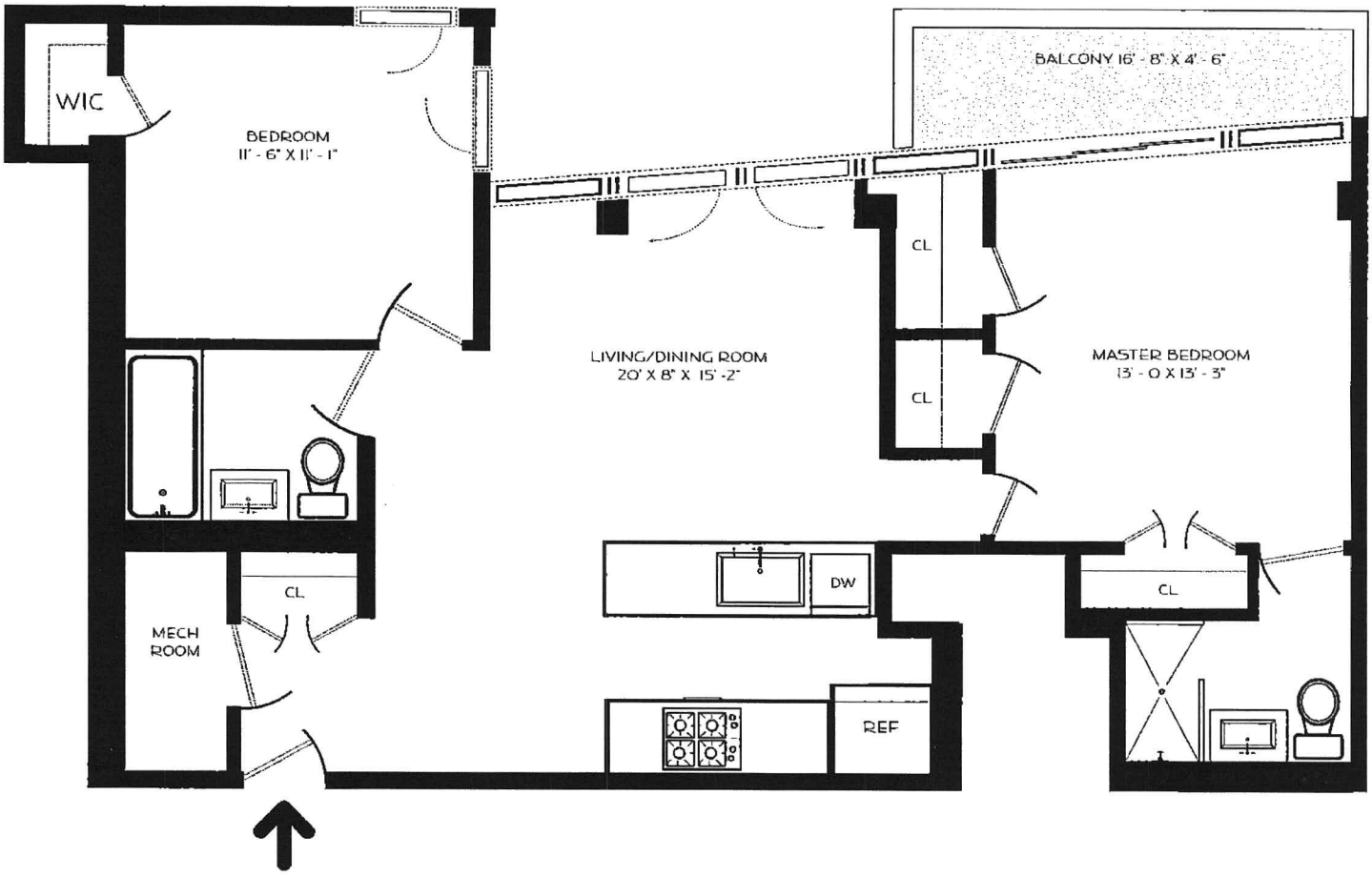
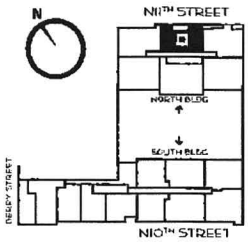
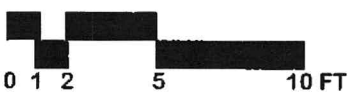
ARTISTRY IN LIVING

N 3B APT.AREA 990 SQ FT | EXT.AREA 78 SQ FT

2BR/2BTH







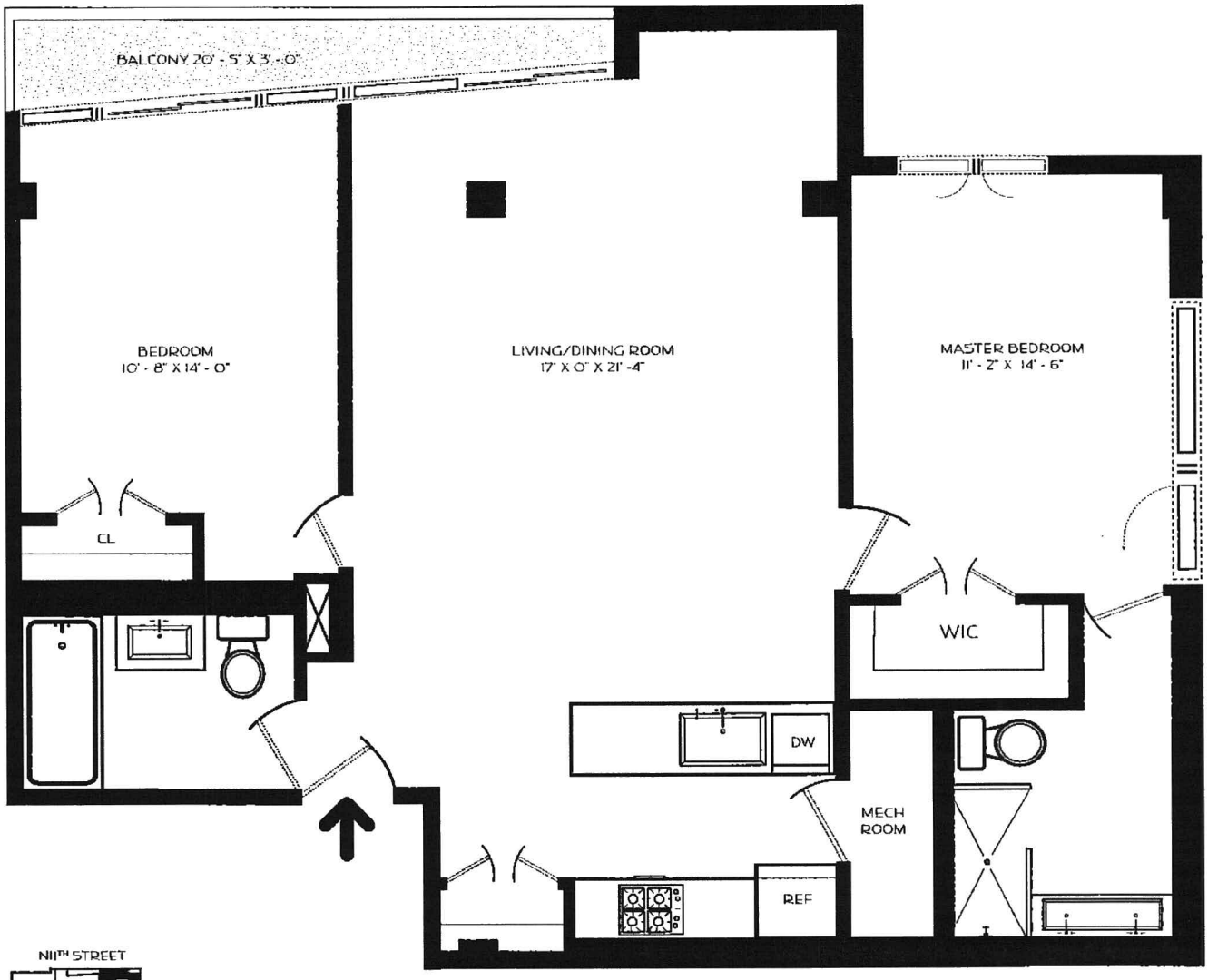
ALL AREAS AND DIMENSIONS ARE APPROXIAMTE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANACES AND VARIANCES. DIMENSIONS ARE MAXIAMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.

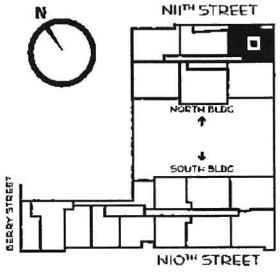
125 N 10TH

ARTISTRY IN LIVING

N 3C-5C APT.AREA 1,137 SQ FT | EXT.AREA 61 SQ FT

2BR/2BTH





0 1 2 5 10 FT

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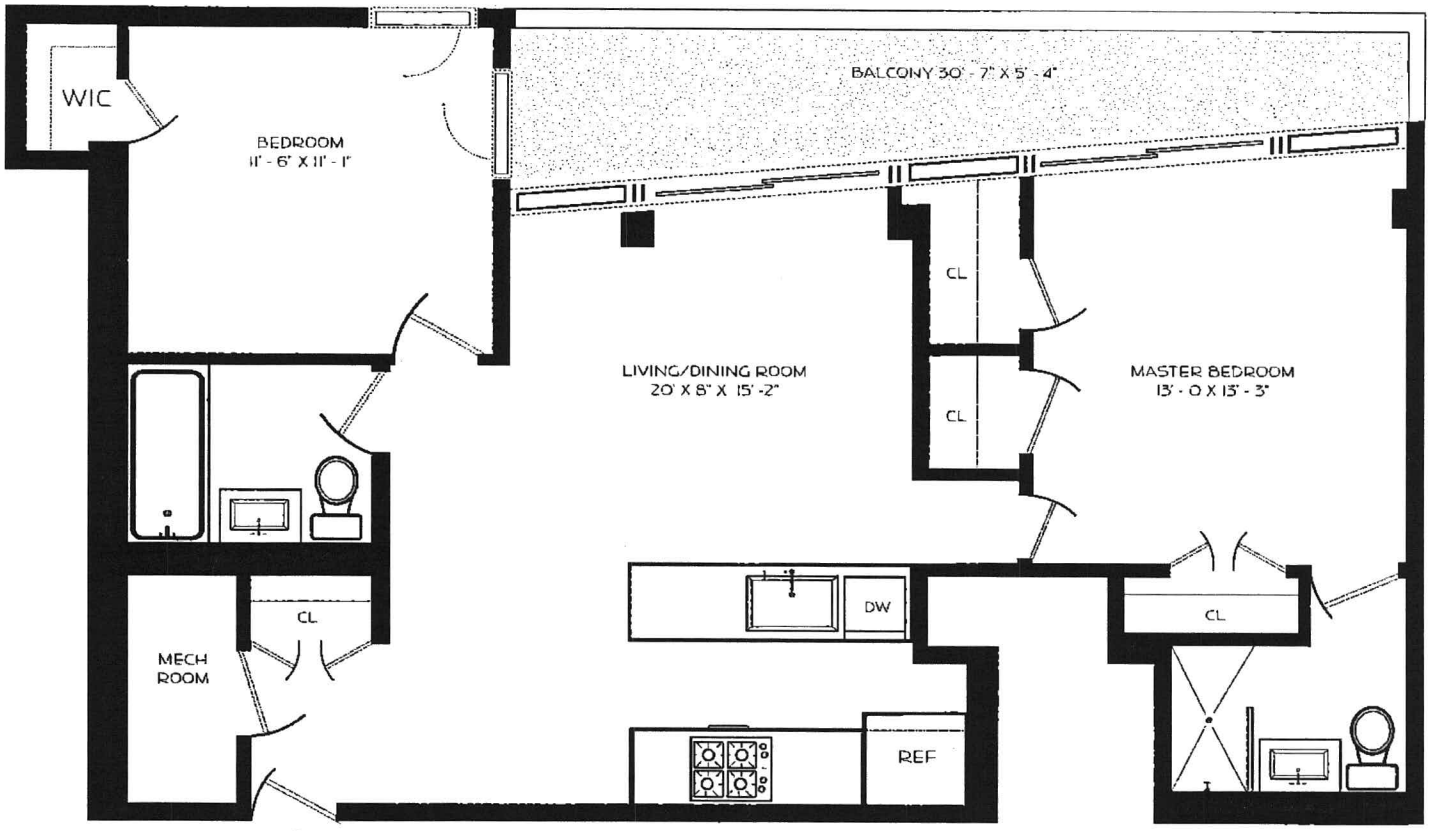
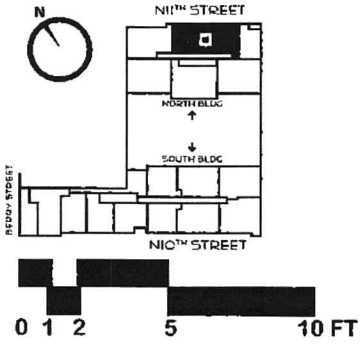
ARTISTRY IN LIVING

N 4B & 5B APT.AREA 990 SQ FT | EXT.AREA 159 SQ FT

2BR/2BTH





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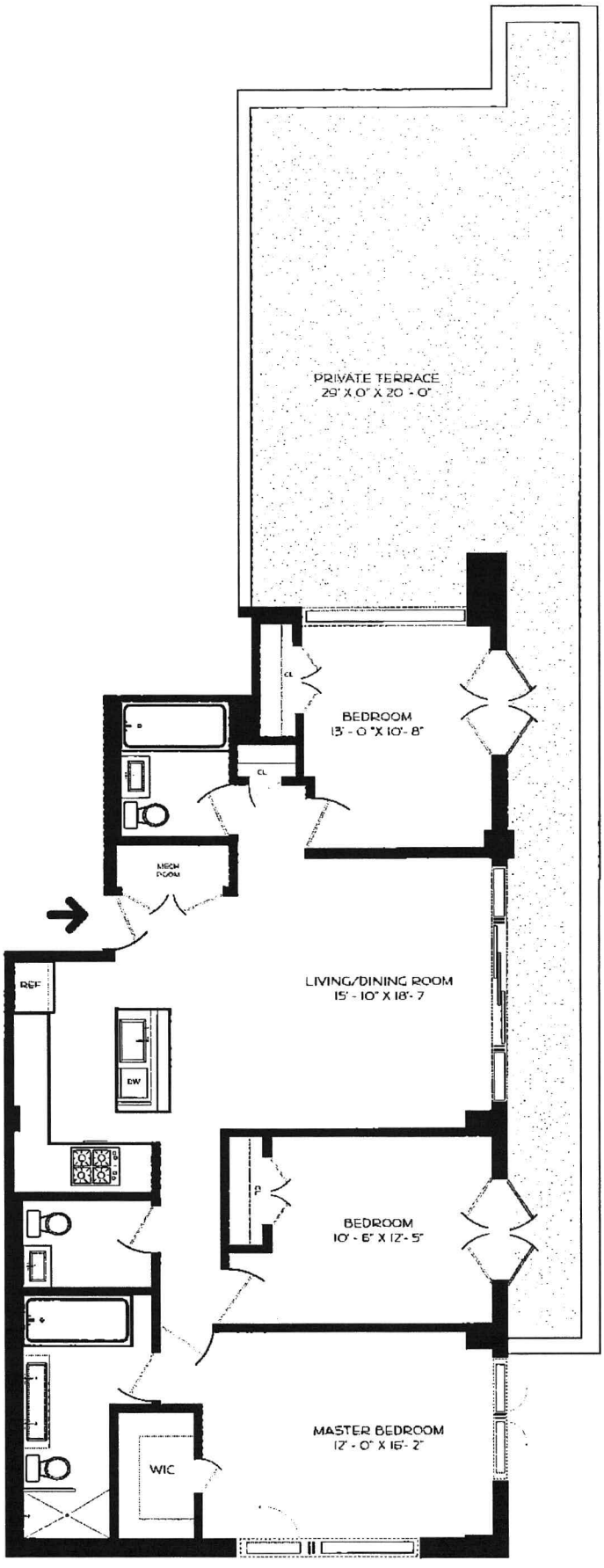
ARTISTRY IN LIVING

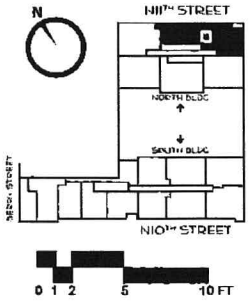
N PH A

APT.AREA 1,349 SQ FT

EXT.AREA 815 SQ FT

3BR/2.5BTH





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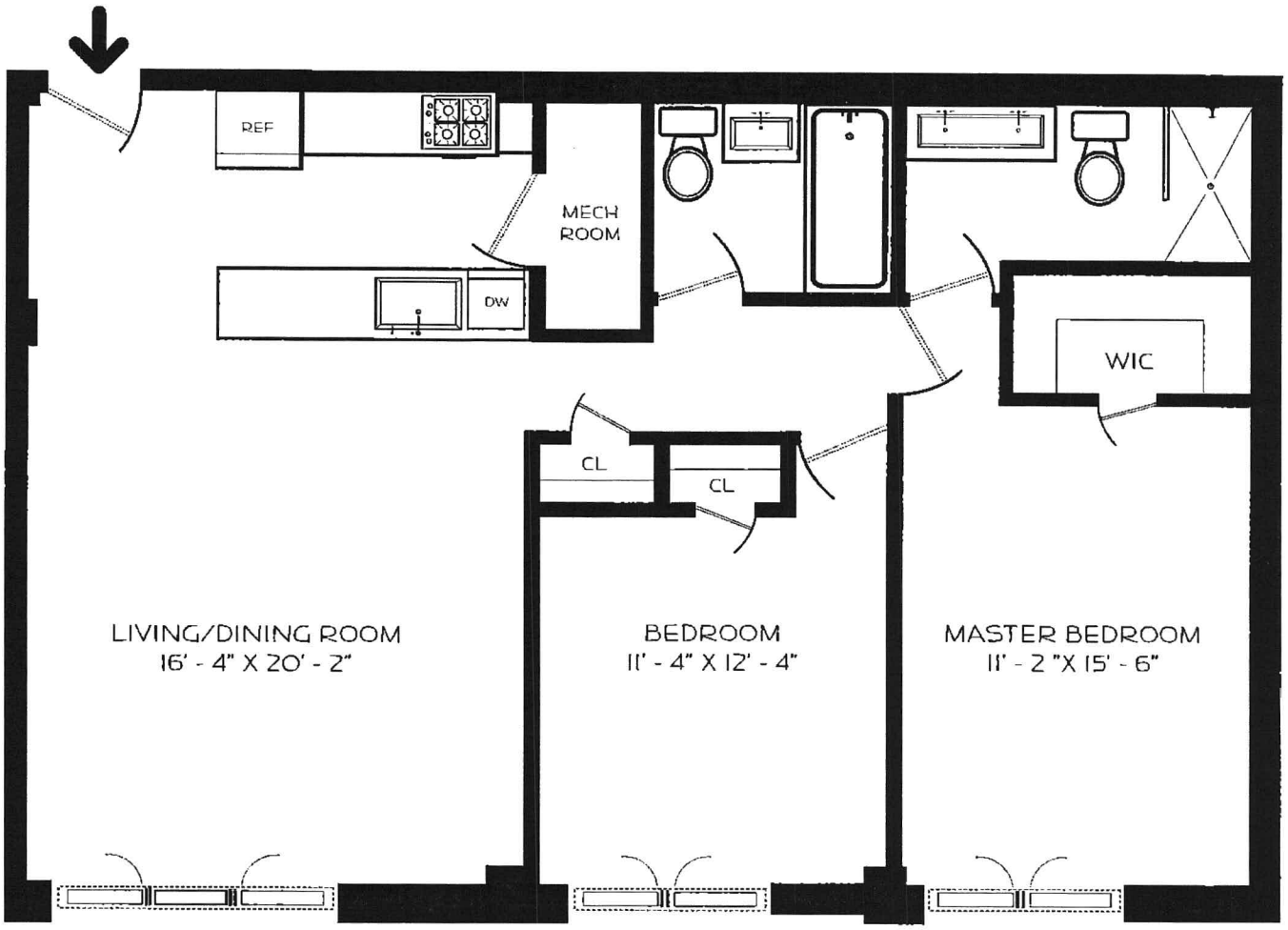
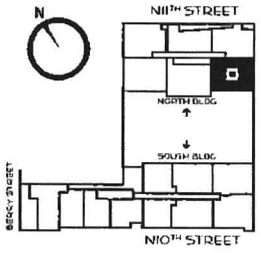
125 N 10TH

ARTISTRY IN LIVING

N PH B APT.AREA 1,090 SQ FT

2BR/2BTH





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125 N 10TH

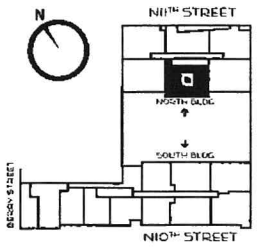
ARTISTRY IN LIVING

N PH C

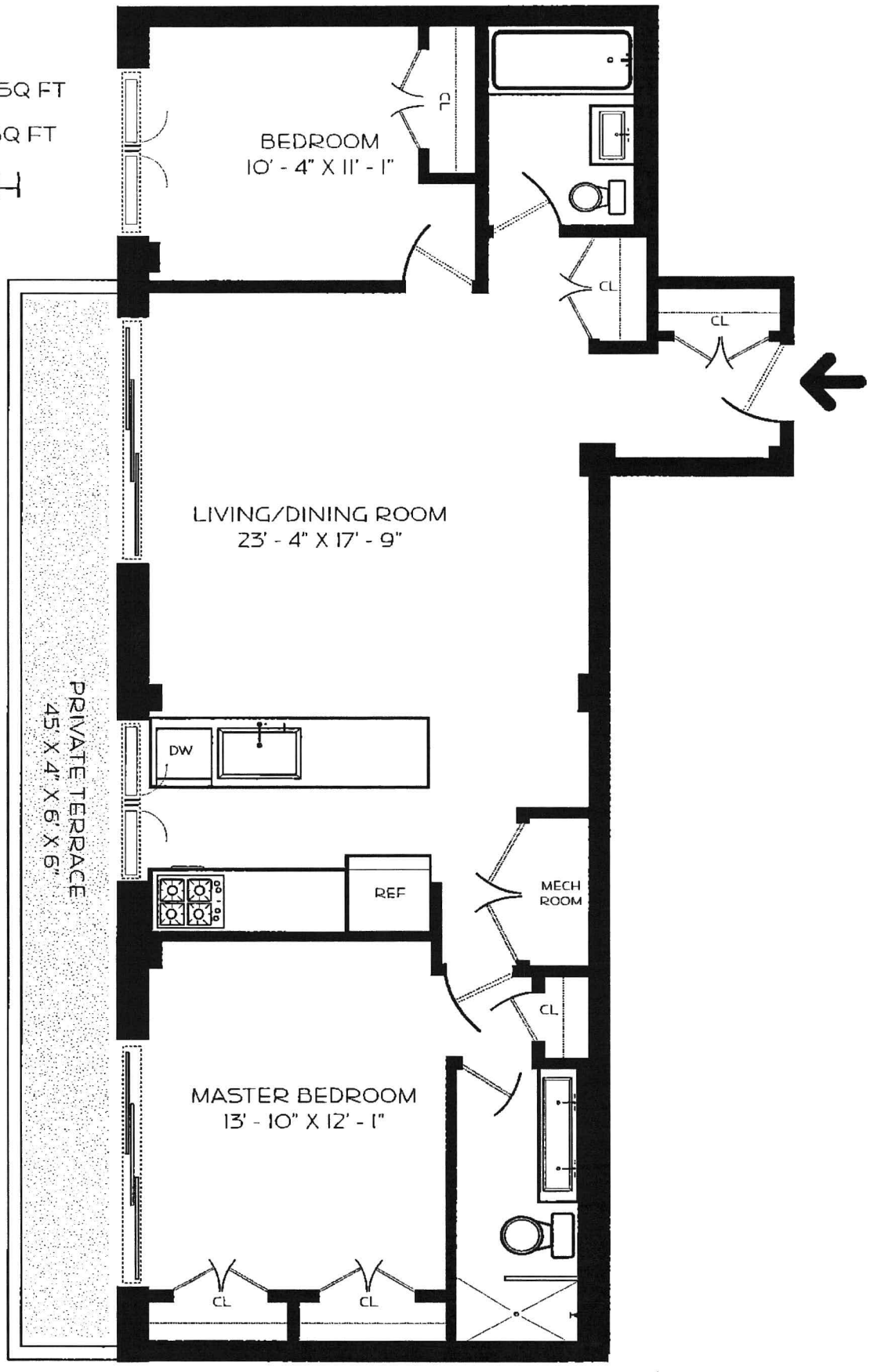
APT.AREA 1,102 SQ FT

EXT.AREA 295 SQ FT

2BR/2BTH



0 1 2 5 10 FT



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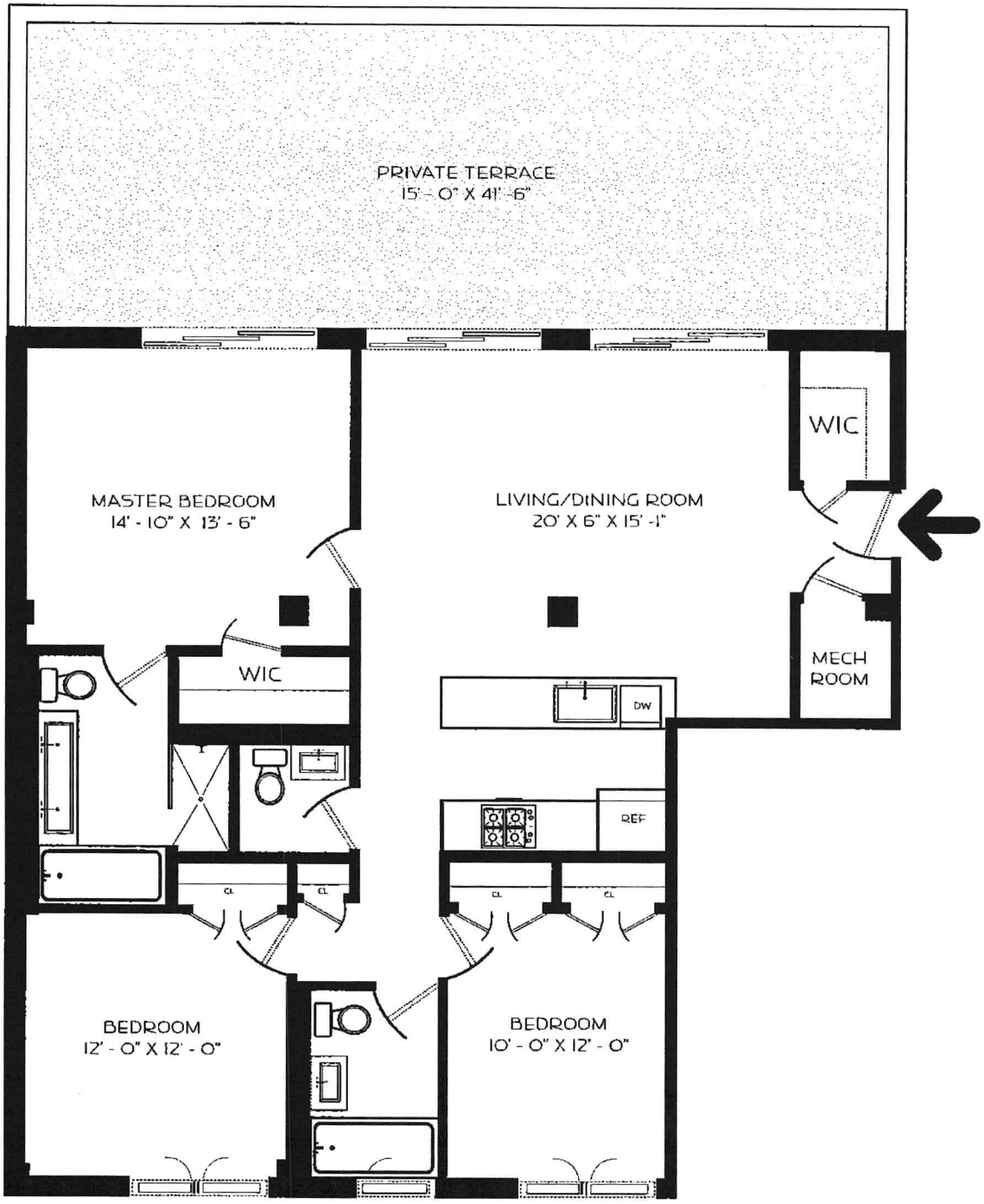
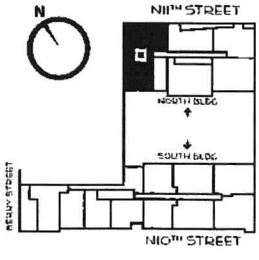
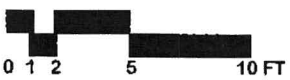
ARTISTRY IN LIVING

N PH D
3BR/
2.5BTH

APT.AREA 1,399 SQ FT | EXT.AREA 620 SQ FT







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PART I

CONDOMINIUM OFFERING PLAN

125 NORTH 10TH STREET CONDOMINIUM
125 NORTH 10TH STREET
BROOKLYN, NEW YORK 11211

SPECIAL RISKS

Purchase of a Condominium Unit

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

(b) At the time a Purchase Agreement is executed, Purchaser is required to make an initial Deposit in an amount equal to 10% of the Purchase Price and an additional Deposit equal to 10% of the Purchase Price upon the earlier to occur of (i) 9 months after Purchaser executes the Purchase Agreement or (ii) within 15 days of the Presentation Date of the amendment declaring the Plan effective. A Purchaser executing a Purchase Agreement on or after the date the Plan is declared effective is required to make the full Deposit in an amount equal to 20% of the Purchase Price. In the event a Purchaser fails to pay the additional Deposit and/or otherwise defaults under the Purchase Agreement, time being of the essence with regard to the obligations of Purchaser thereunder, and does not cure such default within 30 days after Sponsor gives written notice to Purchaser of such default, Sponsor may, at its option, either (i) cancel the Purchase Agreement and retain, as liquidated damages, the full Deposit (initial and additional), together with interest earned thereon and any amount spent by Sponsor for special work requested by Purchaser, or (ii) bring an action against Purchaser seeking specific performance of the Purchase Agreement, in which event Purchaser could be compelled to complete the transaction. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

(c) If a Purchaser makes a Deposit in excess of $100,000 for the purchase of a Unit, the amount in excess of $100,000 will not be federally insured. Additionally, while the Deposit is in the non-interest bearing portion of the Master Escrow Account, the Deposit may not be federally insured even if the Deposit does not exceed $100,000. (See the Section of the Plan entitled "Escrow and Trust Fund Requirements" for details.)

(d) If Sponsor makes an application to the Department of Law to withdraw the Deposits from escrow and secures the Deposits with a Letter of Credit or Surety Bond and such application is approved by the Department of Law, following such withdrawal, no interest will be earned on the Deposits. (See the Section of the Plan entitled "Escrow and Trust Fund Requirements" for details.)

(e) If a Purchaser fails for any reason to close title to the Unit on the originally Scheduled Closing Date other than due to Sponsor's failure or inability to close, and Sponsor elects not to cancel the Purchase Agreement as a result of the same, (a) the apportionments to be made at the Closing will be made as of midnight of the day preceding the Scheduled Closing Date, and not as of midnight of the day preceding the Actual Closing Date, and (b) Purchaser shall be required to pay to Sponsor an amount equal to .03% of the Purchase Price of the Unit for each day commencing with the Scheduled Closing Date through the day before the Actual Closing Date. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

(f) The signing of the Purchase Agreement signifies Purchaser's acceptance of the condition of the Property (as represented by Sponsor in the Plan) including, but not limited to, the Units to be acquired, the Building and all Common Elements contained therein. Sponsor has no obligation to make any repairs; improvements or decorations in or to the Property, the Units, the Building or the Common Elements, except as may otherwise be set forth in the Plan. (See the Sections of the Plan entitled "Procedure to Purchase" and "Rights and Obligations of Sponsor" for details.)

(g) Although a Purchaser may obtain financing from any lending institution or other source, Purchaser's obligation to purchase a Unit pursuant to a Purchase Agreement is not contingent on Purchaser obtaining such financing. Neither Sponsor nor Selling Agent makes any representation as to the availability or terms of any mortgage financing. Prospective Purchasers may want to finalize their financing arrangements before signing a Purchase Agreement and should be aware that even if a loan commitment is obtained, its terms may be limited, and it could expire before the Closing Date. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

(h) Deposits for upgrades or extras ordered by Purchasers and agreed to in writing by Sponsor will initially be placed in the Master Escrow Account. However, Purchasers should note that such funds may be released from the Master Escrow Account by Escrow Agent to Sponsor to pay, or reimburse Sponsor, for such upgrades or extras. As a result, if Purchaser is entitled to rescind the Purchase Agreement, Purchaser will not receive a refund of any funds applied for upgrades or extras. (See the Section of the Plan entitled "Escrow and Trust Fund Requirements" for details.)

(i) Prior to the Closing of Title to a Unit, the Purchase Agreement prohibits a Purchaser from advertising or otherwise offering, listing, promoting or publicizing the availability of the Unit for sale or lease. (See the Purchase Agreement set forth in Part II of the Plan.)

2. Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Building, the Units or the Facilities, except as may otherwise be set forth in the Plan. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details).

Sponsor's Right to Rent Residential Units

3. (a) Sponsor intends, in good faith, to sell rather than rent Residential Units. However, Sponsor reserves the unconditional right to rent rather than sell Residential Units. Because Sponsor is not limiting the conditions under which it will rent rather than sell Residential Units, Sponsor is not committed to sell more Residential Units than the 15% necessary to declare the Plan effective and, therefore, owner-occupants may not gain effective control and management of the Condominium.

(b) Sponsor intends to offer Residential Units for sale both to Purchasers for personal occupancy as well as to those who are purchasing for investment or resale. Purchasers for investment or resale may, in turn, rent such Residential Units and accordingly, such Residential Units will not be used for the personal occupancy of the owner thereof. As a result, some and possibly many Residential Units may be occupied by renters instead of Residential Unit Owners. Since the Condominium Board does not have the right to approve or disapprove potential purchasers of Residential Units, the Condominium Board is unable to limit the number of purchasers who purchase Residential Units for investment or resale rather than for personal occupancy and there may always be a substantial percentage of Residential Unit Owners who are not occupants. It is possible that those Residential Unit Owners who occupy their Residential Units may have different interests than those Residential Unit Owners who purchased their Residential Units as investments.

(c) Sponsor reserves the unconditional right to make Bulk Sales of Residential Units. Purchasers of Bulk Sales of Residential Units shall be bound by Sponsor's representations in the Plan with regard to Sponsor's good faith commitment to sell Residential Units.

Transfer Taxes

4. Purchasers shall be required to pay all New York City Real Property Transfer Tax, New York State Real Estate Transfer Tax and New York State Additional Real Estate Transfer Tax, commonly referred to as the "Mansion Tax," imposed on their purchase. The New York City Department of Finance has taken the position that where the purchaser of property assumes the obligation for the payment of New York State Real Estate Transfer Tax and the New York City Real

Property Tax, the amount of the tax which would otherwise be payable if the seller were to pay such taxes, will be treated as additional consideration for the transaction subject to tax. (See the Section of the Plan entitled "Closing Costs and Adjustments" for details.)

Sponsor Control of the Condominium Board

5. (a) Sponsor will have voting control over the Condominium Board until the later to occur of: (i) the Closing of Title with Purchasers under the Plan to Residential Units representing at least 70% in number of all Residential Units offered for sale, or (ii) the issuance of a Permanent Certificate of Occupancy ("Initial Control Period"). Sponsor reserves the right to relinquish voting control of the Condominium Board prior to the expiration of the Initial Control Period.

(b) After the Initial Control Period, Sponsor shall have the right to designate 1 Member to the Condominium Board for so long as Sponsor continues to own at least 1 Unsold Residential Unit.

(c) During the Initial Control Period, Sponsor will exclusively designate a majority of the members and shall have voting control of the Condominium Board. Therefore, Sponsor will have control of the maintenance and operation of, and the services to be provided by, the Condominium, and will determine the Common Charges to be paid by all Unit Owners. Sponsor may continue to exercise veto power over certain actions of or contemplated by the Condominium Board after the Initial Control Period. For so long as Sponsor shall continue to own Residential Units representing at least 25% in both number and aggregate Common Interest attributable to all Units, but in no event later than 5 years after the First Closing, whichever shall occur first, the Condominium Board may not take any of the following actions without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit, or (b) assess any Common Charges or Special Assessment for the creation of, addition to or replacement of all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees from those described in the First Year's Budget, or (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise contract for work or services in excess of those described in the First Year's Budget, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that (x) Sponsor may not exercise veto power over expenses described in Schedule B and (y) Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary, and no other alternative is available to enable the Condominium Board to (i) comply with Law, or (ii) remedy any notice of violation; or (iii) remedy any work order the Condominium's insurer.

(d) After the Initial Control Period, a majority of the Members of the Condominium Board must be owner-occupants of the Building who are unrelated to Sponsor and its principals.

(e) See the Sections of the Plan entitled "Control By Sponsor" and "Condominium Board" for details.

Reserve Fund and Working Capital Fund

6. (a) No provision has been made to establish a reserve fund for capital replacements or repairs, because the Building, upon completion of construction to be performed by Sponsor will be new. The Condominium Board, in its discretion, and subject to certain restrictions contained in the By-Laws, may decide in the future to create a reserve fund by Special Assessment or by increases in Common Charges.

(b) The contingency provided for in the Schedule B – First Year's Budget is intended to provide a fund for unanticipated expenses not included in the budget and for possible increases in operating

expenses above the amounts projected if the Working Capital Fund is not sufficient to cover such costs. The contingency is not intended and may not be sufficient to meet the cost of any major capital repairs or replacements which may be required. If additional funds are required to meet such costs, it may be necessary for the Condominium Board to increase Common Charges or impose Special Assessments.

(c) Each Purchaser of a Unit will be required to make a contribution to the Working Capital Fund of the Condominium. Such contribution, to be made at the time of Closing, shall be in an amount equal to 2 months' Common Charges assessed against the Unit at Closing.

(d) See the Section of the Plan entitled "Working Capital Fund and Apportionments" for details.

Foreign Government Purchaser

7. 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) ("Foreign Government Purchaser") shall be required to expressly and voluntarily waive such immunity and consent to any suit, action or proceeding arising out of or relating to the Purchase Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York. Any Foreign Government Purchaser shall designate and authorize a lawful agent to receive process for and on behalf of the Foreign Government Purchaser in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement or the Condominium Documents. A Foreign Government Purchaser will be required at Closing to deposit with the Condominium an amount equal to 2 years' Common Charges in effect for the Unit which will be in addition to the required contribution to the Working Capital Fund. (See the Section of the Plan entitled "Procedure to Purchase" for details.)

Ancillary Units

8. Sponsor is offering Purchasers of Residential Units the opportunity to purchase deeded interests in Parking Spaces, Storage Lockers and Cabanas ("Ancillary Units"). Cabanas and Storage Lockers shall be for the exclusive use of Purchaser for so long as Purchaser owns a Residential Unit in the Building. Sponsor reserves the right to sell Parking Spaces to non-residents. Purchasers should note that the Closing of Title to an Ancillary Unit does not require the issuance of a Temporary Certificate of Occupancy. Purchasers will be required to consummate the purchase of the Ancillary Unit simultaneously with the Closing of the Residential Unit. In such event, the proceeds from the sale of the Ancillary Unit will be held in escrow by Escrow Agent until such time as a Temporary Certificate of Occupancy has been issued for the Ancillary Unit Area in which the Ancillary Unit is located. Alternatively, at Sponsor's sole discretion, Closing of Title to the Ancillary Unit may not occur simultaneously with the Closing of Title to the Residential Unit which may result in additional costs to be incurred by Purchaser. (See the Section of the Plan entitled "Terms of Sale" for details.)

No Bond or Other Security Posted

9. No bond or other security has been posted by Sponsor to secure Sponsor's obligation under the Plan. The ability of Sponsor to perform Sponsor's obligations under the Plan will partly depend upon its financial condition at the time it is called upon to perform. No representation can be made that Sponsor will be financially able to perform any or all of such obligations. Sponsor represents that as of the filing date of the Plan, Sponsor, together with the financing procured from Construction Lender, has the financial ability to meet its obligations under the Plan. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

Services and Facilities

10. Prospective Purchasers are advised that until such time as Sponsor has conveyed title to 75% of the Residential Units, but in no event later than 1 year from the First Closing, some of the services and facilities described in the Plan (such as a full staff of personnel and usage of amenity areas) may not be available. However, at all times after the First Closing of a Residential Unit, an interim level of staffing will be in place to adequately maintain the Building. Purchasers should also be aware that the hours and dates for move-ins, move-outs and/or construction work, as well as the use of the elevators, will be restricted during the period that Sponsor is completing construction of the Building. Additionally, it is anticipated that for a significant period of time following the First Closing through and including the issuance of a Permanent Certificate of Occupancy, work can be expected to be undertaken and performed by or on behalf of Sponsor to complete construction of the Building, including without limitation, the Units, the amenities located in the Building, the decoration or finishing of the lobby, corridors, elevators, finishes and other portions of the Building, including installing light fixtures, painting, hanging wall coverings or laying carpeting. All of the foregoing work and conditions may create disruptions of the Building's services as well as of living conditions in the Building. The Condominium Board may refuse to permit a Residential Unit Owner to perform alterations in a Residential Unit until such time as the Building has been completed and a Permanent Certificate of Occupancy has been issued. Certain services, such as telecommunications, and other similar services may be provided by outside providers and delays in providing these services shall not be the responsibility of Sponsor. Such suppliers may not provide these services until occupancy in the Building have reached certain levels. In addition, the presence of hoists or construction elevator shafts or similar temporary construction facilities may delay the Closing of Title to certain Residential Units or lines of Residential Units until such hoists, elevators or temporary facilities are no longer needed and are removed and construction is completed. (See the Section of the Plan entitled "Description of Property and Improvements" subsection "Services and Facilities" for details.)

Section 421-a Tax Exemption

11. Sponsor will apply for partial exemption from real estate taxes attributable to the Units pursuant to Section 421-a of the New York Real Property Tax Law and should obtain a preliminary Certificate of Eligibility. Nevertheless, there can be no assurance that a Certificate of Eligibility will be granted. If for any reason the 421-a application is not granted, there will be no exemption from real estate taxes on the Units. If granted, the 421-a exemption will be for a limited period of 10 years and will decrease progressively during that time. Neither Sponsor, Sponsor's counsel, Sponsor's 421-a Tax Counsel, Selling Agent, Managing Agent or any other Person makes any representation or guaranty that the partial exemption from real estate taxes under 421-a will be granted or as to the amount of the minimum tax, if any, that will be assessed against the Units or the amount of real estate taxes payable at any time by any Unit Owner. Notwithstanding the foregoing, Sponsor represents that such application for partial exemption will be made in good faith. (See the Section of the Plan entitled "Anticipated Tax Exemption Benefits," and the "421-a Real Estate Tax Exemption Benefits Opinion" set forth in Part II of the Plan for details.)

Apportionments with the Condominium

12. At the First Closing, certain apportionments will be made between Sponsor and the Condominium. If the result of the Closing adjustments is a net credit in favor of Sponsor, the payment of any net credit shall be deferred and paid to Sponsor by the Condominium in one installment on the first anniversary of the First Closing, without interest, pursuant to an unsecured, negotiable, promissory note to be executed by the Condominium Board and delivered to Sponsor at the First Closing. The promissory note may be prepaid by the Condominium in full at any time, or in part from time to time,

without penalty. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for details.)

Window Treatments

13. In order to preserve the architectural harmony of the Building, the By-Laws provide that all Residential Unit Owners shall be obligated, regardless of the type of window treatment they use, to provide for a white backing on the window treatment so that when the shades are down or curtains drawn, the effect from the outdoors is a visually harmonious white appearance.

Effectiveness of the Plan

14. (a) Pursuant to Law, Sponsor may declare the Plan effective by entering into Purchase Agreements for the sale of a minimum of 15% of the Residential Units in the Building. Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to create a Condominium with fewer than the minimum number of sales, if Purchasers counted towards effectiveness do not ultimately close title to their Residential Units.

(b) Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on loans. Such restrictions include requiring that a certain percentage (such as 50% or more) of the Residential Units in a building be sold or owner occupied 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 Residential Units purchased and/or owner occupancy is lower than a lender's particular sales minimum.

(c) Even once a building has been submitted to a condominium regime, lenders may still impose minimum sales and occupancy requirements before granting a loan. It then may be difficult for a purchaser to resell a Unit if prospective buyers are unable to obtain a loan due to such minimum sales requirements.

(d) See the Section of the Plan entitled "Effective Date" for details.

Special Rights of Sponsor

15. (a) Sponsor shall have an exclusive right and easement (i) to erect, use, lease, maintain, repair, replace and operate (a) antennae, satellite dishes and other communications equipment, and (b) pipes, risers, ducts, flues and equipment necessary or desirable to provide heat, air-conditioning, exhaust, or ventilation as required or, as permitted by Law, on any part of the roofs and/or façades of the Building and elsewhere on the Common Elements (excluding Terraces appurtenant to Residential Units) and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith; and (ii) to erect, maintain, replace and/or repair any sign and/or lighting permitted by Law on the Property for the purposes of advertising the sale of any Unit, the leasing of space in any Unit or the operation of any business of a tenant or occupant of any Unit. Notwithstanding the foregoing, if Sponsor exercises such easement, such easement shall not result in a material and adverse taking of the recreation roof deck available for use by the Residential Unit Owners. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

(b) Sponsor reserves the right, in its sole and absolute discretion, to sell, lease, license or otherwise transfer to a Unit Owner, any non-material portion of the Common Elements for the exclusive use of such Unit Owner provided that such Common Element was not offered in the Plan as an amenity for the shared use of the Unit Owners of the Condominium. Any such sale, lease, license or transfer will be disclosed in a duly filed amendment to the Plan, and the Declaration and Floor Plans will be amended, if

required. (See the Sections of the Plan entitled "Changes in Prices and Units" and "Rights and Obligations of Sponsor" for details.)

(c) During the Initial Control Period, the Condominium Board (while controlled by Sponsor) shall have the right, in its sole discretion, to waive Unit Owners' obligations to pay Common Charges from and after the First Closing for a period to be determined by the Condominium Board, provided the basic operating costs of the Condominium (exclusive of reserves) are paid by Sponsor. (See the By-Laws contained in Part II of the Plan for details.)

(d) Sponsor reserves the right to make any changes in the proposed Condominium Documents and modifications to the Plans and Specifications as may be necessary in Sponsor's sole discretion to conform to Law or to expedite the sale of the Units, or due to structural, architectural or mechanical considerations provided, however, that any such amendments, additions, or changes shall not materially and adversely affect a Unit Owner or Purchaser, increase any obligation of a Unit Owner or Purchaser to any adverse and material degree and any substitution of appliances, equipment or materials shall be of substantially equal or better quality. A change in the square foot area and dimensions of a Unit due to field conditions, construction variances and tolerances, which do not increase or decrease the square foot area of the Unit by more than 5% (excluding interior partitions), shall be presumed not to be a material and adverse change. (See the Sections of the Plan entitled "Changes in Prices and Units" and "Rights and Obligations of Sponsor" under subheading "Sponsor Obligations with Respect to the Building" for details.)

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

Lot Line Windows

16. Lot line windows exist on floors 3, 4, 5 and 6 of the South Tower on the North facade. Specifically, windows located in the bedrooms of Units 2C, 3C, 4C, 5C and 6A of the North Tower and the windows located in the living room of Units 3J 4J, 5J and the dinette in 6G of the South Tower are lot line windows. Lot line windows are windows located on an exterior wall abutting (or less than 30' 0" away from) a property line, where the adjacent property is owned by others. While such windows provide views, light and air to spaces in the Unit, they cannot be utilized to meet light and ventilation required by the Building Code of the City of New York. Units having lot line windows have other windows which satisfy requirements for the lawful use of such rooms for habitation. Lot line windows are considered amenities that potentially can be lost. Should an abutting property owner redevelop such property with one or more Building of different configurations, it may be necessary to close the affected lot line windows and seal them in a manner and with such materials as are acceptable to the Buildings Department and the Condominium. The cost to close-up any lot line windows, if necessary, as of the date of the Plan should not exceed approximately $30 per square foot and shall be borne by the affected Residential Unit Owner (including Sponsor with respect to Unsold Residential Units). Sponsor makes no representation that this cost will not increase in the future. Neither Sponsor, Sponsor's construction professionals, the Condominium Board nor any other Person who took part in this offering will have any liability or obligation if the closing-up of any or all lot line windows is required. (See the "Description of Property and Improvements" set forth in Part II of the Plan for details.)

Construction

17. Construction is a complicated process requiring the coordination of numerous tasks, contractors and suppliers and the balancing of complex mechanical and architectural systems. No

assurance can be given with regard to the accuracy of any projected completion dates set forth herein. It is anticipated that during the first 5 years of Condominium operation, construction workers and related personnel will be at the Building from time to time, completing construction of the Building, making adjustments and corrections and performing various tasks relating to the completion of construction. During this period various building systems, including but not limited to water supply, air conditioning, heating, cooling, ventilating and elevators, may require substantial time after any Closing to complete and may need to be shut down temporarily. Various other adjustments to windows and elevators and other systems may require substantial time to be completed after the First Closing. (See the Section of the Plan entitled "Rights and Obligations of Sponsor" for details.)

Future Construction

18. No representation is made that future construction in the neighborhood surrounding the Property will not result in obstruction of the views from any windows in the Building. (See the Section of the Plan entitled "Location and Area Information" for details.)

Unit Measurements

19. (a) Residential Unit Floor Plans depicting layouts of Residential Units appear in Part II of the Plan. Each Residential Unit consists of the area measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits are not deducted from measurement of each Residential Unit) to the centerline of the partitions separating one Residential Unit from another Residential Unit, or separating one Residential Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Residential Unit or to the exterior side of the opposite exterior walls. Each Residential Unit consists of the area measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling. As is customary in New York, these square foot areas substantially exceed the usable floor area of each Unit.

(b) Ancillary Unit Floor Plans depicting layouts of Cabanas, Storage Lockers and Parking Spaces appear in Part II of the Plan. Each Cabana will contain a shade structure, water source and a natural gas connection and will be suitable for recreational activities such as lounging and sunbathing. Gas and water hook-ups will be available in the Cabana. The floor area of each Cabana is measured from the interior side of the exterior parapet wall to the interior face of the dividing partition shared with another Cabana or with adjacent common roof areas. Parking Spaces are measured from the centerline of the painted striping to the centerline of the painted striping or to the face of any adjacent partition. Storage Lockers are measured from the centerline of the dividing partition to the centerline of the dividing partition of any adjacent Storage Locker or to the face of any adjacent partition.

INTRODUCTION

Nature of the Transaction

125NORTH10, LLC ("Sponsor") is a limited liability company organized and existing under the laws of the State of Delaware. Sponsor acquired the Property on June 27, 2006 from 125 North Tenth Street LLC.

Sponsor presents this offering plan, as the same may be amended from time to time ("Plan") for the establishment of condominium ownership of the Land and Building pursuant to the Condominium Act. The Condominium will be known as 125 North 10th Street Condominium and located at 125 North 10th Street, Brooklyn, New York 11211 ("Property"). The Property will consist of two (2) Buildings denoted respectively as the South Tower and the North Tower.

The principals of Sponsor who will be actively involved in this offering are Nicholas Bienstock, Christopher Schlank, John R. Fraser and Peter Petron. (See the Sections of the Plan entitled "Identity of Parties" and the "Certification of Sponsor and Principals" in Part II of the Plan for details.)

The Condominium will consist of: (a) 86 Residential Units, (b) 8 Storage Lockers, (c) 24 Cabanas, and (d) 51 Parking Spaces. The Cabanas, Storage Lockers and Parking Spaces are collectively referred to as the "Ancillary Units." The Residential Units and the Ancillary Units are collectively referred to as the "Units."

The Offering Plan

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

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

The Plan is presented in two parts that, together with all documents filed with the Department of Law, constitute the entire offer of Sponsor. Part I sets forth a general description of the offering and the Condominium and Part II contains the basic documents necessary to create the Condominium and otherwise effectuate the Plan. Also included in Part II is a detailed physical description of the Property and certifications as to certain matters discussed in the Plan.

In addition, Sponsor has filed with the Department of Law, Exhibits to the Plan which, along with the Plan, constitute the entire offer of Sponsor. Copies of the Plan and all documents referred to in the Plan and all Exhibits submitted to the Department of Law in connection with the Plan shall be available at the Sales Office for inspection by prospective Purchasers and their attorneys without charge and for copying at a reasonable charge by any Person who shall have purchased a Unit offered by the Plan and also shall be available for inspection and copying at the office of the Department of Law. A prospective Purchaser may borrow the Plan upon payment of a $200 deposit, which amount will be fully refunded upon either (i) the prompt return of the Plan in good condition, or (ii) the execution by the prospective Purchaser of a Purchase Agreement subsequently accepted by Sponsor. Prospective Purchasers are also advised to consult with their own attorneys or other advisers before agreeing to purchase. All documents are important and should be carefully read by prospective Purchasers.

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

The Property

The Building will be newly constructed. Based upon the current construction schedule, Sponsor contemplates that, unless delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery or inability to obtain materials, governmental restrictions, or other events beyond its reasonable control, construction of the Building will be sufficiently completed to permit closings of Residential Units to begin on or about January 1, 2008. Purchasers should note however that: (i) Residential Units will be completed at different times over a period that may begin prior to and/or extend significantly beyond such projected date, and (ii) Residential Units on higher floors generally close later than Residential Units on lower floors. Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to any credit, offset or reduction in the Purchase Price or otherwise be relieved from any obligations under the Purchase Agreement, if the First Closing occurs earlier or later than the projected date, or the time to complete or to close title to any Unit is delayed or postponed by Sponsor. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated projections, and if monthly Common Charges in the amended budget exceed those in the latest projected budget set forth in the Plan by 25% or more, Sponsor will offer all Purchasers the right to rescind their Purchase Agreements within 15 days of the Presentation Date of the amendment containing such revised budget. If the First Closing does not occur within 12 months after the date set forth in Schedule B as the commencement date for the First Year of Condominium Operation, as such date may be extended by Sponsor by amendment to the Plan, Sponsor will offer all Purchasers the right to rescind their Purchase Agreements within 15 days of the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. Any Purchasers electing rescission pursuant to such offer will have their Deposits and any interest accrued thereon returned, less funds expended by or reimbursed to Sponsor for upgrades or extras.

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

Offering of Units for Sale

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

An Ancillary Unit (with the exception of a Parking Space) may only be purchased by a Purchaser or Owner of a Residential Unit. Parking Spaces will be offered to Purchasers of Residential Units and to non-residents of the Building.

Purchasers should note that the Closing of Title to an Ancillary Unit does not require the issuance of a Temporary Certificate of Occupancy. Purchasers will be required to consummate the purchase of the Ancillary Unit simultaneously with the Closing of Title to the Residential Unit. In such event, the proceeds from the sale of the Ancillary Unit will be held in escrow by Escrow Agent until such time as a Temporary Certificate of Occupancy has been issued for the Ancillary Unit Area in which the Ancillary Unit is located. Alternatively, at Sponsor sole discretion, the Closing of Title to an Ancillary Unit may not occur simultaneously with the Closing of Title to the Residential Unit which may result in additional costs to be incurred by the Purchaser. (See the Section of the Plan entitled "Terms of Sale" for details.)

Sponsor reserves the right to offer the Units in such order of priority as it may determine, and to withhold one or more Units for future sale or lease. In addition, Sponsor has the right to limit the number of Units sold to any Purchaser and to make Bulk Sales of Residential Units. The Purchaser of such Residential Units shall be bound by Sponsor's representations set forth in the Plan with regard to its commitment to sell

Residential Units. The term "Bulk Sales" shall mean the transfer of 10 or more Residential Units or 20% of the total number of Residential Units in the Condominium, whichever is less.

Sponsor's Reservation of Right to Rent Rather than Sell Residential Units

Sponsor intends, in good faith, to sell rather than rent Residential Units. However, Sponsor reserves the unconditional right to rent rather than sell Residential Units. Because Sponsor is not limiting the conditions under which it will rent rather than sell Residential Units, Sponsor is not committed to sell more Residential Units than the 15% necessary to declare the Plan effective and, therefore, owner-occupants may never gain effective control and management of the Condominium.

Sponsor intends to offer Residential Units for sale both to Purchasers for personal occupancy as well as to those who are purchasing for investment or resale. Purchasers for investment or resale may, in turn, rent such Residential Units and accordingly, such Residential Units will not be used for the personal occupancy of the owner thereof. As a result, some and possibly many Residential Units may be occupied by renters instead of Residential Unit Owners. Since the Condominium Board does not have the right to approve or disapprove potential purchasers of Residential Units, the Condominium Board is unable to limit the number of purchasers who purchase Residential Units for investment or resale rather than for personal occupancy and there may always be a substantial percentage of Residential Unit Owners who are not occupants. It is possible that those Residential Unit Owners who occupy their Residential Units may have different interests than those Residential Unit Owners who purchased their Residential Units as an investment.

Construction Financing

Sponsor has procured financing for the construction of the Building from Lehman Brothers Holding, Inc., ("Construction Lender"). Provided there is no event of default under the construction loan documents and Sponsor is otherwise in compliance with the requirements of the construction loan documents, Sponsor will receive advances from the Construction Lender each months. The construction loan documents do not (i) limit Sponsor's rights with respect to renting rather than selling Residential Units or (ii) require Sponsor to enter into a specific minimum number of Purchase Agreements prior to declaring the Plan effective. The construction loan documents require Sponsor to meet certain minimum release prices prior to the Construction Lender's release of its lien against each Unit.

Basic Aspects of Condominium Ownership

The ownership of a Unit is similar in many respects to the ownership of a private home. Each Unit Owner owns fee title to the Unit and is entitled to the exclusive possession and use thereof and is obligated to comply, with the terms of the Condominium Documents and any other requirements implemented by the Condominium Board. Each Unit Owner also owns, in common with the owners of all other Units, an undivided interest in (and right to use) the Common Elements. The Common Elements are comprised of: (i) portions of the Property serving and benefiting all Units, generally, including, for example, the Land upon which the Building stands, foundations and supports of the Building, and hallways, corridors and elevators, the Cabana Area, Storage Locker Area and the Parking Space Area, these Common Elements being more specifically designated as "General Common Elements," and (ii) portions of the Building exclusively serving and benefiting one Residential Unit, such as a Terrace, these Common Elements being specifically designated as "Limited Common Elements."

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

Operation of the Condominium will be vested in a Condominium Board, the members of which will be elected by the Unit Owners, subject to the rights of Sponsor to designate members of the Condominium Board, as set forth in the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws." When voting for members of the Condominium Board, each Unit Owner shall be entitled to cast one vote for each .0001% of Common Interest attributable to the Unit per Member to be elected.

A Residential Unit Owner may decorate and construct the interior of the Residential Unit in any way the Residential Unit Owner desires, subject to compliance with the Condominium Documents and Law, and will be solely responsible for the cost of maintenance and interior repairs to the Residential Unit after Closing. A Cabana Owner may not paint, decorate or alter the Cabana without the prior written approval of the Condominium Board.

Each Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible for the payment of, nor will the Unit be subjected to any lien arising from the non-payment of real estate taxes assessed against other Units. In the opinion of Special Tax Counsel to Sponsor, which opinion is set forth in full in Part II of the Plan, a Unit Owner who itemizes deductions may be eligible, under current Law, to deduct from income for income tax purposes, real estate taxes and interest paid on the Residential Unit Owners mortgage, subject to certain exceptions and limitations discussed in the "Attorney's Income Tax Opinion" set forth in Part II of the Plan. There will be no tax deductions available to Unit Owners with respect to Cabanas, Storage Lockers and Parking Spaces they own. (See the Section of the Plan entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" set forth in Part II of the Plan for details.)

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

The cost of operating the Condominium will be borne entirely by the Unit Owners in accordance with allocations set forth in the "Schedule B – Projected Budget for First Year of Condominium Operation." As more particularly set forth in the By-Laws, the Condominium Board will determine the amount of Common Expenses. On a monthly basis or at such other times as the Condominium Board determines, the Condominium Board will assess Unit Owners for Common Charges to meet Common Expenses. Common Charges will be assessed against Unit Owners in the same proportion their respective Units bear to the aggregate Common Interests of all Units. The estimated Common Charges for each Unit for the First Year of Condominium Operation are set forth in Schedule A. Purchasers are obligated to pay monthly Common Charges pursuant to the Condominium Act (RPL Sections 339 (i) and (m)).

The Common Interests of each Unit in the Common Elements have been allocated pursuant to the method set forth in Real Property Law Section 339-i(l) based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv).

Unit Owners will have no interest in any rents, net profits or revenues derived from the rental or use of any Unit owned by another. The aggregate Common Interest of all Units equals 100%. The percentage of Common Interests are the basis for determining a Unit Owner's share of distribution upon termination of the Condominium with Unit Owners then sharing pro rata in the proceeds of the Condominium. Each Unit's Common Interest and estimate of the Common Charges that will be payable by the Unit Owner during the First Year of Condominium Operation of the Property subsequent to the First Closing are set forth in the Section of the Plan entitled "Schedule A – Purchase Prices of Units and Related Information."

From and after the Closing of Title to a Unit, the Unit Owner will be solely responsible for maintaining casualty insurance with respect to the fixtures, equipment, appliances and personal property situated within the Unit, as well as liability insurance with respect to occurrences in or about the Unit. The Condominium Board will be solely responsible for maintaining casualty and liability insurance with respect to the Common Elements, in accordance with the provisions of the By-Laws. (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" for details.)

Each Purchaser of a Unit will be required to make a contribution to the Working Capital Fund of the Condominium. Such contribution, to be made at the time of Closing of the Unit, shall be in an amount equal to 2 months' Common Charges assessed against the Unit at Closing. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for details.)

In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes with respect to the Unit (both before and after such taxes are separately assessed and billed against the Unit by the City of New York), interest and amortization payments on any mortgage and charges for electricity consumed in the Unit.

A Residential Unit shall be used for residential purposes only, including home occupancy (except as described below), and not more than one family may occupy a Residential Unit at one time. A Residential Unit may not be used for any "dormitory," "bed and breakfast" or other transient hotel-type use. A Residential Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary or any other entity (including, but not limited to, embassies and consulates of foreign governments) may only be occupied by such individual, an officer, director, stockholder or employee of such corporation, a partner or employee of such partnership, a member of such limited liability company, the fiduciary or beneficiary of such fiduciary, a principal or employee or such other entity, respectively, or by members of the immediate family or guests of any of the foregoing. A Residential Unit may be used for any other purpose, provided such use is permitted by, and complies with Law, does not violate the then existing Permanent Certificate of Occupancy covering the Building, and the Condominium Board, in its sole discretion, grants permission for such use.

A Storage Locker may be used only for the storage of personal effects of a Residential Unit Owner, and in no event shall any food or other perishable item, or any flammable or explosive item or any item which would impose a health or safety threat or create a nuisance, be stored in a Storage Locker. Except for Sponsor, a Storage Locker may not be owned independently of a Residential Unit.

A Cabana may be used for passive recreational use only, such as lounging and sunbathing. In addition, food prep and barbequing is allowed in the Cabana. Except for Sponsor, a Cabana may not be owned independently of a Residential Unit.

A Parking Space may be used for the parking of passenger automobiles and motorcycles only. Parking Spaces may be owned independently of a Residential Unit.

With certain exceptions, any sale or lease of a Unit will be subject to a right by the Condominium Board to acquire or lease such Unit or to produce a third party to acquire or lease such Unit on the same terms as were offered to the owner of such Unit. With the exception of a Parking Space, Ancillary Units cannot be sold or leased independently of a Residential Unit. Sponsor may sell or lease any of its Units, or portions thereof, without any restriction or limitation.

Since the Condominium Board does not have the right to approve or disapprove potential purchasers of Units, the Condominium Board is unable to limit the number of purchasers who purchase Units for investment or resale rather than for personal occupancy and there may always be a substantial percentage of Unit Owners who are not occupants. It is possible that those Unit Owners who occupy their Units may have different interests than those Unit Owners who purchased such Units as an investment. (See the Section of

the Plan entitled "Rights and Obligations of Unit Owners" subsection "Sales and Leases of Units" for details.)

Each Residential Unit Owner has exclusive use, subject to any and all Rules and Regulations implemented by the Condominium Board, of any Limited Common Element appurtenant to the Residential Unit, as shown on the Floor Plans included in Part II of the Plan, and is responsible for all normal maintenance, repairs and replacements thereto. However, the costs and expenses of any structural or extraordinary repairs or replacements to any Limited Common Element (including any leaks which are not caused by the negligence of the Residential Unit Owner having access to same) shall be charged to all Unit Owners as a Common Expense. The type, size, weight and quantity of plantings and other installations to be placed on Terraces shall be subject to the prior written approval of the Condominium Board and shall be in compliance with Law.

While the Cabanas, Storage Lockers and Parking Spaces are deeded Units, there are certain restrictions on maintenance, repairs and replacements thereto. A Cabana Owner may not paint, decorate or alter the Cabana without prior written approval of the Condominium Board. Neither a Parking Space nor a Storage Locker can be painted, decorated or altered by the Owner of such Parking Space or Storage Locker.

There are no limitations on who may purchase Units, except as set forth herein. Under the New York Real Property Law, a condominium unit may be owned by an individual, a corporation, a partnership, limited liability company, an association, a trust or any other entity which is permitted to take title pursuant to Law. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without the consent of any of the Condominium Board, any Unit Owner or mortgagee, to refuse to approve and execute Purchase Agreements for one or more Units to any Person. Sponsor shall not discriminate against any person because of race, creed, color, sex, sexual orientation, disability, marital status, age, ancestry, national origin or other ground proscribed by Law.

No binding obligation will arise for the sale of a Unit unless and until a Purchase Agreement executed by both Purchaser and Sponsor has been exchanged and Sponsor has collected the funds constituting Purchaser's required Deposit thereunder (see the Section of the Plan entitled "Procedure to Purchase" for details).

Sponsor will not accept an offer of purchase from an individual younger than 18 years of age or an incompetent under Law.

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

DEFINITIONS

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

"Adverse Effect," or "adverse effect" shall mean any action or proposed change with respect to any Unit Owner(s), that such action or change could, if realized, (i) increase the Common Charges payable over those set forth in the budget at the time in question by 25% or more, (ii) materially interfere with such Unit Owner's access to the Unit, (iii) materially obstruct or degrade the view from the windows of the Unit or (iv) otherwise materially diminish the use and enjoyment of the Unit.

"Ancillary Units" shall mean the Cabanas, Storage Lockers and Parking Spaces.

"Ancillary Unit Areas" refers to the Cabana Area, Storage Locker Area and Parking Space Area. The Ancillary Unit Areas are General Common Elements.

"Appurtenant Interest" shall mean, with respect to any Unit, the undivided interest of the owner thereof, pursuant to the terms of Section 339-x of the Condominium Act, in and to: (i) the Common Elements; (ii) any other Units owned or leased at the time in question by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or lease of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

"Building" shall mean the Building located at 125 North 10th Street, Brooklyn, New York 11211 comprised of the South Tower and the North Tower.

"Buildings Department" shall mean the office of the New York City Department of Buildings or any successor agency.

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

"Cabana" shall mean any Cabana designated as a Cabana in the Declaration together with its Common Interest. All such Cabanas are, collectively, referred to as the "Cabanas."

"Cabana Area" shall mean an area located on the roof of the Building containing the Cabanas. The Cabana Area is a General Common Element.

"Cabana Owner" shall mean a Residential Unit Owner of a Cabana at the time in question. All such Cabana Owners are, collectively, referred to as the "Cabana Owners".

"Closing" or "Closing of Title" shall mean the date, time, place and procedure by which, among other things, fee title to a Unit and its appurtenant Common Interest is conveyed pursuant to a fully-executed Purchase Agreement.

"Closing Date" shall mean the date on which a Closing occurs.

"Common Charges" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata, in accordance with their Schedule B allocations and as provided in the Declaration or in the By-Laws to meet the Common Expenses.

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

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

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

"Condominium" shall mean the 125 North 10th Street Condominium which will be established pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws.

Condominium Act" shall mean the New York Condominium Act, as amended from time to time (New York Real Property Law, Article 9-B).

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

"Condominium Documents" shall mean the Declaration, the By-Laws, the Rules and Regulations and the Floor Plans.

"Declaration" or "Declaration of Condominium" shall mean the instrument creating the Condominium, as the same may be amended from time to time, which is set forth in Part II of the Plan.

"Deposit" shall mean all deposits (initial and additional), advances and payments made by Purchasers prior to the Closing of a Unit.

"Effective Date" shall mean the date upon which the Plan is has declared effective.

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

"Family Members" shall mean the spouse, domestic partner, their children, stepchildren, grandchildren, siblings, nieces, nephews, parents, stepparents, parents-in-law and grandparents of a Residential Unit Owner who reside in such Residential Unit Owner's Residential Unit.

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

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

"First Year of Condominium Operation" shall mean the first 12 months of operation of the Condominium beginning on the date of First Closing, which may be a calendar or fiscal year.

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

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

"Force Majeure" shall mean unavoidable delays due to weather, floods, epidemics, quarantine, restrictions, strikes, lockouts, acts of God, acts of terrorism, freight embargoes, shortages of or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire or the elements or any other cause over which Sponsor does not have control, however for purposes of this definition, lack of funds or inability to obtain financing shall not be deemed to be a cause beyond reasonable control.

"GBL" shall mean Section 352-eeee of the New York State General Business Law.

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

"Initial Control Period" shall mean the period ending on the later to occur of: (i) the Closing of Title with Purchasers under the Plan to Residential Units representing at least 70% in number of all Residential Units offered for sale, or (ii) the issuance of a Permanent Certificate of Occupancy.

"Institutional Lender" shall mean (i) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, mortgage trust or a group of lenders which shall include one of the foregoing, or (ii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system, or (iii) Sponsor, or (iv) an investment bank, or (v) the holder of the mortgage on Sponsor's units with respect to loans secured by any Commercial Unit only, (x) without in any way limiting the scope of the foregoing and for the sake of clarity, any real estate mortgage investment conduit within the meaning of Section 860D of the Internal Revenue Code, (y) any entity not included within any of the foregoing that is regularly engaged in the business of making, owning or servicing mortgage loans, including, without limitation, a so-called "conduit lender," or (z) any group of lenders which shall include one or more of the foregoing.

"Institutional Mortgage" shall mean any first mortgage covering one or more Units that is a Permitted Mortgage and the initial holder of which is an Institutional Lender.

"Insurance Trustee" shall mean a bank or trust company, in either event having both an office in the City of New York and a capital surplus and undivided profits of $500,000,000, or more, or an Institutional Lender, from time to time appointed to serve as such by the Condominium Board.

"Land" shall mean the land located in the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of The City of New York as Block 2297, Lot 1 and more particularly described in Exhibit A to the Declaration.

"Law" shall mean the laws and ordinances of any or all of the Federal, New York State, New York City, County and Borough governments, including, without limitation, the Buildings Department, ,the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental, public or quasi-public authorities having jurisdiction over the Property and/or the Condominium and/or the direction of any public officer pursuant to Law which are applicable at the time in question.

"Limited Common Elements" shall mean those portions of the Property (other than the Units and the General Common Elements), existing for the use and enjoyment of certain Unit Owners to the exclusion of all other Unit Owners, as more particularly described in the Declaration and the Floor Plans.

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

"Parking Space" shall mean any Parking Space designated as a Parking Space in the Declaration together with its Common Interest. All such Parking Spaces are, collectively, referred to as the "Parking Spaces."

"Parking Space Area" shall mean a non-attended area located on the cellar of the Building containing the Parking Spaces. The Parking Space Area is a General Common Element.

"Parking Space Owner" shall mean the Residential Unit Owner or the non-resident owner of a Parking Space at the time in question. All such Parking Space Owners are, collectively, referred to as the "Parking Space Owners".

"Permanent Certificate of Occupancy" shall mean the permanent certificate of occupancy for the Building issued by the Buildings Department.

"Permitted Encumbrances" shall mean those matters encumbering title to a Unit subject to which a Purchaser agrees to take title, as more particularly described on Schedule A annexed to the form of Purchase Agreement.

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

"Permitted Mortgagee" shall mean any holder of a Permitted Mortgage at the time in question.

"Permitted User" shall mean any officer, director, member, stockholder, principal, partner, employee, agent (including managing, sales and leasing agent), guest, tenant, occupant, customer, invitee, licensee, contractor, Permitted Mortgagee or any other Person related, affiliated or designated by Sponsor, the Condominium Board or a Unit Owner who has permission to use a Unit and/or a portion of the Common Elements, subject to the terms of the Condominium Documents, whether written or oral, granted by: (i) a Unit Owner in the case of such Unit Owner's Unit and its appurtenant Common Elements; or (ii) the Condominium Board; or (iii) the Condominium Documents; or (iv) Sponsor.

"Person" shall mean any natural person, partnership, corporation, limited liability company, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity.

"Plan" shall mean that certain Condominium Offering Plan relating to the Property, as accepted for filing by the Department of Law of the State of New York pursuant to Section 352-e of the General Business Law of the State of New York and any and all amendments thereto.

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

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

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

"Purchaser" shall mean a purchaser of a Unit pursuant to a Purchase Agreement.

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

"Register's Office" shall mean the Office of the Register of the City of New York of the County in which the Property is located.

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

"Residential Unit Owner" shall mean any Unit Owner of a Residential Unit at the time in question. All such Residential Unit Owners are referred to, collectively, as the "Residential Unit Owners".

"Rules and Regulations" shall mean the Rules and Regulations of the Condominium promulgated in accordance with the By-Laws, as any of such Rules and Regulations may be amended, added to, or deleted from time to time pursuant to the terms of the By-Laws.

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

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

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

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

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

"Special Assessments" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata in accordance with their respective Common Interest (except as otherwise provided in the Declaration or in the By-Laws), in accordance with the By-Laws of the Condominium.

"Sponsor" shall mean 125NORTH10, LLC and (if applicable) any Person(s) designated by Sponsor.

"Storage Locker" shall mean any Storage Locker designated as a Storage Locker in the Declaration together with its common Interest. All such Storage Lockers are, collectively, referred to as the "Storage Lockers".

"Storage Locker Area" shall mean an area or areas located in the Building containing the Storage Lockers. The Storage Locker Area is a General Common Element.

"Storage Locker Owner" shall mean a Residential Unit Owner of a Storage Locker at the time in question. All such Storage Locker Owners are, collectively, referred to as "Storage Locker Owners."

"Temporary Certificate of Occupancy" shall mean a temporary certificate(s) of occupancy for the Building issued by the Buildings Department.

"Terrace" shall mean any terrace, balcony or garden which is appurtenant to a Unit as a Limited Common Element and shall include any pavers, decking and drains, hose bibs, electrical outlets, lighting and light fixtures, enclosures and dividers installed as part of the original construction of the Building. All such terraces, balconies or gardens are, collectively, referred to as the "Terraces".

"Title Company" shall mean Commonwealth Land Title Insurance Company, having an office at 2 Grand Central Tower, 140 East 45th Street, New York, New York 10017. 212-949-0100, 212-986-3049, or any successor Title Company at the time in question.

"Unit" shall mean any Residential Unit, Storage Locker, Cabana or Parking Space designated as such in the Declaration together with its Common Interest. All such Units are, collectively, referred to as the "Units".

"Unit Owner" shall mean any Person (including Sponsor, if Sponsor owns any Unit) who holds fee title, of record, to one or more Units at the time in question. All such Unit Owners are, collectively, referred to as the "Unit Owners".

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

"Unsold Ancillary Unit Owner" shall mean Sponsor or a principal of Sponsor and (if applicable) a Person designated by Sponsor.

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

"Unsold Residential Unit Owner" shall mean Sponsor or a principal of Sponsor and (if applicable) a Person designated by Sponsor.

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

"Unsold Unit Owner" shall mean Sponsor or a principal of Sponsor and (if applicable) a Person designated by Sponsor.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

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

Location

The Property is located at 125 North 10th Street in the Borough of Brooklyn, City and State of New York.

Improvements - General Description of Units

The Property will be improved with 2 buildings comprised of the South Tower and the North Tower. The South and North Towers will be connected at grade and cellar levels. At grade level, a landscaped viewing garden will connect the South and North Towers and provide passage between the South and North Towers. The Condominium will consist of: 86 Units, 8 Storage Lockers, 24 Cabanas and 51 Parking Spaces.

There will also be various amenities for the benefit of the Unit Owners, including a fitness center and a common roof deck area both of which will be located in the South Tower. (See the subsection entitled "Services and Facilities" for details.)

Purchasers should refer to the Description of Property and Improvements contained in Part II of the Plan for more details.

Residential Units

There will be 86 Residential Units, 53 of which will be located in the South Tower and 33 of which will be located in the North Tower. The square footages and purchase prices of the Residential Units are set forth on Schedule A.

Purchasers are urged to consult the Floor Plans and Description of Property and Improvements contained in Part II of the Plan for details regarding the Units.

Cabanas

There will be 24 Cabanas located in the Cabana Area on the roof of the Building. The square footages and Purchase Prices of the Cabanas are set forth on Schedule A. Cabanas are Units and will be conveyed by deed. The Cabana Area is a General Common Element. Certain maintenance, repair and replacement obligations relating to the Cabanas will be borne by all Unit Owners. A Cabana may only be used for passive recreational use only such as lounging as sunbathing. Gas and water hook-ups are available in the Cabana so that Residential Unit Owners can prep food and barbeque. Sponsor, however, shall have the right to use any Cabana owned by Sponsor for any purpose permitted by Law or to change the permitted use of a Cabana owned by Sponsor, subject to the provisions of the By-Laws. Except for Sponsor, no Cabana may be owned independently of a Residential Unit.

Parking Spaces

There will be 51 Parking Spaces located in the Parking Space Area in the cellar of the Building. The square footages and Purchase Prices of the Parking Spaces are set forth on Schedule A. Parking Spaces are Units and will be conveyed by deed. The Parking Space Area is a General Common Element. Certain maintenance, repair and replacement obligations relating to the Parking Spaces will be borne by all Unit Owners. The Parking Space Area will be unattended. A Parking Space may be used for the parking of

automobiles and motorcycles only. Sponsor, however, shall have the right to use any Parking Space owned by Sponsor for any purpose permitted by Law or to change the permitted use of any Parking Space owned by Sponsor, subject to the provisions of the By-Laws. Parking Spaces may be owned independently of a Residential Unit.

There will be 3 Parking Spaces located on the ground floor off of Wythe Avenue, designated for handicap access. The handicap Parking Spaces will be reserved for rental by handicap persons who provide proper documentation of such disability.

Storage Lockers

There will be 8 Storage Lockers located in the Storage Locker Area in the cellar of the Building. The square footages and Purchase Prices of the Storage Lockers are set forth on Schedule A. Storage Lockers are Units and will be conveyed by deed. Certain maintenance, repair and replacement obligations relating to the Storage Lockers will be borne by all Unit Owners. A Storage Locker may be used for the storage of personal effects of a Residential Unit Owner, and in no event shall any food or other perishable item, or any flammable or explosive item or any item which would impose a health or safety threat or cause a nuisance, be stored therein. Sponsor, however, shall have the right to use any Storage Locker owned by Sponsor for any purpose permitted by Law or to change the permitted use of any Storage Locker owned by Sponsor, subject, to the provisions of the By-Laws. Except for Sponsor, no Storage Locker may be owned independently of a Residential Unit.

Construction Data for Units and Common Elements

Sponsor has engaged Anthony Cucich Architect, as architect of record, Andres Escobar and Associates, as design architect, Sharon Engineering, PC, as structural engineer and S. Schwartz Engineering, PLLC, as mechanical engineer. The Plans and Specifications have been prepared by such architects and engineers. (See the Section of the Plan entitled "Identity of Parties" for further detail.)

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

Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by Force Majeure, construction of the Building will be sufficiently completed to permit closings of Residential Units to begin on or about January 1, 2008. Purchasers should note, however, that (i) the Residential Units will be completed at different times over a period that may begin prior to and/or extend significantly beyond such date, and (ii) Residential Units on higher floors generally close later than Residential Units on lower floors. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the Purchase Price for the Unit or otherwise be relieved from any obligations under the Purchase Agreement, 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 the Unit is delayed or postponed by Sponsor. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be

delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated projections and, if Residential Unit Owner's monthly Common Charges in the amended budget exceed those in the latest budget set forth in the Plan by 25% or more, Sponsor will offer all Purchasers the right to rescind their Purchase Agreements within 15 days of the Presentation Date of the amendment containing such revised budget. If the First Closing does not occur within 12 months after the date set forth in Schedule B as the commencement date for the First Year of Condominium Operation, as such date may be extended by Sponsor by amendment to the Plan, Sponsor will offer all Purchasers the right to rescind their Purchase Agreements within 15 days of the Presentation Date of the amendment disclosing Sponsor's failure to close within such time frame. Any Purchasers electing rescission pursuant to such offer will have their Deposits and any interest accrued thereon returned, except for funds expended by or reimbursed to Sponsor for upgrades or extras.

Services and Facilities

The services and facilities described below will be provided to all Residential Unit Owners and are included in the Common Charges, unless otherwise specified below.

a. Concierge

There will be a concierge stationed in the lobby of the South Tower 24 hours a day, 7 days a week servicing occupants in both the South and North Towers. These hours may be modified by the Condominium Board, in its sole discretion, and may be reduced until certain occupancy levels in the Condominium are achieved. The North Building will be equipped with a voice/video intercom system with availability to trigger an electronic door lock on the North Tower lobby door from each Unit.

b. Building Staff

The staff of the Condominium will be supervised by a non-resident full-time superintendent. Purchasers should refer to the Footnotes to Schedule B for a completed description of the building staff.

c. Elevator Service

All automatic passenger elevators will be in service 24 hours a day, 7 days a week. Purchasers should refer to the Description of the Property and Building Condition set forth in Part II for details concerning the passenger elevators.

Sponsor reserves the right to restrict access to any full floor Unit, solely to the individual owner/occupant of such Residential Unit, by way of elevator lock off, or other means permissible by Law.

d. Telecommunications

The Building will be pre-wired for telephone, cable television and internet services. Residents will be able to subscribe for telephone, television and internet services. Charges for activating cable television, installing and attaching appropriate receptacles, additional installations and monthly usage charges will be determined by and payable directly to the cable company by each resident subscribing for and activating such service. Sponsor reserves the right to enter into an agreement with a service provider to provide a building wide internet access package, the monthly cost of which will be paid by the Condominium Board and billed to each Unit Owner as a Common Expense.

e. Mail

All incoming mail will be delivered to the Property by the U.S. Postal Service and deposited in mailboxes in the lobby of the South Tower. Sponsor reserves the right to eliminate mailboxes from the design of the Building and to have the mail delivered to each Residential Unit by building staff.

f. Laundry Facilities

Each Residential Unit will contain hook-ups for a washing machine and dryer but laundry appliances will not be provided by Sponsor. There will not be a common laundry room in the Building.

g. Refuse Disposal

There will be recycling bins and access to refuse chutes located on each floor containing Residential Units. The refuse chutes will lead to a compactor located in the compactor rooms in the cellar of the Building.

h. Smoke and Carbon Monoxide Detector/Sprinklers

A combination smoke and carbon monoxide detector will be provided in each Residential Unit in compliance with the Law. Additionally, the Building will be fully sprinklered in compliance with the Law.

i. Fitness Center

A Fitness Center comprised of approximately 1,600 square feet will be located in the cellar of the South Tower. It will include state-of-the-art exercise equipment to accommodate aerobic and weight training. There will also be an aerobics room comprised of approximately 198 square feet in the cellar of the South Tower.

j. Courtyard and Garden

A landscaped garden will connect the North Tower and the South Tower at ground level. The garden will be available for viewing only with no picnicking or congregating allowed.

k. Lobby

The lobbies of the Building will contain furniture and furnishings for the use and enjoyment of the residents of the Condominium.

l. Roof Deck

A recreational roof deck to be located on a portion of the South Tower roof will be maintained as a General Common Element, accessible for lounging and recreational use.

m. General

Use of the services and facilities shall be available only to individuals who reside in a Residential Unit in the Building (i.e., a Residential Unit Owner or tenant) and, subject to the Rules and Regulations implemented by the Condominium Board, such individual's guests, provided that such Residential Unit Owner or tenant accompanies the guest during such use. In addition, use of the services and facilities are subject to such Rules and Regulations as may be promulgated from time to time by the Condominium Board, including, without limitation, the right to impose fees and restrictions on hours of access and use.

While it is anticipated that these services and facilities will be available at the time of the First Closing, prospective Purchasers should note that until such time as Sponsor has conveyed title to 75% of the Residential Units, but in no event later than 1 year from the First Closing, some of these services and facilities (such as a full staff of personnel and usage of the amenity areas may not be available. However, at all times after the First Closing of a Residential Unit, an interim level of staffing will be in place to adequately maintain the Building. Purchasers should also be aware that the hours and dates for move-ins,

move-outs and/or construction work, as well as the use of the elevators will be restricted during the period that Sponsor is completing construction of the Building. Additionally, it is anticipated that for a significant period of time following the First Closing through, and including the issuance of a Permanent Certificate of Occupancy, work should be expected to be undertaken and performed by or on behalf of Sponsor to complete construction of the Building, including without limitation, the Units, the amenities located in the Building, the decoration or finishing of the lobby, corridors, elevator finishes and other portions of the Building, including installing light fixtures, painting, hanging wall coverings or laying carpeting. All of the foregoing work and conditions may create a noisy and otherwise disruptive condition in the Building during the period such work is being performed. The Condominium Board may refuse to permit a Residential Unit Owner to perform alterations in a Residential Unit until such time as the Building has been completed and a Permanent Certificate of Occupancy has been issued. Certain services, such as telecommunications, and other similar services may be provided by outside suppliers and delays in providing these services will not be the responsibility of Sponsor. Such suppliers may not provide these services until occupancy in the Building has reached certain levels. In addition, the presence of hoists or construction elevator shafts or similar temporary construction facilities, may delay the Closing of Title to certain Residential Units or lines of Residential Units until such hoists, elevators or temporary facilities are no longer needed and are removed and construction is completed.

LOCATION AND AREA INFORMATION

Location

The Property is located at 125 North 10th Street in the Borough of Brooklyn in the City and State of New York. The Property is bounded by North 10th and North 11th Streets in the Williamsburg section of Brooklyn.

Transportation

New York City is served by three major airports: LaGuardia Airport, Kennedy International Airport and Newark International Airport. Passenger railroad service is provided from Pennsylvania Station, located at Seventh Avenue and 33rd Street, and from Grand Central Station, located at Lexington Avenue and 42nd Street.

Transportation to and from the Property, and through New York City, is available by taxi and limousine services. By car you have direct and immediate access to both the Williamsburg Bridge and the Brooklyn Queens Expressway which feed all major routes to Manhattan and the other Boroughs as well as points upstate including Westchester County and points east out to Long Island. Public transportation to Manhattan and throughout Brooklyn could not be easier as the Bedford Avenue "L" stop is just three blocks away and there are many City buses and local subway lines readily available in the neighborhood providing convenient and affordable alternatives In addition to the Parking Spaces, a number of parking alternatives including open air lots and parking garages are located nearby.

Medical, Educational and Religious Facilities

A number of excellent medical centers, such Woodhull Medical Center located at 760 Broadway, Brooklyn, NY (718) 963-8000 and Williamsburg Family Health Center located at 99 Division Avenue, Brooklyn, NY (718) 599 1122, to name a few, are readily accessible.

Numerous private schools, public schools and parochial schools on the elementary, middle school and high school levels are available a reasonable distance from the Property. There are houses of worship of most major denominations and religions in the vicinity of the Property.

Municipal Services

The City of New York will provide water, sanitation, police and fire services to the Property.

The local Brooklyn 94th Police Precinct is located at 100 Meserole Avenue, Brooklyn, New York (718)383-3879.

The local fire station is Company 229/Ladder 146 located at 75 Richardson Street, Brooklyn, New York (718)965-8229.

Mailing Address

The mailing address for the Property is 125 North 10th Street, Brooklyn, New York 11211.

Zoning

The Property is located within a R6A and M1-2/R6A zoning district in which residential use is permitted.

General

Sponsor makes no representations to the continued existence of any of the named establishments or transportation lines. Additionally, no representation is made that future construction in the neighborhood surrounding the Condominium will not result in the obstruction of the views from any windows.

SCHEDULE A – PURCHASE PRICES OF UNITS AND RELATED INFORMATION

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

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

(1) UNIT Residential Units	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
SOUTH BUILDING										
1A	1BR/1BA	873	475	$ 675,000.00	1.0767%	$ 26.13	$ 536.06	$ 773.53	$ 799.67	$ 1,309.59
1B	2BR/2BA	1,171	669	$ 925,000.00	1.4532%	$ 35.27	$ 723.53	$ 1,044.04	$ 1,079.32	$ 1,767.57
1C	1BR/1BA	838	462	$ 660,000.00	1.0353%	$ 25.13	$ 515.47	$ 743.82	$ 768.94	$ 1,259.28
1D	STUDIO/1BA	599		$ 400,000.00	0.6505%	$ 15.79	$ 323.88	$ 467.36	$ 483.15	$ 791.24
1E	1BR/1BA	795		$ 550,000.00	0.8635%	$ 20.96	$ 429.93	$ 620.39	$ 641.34	$ 1,050.32
1F	1BR/1BA	795		$ 550,000.00	0.8631%	$ 20.95	$ 429.71	$ 620.07	$ 641.02	$ 1,049.79
1G	1BR/1BA	761		$ 500,000.00	0.8265%	$ 20.06	$ 411.50	$ 593.79	$ 613.85	$ 1,005.29
2A	1BR/1BA	873		$ 640,000.00	0.9479%	$ 23.01	$ 471.93	$ 680.99	$ 704.00	$ 1,152.92
2B	2BR/2BA	1,171		$ 850,000.00	1.2717%	$ 30.87	$ 633.17	$ 913.65	$ 944.52	$ 1,546.82
2C	2BR/2BA	1,248		$ 895,000.00	1.3552%	$ 32.89	$ 674.73	$ 973.63	$ 1,006.53	$ 1,648.36
2D	2BR/2BA	1,048		$ 760,000.00	1.1379%	$ 27.62	$ 566.52	$ 817.48	$ 845.10	$ 1,384.00
2E	2BR/2BA	1,005		$ 735,000.00	1.0905%	$ 26.47	$ 542.95	$ 783.48	$ 809.95	$ 1,326.43
2F	1BR/1BA	756		$ 575,000.00	0.8203%	$ 19.91	$ 408.42	$ 589.34	$ 609.25	$ 997.76
2G	1BR/1BA	763		$ 580,000.00	0.8280%	$ 20.10	$ 412.26	$ 594.88	$ 614.98	$ 1,007.14
2H	1BR/1BA	807		$ 600,000.00	0.8761%	$ 21.26	$ 436.20	$ 629.43	$ 650.70	$ 1,065.63
2I	2BR/2BA	1,123		$ 850,000.00	1.2186%	$ 29.58	$ 606.73	$ 875.51	$ 905.09	$ 1,482.25
3A	1BR/1BA	873		$ 660,000.00	0.9479%	$ 23.01	$ 471.93	$ 680.99	$ 704.00	$ 1,152.92
3B	2BR/2BA	1,171		$ 880,000.00	1.2717%	$ 30.87	$ 633.17	$ 913.65	$ 944.52	$ 1,546.82
3C	2BR/2BA	1,248		$ 900,000.00	1.3552%	$ 32.89	$ 674.73	$ 973.63	$ 1,006.53	$ 1,648.36
3D	2BR/2BA	1,114	125	$ 805,000.00	1.2436%	$ 30.18	$ 619.15	$ 893.43	$ 923.62	$ 1,512.59
3E	2BR/2BA	1,001	157	$ 800,000.00	1.1299%	$ 27.42	$ 562.53	$ 811.73	$ 839.15	$ 1,374.26
3F	1BR/1BA	755	112	$ 620,000.00	0.8504%	$ 20.64	$ 423.40	$ 610.97	$ 631.61	$ 1,034.37

**** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.**

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

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

(1) UNIT	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
SOUTH BUILDING CONT.										
3G	1BR/1BA	810	93	$ 665,000.00	0.9051%	$ 21.97	$ 450.65	$ 650.28	$ 672.25	$ 1,100.92
3H	1BR/1BA	763	51	$ 625,000.00	0.8421%	$ 20.44	$ 419.24	$ 604.96	$ 625.40	$ 1,024.20
3I	1BR/1BA	823	82	$ 650,000.00	0.9162%	$ 22.24	$ 456.16	$ 658.23	$ 680.47	$ 1,114.39
3J	2BR/2BA	1,149	185	$ 990,000.00	1.2971%	$ 31.48	$ 645.77	$ 931.85	$ 963.33	$ 1,577.62
4A	1BR/1BA	873		$ 680,000.00	0.9479%	$ 23.01	$ 471.93	$ 680.99	$ 704.00	$ 1,152.92
4B	2BR/2BA	1,171		$ 895,000.00	1.2717%	$ 30.87	$ 633.17	$ 913.65	$ 944.52	$ 1,546.82
4C	2BR/2BA	1,248		$ 920,000.00	1.3552%	$ 32.89	$ 674.73	$ 973.63	$ 1,006.53	$ 1,648.36
4D	2BR/2BA	1,114	125	$ 790,000.00	1.2436%	$ 30.18	$ 619.15	$ 893.43	$ 923.62	$ 1,512.59
4E	2BR/2BA	1,001	157	$ 775,000.00	1.1299%	$ 27.42	$ 562.53	$ 811.73	$ 839.15	$ 1,374.26
4F	1BR/1BA	779	84	$ 605,000.00	0.8682%	$ 21.07	$ 432.27	$ 623.76	$ 644.83	$ 1,056.03
4G	1BR/1BA	810		$ 625,000.00	0.8798%	$ 21.35	$ 438.04	$ 632.08	$ 653.44	$ 1,070.12
4H	1BR/1BA	763	51	$ 610,000.00	0.8421%	$ 20.44	$ 419.24	$ 604.96	$ 625.40	$ 1,024.20
4I	1BR/1BA	823	51	$ 670,000.00	0.9079%	$ 22.04	$ 452.00	$ 652.23	$ 674.26	$ 1,104.22
4J	2BR/2BA	1,149	185	$ 1,010,000.00	1.2971%	$ 31.48	$ 645.77	$ 931.85	$ 963.33	$ 1,577.62
5A	1BR/1BA	757	116	$ 670,000.00	0.8532%	$ 20.71	$ 424.78	$ 612.96	$ 633.66	$ 1,037.74
5B	2BR/2BA	1,008	164	$ 880,000.00	1.1383%	$ 27.63	$ 566.72	$ 817.78	$ 845.40	$ 1,384.50
5C	1BR/1BA	776	462	$ 675,000.00	0.9682%	$ 23.50	$ 482.02	$ 695.55	$ 719.05	$ 1,177.58
5D	1BR/1BA	778	451	$ 685,000.00	0.9668%	$ 23.47	$ 481.36	$ 694.60	$ 718.07	$ 1,175.96
5E	2BR/2BA	995	157	$ 875,000.00	1.1226%	$ 27.25	$ 558.91	$ 806.50	$ 833.75	$ 1,365.42
5F	1BR/1BA	765	112	$ 650,000.00	0.8612%	$ 20.90	$ 428.75	$ 618.69	$ 639.59	$ 1,047.44
5G	1BR/1BA	810		$ 615,000.00	0.8798%	$ 21.35	$ 438.04	$ 632.08	$ 653.44	$ 1,070.12
5H	1BR/1BA	763	51	$ 650,000.00	0.8421%	$ 20.44	$ 419.24	$ 604.96	$ 625.40	$ 1,024.20
5I	1BR/1BA	823	51	$ 695,000.00	0.9079%	$ 22.04	$ 452.00	$ 652.23	$ 674.26	$ 1,104.22
5J	2BR/2BA	1,149	185	$ 1,030,000.00	1.2971%	$ 31.48	$ 645.77	$ 931.85	$ 963.33	$ 1,577.62
6A	2BR/2BA	1,059	789	$ 1,050,000.00	1.3636%	$ 33.10	$ 678.89	$ 979.64	$ 1,012.73	$ 1,658.53
6B	2BR/2BA	1,054	826	$ 1,050,000.00	1.3680%	$ 33.20	$ 681.10	$ 982.82	$ 1,016.02	$ 1,663.91

**** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.**

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

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

(1) UNIT	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
				SOUTH BUILDING CONT.						
6C	2BR/2BA	1,073	441	$ 1,075,000.00	1.2845%	$ 31.18	$ 639.50	$ 922.80	$ 953.97	$ 1,562.30
6D	2BR/2BA	1,049	602	$ 1,075,000.00	1.3028%	$ 31.62	$ 648.61	$ 935.94	$ 967.56	$ 1,584.55
6E	1BR/1BA	793	120	$ 700,000.00	0.8936%	$ 21.69	$ 444.92	$ 642.01	$ 663.70	$ 1,086.93
6F	1BR/1BA	738		$ 650,000.00	0.8008%	$ 19.44	$ 398.69	$ 575.30	$ 594.74	$ 973.99
6G	3BR/2BA	1,570	466	$ 1,495,000.00	1.8314%	$ 44.45	$ 911.83	$ 1,315.76	$ 1,360.22	$ 2,227.60
Subtotal		**50,028**	**8,057**	**$ 40,440,000**	**56.4995%**	**$ 1,371.34**	**$ 28,129.70**	**$ 40,590.90**	**$ 41,962.24**	**$ 68,720.60**
				NORTH BUILDING						
1A	2BR/2BA	1,052		$ 700,000.00	1.1421%	$ 27.72	$ 568.63	$ 820.52	$ 848.25	$ 1,389.15
1B	2BR/2BA	1,163		$ 730,000.00	1.2629%	$ 30.65	$ 628.79	$ 907.34	$ 937.99	$ 1,536.12
1C	1BR/1BA	797	729	$ 595,000.00	1.0635%	$ 25.81	$ 529.48	$ 764.04	$ 789.85	$ 1,293.52
1D	1BR/1BA	815	388	$ 575,000.00	0.9901%	$ 24.03	$ 492.95	$ 711.33	$ 735.36	$ 1,204.28
1E	2BR/2BA	1,090	728	$ 800,000.00	1.3811%	$ 33.52	$ 687.60	$ 992.20	$ 1,025.72	$ 1,679.79
2A	2BR/2BA	1,052		$ 750,000.00	1.1421%	$ 27.72	$ 568.63	$ 820.52	$ 848.25	$ 1,389.15
2B	1BR/1BA	871		$ 625,000.00	0.9460%	$ 22.96	$ 471.01	$ 679.66	$ 702.62	$ 1,150.67
2C	2BR/2BA	1,090		$ 750,000.00	1.1835%	$ 28.72	$ 589.22	$ 850.24	$ 878.97	$ 1,439.46
2D	2BR/2BA	1,090		$ 725,000.00	1.1835%	$ 28.72	$ 589.22	$ 850.24	$ 878.97	$ 1,439.46
2E	2BR/2BA	1,184		$ 800,000.00	1.2854%	$ 31.20	$ 639.98	$ 923.48	$ 954.68	$ 1,563.46
2F	2BR/2BA	1,090		$ 725,000.00	1.1835%	$ 28.72	$ 589.22	$ 850.24	$ 878.97	$ 1,439.46
3A	2BR/2BA	1,052		$ 765,000.00	1.1421%	$ 27.72	$ 568.63	$ 820.52	$ 848.25	$ 1,389.15
3B	2BR/2BA	990	77	$ 775,000.00	1.0959%	$ 26.60	$ 545.64	$ 787.36	$ 813.96	$ 1,333.00
3C	2BR/2BA	1,137	61	$ 900,000.00	1.2505%	$ 30.35	$ 622.57	$ 898.37	$ 928.72	$ 1,520.94
3D	2BR/2BA	1,090		$ 790,000.00	1.1835%	$ 28.72	$ 589.22	$ 850.24	$ 878.97	$ 1,439.46
3E	2BR/2BA	1,184		$ 825,000.00	1.2854%	$ 31.20	$ 639.98	$ 923.48	$ 954.68	$ 1,563.46
3F	2BR/2BA	1,090		$ 790,000.00	1.1835%	$ 28.72	$ 589.22	$ 850.24	$ 878.97	$ 1,439.46

**** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.**

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

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

(1) UNIT	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
				NORTH BUILDING CONT.						
4A	2BR/2BA	1,052		$ 775,000.00	1.1421%	$ 27.72	$ 568.63	$ 820.52	$ 848.25	$ 1,389.15
4B	2BR/2BA	990	159	$ 800,000.00	1.1184%	$ 27.15	$ 556.82	$ 803.48	$ 830.63	$ 1,360.30
4C	2BR/2BA	1,137	61	$ 910,000.00	1.2505%	$ 30.35	$ 622.57	$ 898.37	$ 928.72	$ 1,520.94
4D	2BR/2BA	1,090		$ 805,000.00	1.1835%	$ 28.72	$ 589.22	$ 850.24	$ 878.97	$ 1,439.46
4E	2BR/2BA	1,184		$ 850,000.00	1.2854%	$ 31.20	$ 639.98	$ 923.48	$ 954.68	$ 1,563.46
4F	2BR/2BA	1,090		$ 800,000.00	1.1835%	$ 28.72	$ 589.22	$ 850.24	$ 878.97	$ 1,439.46
5A	2BR/2BA	1,052		$ 800,000.00	1.1421%	$ 27.72	$ 568.63	$ 820.52	$ 848.25	$ 1,389.15
5B	2BR/2BA	990	159	$ 815,000.00	1.1184%	$ 27.15	$ 556.82	$ 803.48	$ 830.63	$ 1,360.30
5C	2BR/2BA	1,137	61	$ 925,000.00	1.2505%	$ 30.35	$ 622.57	$ 898.37	$ 928.72	$ 1,520.94
5D	2BR/2BA	1,090		$ 825,000.00	1.1835%	$ 28.72	$ 589.22	$ 850.24	$ 878.97	$ 1,439.46
5E	2BR/2BA	1,184		$ 875,000.00	1.2854%	$ 31.20	$ 639.98	$ 923.48	$ 954.68	$ 1,563.46
5F	2BR/2BA	1,090		$ 825,000.00	1.1835%	$ 28.72	$ 589.22	$ 850.24	$ 878.97	$ 1,439.46
6A	3BR/2.5BA	1,349	815	$ 1,250,000.00	1.6853%	$ 40.90	$ 839.05	$ 1,210.74	$ 1,251.65	$ 2,049.79
6B	2BR/2BA	1,090		$ 875,000.00	1.1835%	$ 28.72	$ 589.22	$ 850.24	$ 878.97	$ 1,439.46
6C	2BR/2BA	1,102	295	$ 1,000,000.00	1.2760%	$ 30.97	$ 635.29	$ 916.71	$ 947.68	$ 1,552.00
6D	3BR/2.5BA	1,399	620	$ 1,300,000.00	1.6871%	$ 40.95	$ 839.97	$ 1,212.07	$ 1,253.02	$ 2,052.04
Subtotal		**35,864**	**4,152**	**$ 27,050,000**	**40.0630%**	**$ 972.40**	**$ 19,946.39**	**$ 28,782.46**	**$ 29,754.86**	**$ 48,728.85**

** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

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

(1) UNIT	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
CABANAS										
CS1			172	$ 37,500	0.0467%	$ 1.13	$ 23.24	$ 33.54	$ 34.67	$ 56.78
CS2			164	$ 37,500	0.0446%	$ 1.08	$ 22.22	$ 32.06	$ 33.14	$ 54.27
CS3			164	$ 37,500	0.0446%	$ 1.08	$ 22.22	$ 32.06	$ 33.14	$ 54.27
CS4			164	$ 37,500	0.0446%	$ 1.08	$ 22.22	$ 32.06	$ 33.14	$ 54.27
CS5			164	$ 37,500	0.0446%	$ 1.08	$ 22.22	$ 32.06	$ 33.14	$ 54.27
CS6			164	$ 37,500	0.0446%	$ 1.08	$ 22.22	$ 32.06	$ 33.14	$ 54.27
CS7			164	$ 37,500	0.0446%	$ 1.08	$ 22.22	$ 32.06	$ 33.14	$ 54.27
CS8			164	$ 37,500	0.0446%	$ 1.08	$ 22.22	$ 32.06	$ 33.14	$ 54.27
CS9			164	$ 37,500	0.0446%	$ 1.08	$ 22.22	$ 32.06	$ 33.14	$ 54.27
CS10			164	$ 37,500	0.0446%	$ 1.08	$ 22.22	$ 32.06	$ 33.14	$ 54.27
CS11			164	$ 37,500	0.0446%	$ 1.08	$ 22.22	$ 32.06	$ 33.14	$ 54.27
CS12			178	$ 37,500	0.0484%	$ 1.17	$ 24.09	$ 34.77	$ 35.94	$ 58.86
CN1			224	$ 37,500	0.0607%	$ 1.47	$ 30.20	$ 43.58	$ 45.05	$ 73.78
CN2			220	$ 37,500	0.0596%	$ 1.45	$ 29.69	$ 42.84	$ 44.29	$ 72.53
CN3			220	$ 37,500	0.0596%	$ 1.45	$ 29.69	$ 42.84	$ 44.29	$ 72.53
CN4			237	$ 37,500	0.0644%	$ 1.56	$ 32.05	$ 46.25	$ 47.81	$ 78.30
CN5			223	$ 37,500	0.0606%	$ 1.47	$ 30.15	$ 43.50	$ 44.97	$ 73.65
CN6			207	$ 37,500	0.0560%	$ 1.36	$ 27.90	$ 40.27	$ 41.63	$ 68.17
CN7			207	$ 37,500	0.0560%	$ 1.36	$ 27.90	$ 40.27	$ 41.63	$ 68.17
CN8			205	$ 37,500	0.0556%	$ 1.35	$ 27.67	$ 39.93	$ 41.28	$ 67.61
CN9			158	$ 37,500	0.0429%	$ 1.04	$ 21.36	$ 30.83	$ 31.87	$ 52.19
CN10			158	$ 37,500	0.0429%	$ 1.04	$ 21.36	$ 30.83	$ 31.87	$ 52.19
CN11			158	$ 37,500	0.0429%	$ 1.04	$ 21.36	$ 30.83	$ 31.87	$ 52.19
CN12			160	$ 37,500	0.0433%	$ 1.05	$ 21.58	$ 31.14	$ 32.19	$ 52.72
Subtotal			**4369**	**$ 900,000**	**1.1859%**	**$ 28.78**	**$ 590.42**	**$ 851.98**	**$ 880.76**	**$ 1,442.40**

**** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.**

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SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

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

(1) UNIT	(1) NUMBER OF BEDROOMS/B ATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
PARKING										
P1			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P2			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P3			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P4			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P5			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P6			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P7			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P8			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P9			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P10			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P11			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P12			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P13			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P14			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P15			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P16			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P17			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P18			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P19			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P20			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P21			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P22			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P23			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P24			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P25			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P26			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51

**** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.**

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

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

(1) UNIT	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
PARKING CONT.										
P27			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P28			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P29			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P30			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P31			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P32			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P33			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P34			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P35			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P36			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P37			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P38			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P39			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P40			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P41			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P42			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P43			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P44			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P45			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P46			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P47			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P48			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P49			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P50			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
P51			153	$ 40,000	0.0415%	$ 1.01	$ 20.67	$ 29.83	$ 30.84	$ 50.51
Subtotal			**7803**	**$ 2,040,000**	**2.1178%**	**$ 51.40**	**$ 1,054.42**	**$ 1,521.52**	**$ 1,572.92**	**$ 2,575.94**

** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.

SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

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

(1) UNIT	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
STORAGE										
S1			59	$ 8,850	0.0160%	$ 0.39	$ 7.97	$ 11.50	$ 11.89	$ 19.48
S2			51	$ 7,650	0.0138%	$ 0.34	$ 6.89	$ 9.94	$ 10.28	$ 16.84
S3			51	$ 7,650	0.0138%	$ 0.34	$ 6.89	$ 9.94	$ 10.28	$ 16.84
S4			59	$ 8,850	0.0160%	$ 0.39	$ 7.97	$ 11.50	$ 11.89	$ 19.48
S5			52	$ 7,800	0.0141%	$ 0.34	$ 7.03	$ 10.14	$ 10.48	$ 17.17
S6			52	$ 7,800	0.0141%	$ 0.34	$ 7.03	$ 10.14	$ 10.48	$ 17.17
S7			61	$ 9,150	0.0166%	$ 0.40	$ 8.24	$ 11.89	$ 12.30	$ 20.14
S8			107	$ 16,050	0.0290%	$ 0.70	$ 14.46	$ 20.86	$ 21.57	$ 35.32
Subtotal			**492**	**$ 73,800**	**0.1335%**	**$ 3.24**	**$ 66.48**	**$ 95.94**	**$ 99.18**	**$ 162.42**

** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.

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SCHEDULE A

125 NORTH 10TH STREET CONDOMINIUM
125 North 10th Street
Brooklyn, NY 11211

OFFERING PRICES AND OTHER RELATED INFORMATION

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

(1) UNIT	(1) NUMBER OF BEDROOMS/BATHROOMS	(2) APPROXIMATE UNIT SQUARE FOOTAGE	(2) APPROXIMATE OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(6) PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(6)** PROJECTED MONTHLY REAL ESTATE TAXES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a	(5) PROJECTED MONTHLY COMMON CHARGES	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING PARTIAL EXEMPTION UNDER SECTION 421-a	(7) PROJECTED MONTHLY TOTAL CARRYING CHARGES ASSUMING NO PARTIAL EXEMPTION UNDER SECTION 421-a
TOTAL										
Total Residential		85,892	12,209	$ 67,490,000	96.5626%	$ 2,343.73	$ 48,076.09	$ 69,373.37	$ 71,717.10	$ 117,449.46
Total Cabanas			4369	$ 900,000	1.186%	$ 28.78	$ 590.42	$ 851.98	$ 829.26	$ 1,390.90
Total Parking			7803	$ 2,040,000	2.1178%	$ 51.40	$ 1,054.42	$ 1,521.52	$ 1,480.95	$ 2,483.96
Total Storage			492	$ 73,800	0.1335%	$ 3.24	$ 66.48	$ 95.94	$ 93.38	$ 156.62
GRAND TOTAL		85,892	24,873	$ 70,503,800	100%	$ 2,427.16	$ 49,787.42	$ 71,842.80	$ 74,120.68	$ 121,480.94

** Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the residential real estate taxes will total approximately $781,250. This tax projection does not take into account any Section 421-a Benefits that may be applicable to the Property at such time, which is greater than set forth in this column.

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Notes to Schedule A

(1) Purchasers should refer to the Floor Plans included in Part II of the Plan for an approximation of the dimensions and typical layouts of the Residential Units. The number of bedrooms and bathrooms for each Residential 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 Floor Plans also contain layouts of the Cabana Area, Parking Space and Storage Locker Area.

(2) The square foot area and dimensions of the Units listed in Schedule A or in the Declaration are approximate and may change due to field conditions, construction variances and tolerances and were obtained by using the method customarily used in New York City to measure condominium apartments. No such variation will affect a Purchaser's obligations under the Purchase Agreement or the Plan unless the square foot area of the Unit is materially and adversely increased or decreased (excluding interior partitions), thereby affording Purchaser a 15 day right to rescind. Any increase or decrease which does not change the square foot area of the Unit by more than 5% (excluding interior partitions), shall be presumed not to be material and adverse. Sponsor's sole obligation if the net square foot area of the Unit is so diminished shall be to refund the Deposit made under the Purchase Agreement and any interest earned thereon, except for funds expended by or reimbursed to Sponsor for upgrades or extras. Each Residential Unit consists of the area measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits are not deducted from measurement of each Unit) to the centerline of the partitions separating one Residential Unit from another Residential Unit, or separating one Residential Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Residential Unit or to the exterior side of the opposite exterior walls. Each Residential Unit consists of the area measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling. As is customary in New York, these square foot areas exceed the usable floor area of each Residential Unit. The method of measurement is applicable to all Residential Units. The floor area of each Cabana is measured from the interior side of the exterior parapet wall to the interior face of the dividing partition shared with another Cabana or with adjacent common roof areas. The floor area of each Parking Space is measured from the centerline of the painted striping to the centerline of the painted striping or to the face of any adjacent partition. Each Storage Locker is measured from the centerline of the dividing partition to the centerline of the dividing partition of any adjacent Storage Locker or to the face of any adjacent partition. Any Common Elements located within or appurtenant to any Unit shall not be considered as part of that Residential Unit. Terraces shown on Schedule A are Limited Common Elements.

(3) The Purchase Prices and other terms of sale (as more fully set forth in the Section of the Plan entitled "Changes in Prices and Units") of Units may be negotiated by Sponsor and, therefore, may be changed. Accordingly, Purchasers may pay different Purchase Prices for similar Units. The effect of this, as well as the right of Sponsor to change Purchase Prices, is more particularly discussed in the Section entitled "Changes in Prices and Units." In addition to the payment of the Purchase Price, each Purchaser will be responsible for the payment of certain closing costs and expenses at the time of Closing, as explained in the Section of the Plan entitled "Closing Costs and Adjustments". If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of additional closing costs and expenses relating to such loan. There will be an apportionment of certain charges relating to the Units at the Closing. THESE PRICES HAVE

BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENT AGENCY.

(4) The Common Interest of each Unit in the Common Elements has been allocated pursuant to the method set forth in Real Property Law Section 339-i(l) (iv) based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit.

(5) The estimated monthly Common Charges for each Unit are based on the Schedule B - First Year's Budget prepared by Sponsor's Condominium Budget Expert on the assumption that the First Year of Condominium Operation will be the year from January 1, 2008. The actual First Year of Condominium Operation may be earlier or later than such year. In addition to these estimated payments, each Unit Owner will be responsible for real estate taxes on the Unit, mortgage payments under a loan, if any, obtained to finance the purchase of the Unit, the cost of electricity supplied to the Unit which will be separately metered and payable either directly to the utility company or to the Condominium Board for payment to the utility company, the cost of any insurance which the Unit Owner may wish to obtain for the Unit (and which Sponsor strongly urges each Unit Owner to obtain) and the cost of interior repairs and decorations to the Unit. See the Section of the Plan entitled "Schedule B-1 - Budget for Individual Energy Costs" concerning estimates of certain electric costs for the Units. All Unit Owners from and after the Closing, including Sponsor with respect to all Unsold Units, shall be responsible for payment of all Common Charges with respect to their Units.

It is presently anticipated that an application will be made to the New York State Public Service Commission in order to permit the Condominium Board to purchase electricity from Con Edison at a "bulk rate" (which may result in a savings to Unit Owners). In the event that such application is made, and subsequently granted, the Condominium Board will assess the cost of electricity provided to the Unit Owners. Each Unit will be billed by the Condominium Board for actual consumption on the basis of its submeter and the Condominium Board will, in turn, pay Con Edison. Alternatively, the cost of electricity supplied to each Unit will be separately metered and payable by the Unit Owner directly to Con Edison.

As discussed in the Section of the Plan entitled "Description of Property and Improvements" subsection "Services and Facilities," the full range of services and facilities described in the Plan may not be provided until such time as Sponsor has conveyed title to 75% of the Residential Units.

(6) Sponsor will apply for partial exemption from real estate taxes with respect to the Units of the Building pursuant to Section 421-a of the New York Real Property Tax Law. Based on the opinion of Sponsor's tax counsel described herein, under the 421-a program, the real estate tax estimate for the First Year of Condominium Operation will be based upon the taxable assessed valuation of the Property in the tax year prior to construction commencement, which is commonly referred to as the "mini-tax." As construction commenced subsequent to July 1, 2005, but prior to June 30, 2006, the "mini-tax" will be based upon the assessed valuation of the Property in the 2004/2005 tax year. The 2004/2005 actual assessed valuation of the Property was $ 234,000. Therefore, for the period of construction as defined under Section 421-a, not to exceed 3 years, and for 2 years following completion, or 3 years of construction, whichever occurs first, the real estate taxes for the residential portion of the Property will be based upon the estimated allocated actual assessed valuation of $221,598 payable at a tax rate then in effect in the year it is due. Purchasers should refer to the 421-a Real Estate Tax Exemption Benefits

Opinion prepared by the Real Estate Tax Consultant set forth in Part II of the Plan for further discussion regarding the 421-a program and the availability of such program to this project. The estimated tax is based on the assumption that the partial exemption will be in effect for the First Year of Condominium Operation, and that there will not be any change in the taxable status of the Property. No warranty or guarantee is made as to the amount of any tax exemption that will actually be received. In addition, no warranty or guarantee is made that the actual assessed valuation or the assessed valuation for the Property if Section 421-a benefits are granted will be as projected above, that the projected tax rate will be in effect for all or any portion of the Property during the First Year of Condominium Operation or that the real estate taxes will be allocated among Units in proportion to their Common Interests or Schedule A purchase prices. In no event will Sponsor, Sponsor's Counsel, Sponsor's Tax Consultant, Selling Agent or any offeror hereunder be liable to any Purchaser, nor will any Purchaser have the right to rescind the Purchase Agreement, in the event Section 421-a benefits are not granted or, if granted, in the event the amount of such exemption and the resulting taxes differ from those projected.

If for any reason the Section 421-a tax exemption is not granted, it is estimated that the aggregate real estate taxes payable with respect to all Residential Units for the First Year of Condominium Operation will total approximately $781,250, assuming (a) an actual assessed valuation for the Property of $2,840,00 for the six months of the 2007/2008 tax year reflecting the assessment for a partially constructed property and (b) an actual assessed valuation for the Property of $6,250,000 for the six months of the 2008/2009 tax year based on the real estate tax projection opinion prepared by Tuchman, Katz, Schwartz, Gelles, Korngold & Weiss, LLP dated October 13, 2006 set forth in Part II of the Plan, and (b) a tax rate of $12.50 per $100 of assessed valuation for the 2007/2008 and 2008/2009 tax years. Purchasers should note that once the Building is assessed as being fully constructed, it is estimated that the annual real estate taxes for the residential units will total approximately $ $781,250. This tax projection does not take into account any Section 421-a benefits that may be applicable to the Property at such time.

No warranty or guarantee is made that the actual assessed valuation will be as projected above, that the projected tax rate will be in effect for all or any portion of the Property during the First Year of Condominium Operation or the real estate taxes will be allocated among Units in proportion to their Common Interests or Schedule A purchase prices. In no event will Sponsor, Sponsor's Counsel, Sponsor's Tax Consultant, Selling Agent or any offeror hereunder be liable to any Purchaser, nor will any Purchaser have the right to rescind the Purchase Agreement, in the event the amount of real estate taxes differ from those projected.

In arriving at the assessed valuation for each Unit in the Condominium, the Building is first assessed as a single entity. This overall assessment is then apportioned among the respective Units, each of which will be assigned a tax lot designation once the Declaration has been recorded and the Floor Plans are filed with the Registers Office. 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 and a tax bill is issued by the City of New York to such Unit Owner, a Unit Owner will not be responsible for the payment of real estate taxes assessed against another Unit, nor will the Unit be subject to any lien arising out of non-payment of real estate taxes assessed against another Unit.

For purposes of Schedule A, the projected real estate taxes for the Units were apportioned based in part upon the proportion the projected selling price presented in the Plan for each Unit bears to the gross sellout price for all Units available for purchase in the Condominium and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases on particular Units. There is no assurance that the City of New York tax assessor will allocate taxes among Units in proportion to selling prices. It is possible that the

apportionment will be based on Common Interest percentages. Although the estimate of New York City real estate taxes is a good faith estimate, it is not possible to estimate same with any degree of certainty. Assessed valuations, apportionment or taxes among the Units and tax rates, when actually established by the City of New York, may be lesser or greater. Accordingly, these estimates are to be considered opinions and are not intended, and should not be construed as, warranties as to future assessed valuations, tax rates or the actual real estate taxes to be assessed. In no event will Sponsor, Sponsor's Counsel, Sponsor's Tax Consultant, Selling Agent or any other offeror hereunder be liable to any Purchaser nor will any Purchaser have the right to rescind the Purchase Agreement if the assessed valuations, tax rates or taxes, when actually established, are lesser or greater than that predicted herein or if the Administrative Code and the applicable rules and regulations of the City of New York are changed in the future.

In the opinion of Olshan Grundman Frome Rosenzweig & Wolosky LLP a copy of which is set forth in Part II of the Plan, a Unit Owner who uses the Residential Unit as a personal residence will, under present Law, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid in the case of cash basis taxpayers or accrued in the case of other taxpayers, subject to certain exceptions and limitations which are more particularly discussed in the Attorney's Income Tax Opinion. Purchasers should note that deductions, if applicable, may vary in future years due to changes in the interest rate or the Residential Unit Owner's mortgage or from changes in the allocation of the constant debt service payments to interest and principal, or due to changes in real property taxes resulting from the expiration of real estate tax benefits, or from changes in the assessed value, the tax rate or the method of assessing real property. There will be no tax deductions available to Residential Unit Owners with respect to Cabanas, Storage Lockers and Parking Spaces they own. Sponsor makes no guaranty or warranty concerning the availability of any tax deductions. (See the Section of the Plan entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" for details.)

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

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

A Purchaser of a Unit will be required to make a contribution at the Closing of Title to the Working Capital Fund in an amount equal to 2 months' Common Charges assessed against the Unit. (See the Section of the Plan entitled "Working Capital Fund and Apportionments" for details.)

SCHEDULE B – BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION

SCHEDULE "B"
125 North 10th Street Condominium
Projected Budget for the First Full Year of Condominium Operation
January 1, 2008 – December 31, 2008

PROJECTED INCOME:

Common Charges (1).....	$ 862,115
TOTAL PROJECTED INCOME.....	$ 862,115

PROJECTED EXPENSES:

Salary, Wages, Payroll Taxes & Benefits (2).....	$ 311,197
Gas Heat & Hot Water (3).....	$ 41,349
Cooking Gas (4).....	$ 9,933
Electricity (5).....	$ 232,175
Water & Sewer (6).....	$ 43,336
Repairs & Maintenance (7).....	$ 15,000
Services & Supplies (8).....	$ 65,000
Insurance (9).....	$ 38,125
Management Fee (10).....	$ 54,000
Legal & Auditing Fees (11).....	$ 11 ,000
Administration (12).....	$ 15,000
Contingency (13).....	$ 26,000
**TOTAL PROJECTED EXPENSES (14)..... **	**$ 862,115**

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 - $862,115)

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.

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 - $311,197)

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 Non Resident Superintendent, 4.2 concierges, and 1 porter. 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 non union members.

Position	Weekly Base Wage Rate
(1) Superintendent	$50,000
4.2 Concierges, 1 Porter	$16 per hour

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

Total Base Wages	$ 240,214
FICA @ 7.65% of Base Wages	$ 18,376
Worker's Compensation @ 5.5% of total wages	$ 13,212
FUI and FUTA-NYS Unemployment, @ $425 per employee	$ 2,975
NYS Disability @ $60 per employee	$ 420
(health) @ $6,000 per employee	$ 36,000

Total Benefit	$ 70,983
TOTAL WAGES TAXES & BENEFITS	**$ 311,197**

(3) HEAT & HOT WATER - (Budget - $41,349)

The budgeted amount is based upon a letter from S. Schwartz Engineering PLLC, located at 307 West 38th Street, New York, NY 10018 sponsor's consulting engineers dated October 10, 2006. It is anticipated that the annual consumption of gas for heat and hot water for the residential units will be approximately 35800 therms at $1.05 per therm for a total cost of $37,590. A 10% inflation factor has been added.

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 - $9,933)

The Residential Units will not be separately metered for gas to be used for cooking. Based on a letter dated October 10, 2006 from, S. Schwartz Engineering PLLC, located at 307 West 38th Street, New York, NY 10018 it is estimated that the gas cost for apartment cooking and fireplaces based on 8600 therms of gas/year at $1.05 per therm, will be $9030. A 10% inflation factor has been added.

(5) ELECTRICITY - (Budget - $232,175)

The electricity consumption for the first year of Condominium operation for the Common Areas was estimated by S Schwartz Engineering PLLC, in a letter dated October 10, 2006, at 959,400 kilowatt hours of electricity, at an average rate of .22 per kilowatt hour of electricity including applicable sales tax, resulting in an annual cost of $211,068.

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.

(6) WATER & SEWER – (Budget - $ 43,336)

The building will have a single main water meter, which will measure actual water usage. Based upon a letter from S. Schwartz Engineering PLLC. dated October 10, 2006, water and sewer charges are based upon a combined charge of $4.69 per 100 Cu. Ft. and an estimated usage of 8400 C.C.F.

The annual water and sewer charges during the first year of condominium operation is estimated at $39,396. A 10% inflation factor has been added.

(7) REPAIRS & MAINTENANCE – (Budget - $15,000)

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.

(8) SERVICE & SUPPLIES - (Budget - $65,000)

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	$ 5,000
Elevator Maintenance	$18,000
Sprinkler System/Fire Protective Alarm System	$ 8,000
Exterminator	$ 5,000
Uniform Cleaning & Maintenance	$ 8,000
Water Treatment	$ 6,000
Miscellaneous Supplies	$15,000

(9) INSURANCE – (Budget - $38,125)

Based upon the proposal dated August 4, 2006, from DeWitt Stern Group Inc., having an office address at 420 Lexington Avenue, Suite 2700, New York, NY 10170. 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

$21,875,000	Building, "All Risk" Special Form Agreed Amount, No Co-insurance, Replacement Cost, $2,500 Deductible, Terrorism Included
Included	Loss of income – actual loss sustained with 12
$50,000	Personal Property Limit
$25,000	Personal Property of Others
Included	Back up sewer and Drain and seepage, $2,500 deductible
Included	Boiler & Machinery – deductible – $2,500 – loss income 12 hours
$5,000,000	Earthquake – $10,000 deductible
$5,000,000	flood (Rising water) – $10,000 deductible

General Liability Policy

$1,000,000	Each Occurrence
$1,000,000	Personal & Advertising Injury
$2,000,000	General Aggregate
$1,000,000	Fire Legal Liability
$1,000,000	Non-Owned Automobile/Hired Car
$ 500,000	Medical Payments
$ 250,000	Crime (Fidelity Bond)
$1,000,000	Employee Benefits Liability - $1,000 Deductible
$1,000,000	Directors & Officers Liability Retention $2,500 Managing Agent Rider

Umbrella Liability

$200,000,000	Per Occurrence/Annual Aggregate

The annual premium for the above mentioned insurance policy is estimated to be $38,125.

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 - $ 54,000)

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 $54,000 payable in equal monthly installment of $4,500. The Managing Agent's fee for the first year of Condominium operation is comparable to the "going rate" for similar services in comparable buildings.

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

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

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 $5,500. It is anticipated that the Condominium will enter into an agreement with Shavelson, Neuman & Company LLP., to provide audit, tax return preparation and a certified financial statement for the Condominium. It is estimated that the first year cost for these services will be $5,500.

(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.

(13) CONTINGENCY – (Budget - $26,000)

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.

(14) TOTAL PROJECTED EXPENSES – (Budget - $862,115)

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 - PROJECTED INDIVIDUAL ENERGY COSTS BUDGET

SCHEDULE B-1
Projected Individual Energy Costs Budget

S. Schwartz Engineering, PLLC, having an office at 307 West 38th Street, Suite 1016, New York, New York 10018 provided the following estimate of annual electric energy costs for lighting and for operating the typical electrical appliances located in each Residential Unit.

Unit Designation	Approx. Square Footage	KWH/Year	Annual Electric Costs
Studio	600	9,000	$1,980
One-Bedroom	800	10,980	$2,415
Two-Bedroom	1,100	14,240	$3,313
Three-Bedroom	1,350	16,860	$3,709

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 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 Residential Unit Owners and weather conditions.

OPINION OF COUNSEL RE: REAL PROPERTY LAW SECTION 339-i

STARR ASSOCIATES LLP
ATTORNEYS AT LAW

245 FIFTH AVENUE
NEW YORK, NY 10016
TEL 212 620 2680
FAX 212 696 5013
www.starr-lawfirm.com

December 4, 2006

125NORTH10, LLC
10 East 53rd Street, 37th Floor
New York, New York 10022

Re: 125 North 10th Street Condominium
125 North 10th Street
Brooklyn, New York 11211 ("Property")

Ladies and Gentlemen:

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

In connection with the rendering of this opinion we have reviewed the allocation of Common Interests as shown on Schedule A of the Plan and the Declaration establishing the Condominium. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is also based upon the factual determinations made by Core Group Marketing ("Real Estate Broker") set forth in its opinion contained in the Plan as required by NYCRR Section 20.3(i). We have made no independent investigation of the truth or accuracy of the factual determinations of Core Group Marketing. Accordingly, in the event that facts presented by Core Group Marketing were or prove incorrect in no event will Starr Associates LLP be liable.

Based upon our review of the foregoing, we have determined that the method selected by Core Group Marketing to calculate the percentage of Common Interests is permissible under Real Property Law ("RPL") Section 339-i(l) based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv).

This opinion, while based upon existing rules of law applied to the facts and documents referred to above, is not a guarantee to Purchasers. In no event will Sponsor, Starr Associates LLP, Selling Agent, Managing Agent or the Condominium Board be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in RPL Section 339 or other applicable Law.

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

Very truly yours,

STARR ASSOCIATES LLP

By: _____
Name: Samantha Sheeber
Title: Partner

REAL PROPERTY LAW SECTION 339-i COMPLIANCE LETTER

CORE

CORE GROUP MARKETING

PART 20: LETTER TO ATTORNEY GENERAL
RE: REAL PROPERTY LAW SECTION 339-i.1 COMPLIANCE

Dated: August 14th, 2006

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

Attention: Investment Protection Bureau

Re: Condominium Offering Plan
125 North 10th Street Condominium
125 North 10th Street
Brooklyn, NY 11211 ("Property")

Dear Sir/Madam:

125North10, LLC ("Sponsor"), sponsor of the Condominium Offering Plan ("Offering Plan") for the Property retained Core Group Marketing ("Firm") to review the percentage of Common Interest in the Common Elements allocated to each Unit in the Property set forth in Schedule A of the Offering Plan.

The Firm is licensed as a real estate brokerage firm in the State of New York. The principals of the Firm have been engaged in the real estate and brokerage business for over 10 years and have been actively associated with sale and management of condominium and cooperative buildings.

The Firm has been advised by Sponsor that the Common Interest of each Unit has been determined in accordance with Real Property Law Section 339-i.1 based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit in accordance with subsection (iv).

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

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

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

Very truly yours,

CORE GROUP MARKETING, LLC

By: _____
Name: Shaun Osher
Title: CEO

417 Fifth Avenue
New York, New York 10016

212-726-0725

CHANGES IN PRICES AND UNITS

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

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

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

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

to such changes. Provided Purchaser's consent is not required, a Purchaser will not be excused from purchasing the Unit and will not have any claim against Sponsor as a result of any such change and will not affect a Purchaser's obligations under the Purchase Agreement or the Plan. If Purchaser's consent is required as a result of such change and Purchaser refuses to consent, then in such event, Sponsor's sole obligation shall be to refund to Purchaser the Deposit made under the Purchase Agreement and any interest earned thereon, except for funds expended by or reimbursed to Sponsor for upgrades or extras.

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

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

Sponsor reserves the right, in its sole and absolute discretion, to sell, lease, license or otherwise transfer to a Unit Owner, any non-material portion of the Common Elements for the exclusive use of such Unit Owner, provided that such Common Element was not offered in the Plan as an amenity for the shared use of the Unit Owners of the Condominium. Any such sale, lease, license or transfer will be disclosed in a duly filed amendment to the Plan and the Declaration and Floor Plans will be amended, if required.

USE AND OCCUPANCY AGREEMENTS

Sponsor reserves the right with respect to any Unsold Residential Unit, to enter into a pre-closing Use and Occupancy Agreement with the Purchaser of such Unsold Residential Unit on an interim basis on such terms and conditions as may be agreed to between Sponsor and Purchaser. Purchasers are advised that the occupancy under such Use and Occupancy Agreement is not subject to any governmental regulations, including, without limitation, rent regulations or continued occupancy. Such use and occupancy fees shall be determined by Sponsor in its sole and absolute discretion. No occupancy may commence until a Temporary Certificate of Occupancy has been obtained for such Unsold Residential Unit.

The Use and Occupancy Agreement will provide, among other things, that an uncured default by the Purchaser under the Purchase Agreement with respect to the Unsold Residential Unit which is the subject of the Use and Occupancy Agreement will constitute a default under the Use and Occupancy Agreement entitling Sponsor, at its option, to terminate such Use and Occupancy Agreement in accordance with Law. In addition, each Purchase Agreement will provide that an uncured default by the Purchaser under any Use and Occupancy Agreement with respect to the Unsold Residential Unit which is the subject of the Purchase Agreement will constitute a default under the Purchase Agreement entitling Sponsor, at its option, to terminate such Purchase Agreement and to exercise any remedies provided therein; provided however, that before Sponsor utilizes the default under the Use and Occupancy Agreement to declare a default under the Purchase Agreement, Sponsor will either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against Purchaser unless Purchaser has vacated the Unsold Unit.

If a Purchase Agreement is cancelled based on an uncured default or Sponsor's election to abandon or withdraw the Plan, or the exercise of a right of rescission under the Purchase Agreement or the Plan, Purchaser shall have only 30 calendar days, from cancellation or rescission of the Purchase Agreement within which to vacate and surrender vacant possession of the Unsold Residential Unit to Sponsor, time being of the essence. Pending such surrender of vacant possession, Purchaser shall pay Sponsor a sum equal to the use and occupancy fee stated in the Use and Occupancy Agreement prorated for the period beginning with the date of cancellation of the Use and Occupancy Agreement and ending on the date of surrender of vacant possession.

Purchasers entering into a Use and Occupancy Agreement for an Unsold Residential Unit will be required to pay the legal fees of Sponsor's counsel in connection therewith upon execution of the Use and Occupancy Agreement. All other charges or other fees due under the Use and Occupancy Agreement will be adjusted as of the Closing of Title to the Unsold Residential Unit. Notwithstanding the foregoing, Sponsor will be under no obligation to enter into any Use and Occupancy Agreement and no portion of the Use and Occupancy fee paid under the Use and Occupancy Agreement will be credited towards the Purchase Price of an Unsold Residential Unit unless the Use and Occupancy Agreement expressly provides.

PROCEDURE TO PURCHASE

A Purchaser desiring to purchase a Residential Unit will be required to execute a Purchase Agreement, which will be in the form set forth in Part II of the Plan. A Purchaser also interested in acquiring an Ancillary Unit will be required to execute the form of Rider annexed to the Purchase Agreement set forth in Part II of the Plan.

Purchasers shall be afforded not less than 3 business days to review the Plan prior to executing a Purchase Agreement. A Purchaser may obtain the Plan upon payment of a $200 deposit, which amount will be fully refunded upon either (i) the prompt return of the Plan in good condition or (ii) the execution by the Purchaser of a Purchase Agreement subsequently accepted by Sponsor. If a Purchaser has not received the Plan at least 3 business days prior to executing a Purchase Agreement, a Purchaser shall have the right to rescind the Purchase Agreement within 7 days from the date Purchaser delivers an executed Purchase Agreement together with the required Deposit to Selling Agent. The Purchase Agreement sets forth in detail the terms of sale with respect to each Unit and should be read carefully by Purchaser. Purchasers should be aware that if any conflict exists between the Plan and the Purchase Agreement, the provisions of the Plan shall in all events control.

Although a Purchaser may obtain financing from a lending institution or any other source, Purchaser's obligation to purchase a Unit pursuant to the Purchase Agreement will not be contingent on Purchaser obtaining financing. Purchasers should be aware that even if a loan commitment is obtained, its terms may be limited, and it could expire before the Closing Date. Sponsor shall have no liability as a result of any scheduling or adjournment of closing beyond the expiration of a loan commitment.

Purchase Agreements will not be binding on Sponsor until approved and executed by it, and delivered by Sponsor to the Purchaser. Sponsor will have 30 days after delivery by Purchaser of an executed Purchase Agreement and the required Deposit, within which to accept or reject the Purchase Agreement. Sponsor reserves the right to request thorough identification and financial information (including credit reports and litigation searches) concerning any Purchaser, subject to any limitations and requirements imposed by Law.

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

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

At the time of execution of a Purchase Agreement, Purchaser will be required to make an initial Deposit in an amount equal to 10% of the Purchase Price and an additional Deposit in an amount equal to 10% of the Purchase Price upon the earlier to occur of (i) 9 months after Purchaser executes the Purchase Agreement or (ii) within 15 days of the Presentation Date of the amendment declaring the Plan effective. A Purchaser executing a Purchase Agreement after the date the Plan is declared effective is required to make the full Deposit in an amount equal to 20% of the Purchase Price by an official bank check or check drawn on or issued by a United States Bank or trust company which is a member of the Federal Reserve System. Sponsor may require that Purchasers of

more than one Residential Unit deliver a Deposit in excess of that set forth in the Plan, which amount shall be on terms individually negotiated with each Purchaser. All Deposits must be made payable to the direct order of "Starr Associates LLP, as escrow agent." All checks delivered in payment of the Deposit shall be accepted by Sponsor subject to collection, and if any such check is returned for insufficient funds or any other reason, Sponsor shall have the right, among other things, to deem such Purchase Agreement to be cancelled and of no further force or effect.

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

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

Based upon the current construction schedule, Sponsor presently contemplates that, unless delayed by Force Majeure, construction of the Building will be sufficiently completed to permit closings of Residential Units to begin on or about January 1, 2008. If the First Closing does not occur within 12 months after the date set forth in Schedule B as the commencement date for the First Year of Condominium Operation, Sponsor will offer all Purchasers the right to rescind their Purchase Agreements within 15 days after receipt of notice or an amendment disclosing Sponsor's failure to close within such time frame.

After the Plan has been declared effective, Sponsor will fix dates for closing of title to all Units for which Purchase Agreements have been executed by serving notice on each Purchaser, which notice will state Purchaser's closing date and will be delivered no less than 30 days before the Scheduled Closing Date. If Purchaser fails to close title to the Unit on the originally scheduled date of Closing ("Scheduled Closing Date") or otherwise fails to perform any other obligations under the Purchase Agreement, including, but not limited to, the failure to pay the Additional Deposit, and if such default is not cured within 30 days after Sponsor gives written notice to Purchaser of the default, Sponsor may, at its option, either (a) cancel the Purchase Agreement and retain the entire Deposit (Initial and Additional) together with any interest earned thereon, as liquidated damages, in which event all rights, obligations and liabilities of Sponsor and Purchaser to each other shall wholly cease and terminate or (b) bring an action against Purchaser for specific performance.

If Purchaser fails for any reason to close title to the Unit on the Scheduled Closing Date and Sponsor elects not to cancel the Purchase Agreement as a result of such default: (a) the Closing apportionments described in the Section of the Plan entitled "Closing Costs and Adjustments" will be made as of midnight of the day preceding the Scheduled Closing Date, regardless of when the actual Closing occurs ("Actual Closing Date"), and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and the Plan, an amount equal to 0.03% of the Purchase Price of the Unit per day commencing with the Scheduled Closing Date through the Actual Closing Date.

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

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

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) ("Foreign Government Purchaser") shall be required to expressly and voluntarily waive such immunity and consent to any suit, action or proceeding arising out of or relating to the Purchase Agreement or the Condominium Documents being brought in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement or the Condominium Documents. Any such Purchaser shall designate and authorize a lawful agent to receive process for and on behalf of Purchaser in any State or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with the Purchase Agreement or the Condominium Documents. Such Purchaser will be required at Closing to deposit with the Condominium an amount equal to 2 years' Common Charges in effect for the Unit which will be in addition to the required contribution to the Working Capital Fund.

Prior to the Closing of Title to a Unit, the Purchase Agreement prohibits Purchaser from listing the Unit for resale or rental with any broker or placing or authorizing any listing in any brokers listing system or other listing service or from advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or rental, without Sponsor's prior written consent, which consent may be unreasonably withheld or delayed in Sponsor's sole and absolute discretion. Any listing of the Unit for sale or rental and/or advertising by Purchaser in violation of the terms of the Plan will be deemed a material default under the Purchase Agreement, and Sponsor may, at its option, cancel the Purchase Agreement and retain, as liquidated damages, the entire Deposit made by Purchaser, together with interest earned thereon.

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

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

The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until Purchaser takes possession of the Unit, at which time such risk shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, provided Sponsor elects (which

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

If the Purchase Agreement covers both a Residential Unit and one or more Ancillary Units and Sponsor does not elect, or the Unit Owners do not resolve to make such repair or restoration to the affected Ancillary Unit or Ancillary Unit Area pursuant to the By-Laws following the fire or casualty, then the Purchase Agreement shall only be cancelled, as described above, with respect to the particular Ancillary Unit in question, and Purchaser shall remain obligated to purchase the Residential Unit. At the Closing of Title to the Residential Unit, Purchaser will receive a credit against the Balance of the Purchase Price equal to the amount allocated to the affected Ancillary Unit to the extent any such money has been delivered to Sponsor.

Sponsor is obligated to provide only the equipment, fixtures and furnishings set forth in the "Description of Property and Improvements" set forth in Part II of the Plan. If a Person desiring to purchase a Unit requests that Sponsor perform special or additional work on the Unit or provide extra or upgraded furnishings, including, but not limited to, any deviation from the materials or specifications described in the Description of Property and Improvements set forth in Part II of the Plan, and Sponsor agrees to perform such work and/or provide such furnishing, then Sponsor may require such Person to deposit an amount greater than the Deposit required under the Purchase Agreement. All funds received by Sponsor for upgrades or extras will be placed in the non-interest bearing portion of the Master Escrow Account. Such funds, however, may be released from the Master Escrow Account by Escrow Agent to Sponsor provided Sponsor uses the funds for upgrades or extras or the funds are used to reimburse Sponsor. As a result, in the event Purchaser is entitled to rescind the Purchase Agreement in accordance with the Plan, Purchaser will not receive a refund of any funds used for upgrades or extras.

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

Each Purchaser shall be given a reasonable opportunity to examine the Residential Unit prior to the Closing and is urged to make a careful inspection thereof. At the Closing, each Purchaser of a Residential Unit shall be required to sign and deliver to Sponsor an Inspection Statement in substantially the form set forth in Part II of the Plan wherein Purchaser acknowledges the condition in which Purchaser has inspected the Residential Unit. Under no circumstances shall any item included on an Inspection Statement (i) constitute grounds for a Purchaser to postpone or otherwise

delay the date scheduled for the Closing nor (ii) obligate Sponsor to deposit any monies in escrow at Closing.

At Closing, each Purchaser will be required to execute and deliver a Unit Power of Attorney in favor of the Condominium Board and Sponsor, the failure of which shall be default under the Purchase Agreement entitling Sponsor to all of the remedies set forth in the Plan and the Purchase Agreement. The form of Unit Power of Attorney is set forth in Part II of the Plan.

All downpayments, advances and payments made by Purchasers prior to the Closing of a Unit ("Deposits") will be held in escrow in conformity with the disclosure contained in this Section of the Plan.

Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated pursuant thereto and Section 71-a(3) of the State of New York Lien Law. The Department of Law may perform random reviews and audits of any records involving escrow accounts to determine compliance with statute and regulation.

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

All Deposits made by Purchasers prior to the Closing of each individual transaction will be placed in a segregated special escrow account of Starr Associates LLP, the escrow agent ("Escrow Agent"), whose address is 245 Fifth Avenue, Suite 1102, New York, New York 10016 and whose telephone number is (212) 620-2680. The attorneys who are signatories on these accounts authorized to withdraw funds, acting singly, are: Allan Starr, Esq., Andrea L. Roschelle, Esq., Samantha Sheeber, Esq., Hillary A. Potashnick, Esq., Jane Rosenberg, Esq. and Evan R. Schieber, Esq. Escrow Agent has established a master escrow account entitled "Starr Associates LLP, Escrow Account" ("Master Escrow Account") at Valley National Bank located at 275 Madison Avenue, New York, New York ("Escrow Bank"). Deposits will be placed in the Master Escrow Account within 5 business days after tender by Purchaser to Sponsor or Selling Agent. All subsequent Deposits tendered by Purchaser after the Initial Deposit will be placed in any one of the Master Escrow Accounts within 10 business days after tender by Purchaser to Sponsor or Selling Agent.

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

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

The Escrow Bank is covered by federal bank Deposit insurance to a maximum of $100,000 per individual Deposit. The following are SPECIAL RISKS of this offer: (i) if a Purchaser makes a Deposit in excess of $100,000 such Deposit will not be federally insured in excess of $100,000; and (ii) while the Deposit is in the non-interest bearing portion of the Master Escrow Account, the Deposit may not be fully federally insured even if the Deposit does not exceed $100,000.

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

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

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

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

All instruments shall be made payable directly to the order of "Starr Associates LLP, as escrow agent." Endorsed instruments will not be accepted.

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

Sponsor may, upon application approved by the Department of Law, elect to withdraw funds from the Escrow Account and secures all or any portion of the Deposits withdrawn by delivering to Escrow Agent or another escrow agent designated by Sponsor, one or more irrevocable letters of credit (collectively, "Letter of Credit"), in accordance with the terms and conditions set forth below. All funds withdrawn from the Escrow Account shall be paid to the Construction Lender or disbursed to Sponsor subject to the approval by the Construction Lender of the amount of the withdrawal. The amount of the Letter of Credit will be at least 125% of the aggregate of all Deposits expected to be received from Purchasers, and not retained in escrow, during such period of time as the Letter of Credit will be needed. Sponsor reserves the right at any time and from time to time to increase or decrease the amount of the Letter of Credit, by a duly filed amendment to the Plan provided, however, the aggregate amount of the Letter of Credit shall at no time be less than the aggregate of

all Deposits, if any, withdrawn by Sponsor for use in construction, less any sums returned to Purchasers or otherwise disbursed in accordance with the Plan. Deposits will cease to earn interest upon withdrawal from the Escrow Account. The Letter of Credit shall name Escrow Agent as beneficiary to act as a fiduciary for the benefit of all Purchasers under the Plan.

The Letter of Credit will provide that Escrow Agent shall have sole power to draw upon the Letter of Credit without the consent or despite the objection of Sponsor or the issuer bank, at such times or upon such events as set forth below.

The Letter of Credit will continue in effect, or shall be periodically renewed, until the Closing of Title to all Units for which Deposits have been placed in Sponsor's construction fund account.

Escrow Agent shall be entitled to release the Deposits to Sponsor provided that the Escrow Agent has documentation showing that the Letter of Credit or renewal or replacement Letter of Credit has been issued in accordance with this Section of the Plan and is in effect.

Escrow Agent, as the beneficiary of the Letter of Credit, acting as fiduciary for the benefit of Purchasers under the Plan whose funds were released from escrow, shall have the duty and the right to draw upon and collect the proceeds of the Letter of Credit, 10 business days after notice to Sponsor and Sponsor's failure or refusal to restore such funds to Escrow Agent, without the consent or despite the objection of Sponsor or the issuer bank, upon the following events or circumstances:

(a) timely rescission of a Purchase Agreement by a Purchaser pursuant to an offer of rescission contained in the Plan or an amendment to the Plan;

(b) acceptance for filing by the Department of Law of an amendment abandoning the Plan;

(c) a written agreement of Sponsor and Purchaser directing payment of the funds or a determination of the Attorney General or a order or judgment of a court of competent jurisdiction;

(d) failure by 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 Sponsor upon request of Purchaser; or

(f) notice of impending cancellation of the Letter of Credit has been given or received, or the issuer bank 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.

Upon payment to Escrow Agent of a drawing under the Letter of Credit, to the extent that Escrow Agent has no further obligation to hold the proceeds of such Letter of Credit in accordance with this section of the Plan, Escrow Agent shall remit the Deposit to the relevant Purchaser to the extent required by this section of the Plan and shall remit the excess amount (if any) of such proceeds over the Deposit to the Construction Lender (or, if no Construction Lender shall exist, to Sponsor).

The sole obligation of the issuer bank under or in connection with the Letter of Credit is to pay to Escrow Agent the amount drawn under the Letter of Credit pursuant to a conforming drawing thereunder. In no event shall the issuer bank, the Construction Lender be liable for the use of the proceeds of any drawing by Escrow Agent and no Purchaser shall have any recourse whatsoever to

the issuer bank, the Construction Lender with respect to the use of such Deposits, other than the issuer bank's liability on the fronting bank for such Letters of Credit.

PURCHASERS WILL EARN NO INTEREST ON DEPOSITS WHICH ARE DEPOSITED IN SPONSOR'S CONSTRUCTION FUND ACCOUNT, EXCEPT DURING SUCH PERIODS AS THE DEPOSITS ARE PLACED IN THE INTEREST BEARING PORTION OF THE MASTER ESCROW ACCOUNT.

Except at set forth above, Escrow Agent will hold the Deposit and in no event shall any disputed funds secured by the Letter of Credit be paid to the Purchaser nor shall the Letter of Credit be terminated, until otherwise directed in:

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

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

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

Under no circumstances shall Sponsor apply for release of the escrowed funds of a defaulting Purchaser until after consummation of the Plan. Consummation of the Plan does not relieve Sponsor of its obligations pursuant to General Business Law Section 352-h.

If there is no written agreement between the parties to release the Deposit, Escrow Agent will not pay the Deposit to Sponsor until Escrow Agent has given Purchaser written notice of not fewer than 10 business days. Thereafter, the Deposit may be paid to Sponsor unless Purchaser has already made application to the Department of Law pursuant to the dispute resolution provisions of the Attorney General's regulations and has so notified Escrow Agent in accordance with such provisions and Escrow Agent has received such notice.

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

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

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

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

If Sponsor elects to change the Escrow Bank and/or Escrow Agent, such change will be disclosed in a duly filed amendment to the Plan prior to transferring any Deposits.

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

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

If the application permitting the release of funds is granted, the Deposit and any interest earned thereon shall be disposed of in accordance with the determination of the Attorney General, subject to any court action in which preliminary relief is granted. If the application seeking the release of funds is denied, the Escrow Agent shall continue to hold the Deposit and any interest earned thereon until:

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

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

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

In no event shall the Escrow Agent release funds in dispute, other than a payment of such funds into court until such dispute is finally resolved either by determination of the Attorney General or by order or judgment of a court competent jurisdiction or by written grant of Sponsor and Purchaser.

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

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

Escrow Agent is acting merely as a stakeholder. Escrow Agent makes no representation with regard to and shall not be responsible for the maintenance by Sponsor of the Letter of Credit. Upon payment of the Deposit pursuant to the Plan, Escrow Agent shall be fully released from all liability and obligation with respect to the Deposit. Escrow Agent shall accept a Deposit made by check, subject to collection.

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

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

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

ASSIGNMENT OF PURCHASE AGREEMENTS

No Third-Party Assignment

Purchaser does not have the right to assign the Purchase Agreement without the prior written consent of Sponsor, which consent may be unreasonably withheld, conditioned or delayed, in Sponsor's sole discretion. Any purported assignment by Purchaser in violation of this Section will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel the Purchase Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of the Purchase Agreement, or for the addition, deletion or substitution of names on the Purchase Agreement, then Purchaser shall be required to pay to Starr Associates LLP a fee of $1,250, in advance, for preparation of an assignment and assumption agreement. Any purported assignment by Purchaser in violation of this Section shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in the Section of the Plan entitled "Procedure to Purchase," and shall be voidable at the option of Sponsor.

No Advertising

Prior to the Closing of Title, Purchaser shall not list the Unit for resale or rental with any broker or place or authorize a listing in any broker's listing system or other listing service or advertise or otherwise offer, promote or publicize the availability of the Unit for sale or rental, without Sponsor's prior written consent, which may be withheld or delayed by Sponsor in Sponsor's sole and absolute discretion. Any listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser prior to the Closing of Title shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in the Section of the Plan entitled "Procedure to Purchase."

EFFECTIVE DATE

The offering by Sponsor of the Units under the Plan is contingent upon the Plan being declared effective. The First Closing shall not occur until the Plan has been declared effective. The Plan may be declared effective, at Sponsor's option by (i) an amendment to the Plan or (ii) notice to each Purchaser stating that the Plan is declared effective and submission of an amendment to the Department of Law within 5 days confirming that the Plan was declared effective on a specified date. The Plan may be declared effective, at Sponsor's option, at any time when bona fide purchasers, including investors, have executed Purchase Agreements with respect to not less than 15% of the Residential Units. The Plan must be declared effective at such time as Purchase Agreements have been executed and are in effect with respect to 80% of the Residential Units.

The loan documents entered into with the construction lender do not require Sponsor to enter into a specific minimum number of Purchase Agreements prior to declaring the Plan effective.

The Plan will not be declared effective based on Purchase Agreements: (i) signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived; or (ii) signed by Purchasers who have not been afforded at least 3 business days to review the Plan and all filed amendments prior to executing a Purchase Agreement or, in lieu thereof, at least 7 days to rescind after executing a Purchase Agreement; or (iii) signed by any Purchaser who is Sponsor, Selling Agent, Managing Agent or a principal of either, or is related by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner of Sponsor, Selling Agent, Managing Agent or a principal of either, except that such a Purchaser (other than Sponsor or a principal of Sponsor) may be counted only if Sponsor has submitted proof satisfactory to the Department of Law establishing that Purchaser is bona fide.

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

Once the Plan has been declared effective, it may not thereafter be abandoned or withdrawn, except that, prior to the First Closing, the Plan may, at the option of Sponsor, be abandoned in the event of: (1) the existence of one or more title defects (including violations of record or work orders of a mortgagee or insurance carrier) affecting any one or more Units or the Property that cannot be removed, complied with or cured without litigation or for less than 1/2 of 1% of the total offering amount in the aggregate, and which are not waived by the Purchasers thereof; (2) a substantial damage to or destruction of the Building (or any portion thereof) by fire or other casualty that cannot be repaired prior to the date set for the First Closing for less than ½ of 1% of the total offering amount in the aggregate; or (3) a taking of a material portion of the Property in condemnation proceedings or by eminent domain. Excluded from the dollar amounts set forth in (1) and (2) above are attorney's fees and title defects (including of record violations or work orders) or determinations of any authority or regulatory association which existed on the Filing Date of the Plan and were either known to Sponsor or were a matter of public record.

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

such other form as the Department of Law may require and explain the reason for the abandonment and disposition of all Deposits received, and any interest earned thereon.

TERMS OF SALE

The term "Closing" refers to the conveyance of title to a Unit from Sponsor to Purchaser by the delivery to Purchaser of a deed upon payment by Purchaser to Sponsor of the balance of the Purchase Price for such Unit. The Closing to each Unit shall be held at the office of Starr Associates LLP, 245 Fifth Avenue, Suite 1102, New York, New York or at such other place as Sponsor may designate.

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

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

(b) a Temporary or Permanent Certificate of Occupancy for the Residential Unit is in effect (ongoing construction in the Building or other Units and/or the absence of a Temporary or Permanent Certificate of Occupancy for any other Unit shall not constitute a basis for Purchaser's failure or refusal to close). A Temporary Certificate of Occupancy is not required for the sale of Ancillary Units. Purchasers will be required to consummate the purchase of an Ancillary Unit simultaneously with the Closing of the Residential Unit. In such event, the proceeds from the sale of the Ancillary Unit will be held in escrow by Escrow Agent until such time as a Temporary Certificate of Occupancy has been issued for the Ancillary Unit Area in which the Ancillary Unit is located. Alternatively, at Sponsor's sole discretion, Closing of Title to the Ancillary Unit may not occur simultaneously with the Closing of Title to the Residential Unit which may result in additional costs to be incurred by Purchaser;

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

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

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

(f) the execution and delivery by Sponsor and Purchaser of a bargain and sale deed with covenant against grantor's acts, the form of which is set forth in Part II of the Plan, in proper form for recording and containing the provisions set forth in subdivision 5 of Section 13 of the Lien Law upon delivery to Sponsor of the Balance of the Purchase Price and such other checks and documents required pursuant to the Plan and the Purchase Agreement;

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

(h) the execution and delivery by Purchaser of a notice to Managing Agent indicating whether a child under the age of ten (10) will be living in the Residential Unit or if the Purchaser wants to have window guards installed on the windows of the Residential Unit even though no child under the age of ten (10) will be living in the Residential Unit. In the event that window guards are to be installed in the Residential Unit, such installation shall be performed at the direction of

Managing Agent and the cost thereof (for the window guards and installation) shall be charged to and paid by the Purchaser of the Residential Unit; and

(i) if Purchaser has requested title insurance, the issuance to Purchaser (at Purchaser's sole expense) of a policy of title insurance in at least the amount of the Purchase Price of the Unit, insuring that (i) Purchaser has fee title to the Unit free and clear of all liens and encumbrances except for (1) Permitted Encumbrances and standard printed exceptions and (2) liens and encumbrances other than Permitted Encumbrances to which the Unit's title is subject either (a) which have been expressly accepted by Purchaser, or (b) for which the instrument required to remove it of record has been delivered to the Title Company for recording in the proper office, together with the requisite recording or filing fees or delivered to the representative of Purchaser's title insurance company (or, if none, to Purchaser's attorney); or (c) as to which the Title Company will insure (without additional premium) that such lien or encumbrance will not be collected out of or enforced against the Unit; or (d) as to which Sponsor, at its sole option, pays and discharges from monies paid by Purchaser at Closing; and (ii) the Condominium has been validly created pursuant to the Condominium Act.

Sponsor shall be entitled to deliver a 30 day closing notice to a Purchaser prior to meeting the Closing prerequisites set forth in items (b) through (i) above.

Purchaser's failure to execute and deliver at Closing, all documents necessary and/or customary in connection with the conveyance of a Condominium Unit, including without limitation, the deed, the power of attorney form, transfer tax forms and mortgage tax credit affidavit (if applicable), shall constitute an event of default under the terms of the Purchase Agreement, entitling Sponsor to the default remedies set forth in the Purchase Agreement.

In the event of the existence of any lien, encumbrance or title defect other than Permitted Encumbrances, which Sponsor fails or refuses to correct, the sole remedy of Purchaser under the Plan, provided Purchaser is not then in default, will be to either (i) take title subject to the title defect or (ii) within 15 days after receipt of notice or an amendment disclosing such lien, encumbrance or title defect, to terminate the Purchase Agreement. A Purchaser electing to proceed with the purchase of the Unit will not be entitled to any credit against, or abatement of, the Purchase Price set forth in the Purchase Agreement and will have no claim or right of action against Sponsor for damages or otherwise by reason thereof. Sponsor has no obligation to institute any action or proceeding or to expend any sum of money to make title marketable or to eliminate any encumbrances or title defects. If Purchaser elects to terminate the Purchase Agreement, Sponsor shall cause the Deposit together with any interest earned thereon, except for funds expended by, or reimbursed to, Sponsor for upgrades or extras, to be returned to Purchaser, within 30 days after receipt of Purchaser's termination notice. Upon making such refund, Sponsor and Purchaser shall be relieved of all further obligations and liabilities under the Purchase Agreement and the Plan.

IF THE PURCHASER FAILS TO NOTIFY SPONSOR OF PURCHASER'S ELECTION WITHIN 15 DAYS AFTER SPONSOR NOTIFIED PURCHASER OF SPONSOR'S FAILURE TO REMEDY THE TITLE DEFECT, IT WILL BE CONCLUSIVELY DEEMED THAT PURCHASER ELECTED TO ACQUIRE TITLE SUBJECT TO THE TITLE DEFECT.

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

Sponsor shall be entitled to adjourn the Closing to remove or correct any title exception that cannot be dealt with as set forth above. Sponsor is not obligated to cause Purchaser's title company to omit any exception if the Title Company is willing to insure, without additional premium, Purchaser's title with such exception. Purchaser will be responsible to pay to the Title Company the entire premium for Purchaser's title insurance. Purchaser may obtain title insurance from any title insurance company or abstract company or not obtain any title insurance at all, at Purchaser's sole discretion (unless Purchaser's lender shall require Purchaser to purchase title insurance covering such lender).

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

Any personal property located within the Unit (if any) on the date the Purchase Agreement is executed or located within the Common Elements on the date the Declaration is filed, that is owned by Sponsor, is included in the conveyance unless specifically excluded in the Purchase Agreement or the Plan.

CLOSING COSTS AND ADJUSTMENTS

Closing Costs

As more particularly set forth in the Purchase Agreement, in addition to Purchaser's legal fees, Purchaser will pay the following estimated closing costs and expenses at the time of the Closing of Title. Purchasers are advised that all Units are subject to the imposition of transfer taxes, recording charges, fees, title costs and taxes all as set forth below and are based on rates in effect on the date of the Plan and are subject to change without notice.

(a) A contribution to the Working Capital Fund of the Condominium in an amount equal to 2) months' Common Charges assessed against the Unit at the time of Closing.

(b) If Purchaser elects to obtain fee title insurance, Purchaser will pay the premium for it, which will vary depending upon the amount requested. Purchasers are advised that because the Building will contain 10 or more Units the premium will be calculated at a discounted rate of 70% of the standard fee policy rates. Commonwealth Land Title Insurance Company, having an office at 140 East 45th Street, New York, New York 10017 (telephone: 212-949-0100, facsimile: 212-986-3049) ("Title Company"), has provided Sponsor with the standard fee policy rates as set forth below:

FEE RATE SCHEDULE FOR INSURANCE UP TO AND INCLUDING $1,000,000

AMOUNT OF INSURANCE	PREMIUM
First $35,000 or less	$342.00
From $35,001 to $50,000	$5.67 per Thousand
From $50,001 to $100,000	$4.62 per Thousand
From $100,001 to $500,000	$3.71 per Thousand
From $500,001 to $1,000,000	$3.38 per Thousand

FEE RATE SCHEDULE FOR INSURANCE OVER $1,000,000

AMOUNT OF INSURANCE	PREMIUM
First $35,000 or less	$402.00
From $35,001 to $50,000	$6.67 per Thousand
From $50,001 to $100,000	$5.43 per Thousand
From $100,001 to $500,000	$4.36 per Thousand
From $500,001 to $1,000,000	$3.98 per Thousand
From $1,000,000 to $5,000,000	$3.66 per Thousand
From $5,000,001 to $10,000,000	$3.25 per Thousand
From $10,000,001 to $15,000,000	$3.07 per Thousand
From $15,000,001 and up	$2.76 per Thousand

(c) If Purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance, the premium for the fee title insurance will be calculated as described in paragraph (b) above. The premium for the mortgage title insurance that does not exceed the fee policy will be calculated at a discounted rate of 21% of standard mortgage policy rates. Title Company has provided Sponsor with the standard mortgage policy rates as set forth below:

SIMULTANEOUS MORTGAGE RATE SCHEDULE

AMOUNT OF INSURANCE	PREMIUM
First $35,000	$344.00
From $35,001 to $50,000	$5.55 per Thousand
From $50,001 to $100,000	$4.54 per Thousand
From $100,001 to $500,000	$3.64 per Thousand
From $500,001 to $1,000,000	$3.31 per Thousand
From $1,000,001 to $5,000,000	$3.05 per Thousand
From $5,000,001 to $10,000,000	$2.71 per Thousand
From $10,000,001 to $15,000,000	$2.55 per Thousand
From $15,000,001 and up	$2.31 per Thousand

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

(d) A fee for recording the deed and Unit Owner's power of attorney, being $42 for each instrument plus $5 per page together with a fee of $75 for filing the New York City Real Property Transfer Tax return ("City Tax Return").

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

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

$500,000	Purchase Price $500,000 or less	Purchase Price Greater than
Tentative City Tax:		
Consideration	$400,000	$1,500,000
Tax Rate	x 1%	x 1.425%
Tentative tax	$ 4,000	$ 21,375
Tentative State Tax:		
Net Consideration	$400,000	$1,500,000
Rounded up to nearest $500	$400,000	$1,500,000
Tentative tax ($2 per $500)	$ 1,600	$ 6,000
City Tax:		
Consideration	$400,000	$1,500,000
Tentative taxes	+ 5,600	+ 27,375
Taxable Consideration	$405,600	$1,527,375
Tax Rate	x 1%	x 1.425%
City Tax	$ 4,056	$ 21,765
State Tax:		
Net Consideration	$400,000	$1,500,000
Tentative taxes	+ 5,600	+ 27,375
Taxable Consideration	$405,600	$1,527,375
Rounded up to nearest $500	$406,000	$1,527,500
State Tax ($2 per $500)	$ 1,624	$ 6,110

Thus, the effective RPT tax rate is approximately 1.014% of the Purchase Price where the Purchase Price is $500,000 or less and 1.451% where the Purchase Price is greater than $500,000. A similar position has been taken by the New York State Department of Taxation and Finance and as a result the effective tax rate for the State Transfer Tax is $4.06 per thousand dollars of the Purchase Price where the consideration is $500,000 or less and $4.074 per thousand dollars of the Purchase Price where the consideration is greater than $500,000. When the Purchase Price is equal to or in excess of $1,000,000, payment by Purchaser of the Mansion Tax is not considered additional consideration to Sponsor for purposes of the calculation of the State Transfer Tax.

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

(1) ***Purchase of a single Residential Unit:***

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

(2) ***Purchase of multiple Residential Units:***

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

The Department of Finance takes the position that: (i) the lower tax rate (either 1% if the consideration is $500,000 or less, or 1.425% if the consideration is greater than $500,000) applies only in the case of a transfer of "an individual residential condominium unit;" and (ii) the higher tax rate (either 1.425% if the consideration is $500,000 or less, or 2.625% if the consideration is greater than $500,000) applies if a purchaser acquires more than one Residential Unit (i.e., two Residential Units).

(3) ***Purchase of Cabana, Storage Locker and/or Parking Space:***

The tax on each Cabana, Storage Locker and/or Parking Space is 1.425% if the consideration is $500,000 or less, or 2.625% if the consideration is greater than $500,000.

(f) If Purchaser obtains a mortgage loan, Purchaser will be responsible for the payment of all mortgage recording taxes, mortgage recording fees, origination, appraisal and closing costs and other expenses in connection therewith (including legal fees) in amounts determined by governmental authorities and such lender. Currently, the mortgage recording tax for mortgages under $500,000 is 2.05% of the face amount of the mortgage and 2.175% of the face amount of the mortgage if the mortgage is $500,000 or more. Of the total tax due, the mortgagee pays an amount equal to 0.25% of the face amount of the mortgage. In addition, there is a $30 exemption for residential property. No representation or warranty is made with respect to the amounts of such closing costs and expenses or the availability or cost of mortgage loans from any sources.

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

(g) Fees payable to Starr Associates LLP, in accordance with the following schedule, all of which fees will be cumulative to the extent applicable to any individual closing:

(1) $1,750 for the preparation of closing documents, calculation of adjustments, attendance at Closing at the offices of Starr Associates LLP, or such other place as Sponsor may designate and supervision of execution of closing documents.

(2) $250 for the preparation of ACRIS transfer documents required by the City of New York.

(3) If Purchaser requires that the Closing occur other than at the office of Starr Associates LLP, or such other place as Sponsor may designate, and Sponsor consents to such change (in Sponsor's sole discretion), an additional attendance fee of $750 for each Closing held within Manhattan. No Closing will be held in any borough outside Manhattan.

(4) 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 (which request in all instances must be received by Sponsor's attorney no later than 7 business days prior to the Scheduled Closing Date), a fee of $1,250, payable in advance, for preparation of an assignment agreement.

(5) If through no fault of Sponsor, Purchaser fails to close on the date scheduled for Closing, then Purchaser shall pay an additional fee of $750 for each rescheduled Closing granted at Purchaser's request to defray the cost of preparing and coordinating the Closing and recalculating the Closing apportionments.

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

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

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

(j) If Purchaser is a Foreign Government Purchaser, Purchaser will be required to deposit with the Condominium an amount equal to 2 years' Common Charges.

All legal costs, fees and expenses of Starr Associates LLP, other than those specifically set forth above, will be the sole responsibility of Sponsor.

Example of Estimated Closing Costs for a Typical Residential Unit

A numerical example of estimated closing costs and expenses for a single Unit with a Purchase Price of $700,000 and a mortgage of $560,000 are set forth below by way of illustration only. All tax rates, title insurance premiums and recording rates are subject to change:

ITEM	DESCRIPTION	AMOUNT
Fee Insurance Premium for $700,000 of owner's insurance	(70% first condo bulk sale rate)	$1,973.00
Mortgage Insurance Premium for $560,000 of lender's insurance	(21% first condo bulk sale simultaneous rate)	$485.00
NYC RPT Tax	NOTE: transfer taxes are based upon bulked-up consideration of $712,275.00. The NYC RPT rate is 1.425%.	$10,157.14
NYC Mansion Tax	1% of bulked-up consideration	$0.00
NYS Transfer Tax	The tax rate is $2 for every $500 of consideration or fraction thereof.	$2,852.00
Mortgage Recording Tax	The tax rate is 2.175%. The borrower pays 1.925% - $30. This does not include the lender's ¼ point of mortgage tax in the amount of $1,400.00.	$10,750.00
Departmental and Bankruptcy Searches	Title Searches	$150.00
Estimated Recording Fees	(one deed, one mortgage and one condo power of attorney)	$500.00
Estimated Lender's Title Endorsements	Three endorsements at $25 each.	$75.00
Legal fee of Sponsor's attorney	Basic closing fee and Acris document preparation fee	$2,000.00
Working Capital Contribution	2 months' Common Charges	See Schedule A
Total Estimated Closing Costs		$28,942.14

This example does not include the following costs or fees, to the extent applicable: Purchaser's financing costs, legal fees of Purchaser's attorney, additional legal fees payable to Sponsor's attorney as set forth in paragraph (g) above, recording additional documents, penalty for late closing or adjustments with Sponsor (including mortgage recording tax reimbursement), apportionment of real estate taxes and insurance as described below. Furthermore, this example does not take into account possible new taxes, increases in tax rates or cost of title insurance or recording fees.

Purchasers should note that adjustments for various closing items including Common Charges and real estate taxes will be made at Closing. In addition, a mortgage on a Unit may provide that the Unit Owner deposit monthly with the lender one-twelfth (1/12) of the annual fire and casualty insurance policy premiums for the Unit, or other amounts, and, at Closing, Purchaser may be required to deposit with the lender a multiple of the aggregate of such one month's insurance premiums, or other amounts, in order that sufficient funds will be available for the lender to pay the same when due.

The foregoing projections assume that title insurance is purchased from the Title Company and that Purchaser closes without delays or the imposition of penalties. If Purchaser obtains a mortgage loan Purchaser can expect to incur additional fees for mortgage title insurance (with benefit of simultaneous rates), mortgage recording taxes and fees and other closing fees set forth above, plus the fee of Purchaser's attorney. Purchasers are advised to consult with prospective lenders for a detailed projection of related financing costs. Furthermore, the above example does not take into account possible new taxes, increases in tax rates or recording fees or increases in the cost of title insurance.

If Sponsor's construction or acquisition loan satisfies certain parameters, it is specifically understood that, any and all available mortgage tax credit shall inure to the benefit of Sponsor. Accordingly, at Closing, each Purchaser may pay all or a portion of the mortgage recording tax to Sponsor, to the extent of any mortgage tax credit allowed.

Closing Adjustments

(i) Adjustments. At Closing, adjustments between Sponsor and Purchaser will be made as of midnight of the day preceding the Closing Date with respect to (a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed) on the basis of the period for which assessed, and future real estate taxes and assessments in accordance with the terms of the subsection below entitled "Real Estate Taxes;" (b) Common Charges (if Common Charges have been assessed by the Condominium Board) and assessments for the month in which title closes; and (c) if Purchaser is occupying a Unit pursuant to a Use and Occupancy Agreement, accrued rent and other charges.

(ii) Penalties. If Purchaser fails for any reason to close title to the Unit on the Scheduled Closing Date, (a) the Closing adjustments described above will be made as of midnight of the day preceding the Scheduled Closing Date, regardless of when the Actual Closing Date occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs by virtue of the delay, and in addition to the other payments to be made to Sponsor under the Purchase Agreement and the Plan, an amount equal to .03% of the Purchase Price for each day starting from (and including) the Scheduled Closing Date to (and including) the day before the Actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally Scheduled Closing Date, these provisions shall apply to any new Scheduled Closing Date.

(iii) Real Estate Taxes. In the event the Units have not been separately assessed for real estate tax purposes by the New York City Department of Finance ("Finance Department") prior to the First Closing, the obligation of the Condominium to pay real estate taxes to the Finance Department for the next ensuing tax period, without deduction or allowance for any real estate tax benefits not yet in place ("Future Taxes") shall be secured by Sponsor delivering at the First Closing to Escrow Agent, either cash, a letter of credit or a surety bond ("Tax Security") in the amount of the Future Taxes. Escrow Agent shall hold the Tax Security in escrow for the benefit of the Condominium. At each Closing prior to the date the Units are separately assessed and billed, Purchasers will be obligated to pay to Escrow Agent an amount equal to the Unit's pro-rata share of the Future Taxes (computed by multiplying the Common Interest of the Unit by the amount of the Future Taxes) ("Unit Tax Payment"). Unit Tax Payments will not be placed in an interest-bearing account by Escrow Agent. The Future Taxes shall be paid to the Finance Department when due by Sponsor, or by Escrow Agent using the Tax Security, either at Sponsor's direction, or upon Sponsor's failure to make such payment. If Sponsor pays the Future Taxes directly, the Tax Security shall be released to Sponsor upon delivery to Escrow Agent of proof of payment from the Finance Department of the Future Taxes. If at the time the Future Taxes are paid, the amount of the Future Taxes has been reduced by the Finance Department as a result of the implementation of real estate

tax benefits, Escrow Agent shall make appropriate refunds to Sponsor and Purchasers who deposited Unit Tax Payments with Escrow Agent.

In the event the Units are separately assessed and individual tax bills are issued by the Finance Department prior to the date the Future Taxes are due, Escrow Agent shall release the Tax Security to Sponsor and the Unit Tax Payments to the Purchasers, as appropriate. In such event, Sponsor and Purchasers who closed title shall be required to pay their respective tax bills directly to the Finance Department. If an actual payment to the Finance Department is reduced as a result of the implementation of real estate tax benefits, Escrow Agent shall make appropriate refunds to the parties.

With respect to subsequent Future Taxes, until the Units are separately assessed and individual tax bills are issued, the Condominium Board shall collect a Unit Tax Payment from each Unit Owner which Unit Tax Payment shall constitute additional Common Charges. Unit Tax Payments shall be payable by Unit Owners within 5 days of the date billed by the Condominium and shall be due and payable by such Unit Owner to the Condominium Board irrespective of whether such Unit Owner is required to escrow funds with a Lender in connection with a mortgage loan on such Unit. If any Unit Owner fails to make the Unit Tax Payment as set forth above, the Condominium will have a lien on the Unit for non-payment in the same manner as Common Charges (see the Section of the Plan entitled "Rights and Obligations of Unit Owners," subsection: "Common Charges: Collection and Lien for Non-Payment" for details).

Illustration. By way of illustration only, a Purchaser closing on a Unit in the middle of December (prior to separate assessment and individual billing of real estate taxes) is obligated to: (a) adjust with Sponsor for the first-half real estate taxes (July 1 to December 31) paid by Sponsor in July for the period from Closing through December 31; and (b) deliver to Escrow Agent a Unit Tax Payment for the second-half Future Taxes (January 1 to June 30). Thereafter, if the Units are not separately assessed and individual tax bills are not issued prior to the next ensuing tax payment, the Condominium will have the obligation to collect from each Unit Owner a Unit Tax Payment for first-half real estate taxes (July 1 to December 31) and pay such real estate taxes directly to the Finance Department on behalf of all Unit Owners.

In the event the amount of Future Taxes is increased (due to an increase in the tax rate or otherwise) prior to the separate assessment and issuance of individual tax bills by the Finance Department, the amount of such increase shall be payable by all Unit Owners, including Sponsor (with respect to its Units), in proportion to each Unit's Common Interest, adjusted for the period of ownership of each Unit by the respective Unit Owner. Such amount of increase shall be payable to Sponsor or Escrow Agent, as the case may be, within 5 days following written notice provided to such Unit Owner. Such increase shall be deemed additional Common Charges.

Other Costs

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

RIGHTS AND OBLIGATIONS OF SPONSOR

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

(a) Sponsor reserves the right to make any changes in the proposed Condominium Documents and modifications to the Plans and Specifications as may be necessary in Sponsor's sole discretion to conform to Law or to expedite the sale of the Units, or due to structural, architectural or mechanical considerations provided, however, that any such amendments, additions, or changes shall not materially and adversely affect a Unit Owner or Purchaser, increase any obligation of a Unit Owner or Purchaser to any adverse and material degree and any substitution of appliances, equipment or materials shall be of substantially equal or better quality. A change in the square foot area and dimensions of a Unit due to field conditions, construction variances and tolerances which do not increase or decrease the square feet area of the Unit by more than 5% (excluding interior partitions) shall be presumed not to be a material and adverse change.

(b) Sponsor has procured financing for the construction of the Building from Lehman Brothers Holdings Inc. ("Construction Lender"). Provided there is no event of default under the construction loan documents and Sponsor is otherwise in compliance with the requirements of the construction loan documents, Sponsor will receive advances from Construction Lender each month. The construction loan documents do not (i) limit Sponsor's rights with respect to renting rather than selling Residential Units or (ii) require Sponsor to enter into a specific minimum number of Purchase Agreements prior to declaring the Plan effective. The construction loan documents require Sponsor to meet certain minimum release prices prior to the Construction Lender's release of its lien against each Unit.

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

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

(e) Based upon its current construction schedule, Sponsor presently contemplates that, unless delayed by Force Majeure, the construction of the Building will be sufficiently completed to permit Closings of Residential Units to begin on or about January 1, 2008. Purchasers should note, however, that: (i) the Residential Units will be completed at different times over a period that may likely extend significantly beyond such date, and (ii) Residential Units or higher floors generally close title later than Residential Units on lower floors. Purchasers will not be excused from paying their full Purchase Prices (without credit or set-off), and will have no claim against Sponsor for damages or losses, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to the Units is delayed or postponed by Sponsor. Notwithstanding the foregoing, if the First Closing does not

occur within 12 months after the date set forth in the Schedule B as the commencement date for the First Year of Condominium Operation, as such date may be extended from time to time by amendment to the Plan, Sponsor will offer all Purchasers (provided such Purchaser is not in default) a right for 15 days, to rescind their Purchase Agreement and receive a refund of the Deposit together with any interest earned thereon, except for funds expended by, or reimbursed to, Sponsor for upgrades or extras. In the event the actual or anticipated commencement date of the First Year of Condominium Operation is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated projections. If the Common Charges in the amended budget exceed those in the latest projected budget set forth in the Plan by 25% or more, Sponsor will, in the amendment disclosing such updated budget, offer all Purchasers the right, for 15 days, to rescind their Purchase Agreements and receive a refund of their Deposits, together with any interest earned thereon (provided, however, that after the Plan has been declared effective and the amendment disclosing the same has been accepted by the Department of Law, a Purchaser who is in default under the Purchase Agreement beyond the expiration of any applicable grace period will not have the right to rescind).

(f) Sponsor is obligated to bear all costs and expenses incurred in connection with completing construction of the Building substantially in accordance with the Plans and Specifications. During the course of construction, Sponsor reserves the right, in its sole and absolute discretion, without prior notice to Purchasers or amendment to the Plan to (i) amend from time to time the Plans and Specifications (including changes in layouts and designs in accordance with the Section of the Plan entitled "Changes in Prices and Units"; and/or (ii) substitute materials, appliances, equipment and fixtures that are of substantially equal or better quality in place of those described in the Plan and the Plans and Specifications. Notwithstanding the foregoing, no such change, including any change in the Common Interest or in the amount or quality of Common Elements directly affecting or servicing a Unit, will be made with respect to such Unsold Unit for which a Purchase Agreement is then in effect and the Purchaser thereunder is not in default which increases or decreases the square foot area (excluding interior partitions) or Common Interest by more than 5%, or materially changes the unit size, layout or percentage of Common Interest of such Unsold Unit, unless the Purchaser consents to such changes. Provided Purchaser's consent is not required, a Purchaser will not be excused from purchasing the Unit and will not have any claim against Sponsor as a result of any such change and will not affect a Purchaser's obligations under the Purchase Agreement or the Plan. If Purchaser's consent is required as a result of such change and Purchaser refuses to consent, then in such event, Sponsor's sole obligation shall be to refund to Purchaser the Deposit made under the Purchase Agreement and any interest earned thereon, except for funds expended by or reimbursed to Sponsor for upgrades or extras.

(g) At the First Closing, Sponsor will deliver, assign, or otherwise grant to the Condominium Board, on behalf of all Unit Owners, the right to proceed under any assignable warranties and other undertakings received by Sponsor from contractors, suppliers, or others in connection with the construction and equipping of the Building, except that warranties and undertakings received by Sponsor which relate to appliances, equipment or fixtures located in any Unit shall be assigned to the Purchaser on the Closing Date, including the warranties and undertakings received by Sponsor which relate to appliances, equipment, or fixtures located in the Units and the Common Elements. Sponsor makes no representation as to which, if any, of the warranties and other undertakings will continue to remain in force upon the Closing of any particular Unit. Sponsor shall have no liability or responsibility in the event a warrantor is unable, unwilling or for any reason, fails to perform under its warranty.

(h) Prior to the First Closing, Sponsor will cause a Temporary Certificate of Occupancy to be issued for the Residential Unit to be closed and will attempt to obtain a Permanent Certificate of Occupancy within 2 years after the First Closing, subject, however, to Force Majeure, actions by Unit Owners or tenants of Unit Owners, or any other cause over which Sponsor has no control, but in any event, before the expiration of applicable Temporary Certificate of Occupancy, as the same may be renewed, replaced or extended. Sponsor makes no representation or guarantee that the Buildings Department will issue a Permanent Certificate of Occupancy within 2 years after issuance of the first Temporary Certificate of Occupancy. Sponsor will, at its sole cost and expense, do and perform all work, and will supply for the Building all materials that shall be necessary in order to cause the Temporary Certificate of Occupancy to be continuously renewed and to obtain a Permanent Certificate of Occupancy. Sponsor shall not be responsible for any costs or liabilities suffered by Unit Owners on account of delays in obtaining the Permanent Certificate of Occupancy due to (i) work undertaken in a Residential Unit by a Residential Unit Owner or (ii) work undertaken in Common Elements by the Condominium Board after Sponsor no longer controls the Condominium Board, except in instances where Sponsor has given its consent to a Unit Owner to perform alterations in such Unit Owner's Unit.

(i) If Sponsor fails to obtain a Permanent Certificate of Occupancy for the Building prior to the First Closing, Sponsor will be obligated to: (i) direct the Escrow Agent to hold and maintain those monies received pursuant to all Purchase Agreements (see the Section of the Plan entitled "Escrow and Trust Fund Requirements") which would otherwise be payable to Sponsor in the special trust account required by the General Business Law of the State of New York, Sections 352-e(2)(b) and 352(h), provided, however, that if Sponsor's Architect certifies that a lesser amount than the amount held in the special trust account is reasonably necessary to complete the work needed to obtain a Permanent Certificate of Occupancy, then the amount exceeding the sum so certified by Sponsor's Architect shall be released from the special escrow account to Sponsor; or (ii) Sponsor shall deposit with Escrow Agent cash or an unconditional, irrevocable letter of credit or post a surety bond in an amount Sponsor's Architect, from time to time, certifies is reasonably necessary to complete the work needed to obtain the Permanent Certificate of Occupancy.

(j) Construction is a complicated process requiring the coordination of numerous tasks, contractors and suppliers and the balancing of complex mechanical and architectural systems. No assurance can be given with regard to the accuracy of any projected completion dates set forth herein. It is anticipated that during the first 5 years of Condominium operation, construction workers and related personnel will be at the Building from time to time, completing construction of the Building, making adjustments and corrections and performing various tasks relating to the completion of construction. During this period various building systems, including but not limited to water supply, air conditioning, heating, cooling, ventilating and elevators, may require substantial time after any Closing to complete and may need to be shut down temporarily. Various other adjustments to windows and elevators and other systems may require substantial time after the First Closing to be completed. In addition, the presence of hoists or construction elevator shafts or similar temporary construction facilities, may delay the Closing of Title to certain Residential Units or lines of Residential Units until such hoists, elevators or temporary facilities are no longer needed and are removed. A Purchaser who closes title to his or her Unit during the completion of construction of Common Elements or other Units acknowledges that construction noise, vibration, fumes, odors, dust, debris and other temporary interruption of services may affect Purchaser's enjoyment of the Unit during such period. With regard to the foregoing, in executing a Purchase Agreement, Purchaser acknowledges that Sponsor shall not be liable to Purchaser whatsoever or any third party in the event of non-completion of any item of

construction on any projected date, or any interruption of services in the Building. Furthermore, Sponsor makes no representation or warranty (express or implied) that any noise, odors, fumes or vibrations, if any, emanating from mechanical equipment belonging to the Condominium will not disturb occupants of the Units, and Sponsor shall have no liability whatsoever for any such disturbance to any Unit Owner or occupant.

(k) Sponsor has no obligation to repair or improve the Units, the Common Elements or the Facilities used in connection with the operation of the Building except as otherwise expressly provided in the Plan. Sponsor agrees to complete construction and to cause all mechanic's liens with respect to the construction of the Building to be promptly discharged or bonded or to deliver any and all requested documents to the title company necessary to insure title to the Unit, if such mechanics lien creates a defect in title (all subject to Sponsor's rights to abandon the Plan).

(l) Each Unit and the fixtures and personal property contained therein, are being sold and delivered as described in the Plan, at the time of transfer of title to such Unit unless Sponsor and the Purchaser otherwise agree in writing. With respect to Residential Units, upon receipt of the Initial Closing Notice, Purchaser shall arrange an appointment with a representative of Sponsor to inspect the Residential Unit within 7 days prior to the Closing Date and shall execute at such time an Inspection Statement acknowledging the Purchaser's acceptance of the Residential Unit in good condition and in accordance with the terms of the Plan. However, if Purchaser finds that Sponsor's improvements as described in the Plan or in the Purchase Agreement or other writing duly executed and delivered by Sponsor, have not been fully completed, although such improvements have been substantially completed, then Sponsor or its designated representative and Purchaser will at the time of such execution agree upon and set forth in the Inspection Statement a list of the incomplete work to be completed by Sponsor following the Closing without provision for escrow. Sponsor's obligation thereunder shall survive delivery of the deed to the Purchaser. The failure of Sponsor to complete such work shall not be grounds for Purchaser to delay the Closing or to unilaterally refuse to pay the full Balance of the Purchase Price at Closing. Purchasers shall be obligated to provide Sponsor and its contractors, subcontractors agents and employees, unfettered access to the Residential Unit and any Limited Common Elements appurtenant thereto after Closing in order to complete the work on the Inspection Statement, failing which Sponsor shall be relieved of its obligations to complete the work set forth on the Inspection Statement.

(m) Article 36-B of the New York General Business Law ("Housing Merchant Implied Warranty Law") does <u>not</u> apply to this offering as the Building comprises more than 5 stories. Sponsor makes no other warranties, express or implied, in connection with this offering of the Units and all such warranties are excluded, except as provided in the limited warranty ("Limited Warranty") set forth in this Section. Sponsor will correct, repair, or replace any and all defects relating to construction of the Building, Common Elements or the Units or in the installation or operation of any appliances, fixtures, or equipment therein, or will cause the same to be corrected, repaired, or replaced, but only if:

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

(2) Sponsor is notified by the Condominium Board or the affected Unit Owner, as the case may be, of the same in accordance with the following, which notice shall be by certified mail, return receipt requested:

(i) with respect to any latent defect (that is, a defect that is not visually ascertainable) in the construction of a Unit, within 1 year of the earlier to occur of the (a) the Closing of Title to the Unit or (b) the commencement date of any agreement by which a Purchaser is permitted to occupy the Unit prior to Closing;

(ii) with respect to any patent defect in the construction of a Unit within 6 months of the earlier to occur of the (a) the Closing of Title to the Unit, or (b) the commencement date of any agreement by which a Purchaser is permitted to occupy the Unit prior to Closing, provided, in each instance such patent defect is not caused by the Unit Owner or other occupant of the Unit;

(iii) with respect to any defects (patent or latent) in the construction of the Common Elements, within 1 year from the date of substantial completion of the portion of the Common Elements claimed to be defective. The issuance of a certification from a registered architect or licensed engineer shall be presumptive evidence that the construction of the Common Elements has been substantially completed.

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

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

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

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

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

(3) This Limited Warranty is only available to the first Purchaser of the Unit and Sponsor shall have no liability to any subsequent Purchaser with respect to any claimed defects relating to the construction of the Units, the Common Elements or the Building.

Notwithstanding the foregoing, Sponsor is obligated to construct the Condominium in accordance with the terms of the Plan and in compliance with Law.

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

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

(ii) resulting from normal wear and tear, natural deterioration, normal settling (including, cracks in crown molding) , deflection, expansion or shifting of the Building;

(iii) resulting from Purchaser's renovations and/or alterations to a Unit or its appurtenant Limited Common Elements; or

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

a. death of trees or landscape improvements, cracks in roof ballast, or concrete cracks that do not impair the structural soundness of the Building, including cracks or discoloration in concrete walls and paving, leaching or color variation in colored mortar, tiles or pavers, and brick, dimensional variations in brick joints, mortar droppings on bricks, ponding, and/or controlled drainage on roof and terrace surfaces, terrace tiles or pavers not laid flat, stained tiles or color variations in tiles or pavers, and cracks in pressure treated wood used, or intended for use, outside the Building;

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

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

d. variations in tone or color of interior and exterior natural stone (including the limestone used on the exterior façade of the Building) or variations in tone or color of vanity tops or other natural stone surfaces, slight scratches in plastic laminate, glass, metal, vitreous china, natural stone, wood, stainless steel, or porcelain surfaces, discoloration to hardware and plumbing finishes, cracked bath tile grouting, variation in grouting thickness, and misalignment of bathroom finishes;

e. variations in wood floor stains and finishes, if performed by Sponsor, caused by normal foot traffic during construction and sales periods;

f. noise, vibrations or odors from normal plumbing, heating, air-conditioning, ventilating, and elevator operation, and floor noises and creaking;

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

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

i. pertaining to television, radio, internet or other telecommunication reception;

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

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

(o) NOTHING CONTAINED IN THIS SECTION WILL BE CONSTRUED SO AS TO RENDER SPONSOR LIABLE FOR MONEY DAMAGES (WHETHER BASED ON NEGLIGENCE, BREACH OF CONTRACT, BREACH OF WARRANTY, OR OTHERWISE), IT BEING INTENDED THAT SPONSOR'S SOLE OBLIGATION UNDER THE PLAN WILL BE TO REPAIR OR REPLACE ANY DEFECTIVE ITEM OF CONSTRUCTION UPON, AND SUBJECT TO, THE TERMS AND CONDITIONS SET FORTH ABOVE.

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

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

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

(s) Sponsor will pay or cause to be paid all contractors, subcontractors and materialpersons and all others involved in the construction and equipping of the Building in accordance with the New York Lien Law, for work performed and fixtures, material and

equipment supplied or installed during Sponsor's construction thereof and will cause any and all mechanics' liens arising out of such construction and equipping, if any, to be discharged by bonding, or otherwise, promptly after the filing of any such liens, unless the title company is willing to insure title over such liens at no additional cost to Purchaser.

(t) No Closing of a Residential Unit will occur prior to the issuance of a Temporary Certificate of Occupancy for the particular Residential Unit. Sponsor will perform any work and/or supply any material necessary to obtain a Permanent Certificate of Occupancy.

(u) Sponsor shall be obligated to defend any suits or proceedings arising out of Sponsor's acts or omissions and shall be obligated to indemnify the Condominium Board and Unit Owners against any such action or proceeding.

(v) Following the issuance of a Permanent Certificate of Occupancy, Sponsor will deliver to the Condominium Board copies of all of the mechanical, electrical and plumbing drawings for the Building.

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

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

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

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

(aa) Sponsor will deliver to the Condominium Board copies of all books of account and records pertaining to the Property's operation which are in Sponsor's possession.

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

(cc) The risk of loss to any Unit by fire or other casualty until the Closing for such Unit is assumed by Sponsor (unless and until Purchaser takes possession of the Unit, at which time such risk shall be shall be assumed by Purchaser), but without any obligation or liability by Sponsor to repair or restore any Unit. In the event of damage or destruction of a Unit due to fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, provided Sponsor elects (which election shall be in its sole discretion) to repair or restore the Unit, the Purchase Agreement shall continue in full force and effect, and, thereafter, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price for the Unit. In such event, Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration, and any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners, belong entirely to Sponsor. In the event of damage or destruction to any Unit by fire or other casualty prior to the Closing, but subsequent to the signing of a Purchase Agreement, if Sponsor notifies Purchaser that it does not elect (which election shall be in its sole discretion) to repair or restore the Unit or if the Unit Owners do not resolve to make such repair or restoration pursuant to the By-Laws (see the Section entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws"), the Purchase Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return the Deposit, together with any interest earned thereon, to Purchaser, whereupon Sponsor and Purchaser shall be released and discharged from all obligations and liability under the Purchase Agreement and the Plan; provided, however, if Purchaser is then in default under the Purchase Agreement (beyond any applicable grace period), Sponsor shall retain all such sums as and for liquidated damages.

(dd) Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for the purpose of fulfilling Sponsor's obligations under the Plan and performing certain alterations and repairs in or about the Units and the Common Elements. Sponsor will use reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes. If reasonable care under the circumstances is exercised to safeguard the Unit Owner's property, such entry shall not render Sponsor or its authorized agents liable for any damage to the Unit or to the personal property or fixtures contained therein.

(ee) Sponsor intends, in good faith, to sell rather than rent Residential Units. However, under the Plan, Sponsor has reserved the unconditional right to rent rather than sell Residential Units. Because Sponsor is not limiting the conditions under which it will rent rather than sell Residential Units, Sponsor is not committed to sell more Residential Units than the 15% necessary to declare the Plan effective and, therefore, owner-occupants may not gain effective control and management of the Condominium.

(ff) Sponsor intends to offer Units for sale both to Purchasers for personal occupancy as well as to those who are purchasing for investment or resale. Purchasers for investment or resale may, in turn, rent such Residential Units and accordingly, such Residential Units will not be used for the personal occupancy of the owner thereof. As a result, some and possibly many Residential Units may be occupied by renters instead of Residential Unit Owners. Since the

Condominium Board does not have the right to approve or disapprove potential purchasers of Residential Units, the Condominium Board is unable to limit the number of purchasers who purchase Residential Units for investment or resale rather than for personal occupancy and there may always be a substantial percentage of Residential Unit Owners who are not occupants. It is possible that those Residential Unit Owners who occupy their Residential Units may have different interests than those Residential Unit Owners who purchased such Residential Units as an investment.

(gg) All representations under the Plan, all obligations pursuant to the General Business Law Section 352-e, and such additional obligations under the Plan which are to be performed subsequent to the Closing Date shall survive delivery of the deed.

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

Obligations of Sponsor under the Plan shall inure solely to the benefit of Purchasers of Units directly from Sponsor and shall not inure to the benefit of any Purchaser or tenant upon the resale, assignment or subletting of a Unit.

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

In the event Sponsor is unable to perform its material obligations under the Plan, all sales will cease, Sponsor will promptly submit an amendment to the Plan setting forth its inability to perform such material obligations under the Plan, and will offer all Purchasers the right to rescind their Purchase Agreements within 15 days after the Presentation Date of the amendment. Any Purchaser electing rescission pursuant to the offer will have their Deposit and any interest accrued thereon returned, except for funds expended by, or reimbursed to, Sponsor for upgrades or extras.

The foregoing sets forth the entire obligations of Sponsor hereunder and no others shall be implied, except that nothing contained herein shall be deemed to limit the rights of Unit Owners under their respective Purchase Agreements. Sponsor makes no representations or warranties other than as set forth in the Plan. Notwithstanding the foregoing, nothing contained herein shall be construed to limit any action the Attorney General may take pursuant to the Martin Act or any other applicable Law.

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

Use of Unsold Residential Units

Sponsor reserves the right, without prior notice or amendment to the Plan, to use any Unsold Residential Units as sales, rental offices and model units and in any other manner in compliance with

Law. If Sponsor thereafter elects to sell any such Unsold Residential Unit, Sponsor may require Purchaser to purchase all or any of the furniture, furnishings, finishes, equipment or decorations (including wall coverings and carpeting) ("FFE") therein and pay, in addition to the Purchase Price for the Residential Unit, such amounts as Sponsor may determine.

Sales Center/Model Units

In no event shall the presence of any FFE in any model unit imply or represent that any Residential Unit will contain such FFE upon delivery of the Residential Unit to Purchaser. The presence of FFE in such Unsold Residential Unit, Sales Center or model unit and the location, size and quantity of such FFE therein are only illustrative and will not be installed by Sponsor in any Residential Unit. The layout, size and dimensions of the model rooms located in the Sales Center or model unit are only illustrative of the style and feel of the Residential Units in the Building and may not correspond to the exact layout, size or dimensions of any particular Residential Unit.

CONTROL BY SPONSOR

The Condominium Board shall initially consist of 3 persons designated from time to time by Sponsor. Sponsor presently anticipates that the initial members of the Condominium Board shall be Peter Petron, Shep Wainwright and Cooper Kramer, each of whom is a principal of, or is affiliated with, Sponsor. These members shall serve as President, Vice President and Secretary/Treasurer, respectively. The initial Condominium Board shall conduct all affairs of the Condominium.

The first annual meeting of the Unit Owners will be held approximately 30 days after the later to occur of (i) the second anniversary of the First Closing; or (ii) the Closing of Title with Purchasers under the Plan to Residential Units representing at least 50% in number of all Residential Units offered for sale.

Sponsor will have voting control over the Condominium Board until the later to occur of (i) the Closing of Title with Purchasers under the Plan to Residential Units representing at least 70% in number of all Residential Units offered for sale, or (ii) the issuance of a Permanent Certificate of Occupancy ("Initial Control Period"). Sponsor reserves the right to relinquish voting control of the Condominium Board prior to the expiration of the Initial Control Period.

Commencing with the first annual meeting, the Condominium Board shall consist of 5 individuals, who shall be elected and/or designated in accordance with the terms of the By-Laws by the Unit Owners (including Sponsor) (collectively, the "Members"). The number or composition of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws.

At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests attributable to the Unsold Units as it sees fit. When voting for members of the Condominium Board, each Unit Owner shall be entitled to cast 1 vote for each .0001% of Common Interest attributable to the Unit per Member to be elected. However, at elections of members to the Condominium Board held during the Initial Control Period, Sponsor shall have the right to designate 3 of the 5 Members of the Condominium Board.

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

Within 30 days after the expiration of the Initial Control Period, 1 of the 3 Members of the Condominium Board who were designated by Sponsor shall resign and a replacement shall be filled by a vote of the Unit Owners (including Sponsor) at a special meeting called for such purpose. After the Initial Control Period, a majority of the Members of the Condominium Board must be owner-occupants of the Building who are unrelated to Sponsor or its principals.

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

During the Initial Control Period, Sponsor will through its control of the Condominium Board have control of the maintenance and operation of, and the services to be provided by, the Condominium and will determine the Common Charges to be paid by all Unit Owners.

So long as Sponsor continues to own at least 25% in both number and aggregate Common Interest of all Units, but in no event later than 5 years after the First Closing, the Condominium

Board may not, without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit; or (b) assess any Common Charges or Special Assessments for the creation of, addition to, or replacement of all or part of a working capital, reserve, contingency or surplus fund; or (c) increase or decrease the number, or change the kind of employees from those described in the First Year's Budget; or (d) enter into any service or maintenance contracts for work not covered by contracts in existence on the date of First Closing or otherwise contract for work or services in excess of those described in the First Year's Budget, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business; or (e) borrow money on behalf of the Condominium; or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, (x) Sponsor may not exercise veto power over expenses described in The First Year's Budget and (y) that Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary, and no other alternative is available, to enable the Condominium Board to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer.

CONDOMINIUM BOARD

The affairs of the Condominium shall be governed by the Condominium Board. The term of office of the members of the Condominium Board shall be for 1 year or until their successors are elected. Members of the Condominium Board shall serve without compensation. Any member of the Condominium Board may resign membership at any time by written notice hand delivered or sent by certified mail, return receipt requested, to the President or Secretary of the Condominium Board. Notwithstanding the term of such member's office, such resignation shall take effect at the time specified therein. (See the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws" for details.)

A Member of the Condominium Board may be removed with or without cause by an affirmative vote of a majority of Unit Owners who are present at a meeting containing a quorum of Unit Owners, provided, however, that any Member designated by Sponsor may only be removed and replaced by Sponsor, who alone shall have the right to designate a replacement. After the Initial Control Period, a majority of the Members of the Condominium Board must be owner-occupants of the Building who are unrelated to Sponsor or its principals. No member of the Condominium Board shall continue to serve on the Condominium Board if, during the term of office, such member shall cease to be a Unit Owner or an interested party as described in the By-Laws; provided, however, that these provisions respecting unit ownership and occupancy, and Condominium Board membership, shall not apply to members of the Condominium Board designated by Sponsor.

A successor officer may be elected at any regular Condominium Board meeting or at any special Condominium Board meeting called for such purpose. The President may call a special meeting whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such meeting signed by Unit Owners having in aggregate no less than 40% of the Common Interest of all Unit Owners.

All officers, and members of Condominium Board and employees of the Condominium will be insured at all times from and after the First Closing under directors and officers liability insurance in favor of the Condominium. The amount and cost of the insurance has been provided for in the First Year's Budget.

To the extent permitted by Law, members of the Condominium Board will have no liability to Unit Owners except for liability for bad faith or willful misconduct. The Condominium Board may contract or effect any other transaction with any member of the Condominium Board, any Unit Owner, Sponsor, or any affiliate of any of them without incurring any liability for self-dealing, except in the cases of bad faith or willful misconduct. The Condominium Board has a fiduciary duty to act in the best interests of the Condominium. All Unit Owners shall severally, to the extent of their respective interests in their Units and their appurtenant Common Interests indemnify each member of the Condominium Board against any liability or claim except those arising out of the bad faith or willful misconduct of such member of the Condominium Board.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS

Sales and Leases of Residential Units

Except for certain restrictions set forth herein with regard to the Ancillary Units, each Unit Owner may sell or lease the Unit for terms of not less nor more than 1 year provided the Unit Owner ("Offering Unit Owner") first gives the Condominium Board, on behalf of all Unit Owners, notice of intention to sell or lease together with any and all application forms and documentation required by the Condominium Board, and an opportunity to purchase or lease such Unit at the same price or rental and on the same terms as were offered in good faith by a prospective Purchaser or lessee, as more specifically provided in the By-Laws. If the Condominium Board does not elect to purchase or lease the Unit within 30 days after receipt of notice, the Offering Unit Owner will have an additional 60 days to enter into a written agreement with the prospective Purchaser or lessee, as the case may be, embodying the terms set forth in such notice. In the event such written agreement is not executed by the Offering Unit Owner within such 60 day period or such sale or lease is not consummated within an additional 60 days following the expiration of such 60 day period, the Offering Unit Owner will be required to again first offer the same to the Condominium Board, provided that the Condominium Board shall be entitled to waive, or to permit an extension of, either or both of such 60 day periods. The Condominium Board may not exercise its option to purchase or lease any Unit without prior approval of a majority in interest of all Unit Owners. In the event the Condominium Board elects to exercise its right of first refusal, the By-laws permit the Condominium Board to (i) borrow money on behalf of the Condominium for the benefit of Unit Owners, (ii) increase Common Charges assessed against all Unit Owners and (iii) impose Special Assessments against all Unit Owners. Purchaser should refer to Article 7 of the By-Laws for details concerning the Condominium Board's election to exercise its right of first refusal. A Cabana or Storage Locker may only be sold or leased to a Residential Unit Owner, or in the case of a lease, to a tenant of a Residential Unit.

Any deed given by an Offering Unit Owner shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Condominium Documents, as the same may be amended from time to time. Any such lease shall be consistent with the By-Laws and shall provide that it may not be materially modified, amended, or extended without the prior consent in writing of the Condominium Board, that the tenant shall not assign the lease or sublet the Unit or any part thereof without the prior consent in writing of the Condominium Board, and that the Condominium Board, if permitted by Law, shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. The form of any such lease shall be a printed, reasonably applicable form of residential lease which is generally accepted in New York City such as an appropriate Real Estate Board of New York, Inc. or Blumberg form, except for such changes therein as provided in the By-Laws.

Any purported sale or lease of a Unit in violation of this Section shall be voidable at the election of the Condominium Board. The Condominium Board may not discriminate against any person on the basis of color, race, creed, national origin, sex, age, disability, marital status or other grounds prescribed by Law.

A Residential Unit Owner may lease, sell or convey the Residential Unit and Ancillary Unit, if any, to a Family Member, may convey the Residential Unit and Ancillary Unit, if any, by gift, may devise the Residential Unit and Ancillary Unit, if any, by will, or have it pass by intestacy, without complying with the foregoing restrictions; provided, however, that each succeeding Residential Unit Owner shall be bound by, and the Residential Unit shall be subject to, the preceding restrictions. In addition, any Residential Unit Owner may lease, sell or convey the Residential Unit and Ancillary

Unit, if any, to a related or controlled individual or entity, as more particularly set forth in the By-Laws. Any sale lease of a Residential Unit must be accompanied by the sale or lease of any Storage Locker or Cabana owned by the Residential Unit Owner.

A Unit Owner may only sell or lease the entire Unit. In addition, each conveyance of a Unit by a Unit Owner shall include, as part of the property to be conveyed, the Unit Owner's undivided interest in (a) the Common Elements; (b) any Unit or Units acquired by the Condominium Board on behalf of all Unit Owners, or any proceeds of the sale or lease thereof and (c) any other assets of the Condominium. No part of the Unit Owner's interest in the Common Elements may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit or as part of a sale, transfer or other disposition of the specific interest in the Common Elements by all affected Unit Owners.

A Unit may not be sold or leased unless all unpaid Common Charges and liens against the Unit (other than Permitted Mortgages) are paid and/or satisfied at or prior to the sale or lease. In addition, the Condominium Board may (i) establish reasonable restrictions with respect to the sale and lease of Units and (ii) implement reasonable fees in connection with the processing of sale and lease packages, which shall be payable by the Offering Unit Owner.

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

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

All requirements, restrictions and obligations with respect to the sale of a Residential Unit shall apply to an Ancillary Unit.

To protect the security of the Building, Ancillary Units (with the exception of Parking Spaces) may not be owned independently of a Residential Unit and may be sold only to another Residential Unit Owner or Purchaser who is simultaneously purchasing a Residential Unit. This restriction shall not apply to Sponsor.

Use of Units and Common Elements

A Residential Unit shall be used for residential purposes only (except as described below), and not more than one family may occupy a Residential Unit at one time. A Residential Unit may not be used for any "dormitory," "bed and breakfast" or other transient hotel-type use. A Residential Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary or any other entity (including, but not limited to, embassies and consulates of foreign governments) may only be occupied by such individual, an officer, director, stockholder or employee of such corporation, a partner or employee of such partnership, a member of such limited liability company, the fiduciary or beneficiary of such fiduciary, a principal or employee or such other entity, respectively, or by Family Members and guests of any of the foregoing. A Residential Unit may be used for any other purpose, provided such use is permitted by, and complies with Law, does not violate the then existing Permanent Certificate of Occupancy covering the Building, and the Condominium Board, in its sole discretion, grants permission for such use.

A Storage Locker may be used only for the storage of personal effects of a Residential Unit Owner, and in no event shall any food or other perishable item, or any flammable or explosive item or any item which would impose a health or safety threat or create a nuisance, be stored therein. Sponsor shall have the right to use any Storage Locker owned by Sponsor for any purpose permitted by Law or to change the permitted use of the Storage Locker subject to the provisions of the By-Laws. Except for Sponsor, no Storage Locker may be owned independently of a Residential Unit.

A Cabana may only be used for passive recreational use only such as lounging and sunbathing. In addition, food prep and barbequing is allowed in the Cabana. Each Cabana includes a shade structure, water source and a natural gas connection. Sponsor shall have the right to use any Cabana owned by Sponsor for any purpose permitted by Law or to change the use of any Cabana owned by Sponsor subject to the provisions of the By-Laws. Except for Sponsor, no Cabana may be owned independently of a Residential Unit.

A Parking Space may only be used for the parking of automobiles and motorcycles only. Sponsor shall have the right to use any Parking Space owned by Sponsor for any purpose permitted by Law or to change the use of any Parking Space owned by Sponsor subject to the provisions of the By-Laws. A Parking Space may be sold and owned independently of a Residential Unit.

Notwithstanding the foregoing, Sponsor may, without the permission of the Condominium Board: (a) use or grant permission for the use of any Unsold Residential Unit as a professional office or for any other purpose, provided such use is permitted by Law, and does not violate the then existing Permanent Certificate of Occupancy for the Building or any other governmental regulations; (b) retain ownership of one or more Unsold Residential Units for use as model Units and offices for the selling, leasing, management, operation and promotion of the Unsold Units, or for any other purpose, subject only to compliance with Law.

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

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

No awnings, air conditioning equipment or ventilators shall be installed or modified in the Building by any Residential Unit Owner without prior written approval of the Condominium Board. No radio or television aerial or satellite dish or other similar device shall be erected on the roof or exterior walls of the Building or on the Property (excluding Sponsor) by Residential Unit Owners, without obtaining in each instance the written consent of the Condominium Board.

No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition) may be kept in a Residential Unit without the consent of the Condominium Board. Any such consent, if given, shall be revocable at any time by the Condominium Board in its sole discretion. Each Residential Unit Owner who keeps any type of pet will be required to: (a) indemnify and hold harmless the Condominium, all Unit Owners and Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all Rules and Regulations of the Condominium Board adopted with respect thereto.

Each Unit Owner shall keep the Unit in a good state of preservation and cleanliness and each Unit Owner shall be obligated to maintain and keep in good order and repair the Unit in accordance with the provisions of the By-Laws and Law. The Rules and Regulations concerning the use of

Units may be amended from time to time by the Condominium Board provided that copies thereof are furnished to each Unit prior to the time that they become effective (except that no amendment thereof affecting the Unsold Units may be made unless agreed to by Sponsor).

Mortgage of Units by Unit Owners

Each Unit Owner may mortgage the Unit, provided that the conditions with respect thereto set forth in the By-Laws are first complied with. As more fully set forth in the By-Laws, these conditions include the requirements that (a) the mortgage be substantially in the form of the New York Board of Title Underwriters 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 receives a conformed copy of the note and mortgage and (c) the owner making such mortgage first satisfies all unpaid liens against the Unit, other than Permitted Mortgages. Sponsor shall have the right to mortgage any Unsold Unit without any restriction or limitation.

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

Common Charges: Determination and Assessment

Common Expenses, which are payable by Unit Owners and are included in their Common Charges, are allocated among Unit Owners in proportion to their respective Common Interest. Common Expenses include, among other things, (a) all costs and expenses (including the payment of wages) in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements, (b) water charges and sewer rents in connection with the Building; (c) real estate taxes and assessments levied with respect to the Property (until the same are separately assessed to individual Units); and (d) amounts for certain other items as the Condominium Board may deem proper, such as amounts for reserves for capital expenditures or in connection with the purchase or lease by the Condominium Board of any Unit.

The Common Interest of each Unit in the Common Elements has been allocated pursuant to the method set forth in Real Property Law Section 339-i(l) based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit.

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

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

Common Charges: Collection and Lien for Non-Payment

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

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

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

or Purchaser. However, such Permitted Mortgagee or purchaser at a foreclosure sale shall be liable for payment of all Common Charges after the acquisition of title to such Unit. The Condominium Board will have the right to assess such unpaid balance as a Common Charge among all Unit Owners.

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

Repairs to, and Maintenance of, Units and Common Elements

Generally, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, (a) in or to any Residential Unit (other than to the Common Elements contained therein), including all mechanical systems located in the Unit, heating and cooling systems (including HVAC filters and parts), the plumbing, appliances in the Residential Units, the fireplace and flue, if any, and the interior side of entrance doors thereto, and the Terrace doors, shall be performed by the Residential Unit Owner at such Residential Unit Owner's sole cost and expense, (b) in or to the General Common Elements, the Parking Spaces, the Parking Space Area, the Storage Locker, the Storage Locker Area and the Cabana Area shall be performed by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a Common Expense, (except if necessitated by the negligent act or omission of a Unit Owner who will then be responsible for the cost and expense of such work) and (c) in or to the Limited Common Elements and the Cabanas shall be performed (i) by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a Common Expense, if involving structural or extraordinary maintenance, repair or replacement, including maintenance, repair or replacement to the walkable surfaces in a Cabana (i.e. decking) and pavers on a Terrace (except if necessitated by the negligent act or omission of the Unit Owner who will then be responsible for the cost and expense of such work) or (ii) by the Residential Unit Owner having direct and exclusive access thereto at such Residential Unit Owner's sole cost and expense, if involving painting, decorating, and non-structural ordinary maintenance, repairs and replacements.

Any Residential Unit Owner having access to a Terrace shall keep such Terrace free of snow, ice and accumulation of water. In order to promote a consistent appearance of the Building from the outside, no Residential Unit Owner shall be permitted to enclose, erect a greenhouse and/or alter a Terrace appurtenant to a Residential Unit in such a way that will alter the conformity of the Building, without the prior written approval of the Condominium Board. Additionally, the type, size and quantity of plantings and other installations to be placed on Terraces shall be subject to the prior written approval of the Condominium Board and shall be in compliance with Law. All obligations and restrictions with respect to the use of a Terrace shall also apply to a Cabana.

The exterior and interior glass surfaces of all windows located in any Residential Unit shall not be colored or painted and are to be washed and cleaned by the Residential Unit Owner at such Residential Unit Owner's sole cost and expense. The cleaning of the exterior portion of the glass surfaces of all windows must be performed by a professional window washing company. Any replacement of glass windows in any Residential Unit because of breakage or otherwise shall be made by the Residential Unit Owner thereof at the sole cost and expense of the Residential Unit Owner (unless such breakage is caused by the Condominium Board or the negligence of any other Residential Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such Unit Owner), including the expense of an exterior hoist if the replacement window does not fit into the service elevator. Notwithstanding the

foregoing, prior to the replacement of any glass window the Residential Unit Owner must obtain the prior written approval of the Condominium Board, with respect to the type of replacement windows installed. In addition, the public areas of the Building and those residential areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building as determined by the Condominium Board in its sole discretion, by (i) the Condominium, with respect to such parts of the Building required to be maintained by it, and (ii) each Unit Owner, with respect to the interior surfaces of windows and window treatments in, or appurtenant to the Unit.

In order to preserve the architectural harmony of the Building, the By-Laws provide that all Residential Unit Owners shall be obligated, regardless of the type of window treatment they use, to provide for a white backing on the window treatment so that when the shades are down or curtains drawn, the effect from the outdoors is a visually harmonious white appearance.

If any repairs or replacements to the Common Elements, whether structural or non-structural, ordinary or extraordinary, are either (x) necessitated by the negligence, misuse or abuse of a Unit Owner or such Unit Owner's agents, workers, guests, etc., or (y) required as a result of special or custom work performed in the Unit by the Unit Owner, such maintenance, repairs or replacements will be made by the Condominium Board, and any portion of the cost thereof attributable to such Unit Owner's acts or omissions shall be paid by such Unit Owner.

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

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

Alterations, Additions and Improvements of Units and Common Elements

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

A Cabana Owner may not paint, decorate or alter the Cabana without prior written approval of the Condominium Board. Neither an owner of a Parking Space nor a Storage Locker may paint, decorate or alter the Parking Space or Storage Locker.

To the extent that any alterations are commenced in a Residential Unit by a Residential Unit Owner prior to Sponsor's completion of the punchlist items, Sponsor shall be relieved of completing all such items or any other items requested by the Residential Unit Owner.

Sponsor shall have the right, without the approval of the Condominium Board, Managing Agent, other Unit Owners, or representatives of holders of Mortgages on Units to: (a) make alterations additions, improvements, or repairs in or to its Units, whether structural or non-structural,

interior or exterior, ordinary or extraordinary, and (b) subdivide, combine and change the boundary walls of its Units. (See the Section of the Plan entitled "Changes in Prices and Units" for details.)

Prior to, and as a condition of, the granting of its consent to the making of a structural alteration, addition, improvement or repair in or to a Residential Unit, or its appurtenant Limited Common Elements, each Residential Unit Owner is required by the By-Laws to (i) obtain the written approval of the Condominium Board, (ii) obtain the written approval of the Condominium Board of the Residential Unit Owner's contractors and suppliers, (iii) obtain such insurance as the Condominium Board may require, (iv) agree to indemnify Sponsor, the Condominium Board, Managing Agent and the other Unit Owners against any liability arising from such alterations, additions, improvements or repairs, (v) agree to pay and reimburse the Condominium Board for all architectural, engineering, legal and other fees incurred in connection with such alterations, additions, improvements or repairs, (vi) agree to pay a fee to the Managing Agent for processing such alteration applications, and (vii) execute and enter into an alteration agreement, in form and substance prepared by the Condominium Board, setting forth the terms and conditions under which such alterations, additions, improvements or repairs, may be made, including without limitation, the days and hours during which any work may be performed. Under no circumstances shall a Residential Unit Owner be allowed to commence any work until all of the conditions set forth above have been complied with. Any failure to meet these conditions shall be a default by Unit Owner under the Condominium Documents.

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

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

Insurance

The Condominium Board is required to obtain and maintain the forms of insurance described in the Section of the Plan entitled "Rights and Obligations of the Condominium Board/Summary of By-Laws." The Condominium Board is not required to obtain or maintain any insurance with respect to any property contained in any Unit or any liability with respect to occurrences in or about each Unit or the Limited Common Elements. Consequently, all Unit Owners are strongly urged to obtain casualty insurance with respect to the fixtures, furniture, furnishings and other personal property located within their respective Units and liability insurance with respect to occurrences in or about their respective Units.

Rights of Access

As more fully set forth in the By-Laws, the Condominium Board and any managing agent, manager, superintendent and other persons authorized by the Condominium Board, will have a right

of access to any Unit for the purposes of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in the Unit or elsewhere in the Building, to remove violations, cure defaults by a Unit Owner, correct any condition originating in any Unit and threatening another Unit or any Common Element, and for any other purposes provided in the Plan, Declaration or as may be required by Law, provided that requests for entry (except in emergency situations) are made in advance and that any such entry (except in emergency situations) is at a time reasonably convenient to the Unit Owner and the occupants of any Unit. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Provided reasonable care is exercised to safeguard the Unit Owner's property, any entry described herein shall not render the Condominium Board or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. In addition, Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for purposes of performing certain alterations and repairs in or about Unsold Units and in fulfilling Sponsor's obligations under the Plan, provided that access to any Unit may not be exercised in such a manner as will unreasonably interfere with the use of such Unit for its permitted purposes.

By-Laws and Rules and Regulations

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

Examination of Books and Records

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

Self-Help

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

General

All restrictions and prohibitions, set forth herein with regard to the use of a Unit and its appurtenant Limited Common Elements shall not apply to Sponsor or any principal of Sponsor owning or leasing such Unit.

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

Condominium Board

The Condominium Board shall initially consist of 3 persons designated from time to time by Sponsor (collectively, the "Members"). The Condominium Board will call the first annual meeting of the Unit Owners to elect a new Condominium Board approximately 30 days after the later to occur of (i) the second anniversary of the First Closing or (ii) the Closing of Title with Purchasers under the Plan to Residential Units representing at least 50% in number of all Residential Units offered for sale. At such meeting, the incumbent Condominium Board shall resign and, subject to the rights of Sponsor to designate members of the Condominium Board, the Unit Owners (including Sponsor) shall elect and/or or designate a new Condominium Board consisting of 5 members. (See the subsection below entitled "Meetings and Votes of Unit Owners" and the Section of the Plan entitled "Control by Sponsor" for details.) Thereafter, at each annual meeting, members of the Condominium Board shall be elected and/or designated and shall serve until the next annual meeting thereof and until a successor has been elected and/or designated.

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

Powers and Duties of and Determinations by the Condominium Board

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

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

Notwithstanding anything to the contrary contained herein, so long as Sponsor continues to own at least 25% in both number and aggregate Common Interest attributable to all Units, but in no event later than 5 years after the First Closing, the Condominium Board may not, without Sponsor's prior written consent: (a) make any addition, alteration, or improvement to the Common Elements or to any Unit; or (b) assess any Common Charges or Special Assessment for the creation of, addition to, or replacement of, all or part of a working capital, reserve, contingency, or surplus fund; or (c) increase or decrease the number, or change the kind of employees from those described in the First Year's Budget; or (d) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the First Closing or otherwise contract for work or services in excess of those set forth in the First Year's Budget, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business; or (e) borrow money on behalf of the Condominium; or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that (x) Sponsor may not exercise veto power over expenses described in Schedule B and (y) Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such action is necessary, and no other alternative is available, to enable the

Condominium Board to: (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer.

Meetings and Votes of Unit Owners

Annual meetings of Unit Owners shall be held within approximately 30 days of each anniversary of the first annual meeting. At such meetings, the Unit Owners shall elect the Members to the Condominium Board, subject to any rights of Sponsor to designate Members to the Condominium Board, and there shall also be transacted such other business as may properly come before such meetings. In addition, the President may call a special meeting whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such meeting signed by Unit Owners having in aggregate not less than 40% of the Common Interest of all Unit Owners. The Secretary of the Condominium Board shall mail a notice of each annual or special meeting to all Unit Owners of record. The notice, which will be given at least 10 days prior to any such meeting, shall state the purpose of the meeting as well as the time and place where it is to be held. Except as otherwise provided in the By-Laws or Declaration, at all meetings of Unit Owners, the presence in person or by proxy of Unit Owners owning more than 40% of the Common Interests attributable to all Units shall constitute a quorum and a majority of the votes cast at any such meeting at which a quorum is present shall be binding upon all Unit Owners.

At all meetings, each Unit Owner (or their proxy) entitled to vote thereat (including Sponsor or its designees with respect to Unsold Units) shall be entitled to cast one vote for each .0001% of Common Interest attributable to the Unit.

Officers

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

Repair or Reconstruction after Fire or Other Casualty

In the event that the Building or any part thereof are damaged or destroyed by fire or other casualty, the Condominium Board will, except as set forth below, arrange for the prompt repair and restoration thereof (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit).

If the Building is damaged or destroyed by fire or other casualty and the insurance proceeds are insufficient to cover, or exceed, the cost of repairs and restoration, the deficit or surplus, as the case may be, will be shared entirely by all Unit Owners in proportion to their respective Common Interests. Notwithstanding anything in this paragraph to the contrary, no payment of surplus insurance proceeds shall be made to a Unit Owner until there has first been paid out of such Unit Owner's share of such funds such amounts as may be necessary to reduce unpaid liens on the Unit, other than mortgages which are not Permitted Mortgages, in the order of priority of such liens. The provisions of this paragraph are subject to the next paragraph.

If 75% or more of the Building is destroyed or substantially damaged by fire or other casualty and if 75% or more in Common Interest of all Unit Owners do not promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and the Property shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of the Unit Owner's share of such funds such amounts as may be necessary to discharge all unpaid liens on the Unit (other than mortgages which are not Permitted Mortgages) in the order of the priority of such liens.

Notwithstanding anything contained herein to the contrary, the proceeds of all policies of physical damage insurance maintained by the Condominium Board shall be payable to the Condominium Board in the event of a loss amounting to $1,000,000 or less. In the event that such proceeds are in excess of $1,000,000, such proceeds shall be payable to a New York City bank or trust company designated by the Condominium Board as insurance trustee pursuant to the provisions of the By-Laws. The insurance trustee shall hold all such proceeds in accordance with Section 254-(4) of the New York Real Property Law.

Insurance

The Condominium Board is required to obtain and maintain, in accordance with the provisions of the By-Laws, to the extent obtainable and to the extent determined by the Condominium Board to be appropriate, the following insurance: (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Condominium (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, and all Unit Owners and Permitted Mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings); (b) rent insurance in an amount equal to General Common Charges for one year; (c) worker's compensation and New York State disability benefits insurance; (d) boiler and machinery insurance; (e) plate glass insurance to the extent, if any, determined by the Condominium Board; (f) water damage insurance to the extent, if any, determined by the Condominium Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering all the Condominium Board and all officers, directors and employees of the Condominium; (i) directors and officers liability coverage; and (j) such other insurance as the Condominium Board may determine.

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

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

All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on (i) co-insurance, (ii) other insurance, (iii) invalidity arising from any acts of the insured or (iv) pro rata reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least 30 days' prior written notice to the Condominium Board and to all of the insureds, including all Unit Owners and Permitted

Mortgagees who have requested the same from the Condominium Board in writing. Duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees, who have requested the same from the Condominium Board in writing. Renewals shall be obtained at least 10 days prior to the expiration of the then current policies.

The Condominium Board shall also be required to obtain and maintain, to the extent obtainable, comprehensive general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Property, in such limits as the Condominium Board may from time to time determine, covering (1) the Condominium Board, Managing Agent or agents thereof, each Condominium Board member and each officer and employee of the Condominium, and (2) each Unit Owner, except that such policy will not cover liability of a Unit Owner arising from occurrences within such Unit Owners Unit or within the Common Elements, if any, exclusive to such Unit Owners Unit. The Condominium Board shall review such limits not less than once each year. Until the first meeting of the Condominium Board following the first annual meeting of Unit Owners, such liability insurance shall be in at least the sum set forth in Schedule B with respect to bodily injury and property damage, combined single limit. The insurance discussed above shall also include cross-liability claims of one insured against another.

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

Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that all such policies shall contain waivers of subrogation, if available, 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.

Liability of the Condominium Board and Unit Owners

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

Reports to Unit Owners

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

Amendments to Condominium Documents

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

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

Termination of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time as the Property shall be withdrawn from the provisions of the Condominium Act as a result of the vote to do so of each of at least 80% in number and in Common Interest of all Unit Owners. Such vote shall not be effective, however, unless written consents are obtained from the Mortgage Representatives, if any.

In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on the Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

Units Acquired by Condominium Board

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

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

Procedure to Review Real Estate Tax Assessments

The Condominium Board, on behalf of and as agent for all Unit Owners, will be authorized to commence, pursue and settle certiorari proceedings to obtain reduced real estate tax assessments

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

Mechanics' Liens

Under the provisions of the Condominium Act, no lien of any nature may arise or be created against the Common Elements except with the unanimous consent of all Unit Owners affected thereby. Liens may arise or be created against only the several Units and their respective Common Interests. Labor performed on, or materials supplied to, a Unit may not be the basis for a 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 Managing Agent for the Common Elements.

Easements

In order to facilitate the operation and maintenance of the Building and the sale or leasing of Units therein, each of the Units will be subject to certain easements including easements in favor of Sponsor, other Unit Owners and the Condominium Board. These easements, which are more particularly set forth in the Declaration, include an easement of support and necessity in favor of all other Units and their appurtenant Limited Common Elements and the General Common Elements, and an easement in favor of each Unit Owner to use, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements provided that such easements shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. In addition, as set forth in Articles 10 and 11 of the Declaration, Sponsor has been granted certain easements with respect to the use and operation of its Units.

Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for the purpose of fulfilling Sponsor's obligations under the Plan and performing certain alterations and repairs in or about the Units and Common Elements. Sponsor will use reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes.

The Declaration and By-Laws

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

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

The following discussion of certain income tax consequences of the ownership of Residential Units by Purchasers who use such Residential Units as a personal residence was prepared by Sponsor based, in part, upon the income tax opinion of Olshan, Grundman, Frome, Rosenzweig & Wolosky, LLP, tax counsel to Sponsor ("Tax Counsel"), a copy of which is set forth in Part II of the Plan.

Income Tax Deductions to Residential Unit Owners

Each Unit Owner will own fee simple title to the Unit together with an undivided interest in the Common Elements. Each Unit will be a separate tax lot for purposes of 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 the Unit. Additionally, each Unit Owner may mortgage the Unit, and thereby become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness.

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

There will be no tax deductions available to Residential Unit Owners with respect to Cabanas, Storage Lockers and Parking Spaces they own.

Tax Status of the Condominium

As discussed in the Attorney's Income Tax Opinion, the Condominium should meet the requirements for qualification as a "homeowners association," under Internal Revenue Code Section 528 and accordingly, may elect not to be subject to Federal income tax on amounts received as membership dues, fees or assessments from Unit Owners.

If such an election is made, the Condominium will remain liable for Federal income tax on any taxable income it may have from other sources such as interest earned on any reserve fund (less expenses directly connected with the production of such income).

If the Condominium does not qualify as a "homeowners association," or if it does but chooses not to make the necessary election, it will be taxable as a partnership or corporation for Federal and New York State income tax purposes. Special Tax Counsel recommends that the Condominium file Form 8832 within 75 days of its formation so it will be taxable as a corporation for federal income tax purposes.

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

No warranties are given that the Internal Revenue Service, the New York State Department of Taxation and Finance or the Finance Administration of the City of New York will allow the aforementioned deductions for mortgage interest and real estate taxes. There is also no assurance that the tax laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof upon which Tax Counsel bases its opinion, will not change. In addition, none of the aforesaid give any warranties with respect to the tax consequences of the Plan or the tax consequences of ownership of any Units offered under the Plan, and no one has been authorized to give any warranties.

REAL ESTATE TAXES

Prospective purchasers are advised to review Footnote (6) of "Schedule A – Purchase Prices of Units and Related Information" for details concerning real estate taxes for the First Year of Condominium Operation. The information contained therein is based on the real estate tax projection opinion prepared by Tuchman, Katz, Schwartz, Gelles, Korngold & Weiss, LLP set forth in Part II of the Plan.

In arriving at the assessed valuation for each Unit in the Condominium, the Building is first assessed as an entity. This overall assessment is then apportioned among the respective Units, each of which will be assigned a tax lot designation once the Declaration has been recorded and the Floor Plans are filed with the Registers Office. For purposes of Schedule A, the projected real estate taxes for the Units were apportioned based in part upon the proportion the projected selling price presented in the Plan for each Unit bears to the gross sellout price for all Units available for purchase in the Condominium and in part upon extrinsic indicia of value, including location, square footage, amenities, income producing potential and existing leases on particular Units. There is no assurance that the City of New York tax assessor will allocate taxes among Units in proportion to selling prices. It is possible that the apportionment will be based on Common Interest percentages.

Although the estimate of New York City real estate taxes is a good faith estimate, it is not possible to estimate same with any degree of certainty. Assessed valuations, apportionment or taxes among the Units and tax rates, when actually established by the City of New York, may be lesser or greater. Accordingly, these estimates are to be considered opinions and are not intended, and should not be construed as, warranties as to future assessed valuations, tax rates or the actual real estate taxes to be assessed. In no event will Sponsor, its principals, Selling Agent, Sponsor's Tax Consultant, Sponsor's Counsel or any other person be liable if the assessed valuations, tax rates or taxes, when actually established, are lesser or greater than that predicted herein or if the Administrative Code and the applicable rules and regulations of the City of New York are changed in the future. Please refer to the Section of the Plan entitled "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" for more details.

In the event the Units have not been separately assessed for real estate tax purposes by the New York City Department of Finance ("Finance Department") prior to the First Closing, the obligation of the Condominium to pay real estate taxes to the Finance Department for the next ensuing tax period, ("Future Taxes") shall be secured by Sponsor delivering at the First Closing to Starr Associates LLP ("Escrow Agent"), either cash, a letter of credit or a surety bond ("Tax Security") in the amount of the Future Taxes. Escrow Agent shall hold the Tax Security in escrow for the benefit of the Condominium. At each Closing prior to the date the Units are separately assessed and billed, Purchasers will be obligated to pay to Escrow Agent an amount equal to the Unit's pro-rata share of the Future Taxes (computed by multiplying the Common Interest of the Unit by the amount of the Future Taxes) ("Unit Tax Payment"). Unit Tax Payments will not be placed in an interest-bearing account by Escrow Agent. The Future Taxes shall be paid to the Finance Department when due by Sponsor, or by Escrow Agent using the Tax Security, either at Sponsor's direction, or upon Sponsor's failure to make such payment. If Sponsor pays the Future Taxes directly, the Tax Security shall be released to Sponsor upon delivery to Escrow Agent of proof of payment from the Finance Department of the Future Taxes. If at the time the Future Taxes are paid, the amount of the Future Taxes is reduced by the Finance Department as a result of the implementation of real estate tax benefits, Escrow Agent shall make appropriate refunds to Sponsor and Purchasers who deposited Unit Tax Payments with Escrow Agent.

At such time as the Units have been separately assessed for real estate tax purposes, and real estate tax bills are issued by the New York City taxing authorities to each Unit Owner, such Unit will be taxed as a separate tax lot for real estate tax purposes and a Unit Owner will not be responsible for the payment of, nor will the Unit be subjected to any lien arising from the non-payment of real estate taxes assessed against other Units.

The Unit Power of Attorney which each Purchaser shall be required to sign at Closing, the form of which is set forth in Part II of the Plan, authorizes the Condominium Board to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to the Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate.

As of the Filing Date of the Plan, there are no tax certiorari proceedings pending for the reduction of real estate taxes with respect to the Property.

ANTICIPATED REAL ESTATE TAX EXEMPTION BENEFITS (421-a)

As more fully explained in the Tax Exemption Benefits Opinion Letter of Sponsor's Special Tax Counsel set forth in Part II of the Plan, the Units of the Property are expected to qualify for partial real estate tax exemption and abatement benefits under Section 421-a of the Real Property Tax Law of the State of New York ("421-a Benefits"). Sponsor will apply to the New York City Department of Housing Preservation and Development ("HPD") for preliminary approval of 421-a Benefits for the Units. Upon completion of the Units, Sponsor will apply to HPD for final approval. Sponsor shall not be obligated to incur any extraordinary expenses (beyond the customary expenses associated with such approvals) or commence any litigation to obtain such approval. Sponsor anticipates but does not represent or guarantee that such final approval will be obtained. If such approval is not obtained, Purchasers will have no right to rescind their Purchase Agreements even though 421-a Benefits would not be available to the Units. In connection with HPD's enforcement of the 421-a program, all prospective Purchasers are advised that HPD may conduct an audit from time-to-time which may result in a subsequent revocation of 421-a Benefits if all documents required to be filed with HPD are not so filed.

In connection with its application to HPD to obtain 421-a Benefits for the Units, Sponsor will (i) keep all records required by HPD and make such records available to HPD whenever requested by HPD to do so, (ii) in a timely fashion file all applications required to be submitted to HPD in connection with the 421-a Benefits, and (iii) otherwise comply with all procedures required by HPD to properly procure and maintain the 421-a Benefits. In addition, Sponsor will make available to the Condominium Board all 421-a documents for inspection and copying for so long as the Units receive any 421-a Benefits.

Purchasers should note that increases in a property's assessed valuation resulting from changes in its market value (other than changes resulting from new construction or alteration of an existing improvement) are phased in over 5 fiscal tax years in annual increments of 20% each. Any further increase in assessed valuation during such 5 year period resulting from a still higher market value is similarly phased in over an additional 5 year period from the date of such increase. The full increased assessed valuation targeted to be in effect after the end of the 5 year period is called the "actual" assessed valuation, and the amount of the incremental assessed valuation upon which taxes are actually computed for each fiscal tax year during such 5 year period is called the "transitional" assessed valuation.

Purchasers should note that the real estate taxes that will be payable by the Unit Owners for future years will vary in accordance with the amounts of the Unit's assessed valuation (transitional and actual) and of the real estate tax rate. In this regard, prospective purchasers should note that, assuming the partial exemption from real estate taxes pursuant to 421-a is maintained, the real estate taxes payable by the Unit Owners will in any event increase periodically over the 15 years of condominium ownership as an integral part of the 421-a program. The tax exemption program provides that the increase in a newly constructed building's assessed valuation over such property's assessed valuation for the fiscal year before construction began is partially exempted up to a maximum of 100% for 11 years (plus the period of construction, not to exceed 3 years), up to 80% for the next year, up to 60% for the next year, up to 40% for the next year and up to 20% for the last year of a 15 year period.

Neither Sponsor, Sponsor's Attorney, Sponsor's Special Tax Counsel, Selling Agent, Managing Agent, nor any other person makes any warranty that the partial exemption from real estate taxes under 421-a will be granted in whole or in part, or if granted, will not be later reduced or revoked, or as to the amount of the tax which will be assessed against any Unit or the amount of real

estate taxes payable at any time by any Unit Owner. Purchasers should refer to the Real Estate Tax Opinion Letters of Sponsor's Special Tax Counsel set forth in Part II of the Plan for details concerning the assessed valuation of the property and the estimated real estate taxes to be imposed against the property if the 421-a exemption is not granted.

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

WORKING CAPITAL FUND AND APPORTIONMENTS

A Purchaser of a Unit shall be required to make a contribution at the Closing to the working capital fund of the Condominium ("Working Capital Fund and Apportionments") in an amount equal to 2 month's Common Charges assessed against the Unit at the time of Closing.

No provision has been made to establish a reserve fund for capital replacements or repairs, because the Building, upon completion of construction to be performed by Sponsor will be entirely new construction. While Sponsor does not anticipate the imminent need for such capital replacements, repairs or improvements, no assurance or guaranty is given that such needs will not arise in the future. Therefore, Unit Owners will be obligated to pay their share of the cost of repair, replacements and improvements to the Common Elements as the need for such arises, unless there are sufficient Working Capital Funds or other funds available. The Condominium Board, in its discretion, and subject to certain restrictions contained in the By-Laws, may decide in the future to create a reserve fund by special assessment or by increases in Common Charges.

At or subsequent to the First Closing, Sponsor will apportion with the Condominium the following items as of midnight of the day preceding the First Closing, to the extent applicable:

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

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

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

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

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

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

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

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

(9) janitorial service fees, if any;

(10) management fees;

(11) building supplies (including, but not limited, to uniforms, cleaning supplies, carts, luggage); and

(12) other customary closing adjustments.

If any of the foregoing items to be apportioned cannot be adjusted at the First Closing because they are not fully ascertainable, they shall be apportioned and adjusted to the extent reasonably possible at the First Closing, and final adjustment will be made as soon thereafter as the

undetermined amounts are ascertained. Except as set forth above, the customs in respect to title closings adopted by the Real Estate Board of New York, Inc., as amended, shall apply to apportionments and the other matters mentioned above.

If the result of the Closing adjustments is a net credit in favor of the Condominium, Sponsor will contribute the amount of such net credit to the Working Capital Fund. If the result of the Closing adjustments is a net credit in favor of Sponsor, the payment of any net credit shall be evidenced by an unsecured, negotiable promissory note, without interest, to be executed by the Condominium Board and delivered to Sponsor at the First Closing to be repaid on the first anniversary of the First Closing.

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

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

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

RESERVE FUND

No provision has been made to establish a reserve fund for capital replacements or repairs, because the Building, upon completion of construction to be performed by Sponsor will be new construction. While Sponsor does not anticipate the imminent need for capital repairs, replacements and/or improvements, no warranty or guaranty is given that such needs will not arise in the future. Therefore, Unit Owners will be obligated to pay their share of the cost of repairs, replacements and/or improvements to the Common Elements as the need for such arises, unless there are sufficient Working Capital Funds or other funds available. The Condominium Board, in its discretion, and subject to certain restrictions contained in the By-Laws, may decide in the future to create a reserve fund by special assessment or by increases in Common Charges.

MANAGEMENT AGREEMENT

At the First Closing, Sponsor will assign, and the Condominium Board will assume, the Management Agreement for the Condominium between Sponsor and Penmark Realty Corporation ("Managing Agent"), having an office at 820 Second Avenue, New York, New York 10017 ("Management Agreement"). Sponsor may, in the alternative, have the Condominium Board enter into the Management Agreement directly with Managing Agent.

The Management Agreement will provide for an initial term of one year commencing on the date of the First Closing ("Commencement Date"). Thereafter, the Management Agreement will be automatically renewed from year to year, but may be cancelled by the Condominium upon not less than 30 days prior written notice or by the Managing Agent upon not less than 60 day's prior written notice.

Managing Agent will receive an annual fee, payable in equal monthly installments during the term of the Management Agreement as follows: $54,000 per annum. The management fee is comparable to the rate for similar services in comparable projects. In addition, for services rendered to Unit Owners (other than Sponsor), in connection with processing applications to (i) sell, lease or otherwise transfer Units and obtaining necessary waivers of the right of first refusal by the Condominium Board, (ii) mortgage or refinance of an existing mortgage on a Unit and (iii) alter or renovate a Residential Unit, Managing Agent shall receive a fee from the Unit Owner in such amounts as shall be determined, time to time, by the Condominium Board.

The management fee is comparable to the fee for similar services in comparable Building.

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

(1) billing and collecting Common Charges;

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

(3) contracting for necessary services and repairs and purchasing all supplies necessary to properly maintain and operate the Building and its Common Elements;

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

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

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

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

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

(9) cooperating with the Condominium Board's accountants in preparing and submitting annually to the Condominium Board an operating budget of the anticipated income and expenses for the ensuing year;

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

(11) causing to be obtained and maintained insurance for the Condominium in amounts deemed advisable by the Condominium Board;

(12) processing applications of Unit Owners for permission to alter the Residential Units;

(13) processing applications for waivers of the right of first refusal; and

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

Managing Agent, at the expense of the Condominium, will be insured during the term of the Management Agreement under a crime insurance policy in favor of the Condominium for any loss resulting from fraudulent or dishonest acts committed by Managing Agent, its directors, officers or employees.

The Management Agreement provides that the Condominium Board shall indemnify Managing Agent with respect to claims in connection with Managing Agent's carrying out the provisions of the Management Agreement or acting under the express or implied directions of the Condominium Board, unless arising from the gross negligence, bad faith or willful misconduct of Managing Agent in carrying out its duties.

Sponsor reserves the right during the Initial Control Period to designate any other reputable managing agent to perform all of the duties and services to be performed by Managing Agent under the Plan and if Sponsor does so, Sponsor will cause such other managing agent to accept employment on terms substantially similar to the terms specified above. The Management Agreement may not be assigned by Managing Agent without the prior written consent of the Condominium Board. The Condominium Board may not assign the Management Agreement.

There are presently no contracts or leases binding on the Condominium.

IDENTITY OF PARTIES

Sponsor

125NORTH10, LLC is a limited liability company organized under the laws of the State of Delaware, with an office at 10 East 53rd Street, 37th Floor, New York, New York 10022 ("Sponsor").

The principals of Sponsor who will be actively involved in this offering are Christopher Schlank, Nicholas Bienstock, Peter Petron and John R. Fraser.

Christopher Schlank, with a business address of c/o Savanna Partners 10 East 52nd Street, 37th Floor, New York, NY 10022, is a Founder and Managing Partner of Savanna. At Savanna, Mr. Schlank is in charge of construction and redevelopment and shares responsibilities for asset management, sales and marketing and acquisitions. Mr. Schlank has overseen the acquisition and redevelopment of over 35 real estate assets, comprising over six million square feet of space, including raw land development sites, apartments, office Building, industrial to residential conversions, retail and warehouse/distribution properties. Prior to founding Savanna, Mr. Schlank was a project manager for the Westside Federation for Senior Housing, a New York based developer of low-income housing. Mr. Schlank received an MS in Real Estate Development from the Columbia School of Architecture and a BA in Urban Studies from the University of Pennsylvania. Mr. Schlank is an Assistant Adjunct Professor at Columbia University where he teaches a seminar in Real Estate Finance to graduate students in the Columbia Architecture School's Real Estate Master's Degree Program.

Nicholas Bienstock, with a business address of c/o Savanna Partners 10 East 52nd Street, 37th Floor, New York, NY 10022, is a Managing Partner of Savanna. At Savanna, Mr. Bienstock has developed relationships with institutional lenders and third-party capital partners, as well as identified acquisitions and structured deals. Mr. Bienstock has worked on the acquisition, financing, restructuring and sale of over $4 billion of real estate throughout the U.S. Mr. Bienstock supervises the ongoing marketing and leasing of Savanna's investments. Prior to joining Savanna in 1999, Mr. Bienstock was a Vice President at Capital Trust, Inc. in New York where he worked on a wide variety of real estate principal investment and advisory transactions, including the purchase of equity interests in various properties, the negotiation and structuring of mezzanine loans, single asset and portfolio sales, asset management, debt and equity private placements and REIT IPO advisory work. Prior to Capital Trust, Mr. Bienstock worked for Chemical Bank's Real Estate Investment Banking Group. Mr. Bienstock received an MBA from the Columbia Business School, an MS from the Columbia School of Architecture and a BA, cum laude, from Harvard College. Mr. Bienstock is an Assistant Adjunct Professor at Columbia University where he teaches a seminar in Real Estate Finance to graduate students in the Columbia Architecture School's Real Estate Master's Degree Program.

Peter Petron, with a business address of c/o Investcorp, 10 East 52nd Street, 37th Floor, New York, NY 10022, joined Investcorp in 2000 from Clarion Partners, where he spent two years, latterly as Senior Vice President. Mr. Petron's previous experience also includes three years at the Greystone Realty Corporation and four years at Citicorp Real Estate. Mr. Petron holds a BA in History and an MPPM (MBA), both from Yale University.

John R. Fraser joined Investcorp in 1995 and is experienced in office, retail, residential, industrial and hotel equity investment. He came to Investcorp from the O'Connor Group, where he was a Vice President in real estate acquisitions. Before that, he was Vice President at Eastdil Realty and Aston Development Corporation, a real estate investment banking firm and a real estate

development firm, respectively. Mr. Fraser was also a Captain of the US Marine Corps between 1985 and 1989. He holds a BA in Geology from Middlebury College, Vermont.

Savanna Partners is a New York City-based real estate investment and development firm that has been in operation since 1992. Savanna Partners invests opportunistically in real estate assets located in the Northeast Corridor with a clear focus on investment opportunities which allow for the realization of superior returns by adding value through intensive asset management and/or property development and redevelopment.

Founded in 1982, Investcorp pursues a highly focused approach, specializing in four lines of business: private equity in North America and Western Europe, global hedge fund offerings, real estate investment in the United States and venture capital in North America and Western Europe. Investcorp has enjoyed a track record of consistent innovation and performance, having arranged investments with a combined value of approximately $32 billion. The Company has grown to become one of the largest and most diverse alternative investment managers in terms of both product offerings and geography, and currently has over $10 billion in invested assets under management.

Prior Offerings

Principals of Sponsor have taken part in the following prior public offerings during the past 5 years

Project:	Date Filed:
Zephyr Lofts Condominium	April 29, 2005
141 Fifth Avenue Condominium	March 31, 2006

These principals are current in their financial obligations with respect to these projects.

There have been no prior felony convictions of Sponsor, or any principals of Sponsor and no prior convictions, injunctions and judgments against Sponsor, or any principals of Sponsor that may be material to the Plan or an offering of securities generally that occurred within 15 years prior to the submission of the Plan.

Attorneys for Sponsor

Sponsor has retained the law firm of Starr Associates LLP, having an office at 245 Fifth Avenue, Suite 1102, New York, New York 10016 to represent it in connection with the Plan and to serve as Escrow Agent. Samantha Sheeber, Esq. participated in and supervised the preparation of the Plan. Starr Associates LLP will serve as Escrow Agent and will represent Sponsor in connection with matters relating to the sale and closing of Units.

Sponsor has retained the law firm of Olshan, Grundman, Frome, Rosenzweig & Wolosky, LLP, having an office at Park Avenue Tower, 65 East 55th Street, 2nd Floor, New York, New York 10022 to prepare the Income Tax Opinion for the Condominium and Unit Owners under the direction of Warren Gleicher, Esq.

Sponsor has retained the law firm of Tuchman, Katz, Schwartz, Gelles, Korngold & Weiss, LLP, having an office at 6 East 45th Street, New York, New York 10017, to provide the 421-a Real Estate Tax Exemption Benefits opinion set forth in Part II of the Plan.

Selling Agent

Core Group Marketing, having an address at 417 Fifth Avenue, 9th Floor, New York, New York 10016. Selling Agent is a licensed real estate broker whose principals have been engaged in the sale of real estate for many years.

There have been no prior felony convictions of Selling Agent, or any principals of Selling Agent and no prior convictions, injunctions and judgments against Selling Agent, or any principals of Selling Agent that may be material to the Plan or an offering of securities generally that occurred within 15 years prior to the submission of the Plan.

Managing Agent

Managing Agent for the Condominium will be Penmark Realty Corporation, having an office at 820 Second Avenue, 4th Floor, New York, New York 10017. Managing Agent is a real estate and management firm that has been in business for many years. Managing Agent is a licensed real estate brokerage and management firm, which has been engaged in the management of residential real estate for over 100 years. It currently provides property management services for many residential cooperatives and condominiums.

There have been no prior felony convictions of Managing Agent, or any principals of Managing Agent, and no prior convictions, injunctions and judgments against Managing Agent, or any principals of Managing Agent that may be material to the Plan or any offering of securities generally that occurred within 15 years prior to the submission of the Plan.

Construction Professionals

Sponsor has retained the following professionals in connection with the construction of the Building:

a) Architect of Record

Anthony Cucich Architects, having an office at 37-08 28th Avenue, Astoria, New York 11103 is the architect of record for the Property ("Architect"). The Architect prepared the Floor Plans of Units set forth in Part II of the Plan and will render the Floor Plans which will be filed with the New York City Real Property Assessment Department in order to create the Condominium. Architect has also rendered its Description of Property and Specifications and Certification which are set forth in Part II of the Plan. Architect has been providing architectural services for many years.

b) Design Architect

Andres Escobar and Associates having an office at 5534 Rue St-Patrick, Suite 400, Montreal, Quebec H4E 1A8, is the design architect for the Property ("Design Architect"). The Design Architect has been providing architectural services for many years.

c) Structural Engineer

Sharon Engineering, PC, having an office at 34-27 Steinway Street, Suite 201, Long Island City, New York 11101, is the structural engineer for the Property ("Structural Engineer"). The Structural Engineer has been providing structural engineering services for many years.

d) Mechanical Engineer

S. Schwartz Engineering, PLLC, having an office at 307 West 38th Street, Suite 1016, New York, New York 10018, is the mechanical engineer for the Property. The Mechanical Engineer has been providing engineering services for many years.

Condominium Budget Expert

Sponsor has engaged Penmark Realty Corporation, having an address at 820 Second Avenue, 4th Floor, New York, New York 10017, as Sponsor's Budget Expert. The Budget Expert has reviewed the estimated amounts of income and expenses in "Schedule B - Estimated Budget for Projected First Year of Condominium Operation" prepared by Andrews Building Corp. in consultation with Sponsor. The Budget Expert has rendered a certification as to the adequacy of the First Year's Budget and a certification as to the adequacy of the Common Charges payable by the Non-Residential Unit Owners, which may be found in Part II of the Plan.

Related Parties

Sponsor and its principals have no affiliation with Selling Agent, Managing Agent, Sponsor's Attorneys, the Architects/Engineers or the Budget Expert, the Construction Professionals, or any person or firm who will provide services to the Condominium subsequent to the First Closing. Neither the Condominium Budget Expert, the Construction Professionals nor the Attorneys have any financial interest in the Property, the Units, the Condominium, or this offering, except for their fees for services rendered.

No Pre-Sales

Neither Sponsor nor its principals have entered into any contracts or agreements, written or oral, for the sale of the Units offered in the Offering Plan nor taken any Deposits or advances of funds by or on behalf of Sponsor, prior to the acceptance for filing of the Offering Plan.

REPORTS TO UNIT OWNERS

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

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

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

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

DOCUMENTS ON FILE

Pursuant to the provisions of Section 352-e of the New York General Business Law, copies of the Plan, all documents referred to herein and all Exhibits submitted to the Department of Law in connection with the filing of the Plan shall be kept on file and available for inspection by Purchasers and their attorneys without charge, and for copying at a reasonable charge, at Sponsor's office for a period of 6 years after the First Closing. In addition, a set of Floor Plans showing the layout, locations and approximate dimensions of each Unit and its Unit number designation and tax lot number, certified by the appropriate governmental authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the Register's Office following the recording of the Declaration, and an additional set will be furnished to the Condominium Board.

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

GENERAL

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

Neither Sponsor nor its principals have entered into any contracts or agreements, written or oral, for the sale of the Units offered in the Offering Plan nor taken any Deposits or advances of funds by or on behalf of Sponsor, prior to the acceptance for filing of the Offering Plan.

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

Since the Building is completely new construction there are no tenants occupying the Building as of the date of the submission of the Plan.

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

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

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

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

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

The Property has not been the subject of a prior public offering.

SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor represents that it has no knowledge of any material defect or need for major repairs to the Property except as set forth in the "Description of Property and Improvements" set forth in Part II of the Plan which Sponsor hereby adopts. Sponsor anticipates that construction of the Building will be sufficiently completed to allow the First Closing to occur as projected in Schedule B.

PART II

CONDOMINIUM OFFERING PLAN

125 NORTH 10TH STREET CONDOMINIUM
125 NORTH 10TH STREET
BROOKLYN, NEW YORK 11211

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

March 20th, 2007

Anthony Cucich

IN THE MATTER OF THE CONDOMINIUM OFFERING FOR
125 NORTH 10th STREET, a.k.a. 138 NORTH 11th STREET, BROOKLYN, NEW YORK

Description of Property and Specifications per Part 20 of Title 13
NYCRR Section 20.7 (a)-(cc)

(A) LOCATION AND USE OF PROPERTY

1. The buildings are located at 125 North 10th Street and 138 North 11th Street, in the Borough of Brooklyn, New York City, on the North side of North 10th Street and corner of Berry Street, and on the South side of North 11th Street 100' East of Berry Street.
2. The block is 2297, the lot is 1.
   The property is located within Zoning Districts R6A and M1-2/R6A inside Special Mixed Use District MX-8 under the Zoning Resolution of the City of New York, as shown on the maps 12c and 13a of the Zoning Resolution, which permits residential and / or commercial uses "as of right".
3. The immediate areas bordering the site are generally R6A and M1-2/R6A mixed use districts.
4. The property will comply with local law 58/87 for handicapped access and design.
5. The sponsor is not retaining any air rights.

(B) STATUS OF CONSTRUCTION

The N.Y.C. Department of Buildings approved the job on June 17th, 2005 and permitted the Building Plans on June 23rd, 2005 under application #301783185. Plans being filed with the Attorney General's Office will be copies of the approved plans. The lot is vacant. There will be two (2) new six story buildings with cellars. The cellars will be common for both buildings. The construction will be poured in place reinforced concrete footings and foundations, structural steel skeleton, and metal deck with concrete floors and metal stud walls. Fire protection will be provided in accordance with a Class '1D' fireproof building under the Building Code, which requires 1-hour protection for walls, floor and roof construction, as well for columns and beams. At present, there is no Certificate of Occupancy; a Temporary or Final Certificate of Occupancy for the residential buildings will be issued and obtained upon completion of the entire construction

by the sponsor prior to closing. Expected completion date for the South Building will be April, 2008 and for the North Building June 2008.

(C) SITE

1. The size of the property is approximately 29,450 square feet and is irregularly shaped tax lot. The lot measures 225'- 0" along the Northern side of North 10th Street, 44'-6" along Eastern side of Berry Street, and 125'-0" along Southern side of North 11th Street, and 200'-0" feet deep between North 10th and North 11th Streets..
2. The buildings will cover approximately 67% of the lot. The buildings will front North 10th Street, Berry Street, and North 11th Street, and have entrances on North 10th and North 11th Streets with main entrance being from North 10th Street. The North 10th Street building (from now on being called South Building) will consist of a cellar, first, second, third, fourth, fifth and sixth floors, and will consist of fifty-three (53) residential units. The North 11th Street building (from now on being called North Building) will consist of a cellar, first, second, third, fourth, fifth and sixth floors, and will consist of thirty-three (33) residential units.
3. Gas, water and electrical meter rooms are located in the cellar. Elevator machine rooms are located on the roof. Boilers are located in the boiler room in the cellar. Off-site and on-site drainage will comply with the Department of Sewers and Building Code requirements. All storm water runoff shall be collected at roof and yard drains and connected to the storm detention system provided on the roof and open terraces, and in turn connected to the combined sewer in the city streets (North 10th and North 11th Streets).
   All piping to be installed as per the Approved Drainage Plan approved by DEP.
4. The lot is currently vacant. Existing 1-story building was demolished prior to commencement of construction.
5. There are no streets owned or to be maintained by this property.
   There are concrete sidewalks bordering the south, north and east sides of the property and owned by the City of New York, but maintained by the Project. The sidewalks are concrete slabs in fair condition, and currently will be repaired as required to comply with all applicable codes. There are two curb cuts for vehicular access to the building's parking garage in the cellar on North 11th and North 12th streets. There are three existing light poles bordering the property; one on North 11th Street, one on North 12th Street and one on Berry Street. All sidewalk drainage is done through New York City sewers and catch basins, located at the intersection of North 10th Street and Berry Street and North 11th street and Berry Street.

(D) UTILITIES

WATER: Water mains exist in city streets. Service will be provided by the City of New

York, distributed through copper piping to one meter for the building. Each individual unit will pay for their water through common charges.
ELECTRIC: Provided by ConEdison. Each condominium unit will be individually metered and billed directly by ConEdison. A separate meter will be provided for electrical requirements for the lobby and stair lighting, exterior residential entrances lighting, operation of exhaust fans, and other common area needs. This metered electricity will be a part of the common charges.
TELEPHONE: Telephone service will be provided by Verizon, and each Condominium unit will be billed directly by Verizon for activation and for monthly service. Wiring and jacks will be provided to each unit.
SEWAGE SYSTEM: There are twenty-seven (27) common waste stacks serving the residential condominium units in South Building, and seventeen (17) common waste stacks serving the residential condominium units in North Building, connecting to the sewage mains in the cellar level. The sewage main from South Building will connect to the public sewer line beneath North 10th Street, and sewage main from North Building will connect to the public sewer line beneath North 11th Street. All costs for the sewage connection are contained within the water and sewage taxes and are paid proportionally by unit size in the common charges of the Condominium. Storm rain water is collected and (controlled flow) discharged via leaders into the existing storm sewers located underneath North 10th and North 11th Streets.
GAS: Provided by Keyspan. Each condominium unit will be billed for gas service for cooking thru common charges. A separate meter will be provided for gas to operate a boiler to heat all building, stairs, domestic hot water and other common building spaces. This metered gas will be a part of the common charges.

(E) SUB-SOIL CONDITIONS

A visual inspection of the walls and piers, and the exterior building surfaces resulted in no evidence of uneven settling or cracks that would indicate the presence of subsurface soil instabilities. No signs of prolonged subsurface moisture were present.
Test borings were taken by a licensed engineer to determine the bearing value and classification of the sub-soil. The soil should have a minimum bearing capacity of two tons per square feet, which would be sufficient to support the proposed six-story and cellar buildings. Soil borings indicated a suitable soil, consisting of a sand mixture (Classif. 8-65) at an elevation of approximately 10'-0" below curb level. The water table was encountered at a level of 15'-0" below grade, which is below the proposed cellar floor elevation.
There are no nearby sources of water that pose a threat of flood.
The cellar walls will be waterproofed and there is no evidence there will be moisture or seepage in the foundation area. The foundation walls shall have a ¼" thick mastic waterproofing troweld on down to the base and the cellar floor slab is of 5" concrete with a "Nervastrol" moisture barrier immediately under same.

(F) LANDSCAPING AND ENCLOSURES

All open areas will be paved with concrete, and will be pitched in order to provide adequate storm water runoff.
Roof runoff shall be collected by leaders and ground water runoff shall be collected in drains located in areas abutting the building.
Concrete curbs and retaining walls will be installed, where required.
There will be approximately sixteen (16) trees at the curb along the street frontages planted with one of the following:
- Cederglade
- St.Johnswort
- Broom Snakeweed
- Damianita

(G) BUILDING SIZE

When completed, the building will be approximately 70'-0" in height, measured from the sidewalk to the top of the roof. There are no crawl spaces. There is a full cellar. When completed, South Building will have six (6) floors plus the cellar. Except in areas with dropped ceilings, soffits and supports, the floor to ceiling heights are approximately as follows: 9'-0" for the cellar floor, 10'-6" for the first floor through sixth floor. When completed, North Building will have six (6) floors plus the cellar. Except in areas with dropped ceilings and supports, the floor to ceiling heights are approximately as follows: 9'-0" for the cellar floor, 10'-3" for the first through sixth floors. Common building recreation space will be in the cellar and partially on the first floor of South Building, and it will consist of a gym, aerobics room and a kids' room in the cellar and a lounge on the first floor.

(H) STRUCTURAL SYSTEM

1. EXTERIOR OF BUILDING

   a. All exterior walls shall be constructed with heavy gauge metal studs w/ gypsum board inside and Type "X" gyp. Bd. outside. w/ E.I.F.S., as per approved plans, to comply with minimum requirements of the N.Y.C. Earthquake Code. Inside surface of masonry wall to be furred out with 2½" metal studs on 16" on center with ½" gypsum board screwed to studs. Insulation to be provided between metal studs with 3½" full thick fiberglass insulation (R-11). All non-rated partitions to be 2½" or 3 5/8" metal studs or equal. Local Law 11 is inapplicable (LL11/98 applies to buildings greater than 6 stories in height).

   b. All window lintels and sills to be of steel lintels as required.

The windows in the building will be all new aluminum with insulated thermal double glazed, pane glass as noted on Architects window schedule, manufactured by Bonneville Window Company, or approved equal. The average air infiltration is 0.03 cubic feet. All windows to be thermal break as per minimum requirements of New York State Energy Code. These windows are warranted against failure or defect for 7 years. Balcony doors shall be of aluminum construction, sliding type as per above. The average air infiltration is 0.15 cubic feet. All windows and doors will be weather stripped (from factory) and caulked. Windows and balcony doors are covered by the building's warranty. There are lot line windows in the following units: S3J, S4J, S5J, S6G, N2C, N3C, N4C, N5C and N6A. These windows are protected by dedicated sprinkler heads and are not used for required light and air.
This building is not in a landmark district.

2. PARAPETS AND COPINGS

a. The parapets will be metal railings, each with a minimum height of 3'-6" above the finished floor.
b. All copings will be aluminum.

3. CHIMNEY AND CAPS

a. Chimney flue is to be an approved type "B" chimney by "Amerivent" flue constructed of triple layer insulated metal (or approved equal), enclosed with a one-hour rated partition, with an approved type anti-down draft gas vent cap. Top of flue to be a minimum 2'-0" above any part of roof within 10'-0" of flue. Flues to be flashed at roof penetration. All chimneys and flues will be of insulated metal wall and will be of new construction.

Boiler room shall contain one (1) fresh air inlet duct and one (1) fresh air outlet duct. Ducts to be fire rated as per N.Y.C. Building Code. All ducts to be a minimum of 28 gauge. All ducts to terminate at outside air.
There is a compactor chute, which terminates above the main roof level. A 16GA galvanized steel trash chute is located on all residential floor.

4. BALCONIES AND TERRACES

a. Balconies to be of steel deck and concrete construction (4" concrete slab) with steel beam framing. Balcony guardrails to be 3'-6" high decorative aluminum or wrought iron rails, of childproof design.
b. Exterior doors to balconies to be sliding or swinging patio type doors with integral weather stripping. Doors to comply with the New York State

Energy Code.

c. There will be private terraces appurtenant to units 1A, 1B, 1C, 1D, 1E, 1F, 5A, 5B, 5C, 5D, 6A, 6B, 6C, 6D, 6E, and 6G in South Building. There will be private terraces appurtenant to units 1C, 1D, 1E, 6A, 6D and 6C in North Building.

d. There will be private balconies appurtenant to units 3D, 3E, 3F, 3G, 3H, 3I, 3J, 4H, 4I, 4J, 5D, 5E, 5F, 5H, 5I and 5J in South Building. There will be private balconies appurtenant to units 4B, 4C, 5B and 5C in North Building.

e. All copings will be aluminum.

5. EXTERIOR ENTRANCES

a. Front entrance doors to the buildings to be swing type of fiberglass construction with integral weather stripping or approved equal, and shall have a minimum of 5 square feet of glazed area. Door to be fitted with a cylinder lock. Door to comply with New York State Energy Code. Exterior entrance to be equipped with an electrical low voltage door chimes with an approved type peephole. There are no separate service entrances to the residential portion of the building.

b. Mailboxes will be provided in an antechamber to the entrance vestibule, in accordance with US Postal Service Rules and Regulations. Mail boxes shall be US Postal Service approved cluster type boxes (or equal). Entrance lighting, interior and exterior will be provided per New York City Code requirements.

c. Lighting shall be installed adjacent to building entry doors. Fixtures to be provided and selected by sponsor and to meet requirements of the N.Y.C. Building Code.

d. There is one exterior concrete staircase that leads to the lobby of North Building from North 11th Street.

e. There are no service entrances.

6. ROOFS

a. Roof to be constructed as follows: Metal deck on steel beams, 6" light weight concrete, light weight concrete sloped to roof drains, liquid applied waterproofing membrane by "Multiseal" or approved equal and concrete pavers on pedestals for usable roof decks. The underside of metal deck and beams to be covered with 5/8" gypsum board, type "X".

b. Except for the change in material as per the Architects drawings, this roof will carry a 15 year manufacturer's warranty. The expected useful life is 20

years (with a one year guarantee by the sponsor).

c. Additional fiberglass batt insulation will be provided between the finished ceiling and underside of the roof to provide an R-value of 19.

d. All penetrations of chimneys, ducts, pipes, etc. to be properly flashed with aluminum type flashing.

e. Metal work at roof will be aluminum type for base and cap flashing at masonry wall at roof and for gutters.

f. The roofing material will be concrete pavers on pedestals on a 6" thick concrete slab. There will be roof retention drains on all roof terraces.

g. All roofs are drained by 4" roof drains and cast iron leaders that lead to the cellar and out to the city sewer underneath North 10th and 11th streets.

h. There are wire-reinforced, self-venting skylights located above each staircase at the roof bulkheads.

i. There are stair and elevator bulkheads on each roof of each building. There are private rooftop cabanas on the roofs of South and North Buildings, which include a slop sink and a natural gas line.

7. YARDS AND COURTS

a. There will be an open yard between South and North Buildings, accessible through the residential lobby of each building. There will also be public roof terraces in South and North Buildings. These terraces will be paved with concrete pavers or equal. All yards and courts are drained by 4" roof drains and cast iron leaders that lead to the cellar and out to the city sewer underneath North 10th and 11th streets.

8. INTERIOR STAIRS

a. Interior stairs shall be factory assembled with ½" thick x 12" N.C. pine stringers, ¾" x 12" pine treads, 1" x 7 ¾" N.C. risers. Construction will be wedge and block with stringers added out to receive risers and treads. Risers and treads will be wedged and glued to stringers. Wood blocking will be installed by gluing to intersection of risers and treads; risers and treads will be added into each other.

b. Handrails for stair and railings around stairwell to be of wood or wrought iron construction for stairs within apartments and wrought iron for public stairs, of childproof design, and minimum 2'-8" high.

c. There are two (2) means of egress from each floor in each building. All floors egress through internal fire stairs. This metal pan stair with concrete treads is completely non-combustible and leads through a corridor on the ground floor directly to the front of the building. All interior doors are solid wood and the frames are hollow metal. All stair doors are 2-hr fire rated

FPSC doors.

d. All public stairs are enclosed in a 2-hour fire rated assembly.

9. INTERIOR DOORS AND FRAMES

a. Swing type interior doors will be hollow core pressed wood doors on wood frames with painted finish. These will be typical for all rooms and are not labeled doors and not fireproof.

b. Closet doors will be hollow core bi-fold, swing type and sliding doors on wood frames. They have no label and are not fireproof. Bathroom doors shall be 3/4" undercut.

c. Cellar stair doors, boiler and utility room doors will be hollow metal on metal frames by Williamsburg Steel Products or equal, 3/4 hour fire rated and self-closing.

d. Hardware for doors as follows by Kwikset or equal:

Location	Type
Entry	Mortise Lock
Bedroom doors	Passage
Closet doors	Passage
Bathroom doors	Privacy

e. The apartment doors will be steel entry doors with integrated bell and peephole.

10. ELEVATORS

a. South Building will have two (2) passenger elevators serving cellar, 1st, 2nd, 3rd, 4th, 5th, 6th floor; only one elevator will serve the roof. North Building will have one (1) elevator serving cellar, 1st, 2nd, 3rd, 4th, 5th, 6th floors and roof.

b. The elevators will be manufactured by Hollister-Whitney Elevator Corp. or approved equal.

c. All elevators will be overhead traction type and have a capacity of 2500 lbs / 15 persons each.

d. All elevators will be simplex collective and have a single sliding side door.

e. The elevator machine room will be located on top of each elevator bulkhead.

11. ELEVATOR CABS

a. Elevator machines and cabs will be manufactured by a "OTIS Elevator Corporation" MEA# 388-05-M or equal.

b. The floor material will be stone.
c. The walls will be covered with stainless steel panels or equal.
d. The cab ceiling will be made of stainless steel panels with recessed lighting fixtures.
e. All cabs will be equipped with alarm and safety devices as required by NYC Building Code.

12. STRUCTURE

a. Excavation

1. All excavation for foundations will consist of the removal of all substances which would be encountered to reach the proper elevations for grade beams and footings. All material removed for this process will then be either discharged off as per Department of Environmental Protection requirements or will be used for backfill and grading to maintain the proper grades as set forth in the final overall site plan.

In general, grade beams and footings to be formed to determined depths based on cellar elevation, and are to be located a minimum of 4'-0" below adjacent grade.

b. Foundation

1. Concrete footings to poured reinforced concrete. Foundation walls to be reinforced concrete and 12" thick.

2. All concrete shall be in accordance with RS 10-3 of the New York City Building Code.

Footings to bear a minimum of 1'-0" into undisturbed soil with a minimum allowable bearing capacity of 4,000 psf as determined by inspection at the site by a professional engineer or licensed architect.

3. Slab below grade to be 5" reinforced concrete with 6" x 6"-#6/#6 W.W.F. Topsoil and other materials to be removed before pouring slab. Porous fill or suitable on-site material to be placed over undisturbed soil or over well compacted fill. Compacted fill to be placed in 6" layers and compacted to 95% Standard Proctor Density.

4. Concrete for footings and walls to be stone concrete with minimum ultimate compressive strength of 3,000 psi at 28 days. Slabs on grade to be stone concrete with a minimum ultimate compressive strength of 2,000 psi at 28 days.

c. Building Structure

1. The building structure consists of structural steel skeleton. The floors will be framed with metal beams and metal deck with concrete.

2. The stairs and elevator enclosure will be steel skeleton with masonry walls reinforced vertically and horizontally with metal bars or metal-stud with gypsum boards having 2-hour fire rating as per approved plans, to comply

with minimum requirements of the N.Y.C. Earthquake Code.

d. Flooring

1. The flooring system will be steel beams and 6" thick light weight concrete slab on metal deck, ¾" plywood with #1 hardwood or marble, or carpet flooring. The exterior walls of the building will be a combination of metal studs with two (2) layers of 5/8" gypsum board inside, fiberglass batt insulation providing an R-value of 11, exterior DensGlass Gold gypsum board sheathing, and a metal panel exterior finish or an E.I.F.S. finish. Concrete masonry units will be used for that portion of walls which will be constructed along the party walls of adjacent buildings. Any parapets on the building will be 3'-6" galvanized balustrade guard rail, heavy gauge metal studs, gypsum board, and an E.I.F.S. finish. This will be of new construction.

13. INTERIOR PARTITIONS

a. Partitions separating apartments from stair hall and other apartments shall be one hour fire rated walls (as per approved plans) and shall be 3 5/8" metal studs at 16" on center with two layers of 5/8" gypsum board type "X" on one side and one layer of 5/8" gypsum board type "X" on other side, with three (3) 2" glass fiber sound insulation between studs. STC rating (sound transmission rating) = 50

b. Partitions enclosing ducts shall be of metal stud construction with two layers of 5/8" gypsum board type "X" each side (min. 2-hour rated)

c. All other partitions within apartments to be 2½" and 3 5/8" metal studs at 16" on center with 5/8" gypsum board each side (non- rated) or equal.

d. All partitions in bathrooms to receive water resistant gypsum board.

e. All partitions in cellar are of non-combustible construction (2½" metal studs or equal).

f. The ceilings of the cellar are gypsum board, intended to provide required fireproofing. The walls are masonry or concrete. The floors of the cellar are concrete with oak plank finish inside the apartments & carpet in public hall.

g. There are no existing surfaces which pose a threat of lead paint.

(I) AUXILARY FACILTIES

1. Laundry Facilities

Every apartment shall contain laundry closets to accommodate a stacked washer / dryer unit. Each laundry closet will have a connection to a duct running to a common roof fan for exhaust ventilation as per NYC code. Ventilation for dryers shall consist of individual duct, 4" diameter, minimum of 28 gauge, secured to mechanical exhaust outlets from dryers. All ducts shall terminate at outside air.

2. Refuse Disposal

Refuse removal is provided by the City of New York two times per week. Refuse will be collected as per Department of Sanitation requirements, as per their schedule. Residential Unit Owners will have to bring their trash and recyclables to a trash room located at every floor and equipped with a garbage chute leading to the compactor in the cellar. There is a compactor in every building, made by Econo-Krusher with a capacity of 37,000 lbs/24hrs. Unit Owners will be required to comply with NYC Sanitation Department regulations on recycling, and storing refuse within their units until regularly scheduled pickup days.

(J) PLUMBING AND DRAINAGE

All domestic water, fire protection, gas, storm drainage, waste and vent piping will be new as described below.

1. Water Supply

A 4" diameter copper or ductile iron pipe will be connected to the New York City street main on North 10th Street to provide common domestic water and 6" diameter metered ductile iron fire line for sprinkler supply for the building. Service is metered in the cellar and will be a part of the common charges. A duplex pressure booster pump by "SyncroFlo" model "IronHeart-6A" with capacity of 50 GPM @ 45 PSI, and a 170 gallons water tank will be installed in the cellar of the South Building to maintain required water pressure in both buildings. All water connections to each residential unit will comply with the City of New York requirements.

Water service piping within the property line shall be of type "K" copper tube. Water distribution system piping shall be of hard temper type "K" copper tube above or below grade, hard temper type "C" copper tube above grade only.

2. Fire protection system

   a. One 6" diameter metered ductile iron fire line connected to the New York City street mains on North 10th Street for sprinkler services. A combination sprinkler Siamese is provided on the first floor at North 10th and 11th street. Double detection check valves with bypass meter are installed in the cellar. Residential occupancy type hazard sprinkler heads are located throughout the building.
   b. Off-site hydrants are located in the city streets along the curb for fire protection.
   c. Automatic sprinklers are provided throughout the building as required by the Building Code. The system shall consist of iron piping and approved type sprinkler heads as per approved plans.
   d. The sprinkler system is supplied from the dedicated sprinkler supply system. Water pressure will be maintained by Fire Pump "Peerless" model 5PVF7 installed in the cellar and should be adequate at the sixth

floor.

e. A 6" metal standpipe is provided in the public staircase in each building.

3. Water storage tanks and enclosures. The storage of domestic water will occur within two (2) 233 gallon metal storage tanks inside the boiler rooms in the cellar for domestic hot and cold water.

4. Water pressure is provided by adequate street water main pressure as required by the New York City Building Code.

5. Sanitary sewage system

The Sanitary Sewage System for the condominium will consist of one (1) common no-hub cast iron waste stack serving each building, in the front of the building connected to New York City Building Code minimum approved sized sanitary house drains located under the cellar floor to a common house traps and then fed through the sanitary mains into the public combined sewer beneath North 10th and North 11th Streets. The waste stacks are cast iron, 'no hub'; plumbing pipes to be 4" soils and 2" vents; house drain to be 4"; trap to be 4"; outside house drains to be a minimum of 6", all complying with the New York City Building Code. There is one sewage sump pump in the cellar in each building. A sump pump by "Federal" type "P" 1/3HP will be provided at each elevator pit in a sump pit.

6. Storm drainage system

The buildings cover approximately 61% of the lot, and there are eight (8) yard drains connected to the storm drain. The storm water run-off of the site will be collected in the yard drain and roof leader and will drain into the storm drain, which in turn will be connected to the existing combined sewer located in the public streets, all in accordance with plans approved by the City of New York and Department of Water Resources. Storm flow will be controlled through a controlled flow detention drains located on the roof and on the terraces as per approved drainage plan.

(K) HEATING

Each dwelling unit will have individual water-source Heat-Pump Unit connected to central boiler and shall be AGA and MEA approved. Heating system will be thermostatically controlled. This system will maintain an inside temperature of 68 degrees F. with an outside temperature of 0 degrees F. with an allowance of 3 degrees F. swing.

Heat-Pump Units will be by "WaterFurnace" or approved equal. MEA# 19-94-E.

1. BOILERS:

Installed in the cellar:
Modular Boiler Assembly – two six (6) modules.
Manufacturer: "Slant Fin", model GGHT-2400E, MEA# 283-93-E
2394 MBH Input - 1962 MBH Output

The boiler are gas fired, located in a CMU block wall enclosure.

2. There is no oil tank on the premises.

(L) GAS SUPPLY

1. Natural gas from Keyspan for space heating, hot water and cooking.
   a. Units are metered and billed thru common charges and the meters are located in the cellar.
2. Piping for gas shall be black iron type and pressure tested within the requirements of the New York City Plumbing Code.

(M) AIR CONDITIONING

Each dwelling unit will have an individual water-source Heat-Pump Unit connected to central boiler and cooling towers and shall be AGA and MEA approved. Heating system will be thermostatically controlled.
There are two cooling towers located in the cellar, manufactured by B.A.C., model no.VT0-116-M, MEA# 137-73-M.
These units are provided by the Sponsor. Units will be owned and maintained by the owner of the unit for which it serves. The air conditioning system has been designed to maintain a temperature of 78 degrees F within the building during summer, based on an ambient design temperature of 93 degrees F.

(N) VENTILATION

1. Kitchen: Certain condominium units, as required by applicable Building Code Section, will be provided with a hood with an internal fan connection to a common exhaust duct or to a common roof exhaust fan.
2. Bathrooms and other internal spaces: Each condominium unit will have a connection to a duct running to the roof for exhaust ventilation of bathrooms per NYC code. The fan unit will be provided, installed, and connected to the individual bathroom vents which are connected to the common exhaust duct/roof ventilation.

(O) ELECTRIC SYSTEM

1. SERVICE

Service to the building to be underground and to be supplied by Con Edison. Each unit contains 120/240 volt single phase circuits.

2. The electrical system shall be sized and laid out within the requirements of the New York City Electrical Code. Individual air conditioning circuits will be provided in all living rooms and bedrooms. All circuits are to be provided with circuit breakers as protective equipment.

a. Meters to be located in the meter room in the cellar of the building.
b. Only copper wire shall be used (u.o.n.).
c. Switches and receptacle as per N.Y.C. Code.
d. No ceiling fixtures in bedrooms (switch wall receptacles).
e. Air Conditioning outlets- per N.Y.C. Code.
f. Lighting circuits protected by 15 AMP breakers.
g. Utility outlets protected by 15 AMP breakers.
h. No. 12 BX wire- as per N.Y.C. Code.
i. Outside fixtures shall be waterproof type.
j. Separate circuits for heating.
k. Intercoms and bell systems per apartment shall be low voltage (24 volts).
l. Average number of circuits per apartment shall be twelve (12).
m. Service per apartment: single phase- 220 volts- 80 amps.
n. Common service for each building section: single phase- 220 volts- 100 amps.

3. WIRING

a. All wiring to be copper BX Cable approved type, all in accordance with the requirements of the New York Board of Fire Underwriters.
b. All wire protective equipment will be constructed by Square 'D' company or equal with a protective metal panel box. All piping or duct work to be in galvanized pipe.

4. OUTLETS AND LIGHTING FIXTURES

a. All electrical wall outlets are duplex receptacles. In all rooms where there are no ceiling fixtures, one duplex outlet will be wired to a switch. All fixtures in each unit will be as per Builder's Fixture Samples. Lighting fixtures are to be located in the following areas: in ceiling kitchen, dining area, hall areas, walk-in closets, boiler rooms and utility rooms. Wall brackets to be provided in bathroom, toilet and outside front entrance doors.
b. Lighting fixtures are provided as follows:
1. Front entry of building- Make: Progress, P5684-31 or equal.
2. 100 watt incand. cast wall lantern-black.
3. Common hallways Make Lightolier Model 6790 or equal.
4. Stairwells 32 watt circline fluor. w/ white lexan diffuser.
5. Bathroom Wall Mount Make: Progress, Model P3015-30 or equal
6. (2) 60 watt incand..
7. Bedroom Make: Progress, Model P4961 or equal.
8. Kitchen Make Lightolier Model 5240 or equal.
9. Apt. Foyer Make: Progress, Model P3750-10 or equal, 60 watt

incandescent.

10. Balcony Make: Progress, Model P5602 or equal, 60 watt incand.

5. METER

Each unit will have its own electric meter and get its own bill. Common electric meter and meters for the dwelling units are to be located in the meter room in the cellar of the buildings.

6. SMOKE AND CARBON MONOXIDE DETECTORS

a. Smoke detecting devices shall be provided for each dwelling unit (hard wired) and installed as per Local Law 62/81 and R.S. 17 of the New York City Building Code.

b. Carbon monoxide detecting devices shall be provided in each dwelling unit as per Section 28-02 of the New York City Building Code.

7. TELEVISION RECEPTION FACILITIES

This building will be pre-wired for cable.

8. CERTIFICATE

Certificate of Compliance to be obtained for the electrical work from the City of New York, Bureau of Electrical Control.

9. Main building electric service is 4 wire 3 phase 120/208 volt from ConEdison, 1200 amps.

10. Each residential unit will be provided with a 100 amp circuit-breaker panel.

a. Switch gear will be located on the first floor with individual metering, plus an additional meter for common building electrical uses.

b. Each residential unit is provided with 100 amp circuit-breaker panel, and the minimum number of convenience outlets and light fixtures required by the New York City Building Code. Light fixtures provided will be incandescent exposed lamps in a ceramic base and include one (1) in the foyer, one (1) in the bathroom, one (1) in the kitchen, and one (1) in any walk-in closets, mechanical rooms or hallway spaces.

c. The electric system described above is fully adequate for modern usage. The 100 amp panel with six to twelve circuits provided to each apartment is adequate for the build-out of a modern residential dwelling. A custom build-out utilizing an excessive amount of dedicated circuits for lighting systems may require the addition of another sub-panel to the service panel provided for additional circuits.

11. Each residential unit will be provided with cable TV and Telephone wiring to all rooms. Individual unit owners are responsible for having additional lighting, and power, as needed.

(P) INTERCOMMUNICATION SYSTEM

A voice / video intercom system by "Unitone" System 2000 or equal with ability to trigger an electronic door lock on the lobby door will be provided to each unit. Risers for

cable TV and Telephone will be provided throughout the building. It is the responsibility of each unit owner to connect to those risers and run wiring and jacks as needed within the unit.

(Q) PUBLIC AREA LIGHTING

Adequate fluorescent lighting as required by the New York City Building code will be provided outside the residential entrance, inside the lobby, at each landing inside the fire stairs, and any other common building space. Fixture model chosen and installed by builder in accordance with N.Y.C. Electrical code

(R) PARKING GARAGE

1. The garage is located in the common cellar of South and North Buildings. The capacity of the garage is fifty-one (51) cars.
2. The finishes of the garage will be exposed concrete floors, exposed concrete block walls in some areas and painted gypsum board walls in others and a painted gypsum board ceiling.
3. The parking garage will be unattended.
4. The parking garage is ventilated by twelve (12) 1000 CFM air return grilles on two ducts and (6) 1000 CFM air return grilles on one duct.
5. The parking garage are enclosed in a 2-hour fire rated assembly; masonry walls, concrete floors, fire-rated ceiling and fire rated doors.
6. Parking garage is drained by ten (10) floor drains.

(S) SWIMMING POOL

None.

(T) TENNIS COURTS, PLAYGROUNDS AND RECREATION FACILITIES

There is a gym, aerobics room, and kids room in the cellar and a lounge on the first floor of South Building.

(U) PERMITS AND CERTIFICATES

The following permits are required for the completion of the project, and will be obtained in the course of the work:

- General Construction permit (including HVAC and structural)
- Plumbing
- Elevator
- Electrical
- Sprinkler

  The NYC Department of Buildings has jurisdiction over the above (3) permits.
- Boiler

  The Department of Air Resources will have jurisdiction over the above permits.

Inspections

The NYC Department of Buildings will inspect and sign off on all general construction work. The HVAC and structural work will be inspected and signed off by architects or engineers licensed in the state of New York. The sprinkler, plumbing and boiler work will be signed off by installers so licensed in the City of New York.

Certificates

The Sponsor will obtain from the NYC Department of Buildings a Temporary Certificate of Occupancy and then a Final Certificate of Occupancy for the proposed work. The Department of Air Resources will issue a Certificate of Operation for all boilers. There are no specific certificates for the plumbing and sprinkler work. The bureau of electrical control will issue a certificate for completion of the electrical work.

(V) VIOLATIONS

As of the date of this report, there are no violations against this building from the NYC Fire Department.

As of the date of this report, there are no violations against this building from the NYC Department of Highways.

As of this date of this report, there are no open ECB violations against the building.

CERTIFICATION

The building and units will be constructed in accordance with the Building Code and Regulations of the City of New York Zoning Resolutions, New York State Energy Code and any other applicable authority, and in accordance with the plans and specifications filed with the Department of Buildings. With reference to the preparation of such material, the Sponsor consulted with the registered architects who prepared the plans and specifications.

(W) UNIT INFORMATION

I. South Building. Non-Unit Spaces

Cellar: 51 Parking Spaces, Boiler Room, Cooling Tower, Meter Room, Electrical

Room, Two Elevators, Public Hall, Two Stairs, Gym, Aerobics Room, Kids Room, Trash Room and Fire Pump Room.
First Floor: Residential Lobby, Two Elevators, Two Staircases and Trash Room.
Second Floor-Roof: Public Hallway, Two Elevators, Two Staircases and Trash Room.

II. North Building. Non-Unit Spaces

Cellar: Storage Rooms, Trash Room, Meter Rooms, One Elevator, Public Hall and Two Stairs.
First Floor: Residential Lobby, One Elevator, Two Staircases and Trash Room.
Second Floor-Roof: Public Hallway, One Elevator, Two Staircases and Trash Room.

III. RESIDENTIAL UNIT DESCRIPTION

The condominium will consist of eighty-six (86) residential condominium units. Condominium units each of varying size and design, as designated on the floor plans provided.
The physical dimensions of each unit consists of the area enclosed horizontally by the unexposed interior surface of the masonry or concrete walls at an exterior wall or party walls between building sections, and the unexposed faces of the dry walls, including the thickness of such dry walls, dividing the Residential Unit from corridors, stairs or other Units and vertically by the upper face of the sub-floor of the Residential Unit up to the unexposed side of the drywall forming the upper ceiling or the plaster ceiling of the Residential Unit. Doors and windows which open from a Residential Unit and interior walls of a Residential Unit shall be deemed to be part of the Residential Unit.

PLUMBING FIXTURES

a. Each unit will be provided with a minimum of (1) bathroom of minimum size and specification to meet NYC code. Fixtures will be as follows: Bathtub is Zuma or equal, Toilet is Toto elongated front toilet or equal. Sink will be Lacava or equal. Sink faucet will be Kohler or equal. Tub/ shower set is Zuma or equal, pressure balanced.
b. Ventilation systems to be manufactured by Broan Co. or approved equal with a minimum capacity of 50 cfm for bathrooms and toilets.
c. Kitchen cabinets to be manufactured by Yorktown or equal, Model type to be Biscayne or equal. Cabinetry to be of maple select wood or equal. Counter tops to be high pressure laminate, manufactured by Wilsonart Co. or approved equal. Kitchen Sink is Blanco or equal, single bowl white enamel cast iron; Kitchen sink faucet set is Kohler or equal.

d. All kitchen fixtures supplied by sponsor to be as follows:

ITEM	BRAND NAME AND MODEL
REFRIGERATOR	Jenn Air model JBC2088HTB or equal
GAS COOKTOP	Bosch model NGT745 or equal
GAS OVEN	Bosch model HBL5035AUC or equal
DISHWASHER	Bosch model SHX43A05UC or equal

Sponsor will not supply washers and dryers but will provide connections for, as required by New York City Building Code.The finishes for the kitchen are as follows. The countertops will be Granite and the cabinets will be Maple Wood (Top Cabinets are glass with Maple Wood frame). The floors will be ceramic tile or slate where applicable. The sink will be stainless steel with in-sink garbage disposal. All the appliances will be GE Stainless Steel. The Refrigerator, Stove and Dishwasher are standard, the Microwave is optional.

The finishes for the living area is as follow: The floors will be maple hardwood or equal. The stairs will be steel frame with steel steps and concrete fill. The interior doors will be raised panel hollow doors throughout. Ceiling will be painted gypsum. Paint to be selected by owner.

The finishes for the master bathrooms are as follows: The floor tile will be upgraded textured ceramic tile and partial walls. The vanity will have a granite countertop with Cherry wood cabinets. The sink will be a Kohler ceramic oval; the tub will be a fiberglass whirlpool bathtub (5' tubs); an elongated toilet bowl (where possible).

The finishes for the second bathroom are as follows: The floor tile will be upgraded textured ceramic tile, with a pedestal sink and an elongated toilet bowl where possible.

Miscellany:

- TV intercom security/entry system for the building; TV surveillance cameras at judicious locations of building and exterior.
- Cable TV ready. Pre-wired in all rooms
- Screens for windows
- All units to have central HVAC controlled in unit

All bedrooms, bathrooms and closets will be provided with painted gypsum board walls and ceilings.

Finish Schedule for Typical Apartment*

SPACE	FLOOR	BASE	WALL	CEILING
FOYER	WD	WD	P	P
LIVING RM	WD	WD	P	P
DINING RM	WD	WD	P	P

BEDROOM	WD	WD	P	P
KITCHEN	WD	WD	P	P
BATHROOM	MT/CT	MT/CT	CT/P	P
CLOSET	WD	WD	P	P
MECH. CL/ W/D CL	CT	CT	P	P

Finish Schedule for Common Spaces*

SPACE	FLOOR	BASE	WALL	CEILING
LOBBY	S/CT/CPT	CT	P	P
PUBLIC CORRIDORS	CT/CPT	CT	P	P
FITNESS AREA	CON	WD	P	P
STORAGE AREA	CON	NONE	P/CON	P
PARKING	CON	NONE	P/CON	P
METER ROOMS	CON	NONE	P/CON	P
TRASH ROOM	CT	CT	P	P
STAIRS	CON	WD	P/CMU	P

Bathroom and Fixtures*

FIXTURE	MANUFACTURER
LAVATORY	LACAVA
WC	TOTO
TUB	ZUMA
LAVATORY FAUCET	KOHLER
SHOWER FAUCET	KOHLER
TUB FAUCET	KOHLER

Kitchen Appliances*

APPLIANCE	MANUFACTURER
REFRIGERATOR	JENN AIR
GAS OVEN	BOSCH
DISHWASHER	BOSCH
GAS COOKTOP	BOSCH
HOOD	BEST

ABBREVIATIONS FOR FINISHES

CMU – CONCRETE MASONRY UNITS	CT – CERAMIC TILE
CPT – CARPET	WD – WOOD
P – PAINT	MT – MARBLE TILE
S – STONE	CON – CONCRETE

* ALL FINISHES, APPLIANCES AND FIXTURES MAY BE SUBSTITUTED FOR EQUAL REPLACEMENTS

(X) FINISH SCHEDULE OF SPACES OTHER THAN UNITS

The internal fire stairs and landing will have painted concrete floors and stair treads, painted gypsum board walls, painted gypsum board ceilings. The floor of the building lobby will have texture ceramic tile with granite or slate. The walls will be painted gypsum board walls and painted gypsum board ceilings. The apartment doors will be steel entry doors with integrated bell and peephole. The Main entry doors to the vestibule and lobby will be steel/aluminum frame - - storefront type. The cellar meter and mechanical rooms will have concrete floors, painted block or gypsum board walls and painted gypsum board ceilings. Hallway floors to be either carpet or ceramic tile, hallway walls to be painted gypsum bd.

(Y) SAFETY AND WARNING DEVICES

A hard-wired smoke detector and carbon monoxide detectors by "American Sensors" Model COS2010 or equal will be provided on each level of each unit, as required by the New York City Building Code. Emergency lighting with battery back up will be provided in all fire stairs and in the building lobby.

ASBESTOS DISCLOSURE

This statement is to disclose that there will be no asbestos made products, partially or in whole, specified for the construction of this condominium as per approved plans.

Q. MISCELLANEOUS

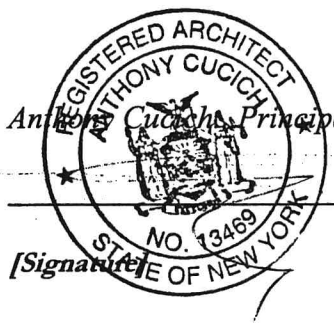
Incinerators- none.
Fireplaces- none.
Fire escapes- none.
Handicapped Accessibility - All units have been designed for handicap adaptability, all in accordance with Local Law 58 and the N.Y.C. Building Code. A handicap accessible route is provided for the main entry.

PERMITS AND INSPECTIONS

1. PERMITS
   Before starting any work, builder to obtain a work permit from the Department of Buildings, City of New York.

2. INSPECTIONS

   Builder to retain the service of an architect or engineer for control inspections on piles, mechanical ventilation, firestopping, drywell installation, soil percolation, reinforcement of masonry walls, and concrete; all in accordance with the requirements of the New York City Building Code.

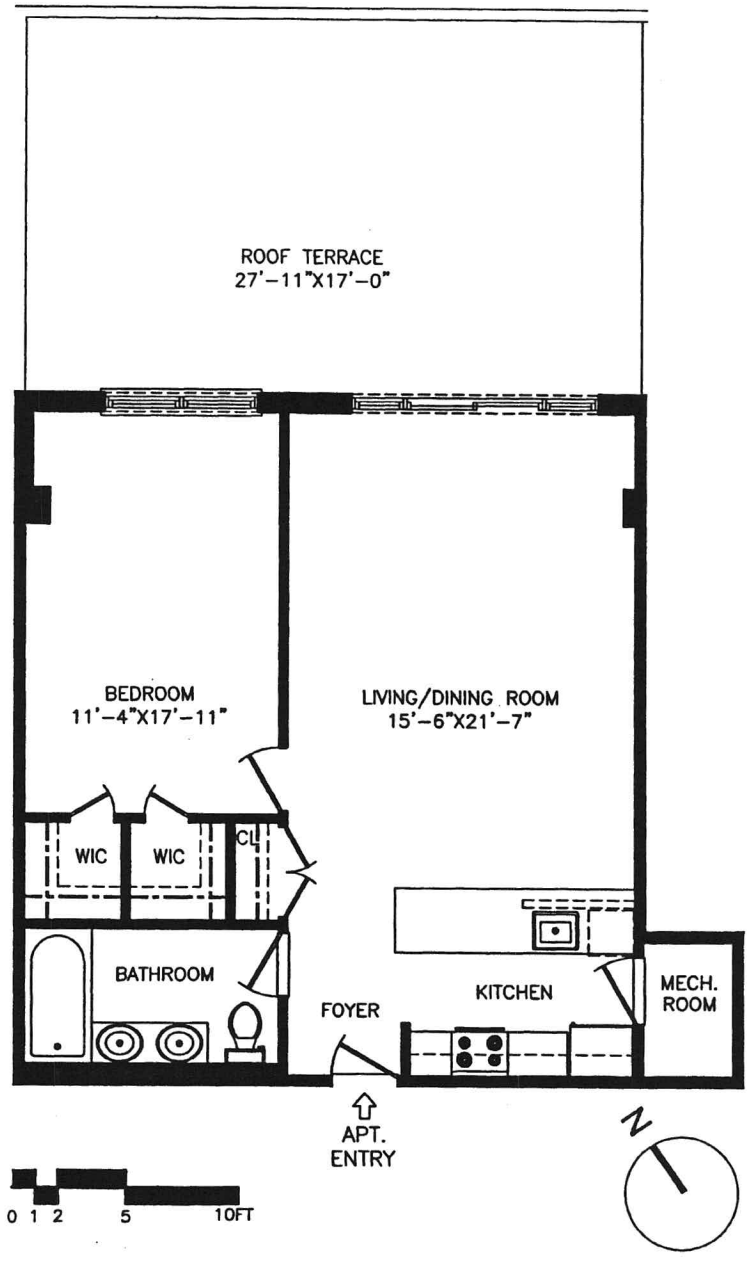


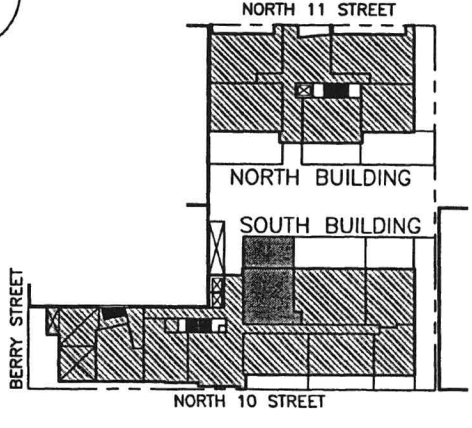
Anthony Cucich, Principal

[Signature]

[Architect's Seal]

FLOOR PLANS



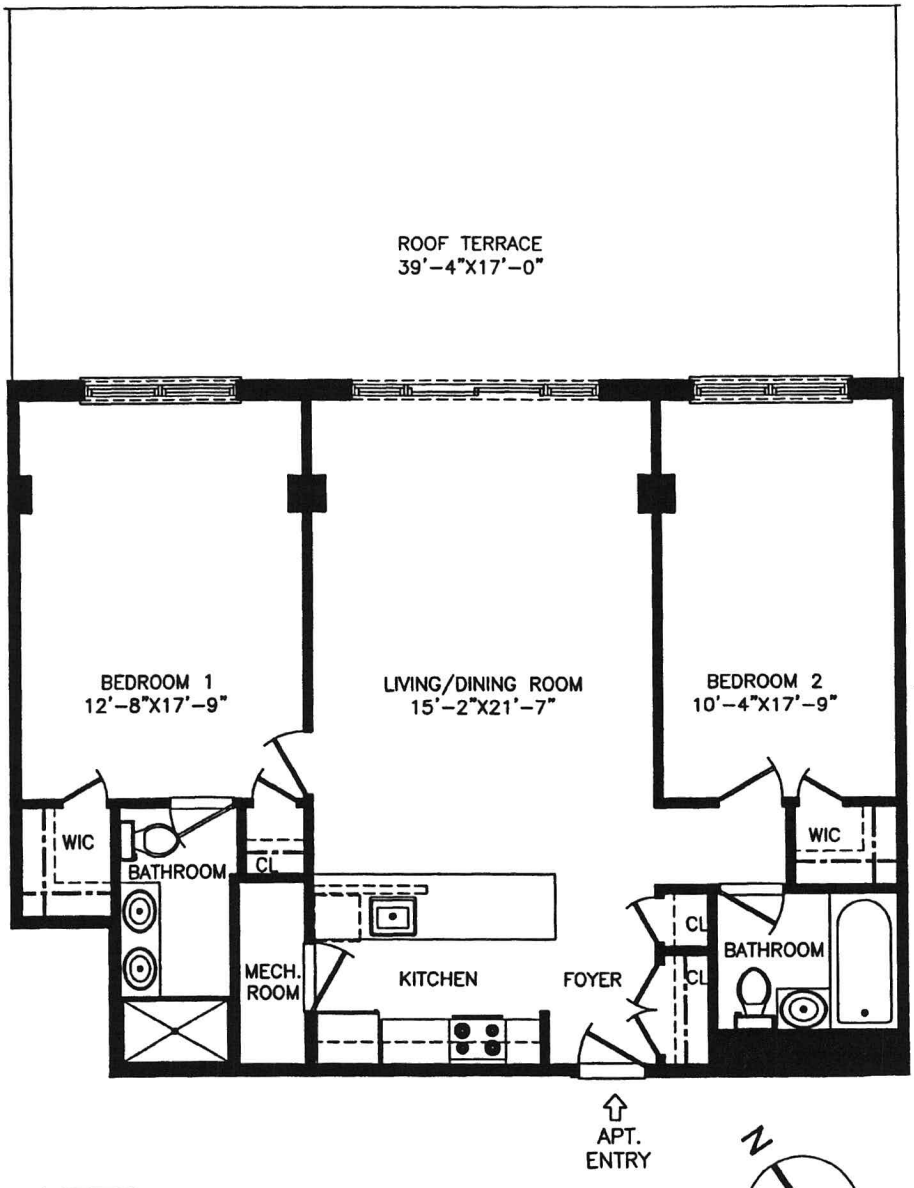


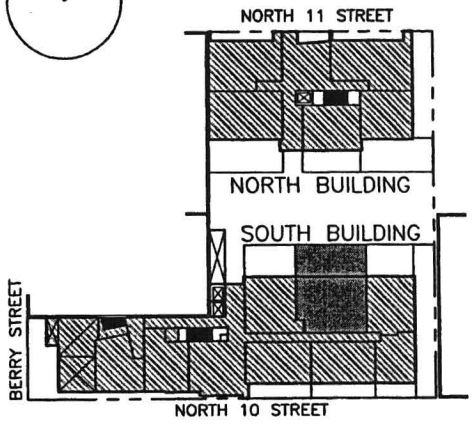
SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT S GARDEN A
1 BEDROOM 1 BATH
APPROX AREA: 873 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.



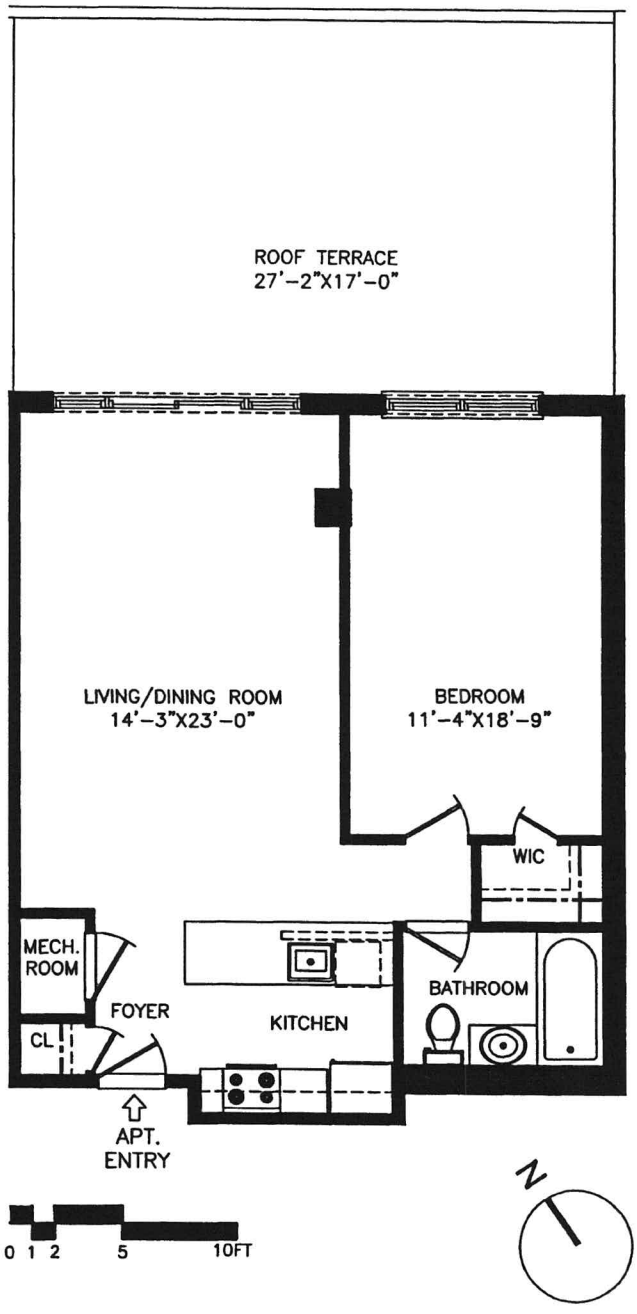


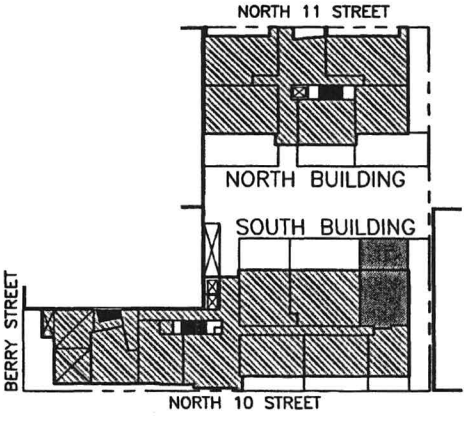
SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT S GARDEN B
2 BEDROOM 2 BATH
APPROX AREA: 1,171 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT S GARDEN C
1 BEDROOM 1 BATH
APPROX AREA: 838 SF

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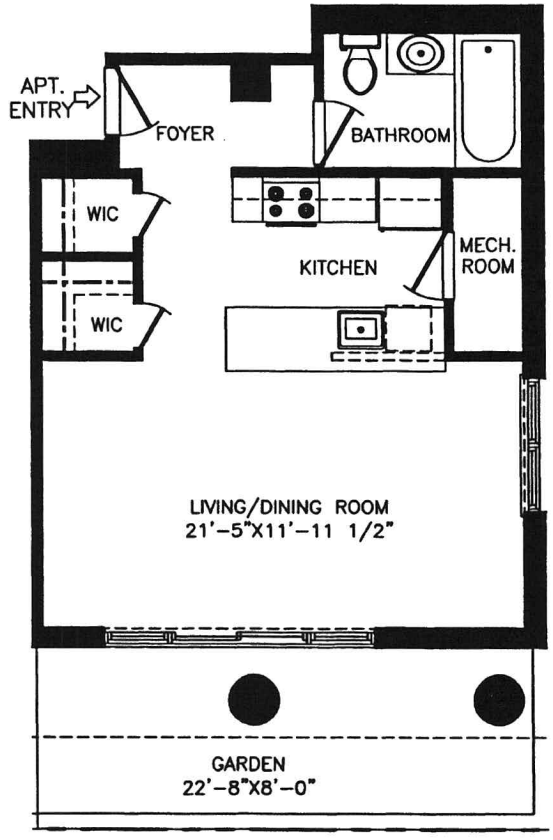
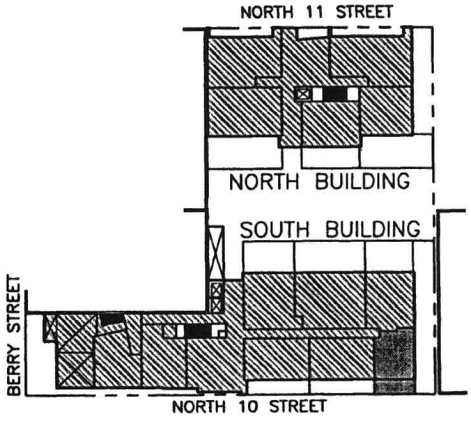


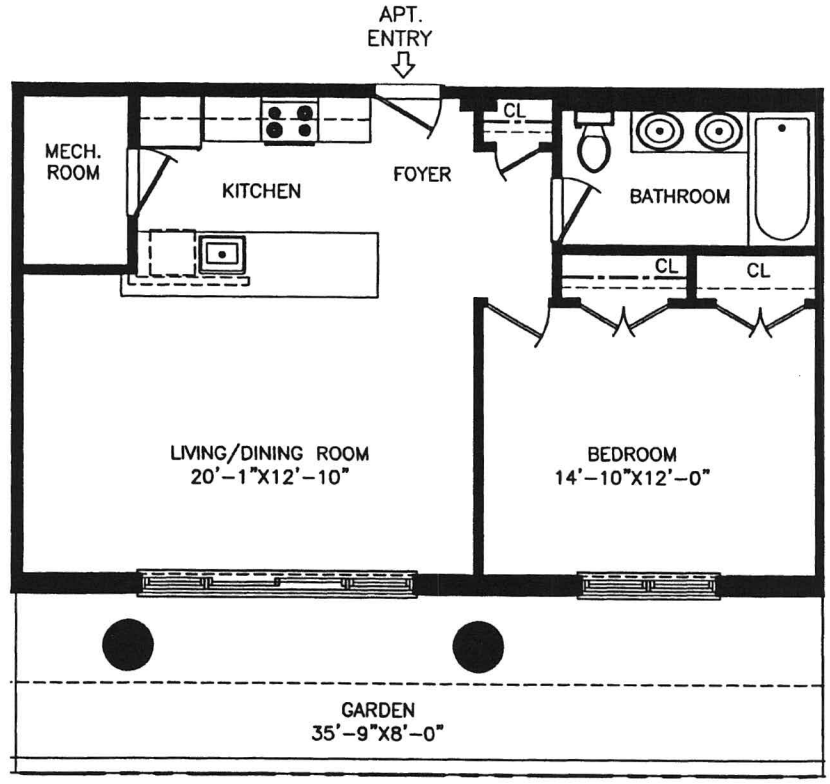


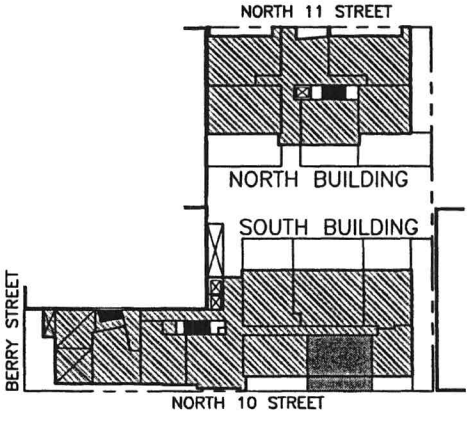
SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT S GARDEN D
STUDIO 1 BATH
APPROX AREA: 599 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.



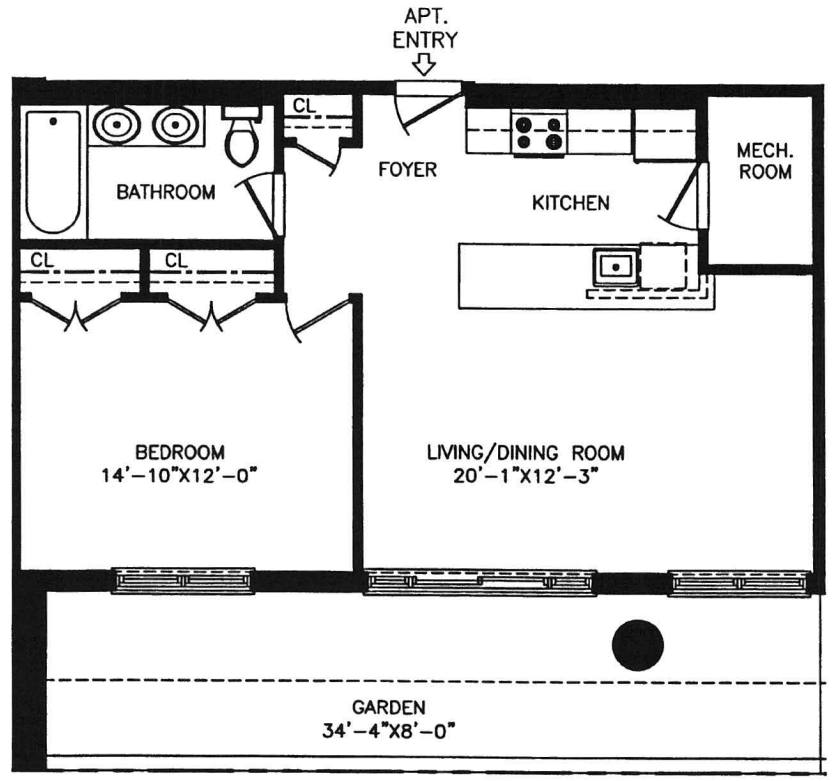


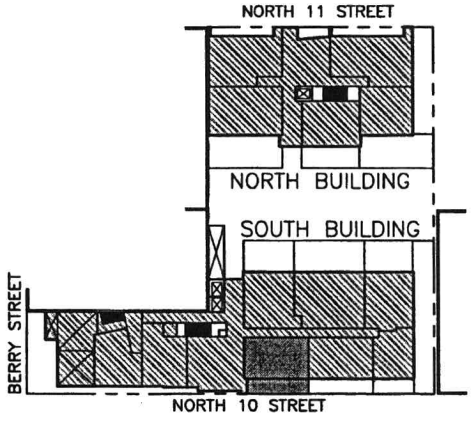
SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT S GARDEN E
1 BEDROOM 1 BATH
APPROX AREA: 795 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.



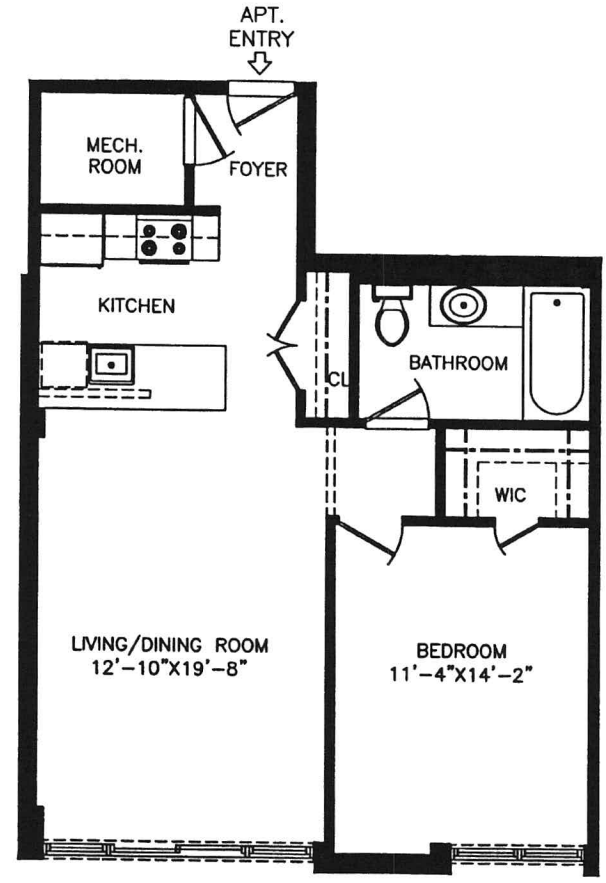


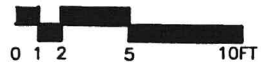
SITE PLAN

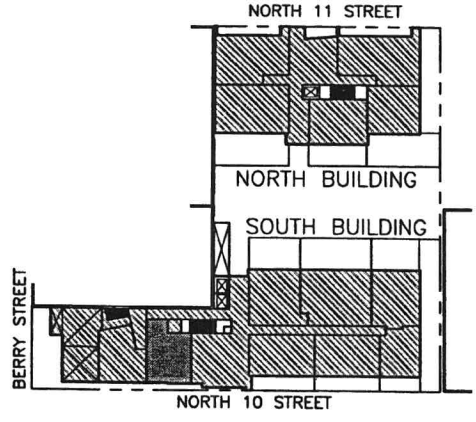
125 NORTH 10th STREET,
BROOKLYN, NY

APT S GARDEN F
1 BEDROOM 1 BATH
APPROX AREA: 795 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





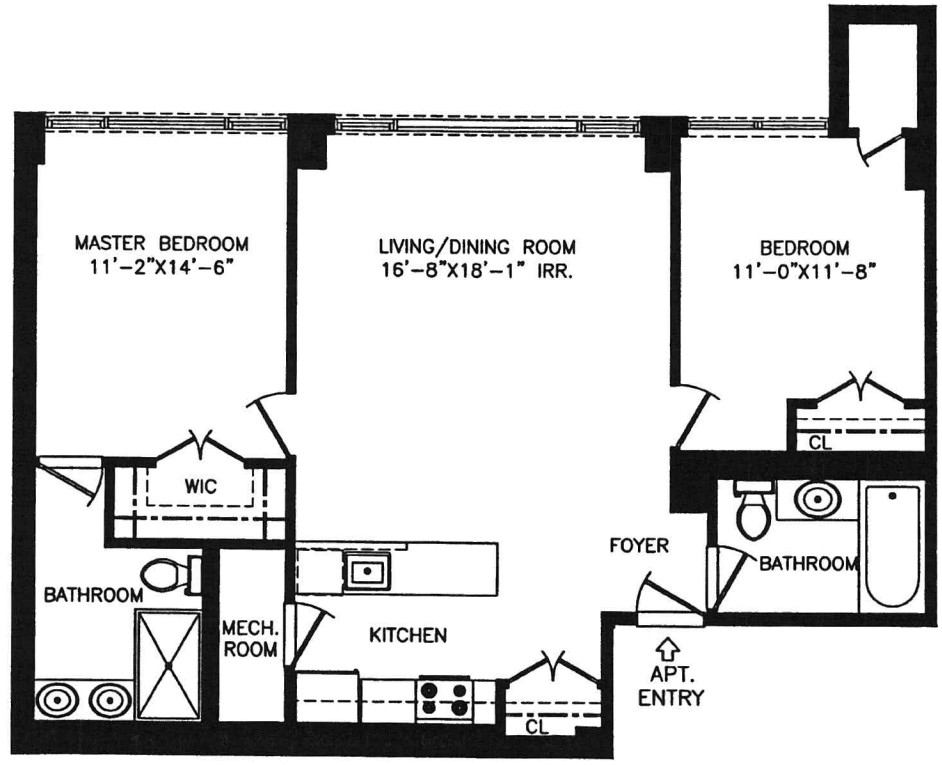


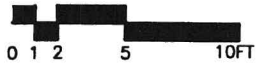
SITE PLAN

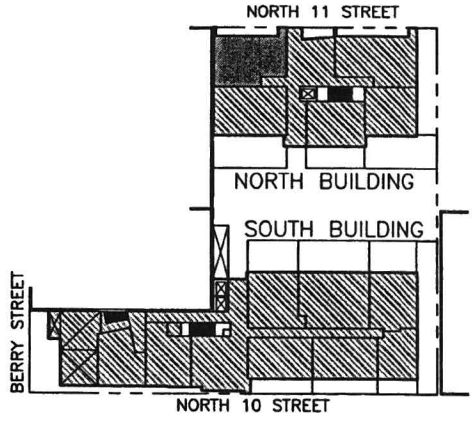
125 NORTH 10th STREET,
BROOKLYN, NY

APT S GARDEN G
1 BEDROOM 1 BATH
APPROX AREA: 761 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





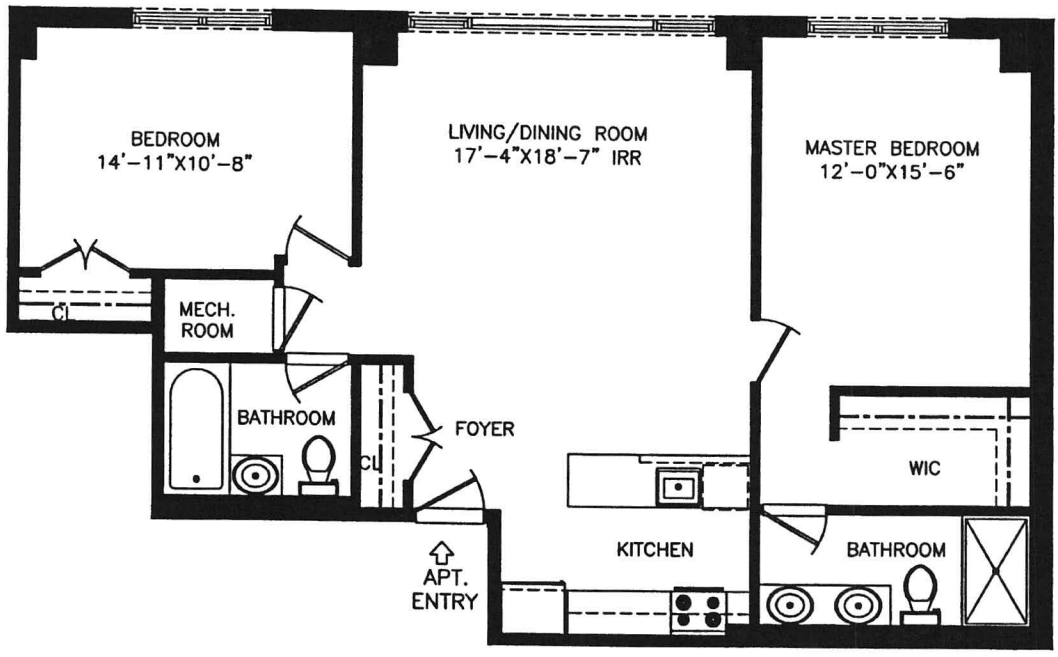


SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

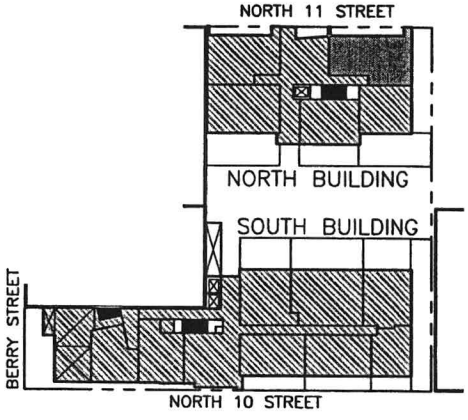
APT N GARDEN A
2 BEDROOM 2 BATH
APPROX AREA: 1,052 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.



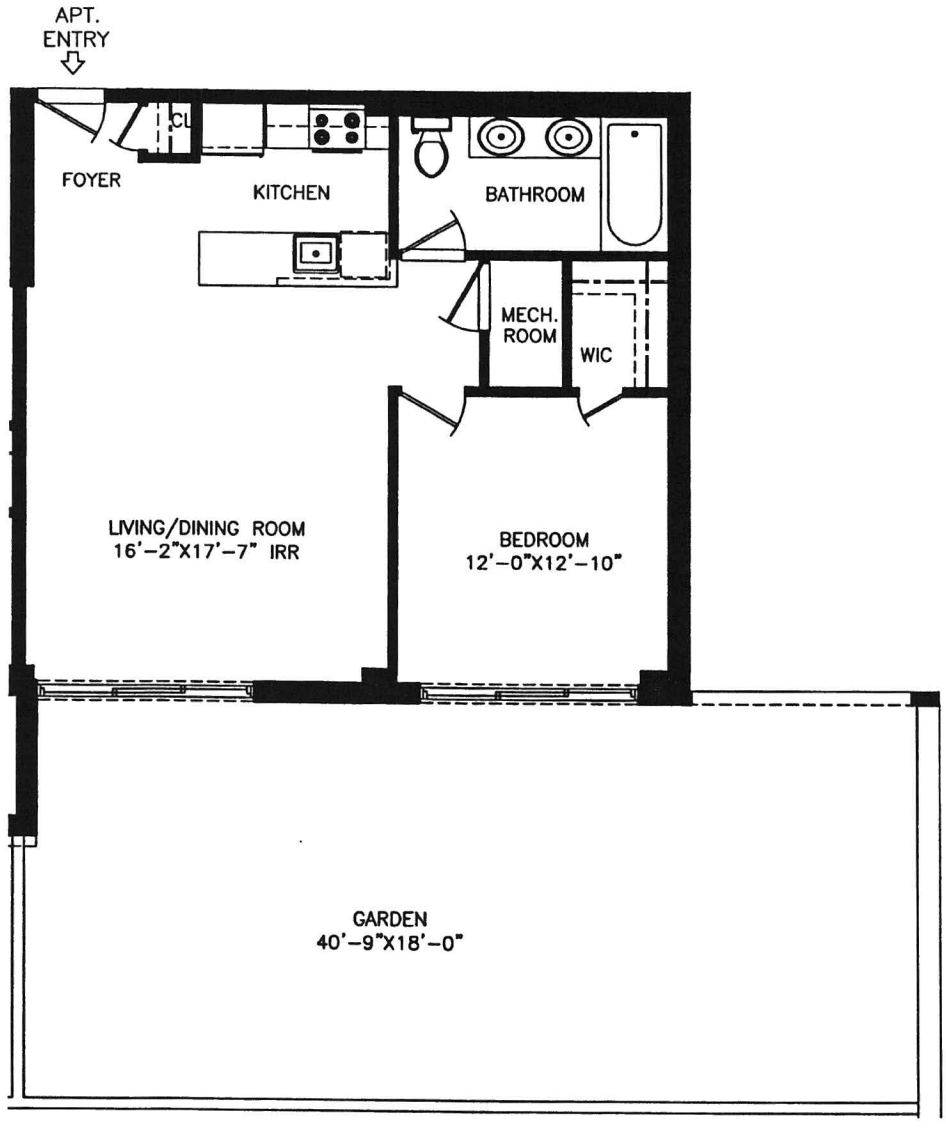
125 NORTH 10th STREET,
BROOKLYN, NY

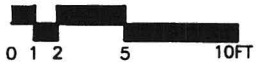
APT N GARDEN B
2 BEDROOM 2 BATH
APPROX AREA: 1,163 SF

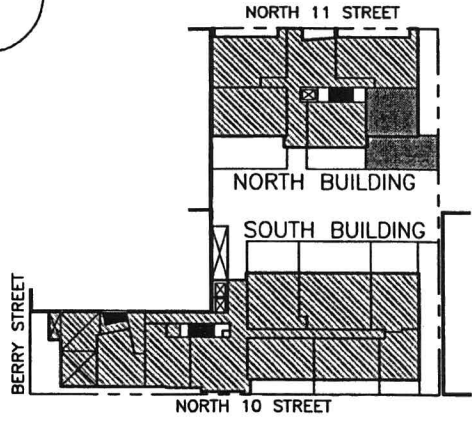


SITE PLAN

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





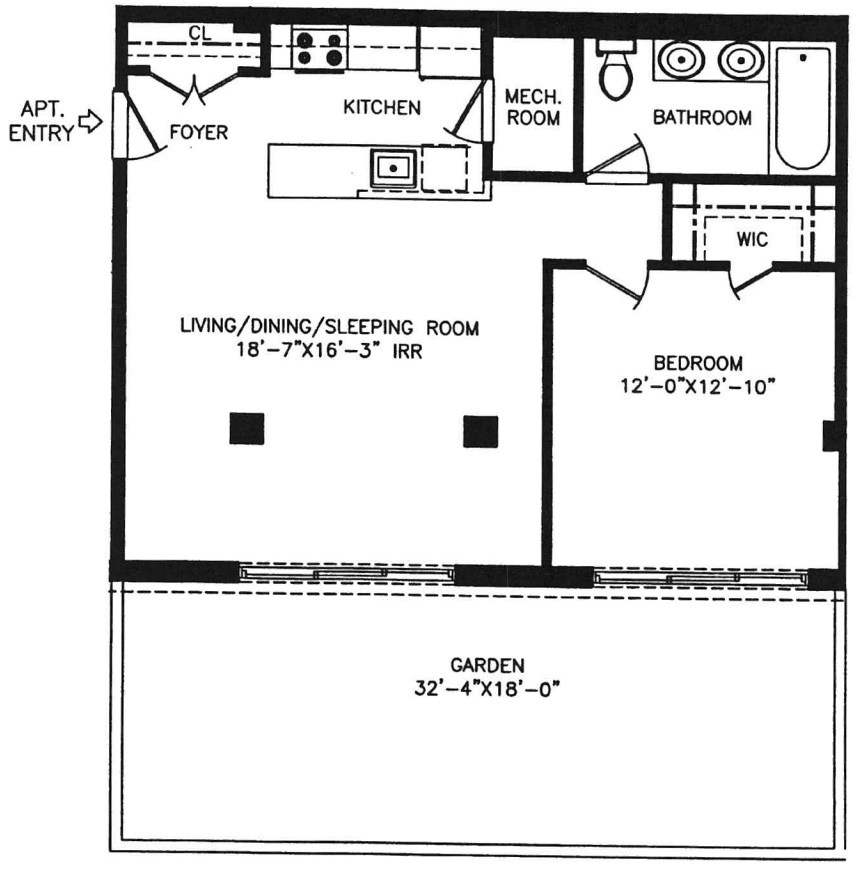


SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

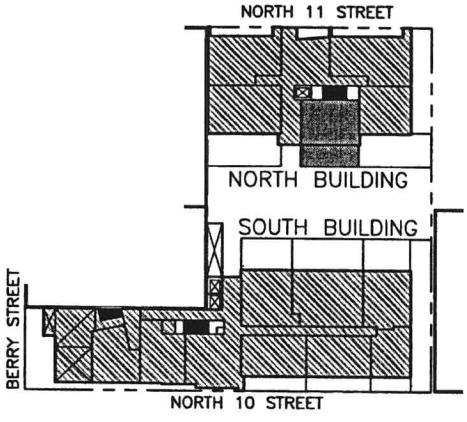
APT **N GARDEN C**
1 BEDROOM 1 BATH
APPROX AREA: 797 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.



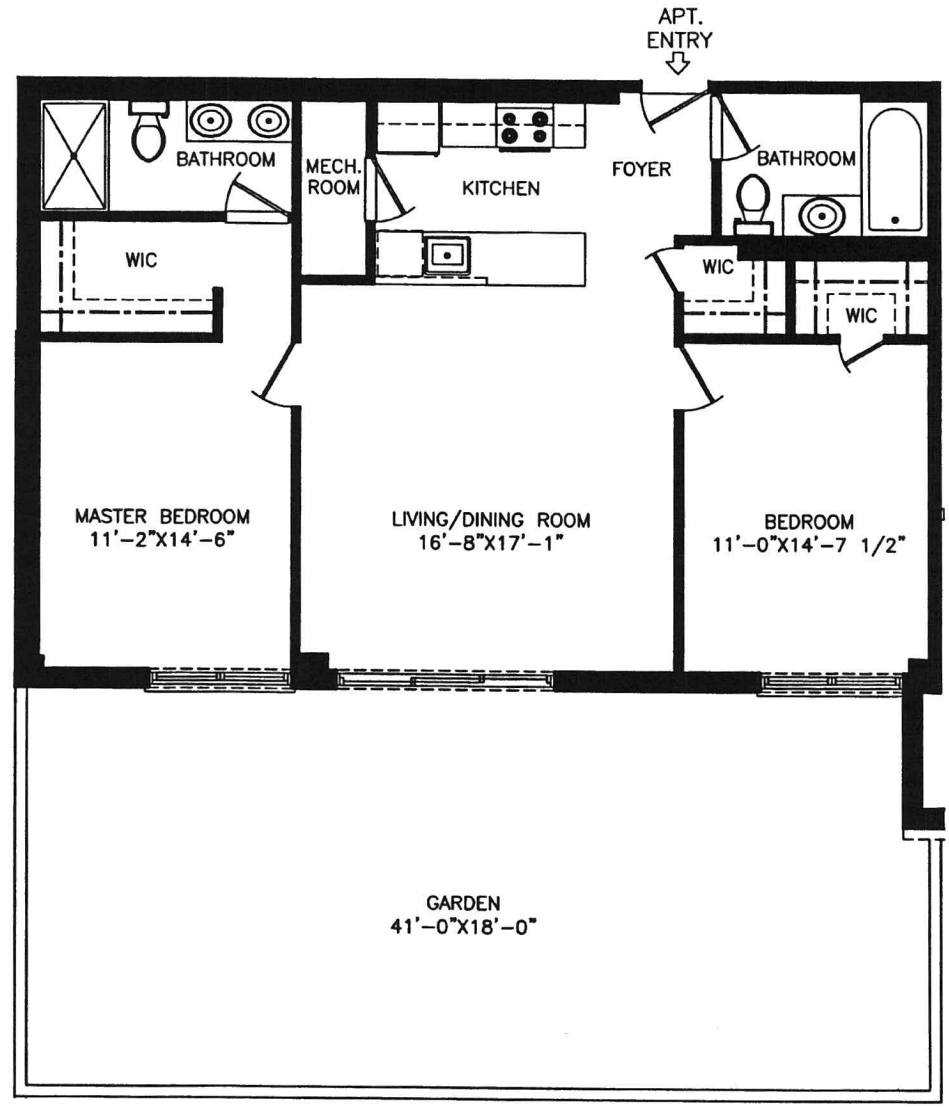
125 NORTH 10th STREET,
BROOKLYN, NY

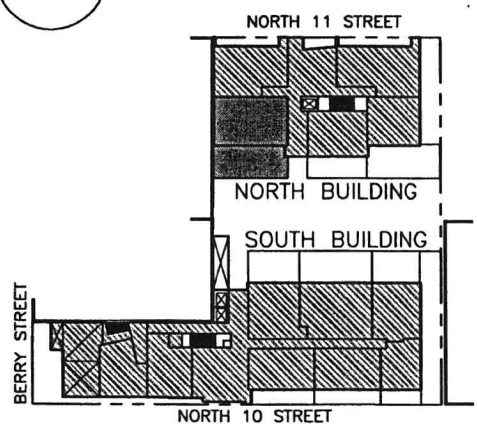
APT N GARDEN D
1 BEDROOM 1 BATH
APPROX AREA: 815 SF



SITE PLAN

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





SITE PLAN

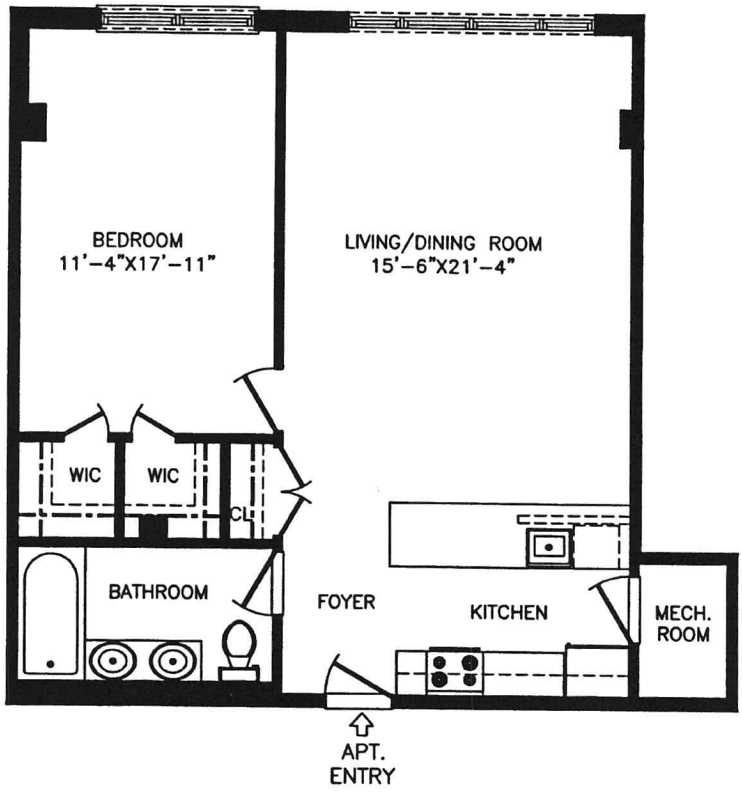
125 NORTH 10th STREET,
BROOKLYN, NY

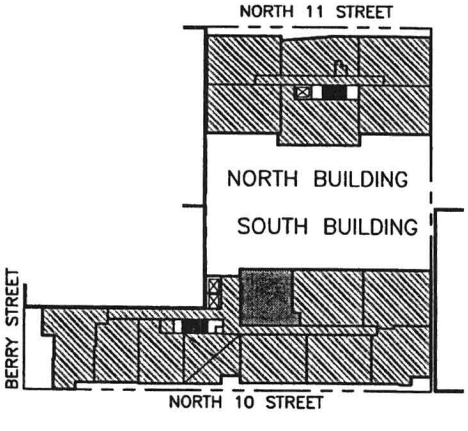
APT N GARDEN E

2 BEDROOM 2 BATH

APPROX AREA: 1,090 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.



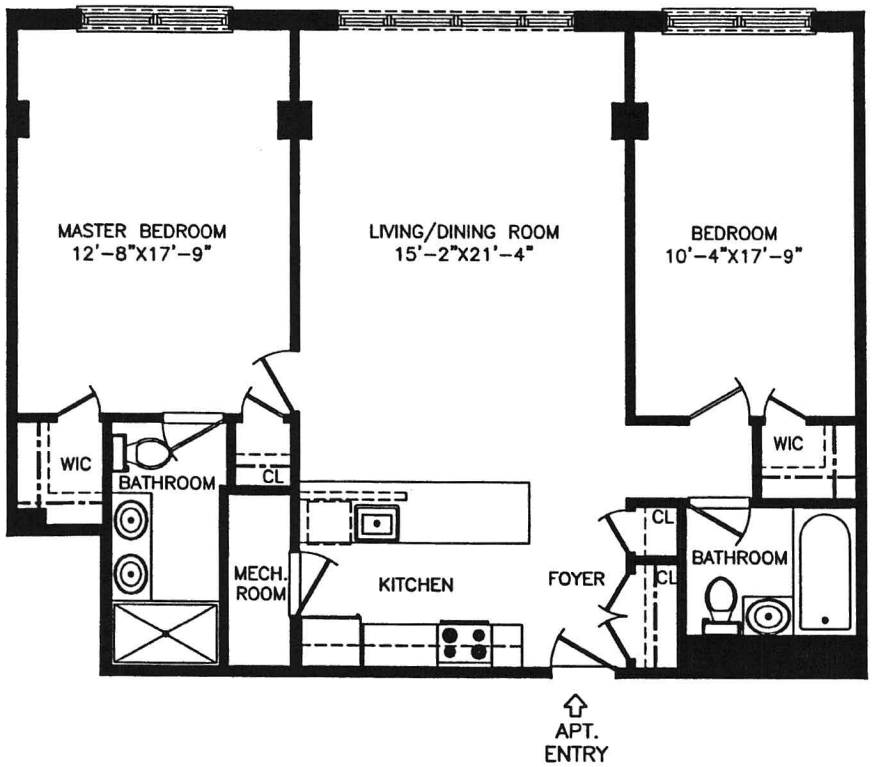


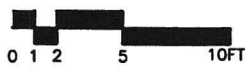
SITE PLAN

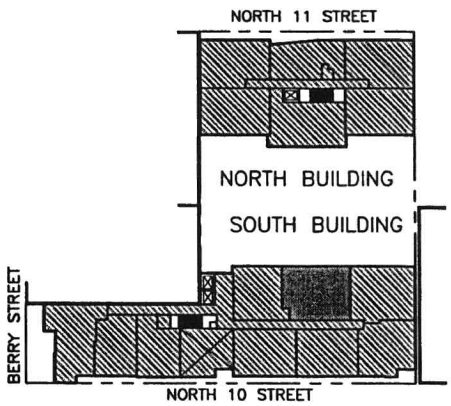
125 NORTH 10th STREET,
BROOKLYN, NY

APT SOUTH 2A
1 BEDROOM 1 BATH
APPROX AREA: 873 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





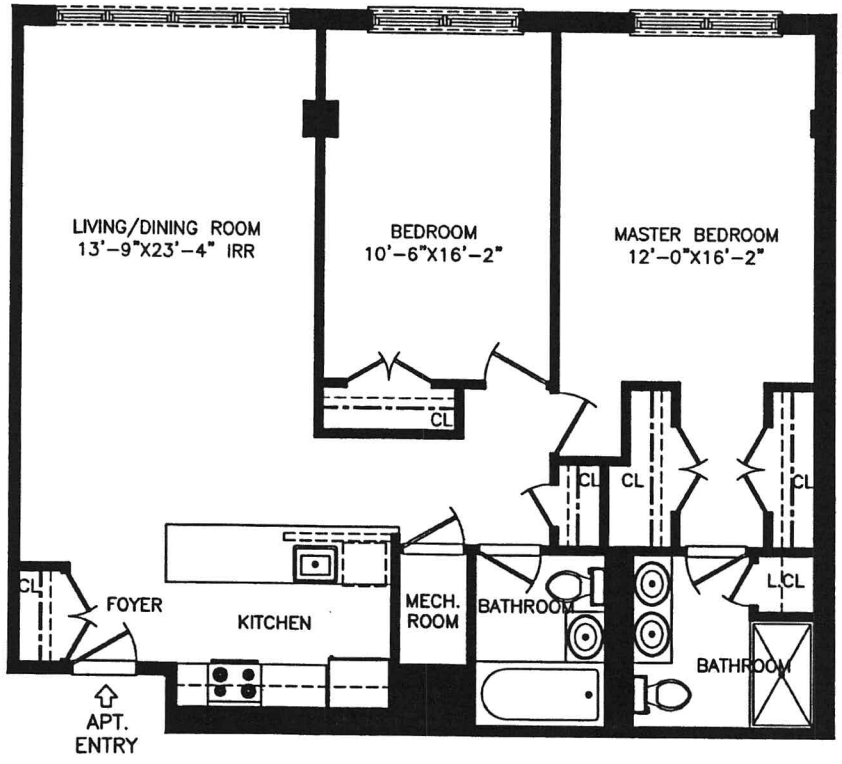


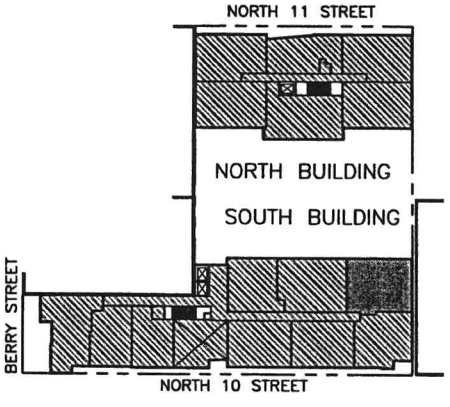
SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH 2B**
2 BEDROOM 2 BATH
APPROX AREA: 1,171 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.



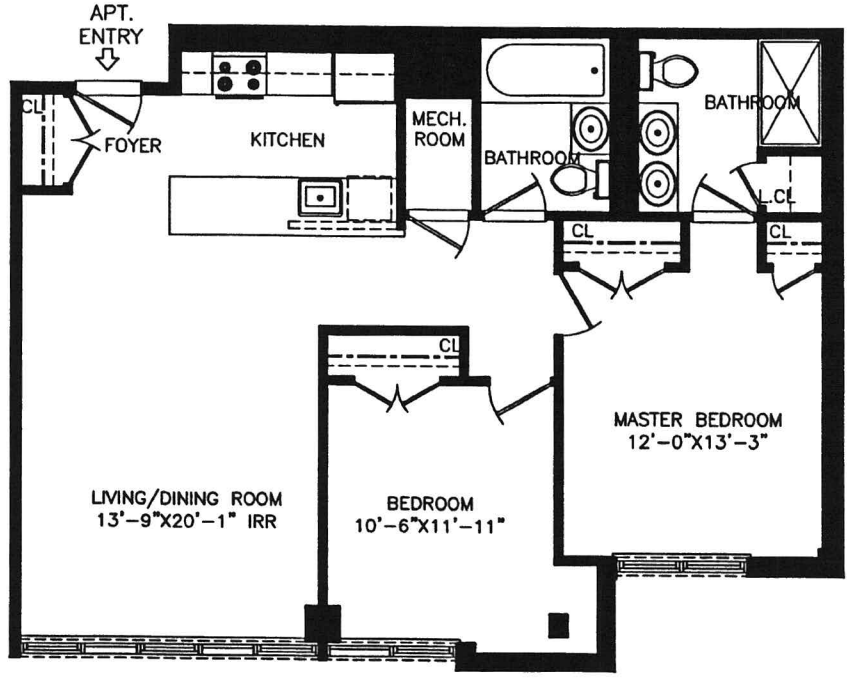


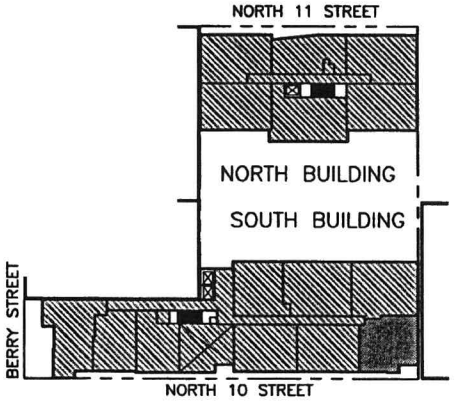
SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH 2C**
2 BEDROOM 2 BATH
APPROX AREA: 1,248 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH 2D**
2 BEDROOM 2 BATH
APPROX AREA: 1,048 SF

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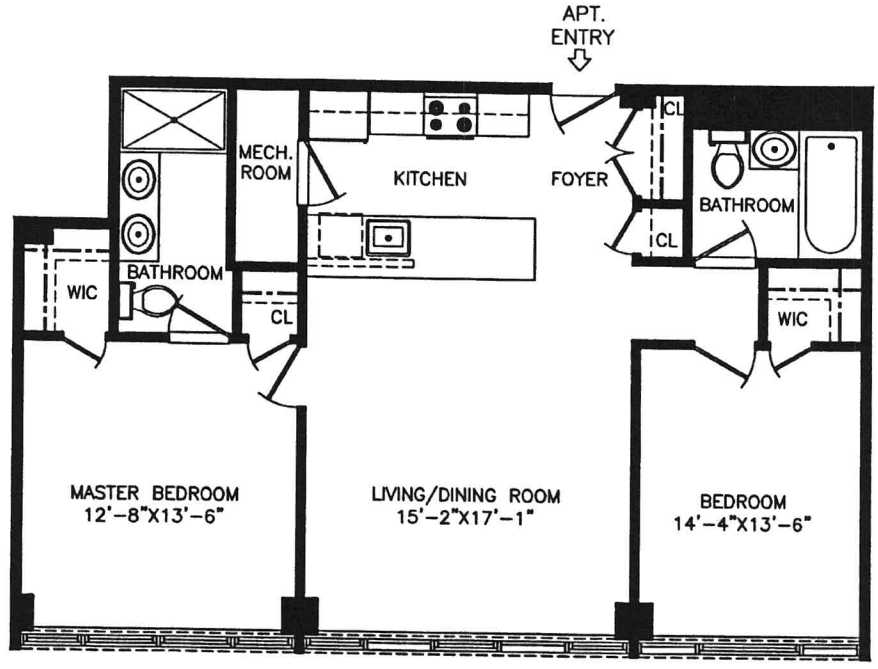
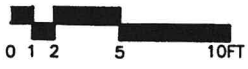


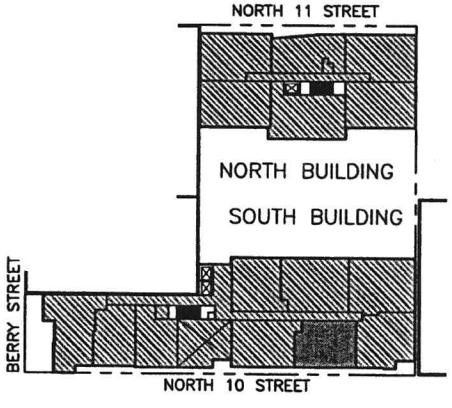


125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH 2E**

2 BEDROOM 2 BATH

APPROX AREA: 1,005 SF



SITE PLAN

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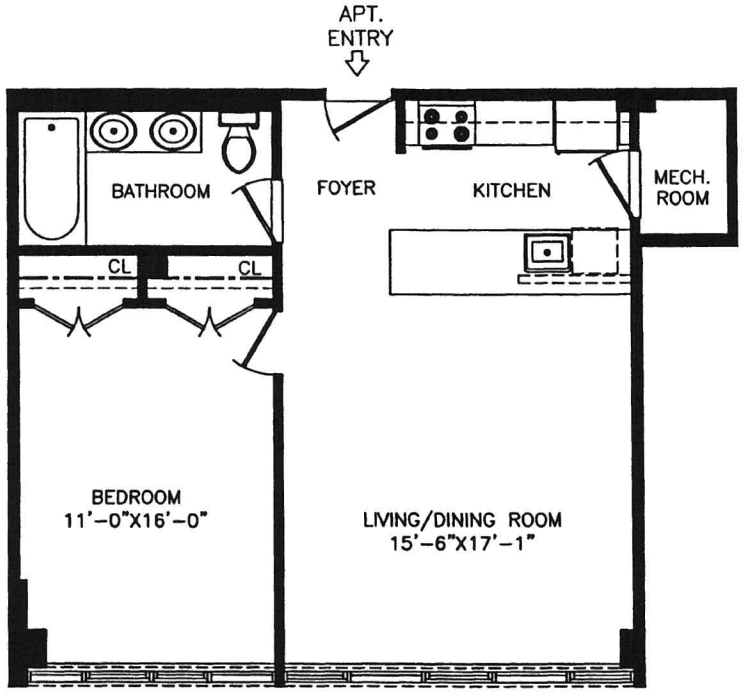

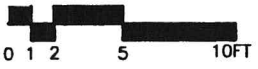

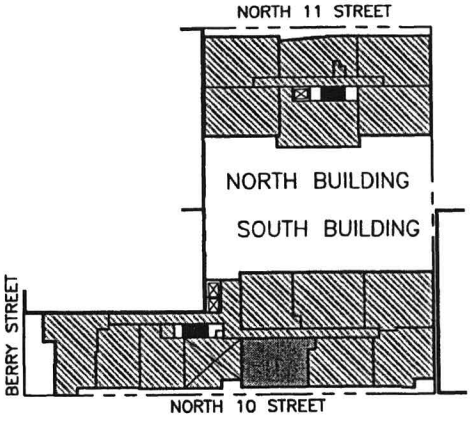

SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH 2F**

1 BEDROOM 1 BATH

APPROX AREA: 756 SF

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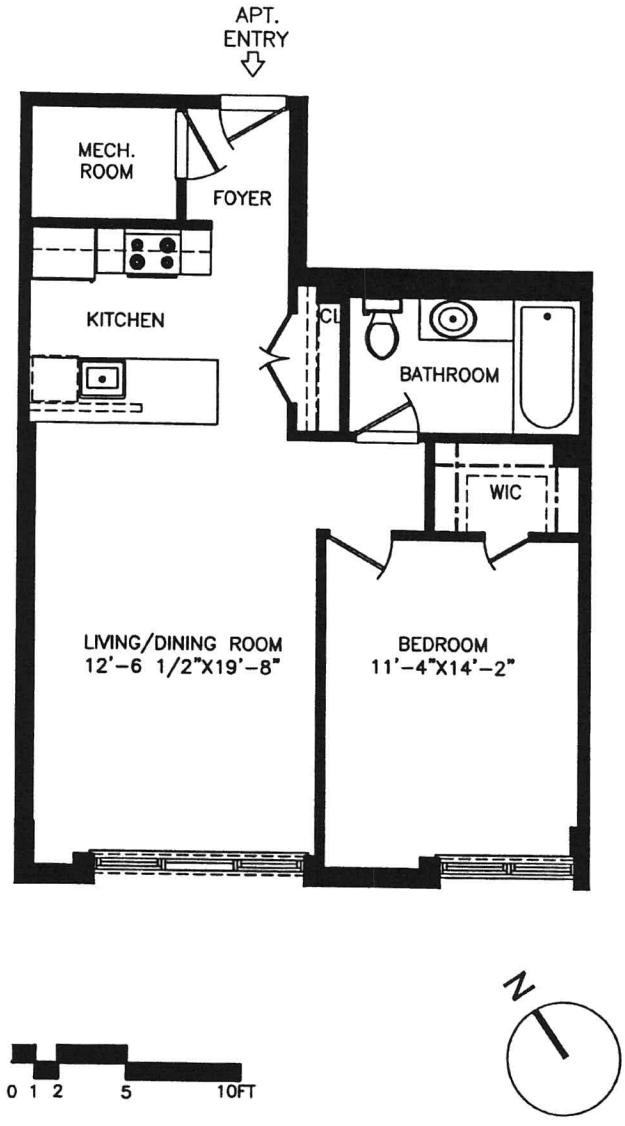
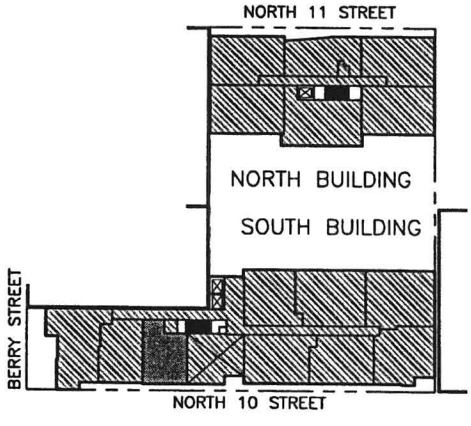




SITE PLAN

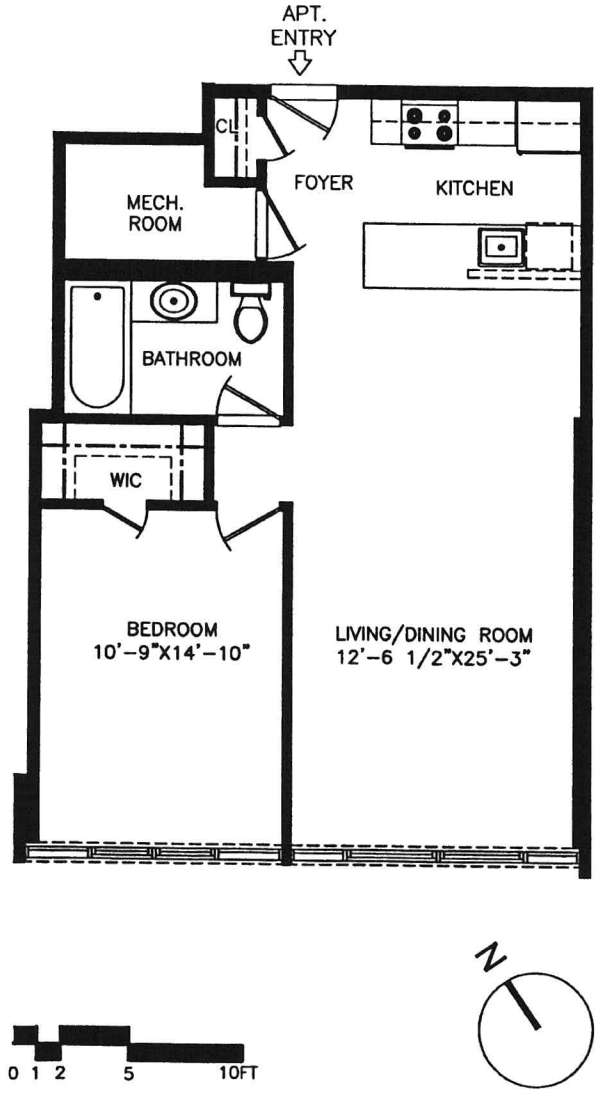
125 NORTH 10th STREET,
BROOKLYN, NY

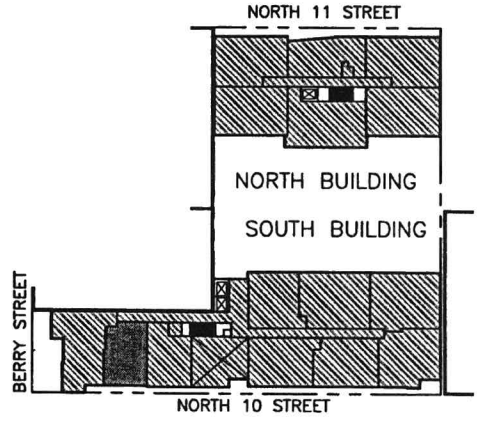
APT **SOUTH 2G**

1 BEDROOM 1 BATH

APPROX AREA: 763 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





SITE PLAN

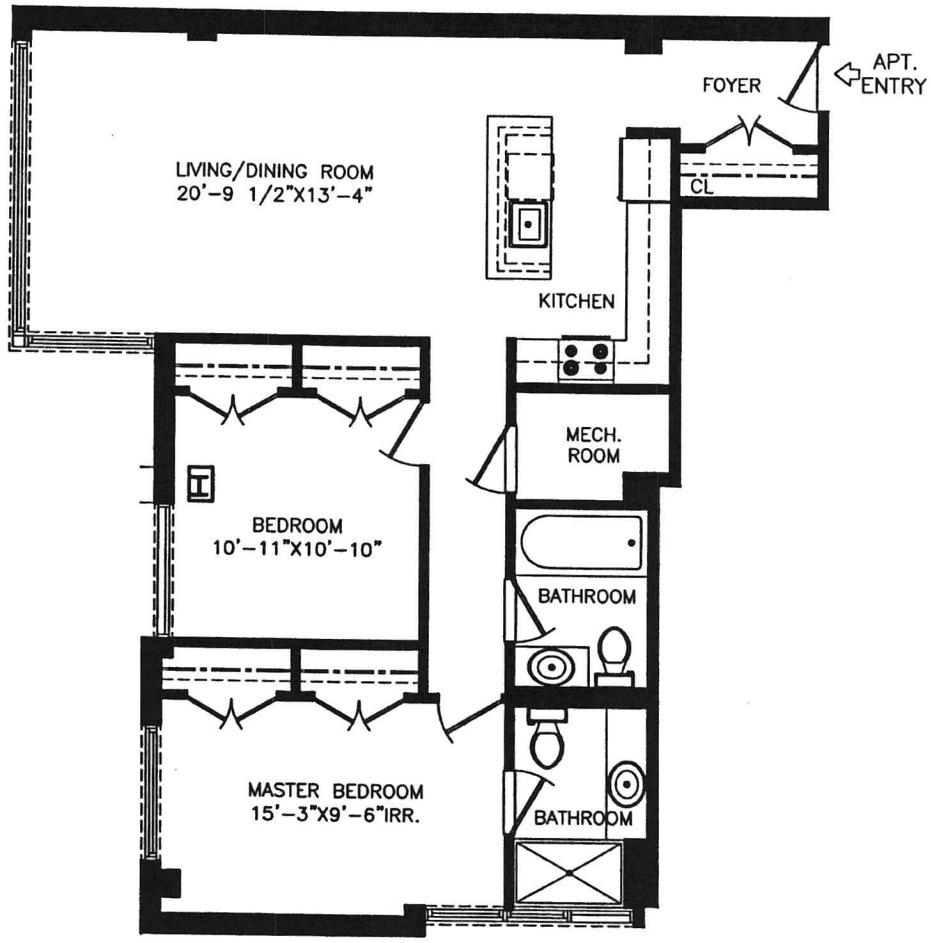
125 NORTH 10th STREET,
BROOKLYN, NY

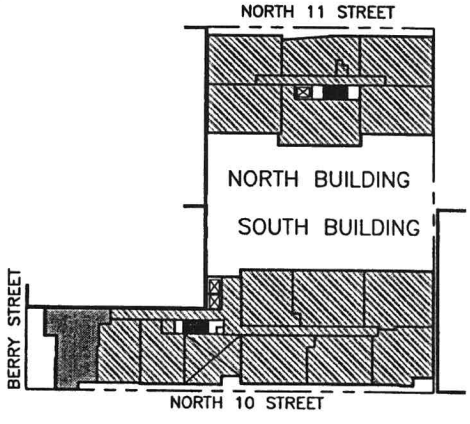
APT **SOUTH 2H**

1 BEDROOM 1 BATH

APPROX AREA: 807 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH 2I**

2 BEDROOM 2 BATH

APPROX AREA: 1,123 SF

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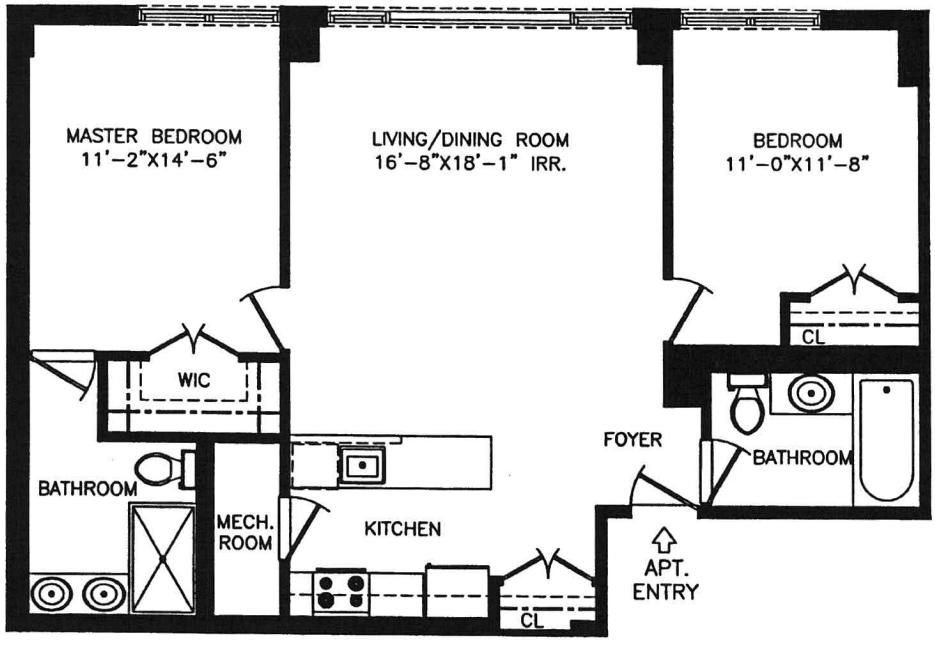

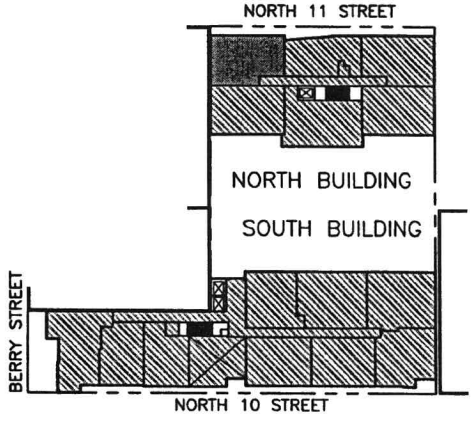

SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT **NORTH 2A**
2 BEDROOM 2 BATH
APPROX AREA: 1,052 SF

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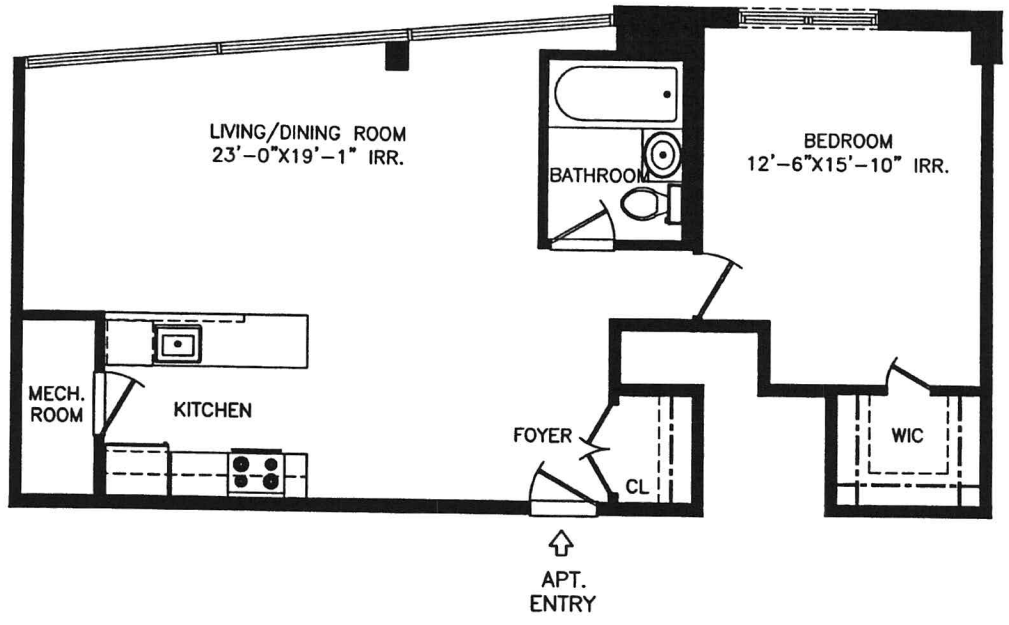
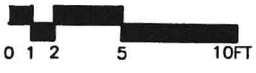
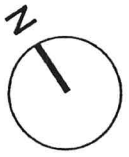
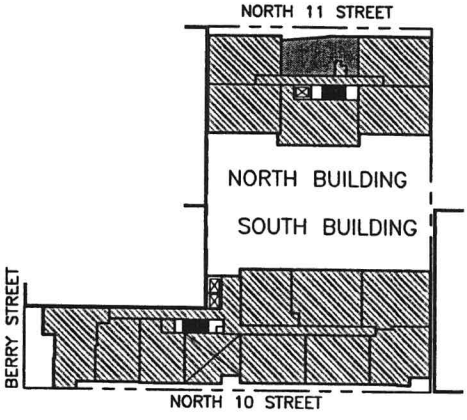






125 NORTH 10th STREET,
BROOKLYN, NY

APT **NORTH 2B**
1 BEDROOM 1 BATH
APPROX AREA: 871 SF



SITE PLAN

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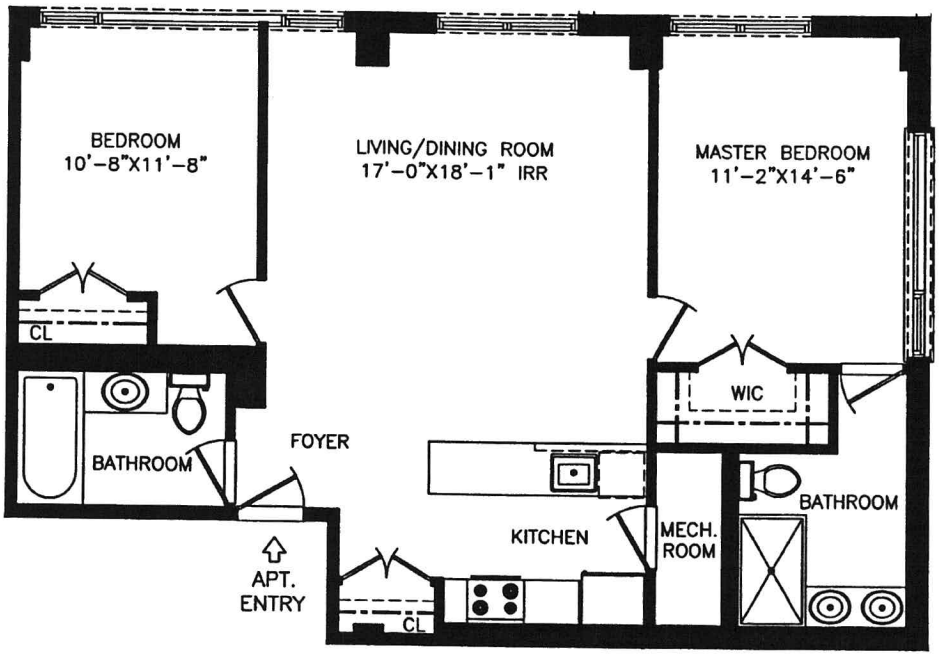
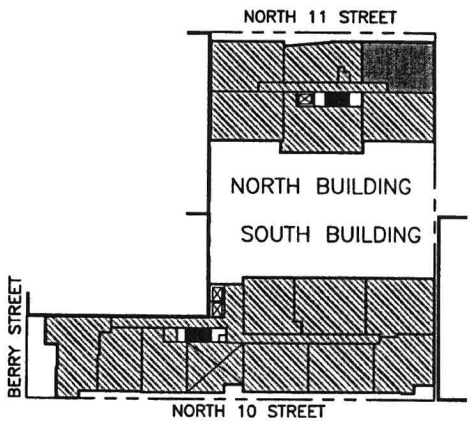


125 NORTH 10th STREET,
BROOKLYN, NY

APT **NORTH 2C**
2 BEDROOM 2 BATH
APPROX AREA: 1,090 SF



SITE PLAN

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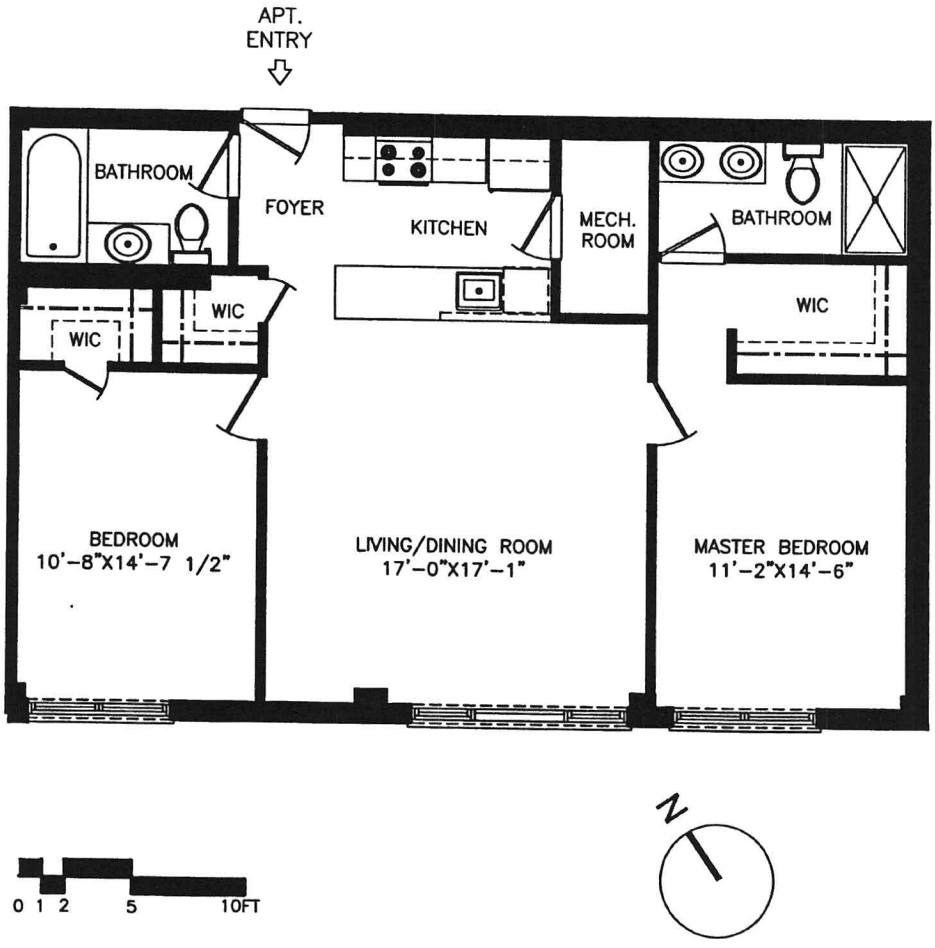

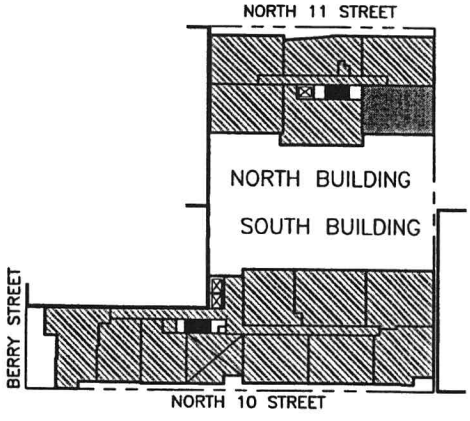

SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT NORTH 2D

2 BEDROOM 2 BATH

APPROX AREA: 1,090 SF

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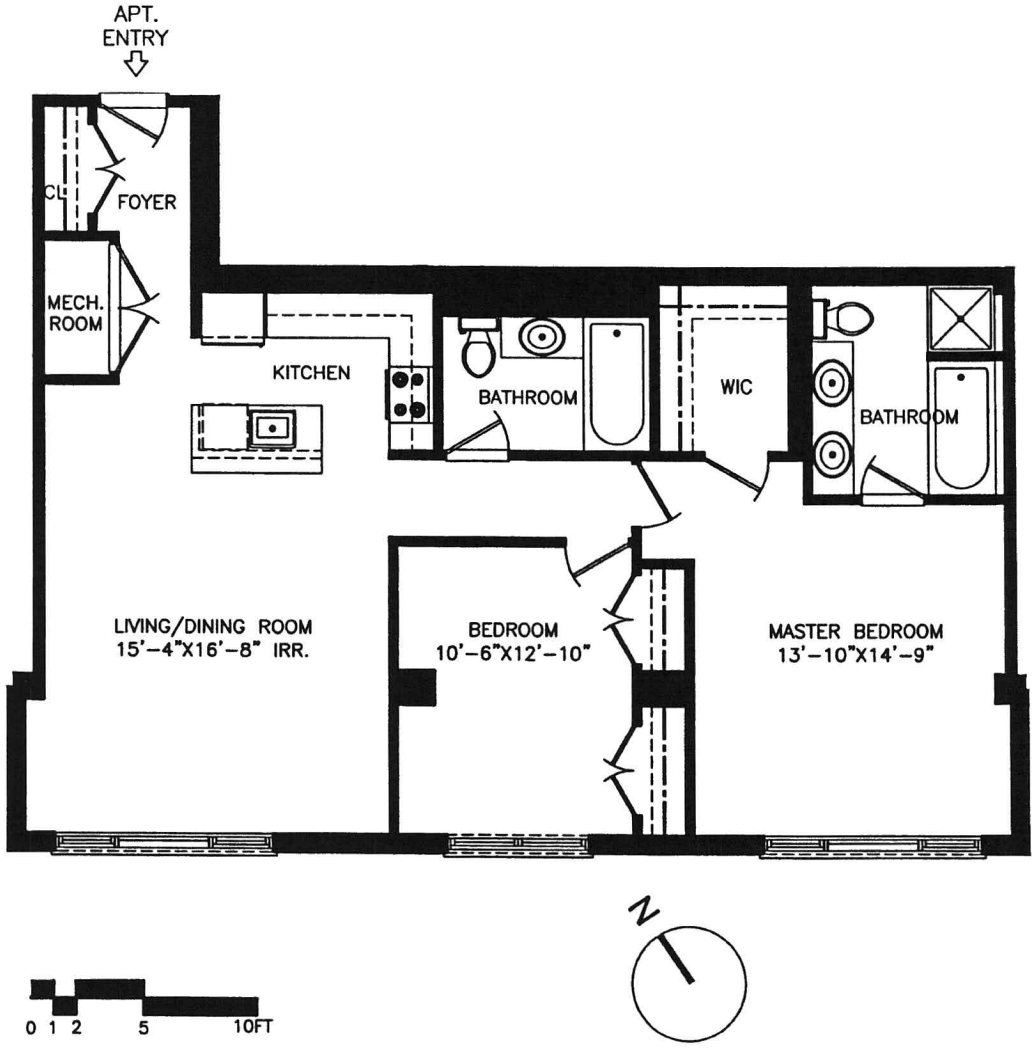
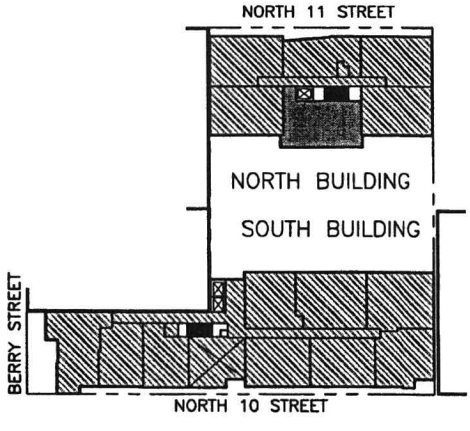




SITE PLAN

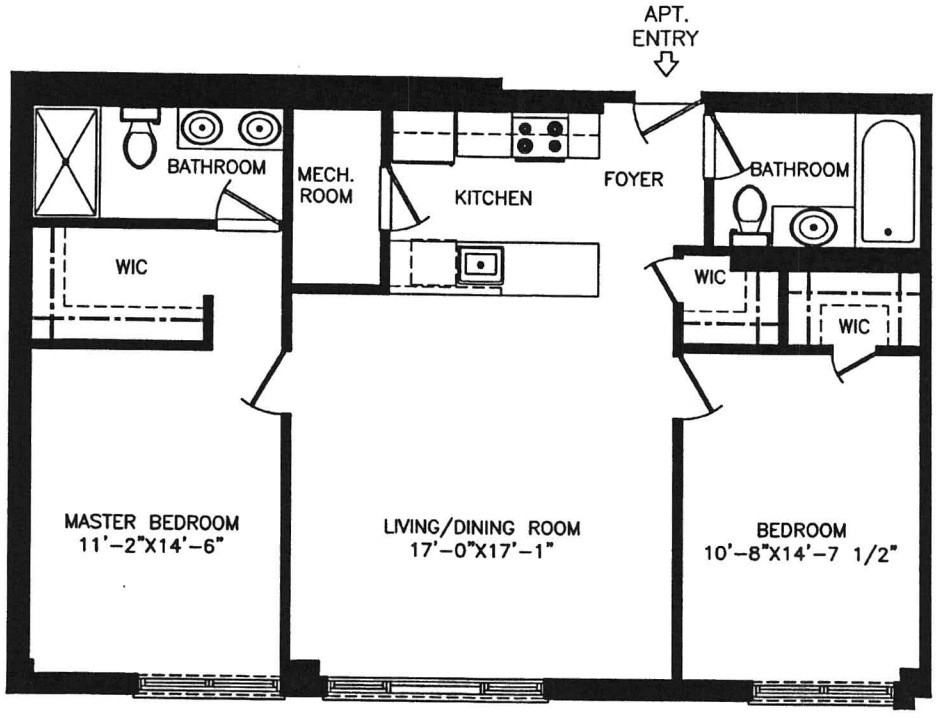
125 NORTH 10th STREET,
BROOKLYN, NY

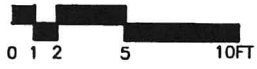
APT **NORTH 2E**

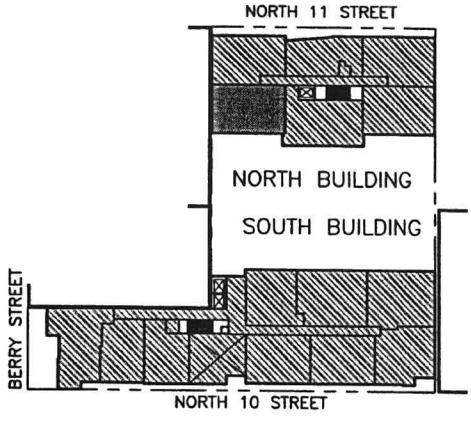
2 BEDROOM 2 BATH

APPROX AREA: 1,184 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.







SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT **NORTH 2F**

2 BEDROOM 2 BATH

APPROX AREA: 1,090 SF

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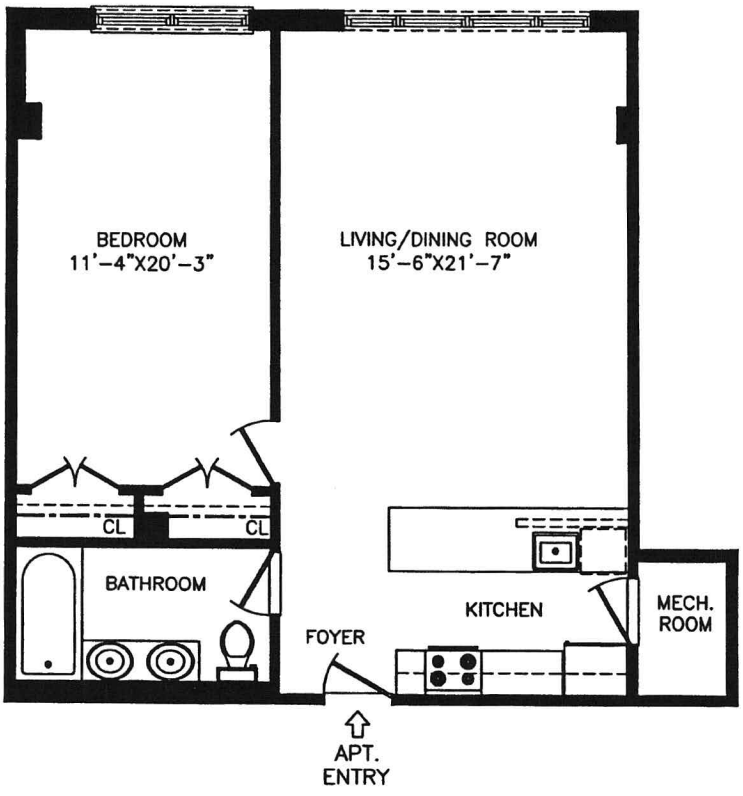
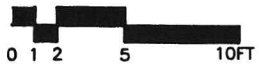


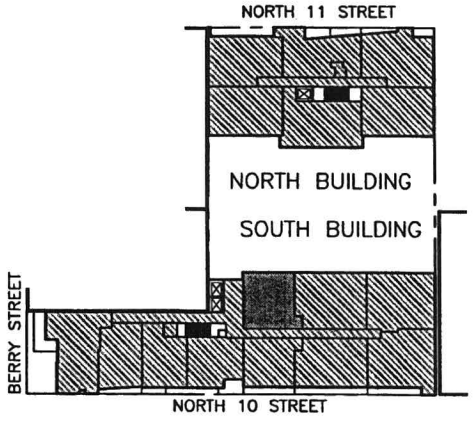


125 NORTH 10th STREET,
BROOKLYN, NY

APT SOUTH 3A

1 BEDROOM 1 BATH

APPROX AREA: 873 SF



SITE PLAN

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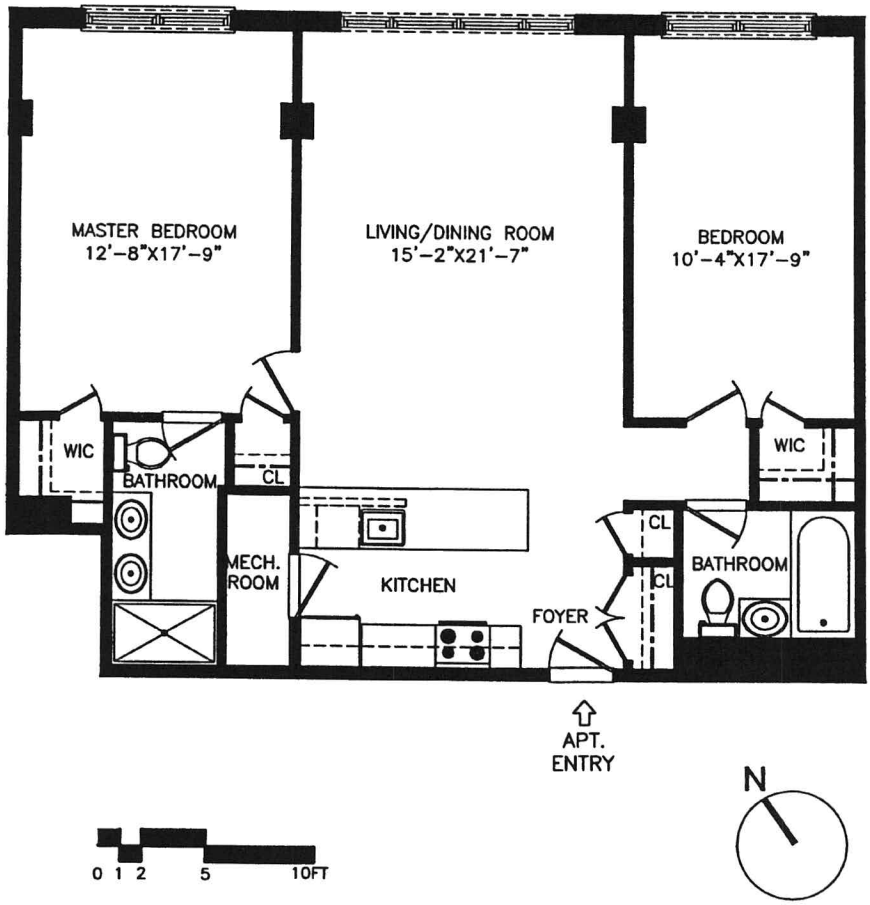
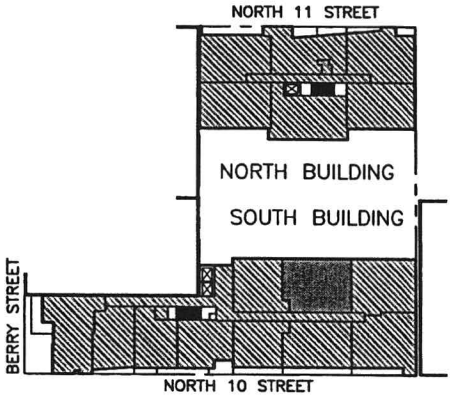


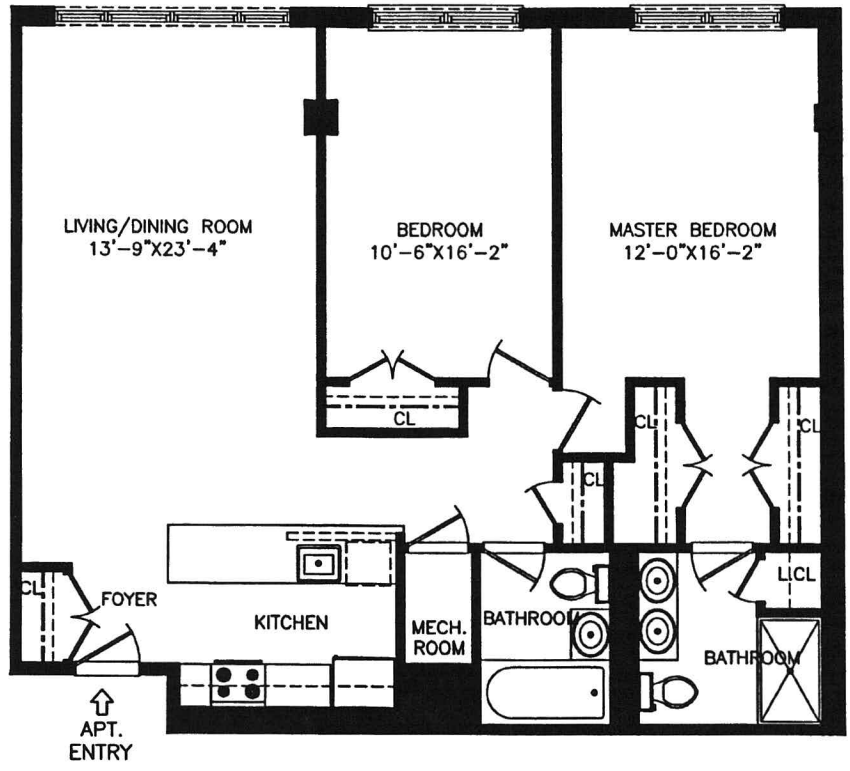


SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH 3B**
2 BEDROOM 2 BATH
APPROX AREA: 1,171 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.

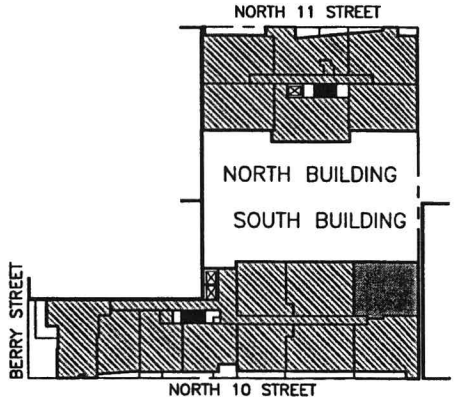


125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH 3C**

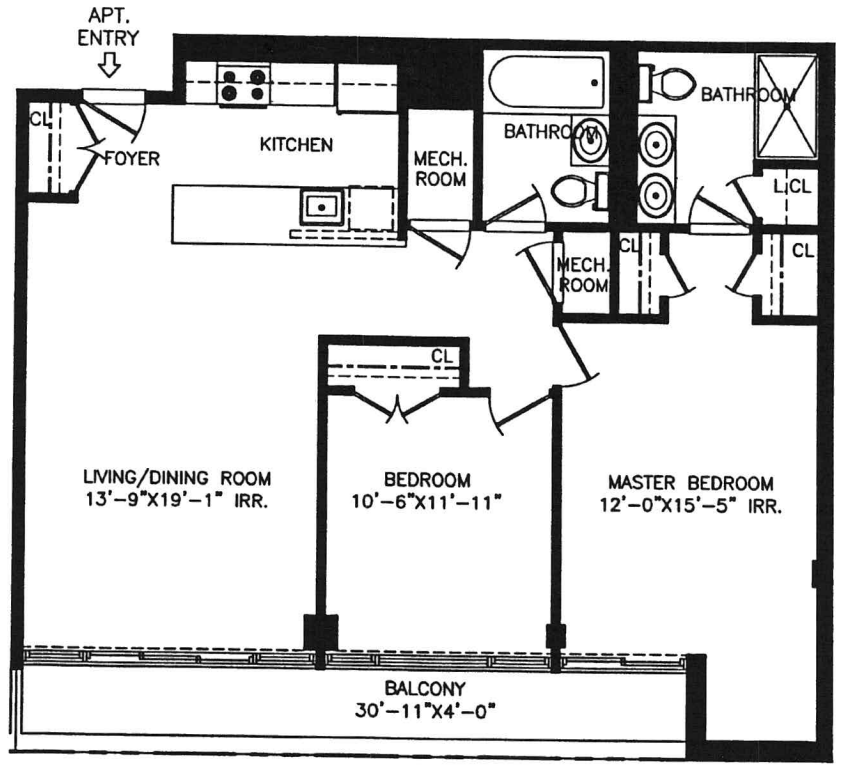
2 BEDROOM 2 BATH

APPROX AREA: 1,248 SF



SITE PLAN

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.

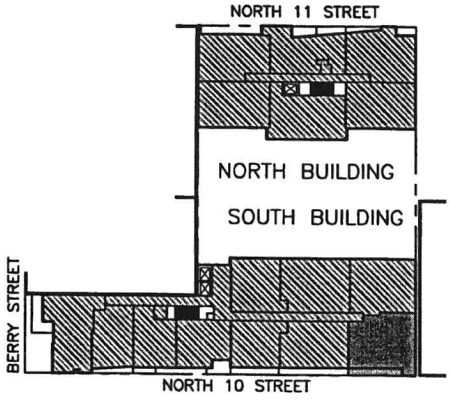


125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH 3D**

2 BEDROOM 2 BATH

APPROX AREA: 1,114 SF



SITE PLAN

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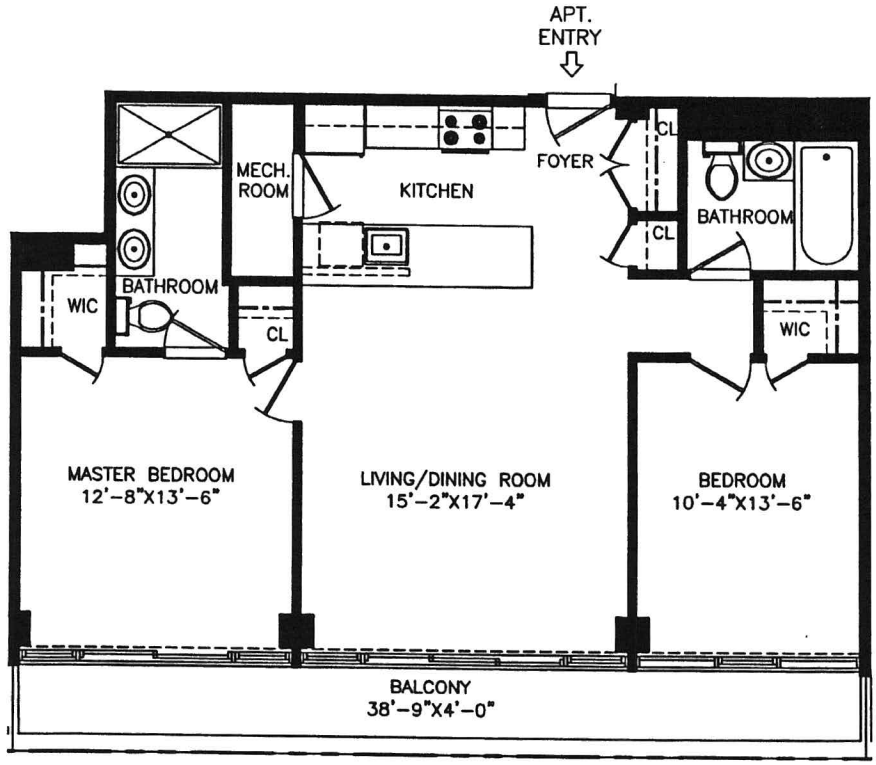
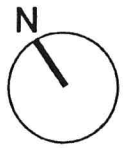
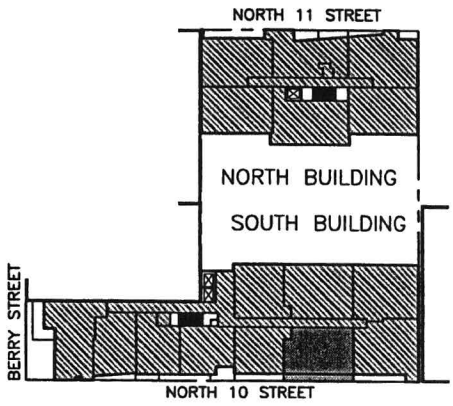




125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH 3E**
2 BEDROOM 2 BATH
APPROX AREA: 1,001 SF



SITE PLAN

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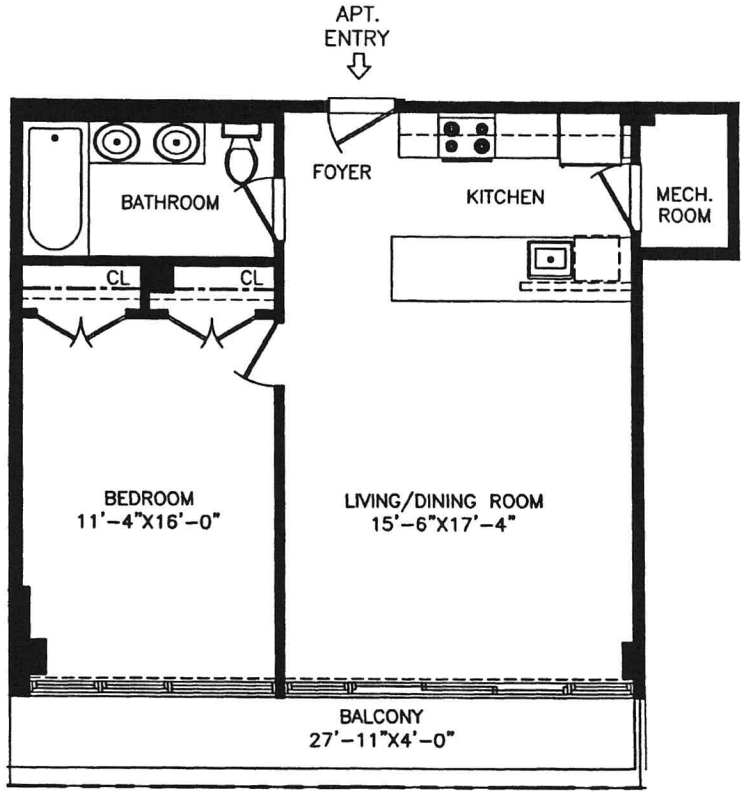
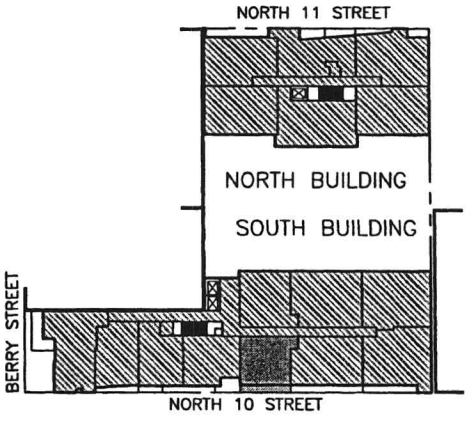


125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH 3F**
1 BEDROOM 1 BATH
APPROX AREA: 755 SF



SITE PLAN

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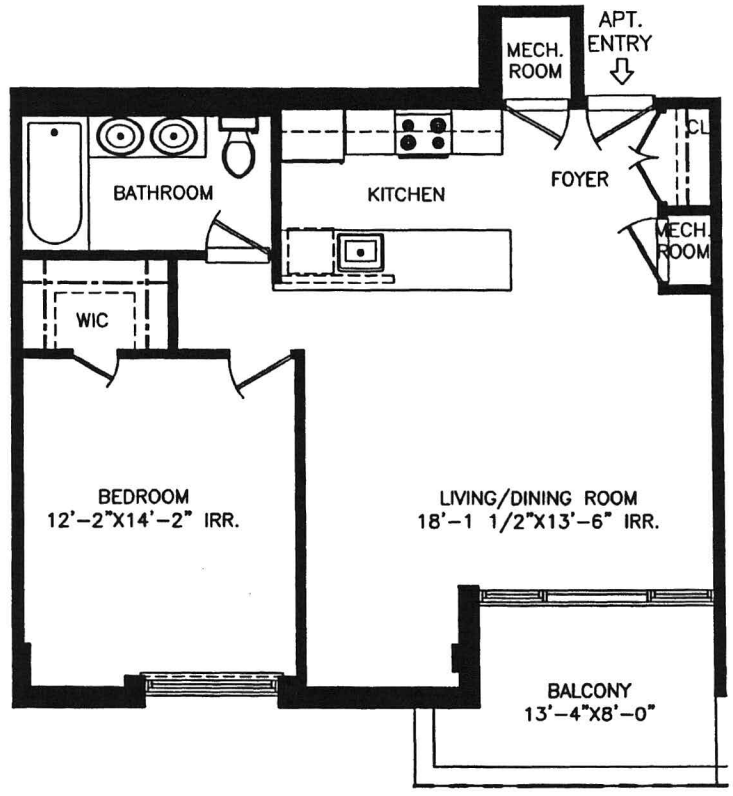
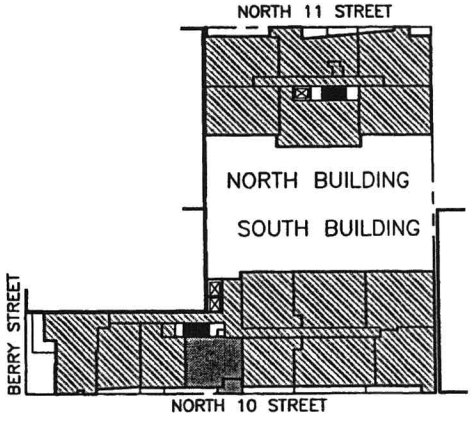


125 NORTH 10th STREET,
BROOKLYN, NY

APT SOUTH 3G

1 BEDROOM 1 BATH

APPROX AREA: 810 SF



SITE PLAN

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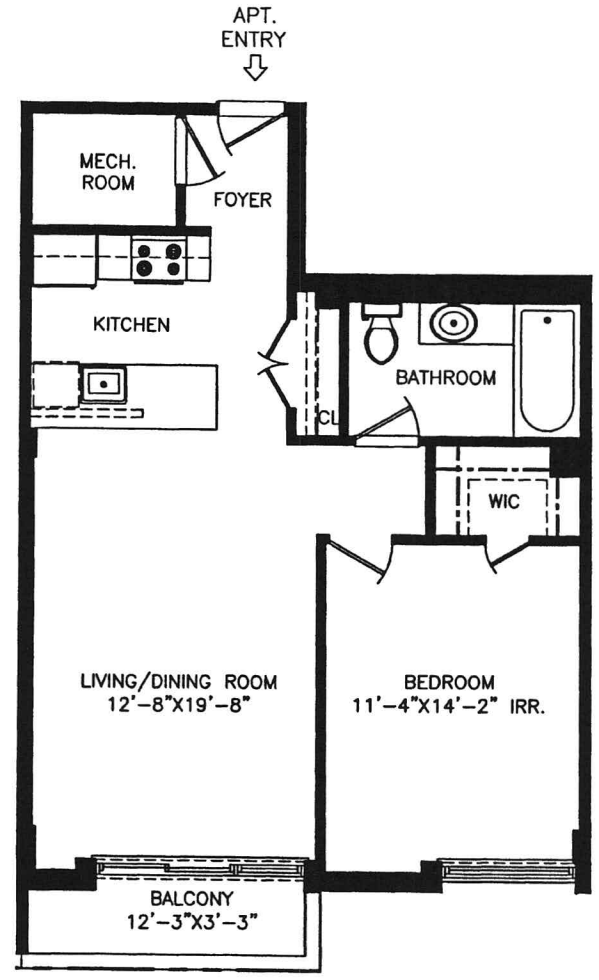
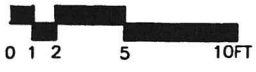
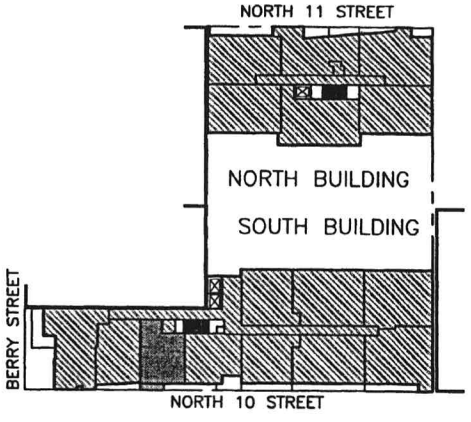




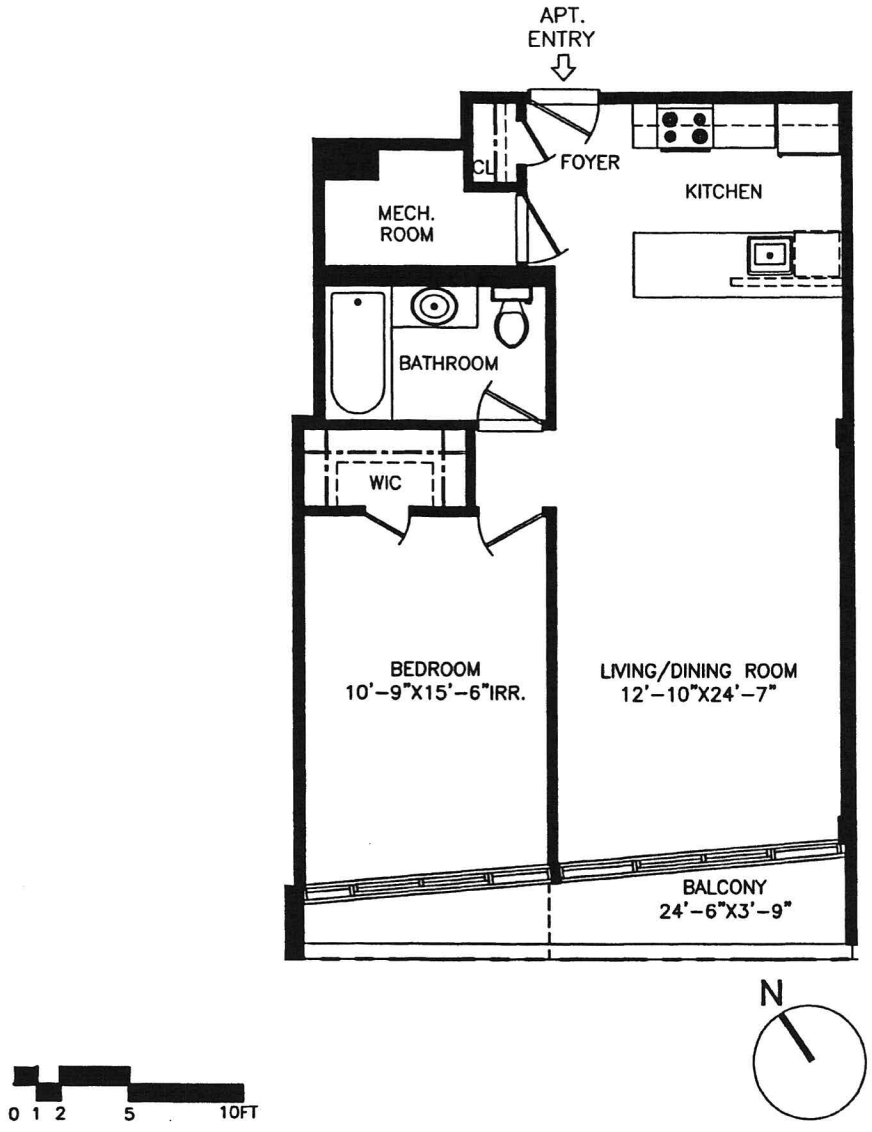


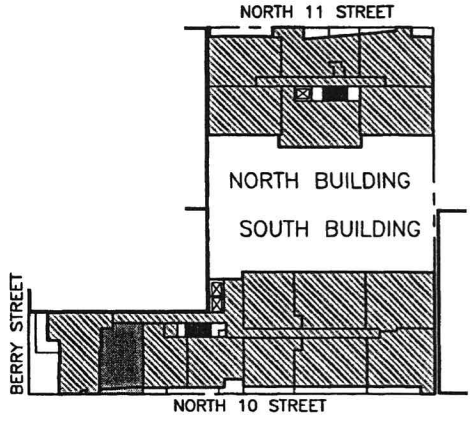
SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT SOUTH 3H
1 BEDROOM 1 BATH
APPROX AREA: 763 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





SITE PLAN

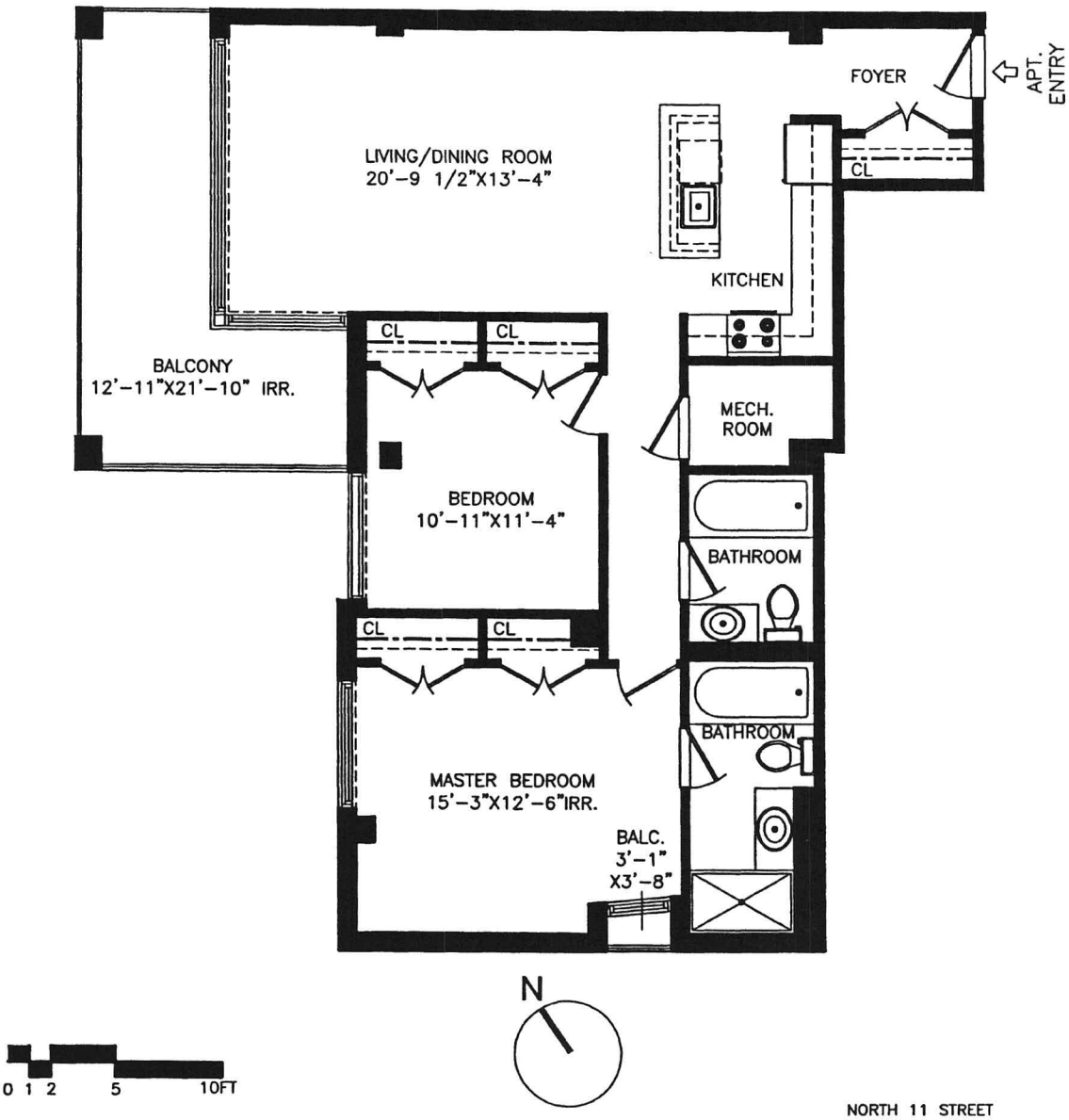
125 NORTH 10th STREET,
BROOKLYN, NY

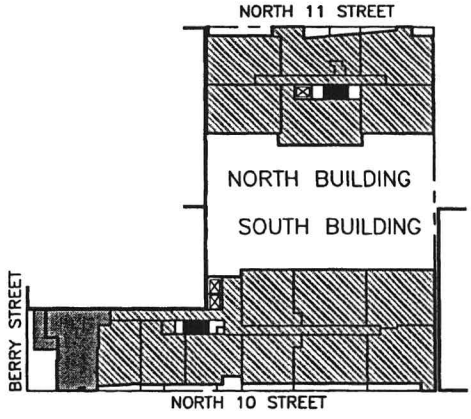
APT **SOUTH 3I**

1 BEDROOM 1 BATH

APPROX AREA: 823 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





SITE PLAN

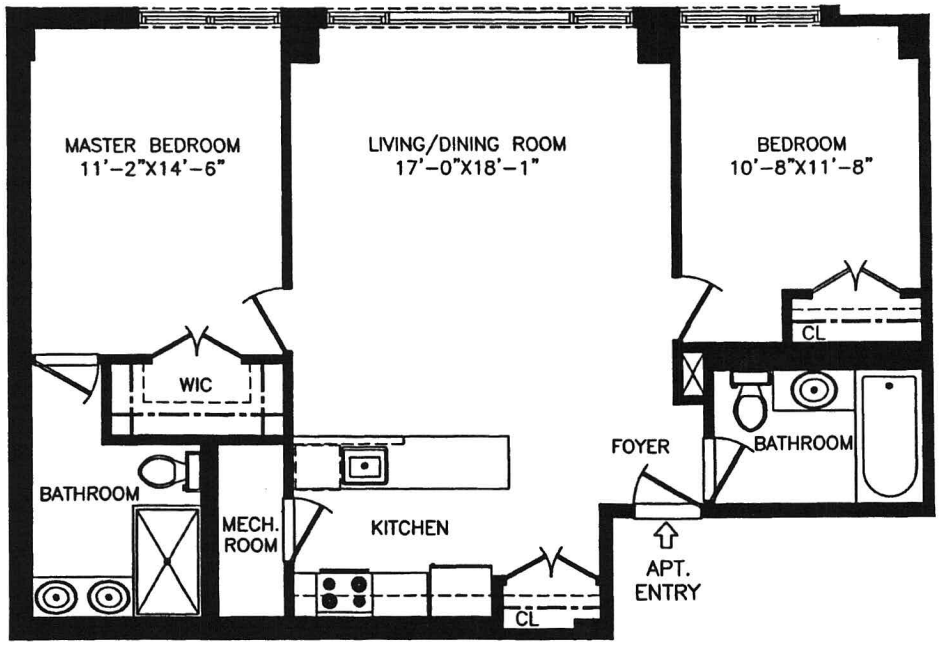
125 NORTH 10th STREET,
BROOKLYN, NY

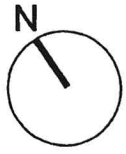
APT **SOUTH 3J**

2 BEDROOM 2 BATH

APPROX AREA: 1,149 SF

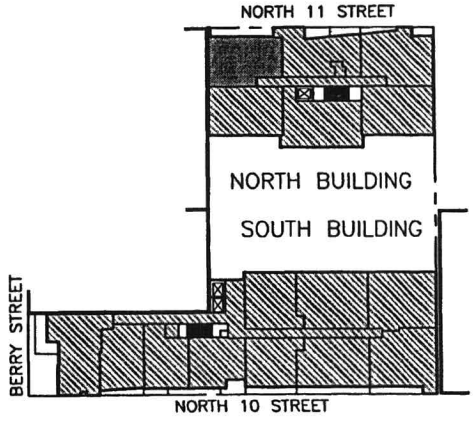
ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





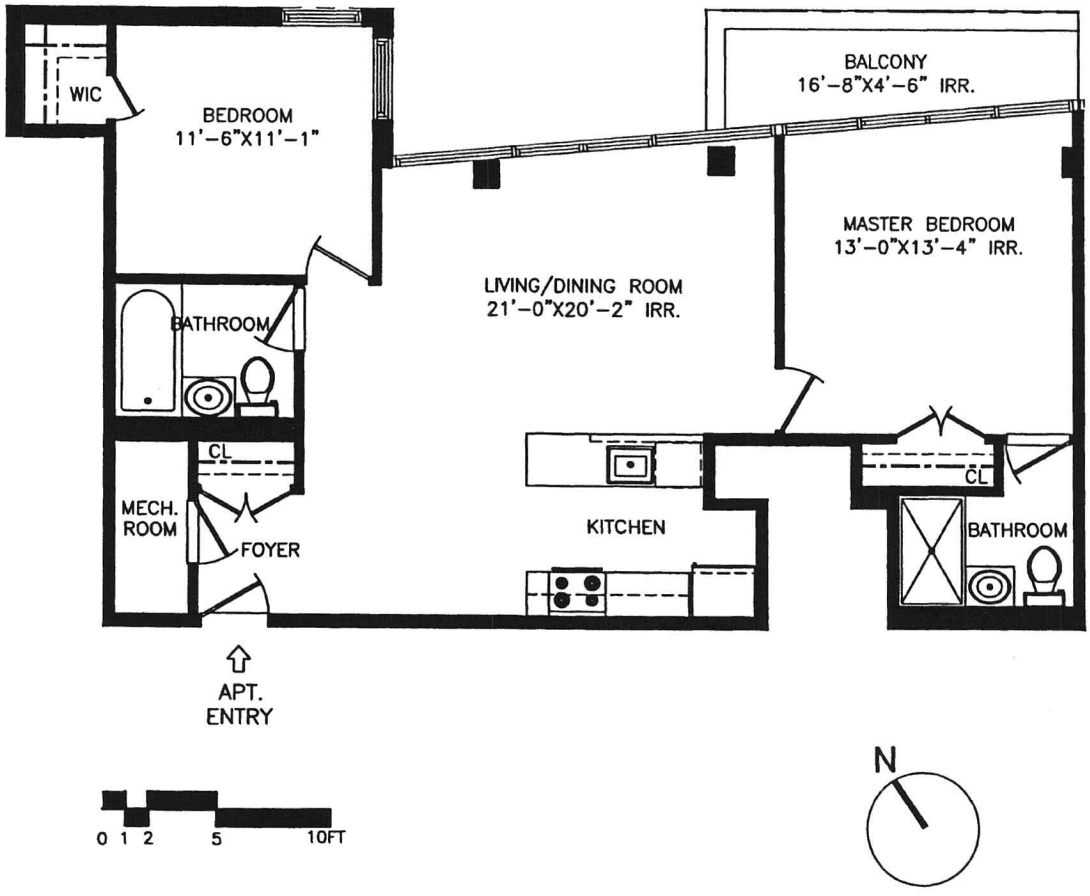
125 NORTH 10th STREET,
BROOKLYN, NY

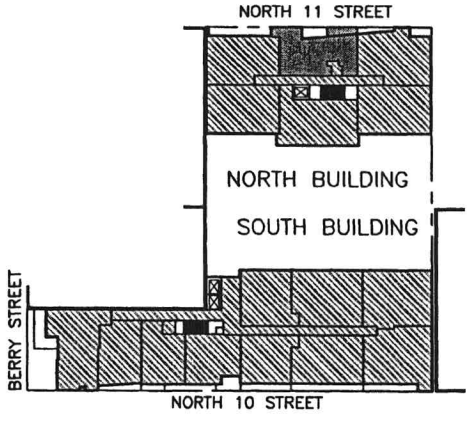
APT NORTH 3A
2 BEDROOM 2 BATH
APPROX AREA: 1,052 SF



SITE PLAN

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT **NORTH 3B**

2 BEDROOM 2 BATH

APPROX AREA: 990 SF

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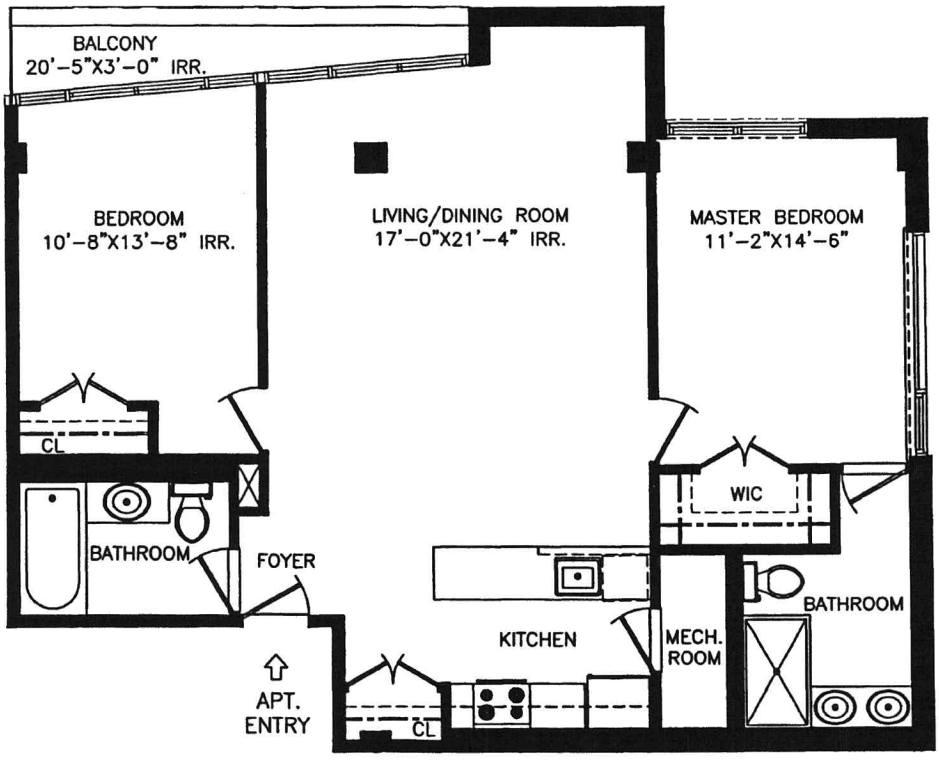
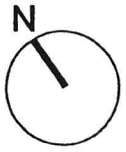
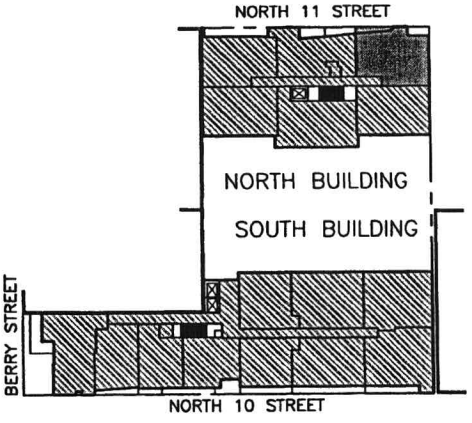




125 NORTH 10th STREET,
BROOKLYN, NY

APT **NORTH 3C**
2 BEDROOM 2 BATH
APPROX AREA: 1,137 SF



SITE PLAN

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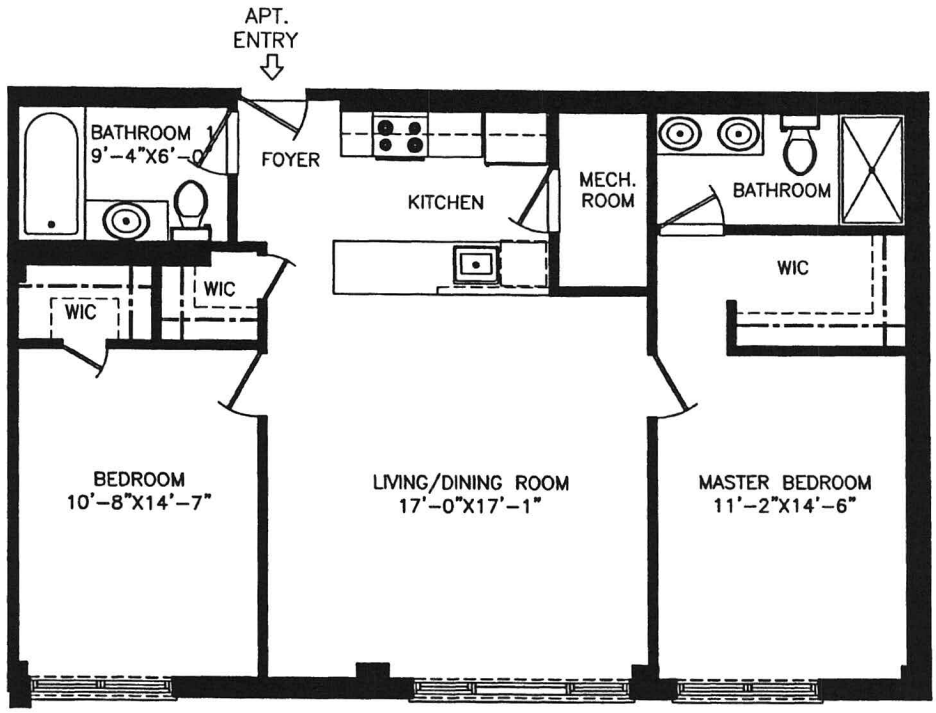

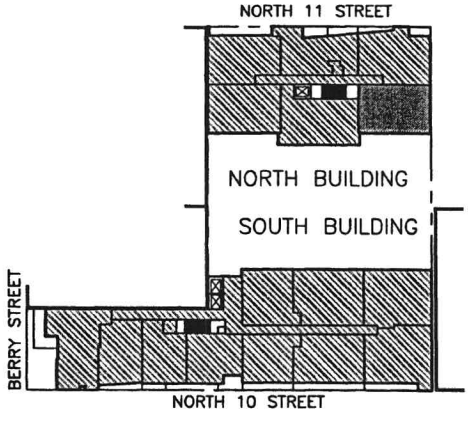

SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT **NORTH 3D**
2 BEDROOM 2 BATH
APPROX AREA: 1,090 SF

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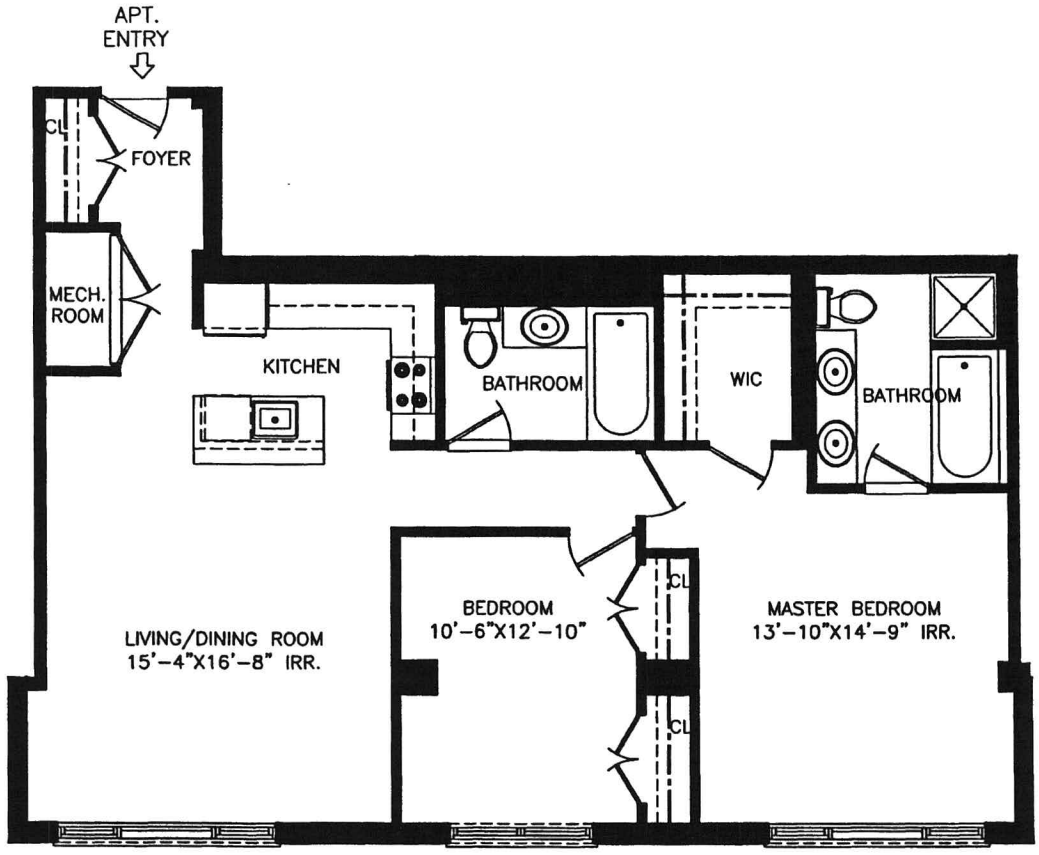
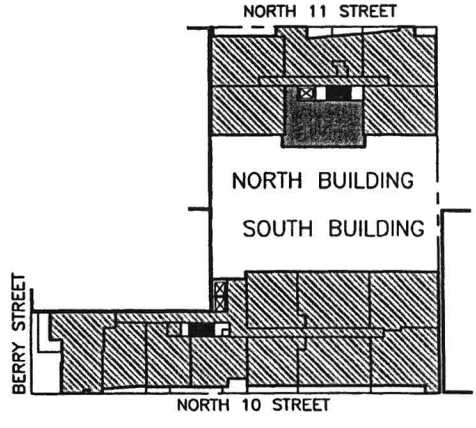




SITE PLAN

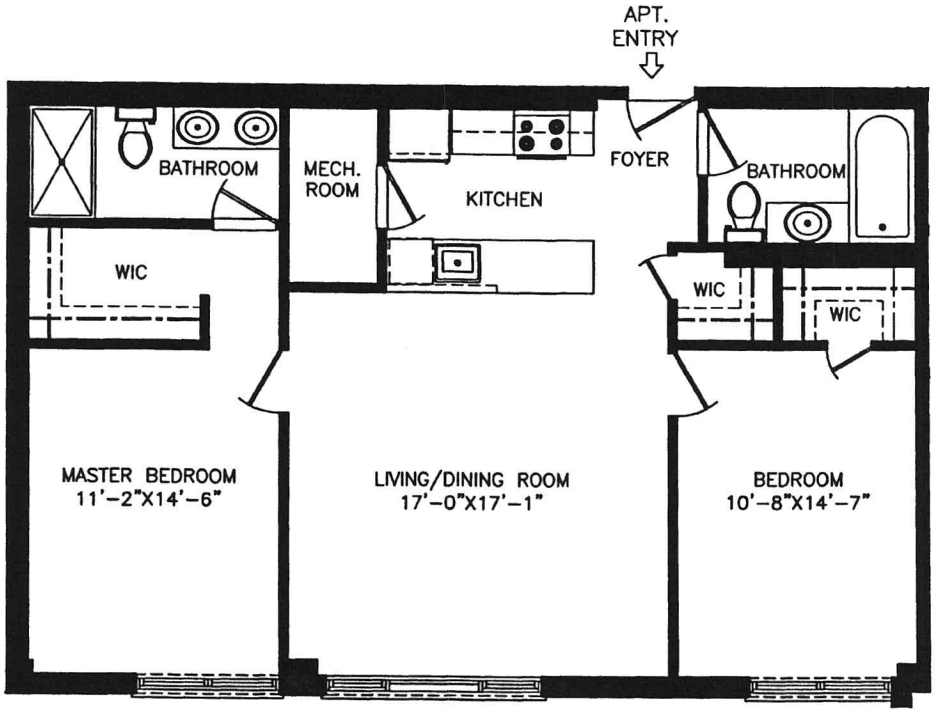
125 NORTH 10th STREET,
BROOKLYN, NY

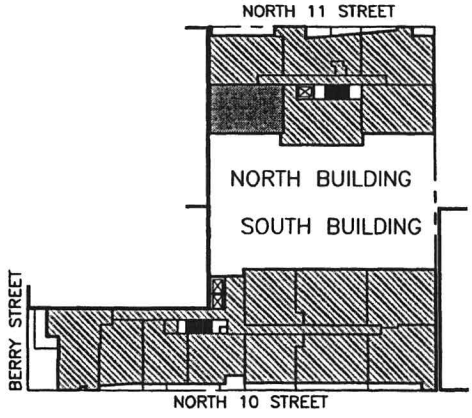
APT **NORTH 3E**

2 BEDROOM 2 BATH

APPROX AREA: 1,184 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT **NORTH 3F**
2 BEDROOM 2 BATH
APPROX AREA: 1,090 SF

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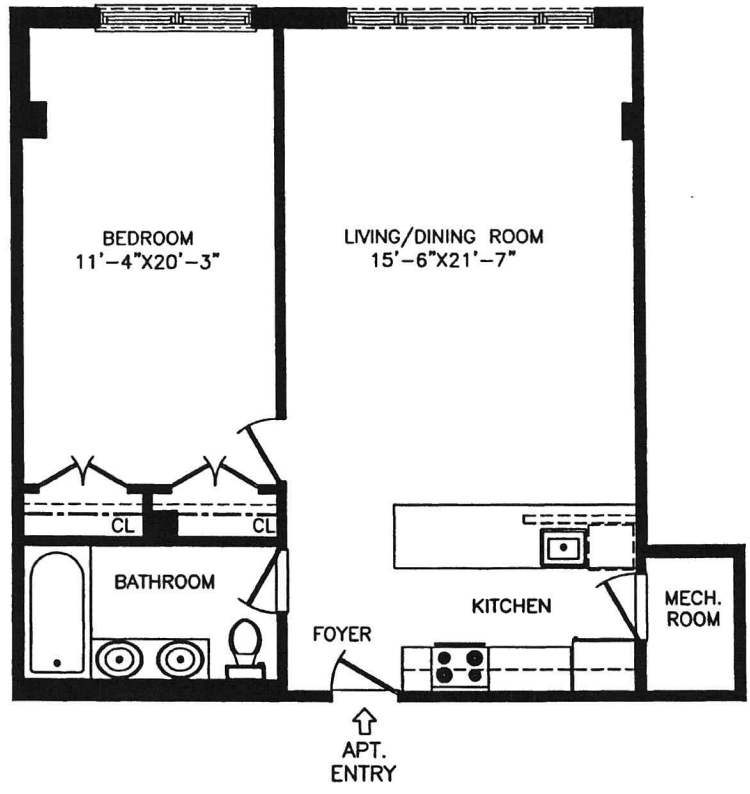
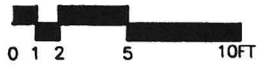
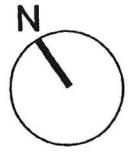
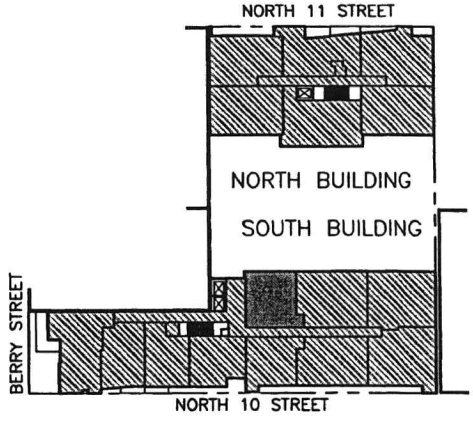






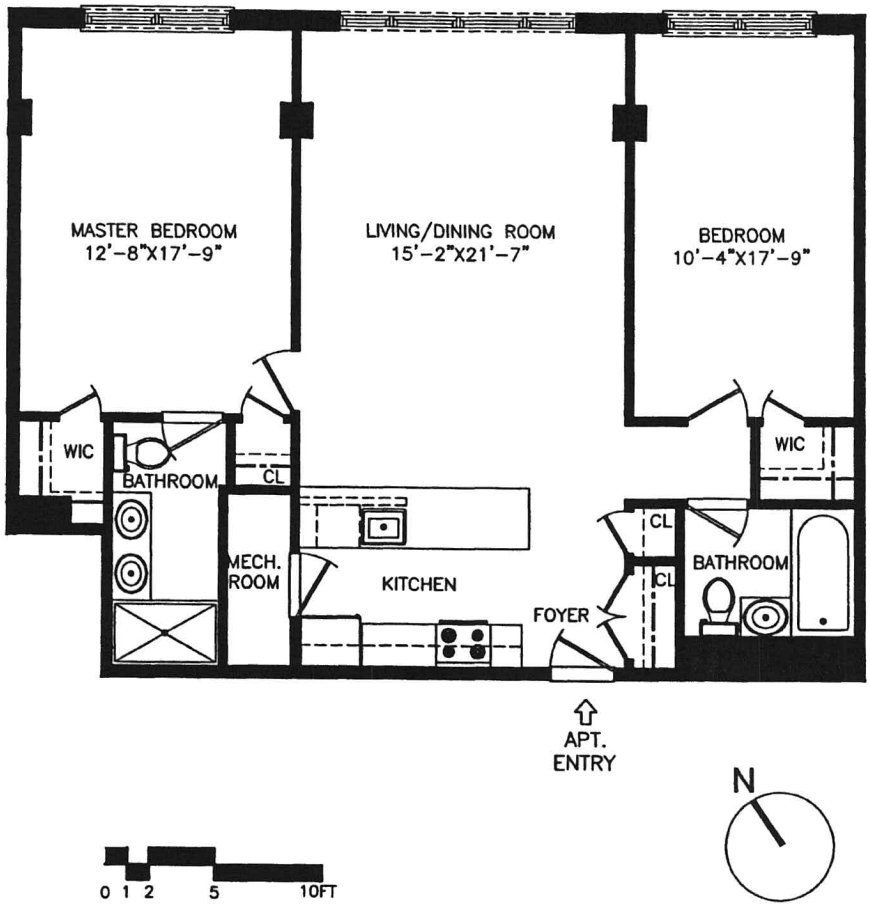


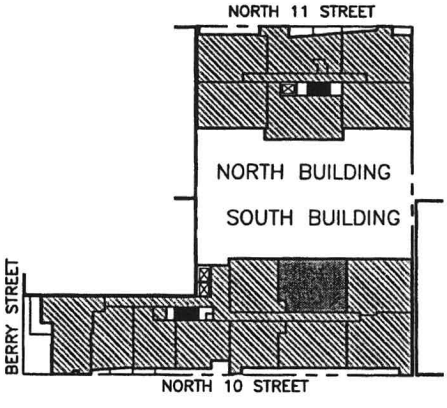
SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT SOUTH 4A
1 BEDROOM 1 BATH
APPROX AREA: 873 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





SITE PLAN

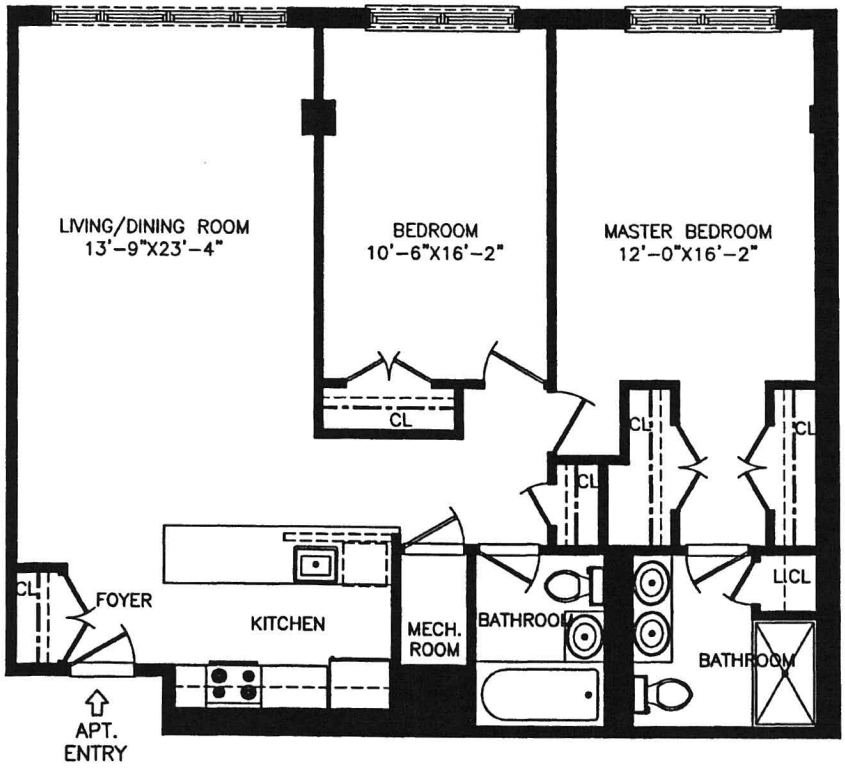
125 NORTH 10th STREET,
BROOKLYN, NY

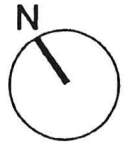
APT **SOUTH 4B**

2 BEDROOM 2 BATH

APPROX AREA: 1,171 SF

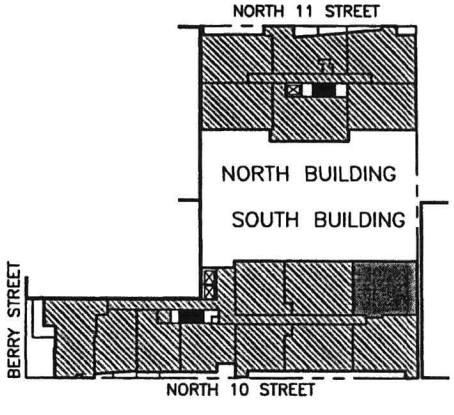
ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





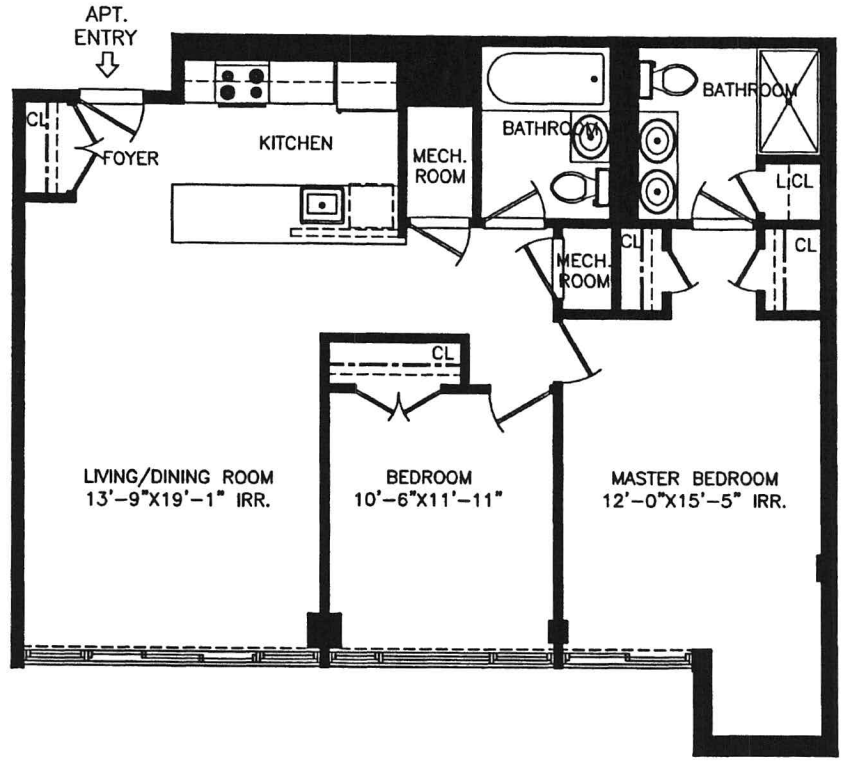
125 NORTH 10th STREET,
BROOKLYN, NY

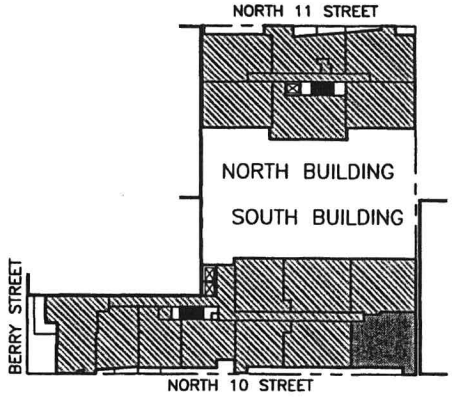
APT **SOUTH 4C**
2 BEDROOM 2 BATH
APPROX AREA: 1,248 SF



SITE PLAN

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





SITE PLAN

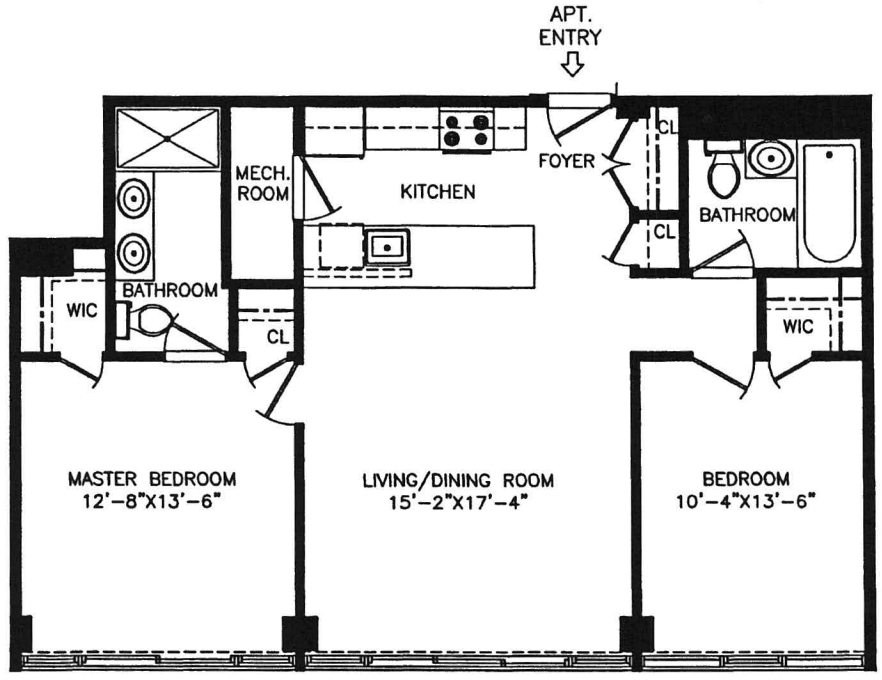
125 NORTH 10th STREET,
BROOKLYN, NY

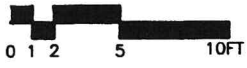
APT SOUTH 4D

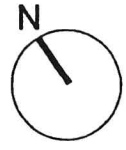
2 BEDROOM 2 BATH

APPROX AREA: 1,014 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.

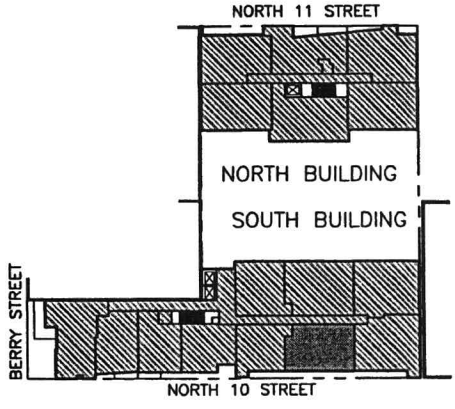






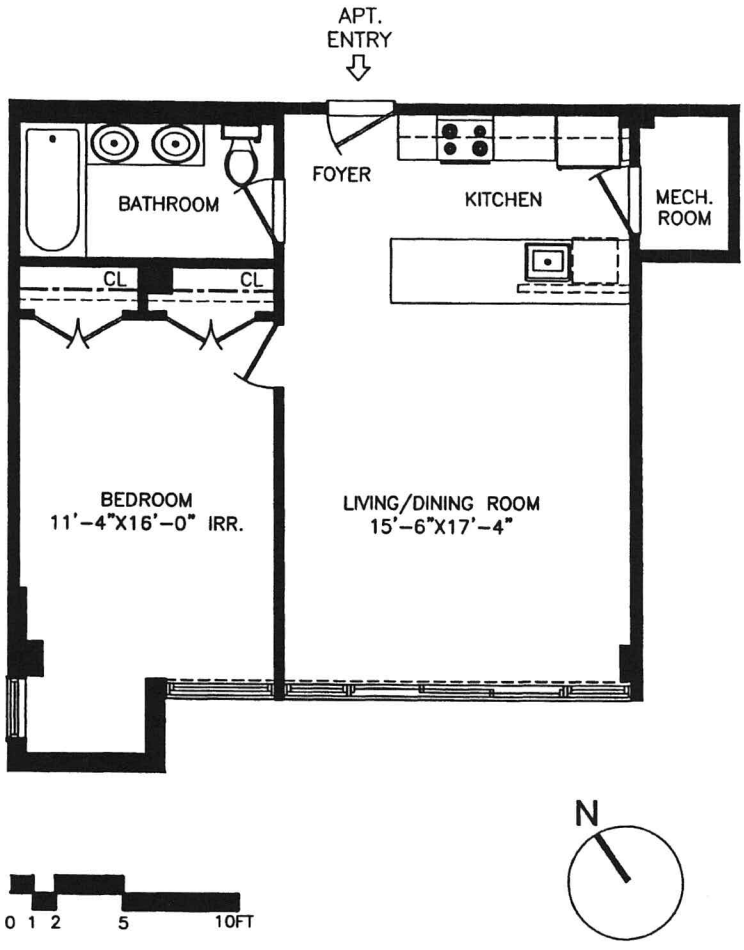
125 NORTH 10th STREET,
BROOKLYN, NY

APT SOUTH 4E
2 BEDROOM 2 BATH
APPROX AREA: 1,001 SF



SITE PLAN

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.

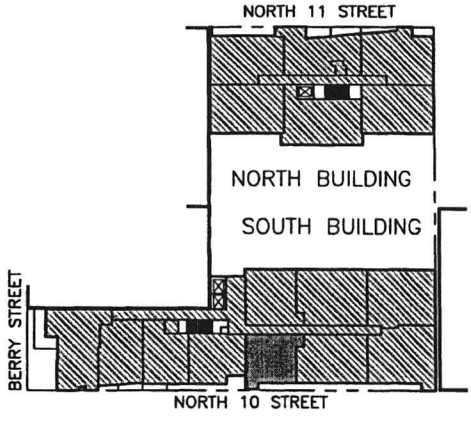


125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH 4F**

1 BEDROOM 1 BATH

APPROX AREA: 779 SF



SITE PLAN

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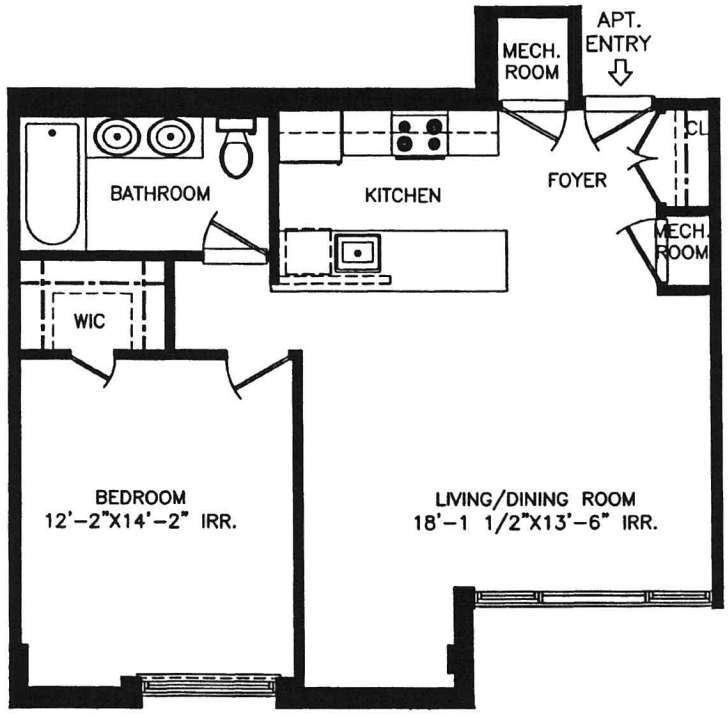
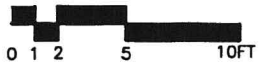
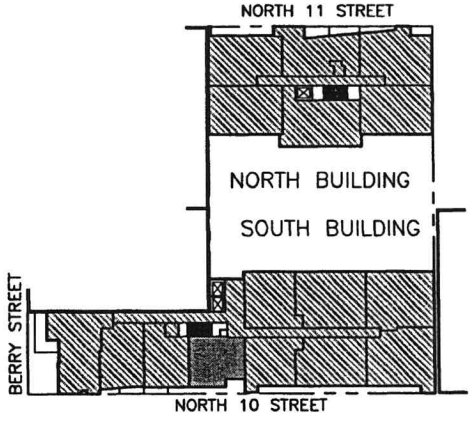




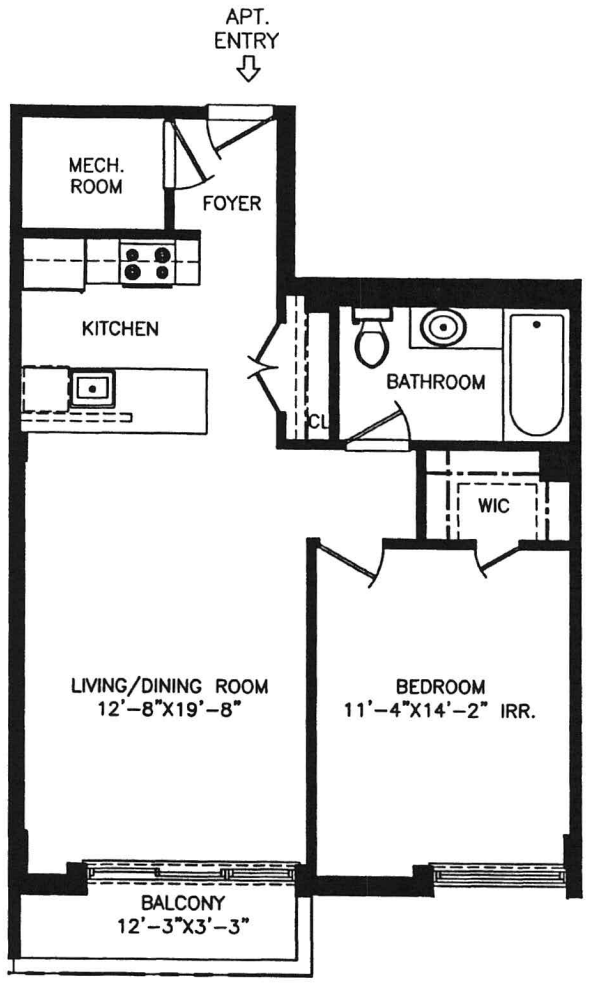
125 NORTH 10th STREET,
BROOKLYN, NY

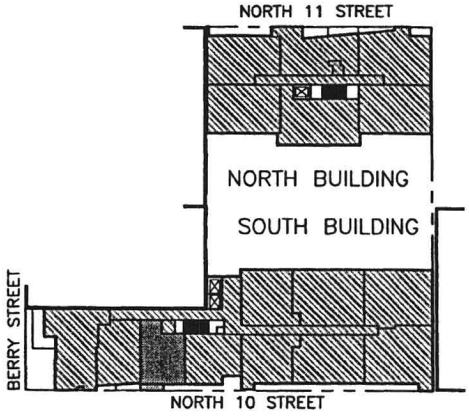
APT **SOUTH 4G**
1 BEDROOM 1 BATH
APPROX AREA: 810 SF



SITE PLAN

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.



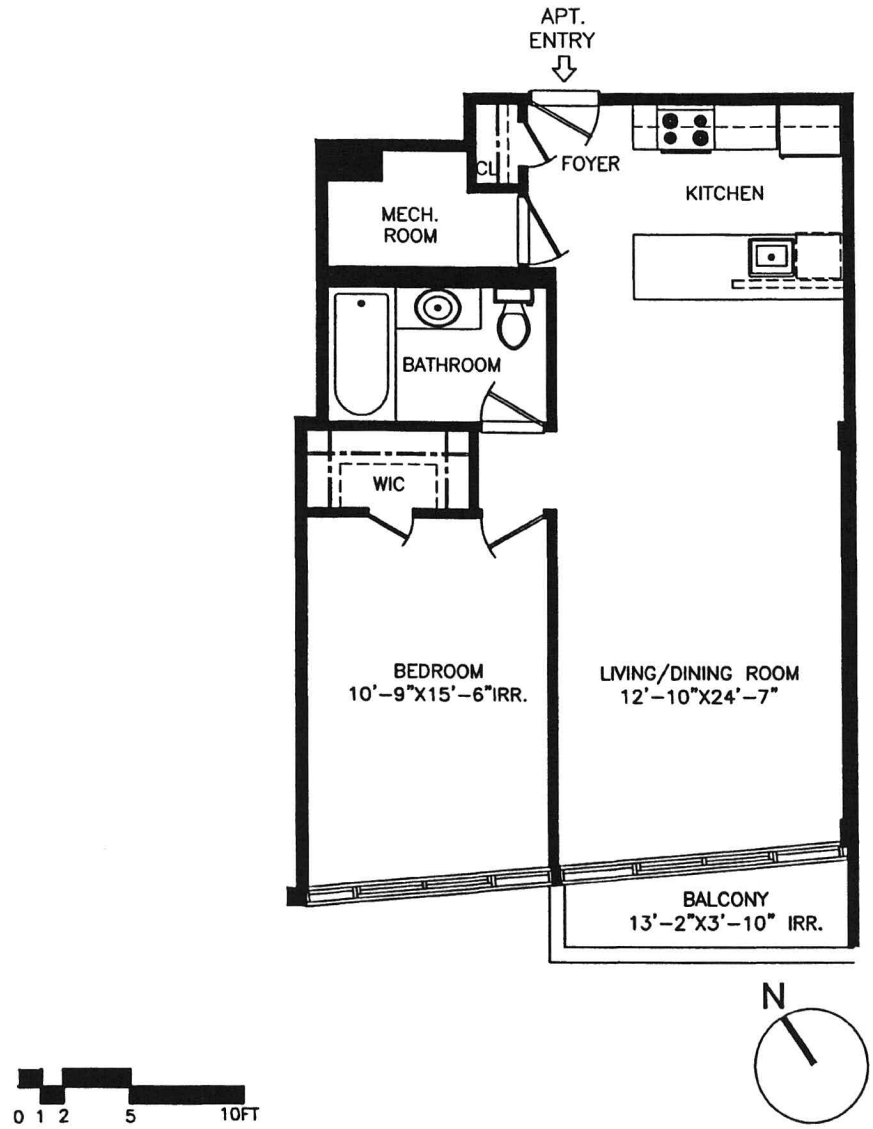


SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH 4H**
1 BEDROOM 1 BATH
APPROX AREA: 763 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.

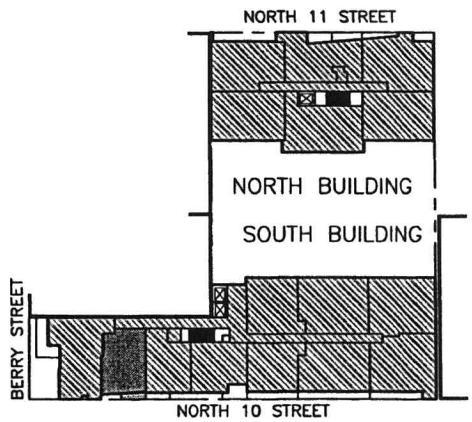


125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH 4I**

1 BEDROOM 1 BATH

APPROX AREA: 823 SF



SITE PLAN

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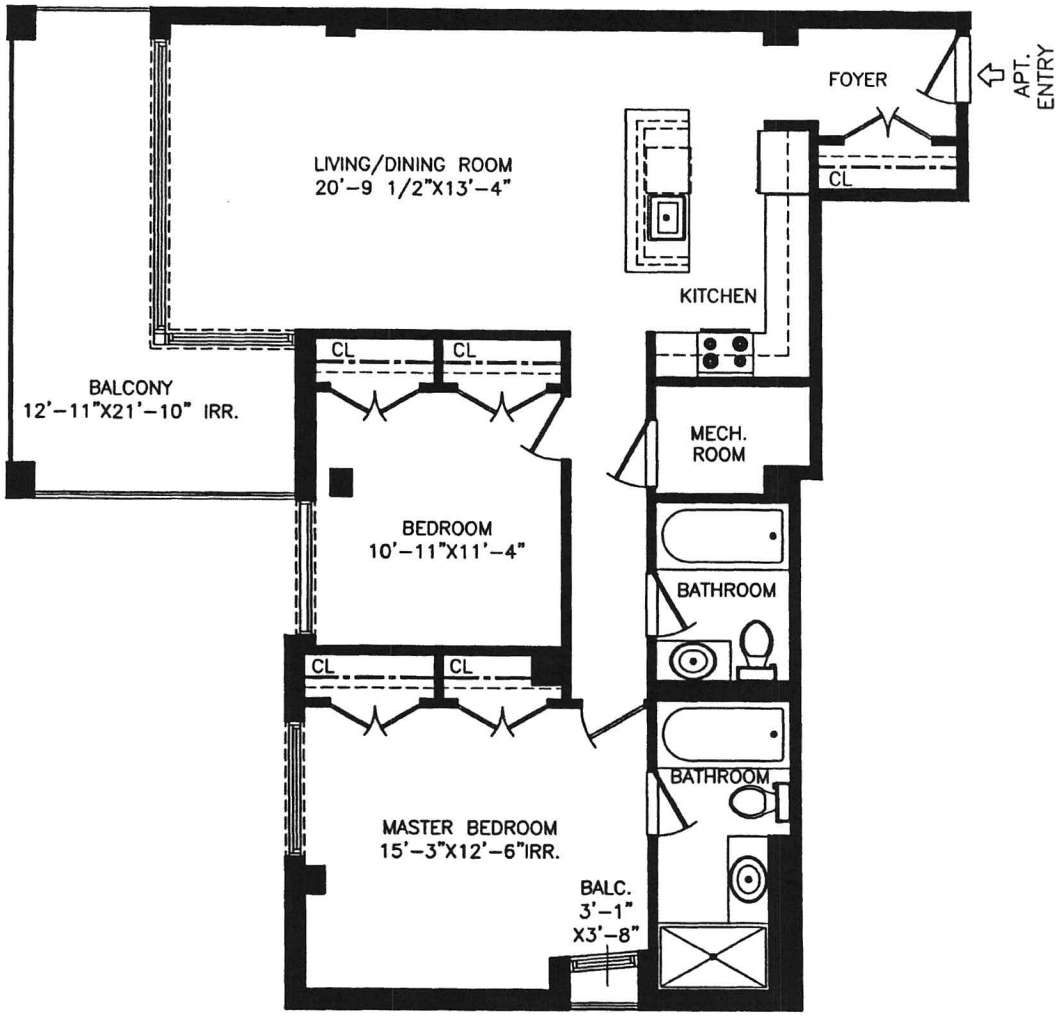
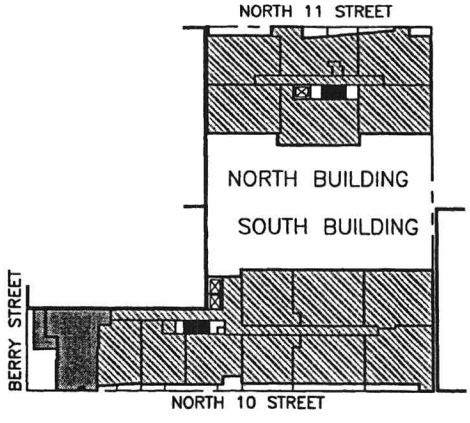


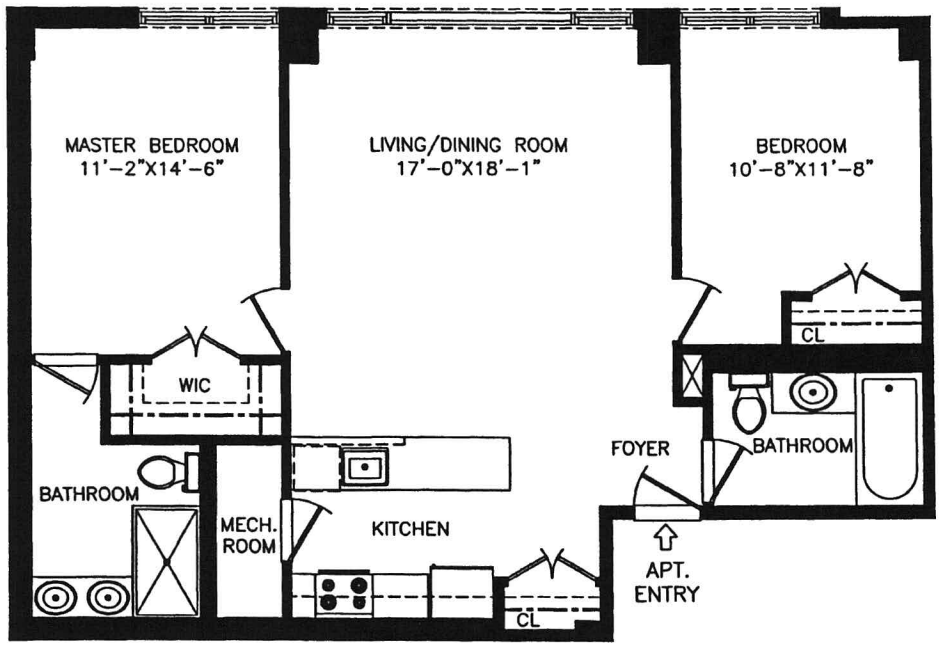


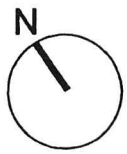
SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH 4J**
2 BEDROOM 2 BATH
APPROX AREA: 1.149 SF

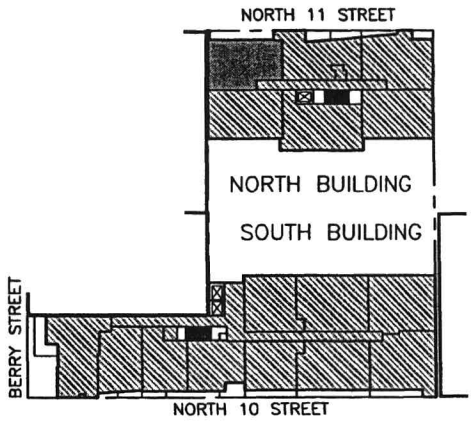
ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





125 NORTH 10th STREET,
BROOKLYN, NY

APT NORTH 4A
2 BEDROOM 2 BATH
APPROX AREA: 1,052 SF



SITE PLAN

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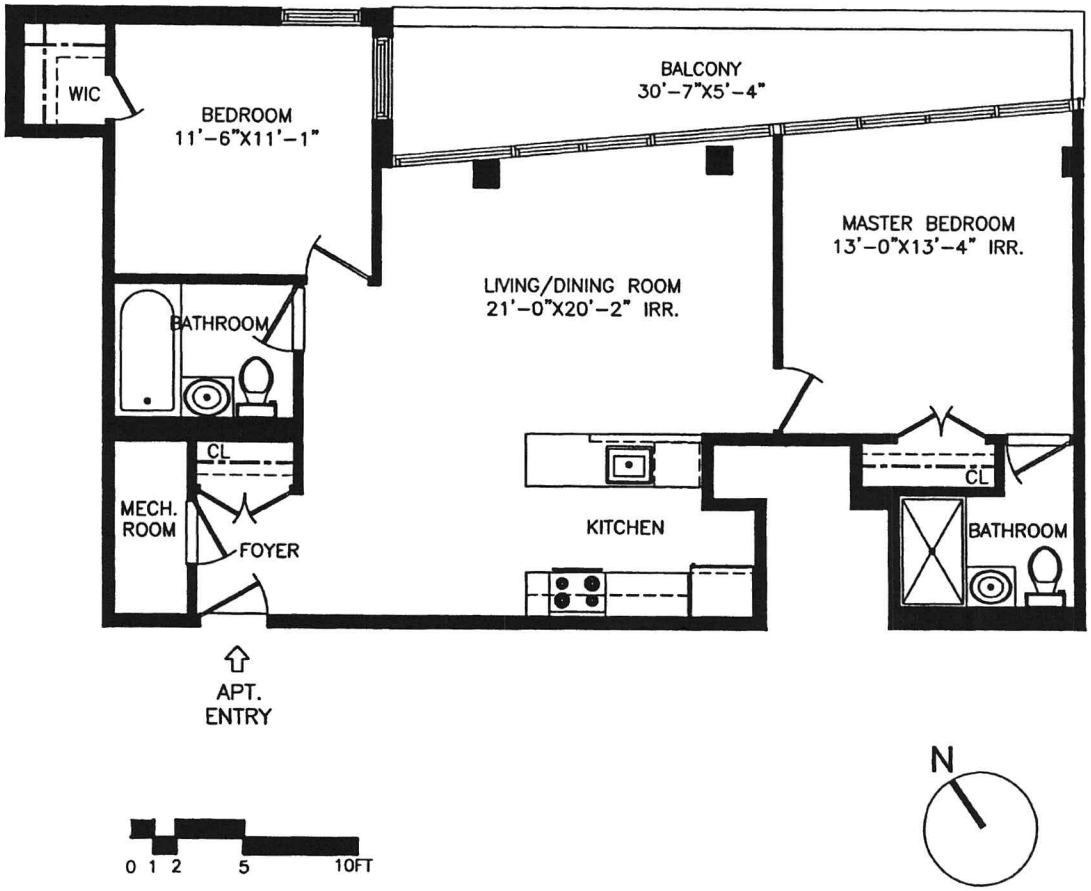
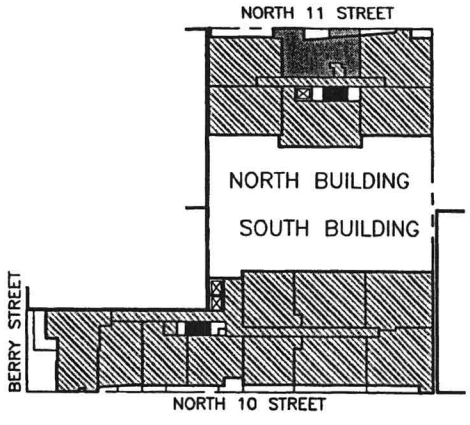


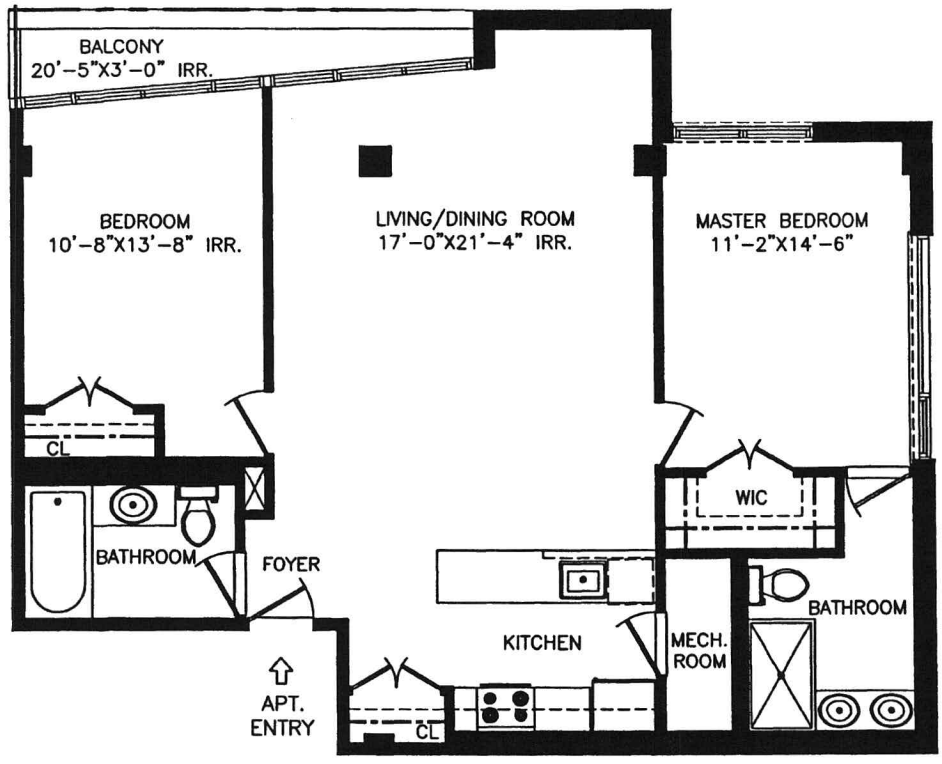


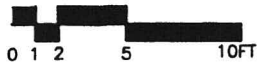
SITE PLAN

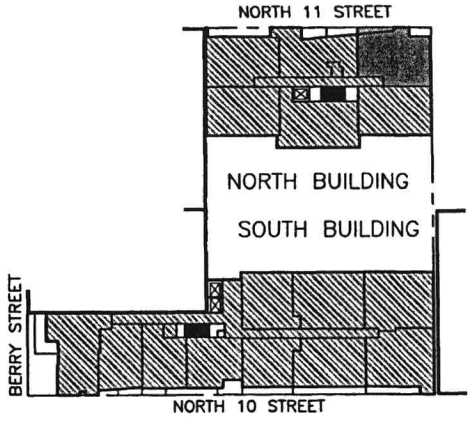
125 NORTH 10th STREET,
BROOKLYN, NY

APT **NORTH 4B**
2 BEDROOM 2 BATH
APPROX AREA: 990 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





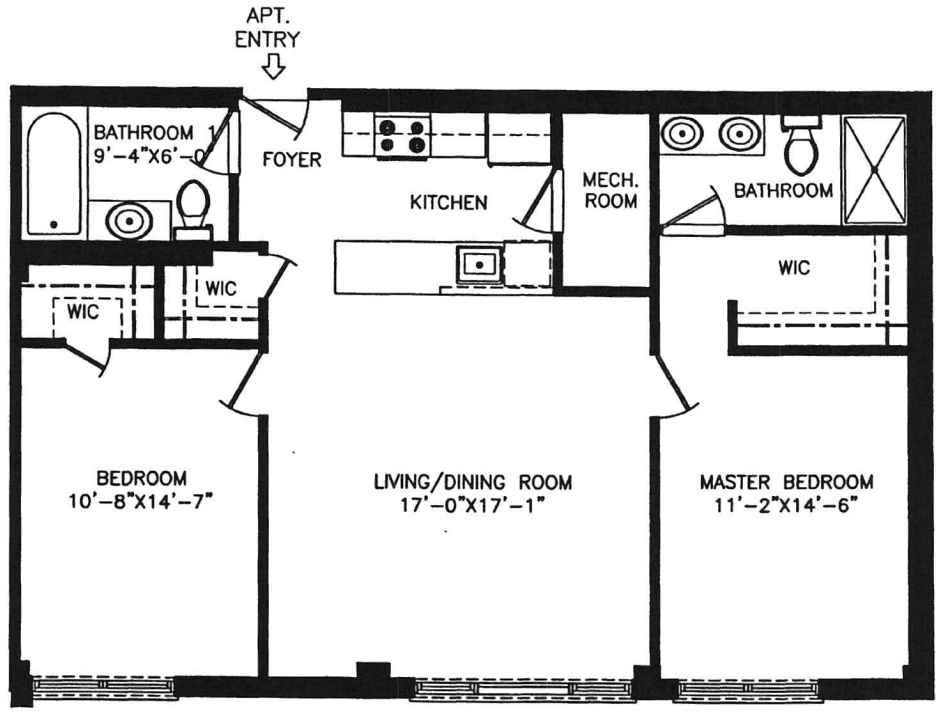


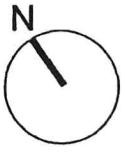
SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT **NORTH 4C**
2 BEDROOM 2 BATH
APPROX AREA: 1,137 SF

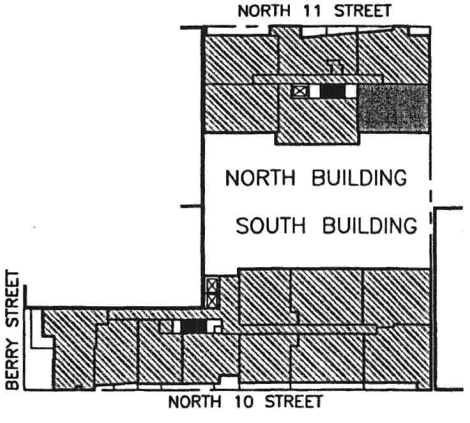
ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





125 NORTH 10th STREET,
BROOKLYN, NY

APT **NORTH 4D**
2 BEDROOM 2 BATH
APPROX AREA: 1,090 SF



SITE PLAN

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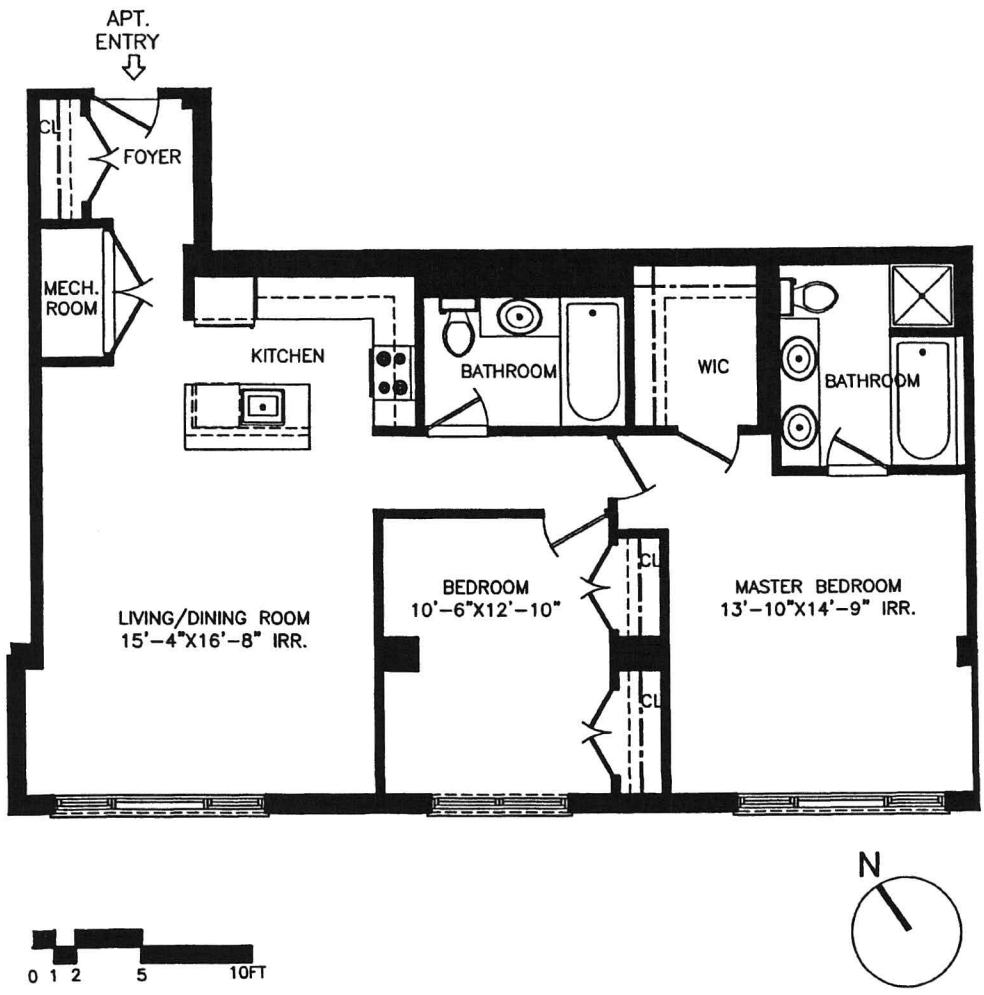

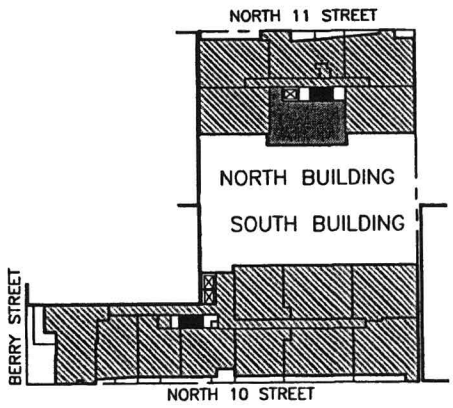

SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT **NORTH 4E**
2 BEDROOM 2 BATH
APPROX AREA: 1,184 SF

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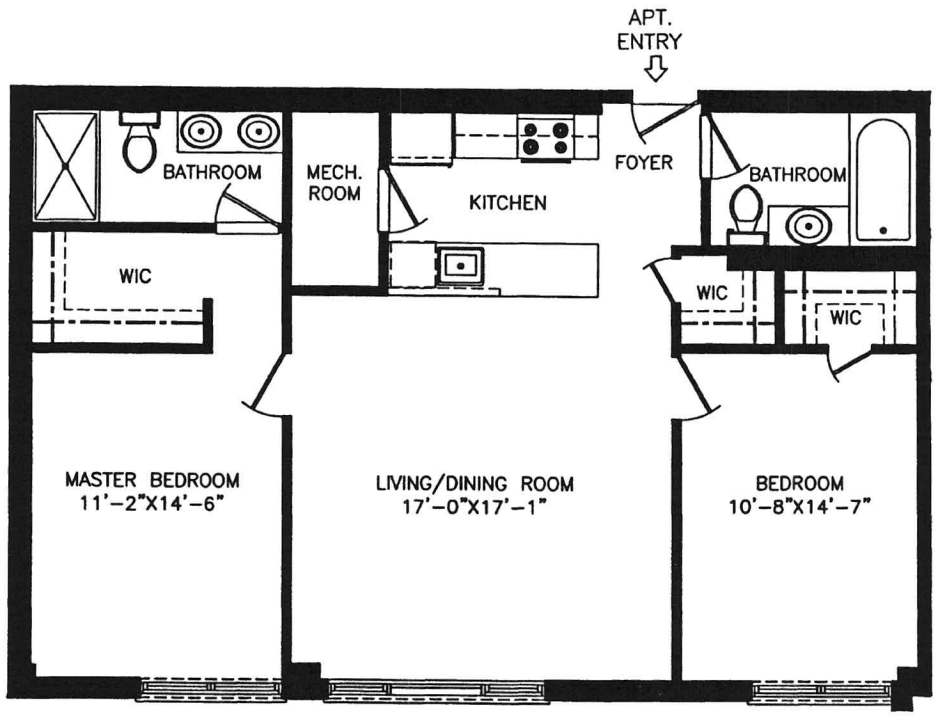
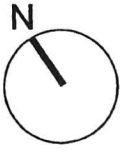
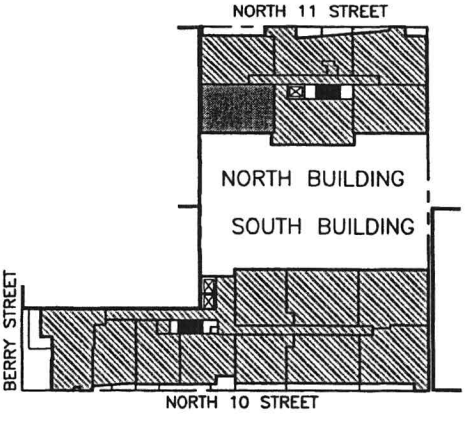




125 NORTH 10th STREET,
BROOKLYN, NY

APT **NORTH 4F**
2 BEDROOM 2 BATH
APPROX AREA: 1,090 SF



SITE PLAN

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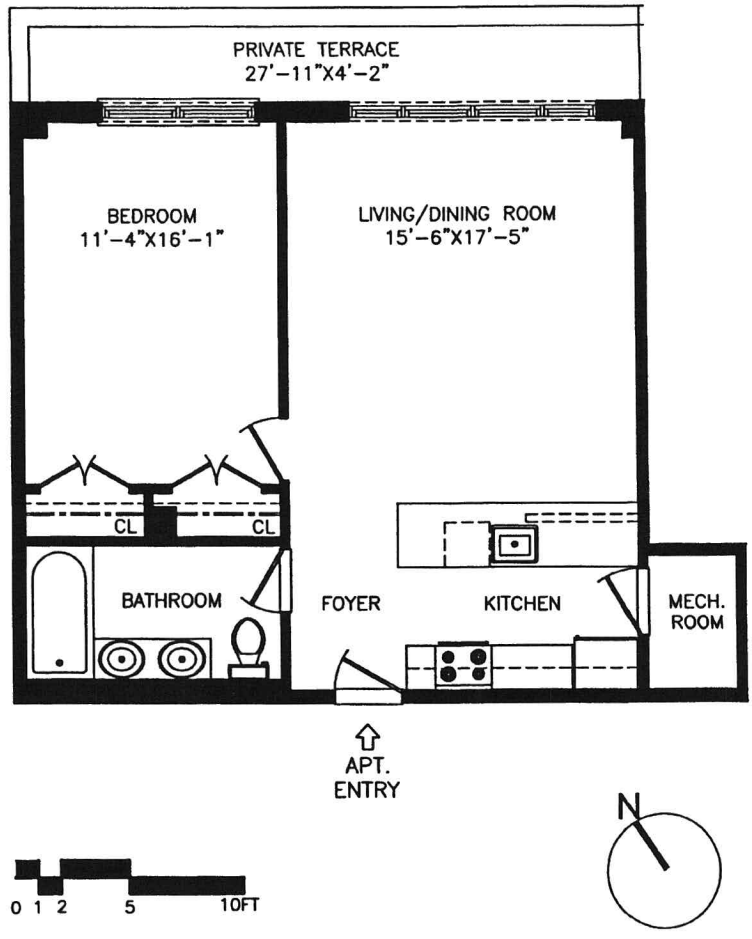
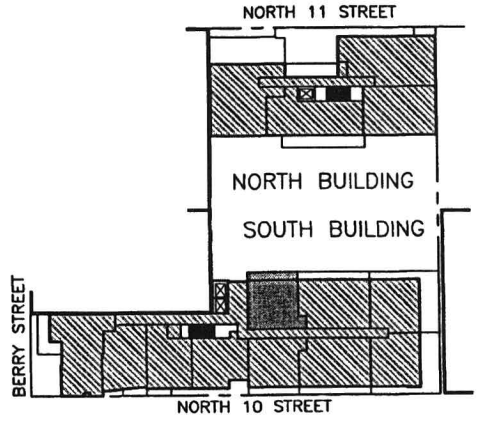


125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH 5A**
1 BEDROOM 1 BATH
APPROX AREA: 757 SF



SITE PLAN

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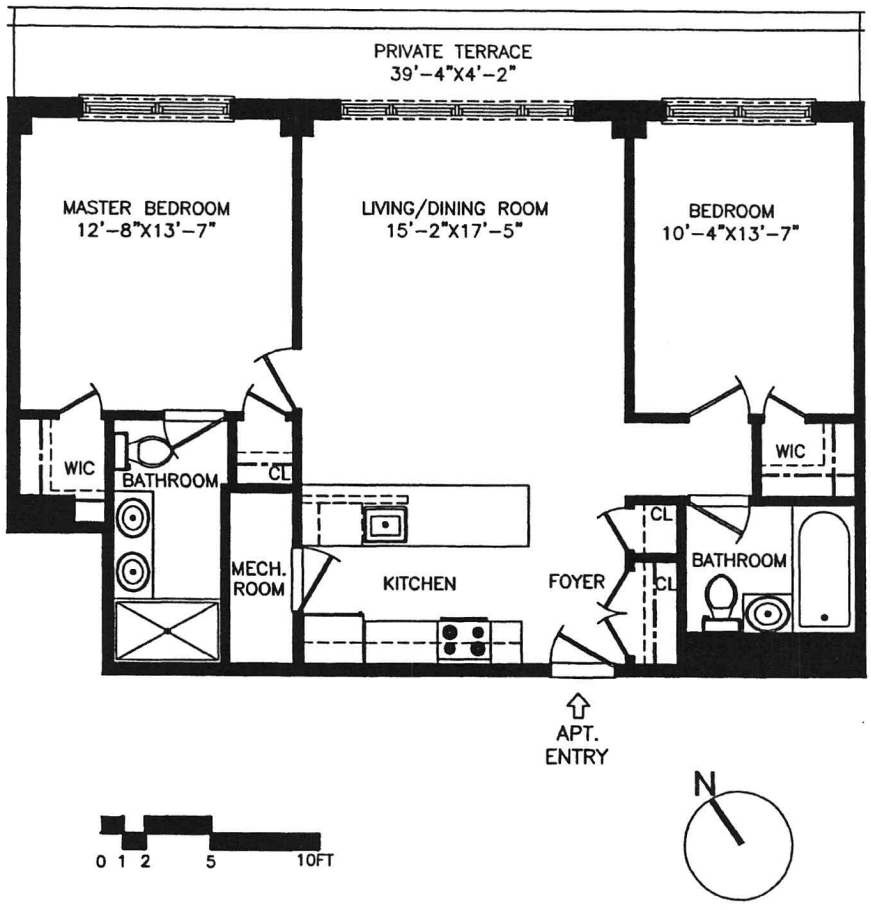
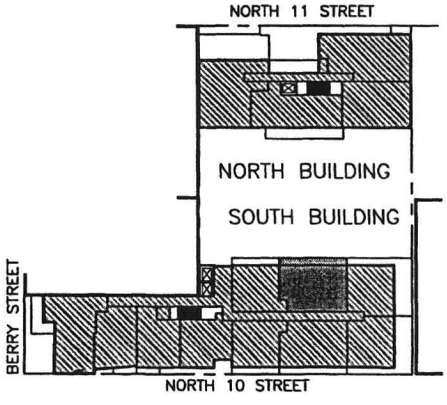




SITE PLAN

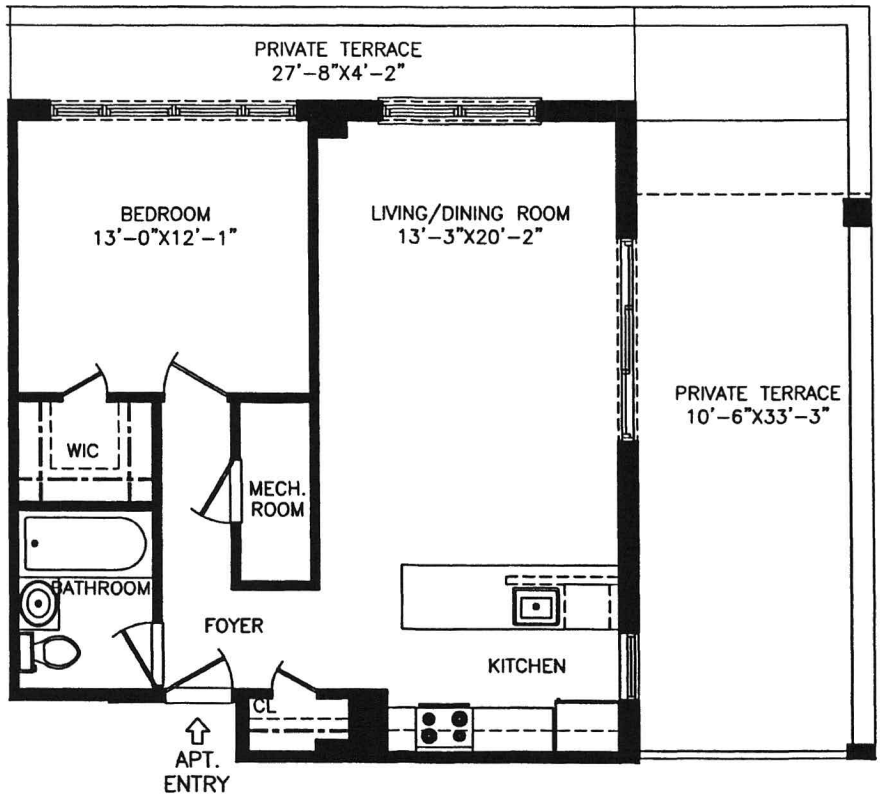
125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH 5B**

2 BEDROOM 2 BATH

APPROX AREA: 1,008 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.

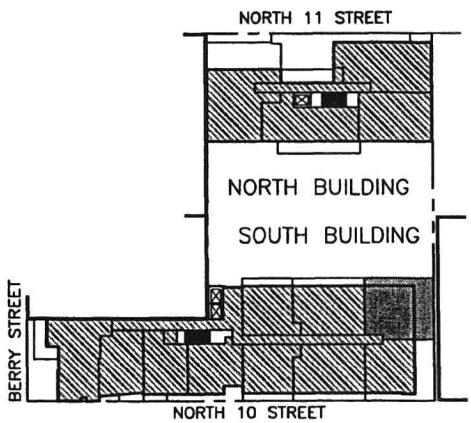


125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH 5C**

1 BEDROOM 1 BATH

APPROX AREA: 776 SF



SITE PLAN

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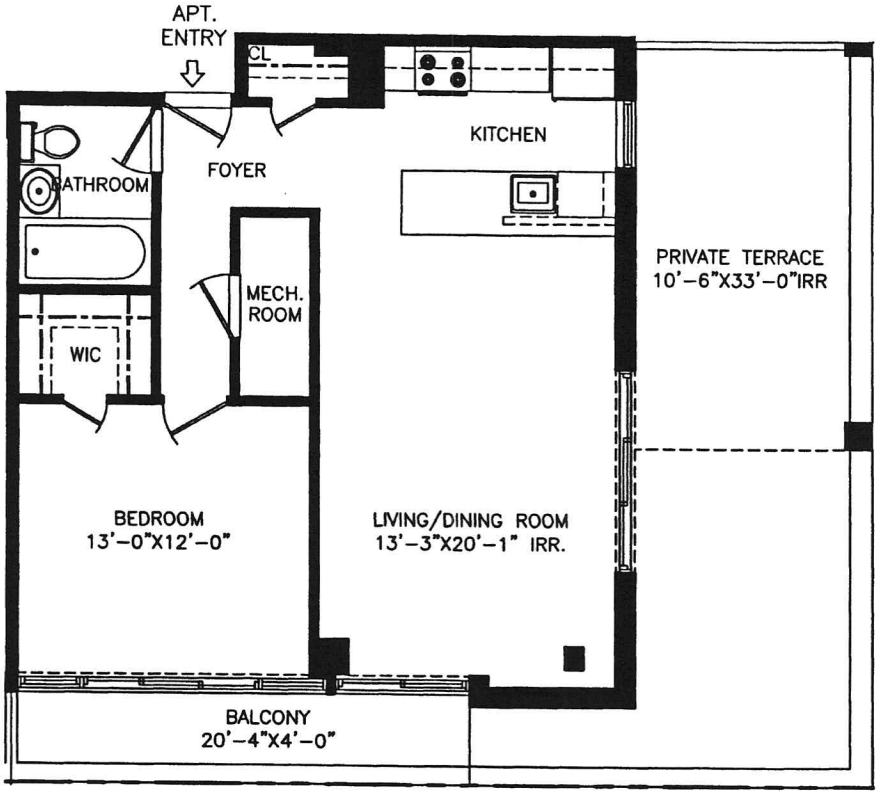
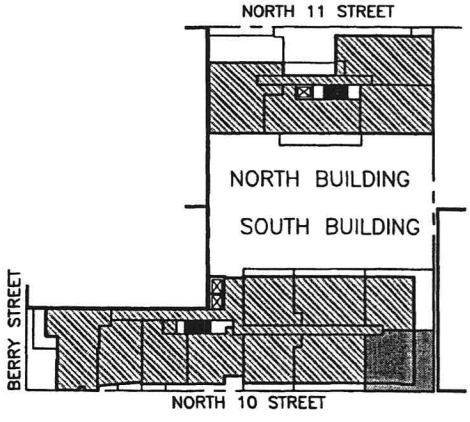


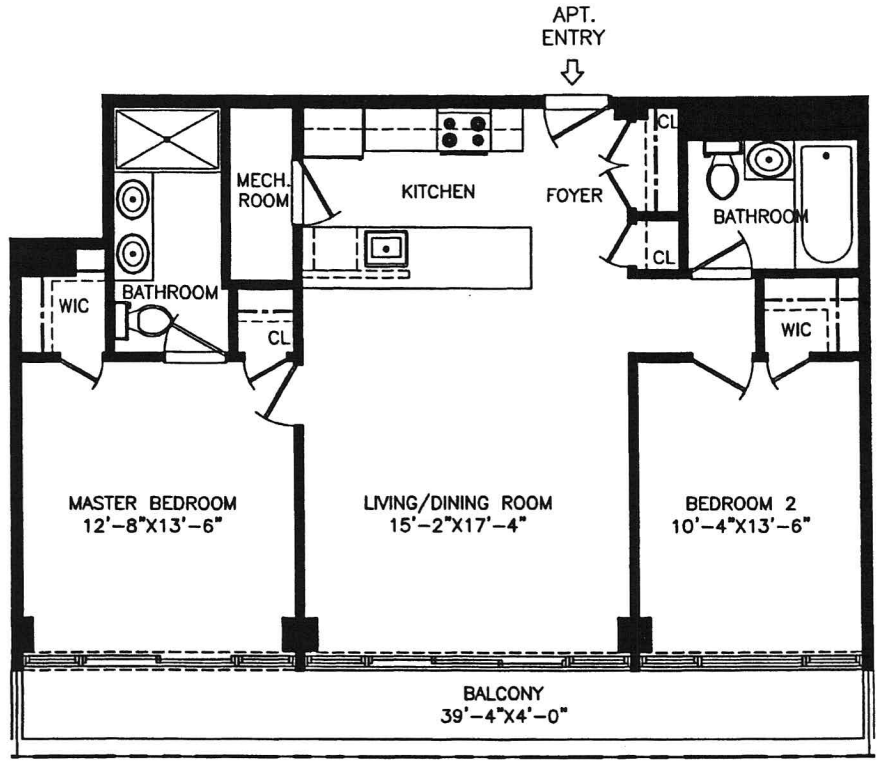
125 NORTH 10th STREET,
BROOKLYN, NY

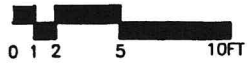
APT **SOUTH 5D**
1 BEDROOM 1 BATH
APPROX AREA: 778 SF

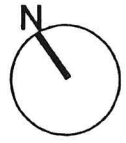


SITE PLAN

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





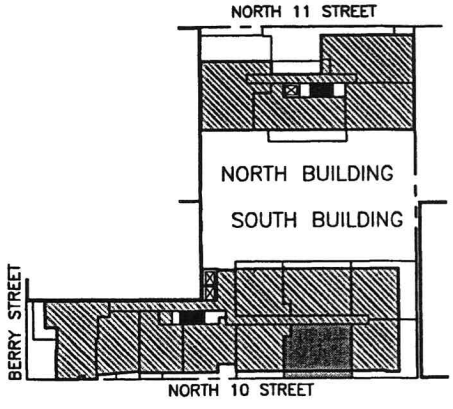


125 NORTH 10th STREET,
BROOKLYN, NY

APT SOUTH 5E

2 BEDROOM 2 BATH

APPROX AREA: 995 SF



SITE PLAN

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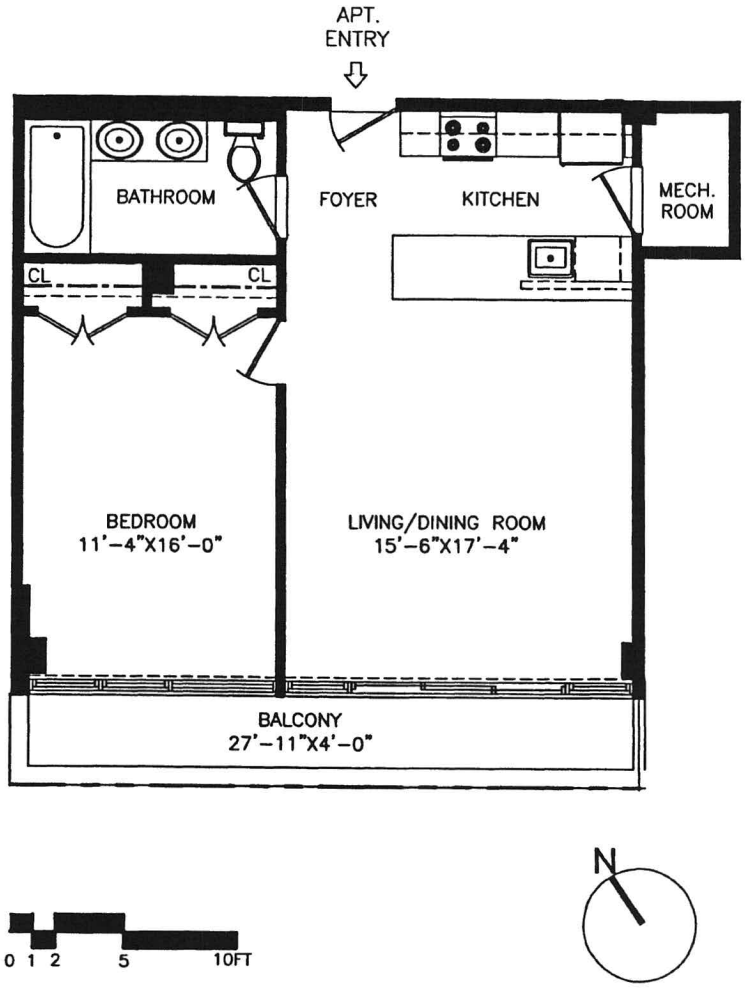
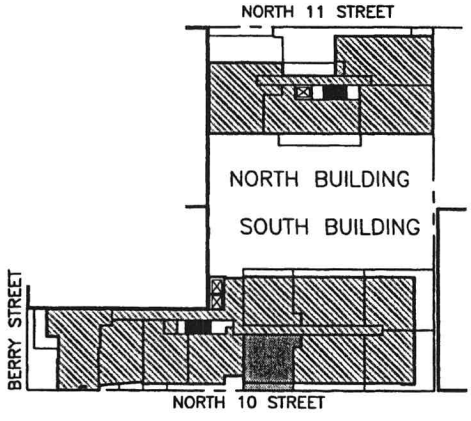


125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH 5F**

1 BEDROOM 1 BATH

APPROX AREA: 765 SF



SITE PLAN

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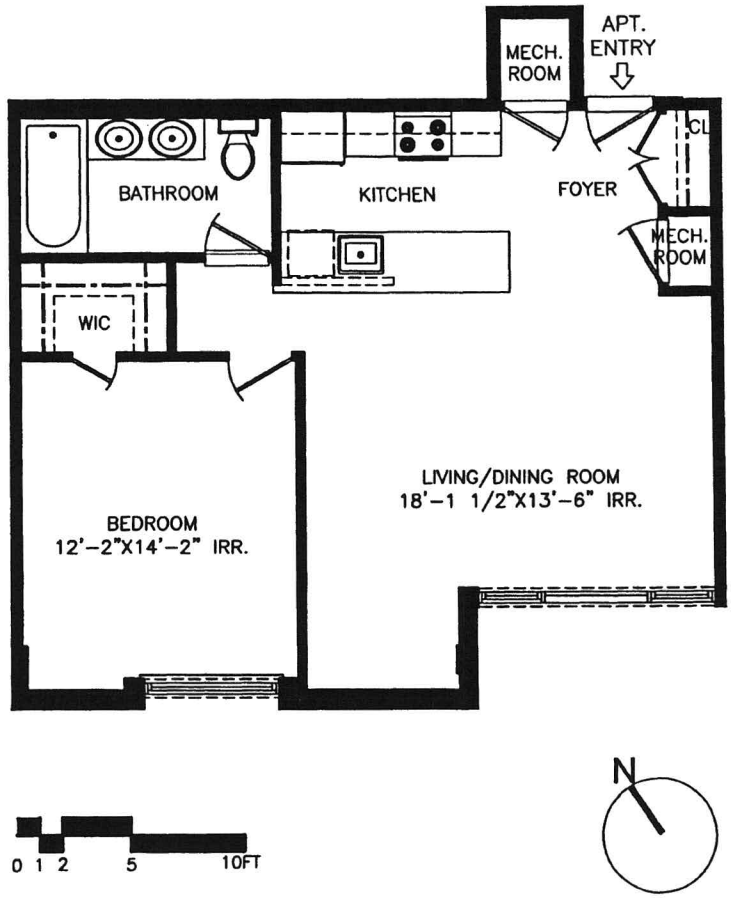
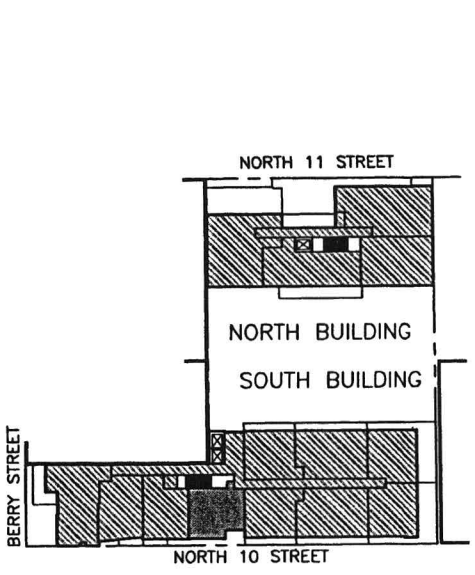


125 NORTH 10th STREET,
BROOKLYN, NY

APT SOUTH 5G
1 BEDROOM 1 BATH
APPROX AREA: 810 SF



SITE PLAN

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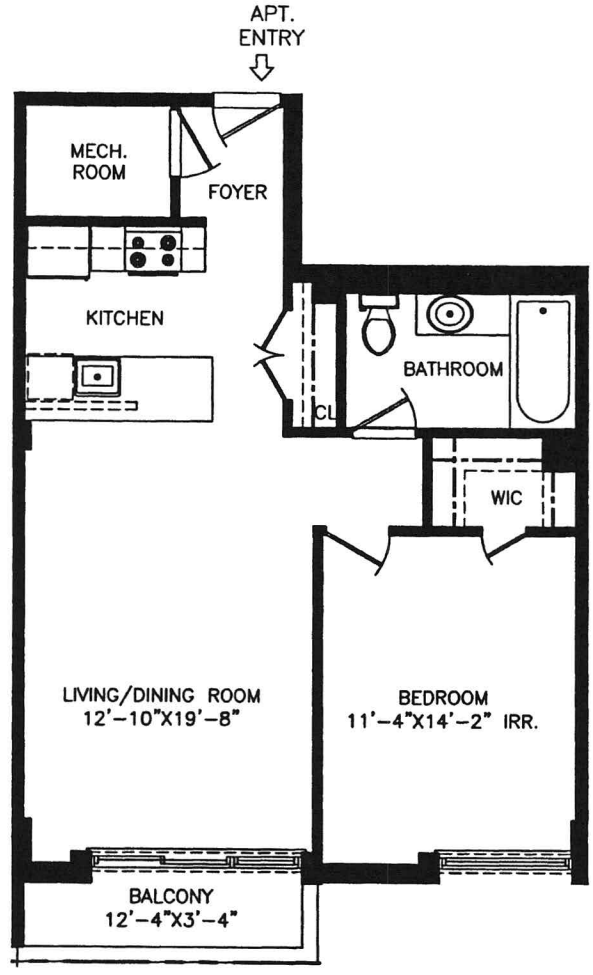

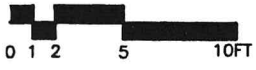

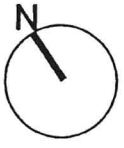

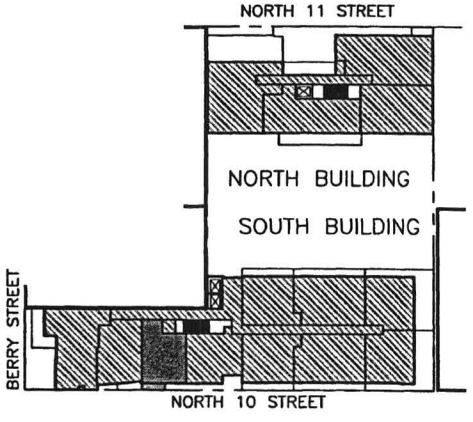

SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH 5H**
1 BEDROOM 1 BATH
APPROX AREA: 763 SF

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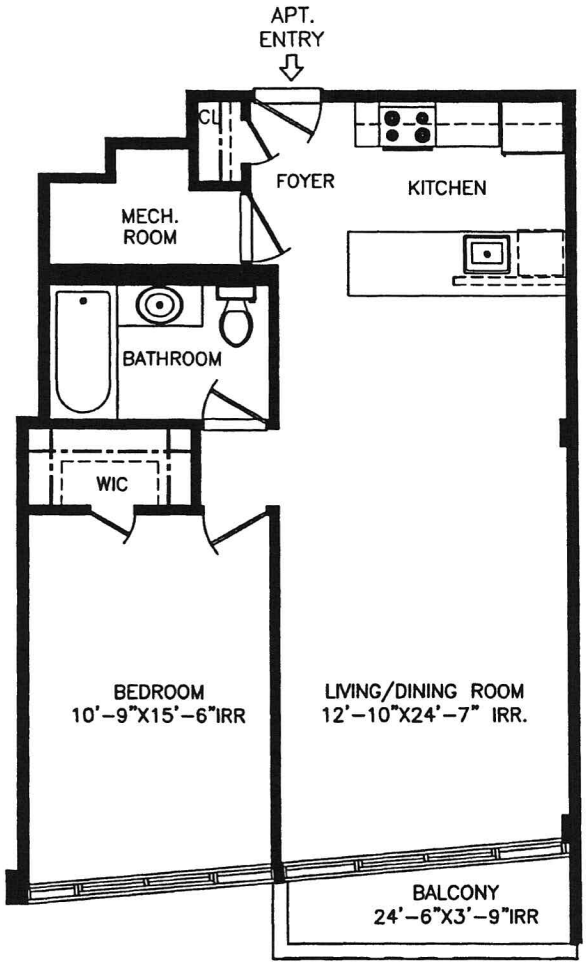
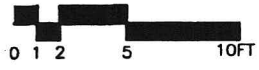
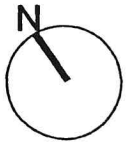
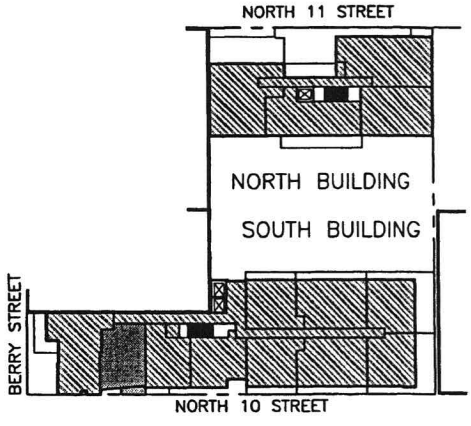






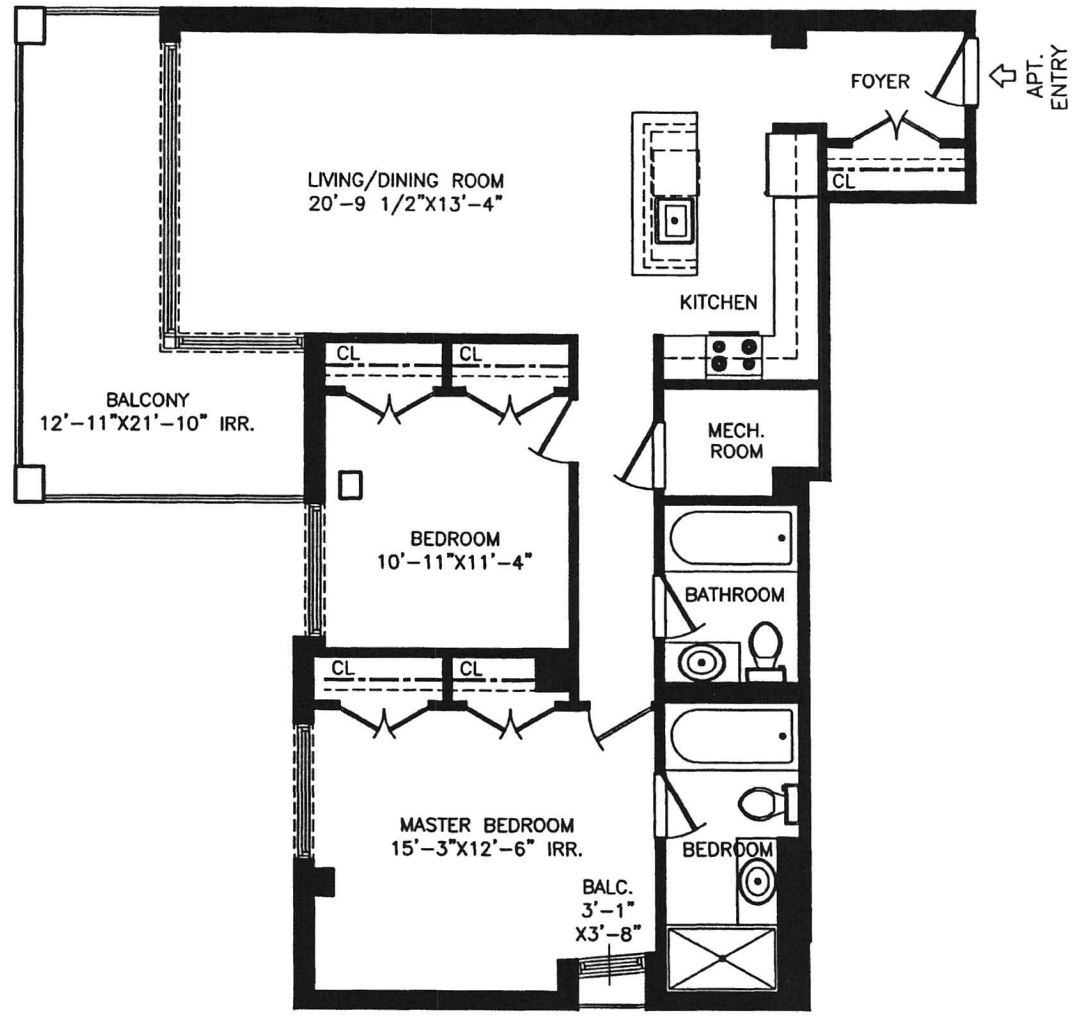


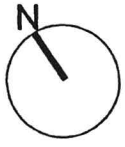
SITE PLAN

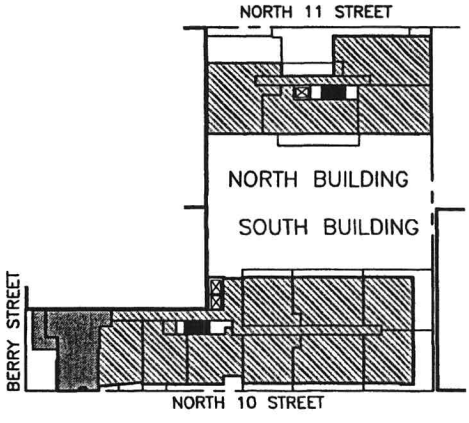
125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH 5I**
1 BEDROOM 1 BATH
APPROX AREA: 823 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





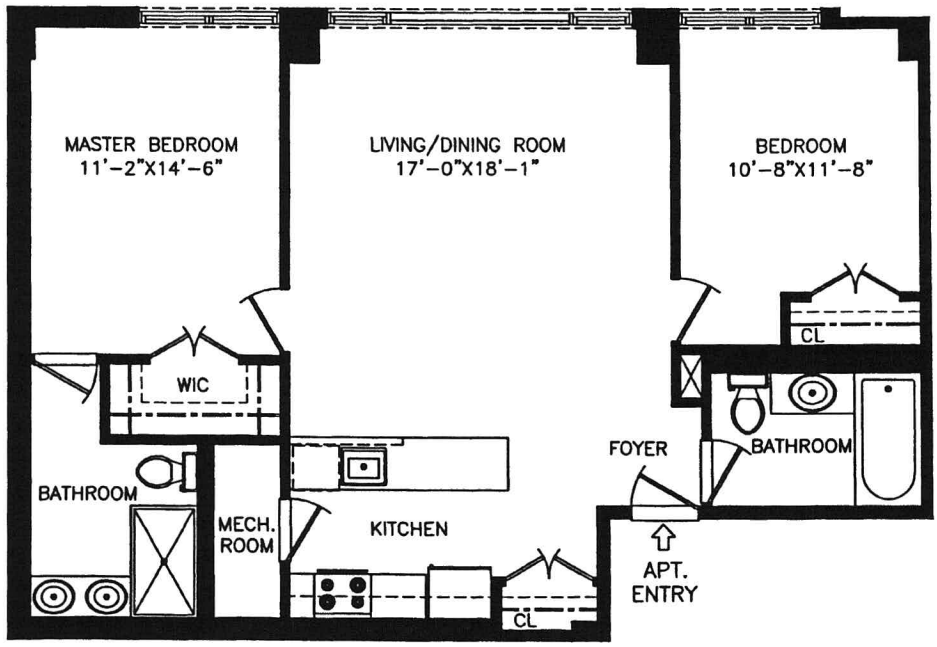


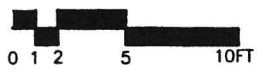
SITE PLAN

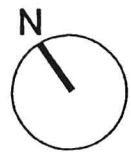
125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH 5J**
2 BEDROOM 2 BATH
APPROX AREA: 1,149 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.

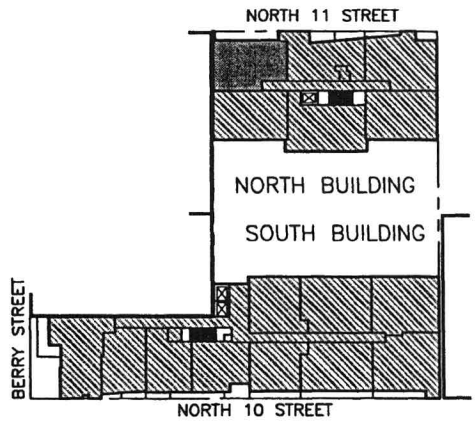






125 NORTH 10th STREET,
BROOKLYN, NY

APT NORTH 5A
2 BEDROOM 2 BATH
APPROX AREA: 1,052 SF



SITE PLAN

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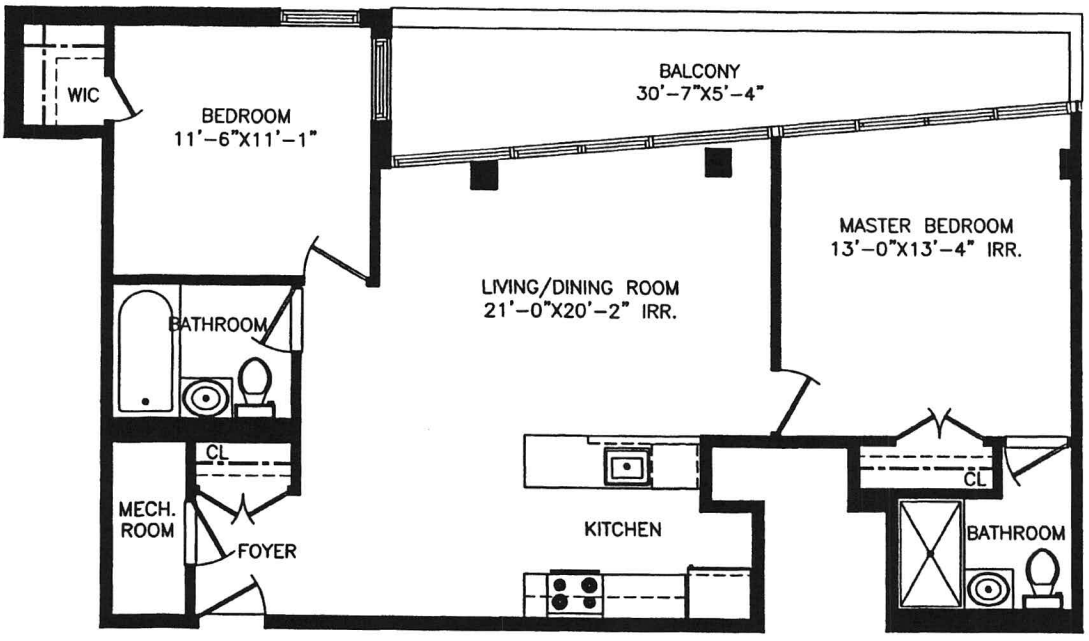
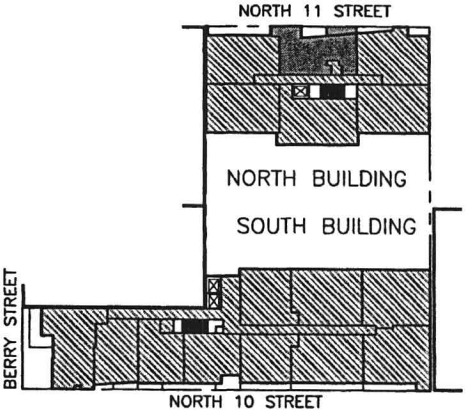


125 NORTH 10th STREET,
BROOKLYN, NY

APT **NORTH 5B**

2 BEDROOM 2 BATH

APPROX AREA: 990 SF



SITE PLAN

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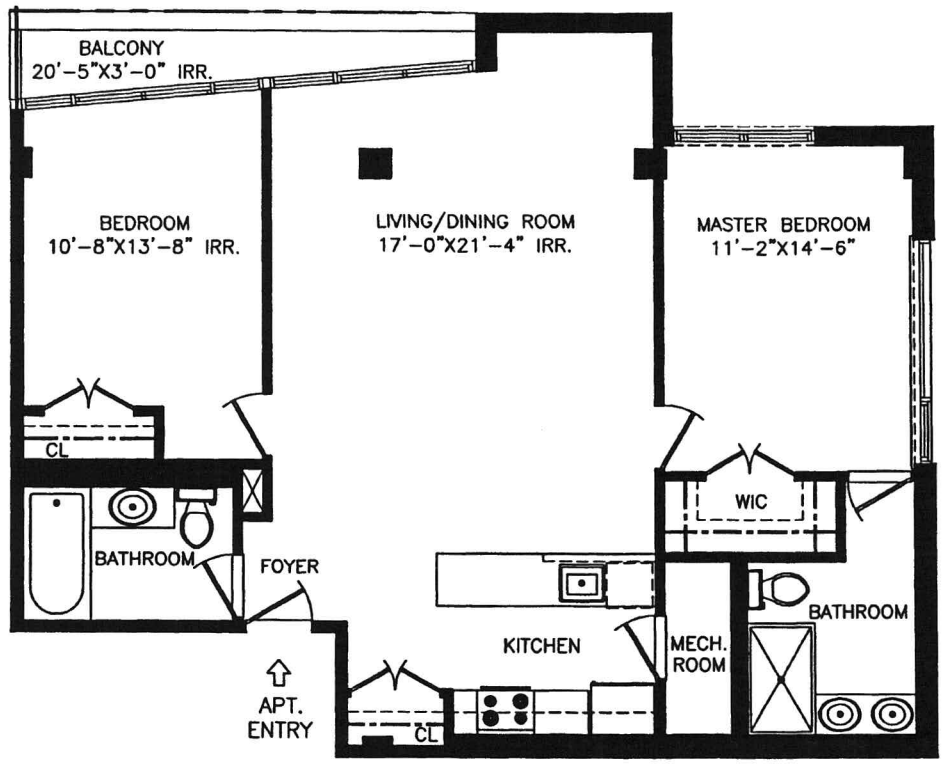
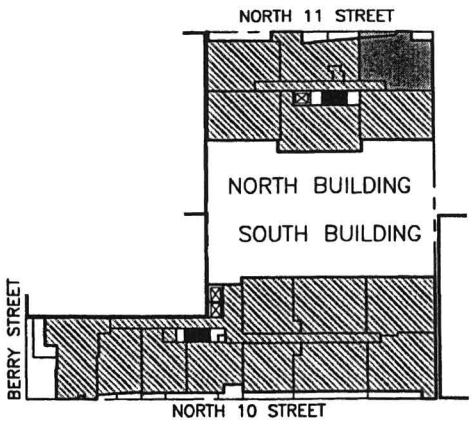


125 NORTH 10th STREET,
BROOKLYN, NY

APT **NORTH 5C**

2 BEDROOM 2 BATH

APPROX AREA: 1,137 SF



SITE PLAN

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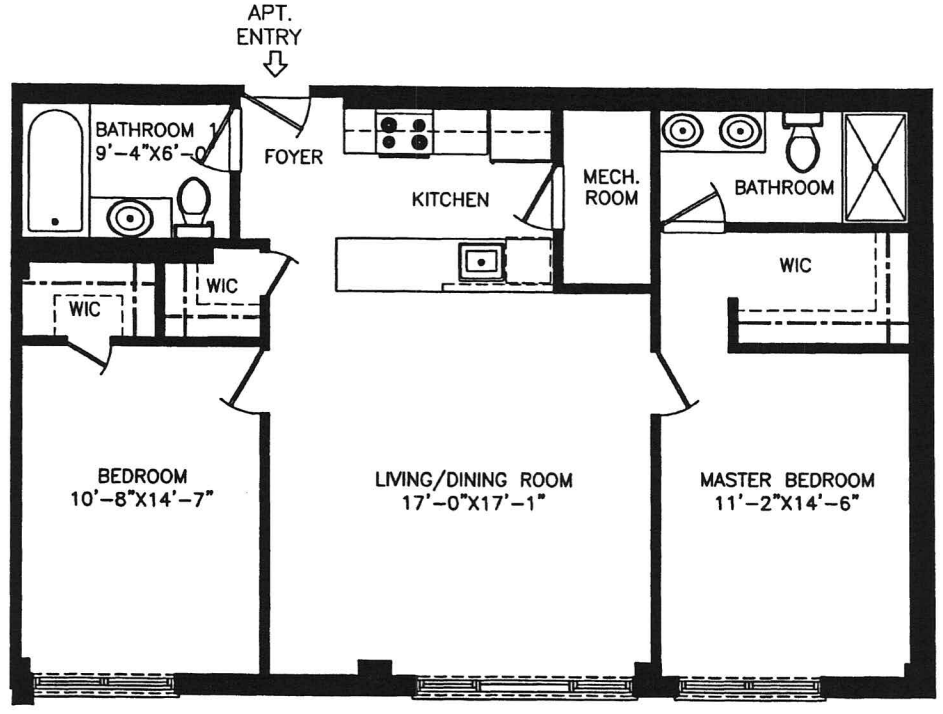
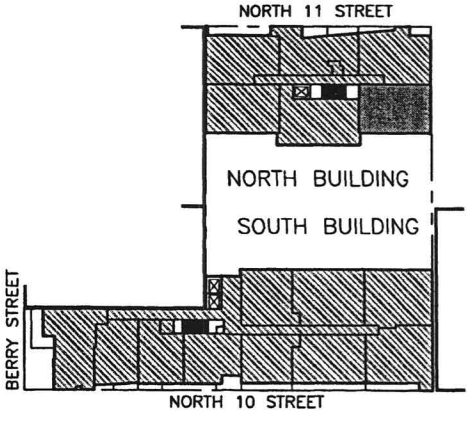


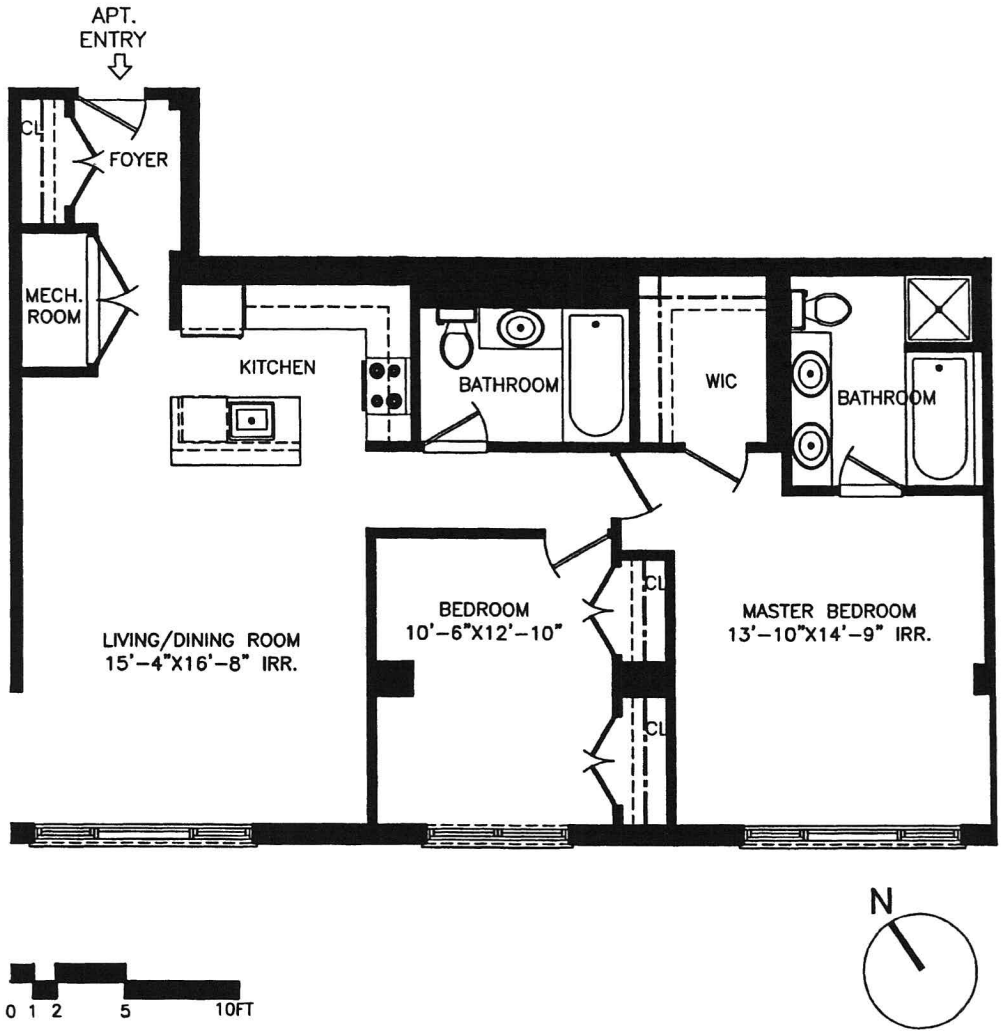


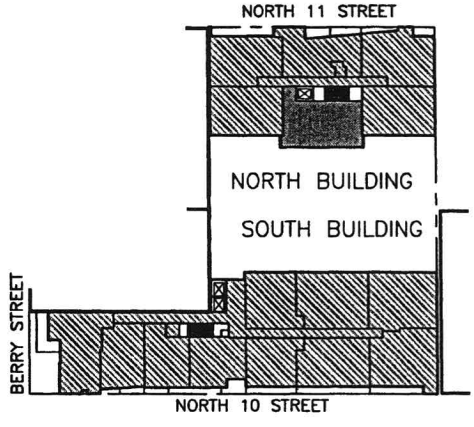
SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT NORTH 5D
2 BEDROOM 2 BATH
APPROX AREA: 1,090 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

APT **NORTH 5E**
2 BEDROOM 2 BATH
APPROX AREA: 1,184 SF

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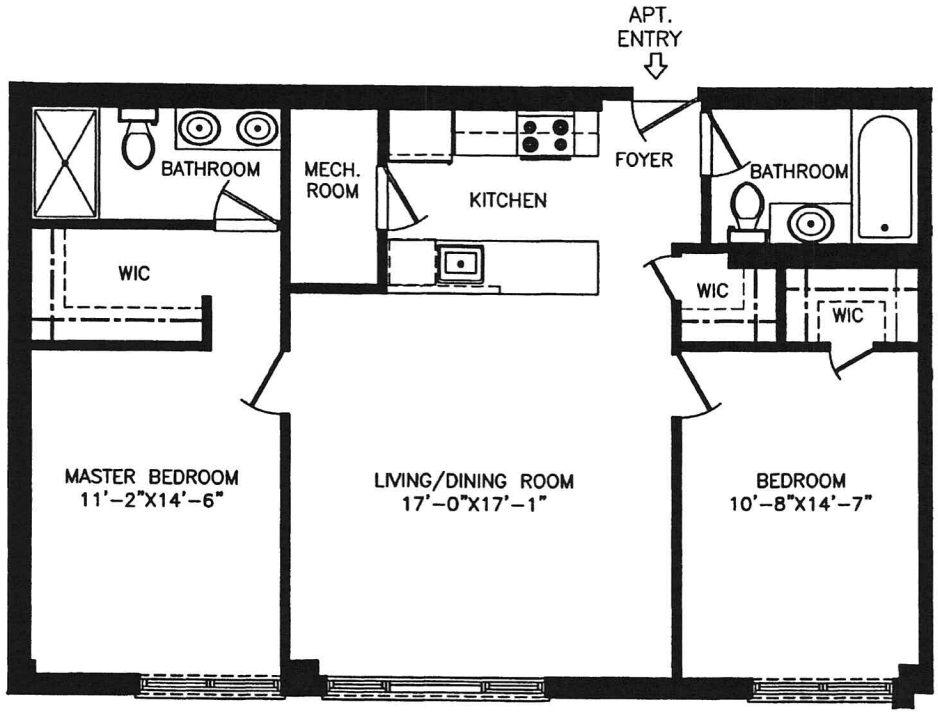
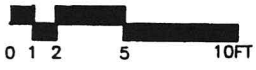
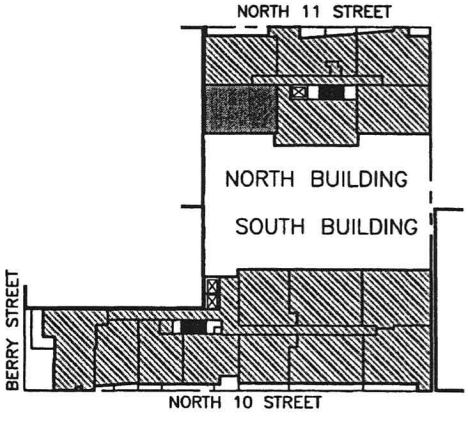




125 NORTH 10th STREET,
BROOKLYN, NY

APT NORTH 5F
2 BEDROOM 2 BATH
APPROX AREA: 1,090 SF



SITE PLAN

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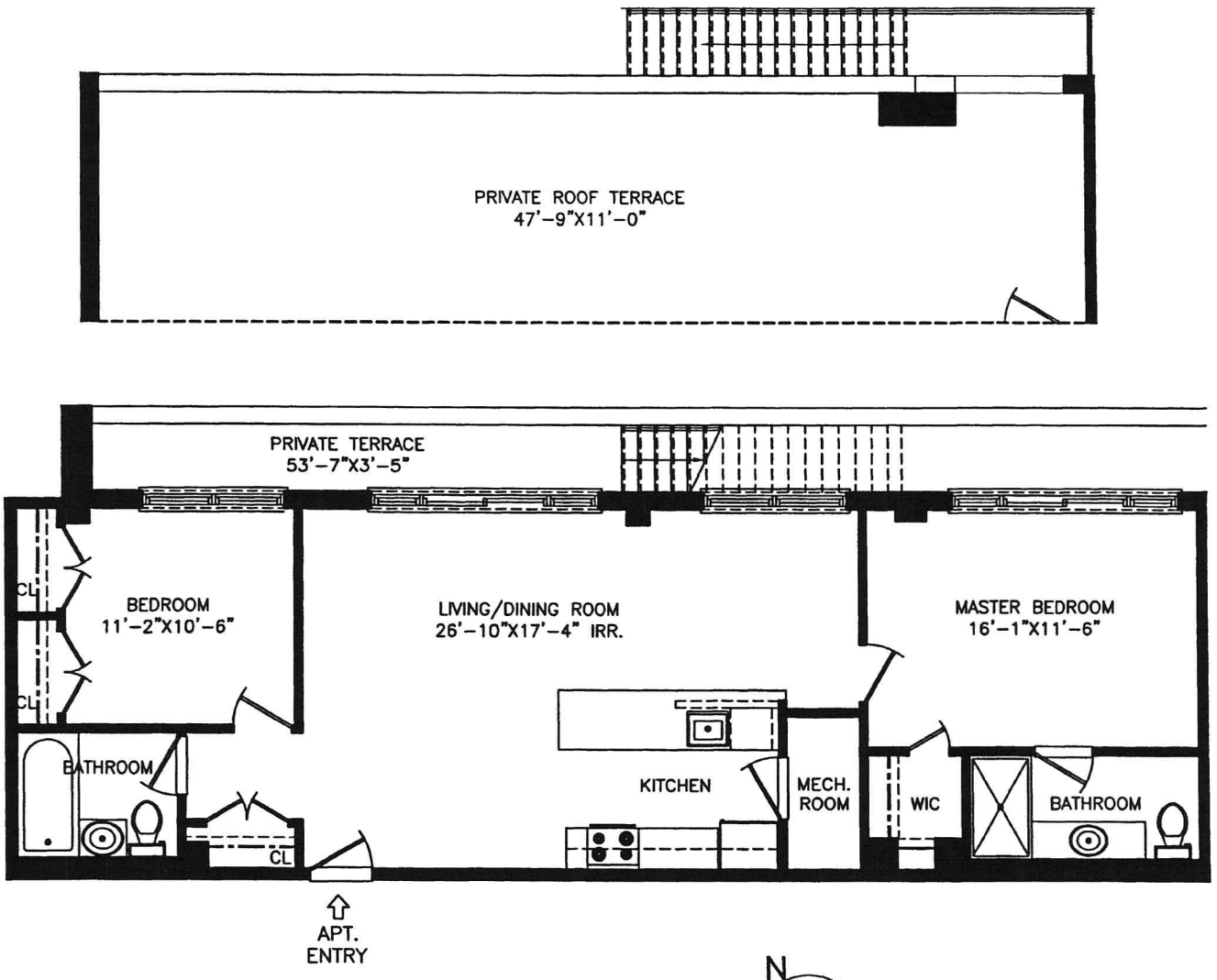

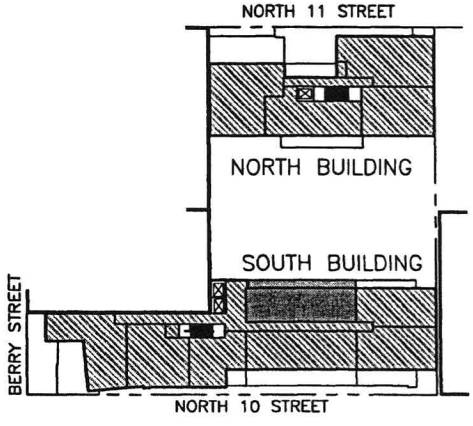

125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH PHA**
2 BEDROOM 2 BATH
APPROX AREA: 1,059 SF

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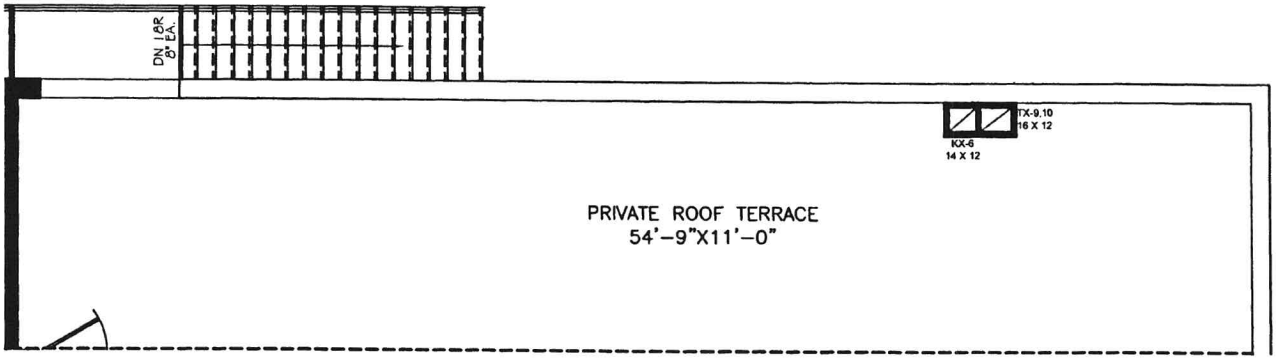
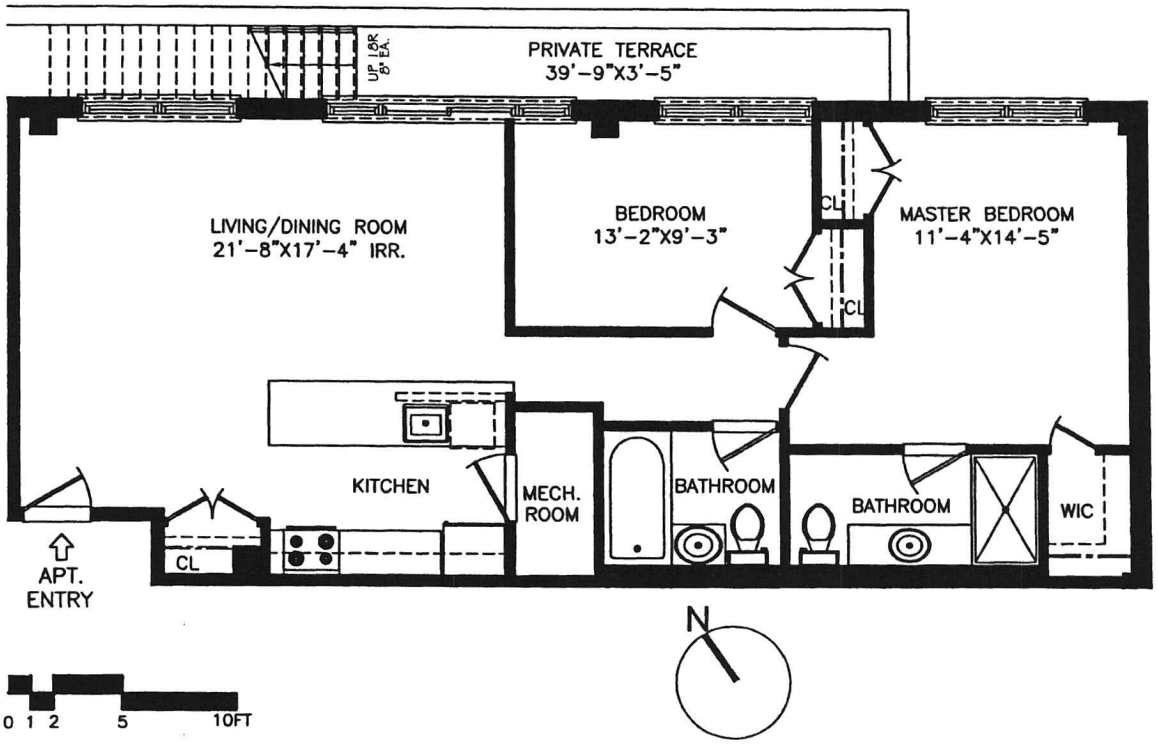
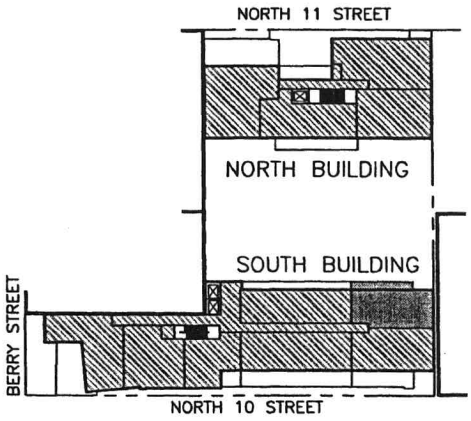




125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH PHB**

2 BEDROOM 2 BATH
APPROX AREA: 1,054 SF



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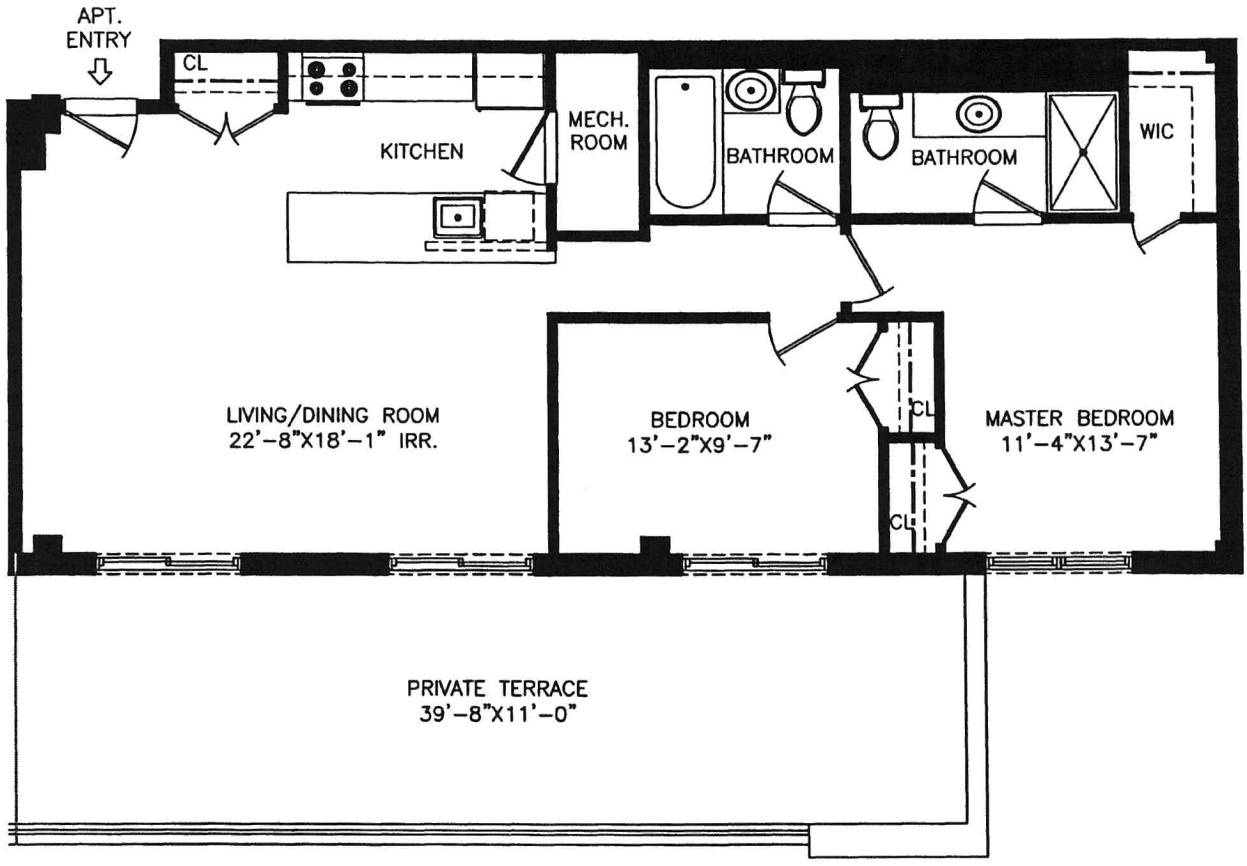
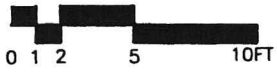
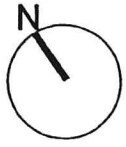
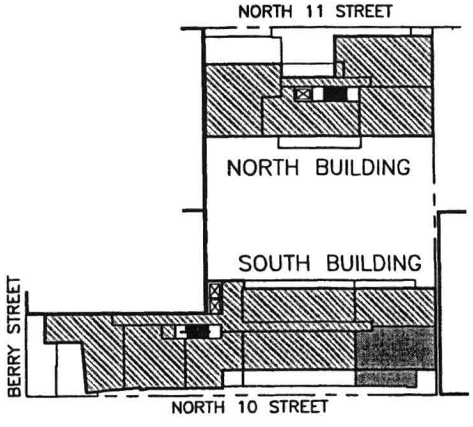




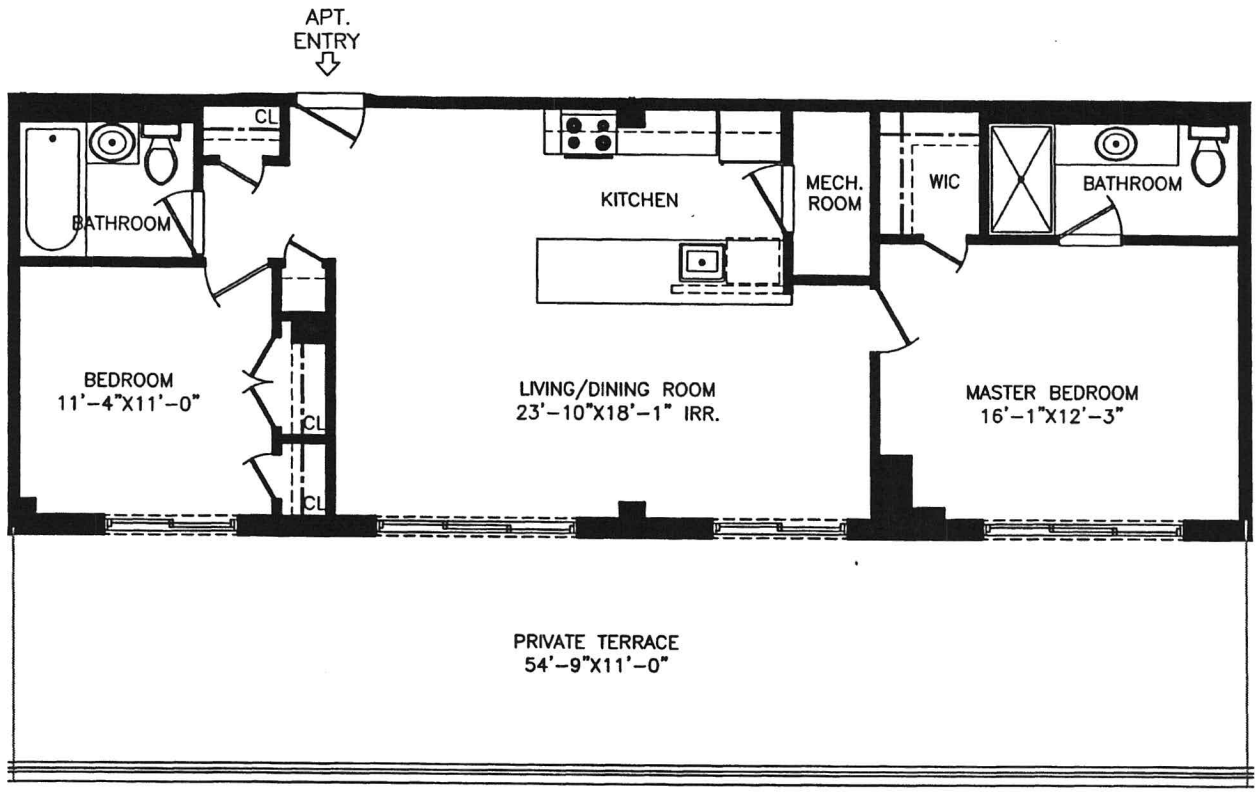


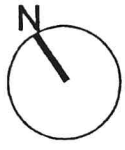
125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH PHC**
2 BEDROOM 2 BATH
APPROX AREA: 1,073 SF



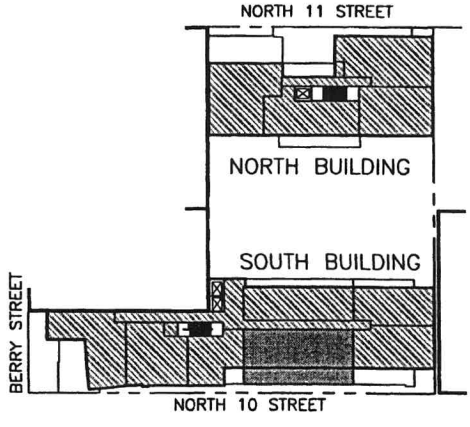
ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH PHD**
2 BEDROOM 2 BATH
APPROX AREA: 1,049 SF



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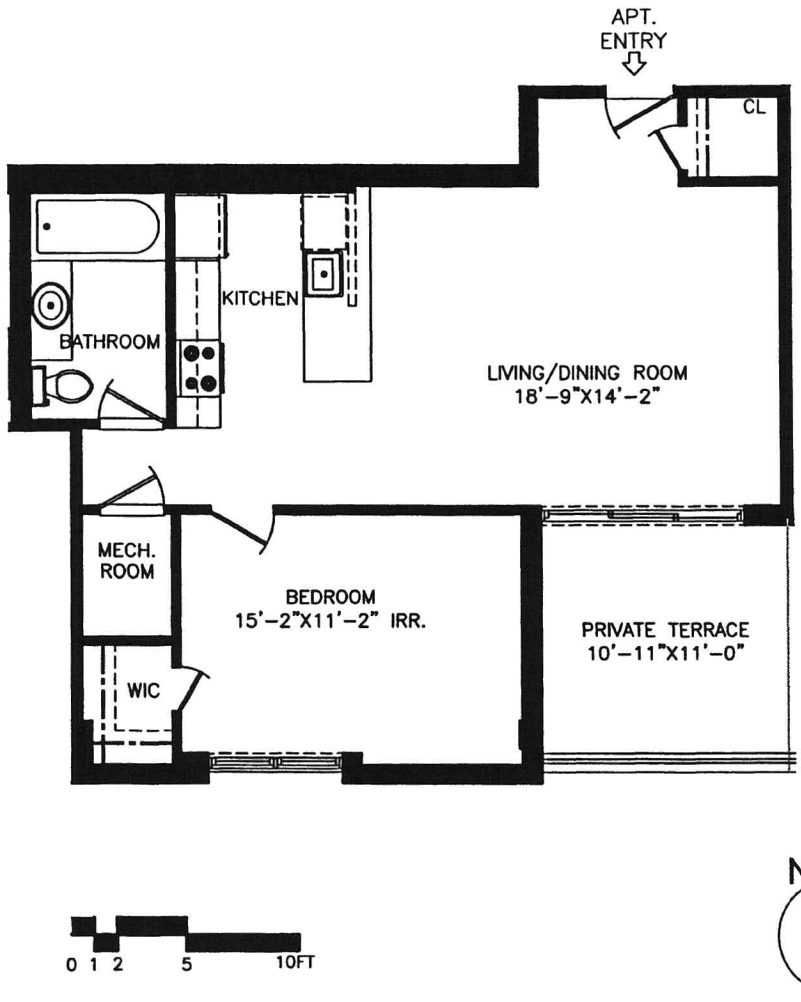
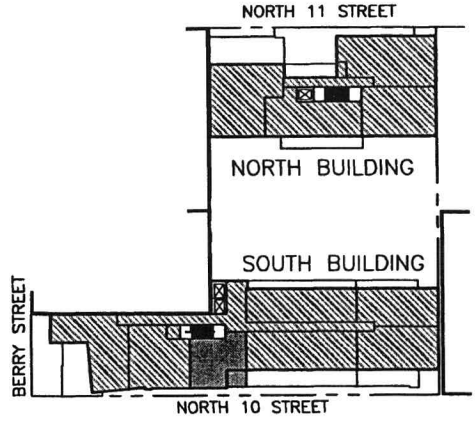


125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH PHE**
1 BEDROOM 1 BATH
APPROX AREA: 793 SF



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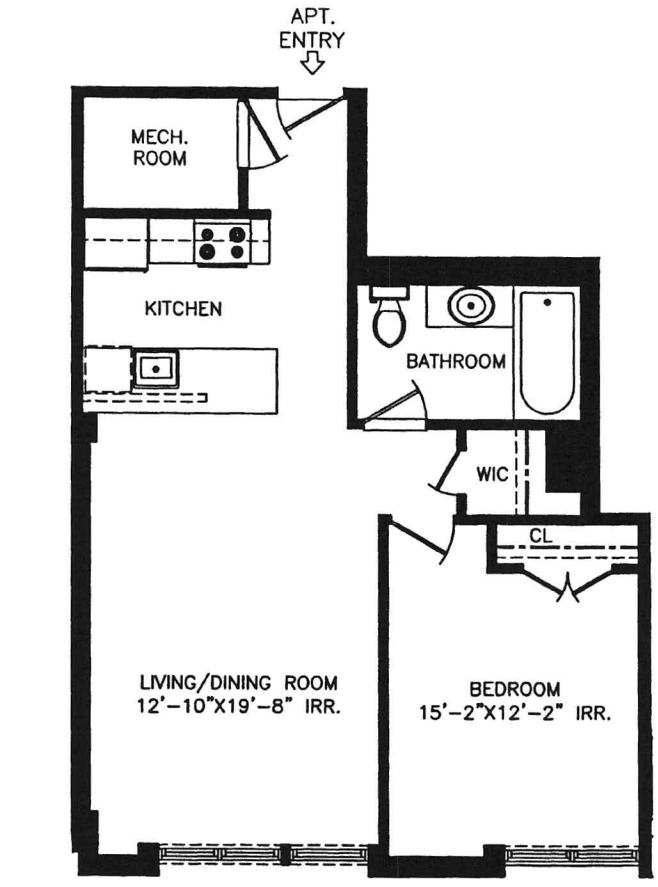
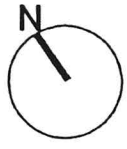
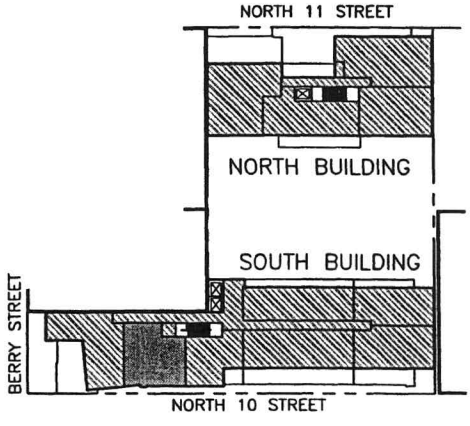




125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH PHF**
1 BEDROOM 1 BATH
APPROX AREA: 738 SF



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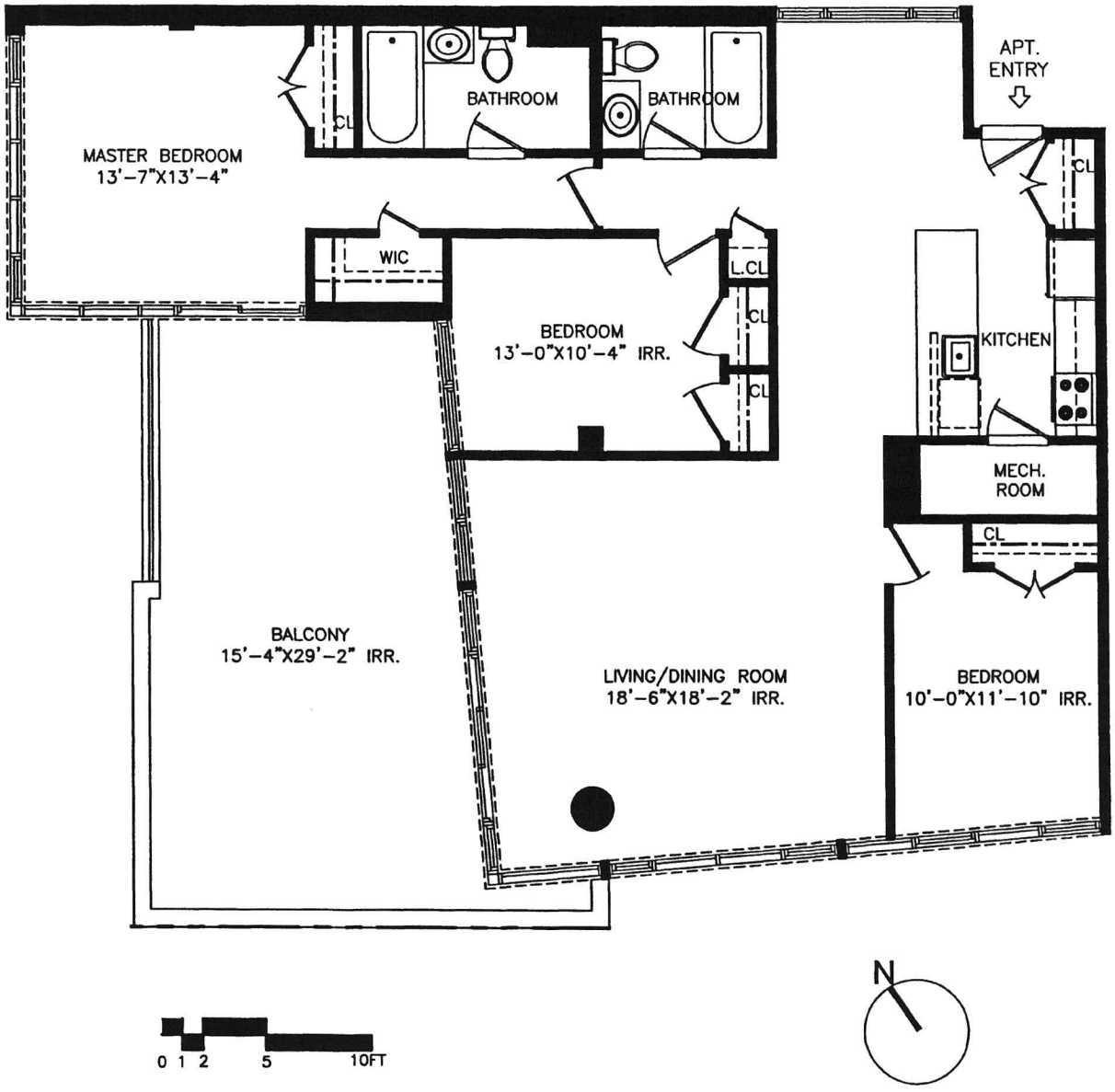
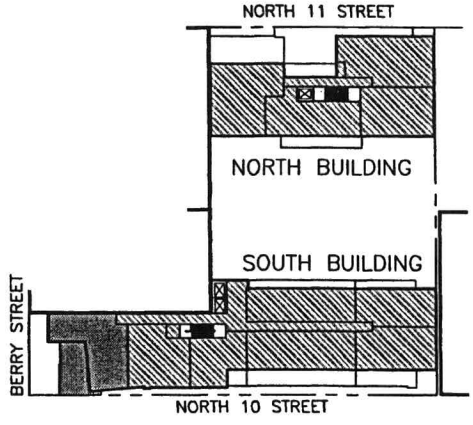


125 NORTH 10th STREET,
BROOKLYN, NY

APT **SOUTH PHG**

3 BEDROOM 2 BATH

APPROX AREA: 1,570 SF



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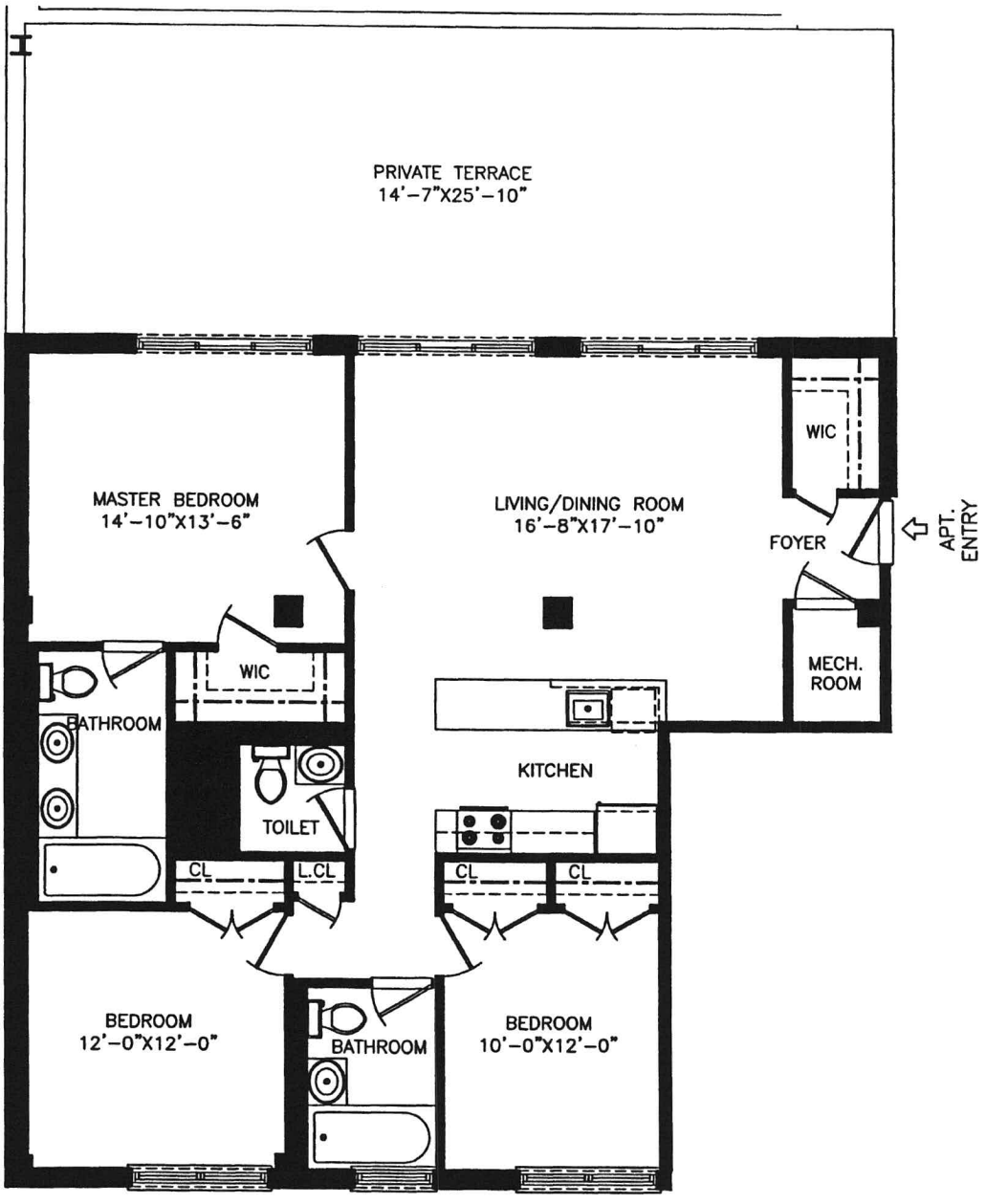
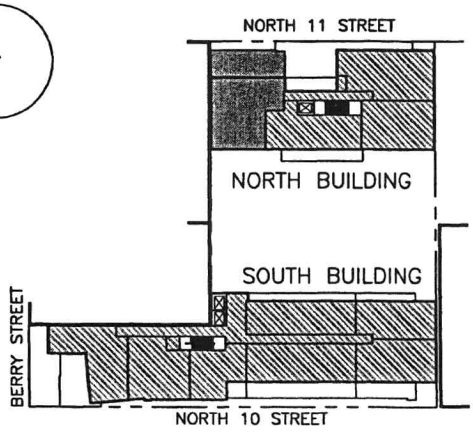


125 NORTH 10th STREET,
BROOKLYN, NY

APT NORTH 6A

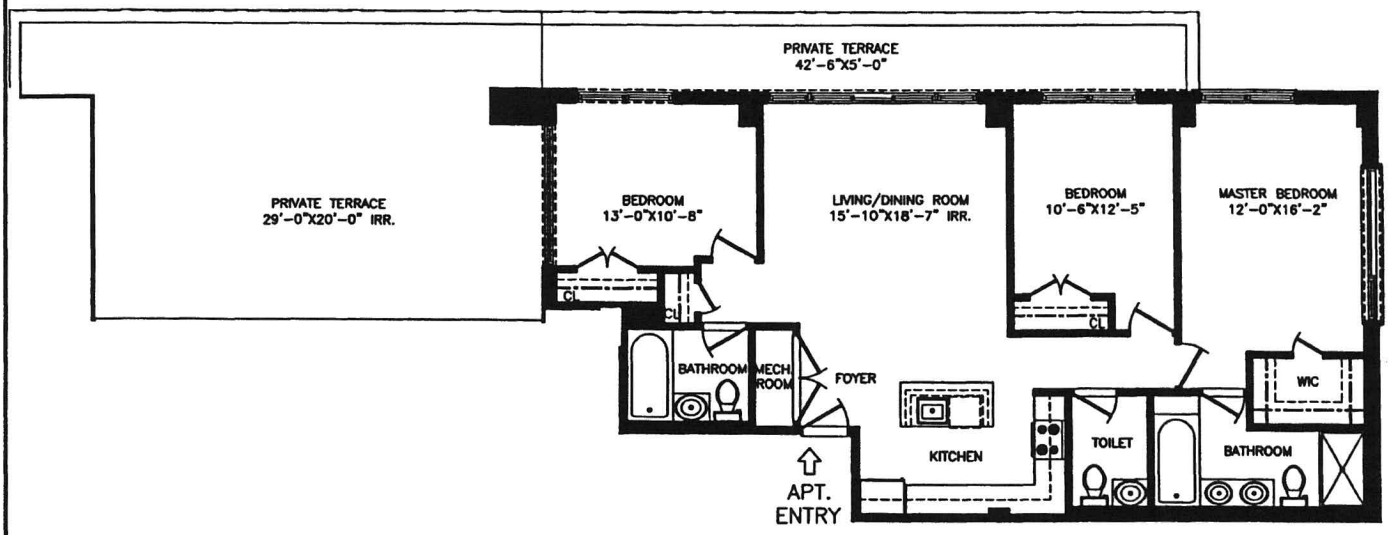
3 BEDROOM 2.5 BATH

APPROX AREA: 1,349 SF



SITE PLAN

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.

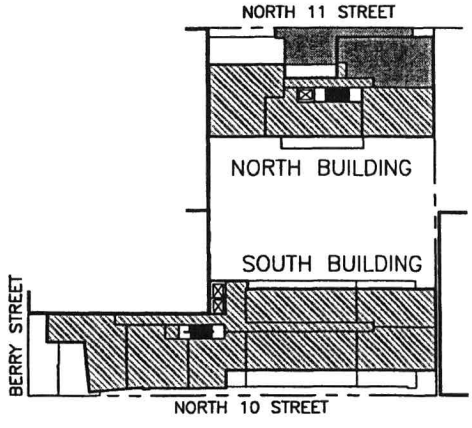


125 NORTH 10th STREET,
BROOKLYN, NY

APT **NORTH 6B**

2 BEDROOM 2.5 BATH

APPROX AREA: 1,090 SF



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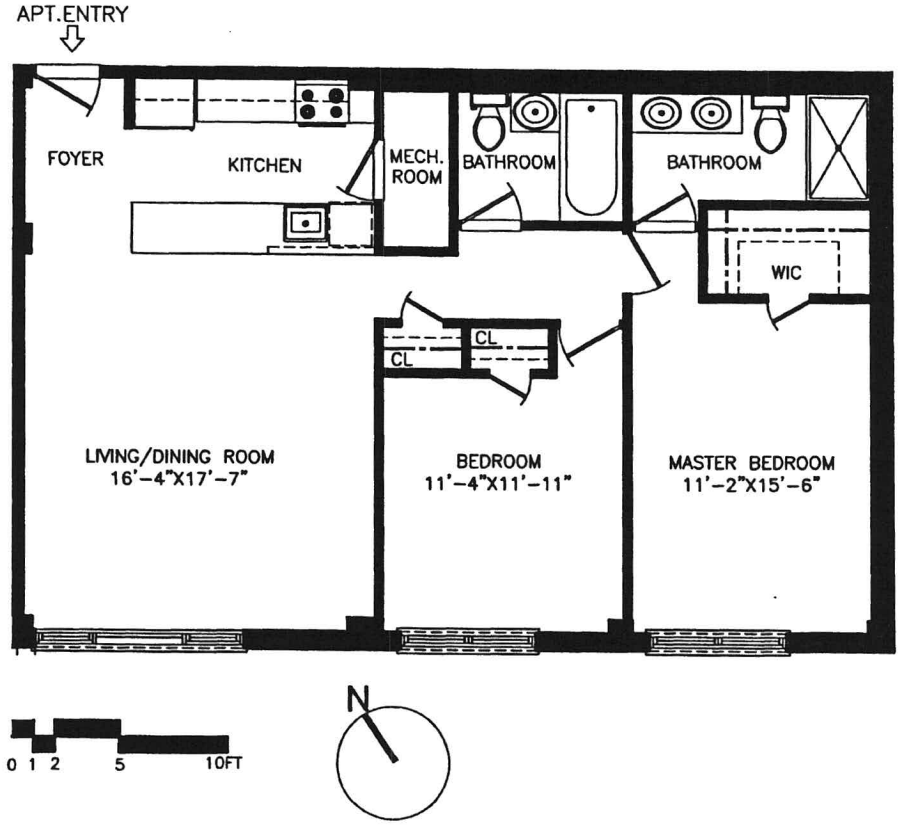
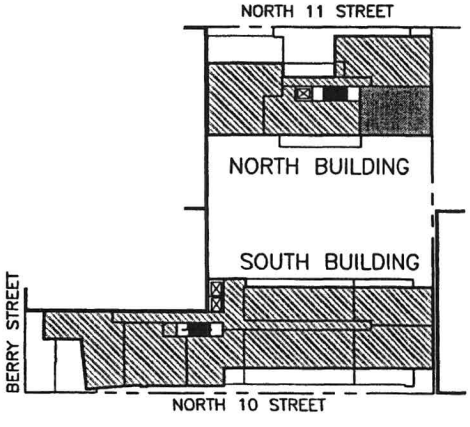


125 NORTH 10th STREET,
BROOKLYN, NY

APT **NORTH 6C**
2 BEDROOM 2 BATH
APPROX AREA: 1,102 SF



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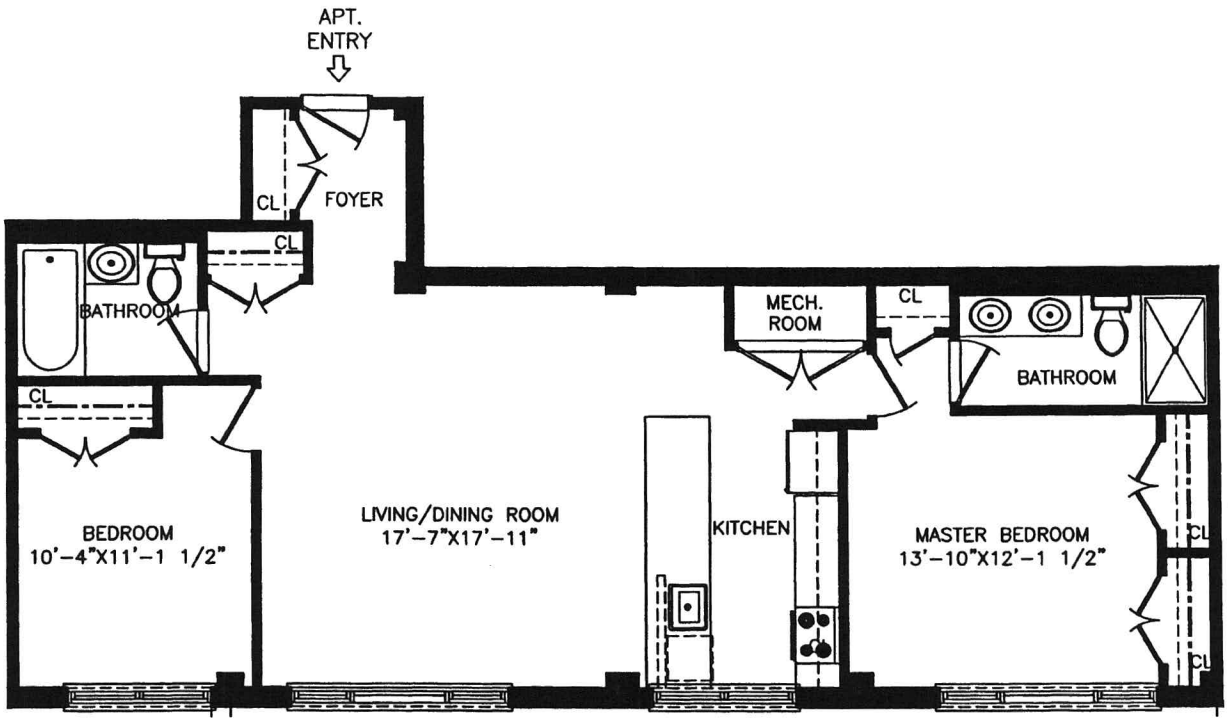
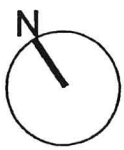


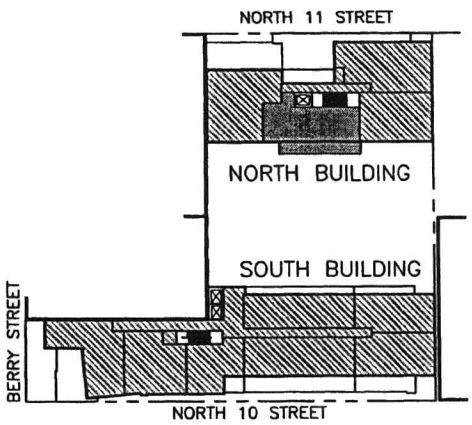


125 NORTH 10th STREET,
BROOKLYN, NY

APT NORTH 6D

2 BEDROOM 2 BATH

APPROX AREA: 1,399 SF



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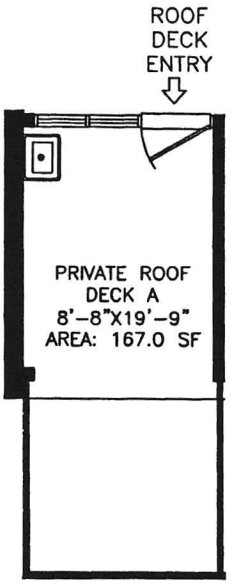
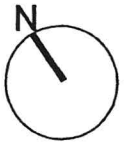
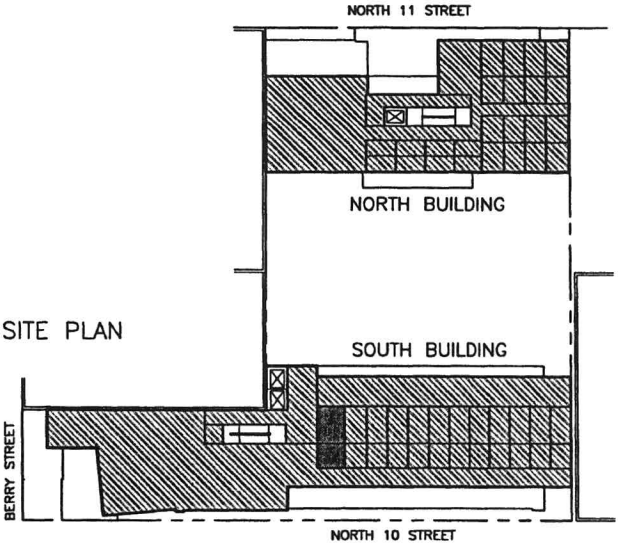




125 NORTH 10th STREET,
BROOKLYN, NY

PRIVATE ROOF DECK A
APPROX AREA: 167 SF

SITE PLAN



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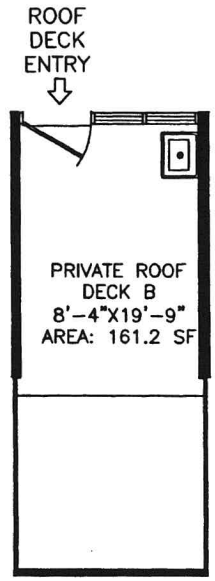

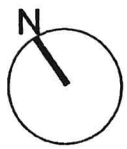

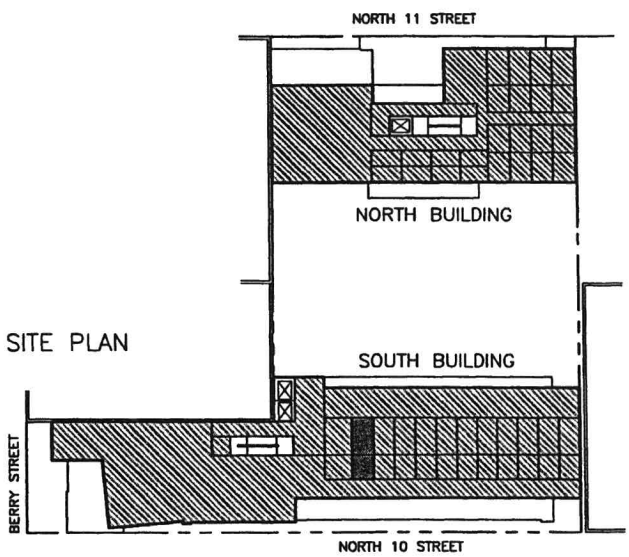

SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

PRIVATE ROOF DECK **B**
APPROX AREA: 161 SF

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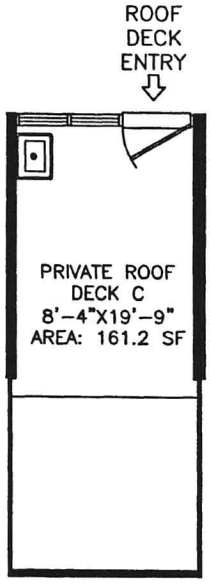

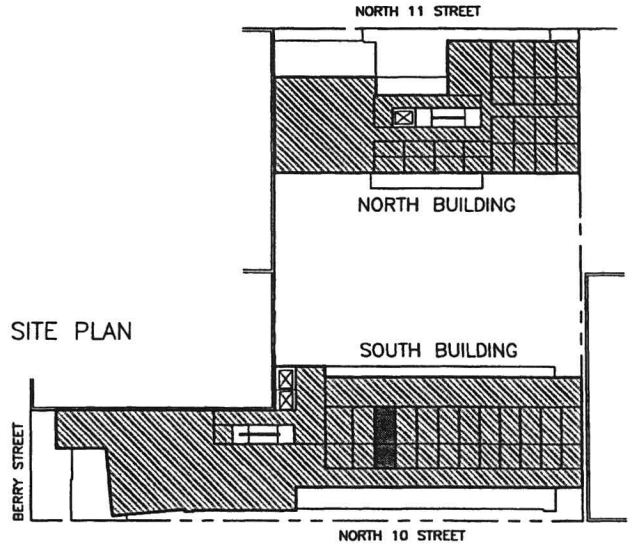

SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

PRIVATE ROOF DECK **C**
APPROX AREA: 161 SF

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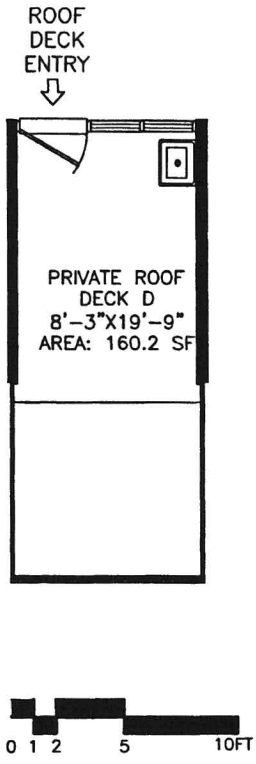

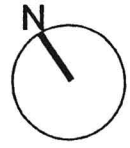

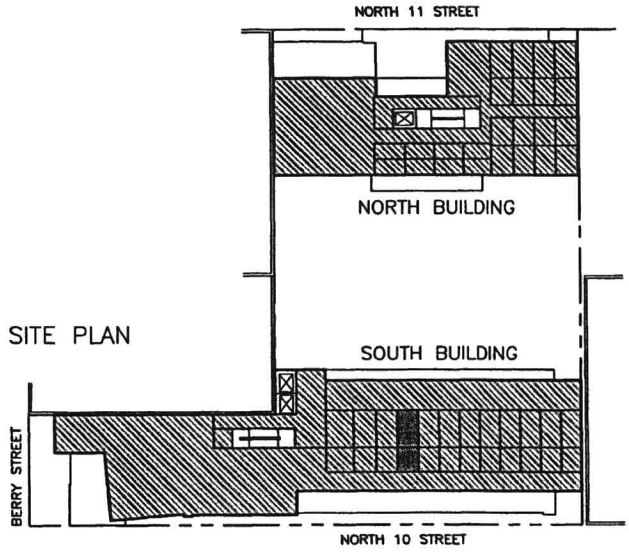

SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

PRIVATE ROOF DECK **D**
APPROX AREA: 160 SF

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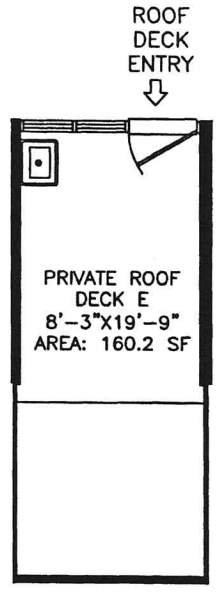

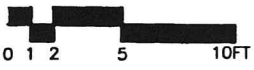

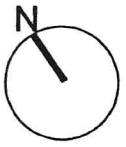

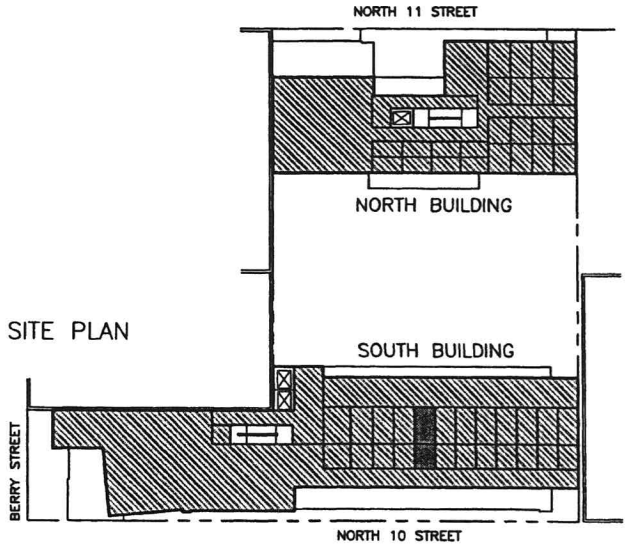

SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

PRIVATE ROOF DECK E
APPROX AREA: 160 SF

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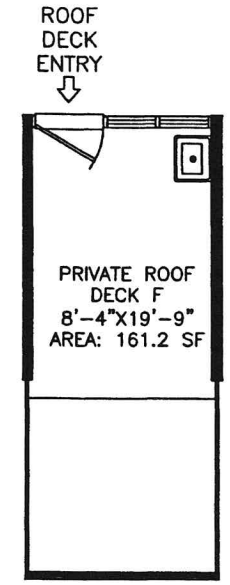

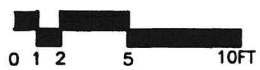

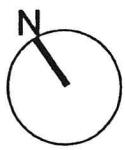

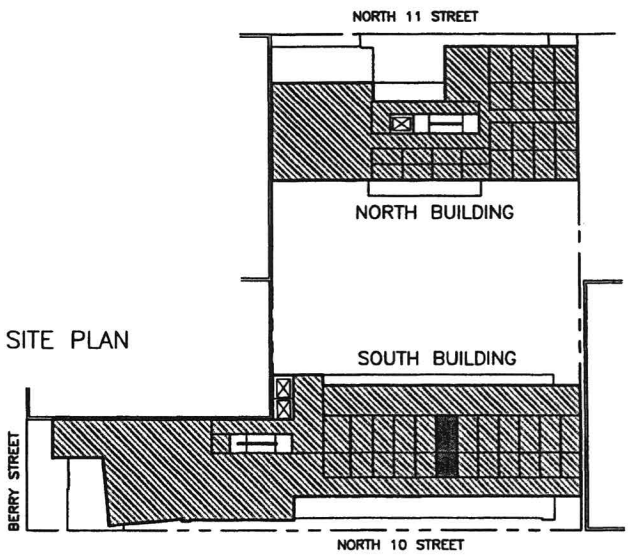

SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

PRIVATE ROOF DECK F
APPROX AREA: 161 SF

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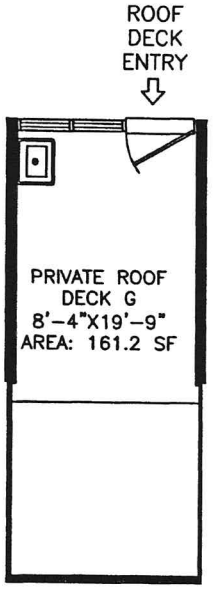

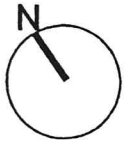

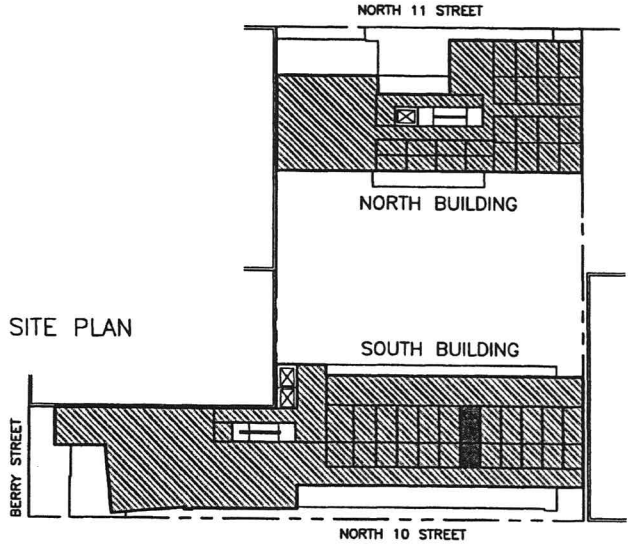

SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

PRIVATE ROOF DECK **G**
APPROX AREA: 161 SF

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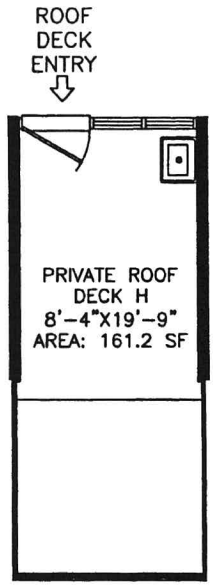
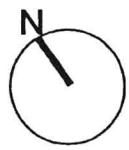
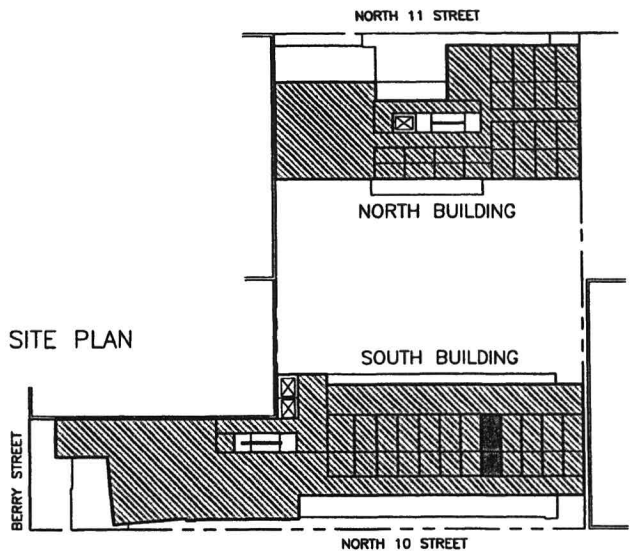




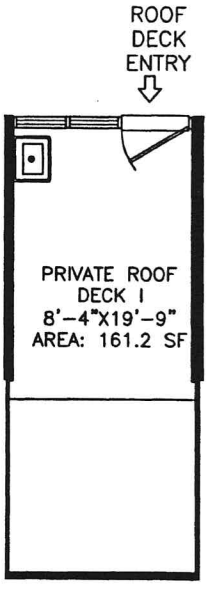
SITE PLAN

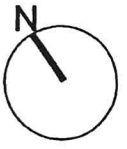


125 NORTH 10th STREET,
BROOKLYN, NY

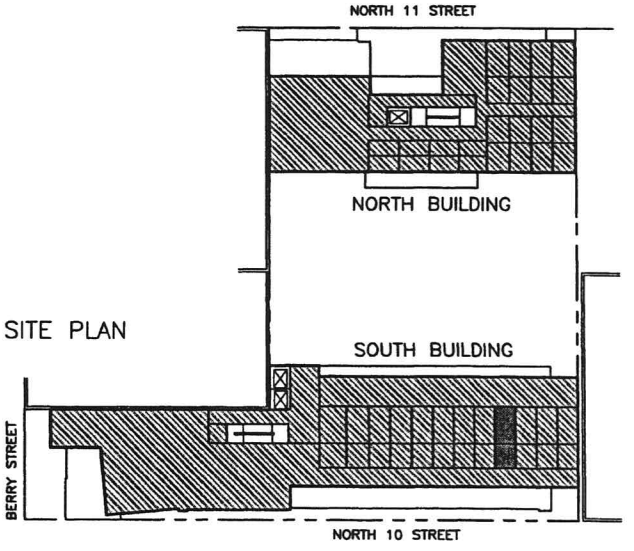
PRIVATE ROOF DECK H
APPROX AREA: 161 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





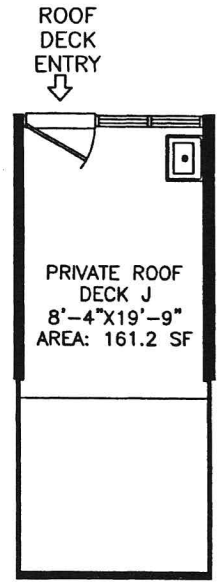
SITE PLAN

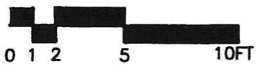


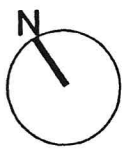
125 NORTH 10th STREET,
BROOKLYN, NY

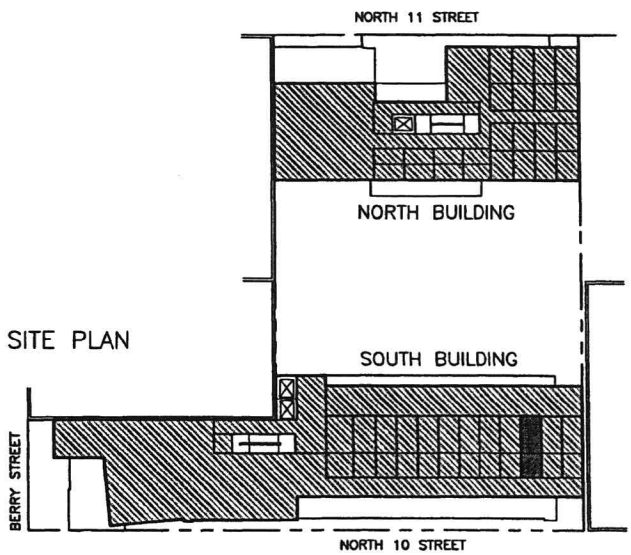
PRIVATE ROOF DECK I
APPROX AREA: 161 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.







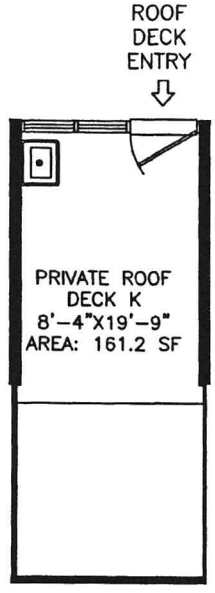


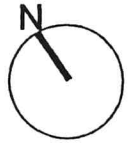
SITE PLAN

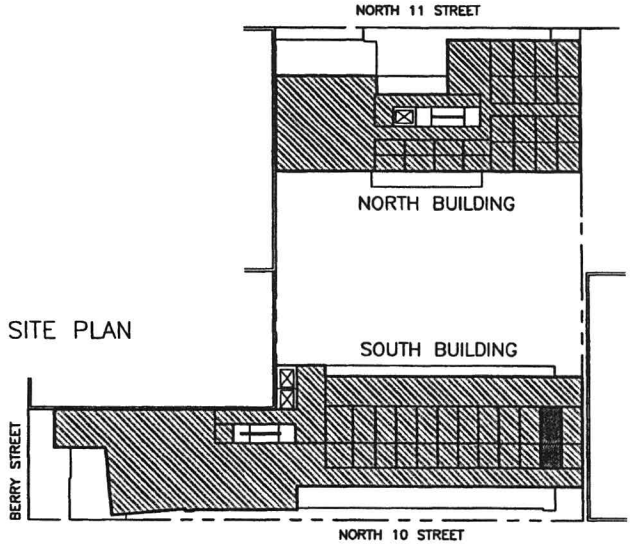
125 NORTH 10th STREET,
BROOKLYN, NY

PRIVATE ROOF DECK J
APPROX AREA: 161 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





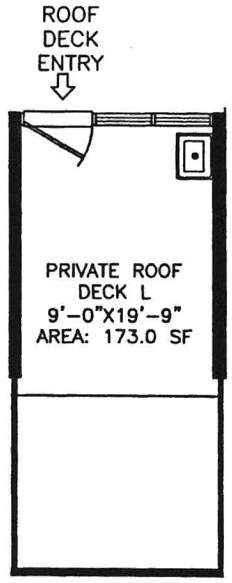


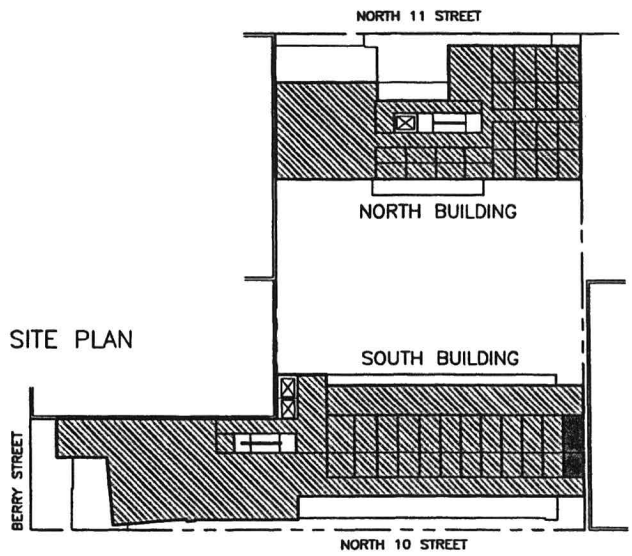
SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

PRIVATE ROOF DECK K
APPROX AREA: 161 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.



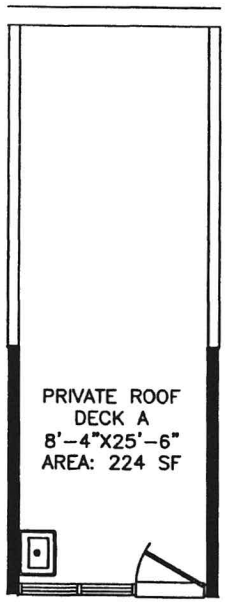


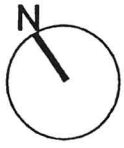
SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

PRIVATE ROOF DECK L
APPROX AREA: 173 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.

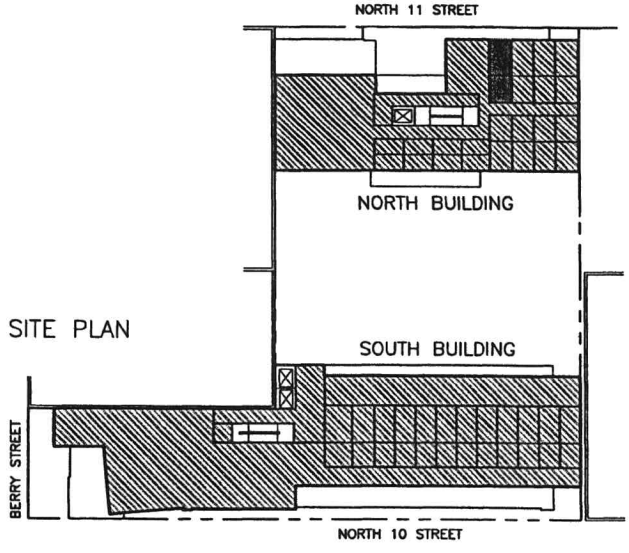




125 NORTH 10th STREET,
BROOKLYN, NY

PRIVATE ROOF DECK A
APPROX AREA: 224 SF

SITE PLAN



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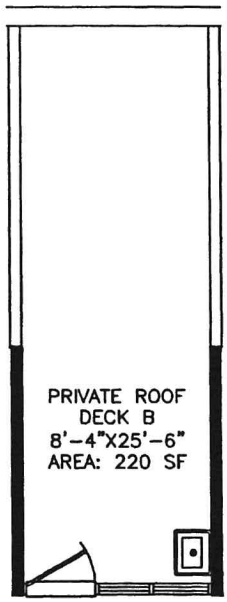
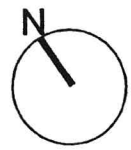
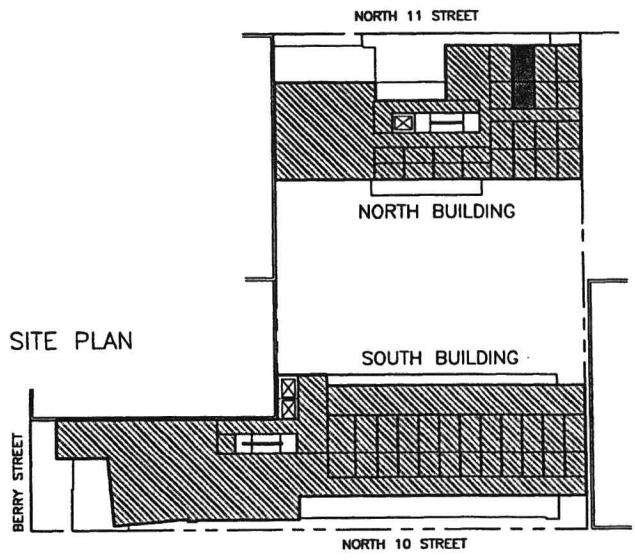




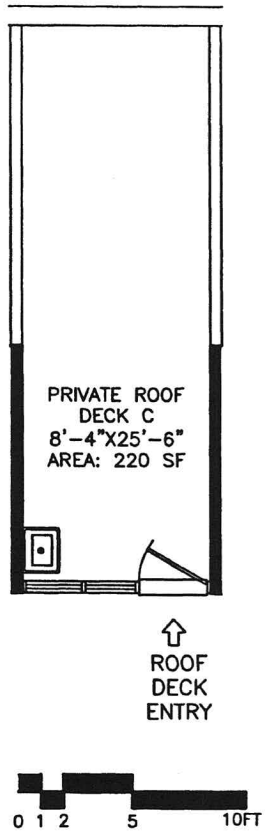


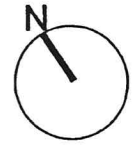
SITE PLAN

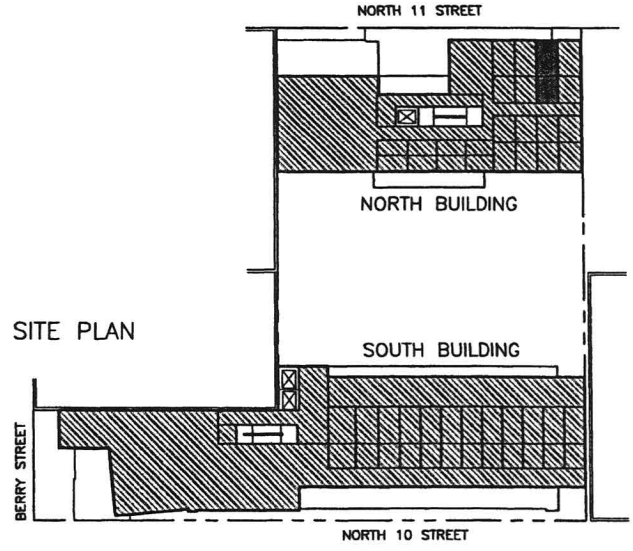
125 NORTH 10th STREET,
BROOKLYN, NY

PRIVATE ROOF DECK **B**
APPROX AREA: 220 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





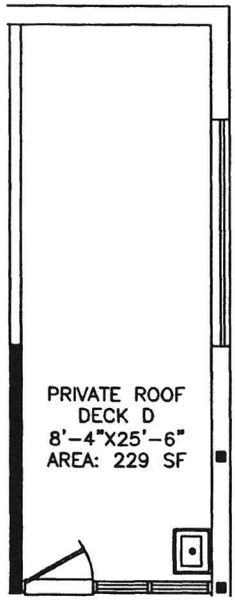


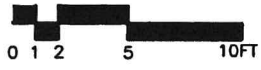
SITE PLAN

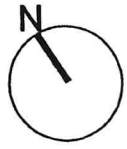
125 NORTH 10th STREET,
BROOKLYN, NY

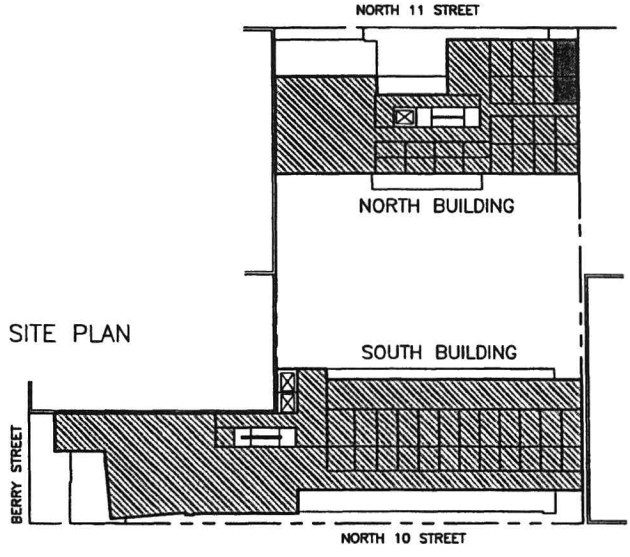
PRIVATE ROOF DECK **C**
APPROX AREA: 220 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





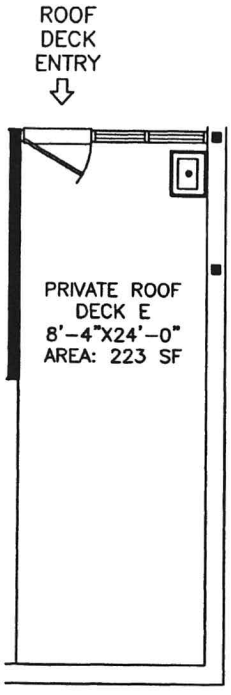


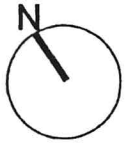


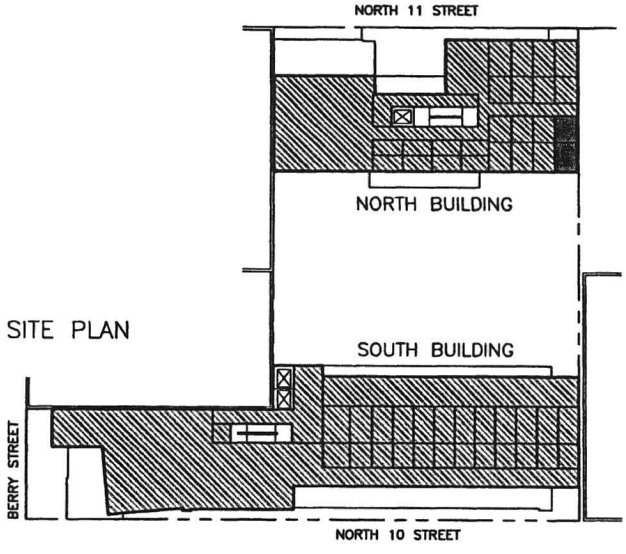
125 NORTH 10th STREET,
BROOKLYN, NY

PRIVATE ROOF DECK **D**
APPROX AREA: 229 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





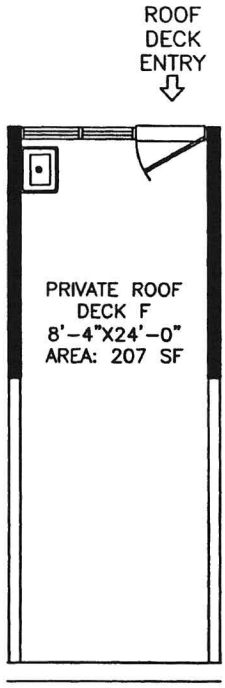


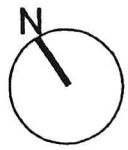
SITE PLAN

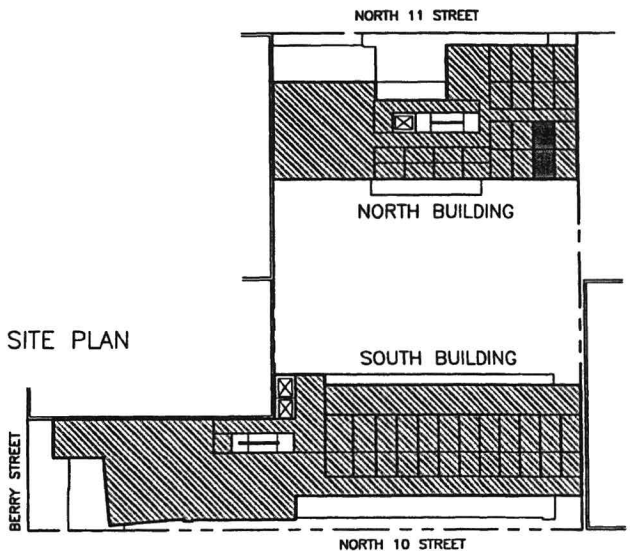
125 NORTH 10th STREET,
BROOKLYN, NY

PRIVATE ROOF DECK E
APPROX AREA: 223 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





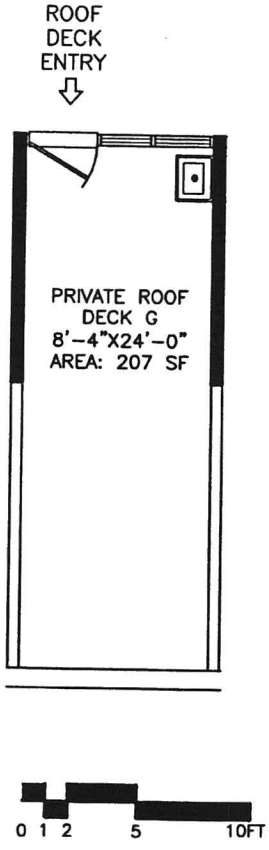


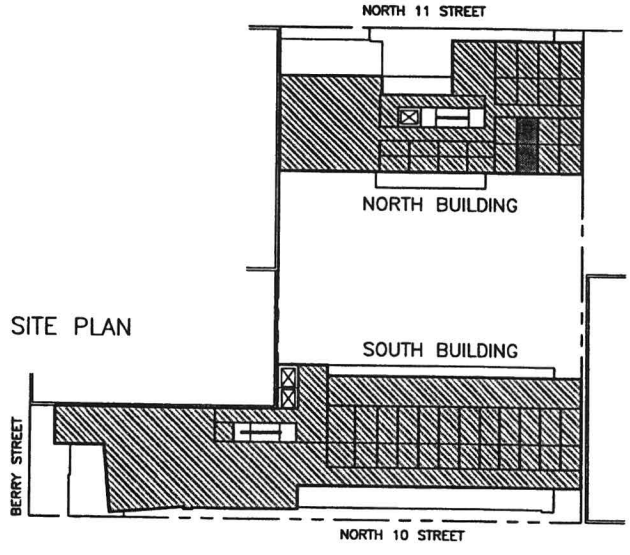
SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

PRIVATE ROOF DECK **F**
APPROX AREA: 207 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.



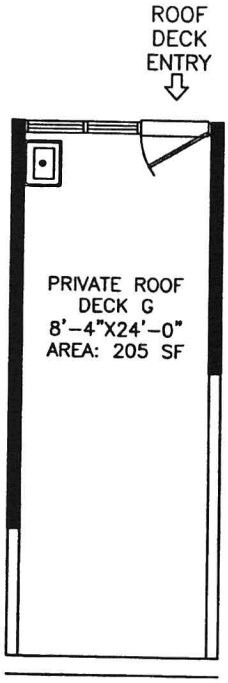


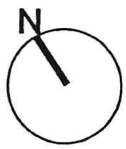
SITE PLAN

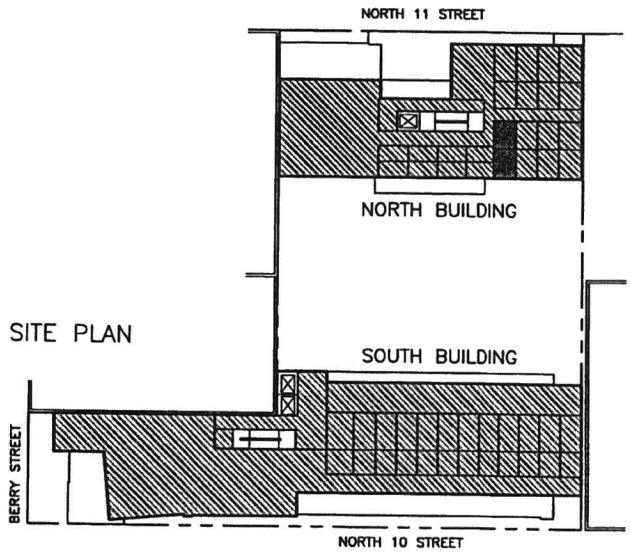
125 NORTH 10th STREET,
BROOKLYN, NY

PRIVATE ROOF DECK **G**
APPROX AREA: 207 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





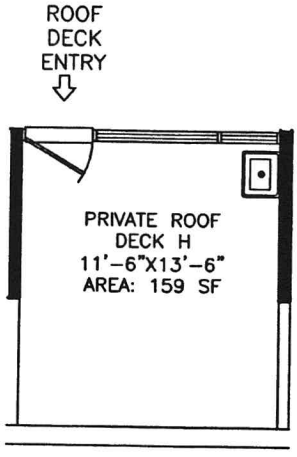


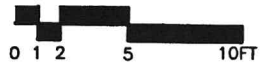
SITE PLAN

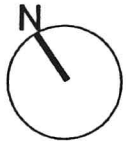
125 NORTH 10th STREET,
BROOKLYN, NY

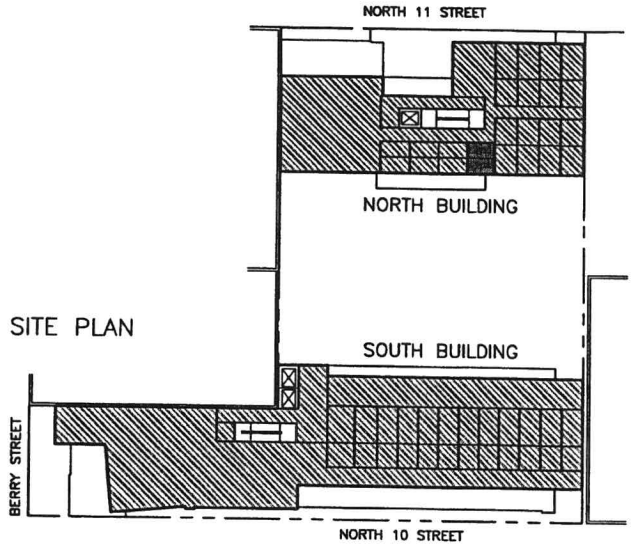
PRIVATE ROOF DECK **H**
APPROX AREA: 205 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.







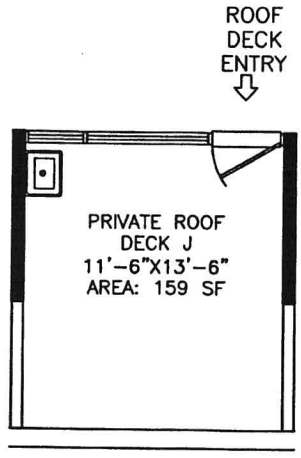


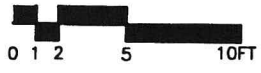
SITE PLAN

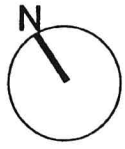
125 NORTH 10th STREET,
BROOKLYN, NY

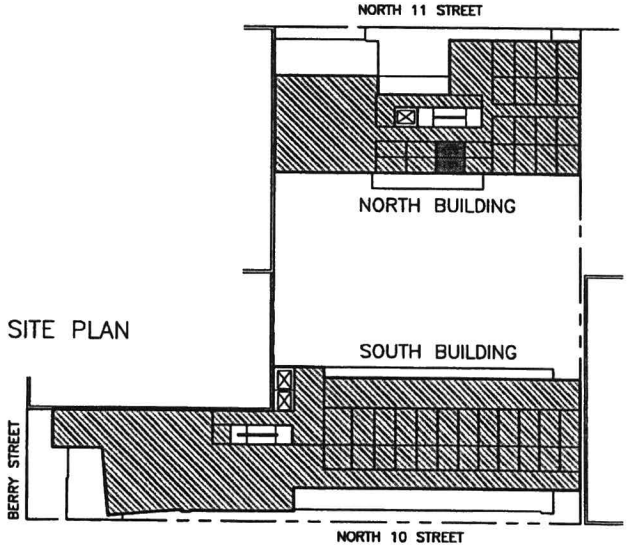
PRIVATE ROOF DECK I
APPROX AREA: 159 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.







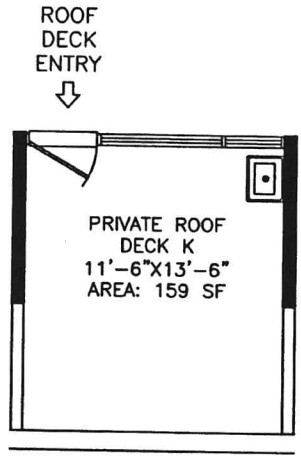


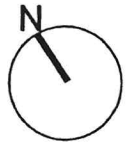
SITE PLAN

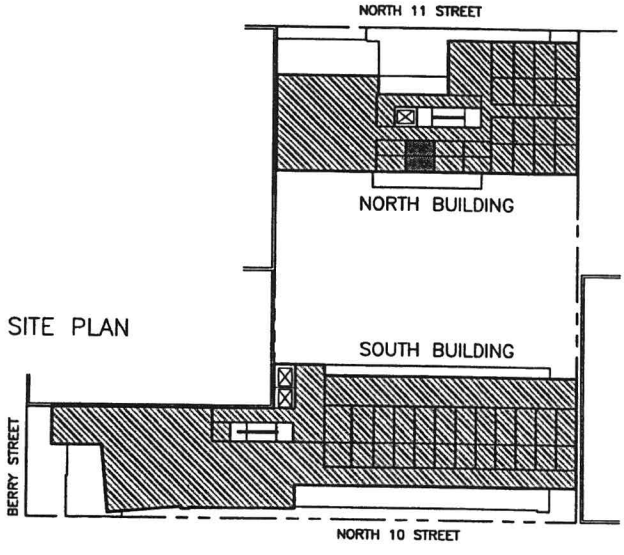
125 NORTH 10th STREET,
BROOKLYN, NY

PRIVATE ROOF DECK J
APPROX AREA: 159 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





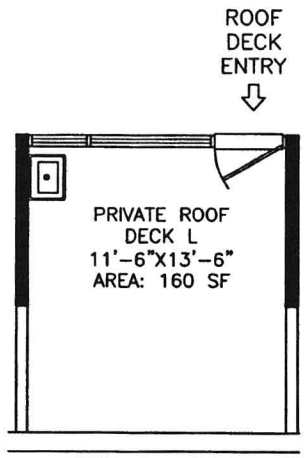


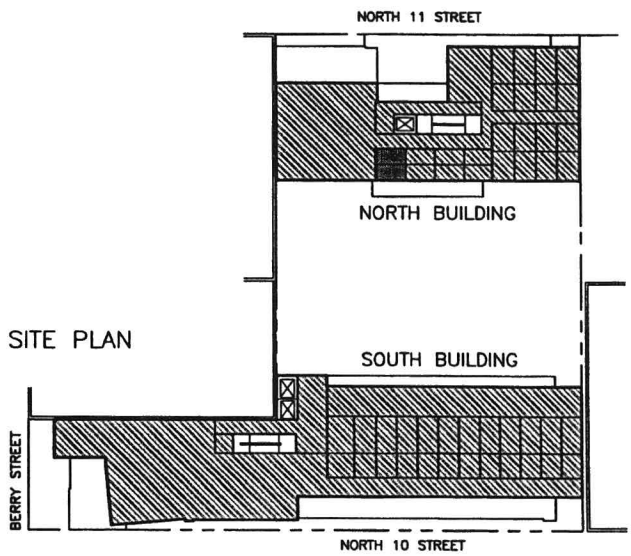
SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

PRIVATE ROOF DECK **K**
APPROX AREA: 159 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.



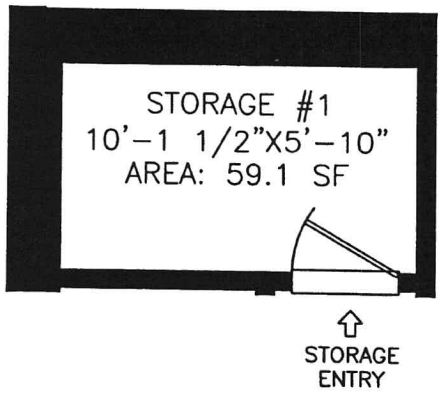


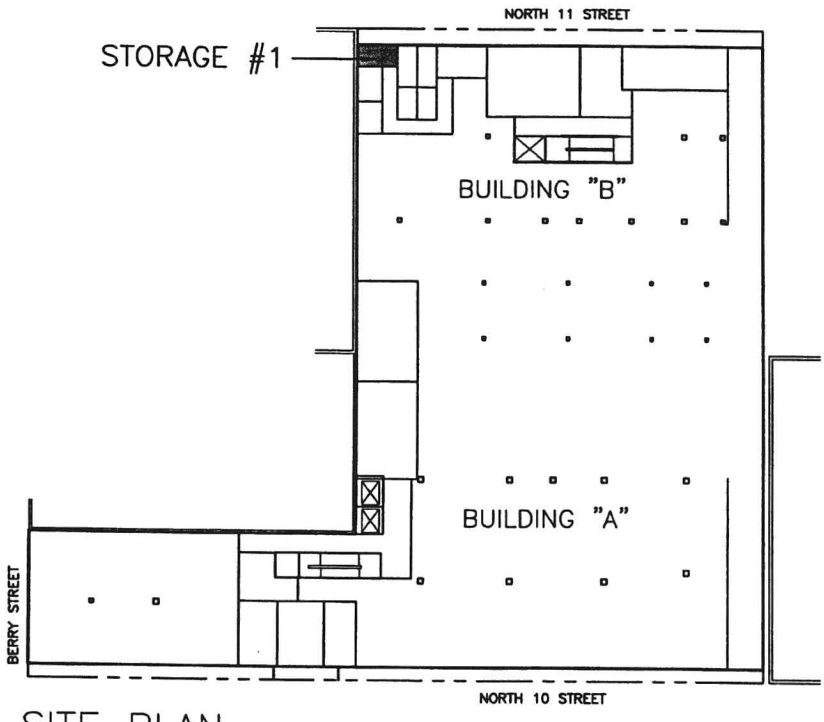
SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

PRIVATE ROOF DECK L
APPROX AREA: 160 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.



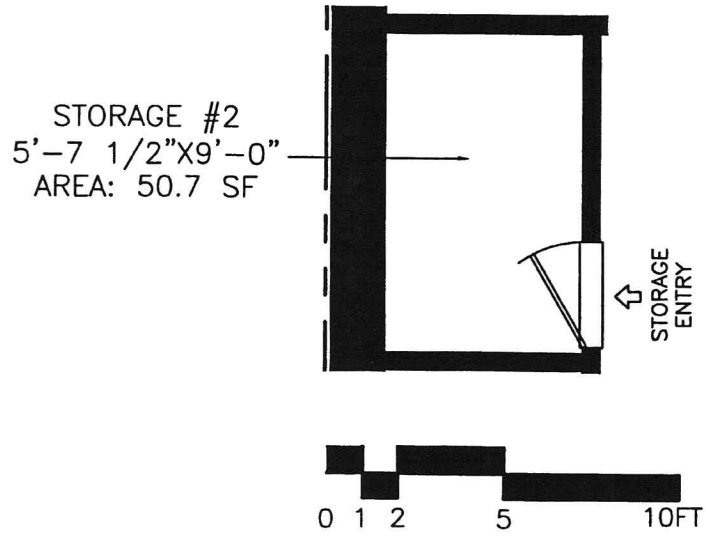


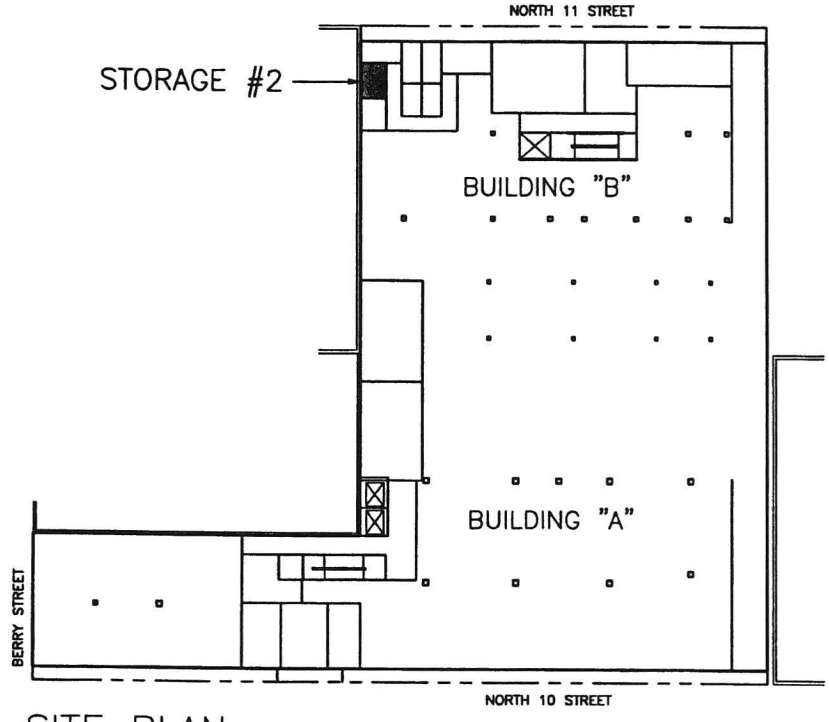
SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

STORAGE #1
NET AREA: 59 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.



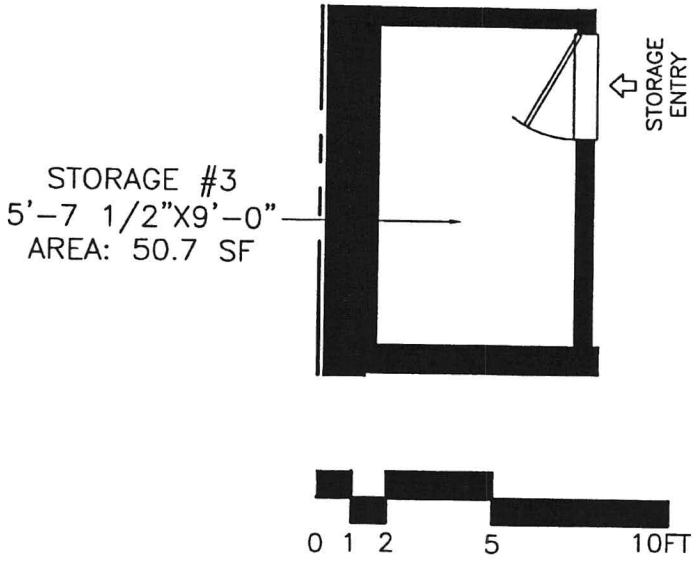


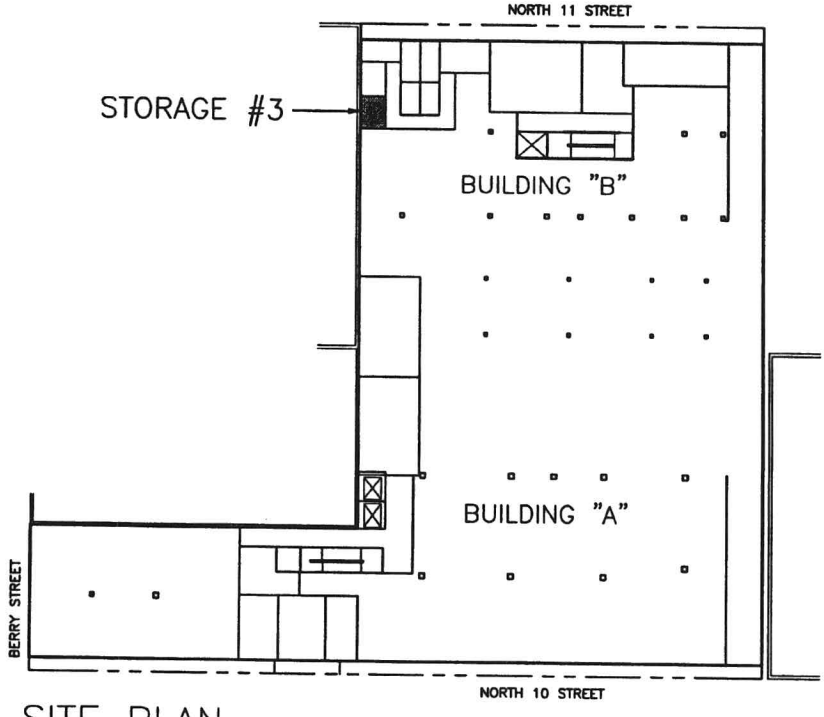
SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

STORAGE #2
NET AREA: 51 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.



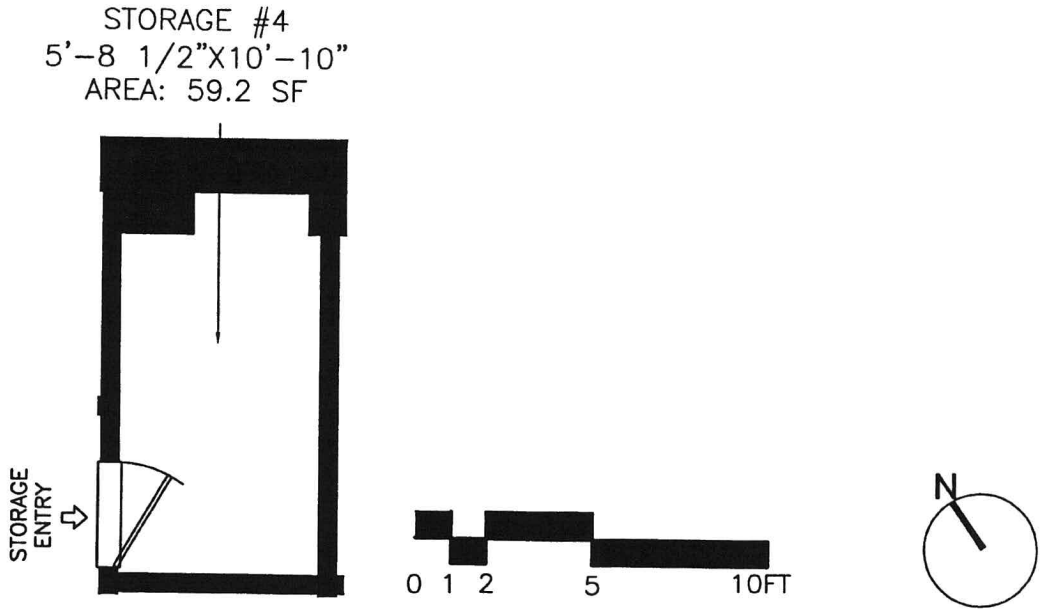


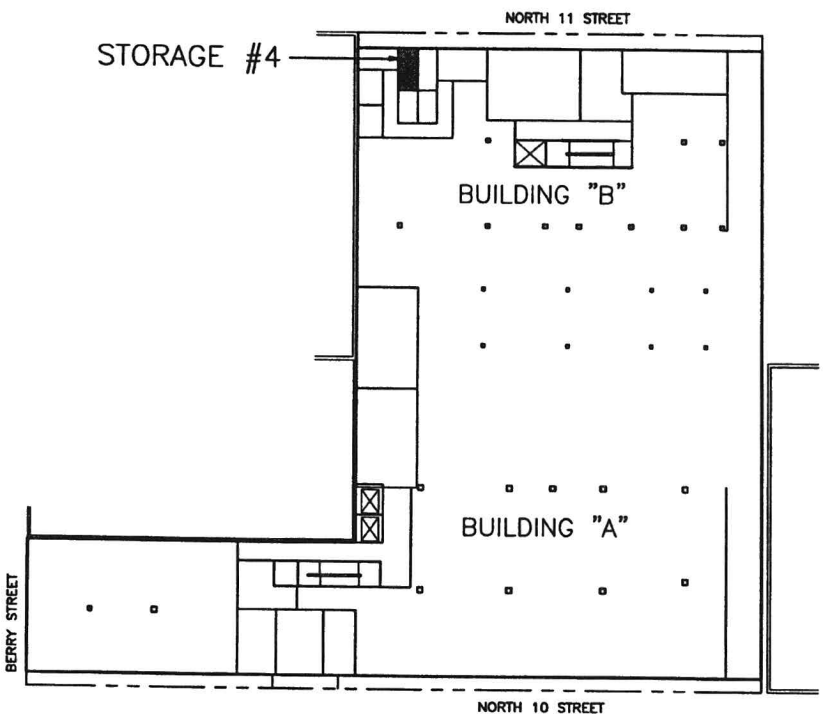
SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

STORAGE #3
NET AREA: 51 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.



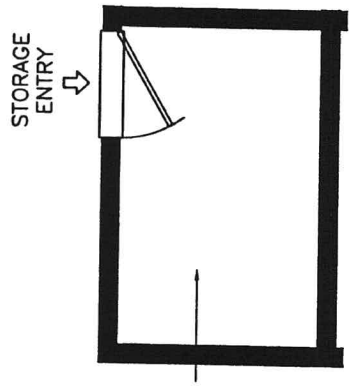


SITE PLAN

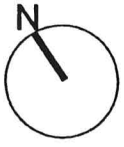
125 NORTH 10th STREET,
BROOKLYN, NY

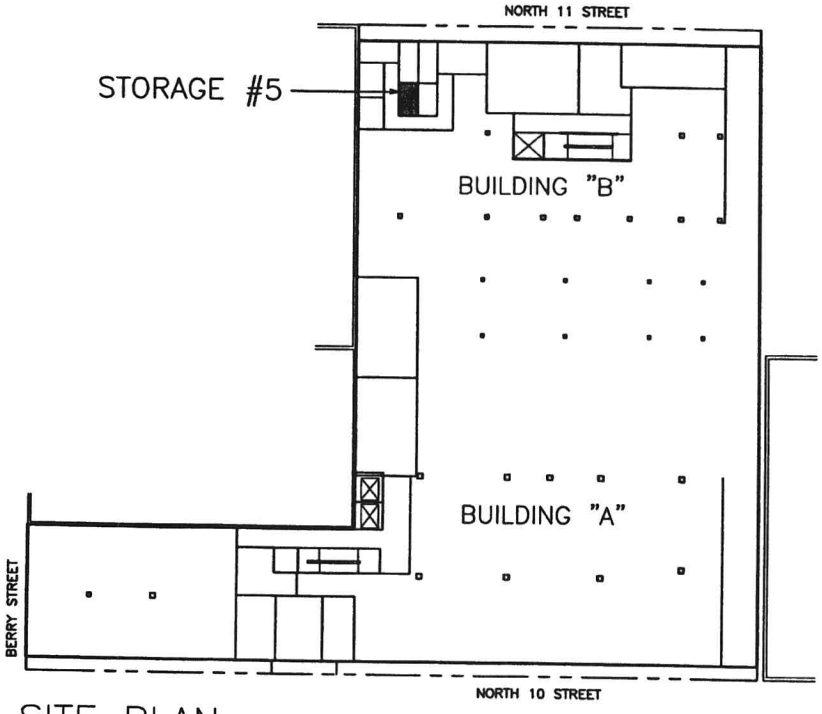
STORAGE #4
NET AREA: 59 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.



STORAGE #5
5'–8 1/2"X9'–0"
AREA: 51.5 SF



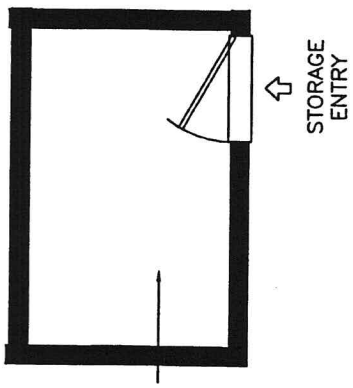


SITE PLAN

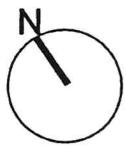
125 NORTH 10th STREET,
BROOKLYN, NY

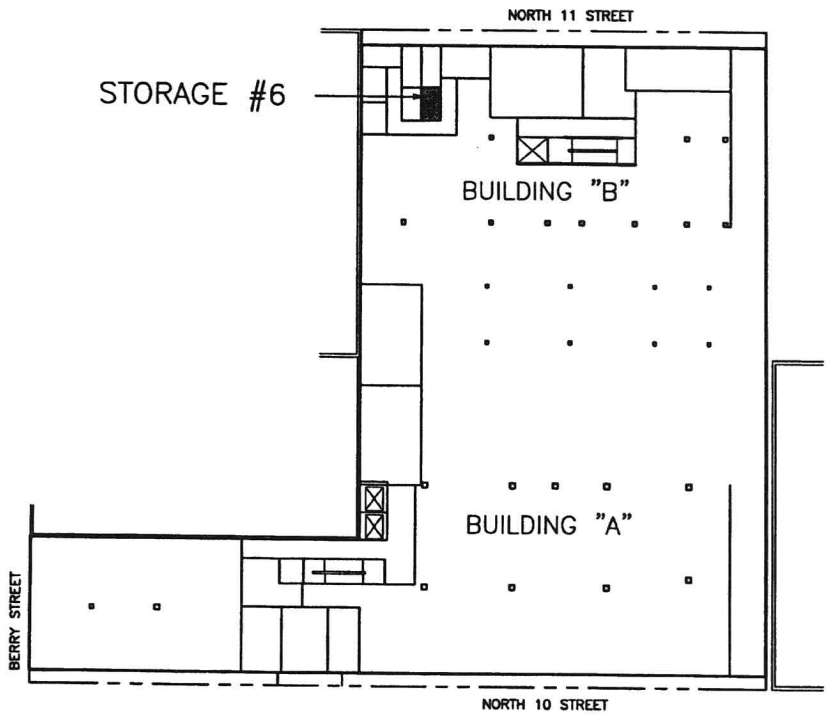
STORAGE #5
NET AREA: 52 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.



STORAGE #6
5'–8 1/2"X9'–0"
AREA: 51.5 SF





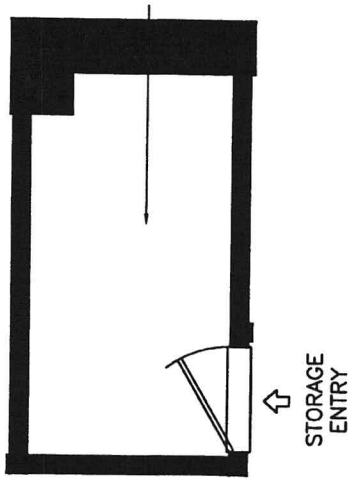
SITE PLAN

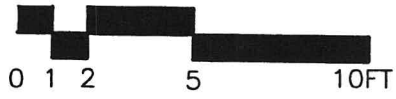
125 NORTH 10th STREET,
BROOKLYN, NY

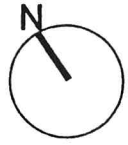
STORAGE #6
NET AREA: 52 SF

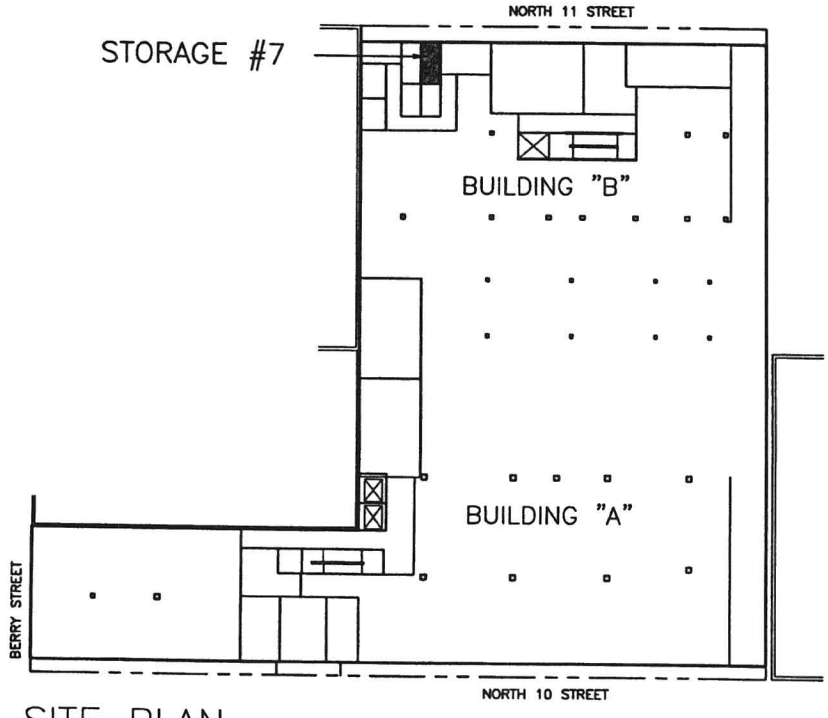
ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.

STORAGE #7
5'–8 1/2"X10'–10"
AREA: 60.6 SF







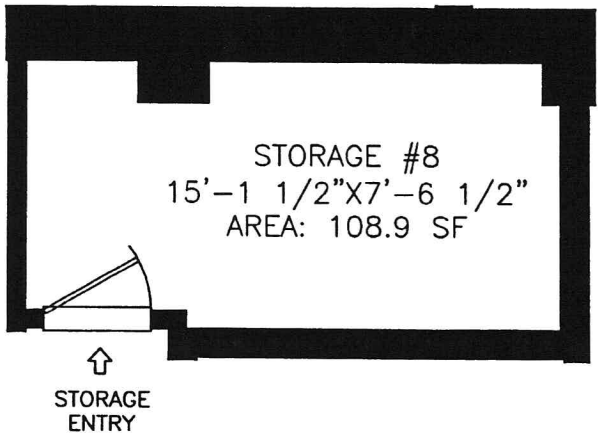


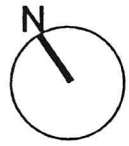
SITE PLAN

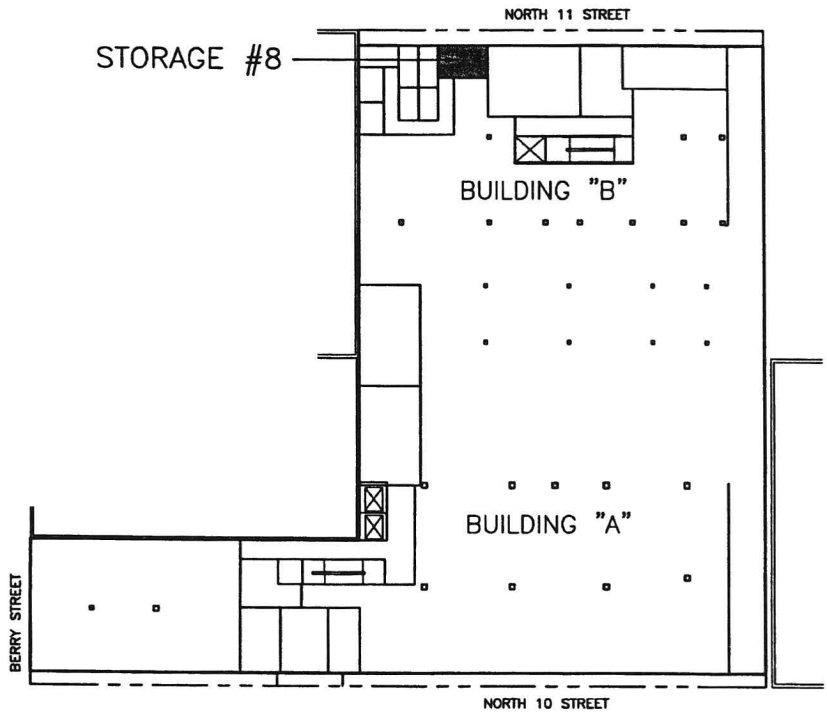
125 NORTH 10th STREET,
BROOKLYN, NY

STORAGE #7
NET AREA: 61 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.





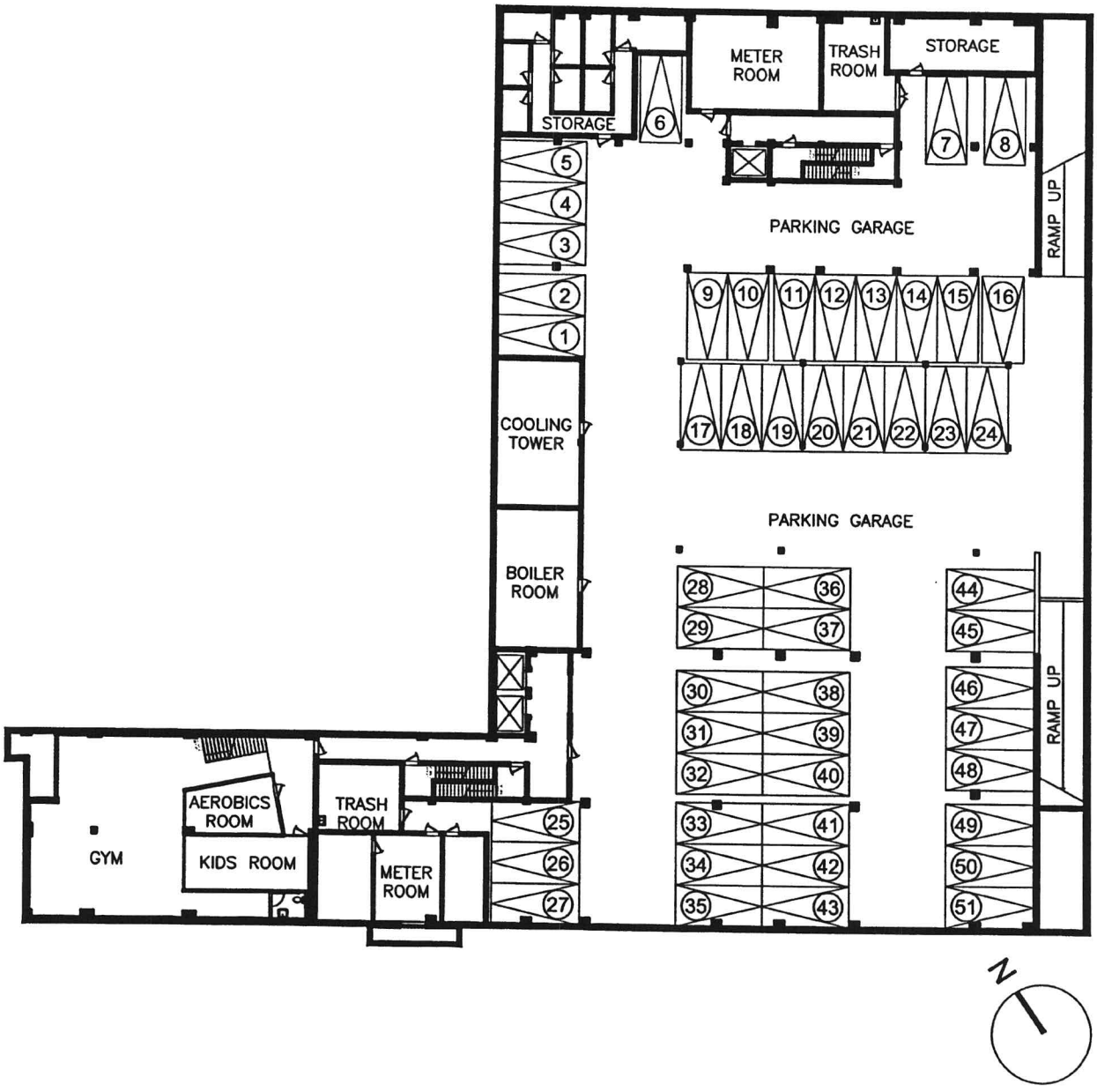


SITE PLAN

125 NORTH 10th STREET,
BROOKLYN, NY

STORAGE #8
NET AREA: 109 SF

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.

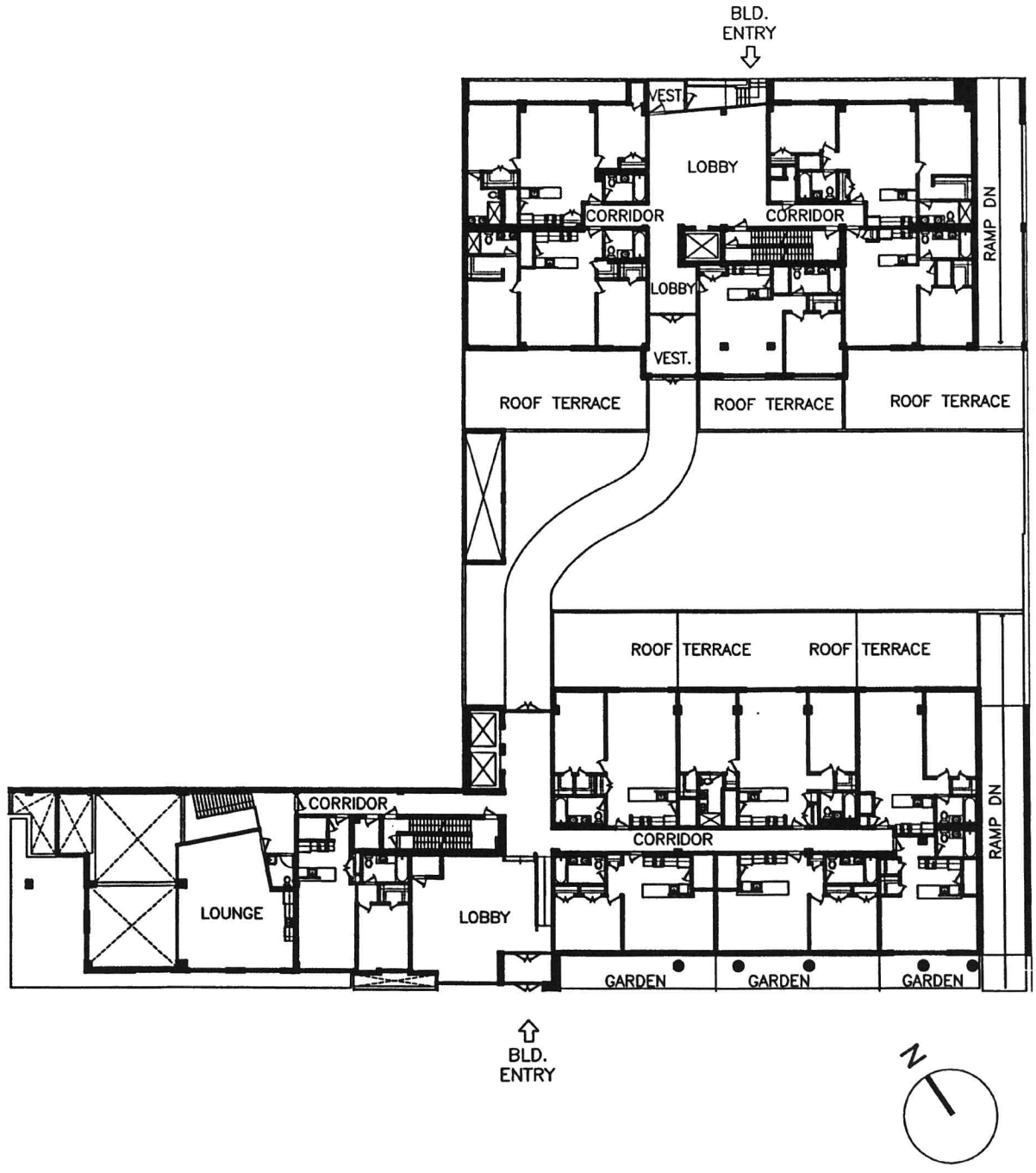


125 NORTH 10th STREET,
BROOKLYN, NY

SOUTH, NORTH BUILDINGS **CELLAR**

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.

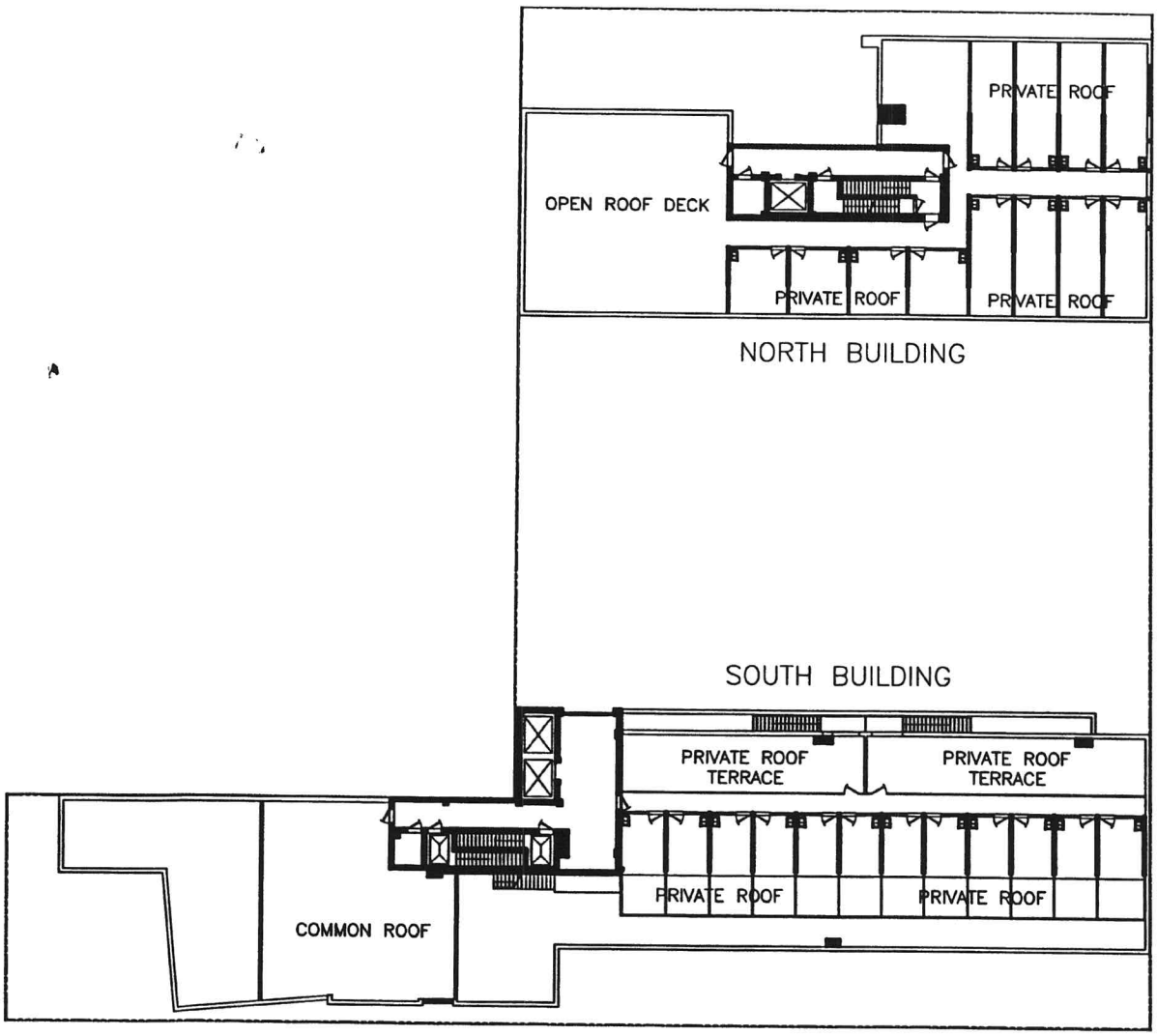
N:\S Purbylnik\233344-125 North 10th\condo\11-02-06\CONDO 5.dwg, 11/17/2006 4:28:17 PM, s purbylnik, Scarano Architects, PLLC



125 NORTH 10th STREET,
BROOKLYN, NY

SOUTH, NORTH BUILDINGS **1ST FLOOR**

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.



125 NORTH 10th STREET,
BROOKLYN, NY

SOUTH, NORTH BUILDINGS **ROOF**

ALL AREAS AND DIMENSIONS ARE APPROXIMATE AND ARE SUBJECT TO NORMAL CONSTRUCTION TOLERANCES AND VARIANCES. DIMENSIONS ARE MAXIMUM OVERALL. SPONSOR RESERVES THE RIGHT TO MAKE CHANGES IN ACCORDANCE WITH OFFERING PLAN.

PURCHASE AGREEMENT

PURCHASE AGREEMENT

125 NORTH 10,LLC

Sponsor

With

_____

Purchaser

Residential Unit Number _____

125 NORTH 10TH STREET CONDOMINIUM
125 NORTH STREET
BROOKLYN, NEW YORK 11211

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SCHEDULE B – INSPECTION STATEMENT

PURCHASE AGREEMENT

RESIDENTIAL UNIT NUMBER _____

125 NORTH 10TH STREET CONDOMINIUM
125 NORTH STREET
BROOKLYN, NEW YORK 11211

AGREEMENT, made as of _____, _____, between Sponsor and Purchaser (defined below).

W I T N E S S E T H :

1. THE PLAN

Purchaser acknowledges having received and read a copy of the Offering Plan for the 125 North 10th Street Condominium and all amendments thereto, if any, filed prior to the date hereof with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least 3 business days prior to Purchaser's signing this Agreement. If Purchaser has not received and read the Plan and all amendments thereto at least 3 business days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement, by sending written notice of such rescission to Sponsor by certified or registered mail, return receipt requested, or by personal delivery, in either case within 7 days from the date Purchaser delivers an executed Purchase Agreement together with the required Deposit to Selling Agent. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding. Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-laws and Residential Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor.

2. DEFINITIONS

Terms used herein which are also used in the Plan shall have the same meanings as they do in the Plan, unless the context requires otherwise.

2.1 "Sponsor" means 125NORTH10, LLC, having an office c/o 10 East 53rd Street, 37th Floor, New York, New York 10022. Sponsor's taxpayer identification number is 20-4872650.

2.2. "Purchaser" means ___ having an address at ___, ___, _____ . Purchaser's social security number is ___.

2.3 "Attorney for Sponsor" means Starr Associates LLP, having an address at 245 Fifth Avenue, Suite 1102, New York, New York 10016; Attention: Samantha Sheeber, Esq. Telephone number: 212-620-2682. Facsimile number: 212-696-5013. E-mail address: ssheeber@starr-lawfirm.com.

2.4 "Attorney for Purchaser" means ___, having an address at ___, ___, _____. Attention: ___, Esq. Telephone number: (___)___. Facsimile number: (___)___. E-mail address: ___.

2.5 "Selling Agent" means Core Group Marketing, having an address at 417 Fifth Avenue, 9th Floor, New York, New York 10016. Telephone number: 212-726-0778. Facsimile number: 212-726-0727. E-mail address: sosher@coregroupmarketing.com.

2.6 "Co-Broker" means ___.

2.7 "Escrow Agent" means Attorney for Sponsor.

2.8 "Title Company" means Commonwealth Land Title Insurance Company, having an office at 2 Grand Central Tower, 140 East 45th Street, New York, New York 10017. Telephone number: 212-949-0100. Facsimile number: 212-986-3049. E-mail address: fhoffman@landam.com.

3. THE RESIDENTIAL UNIT

Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the Residential Unit designated as Residential Unit _____ in the Declaration, together with its undivided _____% interest in the Common Elements appurtenant to such Residential Unit ("Unit").

4. PURCHASE PRICE

4.1 The Purchase Price for the Residential Unit ("Purchase Price") is $___.

The Purchase Price is payable as follows:

(a) $___, ("Initial Deposit"), due upon Purchaser's signing and delivering this Agreement, by check (subject to collection), receipt of which is hereby acknowledged;

(b) $___ ("Additional Deposit;" the term "Deposit," as used herein, refers to both the Initial Deposit and, if the same has been paid at the time in question, the Additional Deposit), is due upon the earlier to occur of (i) 9 months after Purchaser executes this Agreement, or (ii) within 15 days of the Presentation Date of the amendment declaring the Plan effective.

(c) $___ ("Balance of Purchase Price"), by good certified check of Purchaser or official bank check, payable on the delivery of the deed as hereinafter provided.

(d) If Purchaser is signing this Agreement after the Plan is declared effective, the Initial Deposit and Additional Deposit shall be due upon Purchaser's signing this Agreement.

4.2 All checks shall represent United States currency, be drawn on or issued by a United States Bank or trust company which is a member of the New York Clearing House Association and shall be unendorsed. The Deposit shall be made payable to the direct order of "Starr Associates LLP, as Escrow Agent." The Balance shall be made payable to the direct order of "125NORTH10, LLC"(or such other party as Sponsor directs to Purchaser, in writing, at least 1 business day prior to the date of Closing of Title). If any check is returned for insufficient funds or any other reason, such return shall be deemed to be a default by Purchaser under this Agreement and shall entitle Sponsor to exercise any of the remedies set forth in Article 13 hereof. Notwithstanding the foregoing, if the check representing the Initial Deposit is returned for insufficient funds or any other reason, such return shall be deemed to be a non-curable default by Purchaser and this Agreement shall automatically be deemed cancelled. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale.

5. DEPOSIT TO BE HELD IN TRUST

All Deposits made pursuant to this Agreement are subject to the requirements of Sections 352-e(2) (b) and 352-h of the New York General Business Law and the Attorney General's regulations promulgated pursuant thereto. All monies received from Purchaser towards the Deposit shall be delivered to Escrow

Agent and shall be held in accordance with the Section of the Plan entitled "Escrow and Trust Fund Requirements." By signing this Agreement, Purchaser will not object and will be deemed to have agreed, without the need for a further written agreement, to the release of the Deposit to Sponsor in the event Sponsor and Purchaser close title under this Agreement. If Purchaser shall default on Purchaser's obligations under this Agreement, then the Deposit shall be released to Sponsor as liquidated damages, and thereafter, neither party shall have any further rights or obligations against or to each other. In the event Sponsor cannot convey title to the Unit to Purchaser by reason other than Purchaser's default, the Deposit shall be returned to Purchaser, within 30 business days of Sponsor's notification to Purchaser that it cannot convey title.

6. CLOSING DATE AND PLACE

6.1 The Closing of Title shall be held at the offices of Starr Associates LLP, 245 Fifth Avenue, Suite 1102, New York, New York (or such other place in the City and State of New York as Sponsor may designate to Purchaser) and on such date and hour as Sponsor may designate to Purchaser on not less than 30 days' prior written notice ("Closing Notice"). If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Attorney for Sponsor at Closing an extra fee as set forth in the Plan. After the delivery of the Closing Notice, Sponsor may, from time to time, adjourn and reschedule the date and hour for Closing on not less than 5 business days written notice to Purchaser, which new closing notice shall fix a new date, hour and place for the Closing of Title and which date shall not be earlier than the date set forth in the initial Closing Notice. Only the initial Closing Notice shall require 30 days' prior written notice. These notice provisions may be modified or waived by an agreement signed by Sponsor and Purchaser.

6.2 The term "Closing Date" "Closing" "Closing of Title" or words of similar import, whenever used herein, refers to the conveyance of title to the Unit from Sponsor to Purchaser.

7. CLOSING DOCUMENTS

7.1 At the Closing of Title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying fee simple title to the Unit to Purchaser, subject only to the liens, encumbrances, and title conditions set forth on Schedule A annexed hereto and made a part hereof. The deed shall be prepared by Sponsor substantially in the form set forth in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly complete and execute before a notary public the New York City and New York State Transfer Tax Return Forms and any other forms then required by Law, all of which shall be prepared by Sponsor.

7.2 At the Closing of Title, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board prepared by Sponsor substantially in the form set forth in Part II of the Plan.

7.3 At the Closing of Title, Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in compliance with IRS Section 6045(e) as amended, or any successor provision or regulation promulgated thereunder.

7.4 At the Closing of Title, Sponsor and Purchaser shall execute and acknowledge in form for recording such other documents that are reasonably necessary or customary in connection with the conveyance of a condominium unit, including, but not limited to, title affidavits, transfer tax forms, reporting information in respect of real estate transactions, smoke detector affidavit and window guard notices.

7.5 The executed deed, transfer tax forms and power of attorney shall be delivered at the Closing to the representative of the Title Company insuring Purchaser's title (or, if no such representative is present, then to the Attorney for Sponsor) for recording in the Office of the City Register, which recording shall be at

Purchaser's expense. After being recorded the deed shall be returned to Purchaser and the power of attorney shall be returned to the Condominium Board.

7.6 Purchaser's payment of the Balance of the Purchase Price and acceptance of a deed to the Unit shall constitute Purchaser's recognition that Sponsor has satisfactorily performed those obligations stated in the Plan and this Agreement to be performed by Sponsor prior to closing. However, nothing herein contained shall excuse Sponsor from performing those obligations (if any) expressly stated herein or in the Plan to be performed subsequent to the Closing, and nothing herein shall be in derogation of the rights of purchasers under Article 23-A of the General Business Law, the Plan, and Part 20 of the Regulations issued by the Department of Law.

8. STATUS OF TITLE

8.1 At the Closing of Title, Sponsor shall convey to Purchaser and Purchaser shall accept such fee simple title to the Unit as the Title Company will approve and insure without additional premium to Purchaser, provided that the only liens and encumbrances affecting title shall be those set forth in Schedule A annexed hereto and made a part hereof and those expressly agreed to by Purchaser. Any lien and encumbrance or condition which is not set forth in Schedule A annexed hereto shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to the Title Company, together with the attendant recording or filing fee, if any, or (b) the Title Company (or such other title insurance company Purchaser may utilize), is or would be willing, in a fee policy issued by it to Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien. Sponsor shall not be obligated to cause Purchaser's title company to omit any exceptions if the Title Company is willing to insure, without additional premium, Purchaser's title with such exception.

8.2 Sponsor shall be entitled to adjourn the Closing to remove or correct any defect in title which is not set forth in Schedule A. However, if such defect existed at least 10 days prior to the Closing and Purchaser, or Purchaser's attorney, failed to send Sponsor's attorney written notice of such defect in title at least 10 days prior to the Closing of Title, then, for purposes of Article 13 below, Purchaser shall be deemed at fault for not having sent timely notice, and the Closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as being at the request of Purchaser.

8.3 If, subsequent to the Closing of Title, Purchaser claims that Sponsor did not convey fee simple title to the Unit in accordance with the Plan, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor. Sponsor and Purchaser agree that Sponsor's liability will be limited to any loss or damage not covered by Purchaser's title insurance company. If Purchaser did not obtain title insurance at the Closing, for purposes of this subparagraph, the amount and coverage which Purchaser could have obtained from Purchaser's title insurance company shall be deducted from the loss or damage collectable against Sponsor. Nothing contained in this subparagraph shall be construed to waive any of Purchaser's rights or abrogate any of Sponsor's obligations under the Plan or Article 23-A of the General Business Law.

9. CLOSING ADJUSTMENTS

9.1 The following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit:

(a) real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

(b) Common Charges (if Common Charges have been assessed by the Condominium Board) and assessments for the month in which title closes; and

(c) if Purchaser is allowed to occupy the Unit prior to Closing, accrued rent and any other charges pursuant to a use and occupancy agreement, if any, covering the Unit.

9.2 If the Unit has been separately assessed for real estate taxes but the Closing of Title occurs before the tax rate is fixed, adjustment of real estate taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for real estate tax assessments due after the Closing, if any, shall be paid by Purchaser and shall not be considered a defect in title. If the Unit has not been separately assessed for real estate taxes as of the Closing Date for the then current tax period, the adjustment under subsection 9.1(a) hereof shall be based upon the assessment for the Property and the percentage interest in the Common Elements appurtenant to the Unit. In addition, Purchaser shall pay the Unit's proportionate share of real estate taxes for the next ensuing tax period and Sponsor or the Condominium will pay such real estate taxes directly to the City of New York. Sponsor shall not be obligated to reimburse Purchaser after the Closing on account of any difference between the amount of real estate taxes for the then current tax period paid by Purchaser at Closing calculated according to the above formula and the amount of real estate taxes subsequently billed by the City of New York to such Purchaser (as Unit Owner).

9.3 Purchaser agrees that, if Sponsor obtains a refund for real estate taxes paid (or a credit for such real estate taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based on the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the Closing of Title.

9.4 Provided Sponsor is ready, willing and able to close title in accordance with this Agreement, if Purchaser fails for any reason to close title to the Unit on the originally scheduled Closing Date, subject to Sponsor's right under Section 13.2 of this Agreement, (a) the Closing apportionments described in Section 9.1 of this Agreement will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing of Title occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to .03% of the Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled Closing Date, these provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

9.5 Adjustments and apportionments shall be calculated on the basis of the actual number of days in the period for which payments were made or are due, as the case may be. The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned except as otherwise provided herein in the Plan.

9.6 Any errors or omissions calculating apportionments at Closing shall be corrected and, any payment shall be made to the proper party promptly after discovery. This provision shall survive the Closing of Title.

10. MORTGAGE TAX CREDIT

In the event a mortgage recording tax credit becomes available pursuant to Section 339- ee(2) of the New York Condominium Act, it is specifically understood that such credit shall enure to the benefit of Sponsor. Accordingly, at Closing, a Purchaser who elects mortgage financing will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. At the Closing of Title, Sponsor will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

11. CLOSING COSTS

In addition to those costs and adjustments described in Articles 9 and 10 herein, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility as more particularly described in the Section of the Plan entitled "Closing Costs and Adjustments." All such Closing Costs shall be paid by Purchaser, at Closing, by Purchaser's unendorsed personal certified check or by official bank check, in either event drawn upon a bank that is a member of the New York Clearing House Association.

12. AGREEMENT NOT A LIEN OR ENCUMBRANCE

No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any monies deposited hereunder, except as hereinafter set forth. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage heretofore or hereafter made, including, but not limited to, any construction or Building loan mortgage, and any advances heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof, without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

13. DEFAULT BY PURCHASER

13.1 The following shall constitute "Events of Default" hereunder:

(i) Purchaser's failure to appear at the Closing on the date designated by Sponsor in the Closing Notice or in a subsequent notice delivered by Sponsor; or

(ii) Purchaser's failure to pay when due the Additional Deposit, the Balance of the Purchase Price, or any closing adjustment or closing cost required to be paid by Purchaser as set forth in the Plan or in this Agreement, or the dishonor of any check given by Purchaser to Sponsor; or

(iii) Purchaser's failure to pay, perform or observe any of Purchaser's other obligations under this Agreement or the Plan; or

(iv) if Purchaser is permitted to become the tenant or occupant of the Unit, Purchaser's failure to pay rent or to otherwise comply with some other lease or occupancy obligation; or

(v) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(vi) if a non-bankruptcy trustee or receiver is appointed over Purchaser or Purchaser's property, or an involuntary petition in bankruptcy is filed against Purchaser; or

(vii) if a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the judgment or lien; or

(viii) Purchaser's assignment or transfer of this Agreement without the prior written consent of Sponsor; or

(ix) Purchaser's listing the Unit for resale or rental with any broker or advertising or otherwise offering, promoting or publicizing the availability of the Unit for sale or rental without Sponsor's prior written consent; or

(x) an Event of Default by Purchaser beyond any applicable grace period under a Purchase Agreement between Purchaser and Sponsor for another Unit at the Property.

13.2 **TIME IS OF THE ESSENCE** with respect to Purchaser's obligations to pay the Additional Deposit, the Balance of the Purchase Price and to pay, perform or comply with Purchaser's other obligations under this Agreement. Upon the occurrence of an Event of Default, Sponsor, in its sole discretion, may elect by notice to Purchaser to either: (i) cancel this Agreement or (ii) seek specific performance. If Sponsor elects to cancel, Purchaser shall have 30 days from the giving of the notice of cancellation to cure the specified default. If the default is not cured within such 30 days, TIME BEING OF THE ESSENCE, then this Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, the entire Deposit and any interest earned on the Deposit. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without any obligation to account to Purchaser for any of the proceeds of such sale. If Sponsor elects to seek specific performance, then Purchaser shall have 30 days from the giving of notice of Sponsor's election to close on the Unit in accordance with this Agreement, without prejudice to Sponsor's right to recover from Purchaser all damages, losses, costs, expenses and all other lawful sums to which Sponsor is entitled (including, but not limited to, reasonable legal fees and costs of collection).

14. AGREEMENT SUBJECT TO PLAN BEING EFFECTIVE

The performance by Sponsor of its obligations under this Agreement is contingent upon the Plan having been declared effective in accordance with the terms and provisions of the Plan. The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. If the Plan is abandoned or if, after being declared effective, the Plan is not consummated for any reason and Purchaser is not in default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and the Deposit, together with interest earned thereon, shall be returned to Purchaser. Upon such return, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

15. SPONSOR'S INABILITY TO CONVEY THE UNIT

If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan by reason of a defect in title, substantial damage or destruction of the Building by fire or other casualty, or the taking of any material portion of the Property by condemnation or eminent domain, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability. If Sponsor is not so obligated under the Plan and notifies Purchaser of its election or inability to cure such title defect, and if Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such title defect (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within 30 days after receipt of notice of termination from Purchaser, return to Purchaser all sums Deposits and all other sums deposited by Purchaser hereunder, together with interest earned thereon, if any. Upon making such payment, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to

or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within 15 days after the giving of Sponsor's notice of election not to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e., to acquire title subject to such inability).

16. FIXTURES, APPLIANCES AND PERSONAL PROPERTY

Only those fixtures, appliances and items of personal property which are described in the Plan as being included in the Unit are included in this sale. No portion of the Purchase Price shall be attributable to such items.

17. NEW CONSTRUCTION

17.1 The construction of the Building and the Unit, including the materials, equipment and fixtures to be installed therein, shall be substantially in accordance with the Plan and the Plans and Specifications, subject to the right of Sponsor to amend the Plan and the Plans and Specification in order to substitute materials, equipment or fixtures of equal or better quality, provided that the approval of any governmental authorities having jurisdiction is first obtained (if required). The issuance of a Permanent Certificate of Occupancy for the Building shall be deemed presumptive evidence that the Building and the Unit have been fully completed in accordance with the Plan and the Plans and Specifications. However, nothing herein contained shall excuse Sponsor from its obligation to correct any defects in construction in accordance with the conditions set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor."

17.2 The construction of the Building and the Unit and the correction of any defects in the construction thereof to the extent required under the Plan are the sole responsibility of Sponsor. Purchaser acknowledges and agrees that Sponsor will not be liable for, and will have no obligation to correct, certain variations from the Plan and Plans and Specifications as indicated in the Section of the Plan entitled "Rights and Obligations of Sponsor" and will only be responsible to correct any construction defects to the extent, and on the terms and conditions, set forth in such Section.

17.3 The Closing of Title shall occur only after, or concurrently with, compliance with the prerequisites set forth under "Closing of Title to Units" in Part I of the Plan. As a result, if all other prerequisites not involving the construction of the Unit are met, Purchaser shall be obligated to close and complete payment of the full Purchase Price (without any credit against or abatement in the Purchase Price and without provision for escrow) once a Temporary or Permanent Certificate of Occupancy is issued for the Unit (notwithstanding any construction items noted on Purchaser's Inspection Statement, (as hereinafter defined) remaining for Sponsor to complete and/or correct in accordance with its obligations under the Plan, and notwithstanding the incomplete construction and/or decoration of any other portions of the Building not affecting the Unit).

17.4 The actual date for the First Closing is not guaranteed or warranted, and may be earlier or later depending on the progress of construction and compliance with the other prerequisites recited in the Section of the Plan entitled "Closing of Title to Units." Purchaser acknowledges that construction may be delayed by late delivery of material or equipment, labor difficulties, unavailability of building trades, casualty, inclement weather and other events beyond Sponsor's reasonable control. Purchaser further acknowledges that the Units in the Building will be completed at varying times over a period that could extend well beyond the First Closing. The order in which these Units will be completed is in the discretion of Sponsor. Purchaser acknowledges that except as otherwise provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially later than the projected date or the time to complete or to close title to the Unit is delayed or is postponed by Sponsor.

18. INSPECTION OF THE UNIT

18.1 Upon receipt of the Closing Notice, Purchaser shall arrange an appointment with a representative of Sponsor to inspect the Unit within the 7 days prior to the Closing Date fixed by the Closing Notice. Purchaser or Purchaser's duly authorized agent shall attend such inspection and shall complete, date and sign the Inspection Statement (in the form set forth as Schedule B to this Agreement) and deliver same to Sponsor's representative at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within 7 days prior to the Closing Date fixed by the Closing Notice or to so sign and deliver the completed Inspection Statement shall not excuse Purchaser from appearing at Closing, paying the Balance of the Purchase Price when due and shall constitute Purchaser's full acceptance of the Unit as is.

18.2 Any work set forth on the Inspection Statement shall be completed by Sponsor in a reasonable period of time following the Closing and shall not be grounds for delaying the Closing. Purchaser will be required to provide Sponsor with reasonable access to the Unit subsequent to the Closing in order to complete punchlist work. Sponsor has no obligation under the Plan to deposit any monies in escrow at Closing as a result of any punchlist items.

19. DAMAGE TO THE UNIT

If between the date of this Agreement and the Closing of Title the Unit is damaged by fire or other casualty, the following shall apply:

19.1. The risk of loss to the Unit by fire or other casualty until the earlier of Closing of Title or possession of the Unit by Purchaser is assumed by Sponsor; provided that Sponsor shall have no obligation or liability to repair or restore the Unit. If Sponsor elects to repair or restore the Unit (which election shall be made within 60 days of the damage to the Unit), this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and, if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the Closing of Title.

19.2 In the event Sponsor notifies Purchaser that it does not elect to repair or restore the Unit (which election shall be made within 60 days of the damage to the Unit), or, if the Declaration has been recorded prior thereto, the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-laws, this Agreement shall be deemed cancelled and of no further force and effect and Sponsor shall return to Purchaser all Deposits and other sums deposited by Purchaser hereunder, together with interest earned thereon, if any, and neither party hereto shall have any further rights, obligations or liability to or against the other hereunder or under the Plan, except that if Purchaser is then in default hereunder (beyond any applicable grace period), Sponsor shall retain all Deposits and other such sums deposited by Purchaser hereunder, together with any interest earned thereon, as and for liquidated damages.

20. NO REPRESENTATIONS

Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated

real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, or any other data, except as herein or in the Plan specifically represented. Purchaser has relied solely on Purchaser's own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as set forth herein or in the Plan. Except as otherwise set forth in the Plan, Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans is accurate or correct, and (b) that Purchaser shall not be relieved of any Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this Article shall survive the Closing of Title.

21. PROHIBITION AGAINST ADVERTISING

Prior to the Closing of Title, Purchaser agrees not to list the Unit for resale or rental with any broker or to advertise or otherwise offer, promote or publicize the availability of the Unit for sale or lease, without Sponsor's prior written consent, which consent may be unreasonably withheld or delayed. Any listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser prior to Closing of title shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement.

22. BROKER

Purchaser represents to Sponsor that Purchaser has not dealt with any broker in connection with this transaction other than Selling Agent and Co-Broker, if any, named in this Agreement, whose commissions shall be paid by Sponsor. Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than Selling Agent and Co-Broker. Purchaser agrees that, should any claim be made against Sponsor for commissions by any broker, other than Selling Agent or Co-Broker, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this Article shall survive the Closing of Title.

23. AGREEMENT MAY NOT BE ASSIGNED

Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor, which consent may be unreasonably withheld or delayed. Any purported assignment by Purchaser in violation of this Agreement will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser shall have such right, provided that (i) Purchaser designates such assignee at least 10 business days prior to the Closing Date; (ii) Purchaser delivers to Attorney for Sponsor the fee set forth in the Plan for its services required in connection with the preparation of the assignment and assumption agreement; (iii) the Closing is not delayed as a result of such assignment , (iv) the assignee of this Agreement assumes in writing, by an instrument prepared by Attorney for Sponsor, the obligations of Purchaser under this Agreement and (v) the assignment is made without consideration. Any purported assignment by Purchaser in violation of this Agreement shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement, and shall be voidable at the option of Sponsor.

24. BINDING EFFECT

The submission of this Agreement to Purchaser does not create a binding obligation on the part of Sponsor. This Agreement shall not be binding on Sponsor until a fully executed counterpart hereof has been delivered to Purchaser or the Attorney for Purchaser. If this Agreement is not accepted within 30 days from the date hereof by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and cancelled and the Deposit shall be promptly returned to Purchaser. Upon such refund being made, neither party shall have any further rights, obligations liability to or against the other hereunder or under the Plan. Prior to Sponsor's countersigning and returning this Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written information about Purchaser's employment, financial and rental/ownership history. Such information obtained prior to countersignature may be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's sex, race, creed, color, national origin, ancestry, disability, marital status, or other ground proscribed by Law.

25. NOTICES

25.1 Any notice, election, demand, request, letter, consent or other communication hereunder or under the Plan shall be in writing and either delivered in person, via electronic transmission (e-mail) or sent, postage prepaid, by registered or certified mail return receipt requested or by Federal Express or other reputable overnight courier, with receipt confirmed to the Attorney for Purchaser at the address given at the beginning of this Agreement with a copy by regular mail delivered to Purchaser at the address given at the beginning of this Agreement and to the Attorney for Sponsor at the address given at the beginning of this Agreement, with a copy by regular mail delivered to Sponsor at the address given at the beginning of this Agreement. Either party may hereafter designate to the other in writing a change in the address to which notices are to be sent. Except as otherwise expressly provided herein, a notice shall be deemed given on the date when personally delivered, when sent via electronic transmission (e-mail), when delivered to the overnight courier, or in the case of mailing, on the date mailed in a prepaid sealed wrapper, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself.

25.2 Sponsor hereby designates and empowers both Selling Agent and Attorney for Sponsor, as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

25.3 Purchaser hereby designates and empowers the Attorney for Purchaser, as Purchaser's agent to give any notice to Sponsor under this Agreement in Purchaser's name, which notice so given shall have the same force and effect as if given by Purchaser.

26. JOINT PURCHASERS

The term "Purchaser" shall be read as "Purchasers" if more than one person are Purchasers, in which case their obligations shall be joint and several.

27. LIABILITY OF SPONSOR

Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities,

materials or supplies in the open market, failure of transportation, strike, lockout, action of labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform such obligations or undertaking shall be tolled for the length of the period during which such performance was excused.

28. FURTHER ASSURANCES

Either party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

29. AGREEMENT NOT CONTINGENT UPON FINANCING

The terms and provisions of this Agreement and Purchaser's obligations hereunder are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof), and Purchaser understands and agrees that Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations hereunder. Purchaser further understands and agrees that if Purchaser chooses to finance the purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, nor any change in Purchaser's financial status or condition shall release or relieve Purchaser of Purchaser's obligations pursuant to this Agreement and Sponsor shall have no liability as a result of any scheduling or adjournment of the Closing beyond the expiration of the loan commitment.

30. COSTS OF ENFORCING AND DEFENDING AGREEMENT

Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under this Agreement or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Purchaser's obligations hereunder.

31. SEVERABILITY

If any provision of this Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Agreement or the Plan and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

32. STRICT COMPLIANCE

Any failure by either party to insist upon the strict performance by the other of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and each party, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the other party of any and all of the provisions of this Agreement to be performed by such party.

33. GOVERNING LAW

The provisions of this Agreement shall be governed by and construed in accordance with the internal laws of the State of New York applicable to agreements made and to be performed wholly in the State of New York, without regard to principles of conflicts of law.

34. WAIVER OF JURY

Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or relating to, this Agreement or the relationship created hereby or in the Plan. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived.

35. ENTIRE AGREEMENT

This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter hereof.

36. CERTAIN REFERENCES

A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The terms "herein," "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used, unless the context otherwise requires. Unless otherwise stated, all references herein to Articles, Sections, subsections or other provisions are references to Articles, Sections, subsections or other provisions of this Agreement.

37. CAPTIONS

The captions in this Agreement are for convenience of reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof.

38. SUCCESSORS AND ASSIGNS

The provisions of this Agreement shall bind and enure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and enure to the benefit of Sponsor and its successors and assigns.

39. CONFIDENTIALITY

Sponsor and Purchaser hereby acknowledge and agree to keep all of the terms and conditions of this Agreement confidential. Sponsor and Purchaser agree that any information which is required to be disclosed to the parties respective lawyers, architects/engineers, accountants, individuals who "need to know" or governmental agencies shall not be deemed to be a breach by Sponsor or Purchaser of the parties undertaking of confidentiality contained in this Agreement. Any failure by Purchaser to keep the terms and conditions of this Agreement confidential shall be a default by Purchaser, entitling Sponsor to the default remedies set forth in this Agreement.

40. NO ORAL CHANGES

This Agreement cannot be changed or terminated orally. Any changes or additional provisions must be set forth in a rider attached hereto or in a separate written agreement signed by the parties hereto or by an amendment to the plan.

41. PERFORMANCE

Where this Agreement by its terms requires the payment of money or the performance of a condition on a Saturday, Sunday or public holiday, such payment may be made or condition performed on the next business day succeeding such Saturday, Sunday or such public holiday, with the same force and effect as if made or performed in accordance with the terms of this Agreement.

42. COUNTERPARTS

This Agreement may be executed in any number of counterparts. Each such counterpart shall for all purposes be deemed an original. All such counterparts shall together constitute but one and the same Agreement.

43. WAIVER OF DIPLOMATIC OR SOVEREIGN IMMUNITY.

43.1 The provisions of this Article shall survive the Closing of Title or the termination of this Agreement for the purpose of any suit, action, or proceeding arising directly or indirectly, out of or relating to this Agreement.

43.2 If Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to diplomatic or sovereign immunity, Purchaser hereby designates a duly authorized and lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement or the Condominium Documents.

43.3 If Purchaser is a foreign mission, as such term is defined under the Foreign Missions Act, 22 U.S.C. Section 4305, Purchaser shall notify the United States Department of State prior to purchasing a Unit and provide a copy of such notice to Sponsor. Sponsor shall not be bound under this Agreement unless and until the earlier to occur of: (i) a notification of approval is received from the Department of State; or (ii) sixty (60) days after Purchaser's notice is received by the Department of State.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

125NORTH10, LLC
a Delaware limited liability company

By: 125NORTH10 MM, LLC
Its managing member

By: _____
Name: John R. Fraser
Title: President

SCHEDULE A

PERMITTED ENCUMBRANCES

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

2. Any state of facts which an accurate survey or personal inspection of the Property would show, provided such state of facts would not prevent the use of the Unit for dwelling purposes.

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

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

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

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

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

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

9. Leases and service, maintenance, employment, concessionaire and Storage Locker Licenses, if any, of other Units or portions of the Common Elements.

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

11. 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 (with the then current installment to be apportioned as of the Closing Date) and the Purchaser shall pay all assessments due from and after the Closing Date.

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

13. Any encumbrance as to which the Title Company (or such other New York Board of Title Underwriters member title insurance company which insures the Purchaser's title to the Unit) would be willing, in a fee policy issued by it to the Purchaser, to insure the Purchaser that such

encumbrance (a) will not be collected out of the Unit if it is a lien or (b) will not be enforced against the Unit if it is not a lien.

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

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

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

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

18. Any Temporary or Permanent Certificate of Occupancy for the Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

19. Covenants, conditions, easements, agreements of records, etc., as follows:

    b. Waiver of Legal Grade, dated 5/7/1993 by J. Takahashi recorded on 6/3/1993 in Reel 3057 Page 1077.

20. Any encumbrance, covenant, easement, agreement, or restriction against the Property set forth in the form of Unit Owner's Specimen Title Policy prepared by the Title Company set forth in Part II of the Plan, as the same may be updated from time to time prior to the Closing.

SCHEDULE B

INSPECTION STATEMENT

Date: _____

125NORTH10, LLC
10 East 53rd Street, 37th Floor
New York, New York 10022

Re: Residential Unit No: ___ ("Unit")
125 North 10th Street Condominium
125 North 10th Street
Brooklyn, New York 11211 ("Condominium")

Ladies and Gentlemen:

1. On the date hereof, the undersigned purchaser(s) ("Purchaser") inspected the Unit which Purchaser is acquiring from Sponsor and have found the Unit to be in good condition, except as otherwise noted below.

2. Purchaser acknowledges that to prevent pilferage, certain items such as medicine cabinet doors, shower heads, toilet seats, kitchen cabinets, vanity knobs and mechanical chimes will be installed just prior to the date Purchaser moves into the Building. Purchaser agrees to sign-off each item requiring adjustment, or repairs, if any, as they are completed.

3. In the event Purchaser performs work in the Unit of any kind affecting any of the areas or items listed above after the Closing, Sponsor will be relieved of any and all obligations related to the items listed herein.

PURCHASER(S):

_____
(signature)

_____
(signature)

_____
Sponsor's Representative

RIDER TO PURCHASE AGREEMENT
RE: CABANA UNIT

This Rider is made as of _____, _____ between Sponsor and Purchaser.

Re: Residential Unit No: ___ ("Unit")
"Cabana Unit": _____
125 North 10th Street Condominium
125 North 10th Street
Brooklyn, New York 11211 ("Condominium")

1. THE CABANA

Upon and subject to the terms and conditions set forth herein and the Purchase Agreement to which this Rider is annexed, Sponsor agrees to sell and convey, and Purchaser agrees to purchase the Cabana designated as Cabana #_____ in the Declaration, together with its undivided ___% interest in the Common Elements appurtenant to such Cabana ("Cabana").

The Purchase Price is payable as follows:

(a) $___ ("Initial Deposit"), due upon Purchaser's signing and delivering this Agreement, by check (subject to collection), receipt of which is hereby acknowledged;

(b) $___ ("Additional Deposit;" the term "Deposit," as used herein, refers to both the Initial Deposit and, if the same has been paid at the time in question, the Additional Deposit), is due upon the earlier to occur of (i) 9 months after Purchaser executes this Agreement, or (ii) within 15 days of the Presentation Date of the amendment declaring the Plan effective; and

(c) $___ (the "Balance of the Purchase Price"), by good certified check of Purchaser or official bank check, payable on the delivery of the deed as hereinafter provided.

(d) If Purchaser is signing this Agreement after the Plan is declared effective, the Initial Deposit and Additional Deposit shall be due upon Purchaser's signing this Agreement.

2. TEMPORARY CERTIFICATE OF OCCUPANCY

The Closing of Title to the Cabana does not require the issuance of a Temporary Certificate of Occupancy. Purchaser will be required to consummate the purchase of the Cabana simultaneously with the Closing of Title to the Residential Unit. Alternatively, at Sponsor's sole discretion, the Closing of Title to the Cabana may not occur simultaneously with the Closing of Title to the Unit which may result in additional costs to be incurred by Purchaser.

3. DAMAGE TO THE CABANA

If there is a fire or other casualty to the Cabana and Sponsor does not elect to repair or restore the Cabana following such fire or casualty, then this Rider shall be deemed cancelled and Purchaser will be required to consummate the Closing of the Unit and any other Ancillary Unit which is the subject of a Rider only.

4. RIDER INCORPORATED INTO PURCHASE AGREEMENT

All of the rights, obligations, terms and conditions set forth in the Purchase Agreement with respect to the Unit shall apply to the Cabana unless the context otherwise requires.

5. CROSS DEFAULT

A default by Purchaser under this Rider shall constitute a default under the Purchase Agreement for the Unit and any default by Purchaser under the Purchase Agreement for the Unit shall constitute a default under this Rider entitling Sponsor to those default remedies as more fully described in the Purchase Agreement and the Plan. Notwithstanding an earlier Closing of Title with respect to the Unit, the provisions of the Purchase Agreement with respect to the sale and purchase of the Cabana shall survive the Closing of Title to the Unit.

6. DEFINITIONS

All capitalized terms used in this Rider not defined herein shall have the same meanings ascribed to them in the Purchase Agreement to which this Rider is annexed or in the Plan.

7. CONFLICTS

In the event of any inconsistency between the provisions of this Rider and those contained in the Purchase Agreement to which this Rider is annexed, the provisions of this Rider shall govern and be binding.

8. FULL FORCE AND EFFECT

Except as set forth in this Rider, all of the terms and conditions of the Purchase Agreement remain unchanged and in full force and effect.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

125NORTH10, LLC
a Delaware limited liability company

By: 125NORTH10 MM, LLC
Its managing member

By: _____
Name: John R. Fraser
Title: President

RIDER TO PURCHASE AGREEMENT
RE: STORAGE LOCKER

This Rider is made as of _____, _____ between Sponsor and Purchaser.

Re: Residential Unit No: ___ ("Unit")
"Storage Locker": _____
125 North 10th Street Condominium
125 North 10th Street
Brooklyn, New York 11211 ("Condominium")

1. STORAGE LOCKER

Upon and subject to the terms and conditions set forth herein and the Purchase Agreement to which this Rider is annexed, Sponsor agrees to sell and convey, and Purchaser agrees to purchase the Storage Locker designated as Storage Locker #_____ in the Declaration, together with its undivided ___% interest in the Common Elements appurtenant to such Storage Locker ("Storage Locker").

The Purchase Price is payable as follows:

(a) $___ ("Initial Deposit"), due upon Purchaser's signing and delivering this Agreement, by check (subject to collection), receipt of which is hereby acknowledged;

(b) $___ ("Additional Deposit;" the term "Deposit," as used herein, refers to both the Initial Deposit and, if the same has been paid at the time in question, the Additional Deposit), is due upon the earlier to occur of (i) 9 months after Purchaser executes this Agreement, or (ii) within 15 days of the Presentation Date of the amendment declaring the Plan effective; and

(c) $___ (the "Balance of the Purchase Price"), by good certified check of Purchaser or official bank check, payable on the delivery of the deed as hereinafter provided.

(d) If Purchaser is signing this Agreement after the Plan is declared effective, the Initial Deposit and Additional Deposit shall be due upon Purchaser's signing this Agreement.

2. TEMPORARY CERTIFICATE OF OCCUPANCY

The Closing of Title to the Storage Locker does not require the issuance of a Temporary Certificate of Occupancy. Purchaser will be required to consummate the purchase of the Storage Locker simultaneously with the Closing of Title to the Residential Unit. Alternatively, at Sponsor's sole discretion, the Closing of Title to the Storage Locker may not occur simultaneously with the Closing of Title to the Unit which may result in additional costs to be incurred by Purchaser.

3. DAMAGE TO THE STORAGE LOCKER

If there is a fire or other casualty to the Storage Locker and Sponsor does not elect to repair or restore the Storage Locker following such fire or casualty, then this Rider shall be deemed cancelled and Purchaser will be required to consummate the Closing of the Unit and any other Ancillary Unit which is the subject of a Rider only.

4. RIDER INCORPORATED INTO PURCHASE AGREEMENT

All of the rights, obligations, terms and conditions set forth in the Purchase Agreement with respect to the Unit shall apply to the Storage Locker unless the context otherwise requires.

5. CROSS DEFAULT

A default by Purchaser under this Rider shall constitute a default under the Purchase Agreement for the Unit and any default by Purchaser under the Purchase Agreement for the Unit shall constitute a default under this Rider entitling Sponsor to those default remedies as more fully described in the Purchase Agreement and the Plan. Notwithstanding an earlier Closing of Title with respect to the Unit, the provisions of the Purchase Agreement with respect to the sale and purchase of the Storage Locker shall survive the Closing of Title to the Unit.

6. DEFINITIONS

All capitalized terms used in this Rider not defined herein shall have the same meanings ascribed to them in the Purchase Agreement to which this Rider is annexed or in the Plan.

7. CONFLICTS

In the event of any inconsistency between the provisions of this Rider and those contained in the Purchase Agreement to which this Rider is annexed, the provisions of this Rider shall govern and be binding.

8. FULL FORCE AND EFFECT

Except as set forth in this Rider, all of the terms and conditions of the Purchase Agreement remain unchanged and in full force and effect.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

125NORTH10, LLC
a Delaware limited liability company

By: 125NORTH10 MM, LLC
Its managing member

By: _____
Name: John R. Fraser
Title: President

RIDER TO PURCHASE AGREEMENT
RE: PARKING SPACE

This Rider is made as of _____, _____ between Sponsor and Purchaser.

Re: Residential Unit No: ___ ("Unit")
"Parking Space": _____
125 North 10th Street Condominium
125 North 10th Street
Brooklyn, New York 11211 ("Condominium")

9. PARKING SPACE

Upon and subject to the terms and conditions set forth herein and the Purchase Agreement to which this Rider is annexed, Sponsor agrees to sell and convey, and Purchaser agrees to purchase the Parking Space designated as Parking Space #_____ in the Declaration, together with its undivided ___% interest in the Common Elements appurtenant to such Parking Space ("Parking Space").

The Purchase Price is payable as follows:

(a) $___ ("Initial Deposit"), due upon Purchaser's signing and delivering this Agreement, by check (subject to collection), receipt of which is hereby acknowledged;

(b) $___ ("Additional Deposit;" the term "Deposit," as used herein, refers to both the Initial Deposit and, if the same has been paid at the time in question, the Additional Deposit), is due upon the earlier to occur of (i) 9 months after Purchaser executes this Agreement, or (ii) within 15 days of the Presentation Date of the amendment declaring the Plan effective; and

(c) $___ (the "Balance of the Purchase Price"), by good certified check of Purchaser or official bank check, payable on the delivery of the deed as hereinafter provided.

(d) If Purchaser is signing this Agreement after the Plan is declared effective, the Initial Deposit and Additional Deposit shall be due upon Purchaser's signing this Agreement.

10. TEMPORARY CERTIFICATE OF OCCUPANCY

The Closing of Title to the Parking Space does not require the issuance of a Temporary Certificate of Occupancy. Purchaser will be required to consummate the purchase of the Parking Space simultaneously with the Closing of Title to the Residential Unit. Alternatively, at Sponsor's sole discretion, the Closing of Title to the Parking Space may not occur simultaneously with the Closing of Title to the Unit which may result in additional costs to be incurred by Purchaser.

11. DAMAGE TO THE PARKING SPACE

If there is a fire or other casualty to the Parking Space and Sponsor does not elect to repair or restore the Parking Space following such fire or casualty, then this Rider shall be deemed cancelled and Purchaser will be required to consummate the Closing of the Unit and any other Ancillary Unit which is the subject of a Rider only.

12. RIDER INCORPORATED INTO PURCHASE AGREEMENT

All of the rights, obligations, terms and conditions set forth in the Purchase Agreement with respect to the Unit shall apply to the Parking Space unless the context otherwise requires.

13. CROSS DEFAULT

A default by Purchaser under this Rider shall constitute a default under the Purchase Agreement for the Unit and any default by Purchaser under the Purchase Agreement for the Unit shall constitute a default under this Rider entitling Sponsor to those default remedies as more fully described in the Purchase Agreement and the Plan. Notwithstanding an earlier Closing of Title with respect to the Unit, the provisions of the Purchase Agreement with respect to the sale and purchase of the Parking Space shall survive the Closing of Title to the Unit.

14. DEFINITIONS

All capitalized terms used in this Rider not defined herein shall have the same meanings ascribed to them in the Purchase Agreement to which this Rider is annexed or in the Plan.

15. CONFLICTS

In the event of any inconsistency between the provisions of this Rider and those contained in the Purchase Agreement to which this Rider is annexed, the provisions of this Rider shall govern and be binding.

16. FULL FORCE AND EFFECT

Except as set forth in this Rider, all of the terms and conditions of the Purchase Agreement remain unchanged and in full force and effect.

PURCHASER(S):

_____
(signature)

_____
(signature)

SPONSOR:

125NORTH10, LLC
a Delaware limited liability company

By: 125NORTH10 MM, LLC
Its managing member

By: _____
Name: John R. Fraser
Title: President

UNIT DEED

UNIT DEED

THIS INDENTURE, made the ____ day of _____, ____, between 125NORTH10, LLC, having an office at 10 East 53rd Street, 37th Floor, New York, New York 10022 ("Grantor") and _____ having an address at _____ ("Grantee").

W I T N E S S E T H :

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit ("Unit") known as Unit No. ____ in the Building ("Building") known as the 125 North 10th Street Condominium ("Condominium") and by the street number 125 North 10th Street, Borough of Brooklyn, County of Kings, City and State of New York, said Unit being designated and described by the above Unit number in a certain declaration dated [DECLARATION DATE], made by Grantor pursuant to Article 9-B of the Real Property Law of the State of New York ("Condominium Act") establishing a plan for condominium ownership of the Building and the land ("Land") upon which the Building is situate (which Land is more particularly described in Exhibit A annexed hereto and by this reference made a part hereof), which declaration was recorded in the Office of the Register of The City of New York of the County of Kings ("Register's Office") on _____, _____, as CRFN# _____ ("Declaration"). The Unit is also designated as Tax Lot 1 in Block 2297 of Section _____ of the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans of the Building, certified by Anthony Cucich on _____, _____, and filed with the Real Property Assessment Department of The City of New York on _____, _____, as Condominium Plan No. _____ and also filed in the Register's Office on _____, _____, as Condominium Map No. _____;

TOGETHER with an undivided [COMMON INTEREST]% interest in the Common Elements (as such term is defined in the Declaration);

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

TOGETHER with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-laws of the Condominium (the "By Laws"), as the same may be amended from time to time, all of which constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein.

SUBJECT also to such other liens, agreements, covenants, easements, restrictions, consents and other matters of record as pertain to the Unit, to the Land and/or to the Building (which Land and Building is collectively referred to as the "Property").

TO HAVE AND TO HOLD the same unto the Grantee and the heirs or successors and assigns of the Grantee forever.

If any provision of the Declaration or the By-laws is invalid under, or would cause the Declaration or the By-laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision which is necessary to cause the Declaration and the By-laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-laws, or if the Declaration and the By-laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium Board or provided in the Declaration or the By-laws, the Unit is intended for residential use only.

Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as set forth in the Declaration and the By-laws (and any Rules and Regulations adopted under the By-laws).

Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

Grantee accepts and ratifies the provisions of the Declaration and the By-laws (and any Rules and Regulations adopted under the By-laws) and agrees to comply with all the terms and provisions thereof.

This conveyance is made in the regular course of business actually conducted by the Grantor.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

All capitalized terms used herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or the By-laws of the Condominium.

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

* * * * *

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

GRANTOR:

125NORTH10, LLC
a Delaware limited liability company

By: 125NORTH10 MM, LLC
Its managing member

By: _____
Name: John R. Fraser
Title: President

GRANTEE:

_____

_____

(ACKNOWLEDGEMENTS)

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

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary

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

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

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_____
Notary

EXHIBIT A
TO UNIT DEED

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the northerly side of North Tenth Street with the easterly side of Berry Street;

RUNNING THENCE northerly along the easterly side of Berry Street, 44 ½ feet;

THENCE easterly parallel with North Tenth Street, 100 feet;

THENCE northerly parallel with Berry Street, 155 ½ feet to the southerly side of North Eleventh Street;

THENCE easterly along the southerly side of North Eleventh Street, 125 feet;

THENCE southerly parallel with Berry Street 200 feet to the northerly side of North Tenth Street;

THENCE westerly along the northerly side of North Tenth Street, 225 feet to the corner, the point or place of BEGINNING.

DECLARATION OF CONDOMINIUM

DECLARATION

Establishing a Plan for Condominium Ownership of the Premises Known as

125 NORTH 10TH STREET CONDOMINIUM

and having a street address of

125 NORTH 10TH STREET
BROOKLYN, NEW YORK 11211

Pursuant to Article 9-B of the Real Property Law of the State of New York

Name: **125 North 10th Street Condominium**

Sponsor: **125NORTH10, LLC**
10 East 53rd Street, 37th Floor
New York, New York 10022

Date of Declaration:

_____, _____

Prepared by:

STARR ASSOCIATES LLP
Attorneys At Law
245 Fifth Avenue
New York, New York 10016
(212) 620-2680

The land affected by the within instrument lies in Section _____, Block 2297 F/K/A Lot 1, N/K/A Lots _____ - _____ on the Tax Map of the Borough of Brooklyn, County of Kings, City and State of New York

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Exhibits

A – DESCRIPTION OF THE LAND

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D – BY-LAWS OF THE CONDOMINIUM

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DECLARATION
OF
125 NORTH 10TH STREET CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

125NORTH10, LLC, a limited liability company organized under the laws of the State of Delaware, having an office at 10 East 53rd Street, 37th Floor, New York, New York 10022 ("Sponsor"), does hereby declare as follows:

ARTICLE 1
DEFINITIONS

All capitalized terms used in this Declaration that are not otherwise defined in the Articles hereof shall have the meanings set forth in Exhibit C annexed hereto, unless the context in which they are used shall otherwise require. All capitalized terms used in this Declaration that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the said capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

ARTICLE 2
SUBMISSION OF THE PROPERTY

Sponsor hereby submits the Property to the provisions of the Condominium Act and pursuant thereto, does hereby establish a regime for the condominium ownership of the Property as more particularly set forth herein and in the By-Laws.

ARTICLE 3
NAME OF THE CONDOMINIUM

The Condominium shall be known as the 125 North 10th Street Condominium.

ARTICLE 4
THE LAND

Included in the Property is the Land which is more particularly described in Exhibit A annexed hereto.

ARTICLE 5
THE PROPERTY AND THE BUILDING

5.1 Included in the Property are: 86 Residential Units, 24 Cabanas, 8 Storage Lockers and 51 Parking Spaces, contained in two Buildings denoted as the North Tower and the South Tower. The South

Tower is a 6-story structure with an attic. The North Tower is a 5-story structure with an attic. The Buildings share a common cellar and a landscaped courtyard that serves both structures.

5.1.1 53 Residential Units are located in the South Tower and 33 Residential Units are located in the North Tower.

5.1.2 The Cabanas are located on the roof of the Building in the area denoted as the Cabana Area.

5.1.3 The Parking Spaces are located on the cellar level of the Building.

5.1.4 The Storage Lockers are located on the cellar level of the Building in the area denoted as the Storage Locker Area.

5.2 The Building is classified as being of fireproof construction. The Building structural system consists of poured in place reinforced concrete footing and foundations, Steel skeleton and metal deck with concrete floors and metal stud walls. The roof consists of concrete pavers on pedestals on 6" thick concrete slab.

ARTICLE 6

THE UNITS

6.1 Exhibit B annexed hereto sets forth the following data with respect to each Unit necessary for the proper identification thereof: Unit designation; tax lot number; approximate location in the Building; approximate square foot area; number of rooms; the portions of the Common Elements to which such Unit has immediate access; and the Common Interest appurtenant to such Unit. The precise location of each Unit is shown on the Floor Plans.

6.2 Each Unit consists of the area measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaftways, chases, chaseways and conduits are not deducted from measurement of each Unit) to the centerline of the partitions separating one Unit from another Unit, or separating one Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Unit or to the exterior side of the opposite exterior walls. Each Unit consists of the area measured vertically from the top of the floor (located under the finished flooring and sub-flooring materials) to the underside of the ceiling.

6.3 Each Unit includes, and each Unit Owner shall be responsible for, the Unit side of the front entrance door and any other entrance doors to the Unit including terrace or balcony doors, the interior walls, partitions, floors and floor coverings and plastered ceilings affixed, attached or appurtenant to the Unit, smoke/carbon monoxide detectors, sprinkler systems, window panes, fireplace, all mechanical systems located in the Unit, heating and cooling systems (including HVAC filters and parts), all plumbing, gas and heating fixtures and equipment, including but not limited to, refrigerators, dishwashers, washers and dryers, heating, ventilating and air conditioning Units (including the fans inside the nits), heating equipment, ranges and other appliances, sinks, bathtubs, waterclosets and all other Facilities as may be affixed, attached or appurtenant to the Unit and serving the Unit exclusively. Plumbing, gas and heating fixtures and equipment as used in the preceding sentence shall include exposed gas and water pipes from branch or fixture shut-off valves attached to fixtures, appliances and equipment and the fixtures, appliances and equipment to which they are attached, and any special pipes or equipment which a Unit Owner may install within the walls, ceilings, or floors, but shall not include gas, water or other pipes, conduits, wiring or ductwork within the walls, ceilings or floors, unless such installations were made by the Unit Owner after the Unit Owners acquired title to the Unit, in which event Unit Owner shall be responsible for such installations. Each Unit shall also include all lighting and electrical fixtures and appliances within the Unit and any special equipment,

fixtures or Facilities affixed, attached or appurtenant to the Unit, to the extent located within a Unit from the panel and serving or benefiting only that Unit.

6.4 Each Cabana includes a shade structure, water source and a natural gas connection. The floor area of each Cabana is measured from the interior side of the exterior parapet wall to the interior face of the dividing partition shared with another Cabana or with adjacent common roof areas. Parking Spaces are measured from the centerline of the painted striping to the centerline of the painted striping or to the face of any adjacent partition. Each Storage Locker shall include the structural framework and materials out of which the Storage Locker is constructed. Storage Lockers are measured from the centerline of the dividing partition to the centerline of the dividing partition of any adjacent Storage Locker or to the face of any adjacent partition.

6.5 Any Common Elements located within a Unit shall not be considered a part of such Unit.

6.6 Notwithstanding anything contained in this Article to the contrary, each Unit Owner will have the right, subject to the provisions of the By-laws, exercisable at any time, to install, at such Unit Owner's sole cost and expense, decorations, fixtures and coverings (including, without limitation, painting, finishing, carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts and the like, provided that no such installation shall impair the consistent exterior appearance, the structural integrity, sound integrity and mechanical and electrical systems of such Unit or of the Building or violate Law.

6.7 As of the date of the filing of this Declaration with the Register's Office, fee simple absolute title shall automatically vest in Sponsor in all Units individually and collectively, without the need to execute specific and particular deeds or indentures for each and every Unit.

ARTICLE 7

THE COMMON ELEMENTS

7.1 The Common Elements consist of the entire Property, including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements are comprised of the General Common Elements and the Limited Common Elements.

7.2 The General Common Elements consist of the Land and those rooms, areas, corridors and other portions of the Building (other than the Units), as well as those Facilities therein, either currently or hereafter existing for the common use of the Units or of the Unit Owners or necessary for, or convenient to, the existence, maintenance, management, operation, or safety of the Property. Without intending to limit the generality of the foregoing in any respect, the General Common Elements include:

(i) the Land (including the landscaping appurtenant thereto) and any improvements thereon, together with all easements, rights and privileges appurtenant thereto;

(ii) all foundations, columns, beams, joists, supports, piles, footings, pillars, girders, exterior walls, interior walls, partitions, floor slabs and ceilings, window casements and frames, roofs and ceilings in, on, or under the Building, separating a Unit from a General Common Element, and that portion of all such interior walls, partitions, floors and ceilings separating a General Common Element from a Unit and/or General Common Element and/or a Limited Common Element, from the midpoint of any such wall, partition, floor or ceiling to the boundary line of such General Common Element, to the extent that the same are not expressly included as part of the Limited Common Elements

pursuant to the terms of Paragraph 7.3 below or a Unit pursuant to the terms of Article 6 hereof;

(iii) the fire pumps, domestic water storage tanks, pipes and facilities, telephone room, gas meter rooms, electrical switch gear rooms, boiler and electrical meter rooms, each of which are located on the cellar level;

(iv) all stairways, passenger elevators and their respective bulkheads, shafts, pits and equipment rooms and the residential hallways;

(v) trash rooms located on each floor and their respective shafts and equipment;

(vi) lobby, service entrances, exit corridors, concierge stations, package storage room, store room, mail room, each of which are located on ground level;

(vii) courtyard/garden between the North Tower and South Tower and roof deck on the South Tower and all of the furnishings, structural and decorative elements contained therein;

(viii) fitness center and all equipment, finishings and furniture contained therein, located in the South Tower;

(ix) automatic sprinklers, heads, valves, standpipes and hydrants;

(x) cooling towers and water tanks, located on the roofs;

(xi) all masonry walls, partitions, floors and ceilings in, on or under the Building, separating a Unit from another Unit or a Limited Common Element and that portion of all such masonry walls, partitions, floors and ceilings separating a Limited Common Element from a General Common Element, from the midpoint of any such wall, partition, floor or ceiling to the boundary line of such General Common Element;

(xii) all central and appurtenant installations and Facilities for services such as power, light, telephone, intercom, gas, sewer, plumbing, drainage, hot and cold water distribution, heat, garbage disposal, master and cable television and other mechanical and electrical systems which serve all the Units and/or the General Common Elements and/or the Limited Common Elements only;

(xiii) all other parts of the Property, and all apparatus and installations now existing or hereafter constructed in the Building or on the Property, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to the existence, maintenance or safety of the Property, to the extent that the same are not expressly included as part of the Limited Common Elements pursuant to the terms of Paragraph 7.3 below or a Unit pursuant to the terms of Article 6 hereof;

(xiv) Parking Space Area located on the cellar level of the Building;

(xv) Cabana Area located on the roof of the Building; and

(xvi) Storage Locker Area located on the cellar level of the Building.

7.3 The Limited Common Elements consist of all portions of the Land and Building (other than the Units) that are for the use of one or more specified Residential Units to the exclusion of all other Units. Without intending to limit the generality of the foregoing in any respect, the Limited Common Elements include: the Terraces adjoining certain Residential Units appurtenant to specified Residential Units more

particularly set forth on Exhibit "B" to this Declaration entitled "Description of Units," and the Storage Lockers owned by Residential Unit Owners or Sponsor.

7.4 The Common Elements shall remain undivided, and no Unit Owner or any other Person shall bring, or shall have the right to bring, any action for partition or division thereof, except as is expressly permitted pursuant to the terms of Article 15 hereof and Section 5.5 of the By-laws.

ARTICLE 8

DETERMINATION OF COMMON INTEREST

The undivided percentage interest of each Unit in the Common Elements is based upon based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit.

ARTICLE 9

USE OF UNITS

9.1 As more particularly set forth in, and subject to the provisions of, the By-laws, the Residential Units shall be used for residential purposes only (excluding "dormitory," "bed and breakfast" or other transient hotel-type use). A Residential Unit owned or leased by an individual, corporation, partnership, fiduciary or any other entity (including, but not limited to, the federal or state government and any instrumentality thereof and foreign governments and any embassy, consulate, or other instrumentality thereof, may only be occupied (unless the Condominium Board otherwise consents in writing) by such individual, or by an individual officer, director, stockholder or employee of such corporation, or by an individual partner or employee of such partnership, or by such individual fiduciary (including directors, officers, stockholders or employees of corporate fiduciaries and partners or employees of partnership fiduciaries) or by an individual beneficiary of said fiduciary, or an individual principal or employee of such other entity, respectively, or by Family Members or guests of any of the foregoing (and nothing contained in this sentence shall be deemed to prohibit the exclusive occupancy of any such Residential Unit by such Family Members); however, the foregoing restrictions shall not apply to Unsold Residential Units.

Upon the prior written consent of Sponsor (1) (with respect to Unsold Units) or the Condominium Board (with respect to sold Units), any Unit may be used for any other lawful purposes, subject, however, to (2) the terms and conditions of the then existing Temporary or Permanent Certificate of Occupancy for the Building and the By-laws, (3) applicable Law, and (4) the use of such Unit shall not adversely affect the use and enjoyment of neighboring or adjacent Units for residential purposes. Units may only be leased in accordance with the By-laws and the Rules and Regulations.

9.2 The Storage Lockers may be used only for the storage of personal effects of a Residential Unit Owner, and in no event shall any food or other perishable item, or any flammable or explosive item, or any item which would impose a health or safety threat or cause a nuisance, be stored therein. Sponsor shall have the right to use any Storage Locker owned by Sponsor for any purpose permitted by Law or to change the permitted use of any Storage Locker owned by Sponsor, subject, however, to the provisions of the By-laws. Except for Sponsor, no Storage Locker may be owned independently of a Residential Unit.

9.3 The Cabanas may be used for passive recreational use only such as lounging and sunbathing. Gas and water hook-ups are available in the Cabana so that Residential Unit Owners can prep food and barbeque. Sponsor shall have right to use any Cabana owned by Sponsor for any purpose permitted by Law and the terms of the Lease and to change the permitted use of any Cabana owned by Sponsor, subject,

however, to the provisions of the By-Laws. Except for Sponsor, a Cabana may not be owned independently of a Residential Unit.

9.4 The Parking Spaces may be used for the parking of passenger automobiles and motorcycles only. Sponsor shall have right to use any Parking Space owned by Sponsor for any purpose permitted by Law and to change the permitted use of any Parking Space owned by Sponsor, subject, however, to the provisions of the By-Laws. Parking Spaces may be owned independently of a Residential Unit.

9.5 Notwithstanding the foregoing or anything contained in the By-laws or the Rules and Regulations to the contrary, Sponsor may, without the permission of the Condominium Board, (1) use or grant permission for the use of any Unsold Residential Unit as a professional office or for any other purpose, provided such use is permitted by Law, and does not violate the then existing Temporary or Permanent Certificate of Occupancy for the Building or any other governmental regulations, (2) use any Unsold Residential Units as model Units and offices for the selling, leasing, management, operation and promotion of the Unsold Units or for any other purpose, subject only to compliance with Law, and (3) lease any Unsold Residential Unit to third parties for either long term or short term stays.

ARTICLE 10

EASEMENTS FOR THE ENJOYMENT OF THE COMMON ELEMENTS

10.1 Subject to the terms of this Declaration, the By-laws and the Rules and Regulations, if applicable, Sponsor, the Unit Owners, the Selling Agent, the Managing Agent, the Condominium Board and all Permitted Users of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the General Common Elements, and the General Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no Person shall use or enjoy the General Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other Persons to do so.

10.2 Subject to the terms of the By-laws and the Rules and Regulations, if applicable, Sponsor, the Unit Owners, the Selling Agent, the Managing Agent, the Condominium Board and all Permitted Users of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the General Common Elements, and the General Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no person shall use or enjoy the General Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other persons to do so.

10.3 Each Residential Unit Owner whose Residential Unit has one or more appurtenant Limited Common Elements shall have an exclusive easement for the use thereof. The Residential Units having the same are indicated on Exhibit B.

10.4 Sponsor and its Permitted Users shall have an easement in, over, under, through and upon the General Common Elements (including but not limited to, lobbies, hallways and corridors), to use the same, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of Unsold Units including, without limitation, the right to place "for sale," "for rent" and other signs and promotional materials, of such size and content as Sponsor shall determine.

ARTICLE 11

OTHER EASEMENTS

11.1 Subject to the terms of the By-laws and to the Rules and Regulations, if applicable, each Unit Owner shall have an easement in common with all other Unit Owners to use, maintain, repair, alter and replace all Common Elements located in any of the other Units or elsewhere on the Property which serve such Unit Owner's Unit, including an easement to connect to existing utilities, including without limitation, utilities for gas, electricity, steam and ventilation. Each Unit (including any Common Elements located therein) shall be subject to an easement in favor of all Unit Owners to use, maintain, repair, alter and replace all Common Elements located in such Unit or elsewhere on the Property which serve other Units. All easements and rights of access described in this Section shall be exercised by the Condominium Board on behalf of all Unit Owners. The Condominium Board shall have an easement and a right of access to each Unit and to the Common Elements contained therein to inspect the same, to remove violations therefrom and to install, operate, maintain, repair, alter, rebuild, restore and replace any of the Common Elements located in, over, under, through, adjacent to, or upon the same, and each Unit and the Common Elements shall be subject to such easement and right of access. Such easements and rights of access shall be exercised by the Condominium Board and/or Sponsor, as the case may be, to the extent practicable, in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on reasonable prior notice based on the nature of the repair or replacement but in no event on less than two days' notice, except that no notice will be necessary in the case of an "emergency" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or for the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building). Plans and specifications with respect to any such proposed work shall be submitted by the Unit Owner who has requested that the Condominium Board exercise any such easement or right of access, to the Unit Owner whose Unit is to be accessed and all work is to be prosecuted diligently to completion. Notwithstanding any other provision of this Declaration, the By-laws or the Rules and Regulations, if applicable, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected.

11.2 Sponsor for so long as it shall own any Unsold Unit, shall have the right to grant such additional electric, gas, steam, cable television, telephone, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility easements to, any portion of the Property as Sponsor 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 Unit Owners and their Permitted Users, provided that the granting of such additional utility easements or the relocation of existing utilities will not prevent or unreasonably interfere with the normal use of the Units for their permitted purposes, and shall not result in the imposition of any mechanic's lien against any of the Units. Any utility company and its employees and agents shall have the right of access to each Unit or the Common Elements in furtherance of such easement, provided such right of access shall be exercised in such manner as shall not unreasonably interfere with the normal conduct of business or with the use of the Units for their permitted purposes. Notwithstanding any other provision of this Declaration, the By-laws or the Rules and Regulations, any alterations carried out in connection with the easements granted hereinabove shall be such that neither the configuration nor the usable area of the affected Unit shall be materially adversely affected.

11.3 Sponsor and its Permitted Users for so long as Sponsor shall own any Unsold Unit, shall have an easement for ingress and egress through all of the Common Elements in order to make alterations, additions, or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon the Unsold Units and the Common Elements.

11.4 Each Unit and the Common Elements shall have easements of subjacent support and necessity, and the same shall be subject to such easements in favor of all of the other Units and the Common Elements.

11.5 Sponsor, and its Permitted Users shall have an exclusive right and easement for so long as the Condominium shall remain in existence, to erect, use, lease, maintain, repair, replace and operate antennae, satellite dishes and other communications equipment on any part of the roof and/or façade of the Building and elsewhere on the Common Elements and to utilize any risers, conduits, piping, cables, ducts and electrical panels and rooms, telephone/cable panels and rooms in connection therewith. The exercise of the easement and these rights do not require the consent of the Condominium Board or the Unit Owners and shall be without charge to Sponsor. Any obligations of Sponsor under any lease, license or other right of use granted by Sponsor with respect to the roof and/or the façade of the Building shall be the obligation of Sponsor and not of the Condominium, and any rights of Sponsor, including, without limitation, the right to receive rent or other consideration for such lease, license or other right of use, shall be the right of Sponsor, and not of the Condominium or any other Unit Owner. In connection with such easement and related rights, Sponsor and its Permitted Users shall each have, to the extent necessary or advisable for such erection, use, lease, maintenance, repair, replacement and operation, an easement in common with all Unit Owners for ingress, egress and the use of any Common Elements. The Units shall each be subject to such easement.

11.6 The Condominium and Building shall be designated and known as the 125 North 10th Street Condominium. Sponsor shall own and control all rights and interest, appurtenant to the name of the Condominium and/or the Building. Only Sponsor shall have the right to change or assign the name of the Condominium subject to the consent of the Condominium Board. Sponsor shall have an exclusive easement for so long as the Condominium shall remain in existence to erect, maintain, repair and replace, from time to time, a plaque and/or sign ("Plaque"), without charge, on the exterior portion of the Building setting forth the name and address of Sponsor, or such other information as Sponsor desires in its sole discretion and to maintain a sales and marketing office in the Building. Only Sponsor shall the right to remove the Plaque, unless mandated by Law.

11.7 If (a) any portion of the Common Elements encroaches upon any Unit or upon any other portion of the Common Elements, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any such encroachment shall hereafter occur as a result of (i) the settling or shifting of the Building, (ii) any alteration, repair or restoration of the Common Elements made by or with the consent (when required by the By-laws) of the Condominium Board, or made by Sponsor in accordance with this Declaration or the By-laws or (iii) any alteration, repair or restoration of the Building (or any portion thereof) or of any Unit or Common Element after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all any portion of any Unit or the Common Elements; then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

11.8 In addition to the specific easements set forth in this Article 11 and in Article 10 hereof, the Property and every portion thereof shall be subject to all easements made with the City of New York or with any utility companies or other Persons in effect prior to the recording of this Declaration.

ARTICLE 12

ALTERATIONS, ADDITIONS, IMPROVEMENTS AND CHANGES TO UNSOLD UNITS

12.1 Except to the extent prohibited by Law, Sponsor shall have the right, without the vote or consent or approval of the Condominium Board, other Unit Owners, the Selling Agent, the Managing Agent or the Mortgage Representatives, if any, to:

(a) make alterations, additions, improvements, or repairs, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon Unsold Units and their appurtenant Limited Common Elements, if any;

(b) change the layout of, or number of rooms in, any Unsold Units;

(c) amend the Certificate of Occupancy for the Building as it relates to the Unsold Units;

(d) change the size and/or number of Unsold Units by (w) subdividing one or more Unsold Units into two or more separate Units, (x) combining separate Unsold Units (including those resulting from such subdivision or otherwise) into one or more Units, (y) altering the boundary walls between any Unsold Units, or (z) otherwise, including incorporating Common Elements (such as a portion of a hallway used exclusively by the occupant(s) of such Unsold Unit) which exclusively benefit an Unsold Unit into such Unsold Unit; and

(e) if appropriate, reapportion among the Unsold Units affected by such change in size or number pursuant to the preceding clauses their Common Interest;

provided, however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon any Unsold Unit:

(i) no physical modifications shall be made to any other Unit and the Common Interest or interior dimensions of any other Units (other than Unsold Units) shall not be changed by reason thereof, unless the owner of such other affected Unit shall consent thereto;

(ii) Sponsor shall comply with Law;

(iii) Sponsor shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(iv) such alteration, addition, improvement, repair or change shall not jeopardize the soundness or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property.

Notwithstanding the foregoing, however, the aggregate amounts of the Common Interests of all the Units shall always remain at 100%, and no reapportionment of the Common Interest appurtenant to any Unit, as the case may be, shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest and, if applicable, Common Interest of the affected Unit has been based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered by Sponsor or any other Person reasonably acceptable to the Condominium Board. By written permission of the Condominium Board, which permission shall not be unreasonably withheld or delayed, any other Unit Owner may be given with respect to such Unit the same rights and be subject to the same limitations and conditions as are set forth in this Article with respect to Unsold Units. Notwithstanding the other provisions of this Article, no reapportionment of the Common Interests appurtenant to any Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest of the affected Unit has been based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered by the Unit Owner or any other Person reasonably acceptable to the Condominium Board. The provisions of this Article may not be added to, amended, modified, or deleted without the prior written consent of Sponsor.

ARTICLE 13

ACQUISITION OF UNIT BY THE CONDOMINIUM BOARD

If (a) any Unit Owner surrenders the Unit, together with its Appurtenant Interests to the Condominium Board pursuant to the terms of the By-laws or Section 339-x of the Condominium Act, or (b) the Condominium Board, pursuant to the By-laws or otherwise, either acquires or leases a Unit, together with its Appurtenant Interests, purchases, a Unit, together with its Appurtenant Interests, at a foreclosure or other similar sale, then, in any such event, title to any such Unit and such Appurtenant Interests shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests. Any lease or sublease of any Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests.

ARTICLE 14

POWER OF ATTORNEY TO SPONSOR AND THE CONDOMINIUM BOARD

14.1 Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney in-fact, coupled with an interest and with power of substitution, (i) Sponsor, to amend the Condominium Documents pursuant to the terms of Article 18 hereof, and (ii) the Persons who shall from time to time constitute the Condominium Board, jointly, to:

(a) employ counsel for purposes of protesting the New York City real property tax assessments with the Tax Commission and instituting tax certiorari proceedings on behalf of the Unit Owners for the reduction of the assessed valuation of their Units, such Unit Owners agreeing not to protest said assessments and bring such tax certiorari proceedings at their own initiative and on their own behalf;

(b) acquire or lease or license any Unit, together with its Appurtenant Interests whose owner desires to sell, convey, transfer, assign, lease, or surrender the same or acquire any Unit, together with its Appurtenant Interests that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners;

(c) convey, sell, lease, mortgage, or otherwise deal with (but not to vote the Common Interest, appurtenant to) any Unit so acquired or to sublease any Unit so leased; and

(d) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Condominium that the Condominium Board deems necessary or appropriate to comply with any law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Condominium or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Condominium or the Common Elements that the Condominium Board deems necessary or appropriate or (3) any protests and tax certiorari proceeding affecting Units.

14.2 In confirmation of the foregoing power of attorney, each Unit Owner, upon the request of either Sponsor or the Condominium Board, shall duly execute, acknowledge and deliver to the requesting party, for recording in the Register's Office, a Unit Power of Attorney in the form set forth as Exhibit E to this Declaration.

ARTICLE 15

TERMINATION OF CONDOMINIUM

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-laws) until such time as the Property is withdrawn from the provisions of the Condominium Act is authorized by a vote of 80% in number and in Common Interest of all Unit Owners. No such vote shall be effective, however, without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives, if any. In the event the withdrawal is authorized as aforesaid, but only in such event, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of Unit Owner's share of such net proceeds all liens on the Unit (other than mortgages which are not Permitted Mortgages), in the order of priority of such liens.

ARTICLE 16

COVENANT OF FURTHER ASSURANCES

16.1 Any Person who is subject to the terms of this Declaration, whether such Person is a Unit Owner, a Member or officer of the Condominium Board or a Permitted User of either or otherwise, shall, upon prior reasonable written request at the expense of any such other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

16.2 If any Unit Owner, the Condominium Board or any other Person who is subject to the terms of this Declaration fails or refuses, within 10 days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which the Condominium Board, Unit Owner or other Person is required to execute, acknowledge and deliver or to take pursuant to this Declaration, or (ii) to deliver a written notice to the Person requesting such execution, acknowledgement or delivery, and to the Condominium Board stating the reasons why such Unit Owner, Condominium Board or other Person refuses to execute, acknowledge or deliver such instrument or take such action, then the Condominium Board or other Person is hereby authorized as attorney-in-fact for such Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action in the name of such Unit Owner, Condominium Board or other Person and such document or action shall be binding on such Unit Owner, Condominium Board or other Person.

16.3 If any Unit Owner, the Condominium Board or any other Person who is subject to the terms of this Declaration fails or refuses, within 10 days after request therefor, either (i) to execute, acknowledge or deliver any instrument, or to take any action which such Unit Owner, Condominium Board or other Person is required to execute, acknowledge and deliver pursuant to this Declaration at the request of Sponsor or (ii) to deliver a written notice to Sponsor and to the Condominium Board stating the reasons why such Unit Owner, Condominium Board or other Person refuses to execute, acknowledge or deliver such instrument or take such action, then Sponsor is hereby authorized, as attorney-in-fact for such Unit Owner, Condominium Board or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument or to take such action in the name of such Unit Owner, Condominium Board or other Person and such document or action shall be binding on such Unit Owner, the Condominium Board or other Person, as the case may be.

ARTICLE 17

COVENANTS RUNNING WITH THE LAND

17.1 All provisions of this Declaration, the By-laws and the Rules and Regulations which are annexed hereto and made a part hereof, including, without limitation, the provisions of this Article, shall to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and owner's heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating, any rights in or for the benefit of the general public. All present and future owners, tenants, subtenants, licensees, and other occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into of a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease or use and occupancy agreement thereof.

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 Condominium Act, such provision shall be deemed deleted from this Declaration or the By-laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-laws, then such provision shall be deemed included as part of this Declaration or the By-laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

17.3 Subject to Section 17.2, if this Declaration and the By-laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 18

AMENDMENTS TO THIS DECLARATION

18.1 Subject to the provisions contained herein or in the By-laws with respect to amendments, modifications, additions or deletions affecting Sponsor, any provision of this Declaration affecting the Common Elements or all Unit Owners may be added to, amended, modified or deleted by the affirmative

vote of at least 66-2/3% in number and in Common Interest of all Unit Owners, taken in accordance with the provisions of the By-laws; provided, however, that the Common Interest appurtenant to each Unit as expressed in this Declaration shall not be altered without the written consent of all Unit Owners directly affected. Subject to the provisions contained herein or in the By-laws with respect to amendments, modifications, additions or deletions affecting Sponsor, no amendment, modification, addition or deletion shall be effective without the written consent (which consent shall not be unreasonably withheld or delayed) of the Mortgage Representatives (as defined in the By-laws), if any. No such amendment, modification, addition or deletion shall be effective until recorded in the Register's Office. Subject to the provisions contained herein or in the By-laws with respect to amendments, modifications, additions or deletions affecting Sponsor, any such amendment, modification, addition or deletion shall be executed by either the Condominium Board as attorney-in-fact for the Unit Owners, coupled with an interest, and the Condominium Board is hereby authorized by such Unit Owners so to act as their attorney-in-fact. Subject to the rights of Sponsor set forth herein, this Declaration may not be amended, modified, added to or deleted unless (in addition to the consent, if required, of the Mortgage Representatives, if any, as set forth above) 80% in number and in Common Interest of all Unit Owners affected thereby, approve such amendment, modification, addition or deletion in the manner set forth above.

18.2 Sponsor shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute, acknowledge and record (or, at Sponsor's sole option, to require the Condominium Board or any other Unit Owners to execute, acknowledge and record) in the Register's Office and elsewhere, if required by Law, one or more amendments to this Declaration (including, but not limited, to Exhibit B hereto), together with such documents, plans and maps as Sponsor deems appropriate to effectuate the same:

(i) to reflect any changes in Unsold Units and/or the reapportionment of the Common Interest of the affected Unsold Units resulting therefrom made by Sponsor in accordance with the terms of Article 12 hereof; or

(ii) required by (x) an Institutional Lender designated by Sponsor to make a loan secured by a mortgage on any Unsold Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium, or (z) any title insurance company selected by Sponsor to insure title to any Unsold Unit,

Provided, however, that any amendment made pursuant to the terms of subparagraph (i) or (ii) of this Section shall not (1) change the Common Interest of any Unit other than a Unit owned by Sponsor, or (2) require a material, physical modification of any Unit other than a Unit owned by Sponsor, or (3) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender unless the owner of such affected Unit (in the event described in subparagraph (1) or (2) of this Section) or the holder of such mortgage (in the event described in subparagraph (3) of this Section) shall consent thereto by joining in the execution of such amendment.

18.3 Any amendment to this Declaration may be executed; (i) if on behalf of Sponsor pursuant to the terms of Section 18.2 hereof, by Sponsor, or (ii) if on behalf of the Unit Owners or by the Condominium Board, by any officer of the Condominium. If the amendment requires the approval of a specific percentage of Unit Owners pursuant to the terms of this Declaration or the By-laws, then there shall be attached to such amendment an original executed Secretary's Certificate, certifying that the requisite number and percentage of Unit Owners approved the amendment at a duly constituted meeting or (when permitted in this Declaration or the By-laws) in writing without a meeting, in which Certificate shall be described the number and percentage of Unit Owners so consenting and (if voted upon at a meeting) the date and time of the meeting.

18.5 Notwithstanding anything contained in the Condominium Documents to the contrary, but subject to any limitation imposed by the Condominium Act, no amendment to the Condominium Documents

shall be effective in any respect against Sponsor if the same would (i) unreasonably interfere with the sale, lease, or other disposition of any Unit owned by either of them, (ii) abridge, modify, suspend, eliminate, or otherwise affect any right, power, easement, privilege, or benefit granted to Sponsor unless Sponsor shall consent to such amendment in writing, or (iii) impose any discriminatory charge or fee against Sponsor, unless Sponsor shall consent to such amendment in writing.

18.6 The provisions of this Article may not be modified, amended, added to or deleted, in whole or in part, without the consent of Sponsor if the same relate to Sponsor.

ARTICLE 19

CONSENTS BY SPONSOR

When the consent, approval, satisfaction, or permission of Sponsor is required under this Declaration or the By-laws, such consent, approval, satisfaction, or permission shall not be required when Sponsor no longer owns any Unsold Units.

ARTICLE 20

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York, is hereby designated to receive service of process in any action which may be brought against the Condominium.

ARTICLE 21

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the table of definitions annexed hereto as Exhibit C; (iv) the By-laws annexed hereto as Exhibit D; (v) the Unit Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans are, by this reference, each incorporated herein and made a part of this Declaration as if set forth at length in the text hereof.

ARTICLE 22

WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 23

SEVERABILITY

Subject to the provisions of Section 17.2 and 17.3 of Article 17 hereof, if any provision of the Condominium Documents is invalid or unenforceable as against any Person or under certain circumstances, the remainder of the Condominium Documents and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of the Condominium Documents shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by Law. Any conflict between any provisions of the Condominium Documents and the Condominium Act, or any questions

regarding the interpretation of any of the Condominium Documents, shall be governed by the Condominium Act.

ARTICLE 24

SUCCESSORS AND ASSIGNS

The rights and/or obligations of Sponsor as set forth in this Declaration and the By-laws shall inure to the benefit of and be binding upon any successor or assignee or designee of Sponsor. Sponsor shall have the right, at any time, in its sole discretion, to assign or otherwise transfer its interest therein, whether by merger, consolidation, lease, assignment, or otherwise.

ARTICLE 25

CAPTIONS

The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration or the intent of any provision hereof.

ARTICLE 26

CERTAIN REFERENCES

26.1 A reference in this Declaration to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural and vice versa, unless the context otherwise requires.

26.2 The terms "herein," "hereof" or "hereunder" or similar terms used in this Declaration refer to this entire Declaration and not to the particular provision in which the terms are used, unless the context otherwise requires.

26.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

ARTICLE 27

GENERAL

Except as required by Law, neither Sponsor nor any of its principals shall be subject to any of the restrictions and/or prohibitions with regard to the Units set forth in this Declaration or the By-laws annexed hereto.

ARTICLE 28

INCORPORATION BY REFERENCE

The terms, covenants, conditions, descriptions and other information contained in (i) the description of the land annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Unit Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans, are each incorporated herein by this reference and made a part of this Declaration as if set forth at length in the text hereof.

IN WITNESS WHEREOF, Sponsor has caused this Declaration to be executed as of the ___ day of _____, _____.

* * * * *

SPONSOR:

125NORTH10, LLC
a Delaware limited liability company

By: 125NORTH10 MM, LLC
Its managing member

By: _____
Name: John R. Fraser
Title: President

(ACKNOWLEDGEMENT)

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

On the _____ day of _____, in the year _____, before me, the undersigned, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary

EXHIBIT A TO THE DECLARATION

DESCRIPTION OF THE LAND

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the northerly side of North Tenth Street with the easterly side of Berry Street;

RUNNING THENCE northerly along the easterly side of Berry Street, 44 ½ feet;

THENCE easterly parallel with North Tenth Street, 100 feet;

THENCE northerly parallel with Berry Street, 155 ½ feet to the southerly side of North Eleventh Street;

THENCE easterly along the southerly side of North Eleventh Street, 125 feet;

THENCE southerly parallel with Berry Street 200 feet to the northerly side of North Tenth Street;

THENCE westerly along the northerly side of North Tenth Street, 225 feet to the corner, the point or place of BEGINNING.

EXHIBIT B TO THE DECLARATION

DESCRIPTION OF THE UNITS

125 North 10th Street Condominium
125 North 10th Street
Brooklyn, New York 11211

UNIT	NUMBER OF BEDROOMS/ BATHS	APPROXIMATE TOTAL SQ. FT.		BLOCK 2297 TAX LOT NO.	PERCENTAGE OF COMMON INTEREST	LOCATION IN PORTION OF BUILDING FACING DIRECTION SET FORTH BELOW	COMMON ELEMENTS TO WHICH UNIT HAS IMMEDIATE ACCESS
		UNIT	BALCONY/ TERRACE				
SOUTH BUILDING							
1A	1BR/1BA	873	475		1.0767%		
1B	2BR/2BA	1,171	669		1.4532%		
1C	1BR/1BA	838	462		1.0353%		
1D	STUDIO/1BA	599			0.6505%		
1E	1BR/1BA	795			0.8635%		
1F	1BR/1BA	795			0.8631%		
1G	1BR/1BA	761			0.8265%		
2A	1BR/1BA	873			0.9479%		
2B	2BR/2BA	1,171			1.2717%		
2C	2BR/2BA	1,248			1.3552%		
2D	2BR/2BA	1,048			1.1379%		
2E	2BR/2BA	1,005			1.0905%		
2F	1BR/1BA	756			0.8203%		
2G	1BR/1BA	763			0.8280%		
2H	1BR/1BA	807			0.8761%		
2I	2BR/2BA	1,123			1.2186%		
3A	1BR/1BA	873			0.9479%		
3B	2BR/2BA	1,171			1.2717%		
3C	2BR/2BA	1,248			1.3552%		
3D	2BR/2BA	1,114	125		1.2436%		
3E	2BR/2BA	1,001	157		1.1299%		
3F	1BR	755	112		0.8504%		
3G	1BR	810	93		0.9051%		
3H	1BR	763	51		0.8421%		
3I	1BR	823	82		0.9162%		
3J	2BR/2BA	1,149	185		1.2971%		
4A	1BR	873			0.9479%		

UNIT	NUMBER OF BEDROOMS/ BATHS	APPROXIMATE TOTAL SQ. FT.		BLOCK 2297 TAX LOT NO.	PERCENTAGE OF COMMON INTEREST	LOCATION IN PORTION OF BUILDING FACING DIRECTION SET FORTH BELOW	COMMON ELEMENTS TO WHICH UNIT HAS IMMEDIATE ACCESS
		UNIT	BALCONY/ TERRACE				
4B	2BR/2BA	1,171			1.2717%		
4C	2BR/2BA	1,248			1.3552%		
4D	2BR/2BA	1,114	125		1.2436%		
4E	2BR/2BA	1,001	157		1.1299%		
4F	1BR/1BA	779	84		0.8682%		
4G	1BR/1BA	810			0.8798%		
4H	1BR/1BA	763	51		0.8421%		
4I	1BR/1BA	823	51		0.9079%		
4J	2BR/2BA	1,149	185		1.2971%		
5A	1BR/1BA	757	116		0.8532%		
5B	2BR/2BA	1,008	164		1.1383%		
5C	1BR/1BA	776	462		0.9682%		
5D	1BR/1BA	778	451		0.9668%		
5E	2BR/2BA	995	157		1.1226%		
5F	1BR/1BA	765	112		0.8612%		
5G	1BR/1BA	810			0.8798%		
5H	1BR/1BA	763	51		0.8421%		
5I	1BR/1BA	823	51		0.9079%		
5J	2BR/2BA	1,149	185		1.2971%		
6A	2BR/2BA	1,059	789		1.3636%		
6B	2BR/2BA	1,054	826		1.3680%		
6C	2BR/2BA	1,073	441		1.2845%		
6D	2BR/2BA	1,049	602		1.3028%		
6E	1BR/1BA	793	120		0.8936%		
6F	1BR/1BA	738			0.8008%		
6G	3BR/2BA	1,570	466		1.8314%		
NORTH BUILDING							
1A	2BR/2BA	1,052			1.1421%		
1B	2BR/2BA	1,163			1.2629%		
1C	1BR/1BA	797	729		1.0635%		
1D	1BR/1BA	815	388		0.9901%		
1E	2BR/2BA	1,090	728		1.3811%		
2A	2BR/2BA	1,052			1.1421%		
2B	1BR/1BA	871			0.9460%		
2C	2BR/2BA	1,090			1.1835%		
2D	2BR/2BA	1,090			1.1835%		
2E	2BR/2BA	1,184			1.2854%		
2F	2BR/2BA	1,090			1.1835%		

UNIT	NUMBER OF BEDROOMS/ BATHS	APPROXIMATE TOTAL SQ. FT.		BLOCK 2297 TAX LOT NO.	PERCENTAGE OF COMMON INTEREST	LOCATION IN PORTION OF BUILDING FACING DIRECTION SET FORTH BELOW	COMMON ELEMENTS TO WHICH UNIT HAS IMMEDIATE ACCESS
		UNIT	BALCONY/ TERRACE				
3A	2BR/2BA	1,052			1.1421%		
3B	2BR/2BA	990	77		1.0959%		
3C	2BR/2BA	1,137	61		1.2505%		
3D	2BR/2BA	1,090			1.1835%		
3E	2BR/2BA	1,184			1.2854%		
3F	2BR/2BA	1,090			1.1835%		
4A	2BR/2BA	1,052			1.1421%		
4B	2BR/2BA	990	159		1.1184%		
4C	2BR/2BA	1,137	61		1.2505%		
4D	2BR/2BA	1,090			1.1835%		
4E	2BR/2BA	1,184			1.2854%		
4F	2BR/2BA	1,090			1.1835%		
5A	2BR/2BA	1,052			1.1421%		
5B	2BR/2BA	990	159		1.1184%		
5C	2BR/2BA	1,137	61		1.2505%		
5D	2BR/2BA	1,090			1.1835%		
5E	2BR/2BA	1,184			1.2854%		
5F	2BR/2BA	1,090			1.1835%		
6A	3BR/2.5BA	1,349	815		1.6853%		
6B	2BR/2BA	1,090			1.1835%		
6C	2BR/2BA	1,102	295		1.2760%		
6D	3BR/2.BR	1,399	620		1.6871%		
CABANA					**CABANA**		
CS5					0.0467%		
CS6					0.0446%		
CS7					0.0446%		
CS8					0.0446%		
CS9					0.0446%		
CS10					0.0446%		
CS11					0.0446%		
CS12					0.0446%		
CN1					0.0446%		
CN2					0.0446%		
CN3					0.0446%		
CN4					0.0484%		
CN5					0.0607%		
CN6					0.0596%		
CN7					0.0596%		

UNIT	NUMBER OF BEDROOMS/ BATHS	APPROXIMATE TOTAL SQ. FT.		BLOCK 2297 TAX LOT NO.	PERCENTAGE OF COMMON INTEREST	LOCATION IN PORTION OF BUILDING FACING DIRECTION SET FORTH BELOW	COMMON ELEMENTS TO WHICH UNIT HAS IMMEDIATE ACCESS
		UNIT	BALCONY/ TERRACE				
CN8					0.0644%		
CN9					0.0606%		
CN10					0.0560%		
CN11					0.0560%		
CN12					0.0556%		
PARKING					**PARKING**		
P1	153				0.0415%		
P2	153				0.0415%		
P3	153				0.0415%		
P4	153				0.0415%		
P5	153				0.0415%		
P6	153				0.0415%		
P7	153				0.0415%		
P8	153				0.0415%		
P9	153				0.0415%		
P10	153				0.0415%		
P11	153				0.0415%		
P12	153				0.0415%		
P13	153				0.0415%		
P14	153				0.0415%		
P15	153				0.0415%		
P16	153				0.0415%		
P17	153				0.0415%		
P18	153				0.0415%		
P19	153				0.0415%		
P20	153				0.0415%		
P21	153				0.0415%		
P22	153				0.0415%		
P23	153				0.0415%		
P24	153				0.0415%		
P25	153				0.0415%		
P26	153				0.0415%		
P27	153				0.0415%		
P28	153				0.0415%		
P29	153				0.0415%		
P30	153				0.0415%		
P31	153				0.0415%		
P32	153				0.0415%		

UNIT	NUMBER OF BEDROOMS/ BATHS	APPROXIMATE TOTAL SQ. FT.		BLOCK 2297 TAX LOT NO.	PERCENTAGE OF COMMON INTEREST	LOCATION IN PORTION OF BUILDING FACING DIRECTION SET FORTH BELOW	COMMON ELEMENTS TO WHICH UNIT HAS IMMEDIATE ACCESS
		UNIT	BALCONY/ TERRACE				
P33	153				0.0415%		
P34	153				0.0415%		
P35	153				0.0415%		
P36	153				0.0415%		
P37	153				0.0415%		
P38	153				0.0415%		
P39	153				0.0415%		
P40	153				0.0415%		
P41	153				0.0415%		
P42	153				0.0415%		
P43	153				0.0415%		
P44	153				0.0415%		
P45	153				0.0415%		
P46	153				0.0415%		
P47	153				0.0415%		
P48	153				0.0415%		
P49	153				0.0415%		
P50	153				0.0415%		
P51	153				0.0415%		
STORAGE					**STORAGE**		
S1	59				0.0160%		
S2	51				0.0138%		
S3	51				0.0138%		
S4	59				0.0160%		
S5	52				0.0141%		
S6	52				0.0141%		
S7	61				0.0166%		
S8	107				0.0290%		

EXHIBIT C

DEFINITIONS

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

"Adverse Effect," or "adverse effect" shall mean any action or proposed change with respect to any Unit Owner(s), that such action or change could, if realized, (i) increase the Common Charges payable over those set forth in the budget at the time in question by 25% or more, (ii) materially interfere with such Unit Owner's access to the Unit, (iii) materially obstruct or degrade the view from the windows of the Unit or (iv) otherwise materially diminish the use and enjoyment of the Unit.

"Ancillary Units" shall mean the Cabanas, Storage Lockers and Parking Spaces.

"Ancillary Unit Areas" refers to the Cabana Area, Storage Locker Area and Parking Space Area. The Ancillary Unit Areas are General Common Elements.

"Appurtenant Interest" shall mean, with respect to any Unit, the undivided interest of the owner thereof, pursuant to the terms of Section 339-x of the Condominium Act, in and to: (i) the Common Elements; (ii) any other Units owned or leased at the time in question by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or lease of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

"Building" shall mean the Building located at 125 North 10th Street, Brooklyn, New York 11211 comprised of the South Tower and the North Tower.

"Buildings Department" shall mean the office of the New York City Department of Buildings or any successor agency.

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

"Cabana" shall mean any Cabana designated as a Cabana in the Declaration together with its Common Interest. All such Cabanas are, collectively, referred to as the "Cabanas."

"Cabana Area" shall mean an area located on the roof of the Building containing the Cabanas. The Cabana Area is a General Common Element.

"Cabana Owner" shall mean a Residential Unit Owner of a Cabana at the time in question. All such Cabana Owners are, collectively, referred to as the "Cabana Owners".

"Closing" or "Closing of Title" shall mean the date, time, place and procedure by which, among other things, fee title to a Unit and its appurtenant Common Interest is conveyed pursuant to a fully-executed Purchase Agreement.

"Closing Date" shall mean the date on which a Closing occurs.

"Common Charges" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata, in accordance with their Schedule B allocations and as provided in the Declaration or in the By-Laws to meet the Common Expenses.

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

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

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

"Condominium" shall mean the 125 North 10th Street Condominium which will be established pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws.

Condominium Act" shall mean the New York Condominium Act, as amended from time to time (New York Real Property Law, Article 9-B).

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

"Condominium Documents" shall mean the Declaration, the By-Laws, the Rules and Regulations and the Floor Plans.

"Declaration" or "Declaration of Condominium" shall mean the instrument creating the Condominium, as the same may be amended from time to time, which is set forth in Part II of the Plan.

"Deposit" shall mean all deposits (initial and additional), advances and payments made by Purchasers prior to the Closing of a Unit.

"Effective Date" shall mean the date upon which the Plan is has declared effective.

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

"Family Members" shall mean the spouse, domestic partner, their children, stepchildren, grandchildren, siblings, nieces, nephews, parents, stepparents, parents-in-law and grandparents of a Residential Unit Owner who reside in such Residential Unit Owner's Residential Unit.

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

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

"First Year of Condominium Operation" shall mean the first 12 months of operation of the Condominium beginning on the date of First Closing, which may be a calendar or fiscal year.

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

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

"Force Majeure" shall mean unavoidable delays due to weather, floods, epidemics, quarantine, restrictions, strikes, lockouts, acts of God, acts of terrorism, freight embargoes, shortages of or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire or the elements or any other cause over which Sponsor does not have control, however for purposes of this definition, lack of funds or inability to obtain financing shall not be deemed to be a cause beyond reasonable control.

"GBL" shall mean Section 352-eeee of the New York State General Business Law.

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

"Initial Control Period" shall mean the period ending on the later to occur of: (i) the Closing of Title with Purchasers under the Plan to Residential Units representing at least 70% in number of all Residential Units offered for sale, or (ii) the issuance of a Permanent Certificate of Occupancy.

"Institutional Lender" shall mean (i) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, mortgage trust or a group of lenders which shall include one of the foregoing, or (ii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system, or (iii) Sponsor, or (iv) an investment bank, or (v) the holder of the mortgage on Sponsor's units with respect to loans secured by any Commercial Unit only, (x) without in any way limiting the scope of the foregoing and for the sake of clarity, any real estate mortgage investment conduit within the meaning of Section 860D of the Internal Revenue Code, (y) any entity not included within any of the foregoing that is regularly engaged in the business of making, owning or servicing mortgage loans, including, without limitation, a so-called "conduit lender," or (z) any group of lenders which shall include one or more of the foregoing.

"Institutional Mortgage" shall mean any first mortgage covering one or more Units that is a Permitted Mortgage and the initial holder of which is an Institutional Lender.

"Insurance Trustee" shall mean a bank or trust company, in either event having both an office in the City of New York and a capital surplus and undivided profits of $500,000,000, or more, or an Institutional Lender, from time to time appointed to serve as such by the Condominium Board.

"Land" shall mean the land located in the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of The City of New York as Block 2297, Lot 1 and more particularly described in Exhibit A to the Declaration.

"Law" shall mean the laws and ordinances of any or all of the Federal, New York State, New York City, County and Borough governments, including, without limitation, the Buildings Department, ,the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental, public or quasi-public authorities having jurisdiction over the Property and/or the Condominium and/or the direction of any public officer pursuant to Law which are applicable at the time in question.

"Limited Common Elements" shall mean those portions of the Property (other than the Units and the General Common Elements), existing for the use and enjoyment of certain Unit Owners to the exclusion of all other Unit Owners, as more particularly described in the Declaration and the Floor Plans.

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

"Parking Space" shall mean any Parking Space designated as a Parking Space in the Declaration together with its Common Interest. All such Parking Spaces, collectively, referred to as the "Parking Spaces."

"Parking Space Area" shall mean a non-attended area located on the cellar of the Building containing the Parking Spaces. The Parking Space Area is a General Common Element.

"Parking Space Owner" shall mean the Residential Unit Owner or the non-resident owner of a Parking Space at the time in question. All such Parking Space Owners are, collectively, referred to as the "Parking Space Owners".

"Permanent Certificate of Occupancy" shall mean the permanent certificate of occupancy for the Building issued by the Buildings Department.

"Permitted Encumbrances" shall mean those matters encumbering title to a Unit subject to which a Purchaser agrees to take title, as more particularly described on Schedule A annexed to the form of Purchase Agreement.

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

"Permitted Mortgagee" shall mean any holder of a Permitted Mortgage at the time in question.

"Permitted User" shall mean any officer, director, member, stockholder, principal, partner, employee, agent (including managing, sales and leasing agent), guest, tenant, occupant, customer, invitee, licensee, contractor, Permitted Mortgagee or any other Person related, affiliated or designated by Sponsor, the Condominium Board or a Unit Owner who has permission to use a Unit and/or a portion of the Common Elements, subject to the terms of the Condominium Documents, whether written or oral, granted by: (i) a Unit Owner in the case of such Unit Owner's Unit and its appurtenant Common Elements; or (ii) the Condominium Board; or (iii) the Condominium Documents; or (iv) Sponsor.

"Person" shall mean any natural person, partnership, corporation, limited liability company, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity.

"Plan" shall mean that certain Condominium Offering Plan relating to the Property, as accepted for filing by the Department of Law of the State of New York pursuant to Section 352-e of the General Business Law of the State of New York and any and all amendments thereto.

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

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

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

"Purchaser" shall mean a purchaser of a Unit pursuant to a Purchase Agreement.

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

"Register's Office" shall mean the Office of the Register of the City of New York of the County in which the Property is located.

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

"Residential Unit Owner" shall mean any Unit Owner of a Residential Unit at the time in question. All such Residential Unit Owners are referred to, collectively, as the "Residential Unit Owners".

"Rules and Regulations" shall mean the Rules and Regulations of the Condominium promulgated in accordance with the By-Laws, as any of such Rules and Regulations may be amended, added to, or deleted from time to time pursuant to the terms of the By-Laws.

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

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

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

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

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

"Special Assessments" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata in accordance with their respective Common Interest (except as otherwise provided in the Declaration or in the By-Laws), in accordance with the By-Laws of the Condominium.

"Sponsor" shall mean 125NORTH10, LLC and (if applicable) any Person(s) designated by Sponsor.

"Storage Locker" shall mean any Storage Locker designated as a Storage Locker in the Declaration together with its common Interest. All such Storage Lockers are, collectively, referred to as the "Storage Lockers".

"Storage Locker Area" shall mean an area or areas located in the Building containing the Storage Lockers. The Storage Locker Area is a General Common Element.

"Storage Locker Owner" shall mean a Residential Unit Owner of a Storage Locker at the time in question. All such Storage Locker Owners are, collectively, referred to as "Storage Locker Owners."

"Temporary Certificate of Occupancy" shall mean a temporary certificate(s) of occupancy for the Building issued by the Buildings Department.

"Terrace" shall mean any terrace, balcony or garden which is appurtenant to a Unit as a Limited Common Element and shall include any pavers, decking and drains, hose bibs, electrical outlets, lighting and light fixtures, enclosures and dividers installed as part of the original construction of the Building. All such terraces, balconies or gardens are, collectively, referred to as the "Terraces".

"Title Company" shall mean Commonwealth Land Title Insurance Company, having an office at 2 Grand Central Tower, 140 East 45th Street, New York, New York 10017. 212-949-0100, 212-986-3049, or any successor Title Company at the time in question.

"Unit" shall mean any Residential Unit, Storage Locker, Cabana or Parking Space designated as such in the Declaration together with its Common Interest. All such Units are, collectively, referred to as the "Units".

"Unit Owner" shall mean any Person (including Sponsor, if Sponsor owns any Unit) who holds fee title, of record, to one or more Units at the time in question. All such Unit Owners are, collectively, referred to as the "Unit Owners".

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

"Unsold Ancillary Unit Owner" shall mean Sponsor or a principal of Sponsor and (if applicable) a Person designated by Sponsor.

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

"Unsold Residential Unit Owner" shall mean Sponsor or a principal of Sponsor and (if applicable) a Person designated by Sponsor.

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

"Unsold Unit Owner" shall mean Sponsor or a principal of Sponsor and (if applicable) a Person designated by Sponsor.

BY-LAWS OF THE CONDOMINIUM

EXHIBIT D

TO THE DECLARATION

BY-LAWS

OF

125 NORTH 10TH STREET CONDOMINIUM

Prepared by:

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BY-LAWS

ARTICLE 1
GENERAL

Section 1.1 *Purpose.* The purpose of these By-laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium. The Condominium covers the Property, which consists of: (i) the Land, which is more particularly described in Exhibit A to the Declaration; (ii) the Building, which includes, without limitation, the Units, the Common Elements and all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith; and (iii) all other property, real, personal, or mixed, intended for use in connection therewith. The Property has been submitted to the provisions of the Condominium Act by the recording of the Declaration in the Register's Office, of which Declaration these By-laws form a part. The purpose of the Condominium is to carry on the acquisition, construction, management, maintenance and care of the Common Elements and to perform related functions with respect to the other portions of the Property.

Section 1.2 *Definitions.* All capitalized terms used in these By-laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in Exhibit C to the Declaration, unless the context in which the same are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the aforedescribed capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Section 1.3 *Applicability of By-laws.* These By-laws are applicable to the Property and to the use and occupancy thereof.

Section 1.4 *Application of By-laws.* All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units, and employees and guests of Unit Owners, as well as all other Persons who may use the Property, are and shall be subject to the Declaration, these By-laws and the Rules and Regulations, as each of the same may be amended from time to time. The acceptance of a deed or other instrument of conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of the Declaration, these By-laws and the Rules and Regulations, as each of the same may be amended from time to time, are accepted, ratified and will be complied with.

Section 1.5 *Principal Office of the Condominium.* The principal office of the Condominium shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

ARTICLE 2
CONDOMINIUM BOARD

Section 2.1 *General.* As more particularly set forth in Sections 2.4, 2.5 and 2.6 hereof, the affairs of the Condominium shall be governed by the Condominium Board. In exercising its powers and performing its duties under the Declaration and these By-laws, the Condominium Board shall act as, and shall be, the Agent of the Unit Owners, subject to, and in accordance with, the terms of the Declaration and these By-laws.

Section 2.2 *Status of the Condominium Board.* Unless and until the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon unincorporated associations under, or pursuant to, the terms of the General Association Law of the State of New York. If the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon it under, or pursuant to, the terms of the applicable statutes of the State of New York. In either event, however, the Condominium Board shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

Section 2.3 *Principal Office of the Condominium Board.* The principal office of the Condominium Board shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

Section 2.4 *Powers and Duties of the Condominium Board*

(A) The Condominium Board shall have all of the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium, provided, however, that the Condominium Board shall not have such powers and duties that by Law, or pursuant to the terms of the Declaration and these By-laws, may not be delegated to the Condominium Board by the Unit Owners. Without intention to limit the generality of the foregoing in any respect, the Condominium Board shall have the following specific powers and duties:

(i) to operate, maintain, repair, restore, add to, improve, alter and replace the Common Elements, including, without limitation, as the Condominium Board shall deem necessary or proper in connection therewith, (a) the purchase and leasing of supplies, equipment and material and (b) the employment, compensation and dismissal of personnel.

(ii) to acquire, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of the Unit Owners, all rights, titles and interests in real and personal property deemed necessary or proper by the Condominium Board for use in connection with the ownership and operation of the Property as a condominium.

(iii) to maintain complete and accurate books and records with respect to the finances and the operation of the Condominium, including without limitation: (a) detailed accounts, in chronological order, of receipts and expenditures affecting the Property; (b) detailed books of account of the Condominium Board; (c) other financial records, as well as other books of account of the Condominium, as may be required to be kept pursuant to the terms of these By-laws; and (d) minutes and other records of all meetings held pursuant to the terms of these By-laws.

(iv) to adopt a budget for the Condominium for each fiscal year thereof, setting forth, without limitation: (a) a detailed accounting of the anticipated Common Expenses for the ensuing fiscal year and (b) a detailed projection of all sources and amounts of income necessary to discharge the same.

(v) to approve the amount and the means and methods of payment of, and collection of, the Common Charges and Special Assessments from the Unit Owners; provided, however, that in no event shall Common Charges or Special Assessments or other funds received by the Condominium Board in connection with the General Common Elements be utilized to defray any Common Expenses and in no event shall Common Charges or Special Assessments or other funds received by the Condominium Board in connection with the Common Elements be utilized to defray any Common Expenses.

(vi) to borrow money on behalf of the Condominium in accordance with Section 339-jj of the Real Property Law when required in connection with the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements, provided, however, that: (a) the affirmative consent of at least 66 2/3% of the Members of the Condominium Board shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (b) with respect to the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements, the affirmative consent of at least 66 2/3%, in aggregate Common Interest, of all Unit Owners shall be required for the borrowing of any sum in excess of $500,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (c) no lien to secure repayment of any sum borrowed may be created on any Unit or its Appurtenant Interests without the consent of the owner of such Unit; and (d) the documentation executed in connection with any such borrowing shall provide that, if any sum borrowed by the Condominium Board pursuant to this subparagraph (vi) shall not be repaid by the Condominium Board, any Unit Owner who pays to the creditor thereunder such proportion of the then outstanding indebtedness represented or secured thereby as such Unit Owner's Common Interest bears to the aggregate Common Interests of all Unit Owners, shall be entitled to obtain from the creditor a release of any judgment or other lien that the said creditor shall have filed, or shall have the right to file against such Unit Owner's Unit.

(vii) to open and maintain bank accounts on behalf of the Condominium and to designate the signatories required therefor which shall at no time be less than two and that each check drawn on such account shall need at least two signatures.

(viii) to use the Common Charges and Special Assessments collected from Unit Owners, as well as all other funds held by the Condominium Board or received in connection with the operation of the Property, for the administration of the Condominium, including, without limitation: (a) the payment of Common Expenses and (b) the making of restorations, additions, alterations and improvements to the Common Elements.

(ix) to obtain insurance for the Property, including the Units, pursuant to the terms of Section 5.4 hereof.

(x) to adjust and settle claims under insurance policies obtained pursuant to the terms of Section 5.4 hereof, and to execute and deliver releases upon such adjustment and settlement on behalf of: (a) all Unit Owners (except as otherwise provided herein); (b) all holders of mortgages and other liens on Units; and (c) all holders of any other interest in the Property.

(xi) to make, or to contract with others for the making of, repairs, maintenance, additions and improvements to, and alterations, restorations and replacements of, the Property after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these By-laws.

(xii) to obtain and keep in force fidelity bonds, in amounts deemed appropriate by the Condominium Board, but in no event less than $100,000, for: (a) all Members of the Condominium Board; (b) all officers and employees of the Condominium; and (c) the Managing Agent, and the premiums on all such fidelity bonds shall constitute a part of the Common Expenses.

(xiii) to accept the surrender of any Unit pursuant to the terms of paragraph (C) of Section 6.2 hereof, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners.

(xiv) to purchase, lease, or otherwise acquire Units offered for sale, lease or assignment by their owners, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners but only with the consent of a Majority of Unit Owners.

(xv) to purchase Units at foreclosure or other judicial sales, in the name of the Condominium Board or its designee, corporate or otherwise and on behalf of all Unit Owners but only with the consent of a Majority of Unit Owners.

(xvi) to sell, lease, license, mortgage and otherwise deal with Units and Storage Lockers acquired by, and to sublease Units leased by, the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, provided, however, that the Condominium Board or its designees shall in no event be entitled to vote the interest appurtenant to any such Unit.

(xvii) to adopt and amend the Rules and Regulations and to levy and authorize collection of fines against Unit Owners for violations of the Rules and Regulations and these By-laws (any such fines and fees shall be deemed to constitute Common Charges payable by Unit Owners of the Unit against which they are levied).

(xviii) to enforce by legal means the terms, covenants and conditions contained in the Condominium Documents and to bring or defend against any proceedings that may be instituted on behalf of, or against, the Unit Owners.

(xix) to incorporate, to the extent and in the manner provided in the Condominium Act, provided, however, that: (a) the certificate of incorporation and By-laws of any such resulting corporation shall conform as closely as practicable to the terms of the Declaration and these By-laws and (b) the terms of the Declaration and these By-laws shall prevail in the event of any inconsistency or conflict between the terms thereof and the terms of such certificate of incorporation and By-laws.

(xx) to organize corporations to act as the designees of the Condominium Board in acquiring title to, or leasing of, Units and in acquiring rights, titles and interests in real and personal property for use in connection with the ownership and operation of the Property as a condominium.

(xxi) to execute, acknowledge and deliver: (a) any and all declarations (including a declaration of single zoning lot) or other instrument affecting the Property that the Condominium Board deems necessary or appropriate to comply with any law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Building and (b) any consent, covenant, restriction, easement, or declaration affecting the Property that the Condominium Board deems necessary or appropriate.

(xxii) to prepare, execute, acknowledge and record on behalf of all Unit Owners, as their attorney in fact, coupled with an interest, a restatement of the Declaration or these By-laws, whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modification, additions and deletions theretofore made to the same.

(xxiii) to prepare, execute, acknowledge and institute on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, protests of real property tax assessments and tax certiorari proceedings with respect to all Units and to assess any costs incurred thereby as a Common Expense.

(xxiv) to commence summary eviction proceedings in the name of or on behalf of the Condominium Board and/or a Unit Owner or Unit Owners, as the case may be, against an authorized guest and/or a Tenant of a Unit Owner if such authorized guest and/or Tenant does not conform to the Rules and Regulations of the Condominium, annexed hereto as Schedule A, as said Rules and Regulations may at any time and from time to time, be modified, amended or added to in accordance with the terms of these By-laws. All costs in connection with the removal of the authorized guest and/or Tenant, including reasonable attorney's fees, shall be borne by the Unit Owner.

(xxv) to impose move-in fees and charges and transfer fees in connection with the sale or lease of a Unit, provided no such fees or charges or other conditions of transfer or lease may be imposed upon Sponsor.

(xxvii) to carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-laws.

(B) The Condominium Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or occupied by the owner thereof or by a permitted lessee or other permitted occupant.

Section 2.5 *Certain Limitations on the Powers of the Condominium Board.*

(A) Notwithstanding anything to the contrary contained in these By-laws, so long as Sponsor shall continue to own at least 25% in both number and aggregate Common Interests of all Units, but in no event later than 5 years after the First Closing, the Condominium Board may not, without Sponsor's prior written consent:

(i) make any addition, alteration, or improvement to the Common Elements or to any Unit, unless the same shall be required by Law;

(ii) assess any Common Charges or Special Assessments for the creation or replacement of, or the addition to, all or any part of a working capital, reserve, contingency, or surplus fund;

(iii) increase or decrease the number of, or change the kind of employees from those described in the First Years Budget;

(iv) enter into any service or maintenance contracts for work not conveyed by contracts in existence on the date of the First Closing or otherwise contract for work or services in excess of those described the First Year's Budget, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business;

(v) borrow money on behalf of the Condominium; or

(vi) exercise a right of refusal to lease or purchase a Unit.

The written consent of Sponsor shall not be necessary to perform any function or take any action described in clauses (i) through (vi) above, if, and only if, the performance of such function or the carrying out of such action is necessary, and no other alternative is available, to enable the Condominium Board to: (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer.

Section 2.6 *Exercise and Delegation of Powers and Duties.*

(A) Any act within the power of the Condominium Board to perform, and deemed necessary or desirable to be performed by the Condominium Board, shall be performed by the Condominium Board or shall be performed on its behalf and at its direction by the agents, employees, or designees of the Condominium Board.

(B) The Condominium Board may appoint an Executive Committee by duly adopted resolution, which Executive Committee shall have, and may exercise, all of the powers of the Condominium Board, subject to both the exceptions and limitations as the Condominium Board may from time to time deem appropriate, during the intervals between the meetings of the Condominium Board. In addition, the Condominium Board may from time to time appoint, by duly adopted resolutions, such other committees as the Condominium Board may deem appropriate to perform such duties and services as the Condominium Board shall direct, each of which committees shall have, and may exercise, all of the powers delegated to it in its enabling resolution, subject, however, to the exceptions and limitations contained in paragraph (D) of this Section 2.6. The Executive Committee and each other committee shall consist of 3 Members of the Condominium Board.

(C) The Condominium Board may employ a Managing Agent to serve at a compensation approved by the Condominium Board and to perform such duties and services as the Condominium Board shall direct. Subject to the exceptions and limitations contained in paragraph (D) of this Section 2.6, the Condominium Board may delegate to the Managing Agent any of the powers granted to the Condominium Board in these By-laws.

(D) Notwithstanding anything to the contrary contained in this Section 2.6, the Executive Committee and the Managing Agent shall neither have nor be entitled to exercise, and the Condominium Board shall not delegate to either of them or to any other committee, the powers or duties described in subparagraphs (ii), (iv), (v), (vi), (xiii), (xiv), (xv), (xvi) and (xvii) of paragraph (A) of Section 2.4 hereof. In addition, neither the Managing Agent nor any of the committees described in paragraph (B) of this Section 2.6 shall have, or be entitled to exercise, any of the powers of the Condominium Board, except to the extent permitted by Law.

Section 2.7 *Number, Election and Qualification of Members.* Until the first annual meeting of the Unit Owners held pursuant to the terms of Section 4.1 hereof, the Condominium Board shall consist of 3 individuals, all of which are to be designated from time to time by Sponsor. From and after the first annual meeting of the Unit Owners and for so long as Sponsor continues to own at least 1 Unsold Unit, the Condominium Board shall consist of 5 individuals who shall be elected and/or designated in accordance with the terms of these By-laws by the Unit Owners (including Sponsor) (collectively, the "Members"). Except for Members designated by Sponsor pursuant to the terms of this Section 2.7 or of Section 2.10 or 4.9 hereof, all Members of the Condominium Board shall be either: (i) individual Residential Unit Owners or adult family members of an individual Residential Unit Owner; or (ii) individual Permitted Mortgagees; or (iii) officers, directors, shareholders, partners, principals, employees, or beneficiaries of corporations, partnerships, fiduciaries, or any other entities that are Unit Owners or Permitted Mortgagees. After the Initial Control Period, a majority of the Members of the Condominium Board must be owner-occupants of the Building who are unrelated to Sponsor or its principals. In addition, no individual may be elected to serve on the Condominium Board, (nor may continue to serve on the Condominium Board) if the Condominium Board has perfected a lien against such Unit and the amount necessary to release such lien has not been paid at the time of such election, or so long as such lien remains unpaid. In no event may more than one individual of a designated Unit serve on the Condominium Board or as an officer of the Condominium Board at the same time during the term of office.

Section 2.8 *Term of Office of Members.* The term of office of the 3 Members of the Condominium Board designated by Sponsor prior to the first annual meeting of the Unit Owners shall expire when the 5 individuals to be elected and/or designated at such meeting are so elected and qualified or

designated, as the case may be. The term of office of each of the individuals elected and qualified or designated, as the case may be, at the first annual meeting of the Unit Owners pursuant to the terms of Section 4.9 hereof, shall be fixed at 1 year. Notwithstanding anything to the contrary contained in this Section 2.8, however, each Member of the Condominium Board shall serve until a successor shall be elected and qualified or designated, as the case may be.

Section 2.9 *Removal and Resignation of Members.*

(A) Any Member of the Condominium Board who was elected thereto either by the Unit Owners, pursuant to the terms of Section 4.9 hereof, or by the Condominium Board, pursuant to the terms of Section 2.10 hereof, may be removed from office, with or without cause, by a vote of a Majority of Unit Owners. Any Member of the Condominium Board who was designated as such by Sponsor pursuant to the terms of Section 2.7, 2.10, or 4.9 hereof, may be removed, with or without cause, only by Sponsor. If any Member of the Condominium Board who was designated by Sponsor is removed, the successor shall also be designated by Sponsor. Any Member of the Condominium Board whose proposed removal is to be acted upon at a meeting of the Unit Owners shall be given prior written notice thereof and an opportunity to be present and heard thereat.

(B) Any Member of the Condominium Board may resign such Member's membership at any time by giving written notice thereof to the Condominium Board. In addition, any Member of the Condominium Board who shall cease to be qualified for membership pursuant to the terms of Section 2.7 hereof shall be deemed to have resigned such Member's membership effective as of the date upon which such qualification shall cease.

Section 2.10 *Vacancies.*

(A) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a Member who was elected thereto by the Unit Owners shall be filled by an individual who is qualified to be a Member pursuant to the terms of Section 2.7 hereof and who is elected by a vote of the majority of the Members of the Condominium Board elected or designated by the Unit Owners then in office. A special meeting of the Condominium Board shall be held for the purpose of filling any such vacancy promptly after the occurrence thereof, and the election held thereat shall be effective to fill such vacancy even if the number of Members present at such meeting shall not constitute a quorum.

(B) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a Member who was designated as such or elected by Sponsor shall be filled by an individual designated by Sponsor.

(C) Each Member of the Condominium Board who is elected thereto or designated as such to fill a vacancy pursuant to the terms of paragraph (A) or (B), respectively, of this Section 2.10 shall serve as a Member of the Condominium Board for the remainder of the term of the Member replaced and until a successor shall be selected and qualified at the appropriate annual meeting of the Unit Owners pursuant to the terms of Section 4.9 hereof.

Section 2.11 *Organizational Meeting of the Condominium Board.* The first meeting of the Condominium Board following each annual meeting of the Unit Owners shall be held within 10 days of such annual meeting, at such time and place as shall be both fixed informally by a majority of the Members of the Condominium Board and designated by the Secretary in a written notice given to all Members thereof by personal delivery, mail, or telegram not later than five business days prior to such date. At such meeting, the officers of the Condominium Board shall be elected.

Section 2.12 *Regular Meetings of the Condominium Board.* Regular meetings of the Condominium Board may be held at such time and place as shall be determined from time to time by a majority of the Members thereof, provided that at least 4 such meetings shall be held during each fiscal year. Written notice of all regular meetings of the Condominium Board shall be given by the Secretary to each Member thereof by personal delivery, mail, overnight courier, facsimile or e-mail, at least 5 business days prior to the day named for such meeting.

Section 2.13 *Special Meetings of the Condominium Board.* The President may call a special meeting of the Condominium Board whenever the President deems the same to be necessary or desirable. However, the President shall call such a meeting upon the written request of 3 or more Members of the Condominium Board. Written notice of all special meetings shall be given by the Secretary to each Member thereof by personal delivery, mail, overnight courier, facsimile, or e-mail at least 3 business days prior to the day named for such meeting, which notice shall state the time, place and purpose of the meeting.

Section 2.14 *Waiver of Notice of Meetings.* Any Member of the Condominium Board may, at any time, waive notice of any meeting thereof in writing, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Member of the Condominium Board at any meeting thereof shall constitute a waiver by the Member of notice of the time and place thereof. If all of the Members of the Condominium Board are present at any meeting thereof, no notice of such meeting shall be required and any business may be transacted at such meeting.

Section 2.15 *Quorum of the Condominium Board.* A quorum of the Condominium Board is required to be present at a Condominium Board meeting in order to make any determination or to transact any business. To constitute a quorum of the Condominium Board, attendance of a majority of all of the Members of the Condominium Board will be required for any business relating to the Common Elements, the Common Expenses, or all or a portion of the Units.

In connection therewith, one or more Members of the Condominium Board may participate in any meeting thereof by means of a conference telephone or similar communications equipment permitting all individuals participating in the meeting to hear each other at the same time, and such participation shall constitute presence at such a meeting for all purposes. If, at any meeting of the Condominium Board, there shall be less than a quorum present, a majority of the Members of the Condominium Board in attendance may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting originally called but for the lack of a quorum may be transacted without further notice.

Section 2.16 *Conduct of Meetings.* The President shall preside at all meetings of the Condominium Board, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Condominium Board and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure from time to time acceptable to a majority of the Condominium Board, shall govern the conduct of the meetings of the Condominium Board unless the same shall be in conflict with the terms of the Declaration, these By-laws, or the Condominium Act.

Section 2.17 *Decisions by the Condominium Board.* Except as otherwise provided in the Declaration or these By-laws, the vote of a majority of the Members attending a duly constituted meeting of the Condominium Board at which a quorum is present shall decide all matters on behalf of the Condominium Board relating to the Common Elements, the Common Expenses, and all or any portion of the Units.

Alternatively, any decision that is required or permitted to be made by the Condominium Board may be made without a meeting thereof if all of the Members of the Condominium Board shall

individually or collectively consent in writing to such decision, and all such written consents shall be duly filed by the Secretary of the Condominium in the minutes of the Condominium Board.

Section 2.18 *Compensation of Members.* No Member of the Condominium Board shall receive any compensation from the Condominium for acting as such.

Section 2.19 *Common or Interested Members of the Condominium Board.* Each Member of the Condominium Board shall perform duties, and shall exercise powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by Law, no contract or other transaction between the Condominium Board and either (i) any of its Members or (ii) any corporation, partnership, fiduciary, firm, association, or other entity in which any of the Members of the Condominium Board are officers, directors, employees, partners, fiduciaries, beneficiaries, or principals, or are otherwise interested, pecuniarily or otherwise, shall be deemed either void or voidable because either (a) any such Member of the Condominium Board was present at the meeting or meetings of the Condominium Board during which such contract or transaction was discussed, authorized, approved, or ratified, or (b) the vote of any such Member was counted for such purpose, provided, however, that either: (x) the fact thereof is disclosed to, or known by, the Condominium Board or a majority of the Members thereof and noted in the minutes thereof, and the Condominium Board shall authorize, approve, or ratify such contract or transaction in good faith by a vote of a majority of the entire Condominium Board, less the number of such Members; or (y) the fact thereof is disclosed to, or known by, a Majority of Unit Owners, and a Majority of Unit Owners shall authorize, approve, or ratify such contract or transaction.

Any such Member of the Condominium Board may be counted in determining the presence of a quorum of any meeting of the Condominium Board that authorizes, approves, or ratifies any such contract or transaction, but no such Member shall be entitled to vote thereat to authorize, approve, or ratify such contract or transaction.

Section 2.20 *Indemnification.*

2.20-1 Indemnification of Board Members and Officers.

2.20-1.1 To the extend permitted by Law, the Members of the Condominium Board shall have no personal liability with respect to any contract, act or omission of the Condominium Board or of any Managing Agent or manager in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as set forth in Section 4.13 hereof. Every contract made by the Condominium Board or by the Managing Agent shall state that it is made by the Condominium Board or the Managing Agent, only as agent for all Unit Owners and that the Members of the Condominium Board or the Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners). Any such contract may also provide that it covers the assets, if any, of the Condominium Board. To the extent permitted by Law, the Members of the Condominium Board shall have no liability to Unit Owners except that a Member of the Condominium Board shall be liable for such Member's own bad faith or willful misconduct. All Unit Owners shall jointly and severally, to the extent of their respective interests in their Units and their appurtenant Common Interests, indemnify each Member of the Condominium Board against any liability or claim except those arising out of such Member's own bad faith or willful misconduct. The Condominium Board may contract or effect any other transaction with any Member of the Condominium Board, any Unit Owner, Sponsor or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

2.20-1.2 Neither the Condominium Board nor any Member thereof shall be liable for either:

(i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, the Condominium Board or to be paid for as a Common Expense except

when any such failure or interruption is cause by the acts of bad faith or willful misconduct of the Condominium Board or any Member thereof; or

(ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or the Common Elements and either: (a) caused by the elements, by any Unit Owner, or by any other Person; (b) resulting from electricity, water, snow, or ice that may leak or flow from a Unit or any portion of the Common Elements; or (c) arising out of theft or otherwise.

ARTICLE 3

OFFICERS

Section 3.1 *General.* The principal officers of the Condominium shall be the President, the Vice President, the Secretary and the Treasurer. The Condominium Board may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its discretion may be necessary or desirable. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed, upon the direction of the Condominium Board, by any two officers of the Condominium or by such lesser number of officers or by such other Person or Persons as may be designated from time to time by the Condominium Board.

Section 3.2 *President.* The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and of the Condominium Board. The President shall have all of the general powers and duties that are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York (hereinafter referred to as the "BCL"), including, but not limited to, the power to appoint the members of all committees created by the Condominium Board from amongst the Unit Owners from time to time as the President may decide, in the President's discretion, are appropriate to assist in the conduct of the affairs of the Condominium.

Section 3.3 *Vice President.* The Vice President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act, the Condominium Board shall appoint some other Member of the Condominium Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall be imposed upon the Vice President from time to time by the Condominium Board or by the President.

Section 3.4 *Secretary.* The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Condominium Board shall direct and, in general, shall perform all of the duties that are incident to the office of secretary of a stock corporation organized under the BCL.

Section 3.5 *Treasurer.* The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof, showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Condominium Board or in the name of the Managing Agent in such depositories as may from time to time be designated by the Condominium Board and, in general, shall perform all of the duties incident to the office of treasurer of a stock corporation organized under the BCL.

Section 3.6 *Election, Term of Office and Qualification of Officers.* Each of the officers of the Condominium shall be elected annually by a majority vote of all Members of the Condominium Board taken

at the organizational meeting of each new Condominium Board, and shall serve at the pleasure of the Condominium Board. The President, Vice President, and the Treasurer shall be elected from amongst the Members of the Condominium Board. Such officers need not be Unit Owners and need not have any interest in the Condominium if they are designated by Sponsor. Such officers must be Unit Owners if they are elected by the other Unit Owners. The other officers of the Condominium Board need not be Unit Owners and need not have any interest in the Condominium.

Section 3.7 *Removal and Resignation of Officers.* Any officer of the Condominium Board may be removed from office, with or without cause, by an affirmative vote of a majority of the Members of the Condominium Board. In addition, any officer may resign at any time by giving written notice to the Condominium Board. Finally, if the President, Vice President, or the Treasurer of the Condominium shall cease to be or shall be suspended as a Member of the Condominium Board during their term of office, such officer shall be deemed to have resigned office effective upon the date upon which the membership shall cease.

Section 3.8 *Vacancies.* Any vacancy in an office shall be filled by a majority vote of the Condominium Board at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

Section 3.9 *Compensation of Officers.* No officer of the Condominium shall receive any compensation from the Condominium for acting as such.

Section 3.10 *Indemnification of Officers.* Each officer shall be indemnified as set forth in Paragraph 2.20.

ARTICLE 4

UNIT OWNERS

Section 4.1 *Annual Meetings of the Unit Owners.* The first annual meeting of the Unit Owners shall be held approximately 30 days after the later to occur of (i) the second anniversary of the First Closing; or (ii) the Closing of Title with Purchasers under the Plan to Residential Units representing at least 50% in number of all Units offered for sale. At such meeting, a 5 Member Condominium Board shall be elected, as provided both in this Article 4 and in Article 2 hereof. Thereafter, annual meetings of the Unit Owners shall be held on or about the anniversary date of the first annual meeting. At each such subsequent meeting, the Unit Owners (including Sponsor) shall elect successors to the Members of the Condominium Board whose term of office expires on the day of such meeting and shall transact such other business as may properly come before such meeting.

Section 4.2 *Special Meetings of the Unit Owners.* The President shall call a special meeting of the Unit Owners whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such a meeting signed by Unit Owners having, in the aggregate, not less than 40% of the Common Interests of all Unit Owners. Each such resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to such stated purposes.

Section 4.3 *Place of Meetings.* Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the Borough in which the Property is located as may be designated by the Condominium Board.

Section 4.4 *Notice of Meetings.*

(A) The Secretary of the Condominium shall give notice of each annual or special meeting of the Unit Owners to all Unit Owners then of record entitled to vote at such meeting, which notice shall set forth the purpose, time and place of such meeting. Such notice may be given to any Unit Owner by personal delivery, mail, or telegram addressed to the Unit Owner's address at the Property, not less than 10 nor more than 40 days prior to the day fixed for the meeting. Any Unit Owner may designate an address for the giving of notice other than such Unit Owner's address at the Property by giving written notice thereof to the Secretary of the Condominium not less than 10 days prior to the giving of notice of the applicable meeting.

(B) If the business to be conducted at any meeting of the Unit Owners shall include the consideration of a proposed amendment to the Declaration or to these By-laws, the notice of such meeting shall be mailed to all Unit Owners at least 30 days prior to the day fixed for such meeting and shall be accompanied by a copy of the text of such proposed amendment.

Section 4.5 *Quorum of the Unit Owners*. Except as otherwise provided in these By-laws, the presence, in person or by proxy, of Unit Owners owning Units to which 40% or more of the aggregate Common Interests appertain shall constitute a quorum at all meetings of the Unit Owners. If, at any meeting of the Unit Owners, there shall be less than a quorum present, a majority of the Unit Owners present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

Section 4.6 *Conduct of Meetings*. The President shall preside at all meetings of the Unit Owners, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Unit Owners and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure acceptable to a majority of the Unit Owners present at any meeting, in person or by proxy, shall govern the conduct of the meetings of the Unit Owners, unless the same shall be in conflict with the terms of the Declaration, these By-laws, or the Condominium Act. All votes of the Unit Owners shall be tallied by the persons appointed by the presiding officer of the meeting.

Section 4.7 *Order of Business*. The order of business at all meetings of the Unit Owners shall be as follows:

(A) Roll call;

(B) Proof of notice of meeting;

(C) Reading of the minutes of the preceding meeting (unless waived);

(D) Reports of officers of the Condominium;

(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.

The order of business at meetings of Unit Owners can be adjusted in the sole discretion of the Condominium Board.

Section 4.8 *Voting.*

(A) Subject to the terms of Section 4.9 hereof, each Unit Owner (including Sponsor for so long as Sponsor shall own any Unsold Unit) shall be entitled to cast 1 vote at all meetings of the Unit Owners for each percentage of Common Interest attributable to such Unit Owner's Unit(s).

(B) Notwithstanding the terms contained in paragraph (A) hereof, no Unit Owner may vote at any meeting of the Unit Owners if the Condominium Board has perfected a lien against such Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such meeting. In addition, neither the Condominium Board nor any designee thereof shall be entitled to vote the Common Interest appurtenant to any Unit owned by the Condominium Board or such designee. The Common Interests of all Units whose owners are precluded from voting pursuant to the terms of this paragraph (B) will be excluded when computing the aggregate Common Interests of all Unit Owners for voting purposes.

(C) A fiduciary shall be the voting Member with respect to a Unit owned in a fiduciary capacity. In addition, if 2 or more Persons own a Unit, they shall designate 1 Person amongst them to vote the Common Interest appurtenant to their Unit in a writing given to the Secretary of the Condominium, and the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually vote such Common Interest under 1 ballot without division, and the concurrence of all such Persons shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such Unit shall be counted solely for the purpose of determining whether a quorum is present for such voting.

(D) The owner of any Unit may designate any Person to act as a proxy on such Unit Owner's behalf. The designation of any such proxy shall be made in a written notice both signed and dated by the designator and delivered to the Secretary of the Condominium at or before the appointed time for the meeting(s) during which the same is to be effective. Any such designation shall be revocable at any time upon written notice given to the Secretary of the Condominium; however, no revocation of such designation shall be effective with respect to any votes cast by such proxy prior to the receipt of such revocation notice by the Secretary of the Condominium or, if such revocation is made at a meeting of the Unit Owners during which the Secretary of the Condominium is not in attendance, by the individual acting as the secretary of such meeting, except with respect to the designation of a Permitted Mortgagee to act as the proxy of its mortgagor(s), no designation to act as a proxy shall be effective for a period in excess of 6 months after the date thereof.

Section 4.9 *Election of Members to the Condominium Board.*

(A) When voting for Members of the Condominium Board, each Unit Owner (including Sponsor for so long as Sponsor shall own any Unsold Units) shall be entitled to cast 1 vote for each .0001% of Common Interest attributable to the Unit(s) per Member to be elected. However, nothing contained herein shall be deemed either to permit any Unit Owner to cumulate the votes attributable to the ownership of a Unit in favor of any 1 or more Members to be elected. In addition, the terms of paragraphs (B), (C) and (D) of Section 4.8 hereof shall apply to all elections of Members of the Condominium Board.

(B) All elections of Members of the Condominium Board shall be by written ballot, and each ballot cast shall state: (i) the name of the voting Unit Owner and, if such ballot is cast by proxy, the name of the proxy; (ii) the designation number(s) of the Unit(s) owned by the voting Unit Owner; (iii) the percentage(s) of the Common Interest appurtenant to such Unit(s); and (iv) the names of the candidates for whom such ballot is cast (the number of which names shall not exceed the number of Members to be elected).

Any ballot that is not cast in conformity with this paragraph (B) shall not be counted. All election ballots shall be retained in the records of the Condominium, appropriately segregated by election for a period of 2 years.

(C) Subject to the terms of paragraph (D) of this Section 4.9, all elections of Members of the Condominium Board shall be determined by plurality vote of Unit Owners present, in person or by proxy, at a duly convened meeting.

(D) At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests attributable to the Unsold Units as it sees fit. However, at elections of Members to the Condominium Board held during the Initial Control Period, Sponsor shall have the right to designate 3 of the 5 Members to the Condominium Board, and Sponsor, and all other Unit Owners shall have the right to vote for the remaining Members of the Condominium Board.

Subsequent to the Initial Control Period, and for so long as Sponsor continues to own at least 1 Unsold Unit, Sponsor shall have the right to designate 1 Member to the Condominium Board, and shall have the right to vote its Common Interest attributable to the Unsold Units for the remaining Members of the Condominium Board. There is no restriction on the right of Sponsor to vote for Members of the Condominium Board who are not related to or affiliated with Sponsor.

(E) Within 30 days after the Initial Control Period, 1 of the 3 Members of the Condominium Board who were designated by Sponsor shall resign and their replacements shall be filled by a vote of the Unit Owners (including Sponsor for so long as Sponsor shall own any Unsold Unit) at a special meeting called for such purpose.

Section 4.10 *Action Without a Meeting.* Any action required or permitted to be taken by the Unit Owners at a duly constituted meeting may be taken without such a meeting if the number of Unit Owners sufficient (both in absolute number and aggregate Common Interests whenever applicable) to approve such an action at a duly constituted meeting of the Unit Owners pursuant to the Declaration or to these By-laws consent in writing to the adoption of a resolution approving such action. All written consents given by Unit Owners pursuant to this Section 4.11 shall be retained in the records of the Condominium together with a true copy of the resolutions to which they relate.

Section 4.11 *Title to Units.* Title to any Unit may be taken by any Person or by any two or more Persons as joint tenants, tenants in common, or tenants by the entirety, as may be appropriate. The sale of a Unit to a corporation, partnership, limited partnership, trust or any other entity (including any entity or person entitled to diplomatic or sovereign immunity) shall require the delivery to the Condominium Board or its managing agent at Closing (i) any and all documents as are reasonably requested by the Condominium Board, including without limitation, a personal guaranty, a subjection to jurisdiction, occupancy agreement and escrow agreement; and (ii) an amount equal to the current common charge for such Unit for a period of 2 years, to be held in escrow by the Condominium Board, as security for the faithful observance by such Unit Owner of the terms, provisions and conditions contained in these By-laws.

Section 4.12 *Contractual Liability of Unit Owners.* Every contract made by the Condominium Board, by any officer of the Condominium, or by any superintendent or Managing Agent of the Building shall state (if obtainable and in addition to the limitation of liability of the Members of the Condominium Board and the officers of the Condominium pursuant to the terms of Sections 2.20 and 3.10 hereof, respectively) that the liability of any Unit Owner with respect thereto shall be limited to: (i) such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners in the case of a contract relating to the Common Elements, and (ii) such Unit Owner's interest in the Unit and its Appurtenant Interests, unless otherwise provided by Law.

ARTICLE 5

OPERATION OF THE PROPERTY

Section 5.1 *Maintenance and Repairs.*

(A) Except as otherwise provided in the Declaration or in these By-laws, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary:

(i) in or to any Residential Unit and all portions thereof (including, but not limited to, the interior walls, partitions, ceilings and floors in the Unit, kitchen and bathroom fixtures and appliances, mechanical systems located in the Residential Unit (including HVAC filters and parts), window panes, fireplace and flue, all entrance doors and terrace doors and their frames and saddles, exposed plumbing, gas and heating fixtures and equipment, heating and cooling systems, air conditioning units, lighting and electrical fixtures and any Common Elements incorporated therein pursuant to paragraph (B) of Section 5.8 hereof, but excluding any other Common Elements contained therein) shall be performed by the owner of such Residential Unit at such Residential Unit Owner's sole cost and expense; and

(ii) in or to the General Common Elements (other than any General Common Elements incorporated into one or more Units pursuant to the terms of paragraph (B) of Section 5.8 hereof), and the Parking Spaces, Parking Space Area, Cabana Area, Storage Locker Area and Storage Lockers shall be performed by the Condominium Board and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense;

(iii) in or to the Limited Common Elements and the Cabanas shall be performed (a) by the Condominium Board and the cost and expense thereof will be charged to all Unit Owners as a Common Expense, if involving structural or extraordinary maintenance, repairs, or replacements , including, maintenance, repair or replacement of walkable surfaces in a Cabana (i.e. decking) and pavers on a Terrace (except, if necessitated by the negligent act or omission of a Unit Owner who will then be responsible for the cost and expense of such work), or (b) by the Residential Unit Owner having direct and exclusive access thereto at such Residential Unit Owner's sole cost and expense, if involving painting, decorating and non-structural ordinary maintenance, repairs or replacements (including without limitation, the removal of snow, ice and accumulation of water on any Terrace or Cabana).

Any Apartment Unit Owner having access to a Terrace shall keep such Terrace free of snow, ice and accumulation of water. In order to promote a consistent appearance of the Building from the outside, no Apartment Unit Owner shall be permitted to enclose, erect a greenhouse and/or alter a Terrace appurtenant to an Apartment Unit in such a way that will alter the conformity of the Building, without the prior written approval of the Condominium Board. Additionally, the type, size and quantity of plantings and other installations to be placed on Terraces shall be subject to the prior written approval of the Condominium Board and shall be in compliance with Law and the terms of the Lease.

All obligations and restrictions with respect to the use of a Terrace shall also apply to the use of a Cabana.

Promptly upon obtaining knowledge thereof, each Unit Owner shall report to the Condominium Board or to the Managing Agent any defect or need for repairs for which the Condominium Board is responsible pursuant to the terms hereof. All painting, decorating, maintenance, repairs and replacements performed hereunder or otherwise, whether by or at the behest of a Unit Owner or the

Condominium Board, shall be performed in such a manner as shall not unreasonably disturb or interfere with any Unit Owners or the tenants and occupants of any Units.

(B) Notwithstanding anything to the contrary provided in paragraph (A) of this Section 5.1, if any painting, decorating, maintenance, repairs, or replacements to the Property or any part thereof, whether structural or non-structural, ordinary or extraordinary, are necessitated by the negligence, misuse, or abuse of (i) any Unit Owner, the entire cost and expense thereof shall be borne by such Unit Owner, or (ii) the Condominium Board, the entire cost and expense thereof shall be borne by the Condominium as a Common Expense attributable to all Unit Owners if relating to the Common Elements, except, in all events, to the extent that such cost and expense is covered by the proceeds of any insurance maintained pursuant to the terms of these By-laws. Similarly, each Unit Owner shall be responsible for any and all damage to any Unit or to the Common Elements resulting from such Unit Owner's failure to maintain, repair, or replace the Unit or any portion thereof as required herein.

(C) Each Unit and all portions of the Common Elements shall be kept in first-class condition, order and repair (and free of snow, ice and accumulation of water with respect to any roof, Terrace, or other part of the Property exposed to the elements) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Condominium Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work, including, without limitation, painting, repairs and replacements that is necessary in connection therewith. The Condominium Board shall be responsible for the maintenance and repair of all sidewalks surrounding the Building (including, cleaning and snow and ice removal) as if the sidewalks were General Common Elements. The exterior and interior glass surfaces of all windows located in any Residential Unit shall not be colored or painted by the Unit Owner. All exterior and interior glass surfaces located in any Residential Unit shall be washed and cleaned by the Unit Owner at such Unit Owner's sole cost and expense. The cleaning of the exterior portion of the glass surfaces of all windows must be performed by a professional window washing company. Any replacement of glass windows in any Residential Unit because of breakage or otherwise shall be made by the Unit Owner thereof, each at the sole cost and expense of the Unit Owner (unless such breakage is caused by the Condominium Board or any other Unit Owner, in which event such replacement of glass windows will be at the sole cost and expense of the Condominium Board or such Unit Owner). Notwithstanding the foregoing, prior to the replacement of any glass window the Unit Owner must obtain the prior written approval of the Condominium Board, with respect to the type of replacement windows installed. In addition, the public areas of the Building and those residential areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, as determined by the Condominium Board in its sole discretion, by (i) the Condominium Board, with respect to such parts of the Building required to be maintained by it, and (ii) each Unit Owner, with respect to the interior surfaces of windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to such Residential Unit Owners Unit. To promote a consistent appearance of the Building from the outside, and (x) no Unit Owner shall be permitted to enclose, erect a greenhouse and/or alter a Terrace appurtenant to a Residential Unit, in such a way that will alter the conformity of the Building, without the prior written approval of the Condominium Board. Additionally, the type, size, weight and quantity of plantings and other installations to be placed on Terraces shall be subject to the prior written approval of the Condominium Board and shall be in compliance with Law.

(D) In the event that any Unit Owner, after receipt of written notice from the Condominium Board, fails or neglects in any way to perform any of its obligations with respect to the painting, decorating, maintenance, repair or replacement of its Unit as provided in this Section 5.1 (or of any Common Elements for which such Unit Owner is responsible under the Declaration or these By-laws), the Condominium Board may perform or cause to be performed such painting, decorating, maintenance, repair or replacement unless such Unit Owner, within 5 days after receiving notice of such default by the Condominium Board, cures such default, or in the case of a default not reasonably susceptible to cure within such period, commences and thereafter prosecutes to completion, with due diligence, the curing of such

default. All sums expended and all costs and expenses incurred in connection with the making of any such painting, decorating, maintenance, repair or replacement in such Unit Owner's Unit or to any such Common Element for which such Unit Owner is responsible, together with interest thereon at the rate of 2% per month (but in no event in excess of the maximum rate permitted by Law), shall be immediately payable by such Unit Owner to the Condominium Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

Section 5.2 *Alterations, Additions, Improvements, or Repairs in and to Units.*

(A) Subject to the terms of paragraph (B) of this Section 5.2, no Unit Owner may make any structural alteration, addition, improvement or repair, in or to the Unit or its appurtenant Limited Common Elements without the prior written approval of the Condominium Board. A Cabana Owner may not paint, decorate or alter, the Cabana without the prior written approval of the Condominium Board. Neither a Parking Space nor a Storage Locker may be painted, decorated or altered by the Owner of such Unit. Prior to, and as a condition of, the granting of any such approval, the Condominium Board may, at its sole option, require the Unit Owner to: (i) procure and agree to maintain during the course of such work such insurance as the Condominium Board may reasonably prescribe; and (ii) execute an alteration 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 indemnity referred to in paragraph (D) hereof and the days and hours during which any such work may be done. The Condominium Board shall have the right to approve Unit Owner's contractors and materialmen. The Condominium may impose charges upon the Unit Owner to reimburse the Condominium for architectural, engineering, legal and other fees incurred in reviewing the Unit Owner's request for approval and in monitoring the work performed until completion and a fee payable to the Managing Agent for processing the alteration application.

(B) Notwithstanding anything to the contrary contained in paragraph (A) of this Section 5.2, however, Sponsor shall have the right, pursuant to the terms of Article 12 of the Declaration, to (i) make any alterations, additions, improvements, or repairs in or to any Unsold Unit or its appurtenant Limited Common Elements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, and (ii) subdivide, combine and change the boundary walls of any Unsold Units, all without the approval of the Condominium Board. Notwithstanding the foregoing, all Unit Owners, including Sponsor, prior to the making of any alteration, addition, improvement or repair in or to their respective Unit and its appurtenant Limited Common Elements, if any, must (i) procure and maintain such insurance as the Condominium Board may reasonably require, (ii) indemnify the Condominium Board and the Managing Agent against any liability arising from the work and (iii) comply with Law.

(C) All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with Law. In connection therewith, the Condominium Board shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Unit provided that, with respect to all such work of a structural nature to a Unit or its appurtenant Limited Common Elements (but other than that of the nature described in paragraph (B) hereof), the same was approved by the Condominium Board pursuant to the terms of paragraph (A) hereof.

(D) Neither the Condominium Board nor any Unit Owner (other than the Unit Owner making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to the Unit and appurtenant Limited Common Elements) shall incur any liability, cost, or expense either (i) in connection with the preparation, execution, or submission of the applications referred to in paragraph (C) hereof; (ii) to any contractor, subcontractor, materialperson, architect, or engineer on account of any alterations, improvements, additions, or repairs made or caused to be made by any Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom. Any Unit Owner

making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to the Unit and appurtenant Limited Common Elements, if any, shall agree (in a writing executed and delivered to the Condominium Board, if the Condominium Board shall so request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Condominium Board, the Members of the Condominium Board, the officers of the Condominium, the Managing Agent and all other Unit Owners harmless from and against any such liability, cost and expense.

(E) In addition to the requirements set forth above in this Section 5.2, until a Permanent Certificate of Occupancy is obtained for the Building, no Unit Owner shall make any alterations in or to the Unit without first notifying Sponsor in writing and complying with Sponsor's requirements with respect to the alterations. Such requirements may include, but need not be limited to, the requirements that:

(i) such work not include any change that would result in a delay in obtaining a Temporary or Permanent Certificate of Occupancy for the Building, or any amendment to, or extension of, the Temporary or Permanent Certificate of Occupancy if theretofore issued;

(ii) the Unit Owner post a bond or other similar security that is reasonably acceptable to Sponsor in any amount sufficient (in Sponsor's reasonable judgment) to insure the diligent completion of the work and the filing of any required notices or certificates with all governmental authorities having jurisdiction with respect to such work and the completion of the work;

(iii) such work not be commenced until the Unit Owner causes all required plans, specifications, notices and/or certifications to be filed with all governmental authorities having jurisdiction, procures all required permits and licenses with respect to the same, and delivers copies of all such plans, specifications, notices, certifications, permits and licenses to Sponsor;

(iv) such work be diligently prosecuted to completion in compliance with all plans, specifications, notices and/or certifications and in conformity with all permits and licenses;

(v) Sponsor and its representatives shall be given reasonable opportunity, from time to time, to inspect such work as it progresses;

(vi) promptly after the completion of such work, all necessary inspections and approvals of the work shall be obtained, all necessary notices and/or certifications shall be filed with the appropriate governmental authorities and Sponsor shall be given a copy of all such inspections, approvals, notices and certifications;

(vii) the Unit Owner shall indemnify and hold Sponsor harmless from any cost, expense, claim, or liability arising, directly or indirectly, from such work, including, without limitation, any cost, expense, claim, or liability incurred or suffered by Sponsor due to any violation of Law or due to any delay in obtaining a Temporary or Permanent Certificate of Occupancy for the Building (or any amendment to, or extension of, the Temporary or Permanent Certificate of Occupancy if theretofore issued) as a result of such work or the failure to make all appropriate governmental filings in connection with same; and

(viii) all contractors shall be duly licensed to the extent required by applicable Law and, if required under any contract with any union whose Members are performing services at the Building (including, without limitation, services directly or indirectly at the behest, for the benefit, or for the account of Sponsor, any other Unit Owner, or the Condominium Board), such work shall be performed solely by union members.

If any Unit Owner commences any such alterations in violation of the foregoing terms and conditions, or fails to comply with the reasonable requirements of Sponsor in connection with the alterations, Sponsor shall be entitled to cause such work by the Unit Owner to be halted, including, without limitation, to

cause the Managing Agent to deny access to the Building to the Unit Owner's workers and suppliers, until the Unit Owner complies with the same. During the period until the Unit Owner is permitted hereunder to resume its work, Sponsor shall have the right to perform any and all work in and to the Unit as shall be necessary, in Sponsor's sole judgment, in order to avoid any delay in obtaining a Temporary or Permanent Certificate of Occupancy for the Building (or any amendment to, or extension of, the Temporary or Permanent Certificate of Occupancy), whether or not such work shall be in compliance with the plans and specifications for the work theretofore performed by, or on behalf of, such Unit Owner. The cost and expense of any such work performed by Sponsor shall be borne by such Unit Owner and shall be paid to Sponsor within 15 days of Sponsor's written demand therefore.

Section 5.3 *Alterations, Additions, or Improvements to the Common Elements.* Except as otherwise provided in the Declaration or in these By-laws, all necessary or desirable alterations, additions, or improvements in or to any of the Common Elements shall be made by the Condominium Board, and the cost and expense thereof shall constitute a Common Expense attributable to all Unit Owners, if relating to the General Common Elements and/or Limited Common Elements. Notwithstanding the foregoing, however, whenever the cost and expense of such alterations, additions, or improvements would, in the judgment of the Condominium Board, exceed $500,000 with respect to the General Common Elements and/or the Limited Common Elements, at any one time, in any fiscal year, such proposed alterations, additions or improvements shall not be made unless first approved by the Unit Owners if relating to the General Common Elements, or the Unit Owners, if relating to the Common Elements and/or the Limited Common Elements (including Sponsor if Sponsor then owns any Unsold Unit) owning 66 2/3% of the aggregate Common Interests at a duly constituted meeting of the Unit Owners or the Unit Owners, as applicable, and by the Mortgage Representatives, if any. Except as otherwise provided in the Declaration and in these By-laws, all such alterations, additions, or improvements costing $500,000 or less, in any fiscal year may be made as aforesaid without the approval of either the Unit Owners or any Mortgage Representatives. Notwithstanding the foregoing, no additions, alterations, or improvements shall be made to any of the Common Elements, regardless of the cost thereof, unless the prior written consent of Sponsor is first obtained, provided, however, that Sponsor's written consent is not necessary if such additions, alterations, or improvements to the Common Elements is required to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's issuer. In no event will the limitations imposed in the preceding sentence continue beyond the earlier to occur of (i) 5 years from the First Closing or (ii) until such time as Sponsor no longer owns at least 25% in both number and aggregate Common Interests of all Units.

Section 5.4 *Insurance.*

(A) If the same shall be obtainable, the Condominium Board shall obtain, and shall maintain in full force and effect, special multi-peril insurance policies including fire with extended "all risk" coverage, replacement cost coverage and agreed valuation, vandalism and malicious mischief endorsements, insuring the entire Building (other than the space defined by the dimensions of the Units and any appliances, fixtures, improvements or any furniture, furnishings, decorations, belongings, or other personal property contained therein) together with all service machinery contained therein and covering the interests of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their respective interest may appear. Each of the said policies shall contain:

(i) waivers of (a) subrogation, (b) any defense based upon co-insurance or other insurance, (c) invalidity arising out of any acts of the insured, and (d) pro-rata reduction of liability;

(ii) a provision that any adjustment of loss will be made by the Condominium Board and that all proceeds thereof shall be paid to either the Condominium Board or the Insurance Trustee, as provided in Section 5.5 hereof.

(iii) a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee set forth in subparagraph (ii) above and in Section 5.5 hereof; and

(iv) a provision that such policy may not be either canceled or substantially modified except upon at least 30 days prior written notice to the Condominium Board and all insureds who may have requested such notice, including Permitted Mortgagees.

Duplicate originals or certificates of insurance of all such policies and of all renewals thereof, together with proof of payment of premiums, shall be on file at the office of the Managing Agent. Copies thereof shall be delivered to any Unit Owner or Permitted Mortgagee on written request thereof.

(B) The Condominium Board shall also obtain and maintain, to the extent it deems practicable:

(i) comprehensive general liability insurance, covering all claims for personal injury or property damage arising out of any occurrence on the Property and listing as co-insureds (a) the Condominium Board and each Member thereof, (b) the Managing Agent or manager (if any), (c) each officer and employee of the Condominium and (d) each Unit Owner (except, however, that such insurance shall not cover any liability of a Unit Owner arising from occurrences within the own Unit or its Limited Common Elements, if any);

(ii) rent insurance;

(iii) worker's compensation and New York State disability benefits insurance;

(iv) boiler and machinery insurance;

(v) water damage insurance;

(vi) officers and directors liability insurance;

(vii) fidelity insurance and bonds covering all officers, directors and employees of the Condominium and Managing Agent;

(viii) plate glass insurance;

(ix) elevator liability and collision insurance;

(x) commercial umbrella insurance; and

(xi) such other insurance as the Condominium Board shall from time to time determine.

Each of the aforementioned policies of insurance shall also cover cross-liability claims of one insured against another.

(C) All policies of insurance to be maintained by the Condominium Board shall contain such limits as the Condominium Board shall from time to time determine, provided, however, that:

(i) with respect to insurance policies maintained by the Condominium Board pursuant to paragraph (A) hereof, the coverage shall be in an amount equal to not less than 80% of the full replacement cost of the Building, exclusive of footings and foundations, without deduction for

depreciation, as approved by a fire insurance company, a qualified insurance broker, or another qualified source;

(ii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (i) of paragraph (B) hereof, such policies shall contain single limits of not less than $1,000,000 in the aggregate; and

(iii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (ii) of paragraph (B) hereof, the coverage shall be in an amount equal to the aggregate of all of the Unit Owners' Common Charges for one year.

Any insurance policies maintained by the Condominium Board may also provide for such deductible amounts as the Condominium Board shall determine. The Condominium Board shall review the limits of each insurance policy, as well as the amount of any deductible sum thereunder, at least once each year.

(D) The cost of all insurance maintained by the Condominium Board pursuant to this Section 5.4, together with the fees and disbursements of any Insurance Trustee appointed by the Condominium Board pursuant to the terms of these By-laws, shall be borne by the Unit Owners as a Common Expense.

(E) Unit Owners are required to carry other insurance, at their expense, in amounts determined by the Condominium Board in its sole discretion, insuring the contents of their Units and their respective Limited Common Elements and liability insurance with respect to acts occurring therein. All such policies shall contain waivers of subrogation and provide that the liability of the carriers issuing the insurance maintained by the Condominium Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner. All such certificates of insurance shall name the Condominium Board, the Condominium and Sponsor as additional insureds.

Section 5.5 *Casualty or Condemnation.*

(A) In the event that either (i) the Building or any part thereof is damaged or destroyed by fire or other casualty ("Casualty Loss") or (ii) the General Common Elements and/or Limited Common Elements, or any part thereof is taken in condemnation or by eminent domain ("Taking"), the net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the terms of Section 5.4 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable either to the Condominium Board, if the same shall be $1,000,000 or less in the aggregate, or to the Insurance Trustee, if the same shall exceed $1,000,000 in the aggregate. In either instance, all such monies actually received ("Trust Funds") shall be held in trust for the benefit of all Unit Owners, with respect to the portion thereof allocated to a Casualty Loss to or Taking of the General Common Elements and the Units, and for the benefit of all Unit Owners with respect to the portion thereof allocated to a Casualty Loss to or Taking of the Common Elements, the Limited Common Elements and the Units, and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section 5.5. Notwithstanding anything to the contrary contained either in this paragraph (A) or elsewhere in this Section 5.5, however, no Unit Owner whose Unit, its appurtenant Limited Common Elements, if any, or any portion thereof are taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements are contemporaneously taken) shall be deemed to have waived whatever rights that the Unit Owner may have to pursue a separate claim against the condemning authority by reason thereof.

(B) Subject to the terms of paragraph (D) hereof, the Condominium Board shall arrange for the prompt repair or restoration ("Work") of: (i) in the event of a Casualty Loss, the portion(s) of the Building (including all Units and the bathroom and kitchen fixtures installed therein on the date of recording the Declaration and all service machinery contained therein, but not including appliances, fixtures,

improvements made therein by a Unit Owner, or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by either Unit Owners or the tenants of Unit Owners) affected by such Casualty Loss, or (ii) in the event of a Taking, the portion(s) of the Common Elements or the Units affected by such Taking. If, pursuant to the immediately preceding sentence, Work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements, or any combination of the foregoing, the Work shall be performed to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units and then in or to the balance of the Common Elements. Each Unit Owner whose Unit, its appurtenant Limited Common Elements, if any, or any portion thereof, shall be the subject of all or part of any Work shall have the right subject to the terms of Section 5.2 hereof, to supervise any redecorating of the Unit or of such Limited Common Element, if any.

(C) In the event that Work shall be performed pursuant to the terms of paragraphs (B) and (D) of this Section 5.5, the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the Trust Funds to the contractors engaged in the Work in appropriate progress payments. If the Trust Funds shall be less than sufficient to discharge the cost and expense of performing the Work, the Condominium Board shall levy a Special Assessment against all Unit Owners for the amount of such deficiency in proportion to their respective Common Interests, for Work to the General Common Elements and against all Unit Owners, and all proceeds of such Special Assessment shall become part of the Trust Funds. If, conversely, the Trust Funds shall prove to be more than sufficient to discharge the cost and expense of performing the Work, such excess shall be paid to all Unit Owners in proportion to their respective Common Interests, with respect to Work to the Common Elements, except that no payment shall be made to a Unit Owner until there has first been paid, out of such Unit Owner's share of such excess, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens. Notwithstanding the foregoing, however, in the event that the Unit Owners are assessed pursuant to the terms of the second sentence of this paragraph (C) for any projected deficiency in the amount of the Trust Funds available to the Condominium Board and, after the payment of all costs and expenses incurred in connection with the Work, any portion of the Trust Funds remaining unspent, such excess Trust Funds shall, to the extent of such Special Assessment, be deemed to be, and shall constitute, an unspent Special Assessment and shall be paid to the Unit Owners so assessed in proportion to their respective Common Interests, with respect to Work to the Common Elements, free of any claim of any lienor (including without limitation, any Permitted Mortgagee).

(D) If either 75% or more of the Building is destroyed or substantially damaged by fire or other casualty or 75% or more of the Common Elements are taken in a Taking, the Work shall not be performed unless 75% or more of all Unit Owners (including Sponsor if Sponsor shall then own any Units), in aggregate Common Interests, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of paragraphs (B) and (C) hereof. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interest, to the extent allocated to destroyed or damaged portions of the General Common Elements and to all Unit Owners in proportion to their respective Common Interest, to the extent allocated to destroyed or damaged portions of the Units or the Common Elements or the Limited Common Elements, except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to pay off any Permitted Mortgage and other unpaid liens on the Unit Owner's Unit in the order of priority of such liens.

(E) In the event that the damage resulting from a Casualty Loss shall (i) render one or more Units wholly or partially unusable for the purposes permitted and in the Declaration or (ii) destroy the means of access to one or more Units, the installments of Common Charges otherwise payable by the owner of any Unit so affected thereby shall proportionately abate until such Unit shall again be rendered usable for

such purposes and/or until the means of access thereto shall be restored, as the case may be. Notwithstanding the foregoing, however, if such Casualty Loss shall be caused by the act, the omission to act, or the negligence of the owner of a Unit so affected thereby, by a Family Member of such Unit Owner, or by a tenant or other occupant of such Unit, such installments of Common Charges shall abate only to the extent of any proceeds of rent insurance actually collected by the Condominium Board with respect to such Unit.

(F) If (i) a portion of any Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of paragraph (D) hereof, the Common Interest appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit and its appurtenant Limited Common Elements, if any, after such Taking bears to the total floor area of such Unit and its appurtenant Limited Common Elements, if any, prior to such Taking. The Condominium Board shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest appurtenant to such Unit, which amendment shall be executed by the owner of such Unit together with the holders of record of any liens thereon (or, in lieu of execution by such Unit Owner and lienors, the same may execute a consent to such amendment in recordable form). Following the Taking of a portion of a Unit and the recording of the aforementioned amendment to the Declaration, the votes appurtenant to such Unit shall be based upon the new Common Interest of such Unit, and, in the event of a Taking of an entire Unit, the right to vote appurtenant to such Unit shall wholly terminate. In either event, the Common Interests of the other remaining Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Condominium Board and the owners of all of the other or remaining Units together with the holders of the Permitted Mortgages.

(G) As used in this Section 5.5, the terms:

(i) "Prompt repair or restoration" shall mean that the Work is to be commenced not more than either: (a) 60 days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds sufficient to discharge the estimated cost and expense of the Work, or (b) 90 days after the date upon which the Insurance Trustee notifies the Condominium Board that it has received Trust Funds insufficient to discharge the estimated cost and expense of the Work, or (c) in the event that the Trust Funds are payable to the Condominium Board pursuant to the terms of paragraph (A) of this Section 5.5, 60 days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work;. In the event there are insufficient Trust Funds to discharge the estimated cost and expense of the Work, the Condominium Board shall levy a Special Assessment for the amount of such deficiency in accordance with paragraph (C) of this Section 5.5; and

(ii) "Promptly resolve" shall mean that a resolution shall be duly made not more than 60 days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds and that the same are or are not sufficient to discharge the estimated cost and expense of the Work, as the case may be.

(H) Any dispute that may arise under this Section 5.5 between Unit Owners or between any Unit Owner(s) and the Condominium Board shall be resolved by arbitration pursuant to the terms of Article 10 hereof.

Section 5.6 *Use of the Property.*

(A) No nuisance shall be allowed on the Property, nor shall any use or practice be allowed that either is a source of annoyance to its residents or interferes with the peaceful possession or proper use of the Property by its residents or occupants. No immoral, improper, offensive, or unlawful use shall be made of the Property or any portion thereof, and all valid Laws relating to any portion of the Property

shall be complied with at the sole cost and expense of the respective Unit Owners or the Condominium, whoever shall have the obligation to maintain or repair such part of the Property.

(B) Nothing shall be done or kept in any Unit or in any of the Common Elements that would increase the rate of insurance for the Property, except upon the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements that will result in the cancellation of insurance on the Property or the contents thereof, or that would be in violation of any Law. No waste shall be committed in the Common Elements.

(C) Nothing shall be done in any Unit or in, on, or to the Common Elements that will impair the structural integrity of the Property or will structurally change the Building, except as is otherwise provided in the Declaration or in these By-laws. In no event shall interior partitions contributing to the support of any Unit or the Common Elements be altered or removed.

Section 5.7 *Use of the Units.*

(A) In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of Units shall be restricted to, and shall be in accordance with, the terms contained in the balance of this Section 5.7.

(B) Subject to the terms of paragraphs (C) and (D) of this Section 5.7, each Residential Unit shall be used for residential use only and not more than one family may occupy a Residential Unit at any one time. A Residential Unit owned or leased by an individual, corporation, partnership, limited liability company, fiduciary, or any other entity (including, but not limited to, any federal or state agency, any foreign government and any embassy, consulate or other official representative thereof) may (unless the Condominium Board otherwise consents in writing) by such individual, or by an individual officer, director, stockholder, or employee of such corporation, or by an individual partner or employee of such partnership, or a member of such limited liability company, or by such individual fiduciary (including directors, officers, stockholders, or employees of corporate fiduciaries and partners or employees of partnership fiduciaries), or by an individual beneficiary of said fiduciary, or by an individual principal or employee of such other entity, respectively, or by Family Members and guests of any of the foregoing (and nothing herein contained shall be deemed to prohibit the exclusive occupancy of any such Residential Unit by such Family Members). Notwithstanding the foregoing, Sponsor (with respect to the Unsold Residential Units) or the Condominium (with respect to sold Residential Units) may, in their sole discretion, permit Persons other than those set forth above to occupy a Residential Unit. In no event, however, shall a portion of a Residential Unit (as opposed to the entire Residential Unit) be sold, conveyed, leased, or subleased.

(C) The Condominium Board may, in its sole discretion, consent to the use of a Residential Unit as a professional or business office or for any purpose other than that set forth in paragraph (B) hereof, provided that the nature and manner of such use complies with Law and does not violate the Temporary or Permanent Certificate of Occupancy covering the Building. Any such consent shall be in writing and shall be personal to such Residential Unit Owner. Any lessee of, or successor in title to, such Residential Unit Owner shall be required to obtain the prior written consent of the Condominium Board before using such Residential Unit for any purpose other than that set forth in paragraph (B) hereof.

(D) Notwithstanding anything to the contrary contained in this Section 5.7, Sponsor may, without the consent of either the Condominium Board or the Unit Owners:

(i) grant permission for the use of any Unsold Residential Unit as a professional or business office or for any other purpose, provided that the nature and manner of such use complies with Law and the user thereof complies with all applicable governmental regulations; and

(ii) use any one or more Unsold Residential Unit as model Units and offices for the sales promotion, rental, management and operation of the Unsold Units or for any other purpose, subject only to compliance with Law.

Section 5.8 *Use of the Common Elements.*

(A) Subject to the terms of paragraphs (B) and (C) of this Section 5.8, the Common Elements (including, without limitation, the electrical, heating, gas, plumbing and other mechanical systems and equipment of the Building and the Facilities) may be used only for the furnishing of the services and facilities, and for the other uses, for which they are reasonably suited and capable. In addition, no furniture, packages, or objects of any kind shall be kept in the lobbies, vestibules, public halls, stairways, public elevators, or any other part of the Common Elements (except for those areas designated as Ancillary Unit Areas) without the prior written consent of the Condominium Board. The courtyard connecting the North Tower and South Tower shall be used only for normal passage between the North Tower and South Tower and no recreation, loitering or congregating will be allowed there. Landscaped areas will be maintained for viewing only. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them. Accordingly, all Unit Owners shall require their tradesperson to utilize exclusively the elevator and entrance designated by the Condominium Board for transporting packages, merchandise, or other objects.

(B) The owner or owners of any 2 or more Residential Units, which Residential Units are the only Residential Units serviced or benefited by any General Common Element adjacent or appurtenant to such Residential Units (for example, that portion at the end of any residential hallway that is directly adjacent to any such Residential Units located on opposite sides of such hallway) shall, with the consent of the Condominium Board (which consent shall not be unreasonably withheld or delayed), have the right to use such General Common Elements exclusively, as if it were a part of such Residential Units (including the right, in the above example of a portion of a hallway, to enclose such portion), and no amendment to the Declaration or reallocation of Common Interests shall be made by reason thereof. In such event, however, such owner or owners shall, at such owner's or their sole cost and expense, both (i) operate, maintain and repair such General Common Element for so long as such owner or owners exercise such exclusive right of use and (ii) restore such General Common Element to its original condition, reasonable wear and tear excepted, after such owner or owners cease to exercise such exclusive right of use.

(C) The terms of paragraph (A) of this Section 5.8 shall not apply to Sponsor for so long as there are any Unsold Units. Sponsor shall have the right, without charge or limitation, to: (i) erect and maintain signs, of any size or content determined by Sponsor on or about any portion of the Common Elements chosen by Sponsor including, the area adjacent to the main entrance of the Building; (ii) have its employees, contractors, subcontractors and sales agents present on the Property; and (iii) do all things necessary or appropriate, including the use of the Common Elements (such as lobbies, corridors and the like), to sell, lease, manage, or operate Unsold Units, to complete any work or repairs to the Building expressly undertaken by Sponsor and to comply with Sponsor's obligations under the Plan and the Condominium Documents. In no event, however, shall Sponsor be entitled to use any Common Elements in such a manner as will unreasonably interfere with the use of any Unit for its permitted purposes.

Section 5.9 *Use of the Ancillary Units*

(A) A Cabana may only be used for passive recreational use only such as lounging or sunbathing. Gas and water hook-ups are available in the Cabana so that Residential Unit Owners can prep food and barbeque. Sponsor, however, shall have the right to use any Cabana owned by Sponsor for any purpose permitted by Law or to change the permitted use of a Cabana owned by Sponsor, subject to the provisions of the By-Laws. Except for Sponsor, no Cabana may be owned independently of a Residential Unit.

(B) A Parking Space may be used for the parking of automobiles and motorcycles only. Sponsor, however, shall have the right to use any Parking Space owned by Sponsor for any purpose permitted by Law or to change the permitted use of any Parking Space owned by Sponsor, subject to the provisions of the By-Laws. Parking Spaces may be owned independently of a Residential Unit.

(C) A Storage Locker may be used only for the storage of personal effects of a Residential Unit Owner, and in no event shall any food or other perishable item, or any flammable or explosive item, or any item which would impose a health or safety threat or cause a nuisance, be stored therein. Sponsor shall have the right to use any Storage Locker owned by Sponsor for any purpose permitted by Law or to change the permitted use of any Storage Locker, owned by Sponsor subject, however, to the provisions of the By-laws. Except for Sponsor, no Storage Locker may be owned independently of a Residential Unit.

(D) The Condominium Board has the authority to promulgate additional rules regarding the use of and access to the Ancillary Units and Ancillary Unit Areas.

(E) Sponsor may, without the consent of either the Condominium or the Unit Owners, use any Unsold Ancillary Unit for any purpose, provided such use is permitted by Law.

Section 5.10 *Rights of Access.*

(A) Each Unit Owner shall grant to the Condominium Board, to the Managing Agent or manager (if any), to the superintendant or to any other Person authorized by any of the foregoing a right of access (including the right of forced entry if required in the discretion of the party seeking such entry) to the Unit and its appurtenant Limited Common Elements, if any, and any Ancillary Unit and Ancillary Unit Area for the purposes of:

(i) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property;

(ii) curing defaults hereunder or under the Declaration or violations of the Rules and Regulations committed by such Unit Owner or correcting any conditions originating in the Unit and threatening another Unit or all or a portion of the Common Elements;

(iii) performing maintenance, installations, alterations, repairs, or replacements to the structural elements, mechanical or electrical services, or other portions of the Common Elements located within the Unit or elsewhere in the Building;

(iv) reading, maintaining, or replacing utility meters relating to the Common Elements, to the Unit, or to any other Unit; or

(v) correcting any condition that violates the provisions of any Permitted Mortgage encumbering another Unit.

Except in cases of emergency (that is, a condition requiring repairs or replacement immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals, or required to avoid the suspension of any necessary service in the Building), the foregoing rights of access shall be exercised only upon not less than 1 day's advance notice and only in such a manner as will not unreasonably interfere with the use of the Units and their appurtenant Limited Common Elements for their permitted purposes. In cases of emergency, however, such rights of access may be exercised immediately, without advance notice and whether or not the Unit Owner is present.

(B) Each Unit Owner shall grant a right of access to the Unit and its appurtenant Limited Common Elements, if any, and the Condominium Board shall grant rights of access to the General Common Elements, to Sponsor and its contractors, subcontractors, agents and employees for the purpose of fulfilling Sponsor's obligations as set forth in the Plan or in any amendment thereto, provided that access thereto shall not be exercised, with respect to any Unit and its appurtenant Limited Common Elements, if any, in such a manner as will unreasonably interfere with the use of such Unit and its appurtenant Limited Common Elements, if any, for their permitted purposes.

(C) Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for the purpose of fulfilling Sponsor's obligations under the Plan and performing certain alterations and repairs in or about the Units and the Common Elements. Sponsor will use reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes. If reasonable care under the circumstances is exercised to safeguard the Unit Owner's property, such entry shall not render Sponsor or its authorized agents liable for any damage to the Unit or to the personal property or fixtures contained therein.

Section 5.11 *Modification of the Rules and Regulations.* The Condominium Board shall have the right to amend, modify, add to, or delete any of the Rules and Regulations from time to time, provided, however, that any such amendment, modification, addition, or deletion may be overruled by a vote of at least 66 2/3% of all Unit Owners, in number and Common Interest. Copies of the text of any amendments, modifications, additions, or deletions to the Rules and Regulations shall be furnished to all Unit Owners not less than 30 days prior to the effective date thereof. Notwithstanding the foregoing, the Condominium Board shall not have the right to amend, modify, add to, or delete any of the Rules and Regulations if the same would materially and adversely affect Sponsor without the prior written consent of Sponsor.

Section 5.12 *Real Estate Taxes.* Unless and until real estate taxes are billed directly to Unit Owners by the City Collector, the Condominium Board shall promptly pay such taxes as a Common Expense. In the event of a proposed sale of any Unit, the Condominium Board (for so long as the Condominium Board is still paying such real estate taxes) shall, upon the written request of the selling Unit Owner, execute and deliver to the purchaser of such Unit, or to such purchaser's title company, a letter agreeing to promptly pay all such real estate taxes affecting such Owner's Unit to the date of the Closing of Title to such Unit.

Section 5.13 *Fuel.* Unless and until fuel is billed directly to Unit Owners by the supply company, in accordance with and subject to the provisions of the Plan, the cost and expense of fuel (for heating and cooling) serving or benefiting any Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Unit and/or Common Element, (ii) determined by the Condominium Board, (iii) paid by the Condominium Board, and (iv) charged to the Unit Owners as a Common Expense for such portion attributable to the Units and/or the General Common Elements and/or the Limited Common Elements. In the event there is a particular or unique use being made of a Unit and/or Common Element, the Condominium Board shall cause a new survey to be made the cost of which shall be borne by the Unit Owners as a Common Expense.

Section 5.14 *Water Charges and Sewer Rents.* Unless and until water is separately metered in a Unit and water charges and sewer rents are billed directly to a Unit Owner by the City Collector, in accordance with and subject to the provisions of the Plan, the cost and expense of water serving or benefiting a Unit and/or Common Element shall be: (i) considered part of the expense of maintaining such Unit and/or Common Element, (ii) determined by the Condominium Board, (iii) paid by the Condominium Board, and (iv) charged to the Unit Owners as a Common Expense for such portion attributable to the Units and/or the General Common Elements and/or the Limited Common Elements. In addition, the cost of submetering shall be a Common Expense.

Section 5.15 *Electricity.*

(A) Electricity for each Unit shall be either individually direct metered or submetered for each Unit (or portion thereof).

(B) If individually direct metered, each Unit Owner shall be required to pay the billing utility directly for electricity consumed in such Unit Owner's Unit (or portion thereof) and in the Limited Common Elements to which such Unit has exclusive access.

(C) If the Units are submetered, each Unit Owner shall be required to pay bills for electricity consumed in such Unit Owner's Unit either to the Condominium Board or to the utility company or to the servicing company engaged by the Condominium Board to perform such services all at the direction of the Condominium Board. The Common Expenses shall include fees for administering and servicing the submeters. In the event that a Unit Owner fails to pay for its submetered electricity, the Condominium Board shall be responsible to pay such expense on the Unit Owner's behalf and such electricity charges shall be deemed Common Charges allocable to the defaulting Unit Owner and the Condominium Board shall have a lien for non-payment of the expense as provided in Article 6.4 of these By-laws.

(D) Electricity for the Common Elements shall be supplied through one or more separate meters therefore and the cost thereof will be paid by the Condominium Board and will be borne by the Unit Owners as Common Charges. In addition, the cost of submetering shall be a Common Expense.

(E) Any disputes with respect to submetering rates and billing must be submitted to Arbitration pursuant to Article 10 of these By-laws."

Section 5.16 *Record and Audits.*

(A) The Treasurer of the Condominium, or the Managing Agent under the supervision of such Treasurer, shall keep full, detailed and accurate records and books of account with respect to the financial affairs of the Condominium, which records and books of account shall include, without limitation, (i) a listing of all receipts of and expenditures by the Condominium Board and the Managing Agent and (ii) a separate listing for each Unit, setting forth, among other things, the amount of each assessment of Common Charges and Special Assessments levied against such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid, as well as all Permitted Mortgages having an interest in such Unit.

(B) Within 4 months after the end of each fiscal year of the Condominium, the Condominium Board shall submit to each Unit Owner, and, if so requested, to any Permitted Mortgagee, an annual report of the receipts and expenditures of the Condominium prepared and certified by an independent certified public accountant. The cost of preparing and distributing each such report shall be borne by the Condominium Board as a Common Expense. The fiscal year of the Condominium shall be a calendar year.

ARTICLE 6

COMMON CHARGES

Section 6.1 *Determination of Common Expenses and Fixing of Common Charges.*

(A) From time to time, but not less frequently than once a year, the Condominium Board shall: (i) prepare and adopt a budget for the Condominium, subject, in all respects, to the strictures set forth in Section 2.5 hereof; (ii) determine the aggregate amount of Common Charges necessary to be charged to the Unit Owners in order to meet the Common Expenses; and (iii) allocate and assess such Common Charges amongst the Unit Owners in accordance with allocations set forth in the First Year's Budget. The Condominium Board shall advise all Unit Owners promptly thereafter in writing of the amount of Common

Charges payable by each of them, not later than 10 days prior to the date upon which the first installment of newly-determined Common Charges is due, shall furnish copies of the budget (in a reasonably itemized form) upon which such Common Charges are based to all Unit Owners and to their respective Permitted Mortgagees whenever requested in writing by such Permitted Mortgagees. The Condominium Board may, subject to paragraph (E) of this Section 6.1, at its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owners and may modify its prior determination of the Common Expenses for any fiscal year so as to increase or decrease the amount of Common Charges payable for such fiscal year or portion thereof; however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination. Notwithstanding the foregoing, however, the Condominium Board shall not reduce the Common Charges payable during any fiscal year occurring within the Initial Control Period solely as a result of either reducing the number of employees of the Condominium below the number employed (or anticipated in the First Year's Budget) for the Property on the date of recording the Declaration except with Sponsor's prior written consent, or eliminate or reduce the insurance coverage below that provided for the Property on such date, except with the concurrence of a majority of the Members of the Condominium Board elected by Unit Owners other than Sponsor. All Unit Owners will be given a copy of the proposed annual budget of the Condominium at least 10 days prior to the date set for adoption thereof by the Condominium Board.

(B) The failure or delay of the Condominium Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses shall be made.

(C) In addition to the foregoing duty to determine the amount of and assess Common Charges, the Condominium Board shall have the right, subject, in all respects, to the strictures contained in Section 2.5 hereof, to levy Special Assessments to meet the Common Expenses. All Special Assessments relative to the Common Elements shall be levied against all Unit Owners in proportion to their respective Common Interests. Special Assessments relating to the Ancillary Units shall be levied solely against all Unit Owners owning such Ancillary Units. Special Assessments may be payable either in one lump sum or in installments, as the Condominium Board shall determine, provided, however, that the Condominium Board shall give each Unit Owner not less than 15 days' written notice prior to the date upon which such Special Assessment, or the first installment thereof, shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Condominium Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges (including, without limitation, the provisions of Section 6.5 hereof).

(D) The excess of all rents, profits and revenues derived from the rental or use of any space forming a part of, or included in, any, General Common Element remaining after deduction of all expenses incurred in connection with generating the same shall constitute income of the Unit Owners and shall be collected on behalf of the Unit Owners by the Condominium Board and applied against the Common Expenses attributable to the General Common Elements or the Limited Common Elements for the fiscal year in which collected. In the event that such net rents, profits and revenues, together with the Common Charges and any Special Assessments collected from the Unit Owners, for any year of operation shall exceed the Common Expenses for such year, then such excess shall be applied by the Condominium Board against the Common Expenses attributable to the General Common Elements or the Limited Common Elements depending on whether the excess relates to the General Common Elements or the Limited Common Elements for the next succeeding year(s) of operation. No Unit Owner shall be entitled to a distribution of any portion of such excess unless the Condominium Board shall determine to distribute all or part of such excess to all

Unit Owners pro-rata, in proportion to their respective Common Interests, or Limited Common Interests, as appropriate, and any such distributions must be made out of the Common Charges collected from Unit Owners.

Section 6.2 *Payment of Common Charges*

(A) All Unit Owners (including Sponsor with respect to Unsold Units for so long as the same are owned thereby) shall be obligated to pay Common Charges and Special Assessments assessed by the Condominium Board pursuant to the terms of Section 6.1 hereof at such time or times (but not less than annually) as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, Common Charges shall be payable in installments on the first day of every month in advance. To the extent permitted by Law, the Condominium Board shall have a lien on each Unit, on behalf of all Unit Owners, for unpaid Common Charges and Special Assessments assessed against such Unit. Such lien, however, shall be subordinate, to the extent required by Law, to any liens for real estate taxes assessed against such Unit and any sums unpaid on a Permitted Mortgage recorded against the Unit.

(B) Notwithstanding anything to the contrary contained in paragraph (A) above, during the Initial Control Period, the Condominium Board, in its sole discretion, shall have the right to waive Unit Owner's obligations to pay Common Charges from and after the First Closing for a period to be determined by the Condominium Board, provided during such period, the basic operating costs of the Condominium (exclusive of reserves) are paid from the Working Capital Fund and any balance by Sponsor.

(C) No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessments assessed against the Unit subsequent to a sale, transfer, or other conveyance by Unit Owner of such Unit, together with its Appurtenant Interests, made in compliance with the terms of Article 7 hereof. A purchaser or other successor-in-title to the owner of a Unit shall be liable for the payment of all Common Charges and any Special Assessments accrued and unpaid against such Unit prior to such purchaser's acquisition thereof, except that, to the extent permitted by Law, a Permitted Mortgagee acquiring title to a mortgaged Unit or a purchaser at a mortgage foreclosure sale held with respect to a Permitted Mortgage shall not be liable, and such mortgaged Unit shall not be subject to a lien, for the payment of any Common Charges and Special Assessments assessed subsequent to the recording of such Permitted Mortgage and prior to the acquisition of title to such Unit by the Permitted Mortgagee or by such purchaser. However, in the event of a foreclosure of a Permitted Mortgage (whether by sale, deed in lieu of foreclosure, or otherwise), the defaulting Unit Owner shall remain fully liable for the payment of all unpaid Common Charges and Special Assessments that accrued prior to such foreclosure or sale. Any excess proceeds from such foreclosure or sale shall be paid directly to the Condominium Board in payment of all unpaid Common Charges and Special Assessments. In the case of a Unit, any remaining unpaid Common Charges and Special Assessments that are not collected from such foreclosure sale or from the defaulting Unit Owner shall be deemed a Common Expense, collectible from all those who are Unit Owners at the time the same is levied.

(D) Subject to the terms and conditions contained in these By-laws, any Unit Owner may convey the Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, without being compensated therefor, and, in such event, be exempt from the payment of Common Charges and Special Assessments thereafter accruing, provided, however, that: (i) all Common Charges and any Special Assessments then due and payable with respect to such Unit have been paid; (ii) such Unit is free and clear of all liens and encumbrances other than a Permitted Mortgage and the statutory lien for unpaid Common Charges and Special Assessments; and (iii) no violation of any provision of the Condominium Documents then exists with respect to such Unit. However, in no event shall Sponsor be permitted to convey any Unsold Unit to the Condominium Board and thereby exempt itself from Common Charges and any Special Assessments attributable to such Unit thereafter accruing unless the aggregate Common Interests then appertaining to the Unsold Units constitute 15% or less of the total Common Interests then appertaining to all Units, at least five years shall have elapsed from the date of

the First Closing and, at the time of conveyance, Sponsor shall pay to the Condominium Board an amount equal to the product of the then current monthly Common Charges for the Unsold Unit(s) being conveyed multiplied by 24.

(E) No Unit Owner shall be exempted from liability for the payment of Common Charges or Special Assessments by waiving the use or enjoyment of any or all of the Common Elements or by abandoning the Unit (except with respect to a conveyance of the same to the Condominium Board, without compensation, pursuant to the terms of paragraph (C) hereof). Except as expressly provided to the contrary in paragraph (E) of Section 5.5 hereof, no Unit Owner shall be entitled to a diminution or abatement in the Common Charges or Special Assessments payable thereby for any inconvenience or discomfort arising from: (i) the failure or interruption of any utility or other services; (ii) the making of repairs or improvements to the Common Elements or any Unit (including, without limitation, such Unit) pursuant to the terms of Section 5.1, 5.2, or 5.3 hereof; or (iii) any action taken by the Condominium Board or the officers of the Condominium to comply with Law.

Section 6.3 *Statement of Common Charges.* The Condominium Board shall promptly provide a written statement of unpaid Common Charges due from any Unit Owner upon its receipt of a written request therefor from such Unit Owner. In addition, each Unit Owner shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 6.4 *Common Charge Deposit for Foreign Owners.* Any Unit Owner that is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) shall Deposit with the Condominium Board an amount equal to two (2) times the then current annual Common Charges for such Unit, subject to increase from time to time as such Common Charges increase, together with the full amount of any special assessment levied against, or allocable to, such Unit, as security for the faithful observance by such Unit owner of the terms, provisions and conditions of these By-laws. In the event that such Unit Owner defaults in respect of the terms, provisions and conditions of these By-laws, the Condominium Board may use, apply or retain the whole or any part of the security so deposited, to the extent required for the payment of any Common Charges or any other sum to which such Unit Owner is in default. In the Condominium Board applies or retains any part of said security, the Unit Owner in question, within ten (10) days after notice from the Condominium Board, shall deposit with the Condominium Board the amount so applied or retained so that such Condominium Board has the full amount of said security on hand at all times.

Section 6.5 *Default in Payment of Common Charges.*

(A) The Condominium Board shall take prompt action to collect any Common Charges due to the Condominium Board that remain unpaid for more than 15 days after the due date for the payment thereof, including, but not limited to the imposition of late charges, notice fees and the institution of such actions for the recovery of interest and expenses as provided in this Article 6. All costs and expenses incurred by the Condominium Board (including reasonable attorney's fees) as a result of its attempt to collect unpaid Common Charges and/or Special Assessments shall be borne by the Unit Owner and shall constitute Common Charges payable by such Unit Owner. In connection therewith, the Condominium Board shall have the right and obligation to cause liens for all sums due and owing to the Condominium Board to be filed in the Register's Office pursuant to the terms of Section 339-z of the Condominium Act, to cause such liens to be foreclosed in the manner provided in Section 339-aa of the Condominium Act and/or to institute all other proceedings deemed necessary or desirable by the Condominium Board to recover all such unpaid Common Charges, together with all additional sums of money collectible by the Condominium Board by reason of such nonpayment pursuant to the terms of paragraph (B) hereof. A suit to recover a money judgment for

unpaid Common Charges, however, shall be maintainable without foreclosing or waiving the lien securing such charges.

(B) In the event that any Unit Owner shall fail to make prompt payment of Common Charges, such Unit Owner shall be obligated to pay: (i) interest thereon at the rate of 1.5% per month of such unpaid amounts (less any late "charges" theretofore collected), to be computed from the due date thereof until paid in full, together with all costs and expenses paid or incurred by the Condominium Board, the Managing Agent, or the manager (if any) in connection with collecting such unpaid Common Charges with interest as aforesaid and/or in foreclosing the aforementioned lien, including, without limitation, reasonable attorneys' fees and disbursements and court costs; (ii) a late charge of $150 per month for Common Charges which remain unpaid for more than 10 days after the date when due, plus all expenses of collection including but not limited to reasonable attorney's fees, in such amount as may be determined by the Condominium Board from time to time, to be computed from the due date thereof until paid in full. In addition, if the Condominium Board shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner will be required to pay a reasonable rental for the use of the Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. All such late charges, interest, costs and expenses and rentals shall be added to and shall constitute Common Charges payable by such Unit Owner.

(C) In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges, the Condominium Board shall have, on behalf of all Unit Owners, the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote the votes appurtenant to the same). In the event that the net proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokerage commissions, court costs and other costs and expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, such Unit Owner shall remain liable for the deficit. Any surplus on such foreclosure shall be paid to the defaulting Unit Owner after first paying all liens on such Unit Owner's Unit in the order of priority of such liens.

(D) If the Unit Owner shall at any time lease the Unit and shall default in the payment of any Common Charges or additional Common Charges, the Condominium Board may, at its option, so long as such default shall continue, demand and receive from the tenant the rent due or becoming due from such tenant to the Unit Owner, and apply the amount to pay sums due and to become due from the Unit Owner to the Condominium. Any payment by a tenant to the Condominium shall constitute a discharge of the obligation of such tenant to the Unit Owner, to the extent of the amount so paid. The acceptance of rent from any tenant shall not be deemed a consent to or approval of any leasing by the Unit Owner, or a release or discharge of any of the obligations of the Unit Owner hereunder. In the event the tenant fails to pay the rent to the Condominium after demand by the Condominium Board, the Condominium Board shall have the right to commence summary eviction proceedings in the name of or on behalf of the Unit Owner, against the tenant. All costs and expenses incurred by the Condominium Board (including reasonable attorney's fees) in connection therewith, shall be borne by the Unit Owner and shall constitute Common Charges payable by such Unit Owner.

ARTICLE 7

SELLING AND LEASING OF UNITS

Section 7.1 *General.* Except as otherwise set forth herein, each Unit Owner may (i) sell the Unit and (ii) lease the Unit for periods of not less nor more than 1 year, provided however, no Unit Owner may sell or lease the Unit except in compliance with the applicable provisions of this Article 7. Any purported sale or lease consummated in default in the applicable terms hereof shall be voidable at the sole election of the Condominium Board, and, if the Condominium Board shall so elect, the selling or leasing Unit

Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized lease) in the name of such Unit Owner. Such Unit Owner shall reimburse the Condominium Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, reasonable attorneys' fees and disbursements and court costs.

Section 7.2 *Right of First Refusal.*

(A) Any contract to sell a Unit together with its Appurtenant Interests and any lease of a Unit ("Sale Agreement" or "Lease Agreement") shall contain the following language: "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHTS IF ANY, OF THE CONDOMINIUM BOARD OF THE CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF SECTIONS 7.2 AND 7.3 OF THE BY-LAWS OF THE CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED." Promptly after any such bona fide Sale Agreement or Lease Agreement shall be fully executed, the Unit Owner executing the same ("Offeree Unit Owner") shall send written notice thereof to the Condominium Board by certified or registered mail, return receipt requested, which notice shall be accompanied by a fully executed, original counterpart of the Sale Agreement or Lease Agreement, as the case may be, containing all of the terms offered in good faith by the prospective purchaser or tenant ("Outside Offeror").

(B) The sending of the notice referred to in paragraph (A) of this Section 7.2 shall constitute an offer by the Offeree Unit Owner to sell the Residential Unit, together with its Appurtenant Interests, or to lease the Residential Unit, as the case may be, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, subject, however, to any variance therefrom provided in Section 7.3 hereof. The giving of such notice shall further constitute a representation and warranty by the Offeree Unit Owner to the Condominium Board, on behalf of all Unit Owners, that such Offeree Unit Owner believes the Sale Agreement or Lease Agreement to be bona fide in all respects. Thereafter, upon the written demand of the Condominium Board, the Offeree Unit Owner shall submit to the Condominium Board, in writing, such further information with respect to the Outside Offeror and the Sale Agreement or Lease Agreement as the Condominium Board may reasonably request.

(C) The Condominium Board may elect, by sending written notice thereof to the Offeree Unit Owner by certified or registered mail not later than 30 days (in the event of a proposed sale) and 30 days (in the event of a proposed lease) after receipt of the notice referred to in paragraph (A) hereof together with such further information as may have been requested pursuant to the terms of paragraph (B) hereof, to purchase such Unit together with its Appurtenant Interests or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise) on behalf of all Unit Owners upon the same terms and conditions as were contained in the Sale Agreement or Lease Agreement and stated in the response(s) by the Offeree Unit Owner to any requests for additional information pursuant to the terms of paragraph (B) hereof. Notwithstanding anything to the contrary contained herein, however, the Condominium Board shall not exercise any option set forth in this Section 7.2 to purchase or lease any Unit without the prior approval of a Majority of all Unit Owners.

(D) The Condominium Board may not discriminate against any person on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status or other grounds prohibited by Law in connection with its exercise of its right of first refusal with respect to the sale or lease of a Unit.

(E) The Condominium Board may not exercise its option to purchase or lease any Unit without the prior approval of a majority in interest of all Unit Owners. The Condominium Board has the authority to (i) borrow money on behalf of the Condominium for the benefit of Unit Owners, (ii) increase

Common Charges to be assessed against all Unit Owners and (iii) impose Special Assessments against all Unit Owners, in the event the Condominium Board elects to exercise its right of first refusal.

Section 7.3 *Acceptance of Offer*

(A) In the event that the Condominium Board shall elect, within the time and in the manner provided in Section 7.2 hereof, to purchase a Unit together with its Appurtenant Interests, to lease such Unit, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed, in either event in accordance with the terms of the Sale Agreement or Lease Agreement, at the office of the attorneys for the Condominium Board within 45 days after the day upon which the Condominium Board shall give notice of its election to accept such offer.

(B) If such Unit and its Appurtenant Interests are to be purchased by the Condominium Board or its designee on behalf of all Unit Owners, such purchase may be made from the funds deposited in the capital and/or expense accounts of the Condominium. If the funds in such accounts are insufficient to effectuate such purchase, the Condominium Board may levy a Special Assessment against each Unit Owner (other than the Offeree Unit Owner) in accordance with the terms of paragraph (C) of Section 6.1 hereof and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance on or a hypothecation of any portion of the Property other than the Unit to be purchased together with its Appurtenant Interests. In addition, if the Outside Offeror was to assume or to take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages pursuant to the Sale Agreement, the Condominium Board may purchase the Unit and assume or take title thereto subject to such mortgage or mortgages as the case may be. At the Closing of Title, the Offeree Unit Owner shall convey the Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, on behalf of all Unit Owners, by deed in the form required by Section 399-o of the Condominium Act with all tax and/or documentary stamps affixed at the expense of the Offeree Unit Owner, who shall also pay all other transfer taxes arising out of such sale (including, if applicable, the New York State Real Property Transfer Gains Tax, the New York State Documentary Stamp Tax and the New York City Real Property Transfer Tax) notwithstanding any terms of the Sale Agreement to the contrary. Real estate taxes, mortgage interest (if applicable) and Common Charges shall be apportioned between the Offeree Unit Owner and the Condominium Board or its designee as of the Closing date, notwithstanding any terms of the Sale Agreement to the contrary. Thereafter, such Unit shall be held, so long as the same is owned by the Condominium Board or its designee, on behalf of all Unit Owners, as tenants-in-common, and all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit and the entire Property, as herein provided.

(C) In the event that such nit is to be leased by the Condominium Board or its designee on behalf of all Unit Owners, the Offeree Unit Owner shall execute and deliver to the Condominium Board or such designee a lease covering such Unit by and between the Offeree Unit Owner, as landlord, and the Condominium Board or such designee, as tenant. Such lease shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and shall contain all of the terms and conditions of the Lease Agreement not in conflict with such form of lease, including, without limitation, the rental and term provided for therein. Notwithstanding anything to the contrary set forth hereinabove or in the Lease Agreement, however, such lease shall expressly provide that the Condominium Board or such designee may enter into a sublease of the premises demised thereunder without consent of the landlord.

Section 7.4 *Failure to Accept Offer.*

(A) In the event that the Condominium Board shall fail to accept an offer made pursuant to the terms of Section 7.2 hereof within the respective times set forth in paragraph (C) thereof, the Offeree Unit Owner shall be free to consummate the transaction embodied in the Sale Agreement or Lease Agreement within 60 days after (i) notice of refusal is sent to the Offeree Unit Owner by the Condominium

Board or (ii) the expiration of the period within which the Condominium Board or its designee might have accepted such offer, as the case may be. If the Offeree Unit Owner shall fail to consummate the transaction embodied in the Sale Agreement or Lease Agreement within such 60 day period, then, should the Offeree Unit Owner thereafter elect to sell such Residential Unit together with its Appurtenant Interests or to lease such Unit, the Offeree Unit Owner shall be required again to comply with all of the terms and provisions of Section 7.2, 7.3 and 7.4 hereof, but not more often than once in any 12 month period, except the Condominium Board shall have the right to waive this for good cause shown, in its sole discretion.

(B) Any deed of a Unit and its Appurtenant Interests to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the terms of the Condominium Documents, and, in the absence of such express language, the same shall be conclusively deemed to have been included herein.

(C) Each lease of a Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., subject to such modifications as may be approved in writing by the Condominium Board or such other form approved in writing by the Condominium Board. Notwithstanding the foregoing, however, each such lease shall be consistent with the Condominium Documents and shall expressly provide that:

(i) such lease may not be amended, modified, or extended without the prior written consent of the Condominium Board in each instance;

(ii) the tenant thereunder shall not assign the tenant's interest in such lease or sublet the premises demised thereunder or any part thereof without the prior written consent of the Condominium Board in each instance; and

(iii) the Condominium Board shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (a) a default by the tenant in the performance of its obligations under such lease or (b) a foreclosure of the lien granted by Section 339-z of the Condominium Act.

Section 7.5 *Additional Restrictions on Selling and Leasing Ancillary Units.*

(A) Except for Sponsor, no Residential Unit Owner shall be permitted to convey or lease an Ancillary Unit (with the exception of a Parking Space) to anyone other than another Residential Unit Owner.

(B) If a Residential Unit Owner surrenders an Ancillary Unit to the Condominium Board without conveying the Ancillary Unit to another Residential Unit Owner, the Condominium Board shall have the right to convey or lease the Ancillary Unit to another Residential Unit Owner, in its sole discretion, and the surrendering Residential Unit Owner shall not be entitled to any compensation.

Section 7.6 *Termination of, and Exceptions to, the Right of First Refusal.*

(A) A certificate executed and acknowledged by the Secretary of the Condominium or the Managing Agent, stating that the provisions of Section 7.2 hereof have been met by a Unit Owner or that the right of first refusal provided for therein has been duly released or waived by the Condominium Board and that, as a result thereof, the rights of the Condominium Board thereunder have terminated, shall be conclusive upon the Condominium Board and all Unit Owners in favor of all persons who rely upon such certificate in good faith. After the due issuance of such a certificate, the Unit to which the same shall relate, together with its Appurtenant Interests, may be sold, conveyed, or leased free and clear of the terms and conditions contained in Section 7.2 hereof. The Condominium Board shall furnish or cause the Managing Agent to furnish without charge, such certificate upon written request to any Unit Owner in respect to whom

the provisions of Sections 7.2 hereof have, in fact, been terminated. In no event, however, shall the right of first refusal described in Section 7.2 hereof be deemed released or waived by the Condominium Board (as opposed to satisfied pursuant to the express terms of Sections 7.2, 7.3 and 7.4 hereof) in the absence of the certificate that has been duly executed, acknowledged and issued by the Secretary of the Condominium or the Managing Agent as aforesaid.

(B) The terms and conditions contained in Section 7.2, 7.3 and 7.4 hereof shall not apply with respect to any sale, lease or conveyance of a Residential Unit, together with its Appurtenant Interests, by:

(i) the Unit Owner thereof to any adult Family Members, to any combination of the same, or to a trust for the benefit of any of them (in which case the Condominium Board shall have the right to review the trust documents and provide for such terms and restrictions on such transfer as the Condominium Board deems advisable), provided, however, that if the succeeding Unit Owner is an infant or a person judicially declared incompetent of managing affairs, then such Residential Unit shall be held by the personal representative of such infant or incompetent, or in the case of a Unit Owner that is not an individual, to any entity or individual that owns more than 50% of the legal and beneficial interests of such Unit Owner or to any entity with respect to which such Unit Owner (individual or otherwise) owns more than 50% of the legal and beneficial interest thereof;

(ii) Sponsor;

(iii) the Condominium Board;

(iv) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure; or

(v) any Permitted Mortgagee or its nominee, who has acquired title to any Unit at any foreclosure sale of its Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction;

(C) provided, however, that each succeeding Unit Owner shall be bound by, and the Residential Unit shall be subject to, all of the terms and conditions of this Article 7.

Section 7.7 *No Severance of Ownership.* No Unit Owner shall execute any deed or other instrument conveying title to the Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, conveyed, or otherwise disposed of, except as part of a sale, conveyance, or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance, or other disposition of such part of the Appurtenant Interests of all Units. Nothing contained in this Section 7.6, however, shall prohibit the lease of any Unit without the simultaneous lease of its Appurtenant Interests.

Section 7.8 *Payment of Common Charges.* No Unit Owner shall be permitted to convey or lease the Unit unless the Unit Owner shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit. However, where the payment of such unpaid Common Charges and/or Special Assessments is made by the grantee or provided for out of the proceeds of the sale, a sale may take place notwithstanding the foregoing.

Section 7.9 *Power of Attorney.* At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and deliver to the representative of the title insurance company (or, if no such representative is present, to the Condominium Board) for recording in the

Register's Office (at such Unit Owner's sole cost and expense), the Unit Owner's Power of Attorney required in Article 14 of the Declaration, in the form set forth as Exhibit E to the Declaration.

Section 7.10 *Gifts and Devises, Etc.* Any Unit Owner shall be free to convey or transfer the Unit, together with its Appurtenant Interests, by gift, or to devise the same by will or to have the same pass by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and the Unit shall be subject to, the provisions of this Article 7.

Section 7.11 *Commencement of Time.* The period of time set forth in Section 7.2 for which the Condominium Board has to waive its right of first refusal shall not commence until such time as the Condominium Board or its managing agent has received a completed sales or lease package, including all fees set forth therein, as the case may be, from a Unit Owner. If the information provided by the Unit Owner or prospective purchaser or tenant, as the case may be, is incomplete, the Condominium Board shall have the right to request additional information and the 30 day period will commence on receipt by the Condominium Board of the additional information.

Section 7.12 *Costs and Expenses.* All costs and expenses incurred by the Condominium Board, including, without limitation, attorneys' fees and disbursements paid or incurred by the Condominium Board or by its Managing Agent in connection with any action taken by the Condominium Board with regard a violation of this Article 7, shall be borne by the Unit Owner as an Additional Common Charge.

ARTICLE 8

MORTGAGING OF UNITS

Section 8.1 *General.* Each Unit Owner shall have the right to mortgage the Unit, subject only to the terms and conditions contained in Section 8.2 hereof. Any Unit Owner who mortgages the Unit, or the holder of such mortgage, shall supply the Condominium Board with the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Condominium Board. Any Unit Owner who satisfies a mortgage covering the Unit shall so notify the Condominium Board and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board. The Secretary of the Condominium shall maintain such information in a book entitled "Mortgages of Units."

Section 8.2 *Restrictions on Mortgaging*

(A) No Unit Owner shall be permitted to mortgage, pledge, or hypothecate the Unit unless and until the Unit Owner shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, except the liens of Permitted Mortgages levied against such Unit.

(B) No Unit Owner shall execute any mortgage or other document mortgaging, pledging, or hypothecating title to the Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein.

(C) Any mortgage covering a Unit shall be substantially in the form used by any Institutional Lender.

(D) Any mortgage covering a Unit shall be made by an Institutional Lender, Sponsor, or by a Unit Owner providing purchase money financing in connection with the sale of the Unit.

Section 8.3 *Notice of Unpaid Common Charges and Default.* Whenever requested in writing by a Permitted Mortgagee, the Condominium Board shall promptly report to such Permitted Mortgagee any default by the Permitted Mortgagee's mortgagor in the payment of Common Charges or Special Assessments or in the observance or performance of any of the provisions of the Condominium Documents as to which the Condominium Board has knowledge then exists. The Condominium Board shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to the Permitted Mortgagee, if so requested. However, the Condominium Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of any default by the mortgagor under the Condominium Documents, provided that (i) the Condominium Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure and (ii) if the Condominium Board shall foreclose a lien on such mortgagor's Unit Pursuant to the terms of Section 6.4 hereof by reason of such default, the Condominium Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the Condominium Board pursuant to the Condominium Documents) or such lesser sum as shall be due and owing to such Permitted Mortgagee.

Section 8.4 *Performance by Permitted Mortgagees.* Any sum of money to be paid or any act to be performed by a Unit Owner pursuant to the terms of the Condominium Documents may be paid or performed by the Permitted Mortgagee, and the Condominium Board shall accept such Permitted Mortgagee's payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

Section 8.5 *Examination of Books.* Each Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 8.6 *Consent of Mortgagees; Designation of Mortgage Representatives.*

(A) Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Condominium Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against Unit Owner's mortgagor. In the event that any such consent or approval shall be expressly required pursuant to the terms of the Declaration or these By-laws, the decision of a majority of the Mortgage Representatives, if any are designated pursuant to the terms of paragraph (B) of this Section 8.6, shall be deemed binding upon the holders of all mortgages encumbering Units.

(B) The holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages may, if they so elect, designate not more than 3 Mortgage Representatives by giving written notice thereof to the Condominium Board, which Mortgage Representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or these By-laws. Any designation of a Mortgage Representative pursuant to the terms of this paragraph (B) shall be effective until any successor Mortgage Representative is designated pursuant to the terms hereof and written notice thereof is given to the Condominium Board. Unless otherwise required by Law, no holders of mortgages (which are not Institutional Mortgages) shall be entitled to participate in the designation of Mortgage Representatives, but all holders of mortgages encumbering Units shall be subject to all determinations made by the Mortgage Representatives pursuant to the terms of the Declaration or these By-laws.

ARTICLE 9

CERTAIN REMEDIES

Section 9.1 *Self Help.* If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on Unit Owner's part to be observed or performed, including, without limitation, any breach of Unit Owner's obligation to paint, decorate, maintain, repair, or replace the Unit or its appurtenant Limited Common Elements, if any, pursuant to the terms of Article 5 hereof, and shall fail to cure such violation or breach within 5 days after receipt of written notice of the same from the Condominium Board, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such cure within such 5 day period and, thereafter, to prosecute such cure with due diligence to completion), the Condominium Board shall have the right to enter such Unit Owner's Unit and/or its appurtenant Limited Common Elements, if any, and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, in the event that the Condominium Board shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals or is required to avoid the suspension of any necessary service in the Building, the Condominium Board may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

Section 9.2 *Abatement and Enjoinment.*

(A) In the event that any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on Unit Owner's part to be observed or performed, the Condominium Board shall have the right (i) to enter any Unit or Common Elements in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition resulting in such violation or breach and the Condominium Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity, provided that the Condominium Board gives the Unit Owner notice (which may be by telephone or in writing) that such violation exists, that repairs or replacements are necessary and that the Condominium Board will complete such repairs or replacements in the event the Unit Owner does not promptly act or complete the repairs or replacements, and/or (iii) to levy such fines and penalties as the Condominium Board may deem appropriate, and the Condominium Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

(B) The violation or breach of any of the terms of the Condominium Documents with respect to any rights, easements, privileges, or licenses granted to Sponsor shall give to Sponsor the right to enjoin, abate, or remedy the continuation or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

Section 9.3 *Remedies Cumulative.* The remedies specifically granted to the Condominium Board or to Sponsor in this Article 9 or elsewhere in the Condominium Documents shall be cumulative, shall be in addition to all other remedies obtainable at law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Condominium Board or Sponsor, as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

Section 9.4 *Costs and Expenses.* All sums of money expended, and all costs and expenses incurred, by (i) the Condominium Board in connection with the abatement, enjoinment, removal, or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 9.1 or

paragraph (A) of Section 9.2 hereof or (ii) Sponsor in connection with any abatement, enjoinment, or remedy of any violation or breach of the Condominium Documents pursuant to the terms of paragraph (B) of Section 9.2 hereof, shall be immediately payable by (a) in the event set forth in subparagraph (i) hereof, such Unit Owner to the Condominium Board or (b) in the event set forth in subparagraph (ii) hereof, the offending party (i.e., the Condominium Board or the Unit Owner) to Sponsor, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of 2% per month (but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law). All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this Section 9.3 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

ARTICLE 10

ARBITRATION

Section 10.1 *Procedure.* Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in the City of New York in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in the City of New York before 1 arbitrator appointed, upon the application of any party, by any Justice of the highest court of appellate jurisdiction then located in the City of New York. The decision of the arbitrator so chosen shall be given within 10 days after selection or appointment. Any arbitrator appointed or selected in connection with any arbitration to be conducted hereunder shall be a member of a law firm having at least 5 Members whose principal office is located in the City of New York.

Section 10.2 *Variation by Agreement.* The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 10.1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes."

Section 10.3 *Binding Effect.* The decision in any arbitration conducted pursuant to the terms of Section 10.1 and 10.2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 10.4 *Costs and Expenses.*

(A) The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of disputant's counsel and expert witnesses.

(B) All costs and expenses paid or incurred by the Condominium Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute Common Expenses, to be borne by all Unit Owners.

ARTICLE 11

NOTICES

Section 11.1 *General.* All notices required or desired to be given hereunder (except for notices of regular annual or special meetings of the Unit Owners and except all meetings of the Condominium Board) shall be sent by registered or certified mail, return receipt requested, postage prepaid addressed:

(i) if to the Condominium Board, to the Condominium Board at its principal office as set forth in Section l.5 hereof, with a copy sent by regular first class mail to the Managing Agent (if any) at its principal office address as aforesaid;

(ii) if to a Unit Owner other than Sponsor, to such Unit Owner at Unit Owner's address at the Property;

(iii) if to Sponsor, to Sponsor at its principal office as set forth in the Plan;

(iv) if to a Permitted Mortgagee, to such Permitted Mortgagee at its latest address designated in writing to the Condominium Board.

Any of the foregoing parties may change the address to which notices are to be sent, or may designate additional addresses for the giving of notice, by sending written notice to the other parties as aforesaid. All notices sent pursuant to the terms of this Section 11.1 shall be deemed given when mailed in the State of New York, provided, however, that notices of change of address, notices designating additional addresses and notices deposited in a United States Postal Service depository located outside of the State of New York shall be deemed to have been given when received.

Section 11.2 *Waiver of Service of Notice.* Whenever any notice is required to be given by Law or pursuant to the terms of the Condominium Documents, a waiver thereof in writing, signed by the Persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 12

AMENDMENTS TO BY-LAWS

Section 12.1 *General.*

(A) Subject to the terms of paragraph (B) hereof and subject, further, to any provisions contained in the Declaration or these By-laws with respect to any amendments ("Special Amendments") affecting or in favor of Sponsor and/or any Permitted Mortgagee, any provision of these By-laws may be amended, modified, added to, or deleted by the affirmative vote of not less than 66 2/3% in number and aggregate Common Interest of all Unit Owners either taken at a duly constituted meeting thereof or given in writing without a meeting as provided in Section 4.10 hereof. Each duly adopted amendment, modification, addition, or deletion hereof or hereto shall be effectuated in an instrument executed and recorded in the Register's Office by or on behalf of the Condominium Board as attorney-in-fact of all Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Secretary's Certification, certifying that the requisite number and percentage (where applicable) of Unit Owners approved the amendment, modification, addition, or deletion set forth therein either at a duly constituted meeting of Unit Owners or in writing without a meeting pursuant to the terms of Section 4.10 hereof, in which Secretary's Certification there shall be described the number and percentage (where applicable) of Unit Owners approving the same and, if voted at a meeting, the date, time and place of such meeting. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding anything to the contrary contained in paragraph (A) hereof, but still subject to any provision contained in the Declaration or these By-laws with respect to Special Amendments:

(i) the Common Interest and Limited Common Interest, if any, appurtenant to any Unit, as set forth in the Declaration, shall not be altered without the consent of the Unit Owner thereof, except as otherwise provided in paragraph (F) of Section 5.5 hereof; and

(ii) the terms of Section 5.7 hereof may not be amended, modified, added to, or deleted unless not less than 80% in number and aggregate Common Interests of all Unit Owners affected thereby shall approve such amendment, modification, addition or deletion in writing.

Section 12.2 *Special Amendments.*

(A) Any amendment, modification, addition, or deletion of or to any of the provisions of these By-laws that, pursuant to the terms of the Declaration or these By-laws, may be effected by Sponsor, without the consent of the Condominium Board or the Unit Owners, shall be embodied in an instrument executed and recorded in the Register's Office by Sponsor, as attorney-in-fact of both the Condominium Board and all Unit Owners, which power-of-attorney shall be deemed to be irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Certification by Sponsor certifying that the amendment, modification, addition, or deletion set forth therein was effectuated by Sponsor pursuant to the terms of the Declaration and/or these By-laws, in which Certification there shall be set forth the Article and/or Section of the Declaration or these By-laws pursuant to which the same was effectuated. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to these By-laws shall be effective in any respect against Sponsor unless and until Sponsor shall consent to the same in writing.

(C) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to Section 5.4 or 5.5, paragraph (B) of Section 6.2, subparagraph (iv) or (v) of paragraph (B) of Section 7.5 or Article 8 hereof shall be effective with respect to the holder of any Permitted Mortgage theretofore made unless and until such Permitted Mortgagee shall have given its written consent thereto.

ARTICLE 13

FURTHER ASSURANCES

Section 13.1 *General.* Any Person that is subject to the terms of these By-laws, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a Member of the Condominium Board, an officer of the Condominium, or otherwise, shall, at the expense of any other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request in order either to effectuate the provisions of these By-laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

Section 13.2 *Failure to Deliver or Act.*

(A) If any Unit Owner or other Person that is subject to the terms of these By-laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days after request therefor, to take any action that such Unit Owner or Person is required to execute, acknowledge and deliver or to take pursuant to these By-laws, then the Condominium Board is hereby authorized, as attorney-in-fact for such

Unit Owner or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

(B) If the Condominium Board, any Unit Owner, or other Person that is subject to the terms of these By-laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within 10 days after request therefor, to take any action that the Condominium Board, such Unit Owner, or Person is required to execute, acknowledge and deliver or to take pursuant to these By-laws at the request of Sponsor, then Sponsor is hereby authorized, as attorney-in-fact for the Condominium Board, such Unit Owner, or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Condominium Board, such Unit Owner or other Person, and such document or action shall be binding on the Condominium Board, such Unit Owner, or other Person. The Condominium Board shall not unreasonably withhold or delay its consent or approval with respect to any matter contained in these By-laws which requires the consent or approval of the Condominium Board.

ARTICLE 14

MISCELLANEOUS

Section 14.1 *Inspection of Documents.* Copies of the Declaration, these By-laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

Section 14.2 *Waiver.* No provision contained in these By-laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

Section 14.3 *Conflict.* In the event that any provision of these By-laws or of the Rules and Regulations shall be construed to be inconsistent with any provision of the Declaration or of the Condominium Act, the provision contained in the Declaration or in the Condominium Act shall control.

Section 14.4 *Severability.* If any provision of these By-laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these By-laws and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of these By-laws shall, except as otherwise provided herein, be valid and enforced to the fullest extent provided by Law.

Section 14.5 *Successors and Assigns.* The rights and/or obligations of Sponsor as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of Sponsor.

Section 14.6 *Gender.* A reference in these By-laws to any one gender, masculine or feminine, includes the other one, and the singular includes the plural, and vice-versa, unless the context otherwise requires.

Section 14.7 *Captions.* The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of these By-laws or the intent of any provision hereof.

ARTICLE 15

TAX STATUS AS A HOMEOWNERS ASSOCIATION

Section 15.1 *General.* The Condominium Board intends to act in a manner consistent with enabling the Condominium to be eligible to elect to be treated as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended.

Section 15.2 *Organization.* The Condominium is and will be organized and operated to provide for the acquisition, construction, management, maintenance and care of the Property.

Section 15.3 *Inurement.* No part of the Condominium's net earnings shall inure, and the Condominium Board will act in a manner such that no part of such earnings will inure to the benefit of any private shareholder or individual (other than by acquiring, constructing, or providing management, maintenance, and care of the Property, and other than by rebate of excess membership dues, fees, or assessments).

* * * * *

ADDENDUM TO THE BY-LAWS

RULES AND REGULATIONS

1. The sidewalks, entrance passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Residential Units.

2. No bicycles, rollerblades, scooters, skateboards or similar vehicle shall be taken into or from the Building through the main entrance or shall be allowed in any of the elevators of the Building other than the elevator designated by the Condominium Board or the Managing Agent for such purpose or ridden in the Building or the courtyard. No baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the public halls, passageways, or other public areas of the Building.

3. All service and delivery persons will be required to use the service entrances or such other entrances of the Building designated by the Condominium Board or the Managing Agent. In addition, all servants, messengers and tradespeople visiting the Building shall use the elevator designated by the Condominium Board or the Managing Agent for the purposes of ingress and egress, and shall not use any of the other elevators for any purpose, provided, however, that nurses in the employ of Unit Owners or their Family Members, guests, tenants, subtenants, licensees, or invitees may use any of the other elevators when accompanying said Unit Owners, Family Members, guests, subtenants, licensees, or invitees.

4. Trunks and heavy baggage shall be taken in or out of the Building only by the elevator designated by the Condominium Board or the Managing Agent for the purpose and only through the service entrances.

5. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases or fire tower landings of the Building, nor shall any fire exit thereof be obstructed in any manner.

6. No Unit may be used for the storage of any flammable materials or any other materials the storage of which may constitute a Building code violation or which will increase the insurance requirements for the Building.

7. No refuse from the Units shall be sent to the service area of the Building, except at such times and in such manner as the Condominium Board or the Managing Agent may direct. Nothing shall be hung or shaken from any doors, windows, or placed upon the window sills, of the Building, and no Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

8. There shall be no playing or lounging in the entrances, passages, public halls, elevators, vestibules, corridors, stairways, or fire towers of the Building.

9. The Condominium Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements devoted to storage or service purposes in the Building.

10. Nothing shall be done or kept in any Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof. No Unit Owner shall permit anything to be done or kept in the Unit or in the Common Elements that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No Unit Owner or any Family Members, agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in the

Unit any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of the Unit.

11. There shall be no barbecuing in the Units, in their appurtenant Limited Common Elements, if any, or in the Common Elements, except for the Cabanas.

12. No Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from the Unit or its appurtenant Limited Common Elements, if any, or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Unit Owners. No Unit Owner shall play upon or suffer to be played upon any musical instrument, or shall operate or permit to be operated a phonograph, radio, television set, or other loudspeaker in such Unit Owner's Unit or its appurtenant Limited Common Elements, if any, between 11:00 P.M. and the following 9:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Unit Owner practice of suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M.. No construction, repair work, or other installation involving noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 9:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency.

13. No pets other than dogs, caged birds, cats and fish (which do not cause a nuisance, health hazard or unsanitary condition) may be kept in an Apartment Unit without the consent of the Condominium Board. Any such consent, if given, shall be revocable at any time by the Condominium Board in its sole discretion. Each Apartment Owner who keeps any type of pet will be required to: (a) indemnify and hold harmless the Condominium, all Unit Owners and Managing Agent from all claims and expenses resulting from acts of such pet; and (b) abide by any and all Residential Rules and Regulations of the Condominium Board adopted with respect thereto. In no event shall any pet be permitted in any public elevator of the Building, other than the elevator designated by the Condominium Board for that purpose, or in any of the public portions of the Building, unless carried or on leash. No pigeons or other birds or animals shall be fed from the window sills, or other public portions of the Building, or on the sidewalk or street adjacent to the Building.

14. No group tour, open house 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 the Managing Agent in each instance. In the event that any Unit shall be used for home occupation purposes in conformance with the Declaration and the By-laws, no patients, clients, or other invitees shall be permitted to wait in any lobby, public hallway, or vestibule.

15. Unless expressly authorized by the Condominium Board in each instance, not less than 80% of the total floor area of each room of each Residential Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting, or equally effective noise reducing material.

16. No window guards or other window decorations shall be used in or about any Residential Unit, except such as shall have been approved in writing by the Condominium Board or the Managing Agent, which approval shall not be unreasonably withheld or delayed. In no event, however, shall any windows of any Residential Unit be colored or painted.

17. No ventilator or air conditioning device shall be installed in any Unit or its appurtenant Limited Common Elements, if any, without the prior written approval of the Condominium Board, which approval may be granted or refused in the sole discretion of the Condominium Board.

18. No radio or television aerial shall be attached to or hung from the exterior of the Building, and no sign, notice, advertisement, or illumination (including, without limitation, "For Sale,"

"For Lease," or "For Rent" signs) shall be inscribed or exposed on or at any window or other part of the Building, except such as are permitted pursuant to the terms of Declaration and/or the By-laws or shall have been approved in writing by the Condominium Board or the Managing Agent. Nothing shall be projected from any window of a Residential Unit without similar approval.

19. All radio, television, or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements, or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

20. Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the owner of the Unit.

21. Each Unit Owner shall keep the Unit and its appurtenant Limited Common Elements, if any, in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-laws.

22. The access doors located in various portions of the ceiling of the Units shall not be obstructed in any manner which would prevent access to the ceiling hung units located within such ceilings.

23. The agents of the Condominium Board or the Managing Agent, and any contractor or workperson authorized by the Condominium Board or the Managing Agent, may enter any room or Unit at any reasonable hour of the day, on at least 1 day's prior notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

24. The Condominium Board or the Managing Agent may retain a pass-key to each Unit. If any lock is altered or a new lock is installed, the Condominium Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to the 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, then the Condominium Board or Managing Agent or their agents (but, except in an emergency, only when specifically authorized by an officer of the Condominium or an officer of the Managing Agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Unit Owner's property).

25. If any key or keys are entrusted by a Unit Owner, by any Family Member thereof, or by an agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for the Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Condominium Board nor the Managing Agent shall (except as provided in Rule 22 above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

26. Unit Owners and their respective Family Members, guests, servants, employees, agents, visitors, or licensees shall not at any time or for any reason whatsoever, enter upon, or attempt to enter upon, the roof of the Building unless such roof is part of a lawful terrace.

27. No occupant of the Building shall send any employee of the Condominium or of the Managing Agent out of the Building on any private business.

28. Any consent or approval given under these Rules and Regulations may be amended, modified, added to, or repealed at any time by resolution of the Condominium Board. Further, any such consent or approval may, in the discretion of the Condominium Board or the Managing Agent, be conditional in nature.

29. No Unit Owner shall install any plantings on any Terrace, Cabana or roof without the prior written approval of the Condominium Board. Plantings shall be placed in containers impervious to dampness and standing on supports at least two inches from the Terrace, Cabana or roof surface, and if adjoining a wall, at least three inches from such wall. Suitable weep holes shall be provided in the containers to draw off water. In special locations, such as a corner abutting a parapet wall, plantings may be contained in containers which shall be at least three inches from the parapet and flashing, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. Such masonry planting beds shall not, however, rest directly upon the surface of such Terrace, Cabana or roof but shall stand on supports at least two inches above such surface. No planting shall be permanently affixed to a Terrace, Cabana or roof surface but shall be able to be easily moved. It shall be the responsibility of the Residential Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition. Such Residential Unit Owner shall pay the cost of any repairs rendered necessary by or damage caused by such plantings. The Condominium Board shall have an easement and a right of access to the Terrace and Cabana to inspect the same and to remove violations therefrom and to install, operate, maintain, repair, alter, build, restore, and replace any of the Common Elements located in, over, under through, adjacent to, or upon the same.

30. No Residential Unit Owner shall enclose, erect a greenhouse and/or alter the Terrace or Cabana in any way, without the prior written consent of the Condominium Board.

31. Complaints regarding the service of the Condominium shall be made in writing to the Condominium Board and the Managing Agent.

EXHIBIT E

TO THE DECLARATION

UNIT POWER OF ATTORNEY

UNIT POWER OF ATTORNEY

Terms used in this Unit Power of Attorney which are used (a) in the declaration ("Declaration") establishing a plan for condominium ownership of the premises known as the 125 North 10th Street Condominium ("Condominium") and by the street number 125 North 10th Street, Brooklyn, New York 11211 under Article 9-B of the Real Property Law of the State of New York, dated [DECLARATION DATE], and recorded in the Office of the Register of The City of New York of the County of Kings ("Register's Office") on [DEC RECORDING DATE], as CRFN# [DEC CRFN #] ("Declaration"), or (b) in the By-Laws of 125 North 10th Street Condominium ("By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____, (having an office) (residing at) _____, the owner of Unit [UNIT NUMBER] ("Unit") in the Condominium which is designated and described as the Unit in the Declaration and also designated as Tax Lot _____ In Block 2297 of the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of The City of New York and on the Floor Plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as Members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Unit Owners' respective interests in the Common Elements, subject to the provisions of the By-laws then in effect, (1)(a) following due authorization by a Majority of Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, surrender or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, from any Unit Owner who elects to surrender the same pursuant to the By-laws, and (c) following due authorization by a Majority of Unit Owners, to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, all on such terms and at such price or rental, as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and, after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present, (2) to commence, pursue, appeal, settle and/or terminate administrative and certiorari proceedings to obtain reduced real estate tax assessments with respect to Units, including retaining counsel and taking any other actions which the Condominium Board deems necessary or appropriate, and (3) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Property which the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Buildings Department, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Property or (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Property or the Common Elements which the Condominium Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Condominium Board shall constitute the acts of said attorneys-in-fact.

The undersigned (does) (do) hereby irrevocably nominate, constitute and appoint 125NORTH10, LLC ("Sponsor") as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time the Declaration, By-laws and the Rules and Regulations of the Condominium, or any of said documents, when such amendment (1) shall be required to reflect any changes in Unsold Units

and/or the reapportionment of the Common Interests of the affected Unsold Units resulting therefrom made by Sponsor in accordance with the Declaration or (2) shall be required by (a) an Institutional Lender designated by Sponsor to make a mortgage loan secured by a mortgage on any Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Unit provided, however, that any amendment made pursuant to the terms of subdivision (1) or (2) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material, physical modification to the Undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any mortgage held by an Institutional Lender covering the Undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to, this paragraph shall remain in full force and effect until such time as Sponsor shall cease to own any Unit in the Condominium.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the ____ day of _____, ____.

_____

(ACKNOWLEDGEMENT)

UNIT OWNER'S SPECIMEN TITLE POLICY

OWNER'S POLICY OF TITLE INSURANCE

Issued by Commonwealth Land Title Insurance Company

LandAmerica Commonwealth

Commonwealth Land Title Insurance Company is a member of the LandAmerica family of title insurance underwriters.

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, COMMONWEALTH LAND TITLE INSURANCE COMPANY, a Pennsylvania corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title, as insured, but only to the extent provided in the Conditions and Stipulations.

IN WITNESS WHEREOF, COMMONWEALTH LAND TITLE INSURANCE COMPANY has caused its corporate name and seal to be hereunto affixed by its duly authorized officers, the Policy to become valid when countersigned by an authorized officer or agent of the Company.

COMMONWEALTH LAND TITLE INSURANCE COMPANY

Attest:

Secretary

COMMONWEALTH LAND TITLE INSURANCE COMPANY CORPORATE SEAL PENNSYLVANIA

By:

President

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
   (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.

2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.

3. Defects, liens, encumbrances, adverse claims or other matters:
   (a) created, suffered, assumed or agreed to by the insured claimant;
   (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
   (c) resulting in no loss or damage to the insured claimant;
   (d) attaching or created subsequent to Date of Policy; or
   (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.

4. Any claim, which arises out of the transaction vesting in the Insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
   (a) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
   (b) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
      (i) to timely record the instrument of transfer; or
      (ii) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

SPECIMEN

CONDITIONS AND STIPULATIONS

1. DEFINITION OF TERMS.

The following terms when used in this policy mean:

(a) "insured": the insured named in Schedule A, and, subject to any rights or defenses the Company would have had against the named insured, those who succeed to the interest of the named insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors.

(b) "insured claimant": an insured claiming loss or damage.

(c) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of the public records as defined in this policy or any other records which impart constructive notice of matters affecting the land.

(d) "land": the land described or referred to in Schedule A, and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.

(e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(f) "public records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge. With respect to Section 1(a)(iv) of the Exclusions From Coverage, "public records" shall also include environmental protection liens filed in the records of the clerk of the United States district court for the district in which the land is located.

(g) "unmarketability of the title": an alleged or apparent matter affecting the title to the land, not excluded or excepted from coverage, which would entitle a purchaser of the estate or interest described in Schedule A to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE AFTER CONVEYANCE OF TITLE.

The coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from the insured, or only so long as the insured shall have liability by reason of covenants of warranty made by the insured in any transfer or conveyance of the estate or interest. This policy shall not continue in force in favor of any purchaser from the insured of either (i) an estate or interest in the land, or (ii) an indebtedness secured by a purchase money mortgage given by the insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT.

The insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 4(a) below, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as insured, and which might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if title to the estate or interest, as insured, is rejected as unmarketable. If prompt notice shall not be given to the Company, then as to the insured all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any insured under this policy unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

4. DEFENSE AND PROSECUTION OF ACTIONS; DUTY OF INSURED CLAIMANT TO COOPERATE.

(a) Upon written request by the insured and subject to the options contained in Section 6 of these Conditions and Stipulations, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an insured in litigation in which any third party asserts a claim adverse to the title or interest as insured, but only as to those stated causes of action alleging a defect, lien or encumbrance or other matter insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the insured to object for reasonable cause) to represent the insured as to those stated causes of action and shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs or expenses incurred by the insured in the defense of those causes of action which allege matters not insured by this policy.

(b) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest, as insured, or to prevent or reduce loss or damage to the insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this policy. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(c) Whenever the Company shall have brought an action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(d) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of the insured for this purpose. Whenever requested by the Company, the insured, at the Company's expense, shall give the Company all reasonable aid (i) in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest as insured. If the Company is prejudiced by the failure of the insured to furnish the required cooperation, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

5. PROOF OF LOSS OR DAMAGE.

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided the Company, a proof of loss or damage signed and sworn to by the insured claimant shall be furnished to the Company within 90 days after the insured claimant shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the defect in, lien or encumbrance on the title, or other matter insured against by this policy which constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the insured claimant to provide the required proof of loss or damage, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage.

In addition, the insured claimant may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the insured claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the insured claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph shall terminate any liability of the Company under this policy as to that claim.

6. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance.

To pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay.

Upon the exercise by the Company of this option, all liability and obligations to the insured under this policy, other than to make the payment required, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

(b) To Pay or Otherwise Settle With Parties Other than the Insured or With the Insured Claimant.

(i) to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay; or

(ii) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs (b)(i) or (ii), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

Conditions and Stipulations Continued Inside Cover

FILED

CONTROL NO.: 206-1004253

LandAmerica Commonwealth

SCHEDULE A

Amount of Insurance: $_____ **Policy/Title No.** NY061114

Date of Policy: _____, 2007

1. **Name of Insured:** _____

2. **The estate or interest in the land which is covered by this policy is:**

   Fee Simple

3. **Title to the estate or interest in the land is vested in the Insured by means of:**

   Deed from 125North10, LLC to _____, dated _____, 2007 and to be duly recorded in the Office of the City Register, Kings County.

4. **The land referred to in this policy is described on the annexed schedule.**

SPECIMEN

COMMONWEALTH LAND TITLE INSURANCE COMPANY

Countersigned:_____
Authorized Officer or Agent

Valid Only if Schedule B and Cover Are Attached

Policy/Title No. NY061114

SCHEDULE A - ITEM 4

The Condominium Unit (in the Building known as _____ located at and known as and by the street number 125 North 10th St in Brooklyn, New York), designated and described as Unit No. _____ in the Declaration establishing a plan for condominium ownership of said Building and the land upon which it is situate under Article 9-B of the Real Property Law of the State of New York, dated _____ and recorded _____ in the Office of the Register of the City of New York, County of New York under CRFN_____ in Block 2297 Lot _____ of Section 8 of the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of the City of New York and on the Floor Plans of the said Building, certified by _____, Architect, on _____ and filed in the Office of the Register as Condominium Plan No. _____.

TOGETHER with an undivided _____ percent interest in Common Elements of the Condominium as described in the Declaration.

The land upon which the Building containing the Unit is situate is described as follows:

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

BEGINNING at the corner formed by the intersection of the northerly side of North Tenth Street with the easterly side of Berry Street;

RUNNING THENCE northerly along the easterly side of Berry Street, 44 1/2 feet;

THENCE easterly parallel with North Tenth Street, 100 feet;

THENCE northerly parallel with Berry Street, 155 1/2 feet to the southerly side of North Eleventh Street;

THENCE easterly along the southerly side of North Eleventh Street, 125 feet;

THENCE southerly parallel with Berry Street 200 feet to the northerly side of North Tenth Street;

THENCE westerly along the northerly side of North Tenth Street, 225 feet to the corner, the point or place of BEGINNING.

SPECIMEN

Policy/Title No. NY061114

SCHEDULE B
Exceptions from Coverage

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of the following:

1. Any state of facts which an accurate Survey of the building and the unit would show, but policy insures that any encroachments by the Insured Unit on any adjoining Unit or on common areas may remain undisturbed as long as it shall stand.

2. Covenants, conditions, easements, agreements of records, etc., as follows:

   a. Waiver of Legal Grade dated 5/7/1993 by J. Takahashi recorded on 6/3/1993 in Reel 3057 Page 1077.

3. Terms, covenants and conditions set forth in the Declaration of Condominium and By-Laws dated _____ and recorded on _____ in _____, but policy insures against loss or damage occasioned by the premises not being a part of a Condominium validly created pursuant to Article 9B of the Real Property Law.

SPECIMEN

LandAmerica Commonwealth

File/Policy No. NY061114

STANDARD NEW YORK ENDORSEMENT
(OWNER'S POLICY)

1. The following is added to the insuring provisions on the face page of this policy:

   "5. Any statutory lien for services, labor or materials furnished prior to the date hereof, and which has now gained or which may hereafter gain priority over the estate or interest of the insured as shown in Schedule A of this policy."

2. The following is added to Paragraph 7 of the Conditions and Stipulations of this policy:

   "(d) If the recording date of the instruments creating the insured interest is later than the policy date, such policy shall also cover intervening liens or incumbrances, except real estate taxes, assessments, water charges and sewer rents."

Nothing herein contained shall be construed as extending or changing the effective date of the policy unless otherwise expressly stated.

SPECIMEN

IN WITNESS WHEREOF the Company has caused its corporate name and seal to be hereunto affixed by its duly authorized officers on the day of , .

Countersigned

COMMONWEALTH LAND TITLE INSURANCE COMPANY

By: Janet A. Alpert
President

Attest: Wm. Chadwick Perrine
Secretary

By _____
Authorized Officer or Agent

LandAmerica Commonwealth

File/Policy No. NY061114

CONDOMINIUM ENDORSEMENT
- NEW YORK -

Attached to and made part of Policy No. NY061114

The Company insures the insured against loss or damage sustained by reason of:

1. The failure of the unit identified in Schedule A and its common elements to be part of a condominium within the meaning of the condominium statutes of the State of New York.
2. The failure of the documents required by the condominium statutes to comply with the requirements of the statutes to the extent that such failure affects the title to the unit and its common elements.
3. Present violations of any restrictive covenants which restrict the use of the unit and its common elements and which are created by the condominium documents, except violations relating to environmental protection unless a notice of a violation thereof has been recorded or filed in the public record and is not excepted Schedule B. The restrictive covenants do not contain any provisions which will cause a forfeiture or reversion of title.
4. The priority of any lien for charges and assessments at Date of Policy provided for in the condominium statutes and condominium documents over the lien of any insured first mortgage identified in Schedule A.
5. The failure of the unit and its common elements to be entitled by law to be assessed for real property taxes as a separate parcel.
6. Any obligation to remove any improvements which exist at Date of Policy because of any present encroachments or because of any future unintentional encroachments of the common elements upon any unit or of any unit upon the common elements or another unit.
7. The failure of title by reason of a right of first refusal to purchase the unit and its common elements which was exercised or could have been exercised at Date of Policy.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the amount of insurance.

SPECIMEN

IN WITNESS WHEREOF the Company has caused its corporate name and seal to be hereunto affixed by its duly authorized officers on the day of , .

Countersigned

COMMONWEALTH LAND TITLE INSURANCE COMPANY

By: Janet A. Alpert
President

Attest Wm. Chadwick Perrine
Secretary

By _____
Authorized Officer or Agent

CONDITIONS AND STIPULATIONS
(Continued)

7. DETERMINATION, EXTENT OF LIABILITY AND COINSURANCE.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of the Company under this policy shall not exceed the least of:

(i) the Amount of Insurance stated in Schedule A; or,

(ii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(b) In the event the Amount of Insurance stated in Schedule A at the Date of Policy is less than 80 percent of the value of the insured estate or interest or the full consideration paid for the land, whichever is less, or if subsequent to the Date of Policy an improvement is erected on the land which increases the value of the insured estate or interest by at least 20 percent over the Amount of Insurance stated in Schedule A, then this Policy is subject to the following:

(i) where no subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that the amount of insurance at Date of Policy bears to the total value of the insured estate or interest at Date of Policy; or

(ii) where a subsequent improvement has been made, as to any partial loss, the Company shall only pay the loss pro rata in the proportion that 120 percent of the Amount of Insurance stated in Schedule A bears to the sum of the Amount of Insurance stated in Schedule A and the amount expended for the improvement.

The provisions of this paragraph shall not apply to costs, attorneys' fees and expenses for which the Company is liable under this policy, and shall only apply to that portion of any loss which exceeds, in the aggregate, 10 percent of the Amount of Insurance stated in Schedule A.

(c) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

8. APPORTIONMENT.

If the land described in Schedule A consists of two or more parcels which are not used as a single site, and a loss is established affecting one or more of the parcels but not all, the loss shall be computed and settled on a pro rata basis as if the amount of insurance under this policy was divided pro rata as to the value on Date of Policy of each separate parcel to the whole, exclusive of any improvements made subsequent to Date of Policy, unless a liability or value has otherwise been agreed upon as to each parcel by the Company and the insured at the time of the issuance of this policy and shown by an express statement or by an endorsement attached to this policy.

9. LIMITATION OF LIABILITY.

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the land, or cures the claim of unmarketability of title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title as insured.

(c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY.

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto.

11. LIABILITY NONCUMULATIVE.

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy to the insured owner.

12. PAYMENT OF LOSS.

(a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

13. SUBROGATION UPON PAYMENT OR SETTLEMENT.

(a) The Company's Right of Subrogation.

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit the Company to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the insured claimant, the Company shall be subrogated to these rights and remedies in the proportion which the Company's payment bears to the whole amount of the loss.

If loss should result from any act of the insured claimant, as stated above, that act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

(b) The Company's Rights Against Non-insured Obligors.

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

14. ARBITRATION.

Unless prohibited by applicable law, either the Company or the insured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters when the Amount of Insurance is $1,000,000 or less shall be arbitrated at the option of either the Company or the insured. All arbitrable matters when the Amount of Insurance is in excess of $1,000,000 shall be arbitrated only when agreed to by both the Company and the insured. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT.

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

16. SEVERABILITY.

In the event any provision of the policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

17. NOTICES WHERE SENT.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to: Consumer Affairs Department, P.O. Box 27567, Richmond, Virginia 23261-7567.

SPECIMEN

Form B 1190-1B

OWNER'S POLICY OF TITLE INSURANCE

American Land Title Association (10/17/92)

Issued by

Commonwealth Land Title Insurance Company

SPECIMEN

Commonwealth Land Title Insurance Company
is a member of the LandAmerica family of title insurance underwriters.

LandAmerica Commonwealth

LandAmerica Financial Group, Inc.
101 Gateway Centre Parkway
Richmond, Virginia 23235-5153
www.landam.com

THANK YOU.

Title insurance provides for the protection of your real estate investment. We suggest you keep this policy in a safe place where it can be readily available for future reference.

If you have questions about title insurance or the coverage provided by this policy, contact the office that issued this policy, or you may call or write:

Commonwealth Land Title Insurance Company
Consumer Affairs
P.O. Box 27567
Richmond, Virginia 23261-7567
telephone, toll free: 800 446-7086
web: www.landam.com

We thank you for choosing to do business with Commonwealth Land Title Insurance Company, and look forward to meeting your future title insurance needs.

Commonwealth Land Title Insurance Company
Is a member of the LandAmerica family of title insurance underwriters.

LandAmerica Commonwealth

Form **W-8BEN**
(Rev. December 2000)
Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding

▶ Section references are to the Internal Revenue Code. ▶ See separate instructions.
▶ Give this form to the withholding agent or payer. Do not send to the IRS.

OMB No. 1545-1621

Do not use this form for: **Instead, use Form:**

- A U.S. citizen or other U.S. person, including a resident alien individual W-9
- A person claiming an exemption from U.S. withholding on income effectively connected with the conduct of a trade or business in the United States W-8ECI
- A foreign partnership, a foreign simple trust, or a foreign grantor trust (see instructions for exceptions) . . . . . W-8ECI or W-8IMY
- A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession that received effectively connected income or that is claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b) (see instructions) . . . . . W-8ECI or W-8EXP

Note: *These entities should use Form W-8BEN if they are claiming treaty benefits or are providing the form only to claim they are a foreign person exempt from backup withholding.*

- A person acting as an intermediary W-8IMY

Note: *See instructions for additional exceptions.*

Part I Identification of Beneficial Owner (See instructions.)

1 Name of individual or organization that is the beneficial owner

2 Country of incorporation or organization

3 Type of beneficial owner: ☐ Individual ☐ Corporation ☐ Disregarded entity ☐ Partnership ☐ Simple trust ☐ Grantor trust ☐ Complex trust ☐ Estate ☐ Government ☐ International organization ☐ Central bank of issue ☐ Tax-exempt organization ☐ Private foundation

4 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

5 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

6 U.S. taxpayer identification number, if required (see instructions) ☐ SSN or ITIN ☐ EIN

7 Foreign tax identifying number, if any (optional)

8 Reference number(s) (see instructions)

Part II Claim of Tax Treaty Benefits (if applicable)

9 **I certify that (check all that apply):**

a ☐ The beneficial owner is a resident of .....within the meaning of the income tax treaty between the United States and that country.

b ☐ If required, the U.S. taxpayer identification number is stated on line 6 (see instructions).

c ☐ The beneficial owner is not an individual, derives the item (or items) of income for which the treaty benefits are claimed, and, if applicable, meets the requirements of the treaty provision dealing with limitation on benefits (see instructions).

d ☐ The beneficial owner is not an individual, is claiming treaty benefits for dividends received from a foreign corporation or interest from a U.S. trade or business of a foreign corporation, and meets qualified resident status (see instructions).

e ☐ The beneficial owner is related to the person obligated to pay the income within the meaning of section 267(b) or 707(b), and will file Form 8833 if the amount subject to withholding received during a calendar year exceeds, in the aggregate, $500,000.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article .....of the treaty identified on line 9a above to claim a .....% rate of withholding on (specify type of income):.....

Explain the reasons the beneficial owner meets the terms of the treaty article: .....

.....

Part III Notional Principal Contracts

11 ☐ I have provided or will provide a statement that identifies those notional principal contracts from which the income is **not** effectively connected with the conduct of a trade or business in the United States. I agree to update this statement as required.

Part IV Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the beneficial owner (or am authorized to sign for the beneficial owner) of all the income to which this form relates,
- The beneficial owner is not a U.S. person,
- The income to which this form relates is not effectively connected with the conduct of a trade or business in the United States or is effectively connected but is not subject to tax under an income tax treaty, and
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner.

Sign Here ▶ ..... Signature of beneficial owner (or individual authorized to sign for beneficial owner) | ..... Date (MM-DD-YYYY) | ..... Capacity in which acting

Instructions for Form W-8BEN

(Rev. January 2003)

Department of the Treasury
Internal Revenue Service

(Use with the December 2000 revision of Form W-8BEN.)

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding

Section references are to the Internal Revenue Code unless otherwise noted.

General Instructions

Note: *For definitions of terms used throughout these instructions, see* ***Definitions*** *on pages 2 and 3.*

A change to note. We added **Nonresident alien who becomes a resident alien** to the instructions for line 10 on page 5. This new section requires the use of Form W-9 in certain circumstances. See page 5 for details.

Purpose of form. Foreign persons are subject to U.S. tax at a 30% rate on income they receive from U.S. sources that consists of:

- Interest (including certain original issue discount (OID));
- Dividends;
- Rents;
- Royalties;
- Premiums;
- Annuities;
- Compensation for, or in expectation of, services performed;
- Substitute payments in a securities lending transaction; or
- Other fixed or determinable annual or periodical gains, profits, or income.

This tax is imposed on the gross amount paid and is generally collected by withholding on that amount. A payment is considered to have been made whether it is made directly to the beneficial owner or to another person, such as an intermediary, agent, or partnership, for the benefit of the beneficial owner.

If you receive certain types of income, you must provide Form W-8BEN to:

- Establish that you are not a U.S. person;
- Claim that you are the beneficial owner of the income for which Form W-8BEN is being provided; and
- If applicable, claim a reduced rate of, or exemption from, withholding as a resident of a foreign country with which the United States has an income tax treaty.

You may also be required to submit Form W-8BEN to claim an exception from domestic information reporting and backup withholding for certain types of income that are not subject to foreign-person withholding. Such income includes:

- Broker proceeds.
- Short-term (183 days or less) original issue discount (OID).
- Bank deposit interest.
- Foreign source interest, dividends, rents, or royalties.
- Proceeds from a wager placed by a nonresident alien individual in the games of blackjack, baccarat, craps, roulette, or big-6 wheel.

You may also use Form W-8BEN to certify that income from a notional principal contract is not effectively connected with the conduct of a trade or business in the United States.

A withholding agent or payer of the income may rely on a properly completed Form W-8BEN to treat a payment associated with the Form W-8BEN as a payment to a foreign person who beneficially owns the amounts paid. If applicable, the withholding agent may rely on the Form W-8BEN to apply a reduced rate of withholding at source.

Provide Form W-8BEN to the withholding agent or payer before income is paid or credited to you. Failure to provide a Form W-8BEN when requested may lead to withholding at a 30% rate (foreign-person withholding) or the backup withholding rate.

Note: *For additional information and instructions for the withholding agent, see the* ***Instructions for the Requester of Forms W-8BEN, W-8ECI, W-8EXP, and W-8IMY.***

Who must file. You must give Form W-8BEN to the withholding agent or payer if you are a foreign person and you are the beneficial owner of an amount subject to withholding. Submit Form W-8BEN when requested by the withholding agent or payer whether or not you are claiming a reduced rate of, or exemption from, withholding.

Do not use Form W-8BEN if:

- You are a U.S. citizen (even if you reside outside the United States) or other U.S. person (including a resident alien individual). Instead, use **Form W-9,** Request for Taxpayer Identification Number and Certification.
- You are a disregarded entity with a single owner that is a U.S. person and you are not a hybrid entity claiming treaty benefits. Instead, provide Form W-9.
- You are a nonresident alien individual who claims exemption from withholding on compensation for independent or dependent personal services performed in the United States. Instead, provide **Form 8233,** Exemption from Withholding on Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual, or **Form W-4,** Employee's Withholding Allowance Certificate.
- You are receiving income that is effectively connected with the conduct of a trade or business in the United

States. Instead, provide **Form W-8ECI,** Certificate of Foreign Person's Claim for Exemption From Withholding on Income Effectively Connected With the Conduct of a Trade or Business in the United States. If any of the income for which you have provided a Form W-8BEN becomes effectively connected, this is a change in circumstances and Form W-8BEN is no longer valid. You must file Form W-8ECI. See **Change in circumstances** below.

- You are filing for a foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession claiming the applicability of section 115(2), 501(c), 892, 895, or 1443(b). Instead, provide **Form W-8EXP,** Certificate of Foreign Government or Other Foreign Organization for United States Tax Withholding. However, you should use Form W-8BEN if you are claiming treaty benefits or are providing the form only to claim you are a foreign person exempt from backup withholding. You should use Form W-8ECI if you received effectively connected income (for example, income from commercial activities).
- You are a foreign flow-through entity, other than a hybrid entity, claiming treaty benefits. Instead, provide **Form W-8IMY,** Certificate of Foreign Intermediary, Foreign Flow-Through Entity, or Certain U.S. Branches for United States Tax Withholding. However, if you are a partner, beneficiary, or owner of a flow-through entity and you are not yourself a flow-through entity, you may be required to furnish a Form W-8BEN to the flow-through entity.
- You are a reverse hybrid entity transmitting beneficial owner documentation provided by your interest holders to claim treaty benefits on their behalf. Instead, provide Form W-8IMY.
- You are a withholding foreign partnership or a withholding foreign trust. A withholding foreign partnership or a withholding foreign trust is a foreign partnership or trust that has entered into a withholding agreement with the IRS under which it agrees to assume primary withholding responsibility for each partner's, beneficary's, or owner's distributive share of income subject to withholding that is paid to the partnership or trust. Instead, provide Form W-8IMY.
- You are acting as an intermediary (that is, acting not for your own account, but for the account of others as an agent, nominee, or custodian). Instead, provide Form W-8IMY.

Giving Form W-8BEN to the withholding agent. Do not send Form W-8BEN to the IRS. Instead, give it to the person who is requesting it from you. Generally, this will be the person from whom you receive the payment or who credits your account. Give Form W-8BEN to the person requesting it before the payment is made to you or credited to your account. If you do not provide this form, the withholding agent may have to withhold at a 30% rate (foreign-person withholding) or backup withholding rate. If you receive more than one type of income from a single withholding agent for which you claim different benefits, the withholding agent may, at its option, require you to submit a Form W-8BEN for each different type of income. Generally, a separate Form W-8BEN must be given to each withholding agent.

Note: *If you own the income or account jointly with one or more other persons, the income or account will be treated by the withholding agent as owned by a foreign person if Forms W-8BEN are provided by all of the owners. If the withholding agent receives a Form W-9 from any of the joint owners, the payment must be treated as made to a U.S. person.*

Change in circumstances. If a change in circumstances makes any information on the Form W-8BEN you have submitted incorrect, you must notify the withholding agent or payer within 30 days of the change in circumstances and you **must** file a new Form W-8BEN or other appropriate form.

If you use Form W-8BEN to certify that you are a foreign person, a change of address to an address in the United States is a change in circumstances. Generally, a change of address within the same foreign country or to another foreign country is not a change in circumstances. However, if you use Form W-8BEN to claim treaty benefits, a move to the United States or outside the country where you have been claiming treaty benefits is a change in circumstances. In that case, you must notify the withholding agent or payer within 30 days of the move.

If you become a U.S. citizen or resident after you submit Form W-8BEN, you are no longer subject to the 30% foreign-person withholding rate. You must notify the withholding agent or payer within 30 days of becoming a U.S. citizen or resident. You may be required to provide a Form W-9. For more information, see Form W-9 and instructions.

Expiration of Form W-8BEN. Generally, a Form W-8BEN provided without a U.S. taxpayer identification number (TIN) will remain in effect for a period starting on the date the form is signed and ending on the last day of the third succeeding calendar year, unless a change in circumstances makes any information on the form incorrect. For example, a Form W-8BEN signed on September 30, 2003, remains valid through December 31, 2006. A Form W-8BEN furnished with a U.S. TIN will remain in effect until a change in circumstances makes any information on the form incorrect, provided that the withholding agent reports on Form 1042-S at least one payment annually to the beneficial owner who provided the Form W-8BEN. See the instructions for line 6 on page 4 for circumstances under which you **must** provide a U.S. TIN.

Definitions

Beneficial owner. For payments other than those for which a reduced rate of withholding is claimed under an income tax treaty, the beneficial owner of income is generally the person who is required under U.S. tax principles to include the income in gross income on a tax return. A person is not a beneficial owner of income, however, to the extent that person is receiving the income as a nominee, agent, or custodian, or to the extent the person is a conduit whose participation in a transaction is disregarded. In the case of amounts paid that do not constitute income, beneficial ownership is determined as if the payment were income.

Foreign partnerships, foreign simple trusts, and foreign grantor trusts are not the beneficial owners of income paid to the partnership or trust. The beneficial owners of income paid to a foreign partnership are generally the

ATTORNEY'S INCOME TAX OPINION

O L S H A N

OLSHAN GRUNDMAN FROME ROSENZWEIG & WOLOSKY LLP

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TELEPHONE: 212.451.2300
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November 13, 2006

125North10, LLC
10 East 53rd Street, 37th Floor
New York, New York 10022

Re: 125 North 10th Street Condominium

Gentlemen:

In connection with the offering of condominium units under a plan entitled Condominium Offering Plan for 125 North 10th Street Condominium (the "Plan"), you have requested our opinion as special tax counsel to the Plan concerning certain tax matters. Specifically, you have requested our opinion as to the deductibility for federal and New York State income tax purposes of payments of mortgage interest and real estate taxes by individual Unit Owners. You have also asked for our opinion as to the tax status of the condominium association.

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

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

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

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

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

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

We note that in some cases the amount of mortgage interest deductible by an individual Unit Owner subject to the alternative minimum tax may be less than the amount deductible by a Unit Owner subject to the regular income tax and that no deduction is allowed for real estate taxes paid by a taxpayer subject to the alternative minimum tax. We also note that interest will not be deductible on indebtedness used to purchase a Storage Locker, Cabana or Parking Space.

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

We have reviewed various documents included as exhibits in the Plan relating to the organization of the Condominium Board of 125 North 10th Street Condominium (the "Association"), including the Declaration of Condominium and By-Laws of the Condominium (which are the instruments which will create the Association).

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

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

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

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

(4) No part of the net earnings of the Association may inure to the benefit of any private shareholder or individual, other than by acquiring, constructing, or providing management, maintenance, and care of the Association's property and other than by a rebate of excess membership dues, fees, or assessments.

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

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

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

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

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

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

If the Association fails to qualify as a "homeowners association", or if it does but chooses not to make the necessary election, its status for tax purposes is unclear. It is possible that in such event the Association may be taxable as a corporation or partnership for federal income tax purposes.*

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

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

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

Sincerely yours,

OLSHAN GRUNDMAN FROME
ROSENZWEIG & WOLOSKY, LLP

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

REAL ESTATE TAX PROJECTION AND 421-a REAL ESTATE TAX EXEMPTION BENEFITS OPINION

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HOWARD L. SCHWARTZ
COUNSEL

October 13, 2006

125 North10, LLC
10 East 53rd Street, 37th Floor
New York, New York 10022

RE: 125 North 10th Street
Block 2297, Lot 1
Borough of Brooklyn
City of New York

Dear Sir or Madam:

This letter is in response to your request for an opinion and projection of the estimated real estate assessments and taxes upon the completion of construction and creation of a condominium. THIS LETTER IS BEING SENT TO YOU WITH THE EXPRESS UNDERSTANDING THAT OUR FIRM ASSUMES NO LIABILITY FOR OUR OPINIONS PRESENTED HEREIN. THESE OPINIONS ARE PRESENTED ONLY FOR YOUR ASSISTANCE IN PREPARATION OF YOUR OFFERING PLAN.

You have requested our opinion concerning the real property assessment to be levied upon the captioned premises as well as the taxes for the budget year for the first year of condominium operation which you have advised us will be the period January 1, 2008 through December 31, 2008. You have also asked us to provide our estimate for the real estate taxes for the first full tax year after completion of construction. You have advised us that the project will consist of the demolition of the existing nonresidential building and the construction of a new multiple dwelling to be structured as a condominium which will contain 86 apartments and a 51 parking space garage. You have further advised me that the building will have a common basement and will consist of two wings and will have one certificate of occupancy.

In order to prepare this letter and the opinion set forth herein, you have supplied us with certain information upon which we have relied. This information consists of the fact that you purchased the property in 2006. You have advised us of your purchase price and your estimated construction costs. You have also supplied us with a square footage analysis of the project as well as a description of the property as prepared by the architectural firm of Scarano Architects, PLLC. You have further advised us that the former owner commenced construction in July 2005 and that you anticipate construction will be completed with the issuance of a new permanent certificate of occupancy by December of 2007.

We have also considered the recent tax assessment history of the property, the cost of the new project, the potential income for the new structure (if operated as a rental), comparable properties in the Borough of Brooklyn which have been newly constructed or undergone renovation as well as market conditions in the general area.

In predicting the future assessed value, we have given consideration to the following factors:

1. The current claimed standard of assessment used by the Real Property Division of the New York City Department of Finance is to assess at 45% of value.

2. The estimate of the cost of the construction.

3. The potential capitalized net income of the property if operated as a rental.

4. Tax Assessments of comparable properties.

Tax Assessments in New York City are made on a fiscal year basis running from July 1 of any one year to the next succeeding June 30. The status of the building on January 5 of any one year is the basis of the assessment for the fiscal year beginning that July 1. The final assessment tax roll containing the final 2006/2007 assessed values was published on May 25, 2006. The final assessment roll showed the following values:

Tax Class	Actual Assessed Value
4	$175,050

Real Property Tax Law Section 581 provides that cooperative and condominium apartments shall be assessed for tax purposes as if the building was a comparable rental property. Thus, the Department of Finance is prohibited from utilizing the sales prices of the individual condominium units in determining the assessed valuation. Therefore the prices that you set in your offering plan and any subsequent sales or resales are not relevant in determining the assessed value of the property or of the individual condominium units. Upon conversion to a condominium and after an application is submitted by you, the New York City Department of Finance shall assign individual tax lot numbers to each of the condominium units. The residential units will be designated as tax class 2 property and will pay on the class 2 tax rate and the nonresidential parking units will be designated as tax class 4 property and will pay on the

class 4 tax rate. The current 2005/06 class 2 tax rate (2006/2007 will not be set until later this year) has been set at at $12.396 for each $100 of assessed valuation and the class 4 tax rate has been set at $11.306 for each $100 of assessed valuation.

Real Property Tax Law Section 1805 provides for the creation of a transition assessment system within the City of New York. Under the transition assessment system, the usual increase in the actual assessed value of a property between one year and the next is phased in over a five year period in equal installments. The five year phase in does not apply to new construction or other increases due to physical improvements to the property. Increases due to such physical improvements or new construction are added in full to the next year's assessment. Pursuant to Real Property Tax Law Section 1805, the taxable assessment is determined to be the lesser of the actual assessed valuation or the transition assessed valuation. We believe that there will be a substantial increase in value for 2008/09 as a result of the new construction which will be placed on the assessment roll immediately and not subject to the five year phase in. Due to the fact that we anticipate there will be an increase in assessed valuation due to the construction, we are not projecting a transition assessed value for 2008/2009 , although in future years after construction has been completed, increases in assessed value will likely result in the taxable assessment being based on a phased-in transition assessed value.

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. The law does not apply to buildings which receive 421-a tax exemptions. As set forth later in this letter, it is anticipated that this building will receive 421-a tax exemption benefits and therefore unit owners may not take advantage of this tax benefit. It is unknown at this time if this law will be renewed as to be in effect when the 421-a tax benefits have expired. Therefore, in predicting the taxes on this building we have not given any consideration to this tax benefit.

Owners of residential condominium units 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. Once again, as set forth later in this letter, it is anticipated that this building will receive 421-a tax exemption benefits and therefore unit owners may not take advantage of this tax benefit. It is unknown at this time if this law will be in effect when the 421-a tax benefits have expired. Therefore, in predicting the taxes on this building, we have not given any consideration to this tax benefit.

We caution you that it is unlikely that there will be an official apportionment of the assessment for the 2007/2008 tax year and you should include in your offering plan a provision as to how you intend to apportion the tax liability among the units until such time as an official apportionment of the assessed value is made and becomes effective.

Predicated upon the foregoing, it is our opinion that for the 2007/2008 tax year, the total assessed value of the property will be $3,000,000. For 2007/2008, the project will be only partially complete. We caution you that we have found that the assessment practices of the New York City Department of Finance are notoriously inconsistent in assessing properties during the course of construction and it is possible that there may be a substantial derivation in the assessed value for that tax year. For the post construction tax year of 2008/2009, we project that the total actual assessed value of the building will be $6,600,000.

Predicated upon the foregoing, it is our opinion that for the 2007/2008 tax year, the apportioned actual assessed value of the components of the property which are the subject of this letter will be as follows:

Residential Units:	$2,840,000
Parking Units	$160,000

Since it is unlikely that there will be an official apportionment of the 2007/2008 assessed value, we derived this apportionment by taking our projected post construction allocated assessed values and retroactively applying them (solely for the purpose of this letter) to our total projected 2007/2008 assessed value.

For the post construction tax year of 2008/2009, we project that the apportioned actual assessed value of the components of the property which are the subject of this letter will be as follows:

Residential Units:	$6,250,000
Parking Units	$350,000

In the past we have been advised that in determining the assessed values for the individual residential units, the Department of Finance may possibly use (1) the residential common interest percentages or (2) utilize the ratio of the Schedule A sales prices of any individual unit to the total sales prices of all residential units to determine the percentage of the total assessed value to be

attributed to each residential unit or (3) utilizes the ratio of square footage contained in each unit to the total square footage. We have now been advised in determining the assessed values for the individual residential units, the Department of Finance, commencing with the 2006/2007 assessment roll follows the residential common interest percentages set forth in the condominium declaration if such percentages are rationally and fairly determined. We offer no opinion as to which is the correct methodology to make this allocation.

Therefore assuming for 2007/2008 and 2008/2009 the tax class 2 tax rate increases to $12.50 for each $100 of assessed value and the tax class 4 tax rate increases to $11.50 for each $100 of assessed valuation, we make the following projections of the real estate taxes prior to any tax exemptions or abatements for the budget year January 1, 2008 to December 31, 2008 and the post construction budget year January 1, 2009 to December 31, 2009.

Budget Year 2008

2007/2008 (Six Months)

Unit	Assessed Value	Tax Rate	6 Months Tax
Residential Units	$2,840,000	.125	$177,500
Parking Units	$160,000	.115	$18,400

2008/2009 (Six Months)

Residential Units	$6,250,000	.125	$390,625
Parking Units	$350,000	.115	$20,125

Estimated Budget Year Taxes for January 1, 2008 to December 31, 2008

Residential Units	$568,125
Parking Units	$29,325

Estimated Post Construction Budget Year Taxes for January 1, 2009 to December 31, 2009

Residential Units	$781,250
Parking Units	$40,250

You have also requested our opinion as to the eligibility of the above referenced property to receive a 421-a real estate tax exemption. The 421-a Tax Exemption program was enacted pursuant to Section 421-a of the Real Property Tax Law of the State of New York ("421-a"), Section 11-245 of the Administrative Code of The City of New York and has been implemented through regulations promulgated by the New York City Department of Housing Preservation and Development. The law is designed to encourage construction of new multiple dwellings by offering

an exemption from real estate taxes for a period of years. The exemption covers the increase in assessed valuation resulting from construction of a new building over the prior assessed valuation on the property and eliminates for a period of years any taxation on that increase in assessed valuation. The exemption does not eliminate all real estate taxes.

You have advised us that (1) prior to the commencement of construction and on a date three years prior to commencement, the property met the underutilization requirements of the regulations, (2) all work will be performed in accordance with law and that all required filings have or will be will be made with the Department of Buildings and all agencies having the appropriate jurisdiction, (3) construction commenced in July 2005 and you expect construction to be completed no later than December 31, 2007. You have further advised us as to the square footage breakdown between the units and your breakdown indicates that there is significant nonresidential space which is primarily garage parking. However, pursuant to the definitions as issued by HPD on June 17, 2004, accessory parking in the cellar is not deemed to be nonresidential space for the purpose of determining 421-a eligibility and thus there shall be no reduction due to this nonresidential overage.

The 421-a rules and regulations define Commencement of Construction in part as follows:

> Commencement of construction. "Commencement of construction"' shall mean the date upon which excavation and the construction of initial footings and foundations commences in good faith. An architect or professional engineer licensed in the State of New York shall certify that such construction commenced on such date and that such construction was thereafter completed without undue delay.

As a part of the 421-a application, such certification must be provided to HPD. You have advised us that your architect will make the required certification on the form prescribed by HPD.

The 421-a rules and regulations define Completion of Construction as follows:

> Completion of construction. "Completion of construction" shall mean the date upon which either a Temporary Certificate of Occupancy is issued for all residential areas in the multiple dwelling or a Permanent Certificate of Occupancy is issued for the entire building.

Although we have been advised by you that work is expected to be completed during the Summer of 2007, as long as work is completed within 3 years of commencement, there will be no reduction in 421-a tax exemption benefits. In order to be eligible for 421-a tax exemption benefits, there are certain preconditions which must be met. The major preconditions, as set forth in the regulations is the site eligibility test. In order to be eligible for 421-a tax exemption benefits, the land on which the project is located must have been "vacant, predominantly vacant, underutilized or improved with a non-conforming use on the operative date." "Operative date" is defined in the regulations to be the date 36 months prior to commencement of the project.

Regulation Section 6-02(f)(3)(F)(b)sets forth the applicable site eligibility test as follows:

> (F) Except as provided in subparagraph (G) of this paragraph, commencement of construction occurred on or after October 30, 2002 on land that was improved with a nonresidential building or buildings ... (b) each of which had an actual assessed valuation equal to or less than seventy-five percent (75%) of the actual assessed valuation of the land on which the building or buildings were situated.

A review of the records of the NYC Department of Finance indicates for the 2002/2003 tax year (the tax year encompassing the "operative date"), the assessed value was apportioned as follows:

Land Assessed Value	Building Assessed Value	Ratio of Building to Land Assessed Value
$198,900	$50,400	25.34%

Therefore since the ratio is less than 75%, this project meets the site eligibility test.

421-a tax exemption benefits are available only to new multiple dwellings which cannot be used for Hotel or Single Room Occupancy purposes. We have been advised that this project will meet these requirements since it will not be used for hotel or single room occupancy purposes. Local Law 107 of 2005 requires that all 421-a projects use Energy Star appliances, water heaters and boilers. We believe that regulations will be in effect by the time you complete your project which will mandate that you comply with these Energy Star requirements.

There are certain construction requirements to be eligible for 421-a tax exemption benefits. Special requirements exist for building with at least 100 units. Since this building will contain less than 100 units, these restrictions do not apply. Additional requirements are placed on buildings where there were previously existing residential units. Since there were no residential units previously on this property, these requirements are not applicable.

421-a tax exemption benefits are not available if the project receives exemption benefits under any other law. These units will not receive any other exemption and thus remain eligible for 421-a tax benefits. In order to be eligible for 421-a tax exemption benefits, the project must commence prior to December 2007. This project will meet that requirement.

In addition, an application must be submitted to HPD prior to the issuance of a permanent certificate of occupancy. Our office has been retained to submit this application. There are various other minor technical requirements for obtaining 421-a tax exemption benefits. Without listing these requirements in minute detail, we believe that based upon information given to us by you, these other requirements will be met.

Utilizing the information supplied to us, it is our opinion that upon completion of the alteration, issuance of a residential certificate of occupancy by the Department of Buildings

evidencing a Class A multiple dwelling and approval by the various New York City departments having jurisdiction thereof, the building will qualify for 421-a tax exemption benefits. The 421-a tax exemption that is applicable to this project will last for a period of 15 years as set forth below:

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

In addition multiple dwellings which satisfy all of the requirements of the law and receive a Preliminary Certificate of Eligibility shall be exempt from real property taxes, other than assessments for local improvements, upon any increase in assessed valuation over the prior assessed valuation during the statutorily defined period of construction, or for a period of three years, whichever is less, provided that taxes shall be paid in each year for the remaining tax that shall be due. Based upon the information you have given to us and assuming the application is submitted shortly after you have commenced construction, we expect that the 421-a tax exemption benefits to be in effect before the tax bills are issued for the 2008/2009 tax year.

Real Estate taxes shall be based initially on the assessed value on the property for the year prior to commencement of construction multiplied by the current tax rate. This tax is sometimes known as the mini-tax. Since work commenced during the 2005/2006 tax year, the mini-tax will be determined by multiplying the 2004/2005 assessed value by the current tax rate. For 2004/2005, according to the Department of Finance records, the assessed valuation was $234,000. Assuming that the tax rate is $12.50 per one hundred dollars of assessed valuation and that the assessed values between the residential and nonresidential portions are apportioned as projected above, the mini-tax for the residential units shall be $27,000. You have advised me that the parking is accessory parking and will not be commercial parking. Therefore under the current policy of the Department of Housing Preservation and Development, this parking is deemed residential and shall not reduce the 421-a benefits and the parking units shall also be eligible for 421-a tax benefits. represented 12% or less of the total aggregate floor area. Therefore, assuming that the assessed values between the residential and nonresidential portions are apportioned as projected above, the mini-tax for the parking units shall be $1,426. The calculation of the mini-tax may change if either (a) the final certification of square foot areas that is subsequently provided to the 421-a office is different than the square footage amounts given to me as of this date and (b) the relationship between the parking units and the residential units is determined differently by the New York City Department of Finance.

421-a tax benefits are not automatic. An application must be made to the Department of Housing Preservation and Development. This application must contain supporting documentation

such as copies of all city permits and approvals, and an accountant's certification. All information contained in a 421-a application must be true and complete. The application is subject to an audit after the certificate of eligibility has been issued. These benefits may be revoked if an application contains false information.

We had previously set forth above our estimate of the taxes for the budget years January 1, 2008 to December 31, 2008 and January 1, 2009 to December 31, 2009. However utilizing the assumptions and estimates contained above, we estimate the taxes on the residential units after the 421-a benefits will be determined as follows for the budget years January 1, 2008 to December 31, 2008 and January 1, 2009 to December 31, 2009:

2007/2008 (6 Months)

Unit	Assessed Value	Exempt[1] Value	Taxable Value	Tax Rate	Tax (6 Mos.)
Residential	$2,840,000	$2,618,402	$221,598	.125	$13,850
Parking	$ 160,000	147,598	$ 12,402	.115	$ 713

2008/2009 (6 Months)

Unit	Assessed Value	Exempt Value	Taxable Value	Tax Rate	Tax (6 Mos.)
Residential	$6,250,000	$6,028,402	$221,598	.125	$13,850
Parking	$ 350,000	$ 337,598	$ 12,402	.115	$ 713

Total First Budget Year Taxes after 421-a Tax Benefit:

Residential	$27,700
Parking	$1,426

Total First Post Construction Year Taxes after 421-a Tax Benefit

Residential	$27,700
Parking	$1,426

[1] It is possible that the 2007/2008 assessment roll will be prepared prior to the 421-a benefits being granted. If the e421-a exemption is not yet registered in the records of th eNYC Department of Finance, any unit owner who pays on the non exempt valauation will receive a refund of real estate taxes when the befits are put into place. The above example computes the tax after the 421-a benfoits are in place.

BASED UPON OUR PREVIOUS EXPERIENCE WITH SUCH PROCEEDINGS, WE HAVE ISSUED THE WITHIN LETTER WITH THE SPECIFIC UNDERSTANDING THAT WE MAKE NO WARRANTIES THAT SUCH EXEMPTION WILL BE FORTHCOMING.

Our firm has an extensive practice in real estate tax review matters and in 421-a and J-51 tax exemption/ tax abatement applications, and we currently represent the owners of approximately 3,000 buildings in the City of New York, and file applications for correction of the tax assessments and tax exemptions/tax abatements on these properties. This firm and its predecessors have been engaged in such practice for a period of approximately 50 years. Additionally, the writer is the chairman of the Law Committee of the Associated Builders and Owners of Greater New York, a director of both the New York State Builders Association and the Associated Builders and Owners of Greater New York, a past member of the Tax Certiorari and Condemnation Committee of the Bar Association of the City of New York, and is a director and former President of the Real Estate Tax Review Bar Association, a specialized Bar dealing with real estate tax assessment matters.

WE MAKE NO REPRESENTATIONS OR GUARANTIES THAT THE ASSESSED VALUE WILL BE FIXED AT ANY AMOUNT. THIS LETTER IS BEING SENT TO YOU WITH THE EXPRESS UNDERSTANDING THAT OUR FIRM ASSUMES NO LIABILITY TO YOU OR TO ANY PURCHASER OF THE CONDOMINIUM UNITS OR TO ANY LENDER FOR OUR OPINIONS PRESENTED HEREIN. NEITHER WE NOR ANY PERSON CAN GUARANTEE WHAT THE REAL ESTATE TAXES WILL BE AT ANY FUTURE DATE. CHANGES IN LAW OR POLICIES OF GOVERNMENT AGENCIES MAY RADICALLY CHANGE THE OPINIONS EXPRESSED HEREIN AND INTERESTED PARTIES SHOULD BE AWARE THAT THE ESTIMATE OF THE 2007/2008, 2008/2009 AND 2009/2010 TAX ASSESSMENTS COVER A PERIOD INTO THE FUTURE. WE ASSUME NO RESPONSIBILITY OR LIABILITY FOR ANY VARIATIONS IN THE TAXES OR ASSESSED VALUES FROM THE PROJECTIONS MADE HEREIN.

The opinion expressed herein is that of the undersigned, and does not purport to express the opinion of the New York City Department of Finance or any city or government agency. The Department's opinion may result in substantially different total taxes for both budget years as well as for tax years 2007/2008 and 2008/2009 than set forth herein. We consent to the inclusion of this letter in the offering plan.

Very truly yours,

TUCHMAN, KATZ, SCHWARTZ, GELLES, KORNGOLD & WEISS, LLP.

Tuchman, Katz, Schwartz, Gelles, Korngold & Weiss, LLP

By: Paul J. Korngold

FORM W-8
(CERTIFICATION OF FOREIGN STATUS)

Form **W-8BEN**
(Rev. December 2000)
Department of the Treasury
Internal Revenue Service

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding

▶ Section references are to the Internal Revenue Code. ▶ See separate instructions.
▶ Give this form to the withholding agent or payer. Do not send to the IRS.

OMB No. 1545-1621

Do not use this form for: **Instead, use Form:**

- A U.S. citizen or other U.S. person, including a resident alien individual W-9
- A person claiming an exemption from U.S. withholding on income effectively connected with the conduct of a trade or business in the United States W-8ECI
- A foreign partnership, a foreign simple trust, or a foreign grantor trust (see instructions for exceptions) . . . . . W-8ECI or W-8IMY
- A foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession that received effectively connected income or that is claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b) (see instructions) . . . . . W-8ECI or W-8EXP

Note: *These entities should use Form W-8BEN if they are claiming treaty benefits or are providing the form only to claim they are a foreign person exempt from backup withholding.*

- A person acting as an intermediary W-8IMY

Note: *See instructions for additional exceptions.*

Part I Identification of Beneficial Owner (See instructions.)

1 Name of individual or organization that is the beneficial owner

2 Country of incorporation or organization

3 Type of beneficial owner: ☐ Individual ☐ Corporation ☐ Disregarded entity ☐ Partnership ☐ Simple trust ☐ Grantor trust ☐ Complex trust ☐ Estate ☐ Government ☐ International organization ☐ Central bank of issue ☐ Tax-exempt organization ☐ Private foundation

4 Permanent residence address (street, apt. or suite no., or rural route). **Do not use a P.O. box or in-care-of address.**

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

5 Mailing address (if different from above)

City or town, state or province. Include postal code where appropriate.

Country (do not abbreviate)

6 U.S. taxpayer identification number, if required (see instructions) ☐ SSN or ITIN ☐ EIN

7 Foreign tax identifying number, if any (optional)

8 Reference number(s) (see instructions)

Part II Claim of Tax Treaty Benefits (if applicable)

9 **I certify that (check all that apply):**

a ☐ The beneficial owner is a resident of .....within the meaning of the income tax treaty between the United States and that country.

b ☐ If required, the U.S. taxpayer identification number is stated on line 6 (see instructions).

c ☐ The beneficial owner is not an individual, derives the item (or items) of income for which the treaty benefits are claimed, and, if applicable, meets the requirements of the treaty provision dealing with limitation on benefits (see instructions).

d ☐ The beneficial owner is not an individual, is claiming treaty benefits for dividends received from a foreign corporation or interest from a U.S. trade or business of a foreign corporation, and meets qualified resident status (see instructions).

e ☐ The beneficial owner is related to the person obligated to pay the income within the meaning of section 267(b) or 707(b), and will file Form 8833 if the amount subject to withholding received during a calendar year exceeds, in the aggregate, $500,000.

10 **Special rates and conditions** (if applicable—see instructions): The beneficial owner is claiming the provisions of Article .....of the treaty identified on line 9a above to claim a .....% rate of withholding on (specify type of income):.....

Explain the reasons the beneficial owner meets the terms of the treaty article: .....

.....

Part III Notional Principal Contracts

11 ☐ I have provided or will provide a statement that identifies those notional principal contracts from which the income is **not** effectively connected with the conduct of a trade or business in the United States. I agree to update this statement as required.

Part IV Certification

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the beneficial owner (or am authorized to sign for the beneficial owner) of all the income to which this form relates.
- The beneficial owner is not a U.S. person.
- The income to which this form relates is not effectively connected with the conduct of a trade or business in the United States or is effectively connected but is not subject to tax under an income tax treaty, **and**
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner.

Sign Here ▶ ..... Signature of beneficial owner (or individual authorized to sign for beneficial owner) ..... Date (MM-DD-YYYY) ..... Capacity in which acting

Instructions for Form W-8BEN

(Rev. January 2003)

Department of the Treasury
Internal Revenue Service

(Use with the December 2000 revision of Form W-8BEN.)

Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding

Section references are to the Internal Revenue Code unless otherwise noted.

General Instructions

Note: *For definitions of terms used throughout these instructions, see* ***Definitions*** *on pages 2 and 3.*

A change to note. We added **Nonresident alien who becomes a resident alien** to the instructions for line 10 on page 5. This new section requires the use of Form W-9 in certain circumstances. See page 5 for details.

Purpose of form. Foreign persons are subject to U.S. tax at a 30% rate on income they receive from U.S. sources that consists of:

- Interest (including certain original issue discount (OID));
- Dividends;
- Rents;
- Royalties;
- Premiums;
- Annuities;
- Compensation for, or in expectation of, services performed;
- Substitute payments in a securities lending transaction; or
- Other fixed or determinable annual or periodical gains, profits, or income.

This tax is imposed on the gross amount paid and is generally collected by withholding on that amount. A payment is considered to have been made whether it is made directly to the beneficial owner or to another person, such as an intermediary, agent, or partnership, for the benefit of the beneficial owner.

If you receive certain types of income, you must provide Form W-8BEN to:

- Establish that you are not a U.S. person;
- Claim that you are the beneficial owner of the income for which Form W-8BEN is being provided; and
- If applicable, claim a reduced rate of, or exemption from, withholding as a resident of a foreign country with which the United States has an income tax treaty.

You may also be required to submit Form W-8BEN to claim an exception from domestic information reporting and backup withholding for certain types of income that are not subject to foreign-person withholding. Such income includes:

- Broker proceeds.
- Short-term (183 days or less) original issue discount (OID).
- Bank deposit interest.
- Foreign source interest, dividends, rents, or royalties.
- Proceeds from a wager placed by a nonresident alien individual in the games of blackjack, baccarat, craps, roulette, or big-6 wheel.

You may also use Form W-8BEN to certify that income from a notional principal contract is not effectively connected with the conduct of a trade or business in the United States.

A withholding agent or payer of the income may rely on a properly completed Form W-8BEN to treat a payment associated with the Form W-8BEN as a payment to a foreign person who beneficially owns the amounts paid. If applicable, the withholding agent may rely on the Form W-8BEN to apply a reduced rate of withholding at source.

Provide Form W-8BEN to the withholding agent or payer before income is paid or credited to you. Failure to provide a Form W-8BEN when requested may lead to withholding at a 30% rate (foreign-person withholding) or the backup withholding rate.

Note: *For additional information and instructions for the withholding agent, see the* ***Instructions for the Requester of Forms W-8BEN, W-8ECI, W-8EXP, and W-8IMY.***

Who must file. You must give Form W-8BEN to the withholding agent or payer if you are a foreign person and you are the beneficial owner of an amount subject to withholding. Submit Form W-8BEN when requested by the withholding agent or payer whether or not you are claiming a reduced rate of, or exemption from, withholding.

Do not use Form W-8BEN if:

- You are a U.S. citizen (even if you reside outside the United States) or other U.S. person (including a resident alien individual). Instead, use **Form W-9,** Request for Taxpayer Identification Number and Certification.
- You are a disregarded entity with a single owner that is a U.S. person and you are not a hybrid entity claiming treaty benefits. Instead, provide Form W-9.
- You are a nonresident alien individual who claims exemption from withholding on compensation for independent or dependent personal services performed in the United States. Instead, provide **Form 8233,** Exemption from Withholding on Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual, or **Form W-4,** Employee's Withholding Allowance Certificate.
- You are receiving income that is effectively connected with the conduct of a trade or business in the United

States. Instead, provide **Form W-8ECI,** Certificate of Foreign Person's Claim for Exemption From Withholding on Income Effectively Connected With the Conduct of a Trade or Business in the United States. If any of the income for which you have provided a Form W-8BEN becomes effectively connected, this is a change in circumstances and Form W-8BEN is no longer valid. You must file Form W-8ECI. See **Change in circumstances** below.

- You are filing for a foreign government, international organization, foreign central bank of issue, foreign tax-exempt organization, foreign private foundation, or government of a U.S. possession claiming the applicability of section 115(2), 501(c), 892, 895, or 1443(b). Instead, provide **Form W-8EXP,** Certificate of Foreign Government or Other Foreign Organization for United States Tax Withholding. However, you should use Form W-8BEN if you are claiming treaty benefits or are providing the form only to claim you are a foreign person exempt from backup withholding. You should use Form W-8ECI if you received effectively connected income (for example, income from commercial activities).
- You are a foreign flow-through entity, other than a hybrid entity, claiming treaty benefits. Instead, provide **Form W-8IMY,** Certificate of Foreign Intermediary, Foreign Flow-Through Entity, or Certain U.S. Branches for United States Tax Withholding. However, if you are a partner, beneficiary, or owner of a flow-through entity and you are not yourself a flow-through entity, you may be required to furnish a Form W-8BEN to the flow-through entity.
- You are a reverse hybrid entity transmitting beneficial owner documentation provided by your interest holders to claim treaty benefits on their behalf. Instead, provide Form W-8IMY.
- You are a withholding foreign partnership or a withholding foreign trust. A withholding foreign partnership or a withholding foreign trust is a foreign partnership or trust that has entered into a withholding agreement with the IRS under which it agrees to assume primary withholding responsibility for each partner's, beneficary's, or owner's distributive share of income subject to withholding that is paid to the partnership or trust. Instead, provide Form W-8IMY.
- You are acting as an intermediary (that is, acting not for your own account, but for the account of others as an agent, nominee, or custodian). Instead, provide Form W-8IMY.

Giving Form W-8BEN to the withholding agent. Do not send Form W-8BEN to the IRS. Instead, give it to the person who is requesting it from you. Generally, this will be the person from whom you receive the payment or who credits your account. Give Form W-8BEN to the person requesting it before the payment is made to you or credited to your account. If you do not provide this form, the withholding agent may have to withhold at a 30% rate (foreign-person withholding) or backup withholding rate. If you receive more than one type of income from a single withholding agent for which you claim different benefits, the withholding agent may, at its option, require you to submit a Form W-8BEN for each different type of income. Generally, a separate Form W-8BEN must be given to each withholding agent.

Note: *If you own the income or account jointly with one or more other persons, the income or account will be treated by the withholding agent as owned by a foreign person if Forms W-8BEN are provided by all of the owners. If the withholding agent receives a Form W-9 from any of the joint owners, the payment must be treated as made to a U.S. person.*

Change in circumstances. If a change in circumstances makes any information on the Form W-8BEN you have submitted incorrect, you must notify the withholding agent or payer within 30 days of the change in circumstances and you **must** file a new Form W-8BEN or other appropriate form.

If you use Form W-8BEN to certify that you are a foreign person, a change of address to an address in the United States is a change in circumstances. Generally, a change of address within the same foreign country or to another foreign country is not a change in circumstances. However, if you use Form W-8BEN to claim treaty benefits, a move to the United States or outside the country where you have been claiming treaty benefits is a change in circumstances. In that case, you must notify the withholding agent or payer within 30 days of the move.

If you become a U.S. citizen or resident after you submit Form W-8BEN, you are no longer subject to the 30% foreign-person withholding rate. You must notify the withholding agent or payer within 30 days of becoming a U.S. citizen or resident. You may be required to provide a Form W-9. For more information, see Form W-9 and instructions.

Expiration of Form W-8BEN. Generally, a Form W-8BEN provided without a U.S. taxpayer identification number (TIN) will remain in effect for a period starting on the date the form is signed and ending on the last day of the third succeeding calendar year, unless a change in circumstances makes any information on the form incorrect. For example, a Form W-8BEN signed on September 30, 2003, remains valid through December 31, 2006. A Form W-8BEN furnished with a U.S. TIN will remain in effect until a change in circumstances makes any information on the form incorrect, provided that the withholding agent reports on Form 1042-S at least one payment annually to the beneficial owner who provided the Form W-8BEN. See the instructions for line 6 on page 4 for circumstances under which you **must** provide a U.S. TIN.

Definitions

Beneficial owner. For payments other than those for which a reduced rate of withholding is claimed under an income tax treaty, the beneficial owner of income is generally the person who is required under U.S. tax principles to include the income in gross income on a tax return. A person is not a beneficial owner of income, however, to the extent that person is receiving the income as a nominee, agent, or custodian, or to the extent the person is a conduit whose participation in a transaction is disregarded. In the case of amounts paid that do not constitute income, beneficial ownership is determined as if the payment were income.

Foreign partnerships, foreign simple trusts, and foreign grantor trusts are not the beneficial owners of income paid to the partnership or trust. The beneficial owners of income paid to a foreign partnership are generally the

partners in the partnership, provided that the partner is not itself a partnership, foreign simple or grantor trust, nominee or other agent. The beneficial owners of income paid to a foreign simple trust (that is, a foreign trust that is described in section 651(a)) are generally the beneficiaries of the trust, if the beneficiary is not a foreign partnership, foreign simple or grantor trust, nominee or other agent. The beneficial owners of a foreign grantor trust (that is, a foreign trust to the extent that all or a portion of the income of the trust is treated as owned by the grantor or another person under sections 671 through 679) are the persons treated as the owners of the trust. The beneficial owners of income paid to a foreign complex trust (that is, a foreign trust that is not a foreign simple trust or foreign grantor trust) is the trust itself.

The beneficial owner of income paid to a foreign estate is the estate itself.

Note: *A payment to a U.S. partnership, U.S. trust, or U.S. estate is treated as a payment to a U.S. payee that is not subject to 30% foreign-person withholding. A U.S. partnership, trust, or estate should provide the withholding agent with a Form W-9.*

Foreign person. A foreign person includes a nonresident alien individual, a foreign corporation, a foreign partnership, a foreign trust, a foreign estate, and any other person that is not a U.S. person. It also includes a foreign branch or office of a U.S. financial institution or U.S. clearing organization if the foreign branch is a qualified intermediary. Generally, a payment to a U.S. branch of a foreign person is a payment to a foreign person.

Nonresident alien individual. Any individual who is not a citizen or resident of the United States is a nonresident alien individual. An alien individual meeting either the "green card test" or the "substantial presence test" for the calendar year is a resident alien. Any person not meeting either test is a nonresident alien individual. Additionally, an alien individual who is a resident of a foreign country under the residence article of an income tax treaty, or an alien individual who is a resident of Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, or American Samoa is a nonresident alien individual. See **Pub. 519,** U.S. Tax Guide for Aliens, for more information on resident and nonresident alien status.

Note: *Even though a nonresident alien individual married to a U.S. citizen or resident alien may choose to be treated as a resident alien for certain purposes (for example, filing a joint income tax return), such individual is still treated as a nonresident alien for withholding tax purposes on all income except wages.*

Flow-through entity. A flow-through entity is a foreign partnership (other than a withholding foreign partnership), a foreign simple or foreign grantor trust (other than a withholding foreign trust), or, for payments for which a reduced rate of withholding is claimed under an income tax treaty, any entity to the extent the entity is considered to be fiscally transparent (see below) with respect to the payment by an interest holder's jurisdiction.

Hybrid entity. A hybrid entity is any person (other than an individual) that is treated as fiscally transparent (see below) in the United States but is not treated as fiscally transparent by a country with which the United States has an income tax treaty. Hybrid entity status is relevant for claiming treaty benefits. See the instructions for line 9c on page 5.

Reverse hybrid entity. A reverse hybrid entity is any person (other than an individual) that is not fiscally transparent under U.S. tax law principles but that is fiscally transparent under the laws of a jurisdiction with which the United States has an income tax treaty. See the instructions for line 9c on page 5.

Fiscally transparent entity. An entity is treated as fiscally transparent with respect to an item of income for which treaty benefits are claimed to the extent that the interest holders in the entity must, on a current basis, take into account separately their shares of an item of income paid to the entity, whether or not distributed, and must determine the character of the items of income as if they were realized directly from the sources from which realized by the entity. For example, partnerships, common trust funds, and simple trusts or grantor trusts are generally considered to be fiscally transparent with respect to items of income received by them.

Disregarded entity. A business entity that has a single owner and is not a corporation under Regulations section 301.7701-2(b) is disregarded as an entity separate from its owner.

Amounts subject to withholding. Generally, an amount subject to withholding is an amount from sources within the United States that is fixed or determinable annual or periodical (FDAP) income. FDAP income is all income included in gross income, including interest (as well as OID), dividends, rents, royalties, and compensation. FDAP income does not include most gains from the sale of property (including market discount and option premiums).

Withholding agent. Any person, U.S. or foreign, that has control, receipt, or custody of an amount subject to withholding or who can disburse or make payments of an amount subject to withholding is a withholding agent. The withholding agent may be an individual, corporation, partnership, trust, association, or any other entity, including (but not limited to) any foreign intermediary, foreign partnership, and U.S. branches of certain foreign banks and insurance companies. Generally, the person who pays (or causes to be paid) the amount subject to withholding to the foreign person (or to its agent) must withhold.

Specific Instructions

Note: *A hybrid entity should give Form W-8BEN to a withholding agent only for income for which it is claiming a reduced rate of withholding under an income tax treaty. A reverse hybrid entity should give Form W-8BEN to a withholding agent only for income for which* ***no*** *treaty benefit is being claimed.*

Part I

Line 1. Enter your name. If you are a disregarded entity with a single owner who is a foreign person and you are not claiming treaty benefits as a hybrid entity, this form should be completed and signed by your foreign single owner. If the account to which a payment is made or credited is in the name of the disregarded entity, the

foreign single owner should inform the withholding agent of this fact. This may be done by including the name and account number of the disregarded entity on line 8 (reference number) of the form. However, if you are a disregarded entity that is claiming treaty benefits as a hybrid entity, this form should be completed and signed by you.

Line 2. If you are a corporation, enter the country of incorporation. If you are another type of entity, enter the country under whose laws you are created, organized, or governed. If you are an individual, enter N/A (for "not applicable").

Line 3. Check the **one** box that applies. By checking a box, you are representing that you qualify for this classification. You must check the box that represents your classification (for example, corporation, partnership, trust, estate, etc.) under U.S. tax principles. **Do not** check the box that describes your status under the law of the treaty country. If you are a partnership or disregarded entity receiving a payment for which treaty benefits are being claimed, you **must** check the "Partnership" or "Disregarded entity" box. If you are a sole proprietor, check the "Individual" box, not the "Disregarded entity" box.

CAUTION *Only entities that are tax-exempt under section 501 should check the "Tax-exempt organizations" box. Such organizations should use Form W-8BEN only if they are claiming a reduced rate of withholding under an income tax treaty or some code exception other than section 501. Use Form W-8EXP if you are claiming an exemption from withholding under section 501.*

Line 4. Your permanent residence address is the address in the country where you claim to be a resident for purposes of that country's income tax. If you are giving Form W-8BEN to claim a reduced rate of withholding under an income tax treaty, you must determine your residency in the manner required by the treaty. **Do not** show the address of a financial institution, a post office box, or an address used solely for mailing purposes. If you are an individual who does not have a tax residence in any country, your permanent residence is where you normally reside. If you are not an individual and you do not have a tax residence in any country, the permanent residence address is where you maintain your principal office.

Line 5. Enter your mailing address only if it is different from the address you show on line 4.

Line 6. If you are an individual, you are generally required to enter your social security number (SSN). To apply for an SSN, get **Form SS-5** from a Social Security Administration (SSA) office or, if in the United States, you may call the SSA at 1-800-772-1213. Fill in Form SS-5 and return it to the SSA.

If you do not have an SSN and are not eligible to get one, you must get an individual taxpayer identification number (ITIN). **To apply for an ITIN,** file **Form W-7** with the IRS. It usually takes 4-6 weeks to get an ITIN.

Note: *An ITIN is for tax use only. It does not entitle you to social security benefits or change your employment or immigration status under U.S. law.*

If you are not an individual or you are an individual who is an employer or who is engaged in a U.S. trade or business as a sole proprietor, you must enter an employer identification number (EIN). If you do not have an EIN, you should apply for one on **Form SS-4,** Application for Employer Identification Number. If you are a disregarded entity claiming treaty benefits as a hybrid entity, enter **your** EIN.

You **must** provide a U.S. taxpayer identification number (TIN) if you are:

1. Claiming an exemption from withholding under section 871(f) for certain annuities received under qualified plans, or
2. A foreign grantor trust with 5 or fewer grantors, or
3. Claiming benefits under an income tax treaty.

However, a U.S. TIN is not required to be shown in order to claim treaty benefits on the following items of income:

- Dividends and interest from stocks and debt obligations that are actively traded;
- Dividends from any redeemable security issued by an investment company registered under the Investment Company Act of 1940 (mutual fund);
- Dividends, interest, or royalties from units of beneficial interest in a unit investment trust that are (or were upon issuance) publicly offered and are registered with the SEC under the Securities Act of 1933; and
- Income related to loans of any of the above securities.

Note: *You may want to obtain and provide a U.S. TIN on Form W-8BEN even though it is not required. A Form W-8BEN containing a U.S. TIN remains valid for as long as your status and the information relevant to the certifications you make on the form remain unchanged provided at least one payment is reported to you annually on Form 1042-S.*

Line 7. If your country of residence for tax purposes has issued you a tax identifying number, enter it here. For example, if you are a resident of Canada, enter your Social Insurance Number.

Line 8. This line may be used by the filer of Form W-8BEN or by the withholding agent to whom it is provided to include any referencing information that is useful to the withholding agent in carrying out its obligations. For example, withholding agents who are required to associate the Form W-8BEN with a particular Form W-8IMY may want to use line 8 for a referencing number or code that will make the association clear. A beneficial owner may use line 8 to include the number of the account for which he or she is providing the form. A foreign single owner of a disregarded entity may use line 8 to inform the withholding agent that the account to which a payment is made or credited is in the name of the disregarded entity (see instructions for line 1 starting on page 3).

Part II

Line 9a. Enter the country where you claim to be a resident for income tax treaty purposes. For treaty purposes, a person is a resident of a treaty country if the person is a resident of that country under the terms of the treaty.

Line 9b. If you are claiming benefits under an income tax treaty, you must have a U.S. TIN unless one of the exceptions listed in the line 6 instructions above applies.

Line 9c. An entity (but not an individual) that is claiming a reduced rate of withholding under an income tax treaty must represent that it **(a)** derives the item of income for which the treaty benefit is claimed and **(b)** meets the limitation on benefits provisions contained in the treaty, if any.

An item of income may be derived by either the entity receiving the item of income or by the interest holders in the entity or, in certain circumstances, both. An item of income paid to an entity is considered to be derived by the entity only if the entity is not fiscally transparent under the laws of the entity's jurisdiction with respect to the item of income. An item of income paid to an entity shall be considered to be derived by the interest holder in the entity only if **(a)** the interest holder is not fiscally transparent in its jurisdiction with respect to the item of income and **(b)** the entity is considered to be fiscally transparent under the laws of the interest holder's jurisdiction with respect to the item of income. An item of income paid directly to a type of entity specifically identified in a treaty as a resident of a treaty jurisdiction is treated as derived by a resident of that treaty jurisdiction.

If an entity is claiming treaty benefits on its own behalf, it should complete Form W-8BEN. If an interest holder in an entity that is considered fiscally transparent in the interest holder's jurisdiction is claiming a treaty benefit, the interest holder should complete Form W-8BEN on its own behalf and the fiscally transparent entity should associate the interest holder's Form W-8BEN with a Form W-8IMY completed by the entity.

Note: *An income tax treaty may not apply to reduce the amount of any tax on an item of income received by an entity that is treated as a domestic corporation for U.S. tax purposes. Therefore, neither the domestic corporation nor its shareholders are entitled to the benefits of a reduction of U.S. income tax on an item of income received from U.S. sources by the corporation.*

To determine whether an entity meets the limitation on benefits provisions of a treaty, you must consult the specific provisions or articles under the treaties. Income tax treaties are available on the IRS Web Site at **www.irs.gov**.

Note: *If you are an entity that derives the income as a resident of a treaty country, you may check this box if the applicable income tax treaty does not contain a "limitation on benefits" provision.*

Line 9d. If you are a foreign corporation claiming treaty benefits under an income tax treaty that entered into force before January 1, 1987 (and has not been renegotiated) on **(a)** U.S. source dividends paid to you by another foreign corporation or **(b)** U.S. source interest paid to you by a U.S. trade or business of another foreign corporation, you must generally be a "qualified resident" of a treaty country. See section 884 for the definition of interest paid by a U.S. trade or business of a foreign corporation ("branch interest") and other applicable rules.

In general, a foreign corporation is a qualified resident of a country if one or more of the following applies:

- It meets a 50% ownership and base erosion test.
- It is primarily and regularly traded on an established securities market in its country of residence or the United States.
- It carries on an active trade or business in its country of residence.
- It gets a ruling from the IRS that it is a qualified resident.

See Regulations section 1.884-5 for the requirements that must be met to satisfy each of these tests.

*If you are claiming treaty benefits under an income tax treaty entered into force after December 31, 1986, **do not** check box 9d. Instead, check box 9c.*

Line 9e. Check this box if you are related to the withholding agent within the meaning of section 267(b) or 707(b) and the aggregate amount subject to withholding received during the calendar year exceeds $500,000. Additionally, you must file **Form 8833,** Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b).

Line 10

Line 10 must be used **only** if you are claiming treaty benefits that require that you meet conditions not covered by the representations you make in lines 9a through 9e. However, this line should always be completed by foreign students and researchers claiming treaty benefits. See **Scholarship and fellowship grants** below for more information.

Additional examples of persons who should complete this line are:

1. Exempt organizations claiming treaty benefits under the exempt organization articles of the treaties with Canada, Mexico, Germany, and the Netherlands.

2. Foreign corporations that are claiming a preferential rate applicable to dividends based on ownership of a specific percentage of stock.

3. Persons claiming treaty benefits on royalties if the treaty contains different withholding rates for different types of royalties.

This line is generally not applicable to claiming treaty benefits under an interest or dividends (other than dividends subject to a preferential rate based on ownership) article of a treaty.

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes. The individual must use Form W-9 to claim the tax treaty benefit. See the instructions for Form W-9 for more information. Also see **Nonresident alien student or researcher who becomes a resident alien** on page 6 for an example.

Scholarship and fellowship grants. A nonresident alien student (including a trainee or business apprentice) or researcher who receives noncompensatory scholarship or fellowship income may use Form W-8BEN to claim benefits under a tax treaty that apply to reduce or eliminate U.S. tax on such income. **No Form W-8BEN is required unless a treaty benefit is being claimed.** A nonresident alien student or researcher who receives compensatory scholarship or fellowship income must use

Form 8233 to claim any benefits of a tax treaty that apply to that income. The student or researcher must use Form W-4 for any part of such income for which he or she is not claiming a tax treaty withholding exemption. **Do not** use Form W-8BEN for compensatory scholarship or fellowship income. See **Compensation for Dependent Personal Services** in the Instructions for Form 8233.

Note: *If you are a nonresident alien individual who received noncompensatory scholarship or fellowship income and personal services income (including compensatory scholarship or fellowship income)* ***from the same withholding agent,*** *you may use Form 8233 to claim a tax treaty withholding exemption for part or all of* ***both*** *types of income.*

Completing lines 4 and 9a. Most tax treaties that contain an article exempting scholarship or fellowship grant income from taxation require that the recipient be a resident of the other treaty country at the time of, or immediately prior to, entry into the United States. Thus, a student or researcher may claim the exemption even if he or she no longer has a permanent address in the other treaty country after entry into the United States. If this is the case, you may provide a U.S. address on line 4 and still be eligible for the exemption if all other conditions required by the tax treaty are met. You must also identify on line 9a the tax treaty country of which you were a resident at the time of, or immediately prior to, your entry into the United States.

Completing line 10. You must complete line 10 if you are a student or researcher claiming an exemption from taxation on your scholarship or fellowship grant income under a tax treaty.

Nonresident alien student or researcher who becomes a resident alien. You must use Form W-9 to claim an exception to a saving clause. See **Nonresident alien who becomes a resident alien** on page 5 for a general explanation of saving clauses and exceptions to them.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would complete Form W-9.

Part III

If you check this box, you must provide the withholding agent with the required statement for income from a notional principal contract that is to be treated as income not effectively connected with the conduct of a trade or business in the United States. You should update this statement as often as necessary. A new Form W-8BEN is not required for each update provided the form otherwise remains valid.

Part IV

Form W-8BEN must be signed and dated by the beneficial owner of the income, or, if the beneficial owner is not an individual, by an authorized representative or officer of the beneficial owner. If Form W-8BEN is completed by an agent acting under a duly authorized power of attorney, the form must be accompanied by the power of attorney in proper form or a copy thereof specifically authorizing the agent to represent the principal in making, executing, and presenting the form. **Form 2848,** Power of Attorney and Declaration of Representative, may be used for this purpose. The agent, as well as the beneficial owner, may incur liability for the penalties provided for an erroneous, false, or fraudulent form.

Broker transactions or barter exchanges. Income from transactions with a broker or a barter exchange is subject to reporting rules and backup withholding unless Form W-8BEN or a substitute form is filed to notify the broker or barter exchange that you are an exempt foreign person.

You are an exempt foreign person for a calendar year in which: **(a)** you are a nonresident alien individual or a foreign corporation, partnership, estate, or trust; **(b)** you are an individual who has not been, and does not plan to be, present in the United States for a total of 183 days or more during the calendar year; and **(c)** you are neither engaged, nor plan to be engaged during the year, in a U.S. trade or business that has effectively connected gains from transactions with a broker or barter exchange.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to provide the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is: **Recordkeeping,** 5 hr., 58 min.; **Learning about the law or the form,** 3 hr., 46 min.; **Preparing and sending the form to IRS,** 4 hr., 2 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **Do not** send Form W-8BEN to this office. Instead, give it to your withholding agent.

FORM W-9
(REQUEST FOR TAXPAYER IDENTIFICATION NUMBER)

Form **W-9**
(Rev. November 2005)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give form to the requester. Do not send to the IRS.

Print or type
See Specific Instructions on page 2.

Name (as shown on your income tax return)

Business name, if different from above

Check appropriate box: ☐ Individual/ Sole proprietor ☐ Corporation ☐ Partnership ☐ Other ▶ ..... ☐ Exempt from backup withholding

Address (number, street, and apt. or suite no.)

Requester's name and address (optional)

City, state, and ZIP code

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
| | | | - | | | - | | | | |

or

Employer identification number
| | | - | | | | | | | |

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here Signature of U.S. person ▶ Date ▶

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

In 3 above, if applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes, you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or
- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.

2. The treaty article addressing the income.

3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments (after December 31, 2002). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,

2. You do not certify your TIN when required (see the Part II instructions on page 4 for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules regarding partnerships* on page 1.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line. Check the appropriate box for your filing status (sole proprietor, corporation, etc.), then check the box for "Other" and enter "LLC" in the space provided.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note. You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Exempt payees. Backup withholding is not required on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),

2. The United States or any of its agencies or instrumentalities,

3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,

4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or

5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,

7. A foreign central bank of issue,

8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,

9. A futures commission merchant registered with the Commodity Futures Trading Commission,

10. A real estate investment trust,

11. An entity registered at all times during the tax year under the Investment Company Act of 1940,

12. A common trust fund operated by a bank under section 584(a),

13. A financial institution,

14. A middleman known in the investment community as a nominee or custodian, or

15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over $600 required to be reported and direct sales over $5,000 [1]	Generally, exempt recipients 1 through 7 [2]

[1] See Form 1099-MISC, Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees; and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at *www.socialsecurity.gov*. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/businesses* and clicking on Employer ID Numbers under Related Topics. You can get Forms W-7 and SS-4 from the IRS by visiting *www.irs.gov* or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: *A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.*

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see *Exempt From Backup Withholding* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account [1]
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor [2]
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee [1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner [1]
5. Sole proprietorship or single-owner LLC	The owner [3]
For this type of account:	**Give name and EIN of:**
6. Sole proprietorship or single-owner LLC	The owner [3]
7. A valid trust, estate, or pension trust	Legal entity [4]
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one). If you are a sole proprietor, IRS encourages you to use your SSN.

[4] List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules regarding partnerships* on page 1.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

APPLICATION TO ATTORNEY GENERAL FOR DETERMINATION OF THE DISPOSITION OF DOWNPAYMENTS

APPLICATION TO THE ATTORNEY GENERAL FOR A DETERMINATION ON THE DISPOSITION OF DOWNPAYMENTS

[Send this application to the reviewing attorney assigned to the subject plan.]

Re: _____
Address of Building or Name of Project

File Number: _____

Application is made to the Attorney General to consider and determine the disposition of down payments held pursuant to GBL Sections 352-e(2-b) and 352-h. The following information is submitted in support of this application.

1. Name _____
of Applicant

2. Address _____
of Applicant

3. Name, Address, and Telephone Number
of Applicant's Attorney (if any) _____

_____

_____

4. This is an application for

☐ return of downpayment.

☐ forfeiture of downpayment.

☐ other: _____

_____

5. The project is ☐ a conversion of occupied premises.

☐ newly constructed or rehabilitated.

☐ vacant (as is).

6. The project is structured as

- ☐ a cooperative.
- ☐ a condominium.
- ☐ a homeowners association.
- ☐ a timeshare.
- ☐ other: _____

7. Name and Address of Sponsor: _____

_____

8. Name and Address of Escrow Agent: _____

_____

9. If downpayments are maintained in an escrow account:

(a) Name of Account _____

(b) Name and Address of Bank _____

(c) Account Number (if known) _____

(d) Initial interest rate (if known) _____

10. If downpayments have been secured by bonds:

(a) Name and Address of Bond Issuer or Surety: _____

_____

(b) Copy of bond included in this application. (DO NOT SEND ORIGINAL BOND.) If not included, explain:

_____

_____

_____

_____

11. If downpayments have been secured by a Letter of Credit:

(a) Name and address of bank which issued the letter of credit: _____

_____

_____

(b) Date of expiration of the Letter of Credit, if known:

_____

12. Plan information:

(a) Date of filing of plan: _____

(b) Plan ☐ has been declared effective.
Approximate date: _____

☐ has not been declared effective.

(c) If effective, the plan

☐ has closed or the first unit has closed.
Approximate date: _____

☐ has not closed.

☐ don't know.

(d) Downpayments are secured by

☐ escrow account.

☐ bonds.

☐ Letter of Credit.

13. Contract information:

(a) Copy of contract and of all riders or modification letters are attached. (DO NOT SEND ORIGINALS.)

(b) Date on which subscription or purchase agreement was signed: _____

(c) Date(s) of downpayment(s): _____

(d) Total amount of downpayment(s): _____

(e) Names and addresses of subscribers or purchasers affected by this application:

_____

_____

_____

_____

_____

14. State the basis for your claim. Please be as specific as possible. You may add additional sheets. Attach copies of any relevant documents.

_____

_____

_____

_____

_____

_____

_____

15. I am contemporaneously sending a copy of this application to the following persons:

_____

_____

Note: You are required to mail a copy of this Application to all other affected parties.

In filing this Application, I understand that the Attorney General is not my private attorney, but represents the public in enforcing laws designed to protect the public from unlawful business practices. I also understand that if I have any questions concerning my legal rights or responsibilities I may contact a private attorney. The above application is true and accurate to the best of my knowledge. False statements made herein are punishable as a Class A Misdemeanor under Section 175.30 and/or Section 210.45 of the Penal Law.

Signature: _____ Date: _____

Name (Printed): _____

Telephone: (Home) _____ (Business) _____

Mailing Address: _____

_____

ESCROW AGREEMENT

ESCROW: AGREEMENT FOR OFFERING PLAN

AGREEMENT made as of the filing date of the Offering Plan (defined below), between 125NORTH10, LLC ("SPONSOR") as SPONSOR of the Offering Plan and Starr Associates LLP ("ESCROW AGENT") as escrow agent.

WHEREAS, SPONSOR is the SPONSOR of an offering plan for premises known as 125 North 10th Street Condominium and located at 125 North 10th Street, Brooklyn, NY 11211 ("Offering Plan"); and

WHEREAS, Starr Associates LLP is authorized to act as an escrow agent hereunder in accordance with General Business Law ("GBL") Sections 352-e(2-b) and 352-h and the Attorney General's regulations promulgated thereunder; and

WHEREAS, SPONSOR desires that ESCROW AGENT act as escrow agent for deposits and payments by purchasers or subscribers, pursuant to the terms of this Agreement and the Offering Plan.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

1.1 ESCROW AGENT will establish a master escrow account for the purpose of holding deposits, downpayments, advances or payments ("Deposits") made by purchasers or subscribers ("Purchasers") pursuant to the Offering Plan at a commercial or savings bank having a branch located in New York City entitled Starr Associates LLP ("Master Escrow Account").

1.2 All Deposits will be placed initially in a non-interest bearing checking portion of the Master Escrow Account. If ESCROW AGENT receives a completed and signed Form W-9 (Request for Taxpayer Identification Number) or Form W-8 (Certificate of Foreign Status), as applicable, from a Purchaser at the time the Deposit is delivered to ESCROW AGENT, the Deposit of such Purchaser will be promptly transferred from the non-interest bearing checking portion of the Master Escrow Account into an individual interest bearing sub-escrow account in the name of such Purchaser. At such time as the Deposit is released, the Deposit will be transferred from the individual sub-escrow savings account to the non-interest bearing checking portion of the Master Escrow Account so that checks may be drawn thereon.

1.3 Partners in, or attorneys employed by, ESCROW AGENT are the sole signatories on the Master Escrow Account.

1.4 The Master Escrow Account is not an IOLA account established pursuant to Judiciary Law Section 497.

1.5 All interest will be credited to Purchaser at such time as: (i) there is a closing under the Contract of Sale (defined below), or (ii) Purchaser is entitled to a return of the Deposit. All interest will be credited to SPONSOR only in the event there is a "consummation of the Offering Plan" (as such term is defined in the Attorney General's regulations) and Purchaser defaults.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All funds received from Purchasers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited into the Master Escrow Account. All instruments to be deposited into the Master Escrow Account shall be made payable directly to the order of "Starr Associates LLP, as Escrow Agent". Endorsed instruments will not be accepted. Any instrument payable other than as required hereby, and which cannot be deposited into the Master Escrow Account, shall be returned to the Purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of funds, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 Within ten (10) business days after tender of the Deposit submitted with the purchase agreement or subscription agreement ("Contract of Sale"), ESCROW AGENT shall notify the Purchaser of the deposit of such funds in the Master Escrow Account, provide the account number, and disclose the initial interest rate. If the Purchaser does not receive notification of such deposit within fifteen (15) business days after tender of the Deposit, the Purchaser may cancel the Contract of Sale and rescind within ninety (90) days after tender of the Deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the Deposit was timely deposited in accordance with the Attorney General's regulations and requisite notice was timely mailed to the Purchaser.

3. RELEASE OF FUNDS.

3.1 ESCROW AGENT shall not release the Deposit of a defaulting Purchaser until after consummation of the Offering Plan. Consummation of the Offering Plan shall not relieve SPONSOR of its fiduciary obligations pursuant to GBL Section 352-h.

3.2 ESCROW AGENT shall continue to hold the Deposit in escrow until otherwise directed in (a) a writing signed by both SPONSOR and Purchaser or (b) a determination of the Attorney General or (c) a judgment or order of a court of competent jurisdiction or until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.

3.3 SPONSOR shall not object and will be deemed to have agreed, without the need for a written agreement, to the release of the Deposit to: (a) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Offering

Plan or an amendment to the Offering Plan, or (b) all Purchasers after an amendment abandoning the Offering Plan is accepted for filing by the Department of Law.

3.4 In the event SPONSOR and a Purchaser close title under the Contract of Sale, ESCROW AGENT shall be entitled to release the Deposit to SPONSOR without the need for a written agreement from Purchaser.

3.5 Except as otherwise set forth above, if there is no written agreement between the parties to release the Deposit, ESCROW AGENT shall not pay the funds to SPONSOR until ESCROW AGENT has given the Purchaser written notice of not fewer than ten (10) business days. Thereafter, the Deposit may be paid to SPONSOR unless the Purchaser has made application to the Department of Law pursuant to the dispute resolution provisions contained in the Attorney General's regulations and ESCROW AGENT has received notice from the Purchaser in accordance with such provisions.

4. RECORDKEEPING.

4.1 ESCROW AGENT shall maintain all records concerning the Master Escrow Account for seven (7) years after release of the funds.

4.2 Upon the dissolution of ESCROW AGENT, the former partners of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

4.3 ESCROW AGENT shall make available to the Attorney General, upon request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1 ESCROW AGENT shall maintain the Master Escrow Account under its direct supervision and control.

5.2 A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary obligations.

5.3 ESCROW AGENT shall not be liable to SPONSOR for any error in judgment, mistake of fact or law or for any act or omission on ESCROW AGENT'S part, including, without limitation, any act or omission which permits a Purchaser to rescind a Contract of Sale, unless taken or suffered in bad faith or in willful disregard of this Agreement or involving gross negligence on the part of ESCROW AGENT.

5.4 ESCROW AGENT shall be permitted to act as counsel for SPONSOR in any dispute as to the disbursement of the Deposit or any other dispute between

SPONSOR and a Purchaser whether or not ESCROW AGENT is in possession of the Deposit and continues to act as ESCROW AGENT.

5.5 ESCROW AGENT may rely upon any paper or document which may be submitted to it in connection with its duties under this Agreement and which is believed by ESCROW AGENT to be genuine and to have been signed or presented by the proper party or parties and shall have no liability or responsibility with respect to the form, execution or validity thereof.

5.6 ESCROW AGENT may consult with legal counsel selected by it and the opinion of such counsel shall be full and complete authorization and protection to ESCROW AGENT in respect of any action taken or omitted in good faith by ESCROW AGENT hereunder in accordance with the opinion of such counsel.

5.7 The provisions of paragraphs 5.5 and 5.6 shall apply only to SPONSOR and nothing contained therein shall be in derogation of the rights of a purchaser under Article 23-A of the General Business Law.

6. RESPONSIBILITIES OF SPONSOR.

6.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall deliver all Deposits received by them prior to closing of an individual transaction to a designated attorney who is a partner of or attorney or legal assistant employed by ESCROW AGENT within two (2) business days of tender of the Deposit by a Purchaser, using such transmittal forms as required by ESCROW AGENT from time to time.

6.2 SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary duties and compliance with the Attorney General's regulations.

6.3 SPONSOR shall obtain or cause the selling agent under the Offering Plan to obtain a completed and signed Form W-9 or W-8, as applicable, from each Purchaser and deliver such form to ESCROW AGENT together with the Deposit and Contract of Sale.

7. TERMINATION OF AGREEMENT.

7.1 This Agreement shall remain in effect unless and until it is cancelled by either:

(a) Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent; or

(b) The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign. Such resignation shall take effect on the date set

forth in the notice from ESCROW AGENT, except such resignation shall take effect only upon the filing of an amendment to the Offering Plan with the Department of Law providing for a successor escrow agent with respect to Deposits held in the Master Escrow Account on the date of such resignation; or

(c) All units offered by SPONSOR pursuant to the Offering Plan have been sold and no Deposits of Purchasers from SPONSOR remain in the Master Escrow Account.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1 (a) or (b) above, ESCROW AGENT shall deliver any and all funds held by ESCROW AGENT in escrow and any and all contracts or documents maintained by ESCROW AGENT relating to such funds to the new escrow agent.

8. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their respective successors and assigns.

9. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION.

SPONSOR agrees to pay ESCROW AGENT for services rendered by its attorneys and paralegals and expenses incurred by ESCROW AGENT in connection with this Agreement, including, without limitation, disputes arising with respect to the Deposit. SPONSOR shall not be charged with any administrative costs for maintenance of the Master Escrow Account. ESCROW AGENT'S fees and disbursements shall neither be paid by SPONSOR from the Deposit nor deducted from the Deposit by any financial institution under any circumstance.

11. SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. INDEMNIFICATION

SPONSOR agrees to defend, indemnify and hold ESCROW AGENT harmless from and against all costs, claims, expenses and damages incurred in connection with or arising out of this Agreement or the performance or non-performance of

ESCROW AGENT'S duties under this Agreement, except with respect to actions or omissions taken or suffered by ESCROW AGENT in bad faith or in willful disregard of this Agreement or involving gross negligence of Escrow Agent. This indemnity includes, without limitation, disbursements and attorneys' fees either paid to retain attorneys or representing the hourly billing rates with respect to legal services rendered by ESCROW AGENT to itself.

13. ALTERNATE SECURITY

In the event SPONSOR is authorized by the Department of Law to post a Letter of Credit or Surety Bond as alternate security to secure all or a portion of the Deposits, ESCROW AGENT agrees to be the beneficiary of the Letter of Credit or Surety Bond and to act as fiduciary with respect to such Letter of Credit or Surety Bond for the benefit of Purchasers under the Offering Plan whose Deposits were released from escrow in accordance with the "Escrow and Trust Fund" section of the Offering Plan or an amendment to the Offering Plan.

14. ENTIRE AGREEMENT.

This Agreement, read together with GBL Sections 352-e(2-b) and 352-h and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:

STARR ASSOCIATES LLP

By: Allan Starr
Name: Allan Starr, Esq.
Title: Partner

SPONSOR:

125NORTH10, LLC
a Delaware limited liability company

By: 125NORTH10 MM, LLC
its managing member

By:
Name: John R. Fraser
Title: President

CERTIFICATION OF SPONSOR AND PRINCIPALS

PART 20: CERTIFICATION OF SPONSOR AND PRINCIPALS

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

Re: Condominium Offering Plan
125 North 10th Street Condominium
125 North 10th Street
Brooklyn, NY 11211

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

SPONSOR:

125NORTH10, LLC
a Delaware limited liability company

By: 125NORTH10 MM, LLC
its managing member

By: _____
Name: John R. Fraser
Title: President

Severally sworn to before me this
14th day of November, 2006

_____
Notary Public

MICHELLE L. SCAGLIARINI
NOTARY PUBLIC, STATE OF NEW YORK
No. 01SC6115670
QUALIFIED IN NEW YORK COUNTY
MY COMMISSION EXPIRES SEPT. 13, 2008

PRINCIPALS OF SPONSOR:

_____
John R. Fraser

_____
Nicholas Bienstock

_____
Christopher Schlank

_____
Peter Petron

CERTIFICATION OF ARCHITECT

PART 20: CERTIFICATION OF ARCHITECT
RE: NEWLY CONSTRUCTED OR VACANT UNITS

(Original Report – New Construction)

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

Re: Condominium Offering Plan
125 North 10th Street Condominium
125 North 10th Street
Brooklyn, NY 11211

The sponsor of the condominium offering plan to convert the captioned property to condominium ownership retained me to prepare a report describing the construction of the property (the "Report"). I examined the building plans and specifications that were prepared by Anthony Cucich dated September 25, 2006 and prepared the Report dated March 20, 2007, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

I am a registered architect 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 and/or physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that I examined;

(ii) in my professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that I examined;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances; and

(vii) does not contain any representation or statement which is false, where I:

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representation or statement made.

I further certify that I am not owned or controlled by and have no beneficial interest in the sponsor and that my compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

ANTHONY CUCICH

By: _____
Name: Anthony Cucich
Title: _____

REGISTERED ARCHITECT ANTHONY CUCICH 13469 STATE OF NEW YORK

(Architect's Seal)

Sworn to before me this
12 day of April 2007

_____
Notary Public

SYDNEY LEVINE
Notary Public, State of New York
No. 02LE6153422
Qualified in New York County
Commission Expires October 2, 2010

CERTIFICATION OF BUDGET EXPERT

PENMARK
REALTY CORP

PART 20: CERTIFICATION BY EXPERT
AS TO ADEQUACY OF CONDOMINIUM BUDGET

December 4, 2006

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

Re: Condominium Offering Plan
125 North 10th Street Condominium
125 North 10th Street
Brooklyn, NY 11211

The sponsor of the condominium offering plan for the captioned property retained our firm to prepare Schedule B and review Schedule B-1 (collectively, "Schedules") containing projections of income and expenses for the first year of condominium operation. Penmark Realty Corporation has been engaged in the management of residential real estate for the past 40 years, manages approximately 40 cooperative and condominium buildings 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 Schedules.

We have reviewed the Schedules and investigated the facts set forth in the Schedules and the facts underlying it with due diligence in order to form a basis for this certification. We also have relied on our experience in managing residential buildings.

We certify that the projections in the Schedules 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 Schedules:

(i) set forth in detail the projected income and expenses for the first year of condominium operation;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii) 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 income or 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: _____
Name: Bernard Fiedman
Title:

Sworn to before me this
6th day of December, 2006

_____
Notary Public

MARIBEL ALVERIO
Notary Public, State of New York
No. 01AL6074898
Qualified in New York County
Commission Expires May 27, 2010

PENMARK REALTY CORP

REAL PROPERTY LAW SECTION 339-kk

NEW YORK REAL PROPERTY LAW § 339-kk

§ 339-kk. Rents.

(a) For the purposes of this section, "non-occupying owner" shall mean a unit owner in a condominium association who does not occupy the dwelling unit.

(b) If a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for Common Charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the condominium association.

(c) If the Common Charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for Common Charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers have been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for Common Charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled td present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

(d) Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

(e) Payment by a rental tenant to the condominium association made in connection with this section shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

§HISTORY: Add, L 1998, ch 422, § 3, eff July 22, 1998 (see 1998 note below).

EDITOR'S NOTES:

Laws 1998, ch 422, §§ 4, 5, eff July 22, 1998, provide as follows:

§ 4. This act may be enforced by any party by means of a special proceeding brought pursuant to article 4 of the civil practice law and rules.

§5. This act shall take effect immediately, and is applicable to all cooperative corporations and condominiums in existence on or after such date.

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