THIS PLAN HAS BEEN AMENDED. SEE INSIDE FRONT COVER.

CONDOMINIUM OFFERING PLAN

105 LEXINGTON CONDOMINIUM

A Plan For Condominium Ownership

of

Premises Known As

105 Lexington Avenue
Brooklyn, New York 11238

(31 Residential Units, 3 commercial Loft Units, and 8 Storage Units)

Total Purchase Price of All Units being Offered for Sale $22,926,450

Sponsor and Selling Agent:

HRCF-LDR Lexington LLC
79 Worth Street
New York, New York 10010

DATE OF ACCEPTANCE FOR FILING AUGUST 1, 2007.

THIS OFFERING PLAN MAY NOT BE USED AFTER JULY 31, 2008 UNLESS EXTENDED BY AMENDMENT.

SEE PAGE (v) FOR THE PLAN CONTAINS SPECIAL RISKS TO PURCHASERS

THIS OFFERING PLAN IS THE 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. FILLING WITH THE DEPARTMENT OF LAW DOES NOT MEAN THAT THE DEPARTMENT OR ANY OTHER GOVERNMENT AGENCY HAS APPROVED THE OFFERING.

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

EIGHTH AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
THE 105 LEXINGTON CONDOMINIUM

INTRODUCTION

This is the Eighth Amendment to the Offering Plan for 105 Lexington Avenue Condominium, Brooklyn, NY, which modifies and supplements the terms of the original Offering Plan dated August 1, 2007 and should be read in conjunction with said Offering Plan and prior Amendments.

The terms of this Eighth Amendment are as follows:

1. UPDATED SPONSOR DISCLOSURE

a. Sponsor owns the units listed on **Exhibit A**, attached hereto.

b. The aggregate monthly common charges for all units owned by Sponsor are $9,210 and the aggregate monthly real estate taxes are $7,580.

c. Sponsor is current on all financial obligations under the Plan, including but not limited to common charges.

d. The Board of Directors is comprised of principals of Sponsor who are Bernard Doyle, Stephen Raphael and Donald LaRosa. The first annual meeting of the board will be held at the later to occur of five years after the First Unit Closing or at the time that 50% of the units have closed.

(e) The Sponsor is current on all financial obligations relating to the condominium including but not limited to, payment of common charges and real estate taxes. Sponsor has no other obligations under the Plan. Sponsor was current on all such obligations during the twelve (12) months prior to the filing of the amendment.

(f) Stephen Raphael, a principal of Sponsor, as partner and/or principals of sponsor, own more than ten percent of the condominium units of: 425 14 Condominium, 425 14th Street, Brooklyn, New York (CD 05-0477) and 417 Clinton Street Condominium, 417 Clinton Street, Brooklyn, New York (CD08-0556) . The offering plans for these buildings are on file with the Department of Law and are available for public inspection and are current in all obligations set forth in paragraph (e) above in the aforementioned cooperative and condominium buildings.

2. RESIDENTIAL UNITS 1D, 1E AND 1F

Units 1D, 1E, and 1F have been approved by the NYC Department of Buildings as Residential Units and will no longer be designated as "community facility" units as specified in paragraph 1D of the Fifth Amendment. There are now a total of 32 Residential Units as per the original

Offering Plan which is reflected in a new Certificate of Occupancy, attached hereto as **Exhibit B.**

3. FLOOR PLANS TO UNITS 1D, 1E, 1F, 4B AND 4E

Attached hereto as **Exhibit C** are the above referenced floor plans. All references in the Offering Plan and Amendments are hereby revised to reflect the changes shown therein.

a. Units 1D and 1F are unchanged.
b. Unit 4B has been changed to show that the rear wall has been moved.
c. Unit 4E has been changed to show that the wall in the Upper Level has been moved.
d. Unit 1E has been changed to 2 Rooms/1Bath.

4. CHANGES TO COMMON ELEMENTS

a. The Bicycle Room has been relocated to the first floor. (see **Exhibit C,** Floor Plans)

b. The former Bicycle Room in the cellar has been changed to a Management Office. The Sponsor has signed a lease with the condominium to lease the Management Office and Superintendent's Office for use as a management office for a period of 19 years for an annual rent of $500.

5. DECLARATION

The Declaration has been amended to reflect the changes to the aforementioned changes. See Exhibit D attached hereto.

6. BUDGET

There is no change in the Budget from July 1, 2010. A new Certification of Adequacy of the Budget is attached hereto as Exhibit E.

7. CERTIFIED FINANCIALS

Attached hereto as Exhibit F are the Certified Financials for the Year 2010.

8. NO MATERIAL CHANGES

Except as set forth in this Amendment, there have been no material changes to the Offering Plan.

SPONSOR: HRCF-LDR LEXINGTON LLC

Dated: January 9 , 2012

EXHIBIT A

UNSOLD UNITS
105 Lexington Condominium
105 Lexington Avenue
Brooklyn, New York

Unit
1C
1D
2A
2C
3C
3D
4B
4F
4G

EXHIBIT B

CERTIFICATE OF OCCUPANCY

EXHIBIT C

FLOOR PLANS

EXHIBIT D

FIRST AMENDMENT TO THE DECLARATION

EXHIBIT E
CERTIFICATION OF ADEQUACY OF THE BUDGET

EXHIBIT F
CERTIFIED FINANCIALS

EXHIBIT A

UNSOLD UNITS
105 Lexington Condominium
105 Lexington Avenue
Brooklyn, New York

Unit
1C
1D
2A
2C
3C
3D
4B
4F
4G

EXHIBIT B

CERTIFICATE OF OCCUPANCY

NYC Buildings

Certificate of Occupancy

CO Number: 302075224F

This certifies that the premises described herein conforms substantially to the approved plans and specifications and to the requirements of all applicable laws, rules and regulations for the uses and occupancies specified. No change of use or occupancy shall be made unless a new Certificate of Occupancy is issued. *This document or a copy shall be available for inspection at the building at all reasonable times.*

A.

Borough: Brooklyn	**Block Number:** 01967	**Certificate Type:** Final
Address: 105 LEXINGTON AVENUE	**Lot Number(s):** 58	**Effective Date:** 06/18/2009
Building Identification Number (BIN): 3335030	**Building Type:** Altered	

For zoning lot metes & bounds, please see BISWeb.

B.

Construction classification:	3	(Prior to 1968 Code)
Building Occupancy Group classification:	RES	(Prior to 1968 Code)
Multiple Dwelling Law Classification:	HCA	

No. of stories: 4	**Height in feet:** 66	**No. of dwelling units:** 29

C. **Fire Protection Equipment:**
Sprinkler system

D. **Type and number of open spaces:**
None associated with this filing.

E. **This Certificate is issued with the following legal limitations:**
None

Borough Comments: None

Borough Commissioner

Commissioner

DOCUMENT CONTINUES ON NEXT PAGE

NYC Buildings

Certificate of Occupancy

CO Number: 302075224F

Permissible Use and Occupancy

All Building Code occupancy group designations are 1968 designations, except RES, COM, or PUB which are 1938 Building Code occupancy group designations.

Floor From To	Maximum persons permitted	Live load lbs per sq. ft.	Building Code occupancy group	Dwelling or Rooming Units	Zoning use group	Description of use
CEL		OG	RES			ORDINARY USE, BOILER ROOM, AND TRASH COMPACTOR ROOM
CEL	6	OG	RES		2	TENANT STORAGE, BICYCLE STORAGE, GYM, SUPT'S OFFICE, ACCESSORY EXERCIZE ROOM FOR EXCLUSIVE USE OF BUILDING OCCUPANTS AND THEIR GUESTS
001	0	75	RES	5	2	FIVE DWELLING UNITS
001	9	75	R-2		4	COMMUNITY FACILITY - AMBULATORY, DIAGNOSTIC OR TREATMENT HEALTH CARE FACILITY
002	24	75	RES	8	2	EIGHT DWELLING UNITS
003	24	75	RES	8	2	EIGHT DWELLING UNITS
004	24	75	RES	8	2	LOWER PART OF EIGHT DWELLING UNITS
PEN		40	RES		2	UPPER PART OF EIGHT DWELLING UNITS

END OF SECTION

R.A.

Borough Commissioner

Commissioner

END OF DOCUMENT

NYC Buildings

Certificate of Occupancy

CO Number: 320270675F

This certifies that the premises described herein conforms substantially to the approved plans and specifications and to the requirements of all applicable laws, rules and regulations for the uses and occupancies specified. No change of use or occupancy shall be made unless a new Certificate of Occupancy is issued. *This document or a copy shall be available for inspection at the building at all reasonable times.*

A.

Borough: Brooklyn **Address:** 105 LEXINGTON AVENUE **Building Identification Number (BIN):** 3335030	**Block Number:** 01967 **Lot Number(s):** 58 **Building Type:** Altered	**Certificate Type:** Final **Effective Date:** 11/02/2011

This building is subject to this Building Code: Prior to 1968 Code

For zoning lot metes & bounds, please see BISWeb.

B.

Construction classification: 3 (Prior to 1968 Code designation)

Building Occupancy Group classification: R-2 (2008 Code)

Multiple Dwelling Law Classification: HCA

No. of stories: 4 **Height in feet:** 66 **No. of dwelling units:** 32

C. **Fire Protection Equipment:**
None associated with this filing.

D. **Type and number of open spaces:**
None associated with this filing.

E. **This Certificate is issued with the following legal limitations:**
None

Borough Comments: None

Acting
Borough Commissioner

Commissioner

DOCUMENT CONTINUES ON NEXT PAGE

NYC Buildings

Certificate of Occupancy

CO Number: 320270675F

Permissible Use and Occupancy

All Building Code occupancy group designations below are 2008 designations.

Floor From	To	Maximum persons permitted	Live load lbs per sq. ft.	Building Code occupancy group	Dwelling or Rooming Units	Zoning use group	Description of use
CEL			OG	R-2		2	ORDINARY USE, BOILER ROOM AND TRASH COMPACTOR ROOM
CEL			OG	R-2		2	TENANT STORAGE, SUPT.'S OFFICE & MANAGEMENT OFFICE, ACCESSORY EXERCISE ROOM FOR EXCLUSIVE USE OF BUILDING OCCUPANTS AND THEIR GUESTS
001	001	24	75	R-2	8	2	EIGHT DWELLING UNITS, BICYCLE STORAGE
002	002	24	75	R-2	8	2	EIGHT DWELLING UNITS
003	003		75	R-2	8	2	EIGHT DWELLING UNITS
004	004		75	R-2	8	2	LOWER PART OF EIGHT DWELLING UNITS
RO F			100	R-2		2	OUTDOOR RECREATION SPACE
PEN			40	R-2		2	UPPER PART OF EIGHT DWELLING UNITS

END OF SECTION

Acting

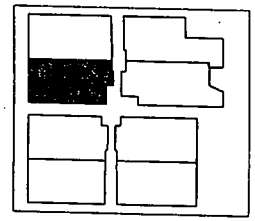
Borough Commissioner

Commissioner

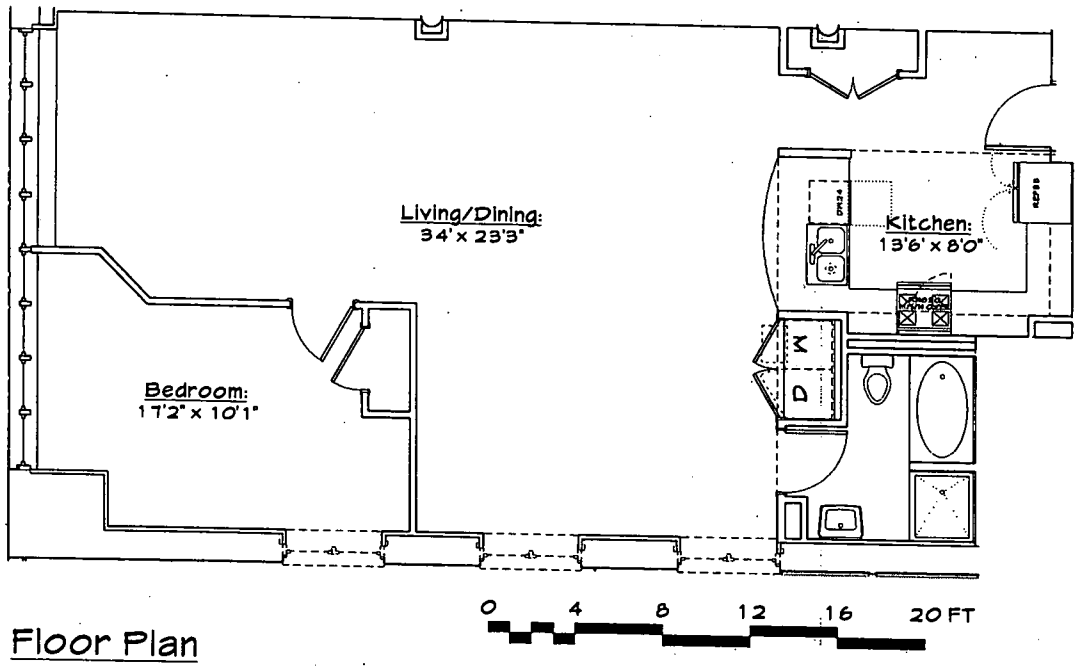
END OF DOCUMENT

EXHIBIT C

FLOOR PLANS



Key Plan
First Floor

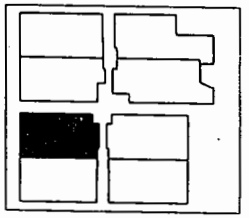


Floor Plan

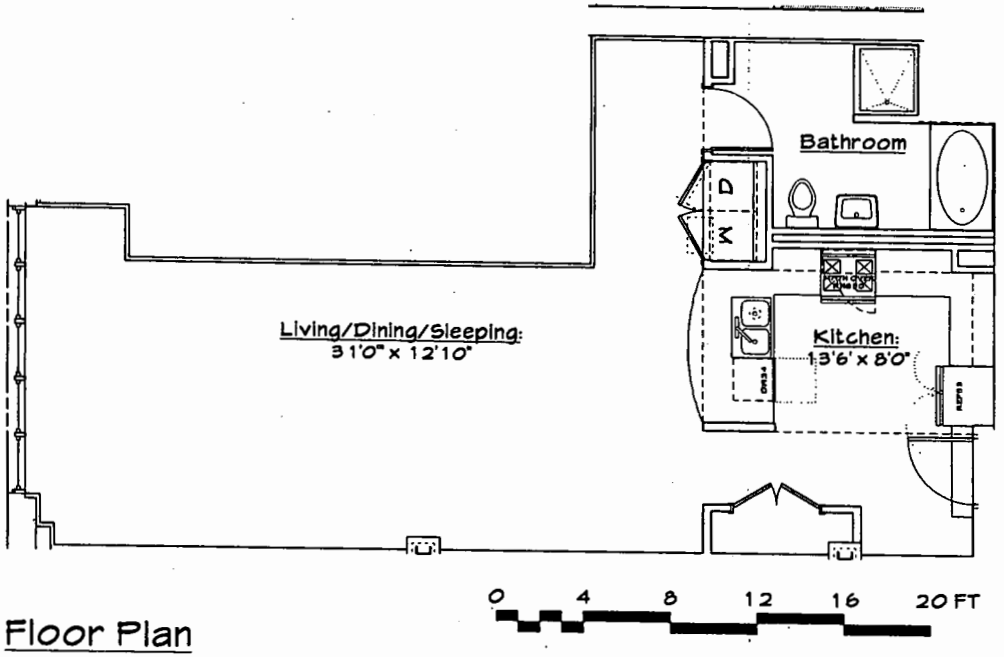
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1D

Unit: 1,173sf



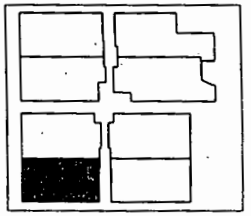
Key Plan
First Floor



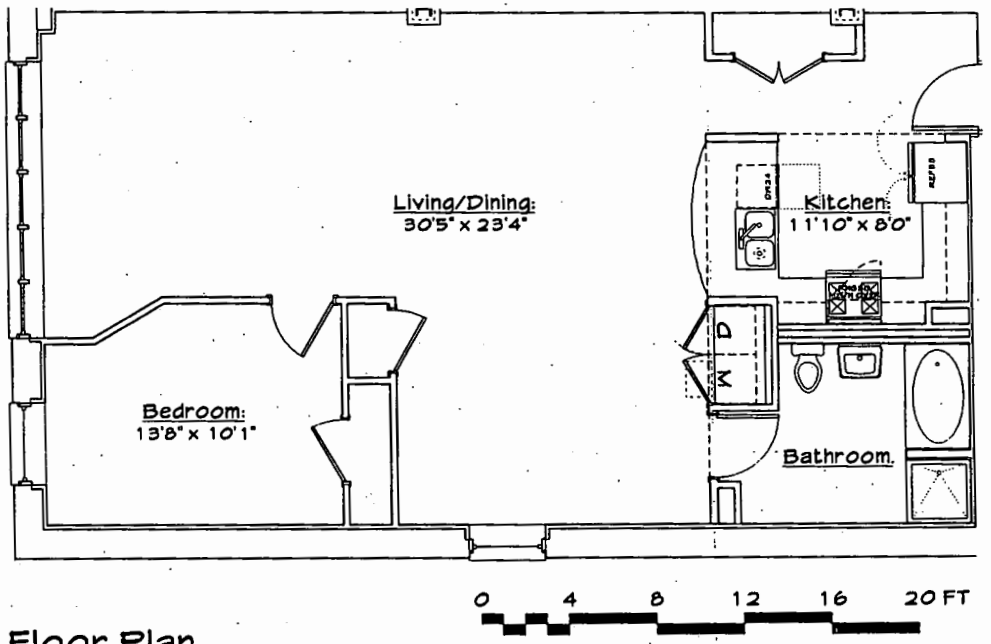
Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1E
Unit: 823sf



Key Plan
First Floor

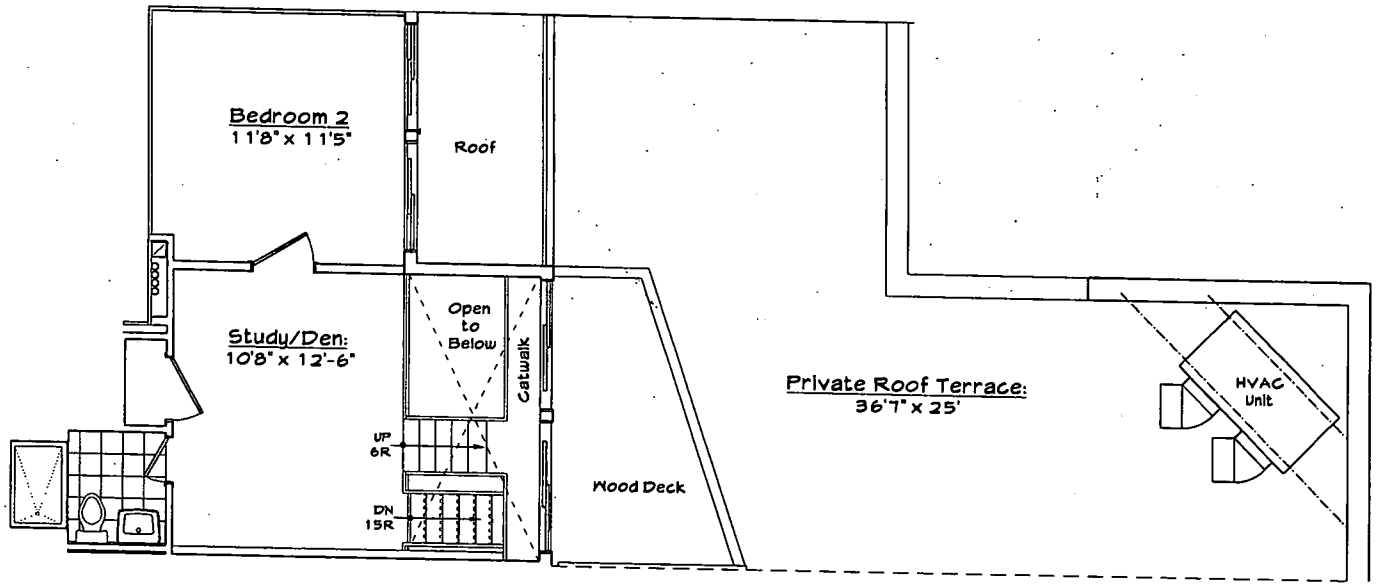


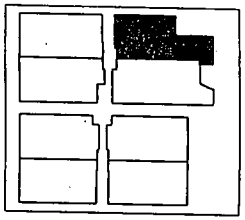
Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1F

Unit: 1,110sf



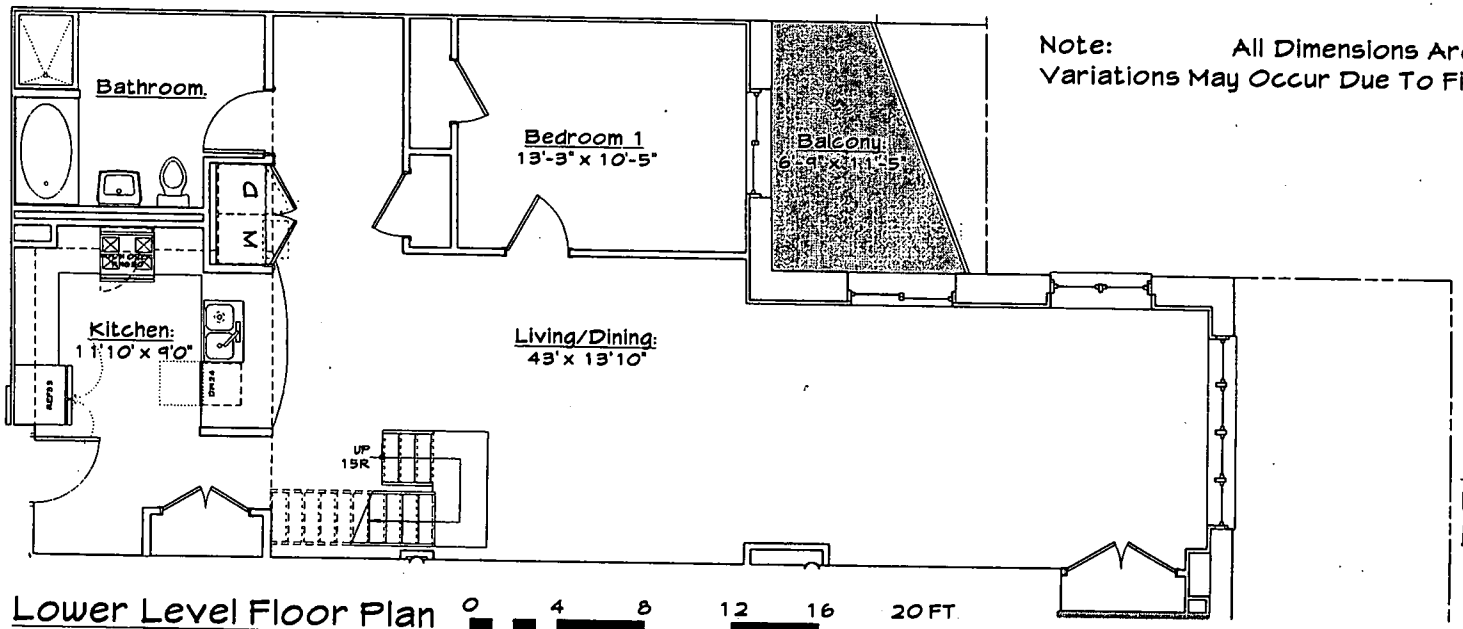


Key Plan
FOURTH Floor

Upper Level Floor Plan

Unit: 418 sf L.C.E. 697 sf

0 4 8 12 16 20 FT



Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions



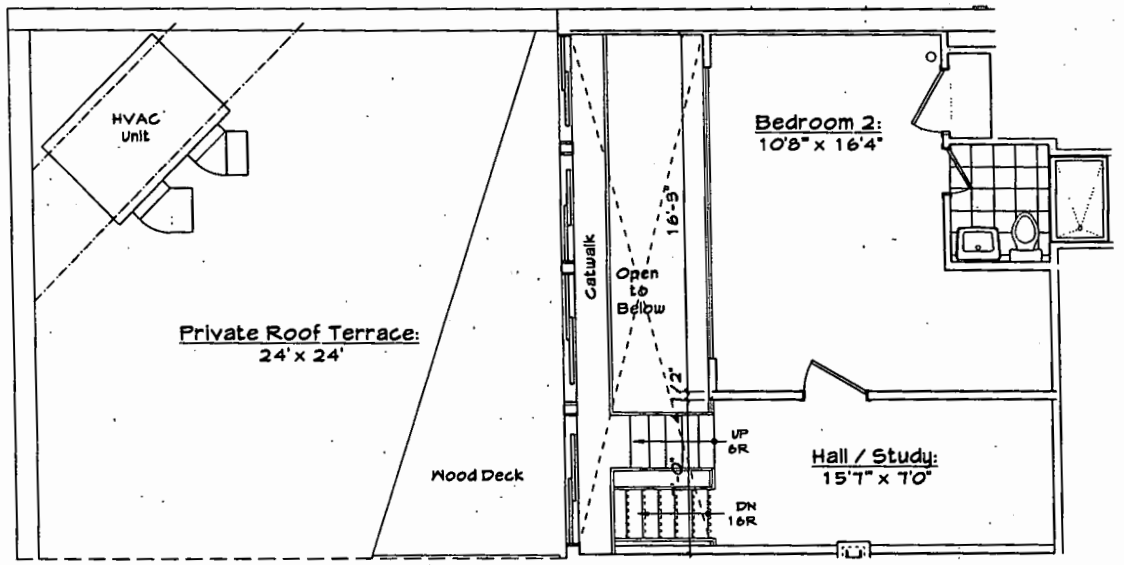
Lower Level Floor Plan

Unit: 1,185 sf L.C.E 77 sf
Cellar Storage L.C.E 40 sf

0 4 8 12 16 20 FT

Unit 4B

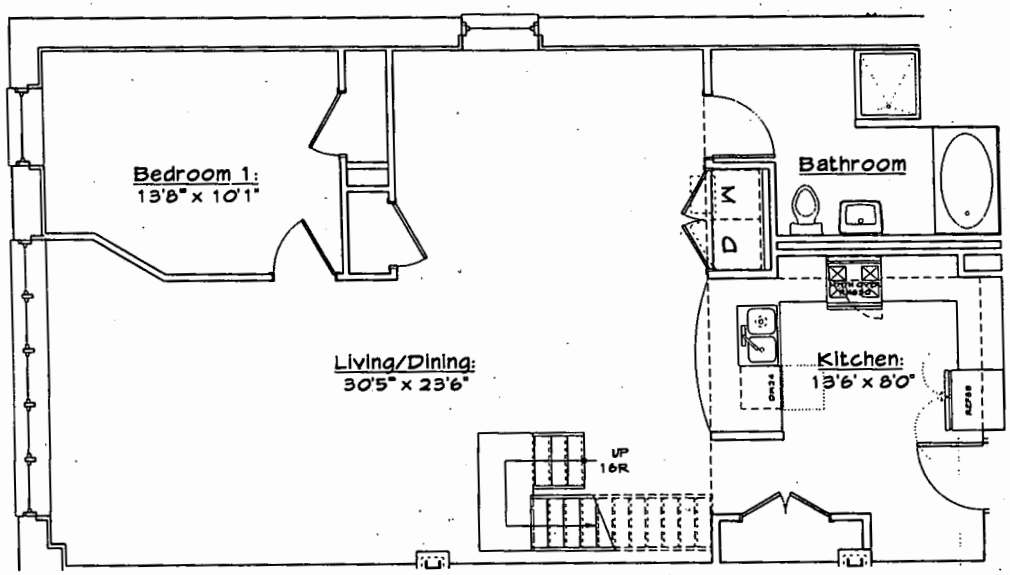
Unit: 1,603sf
L.C.E. 814sf



Upper Level Floor Plan

Unit: 469 sf L.C.E. 633 sf

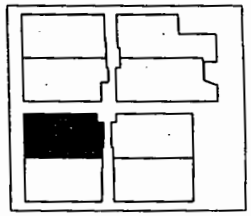
0 4 8 12 16 20 FT



Lower Level Floor Plan

Unit: 1,119 sf L.C.E 0 sf
Cellar Storage L.C.E 40 sf

0 4 8 12 16 20 FT



Key Plan

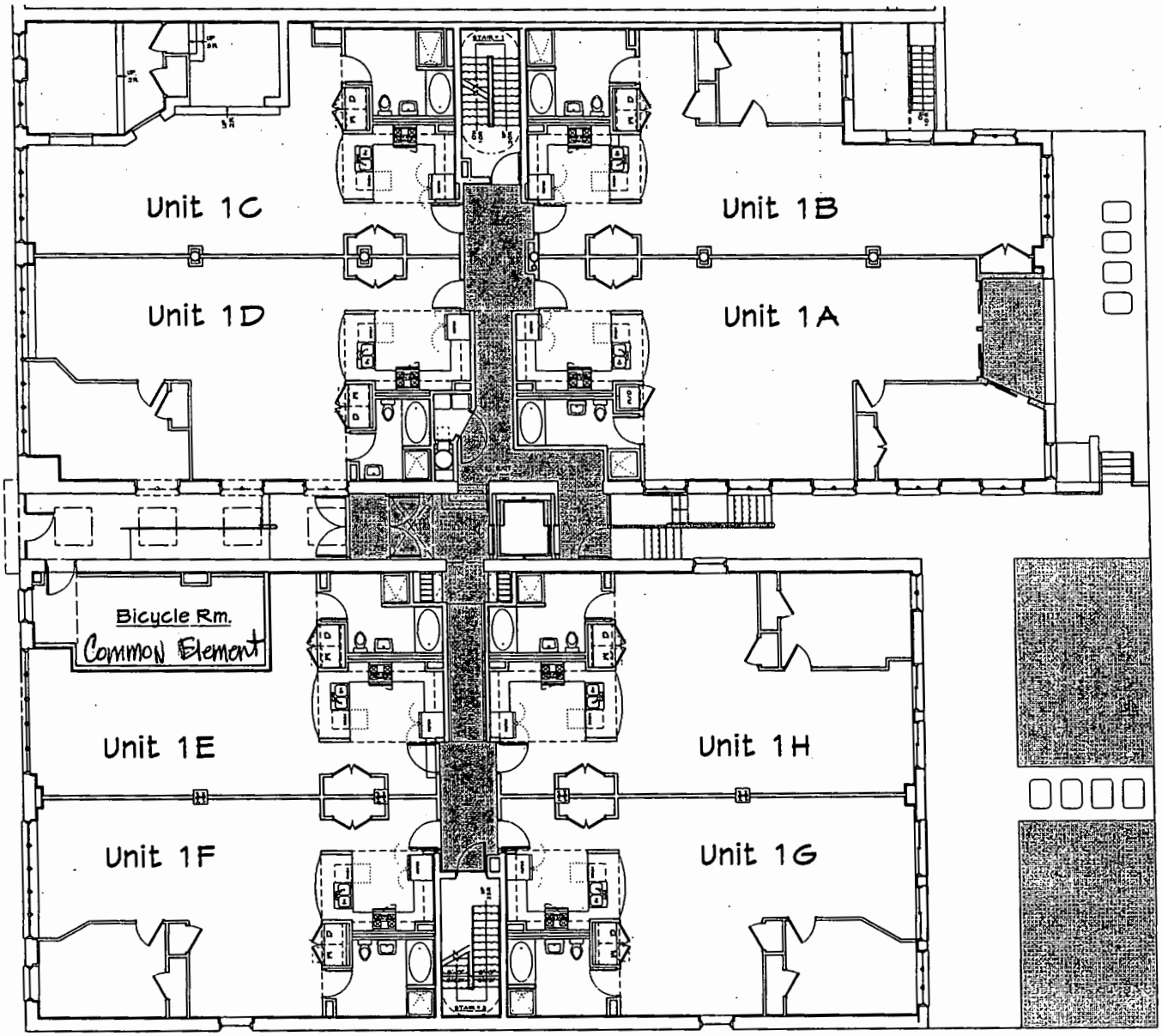
Fourth Floor

N

Unit 4E

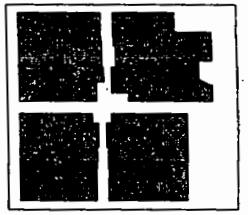
Unit: 1,588sf
L.C.E. 673sf

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions



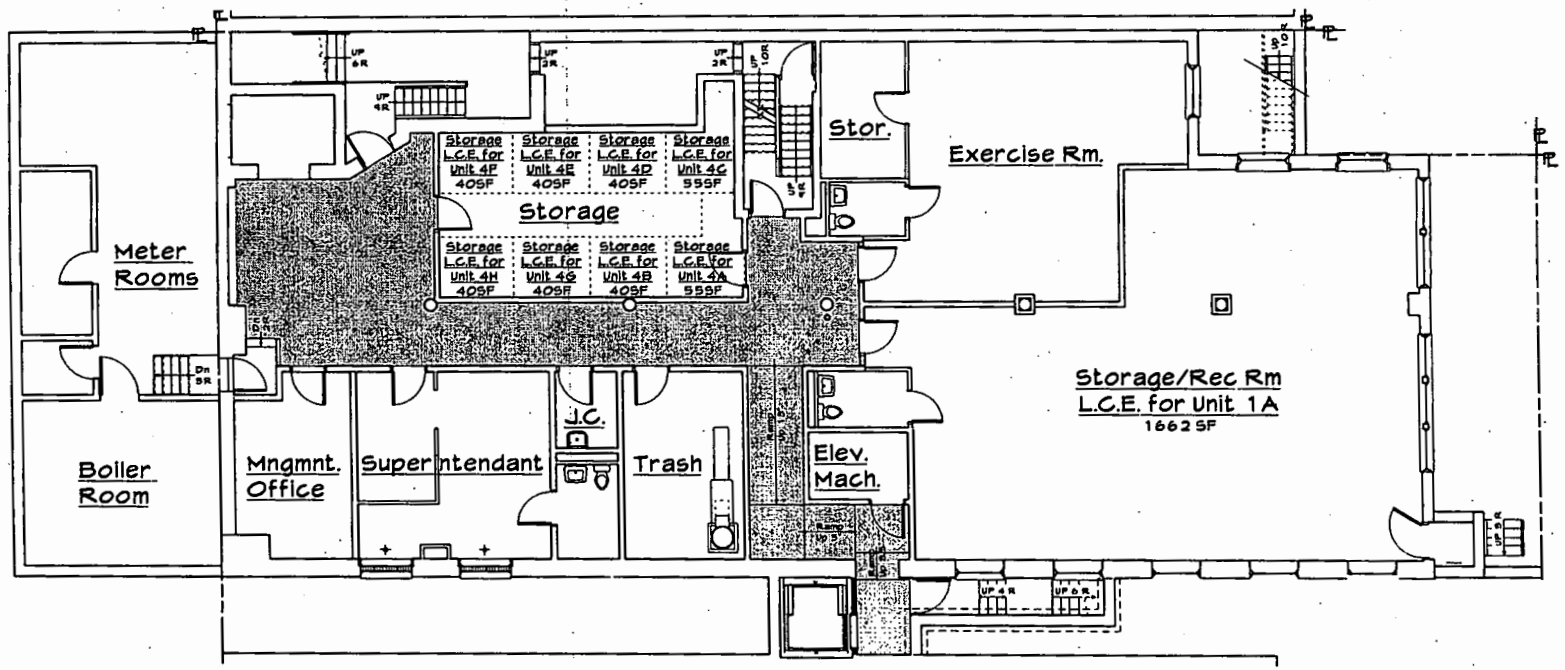
First Floor Plan

0 4 8 12 16 20FT



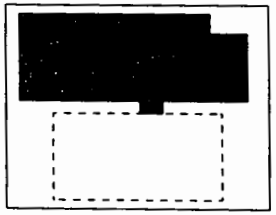
Key Plan
First Floor

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions



Cellar Plan

0 4 8 12 16 20 FT



Key Plan

Cellar Floor

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

EXHIBIT C

FIRST AMENDMENT TO THE DECLARATION

FIRST AMENDMENT TO THE DECLARATION AND BYLAWS FOR
105 LEXINGTON CONDOMINIUM
105 LEXINGTON AVENUE, BROOKLYN, NEW YORK

I. The Declaration for 105 Lexington Condominium having been recorded on April 24, 2009 in CRFN 2009000121966 in the Kings County Office of the Register of the City of New York is hereby amended as follows:

CHANGES TO DECLARATION OF CONDOMINIUM

1. Declaration, Schedule B: Unit 1E as listed in Schedule B to the Declaration is changed as follows:

Unit	#Rooms	Area	Tax Lot	%Common Interest	Location
1E	2/1	823			First Fl

2. The Floor Plan for Unit 1E is attached hereto.
3. Declaration, Article 7, Common Elements, Section 7.2.14 is amended by adding the following sentence at the end of the Section: With respect to the first floor, the bicycle room (see attached First Floor Plan) is a common element.

IN WITNESS WHEREOF, the Sponsor as owner of Unit 1E and the Board of Directors of 105 Lexington Condominium, has caused this First Amendment to the Declaration to be executed as of the 5th day of October, 2011.

HRCF-LDR Lexington LLC

By: Stephen Raphael, Managing Member

Board of Directors of 105 Lexington Condominium

By: Stephen Raphael, Vice President

State of New York)
)ss:
County of New York)

On the 5th day of October in the year 2011, before me, the undersigned, personally appeared Stephen Raphael personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

STEPHEN W. ALLEN, ESQ.
Notary Public, State of New York
County of Kings
#02AL6114839
Commission Expires 9 / 20 / 20 12

EXHIBIT D

FIRST AMENDMENT TO THE DECLARATION

FIRST AMENDMENT TO DECLARATION AND BYLAWS

105 Lexington Condominium
at the Premises known as:
105 Lexington Avenue
Brooklyn, New York

Block:	1967
K/N/A Lots:	1301-1332
F/K/A Lot:	58

Record and Return to:
Raphael and Marks
276 Park Avenue South, 3rd Fl.
New York, NY 10010

FIRST AMENDMENT TO THE DECLARATION AND BYLAWS FOR
105 LEXINGTON CONDOMINIUM
105 LEXINGTON AVENUE, BROOKLYN, NEW YORK

I. The Declaration for 105 Lexington Condominium having been recorded on April 24, 2009 in CRFN 2009000121966 in the Kings County Office of the Register of the City of New York is hereby amended as follows:

CHANGES TO DECLARATION OF CONDOMINIUM

1. Declaration, Schedule B:Unit1E as listed in Schedule B to the Declaration is changed to reflect the revised number of rooms:

Unit	#Rooms	Area	Tax Lot	%Common Interest	Location
1E	2/1	823	1305	2.63	First Fl

2. The Floor Plan for Unit 1E is attached hereto.
3. Declaration, Article 7, Common Elements, Section 7.2.14 is amended by adding the following sentence at the end of the Section: With respect to the first floor, the bicycle room (see attached First Floor Plan) is a common element.

IN WITNESS WHEREOF, the Sponsor as owner of Unit 1E and the Board of Directors of 105 Lexington Condominium, has caused this First Amendment to the Declaration to be executed as of the 5th day of October, 2011.

HRCF-LDR Lexington ~~LLC~~

By: Stephen Raphael, Managing Member

Board of Directors of 105 ~~Lexington~~ Condominium

By: Stephen Raphael, ~~Vice~~ President

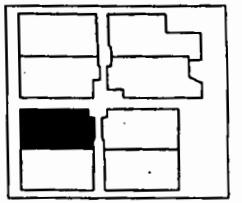
State of New York)
)ss:
County of New York)

On the 5th day of ~~November~~ October in the year 2011, before me, the undersigned, personally appeared Stephen Raphael personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her capacity, and that by ~~her~~ signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

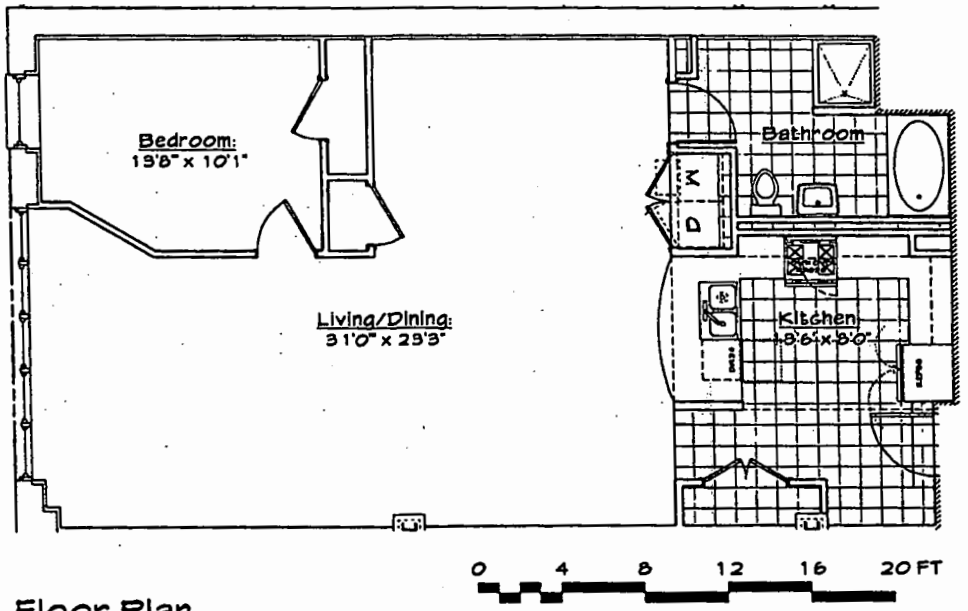
Notary Public

STEPHEN W. ALLEN, ESQ.
Notary Public, State of New York
County of Kings
#02AL6114839
Commission Expires 9/20/2011

SEAL



Key Plan
First Floor

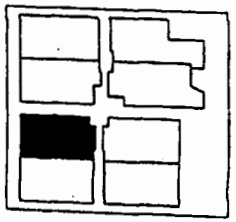


Floor Plan

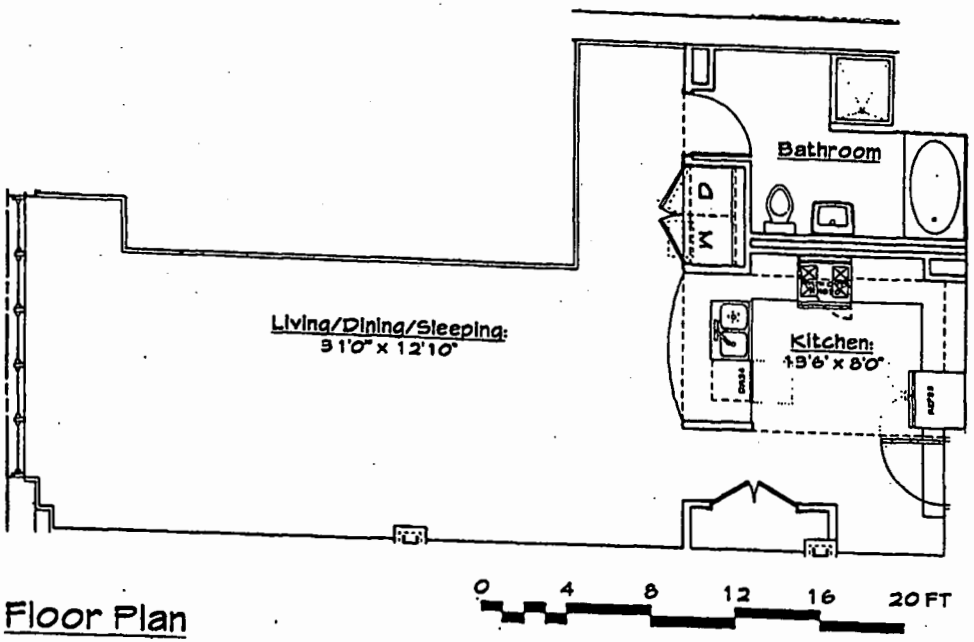
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1E
Unit: 1,119sf

AFTER



Key Plan
First Floor



Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1E
Unit: 823sf

EXHIBIT E
CERTIFICATION OF ADEQUACY OF THE BUDGET

CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET

Townsley & Gay LLC
177 Seventh Avenue
Brooklyn, NY 11215

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

Re: 105 Lexington Condominium
105 Lexington Avenue, Brooklyn, New York

The sponsor of the condominium offering plan for the captioned property retained our firm to review Schedule B, containing the budget for the year commencing January 1, 2011. Townsley & Gay LLC is a licensed real estate, brokerage firm. Elaine Gay, a licensed real estate broker and principal of the firm has been engaged in the real estate business in New York City since 1986. The firm has also participated as selling agent and has acted as managing agent for numerous apartment buildings in this city.

We understand that we are responsible for complying with Article 20-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule B..

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

We certify that the projections in Schedule B appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedule:

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

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

(iii) does not omit any material fact;

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

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

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

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

(a) knew the truth;

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

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

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

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into an amendment to the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Townsley & Gay LLC

By: Elaine Gay
Elaine Gay

Sworn to before me this
21 day of November, 2011

Notary Public

MATTHEW BACCASH
Notary Public - State of New York
NO. 02BA6250028
Qualified in Kings County
My Commission Expires 10/17/15

EXHIBIT F
CERTIFIED FINANCIALS

105 LEXINGTON CONDOMINIUM

FINANCIAL STATEMENTS

DECEMBER 31, 2010

105 LEXINGTON STREET CONDOMINIUM

FOR THE YEAR ENDED DECEMBER 31, 2010
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Steven J. Maucerl
Certified Public Accountant
Tel. 718-934-4324
Fax: 718-373-1672
E-mail: Stevemauceri@aol.com

Mailing Address:
31 Amherst Street
Brooklyn, NY 11235-4101

Office Address:
229 Ave. W, Suite # 1B
Brooklyn, NY 11223-4602

TO THE RESIDENTIAL BOARD OF MANAGERS AND UNIT OWNERS OF 105 LEXINGTON CONDOMINIUM

INDEPENDENT AUDITOR'S REPORT

I have audited the accompanying balance sheet of 105 Lexington Condominium as of December 31, 2010, and the related statement of revenues, expenses and changes in fund balances and cash flows for the year January 1, 2010 to December 31, 2010. These financial statements and schedules are the responsibility of the Condominium's management. My responsibility is to express an opinion on these financial statements and schedules based on my audit.

I conducted the audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements and schedules referred to above present fairly, in all material respects, the financial position of the Condominium as of December 31, 2010 and results of its operations for the year then ended in conformity with generally accepted accounting principles.

As discussed in Note 4 of the financial statements, the Condominium has not estimated the remaining lives and replacement costs of common property and, therefore, has not presented information about the estimates of future costs of major repairs and replacements that will be required in the future that the American Institute of Certified Public Accountants has determined is required to supplement, although not required be a part of, the basic financial statements.

Steven J. Mauceri CPA

STEVEN J. MAUCERI, CPA

Brooklyn, NY
December 14, 2011

MEMBER OF
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
NEW YORK STATE SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS
NEW JERSEY SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

105 LEXINGTON CONDOMINIUM

BALANCE SHEET

	DECEMBER 31, 2010
ASSETS	
Cash in Bank – Operating Account	$ 108,814
Prepaid Expense	2,748
Unit Owner Receivables	1,275
Total Assets	$ 112,837
LIABILITIES AND FUNDS BALANCES	
LIABILITIES	
Accounts payable	$ 9,675
Prepaid Maintenance	8,423
Taxes Payable Corporate	300
Total Liabilities	18,398
Working Capital Fund	17,000
Operating Fund Balance	77,439
Total Liabilities and Funds Balances	$ 112,837

See notes to financial statements.

105 LEXINGTON CONDOMINIUM

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUNDS BALANCES

FOR THE PERIOD JANUARY 1, 2010 TO DECEMBER 31, 2010

REVENUES	
Common charge income	$ 188,868
Operating Expenses (see attached)	123,284
Net Income	65,584
Operating Fund Balance – Beginning	11,855
Operating Fund Balance - Ending	$ 77,439

See notes to financial statements.

105 LEXINGTON CONDOMINIUM

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED

	DECEMBER 31, 2010
CASH FLOWS FROM OPERATING ACTIVITIES:	
NET INCOME	$ 65,584
Adjustments to reconcile net income to net cash provided by operating activities:	
(Increase) decrease in:	
Unit Owners' Receivable	425
Prepaid Expenses	<2,748>
Increase (decrease) in:	
Accounts Payable	3,700
Prepaid Maintenance	<46,281>
Taxes Payable Corporate	0
NET CHANGE IN CASH PROVIDED BY OPERATING ACTIVITIES	20,680
CHANGE IN WORKING CAPITAL FUND	10,000
NET CHANGE IN CASH	30,680
CASH AT BEGINNING OF YEAR	78,134
CASH AT END OF YEAR	$ 108,814

See notes to financial statements.

105 LEXINGTON CONDOMINIUM

OPERATING EXPENSES

JANUARY 1, 2010 TO DECEMBER 31, 2010

Maintenance		
Maintenance/Repairs	$	9,890
Miscellaneous Building Supplies		1,169
Elevator		4,784
Janitorial		18,535
Exterminating		1,025
Total		35,403
Utilities		
Water/Sewer		2,345
Electric		17,698
Gas		21,240
Total		41,283
General and Administrative		
Insurance		24,081
Management Fee		18,692
Office, Administrative and Miscellaneous		0
Accounting		1,675
Legal Fees		0
Telephone		2,029
Fees, Permits and Dues		0
Total		46,477
Other		
Corporate Taxes		121
Total		121
TOTAL OPERATING EXPENSES	$	123,284

See notes to financial statements.

105 LEXINGTON CONDOMINIUM

NOTES TO FINANCIAL STATEMENT

DECEMBER 31, 2010

NOTE 1. ORGANIZATION

105 Lexington Condominium (the Condominium) began operations on June 3, 2009 for the purpose of the operation of the common properties. The Condominium consists of 32 residential units, located at 105 Lexington Avenue, Brooklyn, New York 11238. At December 31, 2010, 15 units are retained by the Sponsor.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The Condominium's accounting policies are in accordance with generally accepted accounting principles. Outlined below are those policies which are considered particularly significant.

A. Basis of Accounting

The Condominium's financial statements and tax returns are presented on the accrual basis of accounting for its operating and restricted funds. Accordingly, income is recorded when it is earned rather than when received and expenses are deducted when they are incurred rather than when paid. Disbursements from the operating fund are generally at the discretion of the Board of Directors and are used for operating expenses. Disbursements from the restricted fund may only be utilized in accordance with the purposes established (e.g., deferred maintenance, replacement expenditures, water and sewer reserves, and general reserves).

B. Common Charges

Common charges represent assessments to the unit owner based upon an annual budget for the operation of the condominium determined by the Board of Managers. The total annual requirements are assessed as a single sum against all units and pro-rated to each unit according to their respective common interest. The assessments are payable monthly.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

C. Uncollectible Accounts

It is the opinion of the Board that the Condominium will ultimately prevail against unit owners whose assessments are delinquent and accordingly no allowance for uncollectible accounts is deemed necessary since the Condominium has the right to lien individual unit owners for unpaid assessments. Accordingly a bad debt expense is recorded when all legal remedies are exhausted.

D. Real Estate Taxes

Real estate taxes applicable to common areas have been proportionately billed to and paid by each unit owners, therefore, the financial statements do not reflect such expenditures in the common area operations.

E. Recognition of Assets

Real and personal common property acquired by the original homeowners from the developer are not recognized on the Association's financial statements because such property is owned by the individual owners in common. Replacements and improvements to the real property and common areas are not capitalized as such improvements also belong to the individual unit owners.

F. Cash and Cash Equivalents

Cash consists of bank checking accounts, money market accounts and certificates of deposits. All are carried at a cost basis.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

G. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 3. INCOME TAXES

The Condominium has elected to file its tax returns under section 528H of the Internal Revenue Code, whereby income derived from member assessments is exempt from tax and income generated from sources other than members' assessments would be taxable for the condominium tax year. The Condominium is also subject to the minimum New York State and New York City franchise taxes.

NOTE 4. FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Corporation has not conducted a study to determine the remaining useful lives of the components of common property and current estimates of costs of major repairs and replacements that may be repairs and replacements until the funds are available. The effect on future assessments has not been determined at this time.

NOTE 5. WORKING CAPITAL FUND

At each closing, $1,000 was collected from each purchaser to be paid to the Condominium to be used as a Working Capital Fund. These funds were comingled with the operating account and has been and will be used for operating expenses.

NOTE 6. MANAGEMENT AGREEMENT

Effective July 1, 2009, the Condominium entered in a Management Agreement with Bayside Builders, Inc. (Bayside). Bayside has a business relationship with the Sponsor. Under the terms of the agreement, Bayside is responsible for most of the administrative aspects of managing the Condominium. The agreement shall be in effect from July 1, 2010 until June 30, 2011 at a monthly fee of $1,557.

SEVENTH AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
THE 105 LEXINGTON CONDOMINIUM

INTRODUCTION

This is the Seventh Amendment to the Offering Plan for 105 Lexington Avenue Condominium, Brooklyn, NY, which modifies and supplements the terms of the original Offering Plan dated August 1, 2007 and should be read in conjunction with said Offering Plan and prior Amendments.

The terms of this Seventh Amendment are as follows:

1. 2011/2012 REAL ESTATE TAXES

The J-51 tax benefits will be fully in effect as of July 1, 2011 and is reflected in the 2011/2012 Real Estate Taxes. **Exhibit A** contains a schedule of the 2011/2012 Real Estate Taxes.

2. UPDATE SPONSOR DISCLOSURE

(a) Sponsor owns the units listed on **Exhibit B**, attached hereto.

(b) The aggregate monthly common charges for all units owned by Sponsor are $7,476.10 and the aggregate monthly real estate taxes are $1,405.40.

(c) Sponsor is current on all financial obligations under the Plan, including but not limited to common charges.

(d) The Board of Directors is comprised of principals of Sponsor who are Bernard Doyle, Donald LaRosa and Stephen M. Raphael. The first annual meeting of the board will be held at the later to occur of five years after the First Unit Closing or at the time that 50% of the units have closed.

3. NO MATERIAL CHANGES

Except as set forth in this Amendment, there have been no material changes to the Offering Plan.

SPONSOR: HRCF-LDR LEXINGTON LLC

Dated: April 11, 2011

EXHIBIT A

ANNUAL REAL ESTATE TAXES
105 Lexington Avenue Condominium
July 1, 2011 - June 30, 2012

UNIT	TAX LOTS	ANNUAL TAXES DUE 2011/2012
1A	1301	$1,893.30
1B	1302	$1,893.30
1C	1303	$1,350.15
1D	1304	$1,321.48
1E	1305	$1,259.31
1F	1306	$859.34
1G	1307	$878.89
1H	1308	$888.64
2A	1309	$1,037.03
2B	1310	$918.34
2C	1311	$928.22
2D	1312	$908.68
2E	1313	$586.75
2F	1314	$583.44
2G	1315	$878.89
2H	1316	$911.98
3A	1317	$1,037.03
3B	1318	$918.34
3C	1319	$928.22
3D	1320	$908.68
3E	1321	$865.83
3F	1322	$862.52
3G	1323	$878.89
3H	1324	$911.98
4A	1325	$1,402.21
4B	1326	$1,237.58
4C	1327	$1,399.17
4D	1328	$1,244.15
4E	1329	$1,221.34
4F	1330	$1,181.63
4G	1331	$1,201.58
4H	1332	$1,267.63

NOTE: Projection of 2011/2012 annual real estate taxes is based on Class II tax rate of 13.353%. If the tax rate changes, the tax due will also change.

EXHIBIT B

SPONSOR'S UNITS

1C
1D
1E
2A
2C
3C
3D
3E
3H
4B
4D
4E
4F
4G
4H

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SIXTH AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
THE 105 LEXINGTON CONDOMINIUM

INTRODUCTION

This is the Sixth Amendment to the Offering Plan for 105 Lexington Avenue Condominium, Brooklyn, NY, which modifies and supplements the terms of the original Offering Plan dated August 1, 2007 and should be read in conjunction with said Offering Plan and prior Amendments.

The terms of this Sixth Amendment are as follows:

1. REAL ESTATE TAXES

Exhibit A contains a Schedule of updated Real Estate Taxes.

2. BUDGET

There is no change in the Budget from July 1, 2010. **Exhibit B** contains a new Certificate of Adequacy of Budget.

3. UPDATED SPONSOR DISCLOSURE

(a) Sponsor owns the units listed on **Exhibit C**, attached hereto.

(b) The aggregate monthly common charges for all units owned by Sponsor are $9,210 and the aggregate monthly real estate taxes are $7,580.

(c) Sponsor has a loan with CPC in the reduced principal amount of $500,000, which is collateralized by the unsold units. The monthly interest charges are $2,500 which are funded by Sponsor from the proceeds of Sponsor's sales and from Sponsor's assets.

(d) Sponsor is current on all financial obligations under the Plan, including but not limited to common charges.

(e) The Board of Directors is comprised of principals of Sponsor who are Stephen Raphael, Donald LaRosa. The first annual meeting of the board will be held at the later to occur of five years after the First Unit Closing or at the time that 50% of the units have closed.

4. NO MATERIAL CHANGES

Except as set forth in this Amendment, there have been no material changes to the Offering Plan.

SPONSOR: HRCF-LDR LEXINGTON LLC

Dated: August 19, 2010

EXHIBIT A

ANNUAL REAL ESTATE TAXES
105 Lexington Avenue Condominium
July 1, 2010 - June 30, 2011

UNIT	TAX LOTS	2010 ANNUAL RE TAXES
1A	1301	$11,012.40
1B	1302	$5,343.52
1C	1303	$5,400.60
1D	1304	$5,285.92
1E	1305	$5,037.24
1F	1306	$4,999.00
1G	1307	$5,113.52
1H	1308	$5,170.72
2A	1309	$6,032.84
2B	1310	$5,343.52
2C	1311	$5,400.60
2D	1312	$5,285.92
2E	1313	$5,037.24
2F	1314	$5,017.68
2G	1315	$5,113.52
2H	1316	$5,305.24
3A	1317	$6,032.84
3B	1318	$5,343.52
3C	1319	$5,400.60
3D	1320	$5,285.92
3E	1321	$5,037.24
3F	1322	$5,017.68
3G	1323	$5,113.52
3H	1324	$5,305.24
4A	1325	$8,158.44
4B	1326	$7,200.96
4C	1327	$8,139.36
4D	1328	$7,239.12
4E	1329	$7,105.52
4F	1330	$6,875.76
4G	1331	$6,990.44
4H	1332	$7,373.52

EXHIBIT B

CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET

Townsley & Gay LLC
177 Seventh Avenue
Brooklyn, NY 11215

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

Re: 105 Lexington Condominium
105 Lexington Avenue, Brooklyn, New York

The sponsor of the condominium offering plan for the captioned property retained our firm to review Schedule(s) B and B-1, containing projections of income and expenses for the first year of condominium operation. Townsley & Gay LLC is a licensed real estate, brokerage firm. Elaine Gay, a licensed real estate broker and principal of the firm has been engaged in the real estate business in New York City since 1986. The firm has also participated as selling agent and has acted as managing agent for numerous apartment buildings in this city.

We understand that we are responsible for complying with Article 20-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule(s) B and B-1.

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

We certify that the projections in Schedule(s) B and B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedule(s):

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

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

(iii) does not omit any material fact;

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

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

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

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

(a) knew the truth;

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

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

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

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Townsley & Gay LLC

By: Elaine Gay
Elaine Gay

Sworn to before me this
28 day of July, 2010

Rebecca Geragosian
Notary Public

REBECCA GERAGOSIAN
Notary Public - State of New York
NO. 01GE6151672
Qualified in Kings County
My Commission Expires 8/21/2016

EXHIBIT C

SPONSOR'S UNITS

1C
1D
1E
1G
2A
2C
2H
3B
3C
3D
3E
3H
4B
4D
4E
4F
4G
4H

FIFTH AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
THE 105 LEXINGTON CONDOMINIUM

INTRODUCTION

This is the Fifth Amendment to the Offering Plan for 105 Lexington Avenue Condominium, Brooklyn, NY, which modifies and supplements the terms of the original Offering Plan dated August 1, 2007 and should be read in conjunction with said Offering Plan and prior Amendments.

The terms of this Fifth Amendment are as follows:

1. CLOSING OF UNITS

A. The closing of title to the first unit, Unit 1A, was held on May 19, 2009. The Sponsor has closed title to seven units at this time.

B. The Condominium Declaration was recorded on April 24, 2009 under CRFN # 20090000121966. Separate real estate tax assessments for the individual units have been entered into the New York City tax records.

C. The working capital fund in the amount of $7,000 ($1000 for each closed unit) was deposited into the 105 Lexington Condominium Account at Chase Bank, 64 Worth Street, New York, New York.

D. Sponsor procured a permanent Certificate of Occupancy (the "CO") on June 8, 2009 for 29 residential units and three units (1C, 1D and 1E) designated as community facility units. These units may be used as ambulatory, diagnostic or treatment health care facility.

2. SPONSOR DISCLOSURE

(a) Sponsor owns the units listed on Exhibit A, attached hereto.

(b) The aggregate monthly common charges for all units owned by Sponsor are $11,759 and the aggregate monthly real estate taxes are $11,666.

(c) Sponsor has a loan with CPC in the principal amount of $3,800,000, which is collateralized by the unsold units and by a principal reserve held by CPC in the amount of $300,000. The monthly interest charges are $15,000 which are funded by Sponsor from the proceeds of Sponsor's sales and from Sponsor's assets.

(d) Sponsor is current on all financial obligations under the Plan, including but not limited to common charges.

(e) The Board of Directors is comprised of principals of Sponsor who are Stephen Raphael, Donald LaRosa . The first annual meeting of the board will be held at the later to occur of five years after the First Unit Closing or at the time that 50% of the units have closed.

3. J51 TAX BENEFITS

Sponsor has applied for J51 Tax benefits. Sponsor's tax expert has estimated the amount of the taxes when J51 becomes effective. Attached hereto as Exhibit B is a revised Schedule A showing the cost of each unit's common charges; taxes without J51; taxes with J51 and monthly carrying costs with and without J51. Also attached is a new Opinion Letter dated September 8, 2009 from The Mazursky Group regarding the tax estimates for 2009 and 2010.

4. BUDGET

The Budget contained in the Amendment to the Offering Plan is the same as the Budget commencing January 1, 2010.

5. NO MATERIAL CHANGES

Except as set forth in this Amendment, there have been no material changes to the Offering Plan.

SPONSOR: HRCF-LDR LEXINGTON LLC

Dated: February 9, 2010

EXHIBIT A

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SCHEDULE A
105 Lexington Avenue Condominium
SCHEDULE OF COMMON CHARGES AND REAL ESTATE
FOR EACH UNIT FOR THE SECOND YEAR OF CONDOMINIUM OPERATION
COMMENCING July 1, 2010

1	2	3	6	6A	7	8	9	10
UNIT	ROOMS BATHS	% OF COMMON INTEREST	COMMON CHARGES ANNUAL	COMMON CHARGES MONTHLY	PROJECTED MONTHLY RE TAXES W/O J51	PROJECTED MONTHLY CARRYING COSTS W/O J51	PROJECTED MONTHLY RE TAXES W/ J51	PROJECTED MONTHLY CARRYING COSTS W/ J51
1A	3/1	5.75%	$ 10,860.03	$ 905.00	$1,432.10	$ 2,337.10	$223.64	$1,128.64
1B	3/1	2.79%	$ 5,269.47	$ 439.12	$694.88	$ 1,134.00	$108.51	$547.64
1C	3/1	2.82%	$ 5,326.13	$ 443.84	$702.35	$ 1,146.19	$109.68	$553.53
1D	3/1	2.76%	$ 5,212.81	$ 434.40	$687.41	$ 1,121.81	$107.35	$541.75
1E	3/1	2.63%	$ 4,967.28	$ 413.94	$655.03	$ 1,068.97	$102.29	$516.23
1F	3/1	2.61%	$ 4,929.51	$ 410.79	$650.05	$ 1,060.84	$101.51	$512.31
1G	3/1	2.67%	$ 5,042.83	$ 420.24	$664.99	$ 1,085.23	$103.85	$524.08
1H	3/1	2.70%	$ 5,099.49	$ 424.96	$672.46	$ 1,097.42	$105.01	$529.97
2A	3/1	3.15%	$ 5,949.41	$ 495.78	$784.54	$ 1,280.32	$122.52	$618.30
2B	3/1	2.79%	$ 5,269.47	$ 439.12	$694.88	$ 1,134.00	$108.51	$547.64
2C	3/1	2.82%	$ 5,326.13	$ 443.84	$702.35	$ 1,146.19	$109.68	$553.53
2D	3/1	2.76%	$ 5,212.81	$ 434.40	$687.41	$ 1,121.81	$107.35	$541.75
2E	3/1	2.63%	$ 4,967.28	$ 413.94	$655.03	$ 1,068.97	$102.29	$516.23
2F	3/1	2.62%	$ 4,948.39	$ 412.37	$652.54	$ 1,064.90	$101.90	$514.27
2G	3/1	2.67%	$ 5,042.83	$ 420.24	$664.99	$ 1,085.23	$103.85	$524.08
2H	3/1	2.77%	$ 5,231.70	$ 435.97	$689.90	$ 1,125.87	$107.74	$543.71
3A	3/1	3.15%	$ 5,949.41	$ 495.78	$784.54	$ 1,280.32	$122.52	$618.30
3B	3/1	2.79%	$ 5,269.47	$ 439.12	$694.88	$ 1,134.00	$108.51	$547.64
3C	3/1	2.82%	$ 5,326.13	$ 443.84	$702.35	$ 1,146.19	$109.68	$553.53
3D	3/1	2.76%	$ 5,212.81	$ 434.40	$687.41	$ 1,121.81	$107.35	$541.75
3E	3/1	2.63%	$ 4,967.28	$ 413.94	$655.03	$ 1,068.97	$102.29	$516.23
3F	3/1	2.62%	$ 4,948.39	$ 412.37	$652.54	$ 1,064.90	$101.90	$514.27
3G	3/1	2.67%	$ 5,042.83	$ 420.24	$664.99	$ 1,085.23	$103.85	$524.08
3H	3/1	2.77%	$ 5,231.70	$ 435.97	$689.90	$ 1,125.87	$107.74	$543.71
4A	5/2	4.26%	$ 8,045.86	$ ~~670.49~~	$1,061.00	$ 1,731.48	$165.69	$836.18
4B	5/2	3.76%	$ 7,101.51	$ 591.79	$936.47	$ 1,528.26	$146.24	$738.03
4C	6/2	4.25%	$ 8,026.98	$ ~~668.91~~	$1,058.51	$ 1,727.42	$165.30	$834.21
4D	5/2	3.78%	$ 7,139.29	$ 594.94	$941.45	$ 1,536.39	$147.02	$741.96
4E	5/2	3.71%	$ 7,007.08	$ 583.92	$924.01	$ 1,507.94	$144.30	$728.22
4F	5/2	3.59%	$ 6,780.43	$ ~~565.04~~	$894.13	$ 1,459.16	$139.63	$704.67
4G	5/2	3.65%	$ 6,893.76	$ 574.48	$909.07	$ 1,483.55	$141.96	$716.44
4H	5/2	3.85%	$ 7,271.50	$ 605.96	$958.88	$ 1,564.84	$149.74	$755.70
TOTALS		100.00%	$188,870.00	$ 15,739.17	$24,906.00	$ 40,645.00	$3,889.42	$19,628.59

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EXHIBIT B

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

September 8, 2009

HRCF - LDR Lexington LLC
c/o Raphael & Marks
315 Park Avenue South
New York, N.Y. 10010

Attention: Ellen Marks, Esq.

Re: 105 Lexington Avenue, Brooklyn, N.Y.

Dear Ms. Marks:

This letter is in response to your request that I revise and update my April 17, 2007 Real Estate Tax Estimate for the above-captioned property. This revision includes the recently released 2009/10 Tentative Assessed Valuations, the new 2008/09 Class 2 and 4 tax rates, a change in the first year of the operation of the condominium from January 1, 2008 to July 1, 2009, and a change in the configuration of the building. The number of residential units has decreased from thirty-one to twenty-nine, the commercial units have been eliminated, and the storage units and roof terraces will be part of the limited common elements instead of separate tax lots.

The 2008/09 and 2009/10 Tentative Assessed Values are as follows:

2008/09	Land	Total
Actual:	$ 141,750	$ 1,030,500
Transitional:	$ 79,992	$ 954,755

2009/10	Land	Total
Actual:	$ 141,750	$ 1,467,000
Transitional:	$ 100,584	$ 1,425,215

The average Class 2 tax rate for 2008/09 is $12.596 per $100. I estimate the tax rate for 2009/10 and 2010/11 at $13.15 per $100 for Class 2.

42 Broadway, Suite 1744, New York, NY 10004 (212) 344-8586

It is my judgment that after completion of the renovation and the establishment of a condominium, the assessed valuation of the property will be as follows:

2010/11	Land	Total
Actual:	$ 150,000	$ 2,300,000
Transitional:	$ 122,800	$ 2,272,800

The tax liability during the first year of operation is estimated at $ 187,416. In the second year of operation, the estimated taxes $ 298,873 . The calculations are as follows:

First Year of Operation without J-51 Benefits

7/1/09 - 6/30/10

$ 1,425,215 [1] x .1315 [2] = $ 187,416

Second Year of Operation without J-51 Benefits

7/1/10 - 6/30/11

$ 2,272,800 [3] x .1315 [2] = $ 298,873

It is my understanding that the sponsor is seeking J-51 real estate tax exemption and abatement benefits. Assuming the J-51 benefits are granted, I believe that they will not fully begin before July 1, 2010. I have estimated the tax with J-51 benefits at $ 46,673. The calculations are as follows:

7/01/10 - 6/30/11

($ 2,272,800 [3] - 1,600,000 [4]) x .1315 [2] - $41,800 [5] = **$ 46,673**

Please call me if you have any questions regarding this letter.

Very truly yours,

Jerome Mazursky, MAI, CAE

The Mazursky Group, Inc., 42 Broadway, Suite 1744, New York, NY 10004 (212) 344-8586

FOOTNOTES

1. 2009/10 Taxable Assessed Value
2. Estimated Class 2 Tax Rate
3. Estimated 2010/11 Taxable Assessed Value
4. Estimated J-51 exemption
5. Estimated J-51 maximum annual abatement (estimated CRC $501,600 x 8.333%)

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FOURTH AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
THE 105 LEXINGTON CONDOMINIUM

INTRODUCTION

This is the Fourth Amendment to the Offering Plan for 105 Lexington Avenue Condominium, Brooklyn, NY, which modifies and supplements the terms of the original Offering Plan dated August 1, 2007 and should be read in conjunction with said Offering Plan and prior Amendments.

The terms of this Fourth Amendment are as follows:

1. PLAN DECLARED EFFECTIVE

Sponsor hereby declares the Plan effective by Notice dated March 12, 2009, and served on the purchasers of the units. A copy of this Notice is attached hereto as **Exhibit A**. Purchase Agreements have been executed and are in effect with purchasers who are unrelated to Sponsor or the Selling Agent or their principals for 5 Units equal to 15% of the Units offered for sale under the Plan. Sponsor's affidavit in support of declaring the Plan effective is appended to this Amendment as **Exhibit B**.

2. LIMITED COMMON ELEMENTS

a. LIMITED COMMON ELEMENT APPURTENANT TO UNIT 1A

The Limited Common Element appurtenant to Unit 1A which had been denominated as "Cellar Recreation Space" in the Floor Plans shown in the Third Amendment is now denominated as "Storage/Recreation Room " . In addition to being used for storage and/ or recreation space, it may also be used as an artist's studio. The new Floor Plans attached hereto (see Paragraph 5) reflect the aforementioned change as well as the revised Schedule B to the Declaration, attached hereto as **Exhibit C.**

b. LIMITED COMMON ELEMENT APPURTENANT TO UNIT 1B

The Limited Common Element appurtenant to Unit 1B and denominated as "Areaway" may be used for storage and preparation of artworks. The Unit Owner of Unit 1B is obligated to keep the area free of debris and in good repair. See attached Exhibits C and D which reflect these changes. Further, Paragraph 7.3.1 of the Declaration (which was revised in the Third Amendment to the Plan) is amended to add the Limited Common Element described herein to the list of limited common elements for the Building.

c. LIMITED COMMON ELEMENT APPURTENANT TO UNITS 2G,2H,3G,3H,4G,4H

The "Decorative Balconies" which are adjacent to the aforementioned Units are hereby designated as Limited Common Elements. See Floor Plans and Schedule B to the Declaration. These Limited Common Elements are also added to Paragraph 7.3.1 of the Declaration.

D. LIMITED COMMON ELEMENTS APPURTENANT TO UNIT 1B

The "Porch" located on the first floor and the "Areaway below" are hereby designated as limited common elements appurtenant to Unit 1B. See Floor Plans and Schedule B to the Declaration. These Limited Common Elements are also added to Paragraph 7.3.1 of the Declaration.

3. SCHEDULE B TO THE DECLARATION

As discussed in paragraph 3 above, a new Schedule B to the Declaration which incorporates the aforementioned changes referred to herein is attached as **Exhibit C**. This Schedule B to the Declaration replaces and supersedes the Schedule B to the Declaration shown in the Plan or prior amendments.

4. ARCHITECT'S REPORT, CERTIFICATION AND FLOOR PLANS

A revised Architect's Report (with revisions printed in bold type) replaces and supersedes the Report in the Plan and Amendments. Also attached is the final "as built" Floor Plans for the Units, cellar and roof. The revisions in the Floor Plans reflect the revised limited common elements as discussed above and immaterial revisions. These plans supersede all plans in the Plan and amendments. The Architect's Report, Certification and Floor Plans are attached hereto as **Exhibit D.**

5. SPECIAL RISKS, PARAGRAPH 13

The first sentence of paragraph 13, page viii of the Special Risk Section of the Plan is hereby deleted and replaced with the following sentence: "As set forth in the Description of the Property in Part II of the Plan, there are lot line windows on the east wall of the east building (1F, 2F, 3F, 4F, 1G, 2G, 3G and 4G) and on the west wall of the west building (CB,1B,2B,3B, and 4B) ."

6. NO MATERIAL CHANGES

Except as set forth in this Amendment, there have been no material changes to the Offering Plan.

SPONSOR: HRCF-LDR LEXINGTON LLC
Dated: March 25, 2009

EXHIBIT A

NOTICE OF EFFECTIVENESS

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EXHIBIT A

105 Lexington Avenue Condominium
105 Lexington Avenue,
Brooklyn, New York

NOTICE OF EFFECTIVENESS

HRCF-LDR Lexington LLC, the Sponsor of the Offering Plan for 105 Lexington Avenue Condominium located at 105 Lexington Avenue, Brooklyn, NY hereby declares that the Offering Plan is effective.

Purchase Agreements have been executed and is in effect with respect to 5 residential Units representing 15% of all dwelling units in the building.

Dated: March 12, 2009

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EXHIBIT B

AFFIDAVIT IN SUPPORT OF DECLARING THE PLAN EFFECTIVE

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EXHIBIT B TO FIRST AMENDMENT TO
OFFERING PLAN FOR
105 LEXINGTON AVENUE CONDOMINIUM

AFFIDAVIT IN SUPPORT OF DECLARING THE PLAN EFFECTIVE

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

The undersigned, being duly sworn, deposes and say:

1. I, Stephen Raphael, am a member of HRCF-LDR Lexington LLC, the Sponsor under that certain Condominium Offering Plan for 105 Lexington Avenue Condominium, 105 Lexington Avenue, Brooklyn, New York as amended to date (hereinafter called the "Plan"). The Plan was accepted for filing by the Department of Law of the State of New York on August 1, 2007 and was thereafter presented to the public and amended from time to time.

2. The Plan provides that it may not be declared effective unless Purchase Agreements are executed and accepted for not less than five (5) Units representing fifteen (15%) percent of all units offered for sale. As of the date of this Affidavit, five Purchase Agreements have been executed representing 15% of the Units.

3. Sponsor hereby represents that the Purchasers who are counted for the purposes of declaring the Plan effective:

(a) Are bona fide purchasers;

(b) Are not purchasing as an accommodation to, or for the account or benefit of Sponsor or principals of Sponsor; and

(c) have duly executed Purchase Agreements and have paid the Down Payment as required in the Plan.

4. Sponsor hereby represents that there are no material changes to the budget for the first year's operation.

5. Sponsor hereby represents that no Purchaser is, and no Purchaser counted for purposes of declaring the Plan effective is Sponsor or the Selling Agent or is a principal of Sponsor or the Selling Agent, or is related to Sponsor or the Selling Agent or any principal of Sponsor or the Selling Agent by blood, marriage or adoption, or as a business associate, an employee, a shareholder, or a limited partner.

6. The units which are being counted to meet the minimum percentage that is needed under the terms of the Plan to declare the Plan effective, together with the date of the Purchase Agreement for said Units are as follows:

Unit		Date of Purchase
1A	[redacted]	1/30/09
1B		3/05/09
2D		3/12/09
4A		6/02/08
4C		8/26/08

7. I hereby submit this Affidavit to the New York State Attorney General in connection with that certain Fourth Amendment to the Plan, which Amendment declares the Plan effective.

Stephen Raphael

Sworn to before me this
12th day of March 2009

Notary Public

ELLEN MARKS
NOTARY PUBLIC STATE OF NEW YORK
NO. 02MA4973231 KINGS COUNTY
COMMISSION EXPIRES OCT. 15, 2009

EXHIBIT C

SCHEDULE B TO THE DECLARATION

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105 LEXINGTON AVENUE CONDOMINIUM

SCHEDULE B TO DECLARATION

Unit	# of Rooms and Baths	Approx. Area in Square Feet	Tax Lot No.	% Common Interest	Location in Building
1A	3 / 1	1,276	1301	5.75%	First Floor
1B	3 / 1	1,185	1302	2.79%	First Floor
1C	3 / 1	1,196	1303	2.82%	First Floor
1D	3 / 1	1,173	1304	2.76%	First Floor
1E	3 / 1	1,119	1305	2.63%	First Floor
1F	3 / 1	1,110	1306	2.61%	First Floor
1G	3 / 1	1,135	1307	2.67%	First Floor
1H	3 / 1	1,146	1308	2.70%	First Floor
2A	3 / 1	1,340	1309	3.15%	Second Floor
2B	3 / 1	1,185	1310	2.79%	Second Floor
2C	3 / 1	1,197	1311	2.82%	Second Floor
2D	3 / 1	1,173	1312	2.76%	Second Floor
2E	3 / 1	1,119	1313	2.63%	Second Floor
2F	3 / 1	1,111	1314	2.62%	Second Floor
2G	3 / 1	1,136	1315	2.67%	Second Floor
2H	3 / 1	1,175	1316	2.77%	Second Floor
3A	3 / 1	1,340	1317	3.15%	Third Floor
3B	3 / 1	1,185	1318	2.79%	Third Floor
3C	3 / 1	1,197	1319	2.82%	Third Floor
3D	3 / 1	1,173	1320	2.76%	Third Floor
3E	3 / 1	1,119	1321	2.63%	Third Floor
3F	3 / 1	1,111	1322	2.62%	Third Floor
3G	3 / 1	1,136	1323	2.67%	Third Floor
3H	3 / 1	1,175	1324	2.77%	Third Floor
4A	5 / 2	1,822	1325	4.26%	Fourth Floor & Penthouse
4B	5 / 2	1,603	1326	3.76%	Fourth Floor & Penthouse
4C	6 / 2	1,818	1327	4.25%	Fourth Floor & Penthouse
4D	5 / 2	1,619	1328	3.78%	Fourth Floor & Penthouse
4E	5 / 2	1,588	1329	3.71%	Fourth Floor & Penthouse
4F	5 / 2	1,533	1330	3.59%	Fourth Floor & Penthouse
4G	5 / 2	1,559	1331	3.65%	Fourth Floor & Penthouse
4H	5 / 2	1,648	1332	3.85%	Fourth Floor & Penthouse

Limited Common Elements

Unit	LCE	Square Feet	Location in Building	Tax Lot No.
1A	Terrace	92	1st Floor	
	Cellar Storage/Recreation Space	1,662	Cellar	1301
1B	Porch	76	1st Floor	1302
	Areaway below porch	113	Cellar	
1G	Yard	617	1st Floor	1307
1H	Yard	617	1st Floor	1308
2A	Terrace	92	2nd Floor	1309
2B	Balcony	77	2nd Floor	1310
2G	Decorative Balcony	14	2nd Floor	1315
2H	Decorative Balcony	14	2nd Floor	1316
3A	Terrace	92	3rd Floor	1317
3B	Balcony	77	3rd Floor	1318
3G	Decorative Balcony	77	3rd Floor	1323
3H	Decorative Balcony	77	3rd Floor	1324
4A	Terrace	92	4th Floor	1325
	Roof Terrace	940	Roof	
	Storage Space	55	Cellar	
4B	Balcony	77	4th Floor	1326
	Roof Terrace	697	Roof	
	Storage Space	40	Cellar	
4C	Roof Terrace	401	Roof	1327
	Storage Space	55	Cellar	
4D	Roof Terrace	726	Roof	1328
	Storage Space	40	Cellar	
4E	Roof Terrace	633	Roof	1329
	Storage Space	40	Cellar	
4F	Roof Terrace	633	Roof	1330
	Storage Space	40	Cellar	
4G	Roof Terrace	658	Roof	1331
	Storage Space	40	Cellar	
	Decorative Balcony	14	4th Floor	
4H	Roof Terrace	658	Roof	1332
	Storage Space	40	Cellar	
	Decorative Balcony	14	4th Floor	

EXHIBIT D

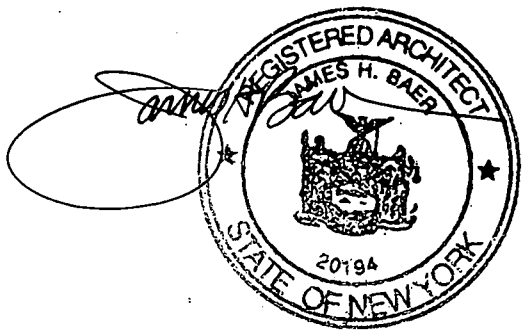
ARCHITECT'S REPORT, CERTIFICATION AND FLOOR PLANS

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DESCRIPTION OF PROPERTY AND SPECIFICATIONS

PREMISES:	105 Lexington Avenue Brooklyn, New York 11238
Block:	1967
Lot:	58

PREPARED BY:	James H. Baer, AIA James H. Baer - Architect 55 Eastern Parkway 6F Brooklyn, New York 11238



DATE: March 9, 2009

DESCRIPTION OF PROPERTY AND SPECIFICATIONS

PREMISES:	105 Lexington Avenue Brooklyn, New York 11238
Block:	1967
Lot:	58
PREPARED BY:	James H. Baer, AIA James H. Baer - Architect 55 Eastern Parkway 6F Brooklyn, New York 11238
DATE:	**March 9, 2009**

GENERAL

The property described within is a conversion of two existing **connected** four-story warehouse buildings with a partial cellar and new penthouse additions.

This report is based on a review of drawings prepared by Bernard J. Doyle, Architect, dated May 10, 2006 and **as** amended August **15**, 2007, **January 21, 2009,** and on discussions with the Sponsor during construction.

A. LOCATION AND USE OF PROPERTY

1.	Address:	105-111 Lexington Avenue Brooklyn, New York
2.	Block and Lot Number:	Block 1967 Lot 58
3.	Zoning:	R6, Map No. 16c
4.	Permissible Use:	Residential Use
5.	Landmark Status:	None

B STATUS OF CONSTRUCTION

1.	Year Built:			west building: Approximately 1920 east building: Approximately 1931
2.	Class of Construction:			Old Code - Class 3 Non-Fireproof
3.	Alt. Nos.	Date	Status	Description
	302075224	10/03/2006	**Permit Issued**	Article 7B conversion of existing commercial loft building to as of right multiple dwelling. New partitions and plumbing per plans. Obtain new Certificate of Occupancy

The conversion has been designed to comply with the New York City "Old" Building Code as a Class 3 building. A Class 3 building is defined as fire protected combustible construction.

4. Certificate of Occupancy

Upon completion of the renovation the Sponsor will obtain a Certificate of Occupancy for a **Residential Apartment** building with thirty-two (32) Class "A" dwelling Units.

Cellar	**ordinary, boiler room, trash compactor room, tenant stg, bicycle stg, Supt's office, accessory exercise room for the exclusive use of the building occupants and their guests**
First Floor	Eight (8) dwelling Units
Second Floor	Eight (8) dwelling Units
Third Floor	Eight (8) dwelling Units
Fourth Floor	Lower part of eight (8) dwelling Units
Penthouse	Upper part of eight (8) dwelling Units
Roof	Common roof terrace
TOTAL	**Thirty two (32)** Units

C SITE

1. Lot

The Zoning Lot is located on the north side of Lexington Avenue, 234.60 feet west of the intersection formed by Lexington Avenue and Franklin Avenue, in the Borough of Brooklyn, New York. Continuing in a westerly direction, the property has 107 feet of frontage on Lexington Avenue, thence north 100 feet, thence east 11.42 feet, thence north 21.42 feet, thence east 95.58 feet, thence south 121.42 feet, to the point of beginning and contains 12,747 square feet of land.

The Sponsor intends to subdivide the lot as one zoning lot with **Thirty-two (32)** tax lots.

There appears to be little or no potential for flooding due to the existing water table. There are no bodies of water on or near the site. And there appears to be little or no potential for mudslides or erosion.

2. Number of Buildings and Use

There are two buildings on the site. Upon completion of the renovation the buildings will be used as a single **residential** multiple dwelling, with thirty-**two** (32) dwelling units (a permitted use in this R6 zoning district).

3. Streets

Lexington Avenue is a one way street with traffic running from east to west and is owned and maintained by the City of New York. There are no streets owned or maintained by the project.

4. Drives, Sidewalks and Ramps

(i) Paving

Sidewalk paving is of concrete slabs in fair to new condition.

(ii) Curbing

Street Curbs are of concrete in fair to good condition.

(iii) Catch Basins

There are no catch basins on the property.

(iv) Street Lighting

The street lighting is standard steel pole with vapor lighting owned and maintained by the City of New York. Lighting is in good condition.

D UTILITIES

Domestic water supply will be by the City of New York. The sponsor states that if required, a new water meter will be installed.

Sprinkler water supply will be from an existing, dedicated water service. Water for this service is supplied by the City of New York

The Sponsors states that a new water main will service the domestic water.

Sanitary and storm sewers (combined) are located in the street and are owned and maintained by the City of New York. There is an existing combined house sewer that appears to be in working condition.

There are no septic tanks on the property.

Gas for heating, domestic hot water, cooking and clothes drying will be supplied by Keyspan Energy Company and will be billed to the Condominium Board.

Electricity will be supplied by Consolidated Edison Company of New York. Each Unit will be metered separately for electrical consumption and will be billed to the individual Unit Owners. There will be a separate meter for Common power (hall lighting, etc.), that will be billed to the Condominium Board.

Telephone service is supplied by Verizon Telephone Company and will be the responsibility of the individual Unit Owners.

Cable TV service is supplied by Brooklyn Queens Time Warner Cable and will be the responsibility of the individual Unit Owners. **In addition the property has been pre-wired by Verizon for FIOS service when it becomes available in this area.**

E SUB-SOIL CONDITIONS

The existing foundations appear to be in good condition with no visible evidence of uneven foundation movement or settlement.

F LANDSCAPING AND ENCLOSURES

1. Grass Cover

There is no grass cover. The sponsor will not be providing landscaping.

2. Plantings

There are no plantings. The sponsor will not be providing landscaping.

3. Trees

None

4. Fencing

None

5. Gates

There will be a painted steel gate at the entrance court located at the street wall of the buildings. This gate will be a minimum of 8'-0" high.

6. Garden Walls

None

7. Retaining Walls

A new masonry retaining wall will be constructed at a new areaway with steps that lead from the cellar of the west building to the rear yard.

8. Display Pools

None.

G BUILDING SIZE

1. Total Height

Approximately 56'-0". Local law 11 is not applicable.

2. Crawl Spaces and Areaways

There are no crawl spaces.

There will also be a new areaway with steps that leads from the cellar of the west building to the rear yard.

3. Number of Sub-cellars and Cellars

There are no sub-cellars.

There is one cellar in the west building that will be accessed by the new rear areaway and a new interior stair from the first floor hall. The interior stair will be enclosed with two-hour rated construction. The cellar ceiling will have a one-hour fire rating.

4. Number of Floors

Four (4) Floors and a penthouse, not including the cellar.

5. Equipment Rooms

The new heating and hot water equipment will be located in the existing boiler room in a vault located below the sidewalk in front of the west building. The walls are masonry, the floor and ceiling are cast concrete. These elements have a 2-hour fire rating. A new 1 1/2 hour fire proof self closing entry door and frame will be installed in the existing opening.

Water, sewer, and electric services will be located in the existing service entry room in a vault located below the sidewalk in front of the west building. The walls are masonry, the floor and ceiling are cast concrete. These elements have a 2-hour fire rating A new 1 1/2 hour fire proof self closing entry door and frame will be installed in the existing opening.

Combustion air for the heating equipment will be supplied by a 12" x 12" louver to the exterior.

H STRUCTURAL SYSTEM

1. The structural system for both buildings consists of exterior masonry bearing walls with an interior line of iron or steel columns and steel beams. The exterior bearing walls are located at the east and west side of both buildings and the interior line of columns and beams is located at approximately the centerline. Both bearing walls and interior steel run in a north/south direction. The extent or condition of the footings supporting the masonry bearing walls or the iron or steel columns could not be determined. However, there is no indication of settlement, deflection or deterioration in the bearing walls or the interior steel.

The existing floor and roof framing in the west building consists of 3 x 14 double wood joists at approximately 18" on center. The existing floor and roof framing in the east building consists of 3 x 14 single wood joists at approximately 12" on center. The wood framing in both buildings span in an east/west direction between the exterior bearing walls and the interior steel beams. There is no indication of settlement, deflection or deterioration in any of the wood floor or roof joists.

New framing at existing floors will consist of 3 x 8 wood joists at 16" on center. The new penthouse roof framing will consist of steel joists at 12" on center.

2. Exterior of Building

(i) Walls

The exterior walls of both of the existing buildings are brick. There are no visible signs of settlement or water infiltration.

The east and west exterior walls of the penthouse additions will consist of concrete block with a stucco finish. The north and south walls of the penthouse additions will consist of an exterior insulation finishing system (EIFS). The wall construction will be a steel stud system with insulation between the studs finished with 1) layer of "yellow" board at the exterior and 1) layer of gypsum board at the interior. A vapor barrier will be applied to the exterior followed by a 1 1/2" rigid insulation board and a synthetic stucco coating.

The new building entrance and elevator lobbies will be located in a court between the two existing buildings and will consist of a new aluminum and glass storefront system. Glazed entrance doors will be incorporated into this façade.

(ii) Cornice

None

(iii) Windows

New masonry openings for new lot line windows will be created in the east wall of the east building **in units 1F, 1G, 2F, 2G, 3F, 3G, 4F AND 4G.** Existing masonry openings for lot line windows occur in Units 1B, 2B, 3B and 4B of the west building.

Windows throughout will be new, aluminum, modern, double glazed, double hung units.

Child guards for the windows shall be the responsibility of the individual Unit Owners, who will be required to install such protection in the event that a child resides in the Unit.

3. Parapets & Copings

There are existing masonry parapets in fair to good condition at the existing masonry walls of both buildings. These parapets are capped with terra cotta or cast concrete copings. The sponsor represents that new masonry walls will have terra cotta or cast concrete copings.

The Sponsor represents that the new parapets at the north and south walls of the penthouse additions will be as outlined in EXTERIOR OF BUILDING – WALLS, above, and will be capped with metal copings.

4. Chimneys and Caps

There will be no wood or gas burning fireplaces in the premises.

There is an existing masonry chimney / boiler flue in the southeast corner of the west building that extends approximately 10 feet above the roof level. The masonry and cast concrete cap appears to be in fair to good condition. New boiler and hot water equipment will utilize this existing flue.

5. Balconies & Terraces

There will be new projecting balconies and new inset terraces at some of the rear units of the west building and new decorative, projecting balconies at some of the rear units of the east building. The projecting balconies will be of non-combustible construction. Balconies and terraces will be protected with code conforming non-combustible railings.

6. Exterior Entrances

(i) Exterior doors and frames

The new building entrance will be located in an existing court between the two existing buildings and will consist of new glazed aluminum entrance doors. Doors will be provided with self-closing devices and locksets.

A new in-swinging, aluminum and glass door will provide access from the entrance lobby to the rear yard. This door will be provided with a self-closing device and lockset.

New, out-swinging, hollow metal and glass doors will provide access from the top most elevator lobby to the penthouse roofs. These doors will be provided with self-closing devices and locksets.

Entrances from individual units to adjacent balconies and roof terraces will be by new, aluminum and glass sliding doors. These doors will be provided with integral locksets.

New hollow metal doors and frames will provide access to the cellar of the west building and from new stair bulkheads in each building to the penthouse roofs. These doors will be provided with self-closing devices and locksets.

An existing, roll up metal door from the street to the first floor **residential** loft unit in the east building **has been** replaced with aluminum **storefront and aluminum windows as described elsewhere.**

(ii) Hall

None

(iii) Exterior stairs

There will be new concrete steps and a new concrete handicapped ramp leading from the sidewalk level to the new entrance lobby at the front of the building. And there will be new concrete or steel steps leading from the entrance lobby to the rear yard.

There will be new concrete or steel steps leading from the cellar of the west building to the rear yard.

(iv) Railings

All exterior stairs and ramps will be provided with code compliant railings and handrails.

(v) Mailboxes

There will be thirty-four (34) new mailboxes, of the ganged aluminum type, located within the first floor hall of the east building.

(vi) Lighting

Exterior lighting will be provided by new lighting fixtures located at the front of the building, at the first floor building entrance and at the stairs from the cellar of the west building to the rear yard.

Except at decorative balconies, balconies and roof terraces will be provided with lighting from new lighting fixtures.

7. Service entrance

A new service entrance will be provided at the southwest corner of the west building. Access to the cellar will be by a new metal stair.

Access will also be provided from the first floor hall by an enclosed internal stair.

8. Roof and roof structures

(i) Type of roof for all areas

Roofing at the new penthouses will be a class "B", torch applied built up roofing with a 2 ply membrane system and a granular top sheet. The roofing will be complete with all required flashings, anchorages, seals / sealants and accessories per the Manufacturer's recommendations. Roofing shall be manufactured by Firestone, Mansville or equal.

Existing roofing at the penthouse terraces is serviceable and is scheduled to remain. According to the asbestos report which follows in this prospectus, there is no asbestos in the project.

The roofing, if kept in good repair, should have a life expectancy of a least 10 or more years. No bonds or guarantees will be furnished.

New Insulation at new and existing roofs will be Fiberglass batt with a minimum value of R30.

(ii) Drains

New and existing roofs will be pitched to drain to roof drains with new internal leaders.

(iii) Skylights

An existing metal and glass skylight is located over the upper level bedroom in Unit 4C. This

skylight will be replaced with a new fixed acrylic glazed aluminum skylight.

New metal and acrylic skylights will be installed in the new canopy located over the building entrance at the first floor level.

The Sponsor represents that the ventilating skylights scheduled to be installed at the roofs of the new interior stairs will not be installed. Ventilation will be supplied by code compliant windows and louvers at the roof level.

(iv) Bulkheads

There will be two new, rectangular masonry stair bulkheads at the level of the penthouse roof. The exterior of these bulkheads will be finished with the same finish as the exterior walls of the penthouse and roofed with the same material as the penthouse roofs.

There will be a new, rectangular elevator bulkhead at the level of the penthouse roof. The exterior of this bulkhead will be finished with the same finish as the exterior walls of the penthouse and roofed with the same material as the penthouse roofs.

(v) Metal work at roof level

There will be new metal copings at new metal stud Penthouse walls and a fixed louver smoke vent at the elevator shaft.

(vi) Rooftop facilities

Fourth floor duplex Units in both buildings will have exclusive use of the roof terraces adjacent to their penthouses. These terraces are partially (20%) covered with wood decking supported on the roof structure below. These terraces will be enclosed with a code conforming railing system.

The common roof terraces on the penthouse roofs will be accessible via the elevator and both public stairs. These terraces will be partially paved as indicated in the attached plans with rubber roof tiles and will be enclosed on all sides by building walls at least 3'-6" high.

9. Fire escapes

None.

10. Yards and Courts

(i) Paving

The front areaway / building entrance and the rear areaway will be paved with new concrete.

The rear yards will be unpaved. The rear yards adjacent to the rear units of the east building will be for the exclusive use of these individual units and will be divided with a new fence. These individual unit Owners will be responsible for landscaping and maintaining the rear yard.

(ii) Drainage

No new area drain will be installed in the front areaway / building entrance **because the area is covered** with the paving sloped to drain **away from the building**.

There will also be an area drain at the bottom of the rear stairs leading from the cellar to the rear yard.

There will be no yard drain in the unpaved area of the rear yard.

11. Interior Stairs

(i) Number of Stairs

There will be two public, enclosed, interior fire stairs in the premises. Both stairs will lead from the first floor to the roof. The stair in the west building will also provide access to the cellar. The stairs will be sprinklered at the bottom landing and the top landing. Windows will be provided at the

roof level for ventilation. It is noted that these stairs will not provide access to or from the upper level of the fourth floor apartments.

There will be private interior stairs in each fourth floor unit leading to the penthouse mezzanine and to the private roof terrace.

(ii) Enclosure

The public stairs will be enclosed by new and existing, rated, masonry.

The private stairs will be unenclosed.

(iii) Stair construction

The public stairs will be "U" shaped from the first floors to the roof. The stair will consist of painted metal stringers, treads, and balusters. The treads will be concrete filled. The handrails will be painted steel pipe.

The private stairs will be "U" shaped and will consist of painted metal stringers, **painted metal and concrete** treads. The handrail will be **painted metal.**

12. Interior doors and frames

(i) Unit entrance

Unit entrances will be new, self closing, fire rated, metal doors with metal frames. These doors will have peepholes, locksets and chain guards.

(ii) Unit interior

Interior doors will be new painted hardboard hollow core doors with wood frames.

(iii) Corridor, Stair hall, Roof, Basement and Cellar Doors and Frames

The doors in the public halls, other than Unit entrance doors, will be new, self-closing, fire rated, metal doors with metal frames.

13. Elevators

There will be one new automatic hydraulic passenger elevator servicing the cellar through the roof (7 stops) on 6 floors including the lobby. The machine room for the elevator equipment will be located in the cellar of the west building. The elevator will be rated for a load of 2000 pounds (8 persons maximum) and a speed of 100 feet per minute. The cab shall have plastic laminate and/or stainless steel panel walls with **two** single speed sliding steel doors. The cab will have vinyl composition flooring, metal ceiling and compact fluorescent lighting. The power supply will be 208 volts, 3 phase, 60 cycle. The elevator will be equipped with all safety devices required by the New York City Building Code and will be handicapped accessible. The elevator contractor will obtain a permit for the New York City Department of Buildings for the installation of the elevator and will obtain all necessary sign offs upon completion of the work.

It is noted that the elevator will not stop at the upper level of the penthouse apartments.

I AUXILIARY FACILITIES

1. Laundry Rooms / Facilities

Each residential unit will be provided with hookups for washers and dryers. Hookups will consist of hot and cold water, waste, electrical receptacle and 3/4" gas connection. The dryers will be vented to a goose neck at the roof. Individual Unit Owners will be responsible for the purchase of the washer and dryer units and arranging for the installation.

2. Refuse Disposal

(i) Incinerators and Compactors

There will be no incinerators in the premises.

A new trash compactor will be installed in an enclosed compactor room in the cellar of the west building. Floors 1 – 4 of the west building will be provided with an enclosed trash room that will provide access to a code compliant trash chute with a metal self-closing door. This trash chute will lead directly to the trash compactor located in the cellar.

(ii) Approvals

None required.

(iii) Initial storage location

Trash will be stored in the enclosed compactor room in the cellar of the west building and will be brought to the curb on days as indicated for pickup by the City of New York.

Recyclables will be stored in containers located in the trash / recycling room located on each floor of the west building.

The Board shall be responsible for providing recycling cans, placing trash and recyclables in storage, and preparing them for collection.

(iv) Pickup schedule

Refuse for the Residential Units will collected twice weekly by the New York City Department of Sanitation, weather permitting.

J PLUMBING AND DRAINAGE

1. Water Supply

Potable water will be supplied by the City of New York through street mains to a service connection located at the south wall of the vault below the sidewalk in front of the west building. This service will provide domestic water for the building, via cold water mains of sufficient diameter, serving each unit and the boilers and domestic water heaters. Water supply piping in the cellar will be insulated.

2. Fire Protection System

There is an existing sprinkler system throughout the building that will be modified as required to provide full coverage for the new layouts and room configurations. The system will be code complaint and will be complete with all required controls, check valves, tamper flow switches and valves. The entire system will be supplemented by a siamese connections located in the south exterior walls of the east and west buildings facing Lexington Avenue. It is noted that the sprinkler heads and piping are scheduled to be exposed below the ceilings of the units.

3. Water Storage Tanks.

None is required.

4. Water Pressure

There is normally adequate street pressure to service a building of this size and type.

5. Sanitary Sewer System

The existing cast iron combined sanitary and storm sewer connection to the street appears to be in working order.

Sanitary sewage within the building will be drained by gravity through no-hub cast iron piping. **There are 3" ejection pumps in pits to drain the toilets and sinks in the cellar.** There is an existing house trap near the south wall of the cellar of the west building.

6. Permits Required.

None.

7. Storm Drainage System
Storm water within the building will be drained by gravity through no-hub cast iron piping. There is an existing house trap near the south wall of the cellar of the west building.

8. Plumbing Fixtures

Residential plumbing fixtures supplied by the Sponsor shall be as follows or equivalent:

ITEM	MANUFACTURER	SERIES / REMARKS
Water Closet	American Standard	Renaissance
Bathtub	American Standard	60" whirlpool
Lavatory	American Standard	Studio undermount
Kitchen sink	Eljer	33" stainless steel, undermount

The Sponsor reserves the right to provide alternative Manufacturer models of equivalent quality.

9. Domestic Hot Water

There will be three (3) new 100 gallon hot water storage tanks, Weil-McLain, Plus 100/110/119, supplied by three of the common boilers described below. Hot water will be supplied to the fixtures and appliances in each Unit through type "L" copper pipes with soldered connections.

K HEATING

1. Description

The common areas in the cellar will be heated by hot air from a ceiling mounted air handler: York - model MA08 BN21.

The Elevator lobby on the first floor will be heated by hot air from a ceiling mounted air handler: York - model MA08 BN21 and ducted to the Lobbies on the second third and fourth floors above.

The Sponsor reserves the right to provide alternative models or Manufacturers of equivalent quality and capacity.

The **private storage room for unit 1A** in the cellar and the common areas will be heated by the common hot water boilers described below.

The other Units will be heated by hot air through a series of ducts and registers connected to individual air handlers located within each Unit, as described in section (m) below. These air handlers will typically be ceiling hung in the storage lofts on the lower three floors and roof mounted on the private terraces of the fourth floor duplexes.

Heat for the air handlers in the cellar and on the lower three floors will be provided via hot water coils supplied by the common hot water boilers described below.

Heat for the air handlers in the fourth floor duplexes will be provided via gas-fired heat exchangers supplied by the common gas meter.

Each Unit will have a wall-mounted thermostat controlling the temperature within that unit.

2. Number of Boilers and Description

There will be six (6) new gas-fired hot water boilers installed in the vault below the sidewalk in front of the west building. Three will supply hot water heating for the Units on the lower floorsr **and** the common areas and three will supply domestic hot water to the storage tanks described above. A common gas meter will supply these boilers.

3. Manufacturer and Age of Boiler

The boilers will be manufactured by Weil-McLain, model EGH-95. These boilers have a rated heating capacity of 400,000 BTU/HR Input and 320,000 BTU/HR Output each and will be

complete with new pumps, aquastats, reset controls, etc.
The Sponsor reserves the right to provide alternative Manufacturer models of equivalent quality.

4. Manufacturer and Age of Burner

N/A – Gas Fired System.

5. Controls

The Boilers will be controlled by an outside air temperature sensor connected to a Boiler Control Panel, which will operate the boilers as required by the New York State Multiple Dwelling Law.

6. Radiators, piping, insulation, valves, pumps.

The **exercise room and the private storage room for unit 1A** in the cellar will be heated by new fin-tube radiation with thermostatically controlled valves.

Heating Hot Water will be supplied to the Units on the lower three floors, the common areas in the cellar, the **exercise room and private storage room for unit 1A** in the cellar and the remaining Common Areas via new insulated supply and return risers of type M copper.

Three-way diverting valves in each air handler will control the hot water coils on the lower three floors and Cellar.

Electronic gas valves in each air handler will control the gas-fired heat exchangers at the fourth floor duplexes.

There will be common pump(s) sized appropriately and located in the Boiler room.

7. Fuel

Natural Gas.

8. Location of Fuel Tank
N/A - Gas Fired System.

9. Fuel Tank Capacity
N/A - Gas Fired System.

10. Adequacy

The Sponsor represents that the heating system has been designed in accordance with the temperature standards of the New York State Energy Code and will provide adequate heat throughout the residential portions of the building.

L GAS SUPPLY

Natural Gas will be provided through street mains to the property via the existing 3" gas service located in the vault below the sidewalk in front of the west building.

Gas metering for heating and hot water and for domestic cooking and dryers will be common.

Interior service shall be through new black iron common risers and service pipes to the fourth floor air handlers and the Unit appliances.

M AIR CONDITIONING

1. Description

There will be no air-conditioning provided in the common areas, the **exercise room or the private storage room for unit 1A** in the cellar. Air conditioning for **private storage room for unit 1A** will be the obligation of the Unit Owner.

Individual split systems with air handlers and remote condensers will be used in the Units at the

lower three floors.

Individual single package rooftop systems will be used in the duplex Units at the fourth floor.

2. Air Handlers

Four different Models will be used depending on the capacities required:

- York - model AHP30 2AH Units 1A, 1B, 1G, 1H, 2A, 2B, 2G, 2H, 3A, 3B, 3G, 3H
- York - model AHP48 2CH Units 1C, 1D, 1E, 1F, 2C, 2D, 2E, 2F, 3C, 3D, 3E, 3F
- York - model DF060 N08 N 2 Units 4A, 4B, 4E, 4F
- York - model DF090 N10 N 2 Units 4C, 4D, 4E, 4F

The Sponsor reserves the right to provide alternative models or Manufacturers of equivalent quality and capacity.

3. Condensers

Two different Models will be used depending on the capacities required:

- York - model H3RE030S06 Units 1A, 1B, 1G, 1H, 2A, 2B, 2G, 2H, 3A, 3B, 3G, 3H
- York - model H2RE042S06 Units 1C, 1D, 1E, 1F, 2C, 2D, 2E, 2F, 3C, 3D, 3E, 3F

The Sponsor reserves the right to provide alternative models or Manufacturers of equivalent quality and capacity.

4. Maintenance

Filter replacement for all air handlers will be a scheduled maintenance obligation of the condominium association.

N VENTILATION

All habitable rooms will have natural ventilation through operable windows. All bathrooms will be mechanically ventilated per code.

The public stairs will be ventilated via fixed louvers in the bulkhead walls at the top of the stairs.

The elevator machine room, elevator shaft, trash compactor room and trash chute will be ventilated as required by the New York City Building Code.

The public halls will have operable windows

Combustion air to the boiler room will be provided by a louver and metal duct to the exterior.

Gas dryer units will be exhausted via new 4 inch round metal ducts to the roof.

O ELECTRICAL SYSTEM

1. Service

There is an existing electrical service in the cellar of the west building with a main service disconnect switch. This service is scheduled to remain.

2. Service to Individual Units

There will be separately metered 100 amp, 220 volt service for each of the Units and a separately metered 200 amp service for the common areas for lighting, fans, elevator, etc.

3. Compartment Switch Gear

Each unit will have a separate 100 amp, 220 volt breaker in the cellar.

The common elements will have a separate 200 amp, 220 volt breaker in the cellar

4. Unit service

Each unit will have a 100 amp breaker panel with a minimum of twelve (12) circuits. Circuits will be protected with a combination of 15 and 20 amps breakers.

5. Adequacy

The sizing of the unit panels and the circuits and the installation and location of convenience receptacles, GFI receptacles, lighting receptacles and switches will be in accordance with the electric code of the City of New York.

6. Intercommunication System

All units will be connected to a video intercom and remote door release system with an annunciator panel located at the main entrance. Each unit will be provided with one (1) video/audio apartment station for communication with the main panel. At the main entrance there will be a directory that will contain a video camera. The system will be Airphone or equal.

P TELEPHONE AND TELEVISION RECEPTION FACILITIES

Television and telephone wiring will be installed within the walls within the units and connection terminals will be located in the bedroom and the living / dining area.

Each individual Unit owner will make his/her own arrangements for cable television and telephone services.

Q PUBLIC AREA LIGHTING

The entry lobby, public halls, public stairs and common areas in the cellar will be provided with adequate incandescent or fluorescent lighting.

R GARAGES AND PARKING AREAS

There are no public garages on the property. There is alternate side of the street parking on the surrounding streets.

S RECREATIONAL FACILITIES

There will be **a common exercise room** located in the cellar and a **common** terrace located on the penthouse roof for the **exclusive** use of the condominium **unit owners and their guests.**

T ADDITIONAL ITEMS – VIOLATIONS, PERMITS, CERTIFICATES

There will be no open violations of record against the premises at the time the construction is complete and a new Certificate of Occupancy is issued.

The boilers will be required to be registered with the Department of Environmental Protection and will be required to undergo an annual self-inspection by a licensed boiler maintenance company hired by the Board.

The elevator, which is filed under a separate application with the New York City Department of Buildings, will be required to undergo an annual maintenance inspection by a licensed elevator maintenance company hired by the Board.

The sprinkler system must also undergo an annual inspection by a licensed plumber hired by the Board.

All of these inspection reports must be filed with the New York City Department of Buildings and all defects must be corrected.

U UNIT INFORMATION

1. Description

There will be a total of thirty-**two** (**32**) residential units. Layout diagrams of the Units with approximate room sizes accompany this report.

Unit **1A has a private storage room** located in the northern **part** of the cellar of the west building

Units 1A, 1B, 1C & 1D are located on the first floor of the west building
Units 1E, 1F, 1G & 1H are located on the first floor of the east building

Units 2A, 2B, 2C & 2D are located on the second floor of the west building
Units 2E, 2F, 2G & 2H are located on the second floor of the east building

Units 3A, 3B, 3C & 3D are located on the third floor of the west building
Units 3E, 3F, 3G & 3H are located on the third floor of the east building

Units 4A, 4B, 4C & 4D are located on the fourth floor of the west building
Units 4E, 4F, 4G & 4H are located on the fourth floor of the east building

2. Room Count - Ceiling Heights.

Residential Units

UNIT	ROOMS	APPROX CEILING HEIGHT
Unit 1A - Cellar	**Residential Storage, 1/2 bath**	10'-0"
Unit 1A	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 1B	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 1C	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 1D	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 1E	**Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath**	11'-5"
Unit 1F	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 1G	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 1H	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 2A	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 2B	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 2C	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 2D	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 2E	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 2F	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 2G	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 2H	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 3A	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 3B	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 3C	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 3D	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 3E	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 3F	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 3G	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 3H	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"

Unit 4A	Living/Dining, Kitchen, Study / Den, 2 Bedrooms, & 2 Full Baths	12'-10" Fourth Floor 11'-6" Penthouse
Unit 4B	Living/Dining, Kitchen, Study / Den, 2 Bedrooms, & 2 Full Baths	12'-10" Fourth Floor 11'-6" Penthouse
Unit 4C	Living/Dining, Kitchen, Study / Den, 2 Bedrooms, & 2 Full Baths	12'-10" Fourth Floor 11'-6" Penthouse
Unit 4D	Living/Dining, Kitchen, Study / Den, 2 Bedrooms, & 2 Full Baths	12'-10" Fourth Floor 11'-6" Penthouse
Unit 4E	Living/Dining, Kitchen, Study / Den, 2 Bedrooms, & 2 Full Baths	12'-10" Fourth Floor 11'-6" Penthouse
Unit 4F	Living/Dining, Kitchen, Study / Den, 2 Bedrooms, & 2 Full Baths	12'-10" Fourth Floor 11'-6" Penthouse
Unit 4G	Living/Dining, Kitchen, Study / Den, 2 Bedrooms, & 2 Full Baths	12'-10" Fourth Floor 11'-6" Penthouse
Unit 4H	Living/Dining, Kitchen, Study / Den, 2 Bedrooms, & 2 Full Baths	12'-10" Fourth Floor 11'-6" Penthouse

3. Appliances

Residential appliances supplied by the Sponsor **for Units in contract before March 15, 2009** shall be as follows or equivalent:

ITEM	MANUFACTURER	SERIES
24" Dishwasher	Frigidaire	Gallery
36" Refrigerator	Frigidaire	Gallery
30" Gas Range	Frigidaire	Gallery
30" Microwave / Hood	Frigidaire	Gallery

Residential appliances supplied by the Sponsor for Units in contract after March 15, 2009 shall be as follows or equivalent:

ITEM	**MANUFACTURER**	**SERIES**
24" Dishwasher	**Frigidaire**	**FDB130RGS**
36" Refrigerator	**Frigidaire**	**FRS6HR5JW**
30" Gas Range	**Frigidaire**	**FGF303CWH**
30" Microwave / Hood	**Frigidaire**	**FMV157GS**

The Sponsor reserves the right to provide alternative models or Manufacturers of equivalent quality.

Clothes washers and gas dryers will be the responsibility of the individual Unit Owners.

4. Cabinets

Kitchen wall and base cabinets will be of wood or wood products with panel doors. Countertops will be of plastic laminate, composites or stone.

Bathroom vanities will be of wood or wood products with panel doors. Counters will be of plastic laminate, composites or stone.

5. Finishes

Finishes within the residential units will be new unless noted otherwise.

Typical finishes within the Units will be as follows:

LOCATION	FINISH
Floors throughout	New or existing wood finished with polyurethane **Painted concrete at Units 1E, 1F, 1G AND 1H**
Kitchen floors	Ceramic tile
Bathroom floors	Ceramic tile

Tub / shower surrounds	Ceramic tile
Walls and ceilings	Painted gypsum wallboard
Entrance doors and trim	Painted metal
Interior doors and trim	Painted wood or wood products
Baseboards / moldings	Painted wood or wood products
Window sills / trim	Painted wood or wood products

V FINISH SCHEDULE OF SPACES OTHER THAN UNITS

ROOM	FLOORS	WALLS	CEILING
Boiler Room	concrete	masonry	concrete
Meter Room	concrete	masonry	concrete
Trash Compactor Room	concrete	masonry	gypsum wallboard
Cellar Storage Rooms	concrete	masonry **and gypsum wallboard**	gypsum wallboard
Public Hall	carpet	gypsum wallboard	gypsum wallboard
Public Stairs	concrete	masonry	

W GENERAL INFORMATION

I have examined the records available at the Department of Buildings and personally inspected the premises. To the best of my knowledge and belief, this report contains an accurate description of the building. At the time this report was being prepared renovation work was taking place throughout the building, therefore, situations and/or conditions noted during inspections may have changed.

Except as specifically noted in this report, no representation is made as to the legality of the various elements in the premises.

Many of the components are concealed, obstructed or not available for inspection and no representation is made of them.

It should be noted that the building is aged, and age and wear have had some effect on the premises. No representation can be made as to the length of time existing components and systems currently in working order will remain so. No warranty or guaranty is expressed or implied.

The inspections and report do not address and are not intended to address the possible presence or danger of any harmful substances and environmental hazards including, but not limited to, radon gas, asbestos, lead paint, urea formaldehyde, toxic or flammable chemicals and water or air-borne hazards. See reports, if any, elsewhere in this prospectus.

The inspections and report do not address and are not intended to address the operability of the sprinkler systems, if any.

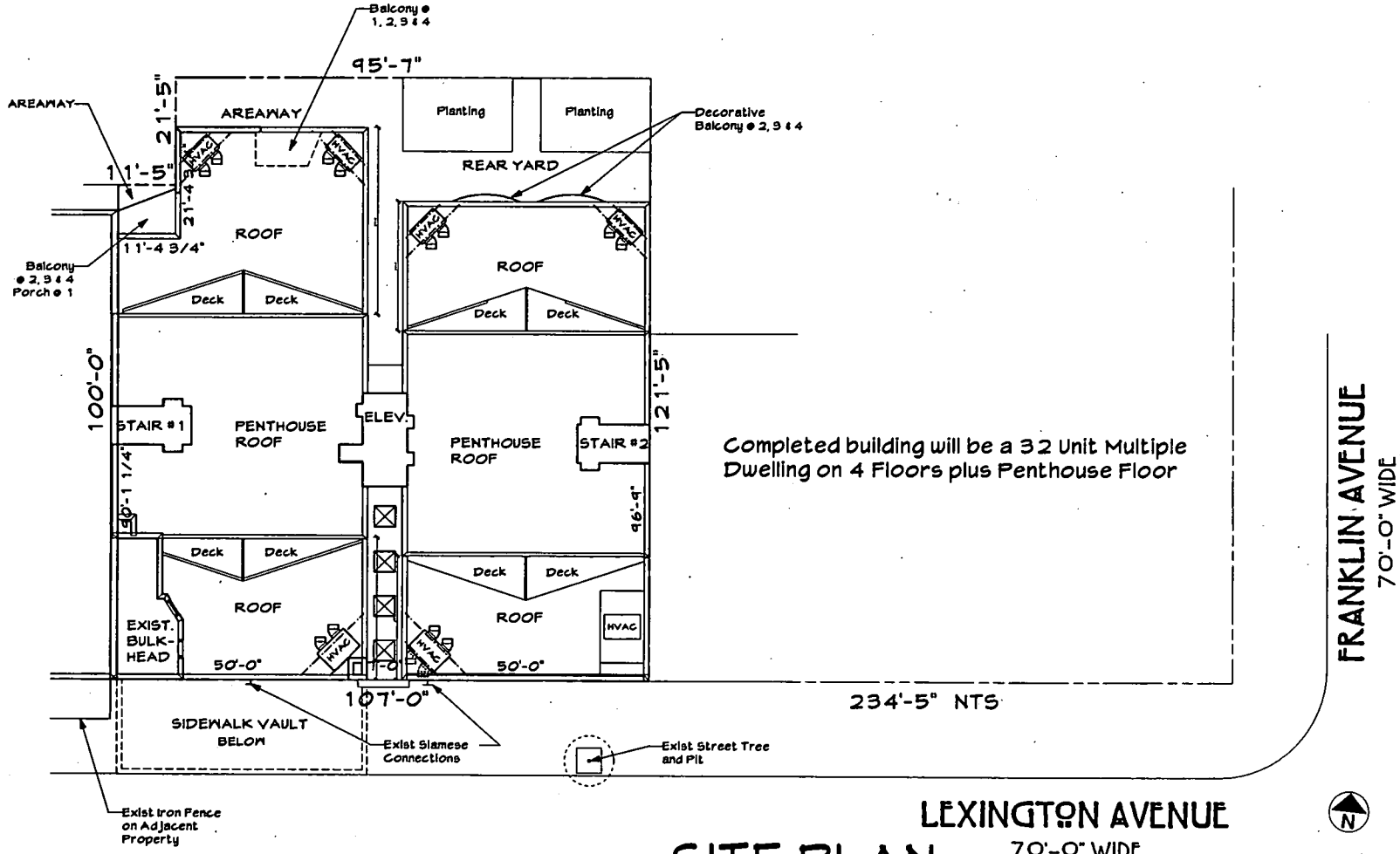
The inspections and report do not address and are not intended to address the presence of rodents, termites or other insects.

Local Law 11 is not applicable to these premises.

According to the approved plans for the current renovation, the internal components of the Units will be constructed to comply with the requirements of Local Law 58 regarding accessibility for persons with disabilities, except the penthouse mezzanine level of the fourth floor units. Components at this level are not required to comply with Local Law 58.

The Sponsor represents that all units will have smoke detectors and carbon monoxide detectors as required by Building Department Rules and Regulations. These may be combination type units.

END OF REPORT

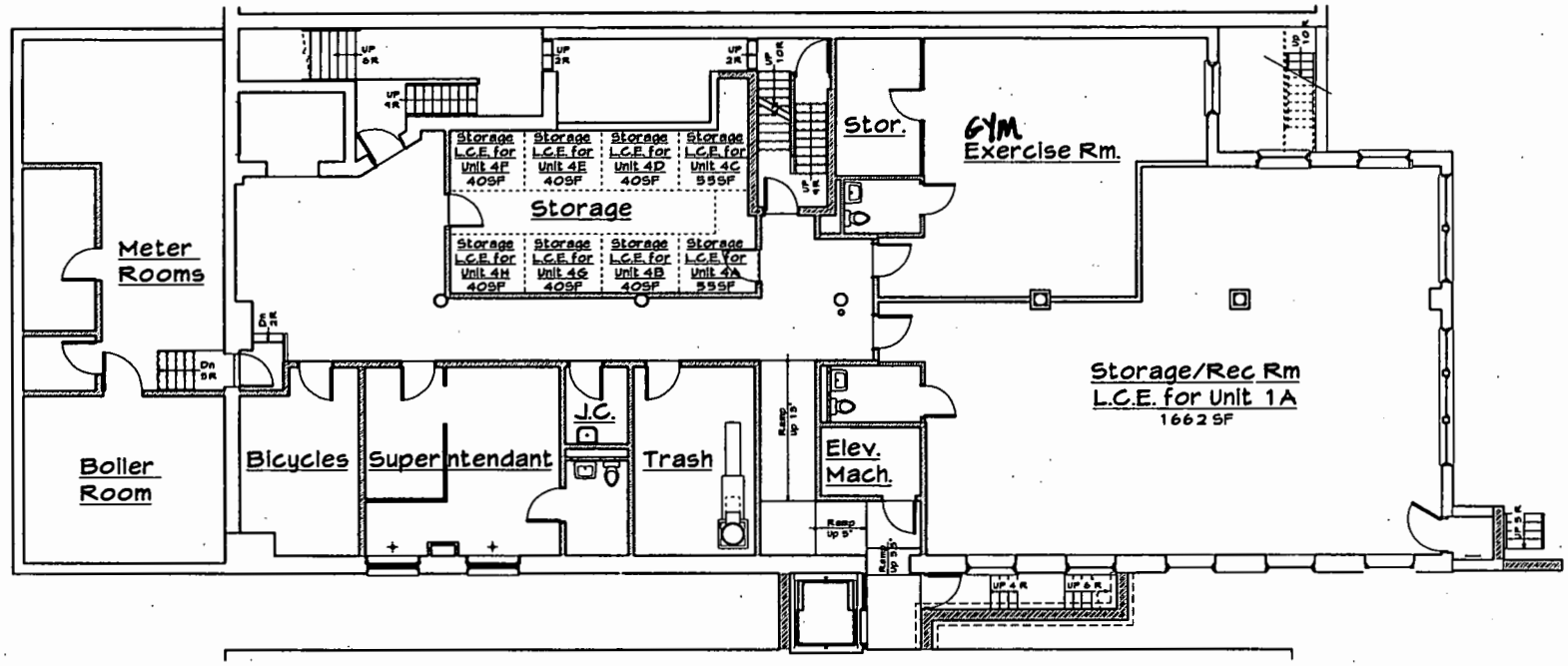


SITE PLAN

1" = 32-0"

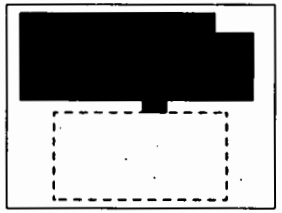
105 - 111 Lexington Ave, Brooklyn N.Y. 11238: (Exist. - 4 Story & Cellar w/ Penthouse Addition)

Block:	1967	Lot: 58	Map: 16C
Zoning:	R6	Comm. Board:	303
Const. Classification:	Class 3, Non-fireproof, Fully Wet Sprinklered		
Occup. Classification:	Apartment House - Residential		



Cellar Plan

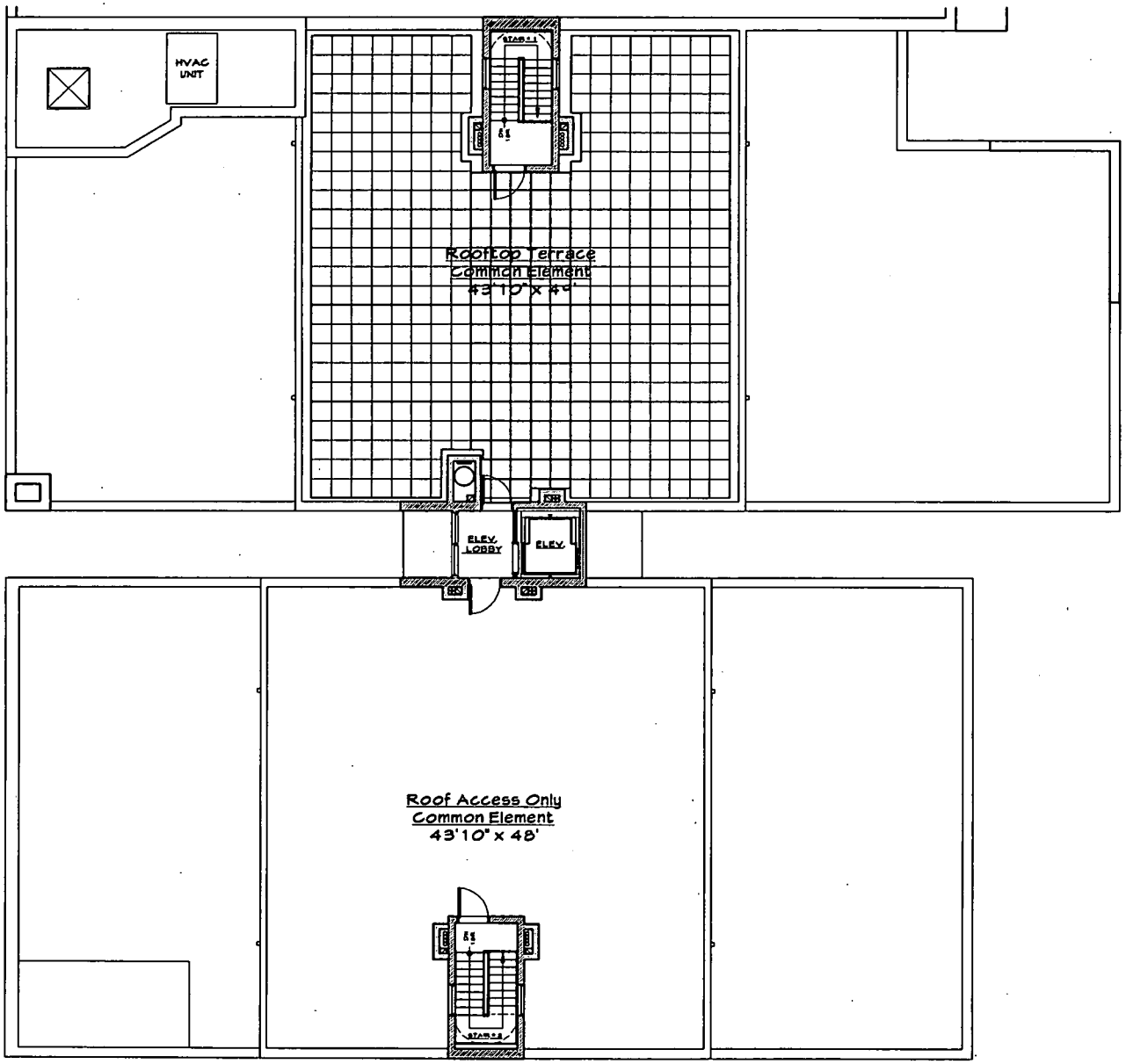
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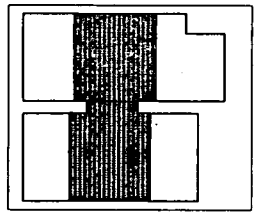


Key Plan

Cellar Floor

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions





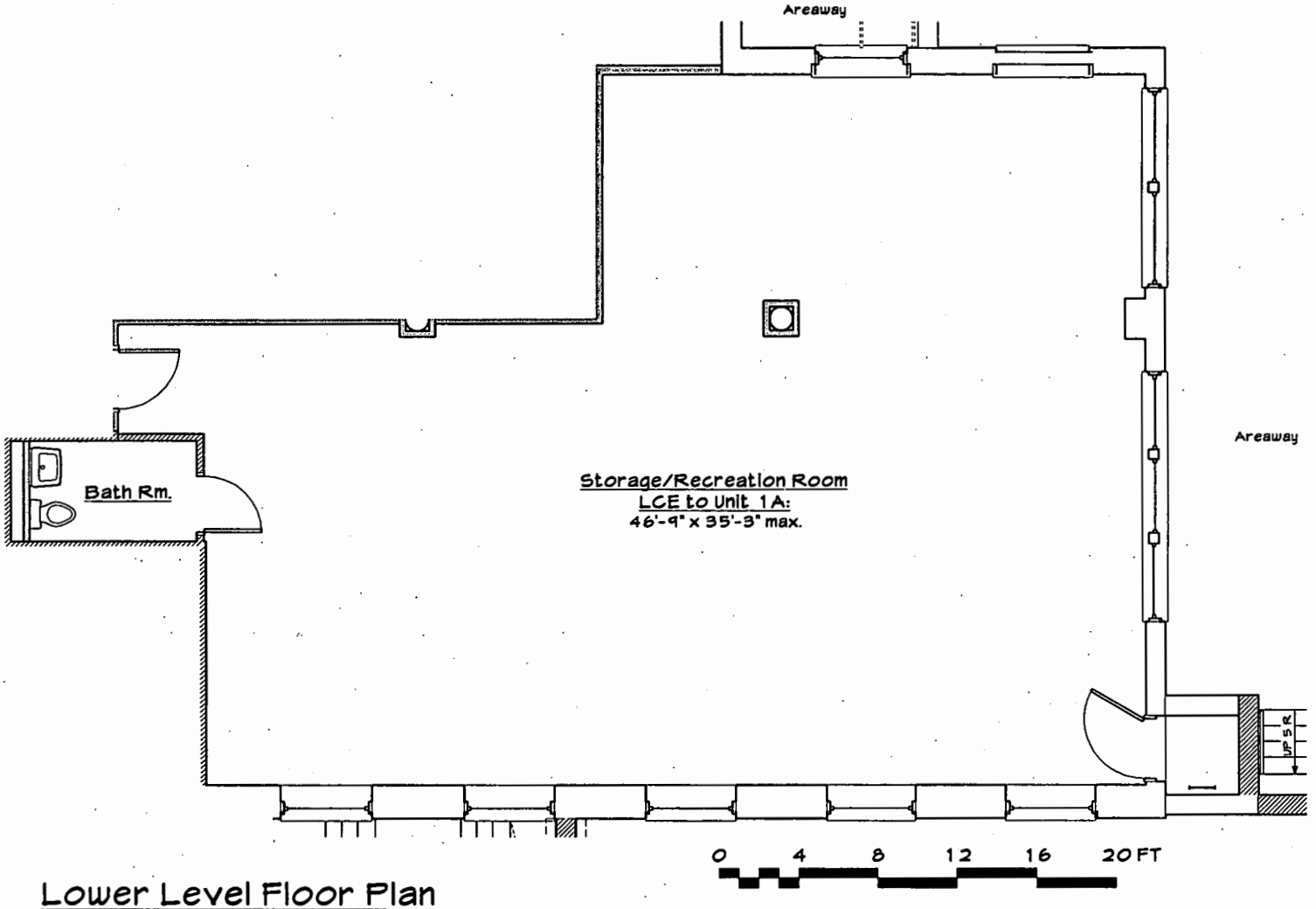
Key Plan
Rooftop

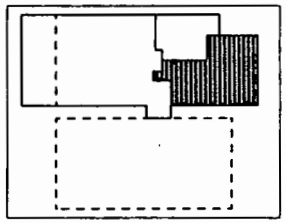
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Roof Plan

0 4 8 12 16 20 FT

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions





Key Plan
Cellar Floor

N

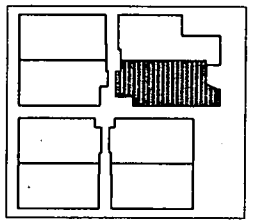
Lower Level Floor Plan

Unit: 0 sf L.C.E. 1662 sf

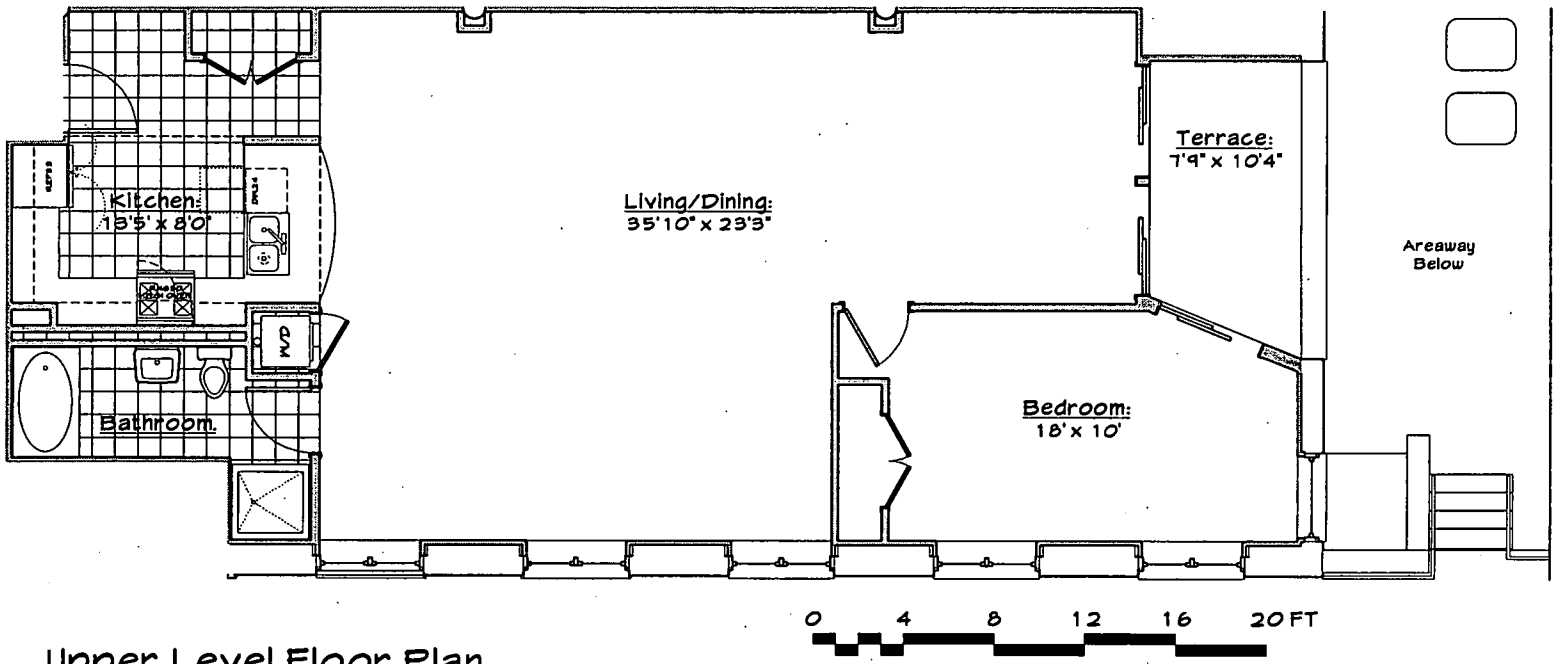
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1A

Unit: 1,276sf
L.C.E. 1,754sf



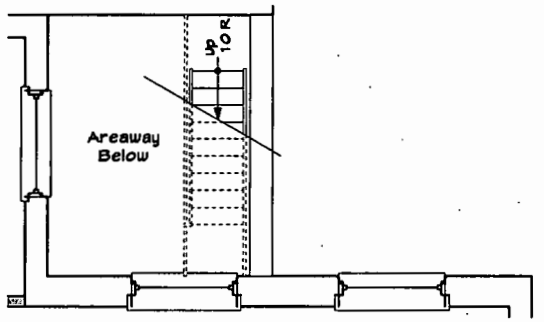
Key Plan
First Floor

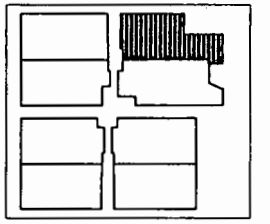


Upper Level Floor Plan
Unit: 1276 sf L.C.E. 92 sf

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1A
Unit: 1,276sf
L.C.E. 1,754sf

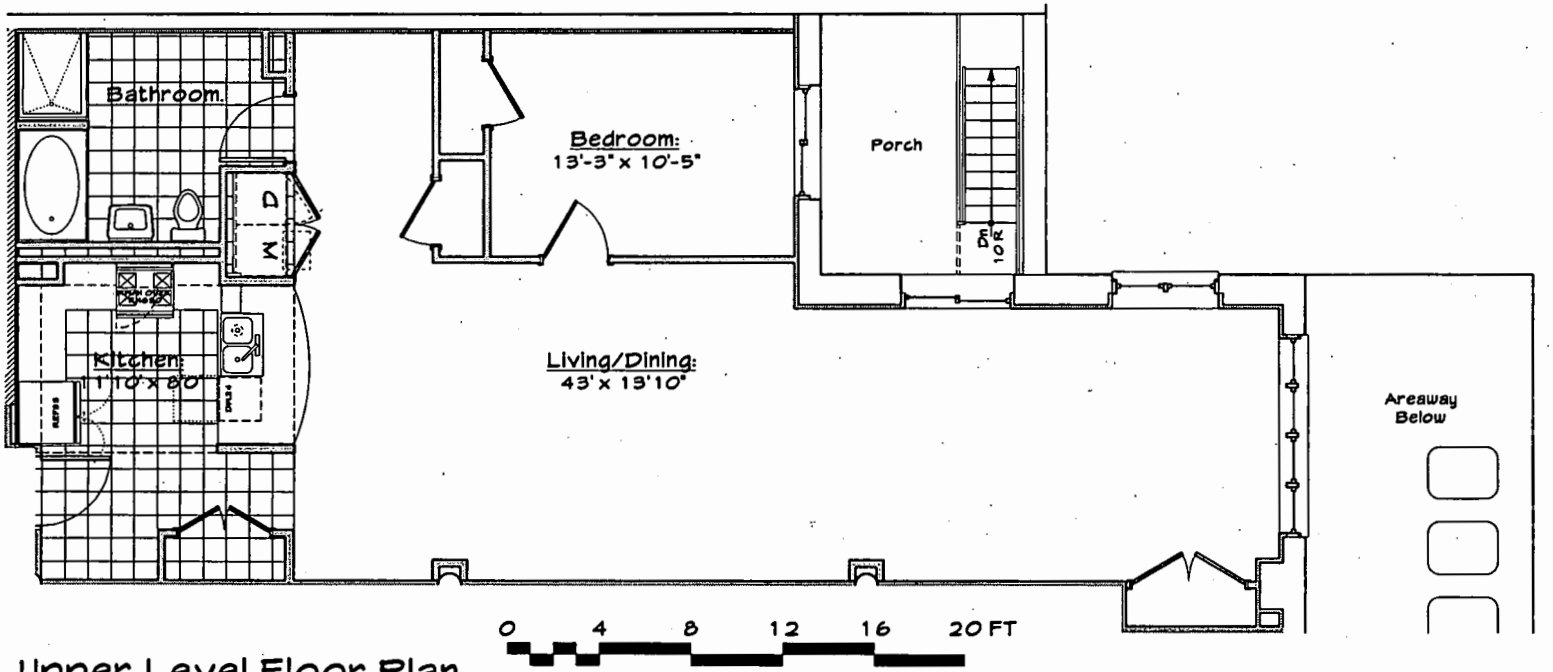




Key Plan
First Floor

Lower Level Floor Plan

Unit: 0 sf L.C.E. 113 sf



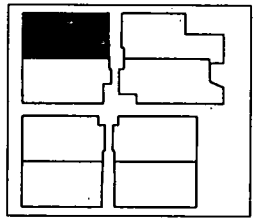
Upper Level Floor Plan

Unit: 1,185 sf L.C.E. 76 sf

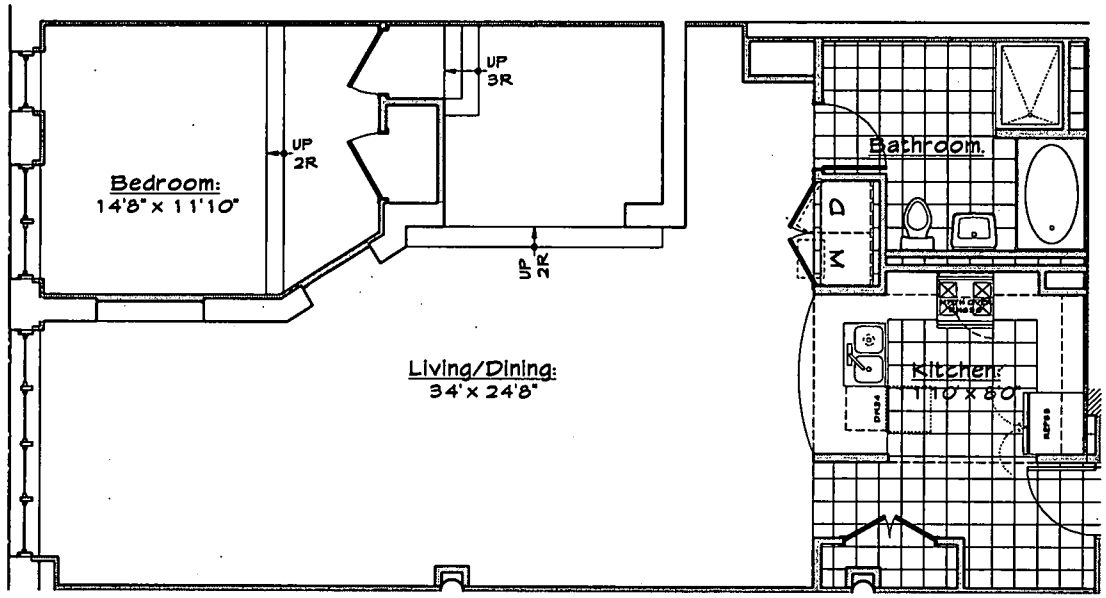
Unit 1B

Unit: 1,185sf
L.C.E. 189sf

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions



Key Plan
First Floor

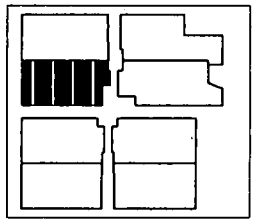


Floor Plan

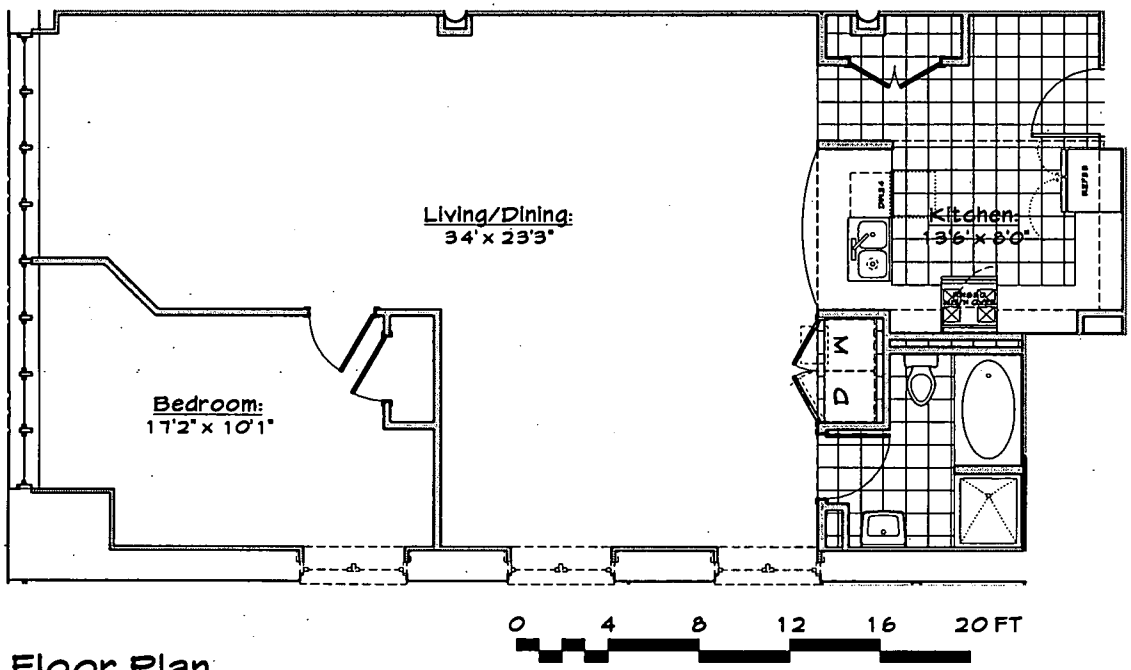
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1C

Unit: 1,196sf



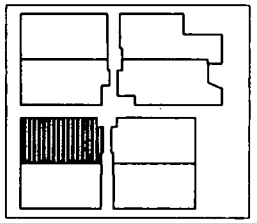
Key Plan
First Floor



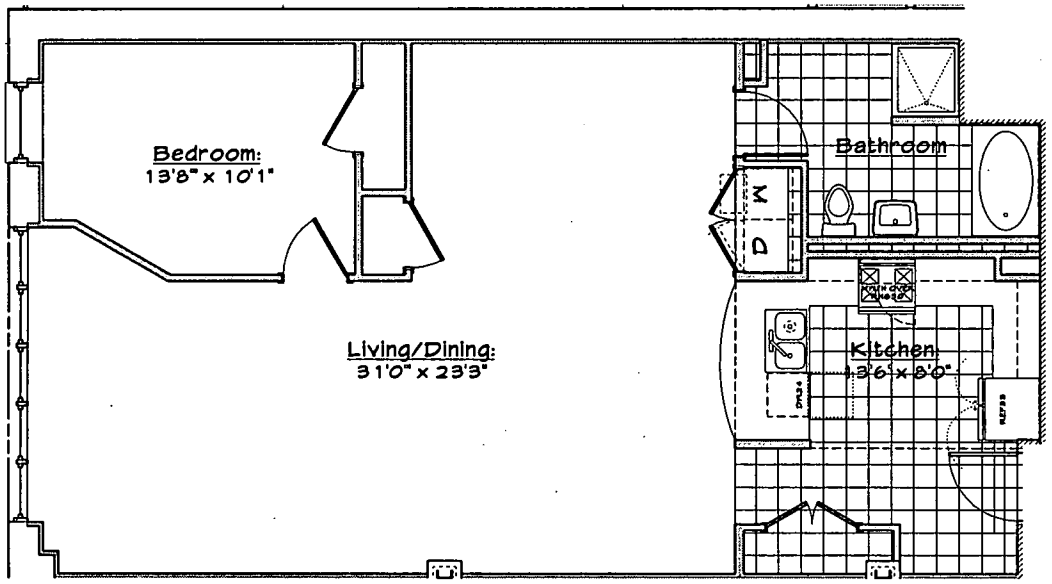
Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1D
Unit: 1,173sf



Key Plan
First Floor

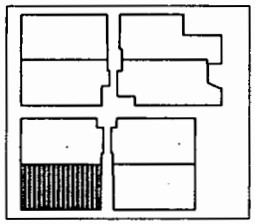


Floor Plan

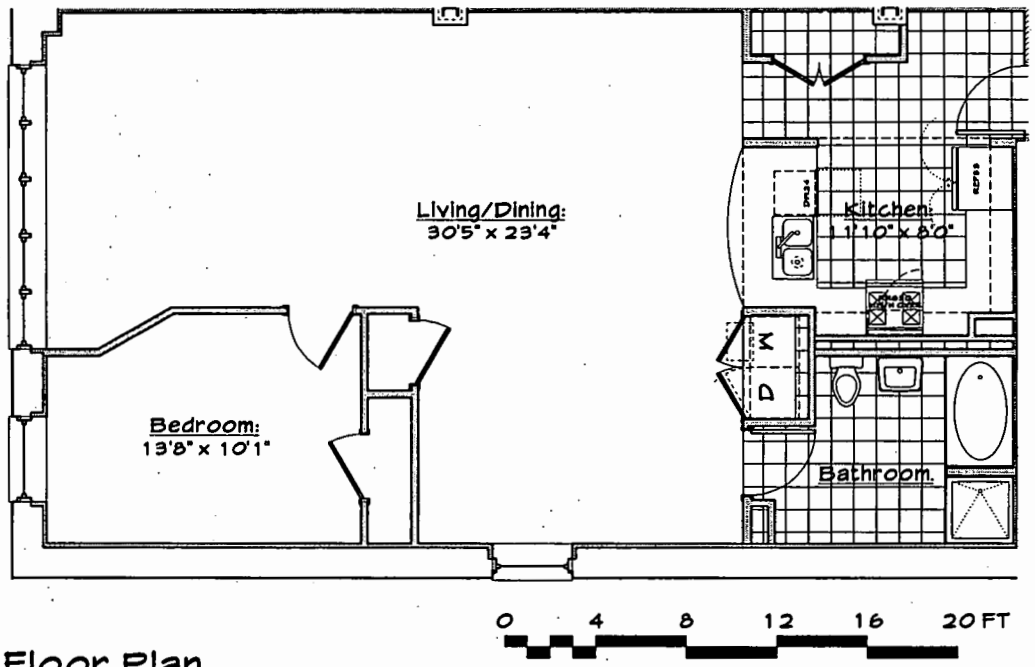


Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1E
Unit: 1,119sf



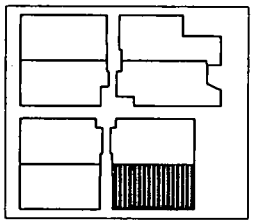
Key Plan
First Floor



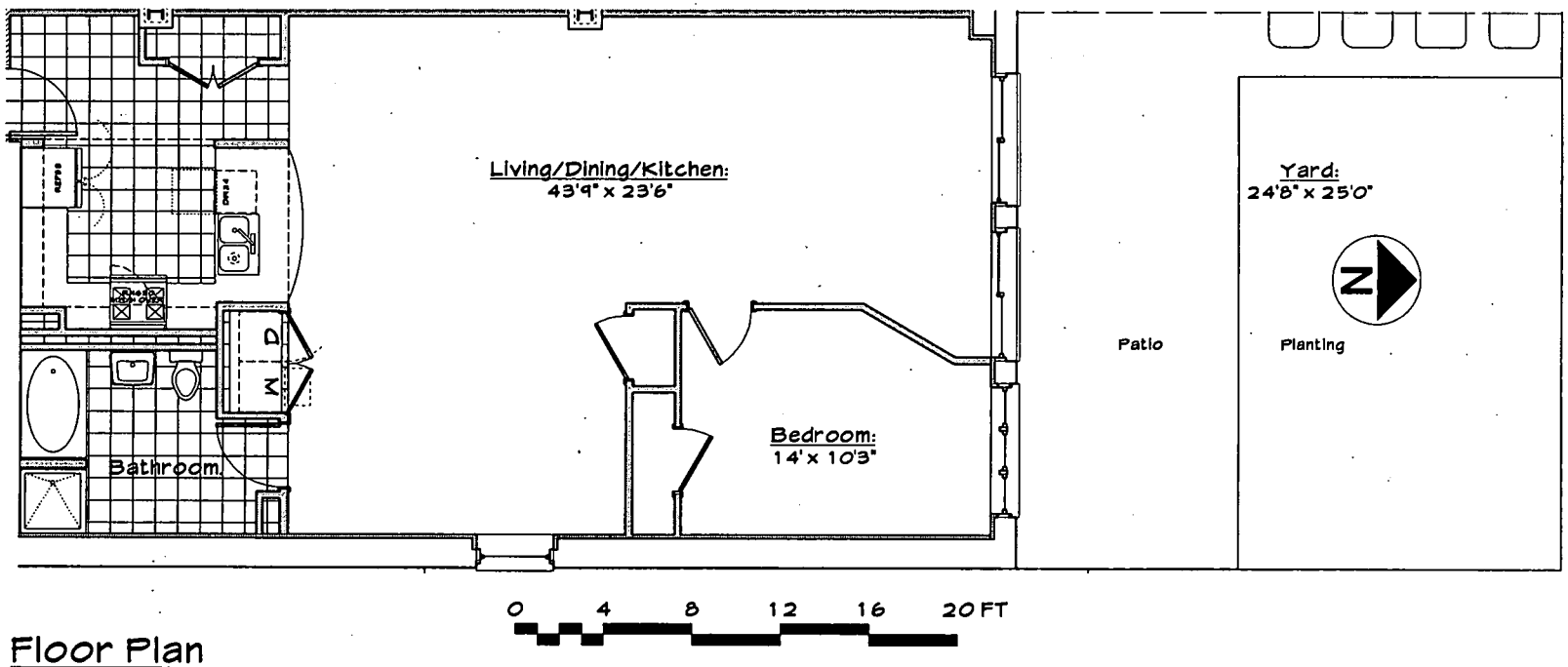
Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1F
Unit: 1,110sf



Key Plan
First Floor

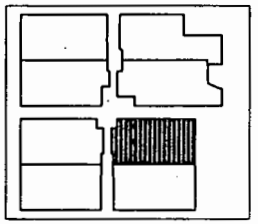


Floor Plan

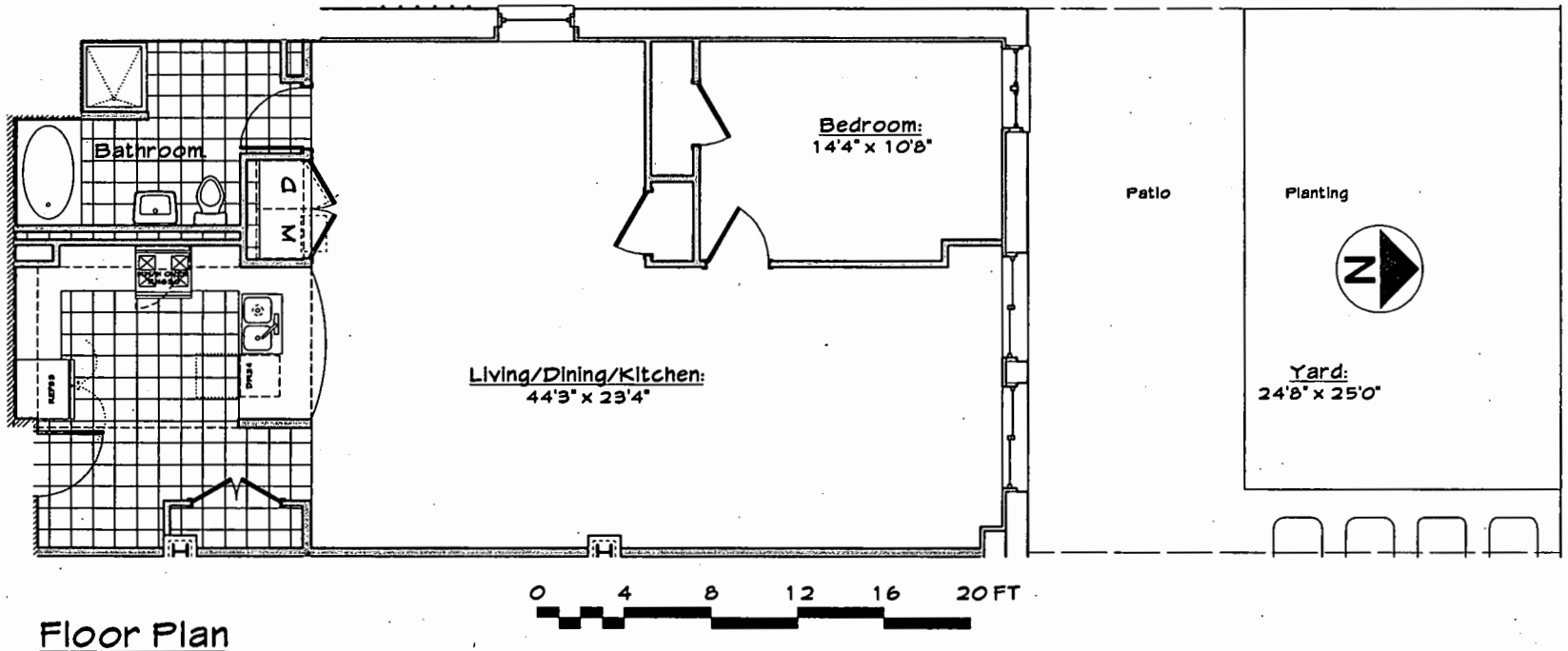
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1G

Unit: 1,135sf
L.C.E.: 617sf



Key Plan
First Floor

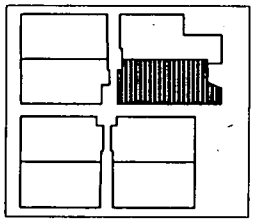


Floor Plan

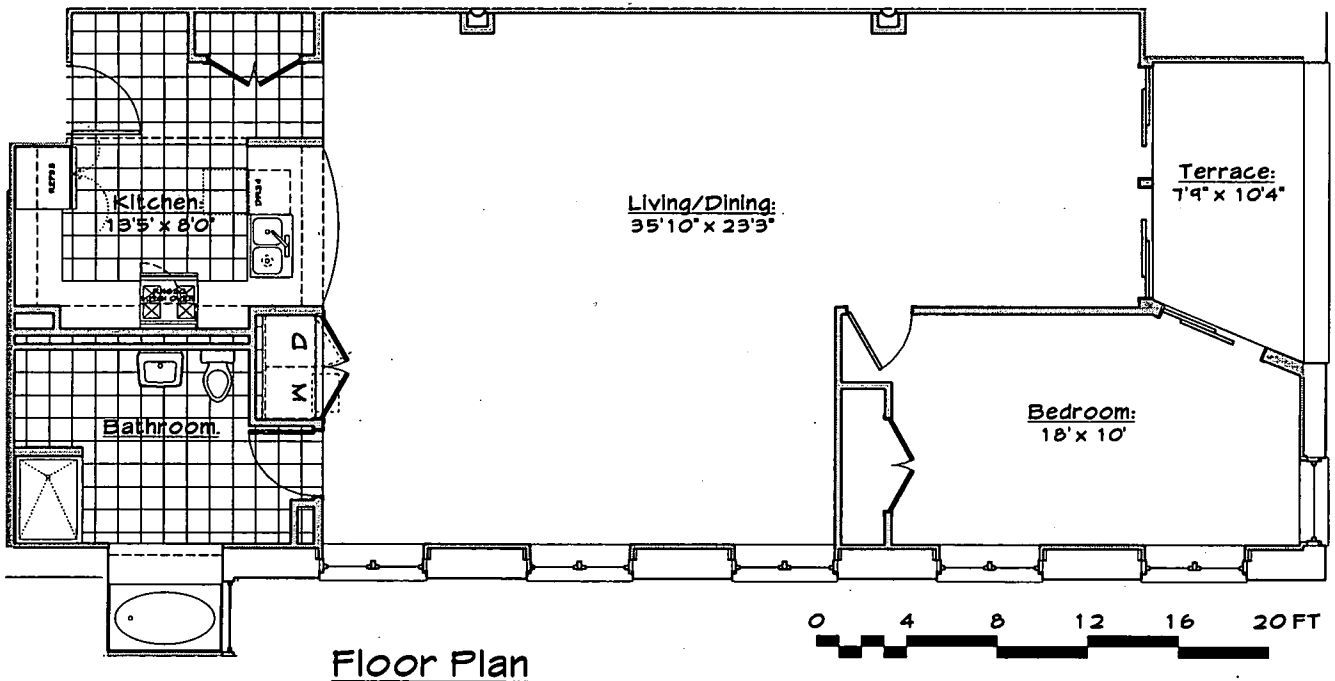
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1H

Unit: 1,146sf
L.C.E.: 617sf



Key Plan
Second Floor



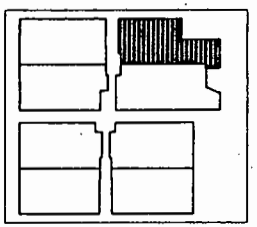
Floor Plan

N

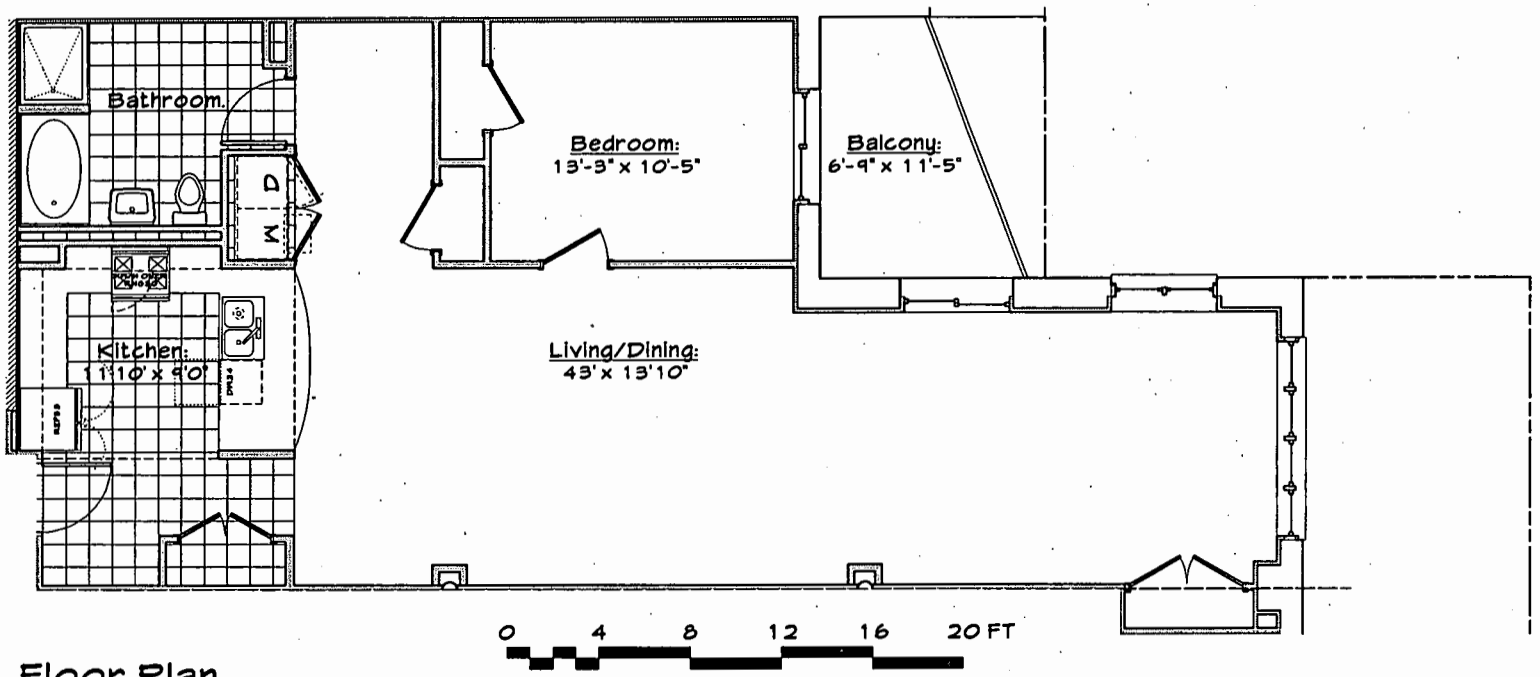
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 2A

Unit: 1,340sf
L.C.E. 92sf



Key Plan
Second Floor

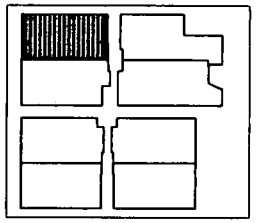


Floor Plan

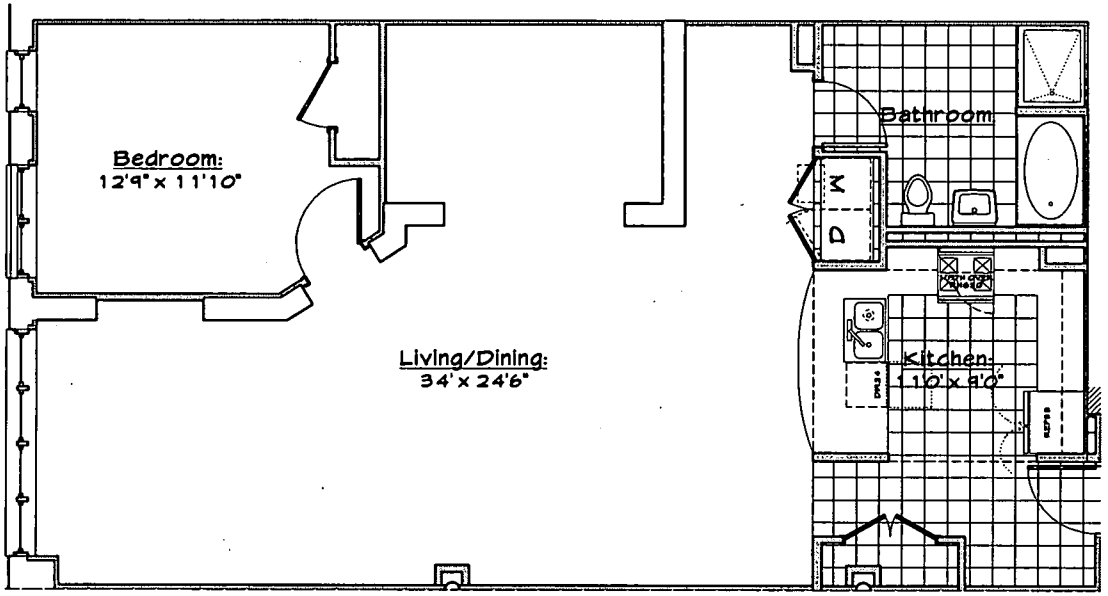
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 2B

Unit: 1,185sf
L.C.E. 77sf



Key Plan
Second Floor

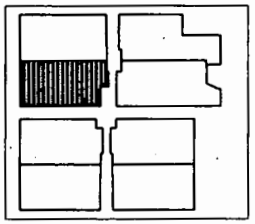


Floor Plan

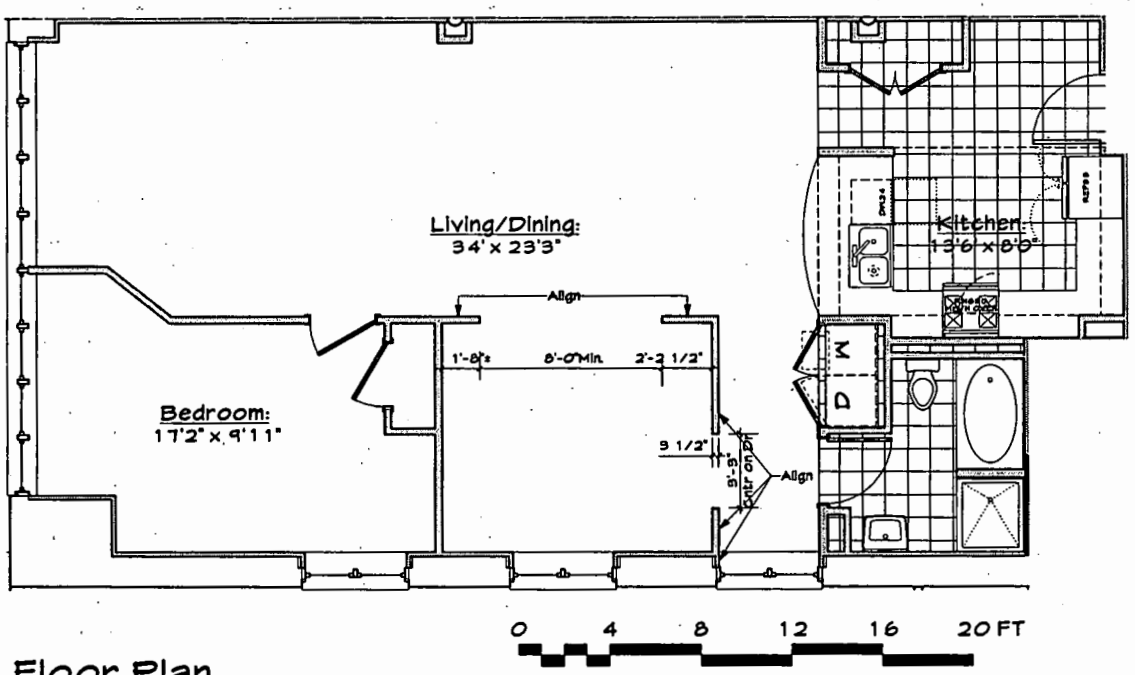
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 2C

Unit: 1,197sf



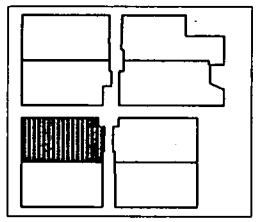
Key Plan
Second Floor



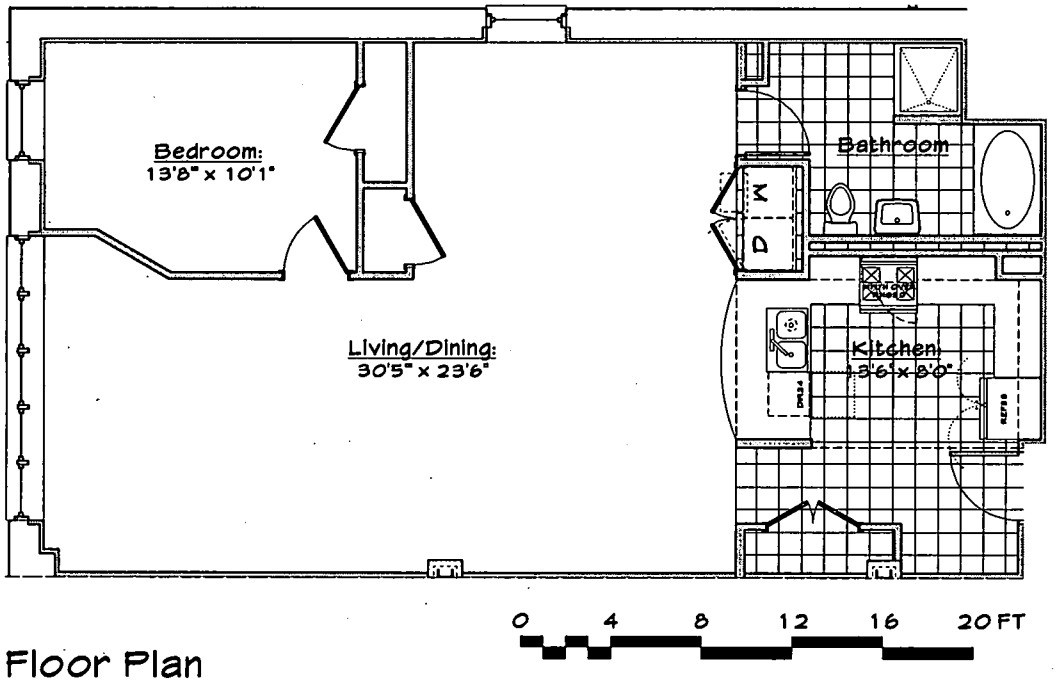
Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 2D
Unit: 1,173sf



Key Plan
Second Floor

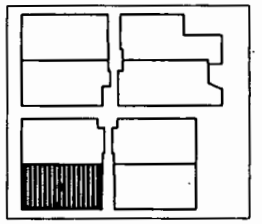


Floor Plan

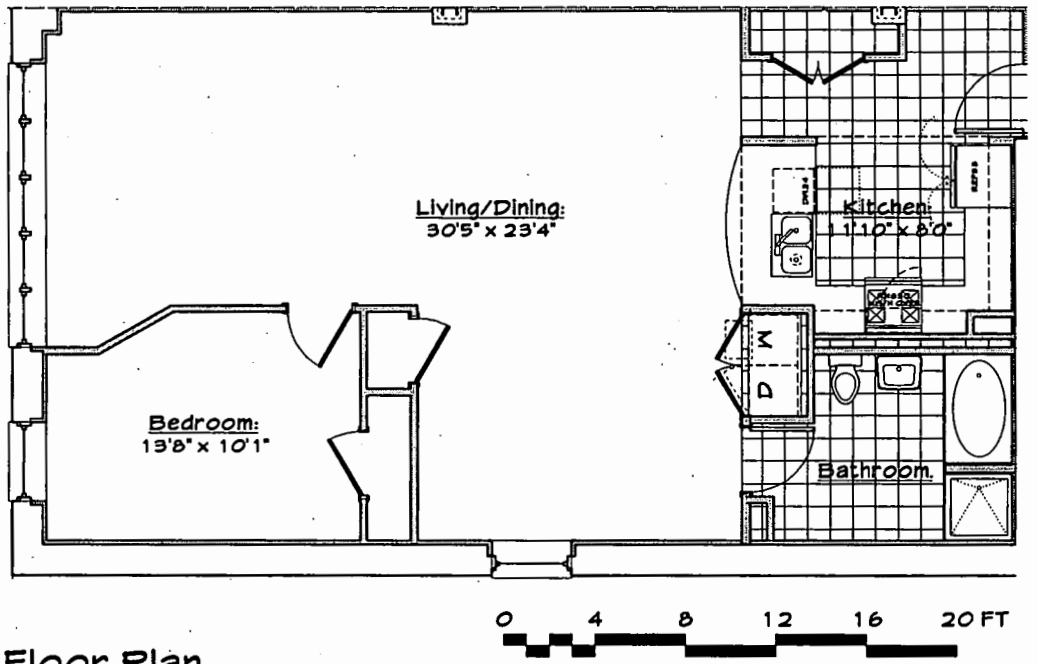
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 2E

Unit: 1,119sf



Key Plan
Second Floor

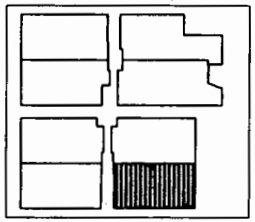


Floor Plan

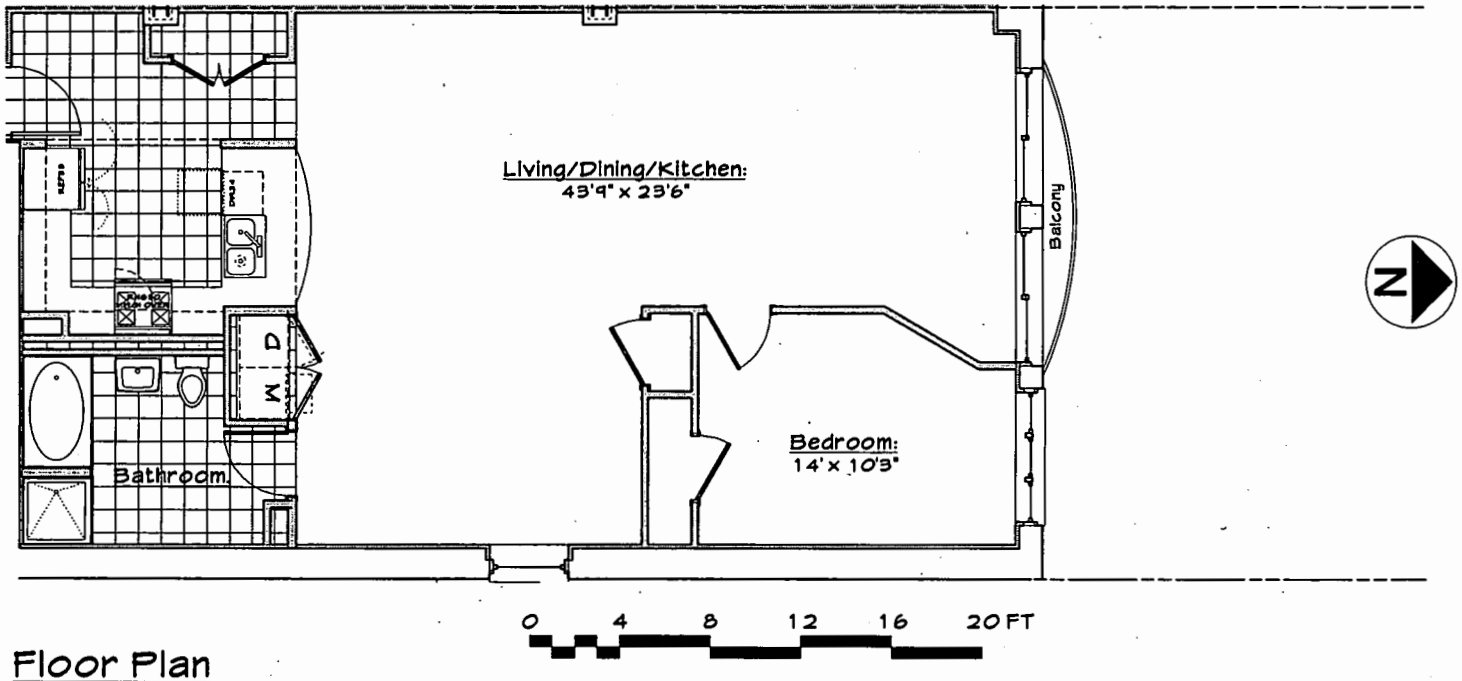
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 2F

Unit: 1,111sf



Key Plan
Second Floor

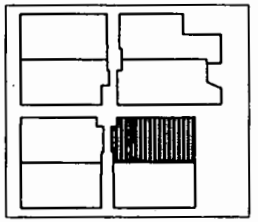


Floor Plan

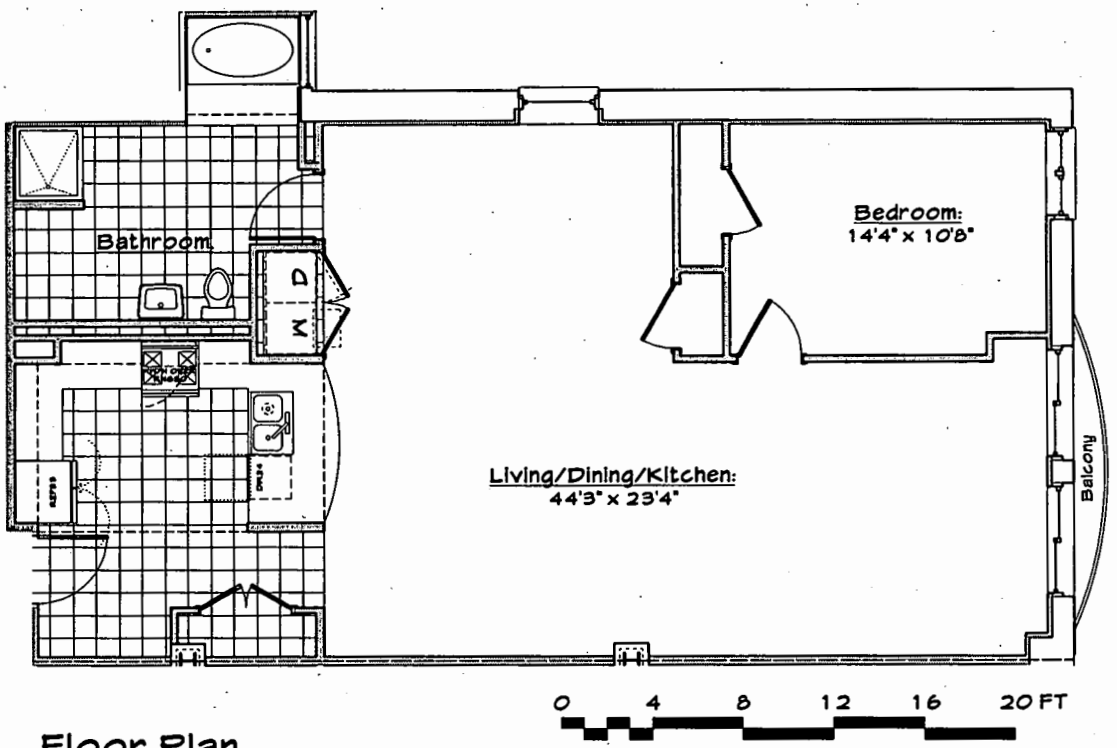
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 2G

Unit: 1,136sf
L.C.E. 14sf



Key Plan
Second Floor

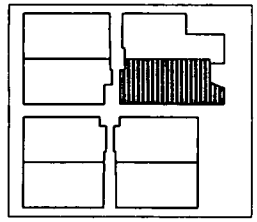


Floor Plan

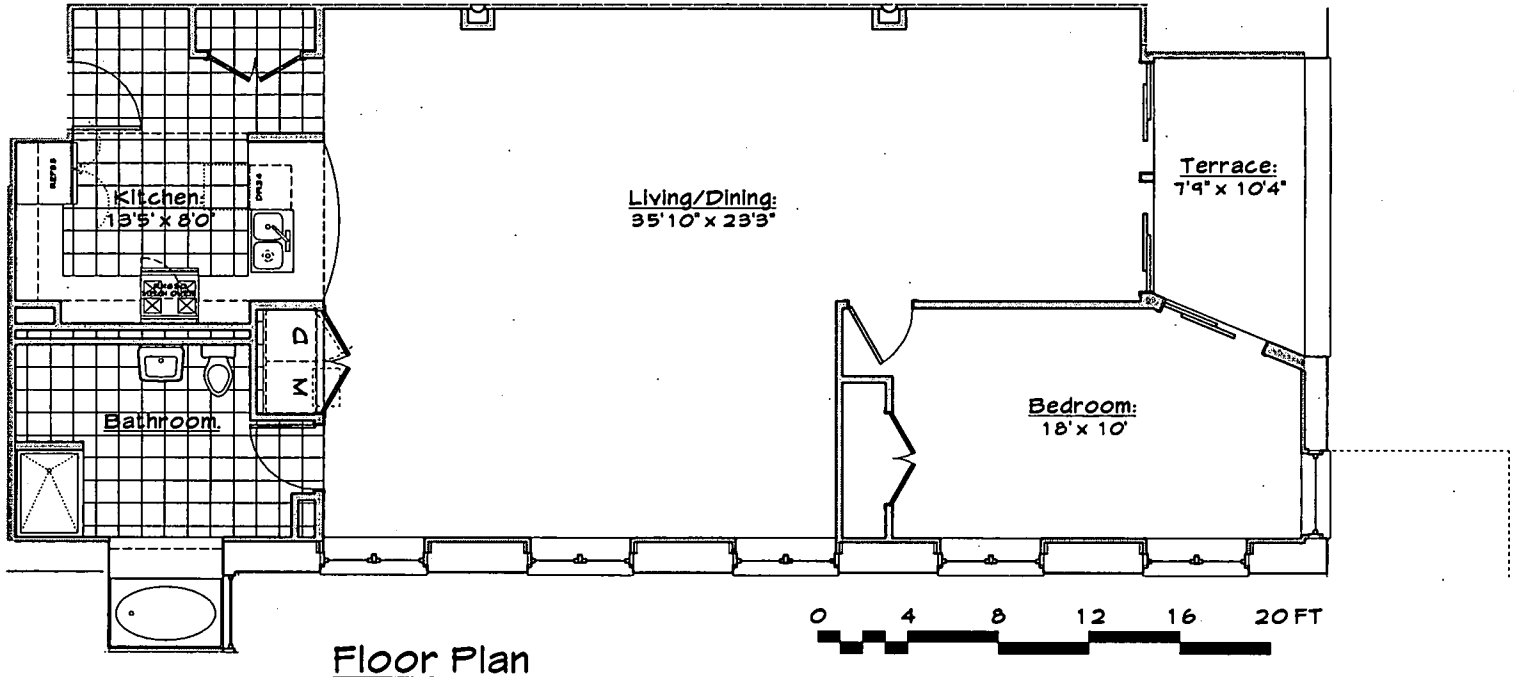
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 2H

Unit: 1,175sf
L.C.E. 14sf



Key Plan
Third Floor



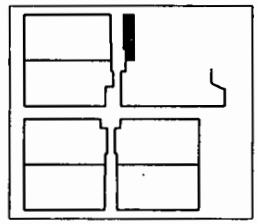
Floor Plan



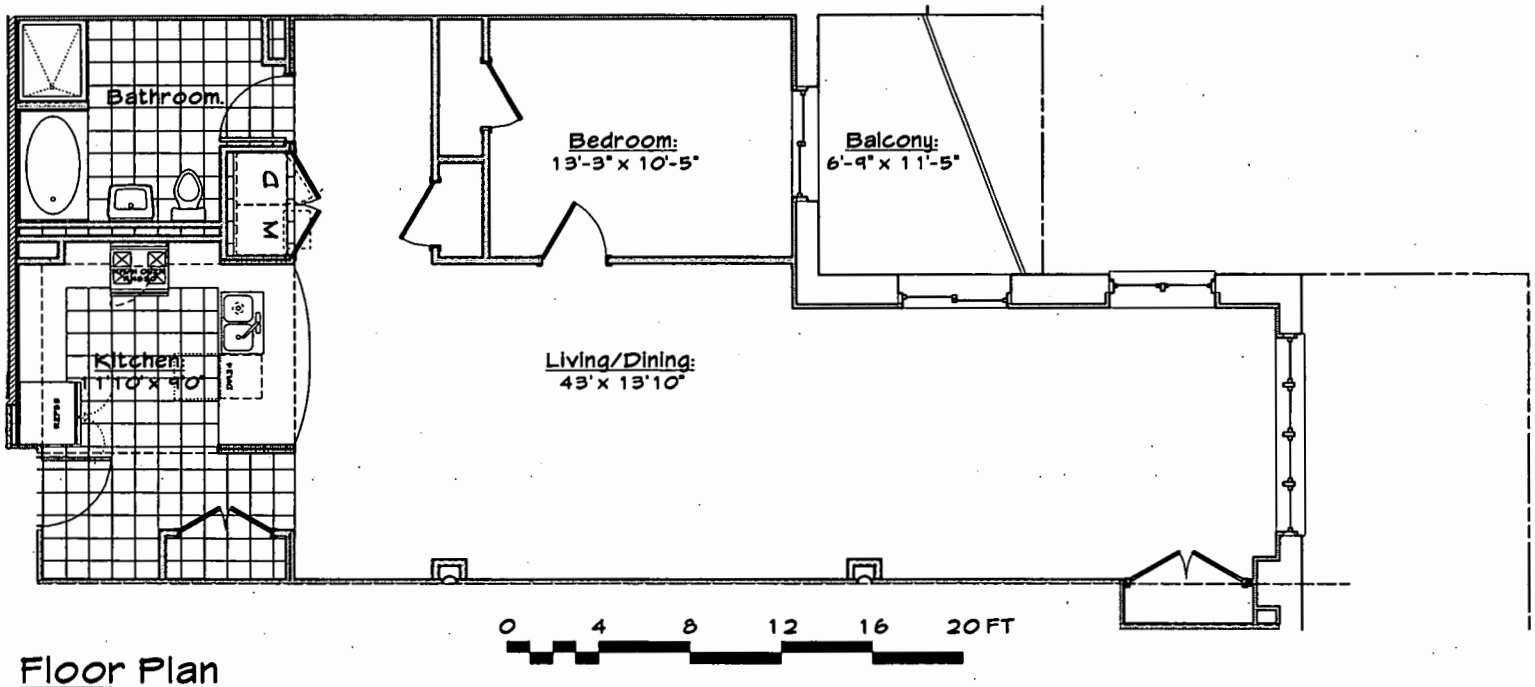
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 3A

Unit: 1,340sf
L.C.E. 92sf



Key Plan
Third Floor



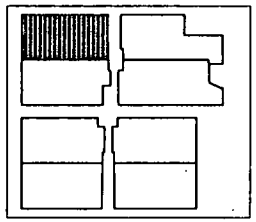
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Floor Plan

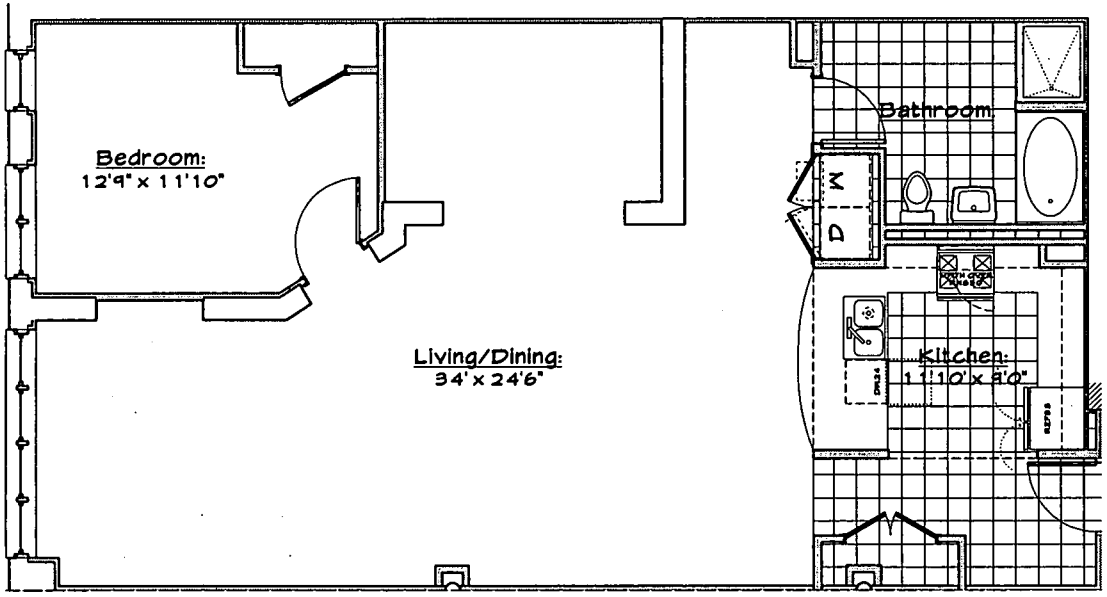
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 3B

Unit: 1,185sf
L.C.E. 77sf



Key Plan
Third Floor



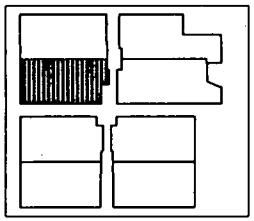
Floor Plan



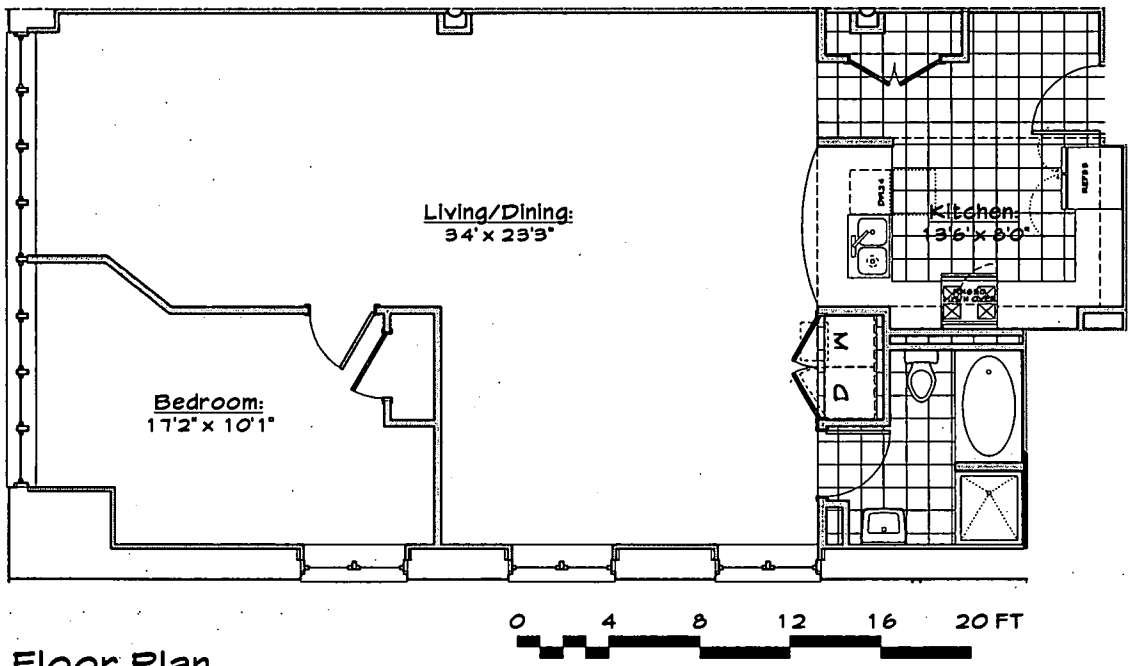
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 3C

Unit: 1,197sf



Key Plan
Third Floor

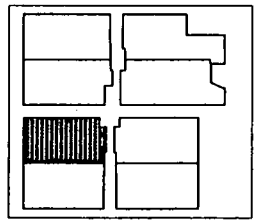


Floor Plan

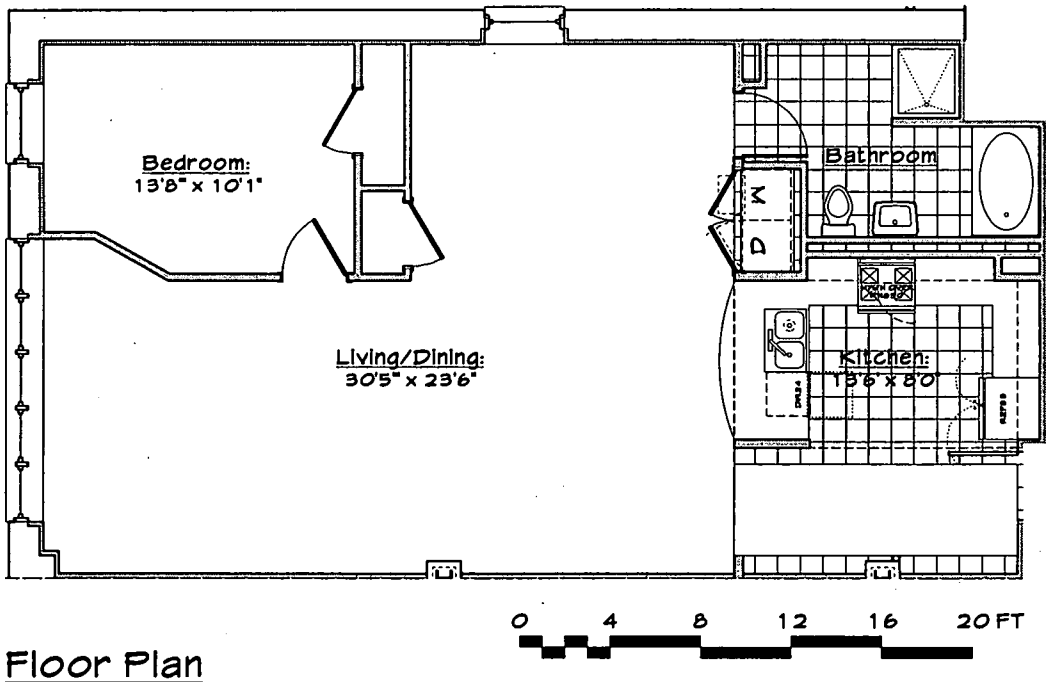
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 3D

Unit: 1,173sf



Key Plan
Third Floor



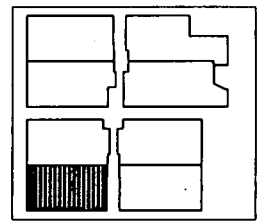
Floor Plan



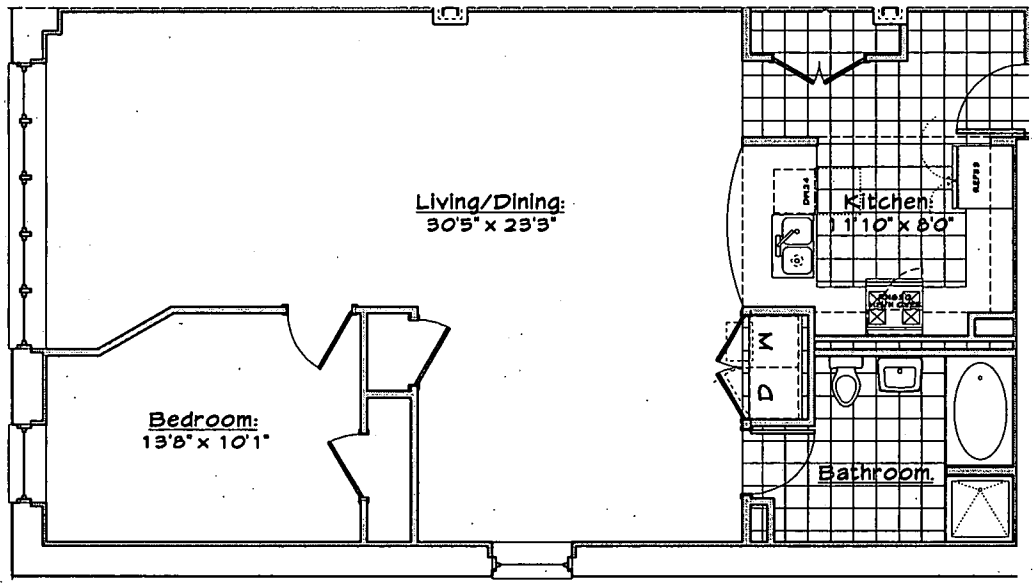
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 3E

Unit: 1,119sf



Key Plan
Third Floor



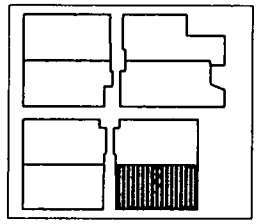
Floor Plan

0 4 8 12 16 20 FT

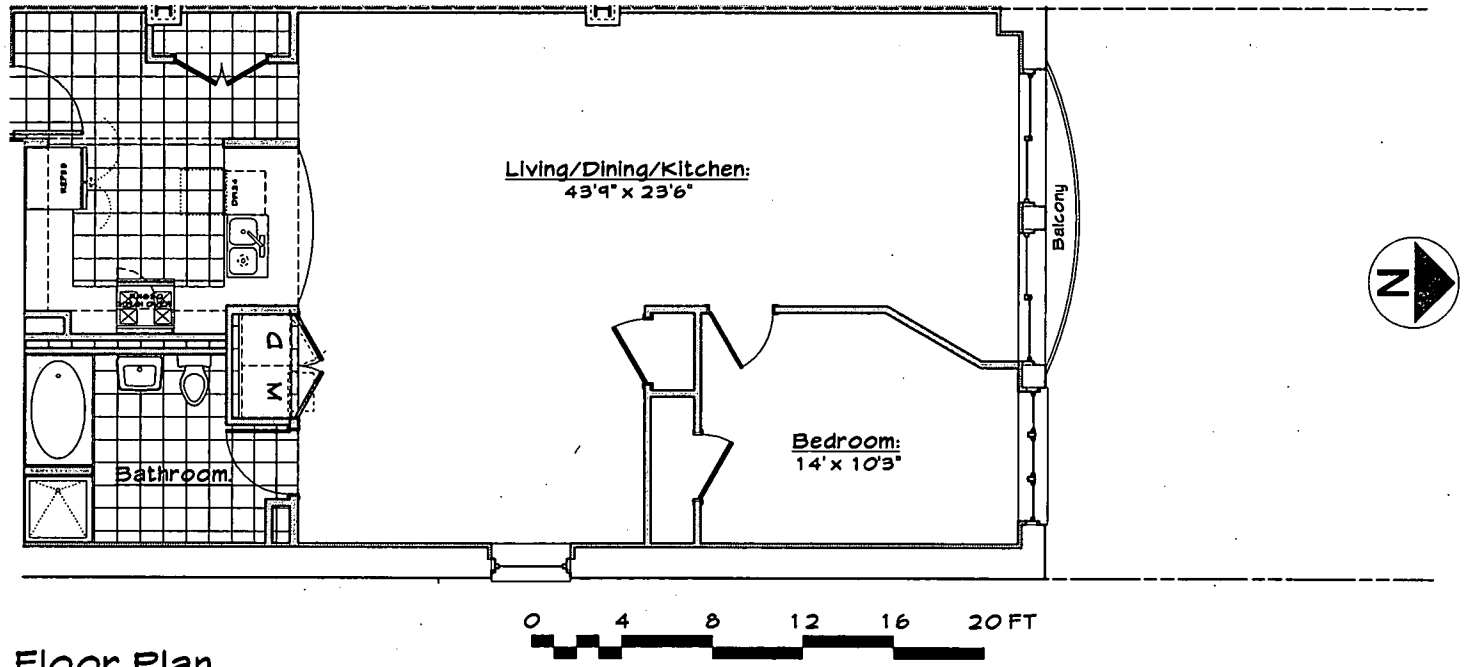
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 3F

Unit: 1,111sf



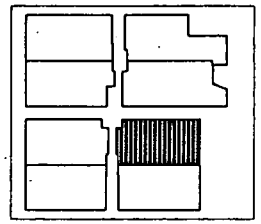
Key Plan
Third Floor



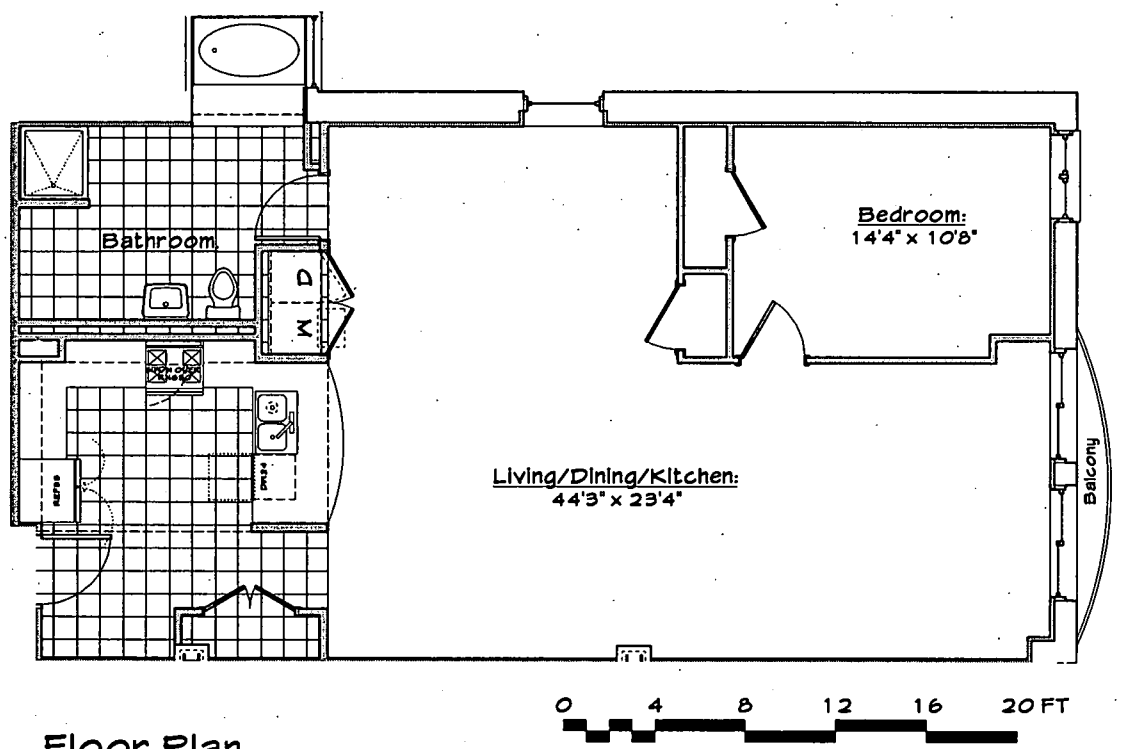
Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 3G
Unit: 1,136sf
L.C.E. 14sf



Key Plan
Third Floor



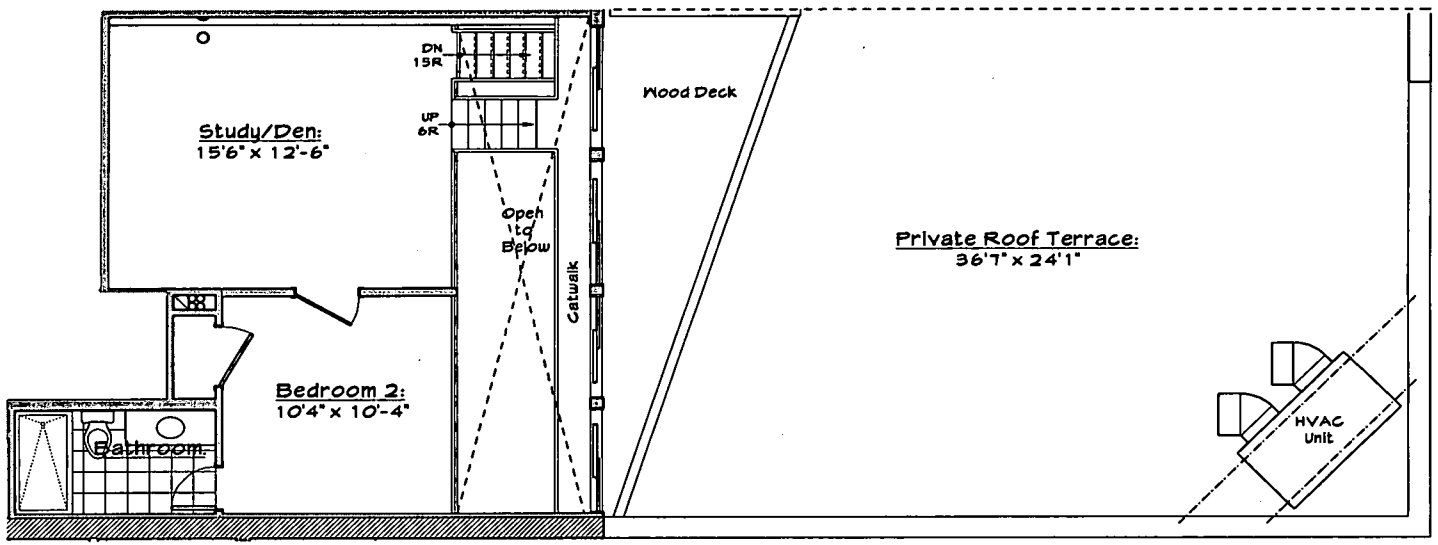
Floor Plan

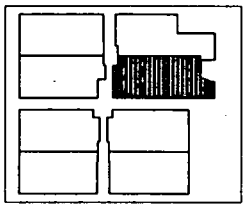


Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 3H

Unit: 1,175sf
L.C.E. 14sf



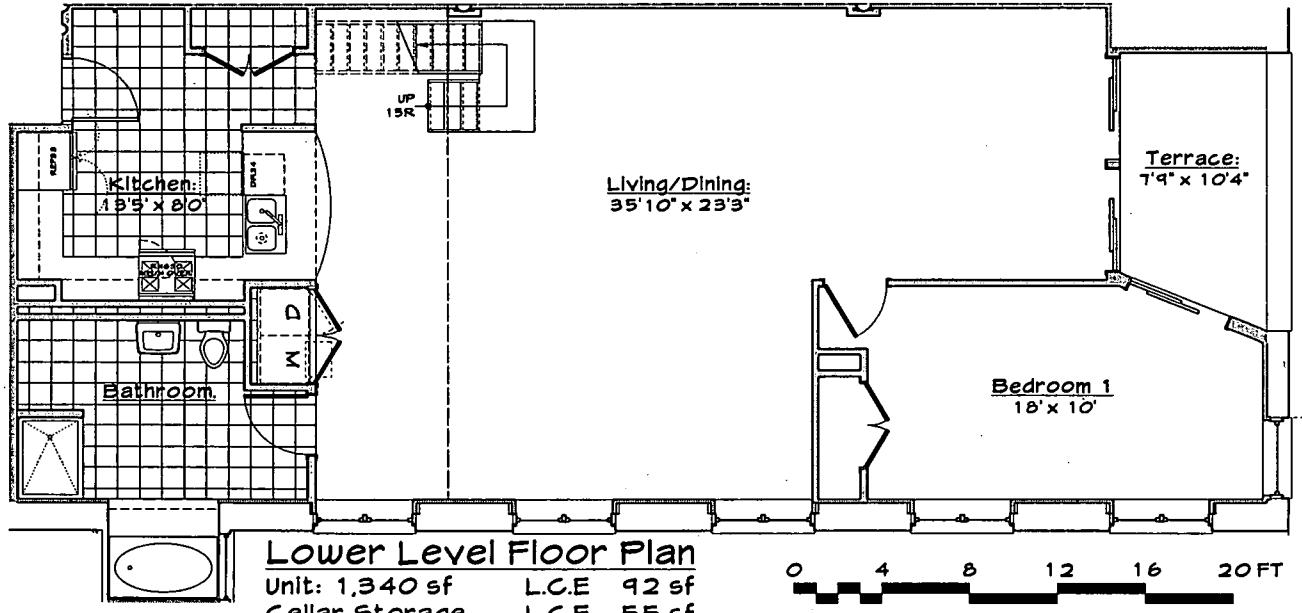


Key Plan
Fourth Floor

Upper Level Floor Plan

Unit: 482 sf L.C.E. 940 sf

0 4 8 12 16 20 FT



Lower Level Floor Plan

Unit: 1,340 sf L.C.E 92 sf
Cellar Storage L.C.E 55 sf

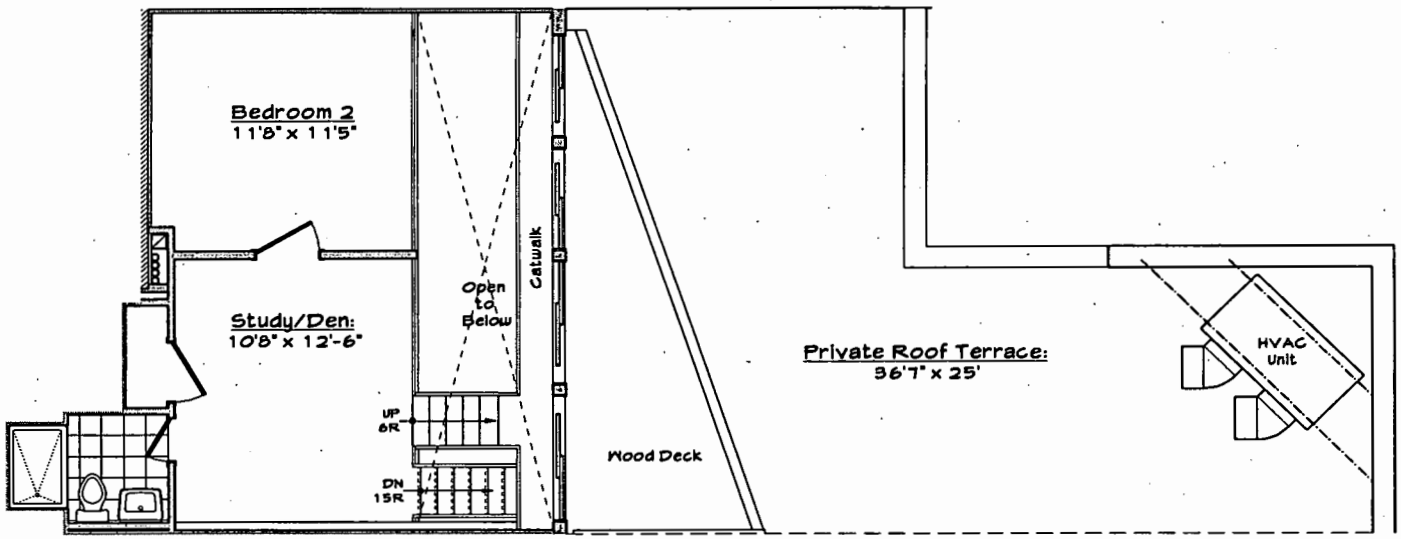
0 4 8 12 16 20 FT

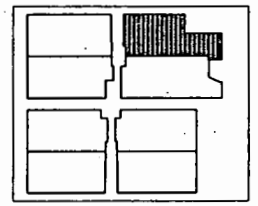
N

Unit 4A

Unit: 1,822sf
L.C.E. 1,087sf

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions



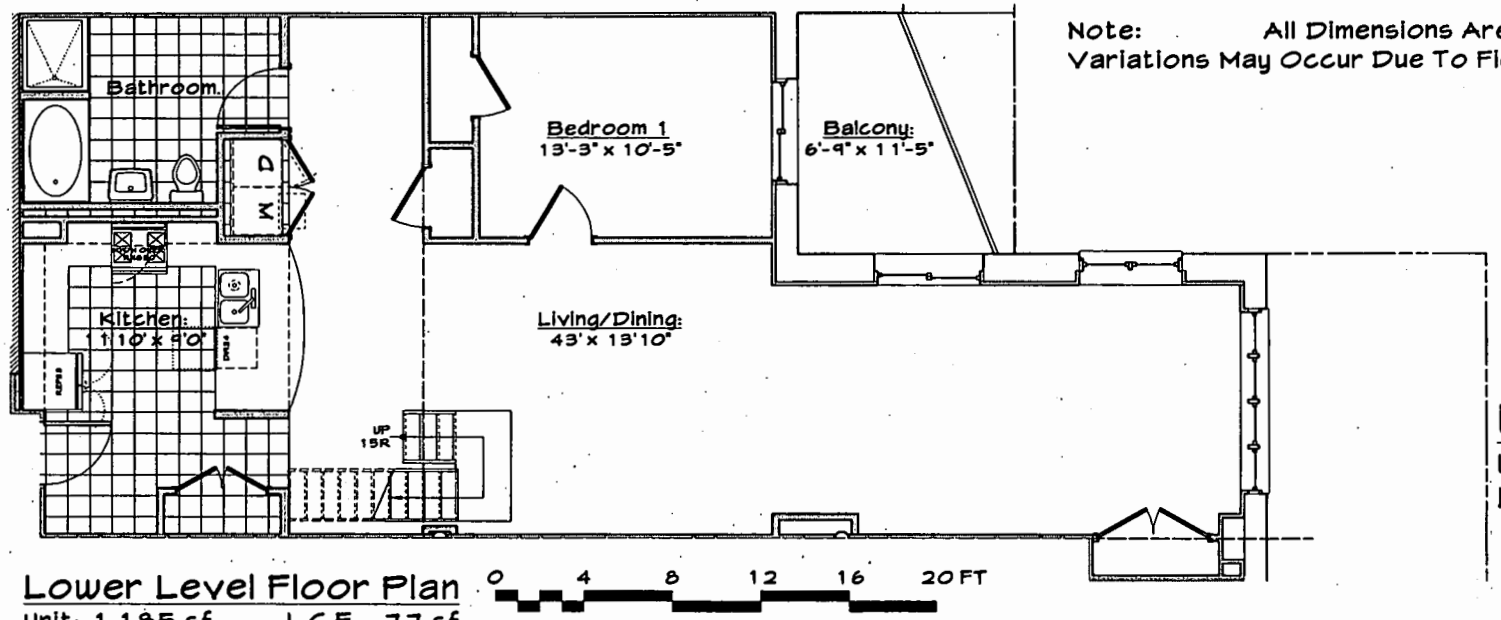


Key Plan
FOURTH Floor

Upper Level Floor Plan

Unit: 418 sf L.C.E. 697 sf

0 4 8 12 16 20 FT



Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

N

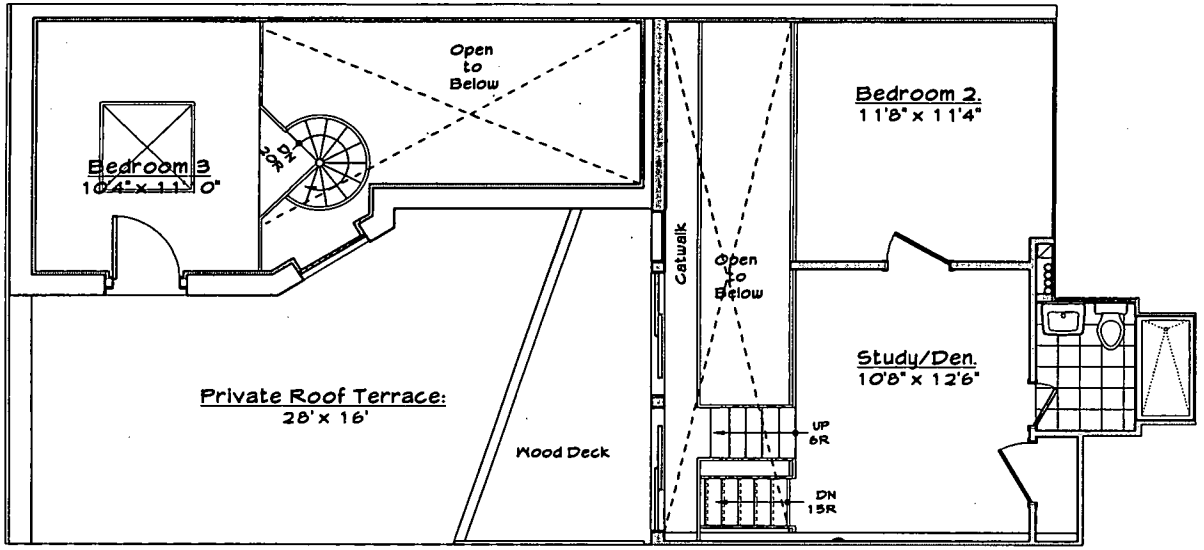
Lower Level Floor Plan

Unit: 1,185 sf L.C.E 77 sf
Cellar Storage L.C.E 40 sf

0 4 8 12 16 20 FT

Unit 4B

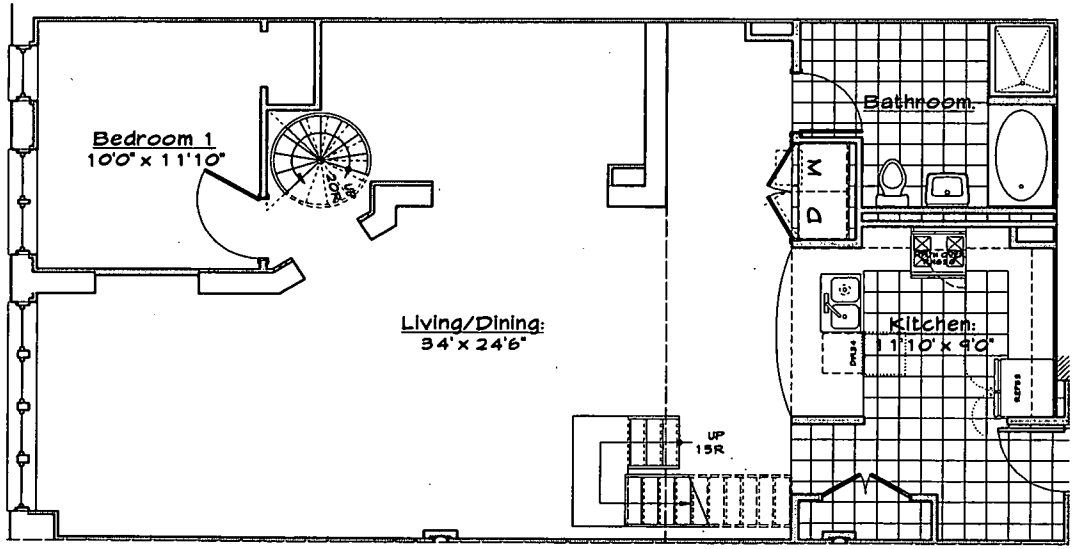
Unit: 1,603sf
L.C.E. 814sf



Upper Level Floor Plan

Unit: 621 sf L.C.E. 401 sf

0 4 8 12 16 20 FT

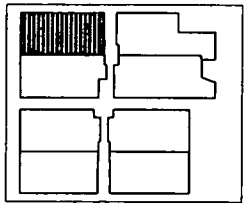


Lower Level Floor Plan

Unit: 1,197 sf L.C.E 0 sf
Cellar Storage L.C.E 55 sf

0 4 8 12 16 20 FT

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions



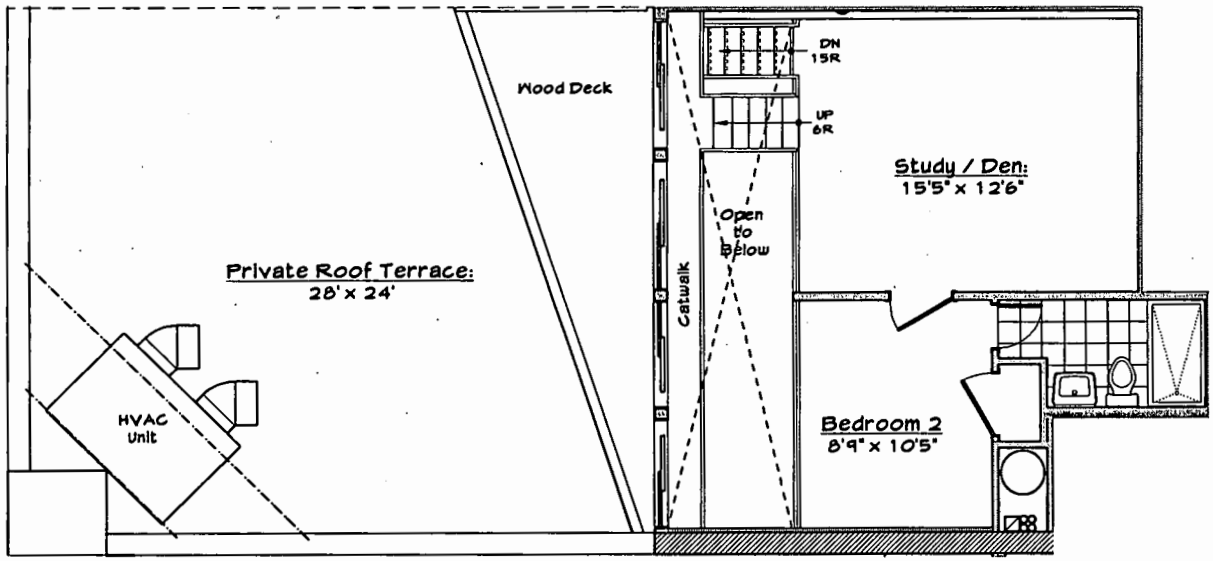
Key Plan

Fourth Floor

N

Unit 4C

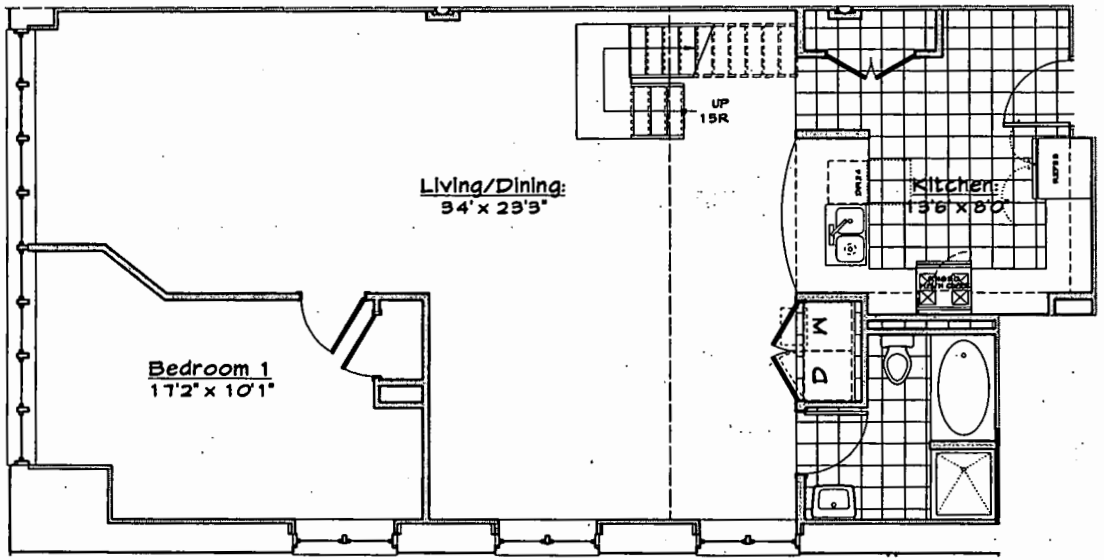
Unit: 1,818sf
L.C.E. 456sf



Upper Level Floor Plan

Unit: 446 sf L.C.E. 726 sf

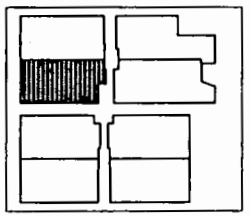
0 4 8 12 16 20 FT



Lower Level Floor Plan

Unit: 1,173 sf L.C.E 0 sf
Cellar Storage L.C.E 40 sf

0 4 8 12 16 20 FT



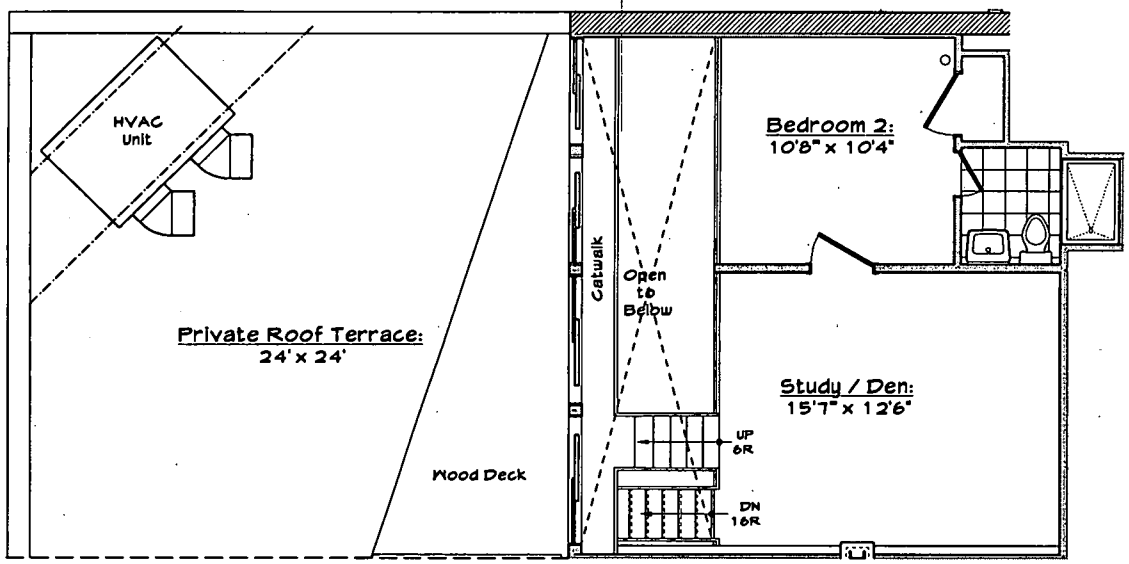
Key Plan
Fourth Floor

N

Unit 4D

Unit: 1,619sf
L.C.E. 766sf

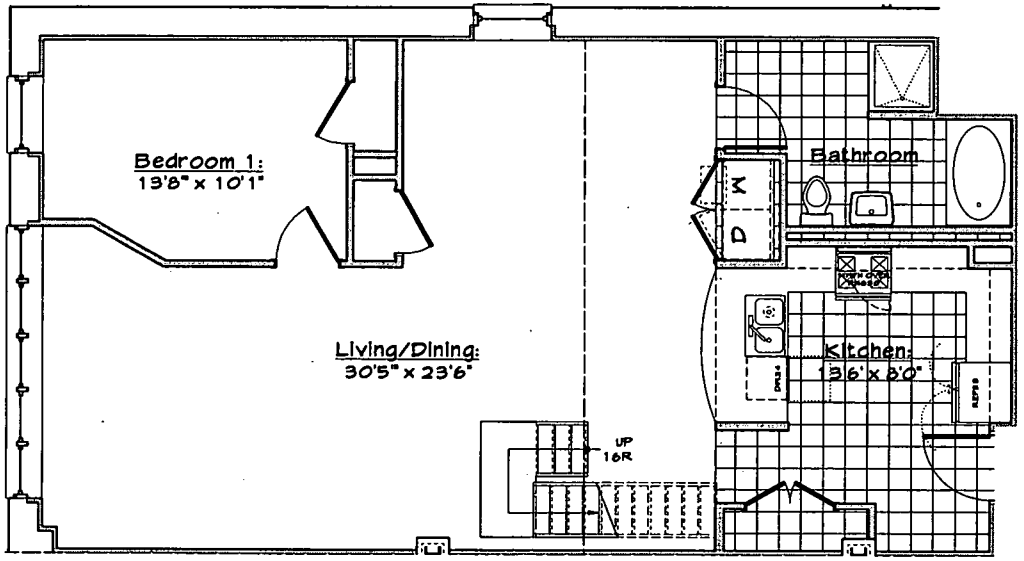
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions



Upper Level Floor Plan

Unit: 469 sf L.C.E. 633 sf

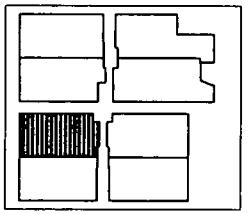
0 4 8 12 16 20 FT



Lower Level Floor Plan

Unit: 1,119 sf L.C.E 0 sf
Cellar Storage L.C.E 40 sf

0 4 8 12 16 20 FT



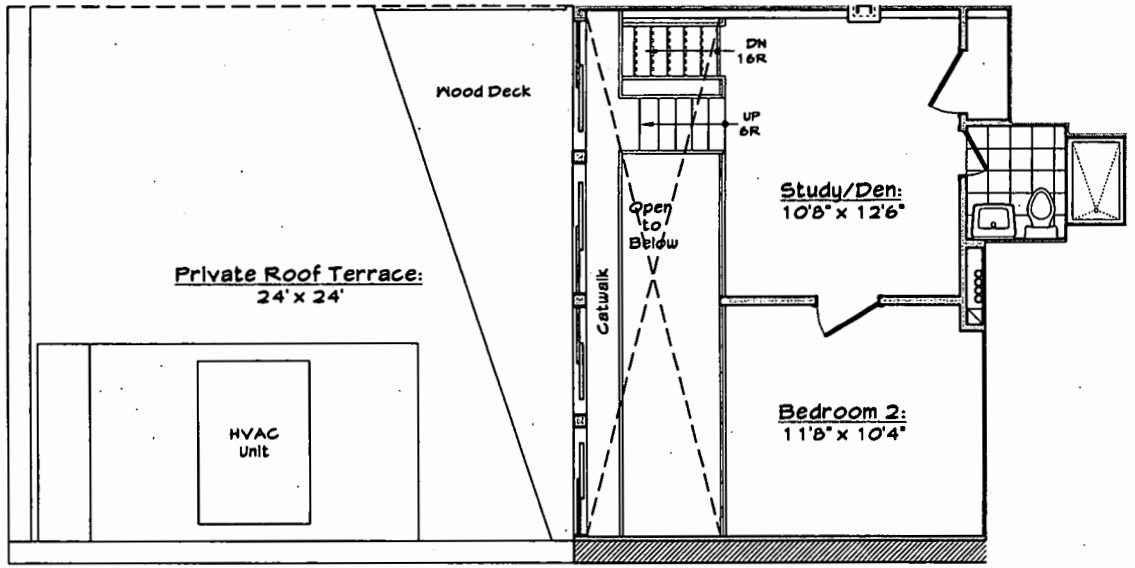
Key Plan
Fourth Floor

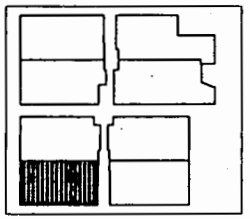
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Unit 4E

Unit: 1,588sf
L.C.E. 673sf

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions



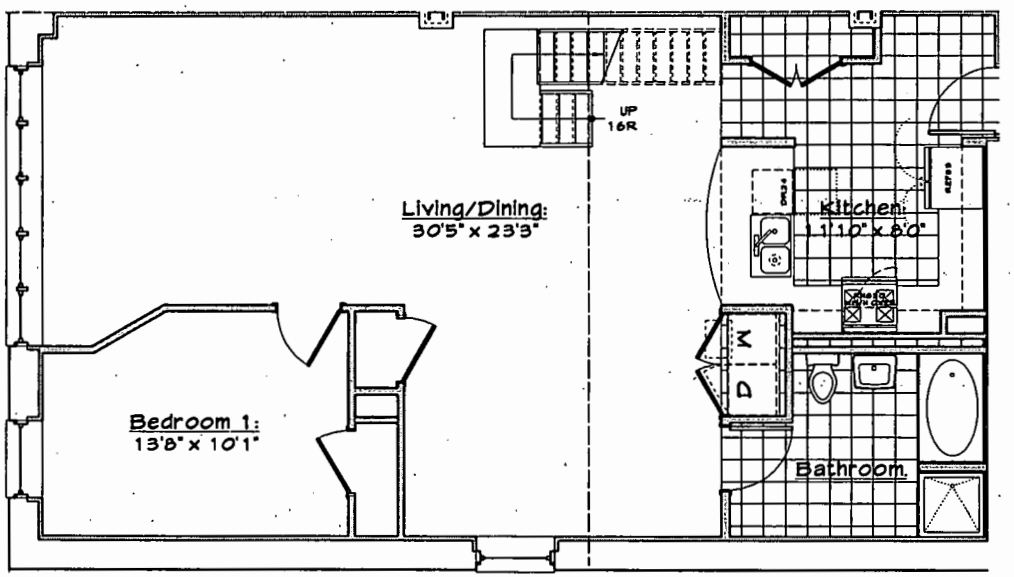


Key Plan
Fourth Floor

Upper Level Floor Plan

Unit: 422 sf L.C.E 633 sf

0 4 8 12 16 20 FT



Lower Level Floor Plan

Unit: 1,111 sf L.C.E 0 sf
Cellar Storage L.C.E 40 sf

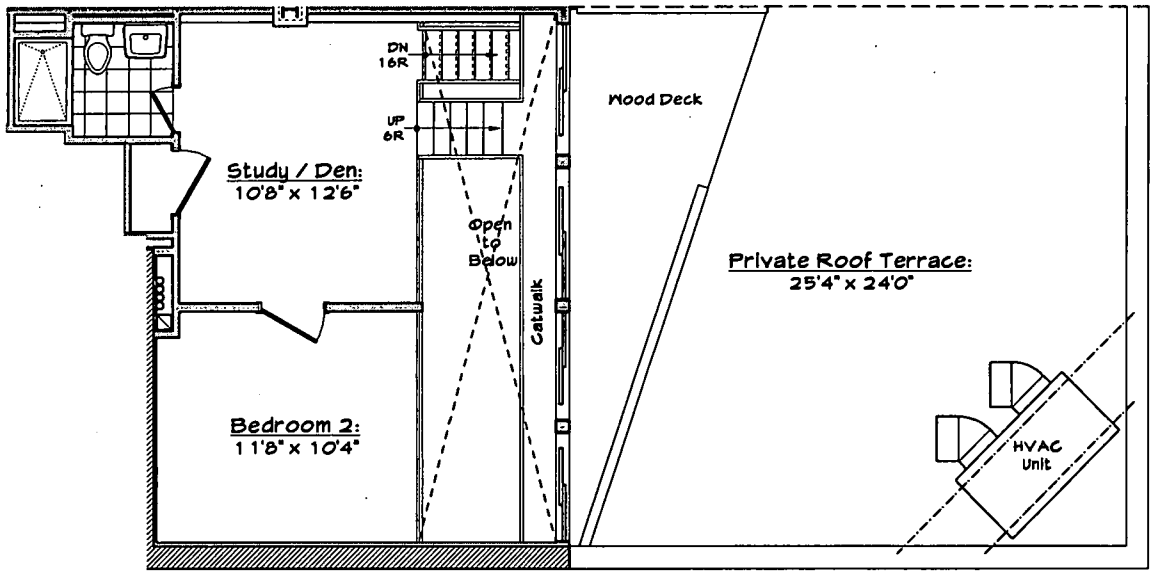
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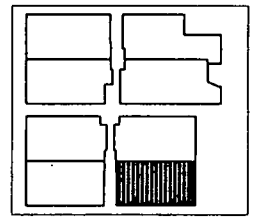
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Unit 4F

Unit: 1.533sf
L.C.E. 673sf

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions



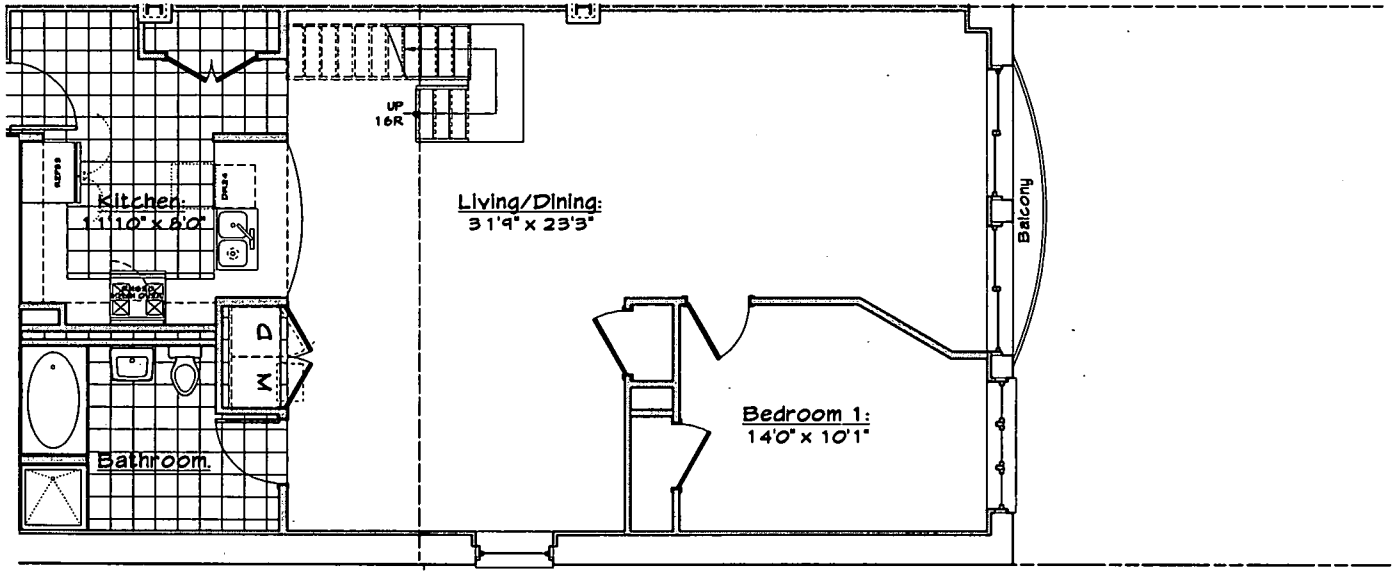


Key Plan
Fourth Floor

Upper Level Floor Plan

Unit: 423 sf L.C.E. 658 sf

0 4 8 12 16 20 FT



N

Unit 4G

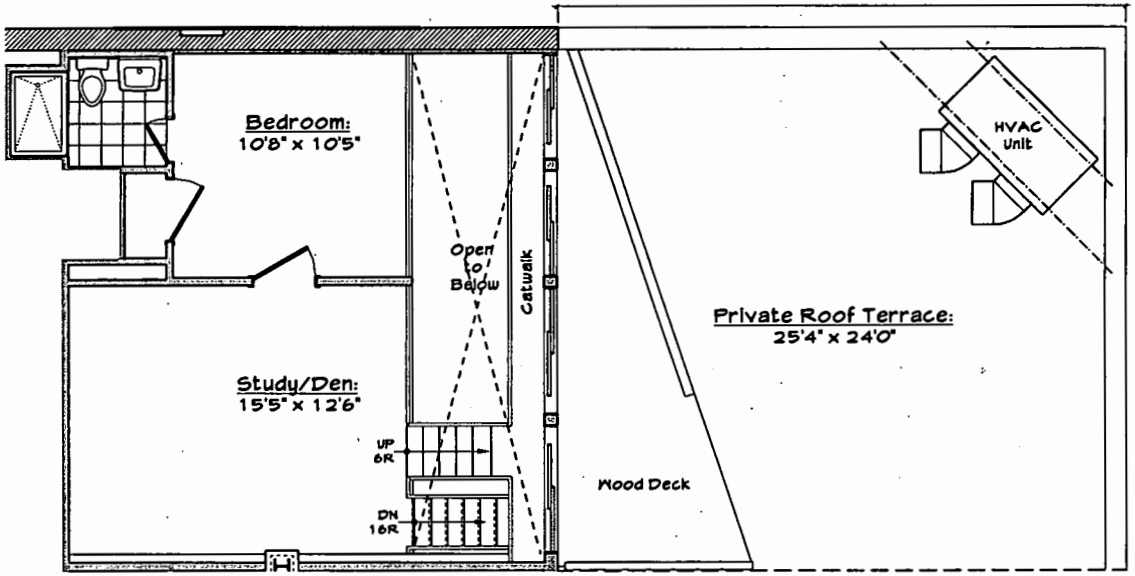
Unit: 1,559sf
L.C.E. 712sf

Lower Level Floor Plan

Unit: 1,136 sf L.C.E 14 sf
Cellar Storage L.C.E 40 sf

0 4 8 12 16 20 FT

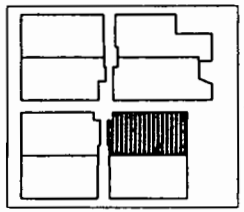
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions



Upper Level Floor Plan

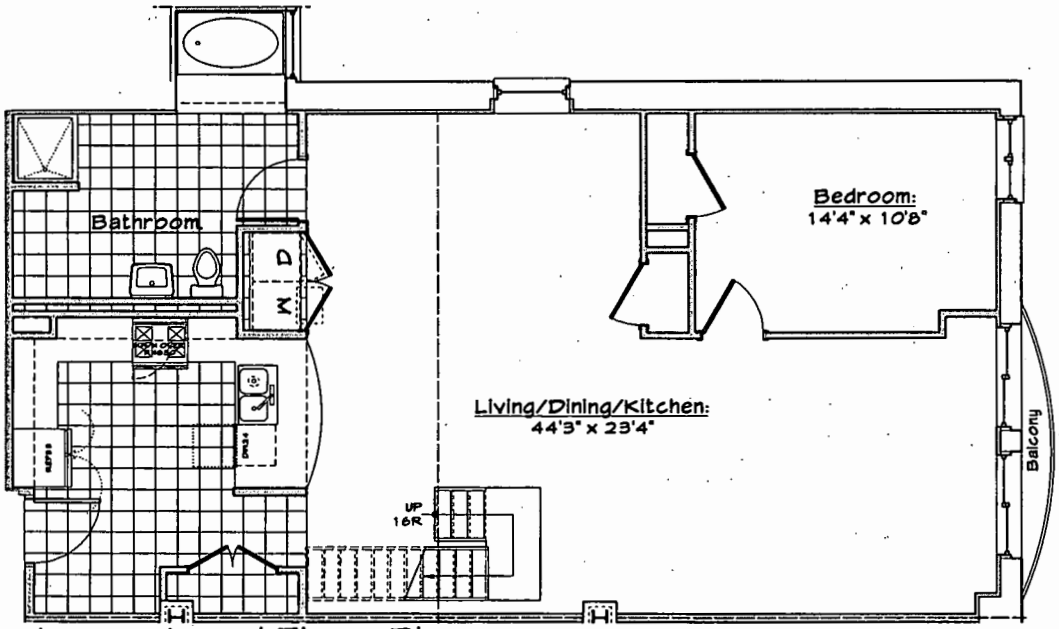
Unit: 475 sf L.C.E. 658 sf

0 4 8 12 16 20 FT



Key Plan

Fourth Floor



Lower Level Floor Plan

Unit: 1,175 sf L.C.E 14 sf

Cellar Storage L.C.E 40 sf

0 4 8 12 16 20 FT

N

Unit 4H

Unit: 1,650sf

L.C.E. 712sf

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

ARCHITECT'S CERTIFICATION

James H. Baer, Architect, AIA
55 Eastern Parkway, Apt. 6F
Brooklyn, New York 11238

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

Re: 105 Lexington Avenue, Brooklyn, NY
105 Lexington Avenue
Brooklyn, New York 11238

The sponsor of the offering plan to convert the captioned property to condominium ownership has retained my firm, James H. Baer - Architect, to prepare a report describing the renovation of the property, (the "Report",). I visually inspected the property on May 12, 2006 again on February 22, 2008 and again on March 3, 2009 and prepared the report dated March 9, 2009, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the report. We examined the building plans and specifications that were prepared by Bernard J. Doyle Architect and dated May 10, 2006 and as amended August 15, 2007 and January 21, 2009.

I am a registered architect in the State in which the property is located.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

I have read the entire Report and investigated the facts set forth in the Report and the facts underlying it and conducted the visual inspection referred to above 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 physical condition of the entire as it will exist upon completion of renovation provided that the renovation 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 physical condition of the property;

(iii) does not omit any material fact;

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

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

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

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

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representation or statement made.

I further certify that my firm is not owned or controlled by and my firm and I 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.

James H. Baer, Architect

By: _____
James H. Baer, AIA (Registered Architect)
N.Y.S. License #20194



Sworn to before me
this 9th day of March 2009

_____
Notary Public

ELLEN MARKS
NOTARY PUBLIC STATE OF NEW YORK
NO. 02MA4973231 KINGS COUNTY
COMMISSION EXPIRES OCT. 15, 2009

THIRD AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
THE 105 LEXINGTON CONDOMINIUM

INTRODUCTION

This is the Third Amendment to the Offering Plan for 105 Lexington Avenue, Brooklyn, New York, which modifies and supplements the terms of the original Offering Plan dated August 1, 2007 and should be read in conjunction with said Offering Plan and prior Amendments.

The terms of this Third Amendment are as follows:

1. NUMBER OF UNITS

(a) The number of units being offered for sale is changed to:
32 Residential Units. The references to the Storage Units and the Unit CA are hereby deleted.

(b) All references in the Plan to the number of units being offered for sale are hereby changed to reflect the above.

2. LIMITED COMMON ELEMENTS

(a) The storage units located in the Cellar, which were previously designated as separate units, are now designated as Limited Common Elements appurtenant to the following Residential Units: 4A, 4B, 4C, 4D, 4E, 4F, 4G and 4H. The percentage of common elements for each of these units has been increased by .01%. See Schedule A attached hereto as Exhibit A.

(b) The space located in the Cellar, previously designated as Unit CA, is now designated as a Limited Common Element appurtenant to Residential Unit 1A. This space may be used for recreation and/or storage. It may not be used as a bedroom. The percentage of common elements for Unit 1A has been changed to 5 .75%. See Schedule A attached hereto as Exhibit A.

3. FLOOR PLANS

The Floor Plans for the Cellar showing the Limited Common Element Storage Units and the Limited Common Element Recreation Room are attached hereto as Exhibit B and replaces any plans previously shown in the Offering Plan or Amendments.

4. **DECLARATION AND SCHEDULE B TO THE DECLARATION**

(a) Paragraph 7.3.1 of the Declaration at page 214 of the Offering Plan is hereby replaced with the following:

7.3.1 The limited common elements consist of the following:

1A	Terrace & Cellar Recreation Space
1G	Yard
1H	Yard
2A	Terrace
2B	Balcony
3A	Terrace
3B	Balcony
4A	Terrace & Roof Terrace & Storage Space
4B	Balcony & Roof Terrace & Storage Space
4C	Roof Terrace & Storage Space
4D	Roof Terrace & Storage Space
4E	Roof Terrace & Storage Space
4F	Roof Terrace & Storage Space
4G	Roof Terrace & Storage Space
4H	Roof Terrace & Storage Space

(c) Schedule B to The Declaration is deleted and replaced with the revised Schedule B attached hereto as **Exhibit C**.

5. **DECLARING THE PLAN EFFECTIVE**

The Construction Lender has agreed that, notwithstanding the provisions in the mortgage to Sponsor, Sponsor may declare the Plan effective and close units when Purchase Agreements have been executed for units constituting 15% of the 32 residential units, i.e. 5 residential units. Paragraph 12 in the Special Risk Section and Paragraph 5, Page 2 of the Plan, and Paragraph 2, Section H of the Plan, as well as any other references to the number of units needed to declare the Plan effective are hereby revised to reflect this paragraph.

6. **NO MATERIAL CHANGES**

Except as set forth in this Amendment, there have been no material changes to the Offering Plan.

SPONSOR: HRCF-LDR LEXINGTON LLC

Dated: February 6, 2009

EXHIBIT A

SCHEDULE A

SCHEDULE A

105 Lexington Avenue Condominium

SCHEDULE OF PRICES AND OTHER FINANCIAL DETAILS

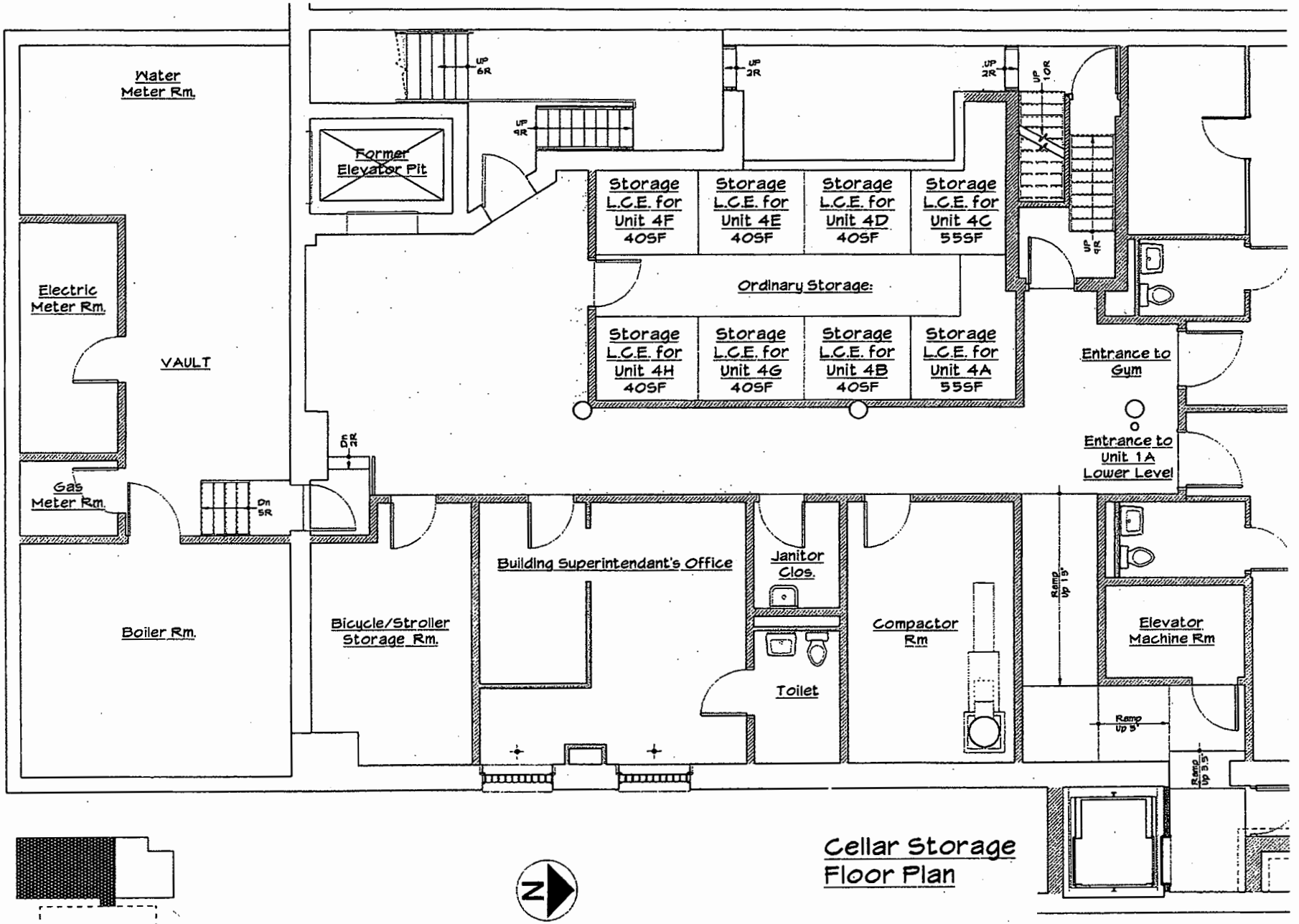
FOR EACH UNIT FOR THE FIRST YEAR OF CONDOMINIUM OPERATION

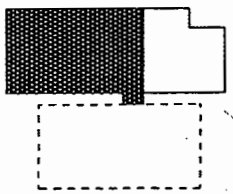
COMMENCING March 1, 2009

1	2	3	4	5	6	6A	7	8
UNIT	ROOMS BATHS	% OF COMMON INTEREST	SQ FT	OFFERING PRICE	PROJECTED COMMON CHARGES ANNUAL	PROJECTED COMMON CHARGES MONTHLY	PROJECTED MONTHLY RE TAXES W/O J51	MONTHLY CARRYING COSTS W/O J51
1A	3/1	5.75%	1,276	$ 732,000.00	$ 10,860.03	$ 905.00	$458.74	$ 1,363.75
1B	3/1	2.79%	1,185	$ 682,000.00	$ 5,269.47	$ 439.12	$222.59	$ 661.71
1C	3/1	2.82%	1,196	$ 687,000.00	$ 5,326.13	$ 443.84	$224.98	$ 668.83
1D	3/1	2.76%	1,173	$ 672,000.00	$ 5,212.81	$ 434.40	$220.20	$ 654.60
1E	3/1	2.63%	1,119	$ 646,000.00	$ 4,967.28	$ 413.94	$209.83	$ 623.77
1F	3/1	2.61%	1,110	$ 641,000.00	$ 4,929.51	$ 410.79	$208.23	$ 619.02
1G	3/1	2.67%	1,135	$ 682,000.00	$ 5,042.83	$ 420.24	$213.02	$ 633.25
1H	3/1	2.70%	1,146	$ 682,000.00	$ 5,099.49	$ 424.96	$215.41	$ 640.37
2A	3/1	3.15%	1,340	$ 763,000.00	$ 5,949.41	$ 495.78	$251.31	$ 747.10
2B	3/1	2.79%	1,185	$ 692,000.00	$ 5,269.47	$ 439.12	$222.59	$ 661.71
2C	3/1	2.82%	1,197	$ 697,000.00	$ 5,326.13	$ 443.84	$224.98	$ 668.83
2D	3/1	2.76%	1,173	$ 682,000.00	$ 5,212.81	$ 434.40	$220.20	$ 654.60
2E	3/1	2.63%	1,119	$ 656,000.00	$ 4,967.28	$ 413.94	$209.83	$ 623.77
2F	3/1	2.62%	1,111	$ 652,000.00	$ 4,948.39	$ 412.37	$209.03	$ 621.39
2G	3/1	2.67%	1,136	$ 667,000.00	$ 5,042.83	$ 420.24	$213.02	$ 633.25
2H	3/1	2.77%	1,175	$ 682,000.00	$ 5,231.70	$ 435.97	$221.00	$ 656.97
3A	3/1	3.15%	1,340	$ 788,000.00	$ 5,949.41	$ 495.78	$251.31	$ 747.10
3B	3/1	2.79%	1,185	$ 712,000.00	$ 5,269.47	$ 439.12	$222.59	$ 661.71
3C	3/1	2.82%	1,197	$ 712,000.00	$ 5,326.13	$ 443.84	$224.98	$ 668.83
3D	3/1	2.76%	1,173	$ 702,000.00	$ 5,212.81	$ 434.40	$220.20	$ 654.60
3E	3/1	2.63%	1,119	$ 677,000.00	$ 4,967.28	$ 413.94	$209.83	$ 623.77
3F	3/1	2.62%	1,111	$ 672,000.00	$ 4,948.39	$ 412.37	$209.03	$ 621.39
3G	3/1	2.67%	1,136	$ 687,000.00	$ 5,042.83	$ 420.24	$213.02	$ 633.25
3H	3/1	2.77%	1,175	$ 692,000.00	$ 5,231.70	$ 435.97	$221.00	$ 656.97
4A	5/2	4.26%	1,822	$ 995,000.00	$ 8,045.86	$ 670.49	$339.87	$ 1,010.36
4B	5/2	3.76%	1,603	$ 970,000.00	$ 7,101.51	$ 591.79	$299.98	$ 891.77
4C	6/2	4.25%	1,818	$ 995,000.00	$ 8,026.98	$ 668.91	$339.07	$ 1,007.99
4D	5/2	3.78%	1,619	$ 969,000.00	$ 7,139.29	$ 594.94	$301.57	$ 896.52
4E	5/2	3.71%	1,588	$ 959,000.00	$ 7,007.08	$ 583.92	$295.99	$ 879.91
4F	5/2	3.59%	1,533	$ 959,000.00	$ 6,780.43	$ 565.04	$286.42	$ 851.45
4G	5/2	3.65%	1,559	$ 979,000.00	$ 6,893.76	$ 574.48	$291.20	$ 865.68
4H	5/2	3.85%	1,648	$ 999,000.00	$ 7,271.50	$ 605.96	$307.16	$ 913.12
TOTALS		100.00%	41,402	$ 24,382,000.00	$188,870.00	$ 15,739.17	$7,978.17	$ 23,717.34

EXHIBIT B

FLOOR PLANS FOR CELLAR



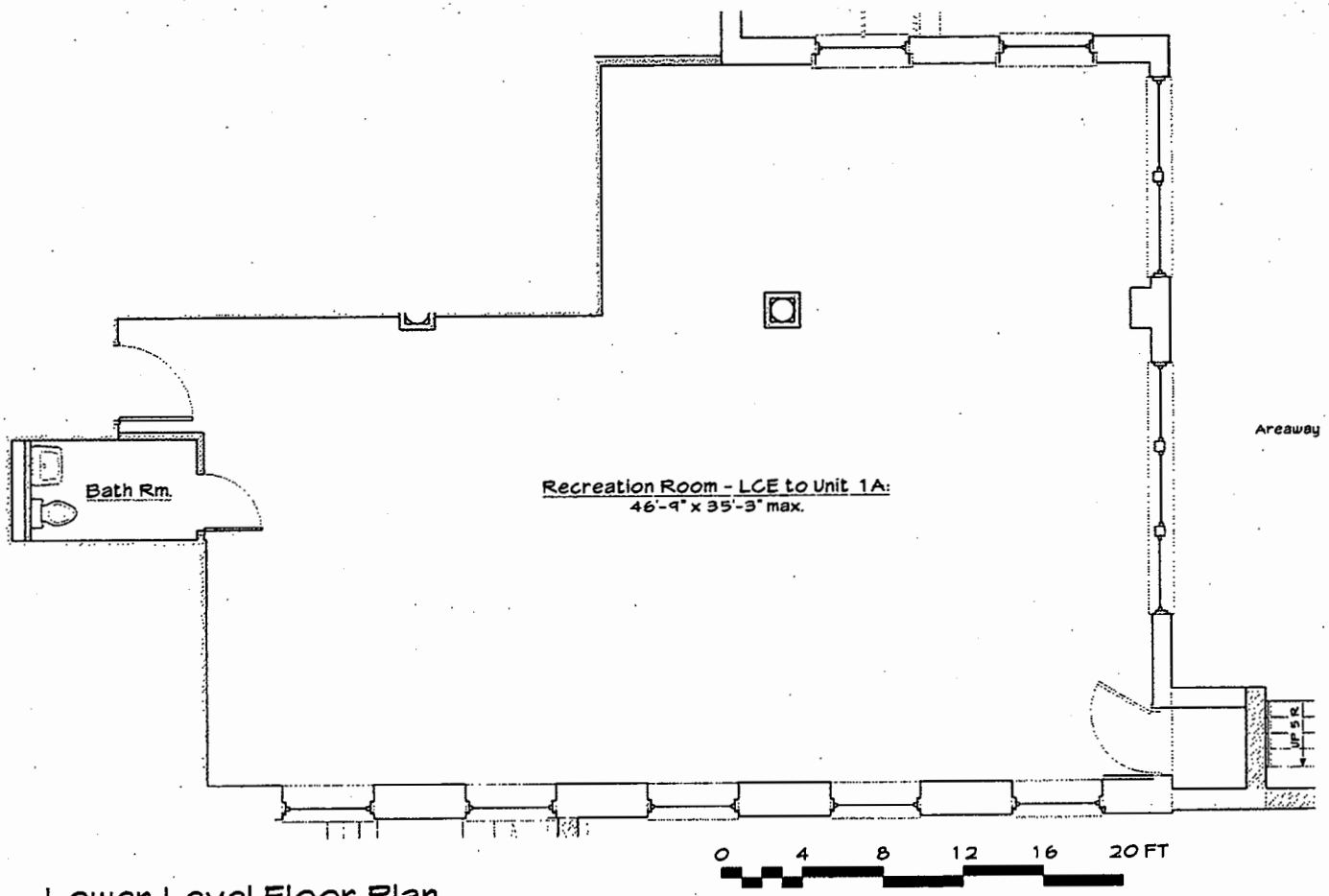


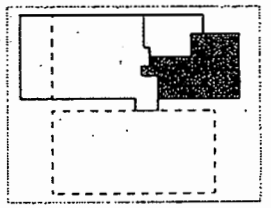
Key Plan
Cellar Floor



Cellar Storage Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions





Key Plan
Cellar Floor

N

Lower Level Floor Plan

Unit: 0 sf L.C.E. 1662 sf

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

EXHIBIT C

SCHEDULE B TO THE DECLARATION

105 LEXINGTON AVENUE CONDOMINIUM

SCHEDULE B TO DECLARATION

Unit	# of Rooms and Baths	Approx. Area in Square Feet	Tax Lot No.	% Common Interest	Location in Building
1A	3 / 1	1,276		5.75%	First Floor
1B	3 / 1	1,185		2.79%	First Floor
1C	3 / 1	1,196		2.82%	First Floor
1D	3 / 1	1,173		2.76%	First Floor
1E	3 / 1	1,119		2.63%	First Floor
1F	3 / 1	1,110		2.61%	First Floor
1G	3 / 1	1,135		2.67%	First Floor
1H	3 / 1	1,146		2.70%	First Floor
2A	3 / 1	1,340		3.15%	Second Floor
2B	3 / 1	1,185		2.79%	Second Floor
2C	3 / 1	1,197		2.82%	Second Floor
2D	3 / 1	1,173		2.76%	Second Floor
2E	3 / 1	1,119		2.63%	Second Floor
2F	3 / 1	1,111		2.62%	Second Floor
2G	3 / 1	1,136		2.67%	Second Floor
2H	3 / 1	1,175		2.77%	Second Floor
3A	3 / 1	1,340		3.15%	Third Floor
3B	3 / 1	1,185		2.79%	Third Floor
3C	3 / 1	1,197		2.82%	Third Floor
3D	3 / 1	1,173		2.76%	Third Floor
3E	3 / 1	1,119		2.63%	Third Floor
3F	3 / 1	1,111		2.62%	Third Floor
3G	3 / 1	1,136		2.67%	Third Floor
3H	3 / 1	1,175		2.77%	Third Floor
4A	5 / 2	1,822		4.26%	Fourth Floor & Penthouse
4B	5 / 2	1,603		3.76%	Fourth Floor & Penthouse
4C	6 / 2	1,818		4.25%	Fourth Floor & Penthouse
4D	5 / 2	1,619		3.78%	Fourth Floor & Penthouse
4E	5 / 2	1,588		3.71%	Fourth Floor & Penthouse
4F	5 / 2	1,533		3.59%	Fourth Floor & Penthouse
4G	5 / 2	1,559		3.65%	Fourth Floor & Penthouse
4H	5 / 2	1,648		3.85%	Fourth Floor & Penthouse

Limited Common Elements

Unit		Square Feet	Location in Building
1A	Terrace	92	Roof
	Cellar Recreation Space	1,662	Cellar
1G	Yard	617	1st Floor
1H	Yard	617	1st Floor
2A	Terrace	92	2nd Floor
2B	Balcony	77	2nd Floor
3A	Terrace	92	3rd Floor
3B	Balcony	77	3rd Floor
4A	Terrace	92	4th Floor
	Roof Terrace	940	Roof
	Storage Space	55	Cellar
4B	Balcony	77	4th Floor
	Roof Terrace	697	Roof
	Storage Space	40	Cellar
4C	Roof Terrace	401	Roof
	Storage Space	55	Cellar
4D	Roof Terrace	726	Roof
	Storage Space	40	Cellar
4E	Roof Terrace	633	Roof
	Storage Space	40	Cellar
4F	Roof Terrace	633	Roof
	Storage Space	40	Cellar
4G	Roof Terrace	658	Roof
	Storage Space	40	Cellar
4H	Roof Terrace	658	Roof
	Storage Space	40	Cellar

SECOND AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
THE 105 LEXINGTON CONDOMINIUM

INTRODUCTION

This is the Second Amendment to the Offering Plan for 105 Lexington Avenue, Brooklyn, New York, which modifies and supplements the terms of the original Offering Plan dated August 1, 2007 and should be read in conjunction with said Offering Plan and prior Amendment.

The terms of this Second Amendment are as follows:

1. BUDGET AND COMMENCEMENT DATE OF FIRST YEAR OF CONDOMINIUM OPERATION

The commencement date of the First Year of the Budget is anticipated to be March 1, 2009. The Budget contained in the First Amendment, dated April 30, 2008 (the "First Amendment"), remains the same. A new Certification of the Adequacy of the Budget is attached hereto as Exhibit A.

2. FIRST CLOSING

The anticipated date for the First Closing which date and rights of rescission in the First Amendment was changed to commence on July 1, 2008 is now changed to March 1, 2009. No Purchase Agreements were executed prior to the First Amendment. A purchaser's right to rescind a Purchase Agreement that was executed prior to this Second Amendment continues to be July 1, 2009; a purchaser's right to rescind a Purchase Agreement that is executed after the date of this Second Amendment is changed to March 1, 2010.

3. SPONSOR'S ATTORNEY'S ADDRESS

Sponsor's Attorney, Raphael and Marks, has moved their office to 276 Park Avenue South, New York, New York 10010.

4. DEPOSITORY FOR DOWN PAYMENTS

Downpayments shall be deposited in Capital One Bank, located at 120 West 23rd Street, New York, New York. All other requirements for the downpayments as specified in the Offering Plan remain the same.

5. CHANGES TO DECLARATION AND BYLAWS TO CONFORM TO REQUIREMENTS FOR FHA MORTGAGES

A. CHANGES TO DECLARATION OF CONDOMINIUM

Article 19 "TERMINATION OF CONDOMINIUM" is hereby deleted and replaced with the following:

The Condominium shall continue and the Property shall not be subject to an action for partition (unless terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws) until such time as withdrawal of the Property from the provisions of The Condominium Act is authorized by a vote of at least 80% in number and in Common Interest of all Unit Owners. No such vote shall be effective, however, (a) without the Mortgage Representatives, if any, and (b) without the written consent of Declarant, until such time as Declarant and its designees have conveyed title to all Residential Units, provided that in no event shall Declarant's consent be required more than five years after the date fee title to a offering plan. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests; provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of such Unit Owner's share of such net proceeds all liens on such Unit Owner's Unit (other than mortgages which are not Permitted Mortgages :see ByLaws for definition), in the order of priority of such liens.

B. CHANGES TO THE BYLAWS

The By-Laws to 548 46th Street Condominium are hereby revised as follows:

1. Article 7: The following sections are added:

7.6 Mortgage of Units. Each Unit Owner shall have the right to mortgage his Unit without restriction. However, the Owner shall comply with the provisions of Article 7 Section 7.1.

7.7 Mortgage Representatives. The term "Mortgage Representatives" shall mean the representatives of the holders of all mortgages encumbering Units, designated by the holders of "Institutional Mortgages" (defined below) in accordance with the terms of this Section 7.7

The holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages may, if they so elect, designate not more than two 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 Article 7, Section 7.7, shall be effective until any successor Mortgage

Representative is designated pursuant to the terms hereof and written notice therof is given to the Condominium Board.

The term "Institutional Lender" shall mean (i) a savings bank, savings and loan association, bank or trust company, credit union, insurance company, real estate investment trust, or mortgage trust or (ii) a federal, state, municipal, teacher's or union employee, welfare, pension or retirement fund or system.

7.8 Except as otherwise 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, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against his mortgagor. In the event that any such consent or approval shall be expressly required pursuant to the terms of the Declaration or these By-Laws, the decision of a majority of Mortgage Representatives, if any, designated pursuant to the terms of this Section 7.8 Article 7 shall be deemed binding on all Institutional Mortgagees the holders of all mortgages encumbering Units.

7.9 Rights of Institutional Mortgagees and Guarantors

7.9.1 Institutional Mortgagees and guarantors of any residential units shall have the right to timely written notice of:

a. Any condemnation or casualty loss that affects either a material portion of the project or the Unit securing its mortgage;
b. Any 60 day delinquency in the payment of assessments or charges owed by the owner of any Unit on which it holds the mortgage;
c. A lapse, cancellation or material modification of any insurance policy maintained by the Board of Managers on behalf of the Condominium;
d. Any proposed action that requires the consent of a specified percentage of mortgagees.

7.9.2 Amendments to the Declaration or ByLaws of a material adverse nature to Institutional Mortgagees must be agreed to by Mortgage Representatives that represent at least 51 percent of the votes of the units that are subject to mortgages.

7.9.3 Any action to terminate the legal status of the Condominium after substantial destruction or condemnation occurs or for other reasons must be agreed to by Mortgage Representatives, representing at least 51% of the Units subject to mortgages.

7.9.4 If the Mortgage Representatives or other Institutional Mortgagees fail to submit a response to any written proposal for an amendment to the Declaration and /or ByLaws, given pursuant to this Article 7, within 60 days after it receives notice (said notice to be delivered by certified or registered mail, return receipt requested), approval of said Mortgagees shall be assumed to have been given.

7.9.5 Any right of first refusal contained in Article 8 of these ByLaws will not adversely impact the rights of an Institutional Mortgagee or its assignee to :

R-4.1.5 if any of Purchasers's foregoing representations and warranties is not true, correct and complete in all respects and Purchaser fails to obtain a Loan Commitment Letter from an Institutional Lender for the Loan Amount, then Purchaser shall not be entitled to cancel the Purchase and Sale Agreement and Purchaser will have committed an Event of Default under the Purchase and Sale Agreement, entitling Seller to exercise Seller's rights and remedies under paragraph "22.2" of the Purchase and Sale Agreement; however, notwithstanding such Event Default, Purchaser will be permitted to cure the default by timely paying on the Scheduled Closing Date (which Seller shall set not sooner than the date of expiration of the thirty (30) calendar day grace period set forth in paragraph "22.3" of the Purchase and Sale Agreement) the full amount of the Balance of the Purchase Price and all of Purchaser's closing costs, regardless of the availability of the Loan at closing.

R-5 Mortgage Contingency

R-5.1 Certain Definitions: The words frequently used in this Rider are defined as follows:

"Additional Financing Obligations": Purchaser's obligations listed in paragraph "R-5.6".

"Financing Obligations": Purchaser's obligations listed in paragraph "R-5.4"

"Institutional Lender": An institution which meets all of the following three (3) requirements: (i) a bank. Savings bank, mortgage bank, savings and loan association, trust company, credit union of which Purchaser is a member, insurance company or governmental entity; (ii) an institution which is duly authorized to make a loan secured by an mortgage on a condominium unit in the State of New York; and (iii) an institution which is currently extending such mortgage loans in the Borough of Manhattan of the City and State of New York.

"Loan": An amount an Institutional Lender is willing to lend Purchaser secured by a first mortgage on the Unit.

"Loan Amount": The amount of the Loan stated in the preamble to this Rider.

"Loan Commitment Letter": A written offer to make the Loan on the Loan Terms to Purchaser, with or without recourse against Purchaser, and whether or not conditional upon any factor other than an appraisal satisfactory to the Institutional Lender.

"Loan Terms":

Amount Financed: The Loan Amount or such lower amount as Purchaser may apply for or as may be acceptable to Purchaser. This does not prohibit Purchaser from accepting a Loan Commitment Letter for a higher Loan Amount, but Purchaser cannot cancel the Purchase and Sale Agreement or recover Purchaser's Net Purchase Monies under this paragraph "R-5" if Purchaser applies for a higher Loan Amount and either the Institutional Lender declines to give Purchaser a Loan Commitment Letter or Purchaser does not receive a Loan Commitment Letter within the Mortgage Contingency Period.

Payment Terms and Charges: The customary payment terms (including prevailing fixed or adjustable interest rate, prepayment provisions and maturity) and charges (include point, origination and other fees and charges) then currently required by the Institutional Lender.

Security: A first mortgage on the Unit, with or without recourse against Purchaser for personal liability.

"Mortgage Contingency Period": The time period stated in the preamble to this Rider.

"Non-Firm Loan Commitment Letter": An offer to make a Loan to Purchaser which is conditional on obtaining a satisfactory appraisal such offer become a Loan Commitment Letter when such conditional provisions is met or waived by the Institutional Lender.

R-5.2.1 Right to Cancel: Purchaser may cancel the Purchase and Sale Agreement and recover Purchaser's Net Purchase Monies in accordance with the procedure in paragraph "R-5.7", if, and only if:

R-5.2.1 Purchaser strictly and in good faith complies with Purchaser's Financing Obligations set forth in paragraph "R-5.4; and
R-5.2.2 Purchaser is unable, in good faith, and through no fault of Purchaser, to obtain within the Mortgage Contingency Period a Loan Commitment Letter from an Institutional Lender for a Loan to fiancé the Purchase of the Loan Terms; and
R-5.2.3 Purchaser's representations and warranties in paragraph "R-4" above are true, correct and complete in all respects.

R-5.3 Extension of Mortgage Contingency Period: if a Non-Firm Loan Commitment Letter from an Institutional Lender for a Loan to Purchase the Unit on the Loan Terms is issued during the Mortgage Contingency Period, then the Mortgage Contingency Period shall be extended automatically for 30 calendar days.

R-5.4 Financing Obligations: Purchaser must strictly and in good faith comply with all of the following Financing Obligations in order to cancel the Purchase and Sale Agreement and recover Purchase's Net Purchase Monies under paragraph "R-5.2"

R-5.4.1 Purchaser shall apply directly or through a recognized duly licensed mortgage broker to only one (1) Institutional Lender for the Loan on the Loan Term;
R-5.4.2 Purchaser shall apply for the Loan on the standard mortgage loan application form of the Institutional Lender or (if acceptable to the Institutional Lender) mortgage broker;
R-5.4.3 Purchaser shall properly complete, sign and submit such loan application to the Institutional Lender or to the mortgage broker for forwarding to the Institutional Lender within seven (7) business days after the start of the Mortgage Contingency Period;
R-5.4.4 Purchaser's loan application shall be accompanied by such documents and payments as may be required by the Institutional Lender and (if applicable) mortgage broker;
R-5.4.5 the application and all documents and other information at any time furnished by Purchaser to the Institutional Lender and/or mortgage broker (as applicable) shall be truthful, accurate and complete in all respects;
R-5.4.6 Purchaser or Purchaser's mortgage broker (as applicable) shall choose an

Institutional Lender which currently is issuing mortgage loan commitment letters to purchasers of residential condominium units in the Borough of Brooklyn in the City and State of New York;

R-5.4.7 if Purchaser is declined for the Loan on the Loan Terms by an Institutional Lender or mortgage broker, the following shall apply: (a) Purchaser will give to Seller's Selling Agent, within five (5) calendar days after receipt by Purchaser, a copy of any letter from said Institutional Lender declining to give Purchaser a Loan; and (b) Seller shall have the right (but not obligation) to choose a mortgage broker through whom, or an Institutional Lender to whom, Purchaser shall apply for the Loan on the Loan Terms. and (c) if Seller exercises such right, within seven (7) business days after Purchaser is given notice of the name and address of the mortgage broker or Institutional Lender (as applicable) chosen by Seller, Purchaser shall apply for the Loan on the Loan Terms in accordance with the foregoing through the mortgage broker or to the Institutional Lender (as applicable) chose by Seller;

R-5.4.8 Purchaser shall timely make all payments and comply with all other requirements of the Institutional Lender and Purchaser's mortgage broker (if applicable) to obtain the Loan Commitment Letter;

R-5.4.9 if a Loan Commitment Letter of a Non-Firm Loan Commitment Letter on the Loan Terms is issued, Purchaser shall timely accept it in the manner indicated therein and faithfully comply with all payments and other requirements thereof in order to close the Loan;

R-5.4.10 if Purchaser is not an individual (that is, Purchaser is a partnership, limited liability company, corporation, trust or other entity), Purchaser shall provide the personal Loan guarantee of one or more of Purchaser's principals, partners, members, officers, directors or trustees (as applicable), if and as required by the Institutional Lender;

R-5.4.11 if Purchaser is relying on the income or assets of Purchaser's spouse to qualify for the Loan, then both Purchaser and Purchaser's spouse shall timely accept the Loan Commitment Letter or the Non-Firm Loan Commitment Letter (as applicable) and shall sign the note and other mortgage Loan documents (even though record title to the Unit is to be in Purchaser's name only), if and as required by the Institutional Lender; and

R-5.4.12 Purchaser shall furnish to Seller's Selling Agent: (a) a copy of the Loan application and all accompanying documents (other than Purchaser's federal income tax return) within five (5) calendar days after Purchaser submits them to the Institutional Lender or mortgage broker (as applicable); and (b) a copy of any Loan Commitment Letter or any declination letter (as the case may be) from the Institutional Lender within five (5) calendar days after Purchaser receives it.

R-5.5 Additional Right to Cancel: Purchaser may also cancel the Purchase and Sale Agreement and recover Purchaser's Net Purchase Monies in accordance with the procedure in paragraph "R-5.7" below if, and only if:

R-5.5.1 Purchaser strictly and in good faith complies with Purchaser's Additional Financing Obligations set forth in paragraph "R-5.6"; and

R-5.5.2 through no fault of Purchaser, Seller fails to close title to the Unit within 60

calendar days after the later of the date of the Purchase and Sale Agreement or the date Effectiveness Amendment is accepted for filling by the New York Attorney General; and

R-5.53 the Loan Commitment Letter expires on a date after the 60 calendar day period set forth in the preceding clause "R-5.52" and before the Scheduled Closing Date fixed by Seller in accordance with paragraph "11.1" of the Purchase and Sale Agreement or (if postponed by Seller though no fault of Purchaser) the postponed date of closing fixed by Seller in accordance with paragraph "11.2" of the Purchase and Sale Agreement; and

R-5.5.4 Purchaser or Purchaser's mortgage broker (as applicable) shall be unable in good faith to obtain from the Institutional Lender, within fifteen (15) calendar days after the Loan Commitment Letter expires, an extension or a new Loan Commitment Letter for the Loan Amount or the same principal amount stated in the expired Loan Commitment Letter, whichever is lower; and

R-5.5.5 Purchaser's representations and warranties in paragraph "R-4" above are true, correct and complete in all respects.

R-5.6 Additional Financing Obligations: Purchaser shall strictly and in good faith comply with all of the following Additional Financing Obligations in order for the Purchaser to cancel under paragraph "R-5.5"

R-5.6.1 Purchaser shall properly apply (directly or through the mortgage broker who arranged the Loan, as applicable) to the Institutional Lender that issued the Loan Commitment Letter for an extension or a new Loan Commitment Letter at least ten (10) calendar days before the original Loan Commitment Letter expires;

R-5.6.2 Purchaser shall accept any extensions or new Loan Commitment Letter (and pay the full Purchase Price without abatement, set-off or credit, and without recourse of any kind against Seller) so long as the loan amount is not less than Loan Amount or the amount stated in the expired Loan Commitment Letter, whichever is lower, notwithstanding that the other terms of the extension or new Loan Commitment Letter (as applicable) are less favorable than those in the expired Loan Commitment Letter;

R-5.6.3 Purchaser shall timely make all payments, furnish all documents and comply with all other requirements of said Institutional Lender to obtain the extension or new Loan Commitment Letter and to close the Loan; and

R-5.6.4 Purchaser shall furnish to Seller's Selling Agent: (a) a copy of any letter or other written request for an extension or a copy of any new application and all accompanying documents (other than Purchaser's federal income tax return) within five (5) calendar days after Purchaser submits them to the Institutional Lender or mortgage broker (as applicable); and (b) a copy of any written extensions agreement or new Loan Commitment Letter or declination letter (as the case may be) from the Institutional Lender within five (5) calendar days after Purchaser receives it.

R-5.7.1 Cancellation Procedure: In order to cancel pursuant to paragraph "R-5.2" or "R-5.5" Purchaser must send written notice of Purchaser's election to cancel to Seller within the following seven (7) calendar days.

"deadline" period ("TIME BEING OF THE ESSENCE"):

R-5.7.1 (in the case of paragraph "R-5.2") Purchaser must send the cancellation notice within seven (7) calendar days after the earlier of: (a) the expiration of the Mortgage Contingency Period, as such period may have been extended pursuant to paragraph "R-5.3" (if no Loan Commitment Letter is issued during such period); or (b) the date Purchaser receives notice that Purchaser has been declined for the Loan; or (c) the date Purchaser receives a Loan Commitment Letter on Non-Firm Loan Commitment Letter that is for less than the Loan Amount;

R-5.7.2 (in case of paragraph "R-5.5") Purchaser will have fifteen (15) calendar days after the Loan Commitment Letter expires to obtain an extension or new Loan Commitment Letter and, if a written extension or new Loan Commitment Letter is not issued within such fifteen (15) calendar day period or if it is issued for a loan amount below that provided in paragraph "R-5.6.2", Purchaser must send the cancellation notice within a "deadline" of seven (7) calendar days after the earlier to occur of the following ("TIME BEING OF THE ESSENCE"): (a) the expiration of such fifteen (15) calendar day period (if no extension or new Loan Commitment Letter is issued): or (b) the date Purchaser receives an extension or new Commitment Letter for less than the loan amount provided in paragraph "R-5.6.2".

R-5.8 Time of Essence: "TIME BEING OF THE ESSENCE" for Purchaser to pay, perform and comply with Purchaser's agreement and obligations and for Purchaser to exercise his or her cancellation rights within the time periods stated in paragraph "R-5". If Purchaser does not timely do so, Purchaser will lose his or her right to cancel the Purchase and Sale Agreement under paragraph "R-5", and will remain fully obligated to consummate the closing and pay the full amount of all Purchaser's closing payments under paragraph "14.1" of the Purchase and Sale Agreement, including the Balance of the Purchase Price, regardless of Purchaser's ability to obtain and close a Loan.

R-5.9 Event of Default: Purchaser's failure to timely and faithfully pay or perform Purchaser's Financing Obligations (in paragraph "R-5.4") or Purchaser's Additional Financing Obligations (in paragraph "R-5.6") is an Event of Default entitling Seller to cancel the Purchase and Sale Agreement on written notice to Purchaser and retain Purchaser's Net Purchase Monies as liquidated damages. However, Purchaser will be permitted to cure the default by timely paying on the Scheduled Closing Date (which Seller shall set not sooner than the date of expiration of the thirty (30) calendar day grace period from sending said cancellation notice set forth in paragraph "22.3" of the Purchase and Sale Agreement) the full amount of the Balance of the Purchase Price and all of Purchaser's closing costs, regardless of the availability of the Loan at closing.

R-5.10 Seller's Right to Cancel: If a Loan Commitment Letter for the Loan Amount is not issued to Purchaser within the Mortgage Contingency Period (as such period may have been extended pursuant to paragraph "R-5.3"), or if a Loan Commitment Letter is issued to Purchaser but expires before title closes and an extension or a new Loan Commitment Letter is not obtained

within the fifteen (15) calendar day period stated in paragraph "R-5.5.4", then Seller may (at Seller's option) cancel the Purchase and Sale Agreement.

R-5.11 Refund of Net Purchase Monies: If Seller elects to cancel the Purchase and Sale Agreement under paragraph 'R-5.10" and Purchaser has faithfully complied with his or her Financing Obligations and (if applicable) Additional Financing Obligations, and Purchaser has not violated or breached any of Purchaser's covenants, representations or warranties hereunder or under the Purchase and Sale Agreement, Seller will authorized the Escrowee to refund the Net Purchase Monies to Purchaser, within 30 calendar days after Seller sends the cancellation notice.

8. NO MATERIAL CHANGES

Except as set forth in this Amendment, there have been no material changes to the Offering Plan.

SPONSOR: HRCF-LDR LEXINGTON LLC

Dated: January 5, 2009

EXHIBIT A

CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET

Townsley & Gay LLC
177 Seventh Avenue
Brooklyn, NY 11215

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

Re: 105 Lexington Condominium
105 Lexington Avenue, Brooklyn, New York

The sponsor of the condominium offering plan for the captioned property retained our firm to review Schedule(s) B and B-1, containing projections of income and expenses for the first year of condominium operation. Townsley & Gay LLC is a licensed real estate, brokerage firm. Elaine Gay, a licensed real estate broker and principal of the firm has been engaged in the real estate business in New York City since 1986. The firm has also participated as selling agent and has acted as managing agent for numerous apartment buildings in this city.

We understand that we are responsible for complying with Article 20-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule(s) B and B-1.

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

We certify that the projections in Schedule(s) B and B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedule(s):

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

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

(iii) does not omit any material fact;

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

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

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

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

(a) knew the truth;

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

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

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

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Townsley & Gay LLC

By: Elaine Gay
Elaine Gay

Sworn to before me this
11 day of December, 2008

Rebecca Geragosian
Notary Public

REBECCA GERAGOSIAN
Notary Public - State of New York
NO. 01GE6151672
Qualified in Kings County
My Commission Expires 8-21-2010

FIRST AMENDMENT
TO
CONDOMINIUM OFFERING PLAN
THE 105 LEXINGTON CONDOMINIUM

INTRODUCTION

This is the First Amendment to the Offering Plan for 105 Lexington Avenue, Brooklyn, New York, which modifies and supplements the terms of the original Offering Plan dated July 31, 2008 and should be read in conjunction with said Offering Plan and prior Amendments.

The terms of this First Amendment are as follows:

1. NUMBER OF UNITS

(a) The number of units being offered for sale is changed to:
32 Residential Units, 1 Commercial Loft Unit and 8 Storage Units.
(b) All references in the Plan to the number of units being offered for sale are hereby changed to reflect the above.

2. FIRST CLOSING

The anticipated date for the First Closing is changed to July 1, 2008. All references in the Plan to the First Closing are amended to reflect the aforementioned date.

3. SCHEDULE A and SCHEDULE A-2

Schedule A on pages 14 and 14a of the Offering Plan is hereby replaced with the revised Schedule A and A-2 attached hereto as **Exhibit A.** Schedule A has been revised to reflect the following changes:

(a) The July 1, 2008 commencement date of the first year of operation of the Condominium;
(b) The number of Residential and Commercial Units
(c) The percentage of common interest of each unit
(d) The square footage of each Unit
(e) The projected common charges
(f) The projected real estate taxes
(g) The projected monthly carrying costs
(h) The Offering Prices for the Units

Schedule A-2 reflects the real estate taxes for the second year of operation with J-51 tax benefits.

4. **TOTAL OFFERING PRICE**

Sponsor has changed the prices for the Units. The total Purchase Price shown on the Cover of the Offering Plan is hereby amended as follows: The Total Offering Price of All Units being Offered for Sale is $22,669,450.

5. **BOARD OF MANAGERS DURING INITIAL CONTROL PERIOD**

The number of members which shall constitute the Board of Managers during the Initial Control Period shall be three. They will be Bernard Doyle, Donald LaRosa and Stephen Allen, all designated by Sponsor.

All references in the Plan to the number of members of the Board during the Initial Control Period are hereby replaced with three (3) members.

6. **SCHEDULE B, PROJECTED BUDGET AND NOTES TO SCHEDULE B**

(a) The estimated expenses for Heating, Hot Water and Cooking Gas (footnote 3) and Insurance (footnote 8) have been revised. Attached hereto as **Exhibit B** is the revised Schedule B and Notes to Schedule B which replace pages 19-23 of the Plan.

(b) A new Certification as the Adequacy of the Budget is attached hereto as **Exhibit C.**

7. **ARCHITECT'S REPORT AND FLOOR PLANS**

The Architect's Report and Floor Plans in pages 143-196 are hereby replaced with the revised Architect's Report and Floor Plans and a new Certification of the Architect. (See **Exhibit D.**)

8. **GENERAL COMMON ELEMENTS**

As part of the General Common Elements, the Cellar shall contain the following:

(a) A Gym, which Sponsor shall furnish with a treadmill, an elliptical machine, a stationary bicycle and other equipment of a similar type at a cost not to exceed $10,000. The Gym will be for the use of all unit owners as part of the General Common Elements.

(b) An office for Sponsor. The Condominium shall lease said space to Sponsor at the time of the First Closing for a term of 15 years for rent of $100/per month. The space may be used by Sponsor as an office and /or storage. Sponsor may elect to terminate said Lease on 60 days written notice to the Condominium at any time during the term of the Lease.

(c) Mechanical Rooms for the Condominium

(d) A Storage Room for bicycles/strollers for the use of the all unit owners.

See Cellar Floor Plan in Exhibit D.

9. **REAL ESTATE TAX ESTIMATE AND OPINION LETTER**

Footnotes to Schedule A, Page 16, Footnote 7, paragraphs 1 and 2 of the Offering Plan are hereby replaced as follows:

After the Condominium is divided into individual tax lots, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will not be responsible for the payment of, nor will the unit be subject to, any lien arising from the non-payment of taxes on her units. The projection for the real estate taxes that will be payable for each of the Units, during the first year of condominium ownership is based upon the estimate made by the Sponsor's Appraisal Expert, The Mazursky Group, in a letter dated March 20 , 2008 and attached hereto as **Exhibit E**. The estimate for real estate taxes for the Units for such first year will be based on the post rehabilitation assessed valuation for the period 2008/2009 which is estimated at $1,030,500 and on the tax rate in effect for the twelve month period commencing July 1, 2008 at 12.50 % per $100 of assessed valuation. Residential Units will be assessed at 95.5% of total assessed valuation, the Commercial Units at 4% of total assessed valuation, and the Storage Units at .5% of the total assessed valuation. The First Year taxes are estimated at $95,738 for the Residential Units, $ 4,010 for the Commercial Unit, and $501 for the Storage Units. In the second year, the estimated assessed valuation is $2,300,000 and the estimated taxes for the Residential Units are $268,731; for the Commercial Unit is $9,455; and for the Storage Units are $1,182.

Sponsor is applying for J-51 real estate tax exemption and abatement benefits for the Residential Units .It is anticipated that J-51 tax benefits will be in effect by July 1, 2009. At the time that the J-51 tax benefits will be in effect the annual real estate taxes for the Residential Units will be $26,931. See Schedule A-2, attached hereto as **Exhibit A**. Sponsor's J-51 experts, Meir Mishkoff and Steve Wekselblatt, Esq. have issued Opinion Letters, indicating that the units will be eligible to receive these benefits based on certain assumptions and conditions set forth therein. The Letters are reproduced in the Offering Plan, Part I, Section T.

10. **DECLARATION AND SCHEDULE B TO THE DECLARATION**

(a) Paragraph 7.3.1 of the Declaration at page 214 of the Offering Plan is hereby replaced with the following:

7.3.1 The limited common elements consist of the following:

1A	Terrace
1G	Yard
1H	Yard
2A	Terrace
2B	Balcony
3A	Terrace
3B	Balcony
4A	Terrace & Roof Terrace
4B	Balcony & Roof Terrace
4C	Roof Terrace
4D	Roof Terrace
4E	Roof Terrace
4F	Roof Terrace
4G	Roof Terrace
4H	Roof Terrace

(b) Schedule B to The Declaration is deleted and replaced with the revised Schedule B attached hereto as **Exhibit F**.

11. **NO MATERIAL CHANGES**

Except as set forth in this Amendment, there have been no material changes to the Offering Plan.

SPONSOR: HRCF-LDR LEXINGTON LLC

Dated: April 30, 2008

EXHIBIT A

SCHEDULE A (FIRST YEAR OF OPERATION)
AND
SCHEDULE A-2 (SECOND YEAR OF OPERATION FOR REAL ESTATE TAXES)

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SCHEDULE A

105 Lexington Avenue Condominium

SCHEDULE OF PRICES AND OTHER FINANCIAL DETAILS

FOR EACH UNIT FOR THE FIRST YEAR OF CONDOMINIUM OPERATION

COMMENCING August 1, 2008

1	2	3	4	5	6	6A	7	8
UNIT	ROOMS	% OF	SQ	OFFERING	PROJECTED		PROJECTED	MONTHLY
	BATHS	COMMON	FT	PRICE	COMMON CHARGES		MONTHLY RE TAXES	CARRYING COSTS
		INTEREST			ANNUAL	MONTHLY	W/O J51	W/O J51
CA	1/ 1/2	2.75%	1,662	$ 375,000.00	$ 5,193.93	$ 432.83	$334.00	$ 766.83
1A	3/1	3.00%	1,276	$ 732,000.00	$ 5,666.10	$ 472.18	$239.35	$ 711.52
1B	3/1	2.79%	1,185	$ 682,000.00	$ 5,269.47	$ 439.12	$222.59	$ 661.71
1C	3/1	2.82%	1,196	$ 687,000.00	$ 5,326.13	$ 443.84	$224.98	$ 668.83
1D	3/1	2.76%	1,173	$ 672,000.00	$ 5,212.81	$ 434.40	$220.20	$ 654.60
1E	3/1	2.63%	1,119	$ 646,000.00	$ 4,967.28	$ 413.94	$209.83	$ 623.77
1F	3/1	2.61%	1,110	$ 641,000.00	$ 4,929.51	$ 410.79	$208.23	$ 619.02
1G	3/1	2.67%	1,135	$ 682,000.00	$ 5,042.83	$ 420.24	$213.02	$ 633.25
1H	3/1	2.70%	1,146	$ 682,000.00	$ 5,099.49	$ 424.96	$215.41	$ 640.37
2A	3/1	3.15%	1,340	$ 763,000.00	$ 5,949.41	$ 495.78	$251.31	$ 747.10
2B	3/1	2.79%	1,185	$ 692,000.00	$ 5,269.47	$ 439.12	$222.59	$ 661.71
2C	3/1	2.82%	1,197	$ 697,000.00	$ 5,326.13	$ 443.84	$224.98	$ 668.83
2D	3/1	2.76%	1,173	$ 682,000.00	$ 5,212.81	$ 434.40	$220.20	$ 654.60
2E	3/1	2.63%	1,119	$ 656,000.00	$ 4,967.28	$ 413.94	$209.83	$ 623.77
2F	3/1	2.62%	1,111	$ 652,000.00	$ 4,948.39	$ 412.37	$209.03	$ 621.39
2G	3/1	2.67%	1,136	$ 667,000.00	$ 5,042.83	$ 420.24	$213.02	$ 633.25
2H	3/1	2.77%	1,175	$ 682,000.00	$ 5,231.70	$ 435.97	$221.00	$ 656.97
3A	3/1	3.15%	1,340	$ 788,000.00	$ 5,949.41	$ 495.78	$251.31	$ 747.10
3B	3/1	2.79%	1,185	$ 712,000.00	$ 5,269.47	$ 439.12	$222.59	$ 661.71
3C	3/1	2.82%	1,197	$ 712,000.00	$ 5,326.13	$ 443.84	$224.98	$ 668.83
3D	3/1	2.76%	1,173	$ 702,000.00	$ 5,212.81	$ 434.40	$220.20	$ 654.60
3E	3/1	2.63%	1,119	$ 677,000.00	$ 4,967.28	$ 413.94	$209.83	$ 623.77
3F	3/1	2.62%	1,111	$ 672,000.00	$ 4,948.39	$ 412.37	$209.03	$ 621.39
3G	3/1	2.67%	1,136	$ 687,000.00	$ 5,042.83	$ 420.24	$213.02	$ 633.25
3H	3/1	2.77%	1,175	$ 692,000.00	$ 5,231.70	$ 435.97	$221.00	$ 656.97
4A	5/2	4.25%	1,822	$ 995,000.00	$ 8,026.98	$ 668.91	$339.07	$ 1,007.99
4B	5/2	3.75%	1,603	$ 970,000.00	$ 7,082.63	$ 590.22	$299.18	$ 889.40
4C	6/2	4.24%	1,818	$ 995,000.00	$ 8,008.09	$ 667.34	$338.27	$ 1,005.62
4D	5/2	3.77%	1,619	$ 969,000.00	$ 7,120.40	$ 593.37	$300.78	$ 894.14
4E	5/2	3.70%	1,588	$ 959,000.00	$ 6,988.19	$ 582.35	$295.19	$ 877.54
4F	5/2	3.58%	1,533	$ 959,000.00	$ 6,761.55	$ 563.46	$285.62	$ 849.08
4G	5/2	3.64%	1,559	$ 979,000.00	$ 6,874.87	$ 572.91	$290.41	$ 863.31
4H	5/2	3.84%	1,648	$ 999,000.00	$ 7,252.61	$ 604.38	$306.36	$ 910.75
CS1		0.01%	45	$12,000.00	$ 18.89	$ 1.57	$5.22	$ 6.79
CS2		0.01%	45	$12,000.00	$ 18.89	$ 1.57	$5.22	$ 6.79
CS3		0.01%	45	$12,000.00	$ 18.89	$ 1.57	$5.22	$ 6.79
CS4		0.01%	55	$12,000.00	$ 18.89	$ 1.57	$5.22	$ 6.79
CS5		0.01%	55	$12,000.00	$ 18.89	$ 1.57	$5.22	$ 6.79
CS6		0.01%	45	$12,000.00	$ 18.89	$ 1.57	$5.22	$ 6.79
CS7		0.01%	45	$12,000.00	$ 18.89	$ 1.57	$5.22	$ 6.79
CS8		0.01%	45	$12,000.00	$ 18.89	$ 1.57	$5.22	$ 6.79
TOTALS		100.00%	43,444	$ 24,853,000.00	$188,870.00	$ 15,739.17	$8,128.15	$ 23,867.31

LIMITED COMMON ELEMENTS		SQ FT
1A	Terrace	92
1G	Yard	617
1H	Yard	617
2A	Terrace	92
2B	Balcony	77
3A	Terrace	92
3B	Balcony	77
4A	Terrrace & Roof Terrace	1,032
4B	Balcony & Roof Terrace	774
4C	Roof Terrace	401
4D	Roof Terrace	726
4E	Roof Terrace	633
4F	Roof Terrace	633
4G	Roof Terrace	658
4H	Roof Terrace	658

SCHEDULE A - 2

(Reflects Estimated Real Estate Taxes for Second Year for Condominium Operation Commencing August 1, 2009 with J-51 Benefits)

1	2	3	4	5	6	6A	7	8
UNIT	ROOMS BATHS	% OF COMMON INTEREST	SQ FT	OFFERING PRICE	PROJECTED COMMON CHARGES ANNUAL	PROJECTED COMMON CHARGES MONTHLY	PROJECTED MONTHLY RE TAXES W/ J51 *	MONTHLY CARRYING COSTS W/ J51
CA	1/ 1/2	2.75%	1,662	$ 375,000.00	$ 5,193.93	$ 432.83	$787.00	$1,219.83
1A	3/1	3.00%	1,276	$ 732,000.00	$ 5,666.10	$ 472.18	$67.33	$539.50
1B	3/1	2.79%	1,185	$ 682,000.00	$ 5,269.47	$ 439.12	$62.61	$501.74
1C	3/1	2.82%	1,196	$ 687,000.00	$ 5,326.13	$ 443.84	$63.29	$507.13
1D	3/1	2.76%	1,173	$ 672,000.00	$ 5,212.81	$ 434.40	$61.94	$496.34
1E	3/1	2.63%	1,119	$ 646,000.00	$ 4,967.28	$ 413.94	$59.02	$472.96
1F	3/1	2.61%	1,110	$ 641,000.00	$ 4,929.51	$ 410.79	$58.57	$469.37
1G	3/1	2.67%	1,135	$ 682,000.00	$ 5,042.83	$ 420.24	$59.92	$480.16
1H	3/1	2.70%	1,146	$ 682,000.00	$ 5,099.49	$ 424.96	$60.59	$485.55
2A	3/1	3.15%	1,340	$ 763,000.00	$ 5,949.41	$ 495.78	$70.69	$566.48
2B	3/1	2.79%	1,185	$ 692,000.00	$ 5,269.47	$ 439.12	$62.61	$501.74
2C	3/1	2.82%	1,197	$ 697,000.00	$ 5,326.13	$ 443.84	$63.29	$507.13
2D	3/1	2.76%	1,173	$ 682,000.00	$ 5,212.81	$ 434.40	$61.94	$496.34
2E	3/1	2.63%	1,119	$ 656,000.00	$ 4,967.28	$ 413.94	$59.02	$472.96
2F	3/1	2.62%	1,111	$ 652,000.00	$ 4,948.39	$ 412.37	$58.80	$471.17
2G	3/1	2.67%	1,136	$ 667,000.00	$ 5,042.83	$ 420.24	$59.92	$480.16
2H	3/1	2.77%	1,175	$ 682,000.00	$ 5,231.70	$ 435.97	$62.17	$498.14
3A	3/1	3.15%	1,340	$ 788,000.00	$ 5,949.41	$ 495.78	$70.69	$566.48
3B	3/1	2.79%	1,185	$ 712,000.00	$ 5,269.47	$ 439.12	$62.61	$501.74
3C	3/1	2.82%	1,197	$ 712,000.00	$ 5,326.13	$ 443.84	$63.29	$507.13
3D	3/1	2.76%	1,173	$ 702,000.00	$ 5,212.81	$ 434.40	$61.94	$496.34
3E	3/1	2.63%	1,119	$ 677,000.00	$ 4,967.28	$ 413.94	$59.02	$472.96
3F	3/1	2.62%	1,111	$ 672,000.00	$ 4,948.39	$ 412.37	$58.80	$471.17
3G	3/1	2.67%	1,136	$ 687,000.00	$ 5,042.83	$ 420.24	$59.92	$480.16
3H	3/1	2.77%	1,175	$ 692,000.00	$ 5,231.70	$ 435.97	$62.17	$498.14
4A	5/2	4.25%	1,822	$ 995,000.00	$ 8,026.98	$ 668.91	$95.38	$764.30
4B	5/2	3.75%	1,603	$ 970,000.00	$ 7,082.63	$ 590.22	$84.16	$674.38
4C	6/2	4.24%	1,818	$ 995,000.00	$ 8,008.09	$ 667.34	$95.16	$762.50
4D	5/2	3.77%	1,619	$ 969,000.00	$ 7,120.40	$ 593.37	$84.61	$677.97
4E	5/2	3.70%	1,588	$ 959,000.00	$ 6,988.19	$ 582.35	$83.04	$665.39
4F	5/2	3.58%	1,533	$ 959,000.00	$ 6,761.55	$ 563.46	$80.34	$643.81
4G	5/2	3.64%	1,559	$ 979,000.00	$ 6,874.87	$ 572.91	$81.69	$654.60
4H	5/2	3.84%	1,648	$ 999,000.00	$ 7,252.61	$ 604.38	$86.18	$690.56
CS1		0.01%	45	$12,000.00	$ 18.89	$ 1.57	$12.31	$13.88
CS2		0.01%	45	$12,000.00	$ 18.89	$ 1.57	$12.31	$13.88
CS3		0.01%	45	$12,000.00	$ 18.89	$ 1.57	$12.31	$13.88
CS4		0.01%	55	$12,000.00	$ 18.89	$ 1.57	$12.31	$13.88
CS5		0.01%	55	$12,000.00	$ 18.89	$ 1.57	$12.31	$13.88
CS6		0.01%	45	$12,000.00	$ 18.89	$ 1.57	$12.31	$13.88
CS7		0.01%	45	$12,000.00	$ 18.89	$ 1.57	$12.31	$13.88
CS8		0.01%	45	$12,000.00	$ 18.89	$ 1.57	$12.31	$13.88
TOTALS		100.00%	43,444	$ 24,853,000.00	$188,870.00	$ 15,739.17	$3,066.22	$ 18,805.38

*1. Units CA and CS1-CS8 are commercial units and J-51 benefits are not available.

*2. It is anticipated that J-51 tax benefits will go into effect as July 1, 2009.

LIMITED COMMON ELEMENTS		SQ FT
1A	Terrace	92
1G	Yard	617
1H	Yard	617
2A	Terrace	92
2B	Balcony	77
3A	Terrace	92
3B	Balcony	77
4A	Terrace & Roof Terrace	1,032
4B	Balcony & Roof Terrace	774
4C	Roof Terrace	401
4D	Roof Terrace	726
4E	Roof Terrace	633
4F	Roof Terrace	633
4G	Roof Terrace	658
4H	Roof Terrace	658

EXHIBIT B

BUDGET, FOOTNOTES TO BUDGET AND SCHEDULE REGARDING INDIVIDUAL UNIT ELECTRIC COST

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SCHEDULE B
105 LEXINGTON CONDOMINIUM

PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION
JULY 1, 2008 TO JUNE 30, 2009 (NOTE 1)

Estimated Income		
Common Charges (1)	$	188,870
Estimated Expenses		
Payroll and Related Expenses (2)	$	13,000
Gas for Heating, Cooking and Hot Water, (3)	$	77,150
Electricity (4) (Common Area)	$	18,920
Water Charges and Sewer Rent (5)	$	9,800
Repairs and Maintenance (6)	$	8,500
Service Contracts and Supplies (7)	$	8,500
Insurance (8)	$	18,000
Management Fee (9)	$	17,000
Legal and Audit Fees (10)	$	2,000
Contingencies (11)	$	16,000
Total Projected Expenses	$	188,870

NOTES TO SCHEDULE B

(1) Common Charges

Amounts are projected on the assumption that the first year of condominium operation will be the year from July 1, 2008 to June 30, 2009. The actual first year of condominium operation may be earlier or later than that year. In the event the actual or anticipated commencement date of the first year of condominium operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections. If the amended budget exceeds this projected budget by 25% or more, Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period, if the Plan has been declared effective) the right to rescind their Purchase Agreements within not less than fifteen days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their Downpayments returned, together with interest earned thereon.

These figures represent the total Common Charges to be levied against and collected from the Units during the first year of condominium operation. The Common Charges will be utilized by the Board to defray the operational expenses of the Condominium. Common Expenses have been allocated among the Units on the basis of percentage of Common Interest.

(2) Payroll and Related Expenses: $ 13,000

There will be one non-union part-time superintendent who will work approximately 20 hours week and whose salary will be $10,400.Related benefits of FICA (7.65%), NYS Unemployment ($425), Disability Insurance $.16 per $100 of salary ($280) and Worker's Compensation ($5.15/$100 of salary) will be $1,815.

(3) Gas Charges for Heating, Hot water and Cooking: $ 77,150

Heating and hot water for the Building will be provided by gas supplied by Keyspan. Three new gas fired hot water boilers will supply hot water heating for the units on the lower floors, the units in the cellar and the common areas. The other units will be heated by hot air. (See Architect's Report, Part II, Section 4) Based upon a letter from George Hart, Consulting Engineer, with an office at 79 Worth Street, dated March 13, 2008. It is anticipated that gas for heating and hot water will utilize 41,800 therms of gas at $1.75 per therm for a total of $77,150. A 10% inflation factor has been added. It is not possible to predict how closely the budgeted figure will reflect the actual cost for cooling, 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 of Managers or individual Unit Owners.

(4) Electricity (Common Area): $ 18,920

The amount set forth is the estimate for the electricity for common lighting, elevator and common HVAC costs and is based on the estimate and projections of as described in a letter, dated March 13, 2008 from George Hart, Consulting Engineer., which reflects an estimated annual consumption of approximately 94,600 kilowatt hours per year of electricity based on the rate of $0.20 per kilowatt hour of electricity, including tax.

See Schedule B1 for individual Residential Unit electricity costs including Air Conditioning for the individual units.

In view of the varying costs of energy, it is not possible to predict with certainty whether the estimated figures will reflect the actual cost to be incurred during the first year of condominium operation although it is believed that reasonable provisions for increased costs have been made. The actual cost for electricity will vary depending upon various factors, including the amount of consumption, the, conservation measures, if any, adopted by the Board or, the rates of the utility company (which fluctuate periodically), and the possibility of changes in the methods of calculating charges by the utility company.

(5) Water Charges and Sewer Rent: $ 9,800

The budgeted amount for water charges and sewer rents that will be payable with respect to the Building is based upon information supplied by the New York City Department of Environmental Protection, Fact Sheet #1, Residential Water Use, dated July 9, 2004. Assuming that each Residential Unit has an estimated daily usage of 150 gallons of water at 365 days per year the total used would be $1,697,250 gallons. To convert to cu. Ft. the total gallonage of $1,697,250 is divided by 748 gallons for a result of 2,269 cu. Ft. at a rate of $4.14 per cu. ft for an estimated annual cost of $9,393 to which a 5% inflationary factor has been added.

(6) Repairs and Maintenance: ($8,500)

Since the Building will have new mechanical systems, no major capital repairs have been included. This figure represents the estimated cost for ordinary maintenance and repairs of the Common Elements, including periodic painting, and supplies such as cleaning supplies, lubricants, bulbs, fixtures, hardware, rubbish compactor bags, etc. used in connection with the operation of the Common Elements. Each unit owner will be responsible for the cost of interior maintenance, repairs, decoration, and painting of their respective Units.

(7) Service Contracts and Supplies: $8,500

This budget item includes Exterminating services elevator contract and supplies. The budgeted amounts are based on estimates received from contractors and based on the experience of Sponsor's budget expert in operating similar buildings. While this Schedule B includes a

reasonable allowance for possible increases in cost which may occur prior to and during the first year of condominium operation, no warranty is made that the actual cost for these or other services will be in accordance with this projection.

(8) Insurance: $18,000

The insurance premiums are based on a letter from Brownstone Agency, Inc dated March 13, 2008 setting forth the following coverage and cost:

Coverage & Perils	Estimated Amounts
A. Property: "All Risk" Coverage, Replacement Cost, Agreed Amount, Including Equipment Breakdown	$7,000,000
Maintenance Fees	$180,000
B. Liability	$2,000,000
Each Occurrence	$4,000,000
Umbrella	$2,000,000
C. Directors & Officers Liability	$1,000,000
Flood Coverage (Per Occurrence)	$1,000,000
Non Owned Auto	$1,000,000
Fidelity Coverage	$ 100,000
Medical Payments (Per Person)	$ 25,000
Water Damage(Legal Liability)	$1,000,000
Sewer Back-Up (Per Occurrence)	$ 250,000
Deductible (per Loss)	$ 5,000

The total premium for above coverage for the first year of condominium operation is estimated at $18,000. This coverage does not include claims for property damage resulting from occurrences in individual Units, nor does it include coverage of the furniture or personal property of Unit Owners.

This quotation is an indication of insurance premiums at current rates. Because conditions in the insurance marketplace are volatile, it is not possible to predict what the premiums will be for the first year of Condominium operation. Purchasers should be aware of the possibility of rate increases.

Sponsor will procure, on behalf of the Board, all liability insurance required to be carried by the Condominium. The fire, casualty and general liability insurance carried by the Condominium will provide that there will be no cancellation without notice to the Board of Managers; a waiver of subrogation; a waiver of invalidity because of the acts of the insured and Unit Owners; and a waiver of pro-rata reduction if Unit Owners obtain additional coverage. Each unit owner will be an additional insured under the policy to the extent of their interest.

(9) Management Fee: $ 17,000

At or prior to the First Closing, the Condominium will enter into a management agreement with Bayside Builders Inc., having an office address at 79 Worth Street, New York, NY a real estate management firm affiliated with the Sponsor. The agreement will be for an initial term of (2) years. Thereafter, the agreement will be automatically renewed from year to year, but may be cancelled by either party without cause, upon not less than thirty (30) days' prior written notice.

The Managing Agent will receive an annual fee of $17,000 payable in equal monthly installments of $1,416.66. The Managing Agent's fee for the First Year of Condominium operation is comparable to the "going rate" for similar services in comparable buildings.

(10) Legal and Audit Fees: $ 2,000

Based upon the estimate of David F. Calman, 74 Newport Drive, Hewlett, NY, certified public accountant, as set forth in a letter dated February 21, 2007, has been budgeted for fees to be incurred in connection with the preparation of the audited financial statements for the Condominium's first year of condominium operation and its federal, state and city income tax returns. There is no budgeted amount for legal services.

(11) Contingencies: $16,000

This amount is to cover possible increases in expenses not now foreseen and for expenses not included. The budget may be modified from time to time prior to commencement of, or during, the first year of condominium operation to increase items of expenses and decrease the contingency. The contingency fund has been allocated among all Units on the basis of percentage of Common Interest.

IN THE OPINION OF THE SPONSOR'S BUDGET EXPERT, THE PROJECTED INCOME FOR THE CONDOMINIUM IS ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION, ASSUMING THAT SUCH FIRST YEAR IS THE CALENDAR YEAR COMMENCING July 1, 2008. THE BUDGET, HOWEVER, IS NOT INTENDED, AND SHOULD NOT BE TAKEN, AS A GUARENTEE 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.

TO: HRCF LDR Lexington LLC
79 Worth Street
New York, NY 10013

March 13,2008

To Whom It May Concern,

I have prepared the Estimated Energy Use Calculations for 105 Lexington Ave Residences as enclosed herein.

I have utilized information on the building details from the Drawings A1 thru A17 and A20 and it's use as supplied by Donald LaRosa.

Utility rates are volatile and approximate winter 2008 rates are used in these estimates.

George K hart- Consulting Engineer

Enclosed: Estimates of Electric And Gas Operating Costs For 105 Lexingtcn Ave Residences (7pages)

Estimates of Electric and Gas Operating Costs For 105 Lexington Ave. Residences

A. Common Charges

1. Electric

I. Lighting

a. Corridors-Halls

320SQ FT @ 1watt/SQFT = 320w x24hrs/day x365days/yr
= 2,800KWH/ yr

b. Stairs-

1650 Sq Ft @ 1watt/SqFt = 1650w x 24hrs/day x365days
= 14,500KWH/ yr

c. Bsmt Area

Approx 4000Sq Ft common Area @ 1w/Sq Ft @ 1/3 ON Time
= 4000w x .3333 x 24 x 365
= 12,000KWH/ yr

d. M'iscl- Outdoor Lts, Roof Lts, etc@ 1000w @ 50% ON Time=
1000w x .5 x 24 hrs x365Days = 4,400KWH/Yr

II. ELEVATOR

40HP Mtr; 208/3Ph; 114.4FLA; 41KW Power Rqd.
100Feet/min velocity; 2,000Lbs Max Capacity

i.MAX USE: Assume: 6Am/9AM & 5PM/8PM
*Total Travel Distance: Bsmt/GND 15FT; Gnd/2ND 15Ft; 2ND/3RD 15FT; 3RD/4TH 15FT; 4TH/PHRoof 25FT -Total =85Ft.
*Total # people using elevator- Note-Gnd floor tenants do not use elevator.
24Apts on 2nd,3rd,4th floors@3people per = about 80people
*Avg Travel dist of elevator= 30FT(3rd/Gnd)
* assume 60trips during 3hrs

60trips x 30ft/100ft per min.= 0.3min/trip
0.3min/trip x 60trips = 18min of use during 3hrs; 6Am to 9AM and additional 18Min from 5PM to 8PM = 36Min of use Peak time of 6hrs

* 36min x 1.5Efficiency Factor(multiple starts/stops) = 54min
x 2 (DN + UP) = 104min or about 2HOURS

ii. Non Peak use @ 1/3 peak use = 20min

iii. Total Use= 140min = about 100KWH/DAY

100kwh/Day X 30Days =3,000 KWH/Mo x 12mo = 36,000KWH/Yr
@ $0.20/KWH = $7,200/yr; $600/Mo

III. HVAC Common Electric Costs

a. Primary Pumps for HWSystem- (2) 3HP Pumps@ 208/3Ph
7KW x .75ON Time x 24hr/day x 180Days
= 22,700KWH/yr

b. Elevator Lobby's(4) Unit Heater(s)
0.6KW x 0.5 ON Time x 24Hrs/day x 180Days
= 1,300KWH/yr

c. Unit Htr Bsmt
0.4KW x 0.5 ON Time x 24Hrs/Day x 180Days
= 900KWH/yr

SUMMARY ELECTRIC COSTS

Lighting- 2,800KWH + 14,500KWH + 12,000KWH + 4,400KWH
= 33,700KWH/YR
@ 0.2$/KWH= $6,740/yr

Elevator- 36,000KWH/Yr
@$0.20/KWH= $7,200/Yr

HVAC COMMON COSTS- 22,700KWH + 1,300KWH + 900KWH
= 24,900KWH/YR
@0.2$/KWH= $4,980/YR

Total Electric Common Charges = 6,740 + 7,200 + 4,980 = $18,920
= $1,576/Month
For 34 APTS. = $47/Month/Apt

2. Natural GAS

I. ALL HVAC Eqpt.
Total Design Heat Load= 1,250MBH
Use ASHRAE (p28.2)Estimate Energy Use Using Degree Days

E = Cd (24qlDD / KVDt
Cd = empirical correction factor =0.65
ql = 1,250MBH
DD = For NYC 4,800 degree days per yr
K = Correction Factor = 0.60
V = Heating Value of the Fuel- natural gas-103,000BTU/therm
Dt = Design Temp Diff = 55F

E= 0.64x 24x1,250,000x 4800 / 0.6x 103,000x 55
= 27,120Therms/yr
USE 30,000Therms/yr

II. Gas Range-Oven; Dryer
ASHRAE- Range-oven @ 0.18Therms/Day/Apt
= 0.18 x 32 Apts = 5.8Therms/Day x 365 Days
= 2,100 Therms/yr
Dryer @ 0.15 Therms/Day/Apt
= 0.15Therms/day x 32Apts x 365Days
= 1,750 Therms/Yr

TOTAL = 1,750 + 2,100 = 3,850Therms/Yr

III. Domestic Hot Water(DHW)
a. Showers- 39 Showers total
3GPM Shower heads x 10min per shower
= 30Galof 120F water/shower
Assume 1.5 showers/day/apt and temp rise from 60f at street to 120f at shower head
45gal/day x 1/7.5 cft/galx62.3lbs/cftx 60temp rise
=22MBH/shower x 39 = 875MBTU
=875MBTU energy RQD per Day

b. Tubs- 32 total
assume tub holds 9.5cft of 120F water
9.5 cft x 62.3lbs/cft x 60F = 35.5MBTU
35.5MBTU x 0.5uses/day = 18MBTU/apt/day
18 MBTU /apt/day x 32apts= 570MBTU/day reqd.

TOTAL Showers & Tubs = 1,445MBTU/Day

c. DW & WM -As per GE data-
*WM- 8loads/week-Model WJRE5500G-Use 17 Therms/yr
17 / 360 = 0.05Ther/day= 5.15MBTU/day
For 32Apts = 0.05 x32 = 1.6Therms/day = 160MBTU/day

*DW-As per GE data- 4Washloads/wk;Model PDW87XXL
25Therms/yr /360 =0.07Therms/day =7.2MBTU/day
For 32Apts = 0.07 x 32= 2.25Ther/day = 230MBTU/day

TOTAL DW & WM = 3.85Therms/day = 390MBTU/day

d. Lav & Kit Sink- 42Lav and 32Kit Sinks
Assume approx flow rate of 3gpm/lav fixture and 4gpm /kit fixture
LAV 3gpm x 3min/day = 9 gal @120F
Kit 4gpm x 5min/day = 20gal @120F
To raise 9gal x1/7.5gal/cft x 62.3lbs/cft x 60F
= 4 MBTU x 42Lav = 160 MBTU
To raise 20gal
= 10 MBTU x 32 Sinks = 320 MBTU
TOTAL = 480 MBTU

TOTAL DHW USE--
Showers & Tub-- 1,445 MBTU/day
DW & WM-------- 390 MBTU/day
Lav & Kit Sink- 480 MBTU/day
2,300MBTU/day = 22Therms/day
= 8,000Therms/yr

TOTAL GAS USE:
1. HVAC---------- 30,000 Therm/yr
2. Range-Oven & Dryer-- 3,850
3.DHW Gas Use---------- 8,000
TOTAL---------41,800 Therms/Yr
@$1.75/Therm--$77,150/YR; $6,095/MO
$ 179/Apt/Mo

Note: Gas rates are very volatile and the rate assumed, $1.75/Therm is approximate for Winter 2008

TOTAL ALL COMMON CHARGES:

ELECTRIC---$18,920/Yr; $1,576/MO; $46/Apt/Mo
GAS--------$77,150/Yr; $6,095/MO; $179/Apt/Mo

TOTAL------$96,070/Yr; $7,671/MO; $225/Apt/Mo

ESTIMATED COSTS -Electric Use in Each Apartment

Each Apt will have their own Electric meter

APTS Group #A-- 1A, 1B, 1G, 1H--- Group #B-- 1C, 1D, 1E, 1F
2A, 2B, 2G, 2H 2C, 2D, 2E, 2F
3A, 3B, 3G, 3H 3C, 3D, 3E, 3F

Group #C-- 4A, 4B, 4G, 4H--- Group# D-- 4C, 4D, 4E, 4F

LIGHTING	[FT]2-Watts	KWH/Day KWH/Mo&Yr	HVAC-EQPT	AH-KWH/D KWH/Mo/Yr	Cond-KWH Day/Mo/Yr	Total HVAC
GROUP# A	800SF/ 2.5KWH/Day	75KWH/M 900KWH/Y				2580KWH per yr
Group# B	800SF 2.5KWH/Day	900KWH/Yr				3740KWH per Yr
Group# C	1100SF 3.3KWH/Day	1,200KWH/YR				5070KWH per Yr
Group# D	1100SF 3.3KWH/Day	1,200KWH/Yr				9160KWH per Yr

KIT Eq	TYPE	KWH/Day KWH/Mo KWH/Yr	TV+Comp+ Sound+MSCL	KWH/Day KWH/Mo KWH/Yr		
Group# A	5.4KWH/Day	1,940KWH/Yr	3.0KWH/Day	1,080KWH/Yr		
Group# B	5.4KWH/Day	1,940KWH/Yr		1,080KWH/Yr		
Group# C	5.4KWH/Day	1,940KWH/Yr		1,080KWH/Yr		
Group# D	5.4KWH/Day	1,940KWH/Yr		1,080KWH/Yr		

SUMMARY OF ELECTRIC USE

Apartment Type	USE KWH/YR LIGHTING	USE KWH/YR HVAC	USE KWH/YR KIT EQPT	USE KWH/YR OTHER	TOTAL KWH/YR ACROSS @0.2$/KWH
Group# A	900	2,580	1,940	1,080	6,500 $1,300
Group# B	900	3,740	1,940	1,080	7,660 $1,532
Group# C	1,200	5,070	1,940	1,080	9,290 $1,850
Group# D	1,200	9,160	1,940	1,080	13,380 $2,676

Calculate HVAC Electrical Loads

TYPE	COND	AH	SUM	S- KWx DCx LFx 24	
Group A	2.14 KW	0.5 KW	2.6 KW	S-2.6x0.4x0.6x24= 15KWH/Day 450KWH/M W-0.5x0.4x0.8x24=3.8KWH/Day 115KWH/M	
Group B	3.45 KW	0.65 KW	4.1 KW	S-4.1x0.4x0.6x24= 23KWH/D 690KWH/M W-0.65x0.4x0.8x24= 5KWH/D 150KWH/M	
Group C	4,5 KW	1.47 KW	6.0 KW	S-6x0.4x0.5x24= 28KWH/Day 860KWH/M W-1.5x 0.3x0.8x24=8.6KWH/D 260KWH/M	
Group D	6.8 KW	2.8 KW	9.6 KW	S-9.6x0.4x0.5x24=46KWH/D 1,380KWH/M W-2.8x0.3x0.8x24= 21KWH/D 630KWGH/M	

Compilation of KWH/YR

GRP#	Jan	Feb	Mar	Apr	May	Jne	JLY	Aug	Spt	Oct	Nov	Dec	TOTAL
A	115	115	115	60	280	450	450	450	280	75	75	115	2580
B	150	150	150	75	400	690	690	690	400	90	100	150	3740
C	260	260	260	130	500	860	860	860	500	150	170	260	5070
D	630	630	630	275	800	1380	1380	1380	800	275	350	630	9160
	KWH /Mo	KWH /Mo	KWH /Mo	KWH /Mo	KWH /Mo	KWH /Mo	KWH /Mo	KWH /Mo	KWH /Mo	KWH /Mo	KWH /Mo	KWH /Mo	KWH/Y

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EXHIBIT C
CERTIFICATION OF ADEQUACY OF THE BUDGET

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CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET

Townsley & Gay LLC
177 Seventh Avenue
Brooklyn, NY 11215

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

Re: 105 Lexington Condominium
105 Lexington Avenue, Brooklyn, New York

The sponsor of the condominium offering plan for the captioned property retained our firm to review Schedule(s) B and B-1, containing projections of income and expenses for the first year of condominium operation. Townsley & Gay LLC is a licensed real estate, brokerage firm. Elaine Gay, a licensed real estate broker and principal of the firm has been engaged in the real estate business in New York City since 1986. The firm has also participated as selling agent and has acted as managing agent for numerous apartment buildings in this city.

We understand that we are responsible for complying with Article 20-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule(s) B and B-1.

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

We certify that the projections in Schedule(s) B and B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedule(s):

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

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

(iii) does not omit any material fact;

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

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

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

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

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Townsley & Gay LLC

By: Elaine Gay
Elaine Gay

Sworn to before me this
3 day of March, 2008

Rebecca Geragosian
Notary Public

REBECCA GERAGOSIAN
Notary Public - State of New York
NO. 01GE6161672
Qualified in Kings County
My Commission Expires 8-21-2010

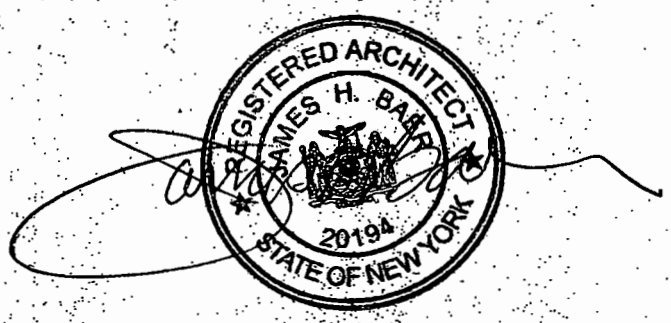
EXHIBIT D
ARCHITECT'S REPORT AND FLOOR PLANS

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DESCRIPTION OF PROPERTY AND SPECIFICATIONS

PREMISES:	105 Lexington Avenue Brooklyn, New York 11238
Block:	1967
Lot:	58

PREPARED BY:	James H. Baer, AIA James H. Baer - Architect 55 Eastern Parkway 6F Brooklyn, New York 11238



DATE: **March 17, 2008**

GENERAL

The property described within is a conversion of two existing four-story warehouse buildings with a partial cellar and new penthouse additions.

This report is based on a review of drawings prepared by Bernard J. Doyle, Architect, dated May 10, 2006 and amended August 27, 2007 and on discussions with the Sponsor during construction.

These plans have been reviewed, accepted and approved by the New York City Department of Buildings.

A. LOCATION AND USE OF PROPERTY

1.	Address:	105-111 Lexington Avenue Brooklyn, New York
2.	Block and Lot Number:	Block 1967 Lot 58
3.	Zoning:	R6, Map No. 16c
4.	Permissible Use:	Residential Use
5.	Landmark Status:	None

B STATUS OF CONSTRUCTION

1.	Year Built:	west building: Approximately 1920 east building: Approximately 1931
2.	Class of Construction:	Old Code - Class 3 Non-Fireproof

3.

Alt. Nos.	Date	Status	Description
302075224	10/11/2007	Permit-Entire	Article 7B conversion of existing commercial loft building to as of right mixed use multiple dwelling. New partitions and plumbing per plans. Obtain new Certificate of Occupancy
302326285	8/20/07	Permit-Entire	Filing for sprinkler installation in addition to relocation of sprinkler heads as per plans and schedule B

The conversion has been designed to comply with the New York City "Old" Building Code as a Class 3 building. A Class 3 building is defined as fire protected combustible construction.

4. Certificate of Occupancy

Upon completion of the renovation the Sponsor will obtain a Certificate of Occupancy for a mixed use building with thirty-two (32) Class "A" dwelling Units, one (1) non-residential loft Unit and eight (8) individual storage Units.

Cellar	Ordinary storage, boiler room, Gym, one (1) non-residential loft unit, eight (8) individual storage Units
First Floor	Eight (8) dwelling units
Second Floor	Eight (8) dwelling units
Third Floor	Eight (8) dwelling units
Fourth Floor	Lower part of eight (8) dwelling Units
Penthouse	Upper part of eight (8) dwelling Units
Roof	Common roof terrace
TOTAL	Forty one (41) Units

An Alteration Application of this type requires full construction inspections by the New York City Department of Buildings prior to the issuance of a new Certificate of Occupancy.

C SITE

1. Lot

The Zoning Lot is located on the north side of Lexington Avenue, 234.60 feet west of the intersection formed by Lexington Avenue and Franklin Avenue, in the Borough of Brooklyn, New York. Continuing in a westerly direction, the property has 107 feet of frontage on Lexington Avenue, thence north 100 feet, thence east 11.42 feet, thence north 21.42 feet, thence east 95.58 feet, thence south 121.42 feet, to the point of beginning and contains 12,747 square feet of land.

The Sponsor intends to subdivide the lot as one zoning lot with Forty-one (41) tax lots.

There appears to be little or no potential for flooding due to the existing water table. There are no bodies of water on or near the site. And there appears to be little or no potential for mudslides or erosion.

2. Number of Buildings and Use

There are two buildings on the site. Upon completion of the renovation the buildings will be used as a single mixed use multiple dwelling, with thirty-one (32) dwelling units (a permitted use in this R6 zoning district) and one (1) non-residential loft unit (a pre-existing non-conforming use in this R6 zoning district).

3. Streets

Lexington Avenue is a one way street with traffic running from east to west and is owned and maintained by the City of New York. There are no streets owned or maintained by the project.

4. Drives, Sidewalks and Ramps

(i) Paving

Sidewalk paving is of concrete slabs in fair to new condition.

(ii) Curbing

Street Curbs are of concrete in fair to good condition.

(iii) Catch Basins

There are no catch basins on the property.

(iv) Street Lighting

The street lighting is standard steel pole with vapor lighting owned and maintained by the City of New York. Lighting is in good condition.

D UTILITIES

Domestic water supply will be by the City of New York. The sponsor states that if required, a new water meter will be installed.

Sprinkler water supply will be from an existing, dedicated water service. Water for this service is supplied by the City of New York

The Sponsors states that a new water water main will service the domestic water and the sprinklers.

Sanitary and storm sewers (combined) are located in the street and are owned and maintained by the City of New York. There is an existing combined house sewer that appears to be in working condition.

There are no septic tanks on the property.

Gas for heating, domestic hot water, cooking and clothes drying will be supplied by Keyspan Energy Company and will be billed to the Condominium Board.

Electricity will be supplied by Consolidated Edison Company of New York. Each Unit will be metered separately for electrical consumption and will be billed to the individual Unit Owners. There will be a separate meter for Common power (hall lighting, etc.), that will be billed to the Condominium Board.

Telephone service is supplied by Verizon Telephone Company and will be the responsibility of the individual Unit Owners.

Cable TV service is supplied by Brooklyn Queens Time Warner Cable and will be the responsibility of the individual Unit Owners.

E SUB-SOIL CONDITIONS

The existing foundations appear to be in good condition with no visible evidence of uneven foundation movement or settlement.

F LANDSCAPING AND ENCLOSURES

1. Grass Cover

There is no grass cover. The sponsor will not be providing landscaping.

2. Plantings

There are no plantings. The sponsor will not be providing landscaping.

3. Trees

None

4. Fencing

None

5. Gates

There will be a painted steel gate at the entrance court located at the street wall of the buildings. This gate will be a minimum of 8'-0" high.

6. Garden Walls

None

7. Retaining Walls

A new masonry retaining wall will be constructed at a new areaway with steps that leads from the cellar of the west building to the rear yard.

8. Display Pools

None.

G BUILDING SIZE

1. Total Height

Approximately 56'-0". Local law 11 is not applicable.

2. Crawl Spaces and Areaways

There are no crawl spaces.

There will also be a new areaway with steps that leads from the cellar of the west building to the rear yard.

3. Number of Sub-cellars and Cellars

There are no sub-cellars.

There is one cellar in the west building that will be accessed by the new rear areaway and a new interior stair from the first floor hall. The interior stair will be enclosed with two-hour rated construction. The cellar ceiling will have a one-hour fire rating.

4. Number of Floors

Five (5) Floors Including a penthouse floor, not including the cellar.

5. Equipment Rooms

The new heating and hot water equipment will be located in the existing boiler room in a vault located below the sidewalk in front of the west building. The walls are masonry, the floor and ceiling are cast concrete. These elements have a 2-hour fire rating. A new 1 1/2 hour fire proof self closing entry door and frame will be installed in the existing opening.

Water, sewer, and electric services will be located in the existing service entry room in a vault located below the sidewalk in front of the west building. The walls are masonry, the floor and ceiling are cast concrete. These elements have a 2-hour fire rating A new 1 1/2 hour fire proof self closing entry door and frame will be installed in the existing opening.

Combustion air for the heating equipment will be supplied by a 12" x 12" louver to the exterior.

H STRUCTURAL SYSTEM

1. The structural system for both buildings consists of exterior masonry bearing walls with an interior line of iron or steel columns and steel beams. The exterior bearing walls are located at the east and west side of both buildings and the interior line of columns and beams is located at approximately the centerline. Both bearing walls and interior steel run in a north/south direction. The extent or condition of the footings supporting the masonry bearing walls or the iron or steel columns could not be determined. However, there is no indication of settlement, deflection or deterioration in the bearing walls or the interior steel.

The existing floor and roof framing in the west building consists of 3 x 14 double wood joists at approximately 18" on center. The existing floor and roof framing in the east building consists of 3 x 14 single wood joists at approximately 12" on center. The wood framing in both buildings span in an east/west direction between the exterior bearing walls and the interior steel beams. There is no indication of settlement, deflection or deterioration in any of the wood floor or roof joists.

New framing at existing floors will consist of 3 x 8 wood joists at 16" on center. The new penthouse roof framing will consist of steel joists at 12" on center.

2. Exterior of Building

(i) Walls

The exterior walls of both of the existing buildings are brick. There are no visible signs of settlement or water infiltration.

The east and west exterior walls of the penthouse additions will consist of concrete block with a stucco finish. The north and south walls of the penthouse additions will consist of an exterior insulation finishing system (EIFS). The wall construction will be a steel stud system with insulation between the studs finished with 1) layer of "yellow" board at the exterior and 1) layer of gypsum board at the interior. A vapor barrier will be applied to the exterior followed by a 1 1/2" rigid insulation board and a synthetic stucco coating.

The new building entrance and elevator lobbies will be located in a court between the two existing buildings and will consist of a new aluminum and glass storefront system. Glazed entrance doors will be incorporated into this façade.

(ii) Cornice

None

(iii) Windows

New masonry openings for new lot line windows will be created in the east wall of the east building. Existing masonry openings for lot line windows occur in Units CB, 1B, 2B, 3B and 4B of the west building.

Windows throughout will be new, aluminum, modern, double glazed, double hung units.

Child guards for the windows shall be the responsibility of the individual Unit Owners, who will be required to install such protection in the event that a child resides in the Unit.

3. Parapets & Copings

There are existing masonry parapets in fair to good condition at the existing masonry walls of both buildings. These parapets are capped with terra cotta or cast concrete copings. The sponsor represents that new masonry walls will have terra cotta or cast concrete copings.

The Sponsor represents that the new parapets at the north and south walls of the penthouse additions will be as outlined in EXTERIOR OF BUILDING – WALLS, above, and will be capped with metal copings.

4. Chimneys and Caps

There will be no wood or gas burning fireplaces in the premises.

There is an existing masonry chimney / boiler flue in the southeast corner of the west building that extends approximately 10 feet above the roof level. The masonry and cast concrete cap appears to be in fair to good condition. New boiler and hot water equipment will utilize this existing flue.

5. Balconies & Terraces

There will be new projecting balconies and new inset terraces at some of the rear units of the west building and new decorative, projecting balconies at some of the rear units of the east building. The projecting balconies will be of non-combustible construction. Balconies and terraces will be protected with code conforming non-combustible railings.

6. Exterior Entrances

(i) Exterior doors and frames

The new building entrance will be located in an existing court between the two existing buildings and will consist of new glazed aluminum entrance doors. Doors will be provided with self-closing devices and locksets.

A new in-swinging, hollow metal and glass door will provide access from the entrance lobby to the rear yard. This door will be provided with a self-closing device and lockset.

New, out-swinging, hollow metal and glass doors will provide access from the top most elevator lobby to the penthouse roofs. These doors will be provided with self-closing devices and locksets.

Entrances from individual units to adjacent balconies and roof terraces will be by new, aluminum and glass sliding doors. These doors will be provided with integral locksets.

New hollow metal doors and frames will provide access to the cellar of the west building, to the first floor non- residential loft unit in the east building and from new stair bulkheads in each building to the penthouse roofs. These doors will be provided with self-closing devices and

locksets.

An existing, roll up metal door from the street to the first floor residential loft unit in the east building will be replaced with aluminum windows as described elsewhere.

(ii) Hall

None

(iii) Exterior stairs

There will be new concrete steps and a new concrete handicapped ramp leading from the sidewalk level to the new entrance lobby at the front of the building. And there will be new concrete or steel steps leading from the entrance lobby to the rear yard.

There will be new concrete or steel steps leading from the cellar of the west building to the rear yard.

(iv) Railings

All exterior stairs and ramps will be provided with code compliant railings and handrails.

(v) Mailboxes

There will be thirty-four (34) new mailboxes, of the ganged aluminum type, located within the first floor hall of the east building.

(vi) Lighting

Exterior lighting will be provided by new lighting fixtures located at the front of the building, at the first floor building entrance and at the stairs from the cellar of the west building to the rear yard.

Balconies and roof terraces will be provided with lighting from new lighting fixtures.

7. Service entrance

A new service entrance will be provided at the southwest corner of the west building. Access to the cellar will be by a new metal stair.

Access will also be provided from the first floor hall by an enclosed internal stair.

8. Roof and roof structures

(i) Type of roof for all areas

Roofing at the new penthouses will be a class "B", torch applied built up roofing with a 2 ply membrane system and a granular top sheet. The roofing will be complete with all required flashings, anchorages, seals / sealants and accessories per the Manufacturer's recommendations. Roofing shall be manufactured by Firestone, Mansville or equal.

Existing roofing at the penthouse terraces is serviceable and is scheduled to remain. See the asbestos report elsewhere in this prospectus.

The roofing, if kept in good repair, should have a life expectancy of a least 10 or more years. No bonds or guarantees will be furnished.

(ii) Drains

New and existing roofs will be pitched to drain to roof drains with new internal leaders.

(iii) Skylights

An existing metal and glass skylight is located over the upper level bedroom in Unit 4C. This skylight will replaced with a new fixed acrylic glazed aluminum skylight.

New metal and acrylic skylights will be installed in the new canopy located over the building entrance at the first floor level.

The Sponsor represents that the ventilating skylights scheduled to be installed at the roofs of the new interior stairs will not be installed. Ventilation will be supplied by code compliant windows and louvers at the roof level.

(iv) Bulkheads

There will be two new, rectangular masonry stair bulkheads at the level of the penthouse roof. The exterior of these bulkheads will be finished with the same finish as the exterior walls of the penthouse and roofed with the same material as the penthouse roofs.

There will be a new, rectangular elevator bulkhead at the level of the penthouse roof. The exterior of this bulkhead will be finished with the same finish as the exterior walls of the penthouse and roofed with the same material as the penthouse roofs.

(v) Metal work at roof level

There will be new metal copings at new metal stud Penthouse walls and a fixed louver smoke vent at the elevator shaft.

(vi) Rooftop facilities

Fourth floor duplex Units in both buildings will have exclusive use of the roof terraces adjacent to their penthouses. These terraces are partially (20%) covered with wood decking supported on the roof structure below. These terraces will be enclosed with a code conforming railing system.

The common roof terraces on the penthouse roofs will be accessible via the elevator and both public stairs. These terraces will be partially paved as indicated in the attached plans with rubber roof tiles and will be enclosed on all sides by building walls at least 3'-6" high.

9. Fire escapes

None.

10. Yards and Courts

(i) Paving

The front areaway / building entrance and the rear areaway will be paved with new concrete.

The rear yards will be unpaved. The rear yards adjacent to the rear units of the east building will be for the exclusive use of these individual units and will be divided with a new fence. These individual unit Owners will be responsible for landscaping and maintaining the rear yard.

(ii) Drainage

A new area drain will be installed in the front areaway / building entrance with the paving sloped to drain.

There will also be an area drain at the bottom of the rear stairs leading from the cellar to the rear yard.

There will be no yard drain in the unpaved area of the rear yard.

11. Interior Stairs

(i) Number of Stairs

There will be two public, enclosed, interior fire stairs in the premises. Both stairs will lead from the first floor to the roof. The stair in the west building will also provide access to the cellar. The stairs will be sprinklered at the bottom landing and the top landing. Windows will be provided at the roof level for ventilation. It is noted that these stairs will not provide access to or from the upper

There will be private interior stairs in each fourth floor unit leading to the penthouse mezzanine and to the private roof terrace.

(ii) Enclosure

The public stairs will be enclosed by new and existing, rated, masonry.

The private stairs will be unenclosed.

(iii) Stair construction

The public stairs will be "U" shaped from the first floors to the roof. The stair will consist of painted metal stringers, treads, and balusters. The treads will be concrete filled. The handrails will be painted steel pipe.

The private stairs will be "U" shaped and will consist of painted metal stringers, treads and risers. The handrail will be hardwood with a clear finish.

12. Interior doors and frames

(i) Unit entrance

Unit entrances will be new, self closing, fire rated, metal doors with metal frames. These doors will have peepholes, locksets and chain guards.

(ii) Unit interior

Interior doors will be new painted hardboard hollow core doors with wood frames.

(iii) Corridor, Stair hall, Roof, Basement and Cellar Doors and Frames

The doors in the public halls, other than Unit entrance doors, will be new, self-closing, fire rated, metal doors with metal frames.

13. Elevators

There will be one new automatic hydraulic passenger elevator servicing the cellar through the roof (7 stops) on 6 floors including the lobby. The machine room for the elevator equipment will be located in the cellar of the west building. The elevator will be rated for a load of 2000 pounds (8 persons maximum) and a speed of 100 feet per minute. The cab shall have plastic laminate and/or stainless steel panel walls with a single speed sliding steel door. The cab will have vinyl composition flooring, metal ceiling and compact fluorescent lighting. The power supply will be 208 volts, 3 phase, 60 cycle. The elevator will be equipped with all safety devices required by the New York City Building Code and will be handicapped accessible. The elevator contractor will obtain a permit for the New York City Department of Buildings for the installation of the elevator and will obtain all necessary sign offs upon completion of the work.

It is noted that the elevator will not stop at the upper level of the penthouse apartments.

I AUXILIARY FACILITIES

1. Laundry Rooms / Facilities

Each residential unit will be provided with hookups for washers and dryers. Hookups will consist of hot and cold water, waste, electrical receptacle and 3/4" gas connection. The dryers will be vented to a goose neck at the roof. Individual Unit Owners will be responsible for the purchase of the washer and dryer units and arranging for the installation.

2. Refuse Disposal

(i) Incinerators and Compactors

There will be no incinerators in the premises.

A new trash compactor will be installed in an enclosed compactor room in the cellar of the west building. Floors 1 – 4 of the west building will be provided with an enclosed trash room that will provide access to a code compliant trash chute with a metal self-closing door. This trash chute will lead directly to the trash compactor located in the cellar.

(ii) Approvals

None required.

(iii) Initial storage location

Trash will be stored in the enclosed compactor room in the cellar of the west building and will be brought to the curb on days as indicated for pickup by the City of New York.

Recyclables will be stored in containers located in the trash / recycling room located on each floor of the west building.

The Board shall be responsible for providing recycling cans, placing trash and recyclables in storage, and preparing them for collection.

(iv) Pickup schedule

Refuse for the Residential Units will collected twice weekly by the New York City Department of Sanitation, weather permitting.

J <u>PLUMBING AND DRAINAGE</u>

1. Water Supply

Potable water will be supplied by the City of New York through street mains to a service connection located at the south wall of the vault below the sidewalk in front of the west building. This service will provide domestic water for the building, via cold water mains of sufficient diameter, serving each unit and the boilers and domestic water heaters. Water supply piping in the cellar will be insulated.

2. Fire Protection System

There is an existing sprinkler system throughout the building that will be modified as required to provide full coverage for the new layouts and room configurations. The system will be code complaint and will be complete with all required controls, check valves, tamper flow switches and valves. The entire system will be supplemented by a siamese connections located in the south exterior walls of the east and west buildings facing Lexington Avenue. It is noted that the sprinkler heads and piping are scheduled to be exposed below the ceilings of the units.

3. Water Storage Tanks.

None is required.

4. Water Pressure

There is normally adequate street pressure to service a building of this size and type.

5. Sanitary Sewer System

The existing cast iron combined sanitary and storm sewer connection to the street appears to be in working order.

Sanitary sewage within the building will be drained by gravity through no-hub cast iron piping. There is an existing house trap near the south wall of the cellar of the west building.

6. Permits Required.

None.

7. Storm Drainage System

Storm water within the building will be drained by gravity through no-hub cast iron piping. There is an existing house trap near the south wall of the cellar of the west building.

8. Plumbing Fixtures

Residential plumbing fixtures supplied by the Sponsor shall be as follows or equivalent:

ITEM	MANUFACTURER	SERIES / REMARKS
Water Closet	American Standard	Renaissance
Bathtub	American Standard	60" whirlpool
Lavatory	American Standard	Studio undermount
Kitchen sink	Eljer	33" stainless steel, undermount

The Sponsor reserves the right to provide alternative Manufacturer models of equivalent quality.

9. Domestic Hot Water

There will be three (3) new 100 gallon hot water storage tanks, Weil-McLain, Plus 100/110/119, supplied by three of the common boilers described below. Hot water will be supplied to the fixtures and appliances in each Unit through type "L" copper pipes with soldered connections.

K HEATING

1. Description

The common areas in the cellar will be heated by hot air from a ceiling mounted air handler: York - model MA08 BN21

The Elevator lobby on the first floor will be heated by hot air from a ceiling mounted air handler: York - model MA08 BN21 and ducted to the Lobbies on the second third and fourth floors above.

The Sponsor reserves the right to provide alternative models or Manufacturers of equivalent quality and capacity.

The two Non-Residential Units in the cellar and the common areas will be heated by the common hot water boilers described below.

The other Units will be heated by hot air through a series of ducts and registers connected to individual air handlers located within each Unit, as described in section (m) below. These air handlers will typically be ceiling hung in the storage lofts on the lower three floors and roof mounted on the private terraces of the fourth floor duplexes.

Heat for the air handlers in the cellar and on the lower three floors will be provided via hot water coils supplied by the common hot water boilers described below.

Heat for the air handlers in the fourth floor duplexes will be provided via gas-fired heat exchangers supplied by the common gas meter.

Each Unit will have a wall-mounted thermostat controlling the temperature within that unit.

2. Number of Boilers and Description

There will be three six (6) gas-fired hot water boilers installed in the vault below the sidewalk in front of the west building. Three will supply hot water heating for the Units on the lower floors, the two Non-Residential Units in the cellar and the common areas and three will supply domestic hot water to the storage tanks described above. A common gas meter will supply these boilers.

3. Manufacturer and Age of Boiler

The boilers will be manufactured by Weil-McLain, model EGH-95. These boilers have a rated heating capacity of 400,000 BTU/HR Input and 320,000 BTU/HR Output each and will be complete with new pumps, aquastats, reset controls, etc.
The Sponsor reserves the right to provide alternative Manufacturer models of equivalent quality.

4. Manufacturer and Age of Burner

N/A – Gas Fired System.

5. Controls

The Boilers will be controlled by an outside air temperature sensor connected to a Boiler Control Panel, which will operate the boilers as required by the New York State Multiple Dwelling Law.

6. Radiators, piping, insulation, valves, pumps.

The two Non-Residential Units in the cellar and the remaining common areas will be heated by new fin-tube or cast iron radiation with thermostatically controlled valves.

Heating Hot Water will be supplied to the Units on the lower three floors, the common areas in the cellar, the two Non-Residential Units in the cellar and the remaining Common Areas via new insulated supply and return risers of type M copper.

Three-way diverting valves in each air handler will control the hot water coils on the lower three floors and Cellar.

Electronic gas valves in each air handler will control the gas-fired heat exchangers at the fourth floor duplexes.

There will be common pump(s) sized appropriately and located in the Boiler room.

7. Fuel

Natural Gas.

8. Location of Fuel Tank
N/A - Gas Fired System.

9. Fuel Tank Capacity
N/A - Gas Fired System.

10. Adequacy

The Sponsor represents that the heating system has been designed in accordance with the temperature standards of the New York State Energy Code and will provide adequate heat throughout the residential portions of the building.

L <u>GAS SUPPLY</u>

Natural Gas will be provided through street mains to the property via the existing 3" gas service located in the vault below the sidewalk in front of the west building.

Gas metering for heating and hot water and for domestic cooking and dryers will be common.

Interior service shall be through new black iron common risers and service pipes to the fourth floor air handlers and the Unit appliances.

M <u>AIR CONDITIONING</u>

1. Description

There will be no air-conditioning provided in the common areas or for the Non-Residential Unit in the cellar. Air conditioning for this Unit will be the obligation of the Unit Owner.

Individual split systems with air handlers and remote condensers will be used in the Units at the lower three floors.

Individual single package rooftop systems will be used in the duplex Units at the fourth floor.

2. Air Handlers

Four different Models will be used depending on the capacities required:

- York - model AHP30 2AH Units 1A, 1B, 1G, 1H, 2A, 2B, 2G, 2H, 3A, 3B, 3G, 3H
- York - model AHP48 2CH Units 1C, 1D, 1E, 1F, 2C, 2D, 2E, 2F, 3C, 3D, 3E, 3F
- York - model DF060 N08 N 2 Units 4A, 4B, 4E, 4F
- York - model DF090 N10 N 2 Units 4C, 4D, 4E, 4F

The Sponsor reserves the right to provide alternative models or Manufacturers of equivalent quality and capacity.

3. Condensers

Two different Models will be used depending on the capacities required:

- York - model H3RE030S06 Units 1A, 1B, 1G, 1H, 2A, 2B, 2G, 2H, 3A, 3B, 3G, 3H
- York - model H2RE042S06 Units 1C, 1D, 1E, 1F, 2C, 2D, 2E, 2F, 3C, 3D, 3E, 3F

The Sponsor reserves the right to provide alternative models or Manufacturers of equivalent quality and capacity.

4. Maintenance

Filter replacement will be a scheduled maintenance obligation of the condominium association.

N VENTILATION

All habitable rooms will have natural ventilation through operable windows. All bathrooms will be mechanically ventilated per code.

The public stairs will be ventilated via fixed louvers in the bulkhead walls at the top of the stairs.

The elevator machine room, elevator shaft, trash compactor room and trash chute will be ventilated as required by the New York City Building Code.

The public halls will have operable windows

Combustion air to the boiler room will be provided by a louver and metal duct to the exterior.

Gas dryer units will be exhausted via new 4 inch round metal ducts to the roof.

O ELECTRICAL SYSTEM

1. Service

There is an existing electrical service in the cellar of the west building with a main service disconnect switch. This service is scheduled to remain.

2. Service to Individual Units

There will be separately metered 100 amp, 220 volt service for each of the Units and a separately metered 200 amp service for the common areas for lighting, fans, elevator, etc.

3. Compartment Switch Gear

Each unit will have a separate 100 amp, 220 volt breaker in the cellar.

The common elements will have a separate 200 amp, 220 volt breaker in the cellar

4. Unit service

Each unit will have a 100 amp breaker panel with a minimum of twelve (12) circuits. Circuits will be protected with a combination of 15 and 20 amps breakers.

5. Adequacy

The sizing of the unit panels and the circuits and the installation and location of convenience receptacles, GFI receptacles, lighting receptacles and switches will be in accordance with the electric code of the City of New York.

6. Intercommunication System

All units will be connected to a video intercom and remote door release system with an annunciator panel located at the main entrance. Each unit will be provided with one (1) video/audio apartment station for communication with the main panel. At the main entrance there will be a directory that will contain a video camera. The system will be Airphone or equal.

P TELEPHONE AND TELEVISION RECEPTION FACILITIES

Television and telephone wiring will be installed within the walls within the units and connection terminals will be located in the bedroom and the living / dining area.

Each individual Unit owner will make his/her own arrangements for cable television and telephone services.

Q PUBLIC AREA LIGHTING

The entry lobby, public halls, public stairs and common areas in the cellar will be provided with adequate incandescent or fluorescent lighting.

R GARAGES AND PARKING AREAS

There are no public garages on the property. There is alternate side of the street parking on the surrounding streets.

S RECREATIONAL FACILITIES

There will be a Gym space located in the cellar and a terrace located on the penthouse roof for the common use of the condominium.

T ADDITIONAL ITEMS – VIOLATIONS, PERMITS, CERTIFICATES

There will be no open violations of record against the premises at the time the construction is complete and a new Certificate of Occupancy is issued.

The boilers will be required to be registered with the Department of Environmental Protection and will be required to undergo an annual self-inspection by a licensed boiler maintenance company hired by the Board.

The elevator, which is filed under a separate application with the New York City Department of Buildings, will be required to undergo an annual maintenance inspection by a licensed elevator maintenance company hired by the Board.

The sprinkler system must also undergo an annual inspection by a licensed plumber hired by the Board.

All of these inspection reports must be filed with the New York City Department of Buildings and all defects must be corrected.

U UNIT INFORMATION

1. Description

There will be a total of thirty-two (32) residential units and one (1) non-residential loft units. Layout diagrams of the Units with approximate room sizes accompany this report.

Unit CA is located in the northern half of the cellar of the west building

Units 1A, 1B, 1C & 1D are located on the first floor of the west building
Units 1E, 1F, 1G & 1H are located on the first floor of the east building

Units 2A, 2B, 2C & 2D are located on the second floor of the west building
Units 2E, 2F, 2G & 2H are located on the second floor of the east building

Units 3A, 3B, 3C & 3D are located on the third floor of the west building
Units 3E, 3F, 3G & 3H are located on the third floor of the east building

Units 4A, 4B, 4C & 4D are located on the fourth floor of the west building
Units 4E, 4F, 4G & 4H are located on the fourth floor of the east building

2. Room Count - Ceiling Heights.

Residential Units

UNIT	ROOMS	APPROX CEILING HEIGHT
Unit CA	Non-residential loft, 1/2 bath	10'-0"
Unit 1A	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 1B	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 1C	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 1D	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 1E	Non-residential loft, 1 Full Bath	11'-5"
Unit 1F	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 1G	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 1H	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 2A	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 2B	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 2C	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 2D	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 2E	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 2F	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 2G	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 2H	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 3A	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 3B	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 3C	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 3D	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 3E	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 3F	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 3G	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 3H	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"

Unit 4A	Living/Dining, Kitchen, Study / Den, 2 Bedrooms, & 2 Full Baths	12'-10" Fourth Floor 11'-6" Penthouse
Unit 4B	Living/Dining, Kitchen, Study / Den, 2 Bedrooms, & 2 Full Baths	12'-10" Fourth Floor 11'-6" Penthouse
Unit 4C	Living/Dining, Kitchen, Study / Den, 2 Bedrooms, & 2 Full Baths	12'-10" Fourth Floor 11'-6" Penthouse
Unit 4D	Living/Dining, Kitchen, Study / Den, 2 Bedrooms, & 2 Full Baths	12'-10" Fourth Floor 11'-6" Penthouse
Unit 4E	Living/Dining, Kitchen, Study / Den, 2 Bedrooms, & 2 Full Baths	12'-10" Fourth Floor 11'-6" Penthouse
Unit 4F	Living/Dining, Kitchen, Study / Den, 2 Bedrooms, & 2 Full Baths	12'-10" Fourth Floor 11'-6" Penthouse
Unit 4G	Living/Dining, Kitchen, Study / Den, 2 Bedrooms, & 2 Full Baths	12'-10" Fourth Floor 11'-6" Penthouse
Unit 4H	Living/Dining, Kitchen, Study / Den, 2 Bedrooms, & 2 Full Baths	12'-10" Fourth Floor 11'-6" Penthouse

3. Appliances

Residential appliances supplied by the Sponsor shall be as follows or equivalent:

ITEM	MANUFACTURER	SERIES
24" Dishwasher	Frigidaire	Gallery
33" Refrigerator	Frigidaire	Gallery
30" Gas Range	Frigidaire	Gallery
30" Microwave / Hood	Frigidaire	Gallery

The Sponsor reserves the right to provide alternative models or Manufacturers of equivalent quality.

Clothes washers and gas dryers will be the responsibility of the individual Unit Owners.

4. Cabinets

Kitchen wall and base cabinets will be of wood or wood products with panel doors. Countertops will be of plastic laminate, composites or stone.

Bathroom vanities will be of wood or wood products with panel doors. Counters will be of plastic laminate, composites or stone.

5. Finishes

Finishes within the residential units will be new unless noted otherwise.

Typical finishes within the Units will be as follows:

LOCATION	FINISH
Floors throughout	New or existing wood finished with polyurethane
Kitchen floors	Ceramic tile
Bathroom floors	Ceramic tile
Tub / shower surrounds	Ceramic tile
Walls and ceilings	Painted gypsum wallboard
Entrance doors and trim	Painted metal
Interior doors and trim	Painted wood or wood products
Baseboards / moldings	Painted wood or wood products
Window sills / trim	Painted wood or wood products

V FINISH SCHEDULE OF SPACES OTHER THAN UNITS

ROOM	FLOORS	WALLS	CEILING
Gym	concrete	masonry	Gypsum wallboard
Boiler Room	concrete	masonry	concrete
Meter Room	concrete	masonry	concrete
Trash Compactor Room	concrete	masonry	gypsum wallboard
Cellar Storage Rooms	concrete	masonry	gypsum wallboard
Public Hall	carpet	gypsum wallboard	gypsum wallboard
Public Stairs	concrete	masonry	

W GENERAL INFORMATION

I have examined the records available at the Department of Buildings and personally inspected the premises. To the best of my knowledge and belief, this report contains an accurate description of the building. At the time this report was being prepared renovation work was taking place throughout the building, therefore, situations and/or conditions noted during inspections may have changed.

Many of the components are concealed, obstructed or not available for inspection and no representation is made of them.

The inspections and report do not address and are not intended to address the possible presence of asbestos containing materials. However, the asbestos report, located after this report, indicates that this is a "non-asbestos" project.

The inspections and report do not address and are not intended to address the possible presence of lead containing material. However, at the completion of construction all existing surfaces will be enclosed in new construction or will be refinished, thereby encapsulating any possible lead containing material.

The Sponsor represents that routine pest control will be provided on an as needed basis.

Local Law 11 is not applicable to these premises.

The building, as designed, complies with the requirements of Local Law 58 regarding accessibility for persons with disabilities.

The Sponsor represents that all units will have smoke detectors and carbon monoxide detectors as required by Building Department Rules and Regulations. These may be combination type units.

END OF REPORT

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ARCHITECT'S CERTIFICATION

James H. Baer, Architect, AIA
55 Eastern Parkway, Apt. 6F
Brooklyn, New York 11238

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

Re: 105 Lexington Avenue, Brooklyn, NY
105 Lexington Avenue
Brooklyn, New York 11238

The sponsor of the offering plan to convert the captioned property to condominium ownership has retained my firm, James H. Baer - Architect, to prepare a report describing the renovation of the property, (the "Report",). I visually inspected the property on May 12, 2006 and again on February 22, 2008 and prepared the report dated March 17, 2008, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the report. We examined the building plans and specifications that were prepared by Bernard J. Doyle Architect and dated May 10, 2006.

I am a registered architect in the State in which the property is located.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

I have read the entire Report and investigated the facts set forth in the Report and the facts underlying it and conducted the visual inspection referred to above 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 physical condition of the entire as it will exist upon completion of renovation provided that the renovation 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 physical condition of the property;

(iii) does not omit any material fact;

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

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

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

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

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representation or statement made.

I further certify that my firm is not owned or controlled by and my firm and I 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.

James H. Baer, Architect

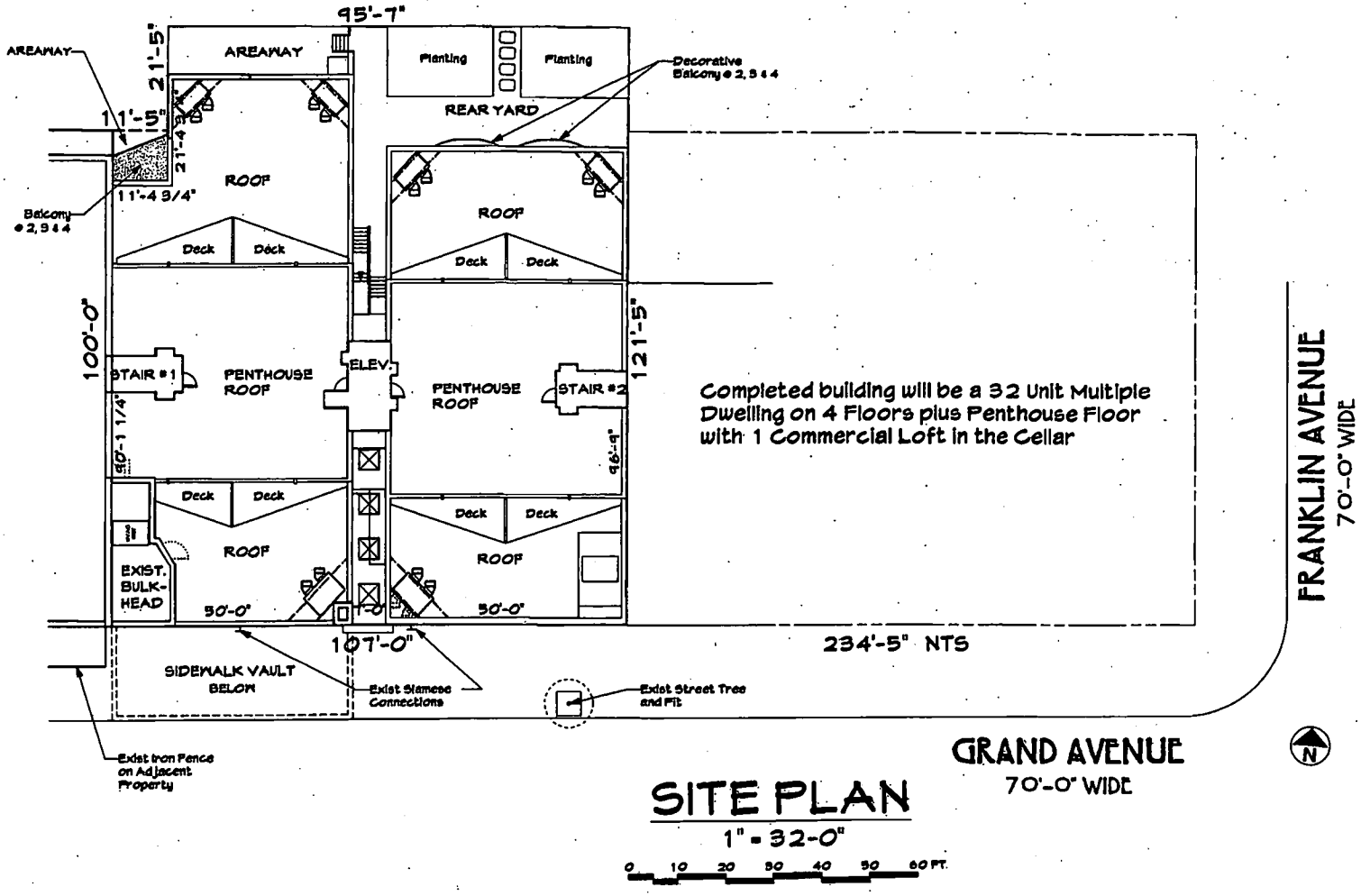
By: _____
James H. Baer, AIA (Registered Architect)
N.Y.S. License #20194



Sworn to before me
this 17th day of March 2008

_____
Notary Public

ELLEN MARKS
NOTARY PUBLIC STATE OF NEW YORK
NO. 02MA4973231 KINGS COUNTY
COMMISSION EXPIRES OCT. 15, 2009



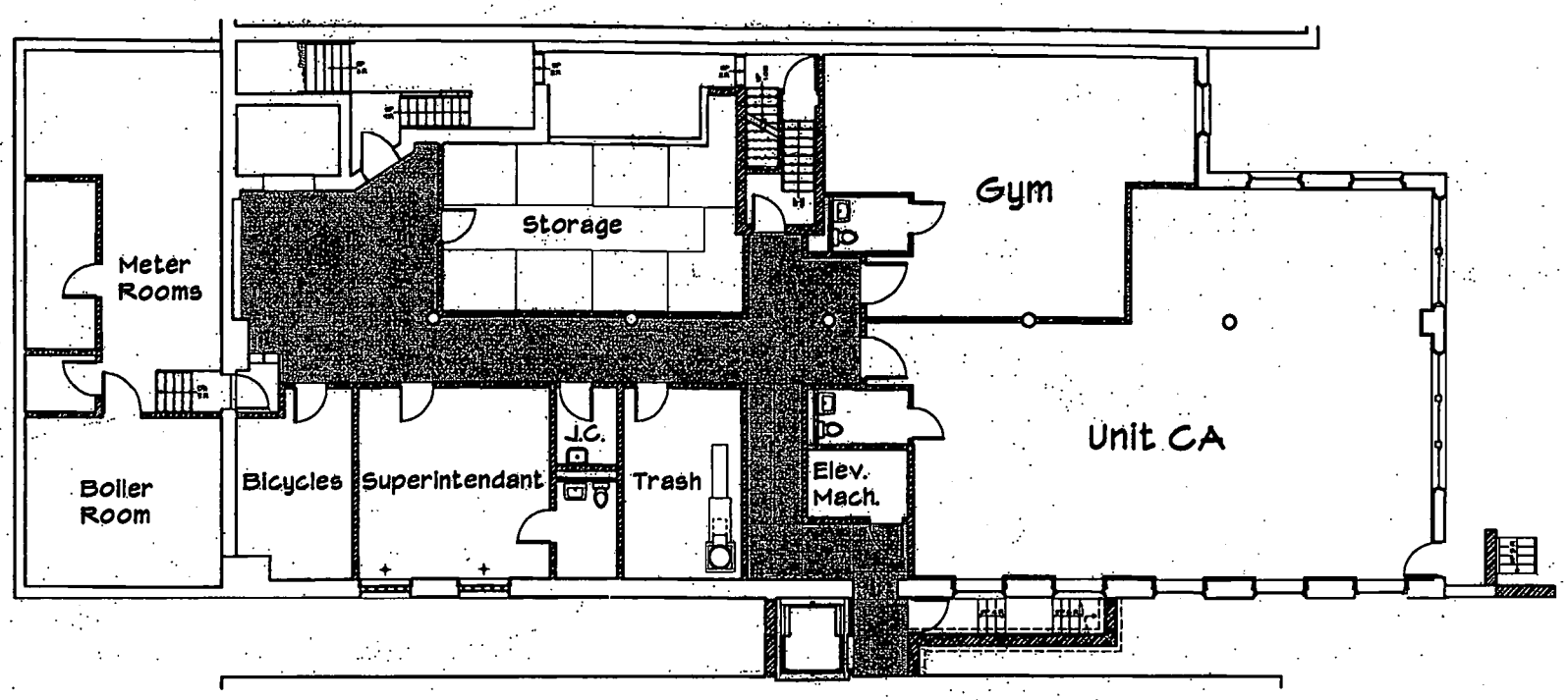
SITE PLAN

1" = 32'-0"

0 10 20 30 40 50 60 FT.

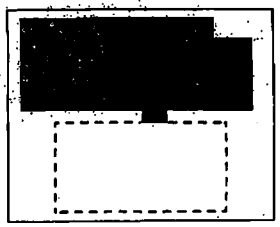
105 - 111 Lexington Ave, Brooklyn N.Y. 11238: (Exist. - 4 Story & Cellar w/ Penthouse Addition)

Block:	1967	Lot: 38	Map: 16C
Zoning:	R6	Comm. Board:	303
Const. Classification:	Class 3, Non-fireproof, Fully Wet Sprinklered		
Occup. Classification:	Mixed Use Building - Residential/Industrial		



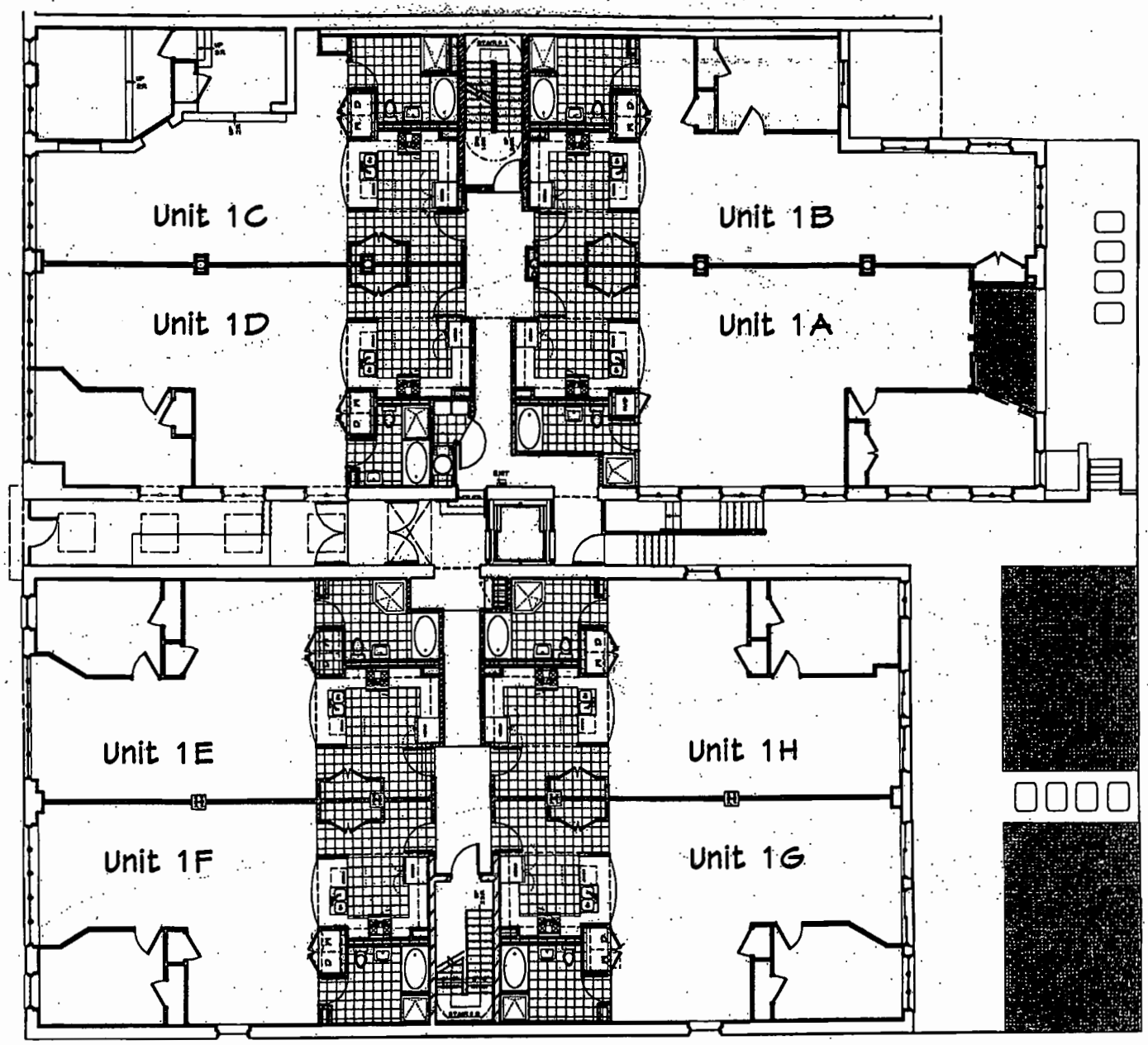
Cellar Plan

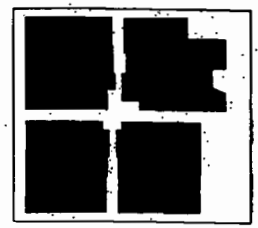
0 3 6 12 18 30FT



Key Plan
Cellar Floor

Note: All Dimensions Are Approximate.



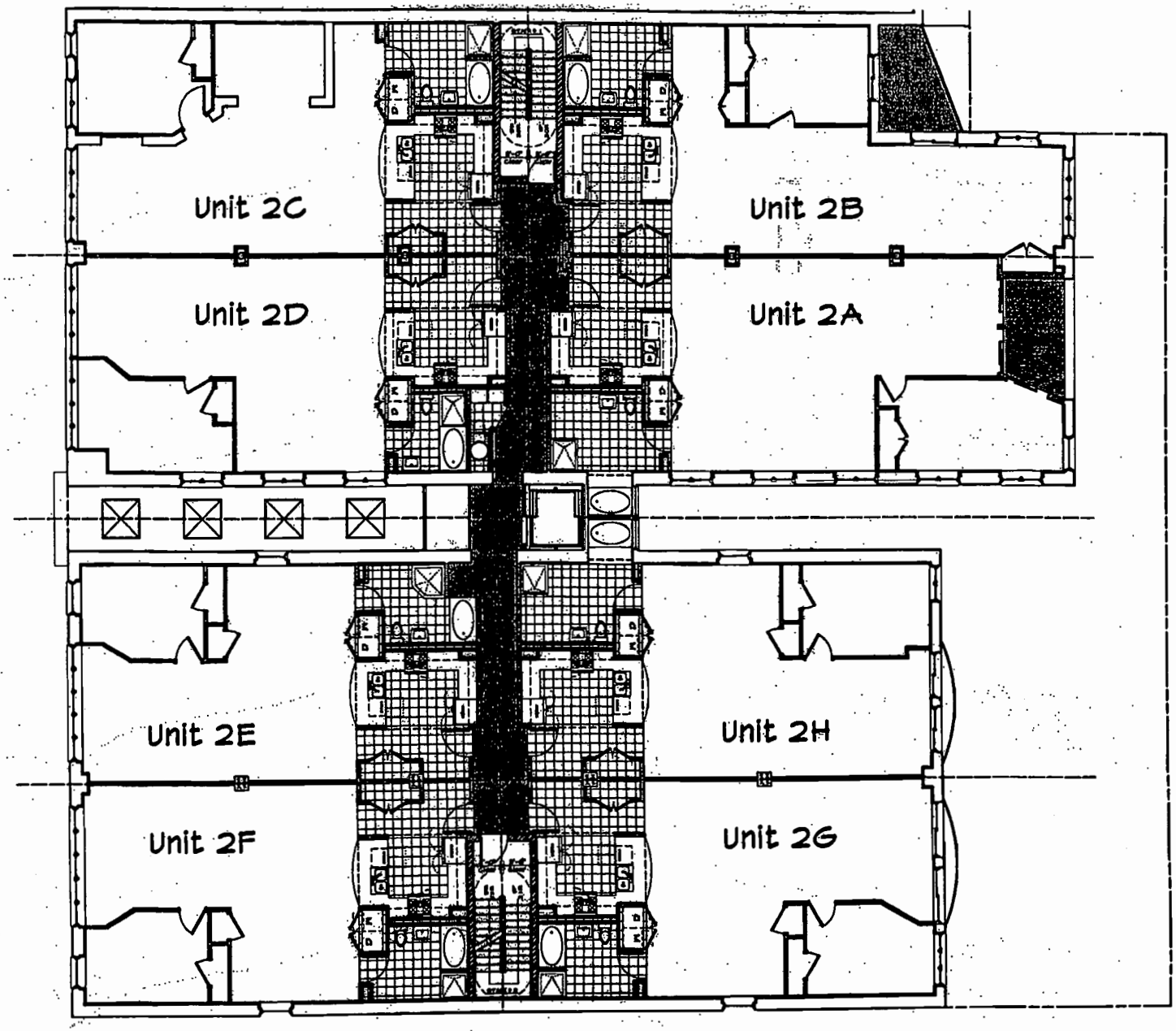


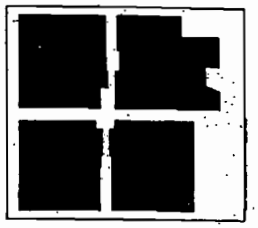
Key Plan
First Floor

N

First Floor Plan

Note: All Dimensions Are Approximate.



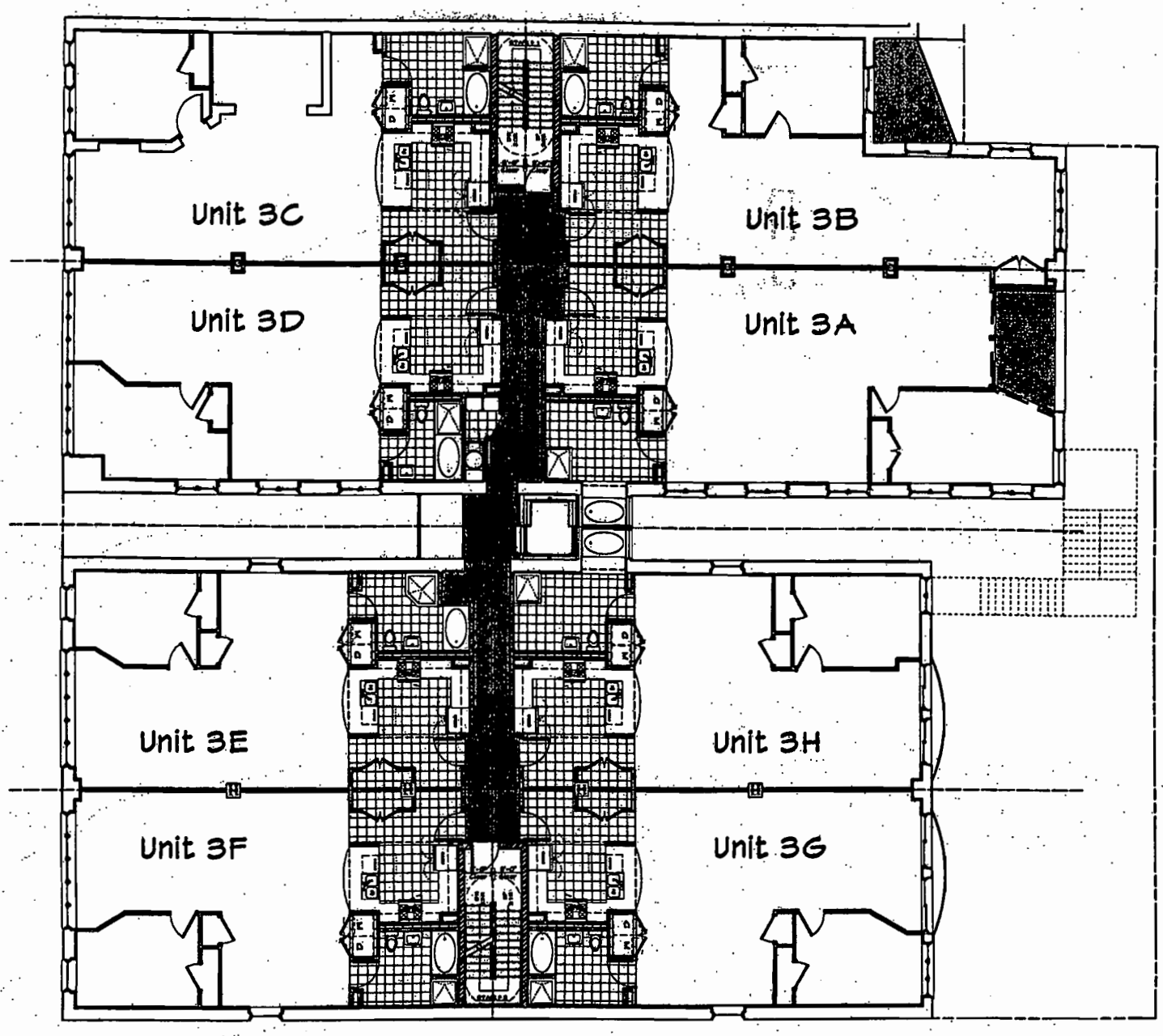


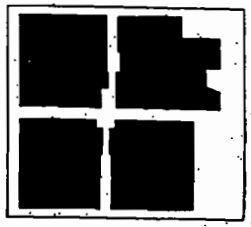
Key Plan
Second Floor

N

Second Floor Plan

Note: All Dimensions Are Approximate.



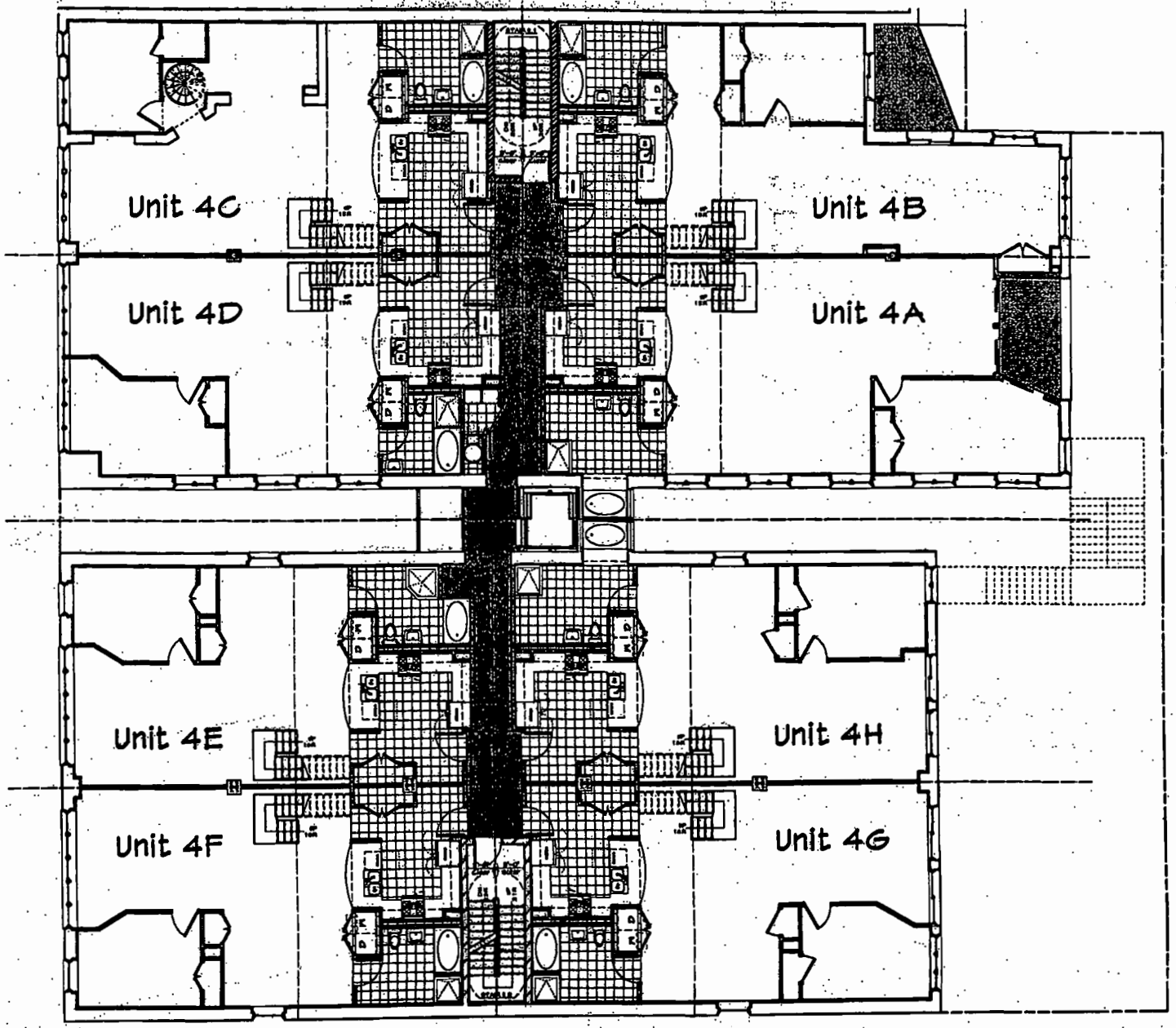


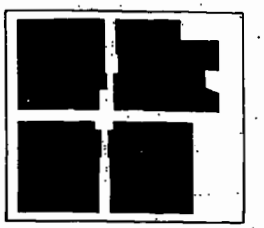
Key Plan
Third Floor

N

Third Floor Plan

Note: All Dimensions Are Approximate.



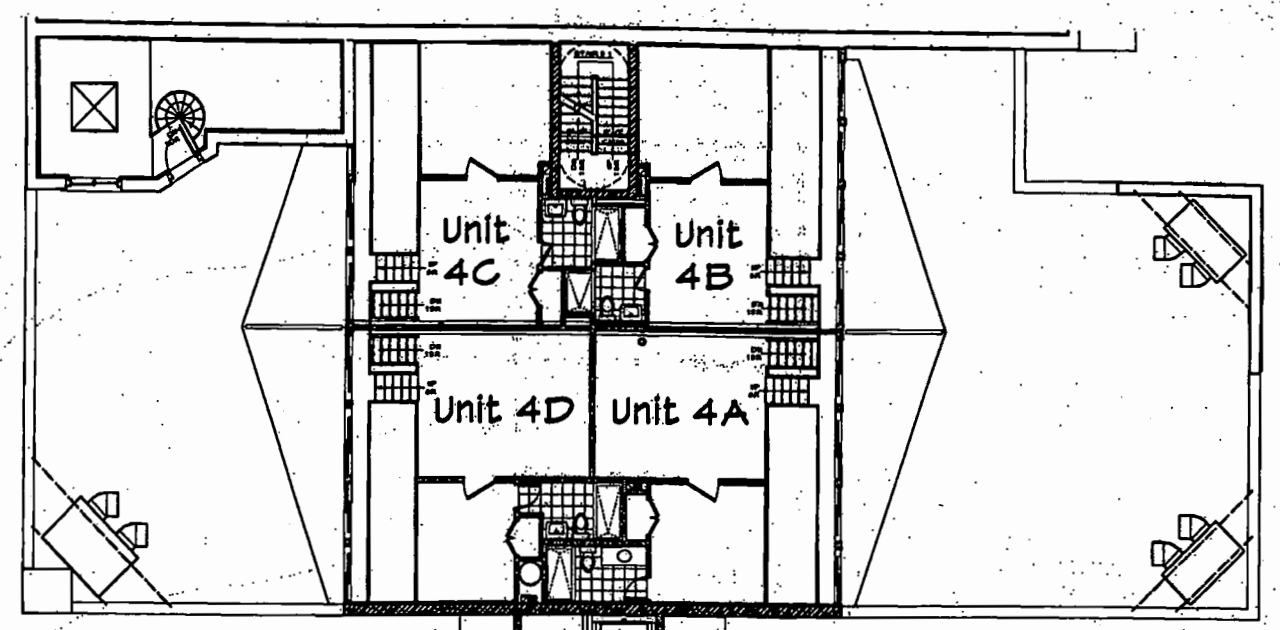


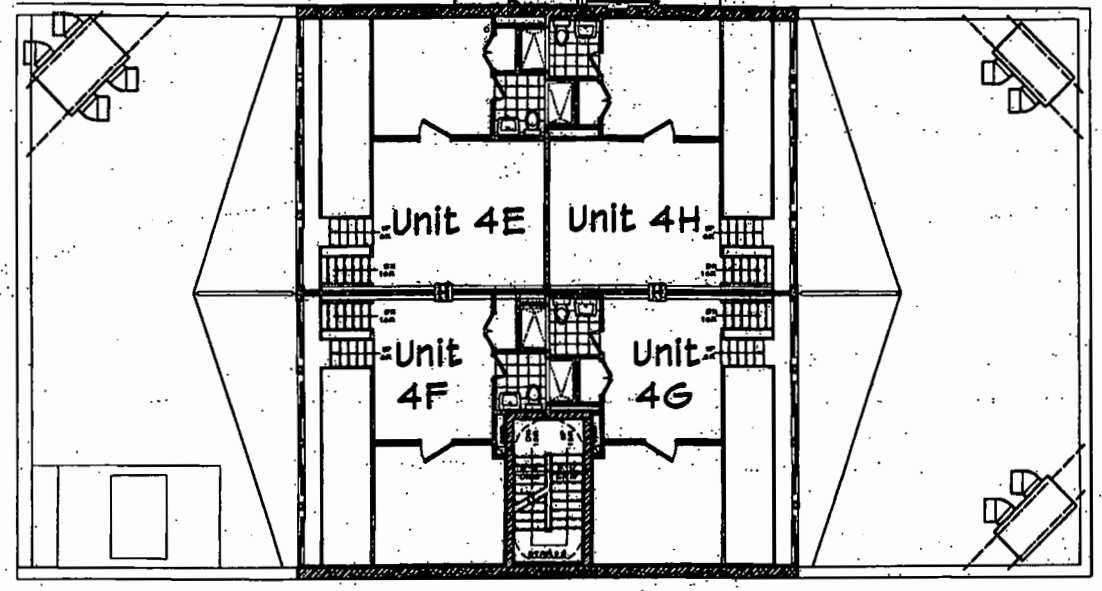
Key Plan
Fourth Floor

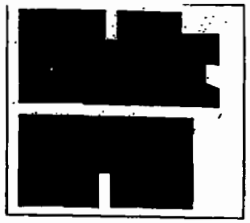
N

Fourth Floor Plan - Lower Level

Note: All Dimensions Are Approximate.





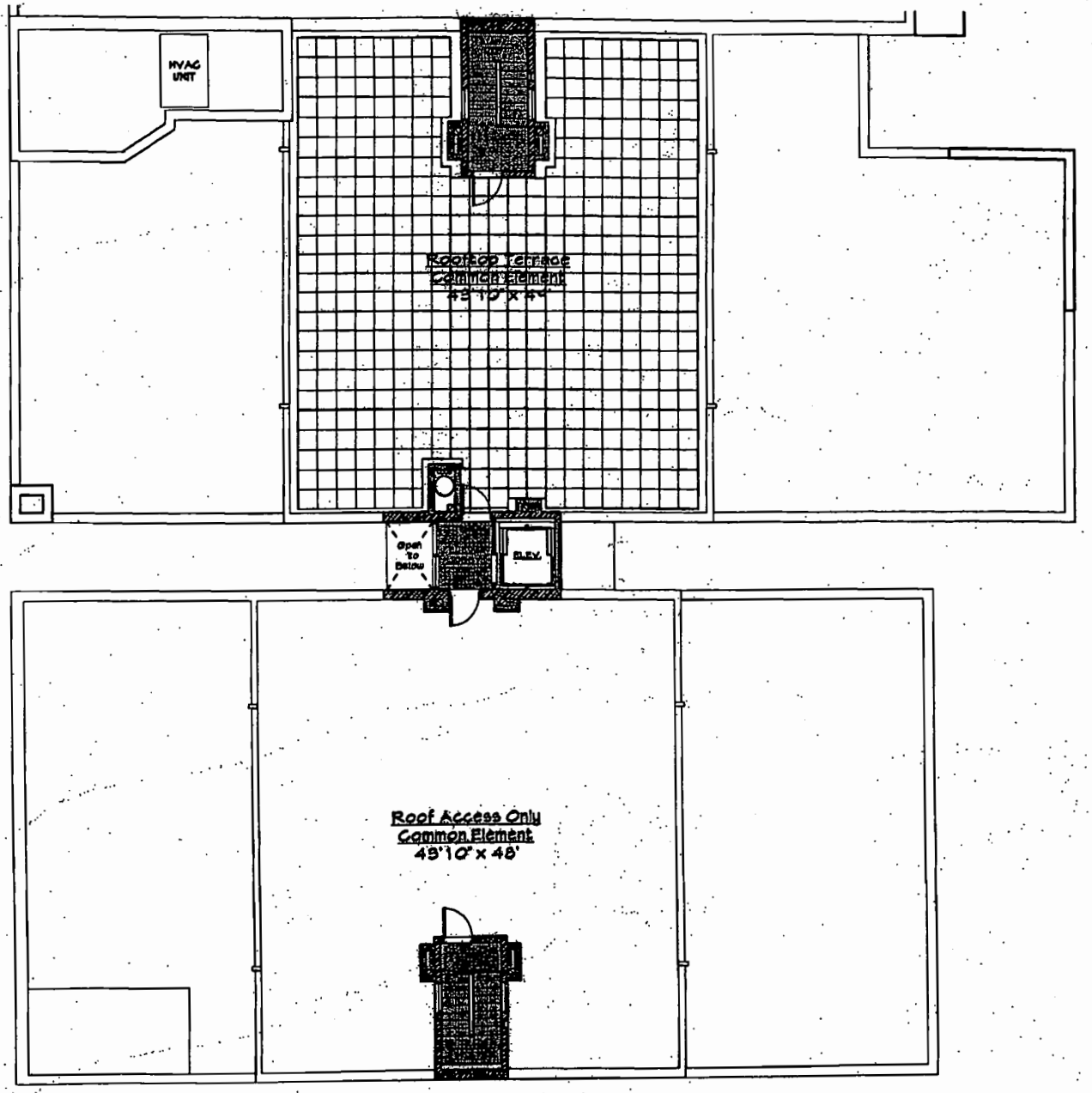


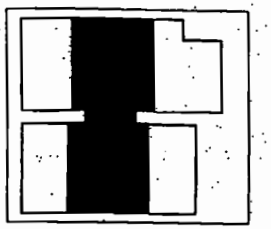
Key Plan
Penthouse Floor

N

Fourth Floor Plan - Upper Level

Note: All Dimensions Are Approximate.





Key Plan
Rooftop

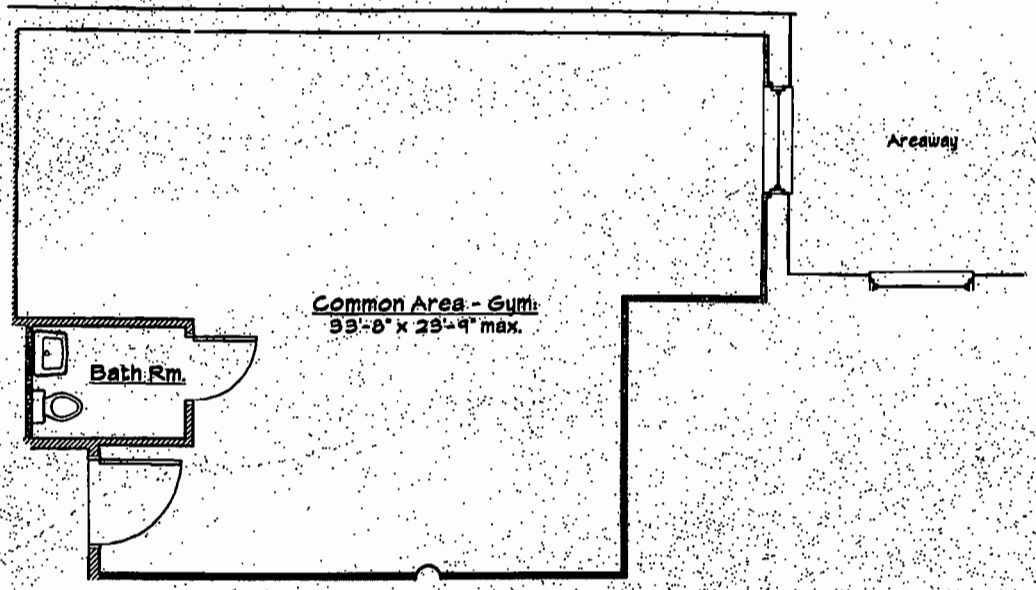
N

Roof Plan

Note: All Dimensions Are Approximate.



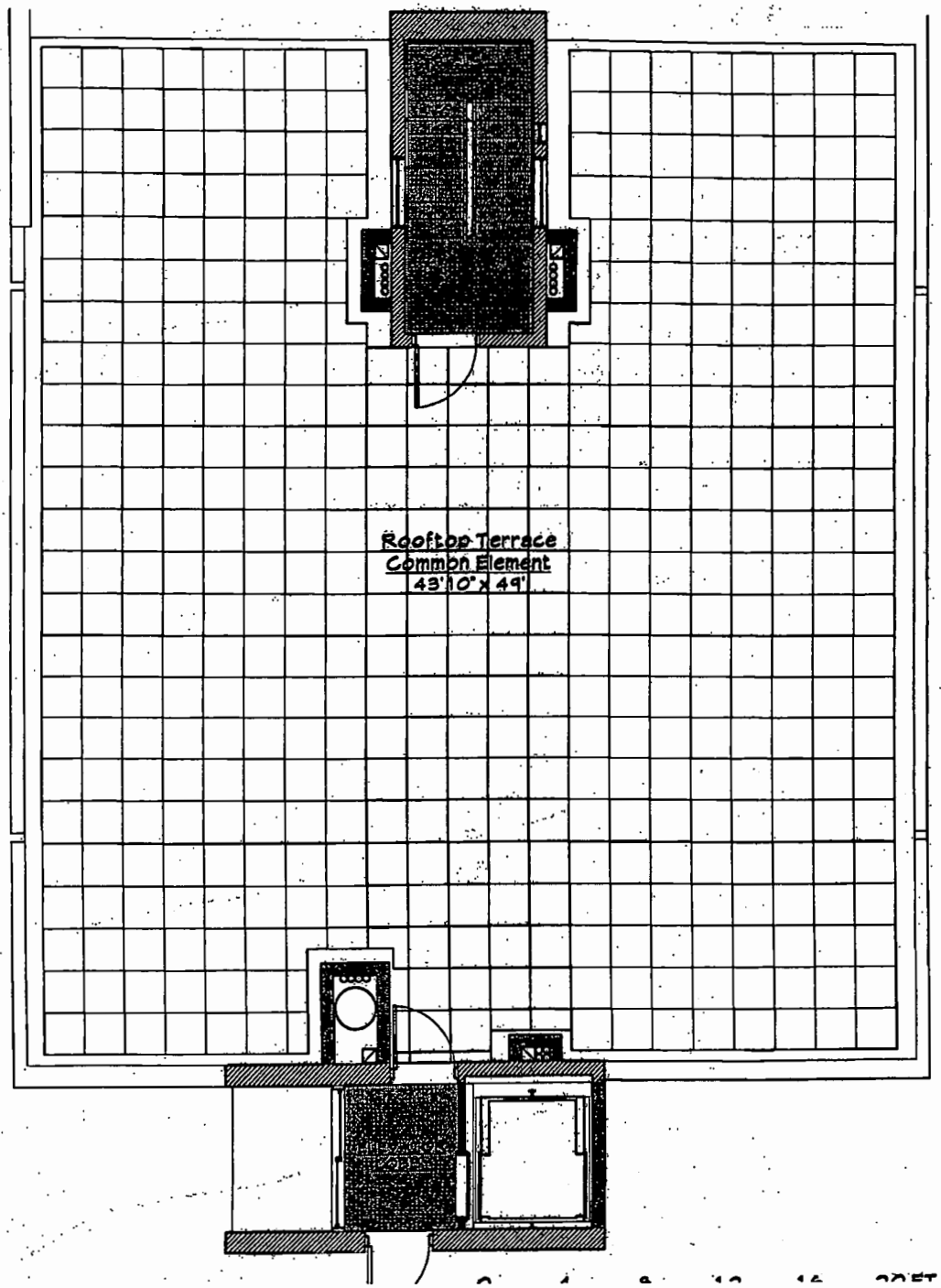
Key Plan
Cellar Floor

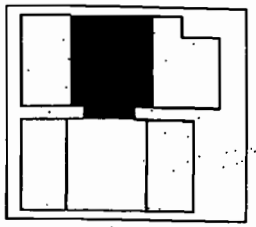


Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

GYM
Common: 773 sf

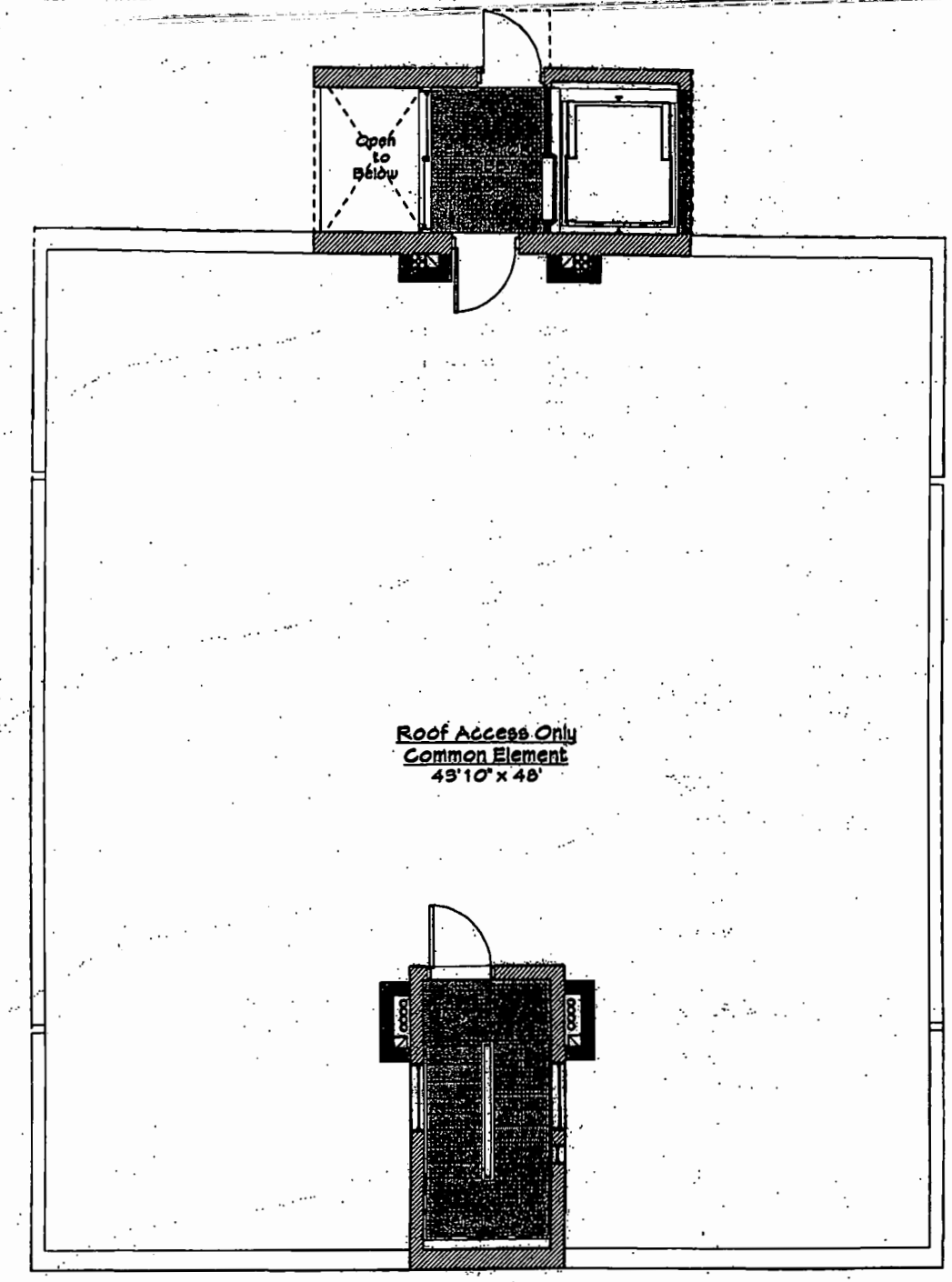


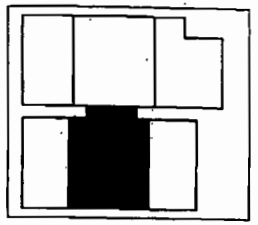


Key Plan
Rooftop

N

Rooftop West

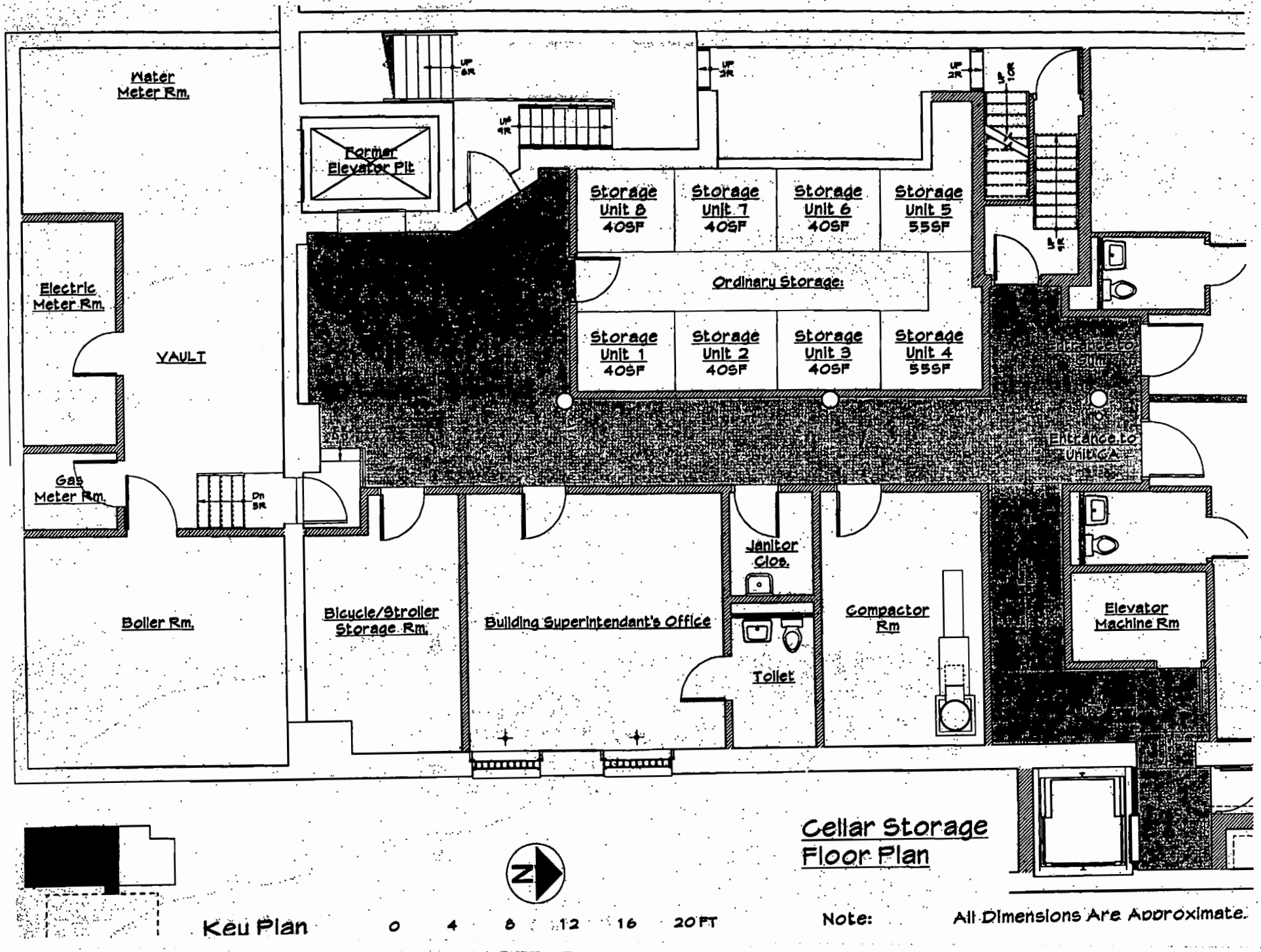




Key Plan
Rooftop

N

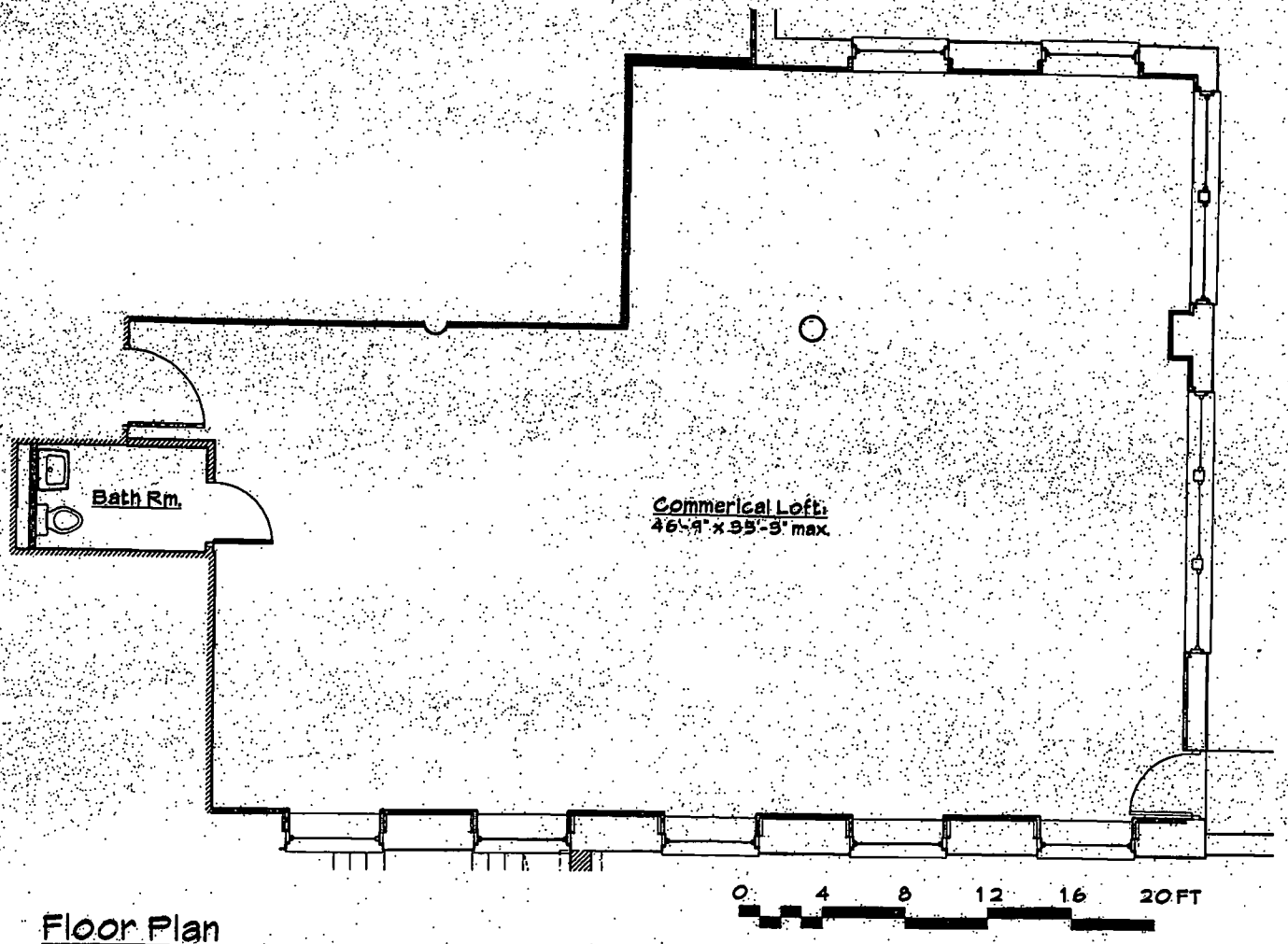
Rooftop East



Cellar Storage Floor Plan



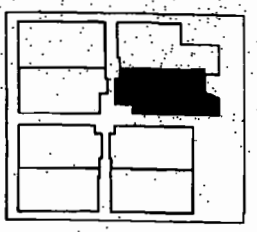
Key Plan
Cellar Floor



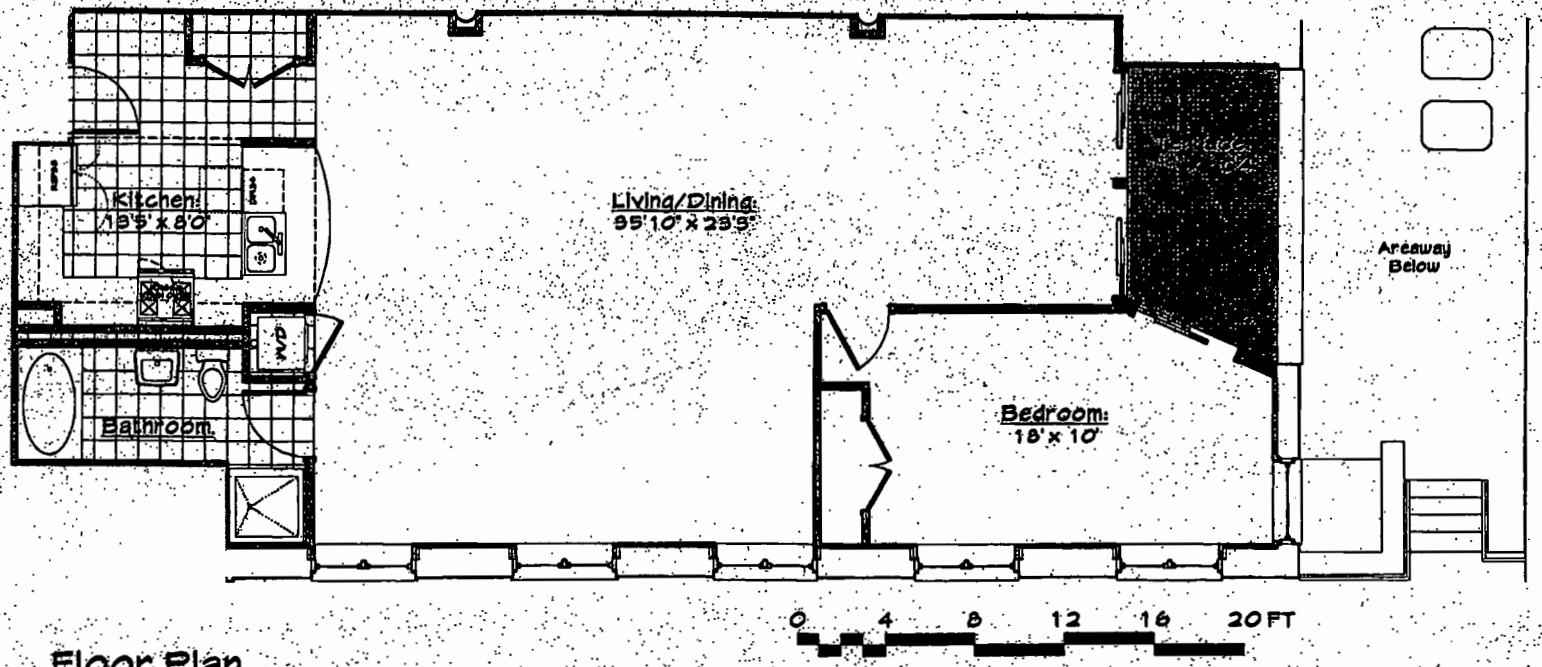
Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit CA
Unit: 1,662sf



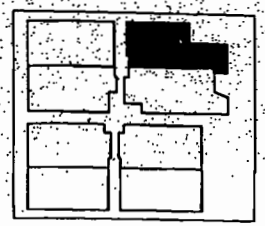
Key Plan
First Floor



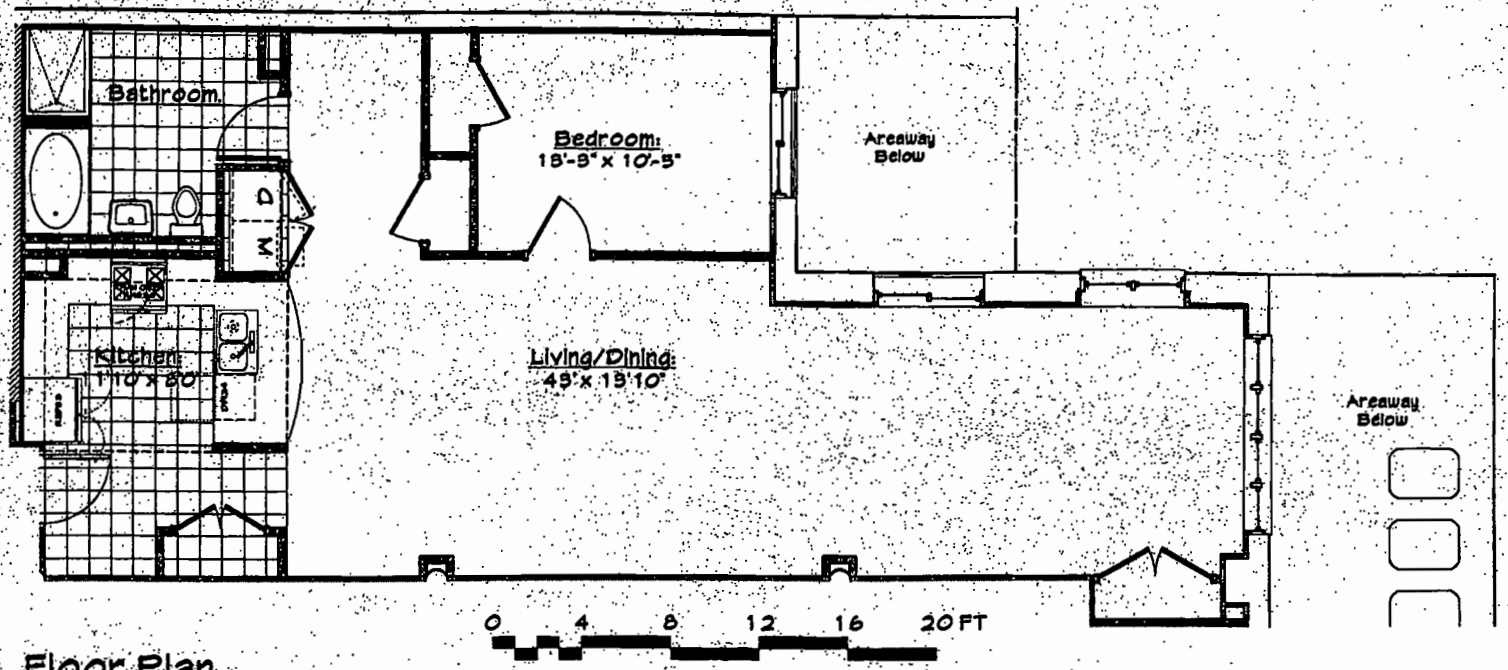
Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1A
Unit: 1,276sf
L.C.E. 92sf



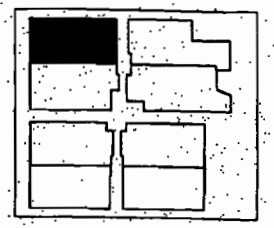
Key Plan
First Floor



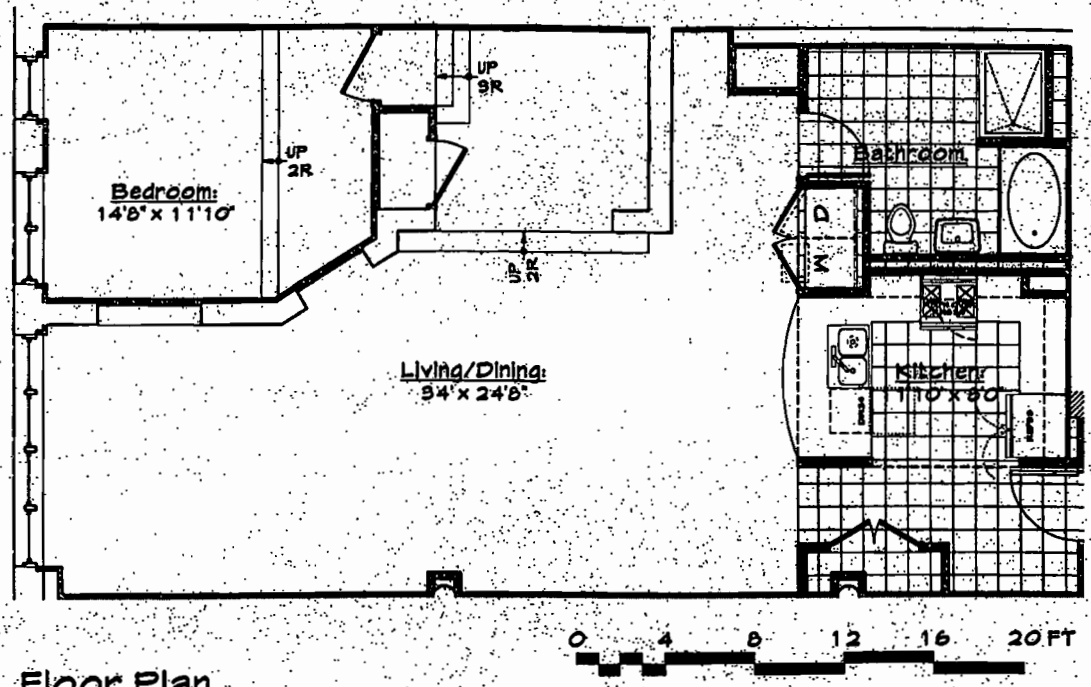
Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1B
Unit: 1,185sf



Key Plan
First Floor



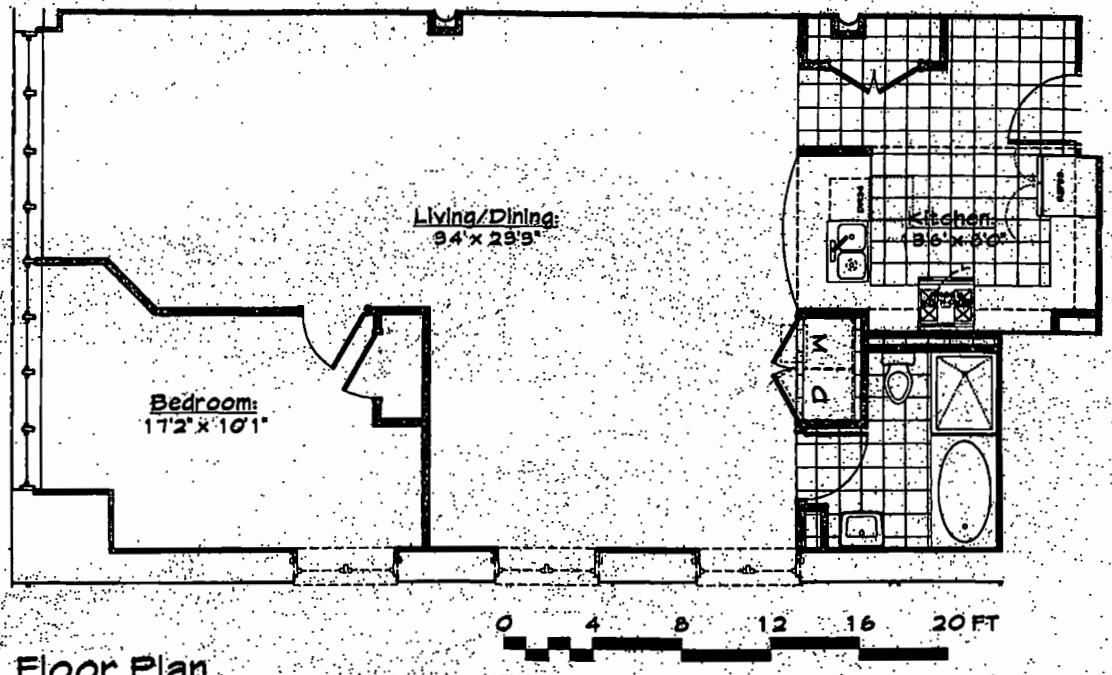
Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1C
Unit: 1,196sf



Key Plan
First Floor



Floor Plan

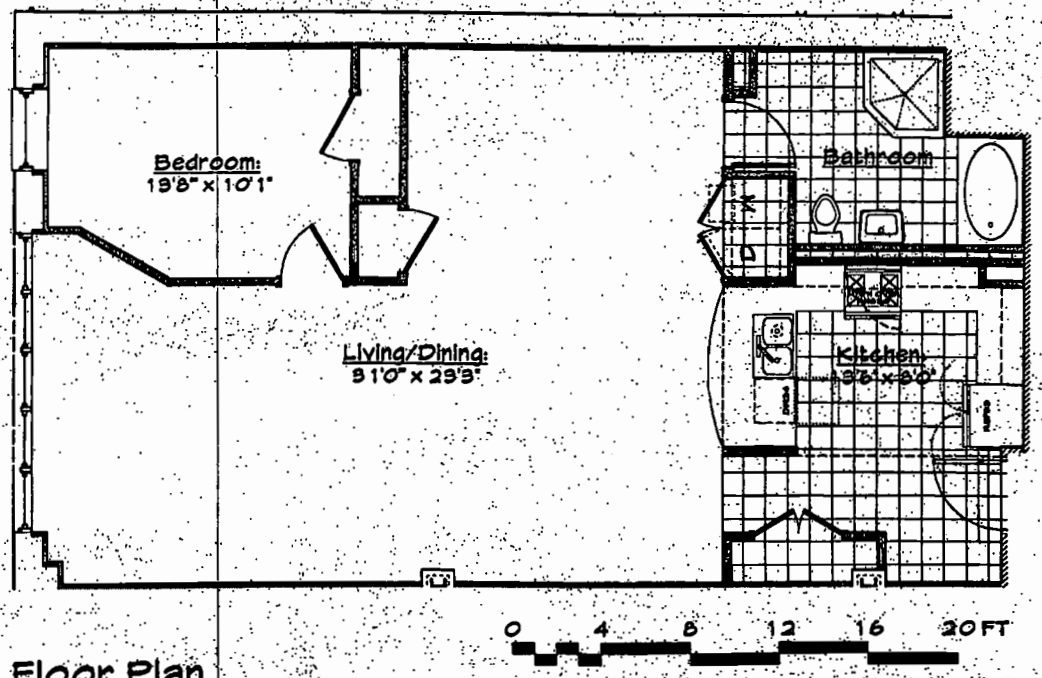
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1D

Unit: 1,173sf



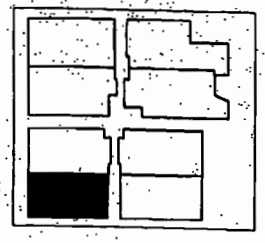
Key Plan
First Floor



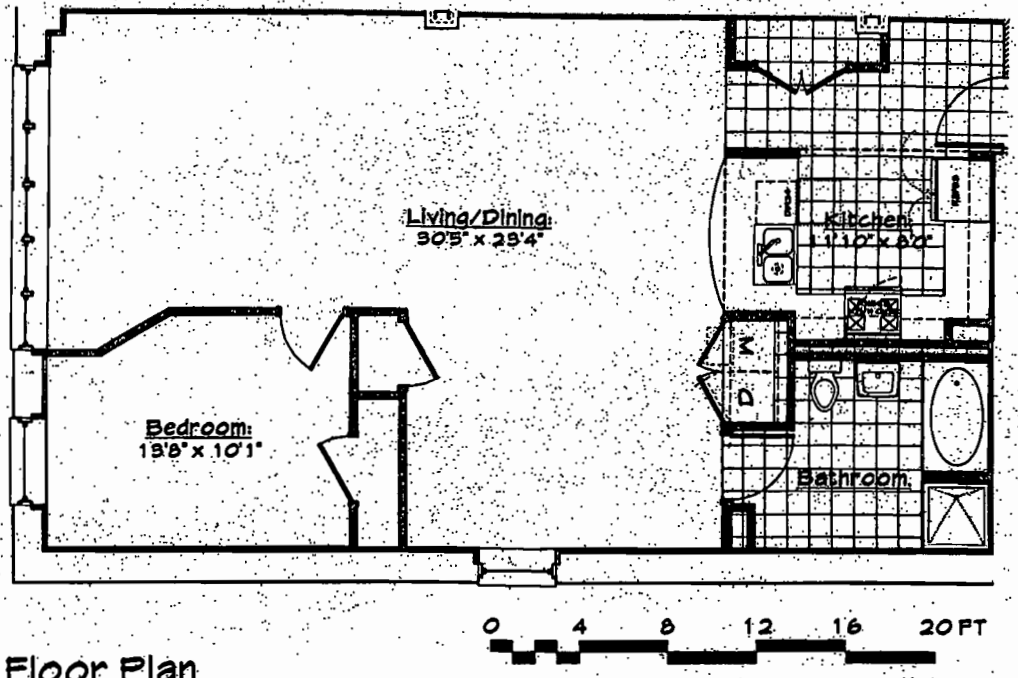
Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1E
Unit: 1,119sf



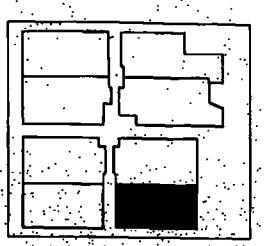
Key Plan
First Floor



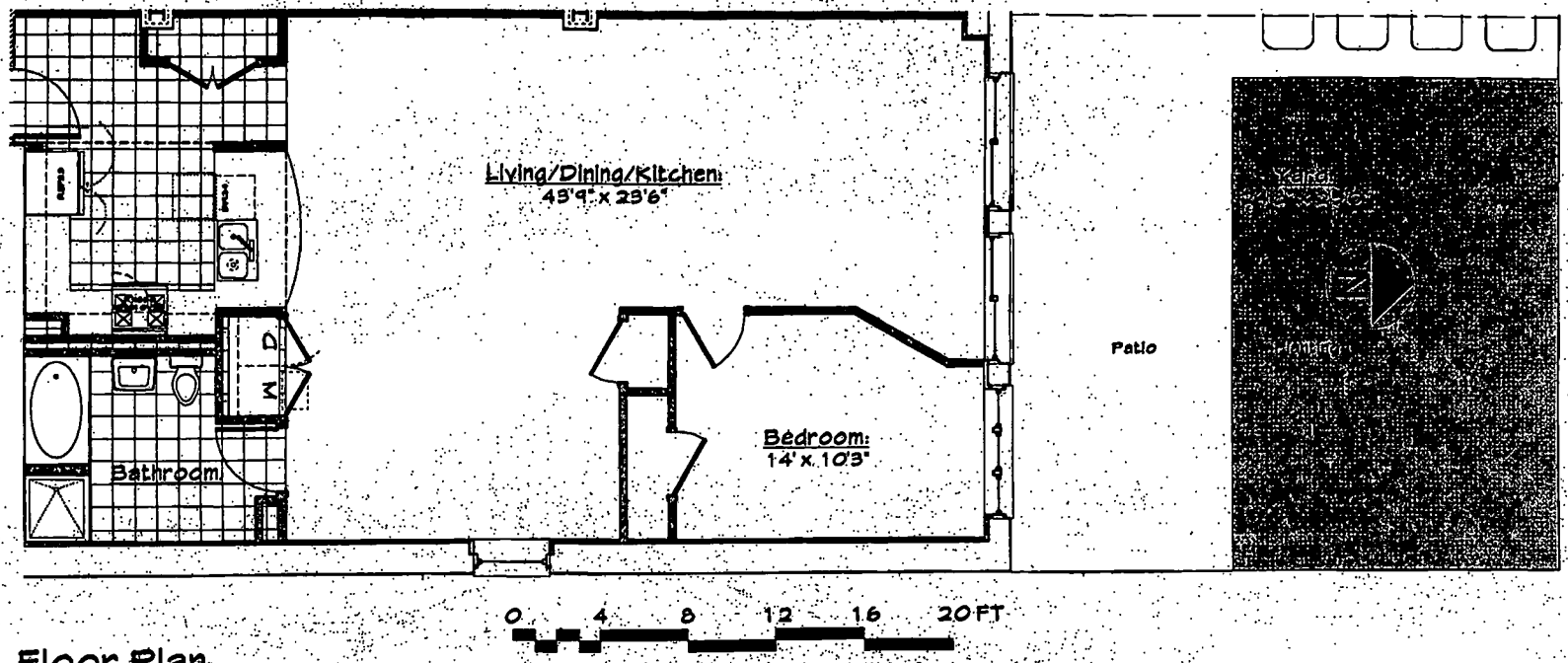
Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1F
Unit: 1,110sf



Key Plan
First Floor



Floor Plan

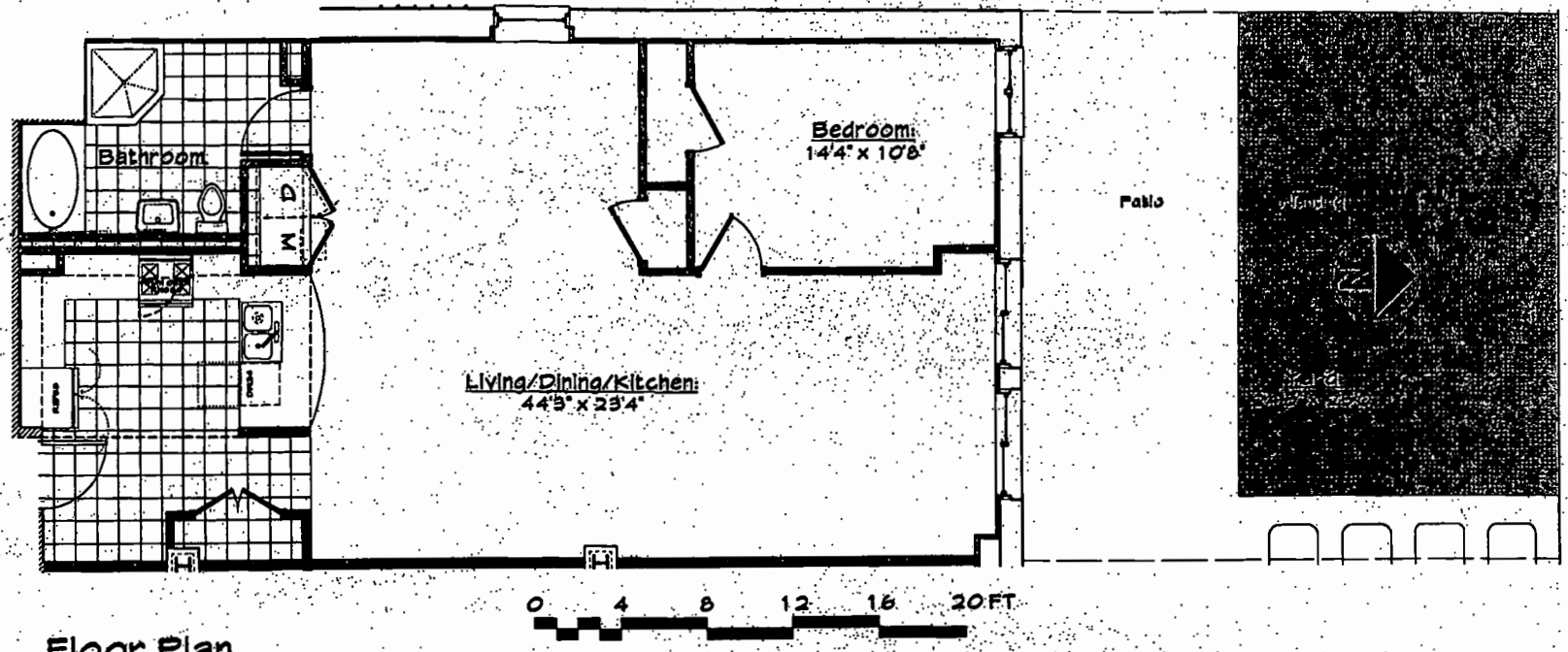
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1G

Unit: 1,135sf
L.C.E.: 617sf



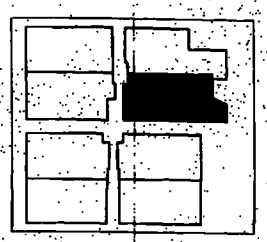
Key Plan
First Floor



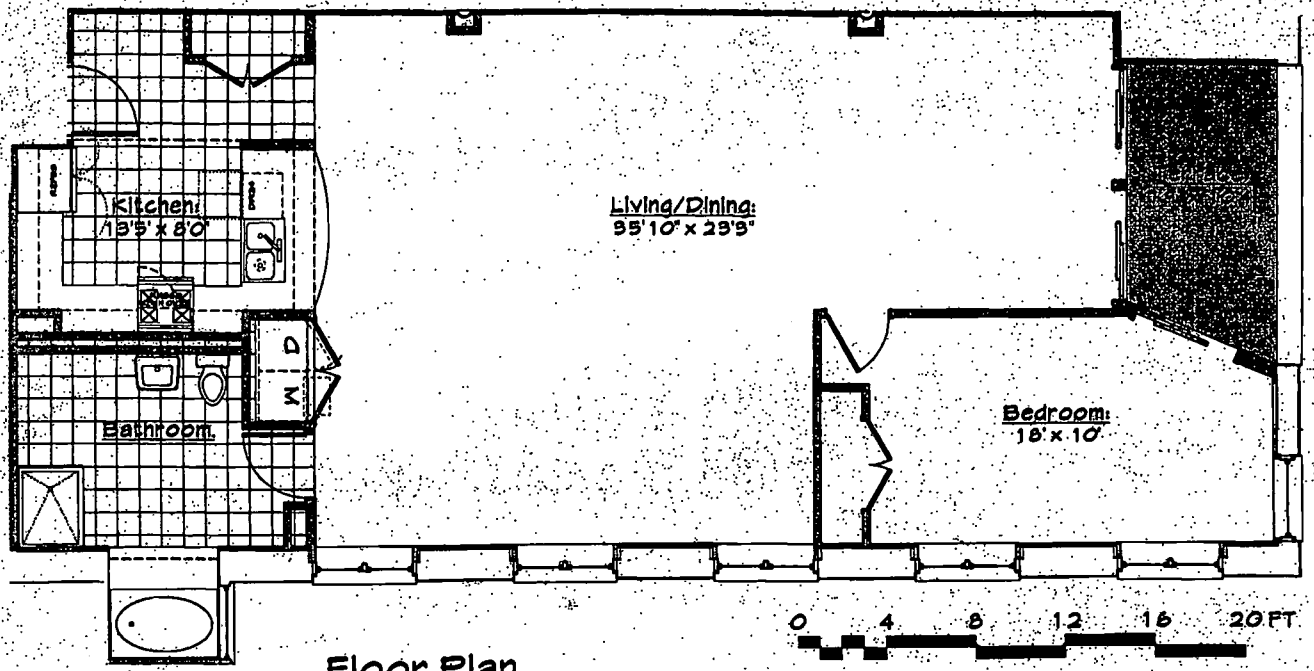
Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1H
Unit: 1,146sf
L.C.E.: 617sf



Key Plan
Second Floor



Floor Plan

N

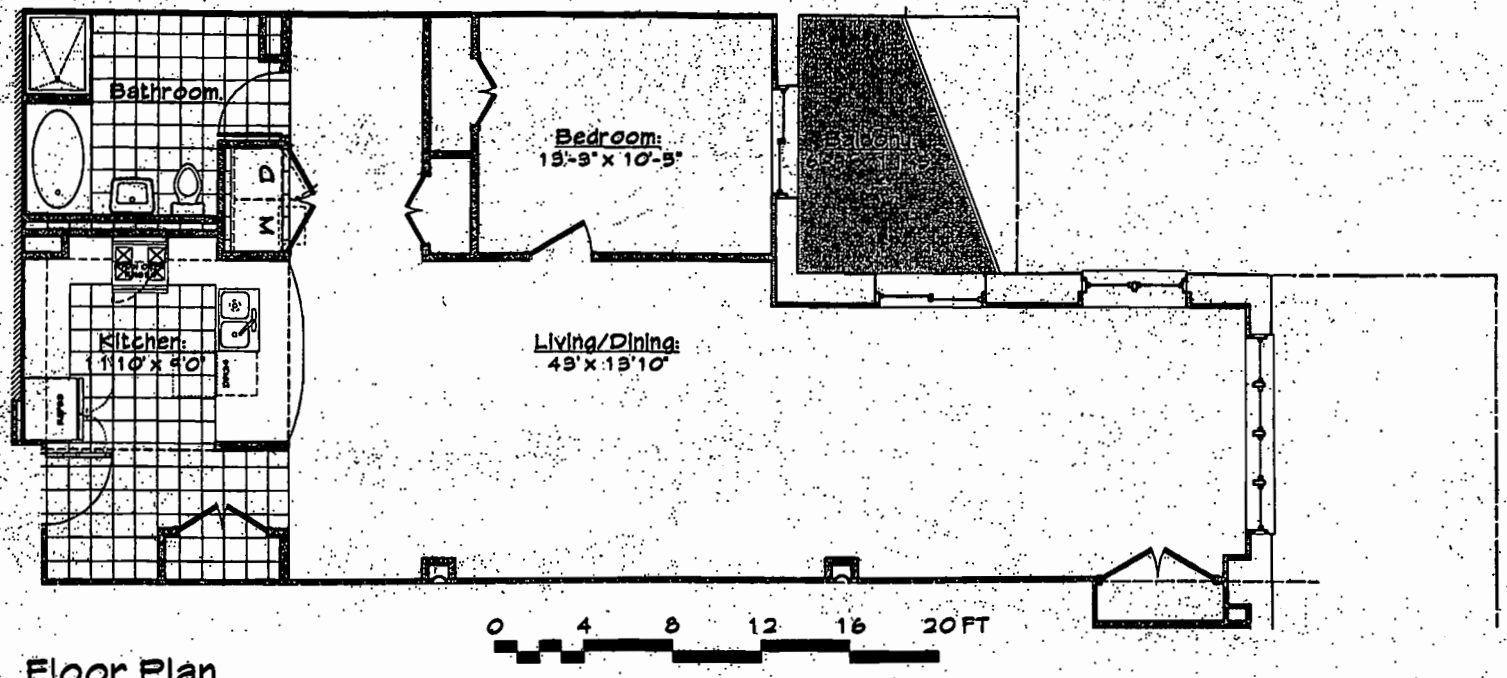
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 2A

Unit: 1,340sf
L.C.E. 92sf



Key Plan
Second Floor



Floor Plan

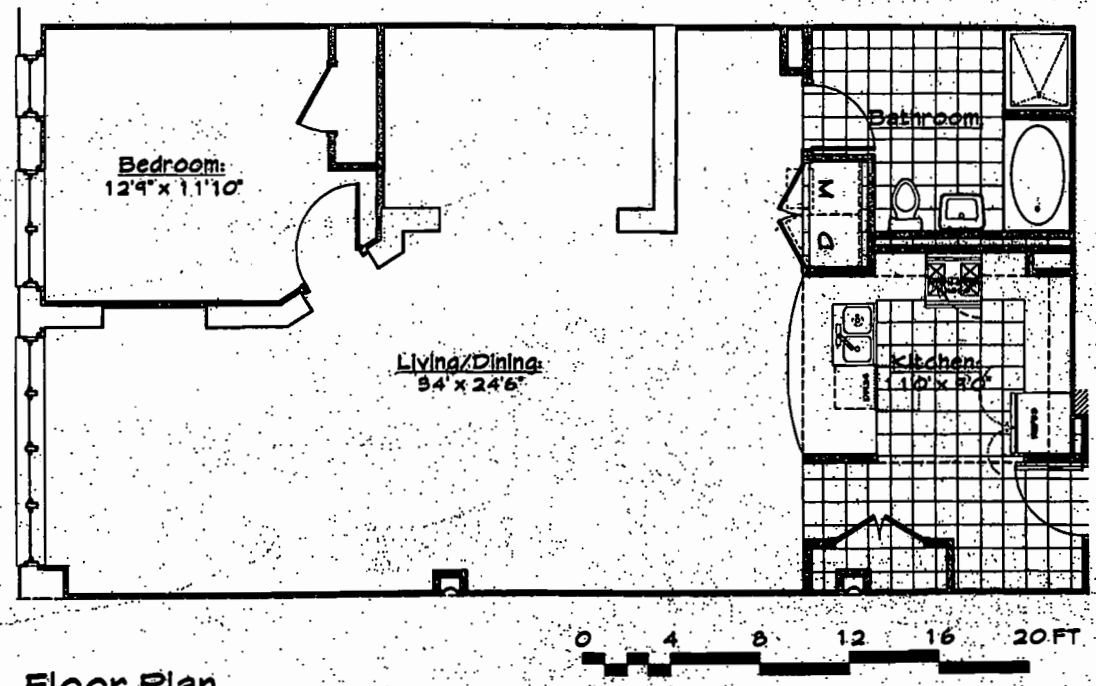
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 2B

Unit: 1,185sf
L.C.E. 77sf



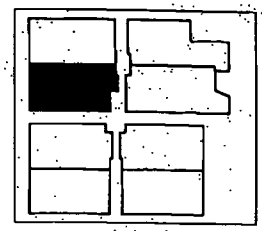
Key Plan
Second Floor



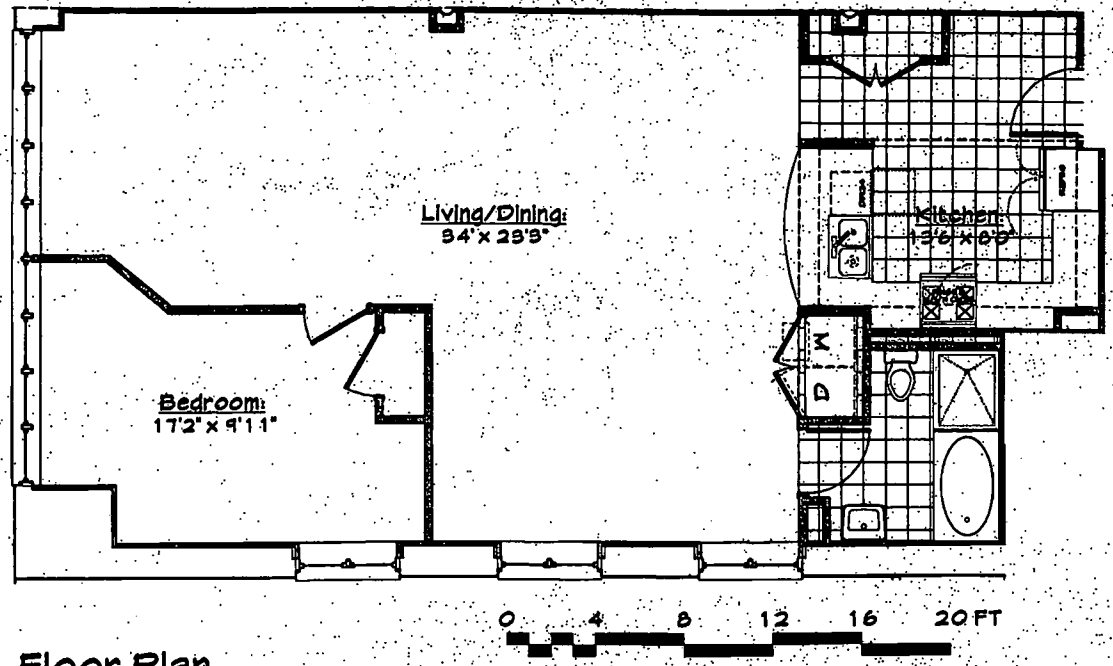
Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 2C
Unit: 1,197sf



Key Plan
Second Floor

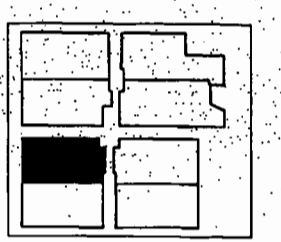


Floor Plan

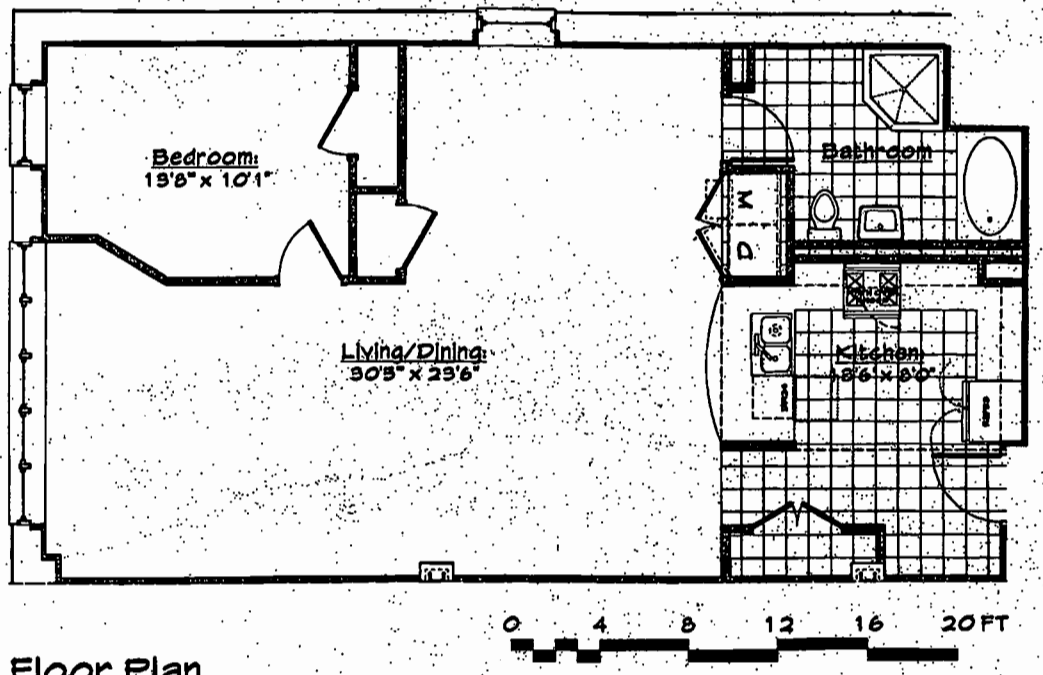


Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 2D
Unit: 1,173sf



Key Plan
Second Floor

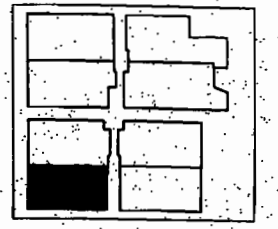


Floor Plan

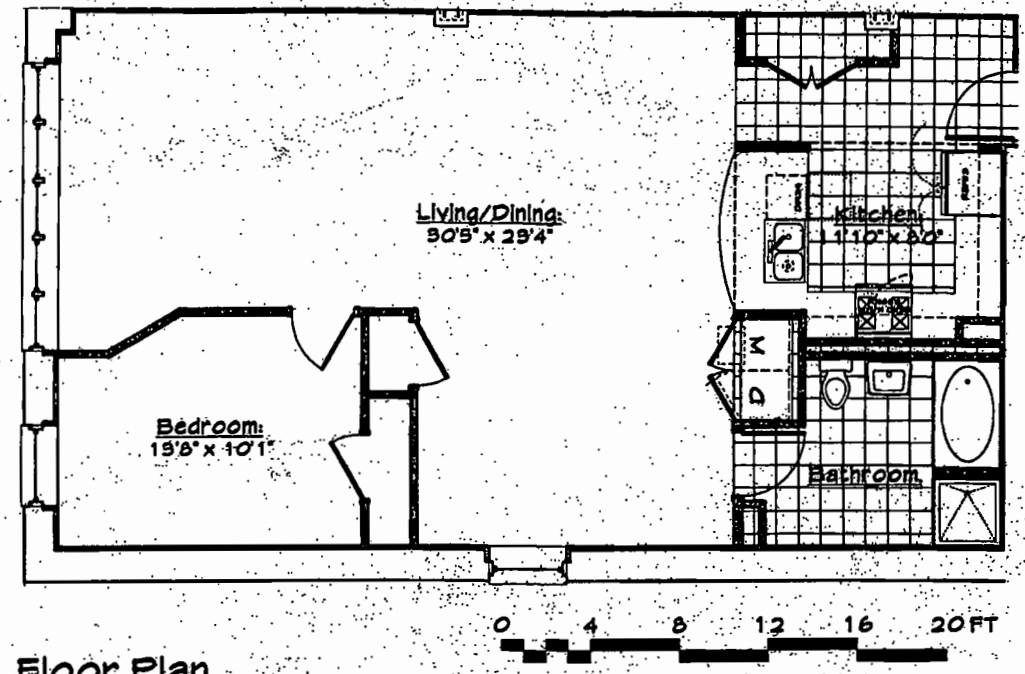
N

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 2E
Unit: 1,119sf



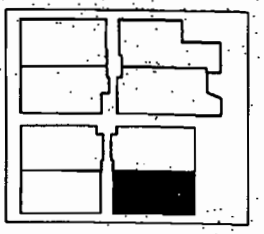
Key Plan
Second Floor



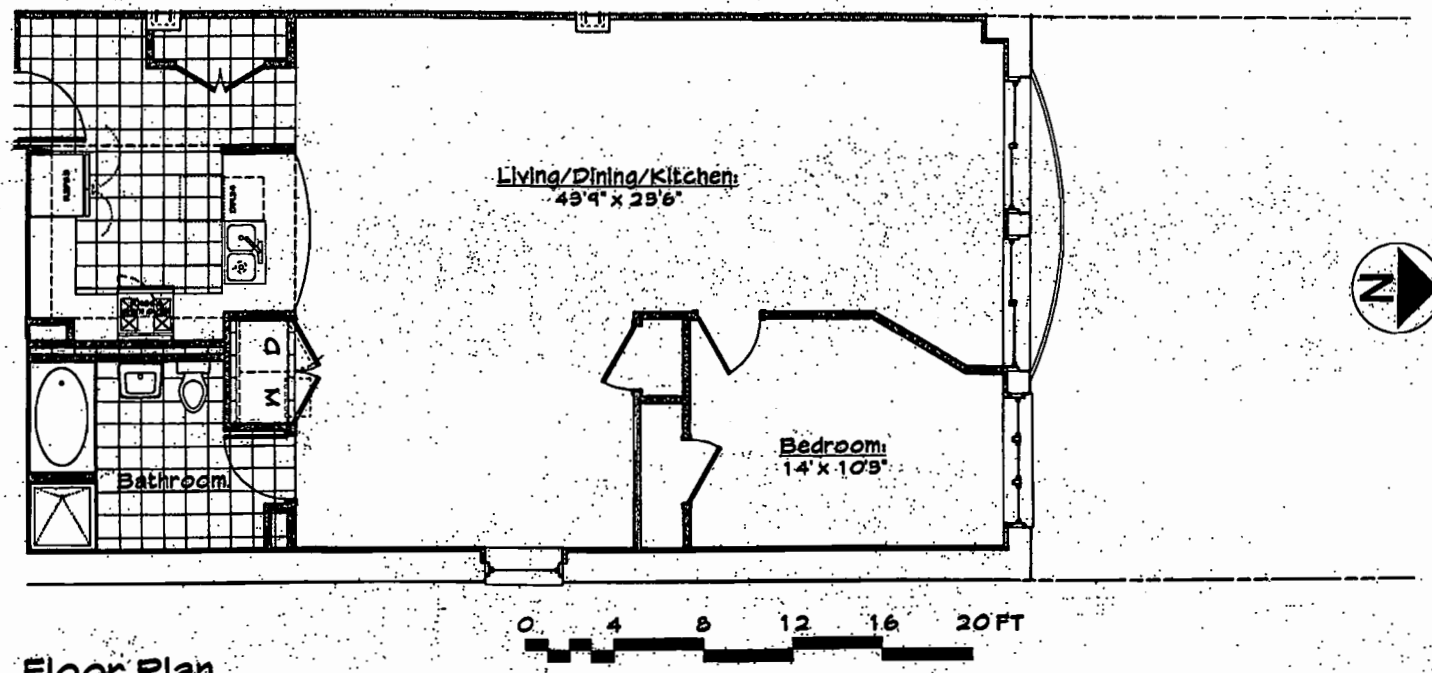
Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 2F
Unit: 1,111sf



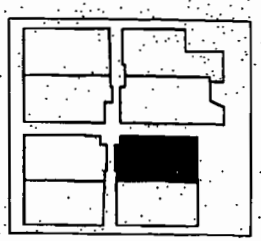
Key Plan
Second Floor



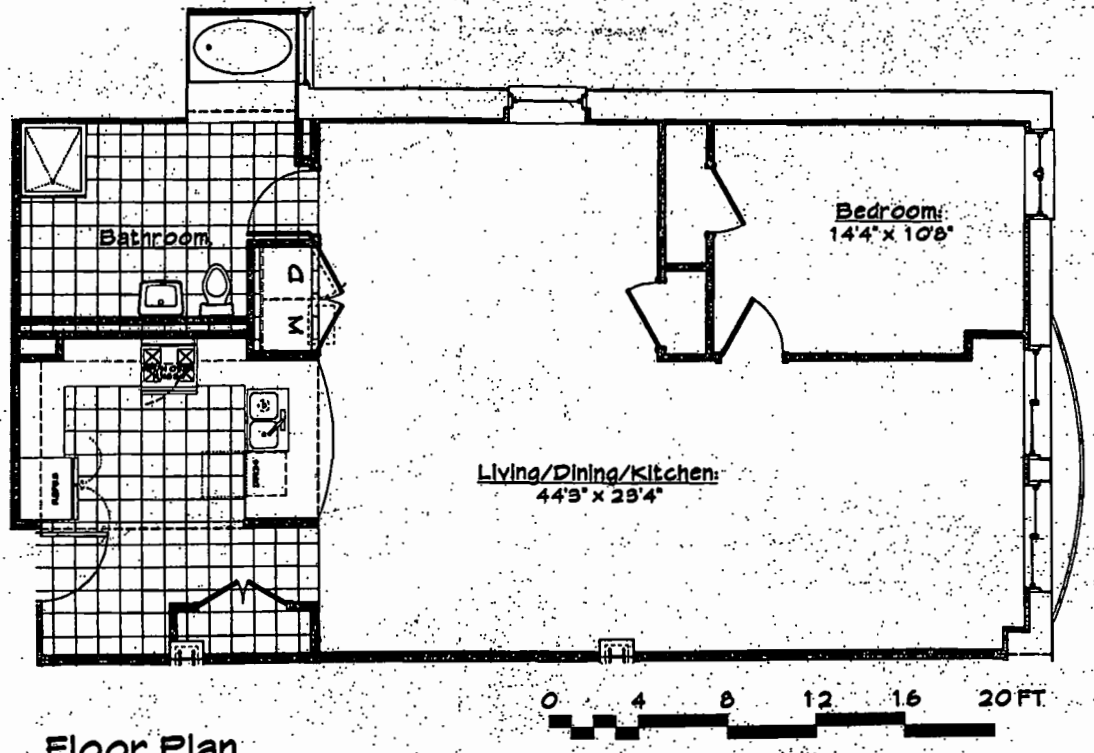
Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 2G
Unit: 1,136sf



Key Plan
Second Floor

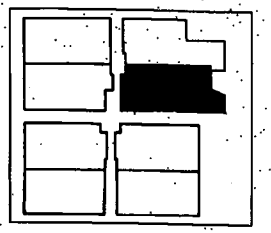


Floor Plan

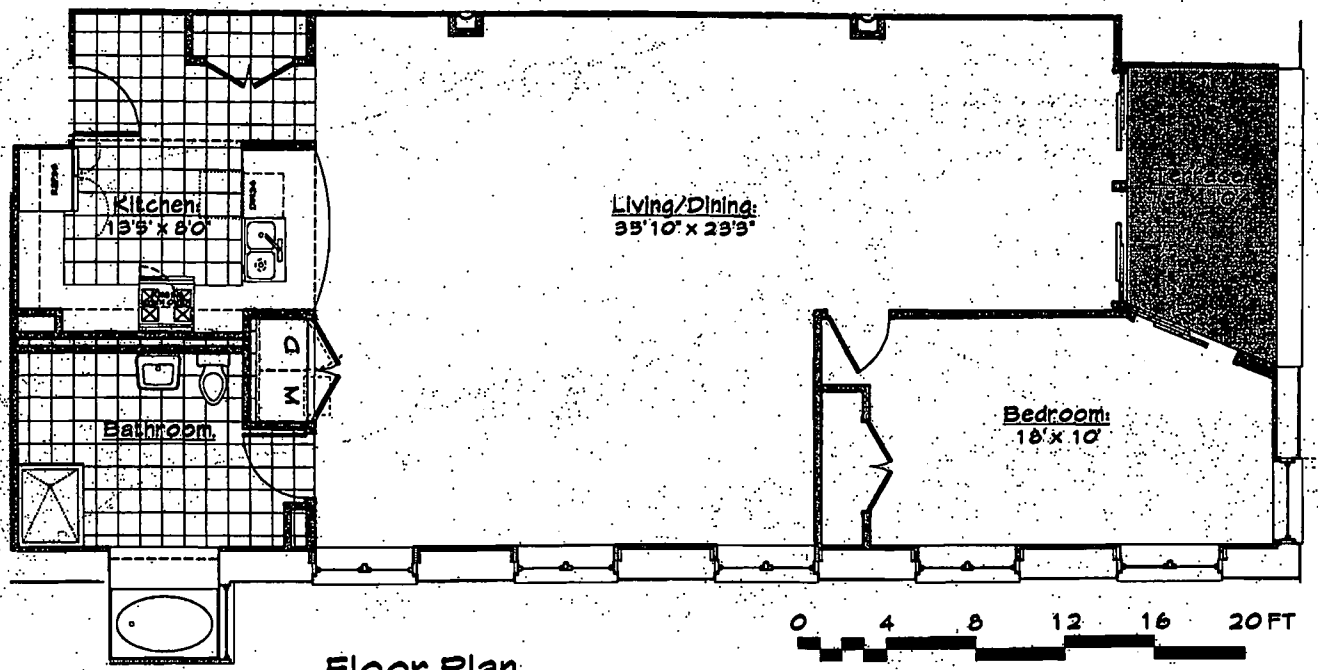


Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 2H
Unit: 1,175sf



Key Plan
Third Floor



Floor Plan



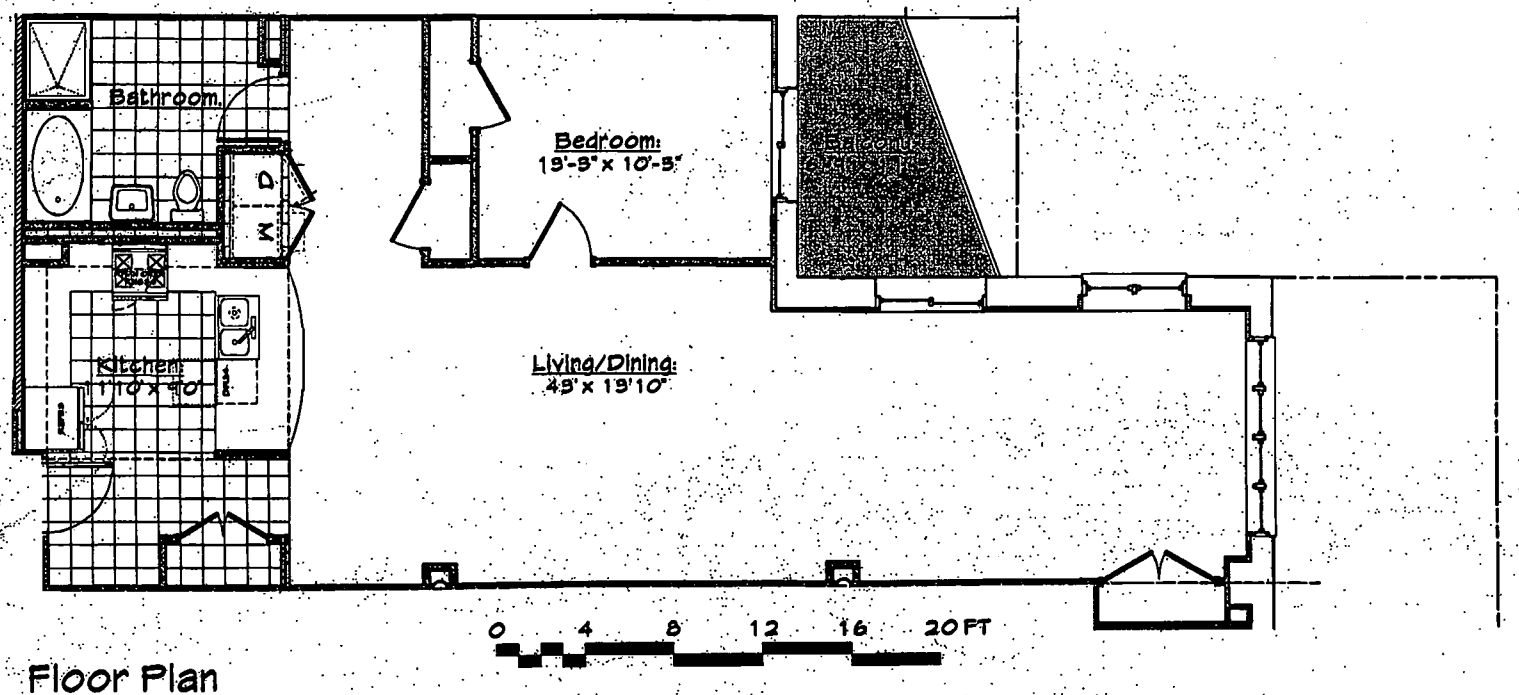
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 3A

Unit: 1,340sf
L.C.E. 92sf



Key Plan
Third Floor

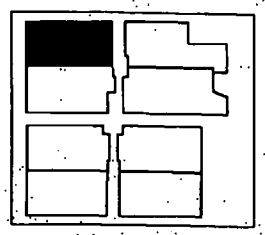


Floor Plan

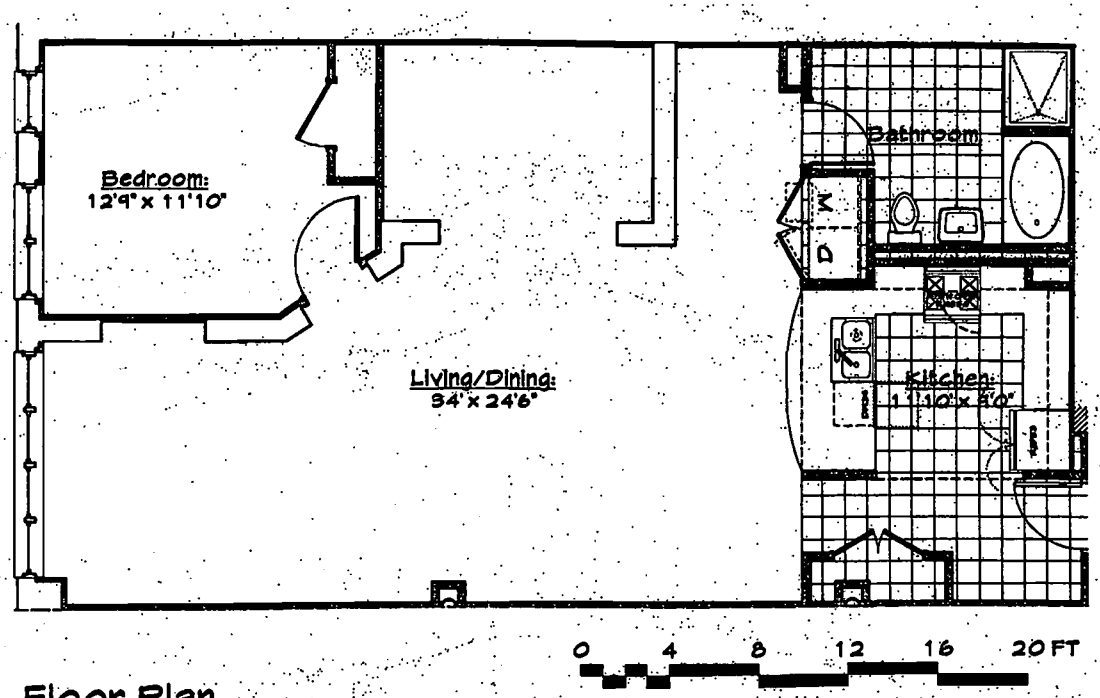
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 3B

Unit: 1,185sf
L.C.E. 77sf



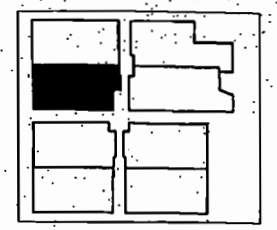
Key Plan
Third Floor



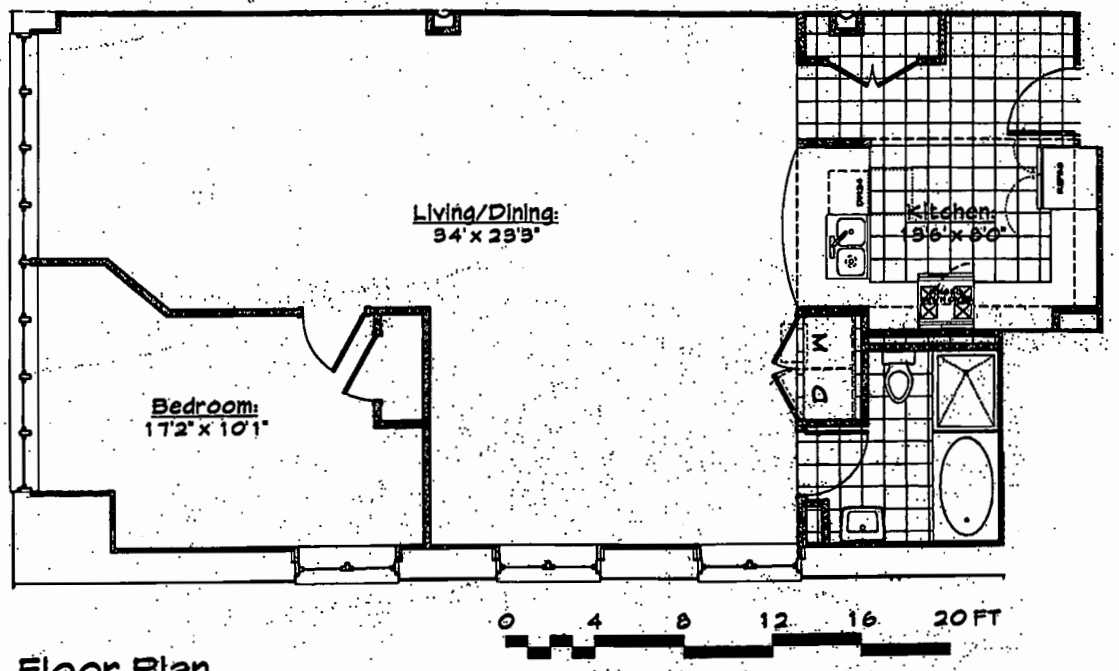
Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 3C
Unit: 1,197sf



Key Plan
Third Floor



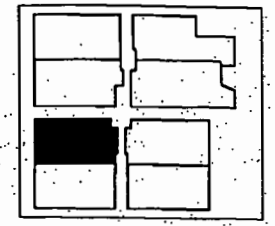
Floor Plan



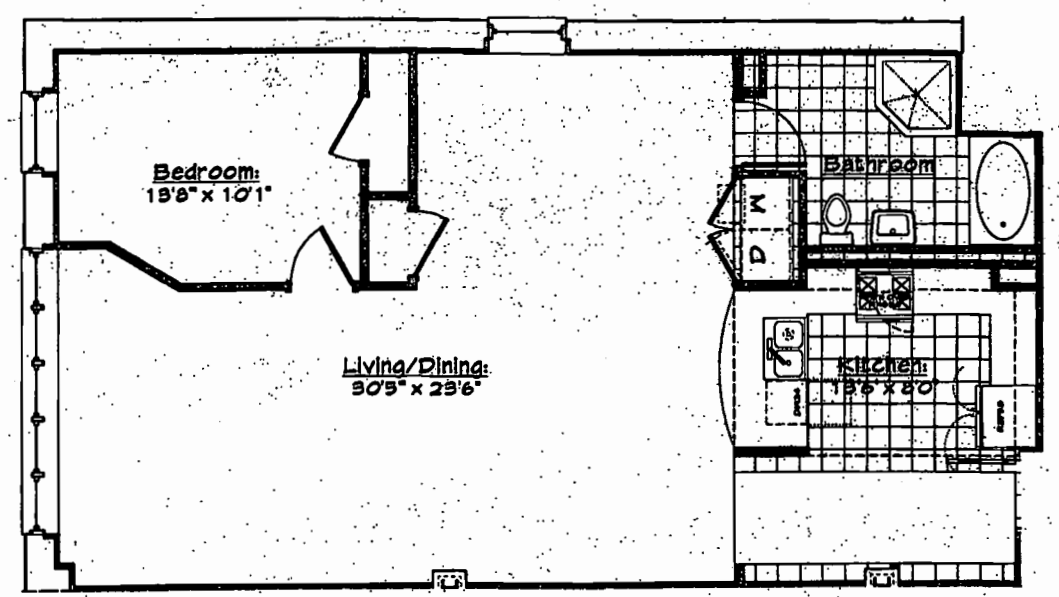
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 3D

Unit: 1,173sf



Key Plan
Third Floor

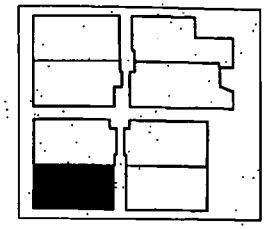


Floor Plan

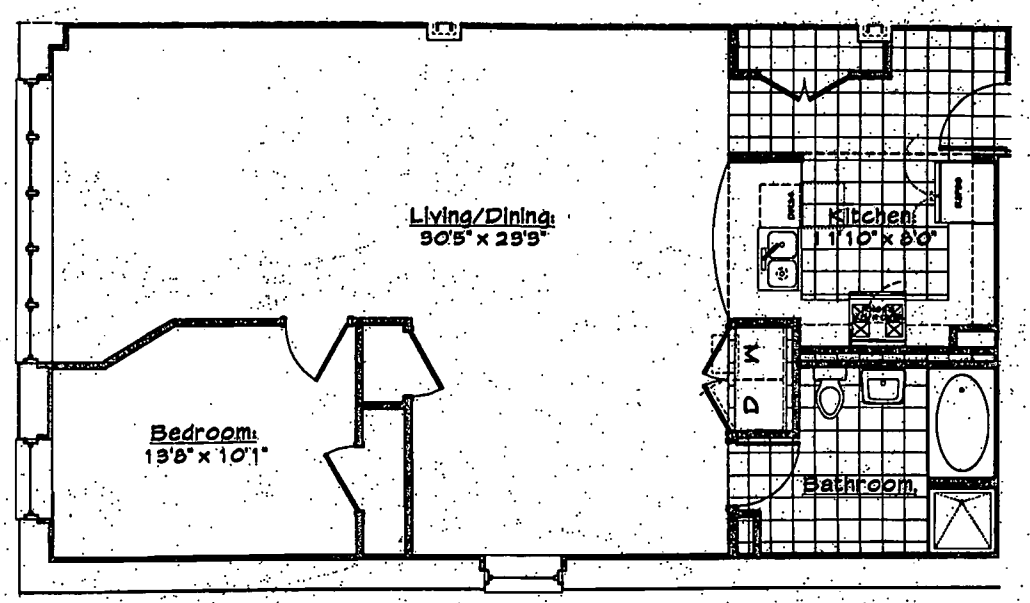


Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 3E
Unit: 1,119sf



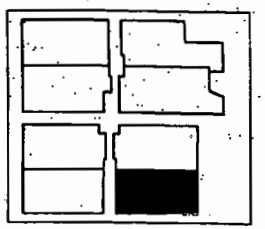
Key Plan
Third Floor



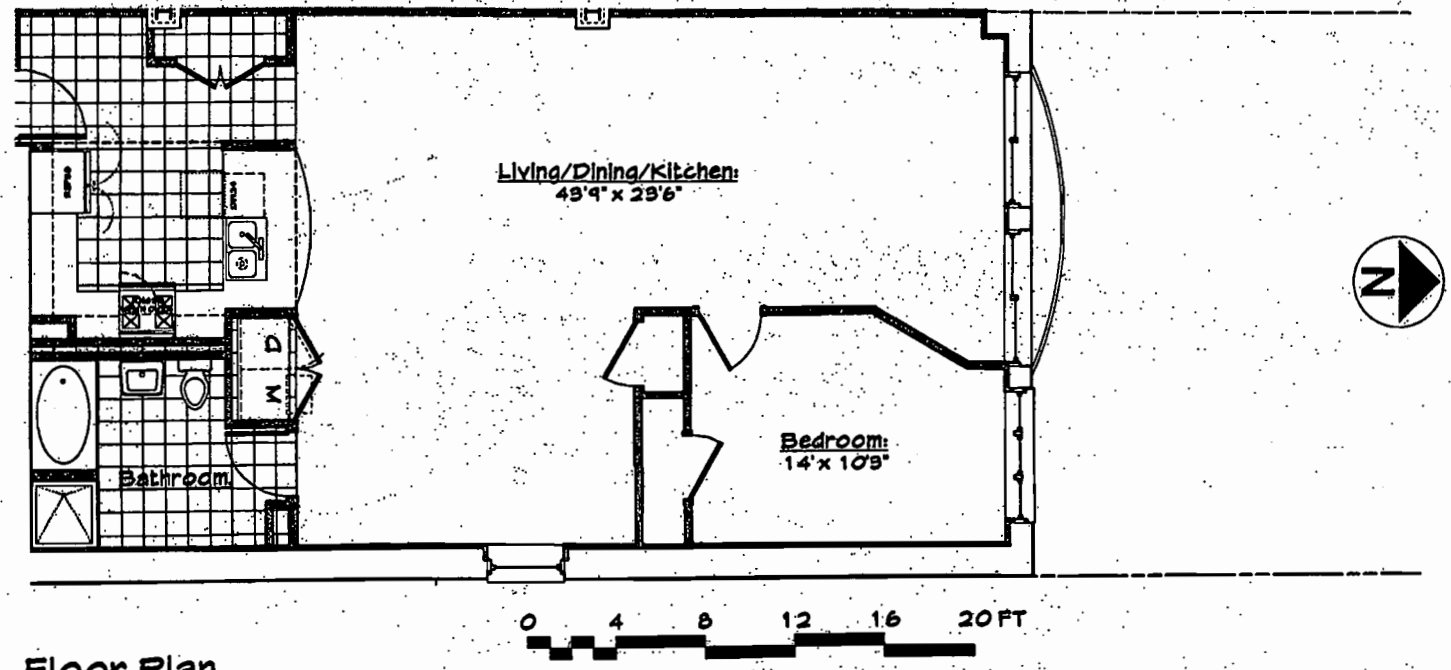
Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 3F
Unit: 1,111sf



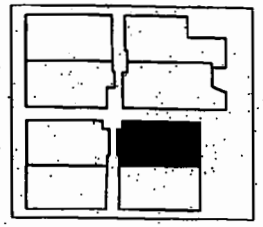
Key Plan
Third Floor



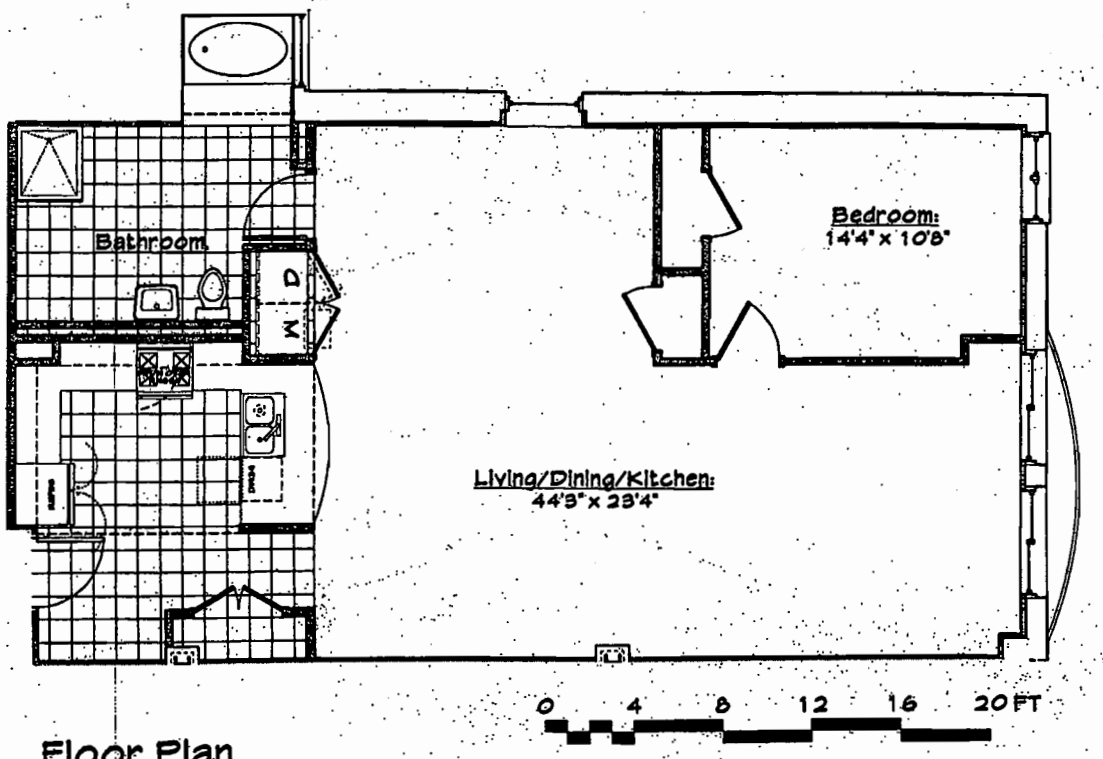
Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 3G
Unit: 1,136sf



Key Plan
Third Floor

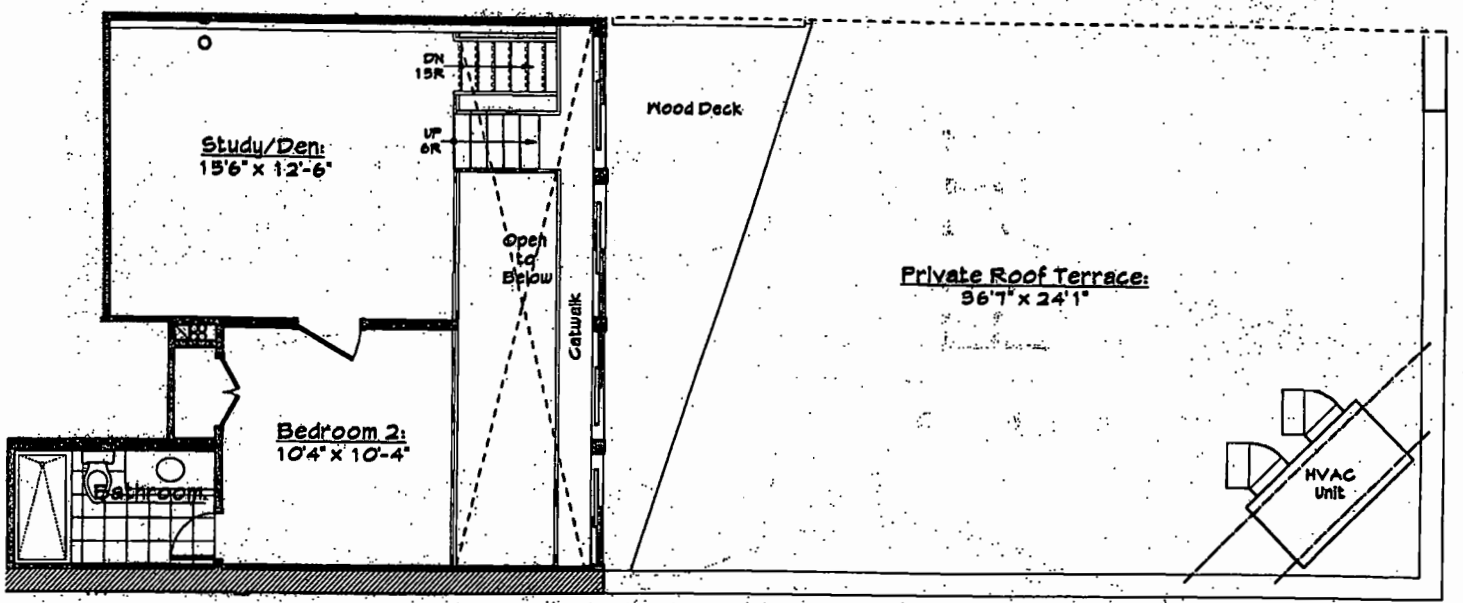


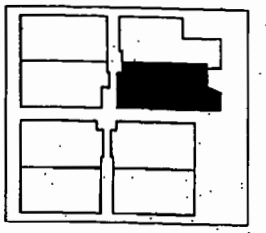
Floor Plan



Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 3H
Unit: 1,175sf



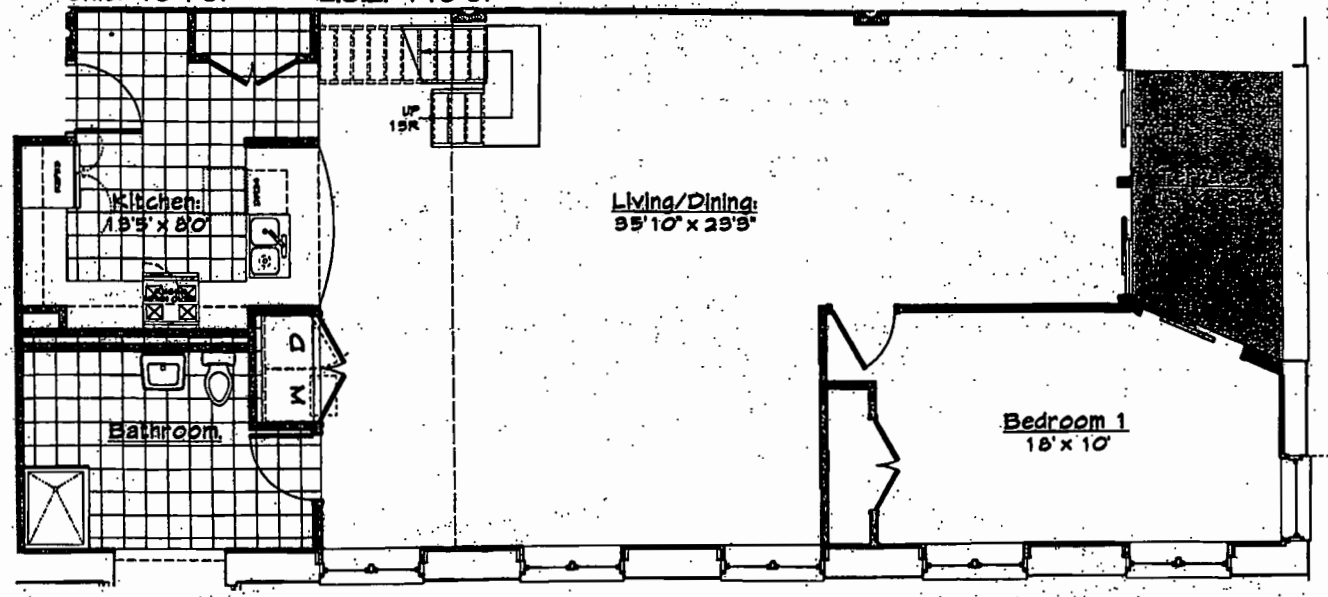


Key Plan
Fourth Floor

Upper Level Floor Plan

Unit: 464 sf L.C.E. 940 sf

0 4 8 12 16 20 FT



Lower Level Floor Plan

Unit: 1,340 sf L.C.E 92 sf

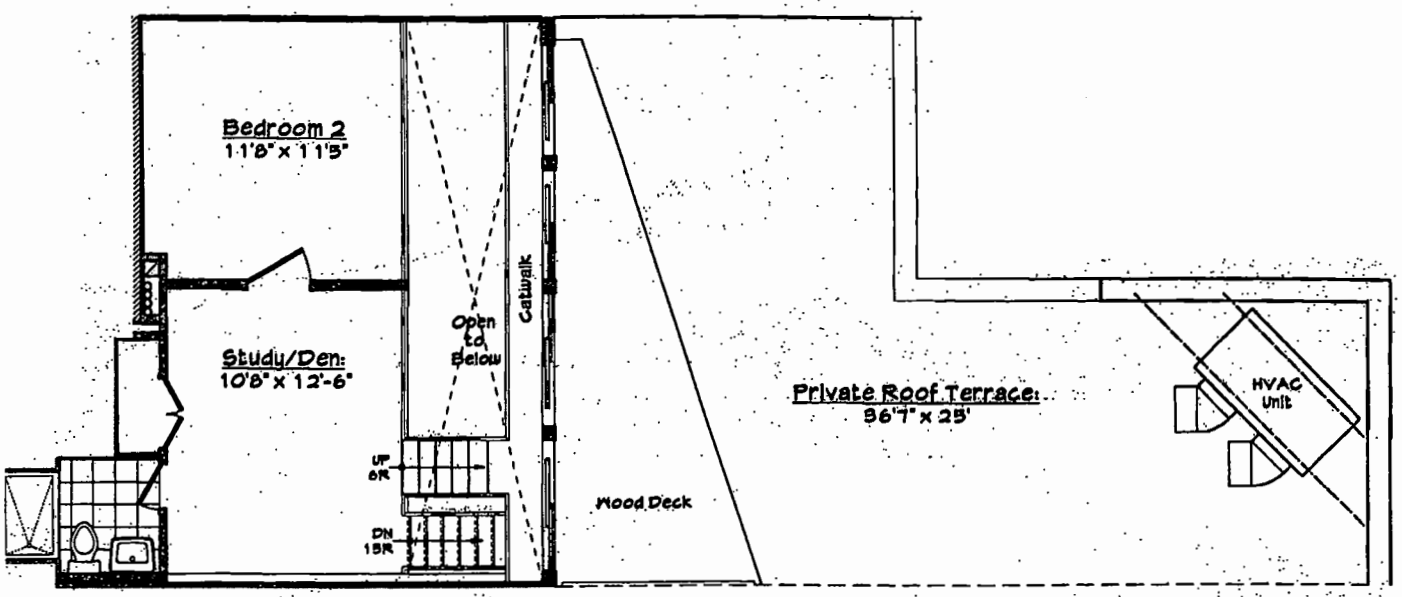
0 4 8 12 16 20 FT

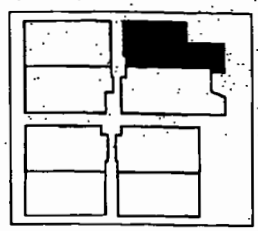
N

Unit 4A

Unit: 1,822sf
L.C.E. 1,032sf

Note: All Dimensions Are Approximate



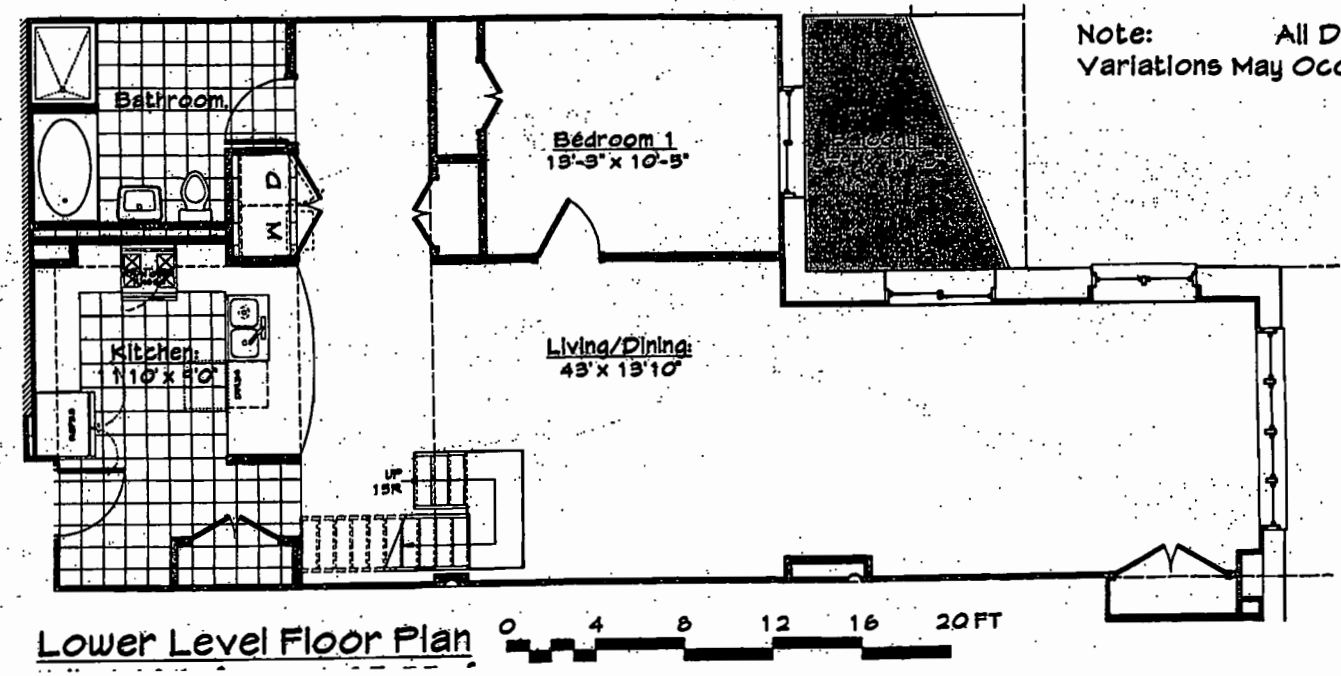


Key Plan
FOURTH Floor

Upper Level Floor Plan

Unit: 406 sf L.C.E. 697 sf

0 4 8 12 16 20FT



Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

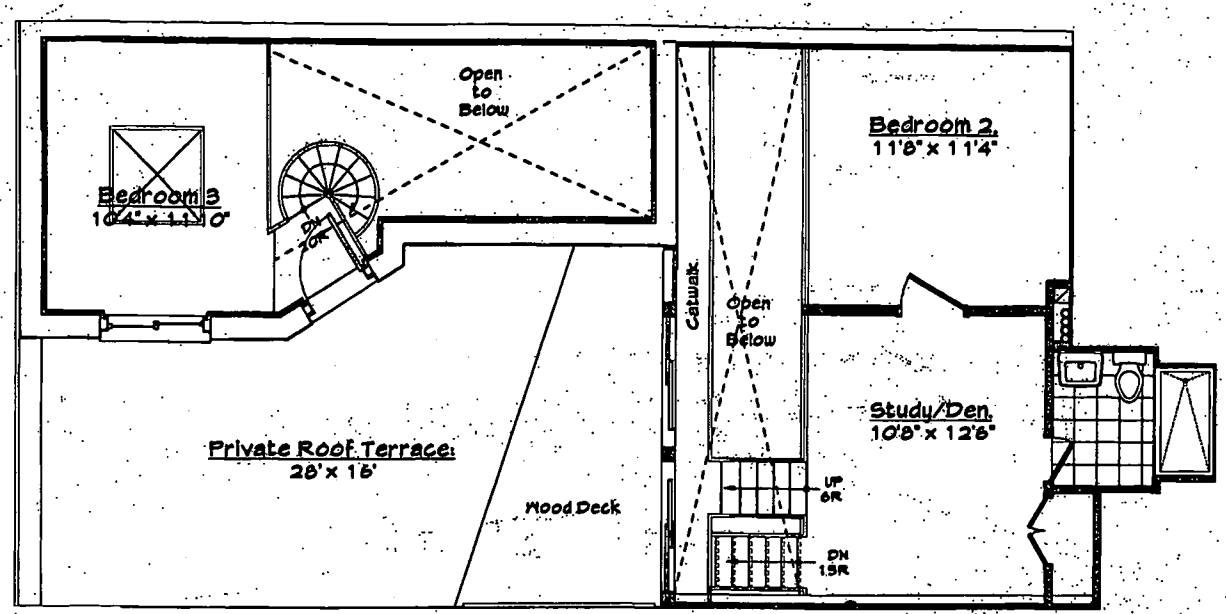
N

Unit 4B

Unit: 1,603sf
L.C.E. 774sf

Lower Level Floor Plan

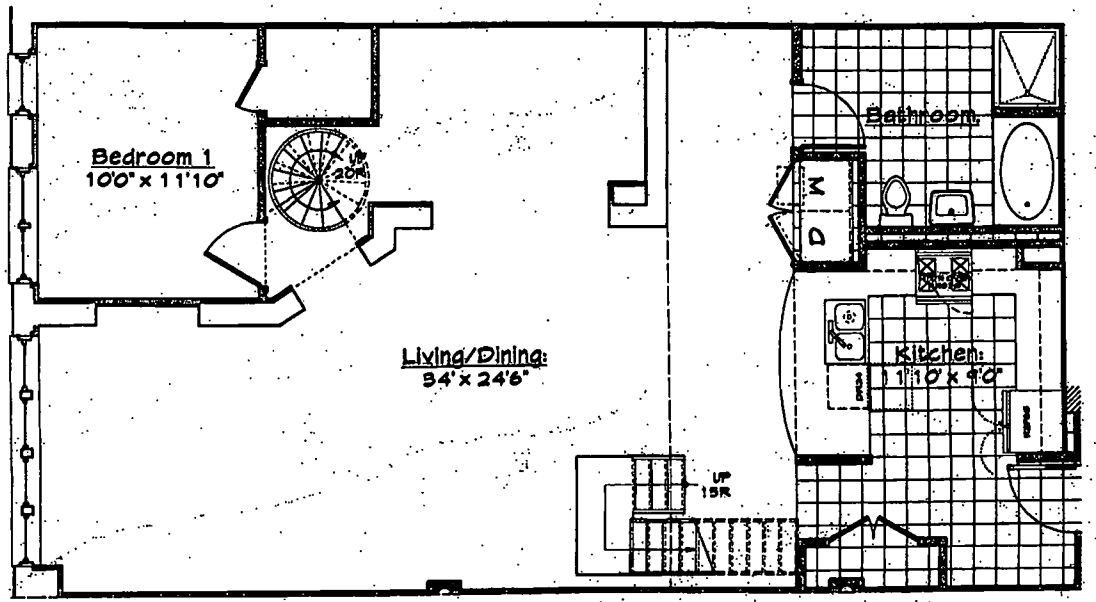
0 4 8 12 16 20FT



Upper Level Floor Plan

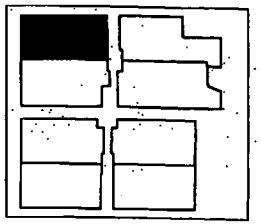
Unit: 603 sf L.C.E. 401 sf

0 4 8 12 16 20 FT



Lower Level Floor Plan

0 4 8 12 16 20 FT



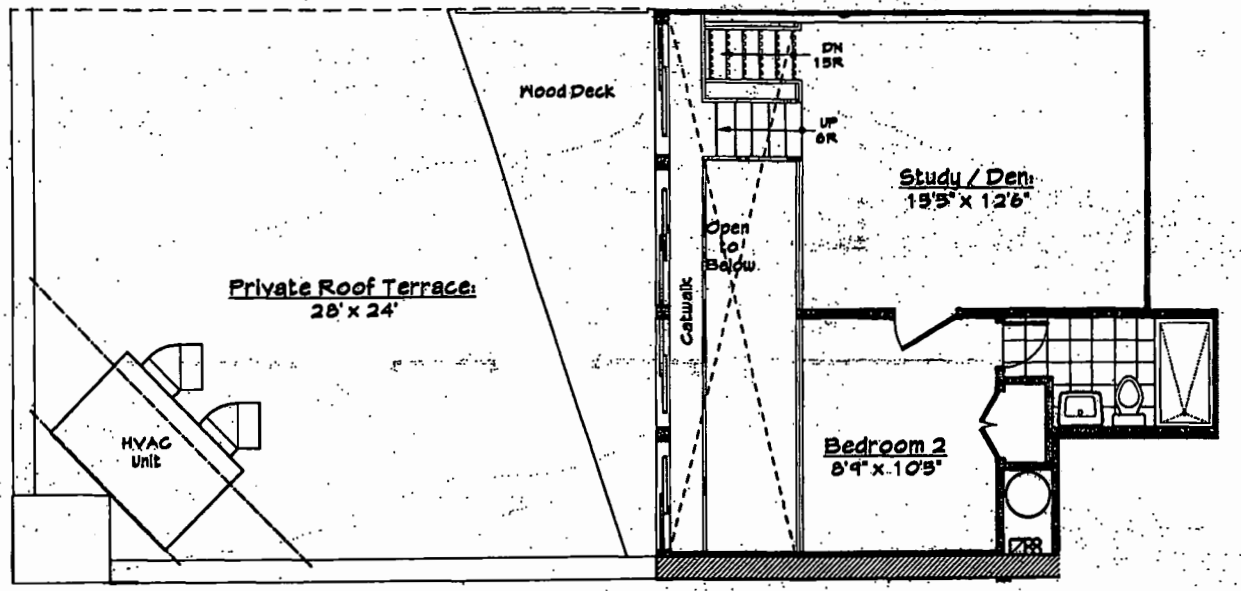
Key Plan
Fourth Floor

N

Unit 4C

Unit: 1,818 sf
L.C.E. 401 sf

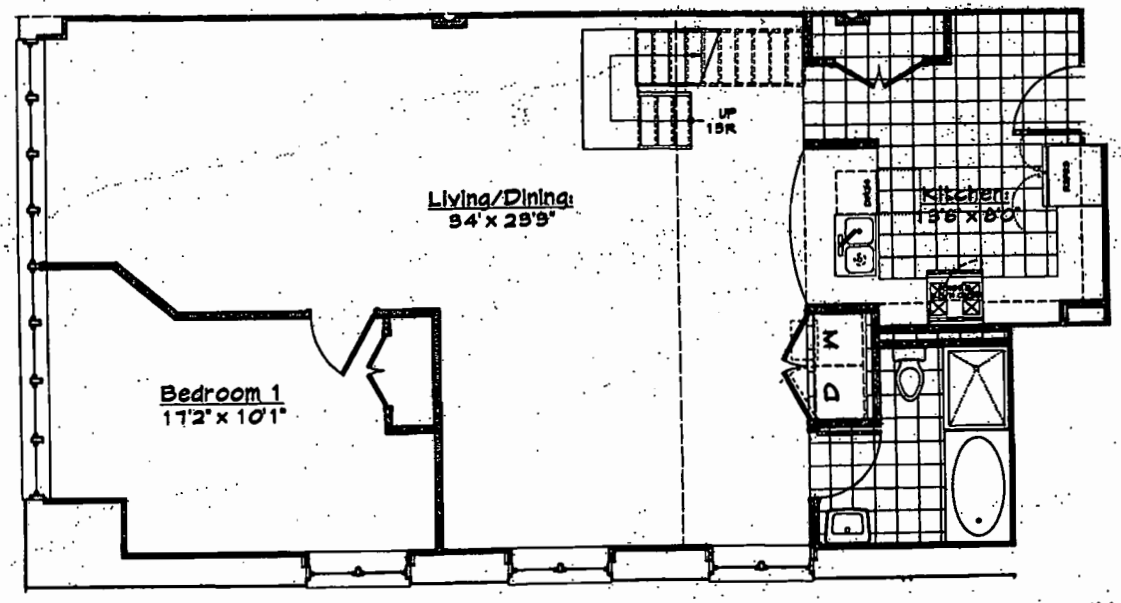
Note: All Dimensions Are Approximate.
Variations Mau Occur Due To Field Conditions



Upper Level Floor Plan

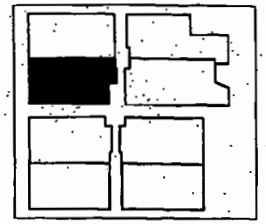
Unit: 429 sf L.C.E. 708 sf

0 4 8 12 16 20 FT



Lower Level Floor Plan

0 4 8 12 16 20 FT



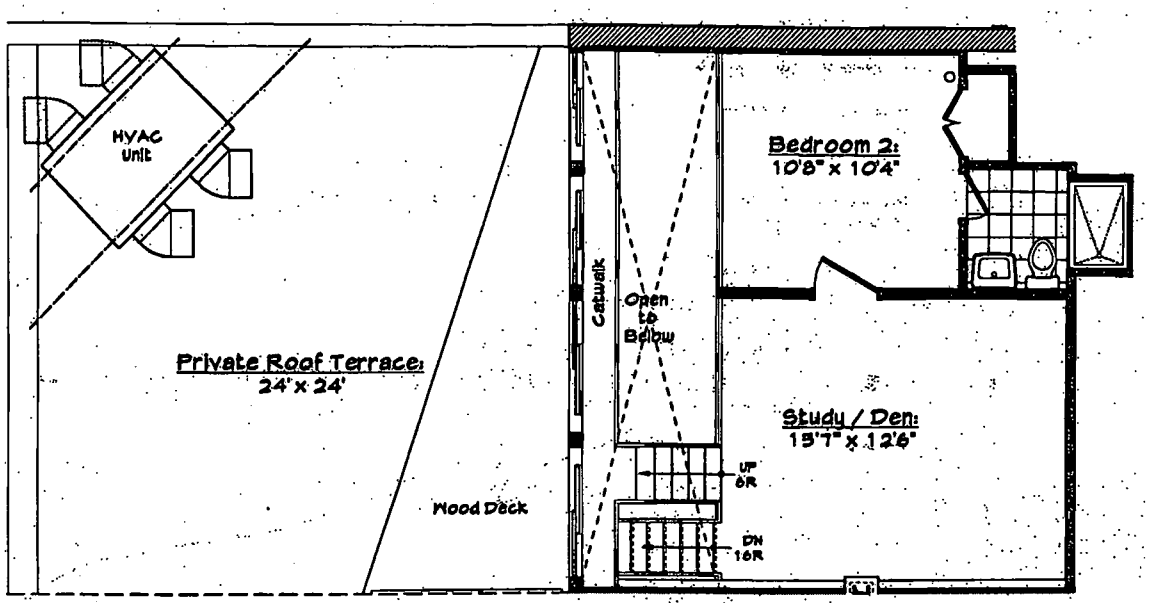
Key Plan
Fourth Floor

N

Unit 4D

Unit: 1,619 sf
L.C.E. 726 sf

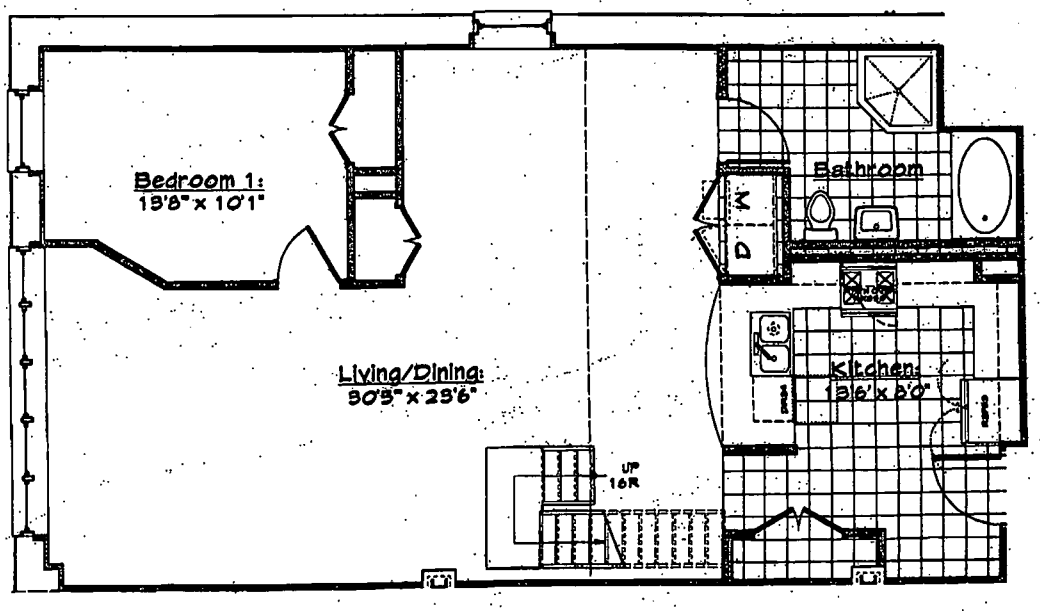
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions



Upper Level Floor Plan

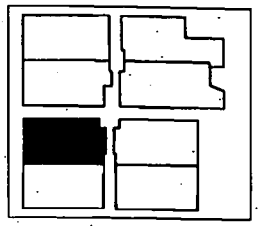
Unit: 454 sf L.C.E. 633 sf

0 4 8 12 16 20 FT



Lower Level Floor Plan

0 4 8 12 16 20 FT



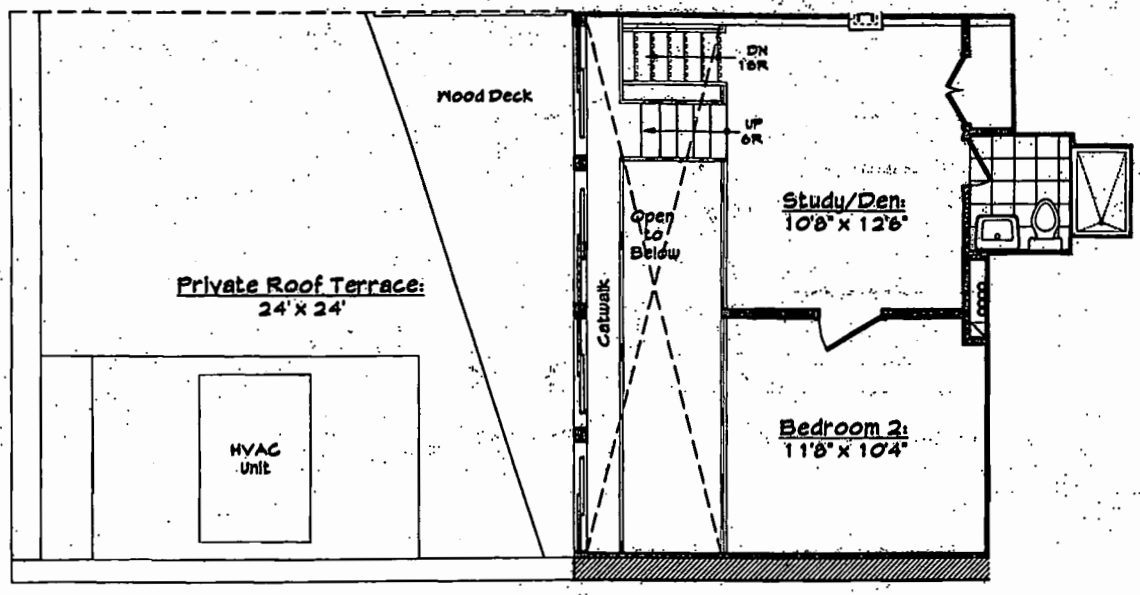
Key Plan
Fourth Floor

N

Unit 4E

Unit: 1,588sf
L.C.E. 633sf

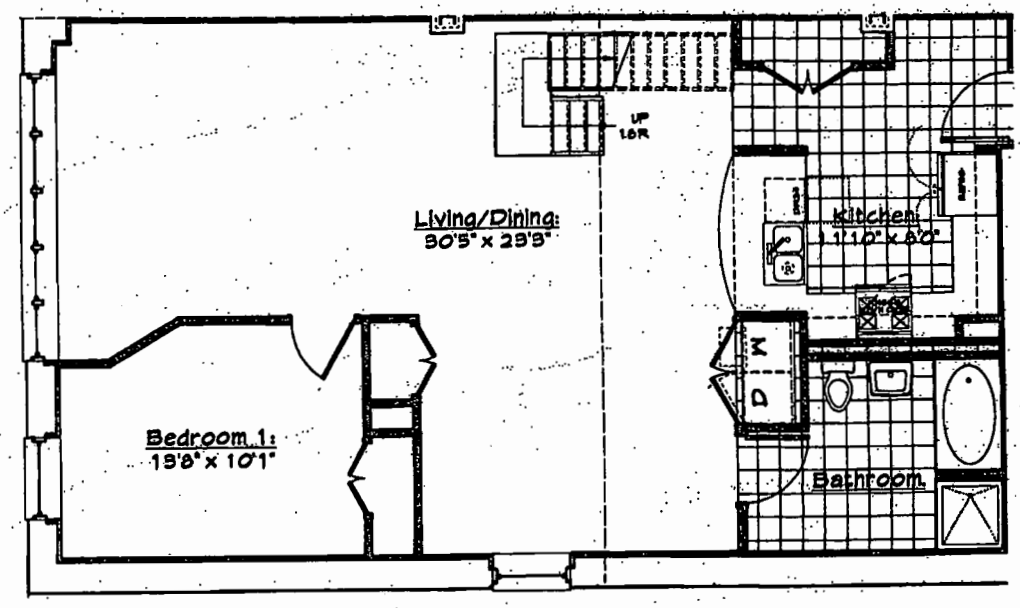
Note: All Dimensions Are Approximate.
Variations Mau Occur Due To Field Conditions



Upper Level Floor Plan

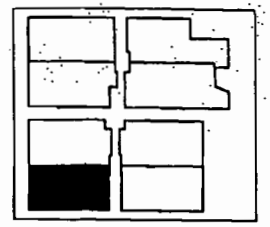
Unit: 409 sf L.C.E 633 sf

0 4 8 12 16 20 FT



Lower Level Floor Plan

0 4 8 12 16 20 FT



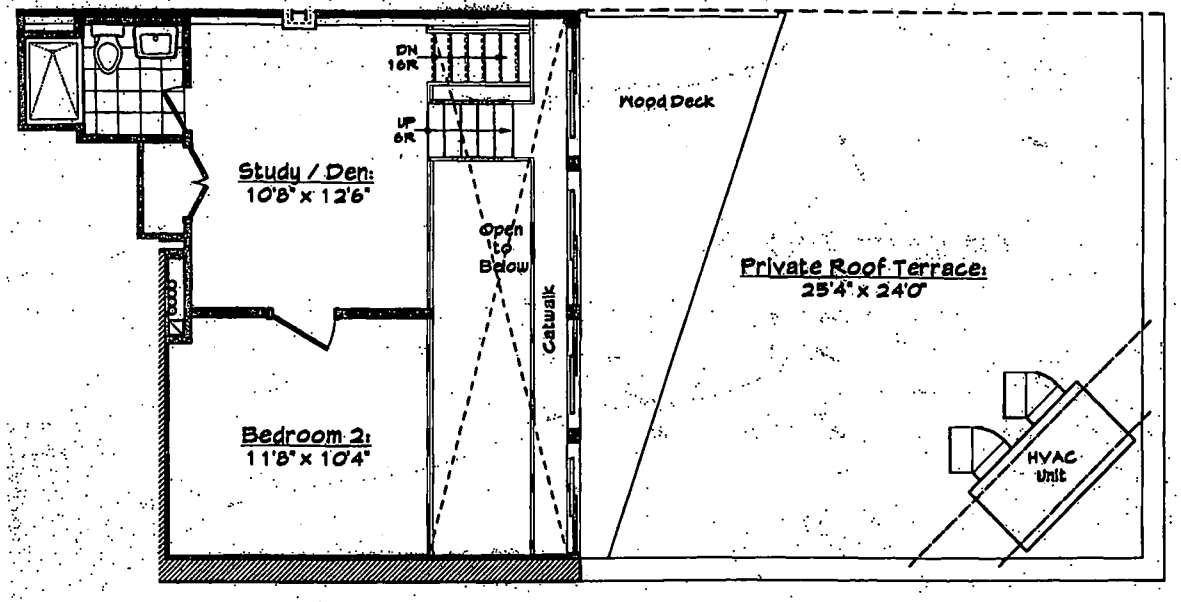
Key Plan
Fourth Floor

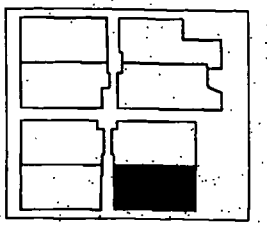
N

Unit 4F

Unit: 1,533 sf
L.C.E. 633sf

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions



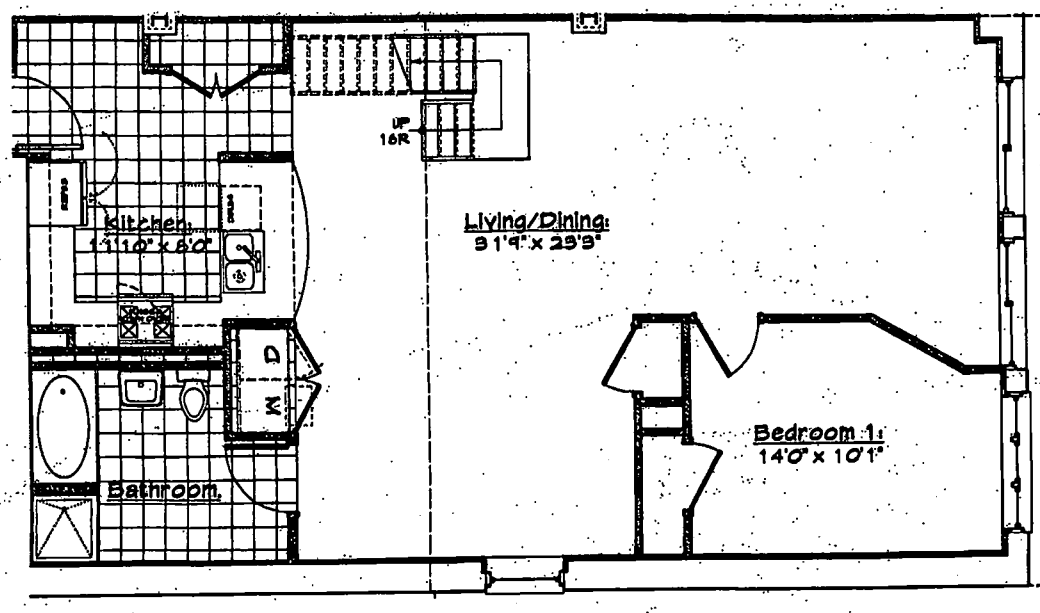


Key Plan
Fourth Floor

Upper Level Floor Plan

Unit: 411 sf L.C.E. 657 sf

0 4 8 12 16 20 FT



N

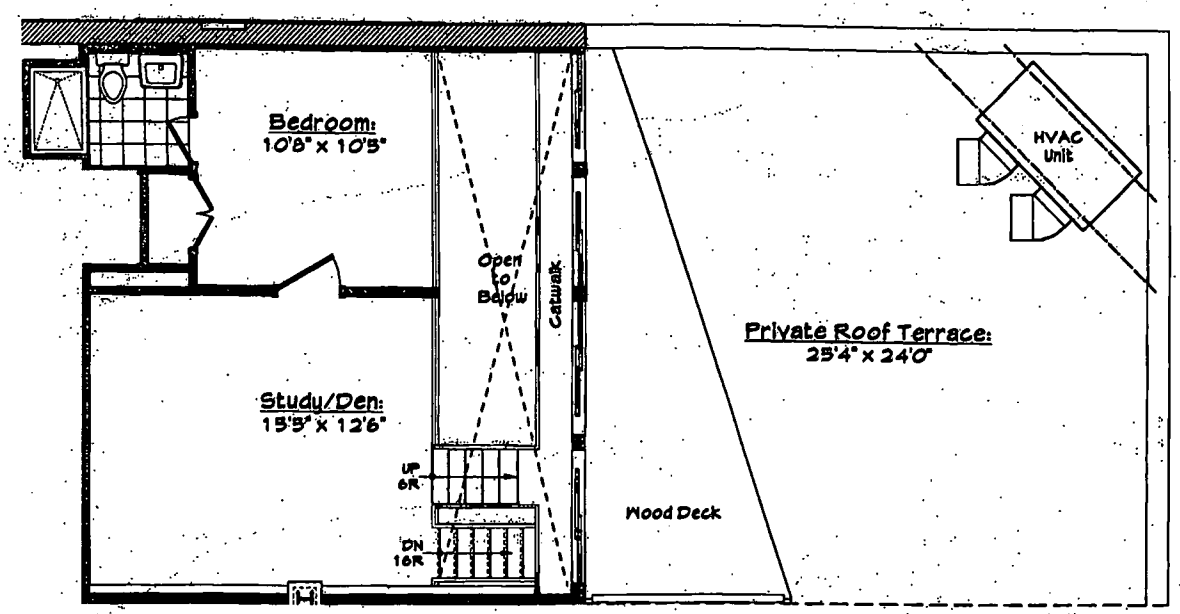
Floor Plan

0 4 8 12 16 20 FT

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 4G

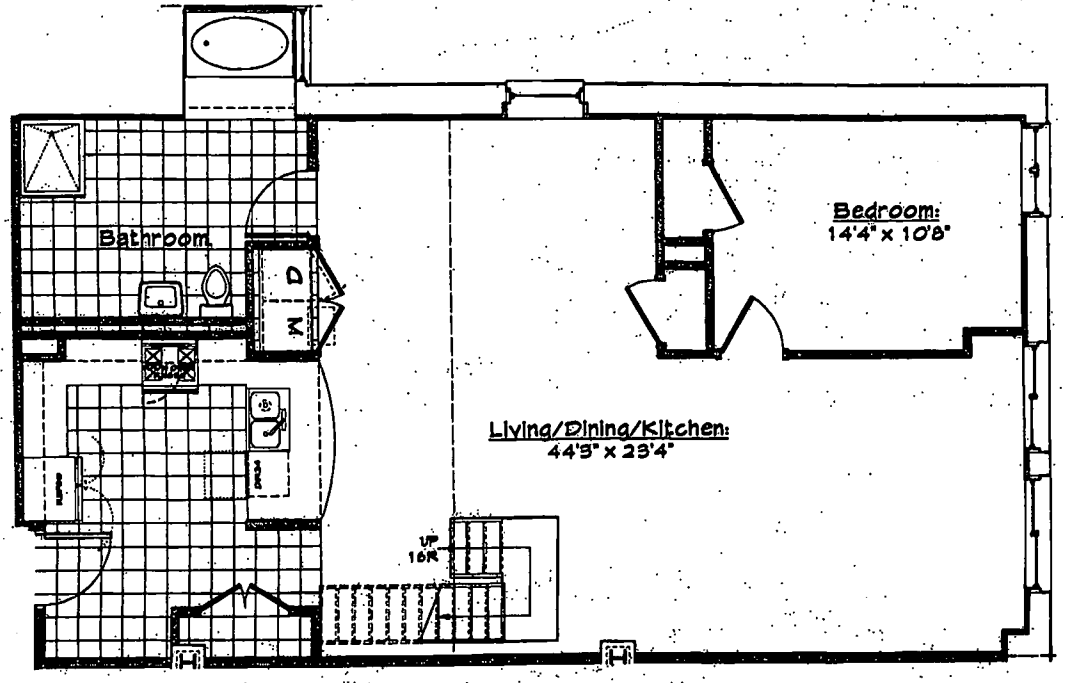
Unit: 1,559sf
L.C.E. 658sf



Upper Level Floor Plan

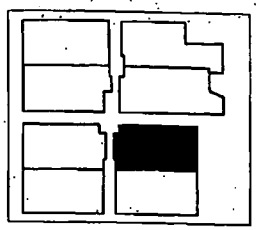
Unit: 454 sf L.C.E. 657 sf

0 4 8 12 16 20 FT



0 4 8 12 16 20 FT

Note: All Dimensions Are Approximate



Key Plan

Fourth Floor

N

Unit 4H

Unit: 1,648sf

L.C.E. 658sf

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EXHIBIT E
REAL ESTATE TAX OPINION LETTER

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

March 20, 2008

HRCF - LDR Lexington LLC
c/o Raphael & Marks
315 Park Avenue South
New York, N.Y. 10010

Attention: Ellen Marks, Esq.

Re: 105 Lexington Avenue, Brooklyn, N.Y.

Dear Ms. Marks:

This letter is in response to your request that I revise and update my April 17, 2007 Real Estate Tax Estimate for the above-captioned property. This revision includes the recently released 2008/09 Tentative Assessed Valuations, the new 2007/08 Class 2 and 4 tax rates, a change in the first year of the operation of the condominium from January 1, 2008 to July 1, 2008, and a change in the configuration of the building. The number of residential units has increased from thirty-one to thirty-two, the number of commercial units has decreased from three to one, and the roof terraces will be part of the limited common elements instead of separate tax lots.

The 2008/09 Tentative Assessed Values are as follows:

2008/09	Land	Total
Actual:	$ 141,750	$ 1,030,500
Transitional:	$ 79,992	$ 954,755

The Class 2 and Class 4 tax rates for 2007/08 are $11.928 and $10.059 per $100, respectively. I estimate the tax rates for 2008/09 and 2009/10 at $12.50 per $100 for Class 2 and $10.50 per $100 for Class 4.

It is my judgment that after completion of the renovation and the establishment of a condominium, the assessed valuation of the property will be as follows:

2009/10	Land	Total
Actual:	$ 150,000	$ 2,300,000
Transitional:	$ 101,150	$ 2,251,150

42 Broadway, Suite 1744, New York, NY 10004 (212) 344-8586

Using relative values as a rental building as the criterion, I have estimated that the residential units will be assessed at 95.5%, the commercial unit at 4%, and the storage units at .5% of the total assessed valuation. The tax liability, during the first year of operation, is estimated at $95,738 for the residential units, $4,010 for the commercial unit and $501 for the storage units. In the second year of operation, the estimated taxes for the residential units are $268,731, $9,455 for the commercial unit and $1,182 for the storage units. The calculations are as follows:

First Year of Operation without J-51 Benefits

Residential Units

7/1/08 - 6/30/09

$ 954,755[1] x .955[2] x .105[3] = $ 95,738

Commercial Unit

7/1/08 - 6/30/09

$ 954,755[1] x .04[2] x .105[3] = $ 4,010

Storage Units

7/1/08 - 6/30/09

$ 954,755[1] x .005[2] x .105[3] = $ 501

Second Year of Operation without J-51 Benefits

Residential Units

7/1/09 - 6/30/10

$ 2,251,150[4] x .955[2] x .125[5] = $ 268,731

Commercial Unit

7/1/09 - 6/30/10

$ 2,251,150[4] x .04[2] x .105[3] = $ 9,455

Storage Units

7/1/09 - 6/30/10

$ 2,251,150[4] x .005[2] x .105[3] = $ 1,182

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

It is my understanding that the sponsor is seeking J-51 real estate tax exemption and abatement benefits for the residential units. Assuming the J-51 benefits are granted, I believe that they will not begin before the second year of operation beginning July 1, 2009. I have estimated the tax with J-51 benefits at $ 26,931. The calculations are as follows:

Residential Units

7/01/09 - 6/30/10

($ 2,251,150[4] x .955[2]) - 1,600,000[6] x .125[5] - $41,800[7] = **$ 26,931**

Please call me if you have any questions regarding this letter.

Very truly yours,

Jerome Mazursky, MAI, CAE

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

FOOTNOTES

1. 2008/09 Taxable Assessed Value
2. Portion of value attributable to this type of space.
3. Estimated Class 4 Tax Rate
4. Estimated 2009/10 Taxable Assessed Value
5. Estimated Class 2 Tax Rate
6. Estimated J-51 exemption
7. Estimated J-51 maximum annual abatement (estimated CRC $501,600 x 8.333%)

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386 Park Avenue So., Suite 600, New York, NY 10016 (212) 696-2005

EXHIBIT F

EXHIBIT B TO THE DECLARATION

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105 Lexington Avenue CONDOMINIUM

SCHEDULE B TO DECLARATION

Unit	# of Rooms and Baths	Approx. Area in Square Feet	Tax Lot No.	% Common Interest	Location in Building
CA	1 / 1/2	1,662		2.75%	Cellar
CS1		45		0.01%	Cellar
CS2		45		0.01%	Cellar
CS3		45		0.01%	Cellar
CS4		55		0.01%	Cellar
CS5		55		0.01%	Cellar
CS6		45		0.01%	Cellar
CS7		45		0.01%	Cellar
CS8		45		0.01%	Cellar
1A	3 / 1	1,276		3.00%	First Floor
1B	3 / 1	1,185		2.79%	First Floor
1C	3 / 1	1,196		2.82%	First Floor
1D	3 / 1	1,173		2.76%	First Floor
1E	3 / 1	1,119		2.63%	First Floor
1F	3 / 1	1,110		2.61%	First Floor
1G	3 / 1	1,135		2.67%	First Floor
1H	3 / 1	1,146		2.70%	First Floor
				3.15%	
2A	3 / 1	1,340		2.79%	Second Floor
2B	3 / 1	1,185		2.82%	Second Floor
2C	3 / 1	1,197		2.76%	Second Floor
2D	3 / 1	1,173		2.63%	Second Floor
2E	3 / 1	1,119		2.62%	Second Floor
2F	3 / 1	1,111		2.67%	Second Floor
2G	3 / 1	1,136		2.77%	Second Floor
2H	3 / 1	1,175		3.15%	Second Floor
				2.79%	
3A	3 / 1	1,340		2.82%	Third Floor
3B	3 / 1	1,185		2.76%	Third Floor
3C	3 / 1	1,197		2.63%	Third Floor
3D	3 / 1	1,173		2.62%	Third Floor
3E	3 / 1	1,119		2.67%	Third Floor
3F	3 / 1	1,111		2.77%	Third Floor
3G	3 / 1	1,136		4.25%	Third Floor
3H	3 / 1	1,175		3.75%	Third Floor
				4.24%	
4A	5 / 2	1,822		3.77%	Fourth Floor & Penthouse
4B	5 / 2	1,603		3.70%	Fourth Floor & Penthouse
4C	6 / 2	1,818		3.58%	Fourth Floor & Penthouse
4D	5 / 2	1,619		3.64%	Fourth Floor & Penthouse
4E	5 / 2	1,588		3.84%	Fourth Floor & Penthouse
4F	5 / 2	1,533		3.00%	Fourth Floor & Penthouse

4G	5 / 2	1,559	2.79%	Fourth Floor & Penthouse
4H	5 / 2	1,648	2.82%	Fourth Floor & Penthouse

Limited Common Elements

Unit		Square Feet
1A	Terrace	92
1G	Yard	617
1H	Yard	617
2A	Terrace	92
2B	Balcony	77
3A	Terrace	92
3B	Balcony	77
4A	Terrace	92
	Roof Terrace	940
4B	Balcony	77
	Roof Terrace	697
4C	Roof Terrace	401
4D	Roof Terrace	726
4E	Roof Terrace	633
4F	Roof Terrace	633
4G	Roof Terrace	658
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SPECIAL RISKS TO BE CONSIDERED BY PURCHASERS

1. Down payments; Default by Purchasers under their Purchase Agreements

Purchasers will be required to make a downpayment upon execution of a Purchase Agreement in an amount equal to 10% of the purchase price. Sponsor anticipates that the First Closing will occur on or about January 1, 2008. Downpayments made by the Purchaser will be held in escrow until the closing of the Unit. If the First Closing does not occur within 12 months after January 1, 2008 Sponsor will offer Purchasers the right to rescind their Downpayments, returned together with any interest accrued thereon. After the Plan has been declared effective and the First Closing has occurred, if a Purchaser defaults under a Purchase Agreement and does not cure such default within 30 days after written notice of such default, then Sponsor shall cancel such Purchase Agreement and retain, as liquidated damages, the entire Downpayment together with interest earned thereon. "Time is of the essence" with respect to a Purchaser's obligations under a Purchase Agreement. Accordingly, a Purchaser who defaults in making timely payment of the balance of the purchase price and does not cure such default with the time provided may not be afforded any additional time to make such payment. (See Part I, Section J, for further discussion.)

2. Control by Sponsor; First Meeting

Sponsor will be entitled to elect or designate a majority of the members of the Board of Managers of the Condominium (three out of five board members) until the later to occur of five years after the closing of title to any Unit (the "First Closing") or the closing of title to 50% of the Residential units. During this period (the "Initial Control Period") Sponsor may exercise veto power over certain actions of the Condominium Board. Until Sponsor and its designees have conveyed title to all Units, but in no event later than five years after the closing of the first Unit, 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 Units, or (b) assess any Common Charges for the creation of, addition to or replacement of all or part of a working capital, reserve, contingency or surplus fund, or (c) increase or decrease the number, or change the kind of, employees referred to in the Plan, 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 provide services in excess of those referred to in the Plan, except as is required to reflect normal annual increases in operating services, or (e) borrow money on behalf of the Condominium, or (f) exercise a right of first refusal to lease or purchase a Unit; provided, however, that Sponsor's written consent is not necessary to perform any function or take any action described in clauses (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary (and no other alternative is available) to enable the Condominium Board to comply with laws, rules or regulations of any governmental authority having jurisdiction over the Condominium (see Section "Control By Sponsor" for further details).

Sponsor has reserved the unconditional right to rent, rather than sell, units as they become available. This may not result in the creation of a condominium in which the majority of the units are owned by owner-occupants or investors unrelated to the Sponsor. Purchasers for their own occupancy many never gain control of the Condominium Board under the terms of this Plan and may have difficulty in financing or reselling their Units. Because Sponsor is not limiting the

conditions under which it will rent rather than sell units, there is no commitment to sell more units that the 15% necessary to declare the plan effective.

3. No Bond or Other Security

No bond or other security has been posted by Sponsor to secure its obligation to pay Common Charges, special assessments or real estate taxes with respect to Unsold Units. Sponsor represents that it has the financial resources to pay such amounts with respect to the Unsold Units and agrees to pay such amounts. (See Part I, Section O, for further discussion.)

4. Transfer Taxes

Purchasers shall be obligated to pay the New York City Real Property Transfer Tax and New York State Real Property Transfer Tax (Deed Stamps) which by law are the primary obligation of the Seller. (See Part I, Section L, for further discussion.) For the purposes of computation of the aforementioned taxes, the consideration is calculated by adding the amount of tax as additional consideration to the purchase price. The taxes are then paid on said higher consideration.

5. No Reserve Fund

No Reserve Fund is being established for the Condominium Sponsor has elected not to provide for a reserve fund to be used for capital replacements, or repairs, The 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

6. Restrictions of Banks Regarding Number of Sold Units

Pursuant to existing law and regulation the Sponsor may declare the plan effective by entering into contracts to sell a minimum of fifteen percent of the apartments in the building However, the Sponsor's construction lender requires that at least 16 units be sold. See paragraph 12, Special Risks. Even if the plan is declared effective with a minimum number of sales contracts, it is possible that the Sponsor may be able to convert the building with fewer than the minimum number of sales, if purchasers counted towards effectiveness do not ultimately purchase an apartment.

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 (or 50%) or more of the apartments in a building be sold before the lender will consider making a loan. Thus it may be possible for a purchaser to experience difficulty obtaining a loan in a building where the percentage of units purchased is lower than a lender's particular sales minimum.

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

7. Default

In the event that a Purchaser fails to close title on the date set for closing or otherwise fails to perform any other obligations under his or her Purchase Agreement, and such default is not cured within 30 days after Sponsor gives written notice to such Purchaser of the default, Sponsor, at its option, may cancel such Purchase Agreement and retain as liquidated damages the Downpayment made by the Purchaser, together with interest earned thereon, and all rights, obligations and liabilities of Sponsor and the Purchaser to each other shall cease and terminate. In the event Sponsor elects not to cancel the Purchase Agreement as a result of the failure of the Purchaser to close on the date specified by Sponsor, or if Sponsor approves a request from Purchaser to adjourn the closing date, then Sponsor may require that (a) the Purchaser pay Sponsor interest at a rate of eighteen (18%) percent per annum. (or such lower rate per annum if the legal limit is changed by law at the time of contract and 18% per annum then exceeds the legal limit) on the total purchase price, computed from the original closing date until the transaction is actually closed, and (b) all apportionments between Sponsor and the Purchaser be made as of the original closing date.

Time is of the essence with respect to the Purchaser's obligation to close title on the date set for closing and to pay, perform or observe all of his or her other obligations under the Purchase Agreement, and to cure a default within 30 days after Sponsor gives notice to the Purchaser of such default. Therefore, a Purchaser who defaults under his or her Purchase Agreement and who does not cure such default within said 30-day period may not be permitted any additional time to cure such default.

8. Financing

Purchaser's obligations under the Purchase Agreement may be contingent upon obtaining financing, if desired, for the purchase of the Unit. Purchasers will have thirty (30) days after execution of the Purchase Agreement to obtain a commitment for financing. Purchaser must notify Sponsor within five (5) days after the expiration of the aforementioned 30-day period if Purchaser is unable to obtain the commitment. Purchasers should note that financing commitments for purchase of Units may have expiration dates prior to which closing of title to the Unit may occur, unless the commitment is extended. It is Purchaser's obligation to obtain any extension of the commitment if necessary. If such extension is granted, or another commitment issued, no guarantee can be made that the terms will be the same as the expired commitment

9. Working Capital Fund Contribution

Purchasers of Residential and Commercial Loft Units shall, at the closing of their units, pay the sum of $1,000 for each Unit purchased to the Condominium Board. At the closing of all 34 units, $34,000 will augment the Condominium's Working Capital Fund or any reserve or other fund then held or maintained by the Condominium Board. See Part I Section U.

10. The unit owners who have exclusive right to use a portion of the roof must install a deck or roof surface, approved by the Board and conforming to all applicable New York City codes and

regulations and avoiding any building common elements such as exhaust fans and roof vents, before the Unit owner can use the roof area.

10. Sponsor shall not be obligated to correct, repair or replace any defects relating to construction of the Residential or Commercial Loft Units, the Common elements, the and the Limited Common elements or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan. Sponsor will not warrant the materials or workmanship of any Unit or any of the Common elements.

11. It is noted that although it is the intent of Sponsor that all Units be offered for sale pursuant to the terms of the Offering Plan, Sponsor has reserved the unconditional right to withhold certain Residential Units from sale. In the event that the Sponsor withholds one or more of the units from sale, Sponsor shall amend the Plan to disclose which units are being withheld. If Sponsor leases certain units to tenants and such units are subsequently offered, Sponsor shall amend the Plan, accordingly, if such Units are offered subject to such tenancies.

12. Although Sponsor shall make a good faith effort to sell the Residential Units to purchasers who will occupy their units as their personal residences, prospective purchasers should be aware that the decision to sell or not to sell or rent any unit shall be made by the Sponsor based upon its evaluation of market conditions and its own financial considerations and shall be in the sole discretion of the Sponsor. In the event that Unsold Units are not offered for sale they may be rented at such rents as the Sponsor determines and market conditions allow. Prospective purchasers should also be aware that if the unsold units are not offered for sale and/or are subsequently rented, such decision by Sponsor may have an impact on the types of financing available to purchasers. Additionally, pursuant to the loan documents, the Community Preservation Corporation ("CPC") the Lender, requires that the Plan may not be declared effective until sixteen purchase agreements have been executed by bona fide purchasers. However at any time, CPC and Sponsor may agree to declare the Plan effective with sales of less than 16 apartments, but with sales of a minimum of five apartments. In such event, Sponsor will amend the Plan to change the percentage necessary to declare the Plan effective. Purchasers will not be given the right to rescind their Purchase Agreements if the Plan is so amended.

Additionally, because the Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment on the Sponsor's part to sell more units than necessary to declare the Plan effective and as a result owner-occupants may never gain effective control of the Condominium. Further, pursuant to the terms of the Plan and By-Laws, the Board of Managers has no right to approve or reject the sale of a unit to a prospective purchaser and therefore there is no limit as to the number of investor or non-occupant owners of units in the Building.

13. As set forth in the Description of the Property in Part II of the Plan, there are lot line windows on the east wall of the east building. Purchasers should note that if a building is constructed on a neighboring parcel, or if an addition is constructed on a neighboring building, the lot line windows (which are located in Units CB, 1B, 2B, 3B and 4B) which are within 60 feet in a direct line of such neighboring building will have to be permanently closed and covered with sheetrock. In such event any such closure shall be at the cost and expense of the Unit Owner whose lot line window is

affected. In the event that any windows must be covered as aforesaid, space within a Residential Unit, which had previously been constructed as a separate bedroom, may no longer be legally utilized as such. Sponsor has no actual knowledge of any plans by owners of neighboring buildings to either construct a new building or to increase the height of any existing building although Sponsor makes no representation or guarantees with respect thereto.

14. Child guards for the windows shall be the responsibility of the individual unit owners, who will be required to install such protection in the event that a child resides in the unit.

15. At or prior to the First Closing, the Condominium will enter into a management agreement with Bayside Builders Inc., having an office address at 79 Worth Street, New York, NY a real estate management firm affiliated with the Sponsor. It is to be noted that as long as sponsor is effectively controlling the Board of Managers, it will be difficult for the unit owners to cancel the contract with the managing agent.

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PART I

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A. INTRODUCTION

HRCF-LDR Lexington LLC ("Sponsor"), presents this Offering Plan (the "Plan") for the establishment of 105 Lexington Condominium, consisting of the land and buildings, and appurtenances thereto, known by the street number, 105 Lexington Avenue, Brooklyn, New York.

The purpose of the Plan is to set forth in detail all material terms of the offering by Sponsor of the Residential Units located in the Condominium. Sponsor may amend the Plan from time to time by filing an amendment with the New York State Department of Law ("Department of Law"), a copy of which amendment will be mailed or personally delivered to all purchasers of Units pursuant to executed Purchase Agreements and to all Unit Owners.

Part I of the Plan sets forth a general description of the offering and the rights and obligations of Sponsor and Unit Owners. Part II contains the basic documents necessary to create the Condominium and to otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed physical description of the Property and certifications by Sponsor, Sponsor's architect and Sponsor's financial experts. In addition to the Plan, Sponsor has filed with the Department of Law exhibits to the Plan which are presented as Parts A (Certifications), B (General), C (Engineering) and D (Other Information).

The Plan, including all Schedules set forth herein, and Parts A, B, C and D of the exhibits, together constitute the entire offer of Sponsor to sell Units at the Condominium. Sponsor shall not make, and has not authorized any other party to make, any oral representations or statements concerning this Plan, and no such representations or statements shall be considered part of this Plan. No information, data or representations other than those contained herein or in the documents annexed hereto as exhibits in Part II of this Plan may be relied upon. Copies of the Plan and the exhibits will be available for inspection by prospective Purchasers without charge, and for copying, at a reasonable charge, at the Condominium's Sales Office by appointment and at the Department of Law.

The Condominium will be organized pursuant to Article 9-B of the Real Property Law of the State of New York, as amended, commonly known as and hereinafter referred to as the "Condominium Act." The Condominium is subject to and will comply with all statutes and regulations applicable to condominiums in the State of New York.

THE PURCHASE OF A CONDOMINIUM UNIT HAS MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES. 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.

Each capitalized term used in Part I of the Plan shall have the meaning ascribed thereto in the section of the Plan entitled "Certain Definitions", unless otherwise clearly indicated.

1. The Property

On November 15, 2006, the Sponsor purchased the Land and Buildings located at 105 Lexington Avenue, Brooklyn, New York.

It is noted that although it is the intent of Sponsor that all Units be offered for sale pursuant to the terms of the Offering Plan, Sponsor has reserved the unconditional right to withhold certain Residential Units from sale. In the event that the Sponsor withholds one or more of the units from sale, Sponsor shall amend the Plan to disclose which units are being withheld. If Sponsor leases certain units to tenants and such units are subsequently offered, Sponsor shall amend the Plan, accordingly, if such Units are offered subject to such tenancies.

Although Sponsor shall make a good faith effort to sell the Residential Units to purchasers who will occupy their units as their personal residences, prospective purchasers should be aware that the decision to sell or not to sell or rent any unit shall be made by the Sponsor based upon its evaluation of market conditions and its own financial considerations and shall be in the sole discretion of the Sponsor. In the event that Unsold Units are not offered for sale they may be rented at such rents as the Sponsor determines and market conditions allow. Prospective purchasers should also be aware that if the unsold units are not offered for sale and/or are subsequently rented, such decision by Sponsor may have an impact on the types of financing available to purchasers.

Additionally, because the Sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment on the Sponsor's part to sell more units than necessary to declare the Plan effective and as a result owner-occupants may never gain effective control of the Condominium. Further, pursuant to the terms of the Plan and By-Laws, the Board of Managers has no right to approve or reject the sale of a unit to a prospective purchaser and therefore there is no limit as to the number of investor or non-occupant owners of units in the Building.

Sponsor has a construction loan with The Community Preservation Corporation ("CPC"). There are no provisions in the mortgage with respect to the rental of the units. The provision regarding the sale of the units is that Sponsor may not declare the plan effective until purchase agreements have been signed for a minimum of 16 units. Sponsor and CPC may, at any time, agree to decrease the number of sales required to declare the Plan effective to less than 16, but in no event less than 5 units (15%). If the number of Units is decreased, Sponsor shall amend the Plan to disclose such change. Purchasers will not be given a right of rescission as long as the percentage is at least 15% or 5 units. CPC will issue partial releases for each of the units at the time of closing each unit until the loan is paid off.

Closings of Units will begin on or about January 1, 2008. If Sponsor delays or postpones the First Closing to a date earlier or later than the targeted date, Sponsor will have no liability to any purchaser, nor will a purchaser be entitled to any credit, offset or reduction in the purchase price for his or her Unit or otherwise be relieved from any obligations under the Purchase Agreement. However, in the event the actual or anticipated commencement date of the first year of condominium operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections and if (i) the amended budget exceeds the

projected budget set forth herein by 25% or more or (ii) the First Closing does not occur within 12 months after January 1, 2008, the date set forth in Schedule B as the commencement date for the first year of Condominium operation, then in either case Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period, if the Plan has been declared effective) the right to rescind their Purchase Agreements within not less than fifteen days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their Downpayments and any interest accrued thereon returned.

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

A detailed description of the Property is contained in "Description of the Property and Improvements" in Part I, Section B, of the Plan.

2. Features of Condominium Ownership

The ownership of a Unit is similar in many respects to the ownership of a private home or commercial building, as the case may be. Each Unit Owner is the fee owner of his or her Unit. Each Unit Owner also owns, in common with the owners of all other Units, an undivided interest in the Common Elements, which, as more particularly set forth herein and in the Declaration, include all parts of the Property other than the Units themselves, including, without limitation, the Land and the roofs, foundations and supports of the Building, and all areas, equipment or facilities for the common use of two or more Units or two or more Unit Owners. Some Unit Owners have the exclusive use of Limited Common Elements appurtenant to their units. See Schedule A herein.

Use and occupancy of the Units is governed by the By-Laws of the Condominium, the provisions of this Plan and applicable laws.

A Residential Unit may be used only as a residence and, subject to compliance with the By-Laws and applicable laws, for a lawful home occupation. A Commercial Loft Unit may not be used for residential purposes or for manufacturing of any kind but may be used for storage, as an artist's studio, as an office, or any lawful purpose. A Storage Unit may only be used for storage.

Any sale or lease of a Unit will be subject to a right by the Board to acquire or lease the Unit on the same terms as were offered by the Unit Owner and is not subject to the consent of the Board. This right of first refusal in favor of the Board is not applicable to a sale or lease of the Unsold Units. For a more complete discussion of the foregoing, see Part I, Section R, of the Plan.

The Condominium Board does not have the right to approve or disapprove purchasers. There is no limit on the number of owners who may purchase for investment rather than for personal occupancy; there may always be a substantial percentage of owners who are non-

residents. Each Unit Owner must pay Common Charges to cover the costs of operation and maintenance of the Condominium in accordance with Sections 339(i)(l)(iv) and 339(m) of the New York Condominium Act. The estimated Common Charges for each Unit for the projected first year of Condominium operation are set forth in Schedule A.

Operation of the Condominium will be vested in a Board of Managers, which will be elected by the Unit Owners. As more particularly set forth in the By-Laws, the Board will determine the amounts of Common Expenses, and the allocation of Common Expenses and will assess Unit Owners for Common Charges accordingly.

Unit Owners may decorate the interior of their Units in any way that they desire, subject to compliance with the By-Laws and Rules and Regulations. Unit Owners will be responsible for maintaining, repairing and painting their Units at their own expense. Unit Owners must obtain the consent of the Board before altering their Units.

Each Unit Owner may mortgage his or her Unit with such lender and in such amount as he or she chooses, provided only that the Unit Owner notifies the Board of the name and address of the lender, files a copy of the note and mortgage with the Board and satisfies all unpaid liens against his or her Unit prior to making such mortgage. Each Unit is separate and is not subject to the lien of any mortgage placed by other Unit Owners on their respective Units.

After the City of New York assesses as a separate tax lot each Unit and bills each Unit Owner, the Unit Owner will be responsible for paying the real estate taxes and assessments imposed against such Unit, and no Unit Owner will be responsible for the payment of, nor will his or her Unit be subjected to any lien arising from the non-payment of taxes and assessments imposed on other Units.

In the opinion of Raphael and Marks, Sponsor's counsel, a Residential Unit Owner who utilizes his Unit as his primary or secondary residence, and who itemizes deductions generally may, under the income tax laws and regulations in effect as of the date of this Plan, subject to certain limitations, deduct from his income for Federal, New York State and New York City income tax purposes:

(a) the annual real estate taxes assessed against his Unit and paid or incurred by such Unit Owner; and
(b) the annual interest paid or incurred by such Unit Owner on mortgage indebtedness incurred to acquire or substantially improve his Unit.

Prospective Purchasers should refer to "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" in Section T below, as well as to such counsel's Income Tax Opinion reproduced in Section U of Part I for a more complete discussion.

After the closing of title, Unit Owners will be responsible for maintaining homeowner's insurance with respect to fixtures, equipment and personal property within the Unit and liability insurance with respect to occurrences in or about the Unit. The Board will be responsible for maintaining casualty and liability insurance with respect to the Common Elements,

in accordance with the provisions of Section 6.4 of the By-Laws. See "Rights and Obligations of the Unit Owners and the Board of Managers" in Part I, Section R, for a more complete discussion of the foregoing.

3. Offering of Units for Sale

Sponsor hereby offers 31 Residential Units, 3 Commercial Loft Units, and 8 Storage Units for sale under the Plan.

There are no limitations on who may purchase Units. However, Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without the consent of the Board, any Unit Owner or mortgagee, to refuse to approve and execute a Purchase Agreement for any Unit; provided, however, that Sponsor shall not discriminate against any person because of race, creed, color, sex, disability, marital status or national origin, or as otherwise Prohibited by applicable law.

The prices for the Units offered under the Plan are listed on Schedule A, entitled "Schedule of Purchase Prices and Other Financial Details for Each Unit from January 1, 2008 to December 31, 2008, the Projected First Year of Condominium Operation". THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO REVIEW OR APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

The estimated Common Charges for each Unit for the projected first year of condominium operation are also set forth in said Schedule A. In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes which will be separately assessed against such Unit, and interest and amortization payments on the mortgage, if any, which such Purchaser may obtain

Schedule A sets forth the estimate for the amount of real estate taxes which will be payable with respect to each Unit during the fiscal tax year from January 1, 2008 through December 31, 2008. See Note 6 to Schedule A of Part I.

4. Certain Definitions

For convenience, general definitions of certain of the terms used in Part I of the Plan are set forth below, which definitions are subject, in many cases, to the more particular definitions of such terms set forth in the Declaration and By-Laws included in Part R of the Plan.

Board: The Board of Managers of the Condominium, also sometimes referred to as the "Condominium Board".

Building: The buildings and other improvements located on the Land and commonly known as 105 Lexington Avenue, Brooklyn, New York.

By-Laws: The By-Laws governing the operation of the Condominium, the form of which is set orth in Part II of the Plan, including the Rules and Regulations.

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

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

Common Elements: The Land, all parts of the Building (other than the Units), including the foundations, roofs and supports of the Building and all areas, equipment or facilities for the common use of two or more Units or two or more Unit Owners.

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

Common Interest: The proportionate undivided interest in the Common Elements appertaining to each Unit, expressed as a numerical percentage and determined in accordance with the Declaration. The total of all Common Interest percentages appertaining to all Units equals 100%. The Common Interest is the basis of determining, among other things, a Unit Owner's (a) voting power and (b) liability for a share of the Common Expenses.

Condominium: 105 Lexington Condominium.

Condominium Board: The Condominium Board of the Condominium, also sometimes referred to herein as the "Board".

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

Department of Buildings: The Department of Buildings of The City of New York.

First Closing: The first date upon which title to any Unit is conveyed to a purchaser under the Plan.

Floor Plans: The floor plans of the Building which will be filed with, and approved by, the Real Property Assessment Department of The City of New York and the City Register's Office at the time the Declaration is recorded. The Floor Plans will show the locations of the Units and the Common Elements in the Building.

General Common Elements: All of the Common Elements which are not Limited Common Elements.

Initial Control Period: The period ending upon the later to occur of (a) five years after the First Closing or (b) the closing of title to Units representing 50% (in number and in aggregate Common Interests) of all Units.

Land: The land situated at 105 Lexington Avenue, Brooklyn, New York, as more particularly described in the Declaration.

Limited Common Elements: Those Common Elements, which serve or benefit exclusively specific Units.

Permitted Encumbrances: Those matters encumbering title to a Unit subject to which a Purchaser agrees to take title, as more particularly itemized on Schedule A annexed to the form of Purchase Agreement.

Plans and Specifications: 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 Department of Buildings and which may, from time to time, hereafter be amended in accordance with the provisions of the Plan.

Property: The Land, the Building and the appurtenances thereto, including, without limitation, all Common Elements.

Purchase Agreement. The agreement to purchase a Unit pursuant to the Plan, the form of which is set forth as Exhibit 1 in Part II of the Plan.

Purchaser: A purchaser of a Unit pursuant to a Purchase Agreement.

Rules and Regulations: The rules and regulations of the Condominium made in accordance with the By-Laws and attached thereto as Schedule A.

Sponsor or its designee; or similar phrases: Sponsor, any affiliate of Sponsor or a designee of Sponsor shall be deemed to be a person who or entity which (i) owns 25% or more of the legal or beneficial interest of Sponsor, or (ii) an entity with respect to which Sponsor owns 25% or more of the legal or beneficial interest.

Sponsor Office: The office of Sponsor is located at 79 Worth Street, New York, New York or any other office regularly maintained by Sponsor.

Unit: Any space designated as a Unit in the Declaration, consisting, generally, of the relevant condominium unit in the Building and an appurtenant undivided interest in the General Common Elements. All or any of such Units are collectively referred to as the "Units".

Unit Owner or Owner: The owner of a Unit at the time in question.

Unsold Units: Any of the Units owned by Sponsor or its designee, other than any such Unit purchased by and for the use of Sponsor or its designee. All or any of such Units are collectively referred to as the "Unsold Units".

All other capitalized terms used in Part I of the Plan which are not separately defined in Part I shall have the meanings ascribed thereto in the By-Laws or in the Declaration, as

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

B. DESCRIPTION OF THE PROPERTY AND IMPROVEMENTS

The following is a general description of the Property, including the Land, Building, Units and Common Elements, as well as certain facilities and services to be provided at the Condominium. The units are renovated in accordance with all applicable provisions of the New York City Zoning Resolution, the New York City Building Code, the New York City Multiple Dwelling Law, the New York City Electric Code and all other applicable zoning and building laws and requirements. For a more detailed physical description of the Property, see "Description of Property and Specifications" in Part II of the Plan.

1. The Building

There are two buildings that are connected and are located on the Land, situated on 105 Lexington Avenue in the Clinton Hill section of Brooklyn, New York. The west wing of the building was built in 1920 and the East Wing in 1931 and was used for commercial purposes. It is now under renovation pursuant to the Architect's Report in Part II, Section 4 of the Plan.

Sponsor has engaged James H. Baer as architect for the Report contained herein (See "Identity of Parties" in Part I, Section X).

The location in the Building, size, layout and approximate square footages of the Units are shown on the floor plans duplicated in Exhibit 8 of Part II of the Plan. Such floor plans are subject to the rights of Sponsor or its designee to combine two or more Unsold Units, to add additional Units by subdividing Unsold Units or to change the number of rooms in, as well as the size, layout and square foot area of, any Unsold Units, as further described in Part I Section H, hereof provided, however, that any material change shall be set forth in an amendment to the Plan, that no material adverse change will be made in the size, configuration, or layout of a Unit for which a Purchase Agreement has been countersigned by Sponsor and returned to the Purchaser, and in such event, Sponsor will, in the amendment disclosing such change and delivered to the Purchasers, offer the affected Purchaser(s) the right, for at least fifteen days, to rescind their Purchase Agreements and receive a refund of their Downpayments, together with all interest earned thereon.

Sponsor will have no liability to any Purchaser, nor will any Purchaser be entitled to a credit, offset or reduction in the purchase price for his or her Unit or otherwise be relieved from any obligations under the Purchase Agreement, by virtue of a minor inaccuracy or error in the floor plans. With regard to size, such minor error would mean an increase or decrease in the size of any apartment of 5% or less.

Sponsor presently contemplates that closings of Units will begin on or about January 1, 2008. Sponsor will have no liability to any Purchaser, nor will a Purchaser be entitled to any credit, offset or reduction in the purchase price for his or her Unit or otherwise be relieved from any obligations under the Purchase Agreement, in the event that the First Closing occurs earlier or later than the targeted date or the time to complete or to close title to their Units is delayed or postponed by Sponsor. However, if the First Closing does not occur within 12 months after January 1, 2008 the date set forth in Schedule B as the commencement date for the first year of Condominium

operation, then Sponsor will offer all Purchasers the right to rescind their Purchase Agreements and receive a refund of their Downpayment, with interest, if any.

Further, in the event the actual or anticipated commencement date of the first year of condominium operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections and if the amended budget exceeds the projected budget set forth in the Plan by 25% or more, Sponsor will offer all Purchasers the right to rescind their Purchase Agreements within not less than fifteen days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their Downpayments and any interest accrued thereon returned.

2. Residential Units

There will be a total of 31 Residential Units located on floors one to five of the Building. Detailed descriptions of the Units are set forth in the Declaration and in Exhibit 5 in Part II of the Plan. Exhibit 5 also includes a detailed description of the fixtures, finishes, appliances and equipment included in each Unit.

A Residential Unit may be used only as a residence and, subject to compliance with these By-Laws, for a lawful home occupation. A Residential Unit may only be occupied by (i) any individual who is a Unit Owner or permitted lessee, (ii) any officer, director, stockholder or employee of any corporation which is a Unit Owner or permitted lessee, (iii) any partner or employee of any partnership which is a Unit Owner or permitted lessee, (iv) the fiduciary or beneficiary of any fiduciary which is a Unit Owner or permitted lessee and member and/or non-paying guests of any of the forgoing.

3.Commercial Loft Units

There will be a total of three Commercial Loft Units. Two of the Commercial Loft Units are located in the cellar and one is on the first floor. Owners of these units may not use these units as residences. These units may be used for professional and medical offices, small service establishments, such as repair shops, artist's studios and custom hand manufacturing.

4.Cellar Storage Units

There will be eight (8) Cellar Storage Units located in the cellar.

5.Limited Common Elements: Terraces, Roof Terraces, and Yard

The Limited Common Elements are those elements appurtenant to specific units for the exclusive use of the owners of those units. As indicated in Schedule A, terraces are appurtenant to certain Residential Units and are included in the purchase prices and Roof Terraces for the 4th floor units are limited common elements and are included in the purchase price for those Residential Units. The unit owners shall be responsible for all maintenance, repairs and replacements thereto. In addition, the unit owners shall be responsible for the underlying roof if the roof is damaged as a consequence of their negligence or actions.

The Condominium Board shall have the right to require a Unit Owner to remove plantings and other installations, which have been placed on the Terraces, if the Condominium Board determines, in its reasonable discretion, that such plantings, surface coverings or other installations adversely affect the integrity of the Building or the roof. The Board may establish such other rules and regulations it deems necessary to protect the Common Elements and the Units to insure the integrity and appearance of the Building and the health and safety of the occupants.

6. Common Elements

The Common Elements consist of the Land and all parts of the Building other than the Units themselves, including, generally, the foundations, roofs and supports of the Building and all other parts of the Building and all apparatus, installations, systems, equipment and facilities therein for the common use of the Units and Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property.

The Common Elements cannot be divided or partitioned, except as provided in the New York Condominium Act. A Unit Owner's interest in the Common Elements shall not be separated from the Unit to which it appertains. For a detailed description of the Common Elements, see Exhibit 5 in Part II of the Plan and Article 7 of the Declaration (Exhibit 9 in Part II of the Plan).

7. Available Services and Facilities

Generally, all services normally associated with the operation and maintenance of a residential condominium will be provided to Unit Owners at no cost other than Common Charges; these are described below in the section entitled "Building Services and Facilities".

Building Services and Facilities (included in Common Charges payable by Unit Owners):

(i)Communications Facilities and Intercom Service. Each Unit will be equipped with an intercom. This system will enable the occupants of each Unit to communicate directly with guests and visitors.

(ii) Mail. There will be an area in either the vestibule or facade of the building containing mailboxes for each Unit Owner.

(iii)Maintenance Personnel. Building personnel will include a part time building superintendent

(iv)Utilities and Cable Service. Each Unit will contain connections for all utilities, including electricity, domestic hot and cold water, telephone and cable service. Electricity will be provided by Consolidated Edison and Gas Heating and Cooking for the Building will be provided by Keyspan and metered to each Unit. Services for heating the common space are metered to the Building as an entity. Water and sewer services will be provided by The City of New York and paid for as part of the common charges and cable service by Time Warner

of New York City or another cable service.

(v) Refuse Disposal. A trash compactor will be in the cellar of the west wing of the Building. Floors 1-4 of the west wing have an enclosed trash room and a trash chute to the compactor.

(vi) Security Procedures. There will be a video intercom system that communicates with each unit and the exterior door. Each unit will have a video/audio station. No representation or warranty is made and no assurance is given that the security system and procedures of the Building will prevent personal injury or damage to or loss of personal property.

(vii) Smoke and Carbon Monoxide Detectors. Smoke and carbon monoxide detectors which may be combination units shall be provided in each Unit in compliance with applicable legal requirements.

(viii) Elevator Service. The Building will be provided with one passenger elevator servicing the cellar through the roof.

C. LOCATION AND AREA INFORMATION

1. Location and Services

The Condominium is situated at 105 Lexington Avenue in the Clinton Hill section of Brooklyn. It is located in an R-7-2 zone which permits residential development.

Clinton Hill is a twenty-minute subway ride to midtown Manhattan. New York City is one of the leading cultural centers of the world, with many of the finest universities, museums, libraries, theaters and cultural institutions, attracting millions of national and international tourists. New York City is the nation's center for communications, publishing, advertising, the stock market and other financial services, visual and performing arts and the fashion industry.

New York City is served by three major airports –La Guardia Airport, John F. Kennedy and Newark International Airport. Passenger railroad service is provided via the A train two blocks away.

Transportation to and from the Building, and throughout New York City, is provided by the New York Transit Authority subway system, and various buses. The G and C trains all provide convenient access throughout the boroughs. The New York- Henry Hudson Parkway links the highways, bridges and tunnels. Convenient access to Manhattan is provided by the George Washington Bridge. A number of commercial parking garages are located nearby.

A number of excellent medical centers, such as Long Island College Hospital and Kings County Hospital are readily accessible.

All public services, including schools, police protection, library and street maintenance, are provided by the City of New York. The nearest Police Station (88th Precinct) is at 298 Classon Avenue. The nearest Fire Station is Engine Company number 235 at 206 Monroe Street .Private and public schools in the neighborhood include St. Joseph's College, Pratt Institute, Bishop Loughlin High School, Brooklyn Technical High School, The Clermont Armory School, PS11 and PS 20.

SCHEDULE A

105 Lexington Avenue Condominium

SCHEDULE OF PRICES AND OTHER FINANCIAL DETAILS

FOR EACH UNIT FOR THE FIRST YEAR OF CONDOMINIUM OPERATION

COMMENCING January 1, 2008

1	2	3	4	5	6		7		8	
UNIT	ROOMS	% OF	SQ	OFFERING	PROJECTED		PROJECTED		MONTHLY	
	BATHS	COMMON	FT	PRICE	COMMON CHARGES		MONTHLY RE TAXES		CARRYING COSTS	
		INTEREST			ANNUAL	MONTHLY	W/ J51	W/O J51	W/ J51	W/O J51
CA	1/ 1/2	2.93%	1285	$ 257,000.00	$ 5,064.59	$ 422.05	$597.25	$339	$ 1,019.30	$ 760.85
CB	1/ 1/2	2.62%	1149	$ 229,800.00	$ 4,528.57	$ 377.38	$559.93	$ 317.00	$ 937.31	$ 694.38
1A	3/1	2.92%	1276	$ 707,800.00	$ 5,043.42	$ 420.29	$709.24	$ 402.00	$ 1,129.53	$ 822.29
1B	3/1	2.71%	1185	$ 666,750.00	$ 4,680.71	$ 390.06	$37.27	$ 375.00	$ 427.33	$ 765.06
1C	3/1	2.74%	1197	$ 673,350.00	$ 4,732.53	$ 394.38	$37.65	$ 379.00	$ 432.03	$ 773.38
1D	3/1	2.69%	1173	$ 660,150.00	$ 4,646.17	$ 387.18	$36.89	$ 371.00	$ 424.07	$ 758.18
1E	1/ 1/2	2.55%	1119	$ 633,450.00	$ 4,410.33	$ 367.53	$ 35.19	$ 354.00	$ 402.72	$ 721.53
1F	3/1	2.53%	1110	$ 628,500.00	$ 4,374.86	$ 364.57	$ 34.91	$ 351.00	$ 399.48	$ 715.57
1G	3/1	2.59%	1135	$ 642,250.00	$ 4,473.39	$ 372.78	$ 35.70	$ 359.00	$ 408.48	$ 731.78
1H	3/1	2.62%	1146	$ 645,300.00	$ 4,516.75	$ 376.40	$ 36.04	$ 362.00	$ 412.44	$ 738.40
2A	3/1	3.07%	1340	$ 743,000.00	$ 5,302.50	$ 441.88	$ 42.14	$ 424.00	$ 484.02	$ 865.88
2B	3/1	2.72%	1187	$ 667,850.00	$ 4,697.98	$ 391.50	$ 37.33	$ 375.00	$ 428.83	$ 766.50
2C	3/1	2.74%	1197	$ 673,350.00	$ 4,732.53	$ 394.38	$ 37.65	$ 379.00	$ 432.03	$ 773.38
2D	3/1	2.69%	1173	$ 660,150.00	$ 4,646.17	$ 387.18	$ 36.87	$ 371.00	$ 424.05	$ 758.18
2E	3/1	2.55%	1119	$ 633,450.00	$ 4,410.33	$ 367.53	$ 35.19	$ 354.00	$ 402.72	$ 721.53
2F	3/1	2.54%	1111	$ 629,050.00	$ 4,378.80	$ 364.90	$ 34.91	$ 351.00	$ 399.81	$ 715.90
2G	3/1	2.59%	1136	$ 642,000.00	$ 4,477.34	$ 373.11	$ 35.70	$ 359.00	$ 408.81	$ 732.11
2H	3/1	2.68%	1175	$ 661,250.00	$ 4,631.05	$ 385.92	$ 36.95	$ 372.00	$ 422.87	$ 757.92
3A	3/1	3.07%	1340	$ 743,000.00	$ 5,302.50	$ 441.88	$ 42.14	$ 424.00	$ 484.02	$ 865.88
3B	3/1	2.72%	1187	$ 667,350.00	$ 4,697.98	$ 391.50	$ 37.33	$ 375.00	$ 428.83	$ 766.50
3C	3/1	2.74%	1197	$ 673,350.00	$ 4,732.53	$ 394.38	$ 37.65	$ 379.00	$ 432.03	$ 773.38
3D	3/1	2.69%	1173	$ 660,150.00	$ 4,646.17	$ 387.18	$ 36.89	$ 371.00	$ 424.07	$ 758.18
3E	3/1	2.55%	1119	$ 633,450.00	$ 4,410.33	$ 367.53	$ 35.19	$ 354.00	$ 402.72	$ 721.53
3F	3/1	2.54%	1111	$ 629,050.00	$ 4,378.80	$ 364.90	$ 34.91	$ 351.00	$ 399.81	$ 715.90
3G	3/1	2.59%	1136	$ 642,800.00	$ 4,477.34	$ 373.11	$ 35.70	$ 359.00	$ 408.81	$ 732.11
3H	3/1	2.68%	1175	$ 661,250.00	$ 4,631.05	$ 385.92	$ 36.95	$ 372.00	$ 422.87	$ 757.92
4A	5/2	4.13%	1804	$ 855,900.00	$ 7,133.34	$ 594.44	$ 56.74	$ 570.00	$ 651.18	$ 1,164.44
4B	5/2	3.64%	1593	$ 796,500.00	$ 6,287.01	$ 523.92	$ 50.10	$ 504.00	$ 574.02	$ 1,027.92
4C	5/2	4.12%	1800	$ 854,900.00	$ 7,116.06	$ 593.01	$ 56.61	$ 569.00	$ 649.62	$ 1,162.01
4D	5/2	3.66%	1602	$ 799,900.00	$ 6,313.99	$ 526.17	$ 50.38	$ 506.00	$ 576.55	$ 1,032.17
4E	5/2	3.59%	1573	$ 794,500.00	$ 6,199.69	$ 516.64	$ 49.47	$ 498.00	$ 566.11	$ 1,014.64
4F	5/2	3.47%	1520	$ 784,500.00	$ 5,990.80	$ 499.23	$47.81	$ 481.00	$ 547.04	$ 980.23
4G	5/2	3.53%	1547	$ 789,500.00	$ 6,097.22	$ 508.10	$ 48.65	$ 489.00	$ 556.75	$ 997.10
4H	5/2	3.72%	1629	$ 805,900.00	$ 6,420.40	$ 535.03	$ 51.23	$ 515.00	$ 586.26	$ 1,050.03

UNIT	ROOMS	% OF	SQ	OFFERING	PROJECTED		PROJECTED		MONTHLY	
	BATHS	COMMON	FT	PRICE	COMMON CHARGES		MONTHLY RE TAXES		CARRYING COSTS	
		INTEREST			ANNUAL	MONTHLY	W/ J51	W/O J51	W/ J51	W/O J51
CS1		0.01%		$10,000	$ 17.27	$ 1.44	$ 13.73	$ 8.00	$ 15.17	$ 9.44
CS2		0.01%		$10,000	$ 17.27	$ 1.44	$ 13.73	$ 8.00	$ 15.17	$ 9.44
CS3		0.01%		$10,000	$ 17.27	$ 1.44	$ 13.73	$ 8.00	$ 15.17	$ 9.44
CS4		0.01%		$10,000	$ 17.27	$ 1.44	$ 13.73	$ 8.00	$ 15.17	$ 9.44
CS5		0.01%		$10,000	$ 17.27	$ 1.44	$ 13.73	$ 8.00	$ 15.17	$ 9.44
CS6		0.01%		$10,000	$ 17.27	$ 1.44	$ 13.73	$ 8.00	$ 15.17	$ 9.44
CS7		0.01%		$10,000	$ 17.27	$ 1.44	$ 13.73	$ 8.00	$ 15.17	$ 9.44
CS8		0.01%		$10,000	$ 17.27	$ 1.44	$ 13.73	$ 8.00	$ 15.17	$ 9.44
TOTALS		100.00%	43823	$ 22,926,450.00	$172,720	$ 14,393.33	$3,234.40	$ 2,549.00	$ 17,627.73	$ 5,250.38

LIMITED COMMON ELEMENTS	
1A	Terrace
1G	Yard
1H	Yard
2A	Terrace
2B	Terrace
3A	Terrace
3B	Balcony
4A	Terrrace & Roof Terrace
4B	Balcony & Roof Terrace
4C	Roof Terrace
4D	Roof Terrace
4E	Roof Terrace
4F	Roof Terrace
4G	Roof Terrace
4H	Roof Terrace

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Notes to Schedule A

1. Column numbered (1) sets forth the units designations in the Building and Offering Plan.

2. Column 2:

Unit Plans depicting layouts in this Schedule A appear in Part II of the Plan. Purchasers should note that floor plan or sketch shown to a prospective Purchaser is only an approximation of the square foot area and layout of the Unit in question. However, any material change (for example, variations in square footage in excess of 5% will be set forth in an amendment to the Plan, and no material adverse change will be made in the size, configuration, or layout of a Unit for which a Purchase Agreement which has been countersigned by Sponsor and returned to the Purchaser and in such event, Sponsor will, in the amendment disclosing such change and delivered to the Purchasers, offer the affected Purchaser(s) the right, for at least fifteen days, to rescind their Purchase Agreements and receive a refund of their Downpayments, together with all interest earned thereon.

3. Column 3: The percentage of Common Interest of each Unit has been determined, pursuant to Section 339-i (l)(iv) of the Condominium Act, based upon equal percentages within separate classifications of Units as of the date of the filing of the Declaration. In accordance with such method of calculation, the Common Interests have been determined based primarily upon a comparison of the floor areas of the Units, 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 the Common Elements for exclusive or shared use and the overall dimensions of the particular Unit.

The aggregate Common Interests of all of the Units equal one hundred percent.

4. Column 4: The square feet area of the Units as set forth in the floor plans and in Exhibit B to the Declaration are approximate and as is often the case in New York, these square footages exceed the usable floor area of each unit.

Each Unit and Limited Common Element shall consist of the area measured horizontally, from the exterior side of the exterior walls (perimeter columns and mechanical pipes are not deducted) to the midpoint of the partitions, barriers or interior walls separating one Unit or Limited Common element from another Unit, Limited Common Element, public corridor, stair, elevator or other mechanical equipment space or any other Common Elements.

Each Unit will consist of the volume measured vertically, from the top of the wood decking below (located under the finished flooring and sub-floor materials) to the underside of the wood decking above. However, the Board, Sponsor and Sponsor's designee will each have an easement to install and maintain pipes, conduits, wires, ducts and other facilities in the space between the underside of each such floor and the top surface of each Unit's finished ceiling, without any need to obtain the consent of any Unit Owner with respect to the same.

5. Column 5: Sponsor has reserved the right to change the purchase prices (as well as other terms of sale) of Units not subject to executed Purchase Agreements, so Purchasers may pay different prices for similar Units. See "Changes in Prices and Units" in Part I, Section H, below for further discussion. In addition to paying the purchase prices of their Units, Purchasers will be responsible for paying certain closing adjustments and closing costs (see "Unit Closing Costs and Adjustments" in Part I, Section M, below for further discussion).

6. Column 6: The estimates for Common Charges contained in this schedule were computed by Sponsor's Condominium Budget Expert on the assumption that the First Year of Condominium operation will be the year from January 1, 2008 through December 31, 2008, and are based on such Condominium Budget Expert's estimate of the receipts and expenses of the Condominium for the projected First Year. Sponsor makes no representation regarding the commencement date or the estimated receipts and expenses for the First Year of Condominium operation which may be greater than or less than the estimated figures set forth in the proposed budget. The actual First Year of Condominium operation may be earlier or later than such year. If the actual or anticipated date of commencement of condominium operation is delayed by more than six (6) months from the commencement of the projected First Year of Condominium operation, Sponsor will amend the Plan to include a revised budget disclosing current projections. If the total of such amended projections exceed original projections by twenty-five (25) percent or more, Sponsor will offer all Purchasers the right to rescind for a period of fifteen (15) days after the date of the presentation of the amendment setting forth the right to rescind.

7. Column 7:

After the Condominium is divided into individual tax lots, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will not be responsible for the payment of, nor will the unit be subject to, any lien arising from the non-payment of taxes on her units. The projection for the real estate taxes that will be payable for each of the Units, during the first year of condominium ownership is based upon the estimate made by the Sponsor's Appraisal Expert, The Mazursky Group, in a letter dated April 10, 2007 and reproduced in this Part I, Section U of the Plan. The estimate for real estate taxes for the Units for such first year will be based on the post rehabilitation assessed valuation for the period 2008/2009 which is estimated at $2,331,600 and on the tax rate in effect for the twelve month period commencing July 1, 2008 at 12.9 % per $100 of assessed valuation. Residential Units will be assessed at 90%, Commercial Loft Units at 8.5%, and Storage Units at 0.5% of the total assessed valuation. The First Year taxes are estimated at $151,831 for the Residential Units, $ 12,705 for the Commercial Loft Units, and $748 for Storage Units. In the second year, the estimated taxes for the Residential Units are $271,933; for the Commercial Units $22,397; and for the Storage Units $1,318.

Sponsor is applying for J-51 real estate tax exemption and abatement benefits for the Residential Units. Notwithstanding the above, it is anticipated that J-51 tax benefits will be in effect no later than July 1, 2009. At the time that the J-51- benefits the real estate taxes for the Residential Units will be $15,098. Sponsor's J-51 experts, Meir Mishkoff and Steve Wekselblatt, Esq. have issued Opinion Letters, indicating that the units will be eligible to receive these benefits based on certain assumptions and conditions set forth therein. The Letters are reproduced in Part I, Section T.

No representation or warranty is made as to whether a Preliminary or Final Certificate of Eligibility will be issued by HPD for J-51 tax benefits or as to the amount of any tax exemption that will actually be received. In addition, no representation or warranty is made that the actual assessed valuation or the assessed valuation for the Property if J-51 benefits are granted will be as projected in the Opinion Letter, or that the tax rate will be in effect during the first year of Condominium operation.

The amount of the Common Charges necessary to defray the cost of the interim services and facilities described in the preceding paragraph, as well as the manner of allocating such Common Charges among any Unit Owners who are exclusively benefited by any of the same, will be determined by the Board, which will be controlled by Sponsor during such period. However, such allocation will be made in compliance with Section 339-m of the New York State Real Property Law, and in no event will Purchasers be assessed Common Charges during such interim period- that are more than the Common Charges listed in Schedule A as the same may theretofore have been amended.

In addition to the payment of Common Charges, each Unit Owner will incur additional expenses for:

(a) mortgage payments under any loan or loans obtained to finance the purchase of the Unit;

(b) the cost of electricity supplied to the Unit, which will be separately submetered and payable as and when billed;

(c) the cost of interior repairs to, and the maintenance, painting and decoration of, the Unit, including, without limitation, the equipment and appliances contained in the same, and any appurtenant Limited Common Elements;

(d) the cost of any insurance that the Unit Owner may desire to carry covering the furniture, belongings, equipment and other personal property in the Unit, as well as his or her liability to others for personal injury or property damage as a result of occurrences in the Unit;

(e)telephone and cable television charges; and

(f) real estate taxes (see footnote 6 below).

No warranty, guaranty or assurance is given that:
any projected or estimated amount set forth above (including, without limitation, the estimates of the Property's assessed valuations during the first year of condominium operation; the estimates of the portions of such assessed valuations that will be allocable to the Units; or that the New York City Real Estate Tax Assessment Bureau will allocate the Property's aggregate assessed valuation between the Units in accordance with the appraised values used by the Sponsor for such purpose, or that such bureau will allocate the aggregate assessed valuation attributable to the Units among the different Units as described above; or that any of the projections or estimates made above and in Schedule A are accurate.

Until the Units are separately assessed, each Unit Owner will pay to the Board his Unit's pro rata share of the Property's real estate taxes for the period in question. The Board will pay such real estate taxes to the Department of Finance of The City of New York or directly to Sponsor if Sponsor has paid such real estate taxes. If any Unit Owner fails to pay his pro rata share as set forth above, the Board will be entitled to assess late charges and/or place a lien on such Unit as if such

unpaid share were Common Charges. (See "Collection and Lien for Non-Payment of Common Charges" in Part I, Section R for further discussion.) At such time as a Unit is separately assessed and separate tax bills are issued, the Unit Owner will pay such taxes directly to the taxing authority.

There is no assurance that the proration of taxes described in the paragraph above will equal the actual amount of real estate taxes which will be assessed against the Units, and the actual amounts may vary considerably from the method set forth above. Sponsor will amend the Plan to disclose the actual amount of real estate taxes assessed against the Units promptly after the same are assessed.

In the opinion of Raphael and Marks, counsel to Sponsor, the tax laws existing on the date of this Plan in general permit a Residential Unit Owner who itemizes his deductions to deduct from income for the purposes of Federal, New York State and New York City income taxes, any real estate taxes actually paid by such Unit Owner with respect to his Unit. However, the amount of such deductions may vary from year to year due to changes in the amount of the real estate taxes payable by the Unit Owner (which might result from changes in the assessed valuation of the Unit, in the tax rate and/or in the manner of assessing real property). Prospective Purchasers should refer to "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" in Part I, Section T below, as well as to "Counsel's Income Tax Opinion" in Section U, below, for further discussion.

SCHEDULE B
105 Lexington Condominium

Projected Budget for First Year of Condominium Operation
January 1, 2008 to December 31, 2008 (Note 1)

Estimated Income	**$**	172,720
Common Charges (1)		
Estimated Expenses		
Payroll and Related Expenses (2)	$	13,000
Heating and Hot Water, (3)	$	63,000
Electricity (4) (Common Area)	$	18,920
Water Charges and Sewer Rent (5)	$	9,800
Repairs and Maintenance (6)	$	8,500
Service Contracts and Supplies (7)	$	8,500
Insurance (8)	$	16,000
Management Fee (9)	$	17,000
Legal and Audit Fees (10)	$	2,000
Contingencies (11)	$	16,000
Total Projected Expenses	$	172, 720

The Notes to Schedule B below are an integral part of this Schedule and should be read in conjunction herewith.

NOTES TO SCHEDULE B

(1) Common Charges

Amounts are projected on the assumption that the first year of condominium operation will be the year from January 1, 2008 to December 31, 2008. The actual first year of condominium operation may be earlier or later than that year. In the event the actual or anticipated commencement date of the first year of condominium operation is to be delayed by six months or more, Sponsor will amend the Plan to include a revised budget with current projections. If the amended budget exceeds this projected budget by 25% or more, Sponsor will offer all Purchasers (other than Purchasers who are then in default beyond any applicable grace period, if the Plan has been declared effective) the right to rescind their Purchase Agreements within not less than fifteen days after the presentation date of the amendment containing such revised budget, and any Purchasers electing rescission pursuant to such offer will have their Downpayments returned, together with interest earned thereon.

These figures represent the total Common Charges to be levied against and collected from the Units during the first year of condominium operation. The Common Charges will be utilized by the Board to defray the operational expenses of the Condominium. Common Expenses have been allocated among the Units on the basis of percentage of Common Interest.

(2) Payroll and Related Expenses: $ 13,000

There will be one non-union part-time superintendent who will work approximately 20 hours week and whose salary will be $10,400.Related benefits of FICA (7.65%), NYS Unemployment ($425), Disability Insurance $.16 per $100 of salary ($280) and Worker's Compensation ($5.15/$100 of salary) will be $1,815.

(3) Gas Charges for Heating, Hot water and Cooking: $ 63,000

Heating and hot water for the Building will be provided by gas supplied by Keyspan. Three new gas fired hot water boilers will supply hot water heating for the units on the lower floors, the units in the cellar and the common areas. The other units will be heated by hot air. (See Architect's Report, Part II, Section 4) Based upon a letter from George Hart, Consulting Engineer, with an office at 79 Worth Street, dated April 10, 2007. It is anticipated that gas for heating and hot water will utilize 41,800therms of gas at $1.50 per therm for a total of $63,000. A 10% inflation factor has been added. It is not possible to predict how closely the budgeted figure will reflect the actual cost for cooling, 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 of Managers or individual Unit Owners.

(4) Electricity (Common Area): $ 18,920

The amount set forth is the estimate for the electricity for common lighting, elevator and common HVAC costs and is based on the estimate and projections of as described in a letter, dated April 10, 2007 from George Hart, Consulting Engineer., which reflects an estimated annual

consumption of approximately 94,600 kilowatt hours per year of electricity based on the rate of $0.2 per kilowatt hour of electricity, including tax.

See Schedule B1 for individual Residential Unit electricity costs including Air Conditioning for the individual units..

In view of the varying costs of energy, it is not possible to predict with certainty whether the estimated figures will reflect the actual cost to be incurred during the first year of condominium operation although it is believed that reasonable provisions for increased costs have been made. The actual cost for electricity will vary depending upon various factors, including the amount of consumption, the, conservation measures, if any, adopted by the Board or, the rates of the utility company (which fluctuate periodically), and the possibility of changes in the methods of calculating charges by the utility company.

(5) Water Charges and Sewer Rent: $ 9,800

The budgeted amount for water charges and sewer rents that will be payable with respect to the Building is based upon information supplied by the New York City Department of Environmental Protection, Fact Sheet #1, Residential Water Use, dated July 9, 2004. Assuming that each Residential Unit has an estimated daily usage of 150 gallons of water at 365 days per year the total used would be $1,697,250 gallons. To convert to cu. Ft. the total gallonage of $1,697,250 is divided by 748 gallons for a result of 2,269 cu. Ft. at a rate of $4.14 per cu. ft for an estimated annual cost of $9,393 to which a 5% inflationary factor has been added.

(6) Repairs and Maintenance: ($8,500)

Since the Building will have new mechanical systems, no major capital repairs have been included. This figure represents the estimated cost for ordinary maintenance and repairs of the Common Elements, including periodic painting, and supplies such as cleaning supplies, lubricants, bulbs, fixtures, hardware, rubbish compactor bags, etc. used in connection with the operation of the Common Elements. Each unit owner will be responsible for the cost of interior maintenance, repairs, decoration, and painting of their respective Units.

(7) Service Contracts and Supplies: $(8,500)

This budget item includes Exterminating services elevator contract and supplies. The budgeted amounts are based on estimates received from contractors and based on the experience of Sponsor's budget expert in operating similar buildings. While this Schedule B includes a reasonable allowance for possible increases in cost which may occur prior to and during the first year of condominium operation, no warranty is made that the actual cost for these or other services will be in accordance with this projection.

(8) Insurance: 16,000

The insurance premiums are based on a letter from, Nielson and Associates, Ltd, 19 Park Ave, Manhasset, NY, Insurance Broker, dated February 12, 2007, setting forth the following coverages:

Coverage & Perils		Estimated Amounts
A.	Property: "All Risk" Coverage	$7,000,000
	Replacement Cost	100%
	Agreed Amount	
	Limit:	$1,000,000
	Loss of Rental Income:	Actual Loss Sustained Basis
	Deductible:	$1,000
Liability		$1,000,000
	Each Occurrence	$1,000,000
	Umbrella	$2,000,000
C.	Directors & Officers Liability	$1,000,000
	Deductible Per Claim	$ 1,000

The total premium for these various coverages for the first year of condominium operation is estimated at $15,018.00. Additional coverage for boiler and machinery may be purchased under a separate policy for approximately $500 per year. This coverage does not include claims for property damage resulting from occurrences in individual Units, nor does it include coverage of the furniture or personal property of Unit Owners.

This quotation is an indication of insurance premiums at current rates. Because conditions in the insurance marketplace are volatile, it is not possible to predict what the premiums will be for the first year of Condominium operation. Purchasers should be aware of the possibility of rate increases.

Sponsor will procure, on behalf of the Board, all liability insurance required to be carried by the Condominium. The fire, casualty and general liability insurance carried by the Condominium will provide that there will be no cancellation without notice to the Board of Managers; a waiver of subrogation; a waiver of invalidity because of the acts of the insured and Unit Owners; and a waiver of pro-rata reduction if Unit Owners obtain additional coverage.

Each unit owner will be an additional insured under the policy to the extent of their interest.

(9) Management Fee $ 17,000

At or prior to the First Closing, the Condominium will enter into a management agreement with Bayside Builders Inc., having an office address at 79 Worth Street, New York, NY a real estate management firm affiliated with the Sponsor. The agreement will be for an initial term of (2) years. Thereafter, the agreement will be automatically renewed from year to year, but may be cancelled by either party without cause, upon not less than thirty (30) days' prior written notice.

The Managing Agent will receive an annual fee of $17,000 payable in equal monthly installments of $1,416.66. The Managing Agent's fee for the First Year of Condominium operation is comparable to the "going rate" for similar services in comparable buildings.

(10) Legal and Audit Fees: $ 2,000

Based upon the estimate of David F. Calman, 74 Newport Drive, Hewlett, NY, certified public accountant, as set forth in a letter dated February 21, 2007, has been budgeted for fees to be incurred in connection with the preparation of the audited financial statements for the Condominium's first year of condominium operation and its federal, state and city income tax returns. There is no budgeted amount for legal services.

(11) Contingencies: $16,000

This amount is to cover possible increases in expenses not now foreseen and for expenses not included. The budget may be modified from time to time prior to commencement of, or during, the first year of condominium operation to increase items of expenses and decrease the contingency. The contingency fund has been allocated among all Units on the basis of percentage of Common Interest.

IN THE OPINION OF THE SPONSOR'S BUDGET EXPERT, THE PROJECTED INCOME FOR THE CONDOMINIUM IS ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION, ASSUMING THAT SUCH FIRST YEAR IS THE CALENDAR YEAR COMMENCING JANUARY 1, 2008. THE BUDGET, HOWEVER, IS NOT INTENDED, AND SHOULD NOT BE TAKEN, AS A GUARENTEE 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 ENERGY BUDGET FOR FIRST YEAR OF OPERATION

TO: HRCF LDR Lexington LLC
79 Worth Street
New York, NY 10013

To Whom It May Concern,

I have prepared the Estimated Energy Use Calculations for 105 Lexington Ave Residences as enclosed herein.

I have utilized information on the building details from the Drawings A1 thru A17 and A20 and it's use as supplied by Donald LaRosa.

George K Hart- Consulting Engineer

Enclosed: Estimates of Electric And Gas Operating Costs For 105 Lexington Ave Residences (7pages)

Estimates of Electric and Gas Operating Costs For 105 Lexington Ave. Residences

A. Common Charges

1. Electric

I. Lighting

a. Corridors-Halls

320SQ FT @ 1watt/SQFT = 320w x24hrs/day x365days/yr
= 2,800KWH/ yr

b. Stairs-

1650 Sq Ft @ 1watt/SqFt = 1650w x 24hrs/day x365days
= 14,500KWH/ yr

c. Bsmt Area

Approx 4000Sq Ft common Area @ 1w/Sq Ft @ 1/3 ON Time
= 4000w x .3333 x 24 x 365
= 12,000KWH/ yr

d. M'iscl- Outdoor Lts, Roof Lts, etc@ 1000w @ 50% ON Time=
1000w x .5 x 24 hrs x365Days = 4,400KWH/Yr

II. ELEVATOR

40HP Mtr; 208/3Ph; 114.4FLA; 41KW Power Rqd.
100Feet/min velocity; 2,000Lbs Max Capacity

i.MAX USE: Assume: 6Am/9AM & 5PM/8PM
*Total Travel Distance: Bsmt/GND 15FT;
Gnd/2ND 15Ft; 2ND/3RD 15FT; 3RD/4TH 15FT;
4TH/PHRoof 25FT -Total =85Ft.
*Total # people using elevator- Note-Gnd
floor tenants do not use elevator.
24Apts on 2nd,3rd,4th floors@3people per
= about 80people
*Avg Travel dist of elevator= 30FT(3rd/Gnd)
* assume 60trips during 3hrs

60trips x 30ft/100ft per min.= 0.3min/trip
0.3min/trip x 60trips = 18min of use during
3hrs; 6Am to 9AM and additional 18Min from
5PM to 8PM = 36Min of use Peak time of 6hrs

* 36min x 1.5Efficiency Factor(multiple
starts/stops) = 54min
x 2 (DN + UP) = 104min or about 2HOURS

ii. Non Peak use @ 1/3 peak use = 20min

iii. Total Use= 140min = about 100KWH/DAY

100kwh/Day X 30Days =3,000 KWH/Mo x 12mo = 36,000KWH/Yr
@ $0.20/KWH = $7,200/yr; $600/Mo

III. HVAC Common Electric Costs

a. Primary Pumps for HWSystem- (2) 3HP Pumps@ 208/3Ph
7KW x .75ON Time x 24hr/day x 180Days
= 22,700KWH/yr

b. Elevator Lobby's(4) Unit Heater(s)
0.6KW x 0.5 ON Time x 24Hrs/day x 180Days
= 1,300KWH/yr

c. Unit Htr Bsmt
0.4KW x 0.5 ON Time x 24Hrs/Day x 180Days
= 900KWH/yr

SUMMARY ELECTRIC COSTS

Lighting- 2,800KWH + 14,500KWH + 12,000KWH + 4,400KWH
= 33,700KWH/YR
@ 0.2$/KWH= $6,740/yr

Elevator- 36,000KWH/Yr
@$0.20/KWH= $7,200/Yr

HVAC COMMON COSTS- 22,700KWH + 1,300KWH + 900KWH
= 24,900KWH/YR
@0.2$/KWH= $4,980/YR

Total Electric Common Charges = 6,740 + 7,200 + 4,980 = $18,920
= $1,576/Month
For 34 APTS. = $47/Month/Apt

2. Natural GAS

I. ALL HVAC Eqpt.
Total Design Heat Load= 1,250MBH
Use ASHRAE (p28.2)Estimate Energy Use Using Degree Days

E = Cd (24qlDD / KVDt
Cd = empirical correction factor =0.65
ql = 1,250MBH
DD = For NYC 4,800 degree days per yr
K = Correction Factor = 0.60
V = Heating Value of the Fuel- natural gas-103,000BTU/therm
Dt = Design Temp Diff = 55F

E= 0.64x 24x1,250,000x 4800 / 0.6x 103,000x 55
= 27,120Therms/yr
USE 30,000Therms/yr

II. Gas Range-Oven; Dryer
ASHRAE- Range-oven @ 0.18Therms/Day/Apt
= 0.18 x 32 Apts = 5.8Therms/Day x 365 Days
= 2,100 Therms/yr
Dryer @ 0.15 Therms/Day/Apt
= 0.15Therms/day x 32Apts x 365Days
= 1,750 Therms/Yr

TOTAL = 1,750 + 2,100 = 3,850Therms/Yr

III. Domestic Hot Water(DHW)
a. Showers- 39 Showers total
3GPM Shower heads x 10min per shower
= 30Galof 120F water/shower
Assume 1.5 showers/day/apt and temp rise from 60f at street to 120f at shower head
45gal/day x 1/7.5 cft/galx62.3lbs/cftx 60temp rise
=22MBH/shower x 39 = 875MBTU
=875MBTU energy RQD per Day

b. Tubs- 32 total
assume tub holds 9.5cft of 120F water
9.5 cft x 62.3lbs/cft x 60F = 35.5MBTU
35.5MBTU x 0.5uses/day = 18MBTU/apt/day
18 MBTU /apt/day x 32apts= 570MBTU/day reqd.

TOTAL Showers & Tubs = 1,445MBTU/Day

c. DW & WM -As per GE data-

*WM- 8loads/week-Model WJRE5500G-Use 17 Therms/yr
17 / 360 = 0.05Ther/day= 5.15MBTU/day

For 32Apts = 0.05 x32 = 1.6Therms/day = 160MBTU/day

*DW-As per GE data- 4Washloads/wk;Model PDW87XXL
25Therms/yr /360 =0.07Therms/day =7.2MBTU/day

For 32Apts = 0.07 x 32= 2.25Ther/day = 230MBTU/day

TOTAL DW & WM = 3.85Therms/day = 390MBTU/day

d. Lav & Kit Sink- 42Lav and 32Kit Sinks

Assume approx flow rate of 3gpm/lav fixture and 4gpm /kit fixture

LAV 3gpm x 3min/day = 9 gal @120F

Kit 4gpm x 5min/day = 20gal @120F

To raise 9gal x1/7.5gal/cft x 62.3lbs/cft x 60F
= 4 MBTU x 42Lav = 160 MBTU

To raise 20gal
= 10 MBTU x 32 Sinks = 320 MBTU

TOTAL = 480 MBTU

TOTAL DHW USE--

Showers & Tub-- 1,445 MBTU/day
DW & WM-------- 390 MBTU/day
Lav & Kit Sink- 480 MBTU/day
2,300MBTU/day = 22Therms/day
= 8,000Therms/yr

TOTAL GAS USE:

1. HVAC---------- 30,000 Therm/yr
2. Range-Oven & Dryer-- 3,850
3.DHW Gas Use---------- 8,000

TOTAL---------41,800 Therms/Yr
@$1.50/Therm--$63,000/YR; $5,250/MO
$ 154/Apt/Mo

TOTAL ALL COMMON CHARGES:

ELECTRIC---$18,920/Yr; $1,576/MO;$46/Apt/Mo
GAS--------$63,000/Yr; $5,250/Mo; $154 /Apt/Mo
TOTAL------$81,920/Yr; $6,826/Mo; 200/Apt/Mo

ESTIMATED COSTS -Electric Use in Each Apartment

Each Apt will have their own Electric meter

APTS Group #A-- 1A, 1B, 1G, 1H--- Group #B-- 1C, 1D, 1E, 1F
2A, 2B, 2G, 2H 2C, 2D, 2E, 2F
3A, 3B, 3G, 3H 3C, 3D, 3E, 3F

Group #C-- 4A, 4B, 4G, 4H--- Group# D-- 4C, 4D, 4E, 4F

LIGHTING	[FT]2-Watts	KWH/Day KWH/Mo&Yr	HVAC-EQPT	AH-KWH/D KWH/Mo/Yr	Cond-KWH Day/Mo/Yr	Total HVAC
GROUP# A	800SF/ 2.5KWH/Day	75KWH/M 900KWH/Y				2580KWH per yr
Group# B	800SF 2.5KWH/Day	900KWH/Yr				3740KWH per Yr
Group# C	1100SF 3.3KWH/Day	1,200KWH/YR				5070KWH per Yr
Group# D	1100SF 3.3KWH/Day	1,200KWH/Yr				9160KWH per Yr

KIT Eq	TYPE	KWH/Day KWH/Mo KWH/Yr	TV+Comp+ Sound+MSCL	KWH/Day KWH/Mo KWH/Yr		
Group# A	5.4KWH/Day	1,940KWH/Yr	3.0KWH/Day	1,080KWH/Yr		
Group# B	5.4KWH/Day	1,940KWH/Yr		1,080KWH/Yr		
Group# C	5.4KWH/Day	1,940KWH/Yr		1,080KWH/Yr		
Group# D	5.4KWH/Day	1,940KWH/Yr		1,080KWH/Yr		

SUMMARY OF ELECTRIC USE

Apartment Type	USE KWH/YR LIGHTING	USE KWH/YR HVAC	USE KWH/YR KIT EQPT	USE KWH/YR OTHER	TOTAL KWH/YR ACROSS @0.2$/KWH
Group# A	900	2,580	1,940	1,080	6,500 $1,300
Group# B	900	3,740	1,940	1,080	7,660 $1,532
Group# C	1,200	5,070	1,940	1,080	9,290 $1,850
Group# D	1,200	9,160	1,940	1,080	13,380 $2,676

Calculate HVAC Electrical Loads

TYPE	COND	AH	SUM	S- KWx DCx LFx 24	
Group A	2.14 KW	0.5 KW	2.6 KW	S-2.6x0.4x0.6x24= 15KWH/Day 450KWH/M W-0.5x0.4x0.8x24=3.8KWH/Day 115KWH/M	
Group B	3.45 KW	0.65 KW	4.1 KW	S-4.1x0.4x0.6x24= 23KWH/D 690KWH/M W-0.65x0.4x0.8x24= 5KWH/D 150KWH/M	
Group C	4,5 KW	1.47 KW	6.0 KW	S-6x0.4x0.5x24= 28KWH/Day 860KWH/M W-1.5x 0.3x0.8x24=8.6KWH/D 260KWH/M	
Group D	6.8 KW	2.8 KW	9.6 KW	S-9.6x0.4x0.5x24=46KWH/D 1,380KWH/M W-2.8x0.3x0.8x24= 21KWH/D 630KWGH/M	

Compilation of KWH/YR

GRP#	Jan	Feb	Mar	Apr	May	Jne	JLY	Aug	Spt	Oct	Nov	Dec	TOTAL
A	115	115	115	60	280	450	450	450	280	75	75	115	2580
B	150	150	150	75	400	690	690	690	400	90	100	150	3740
C	260	260	260	130	500	860	860	860	500	150	170	260	5070
D	630	630	630	275	800	1380	1380	1380	800	275	350	630	9160
	KWH /Mo	KWH /Mo	KWH /Mo	KWH /Mo	KWH /Mo	KWH /Mo	KWH /Mo	KWH /Mo	KWH /Mo	KWH /Mo	KWH /Mo	KWH /Mo	KWH/Y

F. COMPLIANCE WITH REAL PROPERTY LAW SECTION 339 (i)(l)(iv)

Townsley & Gay LLC
177 Seventh Avenue
Brooklyn, New York 11215

June 4, 2007

The Board of Managers of 105 Lexington Condominium
105 Lexington Avenue
Brooklyn, NY 11215

Re: 105 Lexington Condominium
105 Lexington Avenue, Brooklyn, New York

Dear Gentlemen/Mesdames:

The undersigned real estate broker for the Sponsor has reviewed the allocation of common interests as shown on the Schedule A to be included in the offering plan for the subject project. Elaine Gay, the principal of Townsley & Gay LLC, is a licensed real estate broker and has been in the brokerage field for over 20 years and has represented more than one hundred buyers and sellers of condominium and cooperative units and reviewed offering plans for said sales.

It is the opinion of Townsley & Gay that the assignment of the percentage of common interest to each Unit has been done in compliance with Section 399(i)(1)(iv) of the New York State Real Property Law.

The common interests have been allocated to each condominium unit 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 Section 399(i) (1) (iv) of the New York State Real Property Law. This opinion is based on factual determinations of measurements and calculations of net square footage made by Sponsor's Architect.

Very truly yours,
Townsley & Gay LLC

By: Elaine Gay
Elaine Gay

G. CHANGES IN PRICES AND UNITS

The purchase prices and other terms of payment (but not other terms of sale) with respect to a particular Unit are negotiable and may be changed by Sponsor at any time and from time to time, both before and after the recording of the Declaration, without prior notice and without the consent of the Board, any Unit Owner or mortgagee. Unless an affected purchaser consents, no material change will be made in unit size, layout, or percentage of common interest if a purchase agreement has been executed and delivered to the Sponsor for that unit and the purchaser is not in default.

The Plan will be amended to disclose: (a) any increase (but not any decrease) in the purchase price of an individual Unit; (b) any changes in either purchase prices (whether increases or decreases) or other financial terms of sale that are across-the-board changes affecting one or more lines or types of Units; or (c) any changes in either purchase prices or other financial terms of sale that are to be advertised. Other than the changes described in (a) through (c) above, purchase prices and other terms of sale of one or more Units which are not subject to executed Purchase Agreements may be changed without either notice or amendment of the Plan.

If Sponsor changes the purchase price of a Unit, the Purchaser 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 any other Units, nor will the Common Interest of any Unit be altered by a price change for such Unit.

In order to meet the possible varying demand for number and type of different Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor and its designees reserve 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 prior notice and without the consent of the Board, any Unit Owner or mortgagee, to (i) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon any Unsold Unit; (ii) change the layout of, or number of rooms in, any Unsold Unit; (iii) change the size and/or number of Unsold Units by subdividing one or more such Units into two or more separate Units, combining separate Unsold Units (including those resulting from a subdivision or combination or otherwise) into one or more Units, altering any boundary walls between any Unsold Units, and/or incorporating within any Unsold Unit the use of any portion of the Common Elements adjacent thereto (but only to the extent that such Common Elements are not required to be maintained as Common Elements based upon such alterations); (iv) if appropriate, reapportion among the Unsold Units affected by such change, their Common Interests, provided, however, that after the recording of the Declaration, no change in any Unit's Common Interest will be made without obtaining the prior consent of all Unit Owners affected by such change. Any such change shall be disclosed by Sponsor in a duly filed amendment to the Plan and, when applicable, to the Declaration. In the event of any such change after the Declaration is recorded, the Declaration and Floor Plans shall each be amended and such amendments duly recorded and disclosed in a duly filed amendment to the Plan. As more particularly provided in the Declaration, Sponsor or its designee will have the right to (or to cause the Board to) so amend the Declaration and Floor Plans, to the extent required, in order to reflect any such change affecting Unsold Units.

Unless all purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of the common elements.

H. EFFECTIVE DATE

The offering by Sponsor under the Plan is contingent upon the Plan being declared effective in compliance with the relevant conditions and time periods set forth in the Plan.

The Plan may be declared effective by law, when bona-fide Purchase Agreements have been executed and are in effect with respect to 15% of Residential Units offered under the Plan. The Plan must, however, be declared effective when bona-fide Purchase Agreements have been executed and are in effect with respect to 80% or more of all units offered under the plan. However, Sponsor's construction lender, CPC, requires that Purchase Agreements be in effect for sixteen (16) residential units before the Plan can be declared effective. The Plan may be declared effective in the event that Sponsor and CPC agree to a smaller percentage as long as there are purchase agreements for 15% of the Residential Units.

The Plan will be declared effective by commencement of service by mail or delivering personally to each Purchaser a written notice to such effect, stating the date, the percentage used to declare the plan effective and a list of the units being counted to meet the meet the minimum percentage. The First Closing will not occur until the Plan is declared effective.

The Plan will not be declared effective based on a Purchase Agreement: (i) signed by a Purchaser who has been granted a right of rescission that has not yet expired or been waived; (ii) signed by a Purchaser not afforded the time to review the Plan (prior to executing a Purchase Agreement) provided for in Part I, Section I hereof; or (iii) entered into with a Purchaser who is Sponsor, the Selling Agent or the Managing Agent, or who is a principal of any of the foregoing or who is related to any of the foregoing or any principal thereof by blood, marriage or adoption or as a business associate, employee, shareholder or limited partner, except that such a Purchaser (other than Sponsor or a principal of Sponsor) may be included if Sponsor submits proof satisfactory to the Department of Law establishing that such 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. Once the Plan has been declared effective, it may not be abandoned except for the following:

(i) a defect in title which cannot be cured without or cannot be cured for less than a stated amount which shall not be less than one-half of one percent of the total offering amount, or
(ii) substantial damage or destruction of the Building by fire or other casualty which cannot be cured for less than a stated amount which shall not be less than one-half of one percent of the total offering amount, or (iii) a taking of all or a material portion of the Property by condemnation or eminent domain. In calculating the costs referred to in clauses (i) and (ii) above, any defects in title (including violations or work orders) that existed on the date the Units were initially offered for sale under the Plan, and were either known to Sponsor or were a matter of public record, and attorneys' fees, shall be excluded.

In the event of a withdrawal or abandonment of the Plan, Sponsor will promptly submit an amendment to the Department of Law to such effect, together with Form RS-2. Purchasers will be notified in writing of a withdrawal or abandonment of the Plan. All Downpayments, together with any interest earned thereon, will be returned to Purchasers within 20 days following such withdrawal or abandonment, except that after the Plan has been declared effective and the First Closing has occurred, Sponsor may retain the Downpayment, together with interest earned thereon, of any Purchaser whose Purchase Agreement has been cancelled due to such Purchaser's default, provided, however, that any requisite notice has been given to the Purchaser and any dispute with respect to the disposition of the Downpayment has been determined in favor of Sponsor pursuant to the dispute resolution procedures provided by the regulations promulgated by the Department of Law. Upon the return or retention of the Downpayment, together with interest earned thereon, a Purchase Agreement will be null and void and Sponsor will have no further obligation or liability to the Purchaser under the Plan or the Purchase Agreement.

I. PROCEDURE TO PURCHASE

1. Execution of Documents

Anyone desiring to purchase a Unit will be required to execute four copies of a Purchase Agreement, in the form set forth as Exhibit 1 in Part II of the Plan, for each Unit desired. The Purchase Agreement sets forth in detail the terms of sale with respect to the Units and should be read carefully by each prospective Purchaser. In the event of any conflict between the Plan and the Purchase Agreement, the provisions of the Plan shall control.

At Sponsor's option, purchasers will be afforded: (a) not fewer than seven (7) days after delivering an executed Purchase Agreement together with the required deposit to rescind the purchase agreement and have the full deposit refunded promptly. The purchaser must either personally deliver a written notice of rescission to the Sponsor or selling agent within the seven day period or mail the notice of rescission to the Sponsor or Selling Agent and have the mailing post marked within the seven day period; or (b) not fewer than three (3) business days to review the offering plan and all filed amendments prior to executing a Purchase Agreement.

A prospective Purchaser shall deliver to the Selling Agent, together with the four signed copies of the completed Purchase Agreement, the following: three completed and signed copies of Form W-9 (Request for Taxpayer Identification Number and Certification), in the form required by law (the forms currently required by law is reproduced as Exhibits 1A in Part II of this Plan); and a downpayment (the " Downpayment") in an amount equal to ten (10%) percent of the Purchase Price.

Purchase Agreements will not be binding on Sponsor until approved and executed by Sponsor. Sponsor will have 20 days after delivery by the Purchaser of an executed Purchase Agreement, together with the amounts and other items described above, within which to accept or reject such Purchase Agreement. Sponsor reserves the right to request thorough identification and financial information concerning any prospective Purchaser, subject to any limitations and requirements imposed by law. If a Purchase Agreement is not accepted by Sponsor within such 20 day period, the Purchase Agreement shall be deemed to have been rejected and cancelled and all sums deposited by the Purchaser in connection therewith shall be promptly returned to the Purchaser, together with any accrued interest. The Purchase Agreement and Plan shall not contain, or be modified to contain, a provision waiving purchaser's rights or abrogating Sponsor's obligations under Article 23-A of the GBL. Sponsor reserves the right to reject any prospective Purchaser without cause or explanation, provided that such rejection is not based on race, creed, color, age, sex, disability, marital status, national origin, ancestry, or any other ground proscribed by law, and to refuse to execute a Purchase Agreement for any Unit, or a Purchase Agreement or Purchase Agreements, as the case may be, for more than one Unit to any one person or entity.

2. Downpayments

A prospective Purchaser shall deliver to the Selling Agent, together with the four signed copies of the completed Purchase Agreement, a downpayment (the"Downpayment") in an amount equal to ten (10%) percent of the Purchase Price. All such payments shall be made by

check drawn on a member bank of the New York Clearing House Association made payable to "Raphael and Marks, as escrow agent". All such checks shall be 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 Downpayments received by Sponsor will be held in escrow by Raphael and Marks (the "Escrow Agent") and placed in an account in conformity with the procedure set forth herein. 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 the provisions of Lien Law Section 71-a (3).

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 and trust funds shall prevail over any conflicting or inconsistent provision in this 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, Downpayments, or advances made by Purchasers prior to closing of each individual transaction will be placed, within five business days after the agreement is signed by all necessary parties, in a segregated special escrow account of Raphael and Marks, the Escrow Agent, whose address is 315 Park Avenue South, New York, New York 10010, and whose telephone number is 212-505-2880. The signatory on this account authorized to withdraw funds is Ellen Marks, Esq. The name of the account will be "105 Lexington Condominium Escrow Account" or similar name, located in Bank of America, 345 Park Avenue South, New York, NY 10010. This bank is covered by federal bank deposit insurance to a maximum of $100,000 per individual deposit. If a Purchaser makes deposits, Downpayments, or advances in excess of $100,000 for the purchase of a Unit, the amount in excess of $ 100,000 will not be federally insured.

The account will be interest-bearing and, unless the Purchaser defaults, interest will be credited to the Purchaser at closing. The interest rate to be earned will be the prevailing rate for these accounts, which currently is approximately 1.0 % per annum. Interest will begin to accrue within five business days after tender of the Downpayment, provided that the Purchaser has delivered a completed and signed Form W-9 (Request for Taxpayer Identification Number) in the form reproduced as Exhibit I A in Part II of the Plan, to Sponsor or Selling Agent at the time Purchaser tenders the Downpayment and the Purchase Agreement. If a Purchaser does not deliver the Form W-9, the Downpayment will be deposited in a non-interest-bearing escrow account at the aforesaid bank until the Form W-9 has been delivered.

Within ten business days after tender of the Downpayment, the Escrow Agent will notify the Purchaser that such funds have been deposited into the escrow account and will provide the account number and the initial interest rate. If the Purchaser does not receive notice of such deposit within fifteen business days after tender of the Downpayment, the Purchaser may cancel the purchase and rescind the Purchase Agreement so long as the right to rescind is exercised within

90 days after tender of the Downpayment or apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited and requisite notice was timely mailed to the Purchaser in conformity with the Attorney General's regulations.

Funds received by Sponsor from Purchasers for special work to be performed by Sponsor or furnishings to be provided by Sponsor in such Purchasers' Units shall be held in escrow by the Escrow Agent but may be released to Sponsor prior to the closing of title to the Unit for the purpose of paying for such work or extras. Accordingly, in the event a Purchaser becomes entitled to rescission after the release of such funds, the Purchaser shall not receive a refund of any such funds used to pay for special work or extras which cannot readily be used in another Unit, as well as the cost of any work necessary to restore the Unit to its condition prior to such work having been performed.

Except as set forth in the immediately preceding paragraph, the Escrow Agent will hold funds in escrow until otherwise directed in (i) a writing signed by both Sponsor and the Purchaser, (ii) a determination of the Attorney General pursuant to the dispute resolution procedures contained in the Attorney General's regulations, or (iii) a judgment or order of a court of competent jurisdiction.

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

Sponsor will not object to the release of the escrowed funds to (i) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an amendment to the Plan or (ii) all Purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law.

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

Purchasers and the Escrow Agent may apply to the Attorney General in the event of a dispute for a determination on the disposition of the escrowed funds and any interest thereon. Sponsor must avail itself of this procedure if there is a dispute, which needs to be resolved. A form for this purpose is set forth as Exhibit 6 in Part II of the Plan. The party applying for a determination must send all other parties a copy of the application. Pending the determination of the Attorney General to grant or deny the application, Sponsor, the Purchaser and the Escrow Agent shall abide by any interim directive issued by the Attorney General. If the application permitting release of funds is granted, the deposit and any interest earned thereon shall be disposed of in accordance with the determination of the Attorney General, subject to any court action in which preliminary relief is granted. The Attorney General shall act upon the application within 30 days after its submission to the Department of Law, by either making a determination or notifying

the parties that an extension of time in which to do so is necessary for stated reasons. If the application seeking release of funds is denied, the Escrow Agent shall continue to hold the deposit and any interest earned thereon until:

(1) both the Sponsor and Purchaser direct payment to a specified party in accordance with a written direction signed by both the Sponsor and purchaser, or
(2) a judgement or order of a court of competent jurisdiction is served on the Escrow Agent; or
(3) the escrow agent deposits the disputed amount into court. In no event shall the Escrow Agent release funds in dispute, other than a payment of such funds into court, until such dispute is finally resolved either by determination of the Attorney General or by order or judgment of a court of competent jurisdiction or by written agreement of the Sponsor and the Purchaser.

A copy of the escrow agreement which incorporates the terms of the Attorney General's regulations is set forth as Exhibit 7 in Part II of the Plan.

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

The Escrow Agent will maintain all records concerning the escrow account for seven years after the release of funds. Upon the dissolution of any law firm which was the escrow agent, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by the successor firm and shall notify the Office of the Attorney General of such transfer.

The Office of the Attorney General may perform random reviews and audits of any records involving escrow accounts to determine compliance with statute and regulations.

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

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 this section of the regulations shall prevail over any conflicting or inconsistent provision in the offering plan or in a purchase agreement.

3. Date of First Closing

If the First Closing does not occur within 12 months after January 1, 2008, the date set forth in Schedule B as the commencement date for the first year of Condominium Operation, Sponsor will amend the Plan to update the budget and to offer Purchasers the right to rescind their Purchase Agreements within fifteen days following the expiration of such 12-month period, and

any Purchasers electing rescission pursuant to such offer will have their Downpayments and any interest accrued thereon returned.

After the Plan has been declared effective, Sponsor will fix dates for closing title to all units for which purchase agreements have been executed by serving notice on each purchaser stating the date of the first closing and stating purchaser's closing date. Such notice will be served By personal delivery or mailing by regular or certified mail, addressed to the purchaser at the last known residence of such purchaser and, in compliance with the Attorney General Regulations no less than thirty days before the date set for the closing of the units. Purchasers may waive this thirty-day provision.

4. Default

In the event that a Purchaser fails to close title on the date set for closing or otherwise fails to perform any other obligations under his or her Purchase Agreement, and such default is not cured within 30 days after Sponsor gives notice to such Purchaser of the default, and makes a written demand for payment, Sponsor, at its option, may cancel such Purchase Agreement and retain as liquidated damages the Downpayment made by the Purchaser, together with interest earned thereon, and all rights, obligations and liabilities of Sponsor and the Purchaser to each other shall cease and terminate. In the event Sponsor elects not to cancel the Purchase Agreement as a result of the failure of the Purchaser to close on the date specified by Sponsor, or if Sponsor approves a request from the Purchaser to adjourn the closing date, then Sponsor may require that (a) the Purchaser pay Sponsor interest at a rate of eighteen (18 %) percent per annum (or such lower rate per annum which is the legal limit, if 18% per annum exceeds the legal limit) on the total purchase price, computed from the original closing date until the transaction is actually closed, and (b) all apportionments between Sponsor and the Purchaser be made as of the original closing date; in addition, the Purchaser shall reimburse Sponsor for any additional costs incurred by Sponsor as a result of the Purchaser's delay and (c) a $750 fee payable to Raphael & Marks, Sponsor's attorney.

Time is of the essence with respect to the Purchaser's obligation to close title on the date set for closing and to pay, perform or observe all of his or her other obligations under the Purchase Agreement, and to cure a default within 30 days after Sponsor gives notice to the Purchaser of such default. Therefore, a Purchaser who defaults under his or her Purchase Agreement and who does not cure such default within said 30-day period may not be permitted any additional time to cure such default.

5. Risk of Loss

The risk of loss to any Unit by fire or other casualty until the closing of title to such Unit (or an earlier taking of possession by the Purchaser) is assumed by Sponsor, but Sponsor has no obligation or liability to repair or restore any Unit. If a Unit is damaged or destroyed by fire or other casualty prior to the closing of title, but after the signing of a Purchase Agreement, and Sponsor gives written notice to the Purchaser of Sponsor's election to repair or restore the Unit, then the Purchase Agreement shall continue in full force and effect, and the Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the purchase price. 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 Board and other Unit Owners, belong entirely to Sponsor. However, if Sponsor notifies the Purchaser in writing that it does not elect 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 "Rights and Obligations of the Unit Owners and the Board of Managers" in Part I, Section R), the Purchase Agreement shall be deemed terminated, Sponsor shall return to the Purchaser the entire Downpayment, together with interest earned thereon, and the parties shall be released and discharged from all rights, obligations and liability under the Purchase Agreement and this Plan, except that if the Purchaser is then in default under the Purchase Agreement beyond any applicable grace period, Sponsor may retain such Purchaser's Downpayment, together with interest earned thereon.

6. Financing

Purchasers' obligations under the Purchase Agreement are contingent upon obtaining financing, if desired, for the purchase of the Unit. Purchasers will have thirty (30) days after execution of the Purchase Agreement to obtain a commitment for financing. Purchaser must notify Sponsor within five (5) days after the expiration of the aforementioned 30-day period if Purchaser is unable to obtain the commitment. Purchasers should note that financing commitments for the purchase of Units may have expiration dates prior to which closing of title to the Unit may occur, unless the commitment is extended. It is Purchaser's obligation to obtain any extension of the commitment if necessary. If such extension is granted, or another commitment issued, no guarantee can be made that the terms will be the same as the expired commitment.

7. Transfer Taxes

Purchasers shall be responsible for payment of the New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax as described in Section L below, notwithstanding that these taxes are by law imposed on the seller. For purposes of computation of the aforementioned taxes, the consideration is calculated by adding the taxes to the purchase price as additional consideration.

8. Power of Attorney to Board

At Closing, the Purchaser will be required to sign a power of attorney to the Board of Managers of the Condominium, which shall be recorded along with the deed.

J. ASSIGNMENT OF PURCHASE AGREEMENTS

A Purchase Agreement may not be assigned by the Purchaser thereunder. If a Purchaser desires to take title in the name of an entity related to, or controlled by, the Purchaser that differs from the name on the Purchase Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), the Purchaser will be required to deliver to the Selling Agent or Sponsor's counsel, four signed assignments of the Purchase Agreement (in form and content acceptable to Sponsor, in its sole discretion), as well as three completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification). The assignments and Form W-9, must be delivered to the Selling Agent or Sponsor's counsel, together with a personal certified check, or an official bank or cashier's check, in the amount of $1000 made payable to Raphael and Marks (for services rendered in connection with the assignment), not less than 20 days prior to the date scheduled for the Purchaser's closing. In no event will the Purchaser have the right to postpone the closing as a result of such change in name or assignment. Sponsor is not obligated to consent to any such assignment and, if Sponsor refuses to consent, the Purchaser will not be excused from his or her obligations under the Purchase Agreement.

K. TERMS OF SALE

1. Prerequisites to Closing of Title

The term "closing" as used in this Plan refers to Sponsor's conveyance of title to a Unit to a Purchaser by the delivery of a deed, upon payment by the Purchaser to Sponsor of the balance of the purchase price for such Unit. The closing of title to each Unit shall take place only after or concurrently with the satisfaction of the following prerequisites:

(a) the Plan has been declared effective in accordance with its terms and the amendment to the Plan disclosing same has been accepted;

(b) the Declaration, By-Laws, Floor Plans and such other documents as may be required by law have been filed or recorded, as the case may be, or have been submitted to Sponsor's title insurance company for filing or recording;

(c) at least 30 days' prior written notice of the time and place of the closing of title has been given to the Purchaser;

(d) the Purchaser or his or her designee has been given an opportunity to examine the Unit within the week prior to the closing; and

(e) the Unit and its appurtenant interest in the Common Elements have been released from the lien of all mortgages encumbering the Property. At the time of conveyance of the first Unit, each mortgagee will consent to the formation of a condominium and acknowledge that its lien will be limited to unsold condominium units and release its lien on the condominium unit being conveyed and its interest in the common elements.

(f) Sponsor assumes the risk of loss to the Unit by fire or other casualty prior to closing and may elect to repair or restore the Unit, in which case the Purchase Agreement shall remain in full force and effect. In the event that Sponsor notifies Purchaser that Sponsor does not elect to restore or repair the Unit, the Purchase Agreement shall be deemed cancelled and Sponsor shall return to Purchaser all sums deposited thereunder, together with interest, if any.

(g) All personal property located within the Unit on the date the Purchase Agreement is signed or located within the Common Elements on the date the Declaration is filed, that is owned by the Sponsor or the owner of the property, is included in the conveyance, unless specifically excepted in the Plan.

(h) Sponsor shall obtain a temporary certificate of occupancy for the Units.

2. Closing of Title; Payment of Balance of Purchase Price

At the closing of each Unit, Sponsor shall execute and deliver to the Purchaser a bargain and sale deed with covenants against grantor's acts, substantially in the form of the Unit Deed set forth as Exhibit 3 in Part II of the Plan, conveying title to the Unit and its appurtenant

Common Interest, free and clear of all liens, encumbrances and other title exceptions other than the Permitted Encumbrances. The Purchaser shall also sign the Unit Deed.

Simultaneously with the delivery of the Unit Deed, the Purchaser shall pay the balance of the purchase price and the closing apportionments and costs described in "Unit Closing Costs and Adjustments" in Part I, Section L. Payments shall be by cashier's check or unendorsed certified check drawn on or issued by a bank or trust company which is a member of the New York Clearing House Association, payable to the direct order of Sponsor or to such other party or parties as Sponsor notifies the Purchaser prior to the closing.

The Purchaser will also be required to execute and deliver at the closing: a Unit Power of Attorney to the Board substantially in the form set forth as Exhibit 2 in Part II of the Plan, designating the Board as the Purchaser's attorney-in-fact, coupled with an interest, for the purpose of managing, selling, mortgaging, leasing, voting and otherwise dealing with the Common Elements and any Units acquired by the Board, in accordance with the Declaration and By-Laws; and a New York City Real Property Transfer Tax Return, Real Estate Transfer Tax Return and Credit Line Mortgage Certificate, in the forms required to be filed by law.

L. UNIT CLOSING COSTS AND ADJUSTMENTS

As more particularly set forth in the Purchase Agreement, in addition to the Purchaser's own legal fees, the Purchaser will pay the closing costs as shown below at the time of the closing of title of such Purchaser's Unit. Estimated recording charges, fees and taxes are based on rates and methods of computing in effect on the date of the Plan and are subject to change.

1. If the Purchaser elects to obtain fee title insurance, the Purchaser will pay the premium therefor, which premium will vary depending upon the amount of insurance purchased. The premium for title insurance is 70% of the sum of $402 for the first $35,000 of the fee insurance plus $2.76 to $6.67 for each $1000 of additional fee insurance. A reduced rate for fee and mortgagee title insurance may be available if the Purchaser obtains a mortgage loan, and fee and mortgagee title insurance are ordered simultaneously. Mortgage title insurance rates are 70% of the sum of $344 for the first $35,000 of coverage plus $2.31 to $5.55 for each $1000 of additional insurance. Each Purchaser may obtain title insurance from any title insurance company selected by Purchaser. Sponsor makes no warranty regarding the terms of any such insurance. See paragraph 7 below.

2. The fees charged by the City Register's Office for recording the Unit Deed, Unit Owner's Power of Attorney and mortgage (if any), in the amount of $85.00 for each deed and $70 for each additional document plus $7.00 per page (in addition, a service charge to the title company may be payable).

3. New York City Real Property Transfer Tax and New York State Real Estate Transfer Tax (the "deed stamps") in respect of the purchase price. As of the date of the Plan, the total of such taxes payable upon the conveyance of a Unit for combined New York City Transfer Tax, and New York State Transfer Tax would be:

Residential Units		Commercial Units	
Purchase Price	Rates	Purchase Price	Rates
Under $500,000	1.400%	Under $500,000	2.4%
Over $500,000	1.825%	Over $500,000	2.825%

(All amounts and rates are approximate due to rounding)
For purposes of computing taxes, the amounts of such taxes will be included in the consideration subject to tax.

4. In order to reimburse Sponsor for the mortgage recording tax previously paid in connection with any existing mortgages, if the Purchaser obtains a mortgage loan, the Purchaser will pay to Sponsor an amount equal to the partial mortgage tax credit available pursuant to Section 339-ee(2) of the New York State Condominium Act. In no event will the amount payable by the Purchaser to Sponsor exceed the amount of mortgage tax which would have been payable by the Purchaser to the taxing authority if such mortgage tax credit or exemption had not been available to the Purchaser.

5. If the Purchaser obtains a mortgage loan, the Purchaser will be responsible for the payment of all mortgage recording tax (less any payments made pursuant to subparagraph (4) above) and closing costs and expenses in connection therewith, in amounts determined by such lender, which closing costs may include, but are not limited to, the fees of lender's counsel, recording charges and mortgage title insurance. Currently, the mortgage recording tax in New York City applicable to Units is 2.05% with respect to mortgages under the amount of $500,000 and 2.175% with respect to mortgages in the amount of $500,000 or more (less, in each case, a $25.00 credit). In addition, deposits for Common Charges, real estate taxes, assessments and (if separately assessed) water charges and sewer rents may be required by the Purchaser's lender.

6. The legal fees of Sponsor's attorneys in the amount of $1,850.00 will be payable to Raphael and Marks, Sponsor's counsel, in connection with the closing of Unit. If the Purchaser obtains financing and the lender is unwilling to close at the offices of Sponsor's counsel, the closing may be held elsewhere in New York City, provided that an additional travel fee is paid to Sponsor's counsel equal to (a) $750 if the closing is held elsewhere in Manhattan, and (b) $1000 if the closing takes place in a borough other than Manhattan. In addition, (i) if the closing is adjourned through no fault of Sponsor, the Purchaser will be required to pay to Sponsor's counsel an additional fee of $750 to help defray the cost of preparing for and coordinating the new closing; if Sponsor sent a notice of default to Purchaser, Purchaser shall pay a fee of $750 to Sponsor's counsel.

7. The sum of $1,000 for each Residential Unit purchased, payable by Purchasers at the time of closing of their Unit, to the Condominium Board for its initial Working Capital Fund. Said contributions shall constitute the Working Capital Fund of the Condominium.

The following table illustrates the projected closing costs (based on current rates) for a typical Residential Unit purchased by a Purchaser at a Purchase Price of $600,000, assuming such Purchaser finances eighty (80%) percent of the purchase price:

	Fees
Fee Title Insurance (if purchased simultaneously with mortgage title insurance)	$ 2,480
- Recording Unit Deed (7 pages) and Unit Owner's Power of Attorney (5 pages)	$ 390
-recording mortgage (assuming 20 pages)	$ 200
-mortgage recording tax (at 2.175%) (a portion of which will be paid directly to Sponsor, assuming lender pays ¼ of 1%)	$ 10,440
mortgage title insurance (if purchased simultaneously with fee insurance)	$ 480
other bank charges (an appraisal fee of approximately $400 and legal fees of $750 and assuming further that the lender does not require Purchaser to deposit funds to establish a	

real estate tax escrow)	$ 775
New York City Real Property Transfer Tax and New York State Deed Stamps(based on consideration of $610,950)* *1.825% of purchase price added to original purchase price	$ 11,132
Working Capital Payment	$ 1,000
Closing Fee (assuming the closing occurs at the offices of Sponsor's counsel)	$ 1,850
Total	$35,747

The projected closing costs referred to above are approximate and are not guaranteed. The mortgage loan closing costs vary widely among different lenders and also will vary depending on the loan program chosen.

At the closing, adjustments will be made between Sponsor and the Purchaser 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, (b) Common Charges for the month in which title closes, and (c) accrued rent and any other charges pursuant to any interim lease or occupancy or other rental agreement affecting the Unit, if the Purchaser is allowed to lease, occupy or rent such Unit prior to the closing. Real estate taxes will be adjusted at closing between Sponsor and each Purchaser based on the period for which real estate taxes have been prepaid by Sponsor either directly to the taxing authority or as part of the Common Charges to the Board. If real estate taxes have been separately assessed to each Unit as of the closing, then the adjustment shall be based on the Unit's actual taxes for such period. If the real estate taxes have not been separately assessed against each Unit as of the closing date, then the adjustment shall be determined by allocating to the Unit a prorated portion of the actual taxes for the entire Property for such period determined as provided in Section 6.17 of the By-Laws. Further, Sponsor shall place in escrow in the name of the Board of Managers, an amount equal to the unpaid real estate taxes which will be levied against the parcel for the six month period following the first closing. The Board of Managers will pay the real estate taxes when due and the funder of the escrow account will be entitled to reimbursement from Unit Owners to the extent of the actual amount.

M. INTERIM LEASES

Sponsor reserves the right prior to the date of closing title thereto, to rent or lease any Residential Unit for such rent and term and on such other conditions as may be agreed between Sponsor and any Purchaser who has paid the Downpayment required by the Purchase Agreement, provided that no occupancy may commence until a temporary Certificate of Occupancy has been obtained for such Unit. Any such lease or use and occupancy agreement will provide, however, among other things, that an uncured default by the Purchaser under the Purchase Agreement with respect to the Unit which is the subject of the lease will constitute a default under the lease or use and occupancy agreement entitling Sponsor, at its option, to terminate such lease in accordance with the law. In addition, each Purchase Agreement may provide that an uncured default by Purchaser under any lease or use occupancy agreement with respect to the Unit which is 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 therein provided.

If Sponsor agrees to lease a vacant Unit, the lease will be for a rent and upon such other terms and conditions as may be agreed upon by Sponsor and the Purchaser, and such lease will provide that an uncured default by the Purchaser under the Purchase Agreement (that is, a default not cured within 30 days after the sending of written notice thereof) will constitute a default under the lease entitling the landlord (i.e., Sponsor), at its sole option, to immediately terminate such lease. The Purchase Agreement contains a similar provision entitling Sponsor to terminate the Purchase Agreement and retain the Downpayment as liquidated damages in the event the Purchaser fails to cure a default under such Purchaser's lease within the applicable grace period (if any) and either (x) Sponsor has obtained an order of eviction against the Purchaser from a court of competent jurisdiction or (y) the Purchaser has vacated the Unit.

No portion of the rental paid under any lease will be credited towards the Purchase Price of a Unit unless the lease and the Purchase Agreement therefor expressly so provide.

In the event of a material adverse amendment to the Plan in which a Purchaser is allowed to rescind a Purchase Agreement, if a Purchaser who is a tenant under an interim lease duly elects to rescind, the interim lease made with such Purchaser shall be cancelled and possession of the Unit must be surrendered within 60 days thereafter free of all occupants and in broom clean condition. A Purchaser shall be liable to Sponsor for any and all damages, costs and expenses incurred by Sponsor by reason of any failure to vacate within said 60-day period. If such failure to timely vacate occurs prior to the First Closing, the Purchaser shall be liable for use and occupancy in an amount equal to the rent under the interim lease. If such failure to timely vacate occurs after the First Closing, the Purchaser shall be liable for the costs of carrying the Unit (such as Common Charges, real estate taxes and the allocable portion (based on such Unit's Common Interest) of debt service on any loan covering the Unsold Units, in addition to the Use and Occupancy Rent. In addition, irrespective of when such failure to timely vacate occurs, such Purchaser shall be liable to Sponsor for loss of profit and all costs and expenses incurred by Sponsor to obtain possession of the Unit, including the cost of litigation and reasonable attorneys' fees.

In the event the Plan is abandoned, a Purchaser who has entered into an interim lease will have no right to remain in occupancy as a tenant after the abandonment of the Plan.

N. RIGHTS AND OBLIGATIONS OF SPONSOR

1. Sponsor's Obligations

Subject to the terms and conditions of the Plan, 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 will diligently, expeditiously and at its sole cost and expense, perform or cause to be performed such work, and will supply or cause to be supplied all materials, necessary to complete construction of the Building substantially in accordance with the Plans and Specifications. Sponsor shall not be obligated to correct and will not be liable to any Purchaser as a result of any insubstantial variations from the Plans and Specifications or the description of the Building or a Unit set forth in the Plan. 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), provided, however, that

(i) any materials, appliances, equipment and fixtures which Sponsor may substitute shall be similar products of substantially equal or better quality or design; and

(ii) Sponsor shall not materially change the size or location of the Units or Common Elements or adversely affect the value of any Unit to which title has closed or for which a Purchase Agreement is in effect, except as more specifically provided in the Section entitled "Changes in Prices and Units." Under the current construction schedule, it is anticipated that, except for finishing work to stairways, hallways and other areas of the Building which are not intended for the exclusive use of any one Unit Owner and specialized work, if any, which Sponsor agrees to perform in individual Units at the request of Residential Unit Owners, a first temporary certificate of occupancy could be issued on or about January, 2008 and the Building will be substantially completed by January, 2008, subject to unavoidable delays. Sponsor, however, makes no warranty or representation as to the date of the issuance of the temporary certificate of occupancy or the date of substantial completion.

(b) Sponsor will obtain a temporary or permanent certificate of occupancy for the Building. A permanent Certificate of Occupancy is required for permanent residential use of the Building and the Residential Units. Temporary residential use of the Building is permitted upon the issuance of a temporary Certificate of Occupancy, but if a temporary Certificate of Occupancy, which may be extended up to a total of two years, expires prior to obtaining a permanent Certificate of Occupancy, residential occupancy of the Condominium will be in violation of the Multiple Dwelling Law, subjecting the occupants of the Building, the Residential Unit Owners and the Condominium Board to penalties under the Multiple Dwelling Law, including, possibly, the eviction of residential occupants. Sponsor makes no representation or guarantee that the Department of Buildings will issue a permanent. certificate of occupancy within two (2) years after issuance of the first temporary certificate of occupancy.

(c) If Sponsor fails to obtain a permanent Certificate of Occupancy for the

Property prior to the First Closing, Sponsor will be obligated to: (i) direct the Escrow Agent to hold and maintain all deposits and funds received pursuant to all Purchase Agreements (see the Section entitled "Procedure To Purchase") 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 all alterations and improvements 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 an unconditional, irrevocable letter of credit, deposit cash or post a surety bond, or provide other collateral acceptable to the Department of Law, 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. Any amount held in escrow, in excess of the amount certified as reasonably necessary to complete the work needed to obtain the permanent Certificate of Occupancy, can be released from escrow upon the receipt by Escrow Agent of a request by Sponsor.

(d) Each Residential Unit and Commercial Loft 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 Purchaser otherwise agree. Sponsor will maintain each Unit, and the fixtures and personalty contained therein, up to the time of the transfer of title to the Unit in question. The Purchaser of a Unit shall have the right to inspect such Unit prior to the Closing Date. The closing of title to the Unit shall be deemed to be Purchaser's acceptance thereof except for those "punch list" items expressly acknowledged in writing by Sponsor. However, the failure of Sponsor to complete "punch list" type work shall not be a ground for Purchaser delaying the Closing provided that Sponsor agrees to complete such work promptly after closing.

(e) Following the recording of the Declaration, Sponsor will deliver, assign or otherwise grant to the Condominium Board, on behalf of all Unit Owners, the right to proceed under any assignable warranties and other assignable undertakings received by Sponsor from contractors, materialmen 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 the Unit of a Purchaser shall be assigned to such Purchaser on the date of closing of title to the Unit. Purchasers should be aware that warranties vary in length, depending partly on when the appliances, equipment and fixtures covered by such warranties are first installed. Sponsor makes no representation as to which, if any, of the warranties will continue to remain in force upon the Closing Date of any particular Unit.

(f) Sponsor shall not be obligated to correct, repair, or replace any defects relating to construction of the Units, the Common Elements and the Limited Common Elements or in the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan. Sponsor will not warrant the materials or workmanship of any Unit or any of the Common Elements. Notwithstanding any provision to the contrary herein, Sponsor shall not be obligated to correct, and shall not be liable to any Purchaser as a result of (i) insubstantial

variations from the plans and specifications or the description of the Building or a Unit set forth in the Offering Plan or (ii) variations from the plans and specifications or description of the Building or a Unit set forth in the Offering Plan which are neither in violation of applicable building codes, nor require approval of any governmental authority having jurisdiction, provided such variations are of substantially equal or better quality. The Housing Merchant Implied Warranty Law (GBL Article 36-B) is inapplicable to this offering.

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

(h) Sponsor will bear all costs and expenses incurred by it in connection with the creation of the Condominium and the preparation of the Plan and all selling expenses and compensation payable to sales or other personnel of Sponsor. (i) Sponsor will pay or cause to be paid all contractors, subcontractors and materialmen and all others involved in the construction and equipping of the Building in accordance with the New York Lien Law, for work performed and fixtures, material and equipment supplied or installed during construction thereof and will cause any and all mechanics liens arising out of such construction and equipping, if any, to be discharged by bonding, or otherwise, promptly after the filing of any such liens.

(i) Sponsor shall have only such obligation to defend any suit or proceeding arising out of Sponsor's acts or omissions or to indemnify any Board(s) or Unit Owner(s) in any such action or proceeding as is required by Law.

(k) Following the issuance of a permanent Certificate of Occupancy for the Building, Sponsor will deliver to the Condominium Board a complete set of mechanical, electrical and plumbing drawings for the entire Building, as they exist.

(l) In accordance with Section 139-p of the Condominium Act, a registered architect or licensed professional engineer shall certify within reasonable tolerances that the Floor Plans are an accurate copy of portions of the plans of the Building as filed with and approved by the municipal or other Governmental Authority having jurisdiction over the issuance of permits for the construction of the Building.

(m) Sponsor will pay all Common Charges and special assessments allocated to any Unsold Units or in accordance with the provisions of the By-Laws. Sponsor represents that it has the financial resources to meet such obligations with respect to Unsold Units. Sponsor will fund its financial obligations from proceeds from the sales of Units, rental income from Unsold Units, and financing. No bond or other security will be posted by Sponsor with respect to this obligation.

(n) 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 (see the entitled

"Rights and Obligations of Unit Owners and the Boards of Managers") the cost of which insurance has been reflected in the Projected Budget set forth in Schedule B.

(o) 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 six years from the date of the recording of the Declaration. In addition, a set of Floor Plans showing the layout, location and approximate dimensions of each Unit and its unit number designation and tax lot number, certified by the appropriate Governmental Authority of The City of New York as conforming to the official tax lot number for each such Unit, will be filed in the City Register's office when the Declaration is recorded, and an additional set will be furnished to the Condominium Board.

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

(q) Sponsor may dissolve or liquidate at any time. In the event of such an occurrence or the transfer of ten (1 0) or more Units or twenty (20%) percent of the Units in the Condominium, whichever is less, the principals of Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of Sponsor for those Units under this Plan or Law.

(r) All representations under the Plan, all obligations pursuant to the GBL and such additional obligations under the Plan which are to be performed subsequent to the closing of each Unit will survive delivery of the Unit Deed.

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 Unsold Residential Units. 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 Residential 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 personality or fixtures contained therein.

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 or to include any financial limitation on Sponsor's liability for failure to perform its obligations under the Plan. Sponsor makes no representation or warranty as to the work, materials, appliances, equipment or fixtures other than as set forth in the Plan.

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 Unit Deeds. In the event Sponsor is not financially able to perform its obligations under the Plan, sales will cease and the Plan will be amended to offer rescission to Purchasers, if any.

O. CONTROL BY SPONSOR

Until the first annual meeting of the Unit Owners ("First Annual Meeting"), the Board shall consist of three persons designated by Sponsor. They are Donald LaRosa, Bernard Doyle and Stephen Raphael. All such persons are familiar with the Property. The First Annual Meeting shall be held on a date not earlier than ten nor later than thirty days following the later to occur of (a) the fifth anniversary of the First Closing or (b) the closing of title to at least 50% (in number and in aggregate Common Interests), of all Units (see Part I, Section Q, for further discussion), at which time, the Unit Owners (including Sponsor) shall elect a new five-member Board.

At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests attributable to the Units owned by Sponsor as it sees fit. However, at elections of members to the Board held during the Initial Control Period (that is, the period ending upon the later to occur of (a) the fifth anniversary of the closing of the first unit or (b) the closing of title to Units representing 50% (in number and in aggregate Common Interest of all Units), Sponsor and/or its designee will have the right to designate not more than three of the five members of the Board.

When the Initial Control Period expires, Sponsor shall, within 30 days, hold a meeting of the shareholders to elect new board members a majority of whom shall be unrelated to the Sponsor.

The By-laws provide that after the Initial Control Period, a majority of the Board of Managers must be owner occupants of members of an owner occupant's household who are unrelated to the Sponsor and its principals.

While Sponsor and/or its designee owns Units representing at least 25%, but less than 50%, of the Common Interests of the Condominium, Sponsor and/or its designee shall have the right to elect or designate not more than two members of the Board, in the aggregate, who are related to or affiliated with Sponsor, such designee or other Unsold Unit Owners, and Sponsor, such Designee and all other Unit Owners shall have the right to elect the remaining members of the Board who shall not be related to or affiliated with Sponsor, such designee or other Unsold Unit Owners. While Sponsor and/or its designee owns Units representing less than 25% of the Common Interests but at least two Units, Sponsor and/or its designee shall have the right to elect or designate one member of the Board, who is related to or affiliated with Sponsor, such designee or other Unsold Unit Owners, and Sponsor, such designee and all other Unit Owners shall have the right to elect the remaining members of the Board who shall not be related to or affiliated with Sponsor, such designee or other Unsold Unit Owners. Accordingly, from and after the first meeting of Unit Owners, at least two of the members of the Board shall be unrelated to and unaffiliated with Sponsor or other Unsold Unit Owners. There is no restriction on the right of the Unsold Unit Owners (including Sponsor) to vote for members of the Board who are not related to or affiliated with Sponsor or other Unsold Unit Owners.

The number of members of the Board may not be increased without the consent of the owner(s) of the Unsold Units, for so long as there remain at least one Unsold Units.

Sponsor may not exercise veto power over expenses described in Schedule B or over expenses required: (1) to comply with applicable laws or regulations; or (ii) to remedy any notice of violation, (iii) to remedy any work order by an insurer.

Until the earlier to occur of (a) five years after the closing of the first unit or (b)whenever the unsold units constitute less than twenty-five percent of the common interest, the Board may not, without Sponsor's prior written consent, (i) make any addition, alteration or improvement to the Common Elements (unless required by law), (ii) assess any Common Charges for the creation of, addition to or replacement of all or any reserve, contingency or surplus fund in excess of 5% in the aggregate of the projected Common Expenses for any year of operation, (iii) hire any employee in addition to or reduce the number of the employees provided for in Schedule B hereof (iv) enter into any service or maintenance contract for work not covered in said Schedule, or otherwise provide services in excess of those contemplated by such Schedule or elsewhere in the Plan or (v) borrow money on behalf of the Condominium.

It is noted that although it is the intent of Sponsor that all Units be offered for sale pursuant to the terms of the Offering Plan, Sponsor has reserved the unconditional right to withhold Units from sale.

Although Sponsor shall make a good faith effort to sell the Residential Units to purchasers who will occupy their Units as their personal residences ("owner-occupants"), prospective purchasers should be aware that the decision to sell, not to sell or rent any Unit shall be made by the Sponsor based upon its evaluation of market conditions and its own financial considerations and shall be in the sole discretion of the Sponsor. In the event that Unsold Units are not offered for sale they may be rented at such rents as the Sponsor determines and market conditions allow. Prospective purchasers should also be aware that if the Unsold Units are not offered for sale and/or are subsequently rented, such decision by Sponsor may have an impact on the types of financing available to purchasers, the cost of such financing, and even, perhaps, on the availability of financing. Additionally, pursuant to the loan documents, the Sponsor may not lease any portion of the Property without the consent of its construction lender. The policy of banks may vary and may involve restrictions in the types and varieties of loan terms available (such as the percentage of financing offered; fixed variable; term of loan; verification requirements; etc.) to possible unwillingness to provide any financing. Prospective Purchasers are advised to consult with their intended lenders or mortgage brokers with regard to the percentage of units which may be held as Unsold Units, and the lender's policies with regard to same, prior to entering into a contract to purchase a Residential Unit. The decision of Sponsor to withhold Residential Units from sale and/or rent same may continue to apply indefinitely and may have an adverse impact on the ability of a Residential Unit Owner to resell their Residential Unit and/or the price which they are able to obtain for the Unit.

Additionally, because the Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment on the Sponsor's part to sell more Units than the fifteen percent (15%) necessary to declare the Offering Plan effective and as a result owner occupants may never gain effective control of the Condominium. Further, pursuant to the terms of

the Offering Plan and By-Laws of the Condominium, the Board of Managers has no right to approve or reject the sale of a Residential Unit to a prospective purchaser and therefore there is no limit as to the number of "investor" or "non-occupant owners" of Residential Units in the Building. However, as set forth in Article 2, Section 2.1.3 of the By-Laws of the Condominium which are set forth in Part II of the Offering Plan, subsequent to the date that the Sponsor, including any designee thereof, relinquishes control of the Board of Managers, all Board members, other than those members which the Sponsor or its designee have the right to appoint thereunder, must be either Residential Unit Owners or officers, directors, shareholders, partners, principals, members, trustees, employees or beneficiaries of corporations, partnerships, limited liability companies, fiduciaries or any other entities which own Residential Units.

P. CONDOMINIUM BOARD

1. General

The affairs of the Condominium shall be governed by the Board, which shall consist of three members designated by Sponsor until the First Annual Meeting of Unit Owners, at which time the incumbent Board will resign and five members will be elected by the Unit Owners. The By-Laws provide that from and after the first meeting of unit owners, which is the end of Sponsor's control of the Board (the Initial Control Period), the First Annual Meeting shall be held on a date not earlier than ten nor later than thirty days following the later to occur of (a) the fifth anniversary of the First Closing or (b) the closing of title to at least 50%, in number and in Common Interests, of all Units.

The term of office of each of the members of the Board will be one year and all members' terms will end on the first regularly scheduled annual meeting or anniversary thereof, rather than on the anniversary of the First Annual Meeting. At the expiration of the initial term of office of each member of the Board, such members' successors will be elected to serve for a term of one year.

Other than Board members designated or elected by reason of the votes cast by Sponsor or its designee, all members of the Board must be Unit Owners. The by-laws provide, from and after the first meeting of Unit Owners, which ends the initial Sponsor control period, at least three of the members of the Board (a majority of the Board) shall be owner occupants and unrelated to and unaffiliated with Sponsor or other Unsold Unit Owners. There is no restriction on the right of the Unsold Unit Owners (including Sponsor) to vote for members of the Board who are not related to or affiliated with Sponsor or other Unsold Unit Owners.

No member of the Board shall continue to serve on the Board if, during such member's term of office, said member shall cease to be a Unit Owner or an interested party as described in the immediately preceding paragraph.

Any Unit Owner, or interested party in a Unit Owner, who is in arrears in the payment of Common Charges beyond any applicable grace period (a) shall not be eligible to be elected as a Board member and (b) may be removed as a Board member by a majority vote of the other Board members. Any Board member except Sponsor appointees may be removed from the Board for cause or not by a vote of a majority of the Board.

Members of the Board shall serve without compensation.

2. Powers and Duties of and Determinations by Board of Managers

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

Meetings and Votes of Unit Owners

After the First Annual Meeting as described above, annual meetings of Unit Owners will be held within four weeks of the anniversary of the First Annual Meeting on a date to be set by the Board. At each such meeting, the Unit Owners shall elect members to replace those members of the Board whose terms have expired. In addition, special meetings may be held from time to time pursuant to the By-Laws. At all meetings of Unit Owners, the presence in person or by proxy of more than 50% of the Common Interests attributable to all Units shall constitute a quorum and, except as otherwise provided in the By-Laws or Declaration, a majority of votes cast at any such meeting at which a quorum is present shall be binding on all Unit Owners.

Each Unit Owner, upon obtaining title, will in accordance with Section 339-e of the Real Property Law, automatically have the right to vote at all meetings of the Unit Owners, based upon the Common Interest appurtenant to each of the Unit or Units owned by such Unit Owner, and at all such meetings, each Unit Owner (or his or her proxy) entitled to vote thereat (including Sponsor or its designee with respect to Unsold Units) shall be entitled to cast one vote for each .0001% of interest in the Common Elements attributable to his or her Unit or Units.

Officers

The principal officers of the Condominium will be the President, Vice President, Secretary and Treasurer, all of whom shall be elected by the Board. The Board may also appoint additional officers. None of the officers of the Condominium need be Unit Owners or have any interest therein or be Board members until the first organizational meeting of the Board following the First Annual Meeting. Thereafter, both the President and Vice President must be members of the Board. Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such. Upon the affirmative vote of a majority of the members of the Board, any officer of the Board may be removed, either with or without cause, and his or her successor may be elected, at any regular meeting of the Board or at any special meeting of the Board called for such purpose. No officer of the Board shall have any personal liability with respect to the operation of the Condominium, except that an officer shall be liable for his or her own bad faith or willful misconduct. All Unit Owners severally indemnify each officer against any liability or claim except those arising out of such officer's own bad faith or willful misconduct.

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

1. Sales and Leases of Units

Each Unit Owner may sell his or her Unit and lease his or her Unit for terms of one (1) year or more, provided such Owner first gives the Board notice of intention to sell or lease such Unit, accompanied by a fully executed copy of the contract of sale or lease, as the case may be. The Board shall then have the right to purchase or lease the 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 set forth in Article 8 of the By-Laws. The Board of Managers may raise funds to purchase a unit by an assessment of Unit Owners or by borrowing money by creating a security interest in the right to receive future income and common charges. If the Board does not elect to purchase or lease the Unit within 20 days after receipt of the notice, or waives such election in writing, the Unit Owner will have 90 days thereafter 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 that such written agreement is not executed by the Unit Owner within said 90-day period or such sale or lease is not so consummated within 30 days following the expiration of said 90-day period, the Unit Owner will be required to again first offer the same to the Board. The Board may not exercise its option to purchase or lease any Unit without prior approval of a majority in interest of Unit Owners present in person or by proxy and voting at a meeting at which a quorum is present. Any such lease shall be in the form and substance then approved by the Board (as the same may be changed from time to time), including provisions such as a prohibition on assignment or subletting. The Board may not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

If a Unit Owner is a corporation, any sale, assignment, transfer or other disposition of any of its stock other than through any recognized national securities exchange or "over-the-counter" market, or if a Unit Owner is a partnership, limited liability company or other entity, any sale, assignment, transfer or other disposition of any interest in such partnership, company or other entity, shall also subject the Unit owned by such entity to the requirement that the Unit first be offered to the Board for purchase or lease, as described in the preceding paragraph. Notwithstanding the foregoing, a Unit Owner may, without complying with the foregoing restrictions, sell, lease or convey his or her Unit to an affiliate (an affiliate being defined as a person or entity who or which owns 50% or more of the legal and beneficial interest of such Unit Owner or an entity with respect to which such Unit Owner owns 50% or more of the legal and beneficial interest) or to any one or more of a spouse, adult child, parent or adult sibling, or to a trust for the benefit of any one or more of the foregoing and/or one or more minor children of any of the foregoing, or convey a Unit by gift, or devise a Unit by will, or have it pass by intestacy; provided, however, that each succeeding Unit Owner shall be bound by, and its Unit shall be subject to, the preceding restrictions. Article 8 of the By-Laws more specifically describes the right of first refusal and those situations in which a Unit Owner may sell, lease or convey his or her Unit to a related or controlled individual or entity.

The restrictions upon the sale or lease of Units shall not apply to Sponsor or its designee with respect to any Unsold Units or to any Units acquired by a mortgagee in foreclosure

or by deed in lieu of foreclosure; such Units may be sold to anyone without first being offered for sale to the Board.

Each conveyance of a Unit by the Owner thereof shall include as part of the property to be conveyed, such Unit Owner's (i) undivided interest in the Common Elements, (ii) undivided interest in any Unit or Units acquired by the Board from Unit Owners (or the proceeds received at a foreclosure or other judicial sale of a Unit) and (iii) undivided interest in any other assets of the Condominium. No part of a Unit Owner's interest in the Limited Common Elements or the General 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 Limited Common Elements or the General Common Elements by all affected Unit Owners.

A Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit (other than Permitted Mortgages) are paid and satisfied at or prior to closing. In addition, the Board may establish reasonable fees for the processing of such offers for sale or lease, which shall be payable by the selling or leasing Unit Owner to the Managing Agent.

2. Use of Units

A Residential Unit may be used only as a residence and, subject to compliance with the By-Laws, for a lawful home occupation.

A Residential Unit may only be occupied by (i) any individual who is a Unit Owner or permitted lessee, (ii) any officer, director, stockholder or employee of any corporation which is a Unit Owner or permitted lessee, (iii) any partner or employee of any partnership which is a Unit Owner or permitted lessee, (iv) any member of any limited liability company which is a Unit Owner or permitted lessee, (v) the fiduciary or beneficiary of any fiduciary which is a Unit Owner or permitted lessee, (vi) any principal or employee of any other entity (including, but not limited to, embassies and consulates of foreign governments) which is a Unit Owner or permitted lessee and (vii) family members and/or non-paying guests of any of the foregoing. The Commercial Loft Units may not be used as a residential unit and may be used for professional and medical offices, small service establishments, such as repair shops, artist's studios and custom hand manufacturing The Storage Units may be used only for storage of nontoxic materials.

3. General Provisions with Respect to Use

No portion of a Unit, other than the entire Unit, may be leased. No nuisance or offensive or unlawful use shall be allowed in the Condominium or any portion thereof. All laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Property, shall be complied with at the sole expense of the respective Unit Owners or the Board, whoever shall have the obligation to maintain or repair such portion of the Property.

The Rules and Regulations concerning the use of the Units may be amended from time to time by the Board, provided that copies thereof are furnished to each Unit Owner prior to the time that they become effective. However, no amendment of the Rules and Regulations will apply to the Unsold Units, unless agreed to by all the owners of same who are affected by such

amendment. Further provisions with respect to the use and leasing of Units are set forth in the By-Laws and Rules and Regulations.

4. Obligations of Unit Owners With Respect To Limited Common Elements.

The Limited Common Elements are comprised of the Yard, Terraces, and Roof Terraces and have the following restrictions:

No structure may be built in the yard or on the roof as of right. Any plan to build any structure would require a variance from the New York City Bureau of Standards and Appeals. Unit owners should understand that opposition to such applications by the Board of Managers may result in denial of the application.

In the event that any construction to the Limited Common Elements is contemplated by the Unit Owners, the Board of Managers may regulate time periods during which work is permitted; the manner in which construction debris is handled; security measures; liability insurance and the interruption of building services.

The owners of Units which have exclusive use of the Limited Common Elements appurtenant to their units, have the sole financial responsibility for the repair or replacement of said Limited Common Elements and the sole financial responsibility for the structural repair or replacement of them to the extent that any repair is needed as a result of the owner's use. Further, the Condominium has unlimited access to the aforementioned areas for the purpose of making repairs.

5. Mortgage of Units by Unit Owners

Each Unit Owner may mortgage his or her Unit in accordance with the provisions of Article 7 of the By-Laws, which requires that the Board be notified in writing of the making of such mortgage and receives a conformed copy of the note and mortgage and that the Unit Owner first satisfy all unpaid liens against the Unit, other than Permitted Mortgages

6. Common Charges: Determination and Assessment

At least once per year, the Board will prepare a budget setting forth its projections of Common Expenses for the next fiscal year of the Condominium and will allocate the Common Expenses among the Units. The Common Charges payable by each Unit Owner will be in proportion to the Unit's percentage Common Interests compared to the total of all Unit Owners.

The Board of Managers may accumulate reserves for capital expenditures. The respective Common Interests of the Units, as estimated by Sponsor, have been allocated to each Unit 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.

The Board will furnish copies of the budgets to all Unit Owners and advise each Unit Owner of the amount of Common Charges payable. Unless otherwise determined by the Board, Common Charges will be payable in monthly installments, in advance, on the first day of each month.

7. Collection and Lien for Non-Payment of Common Charges

Unit Owners may not exempt themselves from liability for Common Charges by waiving use of any of the Common Elements or by abandoning their Units. No Unit Owner, however, will be liable for the payment for any part of the Common Charges assessed against his or her Unit subsequent to a permissible sale, transfer or other conveyance by him or her of such Unit. In addition, as more specifically set forth in Section 6.2 of the By-Laws, a Unit Owner, by conveying his or her Unit (without consideration) to the Board and provided that such Unit is free and clear of liens and encumbrances and that no violation of the Declaration, the By-Laws or the Rules and Regulations then exists with respect to such Unit, may be exempt from Common Charges thereafter accruing.

On a resale of any Unit, the purchaser will be liable for the payment of any unpaid Common Charges against such Unit. In the event of a foreclosure by the Board of its lien on any Unit for unpaid Common Charges, or otherwise, if the net proceeds of the foreclosure sale are insufficient for the payment of such unpaid charges, or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the original Unit Owner can be sued for the unpaid balance. The Board will also have the right to assess such unpaid balance as a Common Charge among all Unit Owners.

Under the provisions of Section 339-z of the New York Condominium Act and Section 6.3 of the By-Laws, the 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. All such liens, however, to the extent required by applicable law, will be subordinate to liens for real estate taxes on the Unit. Any lien for unpaid Common Charges against a Unit will be effective from and after filing of a verified notice thereof in the City Register's Office and until all sums secured thereby with interest accrued thereon shall have been fully paid, or until six years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever shall be sooner. Such liens may be foreclosed by a suit brought in the name of the Board (acting on behalf of all Unit Owners) in the same manner as the foreclosure of a mortgage on real property, or an action may be brought by the Board to recover unpaid Common Charges without foreclosing such lien. In addition, the Board may assess Unit Owners a late charge of $.04 for each dollar of Common Charges which remains unpaid for more than ten days after the date when due, and interest at the rate of 1.5% per month on such unpaid amounts (less any "late charges" theretofore collected), plus all expenses of collection. Sponsor obligates itself to cause any members of the Board related to or affiliated with Sponsor to vote in favor of filing a lien against any Unsold Units owned by Sponsor with respect to which payments of Common Charges have not been made within 30 days after the date when due.

Non-Occupying Owners

Under the provisions of Section 339-kk of the Real Property Law and Section 6.3.5 of the By-Laws, if a non-occupying owner rents his Unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees within 60 days of the expiration of the grace period after they are due, the Board shall provide written notice to the tenant and non-occupying owner providing that until such payments are to be made current, all rental payments are to be made payable to the Condominium Association. Where a majority of the Board has been elected by Unit Owners who are in occupancy, the Board may elect not to require that rental payments be made payable to the Condominium Association.

8. Repairs to and Maintenance of Units and Common Elements

Generally, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, or ordinary or extraordinary, (a) in or to any Unit (other than, in general, to the Common Elements included therein) will be made by the Owner of such Unit at his or her expense and (b) in or to the General Common Elements will be made by the Board and the expense thereof will be charged to the Unit Owners as a Common Expense. Without limiting the foregoing, Unit Owners shall be responsible for all maintenance, repairs and replacements of all plumbing, heating and lighting fixtures, heating and air-conditioning units and appliances in their respective Units. Except as otherwise provided herein, a Unit Owner shall not be responsible for the cost of any painting, decorations, maintenance, repairs or replacements in or to any Unit other than to its own Unit (and any Common Elements or Limited Common Elements included therein) and to its share of the General Common Elements.

Unit Owners shall be prohibited from obstructing or altering the facade of the Building, thus prohibiting the installation of through-the wall air conditioning units.

The washing and cleaning of interior and exterior glass surfaces of windows in the Units shall be the responsibility of the respective Unit Owners. The Board may from time to time enforce the responsibility of the Unit Owners to wash and clean the exterior surfaces of windows located in their respective Units.

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

The By-Laws provide that each Unit and all portions of the Common Elements shall be kept in first-class condition by the Unit Owner or the Board, whichever is responsible for the maintenance thereof. In the event that any Unit Owner fails to keep his or her Unit in such condition, the Board, at the expense of such Unit Owner, may enter such Unit and perform such acts as are necessary to cure such default. (See "Rights of Access" hereinafter set forth in this Section Q.)

9. Alterations and Improvements of Units

No Unit Owner may make any alteration, addition, improvement or repair in or to his or her Unit if the same would affect the structural, mechanical, electrical or plumbing elements of the Building or the exterior appearance of the Building, without first obtaining the written approval of the Board, which approval may not be unreasonably withheld. Except as otherwise permitted in the By-Laws, no Unit Owner may make any alteration, addition, improvement or repair in or to a rooftop terrace or the Common Elements without the prior written approval of the Board.

The Board, at its option, may require the Unit Owner to execute an agreement in form and substance satisfactory to the Board setting forth the terms and conditions under which any such alteration, addition, improvement or repair may be made. Any Unit Owner making or permitting an alteration, addition, improvement or repair in his or her Unit is required by the By-Laws to (i) obtain such insurance as the Board or the Managing Agent may require, (ii) indemnify the Board and the Managing Agent against any liability arising from the work, (iii) reimburse the Board for its architectural, engineering, and legal fees incurred in connection with such work and (iv) employ such architects, engineers, contractors, workers, suppliers and other laborers who are on the Managing Agent's then approved list, as such list may change from time to time (in the sole discretion of the Managing Agent).

The foregoing restrictions affecting Units shall not apply to Sponsor or its designee with respect to Unsold Units (see Part I, Section 0).

Any alteration, addition, improvement or repair in or to a Unit or any Common Elements must comply with all legal requirements. Additionally, if any Unit Owner desires to make any alteration, addition, improvement or repair in or to a Unit which affects any exterior architectural feature of the Building, then, in addition to obtaining any necessary consent from the Board, such party must first obtain approval from the applicable city agency.

10. Alterations and Improvements of Common Elements

Generally, all alterations, additions or improvements in or to the Common Elements will be made by the Board. The costs of alterations, additions or improvements to the Common Elements will be charged to all Unit Owners as a Common Expense; and costs attributable to the Limited Common Elements will be charged to all Unit Owners in the proportion that their respective Common Interests bear to the aggregate Common Interests of all Unit Owners. Whenever, in the judgment of the Board, the Common Elements require additions, alterations, improvements, or repairs costing more than $5,000, in the aggregate, in any calendar year, such additions, alterations, improvements or repairs may not be made unless the same have been approved by the Unit Owners owning a majority of the Common Interests of all Units liable for the cost thereof pursuant to the preceding sentence, including Sponsor, if it then owns any Unit, at a duly constituted meeting of Unit Owners or unless the same is necessary to comply with applicable laws or regulations, to remedy any violation imposed against the Property, to comply with a proper work order of an insurer of the Property, or for the health or safety (but not the general comfort or welfare) of the residents or occupants of the Property. In any such event, the Board may, in its discretion, assess each Unit Owner liable therefor for his or her pro-rata share of the cost of such

additions, alterations, or improvements, according to his or her Common Interest, as part of the Common Charges.

Any additions, alterations, or improvements costing $5,000 or less, in the aggregate, any calendar year may be made by the Board without the approval of the Unit Owners.

In addition, as set forth in Section 6.12.3 of the By-Laws and to the extent permitted by law, the Owner or Owners of any one or more Units, if such Unit or Units are the only Unit or Units serviced or benefited by any Common Elements adjacent or appurtenant thereto (for example, that portion at the end of a hallway that is directly adjacent to the Unit or Units located at the end of such hallway) and not affecting access or service (including, without limitation, heating and ventilating) to any other Unit or to any other portion of the Common Elements shall, with the consent of the Board (which consent shall not be unreasonably withheld or delayed and shall not be required if the Unit Owner or Owners shall be Sponsor or its designee), have the right to use such Common Elements exclusively (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 an event, however, such Owners shall, at their sole expense, (i) operate, maintain and repair such Common Element for so long as such Owners exercise such exclusive right of use and (ii) restore such Common Element to its original condition, reasonable wear and tear excepted, after such Owners cease to exercise such exclusive right of use.

11. Rights of Access

As more fully set forth in the By-Laws, the Board and any managing agent, manager and other persons authorized by the Board will have a right of access to any Unit and to the rooftop terraces for the purposes, among others, of (a) making inspections of, or removing violations of governmental laws or regulations against, any part of the Property; (b) curing defaults under the By-Laws, Declaration or Rules and Regulations by the owner of such Unit; (c) performing maintenance, installations, alterations, repairs or replacements to the mechanical or electrical systems, or other portions of the Common Elements, located within such Unit or elsewhere in the Building; or (d) correcting any conditions originating in any Unit and threatening another Unit or any Common Element.

In the event that the Board or any Unit Owner fails to maintain or repair parts of the Building required to be maintained or repaired by the Board or Unit Owner, respectively, or in the event of any breach of the Declaration, By-Laws or Rules and Regulations, Article 6 of the By-Laws provides for certain specified rights of Board to perform such maintenance or repairs or cure such breach.

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

Each Unit Owner must strictly comply with the provisions of the Declaration, By-Laws and Rules and Regulations. Pursuant to Section 339 of the Condominium Act, failure to so comply will be grounds for an action for damages or injunctive relief, or both. The By-Laws, together with the Rules and Regulations, will be recorded with the Declaration in the City Register's Office.

13. Repair or Reconstruction after Fire or Other Casualty

In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty, the Board will arrange for the prompt repair and restoration thereof (including each Unit, but excluding appliances, fixtures, furniture, furnishings and other personal property not constituting a part of such Unit).

If the insurance proceeds are insufficient to cover the cost of repairs or restoration, Unit Owners may be assessed for such deficiency. If there is a surplus of insurance proceeds, the surplus shall be paid to Unit Owners in accordance with the following paragraph, except that no payment shall be made to a Unit Owner until there has first been paid out of his or her share, such amounts as may be necessary to reduce unpaid liens on his or her Unit, other than Permitted Mortgages, in the order of priority of such liens.

If the Units and/or the Common Elements are 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 by all Unit Owners in proportion to their respective Common Interests.

In the event of a loss for which the proceeds of all policies of physical damage insurance maintained by the Board exceed $1,500,000, the proceeds shall be payable to a New York City bank or trust company designated by the Board as insurance trustee pursuant to the provisions of Section 12.6 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.

Notwithstanding any of the foregoing, if two-thirds or more of the Building is destroyed or substantially damaged and if sixty-six percent or more in Common Interest of all Unit Owners do not duly resolve within 60 days from the date of such damage or destruction to proceed with the repair or restoration thereof, the Building will not be repaired and shall be subject to an action for partition instituted by any Unit Owner or lienor, as if the Building were owned in common, in which case the net proceeds of sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of his or her share of such funds, such amounts as may be necessary to discharge all unpaid liens on his or her Unit in the order of the priority of such liens.

14.Insurance

The Board is required to obtain and maintain, in accordance with the provisions of Section 6.4 of the By-Laws, to the extent obtainable and to the extent determined by the Board to be appropriate, the following insurance: (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit), together with all service machinery contained therein, and covering the interests of the Condominium, the Board 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), without deduction for depreciation; (b) rent insurance in an amount equal

to Common Charges for one year; (c) workers' 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 Board; (f) water damage insurance to the extent, if any, determined by the Board; (g) fidelity insurance covering all Board members, officers, directors and employees of the Condominium and Managing Agent; (i) directors' and officers' errors and omissions coverage; and (j) such other insurance as the Board may from time to time determine.

The amount of fire insurance and all risk extended coverage to be maintained until the first meeting of the Board following the First Annual Meeting of the Unit Owners shall be in at least the sum of $7,000,000. 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 ten days' prior written notice to all of the insureds, including all Unit Owners , who have requested the same from the Board in writing. Duplicate originals or certificates of insurance of all policies of insurance and of all renewals thereof, if obtainable, together with proof of payment of premiums, shall be delivered to all Unit Owners who have requested the same from the Board in writing. Renewals shall be obtained at least ten days prior to the expiration of the then current policies.

The 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 in, on or about the Property, in such amounts as are carried by prudent owners of comparable properties in the City of New York as the Board may from time to time determine, covering (1) the Board, the Managing Agent and each Board member and each officer and employee of the Condominium, and (2) each Unit Owner, except that such policy will not cover liability of a Unit Owner arising from occurrences within his or her own Unit or within the Common Elements, if any, exclusive to his or her Unit. In no event shall the comprehensive general liability insurance afford protection to the limit of less than $1,000,000 per occurrence, plus at least $2,000,000 umbrella liability coverage. The insurance discussed above shall also include cross liability claims of one insured against another.

Any insurance maintained by the Board may provide for such deductible amounts as the Board may determine. The premiums for all insurance referred to above shall be a Common Expense and shall be borne by the Unit Owners as part of Common Charges.

The 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. Consequently, all Unit Owners are 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 Units. Unit Owners may carry additional insurance, provided that any such policies shall contain waivers of subrogation, if available, and further provided that the liability of the carriers issuing insurance obtained by the Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

15. Liability of Board of Managers and Unit Owners

Every contract made by the Board, any officer of the Condominium, or the Managing Agent shall state that (a) it is being executed by such party only as agent for all Unit Owners, and such Board members, officer or Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Unit Owner with respect to such contract shall be limited to (i) such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners and (ii) to the extent permitted by law or as otherwise determined by the Board in its sole and absolute discretion, such Unit Owner's interest in his or her Unit and its appurtenant Common Interest.

To the extent permitted by applicable law, Board members shall have no liability to Unit Owners, except that a Board member shall be liable for his or her own bad faith or willful misconduct. The Board may contract or effect any other transaction with any Board member, any Unit Owner, Sponsor or its designee, or any affiliate of any of them without incurring any liability for self-dealing, except in cases of 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 Board member against any liability or claim except those arising out of the bad faith or willful misconduct of such member.

16. Amendments to Condominium Documents

Generally, subject to certain exceptions, any provision of the Declaration or By-Laws may be amended, added to or deleted by affirmative vote of at least 66-2/3% in number and in Common Interest of the Unit Owners.

However, for so long as Sponsor is the owner of one or more Units, the Declaration, By-Laws and Rules and Regulations may not be amended, modified, added to, or deleted so as to adversely affect Sponsor without the prior written consent of Sponsor. In addition, the provisions of the Declaration and By-Laws relating to:

(a) the use of Units or each Unit's Common Interest may not be amended, modified, added to, or deleted without the prior written consent of every Unit Owner affected by such amendment; and

(b) the rights, benefits and exemptions of the owners of the Unsold Units may not be amended, added to, or deleted without the prior written consent of such owners (including Sponsor if it still owns any Unsold Units).

17. Termination of Condominium

The Condominium shall continue and the Property shall not be subject to an action for partition (unless the Condominium shall be terminated by casualty loss, condemnation or eminent domain as provided in the By-Laws) until such time, if any, as the Property shall be withdrawn from the provisions of the New York Condominium Act as a result of the vote to do so of at least 75% in Common Interest of all Unit Owners.

Sponsor will not vote its interests appurtenant to Unsold Units in favor of such withdrawal unless at least 75% in Common Interest of all other Unit Owners elect to withdraw, at

which time Sponsor may choose to vote its Common Interests either in favor of or against withdrawal from condominium ownership, as it sees fit.

In the event of withdrawal of the Property from condominium ownership, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if the Property were owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests, after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on his or her Unit, in the order of priority of such liens.

18. Units Acquired by the Board

All Units acquired or leased by the Board or its designee shall be held by the Board, or its designee, on behalf of all Unit Owners. 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 Board shall carry any voting rights.

The purchase of any Unit by the Board or its designee, on behalf of all Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Board by or on behalf of Unit Owners. If the funds in such accounts are insufficient to effectuate any such purchase, the Board may levy an assessment against each Unit in proportion to its respective Common Interest, as a Common Charge, and/or the Board may, in its discretion, finance the acquisition of such Unit; provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its appurtenant interest in the Common Elements.

19. Procedure to Review Real Estate Tax Assessments

The 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 the Units. All Unit Owners will share the costs in connection therewith and the benefits derived therefrom. In the event any Unit Owner individually seeks to have the assessed valuation of his Unit reduced by bringing a separate certiorari proceeding, the 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 Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

20. Mechanics' Liens

Under the provisions of the New York Condominium Act, no lien of any nature may arise or be created against the Common Elements, except with the unanimous consent of all Unit Owners. Liens may arise or be created against only the 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 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 Board or the Managing Agent.

21. Easements and Name of Condominium

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. These easements, which are more particularly set forth in Article 15 of the Declaration, include an easement in favor of each Unit Owner to use, operate, maintain, repair, alter, rebuild, restore and replace Common Elements and, generally, an easement of support and of necessity in favor of all Units and the Common Elements. These easements shall be exercised in a manner that will not unreasonably interfere with the use of any of the Units for their permitted purposes.

The Condominium shall be designated and known as "105 Lexington Condominium".

R. REAL ESTATE TAXES

The estimate of real estate taxes that will be payable for each of the Units during the first year of Condominium ownership is based upon the estimate from Sponsor's Expert, the Mazursky Group.

The estimate for real estate taxes for the Units for such first year is based on the post rehabilitation assessed valuation for the period 2008/2009 which is estimated at $2,331,600 and on the tax rate in effect for the twelve month period commencing July 1, 2008 at 12.9 % per $100 of assessed valuation. Residential Units will be assessed at 90%, Commercial Loft Units at 8.5%, and Storage Units at 0.5% of the total assessed valuation. The First Year taxes are estimated at $151,831 for the Residential Units, $ 12,705 for the Commercial Loft Units, and $748 for Storage Units. In the second year, the estimated taxes for the Residential Units are $ 271,933; for the Commercial Units $22,397; and for the Storage Units $1,318.

Sponsor is applying for J-51 real estate tax exemption and abatement benefits for the Residential Units. **These benefits are not for the Commercial Loft Units, or the Storage Units.** Notwithstanding the above, it is anticipated that J-51 tax benefits will be in effect no later than July 1, 2009. At the time that the J-51- benefits the real estate taxes for the Residential Units will be $15,098. Sponsor's J-51 expert, Meir Mishkoff, has issued an Opinion Letter, dated March 29, 2007, indicating that the units will be eligible to receive these benefits based on certain assumptions and conditions set forth therein.

No guaranty or assurance is given that: (i) any of the assumptions described above will be valid; (ii) any projected or estimated amount set forth above (including, without limitation, the estimates of the Property's assessed valuations during the first year of condominium operation, the estimates of the portions of such assessed valuations that will be allocable to each the unit and the projection of the average real estate tax rate that will be in effect during such first year) will approximate the actual amount; or (iii) the Real Estate Tax Assessment Bureau of the New York City Department of Finance will allocate the Property's aggregate assessed valuation between the Units in accordance with the appraised values used by Sponsor for such purpose, or that such Bureau will allocate the aggregate assessed valuation attributable to the Units among the different Units as described above. Sponsor will amend the Plan promptly to disclose the same if it discovers that any of such assumptions are invalid as well as after the Units have been assessed and the applicable tax rate determined.

Until the Units are separately assessed, each Unit Owner will pay to the Board a share of the Property's real estate taxes for the period in question calculated in accordance with its share of the common elements. The share so allocated to the Units will then be pro-rated to each individual Unit, respectively, on the basis of the ratio that the percentage of common interest for the Unit set forth in Schedule A above bears to the total common elements of all Units, set forth in Schedule A. The Board will pay such real estate taxes timely to the Department of Finance of The City of New York, or directly to Sponsor if Sponsor has paid such taxes, so that no lien will be placed on the Property or any Unit. If Sponsor fails to pay real estate taxes attributable to any Unsold Unit in a timely manner and as a result of such failure a lien is placed on the Property and/or any other Unit, Sponsor will immediately cause such lien to be removed at its sole cost and expense. If Unit Owners fail to pay their pro rata share of Real Estate Taxes as set forth above, the

Board will be entitled to assess late charges and/or place a lien on their Units as if such unpaid share were Common Charges. (See "Collection and Lien for Non-Payment of Common Charges" in Part I, Section Q for further discussion.) A Unit Owner will not be responsible for the payment of, and will not be subject to any lien arising from the non-payment of real estate taxes assessed against any other Units. At such time as a Unit is separately assessed and separate tax bills are issued, the Unit Owner will pay such taxes directly to the taxing authority.

There is no assurance that the pro-ration of taxes described in the paragraph above will equal the actual amount of real estate taxes which will be assessed against the Units, and the actual amounts may vary considerably from the method set forth above.

Real estate taxes will be adjusted at closing between Sponsor and each Purchaser based on the period for which real estate taxes have been prepaid by Sponsor either directly to the taxing authority or as part of the Common Charges to the Board. If real estate taxes have been separately assessed to each Unit as of the closing, then the adjustment shall be based on the Unit's actual taxes for such period.

There are no pending tax certiorari proceedings.

S. INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF CONDOMINIUM

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

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

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

1. Deductibility of Real Estate Taxes and Mortgage Interest

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

Generally, it is the opinion of Raphael and Marks that each Unit Owner will, under the present income tax laws and regulations, for Federal, New York State and New York City income tax purposes, be entitled to a deduction for:

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

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

Qualified residence interest includes interest paid by the Unit Owner on (i) debt used to acquire, construct or substantially improve any "qualified residence," as defined below, and secured by such residence, up to $1,000,000 ($500,000 in the case of a married individual filing a separate return), and (ii) other indebtedness secured by a qualified residence, up to $ 100,000 ($50,000 in the case of a married individual filing a separate return). Interest on home mortgage indebtedness in excess of these limitations is not deductible.

A "qualified residence" means (i) a "principal residence" and (ii) one secondary residence selected by the Unit Owner.

Prospective Purchasers should note that no deduction will be allowed to a cash basis taxpayer in the year of payment for prepaid interest (except in the case of "points" paid under certain circumstances), and that the deductions for real estate taxes and qualified residence interest may be subject to the overall limitation on the allowance of itemized deductions.

2. Taxation of the Condominium

Certain condominium boards may elect to be treated as a "homeowners association" within the meaning of Internal Revenue Code section 528(c) and, therefore, could elect to be exempt from federal income tax on Common Charges received from Unit Owners ("exempt function income"). In order for the Board to qualify to make such election, section 528 and the Treasury Regulations promulgated thereunder require, among other things, that at least 85% of the total square footage of all the units within the project be used by individuals for residential purposes and that the Condominium meet certain gross income and expenditure tests. Since 100% of the total square footage of all the Units in the Condominium will be used for residential purposes, the Condominium will be eligible to make this election and will meet the other requirements of section 528. For any taxable year for which the Condominium elects to be treated as a homeowners association under section 528, it will be subject to tax at a 30 percent rate on the excess of its non-exempt function income over the allowable deductions (computed with certain modifications) directly connected with the production of such income.

Absent the application of Code section 528, the status of the Condominium Board for Federal, New York State and New York City income tax purposes is uncertain. If the Board is deemed to be merely a conduit for the Unit Owners, all income earned by the Board, less the expenses incurred in earning such income, would be deemed to constitute income to the Unit Owners and be taxable to them. However, under this analysis, Common Charges would not be considered income to the Condominium Board and given the proposed budget there would not be any taxes for Unit Owners.

If the Board were to be treated as a separate entity, it may be treated as a partnership for tax purposes, with the result that all income earned by the Board, less the expenses incurred in earning such income, would be taxable to the Unit Owners. In such case, the Board would not itself be subject to Federal or New York State income tax, but might be subject to the New York City Unincorporated Business Tax income tax on that portion of the Common Charges deemed to constitute gross income, to the extent that such portion (together with any income earned from interim investment of funds) exceeds allowable deductions.

No warranties are given that the Internal Revenue Service, the New York State Department of Taxation and Finance or the New York City Department of Finance will allow any of the deductions mentioned above in this Section T or that the tax laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof, upon which counsel to Sponsor bases its opinion, will not change. In addition, no warranties are given by Sponsor, counsel to Sponsor, the Selling Agent, the Managing Agent or any other person connected with this offering, with respect to the tax consequences of the Plan or the tax consequences of ownership of any Units offered under the Plan, and no one has been authorized to give any such warranties.

T.OPINION LETTERS

TAX OPINION OF COUNSEL

RAPHAEL AND MARKS
315 PARK AVENUE SOUTH
NEW YORK, NY 10010
(212) 505-2880

February 1, 2007

105 Lexington Condominium
HRCF-Lexington LLC
79 Worth Street
New York, NY 10010

Re: Condominium Offering Plan
105 Lexington Condominium (The "Condominium")

Gentlepeople:

You have requested our opinion concerning (i) the deductibility, for Federal, New York State and New York City income tax purposes, of mortgage interest and real estate taxes paid by residents of New York who purchase the offered Units for their own residential use pursuant to the above-referenced Condominium Offering Plan (the "Plan" and (ii) the qualification of the Condominium as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended (the "Code"). This opinion does not address the tax consequences of the ownership of Units by corporations, other entities or foreign persons, nor does it address the tax consequences of ownership of the Commercial Loft Units, or the Storage Units. Furthermore, this opinion does not address the tax consequences of (i) ownership of any Unsold Units or any Unit that is used for commercial or mixed residential/commercial purposes or (ii) any rebates or other payments that may be made, or benefits provided, to owners of Units. Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Plan.

In connection with rendering this opinion, we have reviewed the Plan and have examined the schedules, exhibits and documents accompanying the Plan, including the declaration establishing, and the By-laws governing, the operations of the Condominium (the "Plan Documents"). We have also considered the relevant sections of the Code, the New York State Tax Law, the New York City Administrative Code, the regulations promulgated thereunder and such other materials as we deemed relevant. In rendering this opinion, we have assumed that the Plan is the document pursuant to which owners of the Units will acquire their Units and that the relevant facts are as set forth therein.

Pursuant to the Plan, the purchaser of a Unit will receive legal title in fee simple to his or her unit coupled with ownership of an undivided interest in the appurtenant Common Elements with other

Unit Owners. Such purchaser will have the right to place an individual mortgage on his or her separate Unit and will be liable to the local tax authority for the tax assessment with respect to his or her interest in the Property. Under these circumstances, the Internal Revenue Service (the "IRS") has ruled that the owner of a residential condominium unit may deduct interest paid on his or her mortgage indebtedness and the real estate taxes assessed and paid on his or her interest in the property. Rev. Rul. 64-31, 1964-1 (Part I) C.B. 300.

Accordingly, based on the foregoing, it is our opinion that an owner of a Unit who itemizes deductions and who uses his or her Unit as a personal residence will be entitled under current law to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as may be in effect under Section 68 of the Code, real estate taxes assessed against his or her Unit and paid to the local tax authority. However, no deduction for real estate taxes is permitted for purposes of the Federal alternative minimum tax. Owners of the Units should consult their tax advisers regarding the applicability of the overall limitation on itemized deductions to the deductibility of real estate taxes.

Purchasers are advised that an exemption from real estate taxes may be available for veterans and other purchasers under the New York State Real Property Tax Law, as amended, and/or various codes, rules and regulations of the City of New York. Prospective purchasers are advised to consult with their own attorneys or other advisers to determine whether the prospective purchaser qualifies for any exemption from real estate taxes.

A taxpayer generally is entitled to a deduction for Federal income tax purposes for interest paid with respect to a principal and one secondary residence (a "qualified residence") to the extent that the interest is attributable to indebtedness which is secured by the qualified residence and which (i) is incurred in acquisition, constructing or substantially improving the qualified residence (or which constitutes a refinancing thereof, to the extent that such indebtedness does not exceed the amount of the refinanced debt) ("acquisition indebtedness"), up to a maximum of $1,000,000 for any period ($500,000 in the case of a married individual filing a separate return), or (ii) is any indebtedness other than acquisition indebtedness, up to the excess of the fair market value of any one qualified residence over the amount of acquisition indebtedness with respect to such residence ("home equity indebtedness"), but not to exceed $100,000 ($50,000 in the case of a married individual filing a separate return) in the aggregate for all qualified residences of the taxpayer in any period. Accordingly, an owner of a Unit who itemizes deductions and uses his or her Unit as a qualified residence will be entitled, under current law, to deduct from his or her gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as may be in effect under Section 68 of the Code, interest paid or accrued by him or her on (i) acquisition indebtedness incurred with respect to his or her Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any), does not exceed $1,000,000 ($500,000 in the case of a married individual filing a separate return) and (ii) home equity indebtedness with respect to his or her Unit to the extent that such indebtedness, when added to the amount of home equity indebtedness incurred with respect to a second qualified residence (if any), does not exceed $100,000 ($50,000 in the case of a married individual filing a separate return). Since the rules and limitations regarding the deductibility of home mortgage interest are complex, purchasers are urged to consult their tax advisers regarding the application of such rules and limitations to them, as well as regarding the deductibility of

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

Each owner of a Unit who uses his or her Unit as a residence will generally be entitled to the same deduction for mortgage interest and real estate taxes paid or accrued with respect to his or her Unit for New York State and New York City income tax purposes as is allowed for Federal (regular) income tax purposes. However, under New York State and New York City income tax law, itemized deductions, such as interest and real estate tax deductions, are subject to reduction by as much as 50% in the case of individuals having income exceeding certain prescribed levels. Furthermore, purchasers should consult their tax advisers to determine the application, if any, of the New York State and New York City minimum taxes to the deduction for mortgage interest and real estate taxes with respect to their Units.

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

To qualify as a homeowners association, the Condominium must meet all of the following conditions: (1) it must be organized and operated to provide for the acquisition, construction, management, maintenance and care of association property, (2) at least 60% of its gross income for each taxable yea must consist solely of amounts received as membership dues, fees or assessments from Unit Owners, (3) 90% or more of its expenditures for each taxable year must be made for the acquisition, construction, management, maintenance and care of association property, (4) no part of its net earnings can inure to the benefit of any private shareholder or individual (other than by acquiring, constructing or providing management, maintenance, and care of association property, and other than by rebate of excess membership dues, fees, or assessments), (5) the Condominium must elect to be treated as a homeowners association, and (6) at least 85% of the total square footage of all Units within the Condominium must be used by individuals for residential purposes. See Treasury Regulation § 1.528-4(b). The qualification of an organization under the provisions of Section 528 is to be determined annually at the close of each taxable year and it is possible, therefore, that if the Condominium does not qualify in one year, it may nevertheless qualify in one or more future years.

Based upon the foregoing and assuming (i) the Plan becomes effective during the taxable year ending December 31,2007 (the "2007 Taxable Year"), (ii) the actual gross income and expenditures of the Condominium for the 2007 Taxable Year are the same as (or, if such year is a short taxable year, are in the same proportions as) the estimated gross income and expenditures for the Condominium's first full year of operations, as set forth in Schedule B to the Plan, (iii) the Condominium otherwise operates in accordance with the terms of the Plan and the Plan Documents, (iv) at least 85% of the total square footage of all Units of the Condominium will be

used by individuals for residential purposes, and (v) there are no changes in the facts and/or the relevant provisions of current law, the Condominium will be eligible to elect to be treated as a homeowners association under Section 528 of the Code for the 2007 Taxable Year.

Absent the application of Code Section 528, the present state of federal law is unclear as to the precise tax status of the Condominium. An entity classification regime was adopted in regulations issued by the United States Treasury Department on December 17, 1996 and there is no authority addressing the application of those entity classification regulations to condominiums. Because the By-laws of the Condominium provide that the Condominium Board will act as the agent of the Unit Owners represented by such Board, the Condominium Board may take the position that the Condominium is not a separate entity and accordingly is not subject to the classification regime. In such case, the Unit Owners would, in the aggregate, include in their gross income and be taxed on all income earned by the Condominium (which income may include, among other things, interest or similar income earned horn interim investments of the amounts assessed and collected from the Unit Owners), reduced by the expenses incurred in earning such income. For this purpose, the Common Charges should not be considered income earned by the Condominium with respect to the Unit Owners. If, however, the Condominium is considered a separate entity it is unclear whether the Condominium would be taxable as a corporation or treated as a partnership for Federal income tax purposes. If the Condominium is taxable as a corporation, it would be considered a separate taxpayer with income and deductions and return filing requirements and would be subject to corporate income tax. If the Condominium is treated as a partnership, the partnership would not be subject to an entity level tax, the items of income and deduction of the partnership would generally be passed though to the Unit Owners in accordance with the provisions of Subchapter K of the Code, and the partnership would be required to file information returns.

The precise tax status of the Condominium for New York State and New York City tax purposes is also unclear. The relevant New York State and New York City laws incorporate by reference federal entity classification provisions which, as discussed above, do not specifically address the treatment of condominiums. If the Condominium is properly treated as a separate entity that is an association taxable as a corporation for Federal income tax purposes, it appears likely that the Condominium would be subject to the New York State Corporation Franchise Tax and the New York City General Corporation Tax. If the Condominium does not constitute an association that is taxable as a corporation for Federal income tax purposes, it is still possible, although not certain, that the Condominium might be subject to the New York State Corporation Franchise Tax. Further, in such event, the Condominium likely would be subject to the New York City Unincorporated Business Tax, unless it were eligible for and elected treatment under Code Section 528 as a homeowners association.

We express no views as to any Federal, New York State or New York City tax consequences other than those explicitly discussed in this opinion, or as to the tax status or tax consequences of the Plan under the laws of any other U.S. or foreign jurisdiction. Moreover, this opinion, while based on existing rules of law applied to the facts and documents referred to above, is not binding on the IRS or any court. No assurances can be given that the tax laws upon which we base this opinion will not change. In no event will the Sponsor, Raphael and Marks, the Condominium Board, the Selling Agent or any other person be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law

or IRS rulings on which we have relied which cause the owners of Units not to be entitled to the income tax deductions described herein, or which would affect the tax treatment of the Condominium as described herein.

Very truly yours,
Raphael and Marks

By: Ellen Marks, Esq.

OPINION OF Attorney 339 (i)(l)(iv)
Raphael and Marks
315 Park Avenue South
New York, New York 10010

April 10., 2007

The Board of Managers of 105 Lexington Condominium
105 Lexington Avenue
Brooklyn, NY 11215

Re: 105 Lexington Condominium
105 Lexington Avenue, Brooklyn, New York

Dear Gentlemen/Mesdames:

The undersigned attorney for the Sponsor has reviewed the allocation of common interests as shown on the Schedule A to be included in the offering plan for the subject project.

It is our opinion the assignment of the percentage of common interest to each Unit has been done in compliance with Section 399(i)(1)(iv) of the New York State Real Property Law.

The common interests have been allocated to each condominium unit 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 Section 399(i) (1) (iv) of the New York State Real Property Law. This opinion is based on factual determinations of measurements and calculations of net square footage made by Sponsor's Architect.

Very truly yours,
Raphael and Marks

By: _____
Ellen Marks, Esq.

Real Estate Tax Estimate

for the

105 Lexington Avenue Condominium

Brooklyn, New York

Prepared for:
HRCF - LDR Lexington LLC
c/o Raphael & Marks
315 Park Avenue South
New York, N.Y. 10010

April 10, 2007

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

April 10, 2007

HRCF - LDR Lexington LLC
c/o Raphael & Marks
315 Park Avenue South
New York, N.Y. 10010

Re: 105 Lexington Avenue, Brooklyn, N.Y.

I, JEROME MAZURSKY, CERTIFY:

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

THAT I have been retained by HRCF - LDR Lexington LLC, the sponsor, to estimate for inclusion in an Offering Plan to be submitted to the Attorney General, the assessed valuation and real estate taxes of the above-captioned property after completion of its renovation;

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

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

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386 Park Avenue So., Suite 600, New York, NY 10016 (212) 696-2005

I have discovered the following:

1) The subject property is located at 105 Lexington Avenue in the Bedford Stuyvesant section of the borough of Brooklyn. According to city records, it is improved with two 4-story commercial buildings (L9) constructed circa 1931 containing 44,000 square feet of building area. In recent years, it has been occupied and used as artists' work space. The sponsor is in the process of gut-renovating the buildings, adding a penthouse level and converting the property into a condominium that will contain thirty-one residential units, three commercial units, eight storage units and sixteen roof terrace units. After completion of the renovation and conversion, it will be known as the 105 Lexington Avenue Condominium.

   The site has 107' frontage on the northerly side of Lexington Avenue and extends 121.42' in depth. It is irregularly shaped and contains approximately 12,500 square feet of ground area. The property is identified on the city's tax records as Block 1967 Lot 58.

2) The building contains the following approximate square foot areas and uses:

FLOORS	AREA	USE
Cellar	5,416	Boiler, Meter and Mechanical Rooms 2- Commercial Units, 8-Storage Units
1	10,269	1- Commercial Unit, 7-1BR Apartments
2	10,206	8-1BR Apartments
3	10,206	8-1BR Apartments
4	10,206	8-2BR w/Study Duplex Apartments
. . .		
PH	6,790	Upper Levels of 4th Flr. Duplex Apartments
. . .		
Roof	- -	16-Roof Terrace Units

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

3) cont'd.

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

The Class 4 tax rate for 2006/07 is $10.997 per $100. The Class 2 rate is $12.737 per $100. I estimate the tax rates for 2007/08, 2008/09 and 2009/10 at $11.25 per $100 for Class 4 and $12.90 per $100 for Class 2.

4) The recent history of assessed valuation of 105 Lexington Avenue is as follows:

2005/06	Land	Total
Actual:	$ 38,835	$ 468,000
Transitional:	$ 42,066	$ 390,870

2006/07	Land	Total
Actual:	$ 38,835	$ 472,500
Transitional:	$ 40,986	$ 404,370

2007/08	Land	Total
Actual:	$ 141,750	$ 438,750
Transitional:	$ 60,489	$ 325,567

5) It is my judgment that after the renovation is completed, the property will be increased by $1,961,250, of which $ 1,700,000 may be eligible for a J-51 exemption. The assessed values in tax year 2008/09 are estimated as follows:

2008/09	Land	Total
Actual:	$ 150,000	$ 2,400,000
Transitional:	$ 81,600	$ 2,331,600

2009/10	Land	Total
Actual:	$ 150,000	$ 2,400,000
Transitional:	$ 102,700	$ 2,352,700

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6) Using relative values as a rental building as the criterion, I have estimated that the residential units will be assessed at 90%, the commercial units at 8.5%, the storage units at .5% and the roof terraces at 1% of the total assessed valuation. The tax liability, during the first year of operation, is estimated at $151,831 for the residential units, $12,705 for the commercial units, $ 748 for the storage units and $1,495 for the roof terrace units. In the second year of operation, the estimated taxes for the residential units are $271,923, $22,397 for the commercial units, $ 1,318 for the storage units and $2,635 for the roof terrace units. The calculations are as follows:

First Year of Operation without J-51 Exemption Benefits

Residential Units

1/01/08 - 6/30/08

$ 325,567[1] x .90[2] x .1125[3] x .5[4] = **$ 16,482**

7/01/08 - 12/31/08

$ 2,331,600[5] x .90[2] x .129[6] x .5[4] = **135,349**

Total: $ 151,831

Commercial Units

1/01/08 - 6/30/08

$ 325,567[1] x .085[2] x .1125[3] x .5[4] = **$ 1,557**

7/01/08 - 12/31/08

$ 2,331,600[5] x .085[2] x .1125[3] x .5[4] = **11,148**

Total: $ 12,705

Storage Units

1/01/08 - 6/30/08

$ 325,567[1] x .005[2] x .1125[3] x .5[4] = **$ 92**

7/01/08 - 12/31/08

$ 2,331,600[5] x .005[2] x .1125[3] x .5[4] = **656**

Total: $ 748

Roof Terrace Units

1/01/08 - 6/30/08

$ 325,567[1] x .01[2] x .1125[3] x .5[4] = **$ 183**

7/01/08 - 12/31/08

$ 2,331,600[5] x .01[2] x .1125[3] x .5[4] = **1,312**

Total: $ 1,495

1. 2007/08 Taxable Assessed Value
2. Portion of value attributable to this type of space.
3. Estimated 2007/08 and 2008/09 Class 4 Tax Rates
4. One- half year
5. Estimated 2007/08 Taxable Assessed Value
6. Estimated 2008/09 and 2009/10 Class 2 Tax Rates

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6) cont'd.

Second Year of Operation without J-51 Exemption Benefits

Residential Units

1/01/09 - 6/30/09

$ 2,331,600[5] x .90[2] x .129[6] x .5[4] = **$ 135,349**

7/01/09 - 12/31/09

$ 2,352,700[7] x .90[2] x .129[6] x .5[4] = **136,574**

Total: $ 271,923

Commercial Units

1/01/09 - 6/30/09

$ 2,331,600[5] x .085[2] x .1125[3] x .5[4] = **$ 11,148**

7/01/09 - 12/31/09

$ 2,352,700[7] x .085[2] x .1125[3] x .5[4] = **11,249**

Total: $ 22,397

Storage Units

1/01/09 - 6/30/09

$ 2,331,600[5] x .005[2] x .1125[3] x .5[4] = **$ 656**

7/01/09 - 12/31/09

$ 2,352,700[7] x .005[2] x .1125[3] x .5[4] = **662**

Total: $ 1,318

Roof Terrace Units

1/01/09 - 6/30/09

$ 2,331,600[5] x .01[2] x .1125[3] x .5[4] = **$ 1,312**

7/01/09 - 12/31/09

$ 2,352,700[7] x .01[2] x .1125[3] x .5[4] = **1,323**

Total: $ 2,635

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

7) It is my understanding that the sponsor is seeking J-51 real estate tax exemption and abatement benefits for the residential units. Assuming the J-51 benefits are granted, it is unlikely that they will fully take effect before July 1, 2009. I estimate that the residential real estate taxes with J-51 benefits will be $15,098. The calculations are as follows:

7. Estimated 2008/09 Taxable Assessed Value

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7) cont'd.

Real Estate Taxes with J-51 Exemption Benefits

Residential Units

7/01/09 - 6/30/10

($ 2,352,700[7] x .90[2]) - 1,700,000[8] x .129[6] - $38,750[9] = **$ 15,098**

8) The co-op/condominium real estate tax abatement law, that over the past few years has had a favorable effect on the real estate tax burden of residential co-op and condominium unit owners, was recently extended by the State Legislature to June 30, 2008. The Legislature indicated its intention in passing this law was to address the disparity between the tax burden of one to three family homeowners and that of residential co- op and condominium unit owners. If the abatement to this condominium is granted, the law will allow up to a 17.5% abatement of the real estate tax bill of a unit owner who owned fewer than four units on the city's taxable status date of January 5, 2008. Excluded from receiving the abatement benefits are co-ops and condominiums that receive J-51 or 421A tax exemption benefits.

9) This estimate of the assessed valuation has been prepared for inclusion in the Offering Plan, and I consent to its use for this purpose.

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

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

Jerome Mazursky, MAI, CAE

6. Estimated J-51 Exemption
7. The Maximum Annual Abatement is estimated at $38,750 (CRC $465,000 x 8.333%).

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President

NYS Certified General R.E. Appraisers
46000001594

QUALIFICATIONS

EDUCATION

N.Y.U. School of Commerce - B.S.
Real Estate Courses

Appraising I, II	CUNY
Advanced Assessing	Cornell University
Appraising Problems	University of Connecticut
Computerized Mass Assessing	I.A.A.O.
Various Appraisal Courses	Appraisal Institute

PROFESSIONAL DESIGNATIONS

MAI	(Member of the Appraisal Institute)
CAE	(Certified Assessment Evaluator, IAAO)
IAO	(Institute of Assessing Officers, NYSAA)

EMPLOYMENT

1973-1980	Assessor - Manhattan
1978	Interim Acting Tax Commissioner for Staten Island
1981-1982	Assistant Commissioner (in charge of the Real Property Assessment Division of the Department of Finance)
1983- Present	Real Estate Tax Consultant/Fee Appraiser

MEMBERSHIP IN PROFESSIONAL ORGANIZATIONS

International Association of Assessing Officers
N.Y.S. Association of Assessors
Appraisal Institute
American Arbitration Association

ARTICLES PUBLISHED

"The Future of Assessed Valuations in New York City"
Assessment Digest, July 1979
The Valuer's Line, May 1980

Book Review of "You Can Get Your Real Estate Reduced"
Real Estate Review, Spring 1980

"Reflections of an Acting Tax Commissioner"
Real Values, September 1+978

"Real Estate Taxes and the Review Process"
C.P.A. Journal, July 1981

"The New Real Estate Tax in New York City"
C.P.A. Journal, July 1982

"Battling Taxes From a Different Vantage Point"
Real Estate Weekly, December 28, 1988

"Forecast of Real Estate Taxes in NYC"
Real Estate Weekly, January 1990

"Real Estate Tax Burden Shifting in New York"
REW - Review & Forecast, July 25, 1990

SCOPE OF APPRAISAL EXPERIENCE

Over a period of twenty-five years, I have valued thousands of properties of almost every conceivable type in New York City. Some of the more notable properties include:

Citicorp Building	Seagram Building
The Apthorp Apartments	800 Fifth Avenue
Hotel Pierre	Delmonico Apartments
General Motors Building	Union Carbide Building
Proctor & Gamble Industrial Plant	Mobil Building

The Appraisal Institute conducts a voluntary program of continuing education for its designated members. MAI's and SRA's who meet the minimum standards of this program are awarded periodic educational certification. I am currently certified under this program.

LAW OFFICE OF STEVE WEKSELBLATT
175 East Shore Road
Great Neck, New York 11023
516.487.0003 516.487.1497 fax

June 6, 2006

HRCR-LDR Lexington LLC
79 Worth Street
New York, New York 10010

Re: 105 Lexington Avenue
Brooklyn, New York
Block 1967 Lot 58

Dear Sirs;

Pursuant to your request, we have reviewed the information you have furnished us regarding the conversion of the above referenced property to a condominium.

You have advised us that the purpose of this analysis is to furnish you with our opinion as to the eligibility of the above referenced property to receive real estate tax abatement and tax exemption benefits under Section 11-243 of the Administrative code of the City of New York ("J51 Benefits").

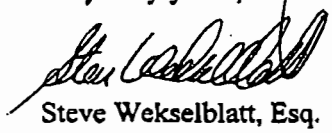
You have furnished us with the Opinion Letter dated March 29, 2007 from Meir Mishkoff of Mishkoff Associates, LLC , (the 'Mishkoff Opinion Letter") who has been retained to file an application for J51 tax abatement and exemption benefits on behalf of the Sponsor.

For the purposes of this letter, we hereby adopt the opinion of Mr. Mishkoff and and have attached a copy of his letter as an exhibit. We consent to the use of this letter in the Offering Plan.

This is an opinion and no warranty or guarantee by our firm that HPD, the New York City Department of Finance or any other government agency will approve sponsor's application or that the benefits, if approved, will reach the levels estimated by Mishkoff Associates. Moreover, this is no opinion and no warranty by our firm that the Sponsor will file the applications in a timely manner as set forth in the Mishkoff opinion Letter. In no event will our firm be liable if there are changes in the facts on which we

have relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or HPD rulings on which we have relied which cause the owners of Units not to be entitled to the tax benefits described herein. Moreover, the New York City regulations and policies, written or otherwise, may change and thereby affect, in whole or in part, the views stated in the Mishkoff Opinion Letter.

Very truly yours,



Steve Wekselblatt, Esq.

MISHKOFF ASSOCIATES, LLC
38-08 Bell Boulevard
Bayside, N.Y. 11361
(718) 281-4972 FAX: (718) 281-4975

March 29, 2007

HRCF-LDR Lexington LLC
315 Park Avenue South
New York, NY 10010

RE: 105 Lexington Avenue
Brooklyn, New York
Block 1967 Lot 58

To Whom This May Concern:

You have requested our opinion as to the eligibility of the above referenced property to receive real estate tax abatement and tax exemption benefits under Section 11-243 of the Administrative Code of the City of New York (also known as J51 benefits) and an estimate of what those benefits would be.

The real estate tax benefits which may be available fall into two categories:

TAX EXEMPTION: In some instances, some or all of any increase in a building's assessed value, attributable to conversion or rehabilitation, may be exempt from taxation for a period of fourteen years. The land value shall not be exempt if it is increased.

TAX ABATEMENT: The taxes attributable to the non-exempt portion of the assessed value may be fully or partially abated for a period of time ranging from 6 to 20 years. The amount of the abatement is determined by the value of the Certificate of Reasonable Cost (CRC) issued by the N.Y.C. Department of Housing Preservation and Development (HPD).

Please note that Section 11-243 of the Administrative Code of the City of New York requires that, in order to be eligible for J51 benefits, the rehabilitation work must be completed by December 31, 2007. The City Council of New York City, on March 28, 2007, through Intro 526 of 2007, voted to extend this expiration date to December 31, 2011. It is expected that this legislation will be signed into law prior to December 31, 2007.

You have advised us that you intend to convert the referenced building from a commercial warehouse to an five-story condominium containing 31 Class "A" apartments and commercial space on the cellar and first floors. You have advised us that the conversion is "as of right", i.e. a variance or special permit was not required, and the construction is being performed pursuant to an Alteration Type I permit issued on August 31, 2006 by the Building Department under job number 302075224. The project will result in a new Certificate of Occupancy, which you estimate will be issued on or about December 31, 2007.

In general, to be eligible for J51 exemption and abatement benefits, the work must be completed within three (3) years of commencement [Rules and Regulations §5-03(d)] and an application must be filed with HPD within four (4) years of the commencement of work, which in this case is the date of the initial construction permit [Rules and Regulations §5-01]. Since the initial alteration permit for this project was issued on August 31, 2006, the Certificate of Occupancy must be issued by August 31, 2009, and the application must be filed with HPD by August 31, 2010 in order to remain eligible for tax benefits. You have represented that you will comply with these time requirements.

J51 tax benefits are not available to any tax lot receiving tax abatement or exemption for rehabilitation or new construction under any other provisions of New York State or New York City Law [Rules and Regulations §5-04(a)]. You have represented that this tax lot is not receiving, and will not be receiving, any other tax exemption or abatement.

You have advised us that a new penthouse level will be added to the building resulting in additional volume of approximately 7% being added to the existing building. Both the J51 exemption and abatement will be reduced by an amount equal to the percentage of new volume attributable to new construction.

You have advised us that there will be twenty-three (23) one-bedroom apartments, and eight (8) two-bedroom apartments, thus satisfying the J51 "bedroom requirement".

The proposed 2007/2008 real estate assessment for the property is as follows:

Actual Land:	$141,750	Actual Total:	$438,750
Transitional Land:	$ 60,489	Transitional Total:	$404,370

Since this property will be undergoing a major rehabilitation, the actual assessed value will increase substantially following the completion of the project.

The Mazursky Group, Inc. has estimated in a letter to the sponsor dated March 10, 2007 that the post-rehabilitation (2008/2009) transitional assessed value of the residential portion of the property will be approximately $2,098,440, and that of the total increase

in actual assessed value, approximately $1,757,000 will be attributable to the residential renovation. In addition, The Mazursky Group has projected a Class II (residential) tax rate for 2008/2009 of 12.90%. As a condominium, each apartment will be issued a tax lot number and the owner of each unit will be responsible for the payment of the unit's real estate taxes. The Department of Finance will apportion the assessed value to the condominium units, usually based upon each unit's percentage of common interest as listed in the condominium Offering Plan. There is, however, no guarantee that the Department of Finance will not use some other basis for the apportionment of the assessed value.

J51 benefits will apply only to the residential units and not to any commercial, or separately assessed non-residential unit. In addition, renovations to commercial space will not be eligible for any benefits. Both the exemption and abatement benefits will also be allocated to each residential condominium unit using the same basis as noted above.

Although the above estimate of the post-rehabilitation residential assessed value is a good faith estimate, it is not possible to estimate it with a degree of certainty and thus, such assessed valuation, when actually made, may be lesser or greater than estimated above. The firm of Mishkoff Associates, LLC, the Sponsor, Sponsor's counsel, or any other person will not be held liable if the assessed value, when actually made, is lesser or greater than estimated above.

Based upon the foregoing, it is our opinion that the Department of Housing Preservation and Development will consider the project eligible for real property tax exemption and abatement benefits under §11-243 of the Administrative Code.

We have estimated based upon information provided by the Sponsor that a Certificate of Reasonable Cost (CRC) in the amount of $465,000 will be issued by HPD. This calculation takes into account the 7% reduction due to the new volume added to the building. Based upon a CRC totaling $465,000, the maximum annual real estate tax abatement available would be $38,750 until 90% of the CRC, or $418,500, is used. Abatement benefits can be used for a maximum of twenty years after which unused abatement, if any, will be forfeited.

Based on the above described projection of The Mazursky Group, Inc., it is estimated that a real estate tax exemption of approximately $1,700,000 will be apportioned to the assessed values of the residential units. This estimate includes a reduction of the exemption benefit attributable to the increase in volume, as per the J51 Rules and Regulations.

Assuming that a J51 Certificate of Reasonable Cost is issued by HPD by April 30, 2008 both J51 abatement and exemption benefits will commence on July 1, 2008. These benefits are not retroactive. All taxes owed prior to commencement of these benefits must be paid in full.

Assuming that the post-rehabilitation residential taxable assessed value is $2,098,440, and that a Certificate of Reasonable Cost in the amount of $465,000 is issued by HPD by April 30, 2008, and that the abatement and exemption benefits commence on July 1, 2008, it is estimated, but not guaranteed, that the total real estate tax liability for the residential units for the 2008/2009 tax year will be approximately $12,648, based on a projected Class II tax rate of 12.90%.

The full tax exemption, estimated above to be $1,700,000, will run for 10 years, followed by a four-year phase out period whereby the exemption is reduced 20% per year. Based on a Certificate of Reasonable Cost of $465,000 and a real property tax abatement of $38,750 per year, the abatement will continue until 90% of the CRC is used, or for approximately 11 years.

If J51 abatement and exemption benefits are not awarded then the real estate tax liability for the residential portion of the property for the 2008/2009 tax year will be approximately $270,699, as estimated by The Mazursky Group, Inc. in its letter dated March 10, 2007.

It must be noted that no assurance can be given that the assessed value and/or the tax rate will remain the same for the duration of the benefits, and if either increases the real estate taxes may increase.

We also note that once J51 benefits are granted certain subsequent events could cause their reduction or revocation. Under Sec. 5-07(e) of the Rules and Regulations the benefits may be revoked if it is found that there was fraud or misrepresentations in relation to the application for benefits.

PLEASE NOTE THAT HPD ROUTINELY CONDUCTS AUDITS PURSUANT TO SEC. 5-07 OF THE RULES AND REGULATIONS, AND THAT ALL BOOKS , RECORDS, CONTRACTS, INVOICES, ORIGINAL CHECKS AND OTHER RELATED DOCUMENTATION MUST BE MAINTAINED FOR A PERIOD OF THREE YEARS FROM THE TIME THE CRC IS ISSUED. FAILURE TO COMPLY WITH AUDIT REQUIREMENTS WILL RESULT IN THE REVOCATION OR REDUCTION OF BENEFITS.

Please note that after a J51 application has been approved, benefits will not commence until all unpaid real estate taxes, water and sewer charges, and other charges owed to the Office of the City Collector, are paid in full.

The J51 benefits for this property are not retroactive. Benefits are projected to commence, as described above, on July 1, 2008, assuming the CRC is issued by April 30, 2008. All real estate taxes which are due up to the commencement of the J51 benefits must be paid in full. In addition, any delay in approval by HPD of the J51 application, and issuance of the J51 Certificate of Eligibility, may result in a delay in the commencement of tax benefits.

In addition, once begun, tax abatement and exemption benefits can be revoked in the event that real estate taxes, or other municipal charges, remain unpaid for one year. Failure by one condominium owner to pay the taxes or charges applicable to its unit will not jeopardize the benefits of other unit owners.

This letter was prepared at the Sponsor's request. This is an opinion and no warranty or guarantee is made by this firm that HPD or any other government agency will approve sponsor's application or that the benefits, if approved, will reach the levels estimated herein. This firm shall not be held liable if because of changes in laws and regulations, or the interpretation of laws and regulations, or because the facts represented by the Sponsor prove inaccurate or incorrect, the property fails to obtain in whole or in part tax abatement or exemption benefits.

We consent to the use of this letter in the Offering Plan.

Very truly yours,

MISHKOFF ASSOCIATES, LLC

BY: Meir Mishkoff
MM:hps

U. WORKING CAPITAL FUND

Each Purchaser of a Residential Unit and Commercial Loft Unit under this Plan will be required to pay to the Condominium Board, at the closing of title to his or her Unit(s), an amount equal to $1,000 for each Unit purchased in order to establish the initial Working Capital Fund.

No Reserve Fund is being established for the Condominium. Sponsor has elected not to provide for a reserve fund to be used for capital replacements or repairs. The 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.

The Working Capital Fund may be held or used for working capital, to make repairs and/or for such other appropriate purposes permitted under the Declaration and the By-Laws as will be determined by the Board, in its sole discretion. However, while Sponsor controls the Board, the Working Capital Fund will not be used to reduce estimated Common Charges, and in no event shall any portion of the Working Capital Fund be used to pay any Common Charges attributable to Unsold Units.

No representation is made that the Working Capital Fund, together with the Common Charges, will be, or is intended to be, adequate to cover expenses for the first or any subsequent year of condominium operation, including, without limitation, the cost of any necessary repairs or replacements. If additional funds are required over and above the Working Capital Fund, it may be necessary to increase the Common Charges or to impose special assessments on Unit Owners.

Neither the Department of Law nor any other governmental agency has passed upon the adequacy of the Working Capital Fund.

V. MANAGEMENT AGREEMENT AND CONTRACTS

The Condominium Board will enter into a management agreement with Bayside Builders Inc, or its affiliate, having an address at 79 Worth Street, New York, New York 10010 (the "Managing Agent") with respect to the Building at or prior to the First Closing. The principal of the Managing Agent, Donald La Rosa, is the Managing Member of the principal of the Sponsor.

The management agreement provides for a term of two (2) years commencing on the date of the First Closing and thereafter, if not otherwise terminated by the Condominium Board, on a month-to-month basis at an annual fee of $17,000.00, payable in twelve (12) equal monthly installments of $1,416.66. In view of the relationship between the Managing Agent and the Sponsor, the interests of the Managing Agent in performing services may conflict with the interests of the Board of Managers.

The Management Agreement shall be subject to the right of the Board to cancel at any time upon at least sixty (60) days' prior written notice. Further, subsequent to the first two years of its term, it shall be subject to the right of the Board or the Managing Agent to cancel the agreement at any time thirty (30) days' prior written notice. After the term of the management agreement has expired it will be automatically renewed from month to month unless terminated by either the Board or the Managing Agent on thirty (30) days' prior written notice. The Management Agreement may not be assigned.

The duties and services to be rendered by the Managing Agent including, among others:
(1) billing and collecting Common Charges payable by Unit Owners;
(2) causing the Common Elements to be operated, maintained, repaired and altered, as it shall deem necessary or advisable, except that the approval of the Board shall be necessary for any expenditure of over $5,000 for any one item of repair or alterations (other than emergency repairs);
(3) contracting for necessary services;
(4) purchasing all necessary supplies;
(5) checking all bills received in connection with the operation of the Condominium and causing all such bills and other expenses to be paid;
(6) supervising, hiring and discharging employees, which duty may be delegated by the Managing Agent to one or more persons in its general employ;
(7) tendering monthly statements of receipts and disbursements to the Board;
(8) maintaining payroll records and filing withholding tax statements for employees;
(9) maintaining accurate sets of books for the Board (other than books of account maintained by the Board's accountants);
(10) preparing and submitting annually to the Board an operating budget of the anticipated income and expenses for the ensuing year for the Condominium
(11) generally, attending to the various needs and comforts of Unit Owners.

The annual certified financial statement with respect to the Condominium will be prepared by an independent certified public accountant engaged by the Board, at the expense of the Unit Owners.

W. IDENTITY OF PARTIES

Sponsor

The Sponsor is HRCF-LDR Lexington LLC, a Delaware Limited Liability Company, with an office at 79 Worth Street, New York, New York qualified to do business in the State of New York.

LDR- Lexington LLC, is the Administrative Managing Member of Sponsor. The principals of LDR-Lexington LLC are Donald LaRosa, Bernard Doyle and Stephen Raphael. Mr. LaRosa is the Vice President of Bayside Builders Inc, a construction company and has been involved in the construction and renovation of apartments and buildings in the greater New York area. Mr. Doyle is an architect and the principal of BJD Architects. He has been involved in the design of single family and multifamily buildings, offices and apartments in the greater New York area. Mr. Raphael is a partner in the law firm of Raphael and Marks and has been involved in real estate in New York for over thirty years. Neither Sponsor nor its principals have had any convictions, injunctions or judgments that may be material to the Plan or an offering of securities generally, that occurred at any time prior to the submission of this Plan.

In the last 5 years, Donald La Rosa has not previously been involved in New York State as a principal in any condominium plans.

In the last 5 years, Bernard Doyle has been a principal in condominium offering plans for 87 Lafayette, 32 Garfield Place and 88 Quincy Street in Brooklyn, New York.

Stephen Raphael has been a principal in the condominium offering plan for 425 14th Street, Brooklyn, NY.

The Sponsor does not own any condominium or cooperative units.

2. Attorneys for Sponsor

Sponsor has retained the law firm of Raphael and Marks, having an office at 315 Park Avenue South, New York, NY 10010, to represent it in connection with the Plan. Ellen Marks, Esq. a partner in Raphael and Marks has been involved in the preparation of the Plan, the Declaration, the By-Laws and the forms of Purchase Agreement, Unit Deed and Unit Power of Attorney and have also rendered opinions with respect to the possible availability of income tax deductions to purchasers of Units and the allocation of Common Interests.

Raphael and Marks will serve as Escrow Agent under the Purchase Agreements and will represent Sponsor in connection with Unit closings. Ellen Marks, Esq. and Stephen Raphael, Esq. will be the sole signatories on the escrow account.

3. Selling Agent

The Selling Agent is the Sponsor. The Selling Agent has never had any felony convictions , prior convictions, injunctions and/or judgments against it that may be material to the Plan or an offering of securities generally, that occurred at any time prior to the submission of this Plan.

4. Sponsor's Budget Expert

Elaine Gay, licensed real estate broke, the principal of Townsley and Gay with an office at 177 Seventh Avenue, Brooklyn, New York estimated all amounts of income and expenses in Schedule A, "Projected Budget for First Year of Condominium Operation," in consultation with Sponsor. Ms. Gay, who provided the certifications with respect to the budget, has over 20 years of experience in building management and has been involved in management and/or sales of over 50 properties. The budget expert has no financial interest in the Property, in Sponsor, in the Managing Agent, or in any other party interested in this transaction, except for its fees for services rendered in connection with the same.

5. Managing Agent

Bayside Builders Inc with an office at 79 Worth Street has managed building in Brooklyn. The principal is Donald La Rosa, who is also a principal of Sponsor.

6. Architect

The architect who prepared the report in this Plan for the Building is James Baer. He does not have any financial interest in the Property, in Sponsor, in the Managing Agent, or in any other party interested in this transaction, except for his respective fees for services rendered in connection with the same.

X. REPORTS TO UNIT OWNERS

It is the obligation of the Board to give all Unit Owners a report annually regarding the following:

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

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

Prior notice of the annual unit owners' meeting.

Y. 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 without charge, and for copying at a reasonable charge, at Sponsor's office for a period of six 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 City Register's Office when the Declaration is recorded, and an additional set will be furnished to the Board at the time of the First Closing.

The Declaration and the By-Laws will be recorded in the City Register's Office prior to or concurrently with the First Closing, and a copy thereof will be furnished to the Board at such time.

Z. GENERAL

There are no lawsuits, administrative proceedings or other proceedings, the outcome of which may materially affect the offering, the Property, Sponsor's capacity to perform all of its obligations under the Plan, the Condominium or the operation of the Condominium.

The Property has not been the subject of any prior cooperative or condominium offerings. No contracts or agreements have been entered into and no deposits or advances of funds have been accepted from prospective Purchasers. All units in the plan are vacant.

Sponsor and the Selling Agent each hereby represent that it will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

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

No party other than any Purchaser shall have any right or benefit herein or herefrom, including, without limitation, the right to insist upon or enforce against Sponsor the performance of all or any of the Sponsor's obligations hereunder and no party other than any Purchaser 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, 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/or prospective Purchasers under the Plan. However, 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 thereunder. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a material change that adversely affects any Purchasers, Sponsor shall grant such Purchasers a right to rescind their Purchase Agreements by written notice to Sponsor given within fifteen (15) days after the date of presentation of such amendment. Sponsor shall direct the Escrow Agent to return the Downpayments of any Purchasers who duly rescind their Purchase Agreements.

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.

AA. SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor hereby adopts the Description of Property and Specifications set forth as Exhibit 5 in Part II of the Plan, and represents that it has no knowledge of any material defects or need for major repairs to the Property except as set forth in such Description of Property and Specifications or as contemplated to be made as described therein. As more fully described in "The Property" in Section A, above, Sponsor anticipates that the first closing of a Unit will occur on or about January 1, 2008. Sponsor shall obtain a Temporary Certificate of Occupancy prior to the First Closing.

All notices of building code violations or other violations of law which have been received with respect to the Property will be cured prior to the First Closing, or an escrow will be established to secure the same.

Sponsor will supply carbon monoxide detectors for each unit prior to closing.

PART II

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EXHIBIT 1

PURCHASE AGREEMENT

Purchaser

with

HRCF-LDR Lexington LLC

For Unit _____

105 Lexington Condominium

Brooklyn, New York, 11215

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PURCHASE AGREEMENT

Unit No.____
105 Lexington Condominium
105 Lexington Avenue
Brooklyn, New York

AGREEMENT between, HRCF-LDR Lexington LLC having an office at 79 Worth Street, Brooklyn, NY ("Sponsor"), and having an address at _____ ("Purchaser").

1 . Definitions. Terms used in this Agreement and not otherwise defined herein shall have the meanings set forth in the Offering Plan for 105 Lexington Condominium (such plan, together with any amendments thereto filed prior to the date hereof, is hereinafter referred to as the "Plan").

2. The Unit. Sponsor agrees to sell and convey, and Purchaser agrees to purchase, Unit No.___ at the Condominium (as designated in the Declaration), together with the undivided ____% interest in the Common Elements appurtenant to such Unit (the "Unit"), upon and subject to the terms and conditions set forth herein.

3. Purchase Price.

3.1 The purchase price ("Purchase Price") is $, payable as follows:

a) $ (the " Downpayment"), on the signing of this Agreement, receipt of which (subject to collection) is hereby acknowledged, and

b) $ (the "Balance"), constituting the balance of the Purchase Price, at the closing as hereinafter provided.

3.2 All checks shall represent United States currency, be drawn on or issued by a New York bank which is a member of the New York Clearing House Association and shall be unendorsed. Checks for the Downpayment shall be Purchaser's good check(s) or, at Sponsor's option, Purchaser's certified check(s) or an official bank check(s), made payable to the direct order of "Raphael and Marks, as escrow agent". The check or checks for the Balance and all other sums due Sponsor pursuant to this Agreement shall be good certified check of Purchaser or official bank check, made payable to the direct order of HRCF-LDR Lexington LLC (or such other party as Sponsor directs to Purchaser, in writing, at least three days prior to the date of closing of title). If any check is returned for insufficient funds or for 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 12 hereof.

4. Downpayment.

4.1 The Downpayment shall be deposited within five (5) business days after this Agreement is countersigned by or on behalf of Sponsor and returned to Purchaser into a segregated special interest-bearing escrow account at Bank of America, 345 Park Avenue South, New York, New York (the "Depository") entitled "105 Lexington Condominium Escrow Account". The Downpayment shall be held in trust in such account in conformity with Sections 352-e(2)(b) and 352-h of the New York General Business Law and the Attorney General's regulations promulgated pursuant thereto until such funds may be withdrawn in accordance with such laws and regulations and the terms of this Agreement and the Plan. While the same are being so held, such funds shall not be commingled with any other funds of Sponsor (except, at Sponsor's sole election, funds deposited by other purchasers under the Plan). The account will be interest-bearing and, unless Purchaser defaults, interest will be credited to Purchaser at the closing. The interest rate to be earned will be the prevailing rate for these accounts, which currently is approximately 1 % per annum. Interest will begin to accrue within five business days after tender of the Downpayment. Notwithstanding anything to the contrary contained herein, unless and until Purchaser has delivered to escrow agent a completed and signed Form W-9 or the Downpayment will be deposited in a non-interest-bearing escrow account at Bank of America.

4.2 The Downpayment shall be held in the escrow account identified in Section 4.1 above until Raphael and Marks ("escrow agent") is otherwise directed in (a) a writing signed by both Sponsor and Purchaser; or (b) a determination of the Attorney General pursuant to the dispute resolution procedures contained in the Attorney General's regulations; or (c) a judgment or order of a court of competent jurisdiction.

4.3 If there is no written agreement between the parties to release the escrowed funds, the escrow agent will not pay the funds to Sponsor until the escrow agent has given Purchaser written notice of not fewer than ten business days. Thereafter, the funds 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 regulations and has so notified the escrow agent in accordance with such provisions.

4.4 Sponsor will not object to the release of the escrowed funds to: (a) a purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an amendment to the Plan; or (b) all purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law.

4.5 Purchaser or the escrow agent may apply to the Attorney General in the event of a dispute for a determination on the disposition of the escrowed funds and any interest thereon. Sponsor must avail itself of this procedure if there is a dispute which needs to be resolved. A form for this purpose is attached as Exhibit 6 of Part II of the Plan. The party applying for a determination must send all other parties a copy of the application. Pending the determination of the Attorney General to grant or deny the application, Sponsor, Purchaser and the escrow agent shall abide by any interim directive issued by the Attorney General.

4.6 Sponsor and Purchaser hereby jointly direct the escrow agent as follows:

a) if title to the Unit is transferred to Purchaser, the Downpayment shall be paid to Sponsor, and any interest earned on the Downpayment shall be paid to Purchaser; or

b) if Purchaser becomes entitled to cancel this Agreement in accordance with the terms of this Agreement or the Plan, and actually cancels this Agreement as so provided, the Downpayment and any interest earned on the Downpayment shall be refunded in full.

5. Closing Date and Place.

5.1 The closing of title shall be held at the offices of Raphael and Marks, 315 Park Avenue South, 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 notice. Sponsor may, from time to time, adjourn such date and hour on not less than five (5) business days' notice to Purchaser, which notice shall fix a new date (and hour and place, if appropriate) for the closing of title (but in no event may Sponsor adjourn the date originally set herein for a closing for more than twelve months in the aggregate without the consent of Purchaser).

5.2 Whenever used herein, the terms "Closing Date" or "closing of title" or words of similar import shall mean the date on which the deed to the Unit is delivered to Purchaser.

6. Delivery of Deed and Power of Attorney.

6.1 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. Sponsor shall prepare the deed, which shall be substantially in the form set forth in Exhibit 3 in Part II of the Plan, and Sponsor and Purchaser shall execute the deed and have the same acknowledged, in form for recording.

6.2 At the closing of title, Purchaser shall execute and acknowledge a power of attorney to the Board prepared by Sponsor and substantially in the form set forth in Exhibit 2 in Part II of the Plan.

6.3 The executed deed and power of attorney to the Board shall be delivered to the representative of the title company insuring Purchaser's title (or if no such representative is present, then to Sponsor's attorney) for recording in the City Register's Office. After being recorded, (i) the deed shall be returned to Purchaser and (ii) the power of attorney shall be sent to the Board.

6.4 Purchaser's payment of the Balance 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 or Part 20 of the Regulations issued by the Department of Law.

7. State of Title.

7.1 The title conveyed by Sponsor to Purchaser shall be subject only to the liens, encumbrances and title conditions set forth in Schedule A annexed hereto and made a part hereof. Any lien, encumbrance or condition to which title is not to be subject shall not be an objection to title if. (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Philip O'Hara Associates as agent for Lawyer's Title Insurance Company of New York (the "Title Company"), together with the recording or filing fee; or (b) Purchaser's title insurance company will insure Purchaser, at the company's regular rates and without additional premium, that it will not be collected out of, or enforced against, the Unit; or (c) Purchaser's title insurance company is unwilling to issue the affirmative insurance described in subsection (b) at its regular rates and without additional premium, and the Title Company would be willing to do so at its regular rates and without additional premium (as evidenced by the issuance of the same by the Title Company in connection with the closing of any other Units in the Condominium).

7.2 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, then, for purposes of Article 12 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.

7.3 The covenants in the deed will be solely for the personal benefit of Purchaser and will not inure to the benefit of Purchaser's successors or subrogees. In the event of a claimed breach of any covenant of the grantor contained in the deed, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor, it being agreed that the liability of Sponsor will be limited to any loss or damage not covered by such title insurance. In the event that Purchaser elects not to purchase title insurance, then the liability of Sponsor shall be limited to any loss or damage which would not have been covered by the title insurance that was available to Purchaser at the closing. The terms of any marked-up title binder of any title insurance company authorized to do business in New York State issued in connection with any Unit shall be conclusive evidence of the title insurance coverage that was available to Purchaser. The provisions of this Section 7.3 shall survive the closing.

8. Closing Adjustments.

8.1 The following costs with respect to the Unit shall be apportioned between Sponsor and Purchaser as of the Closing Date:

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 for the month in which title closes; and

c) if Purchaser is allowed to occupy the Unit prior to the closing, accrued rent and any other charges pursuant to an interim lease or occupancy or other agreement, if any, covering the Unit.

8.2 If the Unit has been separately assessed but the closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser; however, the installment for the then current period shall be apportioned appropriately. If the Unit has not been separately assessed as of the Closing Date for the then current tax period, the adjustment under subsection 8. 1 (a) hereof shall be based upon the Property's actual taxes and assessment for such period prorated to the Unit in the manner set forth in Section 6.1 of the By-Laws and in Part I of the Plan.

8.3 Sponsor shall remit or cause to be remitted to Purchaser an amount equal to interest earned on the Downpayment, on or promptly after the Closing Date.

8.4 In the event that Purchaser fails to close title to the Unit on the date originally scheduled for the closing of title, postpones the closing for any reason, or is deemed at fault for not timely sending notice of a title defect as provided in Article 7 above, and title thereafter closes, then:

a) closing date; and the closing apportionments shall be made as of the originally scheduled date.

b) Purchaser shall pay Sponsor interest at the rate of eighteen (18%) percent per annum (or such lower rate per annum. which is the legal limit, if 18% per annum exceeds the legal limit) on the total purchase price, computed from the original Closing Date until this transaction is actually closed.

c) Purchaser shall pay Sponsor's counsel a fee for $750.

8.5 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 to 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 aforesaid and as otherwise provided herein or in the Plan.

8.6 Any errors or omissions in calculating apportionments at closing shall be corrected, and payment shall be made to the proper party, promptly after discovery. This provision shall survive the closing.

Closing Costs.

Purchaser shall be required to pay certain costs in connection with the purchase of the Unit, in addition to any net credit in favor of Sponsor that may result from the closing adjustments and any interest or late closing charge described in Article 8. Other than any such net credit in favor of Sponsor that may result from the closing 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. Such closing costs will include the following, the amounts of which (where applicable) are based on rates in effect on the date hereof and are subject to change without prior notice:

9.1 If Purchaser elects to obtain fee title insurance, Purchaser will pay a premium to the title company for such insurance, which will vary depending upon the amount of insurance purchased.

9.2 Purchaser will pay a fee to the City Register for recording the deed and the power of attorney, together with a service charge to the title company for recording each document.

9.3 If Purchaser obtains a mortgage loan, Purchaser shall pay all closing costs associated with such loan, which may include, but need not be limited to the following:

a) a fee and service charge for recording the mortgage at the same rates given above for recording the deed and power of attorney;

b) a mortgage recording tax in the amount provided for by law, which on the date hereof is 2.0% of the principal amount of the mortgage for mortgages of less than $500,000 and 2.125% of the principal amount of the mortgage for mortgages equal to or greater than $500,000 (further, pursuant to law, the mortgagor receives a $25 deduction and the mortgagee pays .25 %, and in each case, the amount payable to Sponsor under subparagraph (c) below is deducted);

c) to Sponsor, a sum equal to the amount of the partial mortgage tax credit provided by Section 339-ee(2) of the New York Condominium Act, as a reimbursement for the mortgage recording taxes previously paid (such credit is based, in general, on the Common Interest of the Units being purchased multiplied by a portion of the mortgage tax previously paid on account of pre-existing mortgages on the Building);

d) the premium for mortgage title insurance, if required by Purchaser's lender;

e) deposits for Common Charges, real estate taxes, any assessments, water charges and sewer rents (if separately assessed), if required by Purchaser's lender; and

f) such other costs and expenses in connection with such loan as determined by Purchaser's lender.

9.4 Purchaser will be required to pay the amount of $1,850 to Raphael and Marks, Sponsor's counsel, for each Unit purchased hereunder, representing a fee for services in connection with preparing the deed and power of attorney and for coordinating and attending the closing. If a Purchaser obtains financing and his or her lender is unwilling to close at the offices of Sponsor's counsel, then Purchaser will be required to pay Sponsor's counsel a travel fee of $750 if the closing is held elsewhere in Manhattan or $1000 if the closing is held in another borough. If, through no fault of Sponsor, Purchaser fails to close on the date scheduled by Sponsor (including the failure of Purchaser or Purchaser's attorney to give at least ten (10) days' prior written notice of a title defect as required in Article 7 above), then Purchaser shall pay to Sponsor's counsel an

additional fee of $750 for each Unit purchased hereunder for each rescheduled closing to help defray the cost of preparing for and coordinating the new closing and recalculating the closing apportionments.

9.5 Purchaser shall pay to the Condominium Board the sum of $1,000 for each Unit purchased hereunder as part of its initial Working Capital Fund.

9.6 Purchaser shall pay the Real Estate Transfer Tax due to the State of New York (the so-called "deed stamps"), the Real Property Transfer Tax due to the City of New York and any other real property transfer tax due to the City or State of New York.

10. Transfer Tax Returns. At the closing, Purchaser shall duly complete and sign before a notary public the real property transfer tax return required to be filed with The City of New York ("RPT Form") and Purchaser shall duly complete and sign the Combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate ("Combined Tax Form") required to be filed with the Department of Taxation and Finance of the State of New York (the "Tax Department"), or such other forms as may then be required by law. The RPT and Combined Tax Form shall be delivered at closing to the representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for filing with the proper governmental officer.

11. The Plan.

11.1 Purchaser acknowledges having received and read a copy of the Plan, including all amendments thereto, if any, filed prior to the date hereof with the Department of Law of the State of New York, at least three (3) business days before submitting this Agreement. If, however, Purchaser did not receive a copy of the Plan at least three (3) business days before submitting this Agreement, Purchaser may rescind this Agreement, by sending written notice of same to Sponsor by certified or registered mail, return receipt requested, or by personal delivery, in either case within seven (7) days of Purchaser's submission of this Agreement.

11.2 The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth herein at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern.

11.3 Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor.

12. Default by Purchaser a) The following shall constitute "Events of Default" hereunder:

i) Purchaser's failure to pay the Balance or any closing apportionment or closing cost required to be paid by Purchaser in Article 8 or 9 hereof on the Closing Date designated by Sponsor pursuant to Article 5 hereof, or the dishonor of any check given by Purchaser to Sponsor;

ii) the failure to pay, perform or observe any of Purchaser's other obligations hereunder; or

iii) if Purchaser is permitted to become the tenant or other occupant of the Unit, Purchaser's failure to pay rent or to perform some other lease or occupancy obligation within the period after notice, if any, set forth in the lease or occupancy or other agreement and either (x) Sponsor has obtained an order of eviction against Purchaser from a court of competent jurisdiction or (y) Purchaser has vacated the Unit.

b) TIME IS OF THE ESSENCE with respect to Purchaser's obligations to pay the Balance and to pay, perform or observe Purchaser's other obligations under this Agreement. Upon the occurrence of an Event of Default, Sponsor, in its sole discretion, may elect by notice to Purchaser to cancel this Agreement. If Sponsor elects to cancel, Purchaser shall have thirty (30) days from the giving of the notice of cancellation to cure the specified default. If the default is not cured within such thirty (30) days, then this Agreement shall be deemed cancelled, and Sponsor shall have the right to retain, as and for liquidated damages, the Downpayment and any interest earned on the Downpayment. 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 accounting to Purchaser for any of the proceeds of such sale.

13. Agreement Subject to Mortgage. No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any money 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 continue to be subject and subordinate to the lien of any mortgage heretofore or hereafter made and any payments or expenses already made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the fullest extent thereof, without the execution of any further legal documents by Purchaser. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage is subordinated to the Declaration, or the Unit is released from, or not subject to, the lien of such mortgage at closing (unless Purchaser has assumed the continuation of a mortgage lien encumbering such Unit as hereinabove described).

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 (as the same may be amended from time to time). The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. If the Plan is abandoned or if, after being declared effective, the Plan is not consummated for any reason and Purchaser is not in default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and the

Downpayment, together with interest earned thereon, shall be returned to Purchaser. Upon such return, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

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 not to cure such inability, and Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such inability (without any abatement in or credit against the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (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 the Downpayment to Purchaser, together with interest earned thereon. Upon making such payment, this Agreement shall be terminated and 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. The foregoing remedy must be exercised by written notice sent by Purchaser to Sponsor within ten 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 first remedy above 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 the sale of the Unit pursuant to this Agreement. No portion of the Purchase Price shall be attributable to such items.

17. Acceptance of Condition of Property. Purchaser shall accept title (without abatement in, credit against, the Purchase Price or any provision for escrow deposits at the closing of title) notwithstanding the failure to complete construction of (a) minor detail of the Unit or the Property, (b) other Units or (c) the Common Elements of the Property which do not prevent Purchaser's use of the Unit. Each Residential 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 Residential Unit, unless Sponsor and Purchaser otherwise agree. Sponsor will maintain each Residential Unit, and the fixtures and personality contained therein, up to the time of the transfer of title to the Unit in question. The Purchaser of a Residential Unit shall have the right to inspect such Unit prior to the Closing Date. However, the failure of Sponsor to complete "punch list" type work shall not be ground for Purchaser delaying the Closing provided that Sponsor agrees to complete such work promptly after closing. Purchaser will receive no less than (5) business days notice that the Unit is available for inspection. If Purchaser fails to inspect the Unit within said period, Purchaser shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan. Except as expressly provided in this Agreement or the Plan, including but not limited to subparagraph (f) of the subsection entitled "Sponsor's Obligations with Respect to the

Building" of the Section entitled "Rights and Obligations of Sponsor," Sponsor shall have no obligation to repair or improve the Unit, any portion of the Property, or the appliances, equipment or fixtures attached to or used in connection with the Unit or the Property. The provisions of this Paragraph shall survive Closing.

Sponsor will not be obligated to correct, and will not be liable to any Board or 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 kitchen appliances and bathroom fixtures), as specifically set forth in the Section of the Plan entitled "Rights and Obligations of Sponsor."

18. 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:

18.1 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. In the event of damage or destruction of the Unit due to fire or other casualty prior to the closing of title and the election by Sponsor to repair or restore 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 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.

18.2 In the event of damage to our destruction of the Unit by fire or other casualty prior to the closing of title and the election by Sponsor, with notice thereof to Purchaser, that it does not elect to repair or restore the Unit, or, if the Declaration has been recorded prior thereto, then if 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 or effect and Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, and 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 hereunder and under the Plan, except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor shall retain all such sums deposited by Purchaser hereunder and any interest earned thereon, as and for liquidated damages.

19. 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, the 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 of the Unit, the ability to rent the Unit and/or the rental income therefor, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any other data, except as herein or in the Plan specifically represented; Purchaser has relied solely on his or her 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. No oral representations or statements shall be considered a part of this Agreement. 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 on file in Sponsor's office and [to be] filed in the City Register's Office, is accurate or correct, and (b) that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this Article 20 shall survive the closing of title.

20. Prohibition Against Advertising. Prior to the closing of title, Purchaser agrees not to advertise or publicize the availability of the Unit for sale or lease.

21. Broker. Purchaser represents to Sponsor that Purchaser has not dealt with any broker in connection with this transaction other than and Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than the Selling Agent and the aforementioned broker. Purchaser agrees that, should any claim be made against Sponsor for commissions by any broker other than the Selling Agent on account of any acts or dealings 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, but not limited to, reasonable legal fees and disbursements. The provisions of this Article 22 shall survive the closing of title.

22. Agreement May Not Be Assigned. This Agreement, or any interest of Purchaser herein', may not be assigned by Purchaser without the prior written consent of Sponsor, which consent may be given or denied by Sponsor in its sole discretion. Any purported assignment by Purchaser in violation of this Agreement shall be a default by Purchaser, entitling Sponsor to the remedies set forth in Article 12 hereof, and shall be voidable at the option of Sponsor.

23. 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 Purchaser or Sponsor until Purchaser has signed this Agreement and delivered the signed Agreement and the Downpayment obligation on the part of Sponsor. This Agreement shall not be binding on Purchaser or Sponsor until Purchaser has signed this Agreement and delivered the signed Agreement and the Downpayment to Sponsor, and a counterpart hereof executed by Sponsor has been delivered to Purchaser. If this Agreement is not signed by Sponsor and a fully executed counterpart delivered to Purchaser or its attorneys within twenty (20) days after the date hereof, this Agreement shall be deemed to have been rejected and the Initial Downpayment shall be promptly returned to Purchaser. Upon such refund being made, neither party shall have any further rights, obligations or liabilities hereunder with respect to the other. Prior to Sponsor's countersigning and returning this Purchase Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written information about Purchaser's employment, financial and

rental/ownership history. Such information obtained prior to countersignature may be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor. Sponsor has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's sex, race, creed, color, national origin, ancestry, disability, marital status, or other ground proscribed by law.

24. Notices.

24.1 Any notice, election, demand, consent, request or other communication hereunder or under the Plan shall be in writing and either delivered in person or sent, postage prepaid, by registered or certified mail, return receipt requested or by Federal Express or other reputable overnight courier, with receipt confirmed: to Purchaser at the address given at the beginning of this Agreement with a copy to Purchaser's Attorney and to Sponsor c/o Raphael and Marks, 315 Park Avenue South, New York, NY. Either party may hereafter designate to the other in writing a change in the address to which notices are to be sent. Except as otherwise expressly provided herein, a notice shall be deemed given when personal delivery or delivery by overnight courier is effected or, in the case of mailing, the three (3) days after the date of mailing, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address.

24.2 Sponsor hereby designates and empowers both the Selling Agent and Sponsor's counsel (Raphael and Marks) as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without Imitation, 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. Joint Purchasers. The term "Purchaser" shall be read as "Purchasers" if the Unit is being purchased by more than one person, in which case their obligations shall be joint and several.

26. 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 obligation or undertaking' shall be tolled for the length of the period during which such performance was excused.

27. 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.

28. 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.

29. Strict Compliance. Any failure by either party hereto to insist upon the strict performance by the other party 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 other party.

30. Governing Law. The provisions of this Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of New York applicable to contracts made and to be performed wholly in the State of New York, without regard to principles of conflicts of law.

31. Waiver of Jury Trial. Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, connected with, or relating to this Agreement or the relationship created hereby 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.

32. 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.

33. 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 term "herein," "hereof' or "hereunder," or similar terms used in this Agreement, refer to this entire Agreement and not to the particular provision in which the term is used. Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Agreement.

34. Captions. The captions in this Agreement are for convenience and reference only and in no way define, limit or describe the scope of this Agreement or the intent of any provision hereof.

35. Successors and Assigns. Subject to the provisions of Article 23 hereof, the provisions of this Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

36. No Oral Changes. This Agreement, or any provision hereof, cannot be orally changed, terminated or waived. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH HEREIN.

37. Agreement Subject to Loan: This Agreement is subject to the Purchaser obtaining a loan commitment in the amount of $ at the prevailing rate of interest, for a period of 25/30 years. The Purchaser shall have thirty (30) days from the acceptance of this Agreement to obtain said loan. In the event that Purchaser notifies Seller within five days after the expiration of said 30 day period, by certified mail, of his inability to obtain said loan, this Agreement will be null and void, and Sponsor will the return the Downpayment with interest within 5 business days.

The Purchaser agrees to make immediate and diligent application for the required mortgage loan herein, and will furnish all information, and will execute and deliver all papers and/or instruments that may be required by the mortgage broker and/or lending institution and/or Federal Agency that processes and/or grants the mortgage loan therein.

In the event that Purchaser's loan commitment expires prior to closing, it is Purchaser's obligation to obtain an extension of such commitment until the closing date. In the event that the terms of the commitment change prior to closing, Purchaser shall be bound to accept those changed terms. In addition, in the event that Purchaser cannot obtain an extension of his commitment, this Agreement will be firm and he shall be obligated to close pursuant to the terms of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of

SPONSORS:
HRCF-LDR Lexington LLC
By:_____

PURCHASER:_____

Purchaser's Social Security Number :_____

PURCHASER:_____

Purchaser's Social Security Number:_____

Purchaser acknowledges receipt of Offering Plan [and amendments] on , 2008 at (A.M.)(P.M.)

Initials of Purchaser:

SCHEDULE A TO PURCHASE AGREEMENT
TITLE EXCEPTIONS

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 of the Property would show, provided such state of facts would not make title to the Unit uninsurable, except as otherwise permitted herein.

3. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, all as set forth in the Declaration, the By-Laws and the Rules and Regulations, the Power of Attorney from the Purchaser to the Residential 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. 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 between record lines of the Property and retaining walls and the like, if any.

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

9. The lien of any unpaid Common Charge, PILOT, water charge or sewer rent, or vault charge, provided the same are adjusted at the closing of title.

10. The lien of any unpaid assessment payable in installments (other than assessments levied by the Residential 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.

11. 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.

12. Any encumbrance as to which New York Land Services or Fidelity National Title Insurance Company (or such other New York title insurance company licensed to do business in the State of New York 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 (i) will not be collected out of the Unit if it is a lien, or (2) will not be enforced against the Unit if it is not a lien.

13. 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 Residential Unit for residential purposes.

14. Any lease covering the Unit made from Sponsor to the Purchaser.

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

16. The title exceptions noted in the Specimen Title Policies set forth in Part II of the Plan.

15

EXHIBIT 1A

REQUEST FOR TAXPAYER IDENTIFICATION NUMBER AND CERTIFICATION

Substitute Form W-9

IMPORTANT TAX INFORMATION - REQUEST FOR TAXPAYER IDENTIFICATION NUMBER & CERTIFICATION

(NOTE. NonresidentAliens do not complete U?is form, complete instead Certificate of Foreign Status (EAB1482)-SubsiYtuto F-am W-8)

Please

4) Name (if a joint account or you changed your name, see Specific Instructions on page 2.)

Business name, if different from above. (See Specific Instructions on page 2.)

Check appropriate box: 0 Individual/Sole proprietor E) Corporation [] Partnership M Other O@ ..... Address (number, street, and apt. or suite no.)

I Requester's name and address (optional)

City, state, and ZIP code

Part I **Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). However, if you are a resident alien OR a sole proprietor, see the instructions on page 2. 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 2. **Note:** *If the account is in more than one name, see the chart on page 2 for guidelines on whose number to enter.*

Social security number

____ / ___ / ____

OR

Employer identification number

____ - _____

List account number(s) here (optional)

Part II **For Payees Exempt From Backup Withholding** (See the instructions on page 2.)

➢

Part III 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 Ib) 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.

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 2.)

Sign Here **Signature ►** **Date ►**

Purpose of Form.-A person who is required to file an information return with the IRS must get 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.

Use Form W-9 to give your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify the TIN you are giving is correct (or you are waiting for a number to be issued),

2. Certify you are not subject to backup withholding, or

3. Claim exemption from backup withholding if you are an exempt payee. **Note:** If *a requester gives you a form other than a W-9 to request your TIN, you must use the requester's form if it is substantially similar to Form W-9.*

What Is Backup Withholding?-Persons making certain payments to you must withhold and pay to the IRS 31 % of such payments under certain conditions. 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.

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 not be subject to backup withholding. Payments you receive **will** be subject to backup withholding if:

1. You do not furnish your TIN to the requester, or

2. The IRS tells the requester that you furnished an incorrect TIN, or

3. 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

4. You do not certify to the requester that you are not subject to backup withholding under 3 above (for reportable interest and dividend accounts opened after 1983 only), or

5. You do not certify your TIN when required. See the Part III instructions on page 2 for details.

Certain payees and payments are exempt from backup withholding. See the Part 11 instructions and the separate **Instructions for the Requester of Form W-9.**

Penalties

Failure To Furnish TIN.-If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect. **Civil Penalty for False Information With Respect to Withholding.-If** you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal Penalty for Falsifying Information.- Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TiNs.-If the requester discloses or uses TiNs in violation of Federal law, the requester may be subject to civil and criminal penalties.

Give this completed form to Bank. Do NOT send to the Internal Revenue Service

EXHIBIT 2

UNIT OWNER'S POWER OF ATTORNEY

HRCF-LDR Lexington LLC

TO

_____

105 Lexington Condominium
Brooklyn, New York 11215

UNIT NO. _____

COUNTY: KINGS
BLOCK: 1967

F/K/A LOT: 58
N/K/A LOT:

Sponsor and Declarant:	HRCF-LDR Lexington LLC
Address:	79 Worth Street New York, New York 10013

Record and Return to:

Raphael and Marks
315 Park Avenue South, 19th Floor
New York, NY 10010

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UNIT OWNER'S POWER OF ATTORNEY

All terms used in this Unit Owner's Power of Attorney that are used in that certain Declaration dated as of _____, 2008 by 105 Lexington Condominium pursuant to Article 9-B of the Real Property Law of the State of New York, establishing condominium ownership of the premises known as 105 Lexington Condominium, 105 Lexington Avenue, Brooklyn, New York (hereinafter called the "Condominium"), which Declaration was recorded in the Kings County Office of the Register of the city of New York) hereinafter called the Register's Office") on _____, 2008 in CRFN (hereinafter called the "Declaration"), shall have the same meaning in this Unit Owner's Power of Attorney as in the Declaration.

The undersigned _____, residing at 105 Lexington Avenue, Brooklyn, New York, the owner of the condominium unit (hereinafter called the "Unit") known as Unit No. ___ at 105 Lexington Condominium, said Units being so designated and described in the Declaration and also designated as Tax Lot in Block 1967 in the Borough of Brooklyn on the Tax Map of the Real Property Assessment Bureau of the City of New York and on the Floor Plans of the Condominium certified by on _____, 2008 and filed with the Real Property Assessment Bureau of the City of New York on _____, 2008, as Condominium Plan No. ____, does/do hereby irrevocably nominate, constitute and appoint the persons who may from time to time constitute the Board with an address at 105 Lexington Avenue, Brooklyn, NY 11215 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 Board, or in the name of their designee (corporate or otherwise), but subject in all respects to the provisions of the Condominium Documents then in effect, to:

acquire in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners any Unit, together with its Appurtenant Interest:

i) whose owner desires to surrender the same pursuant to Section 6.2.2 of the By-Laws:

ii) that becomes the subject of a foreclosure or other similar sale; or

iii) for the use and occupancy of a superintendent or otherwise, on such terms, including, without limitation, price (with respect to subdivisions (ii) or (iii) above as said attorneys-in-fact shall deem proper.

following due authorization by the Unit Owners, acquire or lease in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, any Unit, together with its Appurtenant Interest, from any Unit Owner desiring to sell, convey, transfer, assign or lease the same, on such terms and conditions as shall be approved by a Majority of Unit Owners; 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 by them, without the necessity of any 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 and to said

Unit which the undersigned could do if personally present; and execute, acknowledge, deliver and (if determined to be necessary or desirable by said attorneys-in-fact) cause to be recorded in the City Register's Office:any declaration or other instrument affecting the Condominium that the Board deems necessary or appropriate to comply with any Law (including, without limitation, Chapter 3 of Title 25 of the New York City Administrative Code) applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Condominium: or following due authorization by any affected Unit Owners to the extent required in the Declaration or the By-Laws, any consent, covenant, restriction, easement or declaration, or amendment thereto, affecting the Condominium or the Common Elements that the Board deems necessary or appropriate.

The acts of a majority of such persons constituting the Board shall constitute the acts of said attorneys-in-fact.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned have executed this Unit Owner's Power of Attorney as of the ____ day of _____, 2008.

_____

_____

State of New York)
)ss:
County of Kings)

On the _____ day of _____ in the year 2008 before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

State of New York)
)ss:
County of Kings)

On the _____ day of _____ in the year 2008 before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

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Exhibit 3

CONDOMINIUM UNIT DEED

TO

_____

105 Lexington Condominium
Brooklyn, New York 11215

RESIDENTIAL UNIT NO. _____

COUNTY: KINGS
BLOCK: 1967

F/K/A LOT: 58
N/K/A LOT:

Sponsor and Declarant:	HRCF-LDR Lexington LLC
Address:	79 Worth Street New York, New York 10013

Record and Return to:

Raphael and Marks
315 Park Avenue South, 19th Floor
New York, NY 10010

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CONDOMINIUM UNIT DEED

THIS INDENTURE, made the day of , 2008, between HRCF-LDR Lexington LLC "Grantor," having an address at 79 Worth Street, New York New York and _____ residing at _____, New York, New York, "Grantee,"

WITNESSETH:

That the Grantor, in consideration of Ten ($10.00) Dollars and other valuable consideration paid by the Grantee, receipt of which is hereby acknowledged, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Residential Unit known as Unit No. ____ (hereinafter called "the Unit") in the building (hereinafter referred to as the "Building") referred to in the declaration of the 105 Lexington Condominium (hereinafter called the "Condominium Property"), made by the Grantor under the Condominium Act of the State of New York (Article 9-B of the Real Property Law of the State of New York), dated , 2008 , recorded in the Office of the Register of the City of New York, County of Kings, on the day of , 2008 under CRFN # _____ (hereinafter called the "Declaration"), and designated also as Tax Lot No._____ on the floor plans (hereinafter called the "Floor Plans") of the Units, certified by filed in the said Office of the Register of the City of New York, County of Kings, as Map No. .

The Land Area of the condominium Property is described in Schedule A attached hereto.

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

TOGETHER with the appurtenant interests as described in the Declaration and By-Laws of the Condominium;

TOGETHER with an undivided percent interest appurtenant to the Unit in the common elements of the Condominium Property (hereinafter called the "Common Elements");

TOGETHER with an easement for the continuance of all encroachments by the Unit on any adjoining Units or Common Elements or limited common elements now existing as a result of construction of the Building or which may come into existence hereafter as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building or of the Unit after damage or destruction by fire or other casualty, or after a taking in condemnation or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements, so that any such encroachments may remain, so long as the Building shall stand;

TOGETHER with an easement in common with the owners of other Units to use any pipes, wires, ducts, cables, conduits, utility lines, flues and other Common Elements located in any of the other Units or elsewhere on the Condominium Property, and serving the Unit;

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

TOGETHER also with a right of way through the common Elements to the public streets;

TOGETHER with the right, if any, to the use of the limited common elements as is set forth in the Declaration and subject to the rights of other Unit Owners to use the limited common elements appurtenant to their Units, if any, as set forth in the Declaration;

TOGETHER also with the easements created by the Declaration, which are incorporated herein by reference as though fully set forth herein;

TOGETHER with and SUBJECT to all easements of necessity in favor of the Unit or in favor of other Units or the Common Elements;

SUBJECT to: (1) State of facts an accurate survey would show; and (2) any other covenants, restrictions, easements, liens, agreements, documents and instruments that Sponsor may record against the Condominium Property for the construction of the improvements and the use, maintenance and operation thereof.

SUBJECT to easements in favor of adjoining Units and in favor of the common Elements and limited common elements for the continuance of all encroachments of such adjoining units or Common Elements or limited common elements on the Unit now existing as a result of construction of the building, or which may come into existence hereafter as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building
or of any adjoining Unit or of the Common Elements or limited common elements after damage or destruction by fire or other casualty, or after a taking in condemnation or eminent domain proceedings, or by reason of an alteration or repair to the common Elements so that any such encroachments may remain so long as the Building shall stand;

SUBJECT also to an easement in favor of the other Units to use the pipes, wires, ducts, conduits, cables, utility lines, flues and other Common Elements located in the Unit or elsewhere on the Condominium Property and serving such other Units;

SUBJECT also to the terms, conditions, covenants and provisions of the Declaration and of the By-Laws of the Condominium recorded simultaneously with and as part of the Declaration, as the same may be amended from time to time by instruments recorded in the Office of the Register of the City of New York, County of Kings, which terms, conditions, covenants and provisions, together with any amendments thereto, shall constitute covenants running with the land and shall bind any person having at any time any interest or estate in the Unit, as though such provisions were recited and stipulated at length herein;

SUBJECT also to the Power of Attorney from Grantee to the Board of Managers and their successors relating, among other things, to disposition of Units acquired or leased by the Board of Managers;

SUBJECT also to the easements created by the Declaration, which are incorporated herein by reference as though fully set forth herein;

SUBJECT also to the rights reserved in the Declaration to establish, grant and create additional utility easements in, under and through the Condominium Property, to relocate existing utility easements in any portion of the Condominium Property and to dedicate any or all of such facilities to any governmental body, public benefit corporation or utility company;

SUBJECT also to easements for ingress and egress for construction, installation, operation and maintenance of municipal service facilities and utilities;

SUBJECT also to rights of other unit owners through the Common Elements to the public streets;

TO HAVE AND TO HOLD the same unto the Grantee, the heirs or successors and assigns of the Grantee, forever.

The use for which the Unit is intended is that of residential space as permitted by the By-Laws and the Declaration.

The Grantor covenants that it has not done or suffered anything whereby said premises have been encumbered in any way, except as aforesaid.

The Grantor, in compliance with Section 13 of the Lien law, 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 purpose.

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws and the Rules and Regulations of the Condominium recorded simultaneously with and as part of the Declaration and agrees to comply with all the terms and provisions thereof as the same may be amended from time to time by instruments recorded in the Office of the Register of the City of New York, County of Kings.

This conveyance is made in the regular course of business actually conducted by the Grantor herein.

The terms "Grantor" and "Grantee" shall be read as "Grantors" and "Grantees" however the sense of this deed so requires.

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this deed the day and year first above written.

HRCF-LDR Lexington LLC, Grantor

By: _____

_____

_____

Grantee

State of New York)
)ss:
County of New York)

On the _____ day of _____ in the year 2008 before me, the undersigned, personally appeared , personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

State of New York)
)ss:
County of New York)

On the _____ day of _____ in the year 2008 before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

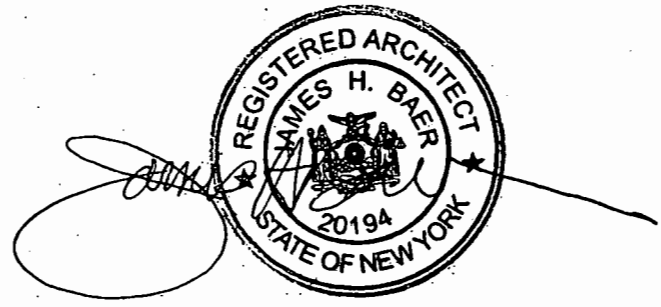
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EXHIBIT 4
DESCRIPTION OF PROPERTY AND SPECIFICATIONS

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DESCRIPTION OF PROPERTY AND SPECIFICATIONS

PREMISES:	105 Lexington Avenue Brooklyn, New York 11238
Block:	1967
Lot:	58
PREPARED BY:	James H. Baer, AIA James H. Baer - Architect 55 Eastern Parkway 6F Brooklyn, New York 11238



DATE: **July 11, 2007**

GENERAL

The property described within is a conversion of two existing four-story warehouse buildings with a partial cellar and penthouse additions.

This report is based on a review of drawings prepared by Bernard J. Doyle, Architect, dated May 10, 2006 and on discussions with the Sponsor during construction.

These plans have been reviewed, accepted and approved by the New York City Department of Buildings.

A. LOCATION AND USE OF PROPERTY

1.	Address:	105 Lexington Avenue Brooklyn, New York
2.	Block and Lot Number:	Block 1967 Lot 58
3.	Zoning:	R6, Map No. 16c
4.	Permissible Use:	Residential Use
5.	Landmark Status:	None

B STATUS OF CONSTRUCTION

1.	Year Built:			west building: Approximately 1920 east building: Approximately 1931
2.	Class of Construction:			Old Code - Class 3 Non-Fireproof
3.	Alt. Nos.	Date	Status	Description
	302075224	10/03/2006	Approved	Article 7B conversion of existing commercial loft building to as of right mixed use multiple dwelling. New partitions and plumbing per plans. Obtain new Certificate of Occupancy
	302326285	4/09/07	**Filed**	Filing for sprinkler installation in addition to relocation of sprinkler heads as per plans and schedule B

The conversion has been designed to comply with the New York City "Old" Building Code as a Class 3 building. A Class 3 building is defined as fire protected combustible construction.

4. Certificate of Occupancy

Upon completion of the renovation the Sponsor will obtain a Certificate of Occupancy for a mixed use building with thirty-one (31) Class "A" dwelling Units, three (3) non-residential loft Units, eight (8) individual storage Units.

Cellar	Ordinary storage, boiler room, two (2) non-residential loft units, eight (8) individual storage Units
First Floor	seven (7) dwelling units, one (1) non-residential loft unit
Second Floor	Eight (8) dwelling units
Third Floor	Eight (8) dwelling units
Fourth Floor	Lower part of eight (8) dwelling Units
Penthouse	Upper part of eight (8) dwelling Units

TOTAL Forty Two (42) Units

An Alteration Application of this type requires full construction inspections by the New York City Department of Buildings prior to the issuance of a new Certificate of Occupancy.

C SITE

1. Lot

The Zoning Lot is located on the north side of Lexington Avenue, 234.60 feet west of the intersection formed by Lexington Avenue and Franklin Avenue, in the Borough of Brooklyn, New York. Continuing in a westerly direction, the property has 107 feet of frontage on Lexington Avenue, thence north 100 feet, thence east 11.42 feet, thence north 21.42 feet, thence east 95.58 feet, thence south 121.42 feet, to the point of beginning and contains 12,747 square feet of land.

The Sponsor intends to subdivide the lot as one zoning lot with Fifty-eight (58) tax lots.

There appears to be little or no potential for flooding due to the existing water table. There are no bodies of water on or near the site. And there appears to be little or no potential for mudslides or erosion.

2. Number of Buildings and Use

There are two buildings on the site. Upon completion of the renovation the buildings will be used as a single mixed use multiple dwelling, with thirty-one (31) dwelling units (a permitted use in this R6 zoning district) and three (3) non-residential loft units (a pre-existing non-conforming use in this R6 zoning district).

3. Streets

Lexington Avenue is a one way street with traffic running from east to west and is owned and maintained by the City of New York. There are no streets owned or maintained by the project.

4. Drives, Sidewalks and Ramps

(i) Paving

Sidewalk paving is of concrete slabs in fair to good condition.

(ii) Curbing

Street Curbs are of concrete in fair to good condition.

(iii) Catch Basins

There are no catch basins on the property.

(iv) Street Lighting

The street lighting is standard steel pole with vapor lighting owned and maintained by the City of New York. Lighting is in good condition.

D UTILITIES

Domestic water supply will be by the City of New York. The sponsor states that if required, a new water meter will be installed.

Sprinkler water supply will be from an existing, dedicated water service. Water for this service is supplied by the City of New York

The Sponsors states that the existing water main will service the domestic water and the

sprinklers.

Sanitary and storm sewers (combined) are located in the street and are owned and maintained by the City of New York. There is an existing combined house sewer that appears to be in working condition.

There are no septic tanks on the property.

Gas for heating, domestic hot water, cooking and clothes drying will be supplied by Keyspan Energy Company and will be billed to the Condominium Board.

Electricity will be supplied by Consolidated Edison Company of New York. Each Unit will be metered separately for electrical consumption and will be billed to the individual Unit Owners. There will be a separate meter for Common power (hall lighting, etc.), that will be billed to the Condominium Board.

Telephone service is supplied by Verizon Telephone Company and will be the responsibility of the individual Unit Owners.

Cable TV service is supplied by Brooklyn Queens Time Warner Cable and will be the responsibility of the individual Unit Owners.

E SUB-SOIL CONDITIONS

The existing foundations appear to be in good condition with no visible evidence of uneven foundation movement or settlement.

F LANDSCAPING AND ENCLOSURES

1. Grass Cover

There is no grass cover. The sponsor will not be providing landscaping.

2. Plantings

There are no plantings. The sponsor will not be providing landscaping.

3. Trees

None

4. Fencing

None

5. Gates

There will be a painted steel gate at the entrance court located at the street wall of the buildings. This gate will be a minimum of 6'-0" high.

6. Garden Walls

None

7. Retaining Walls

A new masonry retaining wall will be constructed at a new areaway with steps that leads from the cellar of the west building to the rear yard.

8. Display Pools

None.

G BUILDING SIZE

1. Total Height

Approximately 56'-0". Local law 11 is not applicable.

2. Crawl Spaces and Areaways

There are no crawl spaces.

There will also be a new areaway with steps that leads from the cellar of the west building to the rear yard.

3. Number of Sub-cellars and Cellars

There are no sub-cellars.

There is one cellar in the west building that will be accessed by the new rear areaway and a new interior stair from the first floor hall. The interior stair will be enclosed with two-hour rated construction. The cellar ceiling will have a one-hour fire rating.

4. Number of Floors

Four (4) Floors and a penthouse, not including the cellar.

5. Equipment Rooms

The new heating and hot water equipment will be located in the existing boiler room in a vault located below the sidewalk in front of the west building. The walls are masonry, the floor and ceiling are cast concrete. These elements have a 2-hour fire rating. A new 1 1/2 hour fire proof self closing entry door and frame will be installed in the existing opening.

Water, sewer, and electric services will be located in the existing service entry room in a vault located below the sidewalk in front of the west building. The walls are masonry, the floor and ceiling are cast concrete. These elements have a 2-hour fire rating A new 1 1/2 hour fire proof self closing entry door and frame will be installed in the existing opening.

Combustion air for the heating equipment will be supplied by a 12" x 12" louver to the exterior.

H STRUCTURAL SYSTEM

1. The structural system for both buildings consists of exterior masonry bearing walls with an interior line of iron or steel columns and steel beams. The exterior bearing walls are located at the east and west side of both buildings and the interior line of columns and beams is located at approximately the centerline. Both bearing walls and interior steel run in a north/south direction. The extent or condition of the footings supporting the masonry bearing walls or the iron or steel columns could not be determined. However, there is no indication of settlement, deflection or deterioration in the bearing walls or the interior steel.

The existing floor and roof framing in the west building consists of 3 x 14 double wood joists at approximately 18" on center. The existing floor and roof framing in the east building consists of 3 x 14 single wood joists at approximately 12" on center. The wood framing in both buildings span in an east/west direction between the exterior bearing walls and the interior steel beams. There is no indication of settlement, deflection or deterioration in any of the wood floor or roof joists.

New framing at existing floors will consist of 3 x 8 wood joists at 16" on center. The new penthouse roof framing will consist of steel joists at 12" on center.

2. Exterior of Building

(i) Walls

The exterior walls of both of the existing buildings are brick. There are no visible signs of settlement or water infiltration.

The east and west exterior walls of the penthouse additions will consist of concrete block with a stucco finish. The north and south walls of the penthouse additions will consist of an exterior insulation finishing system (EIFS). The wall construction will be a steel stud system with insulation between the studs finished with 1) layer of "yellow" board at the exterior and 1) layer of gypsum board at the interior. A vapor barrier will be applied to the exterior followed by a 1 1/2" rigid insulation board and a synthetic stucco coating.

The new building entrance and elevator lobbies will be located in a court between the two existing buildings and will consist of a new aluminum and glass storefront system. Glazed entrance doors will be incorporated into this façade.

(ii) Cornice

None

(iii) Windows

New masonry openings for new lot line windows will be created in the east wall of the east building. Existing masonry openings for lot line windows occur in Units CB, 1B, 2B, 3B and 4B of the west building.

Windows throughout will be new, aluminum, modern, double glazed, double hung units.

Child guards for the windows shall be the responsibility of the individual Unit Owners, who will be required to install such protection in the event that a child resides in the Unit.

3. Parapets & Copings

There are existing masonry parapets in fair to good condition at the existing masonry walls of both buildings. These parapets are capped with terra cotta or cast concrete copings. The sponsor represents that new masonry walls will have terra cotta or cast concrete copings.

The Sponsor represents that the new parapets at the north and south walls of the penthouse additions will be as outlined in EXTERIOR OF BUILDING – WALLS, above, and will be capped with metal copings.

4. Chimneys and Caps

There will be no wood or gas burning fireplaces in the premises.

There is an existing masonry chimney / boiler flue in the southeast corner of the west building that extends approximately 10 feet above the roof level. The masonry and cast concrete cap appears to be in fair to good condition. New boiler and hot water equipment will utilize this existing flue.

5. Balconies & Terraces

There will be new projecting balconies and new inset terraces at some of the rear units of the west building and new decorative, projecting balconies at some of the rear units of the east building. The projecting balconies will be of non-combustible construction. Balconies and terraces will be protected with code conforming non-combustible railings.

6. Exterior Entrances

(i) Exterior doors and frames

The new building entrance will be located in an existing court between the two existing buildings and will consist of new glazed aluminum entrance doors. Doors will be provided with self-closing devices and locksets.

A new in-swinging, hollow metal and glass door will provide access from the entrance lobby to the rear yard. This door will be provided with a self-closing device and lockset.

New, out-swinging, hollow metal and glass doors will provide access from the top most elevator lobby to the penthouse roofs. These doors will be provided with self-closing devices and locksets.

Entrances from individual units to adjacent balconies and roof terraces will be by new, aluminum and glass sliding doors. These doors will be provided with integral locksets.

New hollow metal doors and frames will provide access to the cellar of the west building, to the first floor non- residential loft unit in the east building and from new stair bulkheads in each building to the penthouse roofs. These doors will be provided with self-closing devices and locksets.

An existing, roll up metal door will provide access from the street to the first floor non-residential loft unit in the east building. This door is in fair condition and does not have a remote control opener.

(ii) Hall

None

(iii) Exterior stairs

There will be new concrete steps and a new concrete handicapped ramp leading from the sidewalk level to the new entrance lobby at the front of the building. And there will be new concrete or steel steps leading from the entrance lobby to the rear yard.

There will be new concrete or steel steps leading from the cellar of the west building to the rear yard.

(iv) Railings

All exterior stairs and ramps will be provided with code compliant railings and handrails.

(v) Mailboxes

There will be thirty-four (34) new mailboxes, of the ganged aluminum type, located within the first floor hall of the east building.

(vi) Lighting

Exterior lighting will be provided by new lighting fixtures located at the front of the building, at the first floor building entrance and at the stairs from the cellar of the west building to the rear yard.

Balconies and roof terraces will be provided with lighting from new lighting fixtures.

7. Service entrance

A new service entrance will be provided at the southwest corner of the west building. Access to the cellar will be by a new metal stair.

Access will also be provided from the first floor hall by an enclosed internal stair.

8. Roof and roof structures

(i) Type of roof for all areas

Roofing at the new penthouses will be a class "B", torch applied built up roofing with a 2 ply membrane system and a granular top sheet. The roofing will be complete with all required flashings, anchorages, seals / sealants and accessories per the Manufacturer's recommendations. Roofing shall be manufactured by Firestone, Mansville or equal.

Existing roofing at the penthouse terraces is serviceable and is scheduled to remain. See the asbestos report elsewhere in this prospectus.

The roofing, if kept in good repair, should have a life expectancy of a least 10 or more years. No bonds or guarantees will be furnished.

(ii) Drains

New and existing roofs will be pitched to drain to roof drains with new internal leaders.

(iii) Skylights

An existing metal and glass skylight is located over the upper level bedroom in Unit 4C. This skylight will be retained and will be repaired as required.

New metal and acrylic skylights will be installed in the new canopy located over the building entrance at the first floor level.

The Sponsor represents that the ventilating skylights scheduled to be installed at the roofs of the new interior stairs will not be installed. Ventilation will be supplied by code compliant windows at the roof level.

(iv) Bulkheads

There will be two new, rectangular masonry stair bulkheads at the level of the penthouse roof. The exterior of these bulkheads will be finished with the same finish as the exterior walls of the penthouse and roofed with the same material as the penthouse roofs.

There will be a new, rectangular elevator bulkhead at the level of the penthouse roof. The exterior of this bulkhead will be finished with the same finish as the exterior walls of the penthouse and roofed with the same material as the penthouse roofs.

(v) Metal work at roof level

There will be new metal copings at new metal stud Penthouse walls and a fixed louver smoke vent at the elevator shaft.

(vi) Rooftop facilities

Fourth floor duplex Units in both buildings will have exclusive use of the roof terraces adjacent to their penthouses. These terraces may be partially paved with code conforming surfacing and will be enclosed with a code conforming railing system.

There will be private roof terrace Units on the penthouse roofs. These Units will be accessible via the elevator and both public stairs. The terraces may be partially paved with a code compliant wearing surface and will be enclosed on all sides by building walls at least 3'-6" high.

9. Fire escapes

None.

10. Yards and Courts

(i) Paving

The front areaway / building entrance and the rear areaway will be paved with new concrete.

The rear yards will be unpaved. The rear yards adjacent to the rear units of the east building will be for the exclusive use of these individual units and will be divided with a new fence. These individual unit Owners will be responsible for landscaping and maintaining the rear yard.

(ii) Drainage

A new area drain will be installed in the front areaway / building entrance with the paving sloped to drain.

There will also be an area drain at the bottom of the rear stairs leading from the cellar to the rear yard.

There will be no yard drain in the unpaved area of the rear yard.

11. Interior Stairs

(i) Number of Stairs

There will be two public, enclosed, interior fire stairs in the premises. Both stairs will lead from the first floor to the roof. The stair in the west building will also provide access to the cellar. The stairs will be sprinklered at the bottom landing and the top landing. Windows will be provided at the roof level for ventilation. It is noted that these stairs will not provide access to or from the upper level of the fourth floor apartments.

There will be private interior stairs in each fourth floor unit leading to the penthouse mezzanine and to the private roof terrace.

(ii) Enclosure

The public stairs will be enclosed by new and existing, rated, masonry.

The private stairs will be unenclosed.

(iii) Stair construction

The public stairs will be "U" shaped from the first floors to the roof. The stair will consist of painted metal stringers, treads, and balusters. The treads will be concrete filled. The handrails will be painted steel pipe.

The private stairs will be "U" shaped and will consist of painted metal stringers, treads and risers. The handrail will be hardwood with a clear finish.

12. Interior doors and frames

(i) Unit entrance

Unit entrances will be new, self closing, fire rated, metal doors with metal frames. These doors will have peepholes, locksets and chain guards.

(ii) Unit interior

Interior doors will be new painted hardboard hollow core doors with wood frames.

(iii) Corridor, Stair hall, Roof, Basement and Cellar Doors and Frames

The doors in the public halls, other than Unit entrance doors, will be new, self-closing, fire rated, metal doors with metal frames.

13. Elevators

There will be one new automatic hydraulic passenger elevator servicing the cellar through the roof (6 stops). The machine room for the elevator equipment will be located in the cellar of the west building. The elevator will be rated for a load of 2000 pounds (8 persons maximum) and a speed of 80 feet per minute. The cab shall have plastic laminate and/or stainless steel panel walls with a single speed sliding steel door. The cab will have vinyl composition flooring, metal ceiling and compact fluorescent lighting. The power supply will be 208 volts, 3 phase, 60 cycle. The elevator will be equipped with all safety devices required by the New York City Building Code and will be handicapped accessible. The elevator contractor will obtain a permit for the New York City Department of Buildings for the installation of the elevator and will obtain all necessary sign offs upon completion of the work.

It is noted that the elevator will not stop at the upper level of the penthouse apartments.

I AUXILIARY FACILITIES

1. Laundry Rooms / Facilities

Each residential unit will be provided with hookups for washers and dryers. Hookups will consist of hot and cold water, waste, electrical receptacle and 3/4" gas connection. The dryers will be vented to a goose neck at the roof. Individual Unit Owners will be responsible for the purchase of the washer and dryer units and arranging for the installation.

2. Refuse Disposal

(i) Incinerators and Compactors

There will be no incinerators in the premises.

A new trash compactor will be installed in an enclosed compactor room in the cellar of the west building. Floors 1 – 4 of the west building will be provided with an enclosed trash room that will provide access to a code compliant trash chute with a metal self-closing door. This trash chute will lead directly to the trash compactor located in the cellar.

(ii) Approvals

None required.

(iii) Initial storage location

Trash will be stored in the enclosed compactor room in the cellar of the west building and will be brought to the curb on days as indicated for pickup by the City of New York.

Recyclables will be stored in containers located in the trash / recycling room located on each floor of the west building.

The Board shall be responsible for providing recycling cans, placing trash and recyclables in storage, and preparing them for collection.

(iv) Pickup schedule

Refuse for the Residential Units will collected twice weekly by the New York City Department of Sanitation, weather permitting.

J PLUMBING AND DRAINAGE

1. Water Supply

Potable water will be supplied by the City of New York through street mains to a service connection located at the south wall of the vault below the sidewalk in front of the west building. This service will provide domestic water for the building, via cold water mains of sufficient diameter, serving each unit and the boilers and domestic water heaters. All piping in the cellar will be insulated.

2. Fire Protection System

There is an existing sprinkler system throughout the building that will be modified as required to provide full coverage for the new layouts and room configurations. The system will be code complaint and will be complete with all required controls, check valves, tamper flow switches and valves. The entire system will be supplemented by a siamese connections located in the south exterior walls of the east and west buildings facing Lexington Avenue. It is noted that the sprinkler heads and piping are scheduled to be exposed below the ceilings of the units.

3. Water Storage Tanks.

None is required.

4. Water Pressure

There is normally adequate street pressure to service a building of this size and type.

5. Sanitary Sewer System

The existing cast iron combined sanitary and storm sewer connection to the street appears to be in working order.

Sanitary sewage within the building will be drained by gravity through no-hub cast iron piping. There is an existing house trap near the south wall of the cellar of the west building.

6. Permits Required.

None.

7. Storm Drainage System

Storm water within the building will be drained by gravity through no-hub cast iron piping. There is an existing house trap near the south wall of the cellar of the west building.

8. Plumbing Fixtures

Residential plumbing fixtures supplied by the Sponsor shall be as follows or equivalent:

ITEM	MANUFACTURER	SERIES / REMARKS
Water Closet	American Standard	Renaissance
Bathtub	American Standard	60" whirlpool
Lavatory	American Standard	Studio undermount
Kitchen sink	Eljer	33" stainless steel, undermount

The Sponsor reserves the right to provide alternative Manufacturer models of equivalent quality.

9. Domestic Hot Water

The new water heaters will be four (4) 75 gallon, gas fired A. O. Smith, model PGC-75-250. Hot water will be supplied to the fixtures and appliances in each Unit through type "L" copper pipes with soldered connections.

K HEATING

1. Description

The common areas in the cellar will be heated by hot air from a ceiling mounted air handler: York - model MA08 BN21

The Elevator lobby on the first floor will be heated by hot air from a ceiling mounted air handler: York - model MA08 BN21 and ducted to the Lobbies on the second third and fourth floors above.

The Sponsor reserves the right to provide alternative models or Manufacturers of equivalent quality and capacity.

The two Non-Residential Units in the cellar and the common areas will be heated by the common hot water boilers described below.

The other Units will be heated by hot air through a series of ducts and registers connected to individual air handlers located within each Unit, as described in section (m) below. These air handlers will typically be ceiling hung in the storage lofts on the lower three floors and roof mounted on the private terraces of the fourth floor duplexes.

Heat for the air handlers in the cellar and on the lower three floors will be provided via hot water coils supplied by the common hot water boilers described below.

Heat for the air handlers in the fourth floor duplexes will be provided via gas-fired heat exchangers supplied by the common gas meter.

Each Unit will have a wall-mounted thermostat controlling the temperature within that unit.

2. Number of Boilers and Description

There will be three (3) new gas-fired hot water boilers installed in the vault below the sidewalk in front of the west building. They will supply hot water heating for the Units on the lower floors, the two Non-Residential Units in the cellar and the common areas. A common gas meter will supply these boilers.

3. Manufacturer and Age of Boiler

The boilers will be manufactured by Weil-McLain, model EGH-105. These boilers have a rated heating capacity of 450,000 BTU/HR Input and 360,000 BTU/HR Output each and will be complete with new pumps, aquastats, reset controls, etc.
The Sponsor reserves the right to provide alternative Manufacturer models of equivalent quality.

4. Manufacturer and Age of Burner

N/A – Gas Fired System.

5. Controls

The Boilers will be controlled by an outside air temperature sensor connected to a Boiler Control Panel, which will operate the boilers as required by the New York State Multiple Dwelling Law.

6. Radiators, piping, insulation, valves, pumps.

The two Non-Residential Units in the cellar and the remaining common areas will be heated by new fin-tube or cast iron radiation with thermostatically controlled valves.

Heating Hot Water will be supplied to the Units on the lower three floors, the common areas in the cellar, the two Non-Residential Units in the cellar and the remaining Common Areas via new insulated supply and return risers of type M copper.

Three-way diverting valves in each air handler will control the hot water coils on the lower three floors and Cellar.

Electronic gas valves in each air handler will control the gas-fired heat exchangers at the fourth floor duplexes.

There will be common pump(s) sized appropriately and located in the Boiler room.

7. Fuel

Natural Gas.

8. Location of Fuel Tank
N/A - Gas Fired System.

9. Fuel Tank Capacity
N/A - Gas Fired System.

10. Adequacy

The Sponsor represents that the heating system has been designed in accordance with the temperature standards of the New York State Energy Code and will provide adequate heat throughout the residential portions of the building.

L <u>GAS SUPPLY</u>

Natural Gas will be provided through street mains to the property via the existing 3" gas service located in the vault below the sidewalk in front of the west building.

Gas metering for heating and hot water and for domestic cooking and dryers will be common.

Interior service shall be through new black iron common risers and service pipes to the fourth floor air handlers and the Unit appliances.

M <u>AIR CONDITIONING</u>

1. Description

There will be no air-conditioning provided in the common areas or for the two Non-Residential Units in the cellar. Air conditioning for these units will be the obligation of the Unit Owners.

Individual split systems with air handlers and remote condensers will be used in the Units at the lower three floors.

Individual single package rooftop systems will be used in the duplex Units at the fourth floor.

2. Air Handlers

Four different Models will be used depending on the capacities required:

- York - model AHP30 2AH Units 1A, 1B, 1G, 1H, 2A, 2B, 2G, 2H, 3A, 3B, 3G, 3H
- York - model AHP48 2CH Units 1C, 1D, 1E, 1F, 2C, 2D, 2E, 2F, 3C, 3D, 3E, 3F
- York - model DF060 N08 N 2 Units 4A, 4B, 4E, 4F
- York - model DF090 N10 N 2 Units 4C, 4D, 4E, 4F

The Sponsor reserves the right to provide alternative models or Manufacturers of equivalent quality and capacity.

3. Condensers

Two different Models will be used depending on the capacities required:

- York - model H3RE030S06 Units 1A, 1B, 1G, 1H, 2A, 2B, 2G, 2H, 3A, 3B, 3G, 3H
- York - model H2RE042S06 Units 1C, 1D, 1E, 1F, 2C, 2D, 2E, 2F, 3C, 3D, 3E, 3F

The Sponsor reserves the right to provide alternative models or Manufacturers of equivalent quality and capacity.

4. Maintenance

Filter replacement will be a scheduled maintenance obligation of the condominium association.

N VENTILATION

All habitable rooms will have natural ventilation through operable windows. All bathrooms will be mechanically ventilated per code.

The public stairs will be ventilated via fixed louvers in the bulkhead walls at the top of the stairs.

The elevator machine room, elevator shaft, trash compactor room and trash chute will be ventilated as required by the New York City Building Code.

The public halls will have operable windows

Combustion air to the boiler room will be provided by a louver and metal duct to the exterior.

Gas dryer units will be exhausted via new 4 inch round metal ducts to the roof.

O ELECTRICAL SYSTEM

1. Service

There is an existing electrical service in the cellar of the west building with a main service disconnect switch. This service is scheduled to remain.

2. Service to Individual Units

There will be separately metered 100 amp, 220 volt service for each of the Units and a separately metered 200 amp service for the common areas for lighting, fans, elevator, etc.

3. Compartment Switch Gear

Each unit will have a separate 100 amp, 220 volt breaker in the cellar.

The common elements will have a separate 200 amp, 220 volt breaker in the cellar

4. Unit service

Each unit will have a 100 amp breaker panel with a minimum of twelve (12) circuits. Circuits will be protected with a combination of 15 and 20 amps breakers.

5. Adequacy

The sizing of the unit panels and the circuits and the installation and location of convenience receptacles, GFI receptacles, lighting receptacles and switches will be in accordance with the electric code of the City of New York.

6. Intercommunication System

All units will be connected to a video intercom and remote door release system with an annunciator panel located at the main entrance. Each unit will be provided with one (1) video/audio apartment station for communication with the main panel. At the main entrance there will be a directory that will contain a video camera. The system will be Airphone or equal.

P TELEPHONE AND TELEVISION RECEPTION FACILITIES

Television and telephone wiring will be installed within the walls within the units and connection terminals will be located in the bedroom and the living / dining area.

Each individual Unit owner will make his/her own arrangements for cable television and telephone services.

Q PUBLIC AREA LIGHTING

The entry lobby, public halls, public stairs and common areas in the cellar will be provided with adequate incandescent or fluorescent lighting.

R GARAGES AND PARKING AREAS

There are no public garages on the property. There is alternate side of the street parking on the surrounding streets.

S RECREATIONAL FACILITIES

There will be no common recreational facilities within the condominium.

T ADDITIONAL ITEMS – VIOLATIONS, PERMITS, CERTIFICATES

There will be no open violations of record against the premises at the time the construction is complete and a new Certificate of Occupancy is issued.

The boilers will be required to be registered with the Department of Environmental Protection and will be required to undergo an annual self-inspection by a licensed boiler maintenance company hired by the Board.

The elevator, which is filed under a separate application with the New York City Department of Buildings, will be required to undergo an annual maintenance inspection by a licensed elevator maintenance company hired by the Board.

The sprinkler system must also undergo an annual inspection by a licensed plumber hired by the Board.

All of these inspection reports must be filed with the New York City Department of Buildings and all defects must be corrected.

U UNIT INFORMATION

1. Description

There will be a total of thirty-one (31) residential units and three (3) non-residential loft units. Layout diagrams of the Units with approximate room sizes accompany this report.

Unit CA is located in the northern half of the cellar of the west building
Unit CB is located in the northern half of the cellar of the west building

Units 1A, 1B, 1C & 1D are located on the first floor of the west building
Units 1E, 1F, 1G & 1H are located on the first floor of the east building

Units 2A, 2B, 2C & 2D are located on the second floor of the west building
Units 2E, 2F, 2G & 2H are located on the second floor of the east building

Units 3A, 3B, 3C & 3D are located on the third floor of the west building
Units 3E, 3F, 3G & 3H are located on the third floor of the east building

Units 4A, 4B, 4C & 4D are located on the fourth floor of the west building
Units 4E, 4F, 4G & 4H are located on the fourth floor of the east building

2. Room Count - Ceiling Heights.

Residential Units

UNIT	ROOMS	APPROX CEILING HEIGHT
Unit CA	Non-residential loft, 1/2 bath	10'-0"
Unit CB	Non-residential loft, 1/2 bath	10'-0"
Unit 1A	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 1B	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 1C	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 1D	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 1E	Non-residential loft, 1 Full Bath	11'-5"
Unit 1F	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 1G	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 1H	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 2A	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 2B	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 2C	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 2D	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 2E	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 2F	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 2G	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 2H	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 3A	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 3B	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 3C	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 3D	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 3E	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 3F	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 3G	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"
Unit 3H	Living/Dining, Kitchen, 1 Bedroom, & 1 Full Bath	11'-5"

Unit 4A	Living/Dining, Kitchen, Study / Den, 2 Bedrooms, & 2 Full Baths	12'-10" Fourth Floor 11'-6" Penthouse
Unit 4B	Living/Dining, Kitchen, Study / Den, 2 Bedrooms, & 2 Full Baths	12'-10" Fourth Floor 11'-6" Penthouse
Unit 4C	Living/Dining, Kitchen, Study / Den, 2 Bedrooms, & 2 Full Baths	12'-10" Fourth Floor 11'-6" Penthouse
Unit 4D	Living/Dining, Kitchen, Study / Den, 2 Bedrooms, & 2 Full Baths	12'-10" Fourth Floor 11'-6" Penthouse
Unit 4E	Living/Dining, Kitchen, Study / Den, 2 Bedrooms, & 2 Full Baths	12'-10" Fourth Floor 11'-6" Penthouse
Unit 4F	Living/Dining, Kitchen, Study / Den, 2 Bedrooms, & 2 Full Baths	12'-10" Fourth Floor 11'-6" Penthouse
Unit 4G	Living/Dining, Kitchen, Study / Den, 2 Bedrooms, & 2 Full Baths	12'-10" Fourth Floor 11'-6" Penthouse
Unit 4H	Living/Dining, Kitchen, Study / Den, 2 Bedrooms, & 2 Full Baths	12'-10" Fourth Floor 11'-6" Penthouse

3. Appliances

Residential appliances supplied by the Sponsor shall be as follows or equivalent:

ITEM	MANUFACTURER	SERIES
24" Dishwasher	Frigidaire	Gallery
33" Refrigerator	Frigidaire	Gallery
30" Gas Range	Frigidaire	Gallery
30" Microwave / Hood	Frigidaire	Gallery

The Sponsor reserves the right to provide alternative models or Manufacturers of equivalent quality.

Clothes washers and gas dryers will be the responsibility of the individual Unit Owners.

4. Cabinets

Kitchen wall and base cabinets will be of wood or wood products with panel doors. Countertops will be of plastic laminate, composites or stone.

Bathroom vanities will be of wood or wood products with panel doors. Counters will be of plastic laminate, composites or stone.

5. Finishes

Finishes within the residential units will be new unless noted otherwise.

Typical finishes within the Units will be as follows:

LOCATION	FINISH
Floors throughout	New or existing wood finished with polyurethane
Kitchen floors	Ceramic tile
Bathroom floors	Ceramic tile
Tub / shower surrounds	Ceramic tile
Walls and ceilings	Painted gypsum wallboard
Entrance doors and trim	Painted metal
Interior doors and trim	Painted wood or wood products
Baseboards / moldings	Painted wood or wood products
Window sills / trim	Painted wood or wood products

V FINISH SCHEDULE OF SPACES OTHER THAN UNITS

ROOM	FLOORS	WALLS	CEILING
Boiler Room	concrete	masonry	concrete
Meter Room	concrete	masonry	concrete
Trash Compactor Room	concrete	masonry	gypsum wallboard
Cellar Storage Rooms	concrete	masonry	gypsum wallboard
Public Hall	carpet	gypsum wallboard	gypsum wallboard
Public Stairs	concrete	masonry	

W GENERAL INFORMATION

I have examined the records available at the Department of Buildings and personally inspected the premises. To the best of my knowledge and belief, this report contains an accurate description of the building. At the time this report was being prepared renovation work was taking place throughout the building, therefore, situations and/or conditions noted during inspections may have changed.

Many of the components are concealed, obstructed or not available for inspection and no representation is made of them.

The inspections and report do not address and are not intended to address the possible presence of asbestos containing materials. **However, the asbestos report, located after this report, indicates that this is a "non-asbestos" project.**

The inspections and report do not address and are not intended to address the possible presence of lead containing material. **However, at the completion of construction all existing surfaces will be enclosed in new construction or will be refinished, thereby encapsulating any possible lead containing material.**

The Sponsor represents that routine pest control will be provided on an as needed basis.

Local Law 11 is not applicable to these premises.

The building, as designed, complies with the requirements of Local Law 58 regarding accessibility for persons with disabilities.

The Sponsor represents that all units will have smoke detectors and carbon monoxide detectors as required by Building Department Rules and Regulations. These may be combination type units.

END OF REPORT

FOR OFFICIAL USE ONLY

1. _____
NYC Buildings Dept. Application #

ACP 5 Fee $_____

ONL
TYPEWRITTEN
FORMS WILL
BE ACCEPTED

NYC DEPARTMENT OF ENVIRONMENTAL PROTECTION
Asbestos Control Program
59-17 Junction Boulevard, 8th Floor, Corona, NY 11368-5107

NOT AN ASBESTOS PROJECT

When submitting this form at the NYC Department of Buildings, the original form and three (3) copies with original signature and seal are required. Submittal at the NYCDEP requires one copy of the form with original signature and seal.

2. Facility Address 103-111 LEXINGTON AVENUE Borough Brooklyn Zip 11238

AKA _____ 3. Block 1967 4. Lot 58

5. Building Owner 103-111 LEXINGTON AVE., LLC Tel. # (212) 431-4218

6. Address 79 WORTH STREET, NEW YORK State NY Zip 10013

7. Contact Person DONALD LAROSA 8. Tel. # (212) 431-4218

9. Description of the Entire Scope of Work .
REMOVE INTERIOR NON-LOAD BEARING PARTITIONS

10. Est. Start Date _____ ☑ As soon as permit approved Est. Completion Date _____ of the Entire Scope of Work.

11. I, SAL GARZILLO (Name of Certified Asbestos Investigator), have conducted an asbestos investigation on 11/7/05 (Date) in accordance with

Sections 1-16 and 1-27 of the NYC DEP Asbestos Control Program Rules and declare that at said facility address, the

- ☐ a. premise to be demolished is free of any asbestos containing material (ACM).
- ☐ b. premise to be demolished contains 10 square feet or less or 25 linear feet or less of ACM.
- ☑ c. cumulative surfaces of structure(s) affected by the work are free of ACM.
- ☐ d. cumulative surfaces of structure(s) affected by the work contain 10 square feet or less or 25 linear feet or less of ACM
- ☐ e. normally non-friable ACM shall be disturbed/removed. Specify amount: _____ square feet
- ☐ f. ACM will not be disturbed during the scope of work. Specify amount of ACM present: _____ square feet _____ linear feet

All ACM specified in "b", "d", or "e" must be removed in accordance with the DEP Asbestos Rules or NYS DOL ICR56.*

12. **RESULTS OF BUILDING SURVEY AND HAZARD ASSESSMENT:**

FLOOR (including cellar and basement)	DESCRIBE SECTION OF FLOOR (e.g. entire, east wing, room #, boiler room, lobby, etc.)	ALL MATERIALS ASSUMED TO CONTAIN ACM AND/OR SAMPLED	NUMBER OF SAMPLES ANALYZED	ASBESTOS PRESENT YES	ASBESTOS PRESENT NO	ASSUMED ACM
1-4	EXISTING LOFTS	NONE	0		✔	

13. Analytical Laboratory N/A

14. ELAP # N/A (NYS DOH CERTIFICATION) 15. Date(s) Samples Analyzed _____ _____

16. **I hereby declare the information provided herein is true and complete.**

_____ 957740106 11/23/05 (718) 522-0707
NYC DEP Certified Asbestos Investigator's Signature | Certificate Number | Date | Daytime Telephone Number

Any modification or deviation from information provided on this form must be reported immediately in writing directly to the NYCDEP. The requirements of the Asbestos Control Program Rules may not be lawfully avoided or lessened through the performance of work in incremental or piecemeal fashion.

* In-plant operations, as defined in §56-3.1 of ICR56, are not permitted in New York City.

SEAL OF THE NYC DEP CERTIFIED ASBESTOS INVESTIGATOR

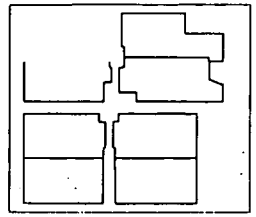


ACP6
2/2001

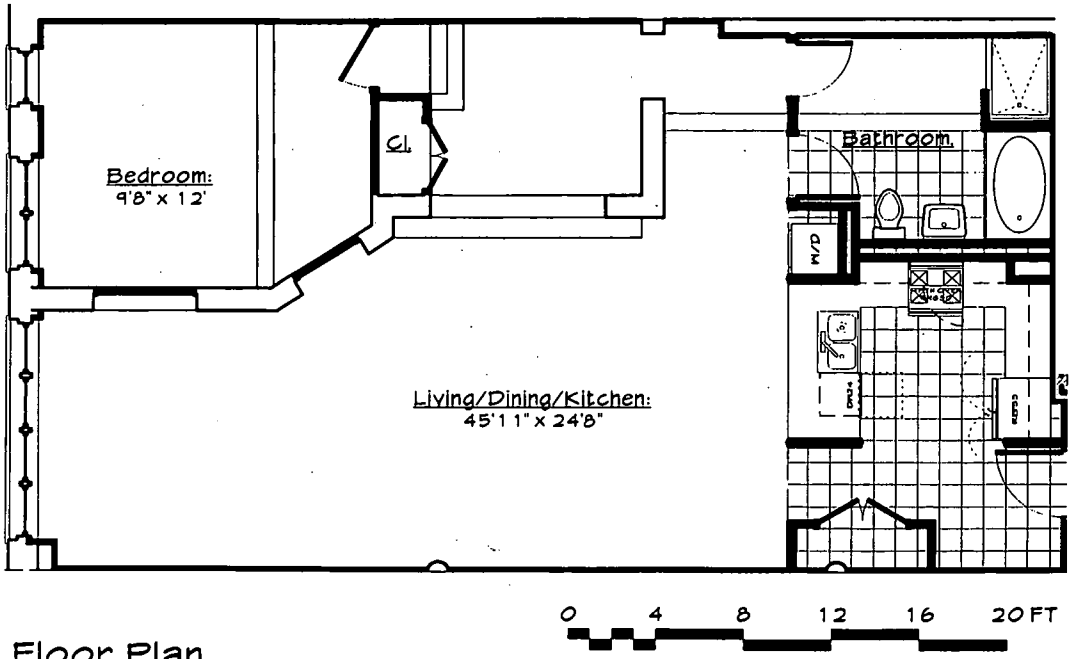
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EXHIBIT 5
FLOOR PLANS

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Key Plan
First Floor

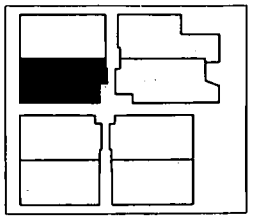


Floor Plan

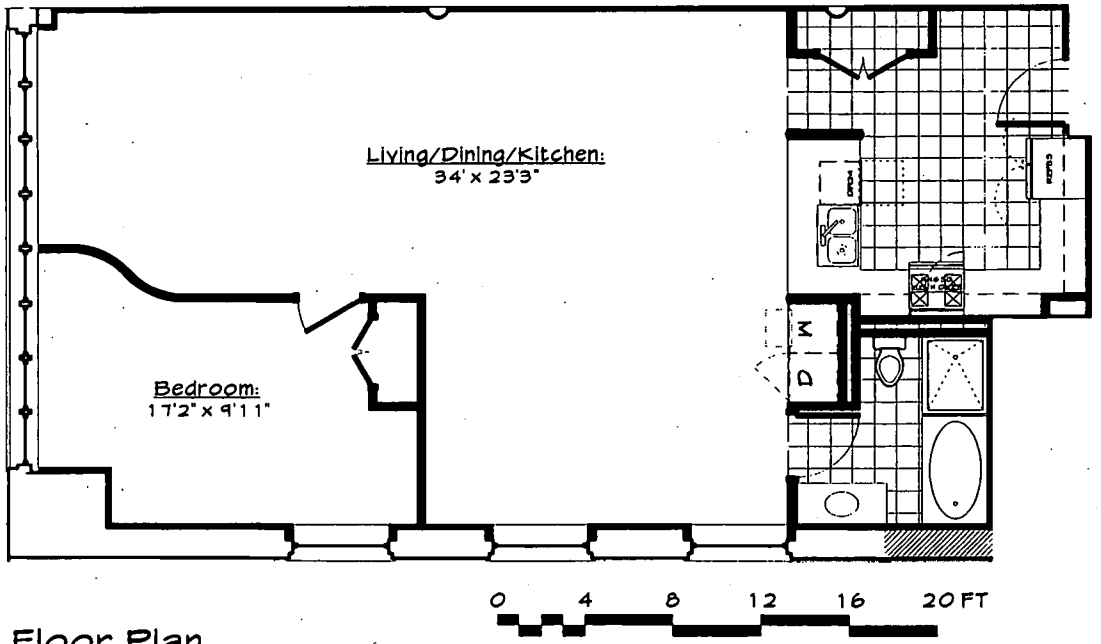
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1C

Unit: 1,197sf



Key Plan
First Floor

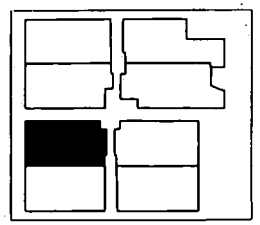


Floor Plan

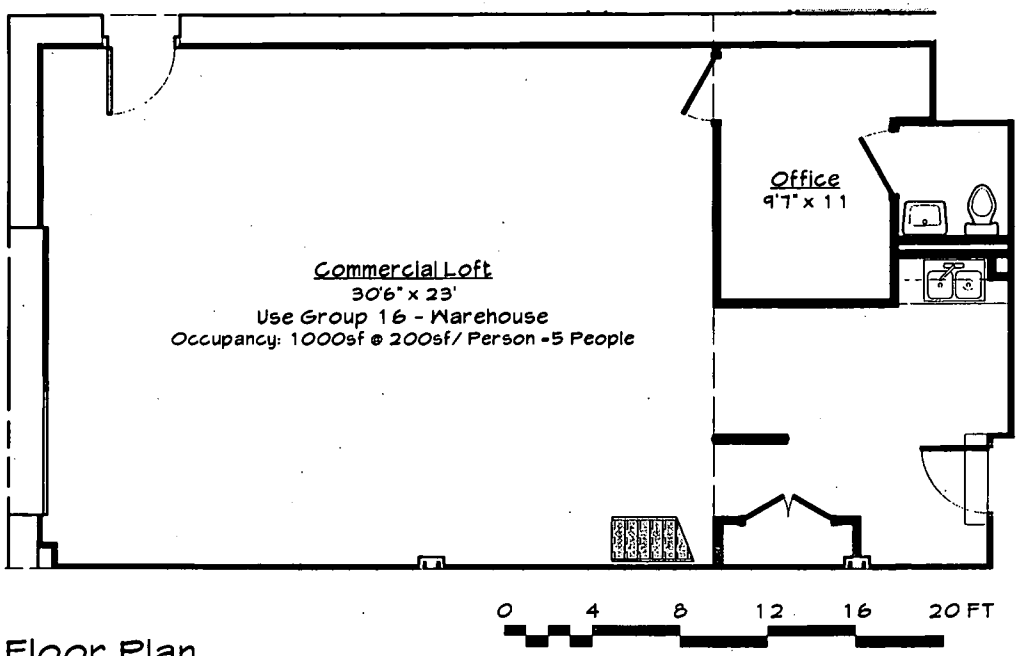


Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1D
Unit: 1,173sf



Key Plan
First Floor

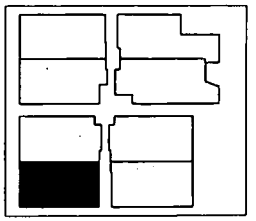


Floor Plan

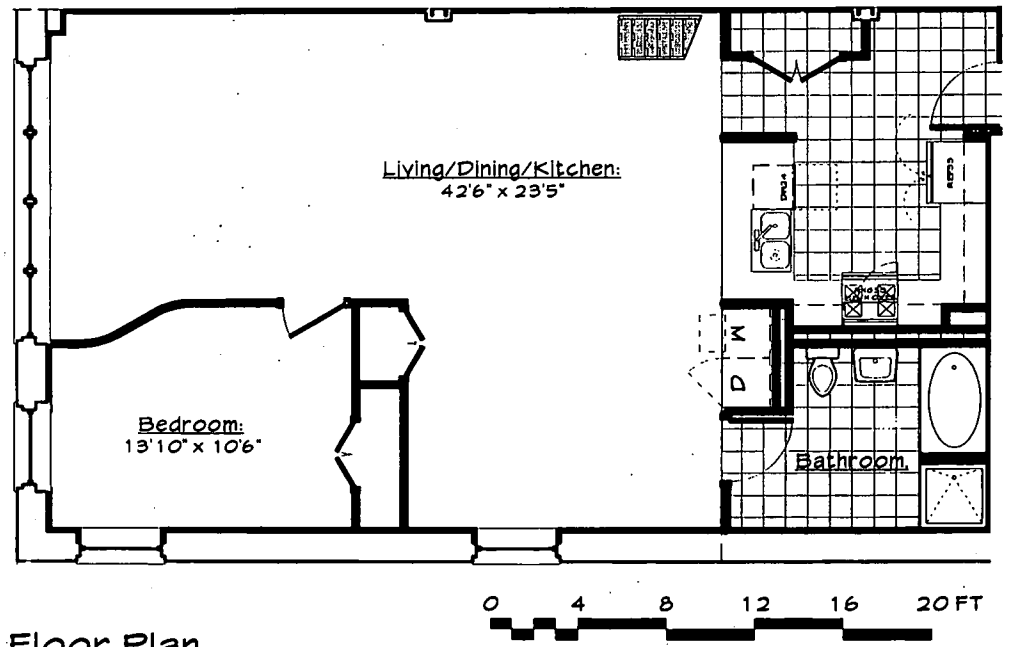


Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1E
Unit: 1,119sf



Key Plan
First Floor



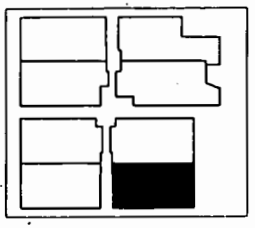
Floor Plan



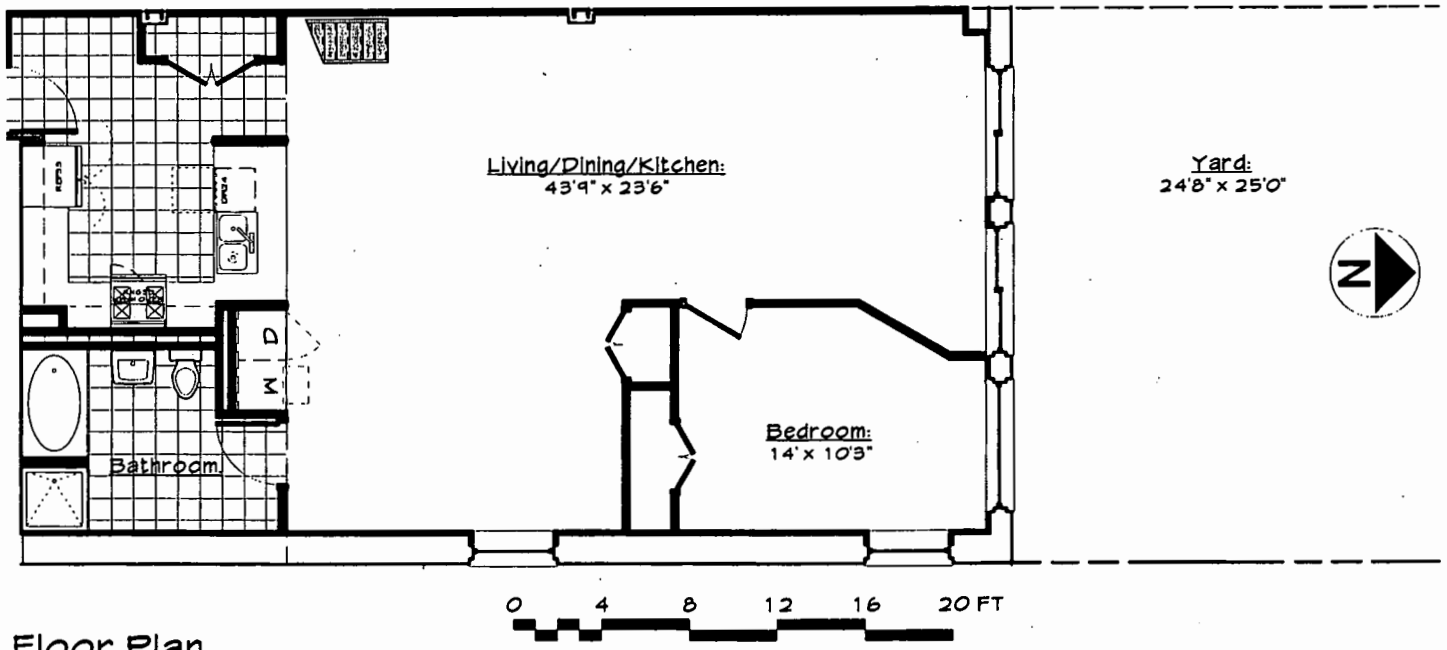
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1F

Unit: 1,110sf



Key Plan
First Floor

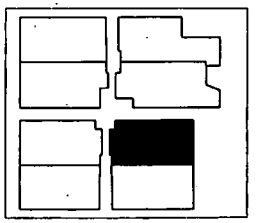


Floor Plan

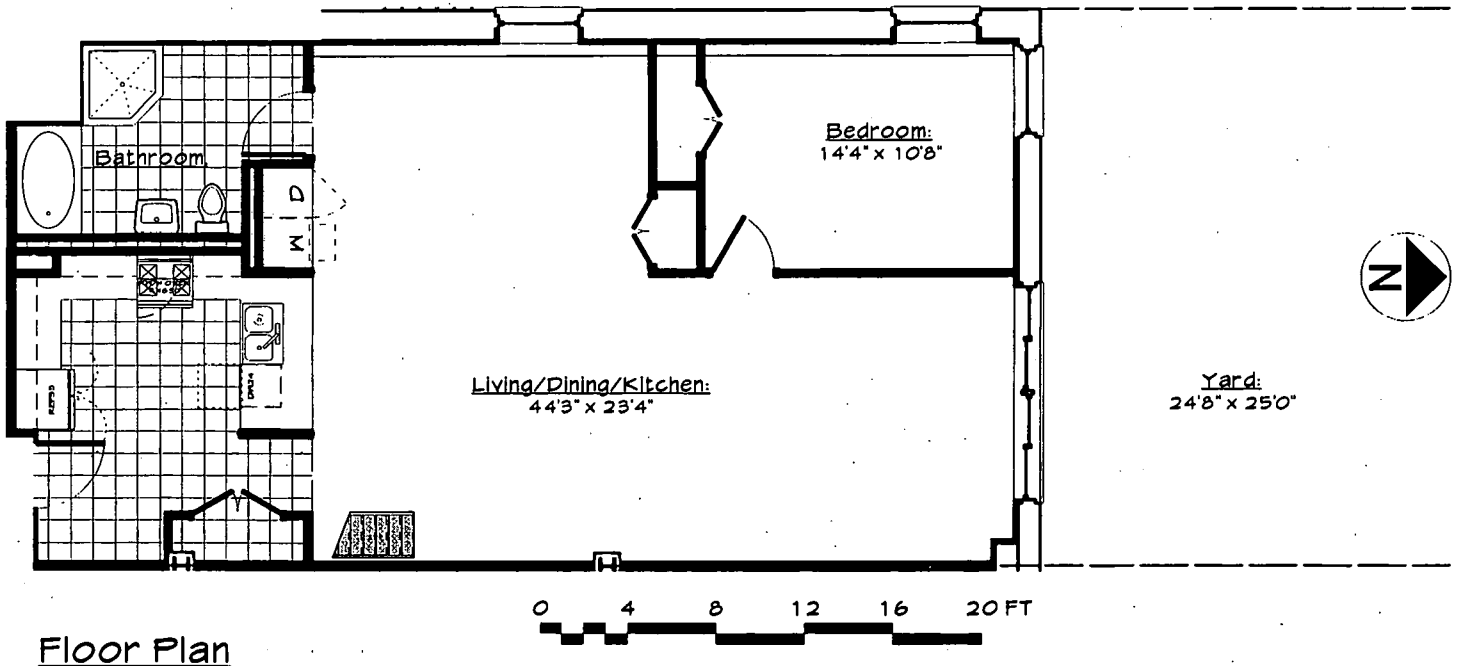
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1G

Unit: 1,135sf
L.C.E.: 616sf



Key Plan
First Floor

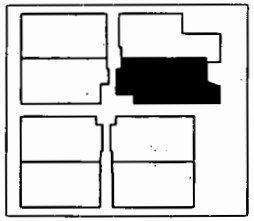


Floor Plan

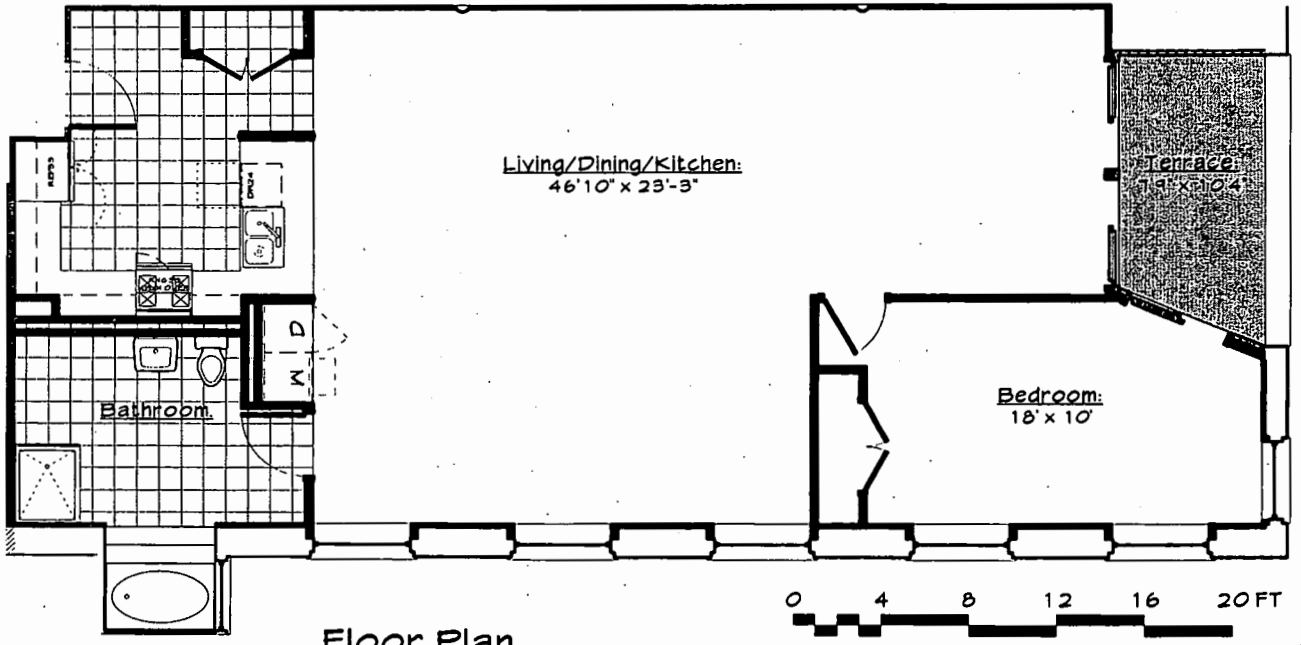
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 1H

Unit: 1,146sf
L.C.E.: 616sf



Key Plan
Second Floor



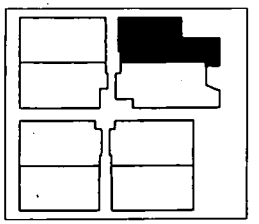
Floor Plan



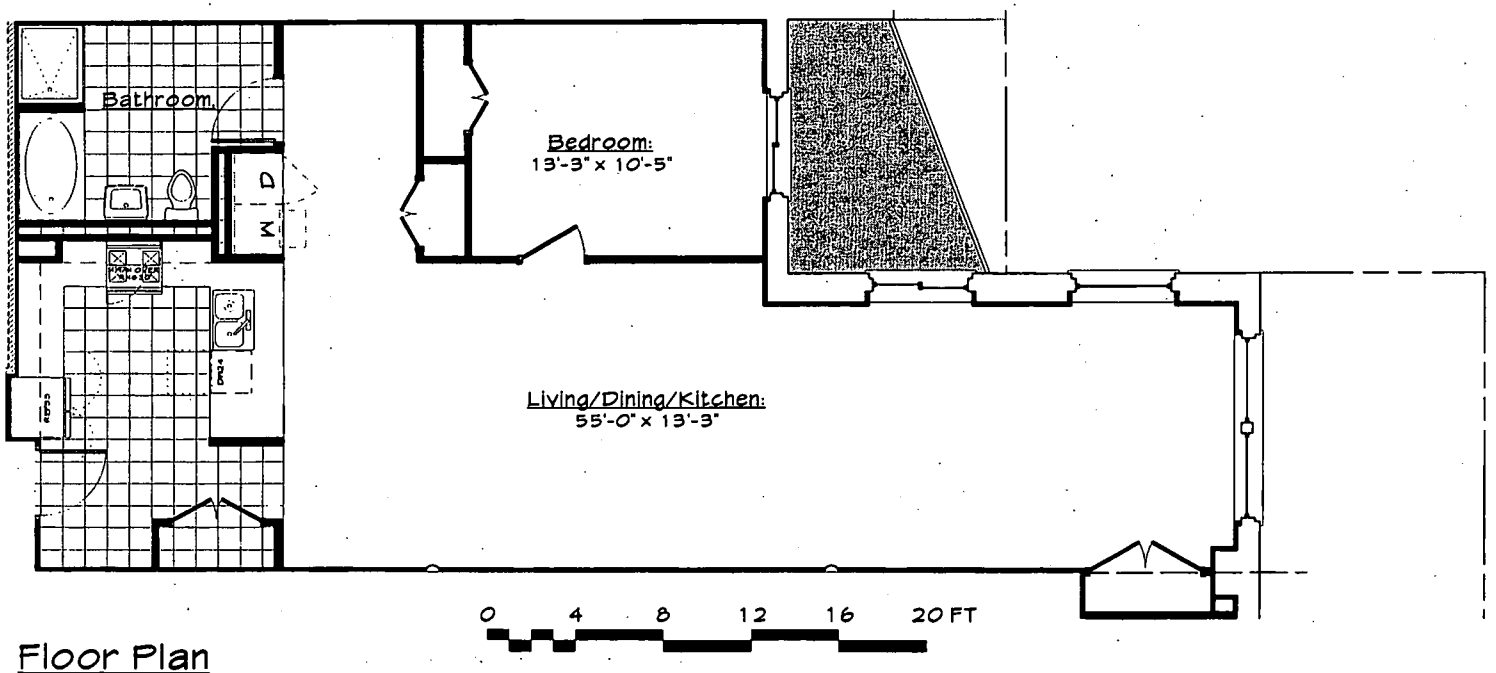
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 2A

Unit: 1,340sf
L.C.E. 92sf



Key Plan
Second Floor

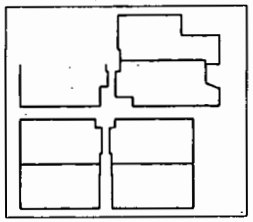


Floor Plan

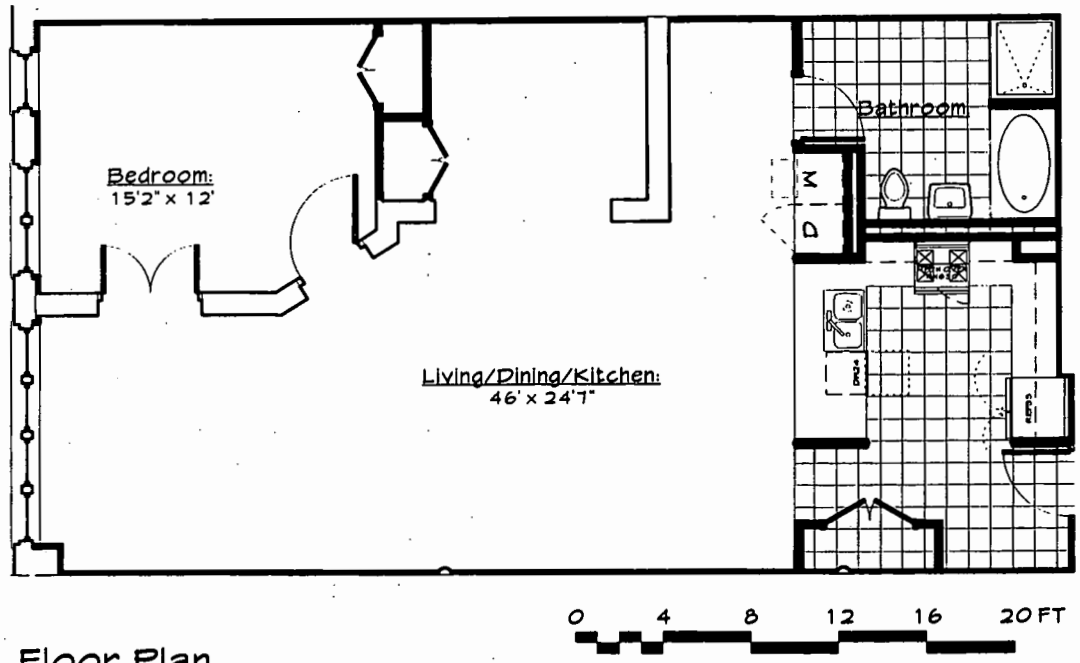
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 2B

Unit: 1,187sf
L.C.E. 77sf



Key Plan
Second Floor

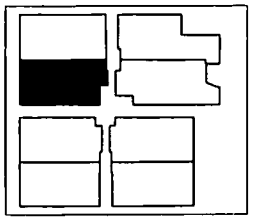


Floor Plan

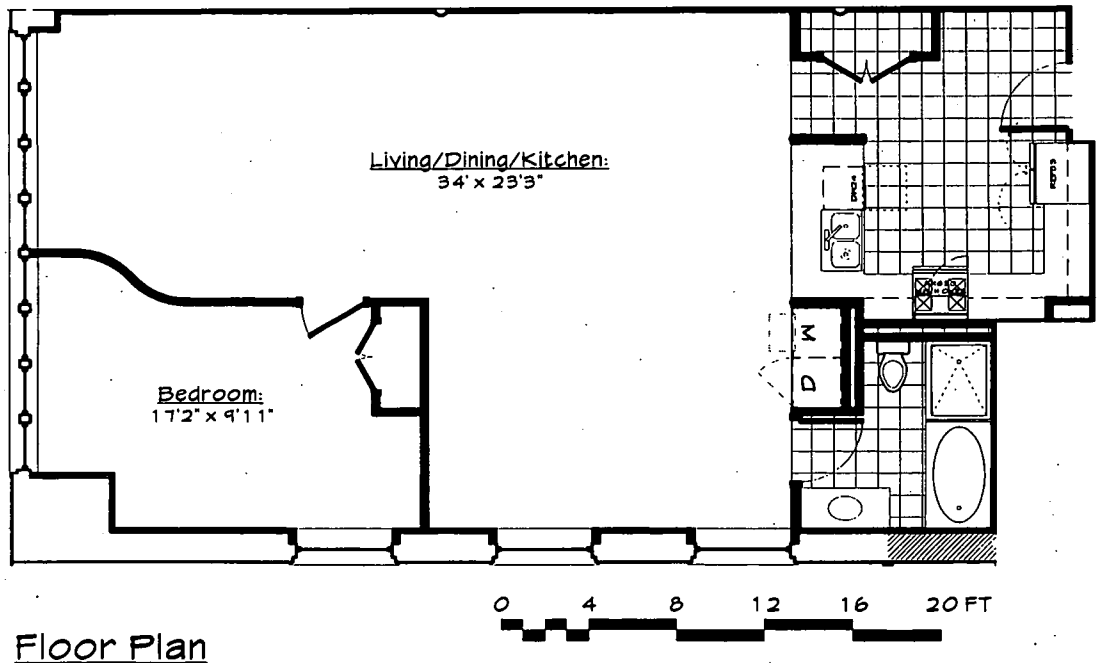
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 2C

Unit: 1,197sf



Key Plan
Second Floor

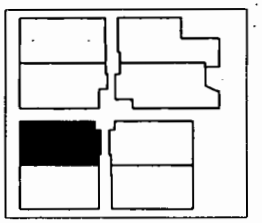


Floor Plan

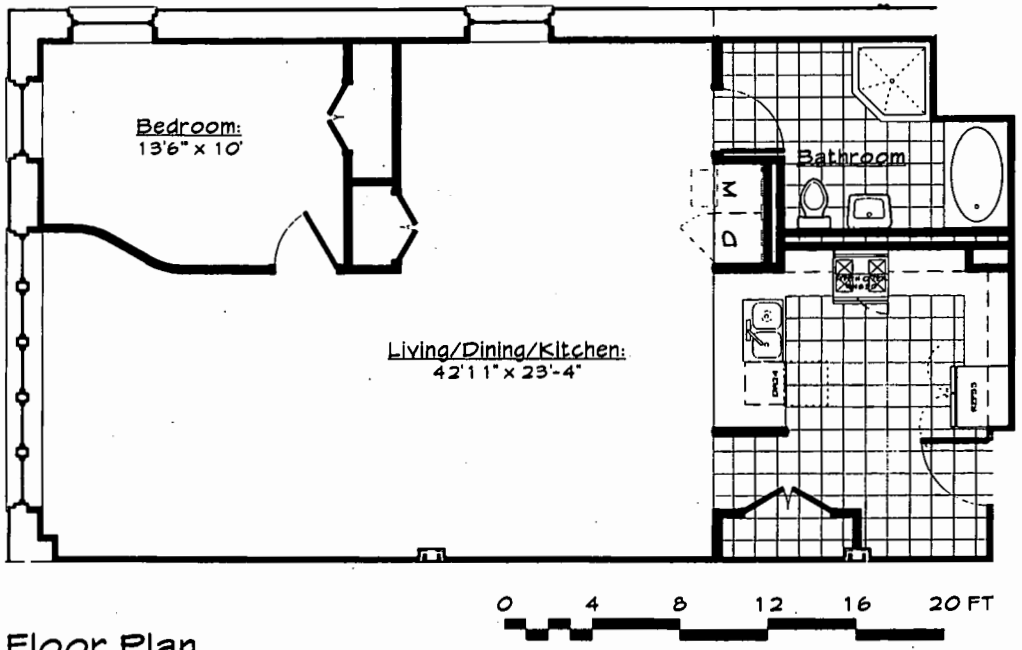


Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 2D
Unit: 1,173sf



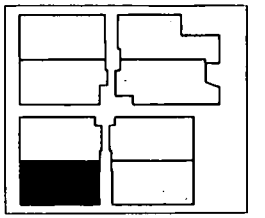
Key Plan
Second Floor



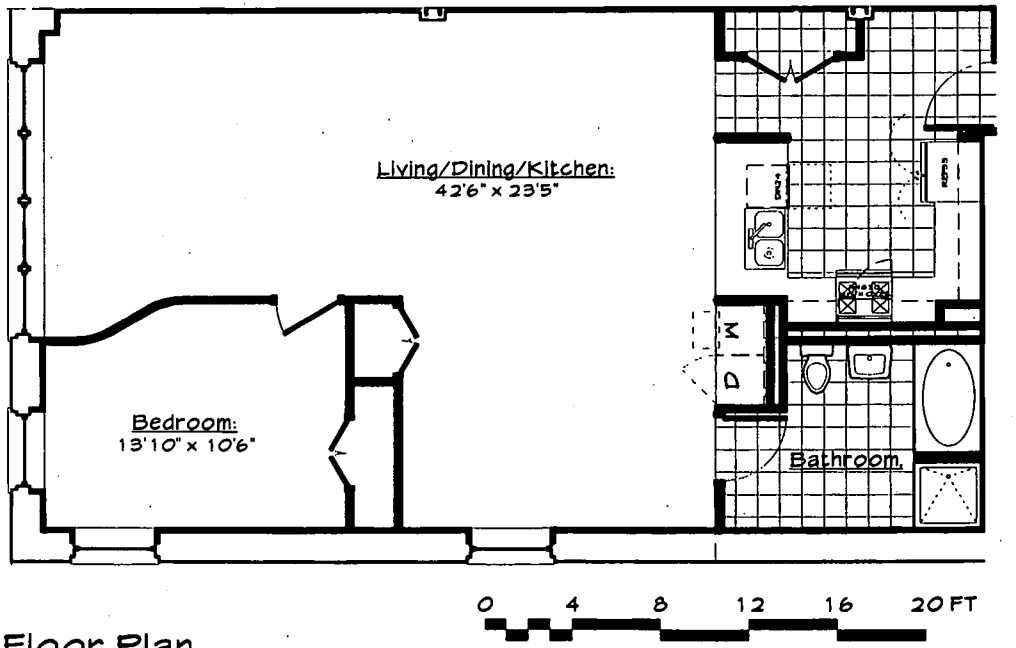
Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 2E
Unit: 1,119sf



Key Plan
Second Floor



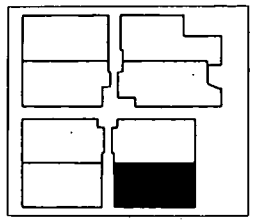
Floor Plan



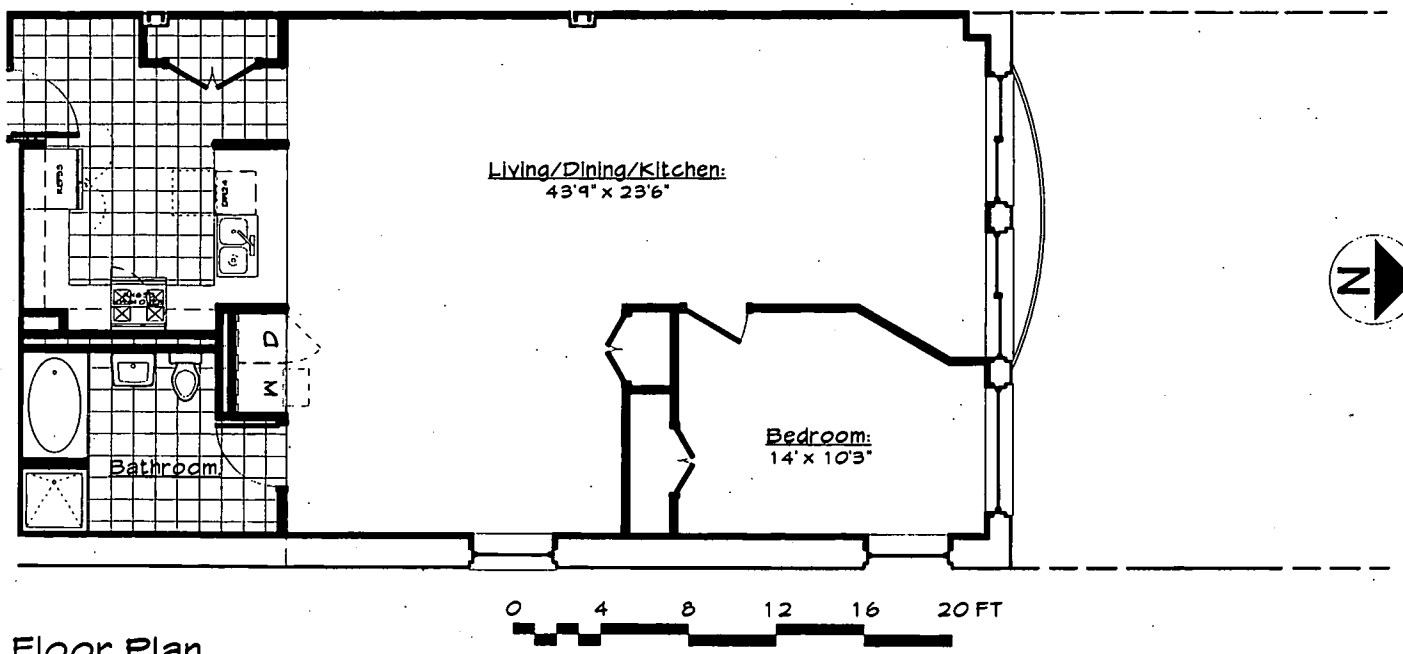
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 2F

Unit: 1,111sf



Key Plan
Second Floor

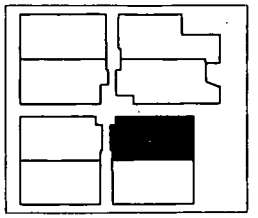


Floor Plan

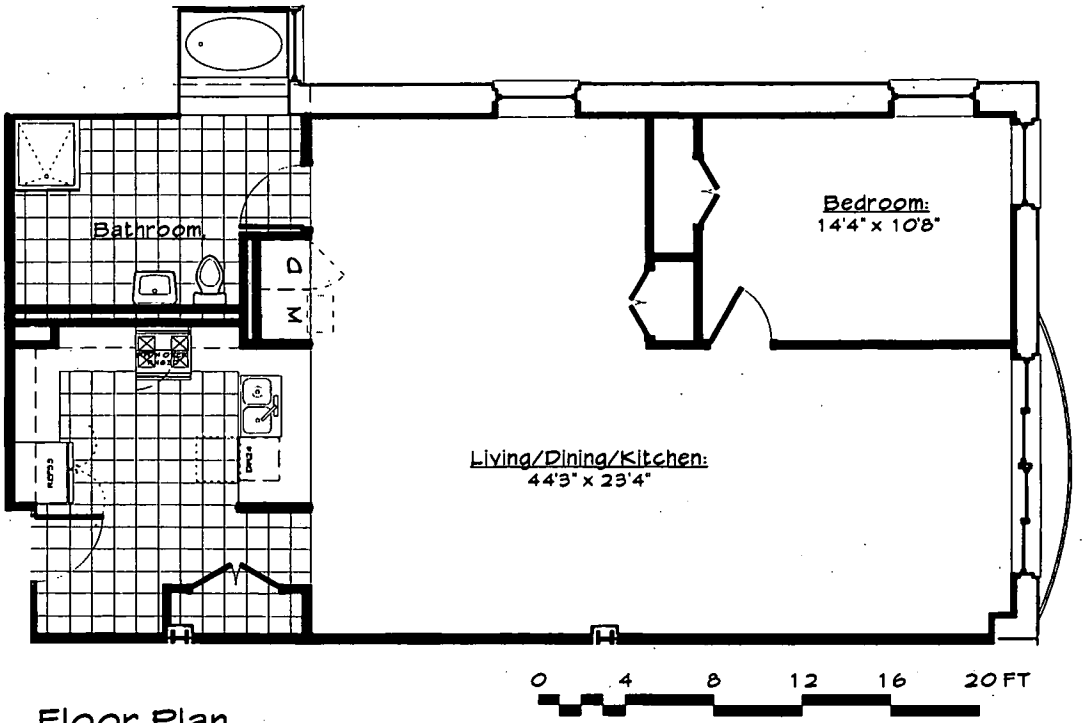
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 2G

Unit: 1,136sf



Key Plan
Second Floor



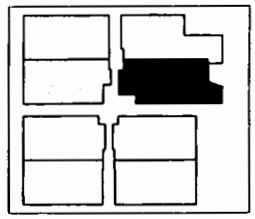
Floor Plan



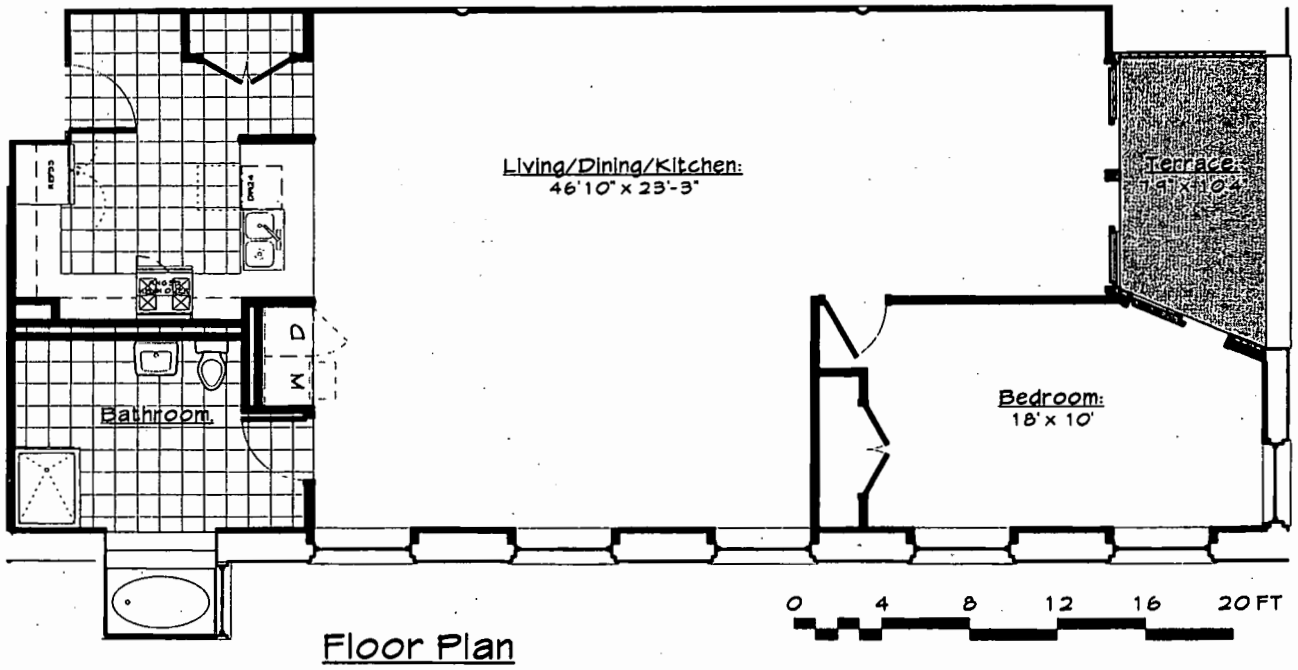
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 2H

Unit: 1,175sf



Key Plan
Third Floor



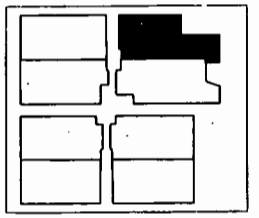
Floor Plan



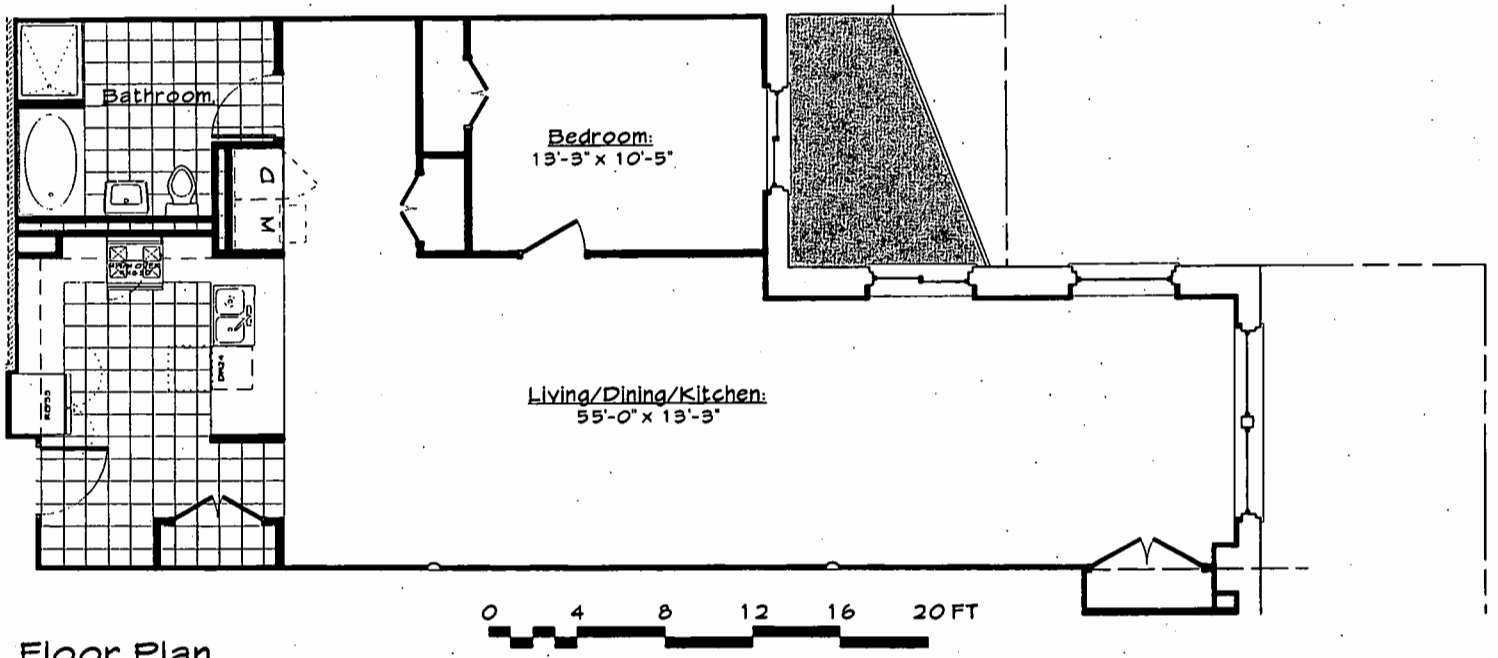
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 3A

Unit: 1,340sf
L.C.E. 92sf



Key Plan
Third Floor

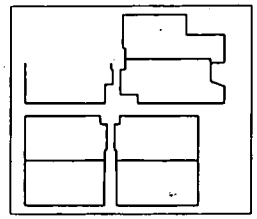


Floor Plan

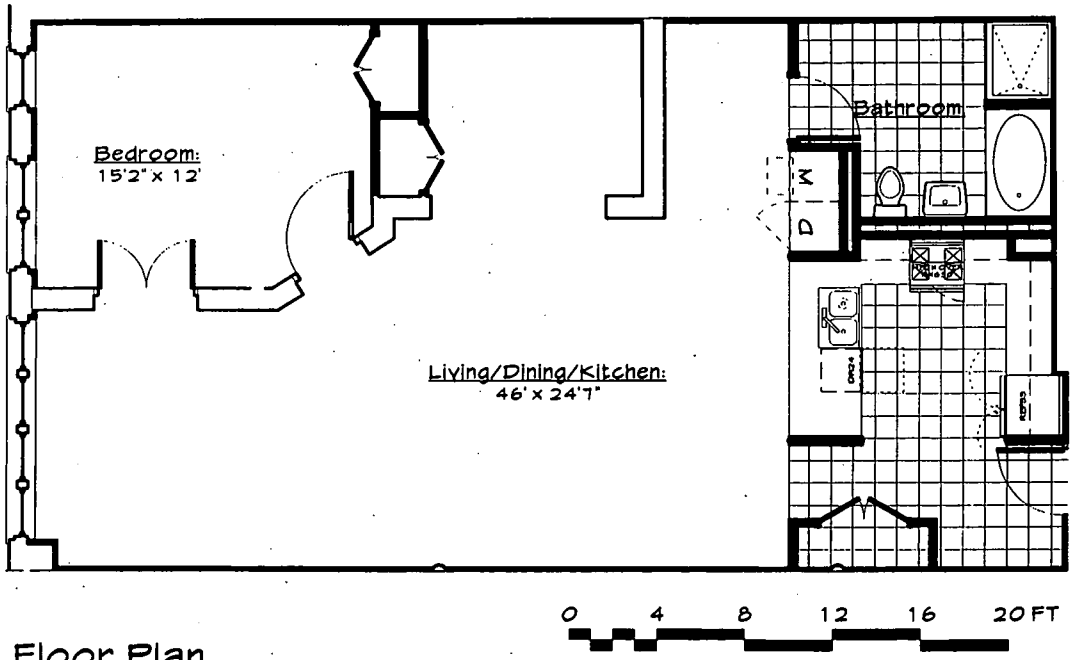
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 3B

Unit: 1,187sf
L.C.E. 77sf



Key Plan
Third Floor

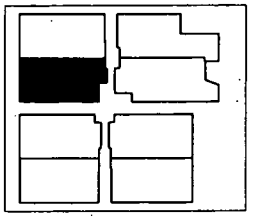


Floor Plan

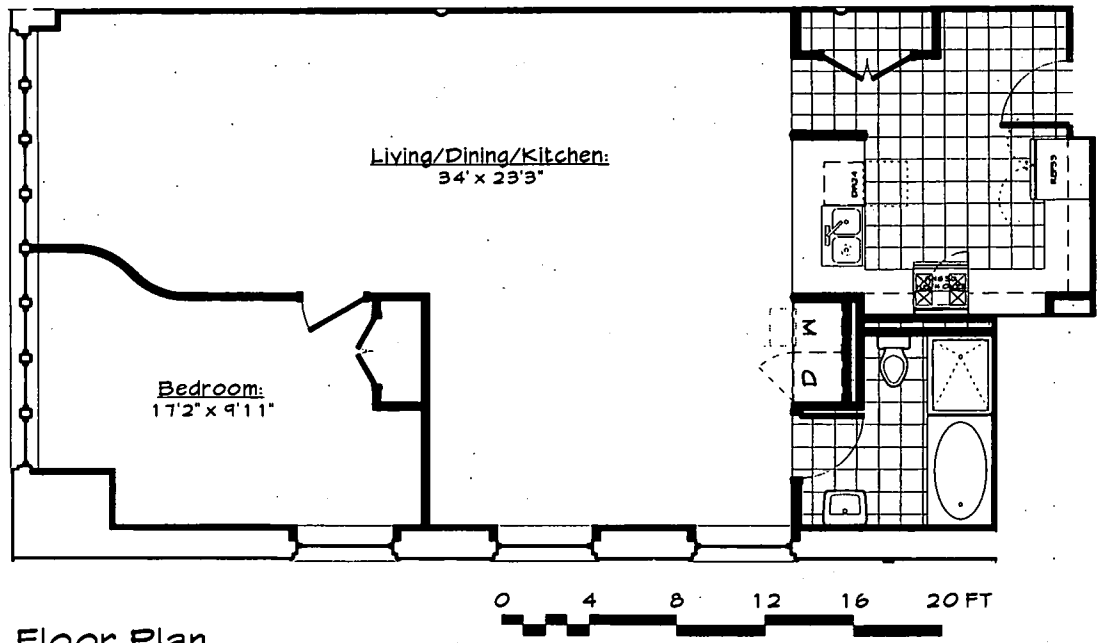
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Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 3C
Unit: 1,197sf



Key Plan
Third Floor



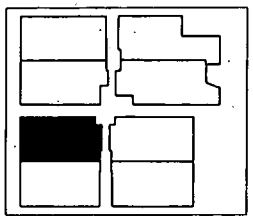
Floor Plan



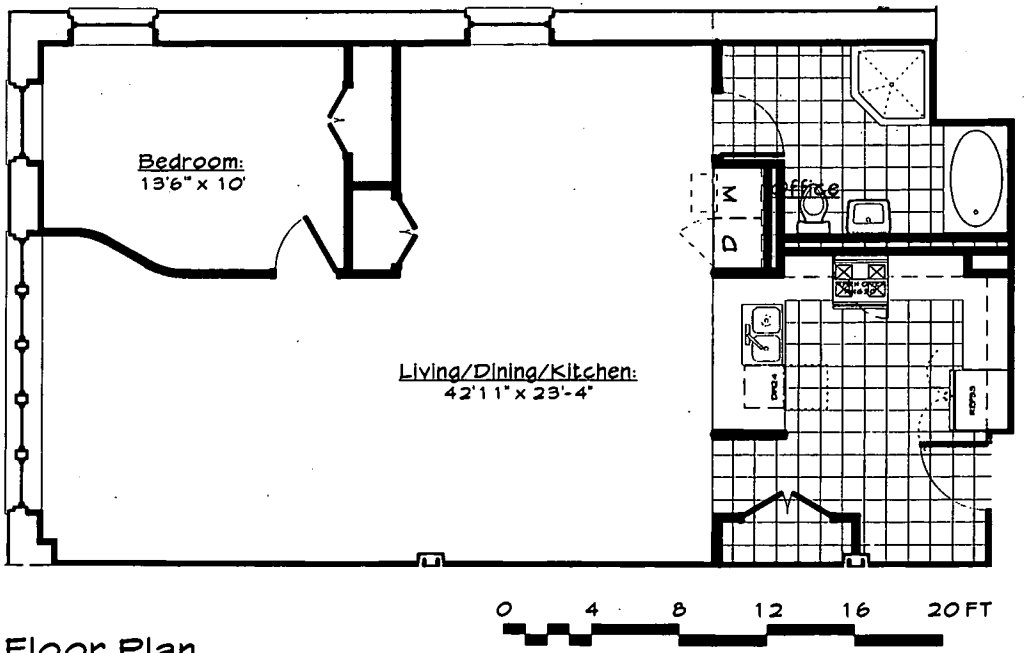
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 3D

Unit: 1,173sf



Key Plan
Third Floor

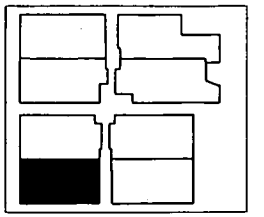


Floor Plan

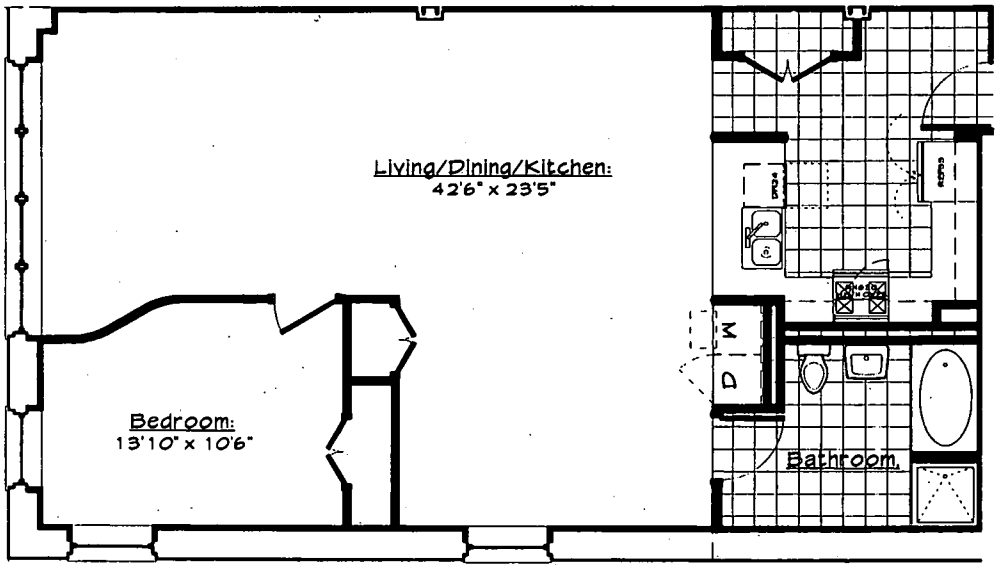


Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 3E
Unit: 1,119sf



Key Plan
Third Floor



Floor Plan

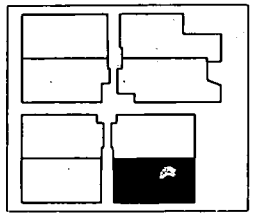
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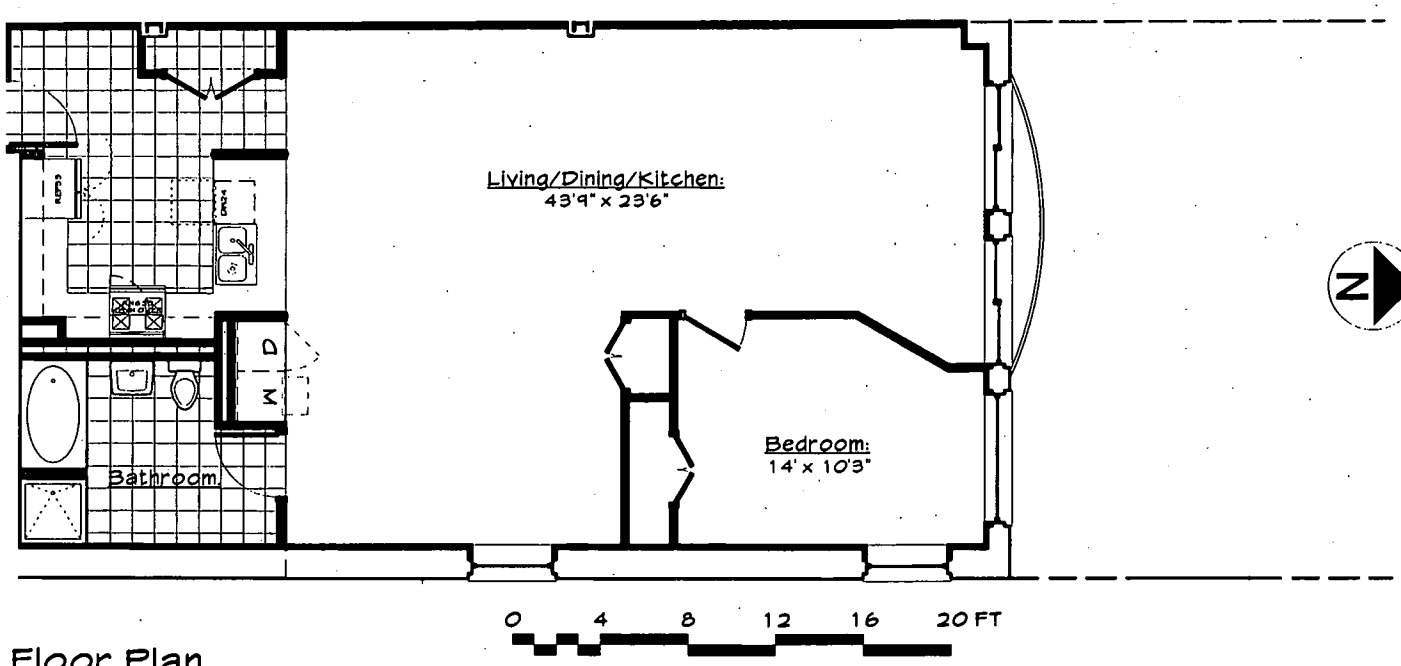
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 3F

Unit: 1,111sf



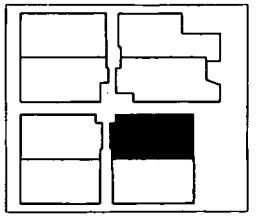
Key Plan
Third Floor



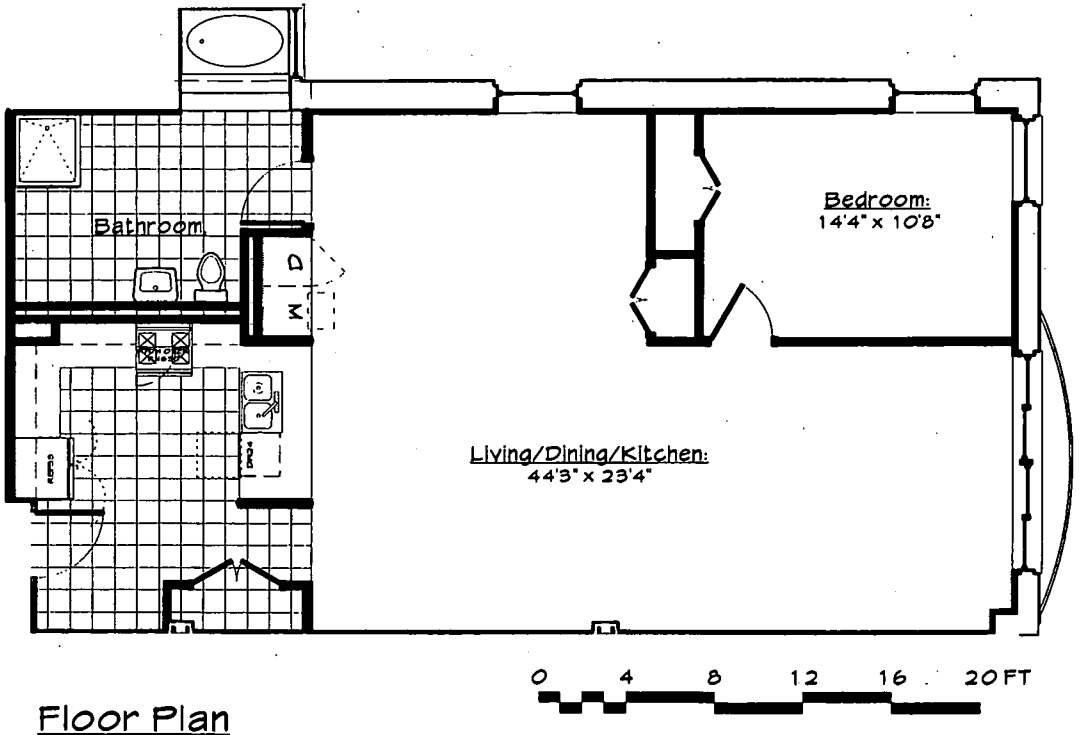
Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 3G
Unit: 1,136sf



Key Plan
Third Floor

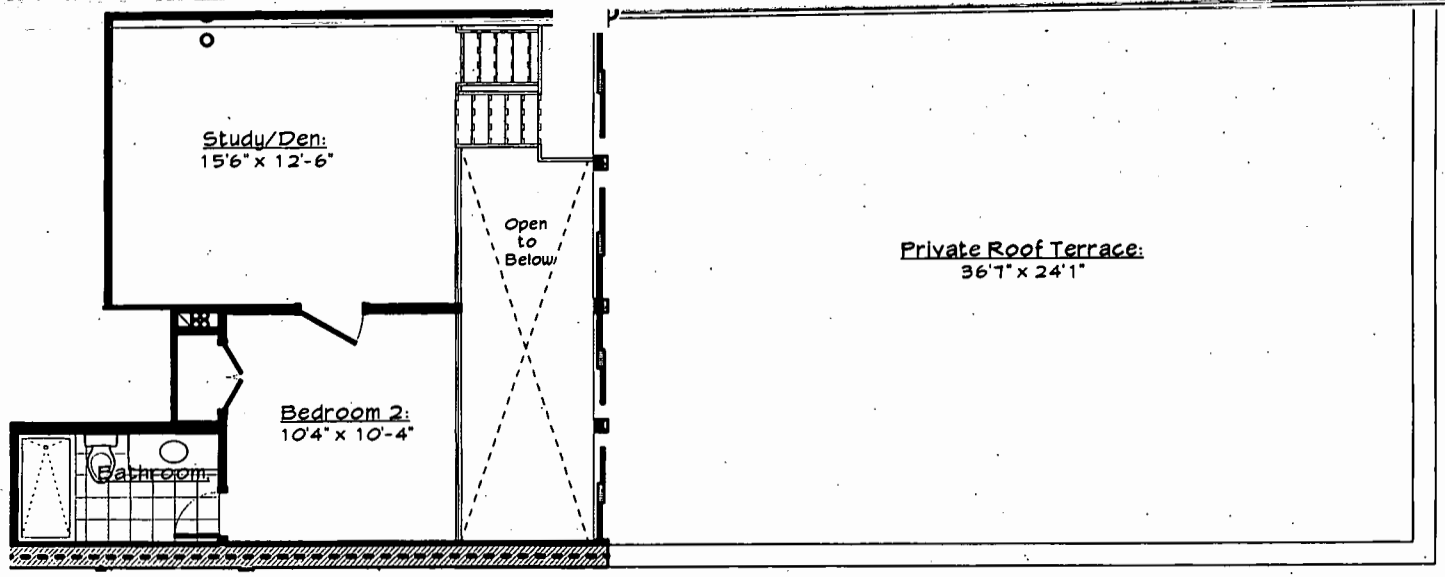


Floor Plan

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

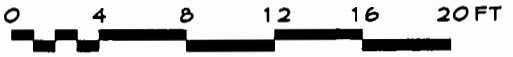
Unit 3H

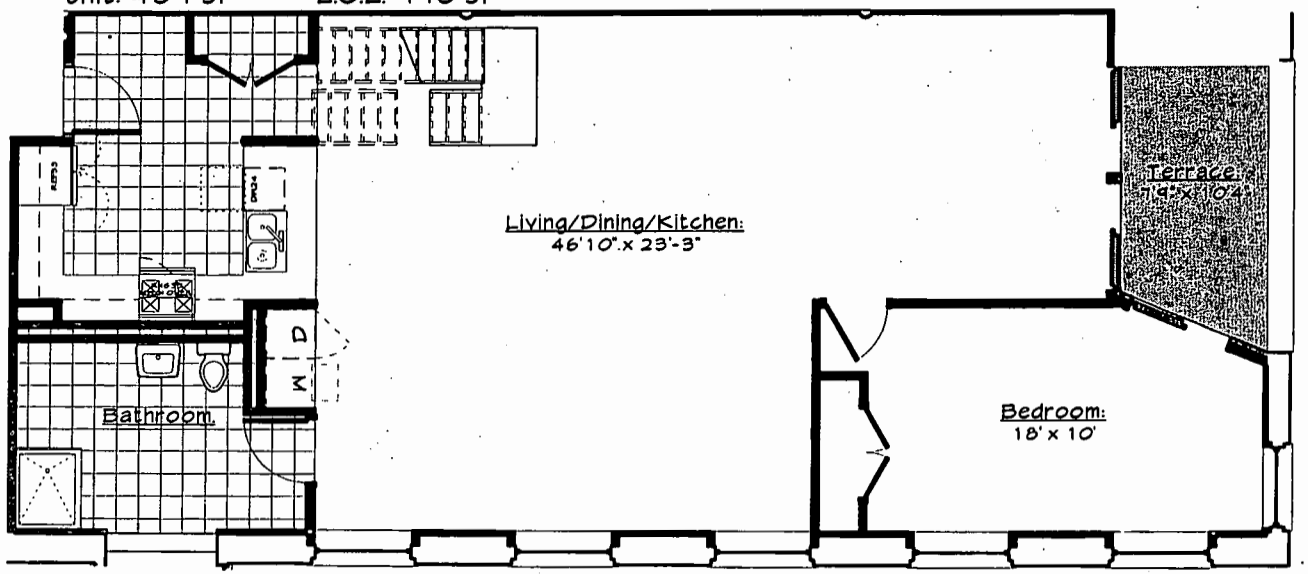
Unit: 1,175sf



Upper Level Floor Plan

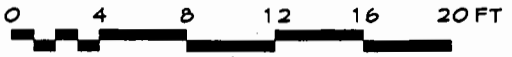
Unit: 464 sf L.C.E. 940 sf



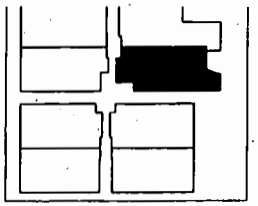


Lower Level Floor Plan

Unit: 1,340 sf L.C.E 92 sf



Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

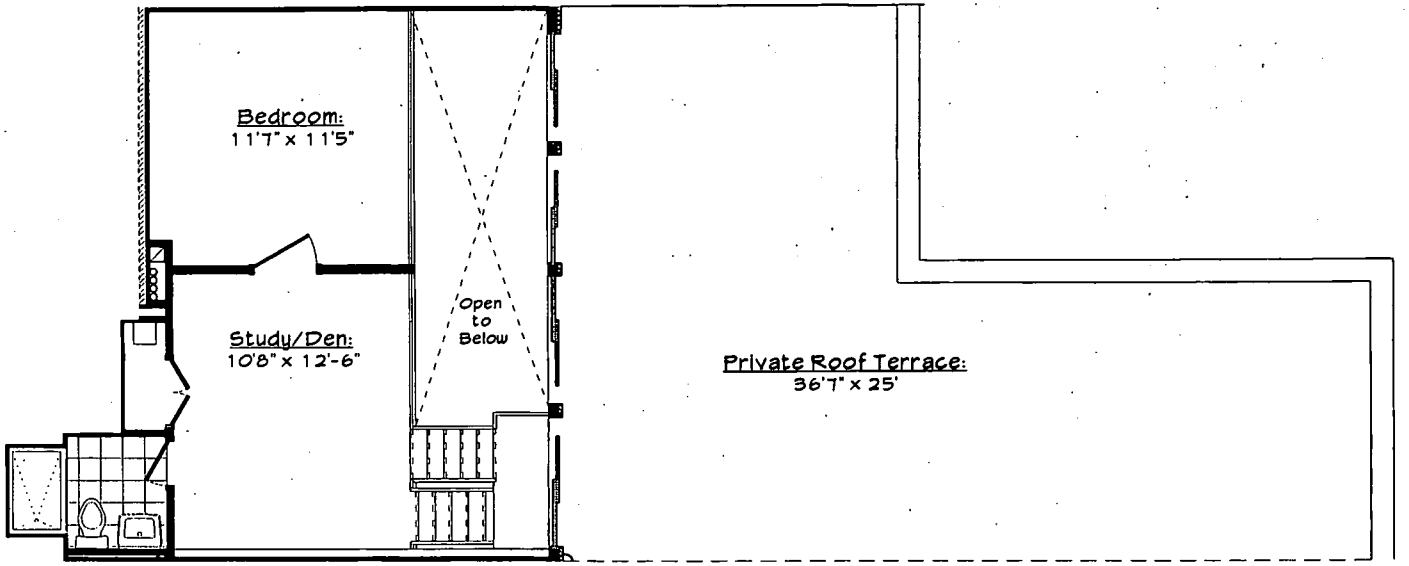


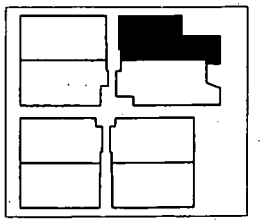
Key Plan

Fourth Floor

Unit 4A

Unit: 1,804sf
L.C.E. 1,032sf



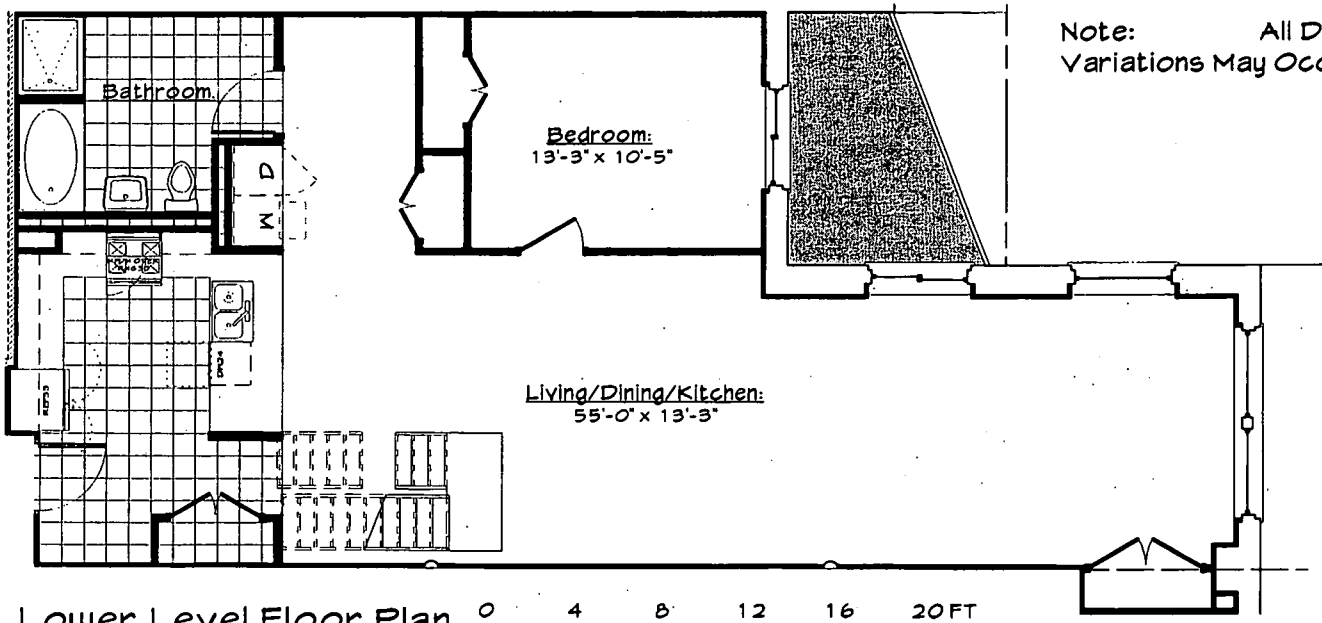


Key Plan
FOURTH Floor

Upper Level Floor Plan

Unit: 406 sf L.C.E. 697 sf

0 4 8 12 16 20 FT



Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

N

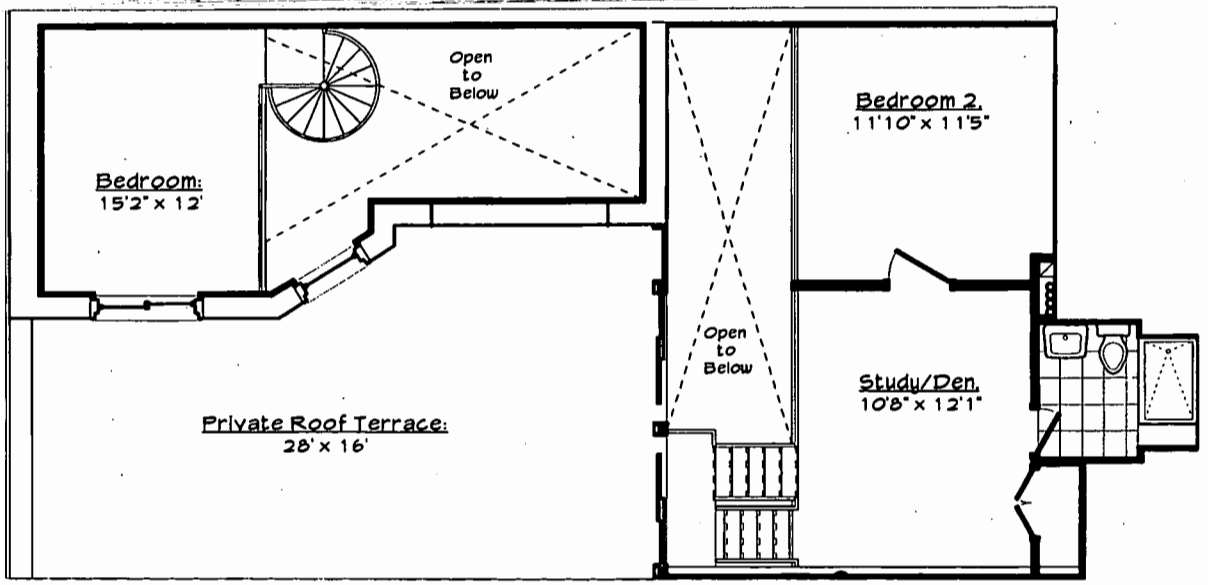
Lower Level Floor Plan

Un' 1,187 sf L.C.E. 77 sf

0 4 8 12 16 20 FT

Unit 4B

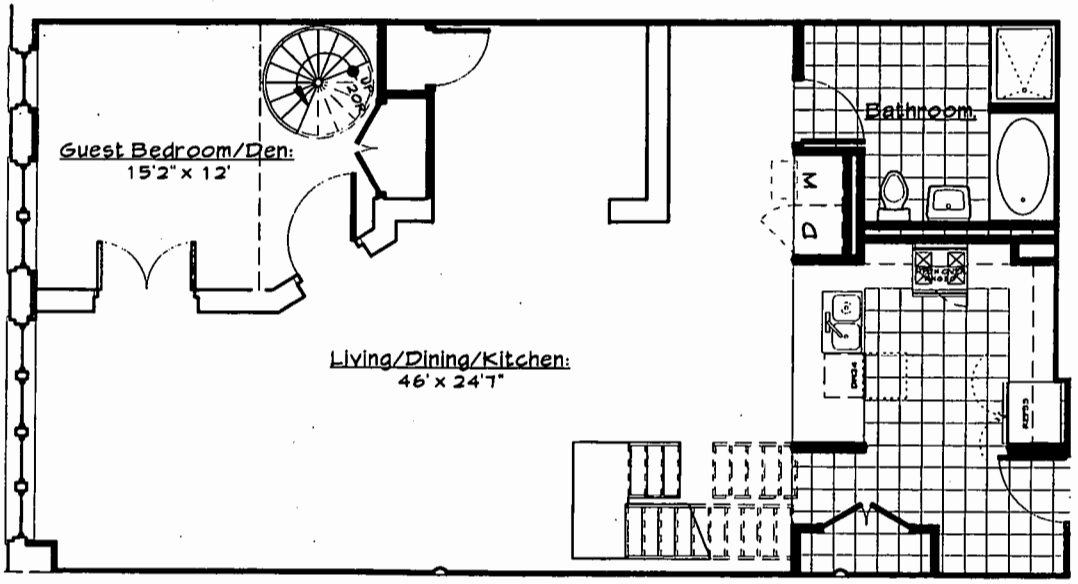
Unit: 1,593sf
L.C.E. 774sf



Upper Level Floor Plan

Unit: 603 sf L.C.E. 401 sf

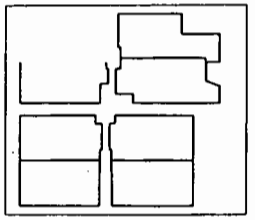
0 4 8 12 16 20 FT



Lower Level Floor Plan

1,[illegible]7 sf

0 4 8 12 16 20 FT



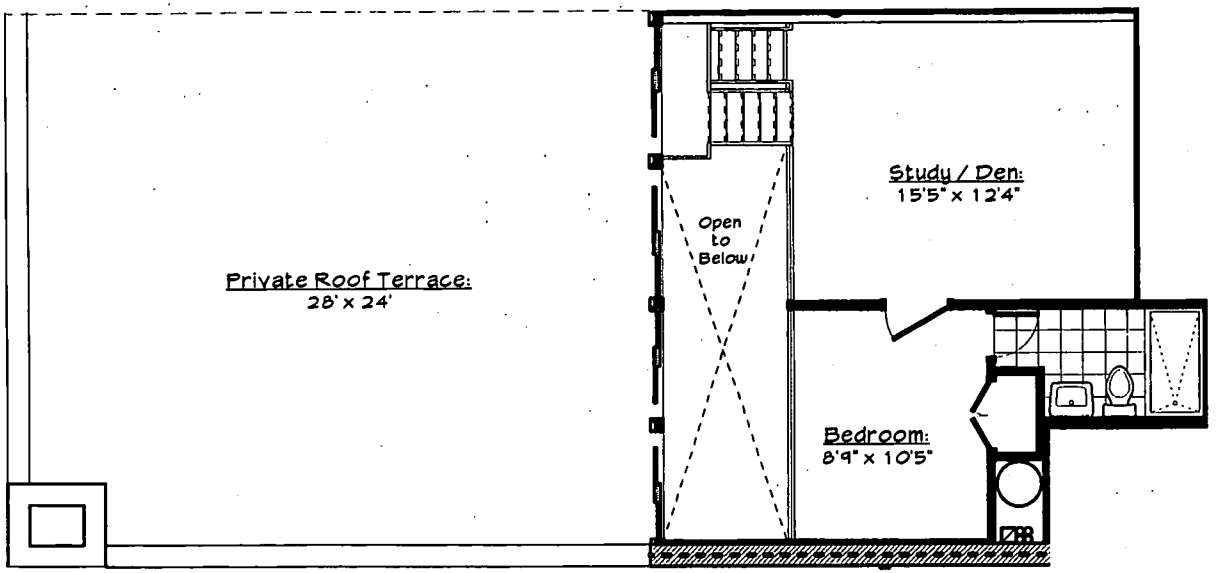
Key Plan
Fourth Floor

N

Unit 4C

Unit: 1,800 sf
L.C.E. 401 sf

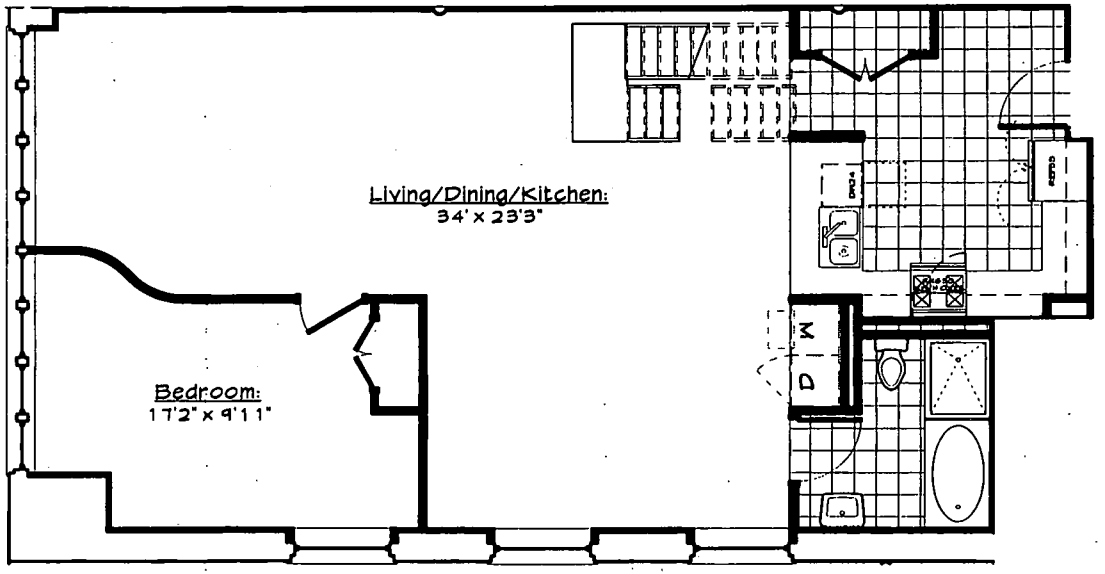
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions



Upper Level Floor Plan

Unit: 429 sf L.C.E. 708 sf

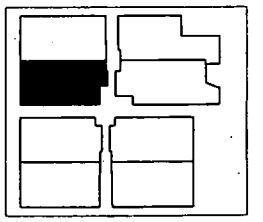
0 4 8 12 16 20FT



Lower Level Floor Plan

1, 3 sf

0 4 8 12 16 20FT



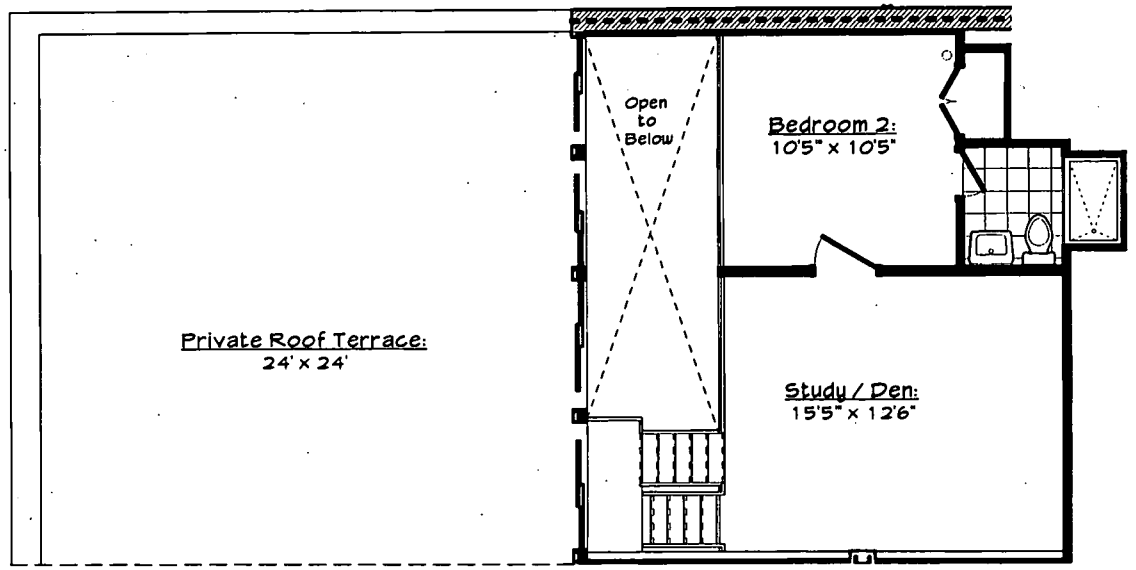
Key Plan
Fourth Floor

N

Unit 4D

Unit: 1,602 sf
L.C.E. 708 sf

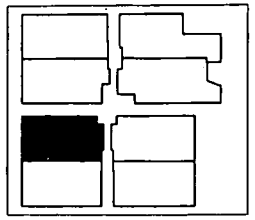
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions



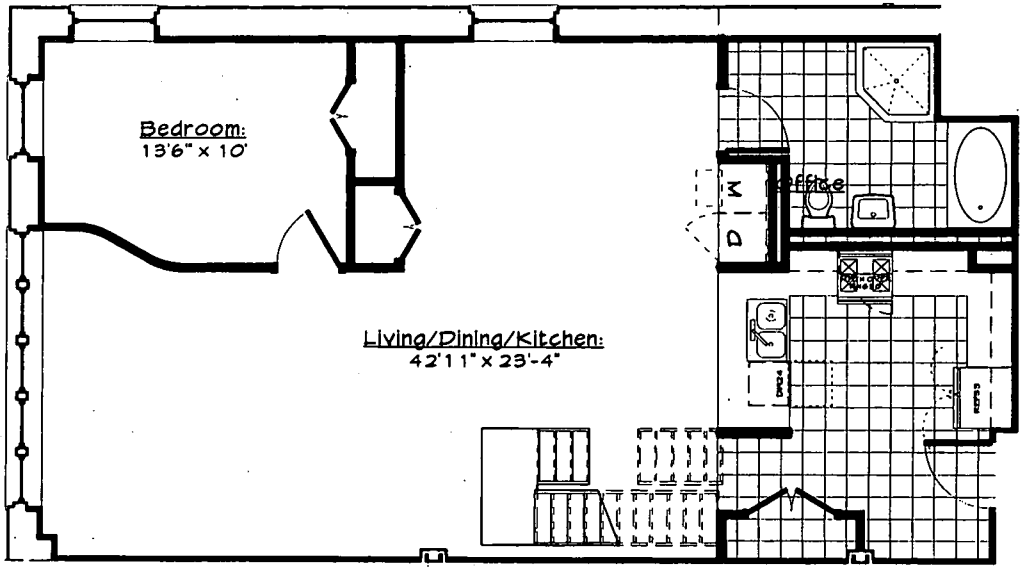
Upper Level Floor Plan

Unit: 454 sf L.C.E. 633 sf

0 4 8 12 16 20 FT



Key Plan
Fourth Floor



Lower Level Floor Plan

1,179 sf

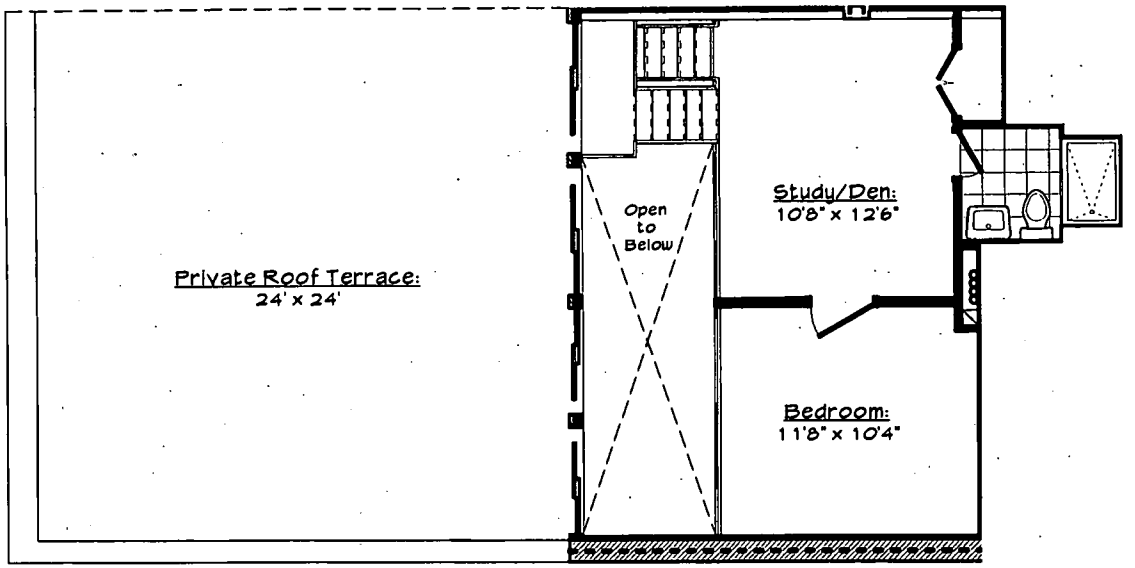
0 4 8 12 16 20 FT



Unit 4E

Unit: 1,573sf
L.C.E. 633sf

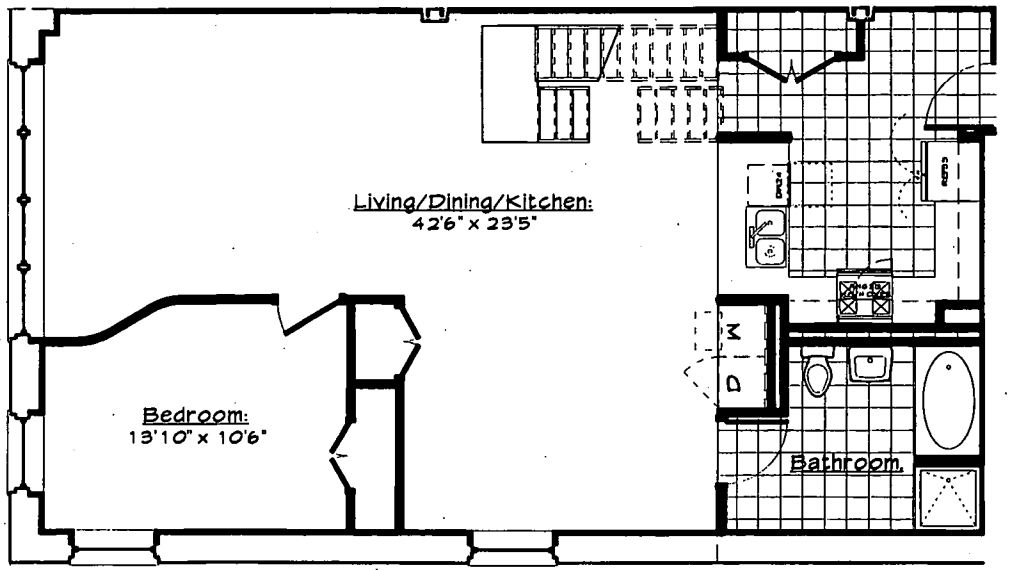
Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions



Upper Level Floor Plan

Unit: 409 sf L.C.E 633 sf

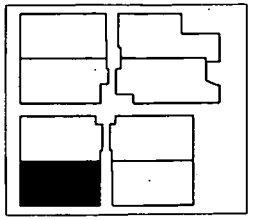
0 4 8 12 16 20 FT



Lower Level Floor Plan

1, 1 sf

0 4 8 12 16 20 FT



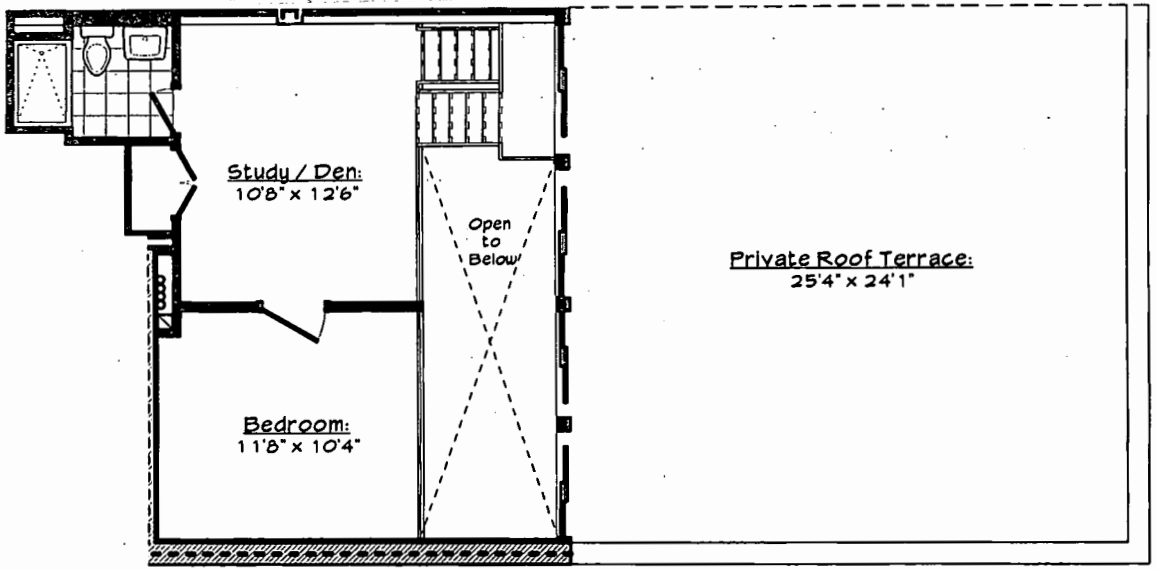
Key Plan
Fourth Floor

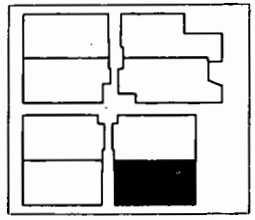
N

Unit 4F

Unit: 1.520 sf
L.C.E. 633sf

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions



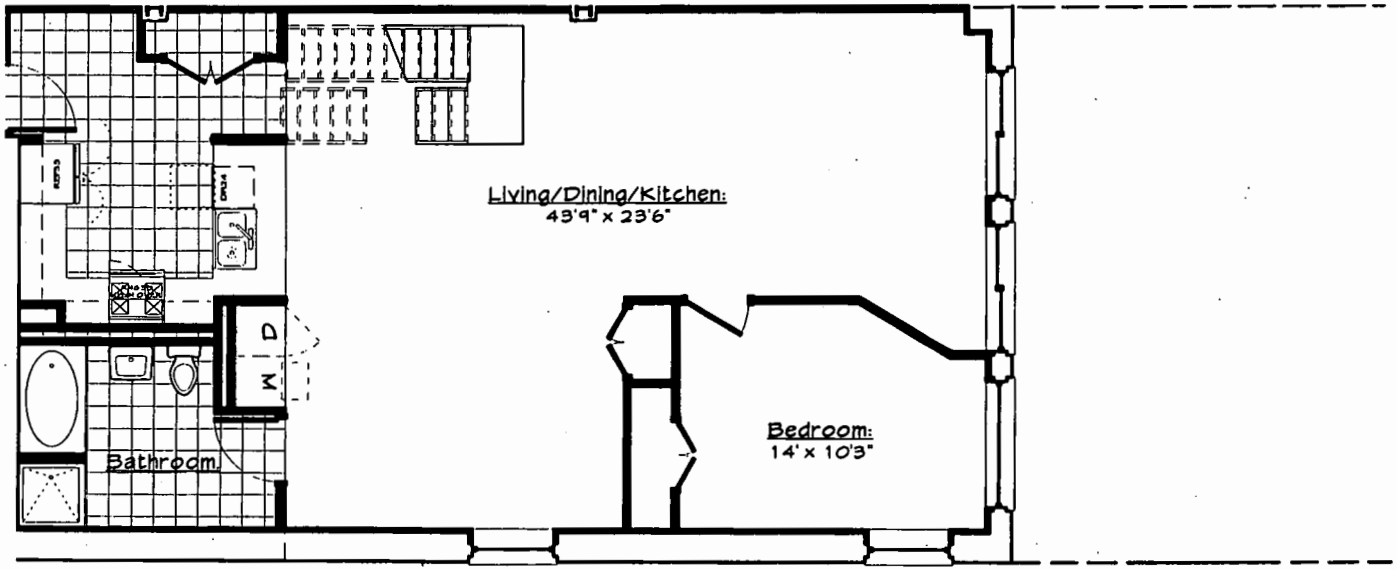


Key Plan
Fourth Floor

Upper Level Floor Plan

Unit: 411 sf L.C.E. 657 sf

0 4 8 12 16 20 FT



Floor Plan

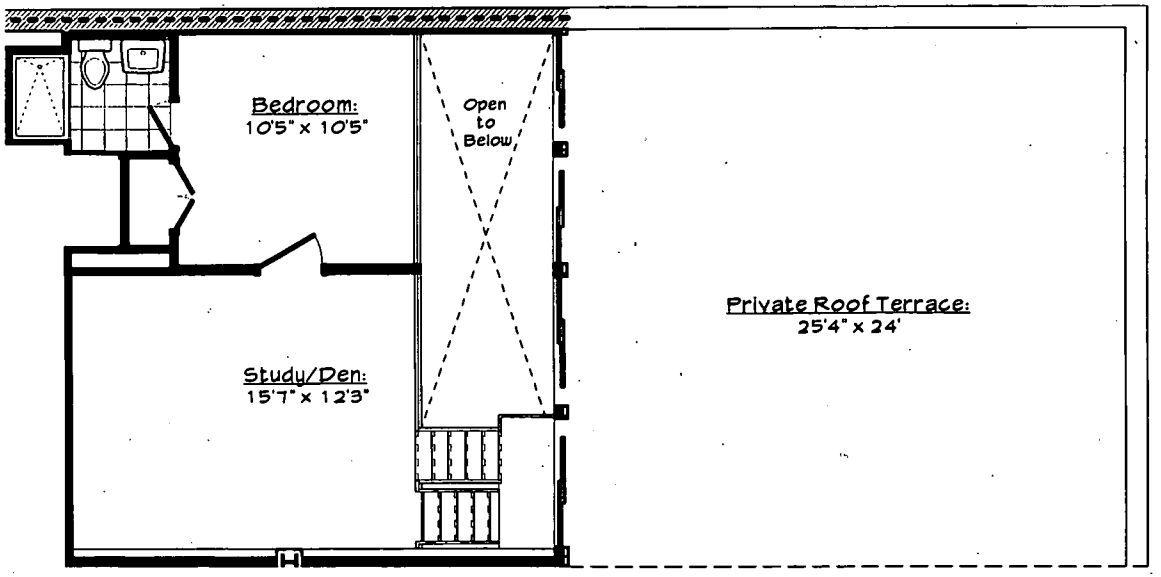
1 6 sf

0 4 8 12 16 20 FT

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

Unit 4G

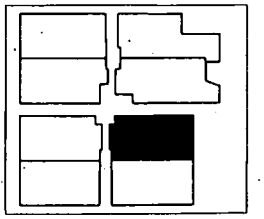
Unit: 1,547sf
L.C.E. 657sf



Upper Level Floor Plan

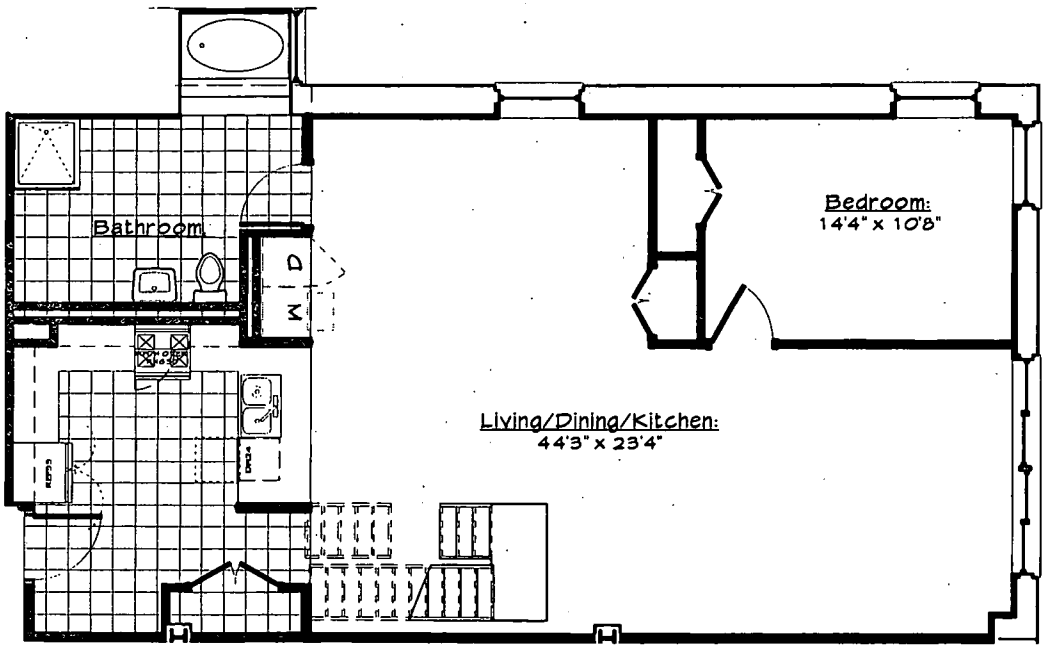
Unit: 454 sf L.C.E. 657 sf

0 4 8 12 16 20 FT



Key Plan

Fourth Floor



Lower Level Floor Plan

1,[illegible]5 sf

0 4 8 12 16 20 FT

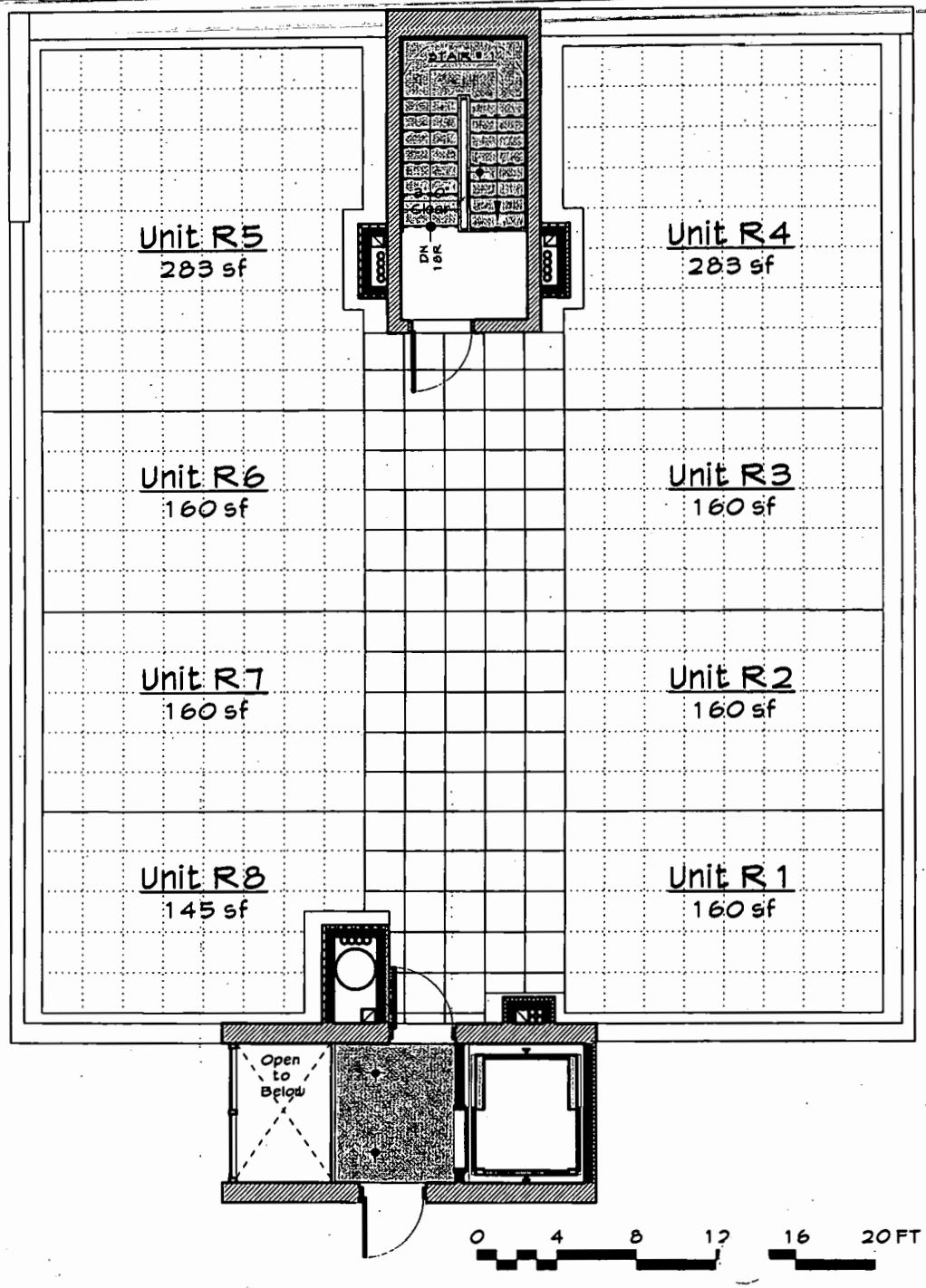
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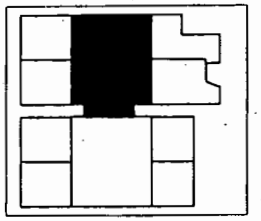
Unit 4H

Unit: 1,629sf

L.C.E. 657sf

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field [illegible]nditions



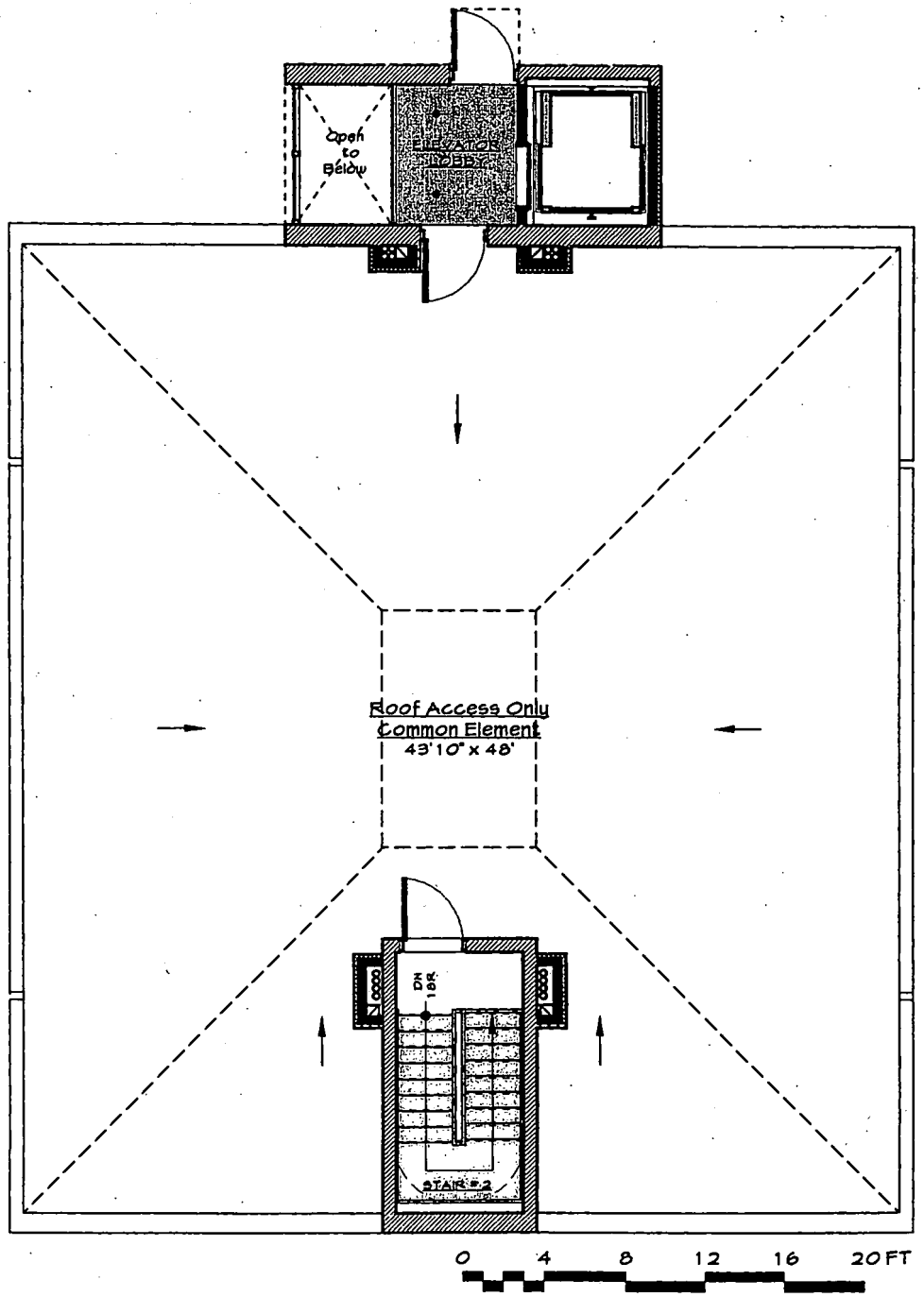


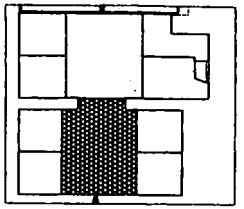
Key Plan
Rooftop

N

Rooftop West

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions





Key Plan
Rooftop

N

Rooftop East

Note: All Dimensions Are Approximate.
Variations May Occur Due To Field Conditions

EXHIBIT 6
FORM OF APPLICATION TO ATTORNEY GENERAL
FOR RESOLUTION OF DISPUTE CONCERNING DOWNPAYMENTS

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APPLICATION TO THE ATTONEY GENERAL
FOR A DETERMINATION ON THE
DISPOSITION OF DOWNPAYMENTS

[Send this application to the reviewing attorney assigned to the subject plan.]

Re: 105 Lexington Avenue, Brooklyn, NY
Address of Building or
Name of Project

File Number: _____

Application is made to the Attorney General to consider and determine the disposition of Downpayments held pursuant to GBL Sections 352-e(s-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:

Name and address of bond issuer or surety: _____

_____

copy of bond included in this application. (DO NOT SEND ORIGINAL) If not included, explain:

_____

_____

_____

11. If Downpayments have been secured by a letter of credit:
Name and address of bank which issued the Letter of Credit:

_____

_____

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.

[ ] do not know.

(d) Downpayments are secured by:

[ ] escrow account.

[ ] bonds.

[ ] letter of credit.

13. Contract Information:

Copy of contract and all riders or modification letters are attached.
(DO NOT SEND ORIGINALS).

Date on which subscription or Purchase Agreement was signed:

_____.

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: _____

_____

EXHIBIT 7
ESCROW AGREEMENT

AGREEMENT made this First day of January 2008, HRCF-LDR Lexington LLC ("SPONSOR"), as Sponsor, and Raphael and Marks ("ESCROW AGENT"), as escrow agent.

WHEREAS, SPONSOR is the Sponsor under an offering plan (the "Offering Plan") for 105 Lexington Condominium, located at 105 Lexington Avenue, Brooklyn, New York 11215; and

WHEREAS, Raphael and Marks is authorized to act as an escrow agent hereunder in accordance with General Business Law GBL Section 352-e (2-b) and the Attorney General's regulations promulgated thereunder (the "Regulations"); and

WHEREAS, SPONSOR desires that ESCROW AGENT act as escrow agent for deposits and payments by purchasers of units from SPONSOR under the Offering Plan, pursuant to the terms of this agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

SPONSOR and ESCROW AGENT hereby establish an escrow account with ESCROW AGENT for the purpose of holding deposits or payments made by purchasers from and after the date hereof. The escrow account has been opened with Bank of America, at its office located at 345 Park Avenue South, New York, New York.

1.2 The name of the account is "105 Lexington Condominium Escrow Account".

1.3 The following partner in ESCROW AGENT is the sole signatory on the account: Ellen Marks.

1.4 The escrow account shall be an interest-bearing account as disclosed in the Offering Plan.

1.5 The escrow account is not an IOLA established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT

2.1 All funds hereafter received from prospective purchasers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments, which identify the payor, shall be deposited into the escrow account. All instruments to be deposited into the escrow account shall be made payable to, or endorsed by the purchaser to the order of Raphael and Marks as escrow agent for the Offering Plan for 105 Lexington Condominium. Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such escrow account, shall be returned to the prospective purchaser promptly, but in no event more than five (5) business

days following receipt of such instrument by ESCROW AGENT. In the event of such return of funds, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 Within ten (10) business days after tender of the deposit submitted with the subscription or purchase agreement, ESCROW AGENT shall notify the purchaser of the deposit of such funds in the bank indicated in the Offering Plan, 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 purchase and rescind within ninety (90) days after tender of the deposit, or may apply to the Attorney General for relief Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited in accordance with these regulations and requisite notice was timely mailed to the purchaser.

3. RELEASE OF FUNDS.

3.1 ESCROW AGENT shall not release the escrowed funds of a defaulting purchaser until after consummation of the Offering Plan as defined in the Attorney General's regulations. 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 funds in escrow until otherwise directed in (a) a writing signed by both SPONSOR and the 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 regulations of the Attorney General pertaining to release of escrowed funds.

3.3 SPONSOR shall not object to the release of the escrowed funds to (a) a purchaser who timely rescinds in accordance with an offer of rescission contained in the 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 If there is no written agreement between the parties to release the escrowed funds, ESCROW AGENT shall not pay the funds to SPONSOR until ESCROW AGENT has given the Purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to SPONSOR unless the purchaser has made application to the Department of Law pursuant to the dispute resolution provisions contained in the Attorney General's regulations and has so notified ESCROW AGENT in accordance with such provisions.

4. RECORDKEEPING.

4.1 ESCROW AGENT shall maintain all records concerning the escrow account for seven years after release of the funds.

4.2 Upon the dissolution of ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

4.3 ESCROW AGENT shall make available to the Attorney General, upon his request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1 ESCROW AGENT shall maintain the accounts called for in this Agreement under the direct supervision and control of ESCROW AGENT.

5.2 A fiduciary relationship shall exist between ESCROW AGENT and purchasers, and ESCROW AGENT acknowledges its fiduciary obligations.

6. RESPONSIBILITIES OF SPONSOR.

6.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall immediately deliver all deposits and payments received by them prior to closing of an individual transaction to ESCROW AGENT.

6.2 SPONSOR agrees that it shall not interfere with ESCROW AGENT's performance of its fiduciary duties and compliance with the Attorney General's regulations.

7. TERMINATION OF AGREEMENT.

7.1 This Agreement shall remain in effect unless and until it is 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 with the Department of Law providing for a successor ESCROW AGENT; or

(b) The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign, which resignation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or

(c) All unsold units offered by SPONSOR pursuant to the Offering Plan have been sold and all sales transactions have been consummated.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1 (a) or (b) above, ESCROW AGENT shall deliver any and all funds held by it in escrow and any and all contracts or documents maintained by ESCROW AGENT to the new escrow agent.

8. SUCCESSORS AND ASSIGNS.

8.1 This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their successors and assigns.

9. GOVERNING LAW.

9.1 This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10.ESCROW AGENT'S COMPENSATION.

10.1 SPONSOR agrees that ESCROW AGENT's compensation shall not be paid from escrowed principal nor from any interest accruing thereon and that compensation to ESCROW AGENT, if any, shall not be deducted from escrowed funds by any financial institution under any circumstance.

11. ESCROW AGENT'S RIGHTS.

11.1ESCROW AGENT shall not be responsible to SPONSOR for any act or failure to act on its part except for its own willful default or gross negligence. ESCROW AGENT shall be automatically released by SPONSOR from all responsibility and liability under this Agreement upon ESCROW AGENT's distribution of deposits and payments in accordance with the provisions of this Agreement, GBL Section 352-e(2-b) and the Regulations.

11.2 SPONSOR hereby indemnifies and holds ESCROW AGENT harmless from any and all losses, damages, claims, liabilities, judgments and other costs and expenses of every kind and nature which may be claimed against or incurred by ESCROW AGENT by reason of its acceptance of, and/or its performance under, this Agreement (other than those ultimately determined to have arisen out of the willful misconduct or gross negligence of ESCROW AGENT), including, with out limitation, attorneys' fees either paid to retained attorneys or amounts representing the fair value of legal services rendered to itself. The foregoing indemnification shall survive the termination of this Agreement.

11.3 As to SPONSOR, ESCROW AGENT shall be entitled to consult with and retain counsel selected by it (including any member of its firm) with respect to its duties as ESCROW AGENT and be reimbursed by SPONSOR for all reasonable fees and expenses of such consultation and retention. As to SPONSOR, ESCROW AGENT may act or refrain from acting in respect of any matter referred to herein by and with, and in full reliance upon, the advice of such counsel and, except in the case of its own willful default or gross negligence, ESCROW AGENT shall be fully protected in so acting or refraining from acting upon the advice of such counsel.

11.4 ESCROW AGENT or any member of its firm may act as counsel to SPONSOR in any dispute or question as to the disposition of the deposits or payments or in any dispute between SPONSOR or any purchaser with respect to any matter whatsoever, whether or not ESCROW AGENT is then holding any deposits or payments of such purchaser and is continuing to act as ESCROW AGENT hereunder.

12. SEVERABILITY.

12.1 If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

13. ENTIRE AGREEMENT.

13.1 This Agreement, read together with GBL Section 352-e(2-b) and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT:
Raphael and Marks

By: _____
Ellen Marks, Esq. Partner

SPONSOR:

HRCF-LDR Lexington LLC

By: LDR Lexington LLC, Managing Member

By: _____
Donald La Rosa

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EXHIBIT 8

DECLARATION

Establishing a Plan for Condominium Ownership
Of the Premises known as
105 Lexington Avenue
Brooklyn, New York

Pursuant to Article 9-B of the Real Property
Law of the State of New York

105 Lexington Condominium

Block: 1967
K/N/A Lots:
F/K/A Lot: 58

Sponsor and Declarant: HRCF-LDR Lexington LLC
79 Worth Street
New York, NY 10013

Record and Return to:
Raphael and Marks
315 Park Avenue South
New York, NY 10010

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DECLARATION
Of
105 Lexington Condominium

(Pursuant to Article 9-B of the Real Property Law of the State of New York)

HRCF-LDR Lexington LLC, having an office at 79 Worth Street, New York, New York ("Sponsor"), does hereby declare as follows:

ARTICLE 1

SUBMISSION OF THE PROPERTY

Sponsor hereby submits the land and Building (each as hereinafter defined), all other improvements erected and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property"), to the provisions of Article 9-B of the Real Property Law of the State of New York (the "New York Condominium Act") and pursuant thereto does hereby establish a condominium to be known as 105 Lexington Avenue Attached to this Declaration and made part hereof are the By-Laws of 105 Lexington Condominium which set forth detailed provisions governing the operation, Use and Occupancy of the Condominium (said By-Laws, as they may be amended from time to time, are hereinafter referred to as the "By-Laws"). All capitalized terms which are not separately defined herein shall have the meanings given to such terms in the By-Laws.

ARTICLE 2

THE LAND

Included in the Property described in Article 1 is all that certain tract, plot, piece and parcel of land as more particularly described in Schedule A annexed hereto and made a part hereof (the "Land"), situate, lying and being in the County of Kings, City and State of New York. The Land is owned by Sponsor in fee simple absolute and has an area of approximately 12,747 square feet.

ARTICLE 3

THE PROPERTY

3.1 Included in the Property described in Article 1 is one building (the "Building") containing, besides lobbies, hallways, corridors and other service, utility and mechanical areas: (i) 31 Residential Units, located on the first through fifth floors, 3 Commercial Loft Units located on the cellar and first floors, and 8 Storage Units located in the cellar (collectively, the "Units" and individually "Unit").

3.2.1 The Units are sometimes hereinafter to as the "Units" and individually as a "Unit".

The owner of a Unit is herein called a "Unit Owner" or "Unit Owner" and the owners of all Units are herein collectively called the "Unit Owners".

3.3 The street address of the Property is 105 Lexington Avenue, Brooklyn, New York

ARTICLE 4

THE BUILDING

The Building consists of exterior masonry bearing walls with an interior line of iron or steel columns and steel beams.

ARTICLE 5

THE UNITS

Schedule B annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof. Unit designation; tax lot number; direction in which each Unit faces; approximate square foot area; number of rooms; the portions of the Common Elements (as hereinafter defined) to which the Unit has immediate access; and the percentage interest in the Common Elements appurtenant to such Unit. The location of each Unit is shown on the floor plans of the Building (the "Floor Plans") certified by Bernard J. Doyle, registered architect intended to be filed in the Kings County office of the Register of The City of New York (the "City Register's Office") simultaneously with the recording of this Declaration.

ARTICLE 6

DIMENSIONS OF UNITS

The square foot area of the Units set forth in the floor plans, Schedule A to the Offering Plan and Schedule B to the Declaration are approximate and were obtained by using the method customarily used in New York City to measure rental and cooperative apartments. Each Unit and Limited Common Element shall consist of the area measured horizontally, from the exterior side of the exterior walls (perimeter columns and mechanical pipes are not deducted) to the midpoint of the partitions, barriers or interior walls separating one Unit or Limited Common element from another Unit, Limited Common Element, public corridor, stair, elevator or other mechanical equipment space or any other Common Elements.

Each Unit will consist of the volume measured vertically, from the top of the wood decking below (located under the finished flooring and sub-floor materials) to the underside of the wood decking above. However, the Board, Sponsor and Sponsor's designee will each have an easement to install and maintain pipes, conduits, wires, ducts and other facilities in the space between the underside of

each such floor and the top surface of each Unit's finished ceiling, without any need to obtain the consent of any Unit Owner with respect to the same

ARTICLE 7
COMMON ELEMENTS

7.1 The Common Elements of the Condominium (the "Common Elements") consist of the entire Property including the Land and all parts of the Building and improvements thereon other than the Units. The Common Elements include but are not limited to, those rooms, areas, corridors, spaces and other parts of the Building and all facilities therein for the common use of the Units and the Unit Owners or which are necessary or convenient for the existence, maintenance or safety of the Property. The "Limited Common Elements" of the Condominium consists of those Common Elements which serve or benefit exclusively the Units or the Unit Owners. A Common Element which is not a Limited Common Element is a "General Common Element".

7.2 The General Common Elements include the following:

7.21 The Land, together with all easements, rights and privileges appurtenant thereto.

7.2.2 All foundations, foundation walls, main roof, footings, columns, girders, beams, supports, interior load-bearing walls, floor slabs and ceilings.

7.2.3 All passages and corridors, mechanical and other rooms, all fire staircases, landings and stairs, areas and spaces located in the Building, serving or benefiting the Units.

7.2.4 Ventilation supply system consisting of motors, ductwork, fans and controls and piping.

7.2.5 Hot water and water systems.

7.2.6 All mechanical equipment and associated piping and controls.

7.2.7 All electrical risers, feeders, lines and equipment, including incoming service, main switchanger and distribution panelboards, conduits, wires, meters, transformers and panelboards, excluding, however, all such items located within a Unit and serving only that Unit.

7.2.8 All plumbing fixtures, equipment for distribution of cold water and equipment for producing and distributing hot water (including pumps, valves, pressure reducers, meters and water heaters), excluding, however, all such items located within a Unit and serving only that Unit.

7.2.9 All storm and sanitary sewer equipment and pipes (including vent lines, ejectors, interceptors, filters and valves), excluding, however, all such items located within a Unit and serving only that Unit.

7.2.10 All electric service rooms, gas and water meter rooms, building storage rooms, and other service, mechanical and utility rooms serving or benefiting any of the Units.

7.2.11 All other facilities of the Building (including shafts, pipes, wires, ducts, vents, flues, cables, conduits and lines) which serve or benefit or are necessary or convenient for the existence, maintenance, operation or safety of the Units.

7.2.12 All other parts of the Property either existing for the common use of the Units or the Unit Owners or that is necessary or convenient for the existence, maintenance, operation or safety of the Property.

7.2.13 With respect to the ground floor, lobbies, egress stairs and corridors. The exterior space at the Building entries consisting of the stairs, railings, lighting and other electrical equipment, planters and other freestanding structures.

7.2.14 With respect to the first floor through fourth floors, corridors, egress stairs, and their enclosing walls and doors and all mechanical equipment serving same; all utilities and mechanical and electrical equipment used for any combination of the Units.

7.2.15 With respect to the rooftop, and all mechanical equipment serving same.

7.2.16 Smoke detection alarm system and cable television system.

7.2.17 The Cellar

The General Common Elements also include the installations, equipment, apparatus, facilities, exterior walls, interior walls, doors, partitions, floors, roofs, ceilings, hallways, lobbies, corridors and vestibules that enclose or service all the Units.

7.3 The Limited Common Elements are those elements that are appurtenant to certain units and for their exclusive use.
7.3.1 The Limited Common Elements consist of the following:

1A	Terrace
1G	Yard
1H	Yard
2A	Terrace
2B	Terrace
3A	Terrace
3B	Balcony
4A	Terrace & Roof Terrace
4B	Balcony & Roof Terrace
4C	Roof Terrace
4D	Roof Terrace
4E	Roof Terrace
4F	Roof Terrace
4G	Roof Terrace
4H	Roof Terrace

ARTICLE 8

USE OF UNITS

8.1 As more particularly set forth and described in the By-Laws, except as otherwise herein and in the By-Laws expressly provided, the Residential Units may be used only for residential purposes and, subject to compliance with the By-Laws, for a lawful home occupation. Units may be 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), and may only be occupied by said individual, or an officer, director, stockholder or employee of such corporation, or a member of said limited liability company, or a partner or employee of such partnership, or said fiduciary (including directors, officers, stockholders or employees of corporate fiduciaries or partners or employees of partnership fiduciaries) or the beneficiary of said fiduciary, or a principal or employee of such other entity, or members of the immediate family or non-paying guests of any of the foregoing. Units may only be leased in accordance with the By-Laws and the Rules and Regulations.

ARTICLE 9

CHANGES IN UNSOLD UNITS

Except to the extent prohibited by law, Sponsor or its designee shall have the right, at any time and from time to time, without prior notice and without the vote or consent of the Board or any other Unit Owner or any mortgagee to: (a) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon the Units ("the Unsold Units") at the time owned by Sponsor or its designee (the term "Sponsor's designee" or similar terms shall mean any affiliate of Sponsor); (b) change the layout of, or number of rooms in, any Unsold Unit from time to time; (c) change the size and/or number of Unsold Units by subdividing one or more such Units into two or more separate Units, combining separate Unsold Units (including those resulting from a subdivision or combination or otherwise) into one or more Units, altering any boundary walls between any Unsold Units, and/or incorporating within any Unsold Unit the use of any portion of the Common Elements adjacent thereto (but only to the extent that such Common Elements are not required to be maintained as Common Elements based upon such alterations); (d) if appropriate, reapportion among the Unsold Units affected by any such change in size or number pursuant to the preceding clause (c), their percentage interests in the Common Elements; provided, however, that the percentage interest in the Common Elements of any other Units (other than Unsold Units) shall not be changed by reason thereof unless the owners of such Units shall consent thereto; (e) change the permitted use of some or all of the Unsold Storage Units; provided, however, that any such alteration, addition, improvement, change, reapportionment or redesignation shall not cause the Property or any portion thereof to not comply with any laws, ordinances and regulations of any governmental authorities having jurisdiction and Sponsor (or such designee) shall hold the Board and all other Unit Owners harmless from any liability arising therefrom.

ARTICLE 10

PERSON TO RECEIVE SERVICE

10.1 Donald LaRosa having an address at 79 Worth Street, New York, New York, or any successor managing agent of the Condominium is hereby designated to receive service of process in any action which may be brought against the Condominium.

ARTICLE 11

DETERMINATION OF PERCENTAGE INTERESTS IN COMMON ELEMENTS

The percentage interest of the respective Units in the Common Elements has been determined based upon floor space, subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular Unit.

ARTICLE 12

ENCROACHMENTS

If (a) any portion of the Common Elements encroaches upon any Unit or upon any other Common Element, (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements, or (c) any encroachment shall hereafter occur as a result of (i) settling or shifting of the Building, (ii) any alteration, repair or restoration made to the Common Elements in accordance with the terms of this Declaration and the By-Laws by, or with the consent (when required by the By-Laws), of the Board, or made by Sponsor or its designee, (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 or any portion of any Unit or the Common Elements, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same as long as the Building shall stand.

ARTICLE 13

FACILITIES AND ALL OTHER COMMON ELEMENTS

Each Unit Owner shall have an easement in common with all other Unit Owners to use, maintain, repair, alter and replace all facilities and all other Common Elements located in any of the other Units or elsewhere on the Property which serve his or her Unit. Each Unit shall be subject to an easement in favor of all Unit Owners to use, maintain, repair, alter and replace the facilities and all other Common Elements located in such Unit or elsewhere on the Property, which serve other Units. The Board shall have a right of access of each Unit (and to each Limited

Common Element which comprises a part of any Unit) to inspect the same, to remove violations therefrom and to maintain, repair or replace the Common Elements contained therein or elsewhere in the property, provided such right of access shall be exercised in such a manner as will not unreasonably interfere with the use of any of the Units for their permitted purposes. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of any "emergency" (i.e., a condition requiring repair or replacement immediately necessary for the preservation or safety of the Building or the safety of occupants of the Building, or other persons, or required to avoid the suspension of any necessary service in the Building.)

ARTICLE 14

EASEMENTS AND NAME OF CONDOMINIUM

Each Unit Owner shall have, in common with all other Unit Owners, an easement for the exclusive use of the Limited Common Elements.

Each Unit Owner shall have, to the extent reasonably necessary, in common with all other Unit Owners, an easement for ingress and egress and to the extent reasonably necessary, for the use of any Common Element.

Each Unit Owner shall have, in common with all other Unit Owners and each Unit shall be subject to an easement: (a) to install, operate, maintain, repair, alter, rebuild, restore and replace the Limited Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the property; and (b) to maintain any encroachment on any Unit or the General Common Elements resulting from repair, alteration, rebuilding, restoration or replacement of the Units or the Limited Common Elements.

Each Unit Owner shall have in common with all other Unit Owners, and each Unit shall be subject to, an easement: (a) to install, operate, maintain, repair, alter, rebuild, restore and replace the Common Elements located in, over, under, through or upon any Unit, or any other Common Elements or elsewhere on the Property; and (b) to maintain any encroachment on any Unit, the General Common Elements or any Limited Common Elements resulting from the repair, alteration, rebuilding, restoration or replacement of the Units or the Common Elements.

Each Unit and the Common Elements shall have easements of subjacency, support and necessity, and the same shall be subject to such easements in favor of all other Units and the common Elements.

Sponsor (or its designee) and the Board with respect to the Property shall have the right to grant such additional electric, gas or other utility easements or relocate any existing utility easements in any portion of the Property as Sponsor or its designee, the Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building, or any portion thereof, or for the general health or welfare of the owners, tenants and occupants of the appropriate Units.

The Condominium shall be designated and known as "105 Lexington Condominium".

Sponsor and its designee (and their respective successors and assigns) shall have an exclusive easement for so long as the Condominium shall remain in existence (i) to erect, use, maintain, repair, replace and operate antennae, satellite dishes and other communications equipment on any part of the roof of the Building that is not occupied as of the hereof for any other Building installations and (ii) to erect, use, lease, maintain, repair, replace and operate related electronic and other communications equipment in any portion of any mechanical equipment room that is not occupied as of the date hereof by any other Building installations, and the right to erect partitions separating such portion from the balance of such equipment room; in each case, without the consent of or charge by, the Board or any other Unit Owners; provided, however, that Sponsor (or its designee) shall give prior notice to the Board of the type and location of any such equipment before installation. Any obligations of Sponsor under any lease, license or other right to receive rent or other consideration for such lease, license or other right of use, shall be the right solely of Sponsor and not of the Condominium. In connection with such easements and related rights, 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 be subject to such easement. The word "utility" or "utilities" as used in this Section 14.8 shall be deemed to include fiber optic cable and other communications lines, wires, cables and conduits.

ARTICLE 15

POWER OF ATTORNEY TO THE BOARD

Each Unit Owner shall grant to the persons who shall from time to time constitute the Board, an irrevocable power of attorney, coupled with an interest (in such form and content as the Board shall determine): (a) following due authorization by the Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests (as hereinafter defined), from any Unit Owner desiring to sell, convey, transfer, assign or lease the same, upon such terms and conditions as shall be approved by a Majority of Unit Owners; (b) to acquire any Unit, together with its Appurtenant Interests, whose Owner elects to surrender the same pursuant to subsection 6.2.2 of the By-Laws; (c) to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental as the case may be, as the attorneys-in-fact deem proper, in the name of the 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 the attorneys-in-fact may determine; and (d) to execute, acknowledge and deliver (i) any declaration or other instrument affecting the Condominium which the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium, or (ii) any consent, covenant, restriction,

easement or declaration, or any amendment thereto, affecting the Condominium or the Common Elements which the Board deems necessary or appropriate.

ARTICLE 16

ACQUISITIONS OF UNITS BY THE BOARD

16.1 If (a) any Unit Owner surrenders his or her Unit, together with (i) the undivided interest in the Common Elements appurtenant thereto, (ii) the interest of such Unit Owner in any other Units therefore acquired by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, or the proceeds of the sale or lease thereof, if any, and (iii) the interest of such Unit Owner in the Common Elements and any other assets of the Condominium (such interests in (i), (ii) and (iii) being hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions of Section 339-x of the New York Condominium Act, (b) the Board, pursuant to Article 8 of the By-Laws, acquires or leases a Unit, together with its Appurtenant Interests, or (c) the Board purchases, at a foreclosure or other similar sale, a Unit, together with its Appurtenant Interests, shall be held by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements. The lease or sublease covering any Unit leased or subleased by the Board or its designee shall be held by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective interests in the Common Elements.

ARTICLE 17

COVENANTS RUNNING WITH THE LAND

17.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations (true copies of which are annexed hereto and made a part thereof), including, without limitation, the provisions of this Article 18, shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions hereof and thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and his or her heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public. All present and future owners, tenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

17.2 If any provision of this Declaration or the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of, the New York Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the New York Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same. force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the New York Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the New York Condominium Act.

17.3 Subject to the provisions of Section 17.2, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the New York Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Property, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 18

AMENDMENTS OF DECLARATION

18.1 Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Sponsor (or its designee) or any Unsold Units. a) any provision of this Declaration may be added to, amended, modified or deleted by the vote of at least 75% in common interest of all Unit Owners, taken in accordance with the provisions of the By-Laws.

ARTICLE 19

TERMINATION OF CONDOMINIUM

The Condominium shall continue and shall not be subject to an action for partition until (a) terminated by casualty loss, condemnation or eminent domain, as more particularly provided in the By-Laws or (b) such time as withdrawal of the Property from the provisions of the New York Condominium Act is authorized by a vote of at least 75% in common interest of all Unit Owners. Sponsor or its designee will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least 75% in common interest of all other Unit Owners have voted in

favor of such withdrawal, at which time Sponsor or its designee may choose to vote either in favor of or against withdrawal from condominium ownership, as it sees fit. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective common interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid from out of its share of such. net proceeds all liens on its Unit, in the order of priority of such liens.

ARTICLE 20

WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 21

CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration nor the intent of any provision hereof.

ARTICLE 22

CERTAIN REFERENCES

22.1 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.

22.2 The terms "herein" "hereof' or "hereunder" or similar terms used in this Declaration refers to this entire Declaration and not to the particular provision in which the terms are used.

22.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Declaration.

IN WITNESS WHEREOF, Sponsor has caused this Declaration to be executed as of the day of _____, 2008.

HRCF-LDR Lexington LLC
BY:

_____

State of New York)
County of Kings)

On the _____ day of _____ in the year 2008 before me, the undersigned, personally appeared Donald LaRosa, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

_____
Notary Public

SCHEDULE A TO DECLARATION
Description of the Land

ALL that certain lot, 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 a point on the northerly side of Lexington Avenue distant 234 feet 5 inches westerly from the corner formed by the intersection of the northerly side of Lexington Avenue and the westerly side of Franklin Avenue;

RUNNING THENCE northerly parallel with Franklin Avenue, 121 feet 5 inches;

THENCE westerly, parallel with Lexington Avenue, 95 feet 7 inches;

THENCE southerly, parallel with Franklin Avenue 21 feet 5 inches;

THENCE westerly parallel with Lexington Avenue, 11 feet 6 inches (description) 11 feet 5 inches (actual);

THENCE southerly parallel with Franklin Avenue and part of the distance through a party wall, 100 feet to the northerly side of Lexington Avenue;

AND THENCE easterly along the northerly side of Lexington Avenue, 1070 feet to the point or place of BEGINNING.

105 Lexington Avenue CONDOMINIUM

SCHEDULE B TO DECLARATION

Unit	# of Rooms and Baths	Approx. Area in Square Feet	Tax Lot No.	% Common Interest	Location in Building	Limited Common Elements/ Square Footage
CA	1 / 1/2	1,285		2.93%	Cellar	
CB	1 / 1/2	1,149		2.62%	Cellar	
CS1		40		0.01%	Cellar	
CS2		40		0.01%	Cellar	
CS3		40		0.01%	Cellar	
CS4		55		0.01%	Cellar	
CS5		55		0.01%	Cellar	
CS6		40		0.01%	Cellar	
CS7		40		0.01%	Cellar	
CS8		40		0.01%	Cellar	
1A	3 / 1	1,276		2.92%	First Floor	Terrace / 92 ft
1B	3 / 1	1,185		2.71%	First Floor	
1C	3 / 1	1,197		2.74%	First Floor	
1D	3 / 1	1,173		2.69%	First Floor	
1E	1 / 1/2	1,119		2.55%	First Floor	
1F	3 / 1	1,110		2.53%	First Floor	
1G	3 / 1	1,135		2.59%	First Floor	Yard / 616 ft
1H	3 / 1	1,146		2.62%	First Floor	Yard / 616 ft
2A	3 / 1	1,340		3.07%	Second Floor	Terrace / 92 ft
2B	3 / 1	1,187		2.72%	Second Floor	Terrace / 77 ft
2C	3 / 1	1,197		2.74%	Second Floor	
2D	3 / 1	1,173		2.69%	Second Floor	
2E	3 / 1	1,119		2.55%	Second Floor	
2F	3 / 1	1,111		2.54%	Second Floor	
2G	3 / 1	1,136		2.59%	Second Floor	
2H	3 / 1	1,175		2.68%	Second Floor	
3A	3 / 1	1,340		3.07%	Third Floor	Terrace / 92 ft
3B	3 / 1	1,187		2.72%	Third Floor	Balcony / 77 ft
3C	3 / 1	1,197		2.74%	Third Floor	
3D	3 / 1	1,173		2.69%	Third Floor	
3E	3 / 1	1,119		2.55%	Third Floor	
3F	3 / 1	1,111		2.54%	Third Floor	
3G	3 / 1	1,136		2.59%	Third Floor	
3H	3 / 1	1,175		2.68%	Third Floor	

4A	5 / 2	1,804		4.13%	Fourth Floor & Penthouse	Terrace / 92 ft Roof Terrace 940 ft
4B	5 / 2	1,593		3.64%	Fourth Floor & Penthouse	Balcony / 77 ft Roof Terrace 697 ft
4C	5 / 2	1,800		4.12%	Fourth Floor & Penthouse	Roof Terrace / 401 ft
4D	5 / 2	1,602		3.66%	Fourth Floor & Penthouse	Roof Terrace / 708 ft
4E	5 / 2	1,573		3.59%	Fourth Floor & Penthouse	Roof Terrace / 633 ft
4F	5 / 2	1,520		3.47%	Fourth Floor & Penthouse	Roof Terrace / 633 ft
4G	5 / 2	1,547		3.53%	Fourth Floor & Penthouse	Roof Terrace / 657 ft
4H	5 / 2	1,629		3.72%	Fourth Floor & Penthouse	Roof Terrace / 657 ft

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EXHIBIT 9

BY-LAWS OF 105 Lexington Condominium

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BY-LAWS OF 105 Lexington Condominium

ARTICLE I

GENERAL

1.1 Purpose. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of 105 Lexington Condominium (the "Condominium"). The Condominium covers the property (the "Condominium Property") consisting of approximately 12,747 square feet of land (the "Land") which forms a part of Block 1967 on the Tax Map of the Borough of Brooklyn, County of Kings and State of New York, the building and other improvements now or hereafter constructed thereon or therein, as the case may be (hereinafter collectively called the "Building"), including, 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, all of which have been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the recording of a Declaration (which, as the same may be amended from time to time, is herein called the "Declaration") in the Kings County office of the Register of the City of New York (the "Register's Office"), together with these By-Laws. All terms used herein which are not separately defined herein, shall have the meanings given to those terms in the Declaration.

1.2 Applicability of By-Laws. These By-Laws are applicable to the Condominium Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units and their respective employees, invitees and guests, as well as all other persons who may use the facilities located on, or forming a part of, the Condominium Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations (as hereinafter defined). The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of these By-Laws, the Rules and Regulations and the Declaration, as the same may be amended from time to time, are accepted, ratified, and will be complied with.

1.3 Principal Office of Condominium. The principal office of the Condominium shall be located either within the Condominium Property or at such other place in the Borough of Brooklyn reasonably convenient thereto, as may be designated from time to time by the Board (as hereinafter defined).

ARTICLE 2

BOARD OF MANAGERS

2.1 Number, Election and Qualification.

As more particularly set forth in Section 2.2, the affairs of the Condominium shall be governed by a board of managers of the Condominium (the "Board"). From and after the holding of the first annual meeting of Unit Owners as provided in Section 3. 1, the Board shall consist of five persons to be elected as provided in subsection 2.1.2 and Section 2.4 below.

2.1.2 Each member of the Board, except for the first Board as provided in Section 2.3 and except as otherwise provided herein, shall be elected at the annual meeting of the Unit Owners and shall serve until the next annual meeting thereof and until his successor has been elected and qualified.

2.1.3 Except for Board members elected or designated by Sponsor or its designee, all members of the Board shall be either: Unit Owners, officers, directors, shareholders, partners, members, trustees, principals, employees or beneficiaries of corporations, partnerships, limited liability companies, trusts, fiduciaries or any other entities which own Units; family members (as defined in Section 8.7) of any of the foregoing; or-individuals designated by a sovereign government, consulate or other similar entity that is a Unit Owner . Other than Board members elected or designated by Sponsor or its designee, no Board member shall continue to serve after he or she ceases to be qualified as set forth above.

2.1.4 In no event shall any Unit Owner be eligible for election to the Board if such Unit Owner is then in default, beyond any applicable grace period, in the payment of Common Charges or any other amounts required by the Board to be paid. In addition, no member of the Board elected by the Unit Owners may continue to participate as a member thereof after the Board has perfected a lien against his or her Unit, for so long as such lien remains unsatisfied.

2.2 Powers and Duties.

2.2.1 The Board shall have the powers and duties necessary for or incidental to the administration of the affairs of the Condominium (except such powers and duties which by law, the Declaration or these By-Laws may not be delegated to the Board by the Unit Owners).

2.2.2 Subject to the provisions of subsection 2.2.1 and without limiting the generality thereof, the Board shall be entitled to make determinations with respect to the following matters:

(a) Operation, care, upkeep, maintenance, repair, restoration, addition to, improvement, alteration and replacement of the Common Elements, in such a manner that standards of quality, service and appearance appropriate to a luxury condominium, as may be appropriate, are maintained.

(b) The amount of Common Charges.

(c) Collection of Common Charges from the Unit Owners.

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements, and the provision of the Building services offered.

(e) Adoption of, and amendments and additions to, the Rules and Regulations (as such terms are hereinafter defined).

(f) Purchasing, leasing and otherwise acquiring, in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, Units offered for sale or lease, Units surrendered, by their owners to the Board with respect to which the lien for real estate taxes is being sold by the City of New York.

(g) Purchasing Units at foreclosure or other similar sale, in the name of the Board or its designee, corporate or otherwise, on behalf of all Unit Owners.

(h) Selling, leasing, subleasing, mortgaging and otherwise dealing with (but not voting the interests appurtenant to) Units acquired by, and subleasing Units leased by, the Board or its designee, corporate or otherwise, on behalf of all Unit Owners.

Making repairs and restorations of the Common Elements or parts thereof damaged or destroyed by fire or other casualty or necessitated as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these By-Laws.

(j) Enforcing obligations of Unit Owners.

(k) Levying fines against Unit Owners for violations of the Rules and Regulations (any such fines shall constitute Common Charges payable by the Unit Owners).

(1) Maintaining bank accounts on behalf of the Condominium (with respect to matters within its jurisdiction as provided in these By-Laws) and designating the signatories required therefor.

(m) Adjusting and settling insurance claims (and executing and delivering releases in connection therewith), if the loss is to be adjusted by the Board, as provided in Section 6.4 hereof.

(n) Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of, or the making of repairs, replacements, restorations, additions or improvements to, or alterations of, the General Common Elements or Limited Common Elements, respectively, provided, however, that (i) except as provided in Section 8.7, the consent of at least 66-2/3% in common interest of all Unit Owners or be, shall be required for any borrowings for such purposes with respect to the General Common Elements or Limited

Common Elements, respectively, if such borrowings are in excess of the aggregate amount of $20,000 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years), (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements (except to the extent permitted by applicable law) without the consent of the owner of such Unit, (iii) the vote of at least two-thirds of the members of the Board shall be required for the borrowing of any sum in excess of $5,000 (regardless of the balance of any loans outstanding from previous fiscal years). If any sum borrowed by the Board pursuant to the authority contained in this subparagraph 2.2.2(n) is not repaid by the Board, a Unit Owner who pays to the creditor such proportion thereof as his or her interest in the Common Elements bears to the interest of all Unit Owners according to whether the borrowing was made on behalf of the Condominium or the Units, respectively, in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor has filed or has the right to file against such Unit Owner's Unit.

(o) Organizing corporations and/or limited liability companies to act as designees of the Board with respect to such matters as the Board may determine, including, without limitation, in connection with the acquisition of title to, or the leasing or subleasing of, Units by the Board on behalf of all Unit Owners.

(p) Execution, acknowledgment and delivery of. (i) any declaration or other instrument affecting the Condominium Property or the Condominium which the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission or any public authority or agency, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Condominium Property or the Condominium; or (ii) any consent, agreement, document, covenant, restriction, easement or declaration, or any amendment thereto, affecting (x) the Condominium Property or the Condominium which the Board deems necessary or appropriate, or (y) a Unit, if the owner of such Unit requests, or under the Declaration or these By-Laws is required to request, that the Board take such action, and (except as otherwise provided in the Declaration or these By-Laws) the Board determines that taking such action is appropriate.

(q) Execution, acknowledgment and delivery of any documents or other instruments necessary to commence, pursue, compromise or settle certiorari proceedings to obtain reduced real estate tax assessments, or in connection with any real estate tax exemption or abatement, with respect to all Units.

(r) Prepare, execute and record, on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration and/or these By-Laws whenever, in the Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the Declaration and/or these By-Laws.

(s) Obtaining and reviewing insurance for the Condominium Property, including the Units, pursuant to the provisions of Section 6.4.

2.2.3 Any action required or permitted to be taken pursuant to the provisions of these By-Laws or the Declaration by the Board shall be done or performed by the Board or shall be

done on its behalf and at its direction by the agents, employees or designees of the Board, and the Board may employ one or more managing agents and/or managers, at a compensation established by the Board, to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in subparagraphs 2.2.2(a), (c), (d)~ (i) and (s); The Board may delegate to such managing agent or manager other powers granted to the Board by these By-Laws, except the powers set forth in subparagraphs 2.2.2(b), (e), (f), (g), (h) and 0) through (r).

2.2.4 Notwithstanding anything to the contrary contained in these By-Laws, until the later to occur of (a) the fifth anniversary of the first closing of title to a Unit pursuant to a Purchase Agreement (as such term is defined in the Offering Plan), or (b) the closing of title to at least 50%, in number and in Common Interest (as such term is defined in the Offering Plan), of all Units (the "Initial Control Period"), the Board may not, without Sponsor's prior written consent, (i) make any addition, alteration or improvement to the Common Elements (unless required by law); (ii) assess any Common Charges for the creation of, addition to or replacement of all or any reserve, contingency or surplus funds in excess of 5% in the aggregate of the projected Common Expenses for any year of operation; (iii) hire any employee in addition to or less than the employees provided for in Schedule B Projected Budget for First Year of Condominium Operation" set forth in the Offering Plan; (iv) enter into any service or maintenance contract for work not covered in said Schedule, or otherwise provide services in excess of those contemplated by such Schedule or the Offering Plan (however, in no event shall Sponsor allow the services reflected in Schedule B to be materially reduced without the consent of a majority in interest of all Unit Owners other than Sponsor); or (v) borrow money on behalf of the Condominium. However, the Board may take any of the actions enumerated in subsections (i) through (v) above, if. (x) the cost of such actions, when added to all other budgeted operating expenses, will not result in increasing the Common Charges for any year of operation by more than 5% above the prior year's Common Charges; or (y) such action is required either to (1) comply with laws or regulations applicable to the Building, or (2) remedy any notice of violation entered against the Building, or (3) remedy any proper work order by an insurer of the Building.

2.3 Term of Office of Members of the Board.

2.3.1 Until the first annual meeting of the Unit Owners held pursuant to the terms of Section 3.1 hereof, the Board shall consist of two persons designated by Sponsor from time to time. The terms of each such member of the Board shall expire annually and, subject to the other provisions of this Section, Sponsor shall have the right to designate the replacement for each such member, even though such replacement may be the same person. Not earlier than ten days nor later than thirty days after the expiration of the period ending upon the earlier to occur of (a) the second anniversary of the first closing of title to a Unit pursuant to a Purchase Agreement, or (b) the closing of title to at least 75%, in number and in Common Interest, of all Units, such first Board shall cause the President of the Condominium to call the first annual meeting of Unit Owners in accordance with the provisions of Section 3.1. The term of office of the three members of the Board so designated by Sponsor prior to the first annual meeting of the Unit Owners pursuant to Section 3.1 shall expire when the three persons to be elected at such meeting are so elected and qualified.

2.3.2 The term of office of each of the members comprising the Board elected at the first annual meeting of the Unit Owners pursuant to Section 3.1 shall be fixed for one year. At each annual meeting of the Unit Owners subsequent to the first such meeting, the Unit Owners shall elect, pursuant to the terms of Section 2.4 hereof, Board members to replace the Board members whose terms of office are then expiring, each to serve a term of office fixed at one year. Notwithstanding the expiration of the term of office of a member of the Board or anything contained herein to the contrary, such member of the Board shall serve until his or her successor shall be elected and qualified. There shall be no limit on the number of terms of office, successive or otherwise, that a Board member may serve.

2.4 Election of Board Members; Rights of Sponsor.

2.4.1 Subject to the terms of subsections 2.4.3, 2.4.4 and 2.4.5, all members of the Board to be elected by the Unit Owners shall be determined by plurality of the votes cast by the Unit Owners (including Sponsor or its designee, for so long as Sponsor or such designee shall own two Units) who are present (in person or by proxy) and voting at a meeting at which a quorum of all Unit Owners is present.

2.4.2 When voting for members of the Board, the voting shall be by ballot and each ballot shall state the name of the Unit Owner voting, the Units owned by such Unit Owner and the percentage of Common Interest attributable to each Unit owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy. Nothing contained in these By-Laws shall be deemed to permit cumulative voting.

2.4.3 Notwithstanding any other provision of this Section 2.4 or of these By-Laws to the contrary, at the first annual meeting of Unit Owners and at all times before and thereafter, Sponsor and/or its designee shall be able to vote in accordance with its ownership of Units and thus may be able to elect members of the Board by virtue of its ownership of Units, except that, at elections of members to the Board held after the expiration of the Initial Control Period, Sponsor and/or its designee will have the right to elect or designate not more than one member of the Board, in the aggregate, who are related to or affiliated with Sponsor, such designee or other Unsold Unit Owners, and Sponsor, such designee and all other Unit Owners shall have the right to elect the remaining members of the Board who shall not be related to or affiliated with Sponsor, such designee or other Unsold Unit Owners. In addition, while Sponsor and/or its designee owns Units representing at least 25%, but less than 50%, of the Common Interests of the Condominium, Sponsor and/or its designee shall have the right to elect or designate not more than one member of the Board, who is related to or affiliated with Sponsor, such designee or other Unsold Unit Owners, and Sponsor, such designee and all other Unit Owners shall have the right to elect the remaining two members of the Board who shall not be related to or affiliated with Sponsor, such designee or other Unsold Unit Owners; and while Sponsor and/or its designee owns Units representing less than 25% of the Common Interests but Sponsor and/or its designee shall have the right to elect or designate one member of the Board, who is related to or affiliated with Sponsor, such designee or other Unsold Unit Owners, and Sponsor, such designee and all other Unit Owners shall have the right to elect the remaining members of the Board who shall be Unit Owners and are not related to or affiliated with Sponsor, such designee or other Unsold Unit Owners. Accordingly, from and after the first meeting of Unit Owners, at least two of the members of the Board shall be Unit

Owners, unrelated to and unaffiliated with Sponsor, its designee or other Unsold Unit Owners. There is no restriction on the right of the Unsold Unit Owners (including Sponsor) to vote for members of the Board who are not related to or affiliated with Sponsor, its designee or other Unsold Unit Owners. However, after the earlier of conveyance of title by Sponsor to Units representing 75% in Common Interests, or the second annual anniversary of conveyance of title to the first Unit under the Plan, neither Sponsor nor its designee will appoint a majority of members to the Board at the annual meeting of Unit Owners, even if their ownership of Units would allow them to do so.

2.4.4 In the event that after notice of an annual meeting of Unit Owners is given to all Unit Owners in the manner prescribed by Section 3.4 of these By-Laws, the Unit Owners present in person or by proxy at such annual meeting constitute less than a quorum, and consequently new members of the Board to replace those whose terms expire as of such annual meeting cannot be elected, the remaining members of the Board shall fill any resulting vacancies at a special meeting of the Board held for that purpose promptly thereafter even though the members present at such meeting may themselves constitute less than a quorum. The Board shall request the Unit Owners present (in person or by proxy) at the annual meeting to express their preferences for the Board members to have been elected at such annual meeting, but such expression of preferences shall be non-binding on the Board. Any person so elected by the Board shall be a member of the Board until the next annual meeting of Unit Owners, when a successor shall be elected for the remainder of the three-year term.

2.5 Resignation and Removal.

2.5.1 Any Board member may resign at any time by written notice delivered personally or sent by certified mail, return receipt requested, to the President or Secretary of the Condominium and, with respect to members of the Board designated as such or elected by Sponsor (or its designee), by also giving such written notice to such party. Any such resignation shall take effect at the time specified in such notice and, unless specifically requested, acceptance of such resignation shall not be necessary for the effectiveness thereof.

2.5.2 Subject to the provisions of Sections 2.3 and 2.4, and except as provided in the following sentence, any Board member elected thereto by the Unit Owners or by the Board pursuant to the terms of Sections 2.4 or 2.6 hereof, respectively, may be removed from office, with or without cause, by a Majority of Unit Owners (as hereinafter defined).

2.6 Vacancies. Subject to the provisions of Sections 2.3 and 2.4, any vacancy on the Board for whatever reason shall be filled by the members of the Board then in office, at a special meeting of the Board held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and any person so elected shall be a member of the Board until the next annual meeting of Unit Owners when a successor shall be elected for the remainder of the term of the member creating such vacancy. However, any vacancy on the Board created by the resignation, removal or any other reason of any Board member designated or elected as such by Sponsor (or its designee) shall be filled only by Sponsor (or its designee),

2.7 Organizational Meeting of Board. The first meeting of the Board following each annual meeting of Unit Owners shall be held within ten days after such annual meeting at such time and place in the Borough of Brooklyn as shall be fixed by a majority of the members thereof, and no notice shall be necessary to the newly elected Board members in order to legally constitute such meeting, provided that a majority of the members of the Board shall be present thereat.

2.8 Regular Meetings of Board. Regular meetings of the Board may be held at such time and place in the Borough of Brooklyn as shall be determined from time to time by a majority of the members thereof, provided that at least four such meetings shall be held during each fiscal year of the Condominium. Notice of regular meetings shall be given to each member thereof, by personal delivery, mail, telecopy or telegram, at least five business days prior to the day named for such meeting.

2.9 Special Meetings of Board. Special meetings of the Board may be called by the President or Vice President of the Condominium by giving five business days' prior notice to each member of the Board, by personal delivery, mail, telecopy or telegram, which notice shall state the time, place (in the Borough of Brooklyn) and purpose of the meeting. In addition, the President shall call a special meeting upon the written request of three (3) or more members of the Board.

2.10 Waiver of Notice. Any Board member may at anytime waive notice of any Board meeting in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board at any meeting thereof shall constitute a waiver of notice by such member of the time and place thereof if all the members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

2.11 Determinations by Board; Quorums.

2.11.1 Except as otherwise set forth in subsection 2-11.3, all determinations of the Board shall be made at a meeting of the Board at which a quorum thereof is present. At any Board meeting, a majority of the members thereof shall constitute a quorum and the votes of a majority of such members present shall constitute the decision of the Board.

2.11.2 If at any Board meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.11.3 Members of the Board may participate in a meeting thereof by means of a conference telephone call or similar communications equipment by means of which all persons participating in such meeting can hear each other and such participation shall constitute presence at such meeting. Notwithstanding anything to the contrary contained herein, action permitted or required to be taken at a meeting of the Board may be taken without a meeting if all members of the Board consent thereto in writing.

2.12 Compensation. No member of the Board shall receive any compensation.

2.13 Liability of Board and Unit Owners.

2.13.1 To the extent permitted by applicable law, no member of the Board shall have any personal liability with respect to any contract, act or omission of the Board or of any managing agent or manager in connection with the affairs or operation of the Condominium (except in their capacities as Unit Owners) and the liability of any Unit Owner with respect thereto shall be limited as hereinafter set forth. Every contract made by the Board or by the Managing Agent shall state that it is made by the Board or the Managing Agent, only as agent for all Unit Owners, that the Board members or the Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners) and may also state the applicable limitations of liability of Unit Owners provided for in the next sentence. The liability of any Unit Owner with respect to any contract, act or omission with respect to the Condominium shall be limited to such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners and, to the extent permitted by applicable law, such Unit Owner's interest in its Unit and its appurtenant Common Interest, so that such Unit Owner shall have no personal liability for such contract, act or omission. Nothing in the preceding sentence shall limit a Unit Owner's liability for the payment of Common Charges. Any such contract may also provide that it covers the assets, if any, of the Board. To the extent permitted by applicable law, Board members shall have no liability to Unit Owners except that a Board member shall be liable for his or her 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 Board member against any liability or claim except those arising out of such Board member's own bad faith or willful misconduct. The Board may contract or effect any other transaction with any Board member, any Unit Owner, Sponsor, Sponsor's designee or any affiliate of any of them without incurring any liability for self-dealing, except in cases of bad faith or willful misconduct.

2.13.2 Neither the 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 Board or to be paid for as a Common Expense except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of the 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 any Common Element, and is either: (a) caused by the elements, by any Unit Owner or by any other individual, (b) resulting from electricity, water, snow or ice that may leak or flow from a Unit or any portion of any Common Element, or (c) arising out of theft or otherwise; except when caused by the acts of bad faith or willful misconduct of the Board or any member thereof.

2.14 Committees. The Board may, subject to such limitations and exceptions as the Board may prescribe, appoint an Executive Committee and such other committees as the Board may deem appropriate, each to consist of two or more members of the Board. Each such committee, to the extent provided in the resolution which creates it, shall have and may exercise all the powers of the Board during the intervals between the meetings of the Board insofar as may be permitted by law.

2.15 Principal Office of Board. The principal office of the Board shall be located within the Condominium Property or at such other place in the Borough of Brooklyn reasonably convenient thereto, as may be designated from time to time by the Board.

2.16 Status of Board. In addition to the status conferred upon the Board under or pursuant to the provisions of the New York Condominium Act, the Board shall, to the extent permitted by applicable law, be deemed to constitute a separate unincorporated association for all purposes under and pursuant to the provisions of the General Associations Law of the State of New York. In the event of the incorporation of the Board pursuant to the provisions of Section 2.17, the provisions of this Section 2.16 shall no longer be applicable to the Board.

2.17 Incorporation and Organization of Board. To the extent and in the manner provided in the New York Condominium Act, the Board may, by action of the Board as provided in this Article 2, be organized as a limited liability company or incorporated under the applicable statutes of the State of New York. In the event that the Board so incorporates or organizes, it shall have, to the extent permitted by applicable law, the status conferred upon it under such statutes in addition to the status conferred upon the Board under or pursuant to the provisions of the New York Condominium Act. The certificate of incorporation and by-laws of any such resulting corporation or the articles of organization of such limited liability company, as the case may be, shall conform as closely as practicable to the provisions of the Declaration and these By-Laws and the provisions of the Declaration and these By-Laws shall control in the event of any inconsistency or conflict between the provisions thereof and the provisions of such certificate of incorporation and by-laws or articles of organization.

2.18 Board as Agent of Unit Owners. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Board shall act as, and shall be, the agent of the Unit Owners, subject to and in accordance with the provisions of the Declaration and these By-Laws.

2.19 Prohibited Transactions. Each member of the Board shall perform his or her duties, and shall exercise his or her powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by applicable law, no contract or other transaction between the Board and either: (i) any of its members, or (ii) any corporation, partnership, fiduciary, firm, limited liability company, association or other entity in which any of the members of the Board are officers, directors, shareholders, employees, partners, fiduciaries, beneficiaries, members or principals, or are otherwise interested, pecuniarily or otherwise, shall be deemed either void or voidable because either: (a) any such member of the Board was present at the meeting or meetings of the 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: (1) the fact thereof is disclosed to, or known by, the Board involved in such contract or transaction or a majority of the members thereof or noted in the minutes thereof, and the Board shall authorize, approve or ratify such contract or transaction in good faith by a vote of a majority of the entire Board, less the number of such members involved in such contract or transaction; or (2) the fact thereof is disclosed to, or known by, a majority of Unit Owners and a majority of Unit Owners shall in good faith authorize, approve or ratify such contract or transaction; or (3) the contract or transaction is commercially reasonable to the Board at the time the same is authorized,

approved, ratified, executed or otherwise consummated. Any such members of the Board may be counted in determining the presence of a quorum of any meeting of the Board which authorizes, approves or ratifies any such contract or transaction, but no such member shall be entitled to vote thereat in order to authorize, approve or ratify such contract or transaction.

ARTICLE 3

UNIT OWNERS

3.1 Annual Meetings. On a date not earlier than 10 nor later than 30 days after the later to occur of (a) the fifth anniversary of the first closing of title to a Unit pursuant to a Purchase Agreement or (b) the closing of title to at least 50%, in number and in Common Interest, of all Units, the first annual meeting of Unit Owners shall be held. At such meeting, the incumbent Board shall resign and a new Board shall be elected (as provided herein) consisting of three members. Thereafter, annual meetings of Unit Owners shall be held within four weeks after the anniversary of such first meeting in each succeeding year on a date to be set by the Board. At such meetings, the Unit Owners shall elect successors to the members of the Board whose terms of office expire on the day of such meeting and there shall also be transacted such other business as may properly come before such meeting.

3.2 Place of Meetings. Meetings of Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the Borough of Brooklyn as may be designated from time to time by the Board.

3.3 Special Meetings. The President of the Condominium shall call a special meeting of Unit Owners if so directed by resolution of the Board or upon a petition signed and presented to the Secretary of the Condominium by not less than 25% in Common Interest of Unit Owners. Each such resolution or petition shall state, in reasonable detail, the purposes for calling such meeting.

3.4 Notice of Meetings and Actions Taken. Notice of each annual or special meeting of Unit Owners shall be given by the Secretary of the Condominium to all Unit Owners of record entitled to vote thereat at their address at the Condominium or at such other address as any Unit Owner has designated by notice in writing to the Secretary of the Condominium at least ten business days prior to the giving of notice of the applicable meeting. Each such notice shall state the purposes of the meeting and the time and place where it is to be held, and no business shall be transacted at such meeting except as stated in the notice. All notices hereunder shall be given by personal delivery, mail or telecopy, at least ten business days prior to the date fixed for the meeting, with a duplicate copy given at least five business days prior to the date fixed for the meeting. In addition, copies of such notice shall be posted in the lobbies, elevators or other public places in the Building at least five business days prior to the date fixed for the meeting. However, if the business to be conducted at any meeting of the Unit Owners shall include consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be given to all Unit Owners as provided above at least 30 days prior to the date fixed for such meeting and such notice shall be accompanied by a copy of the text of such proposed amendment.

3.5 Lack of Quorum. If any meeting of Unit Owners cannot be held because a quorum is not present, the Unit Owners who are present at such meeting, either in person or by proxy, may act by majority vote either to adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting, or to hold an informal meeting for the purpose of expressing to the Board their preferences on the business to have been transacted at the meeting.

3.6 Order of Business. The order of business at all regular meetings of Unit Owners shall be as follows:

(a) Roll Call
(b) Proof of Notice of Meeting
(c) Reading of Minutes of Preceding Meeting
(d) Reports of Officers
(e) Reports of Members of the Board
(f) Reports of Committees
(g) Election of Members of Board when so required
(h) Unfinished Business
(i) New Business

3.7 Title to Units. Title to Units may be taken by any individual, corporation, partnership, limited liability company, association, trust or other entity, or any two or more of such owners as joint tenants, tenants in common or tenants by the entirety, as may be appropriate, but not as owners in severalty.

3.8 Voting.

3.8.1 Each Unit Owner, or a person designated by such Unit Owner to act as proxy on its behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit or Units as set forth herein at all meetings of Unit Owners. The designation of any such proxy shall be made in a signed and dated writing to the Secretary of the Condominium and shall be revocable at any time by written notice actually delivered to the Secretary of the Condominium by the Unit Owner so designating; provided, however, that no designation to act as a proxy shall be effective for a period in excess of six months (except for a designation of a Permitted Mortgagee to act as the proxy of its mortgagor).

3.8.2 A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity.

3.8.3 If two or more persons or entities own a Unit, they shall designate one person or entity amongst them to vote the Common Interest appurtenant to their Unit in a writing given to the Secretary, and the vote of such designee shall be binding upon such designors. Failing such a designation, all of such persons or entities shall mutually vote such Common Interest under one ballot, without division, and the concurrence of such persons or entities shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being made contemporaneously to the party 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 determining whether a quorum is present for such voting.

3.8.4 Neither the Board nor its designee shall be entitled to vote the interest appurtenant to any Unit owned by the Board or such designee, and the Common Interest of such Unit shall be excluded from the total Common Interests when computing the interests of Unit Owners for quorum and voting purposes.

3.8.5 Subject to the terms of 2.1.2, and except as set forth in 3.9, at all meetings of Unit Owners, each Unit Owner (or its proxy) entitled to vote thereat (including Sponsor or its designee with respect to Unsold Units) shall be entitled to cast one vote for each 1 % of Common Interest attributable to its Unit or Units per member to be elected.

3.9 Majority of Unit Owners. Except as may otherwise be provided by law, as used in these By-Laws and in the Declaration, the term "Majority of Unit Owners" means those Unit Owners having more than 50% of the total authorized votes of all Unit Owners (determined in accordance with the provisions of 3.8), who are present in person or by proxy and voting at a duly constituted meeting at which a quorum is present.

3.10 Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners owning Units to which more than 50% of the aggregate Common Interests appertain shall constitute a quorum at all meetings of Unit Owners.

3.11 Majority Vote. Except where otherwise provided by law, the Declaration or these By-Laws, at all meetings of Unit Owners, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

ARTICLE 4

OFFICERS

4.1 Designation. The principal officers of the Condominium shall be a President, Vice President, Secretary and Treasurer thereof, all of whom shall be elected by the Board. The Board may appoint an Assistant Treasurer, Assistant Secretary and such other officers as in its judgment may be desirable. None of the officers of the Condominium need be Unit Owners or have any interest therein nor be Board members until the first organization meeting of the Board after the first annual meeting of Unit Owners. Thereafter, the President and Vice President of the Condominium must be members of the Board.

4.2 Election of Officers. The officers of the Condominium shall be elected annually by the Board at the organization meeting thereof and shall serve at the pleasure of the Board; except that the initial officers of the Condominium shall be elected by the initial Board and shall hold office at the pleasure of such Board and until their successors are elected.

4.3 Removal of Officers. Except as otherwise required by these By-Laws with respect to the designation of officers of the Condominium, upon the affirmative vote of a majority of the members of the Board present in person or by proxy at a regular meeting of the Board, or at a

special meeting of the Board called for such purpose, at which a quorum is present, any officer may be removed, either with or without cause, and his or her successor may be elected.

4.4 President. The President of the Condominium shall be the chief executive officer of the Condominium and shall preside at all meetings of Unit Owners and of the Board. The President shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint committees from among Unit Owners from time to time as the President, in his or her discretion, may decide are appropriate to assist in the conduct of the affairs of the Condominium.

4.5 Vice President. The Vice President of the Condominium shall take the place of the President and perform his or her duties whenever the President shall be absent or unable to act. If both the President and the Vice President of the Condominium are unable to act, the Board shall appoint some other member of the Board to act in the place of the President and Vice President on an interim basis. The Vice President shall also perform such other duties as, from time to time, shall be imposed by the Board or by the President.

4.6 Secretary. The Secretary of the Condominium shall keep the minutes of all meetings of Unit Owners and of the Board. The Secretary shall have charge of such books and papers as the Board shall direct and, in general, shall perform all of the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

4.7 Treasurer. The Treasurer of the Condominium shall have the care and custody of the funds and securities of the Condominium, and shall be responsible for keeping full and accurate financial records and books of account thereof showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Board (or in the name of the managing agent or manager appointed by the Board) in such depositories as may from time to time be designated by the Board and shall in general perform all of the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

4.8 Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by the President or Vice-President, acting alone, or by any other two officers thereof or by such other person or persons as may be designated by the Board. If, for any reason whatsoever, one member refuses to countersign such an expenditure which has been authorized, the Board shall designate and authorize another Board member to countersign the expenditure.

4.9 Compensation of Officers. Except as otherwise provided by the Board, no officer shall receive any compensation for acting as such.

4.10 Liability of Officers.

4.10.1 To the extent permitted by applicable law, no officer shall have any personal liability with respect to any contract, act or omission of the officers in connection with the affairs or

operation of the Condominium (except in their capacities as Unit Owners). To the extent permitted by applicable law, officers shall have no liability to Unit Owners except that an officer shall be liable for his or her 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 officer against any liability or claim except those arising out of such officer's own bad faith or willful misconduct.

4.10.2 None of the officers of the Condominium shall be liable for either (i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, any such officer or to be paid for as a Common Expense, except when any such failure or interruption is caused by the acts of bad faith or willful misconduct of such officer, or (ii) any injury, loss or damage to any individual or property, occurring in or upon either a Unit or any Common Element, and is either: (a) caused by the elements, by any Unit Owner or by any other individual, (b) resulting from electricity, water, snow or ice that may leak or flow from a Unit or any portion of any Common Element, or (c) arising out of theft or otherwise; except when caused by the acts of bad faith or willful misconduct of any such officer.

ARTICLE 5

NOTICES

5.1 Notices. All notices required or desired to be given hereunder to the Board shall be in writing and either delivered in person or sent by certified mail or by reputable overnight courier service with receipt confirmed to the principal office of the Board or to such other address as the Board may designate from time to time by notice in writing to all Unit Owners and a duplicate shall be sent in like manner to Managing Agent. Except as otherwise provided herein, all notices to any Unit Owner shall be in writing and either delivered in person or sent by certified mail or by reputable overnight courier service with receipt confirmed to the address at the Condominium Property of such Unit Owner or to such other address as may have been designated by such Unit Owner from time to time in writing to the Board. All notices shall be deemed to have been given when delivered in person or three days after deposit in a depository maintained by the U.S. Postal Service in a postage prepaid sealed wrapper or the first business day after deposit with an overnight courier service, as the case may be, except that notices of change of address shall be deemed to have been given when received.

5.2 Waiver of Service of Notice. Whenever any notice is required to be given by law, the Declaration or these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 6

OPERATION OF THE CONDOMINIUM

6.1 Determination of Common Expenses and Fixing of Common Charges.

6.1.1 From time to time, but at least once per year, the Board will prepare a budget for setting forth its projection of Common Expenses and will allocate the Common Expenses Unit Owners will be assessed Common Charges to meet the Units allocated share of Common Expenses. The Common Charges payable by each Unit Owner will be in proportion to the Unit's percentage Common Interests compared to the total of all Unit Owners. The Board shall advise all Unit Owners promptly in writing of the amount of Common Charges payable by each of them and shall furnish copies of each budget on which such Common Charges are based to all Unit Owners and, if requested, to Permitted Mortgagees thereof.

The Board may, 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. However, a prior period's deficit may be included in Common Charges for a subsequent period or paid from a Special Assessment levied against all Unit Owners.

6.1.3 The failure or delay of the 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.

6.1.4 In addition to the foregoing duty to determine the amount of and assess Common Charges, the Board shall have the right to levy special assessments to meet the Common Expenses. All special assessments shall be levied against all Unit Owners in proportion to their respective Common Interests. The Board shall have all rights and remedies for the collection of special assessments as are provided herein for the collection of Common Charges.

6.1.5 The excess of all rents, profits and revenues derived from the rental or use of any space or facility forming part of or included in any General Common Element or Limited Common Element remaining after the deduction of any non-capital expenses paid or incurred in connection therewith shall be collected by the Board, as agent for and on behalf of the Unit Owners, and shall constitute income of the Unit Owners. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, in no event shall any rent, profit or revenue derived from the rental or use of any space in the Building be deemed to be derived from the rental or use of any floor slabs, ceilings or walls delineating or enclosing such space or the incidental use of any portion of any Common Elements appurtenant to such space.

6.1.6 Notwithstanding anything contained to the contrary above in this Section 6. 1, the Board shall not reduce the Common Charges payable during any year occurring within the Initial Control Period solely as a result of either reducing the number of employees of the Condominium below that necessary to provide the superintendent, and concierge and coverage specified in the Plan, or eliminating or reducing any service or reducing the insurance coverage below that described in the Plan, except with the concurrence of a majority of the members of the Board elected by Unit Owners other than Sponsor or its designee.

6.2 Payment of Common Charges.

6.2.1 All Unit Owners shall be obligated to pay Common Charges assessed by the Board pursuant to the provisions of Section 6.1 at such time or times (but not less than monthly) as the Board determines. Unless otherwise determined by the Board, Common Charges shall be payable monthly, in advance, on the first day of each month.

6.2.2 No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against its Unit subsequent to a permissible sale, transfer or other conveyance by it (made in accordance with these By-Laws) of such Unit, together with its appurtenant Common Interest. Any Unit Owner may, subject to the terms and conditions of these By-Laws, convey its Unit, together with its appurtenant Common Interest, without consideration, to the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, and in such event (except as hereinafter set forth), be exempt from Common Charges thereafter accruing, provided that: (a) such Unit is free and clear of liens and encumbrances other than the statutory lien for unpaid Common Charges (provided that no amounts are owing under any such lien); and (b) no violation of any provision of the Declaration, these By-Laws or the Rules and Regulations then exists with respect to such Unit. However, in no event may a Unit Owner exempt itself from liability for Common Charges by waiving use of any of the Common Elements or by abandonment of its Unit. A purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to its acquisition of such Unit, except that (i) a mortgagee acquiring title to a Unit at a foreclosure sale, or (ii) to the extent permitted by applicable law, a purchaser of a Unit at a foreclosure sale of a mortgage shall not be liable for, and such Unit shall not be subject to a lien for, the payment of Common Charges assessed against such Unit subsequent to the recording of such mortgage and prior to the acquisition of title to such Unit by such mortgagee or purchaser. Prior to any permissible sale, transfer or other conveyance of a Unit, any seller or purchaser of a Unit shall be entitled to a statement from the Board, dated as of the date of the closing of title pursuant to any such sale, transfer or other conveyance, setting forth the amount of unpaid Common Charges accrued against the Unit. However, in the event of a foreclosure of a Unit by the Board of its lien on any Unit for unpaid Common Charges, if the proceeds of the foreclosure sale actually received by the Board shall be insufficient for the payment of such unpaid charges, or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid Common Charges which accrued prior to such sale.

6.2.3 The Board shall promptly provide any Unit Owner who so requests with a written statement of all unpaid Common Charges due to it from such Unit Owner.

6.3 Default in Payment of Common Charges; Lien for Unpaid Common Charges; Other Remedies.

6.3.1 The Board shall take prompt action to collect any Common Charges which remain unpaid for more than 30 days after the due date for payment thereof, including, without limitation, the institution of such actions and the recovery of interest and expenses as provided in this Article 6.

6.3.2 Except to the extent prohibited by law, the Board, on behalf of all Unit Owners, shall have a lien for Common Charges unpaid by any Unit Owner, together with interest thereon, on all Units owned by such Unit Owner, in proportion to their respective Common Interests. Such liens shall be subordinate only to liens for Real Estate taxes and prior recorded Permitted Mortgages on such Unit.

6.3.3 In the event any Unit Owner fails to make payment of Common Charges, the Unit Owner shall be obligated to pay (a) a "late charge" of $.04 for each dollar of such amounts which remain unpaid for more than ten days from their due date (although nothing herein shall be deemed to extend the period within which such amounts are to be paid) and (b) interest at the rate of 1.5% per month (but in no event in excess of the maximum rate permitted by law) on such unpaid amounts (less any "late charges" theretofore collected on such amounts) computed from the due date thereof, together with all expenses, including, without limitation, attorneys' fees paid or incurred by the Board or by any managing agent in any proceeding brought to collect such unpaid Common Charges or in an action to foreclose the lien on such Unit arising from said unpaid Common Charges, whether, in the case of Common Charges, as provided in Section 339-z of the New York Condominium Act, in the manner provided in Section 339-aa thereof or, in any event, in any other manner permitted by law. In addition, if the Board shall bring an action to foreclose such lien, the defaulting Unit Owner shall be required to pay a reasonable rental for the use and occupancy of its Unit and the plaintiff in such foreclosure action shall be entitled to the appointment, without notice, of a receiver to collect the same. All such "late charges", interest, expenses and rentals shall be added to and shall constitute Common Charges payable by such Unit Owner.

6.3.4 In any action brought by the Board to foreclose a lien on a Unit because of unpaid Common Charges, the Board, acting on behalf of all Unit Owners, shall have the power to purchase the Unit at the foreclosure sale thereof, and to acquire, hold, lease, mortgage, convey or otherwise deal with such Unit (but not to vote the interests appurtenant to such Unit). A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing such charges. In the event the net proceeds received on a foreclosure sale (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) are insufficient to satisfy the defaulting Unit Owner's obligations, such Unit Owner shall remain liable for the deficit.

6.3.5 If a non-occupying Unit Owner rents his unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees within 60 days of the expiration of the grace period after they are due, the Board shall provide written notice to the tenant and non-occupying Unit Owner providing that until such payments are made current, all rental

payments are to be made payable to the Condominium Association. Where a majority of the Board has been elected by Unit Owners in occupancy, the Board may elect not to require that rental payments be made payable to the Condominium Association.

6.4 Insurance

6.4.1 The Board shall be required to obtain and maintain, to the extent obtainable and to the extent determined by the Board to be appropriate, the following insurance: (a)fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings, decorations, appliances or other personal property not constituting a part of such Unit), together with all service machinery contained therein, and covering the interests of the Condominium, the board and all Unit owners , as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation and footings), without deduction for depreciation; (b) rent insurance in an amount equal to Common Charges for one year; (c) workers' 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 Board; (f) water damage insurance to the extent, if any, determined by the Board; (g) elevator liability and collision insurance; (h) fidelity insurance covering all officers, Board members, directors and employees of the Condominium and of the Managing Agent who handle funds of any of the forgoing; (i) directors' and officers' errors and omissions insurance; and (j) such other insurance as the Board may determine from time to time. Each of said policies shall contain a Condominium Property Endorsement and a New York standard mortgagee clause in favor of each Permitted Mortgagee which, as its interest may appear, subject, however, to the loss payment provisions hereinafter set forth. The premiums for all insurance referred to above and for the liability insurance referred to below shall be a Common Expense and shall be allocated among the Units on the basis of Common Interests.

6.4.2 All such policies shall state that adjustment of loss shall be made by the Board. Insurance proceeds with respect to any loss shall be payable to the Board or Unit Owners entitled to adjust such loss, as aforesaid, except that the proceeds of all policies of physical damage insurance, if in excess of $1,000,000.00, shall be payable to a New York City bank or trust company designated by the Board as Insurance Trustee pursuant to the provisions of Section 12.6.

6.4.3 The amount of fire insurance and all risk extended coverage to be maintained with respect to the Condominium (including each Unit, but excluding such items noted in subsection 6.4.1 to be excluded) until the first Board meeting following the first annual meeting of Unit Owners shall be at least $7,000,000.

6.4.4 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 of the insurer as a result of any insurance carried by Unit Owners, and shall provide that such policies may not be cancelled or substantially modified without at least ten days' prior written notice to all of the insureds, including all Unit Owners who have requested the same from the Board in writing. Duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, if obtainable, together with proof of payment of premiums,

shall be delivered to all Unit Owners who have requested the same from the Board in writing. Renewals shall be obtained at least ten days prior to the expiration of the then current policies.

6.4.5 The 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 Condominium Property, in such amounts as from time to time are carried by prudent owners of comparable properties in the City of New York, and in such limits as the Board, from time to time, may determine, covering (i) the Board, the Managing Agent, each Board member, each officer and employee of the Condominium, and (ii) each Unit Owner and their agents if any, except that such policy will not cover liability of a Unit Owner arising from occurrences within its own Unit or within the Common Elements, if any, exclusive to its Unit. The Board shall review such limits once each year. Until the first meeting of the Board following the first annual meeting of Unit Owners, such liability insurance shall be at least $ 1,000,000 with respect to any occurrence, and at no time and in no event shall such comprehensive general liability insurance afford protection to the limit of less than such amounts. The Board shall also be required to obtain and maintain fidelity insurance covering the Board, the Managing Agent, each Board member and each officer and employee of the Condominium in respect of the maintenance and/or operation of the Building or any part thereon The insurance required in accordance with this subsection 6.4.5 shall also cover cross-liability claims of one insured against another.

6.4.6 Any insurance maintained by the Board may provide for such deductible amounts as the Board determines.

6.4.7 The Board is not required to obtain or maintain any insurance with respect to any personal property contained in a Unit or any liability with respect to occurrences in or about a Unit. Unit Owners shall not be prohibited from carrying other insurance for their own benefit, at their own expense, and the Board shall not be prohibited from carrying additional insurance, provided that any such policies shall contain waivers of subrogation, and further provided that the liability of the carriers issuing insurance obtained by the Board shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

6.5 Repair or Reconstruction after Fire or Other Casualty.

6.5.1 In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty (unless three-fourths or more of the Building is destroyed or substantially damaged and 75% or more in Common Interest of all Unit Owners do not duly and promptly resolve to proceed with repair or restoration). the Board will arrange for the prompt repair and restoration thereof (including each Unit, but excluding appliances, fixtures, furniture, furnishings or other personal property not constituting a part of such Unit) and the Board or the Insurance Trustee (as defined in Section 12.6 below), as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments.

6.5.2 If three-fourths or more of the Building is destroyed or substantially damaged and if 75% or more in Common Interest of all Unit Owners do not duly and promptly resolve to proceed with the repair or restoration thereof, the Building will not be repaired and the

Condominium 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 its share of such funds, such amounts as may be necessary to discharge all unpaid liens on its Unit in the order of the priority of such liens. As used in this Section 6.5, the words "promptly resolve" mean not more than 60 days from the date of such damage or destruction.

6.5.3 Any dispute between the Unit Owners or between any Unit Owner and the Board arising under this Section 6.5 shall be determined by Arbitration.

6.6 Maintenance and Repairs.

6.6.1 Except as otherwise provided in the Declaration or these By-Laws: (a) all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary, and all maintenance, repairs and replacements of all plumbing, heating and lighting fixtures, heating and air-conditioning units and appliances (i) in or to any Unit (excluding Common Elements included therein except as otherwise provided in these By-Laws) and the interior side of entrance doors thereto, shall be made by the owner of such Unit at such Unit Owner's sole cost and expense; provided that, in each instance that any such work is to be done within a Unit (other than Unsold Units), the Unit Owner thereof will utilize only such contractors, workers and suppliers as are on the Managing Agent's then approved list, which list may change from time to time in the Managing Agent's or the Board's sole discretion; (ii) in or to the General Common Elements shall be made by the Board and the cost and expense thereof shall be charged as a Common Expense to the Unit Owners; and (iii) in or to the Limited Common Elements shall be made by the Board and the cost and expense thereof shall be shared by all Unit Owners in proportion to their respective Common Interests except for those Units with Roof Terraces and Terraces. The Unit Owners of those units with roof terraces and terraces as Limited Common Elements are responsible for the maintenance and repair of those Limited Common Elements; and (b) a Unit Owner shall not be responsible for the cost of painting, decorating, maintenance, repairs or replacements on or to any Unit other than to its own Unit (and any Limited Common Elements included in any such Unit) and the Common Elements.

6.6.2 Notwithstanding the provisions of subsection 6.6. 1:

(a) In the event that any painting, decorating, maintenance, repairs or replacements to the Condominium Property or any part thereof is necessitated by the negligence, misuse, neglect or abuse of (i) any Unit Owner, the entire cost thereof shall be borne by such Unit Owner, or (ii) the Board, the entire cost thereof shall be charged to all Unit Owners as a Common Expense, except to the extent in either case that such cost is covered by the proceeds of any insurance maintained pursuant to the provisions hereof.

(b) The interior and exterior glass surfaces of all windows located in any Unit shall not be colored or painted. All exterior glass surfaces shall be washed and cleaned by the respective Unit Owners, as required by the Board from time to time, at the Unit Owners' cost and expense. Any replacement of glass windows in any Unit because of breakage or otherwise shall be made by the Board, at the expense of all Unit Owners, as a Common Expense (unless such breakage is caused by a Unit Owner, in which event such replacement of glass windows shall be done by the Board, at the expense of such Unit Owner).

6.6.3 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 Condominium Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or the Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Board, as the case may be, shall promptly make or perform or cause to be made or performed, all maintenance work, repairs and replacements necessary in connection therewith. In addition, the public areas of the Building and those areas which are exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by: (a) the Board, with respect to such parts of the Building required to be maintained by it; and (b) each Unit Owner, with respect to the windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to its Unit.

6.6.4 In the event that any Unit Owner, after receipt of written notice from the 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 Article 6 or of any Common Element for which such Unit Owner is responsible under the Declaration or these By-Laws, the Board may perform or cause to be performed such painting, decorating, maintenance, repair or replacement unless such Unit Owner, within five days after receiving notice of such default by the 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 as aforesaid, 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 Board and shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

6.7 Alterations of Units.

6.7.1 Except as otherwise provided in the Declaration, no Unit Owner (other than Sponsor or its designee as the owner of Unsold Units) shall make any alteration, addition, improvement or repair in or to its Unit if the same would affect the structure or systems of the Building, without the prior written approval of the Board, which approval will not be unreasonably withheld. Prior to, and as a condition of, the granting of its consent to the making of any such alteration, addition, improvement or repair in or to a Unit, the Board, at its option, may require the Unit Owner to execute an agreement, in form and substance satisfactory to the Board, setting forth the terms and conditions under which such Alteration (as defined below) may be made.

6.7.2 All repairs which would affect the structure or systems of the Building and all alterations, additions and improvements (all of the foregoing, collectively, "Alterations") to any Unit shall be made in accordance with plans and specifications, which plans and specifications shall be subject to review and approval by the Board. All Alterations shall be performed:

(i) at the Unit Owner's sole cost and expense;

(ii) in a manner which will not interfere with, or cause any labor disturbances or stoppages in, the work of Condominium employees or other contractors or subcontractors employed in the Units or the Building;

(iii) during only such days and hours as may be specified by the Board in its reasonable judgment;

(iv) only after obtaining such insurance, naming the Board, as the Board or the Managing Agent may require;

(v) employing such architects, engineers, contractors, subcontractors, suppliers and other laborers who are on the Board then approved list, as such list may change from time to time, in the sole discretion of the Board or the Board; and

(vi) in compliance with the Declaration, these By-Laws, the Rules and Regulations, the overall Building standards and all applicable laws, ordinances, orders, rules, regulations and requirements of all governmental and quasi- governmental authorities, including, without limitation, the requirements of the New York City Department of Buildings, and the boards of fire underwriters having jurisdiction thereof (all such laws, ordinances, orders, rules, regulations and requirements being sometimes hereinafter collectively referred to as "Legal Requirements").

The Unit Owner performing or causing, permitting or suffering such Alterations to be performed shall, if required by the Board, pay the cost of (x) any necessary amendment of the Declaration and the floor plans of the Condominium, if appropriate, to reflect any such Alterations, (y) obtaining all necessary governmental permits, authorizations, certificates and licenses for the commencement and completion of any Alterations (and copies thereof shall be delivered to the Board promptly after the issuance thereof and prior to the commencement of any alterations, additions, improvements or repairs), and obtaining any amendment to the Certificate of Occupancy for such Unit, if necessary, and (z) any architectural, engineering and legal fees incurred by the Board in connection with such work. Neither the Board nor any Unit Owner (other than the Unit Owner making or causing, permitting or suffering any Alterations to be made in or to its Unit) shall incur any liability, cost, or expense either: (a) in connection with the preparation, execution, or submission of the applications referred to above; (b) to any contractor, subcontractor, supplier, architect, engineer or laborer on account of any Alterations made or caused, permitted or suffered to be made by any Unit Owner; (c) to any person or entity asserting any claim for personal injury or property damage arising therefrom; or (d) arising out of a Unit Owner's failure to obtain any permit, authorization, certificate or license, or to comply with the Declaration, these By-Laws, the Rules and Regulations and the provisions of any Legal Requirements insofar as the same relates to

Alterations. A Unit Owner making or causing, permitting or suffering any tenant or occupant to make, an), Alteration shall be deemed to have agreed to indemnify and hold the Board, the Managing Agent and all other Unit Owners harmless from and against any liability, loss, cost, or expense arising therefrom, and from and against any and all loss, cost, expense (including, but not limited to, attorneys' fees and disbursements), damage or injury, whether direct, indirect or consequential, resulting from, arising out of, or in any way connected with, any of the foregoing.

6.7.3 Any application to any department of the City of New York or to any other governmental authority having jurisdiction thereof for a permit to make an Alteration in or to any Unit so approved by the Board shall, if required by law or such department or authority, be executed by the Board, provided that the Board shall not incur any liability, cost or expense in connection with such application or to any contractor, subcontractor, supplier, architect or engineer on account of such Alteration or to any person having any claim for injury to person or damage to property arising therefrom.

6.7.4 Notwithstanding anything to the contrary contained in this Section 6.7 (but subject to all Legal Requirements), however, Sponsor and its designee shall have the right pursuant (and subject) to the terms of the Declaration, without the approval of the Board, to: (i) make any alterations, additions, improvements and repairs in or to any Unsold Units, whether structural or nonstructural, interior or exterior, ordinary or extraordinary; and (ii) subdivide, combine and change the boundary walls of Unsold Units. Additionally, an initial purchaser of an Unsold Unit shall have the right, without the approval of the Board, to make any Alterations in or to its Unit, provided that Sponsor or its designee has consented to the same in writing at or prior to the closing of title to such Unit, and that such purchaser complies with all of the other requirements of this Section 6.7.

6.7.5 In addition to the requirements set forth above in this Section 6.7, until a permanent Certificate of Occupancy is obtained for the Building, no Unit Owner shall make any Alterations in or to its Unit without first notifying Sponsor of the same in writing and complying with Sponsor's reasonable requirements with respect to the same. 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 same if theretofore issued;

(ii) the Unit Owner posts a bond or other similar security that is reasonably acceptable to Sponsor in an amount sufficient (in Sponsor's reasonable judgment) to insure the diligent completion of the work and the filing of any required notices or certificates with respect to such work and the completion of the same with all governmental authorities having jurisdiction;

(iii) such work not be commenced until the Unit Owner causes all required plans, specifications, notices and/or certifications to be filed with all governmental authorities having jurisdiction, procures all required permits and licenses with respect to the same, and delivers copies of all such plans, specifications, notices, certifications, permits and licenses to Sponsor;

(iv) such work be diligently prosecuted to completion in compliance with a 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 same 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 a Legal Requirement 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 same if theretofore issued) as a result of such work or the failure to make all appropriate governmental filings in connection with the same; and

(viii) all contractors shall be duly licensed to the extent required by applicable Legal Requirements 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 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 same, Sponsor shall be entitled to cause such work by the Unit Owner to be halted, including, without limitation, to cause the Managing Agent to deny access to the Building to the Unit Owner's workers and suppliers, until the Unit Owner complies with the same. During the period until such Unit Owner is permitted hereunder to resume its work, Sponsor shall have the right to perform any and all work in and to such Unit Owner's Unit as shall be necessary, in Sponsor's sole judgment, in order to avoid any delay in obtaining a temporary or permanent Certificate of Occupancy for the Building (or any amendment to, or extension of, the same if theretofore issued), whether or not such work shall be in compliance with the plans and specifications for the work theretofore performed by, or on behalf of, such Unit Owner. The cost and expense of any such work performed by Sponsor shall be borne by such Unit Owner and shall be paid to Sponsor within fifteen (15) days of Sponsor's written demand therefor.

6.8 Alterations to Common Elements. Except as otherwise provided in the Declaration or these By-Laws, all alterations, additions, improvements or repairs in or to any General Common Element shall be made by the Board and the cost thereof shall be charged to all Unit Owners as a Common Expense; and alterations, additions, improvements or repairs in or to any Limited Common Elements will be made by the Board, and the cost thereof will be shared by all Unit Owners in proportion to their respective Common Interests. Whenever, in the judgment of the Board, the cost of any such alterations, additions, improvements and repairs would exceed $10,000

in the aggregate in any calendar year, then the same shall not be made unless first approved by a Majority in Interest of the Unit Owners required to bear the cost and expense thereof in accordance with the or unless the same is necessary to comply with applicable laws or regulations, to remedy any violation imposed against the Condominium Property, or to comply with a proper work order of an insurer of the Condominium Property, or for the health or safety (but not the general comfort or welfare) of the residents or occupants of the Condominium Property. In any such event, the Board may, in its discretion, assess each Unit Owner liable therefor for its pro-rata share of the cost of such alterations, additions, improvements and repairs, according to its percentage of Common Interests, as part of the Common Charges. Any additions, alterations, improvements and repairs costing $ 10,000 or less, in the aggregate, in any calendar year may be made by the Board without the approval of the Unit Owners.

6.9 Use of Units

6.9.1 A Residential Unit may be used only as a residence and, subject to compliance with these By-Laws, for a lawful home occupation. A Residential Unit may only be occupied by (i) any individual who is a Unit Owner or permitted lessee, (ii) any officer, director, stockholder or employee of any corporation which is a Unit Owner or permitted lessee, (iii) any partner or employee of any partnership which is a Unit Owner or permitted lessee, (iv) the fiduciary or beneficiary of any fiduciary which is a Unit Owner or permitted lessee and member and/or non-paying guests of any of the forgoing. The Commercial Loft units may not be used as a residential unit and may be used for professional and medical offices, small service establishments, such as repair shops, artist's studios and custom hand manufacturing. The Storage Units may be used only for storage of nontoxic materials.

6.10 Use of Common Elements.

6.10.1 Common Elements may be used only for the furnishing of the services and facilities and for the other uses for which they are reasonably suited.

6.10.2 The Owner or Owners of any one or more Units, which Unit or Units are the only Unit or Units serviced or benefited by any Common Element adjacent or appurtenant thereto (for example, that portion at the end of any hallway which is directly adjacent to any such Units located on opposite sides of such hallway) and not affecting access or service (including, without limitation, heating, ventilating and air-conditioning) to any other Unit or to any other portion of the Common Elements shall, to the extent permitted by applicable law and with the consent of the Board (which consent shall not be unreasonably withheld or delayed and shall not be required if the Unit Owner or Owners shall be Sponsor or its designee), have the exclusive right to use that portion of the Common Elements as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion) and no amendment to the Declaration nor reallocation of Common Interests shall be made by reason thereof; provided, however, that such Unit Owner or Owners, at their sole cost and expense, shall (a) be responsible for the operation, maintenance and repair of that portion of the Common Elements for so long as such Unit Owner or Owners exercise such exclusive right of use, and (b) restore that portion of the Common Elements to its original condition, reasonable wear and tear excepted, after such Unit Owner or

Owners cease to exercise such exclusive right of use. The owner of any such Units which are Unsold Units shall have the rights set forth in the preceding sentence without the necessity for obtaining the consent of the Board

6.10.3 Notwithstanding the foregoing, landings which serve fewer than four Units may be decorated and/or furnished by the adjoining Unit Owners as they desire, at their expense, provided that each such Unit Owner consents in writing thereto, and the Board gives its written consent to such decoration and/or furnishing, which consent of the Board may not be unreasonably withheld or delayed. After an elevator landing is decorated and/or furnished by the Unit Owners serviced by the same, the Owners of such Units, and not the Board, will be
responsible for keeping the decor and furnishings in a first class condition and state of repair and performing, at their joint expense, all repairs and maintenance necessary or desirable in order to accomplish the same.

6.11 General Provisions as to Use.

6.11.1 No nuisance shall be allowed in the Condominium Property nor shall any use or practice be allowed in the Condominium Property which interferes with the peaceful possession or proper use of the Condominium Property by its occupants. No immoral, improper, offensive or unlawful use shall be made of the Condominium Property or any portion thereof All laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Condominium Property, shall be complied with at the sole expense of whichever of the Unit Owners or the Board shall have the obligation to maintain or repair such portion of the Condominium Property.

6.11.2 The Board, in its discretion, may grant permission for the use of a Unit for any other purpose (including use as a home office), provided such use is permitted by law, does not violate the then existing Certificate of Occupancy for such Unit, and the Unit Owner thereof complies with all applicable governmental regulations. Such permission by the Board shall be in writing and shall be personal to the Unit Owner. Any successor in title to such Unit shall be required to obtain the prior written approval of the Board before using such Unit for any purpose other than those expressly set forth above.

6.11.3 No portion of a Unit (other than the entire Unit) may be sold, conveyed, leased or subleased.

6.11.4 Sponsor or its designee, without the permission of the Board, may (a) use or grant permission for the use of any Unsold Unit for any purpose (including, without limitation, use for a home occupation), provided such use is permitted by law, does not violate the then existing Certificate of Occupancy for such Unit, and the user of such Unit complies with all applicable governmental regulations; (b) use any one or more Unsold Units as models and sales and/or promotion offices in connection with the sale or rental of the Units or for any other purpose, subject only to compliance with applicable governmental laws and regulations; and (c) lease and show Unsold Units to any party(ies).

6.12 Right of Access.

6.12.1 Each Unit Owner shall grant a right of access to its Unit and to its balcony, porch , roof terrace and/or yard (as applicable) to the Board, the Managing Agent and/or any other person authorized by any of the foregoing, for the purposes, among others, of: making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Condominium Property; curing defaults hereunder or under the Declaration or Rules and Regulations by such Unit Owner or correcting any conditions originating in its Unit and threatening another Unit or all or any part of the Common Elements; performing maintenance, installations, alterations, repairs or replacements to the mechanical or electrical services or other portions of the Common Elements within its Unit or elsewhere in the Building; reading, maintaining or replacing utility meters relating to the Common Elements, its Unit or any other Unit in the Building; or correcting any condition which violates the provisions of any Permitted Mortgage covering another Unit; provided that (a) requests for entry to any Unit are made not less than one day in advance, and (b) any such right shall be exercised in such a manner as will not unreasonably interfere with or with the use of the other Units for their permitted purposes. In case of an "emergency" (i.e., a condition requiring repairs, replacements or installations immediately necessary for the preservation or safety of all or any portion of the Condominium Property 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 or with respect to all or any portion of the Condominium Property), such right of entry shall be immediate, without advance notice, whether or not the Unit Owner is present.

6.12.2 Each Unit Owner shall grant a right of access to its Unit and to its porch, yard, balcony and/or rooftop terrace (as applicable), and the Board shall grant rights of access to the Common Elements, to Sponsor and its contractors, subcontractors, agents and employees, for the purpose of fulfilling Sponsor's obligations as set forth in the Offering Plan, provided that access thereto shall be exercised by Sponsor, with respect to any Unit, in such a manner as will not unreasonably interfere with the use of the Unit for its permitted purposes.

6.13 Rules and Regulations. Annexed hereto as Exhibit A and made a part hereof are rules and regulations (the "Rules and Regulations") concerning the use of the Units and Common Elements. The Board may from time to time modify, amend or add to such Rules and Regulations, except that (a) a Majority of Unit Owners may overrule the Board with respect to any such modification, amendment or addition, and (b) no modification, amendment or addition affecting the Unsold Units may be made unless agreed to, in writing, by Sponsor or its designee and by all the owners of such Units who are affected by such modification, amendment or addition. Copies of any newly adopted, or any modifications, amendments or additions to, the Rules and Regulations shall be furnished by the Board or Unit Owner responsible therefor to each affected Unit Owner not less than 30 days prior to the effective date thereof.

6.14 Real Estate Taxes, Water Charges and Sewer Rents.

6.14.1 Water for the Building shall be supplied by The City of New York. Unless and until water charges and sewer rents are billed directly to Unit Owners by the proper authority, the Board shall promptly pay such charges and rents as a Common Expense, and the Unit Owners

shall be required to reimburse the Board, as a Common Charge, for their proportionate share of such charges and rents.

6.14.2 Until the Units are separately assessed and billed for real estate tax purposes, the Board will pay all real estate taxes with respect to the Condominium Property to the Department of Finance of The City of New York (or directly to Sponsor if Sponsor has paid such taxes) and allocate the cost thereof among all Units as follows: The Board shall allocate such share among the individual Units in each in the ratio of the percentage of Common Elements held by each Unit Member total initial offering prices of all Units in such class. Each Unit Owner will then reimburse the Board for his or her allocated share. Such reimbursement shall be payable as if it were a Common Charge. Such taxes will be paid in a timely manner so that no lien will be placed on the Condominium Property or any Unit. If Sponsor fails to pay real estate taxes attributable to any Unsold Unit in a timely manner and as a result of such failure a lien is placed on the Condominium Property and/or any other Unit, Sponsor will immediately cause such lien to be removed at its sole cost and expense. A Unit Owner will not be responsible for the payment of, and will not be subject to any lien arising from, the non-payment of real estate taxes assessed against any other Units.

6.14.3 In the event of a proposed sale of any Unit, the Board (so long as the Board is still collecting and paying such real estate taxes and/or water charges and sewer rents), upon the written request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to such purchaser's title company, a letter agreeing to promptly pay all such taxes, charges and rents affecting such Owner's Unit to the date of the closing of title to such Unit.

6.14.4 In the event any Unit Owner individually seeks to have the assessed valuation of its Unit reduced by bringing a separate certiorari proceeding, the 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 Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees) resulting from such proceedings.

6.15 Electricity. Electricity for each Unit shall be supplied through separate electric meters. Each Unit Owner shall be required to pay bills for electricity consumed or used in its Unit to the utility company.

6.16 Remedies for Violations of By-Laws or Rules and Regulations by Unit Owners.

6.16.1 The violation of any of the Rules and Regulations or the breach of any By-Law contained therein, or the breach of any provision of the Declaration, shall give the Board the right, in addition to any other rights set forth in these By-Laws or the Declaration, (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 Board shall not thereby be deemed guilty or liable in any matter of trespass, and/or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach, provided that the Board gives the Unit Owner notice (which may be by telephone or telegram) that such

violation exists, that repairs or replacements are necessary and that the 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 Board may deem appropriate, and the Board shall have the same remedies for non-payment of such fines and penalties as for non-payment of Common Charges.

6.16.2 The violation or breach of any of the provisions of these By-Laws, any of the Rules and Regulations or the Declaration with respect to any rights, easements, privileges or licenses granted to Sponsor or its designee shall give to Sponsor and its designee the right, in addition to any other rights set forth in these By-Laws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach.

ARTICLE 7

MORTGAGES

7.1 Notice to Board. A Unit Owner who mortgages its Unit or the holder of such mortgage, shall notify the Board of the name and address of the mortgagee and shall file a conformed copy of the note and mortgage with the Board, and such Unit Owner shall, prior to the making of such mortgage, satisfy all unpaid liens against its Unit. A Unit Owner who satisfies a mortgage covering its Unit shall so notify the Board and shall file a conformed copy of the satisfaction or mortgage with the Board.

7.2 Notice to Mortgagees of Default and Unpaid Common Charges. Whenever so requested in writing by a mortgagee of a Unit, the Board shall promptly report to such mortgagee any default in the payment of Common Charges or any other default by the Unit Owner of such Unit under any of the provisions of the Declaration or these By-Laws which, to the Board's knowledge, may then exist. The Board, when giving notice to a Unit Owner of any such default, shall also send a copy of such notice to any mortgagee thereof, if so requested. However, the Board shall have no liability for any failure, through oversight or negligence, in notifying a mortgagee of such default by its mortgagor, provided that the Board shall advise such mortgagee of the default promptly after discovering such failure.

7.3 Performance by Mortgagees. The Board shall accept payment of any sum of money or performance of any act by any mortgagee of a Unit Owner required to be paid or performed by such Unit Owner pursuant to the provisions of the Declaration, these By-Laws or the Rules and Regulations, with the same force and effect as though paid or performed by such Unit Owner.

7.4 Examination of Books. Each Unit Owner shall be permitted to examine the books of account of the Condominium upon reasonable prior notice, at reasonable times on business days, but not more frequently than once a month.

7.5 Consent of Mortgagees. Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any

determination or act of the Board or any Unit Owner, provided, however, that nothing contained herein shall be deemed to limit or affect the rights of any mortgagee against its mortgagor.

ARTICLE 8

SELLING, LEASING AND MORTGAGING OF UNITS

8.1 Sales and Leases of Units. Subject to the terms of Section 8.7 hereof, each Unit Owner may sell its Unit or lease its Unit specifically, this Section 8.1:

8.1.1 (a) Subject to the terms of Section 8.8, any contract to sell a Unit together with its appurtenant Common Interest, or any lease of a Unit (collectively, the "Sale Agreement or Lease") shall contain the following provision: "This Agreement, and the rights and obligations of the parties hereunder, are hereby expressly subject to the right of first refusal of the Board of Managers of 105 Lexington Condominium in respect of the transaction described herein, pursuant to the terms of Article 8 of the By-Laws of 105 Lexington Condominium." (All Unit Owner who has entered into a Sale Agreement or Lease is herein referred to as the "Offer Unit Owner" and the prospective purchaser or tenant is herein referred to as the "Outside Offeror.")

(b) Promptly after a Sale Agreement or Lease has been fully executed, the Offeree Unit Owner shall send written notice thereof to the Board, by certified or registered mail, return receipt requested, or by reputable courier guaranteeing overnight delivery; such notice shall be accompanied by a fully executed duplicate original of the Sale Agreement or Lease, containing all of the terms offered in good faith by the Outside Offeror. The giving of such notice to the Board shall constitute an offer by the Offeree Unit Owner to sell its Unit, together with its appurtenant Common Interest, or to lease its Unit, as the case may be, to the Board, or its designee, corporate or otherwise, on behalf of all Unit Owners, upon the same terms and conditions as contained in such Sale Agreement or Lease, and shall also constitute a representation and warranty by the Offeree Unit Owner to the Board, on behalf of all Unit Owners, that such Sale Agreement or Lease is bona fide in all respects and contains the complete terms of the transaction. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Board may reasonably request. Not later than 20 days after receipt of such notice, together with such further information as may have been requested, the Board may elect, by sending written notice, by certified or registered mail, return receipt requested, or by reputable courier guaranteeing overnight delivery, to such Offeree Unit Owner before the expiration of said 20-day period, to purchase such Unit, together with its appurtenant Common Interest, or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all Unit Owners, upon the same terms and conditions as contained in the Sale Agreement or Lease and as stated in the Offeree Unit Owner's response(s) to requests by the Board for further information, as provided for above.

8.1.2 In the event the Board shall timely elect to purchase such Unit, together with its appurtenant Common Interest, 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, title shall close or a lease shall be executed at the office of the attorneys for the Board, in accordance with the terms of the Sale Agreement or Lease within 60 days after the giving of notice by the Board of its election to accept

such offer; provided, however, that in the event that the closing date of the purchase or the commencement date of the term of the lease, as the case may be, set forth in the Sale or Lease. Agreement shall be later than 60 days after the giving of notice by the Board of its election to accept the aforesaid offer, the Board shall be required to perform or cause to be performed all of the terms of the Sale Agreement or Lease (except as otherwise expressly set forth in this Article 8), including, but not limited to, payment of a downpayment or advance rentals and security deposits, or closing of title or acceptance of occupancy, as the case may be, and such closing of title or the commencement of the term of the Lease shall be on the date set forth in the Sale Agreement or Lease as the intended closing date or commencement date, as the case may be. If, pursuant to such Sale Agreement or Lease, the Outside Offeror was to assume or take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, in the case of a sale, the Board may purchase the Unit and assume or take title to the Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Unit (together with its appurtenant Common Interest) is to be sold, shall convey the same to the Board, or its designee, corporate or otherwise, on behalf of all Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York. Real estate taxes (including, water charges and sewer rents, if separately assessed), mortgage interest, if applicable, Common Charges and rent, if applicable, shall be apportioned between the Offeree Unit Owner and the Board, or its designee, corporate or otherwise, as of the closing date. In the event such Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board, or its designee, corporate or otherwise, a lease between the Offeree Unit Owner, as landlord, and the Board, or its designee, corporate or otherwise, as tenant, covering such Unit, for the rental and term contained in the Lease.

8.1.3 In the event the Board or its designee shall fail to accept such offer within 20 days after receipt of notice, or waives such election in writing, as aforesaid, the Offeree Unit Owner shall have an additional 90 days after the earlier of the expiration of such 20-day period or waiver in writing by the Board, to consummate the transaction set forth in the Sale Agreement or Lease. In the event the Offeree Unit Owner shall not, within such 90-day period, so consummate the transaction, or should the terms of the Sale Agreement or Lease be amended or modified in any way (whether orally, in writing or by a side agreement) to be on terms less favorable to the Offeree Unit Owner, then the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section 8. 1.

8.1.4 Any deed to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the provisions of the Declaration, these By-Laws, the Rules and Regulations, in each case as the same may be amended from time to time, and, in the absence of such express language, the same shall be conclusively deemed to have been included therein.

8.1.5 Any Lease to an Outside Offeror shall be consistent with these By-Laws and shall provide that it may not be modified, amended, extended or assigned without the prior consent in writing of the Board, that the tenant shall not assign its interest in such Lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board and that the Board shall have power to terminate such Lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (i) a default by the tenant in the performance of its obligations under such Lease or (ii) a foreclosure of the lien granted by Section

339-z of the Real Property Law of the State of New York or otherwise. Such Lease shall also provide that it is and shall be subject and subordinate to these By-Laws and the Rules and Regulations.

8.1.6 Except as hereinbefore set forth, the form and substance of any such Lease executed by the Board or an Outside Offeror shall be the then current form of lease approved by the Board (as the same may be changed from time to time). Any Lease executed by the Board as tenant shall provide that the Board may enter into a sublease of the demised premises without the consent of the landlord and without paying to the landlord any portion of the rent received from the subtenant.

8.1.7 If a Unit Owner is a corporation, any sale, assignment, transfer or other disposition of any of its stock other than through any recognized national securities exchange or "over-the-counter" market, or if a Unit Owner is a partnership, limited liability company or other entity, any sale, assignment, transfer or other disposition of any interest in such partnership, company or other entity shall also subject the Unit owned by such entity to the requirement that the Unit first be offered to the Board, as described in this Section 8.1.

8.1.8 Any purported sale or lease of a Unit in violation of this Section 8.1 shall be voidable at the election of the Board and if the Board shall so elect, the Unit Owner shall be deemed to have authorized and empowered the Board to institute legal proceedings to eject or evict the purported purchaser or tenant, as the case may be, in the name of said Unit Owner as the purported seller or landlord, as the case may be. Said Unit Owner shall reimburse the Board for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

8.2 Consent of Unit Owners to Purchase or Lease of Units by Board. The Board shall not exercise any option hereinabove set forth to purchase or lease any Unit without the prior approval of a Majority of Unit Owners with respect to a sale and the affirmative vote of a majority of the members of the Board for a lease. However, the Board shall have the right to release or waive such option without the prior approval of a Majority of Unit Owners.

8.3 No Severance of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to its Unit without including therein its appurtenant Common Interest, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the appurtenant Common Interest 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 Common Interests of Units. Nothing in this Section 8.3 shall prohibit the lease of any Unit without the simultaneous lease of its appurtenant Common Interest.

8.4 Release by Board of Right of First Refusal. The right of first refusal contained in Section 8.1 may be released or waived by the Board only in the manner provided in Section 8.5. In

the event the Board shall release or waive its right of first refusal as to any Unit, such Unit, together with its appurtenant Common Interest, may be sold, conveyed or leased in accordance with the Sale Agreement or Lease and the other information supplied by the Offeree Unit Owner to the Board pursuant to Section 8.1 hereof, subject to the provisions of subsection 8.1.3. The Board may establish reasonable fees for the consideration as to the waiver of any right of first refusal, which fees shall be payable by the selling or leasing Unit Owner (but not Sponsor or its designee), as the case may be, to the Managing Agent or Transfer Agent.

8.5 Certificate of Termination of Right of First Refusal. A certificate executed and acknowledged by the Secretary or any other officer of the Condominium stating that the provisions of 8..1 have been satisfied by a Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Board and that, as a result thereof, the rights of the Board thereunder have terminated, shall be conclusive upon the Board and the Unit Owners in favor of all persons who rely on such certificate in good faith.

8.6 Financing of Purchase of Units by Board. The purchase of any Unit, together with its appurtenant Common Interest, by the Board or its designee, corporate or otherwise, on behalf of all liens against their Units, other than Permitted Mortgages.

8.7 Exceptions. The provisions of Section 8.1 shall not apply to the lease, sale or conveyance of any Unit, together with its appurtenant Common Interest, by: (a) the Unit Owner thereof to his or her spouse, adult children, parents, adult siblings or to any combination of them, or to a trust for the benefit of any one or more of them and/or any one or more minor children of any of them (collectively, "family members"), or to any affiliate (as defined below) of the Residential Unit Owner thereof or the owner of any interest in a Unit Owner which is a corporation, partnership, limited liability company or other entity; (b) Sponsor or its designee with respect to Unsold Units; (c) the Board; (d) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure; or (e) a Mortgagee or its nominee, who has acquired title to any Unit at any foreclosure sale of its Mortgage or by deed in lieu of such foreclosure delivered in a bona fide transaction; provided, however, that each succeeding Unit Owner shall be bound by, and its Unit shall be subject to, all of the provisions of this Article 8. In addition, the provisions of Section 8.1 shall not apply to any lease, sale or conveyance of (i) a Unit to a Mortgagee or a purchaser at a foreclosure sale of a Mortgage in connection with a foreclosure or sale in lieu of same; The term "affiliate" shall be deemed to be any individual or entity that owns 50% or more of the legal and beneficial interest of such Unit Owner or owner of an interest in a Unit Owner, as the case may be, (with respect to a Unit Owner which is not an individual), or any entity with respect to which such Unit Owner or owner of an interest in a Unit Owner, as the case may be, (individual or otherwise) owns 50% or more of the legal and beneficial interest.

8.8 Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer his or her Unit by gift, or may devise his or her Unit by will, or have his or her Unit pass by intestacy, without complying with the provisions of 8. 1, provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit shall be subject to, the provisions of this Article 8.

8.9 Waiver of Right of Partition with Respect to Units Acquired on Behalf of Unit Owners as Tenants-in-Common. In the event that any Unit shall be acquired by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit and the entire Condominium Property as herein provided.

8.10 Payment of Assessments. Unit Owners shall not be permitted to sell, convey, Mortgage, pledge, hypothecate or lease their Units unless and until they shall have paid in full to the Board all unpaid Common Charges and other amounts required by the Board to be paid and theretofore assessed by the Board against such Units and until such Unit Owners shall have satisfied all unpaid

ARTICLE 9

CONDEMNATION

In the event of the taking in condemnation or by eminent domain of all or any part of the Elements, then, subject to the provisions set forth below, the Board will arrange for the prompt repair and restoration of the part of the Common Elements so taken. The award made for any such taking shall be payable to the Board, provided, however, that if any such award exceeds $1,500,000, such award shall be payable to the Insurance Trustee (as defined in Section 12.6 hereof) and shall be disbursed to the contractors engaged in such repair and restoration, if any, in appropriate progress payments. If the net proceeds of any such award are insufficient to cover, or if such net proceeds exceed, the cost of any repairs and restorations, the deficit or surplus, as the case may be, will be (a) borne and shared by all Unit Owners with respect to any taking of the Elements pro rata in accordance with their Common Interests and (b) home and shared by all Unit Owners with respect to any taking of the Limited Common Elements pro rata. in accordance with their Common Interests; provided, that the amount of any surplus payable to any Unit Owner shall be lessened by such amounts as may be necessary to reduce unpaid liens on any such Unit in the order of the priority of such liens. Notwithstanding any provisions contained herein to the contrary, if seventy-five (75 %) percent or more of the Limited Common Elements and/or Common Elements, in the aggregate, are so taken, such repairs or restorations shall not be made unless seventy-five (75%) percent or more of all Unit Owners (including Sponsor or its designee, if Sponsor or such designee shall then own any Units), both in number and 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 repairs and restoration shall be performed as set forth above. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the repairs and restoration shall not be performed and the Condominium 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, and the net proceeds of any such award with respect to the taking shall be divided among the Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid out of its share of such funds, such amounts as may be necessary to reduce all unpaid liens on his Unit in the order of the priority of such liens. As used in this Article 9, the words "promptly resolve" shall mean not more than 60 days from the date of such taking.

ARTICLE 10

RECORDS AND AUDITS

10.1 Records. The Board or the Managing Agent for the Condominium shall keep detailed records of the actions of the Board, minutes of the meetings of the Board, minutes of the meetings of the Unit Owners, and financial records and books of account with respect to the activities of the Board, including a listing of all receipts and expenditures. In addition, the Board shall keep a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges and other amounts required by the Board to be paid in respect of such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

10.2 Audits. Within four months after the end, of each fiscal year, an annual report of receipts and expenditures, prepared and certified by an independent certified public accountant, shall be submitted by the Board to all Unit Owners, and, if so requested, to any Permitted Mortgagee. The cost of such report submitted by the Board shall be paid by the Unit Owners as a Common Expense.

10.3 Availability of Documents. Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans (as such term is defined in the Offering Plan), as the same may be amended from time to time, shall be maintained at the office of the Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours, upon reasonable prior notice.

ARTICLE 11

ARBITRATION

11.1 General Procedure. Any arbitration provided for in these By-Laws or the Declaration shall be conducted before one arbitrator in New York City -by the American Arbitration Association or any successor organization thereto, in accordance with its rules then in effect; the decision rendered in such arbitration shall be binding upon the parties and may be entered in any court having jurisdiction. Notwithstanding the foregoing, any arbitration held pursuant to the declaration or these By-Laws with respect w a dispute which arose prior to the first annual meeting of Unit Owners, shall be non-binding. In the event that the American Arbitration Association shall not then be in existence and has no successor, any arbitration hereunder shall be conducted in New York City before one arbitrator appointed, on application of any party, by any justice of the highest court of appellate jurisdiction located in the County of Kings. The decision of the arbitrator so chosen shall be given within ten days after his or her appointment. Any arbitrator appointed or selected in connection with any arbitration hereunder shall be a member of a law firm whose principal office is in the City of New York and which has at least five members.

11.2 Costs and Expenses. The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to a 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 its counsel and expert witnesses. All costs and expenses paid or incurred by the Board in connection with any arbitration held hereunder (including, without limitation, the fees and expenses of counsel and expert witnesses) shall constitute Common Expenses.

11.3 Agreement by Parties. The parties to any dispute required or permitted to be submitted to arbitration hereunder may, by mutual agreement between them, vary any of the provisions of 11. 1 with respect to the arbitration of such dispute, or may agree to resolve their dispute in any other manner, including without limitation. The manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as the "New York Simplified Procedure for Court Determination of Disputes."

ARTICLE 12

MISCELLANEOUS

12.1 Consents. Wherever the consent, approval or satisfaction of Sponsor or its designee is required under these By-Laws or the Declaration, such consent, approval or satisfaction shall not be required when there are no remaining Unsold Units.

12.2 Waiver. No provision contained in these By-Laws or the Rules and Regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches thereof which may occur.

12.3 Captions. The index hereof and captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws nor the intent of any provision hereof.

12.4 Certain References.

12.4.1 A reference in these By-Laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

12.4.2 The terms "herein," "hereof' or "hereunder" or similar terms used in these By-Laws refer to these entire By-Laws and not to the particular provision in which the terms are used.

12.4.3 Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of these By-Laws.

12.5 Severability. Subject to the provisions of the Declaration, if any provision of these By-Laws is invalid or unenforceable as against any person, parry or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons, parties or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise herein provided, be valid and enforced to the fullest extent permitted by law. In the event

any provision of these By-Laws or the Rules and Regulations conflicts with the provisions of the Declaration, the provisions of the Declaration shall control.

12.6 Insurance Trustee. The Insurance Trustee shall be a bank or trust company having an office located in The City of New York, designated by the Board and having a capital surplus and undivided profits of $500,000,000 or more. In the event the Insurance Trustee resigns or is replaced by the Board, the Board shall appoint a new Insurance Trustee which shall be a bank or trust company having an office located in The City of New York and having a capital surplus and undivided profits of $500,000,000 or more. The Board shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a Common Expense. The Insurance Trustee shall hold all such proceeds in accordance with Section 254(4) of the Real Property Law of the State of New York.

12.7 Successors and Assigns of Sponsor. The rights and/or obligations of Sponsor or its designee as set forth herein shall inure to the benefit of and be binding upon any successor or assign of Sponsor or its designee or, with the consent of Sponsor or its designee, any transferee of all of the then Unsold Units. Subject to the foregoing, Sponsor or its designee shall have the right, at any time, in its sole discretion, to assign or otherwise transfer its interests herein, whether by merger, consolidation, lease, assignment or otherwise.

12.8 Covenant of Further Assurances.

12.8.1 Any party which is subject to the terms of these By-Laws, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member or officer of the Board, or otherwise, shall, at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action, as such other party may reasonably request, to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

12.8.2 If any Unit Owner or any other party which is subject to the terms of these By-Laws fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten days after request therefor, to take any action which such Unit Owner or other party is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, then the Board is hereby authorized, as attorney-in-fact, coupled with an interest, for such Unit Owner or other party, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other party, and such instrument or action shall be binding on such Unit Owner or other party, as the case may be.

ARTICLE 13

AMENDMENTS TO BY-LAWS

13.1 Amendments by Unit Owners. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor or

its designee, any Unsold Units, any provision of these By-Laws or the Rules and Regulations affecting (a) only the Units or the Common Element or the Unit Owners may be amended, modified, added to or deleted by the affirmative vote of at least 75% in Common Interest of all Unit Owners provided, however, that the use of Units or the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the written consent of all Unit Owners affected thereby. Subject to the provisions contained herein or in the Declaration with respect to amendments, modifications, additions or deletions affecting Sponsor or its designee, any Unsold Units, any such amendment, modification, addition or deletion shall be executed by the Board, as attorney-in-fact, coupled with an interest, for the Unit Owners. Each duly adopted amendment, modification, addition or deletion to these By-Laws shall be effectuated by an instrument recorded in the City Register's Office.

13.2 Amendments Affecting Sponsor or its Designee. Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition to or deletion of these By-Laws, the Declaration or the Rules and Regulations shall be effective in any way against (a) Sponsor or its designee, for so long as Sponsor is the owner of one or more Units, or any Unsold Unit, unless Sponsor has given its prior written consent thereto, or (b) the holder of any present or future mortgage, pledge or other lien or security interest covering any Unsold Unit unless such holder has given its prior written consent thereto.

EXHIBIT A TO BY-LAWS

RULES AND REGULATIONS OF
105 Lexington Condominium

1. The sidewalks, entrances, passages, public halls, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose by Unit Owners and their invitees other than the respective purposes for which they were intended

2. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed in any of the passages, public halls, vestibules, corridors or stairways of the Building nor shall any fire exit thereof be obstructed in any manner.

3. Neither occupants nor their guests shall play in the entrances, passages, public halls, lobbies, vestibules, corridors or stairways of the Building.

4. No public hall or vestibule of the Building shall be decorated or furnished by any Unit Owner in any manner, except as otherwise expressly provided in the By-Laws.

5. Each Unit Owner shall keep his or her Unit in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors or windows thereof, any dirt or other substance.

6. No window guards or other window decorations shall be used in or about any Unit, unless otherwise required by law and as approved by the Board.

7. No radio or television aerial shall be attached or hung from the exterior of the Building and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any window or other part of the Building except such as are permitted pursuant to the Declaration or the By-Laws or shall have been approved in writing by the Board or the Managing Agent; nor shall anything be projected from any window of the Building without similar approval.

8. No ventilator or air conditioning device shall be installed in any Unit without the prior written approval of the Board other than air conditioning units which can be placed in the existing portion of the window designated by the Board of Managers and which can be operated with the existing service provided to the unit holder.

9. All radio, television or other electrical or electronic equipment of any kind installed or used in any Unit shall comply with all rules, regulations, requirements and recommendations of the Board of Fire Underwriters and governmental authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical or electronic equipment in such Unit Owner's Unit.

10. No mopeds, motorcycles, bicycles, scooters or similar vehicles shall be taken into or from the Building through the main entrances or be allowed in any of the elevators other than the elevators designated by the Board or the Managing Agent for that purpose, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the passages, public halls, vestibules, corridors or other public areas of the Building.

11. No Unit Owner shall make or permit any disturbing or objectionable noises, odors or activity in the Building, or do or permit anything to be done therein, which will interfere with the rights, comforts or conveniences of other Unit Owners or their tenants or occupants. No Unit Owner shall play upon or suffer to be played upon any musical instrument, or operate or permit to be operated a phonograph, stereo system, or radio or television set or other loudspeaker in such Unit Owner's Unit between midnight and the following 7:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. No construction or 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 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency.

12. No bird, insect, reptile or animal shall be permitted, kept or harbored in the Building unless in each instance expressly permitted in writing by the Board or the Managing Agent. Such consent, if given, shall be revocable by the Board or such Managing Agent in their sole discretion, at any time. Notwithstanding the foregoing, a Unit Owner (but no other or tenant or occupant of any Unit) may keep as pets in his or her Unit not more than two domestic dogs, not exceeding twenty (20) pounds each (other than for visually impaired individuals), domestic cats, caged birds and fish and other domestic animals provided that such pets do not constitute a health hazard, unsanitary condition or nuisance to any other Unit Owner, tenant or occupant. Any pet constituting a nuisance shall be permanently removed from the Building within one week after

notice from the Managing Agent. In no event shall any bird, reptile or animal be permitted in any in any of the public portions of the Building, unless carried or on a leash.

14. Water closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water closets or other apparatus in a Unit shall be repaired and paid for by the Owner of such Unit.

15. The agents of the Board, and any contractor or worker authorized by the Board, may enter any room or Unit at any reasonable hour of the day, on at least one 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.

16. Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

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

18. Complaints regarding Building services shall be made in writing to the Board or to the Managing Agent.

19. Unit Owners shall not cause or permit any unusual or objectionable noise or odors to be produced upon or to emanate from their Units.

20. No Unit Owner or any of his or her agents, servants, employees, licensees or visitors shall at any time bring into or keep in such Unit Owner's Unit any inflammable, combustible or explosive fluid, material, chemical or substance.

21. If any key or keys are given or lent by a Unit Owner or by any member of his or her family or by his or her agent, servant, employee, licensee or visitor to an employee of the Condominium or of the Managing Agent, whether for such Unit Owner's Unit, automobile, trunk or other item of personal property, the use of the key shall be at the sole risk of such Unit Owner, and neither the Board nor the Managing Agent shall be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

22. Nothing shall be done or kept in any Unit which would increase the rate of insurance of the Building or contents thereof, without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his or her Unit which will result in the cancellation of insurance on the Building or which would be in violation of any law. No waste shall be committed in the Common Elements.

23. Unit Owners will comply with the laws, ordinances, rules and regulations of the City of New York or any other applicable governmental authority with respect to disposal and recycling of waste and refuse, including, without limitation, the separation of trash into "recyclable" and "non-recyclable" materials. The Board may designate from time to time the types of materials which must be separated for recycling, the types of containers or binding to be used by the Unit Owners for the disposal of designated recyclable materials and the locations where designated recyclable materials shall be deposited. The Board may also establish other rules and regulations regarding the recycling of trash. Any costs incurred by the Board to enforce the rules and regulations of the Board or the requirements of applicable law regarding the recycling of trash against a Unit Owner, including, without limitation, legal fees, fines and penalties imposed by any government agency, shall be payable by the Unit Owner as additional Common Charges. Unit Owners will comply with the following procedures with respect to the use of the refuse receptacles: (a) wrap dust, flour and powdered waste before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the receptacles; (d) crush into tight bundles all loose papers before placing the same in the receptacles; (e) deposit all bundles of waste into the receptacles; and (f) refrain from depositing waste of an explosive nature therein. Unit owners shall deposit waste and refuse in the containers provided either before 8:00 am or after 10:00 pm at night only. Any refuse not disposable by depositing same in the trash room must be picked up directly from the Unit by Building personnel at such times and in such manner as the Board or the Managing Agent shall determine.

24. Unit Owners, their families, 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, except that each of the Unit Owners of a penthouse Unit with a private terrace located on the roof (and its family) may enter upon the roof and use its private terrace located on the roof for its intended purpose, in accordance with guidelines adopted by the Board from time to time for such use.

25. No Unit Owner, tenant or occupant of a Unit shall conduct any group tour or exhibition of any Unit or its contents or any auction sale in any Unit, without the prior consent of the Board or the Managing Agent.

26. In the event that any Unit is used for home occupation purposes, which are permitted by law, in no event shall any patients, clients or other invitees be permitted to wait in any lobby, public hallway or vestibule.

27. Any consent or approval given under these Rules and Regulations may be granted, refused, added to, amended or repealed, in the sole discretion of the Board, at any time by

resolution of the Board. Further, any such consent or approval may, in the discretion of the Board or the Managing Agent, be conditional in nature.

28. The Board reserves the right to rescind, alter, waive or add, as to one or more or all occupants, any rule or regulation at any time prescribed for the Building when, in the judgment of the Board, the Board deems it necessary or desirable for the reputation, safety, character, security, care, appearance or interests of the Building or the preservation of good order therein, or the operation or maintenance of the Building or the equipment thereof, or the comfort of Unit Owners, occupants or others in the Building. No rescission, alteration, waiver or addition of any rule or regulation in respect of one Unit Owner or other occupant shall operate as a rescission, alteration, waiver or addition in respect of any other Unit Owner or other occupant.

29. Notwithstanding any references to "Unit Owner" in these Rules and Regulations, the Rules and Regulations of the Condominium shall be binding upon all Unit Owners and all tenants, guests and other occupants of the Condominium. Unit Owners shall be responsible for enforcing compliance with, and liable for any violation of, the Rules and Regulations by members of their families, guests, invitees, tenants, employees, agents, visitors and any other occupants of their Units.

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CERTIFICATIONS

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SPONSOR'S CERTIFICATION

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

Re: 105 Lexington Avenue Condominium, Brooklyn, NY

We are the sponsors and principals of the sponsor for 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 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 representations or statements 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 civil and criminal penalties of the General Business Law and Penal Law.

HRCF-LDR Lexington LLC
By: LDR-Lexington LLC
By: _____
Donald La Rosa, Managing Member

_____
Bernard Doyle

_____
Stephen M. Raphael

_____
Donald La Rosa

Sworn to before me this
28 day of March, 2007

_____
Notary Public

STEPHEN M. ALLEN, ESQ.
Notary Public, State of New York
County of Kings
#02AL6114839
Commission Expires 9/20/20 09

ARCHITECT'S CERTIFICATION

James H. Baer, Architect, AIA
55 Eastern Parkway, Apt. 6F
Brooklyn, New York 11238

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

Re: 105 Lexington Avenue, Brooklyn, NY
105 Lexington Avenue
Brooklyn, New York 11238

The sponsor of the offering plan to convert the captioned property to condominium ownership has retained my firm, James H. Baer - Architect, to prepare a report describing the renovation of the property, (the "Report",). I visually inspected the property on May 12, 2006 and prepared the report dated June 6, 2007, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the report. We examined the building plans and specifications that were prepared by Bernard J. Doyle Architect and dated May 10, 2006.

I am a registered architect in the State in which the property is located.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to this Report.

I have read the entire Report and investigated the facts set forth in the Report and the facts underlying it and conducted the visual inspection referred to above 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 physical condition of the entire as it will exist upon completion of renovation provided that the renovation 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 physical condition of the property;

(iii) does not omit any material fact;

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

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

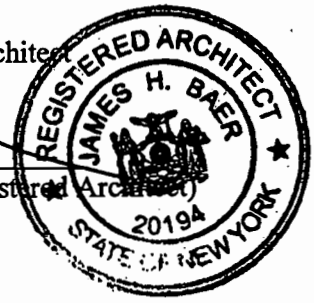
(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances.

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

(a) knew the truth;
(b) with reasonable effort could have known the truth;
(c) made no reasonable effort to ascertain the truth; or
(d) did not have knowledge concerning the representation or statement made.

I further certify that my firm is not owned or controlled by and my firm and I 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.

James H. Baer, Architect



By: _____
James H. Baer, AIA (Registered Architect)
N.Y.S. License #20194

Sworn to before me
this 26 day of June 2007

_____
Notary Public

ELLEN MARKS
NOTARY PUBLIC STATE OF NEW YORK
NO. 02MA4973231 KINGS COUNTY
COMMISSION EXPIRES OCT. 15, 2008

CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET

Townsley & Gay LLC
177 Seventh Avenue
Brooklyn, NY 11215

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

Re: 105 Lexington Condominium
105 Lexington Avenue, Brooklyn, New York

The sponsor of the condominium offering plan for the captioned property retained our firm to review Schedule(s) B and B-1, containing projections of income and expenses for the first year of condominium operation. Townsley & Gay LLC is a licensed real estate, brokerage firm. Elaine Gay, a licensed real estate broker and principal of the firm has been engaged in the real estate business in New York City since 1986. The firm has also participated as selling agent and has acted as managing agent for numerous apartment buildings in this city.

We understand that we are responsible for complying with Article 20-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule(s) B and B-1.

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

We certify that the projections in Schedule(s) B and B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

We certify that the Schedule(s):

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

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

(iii) does not omit any material fact;

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

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

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

(vii) does not contain any representation or statement which is false, where we:
- (a) knew the truth;
- (b) with reasonable effort could have known the truth;
- (c) made no reasonable effort to ascertain the truth; or
- (d) did not have knowledge concerning the representation or statement made.

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Townsley & Gay LLC

By: Elaine Gay
Elaine Gay

Sworn to before me this
4th day of June, 2007

Ellen Marks
Notary Public

ELLEN MARKS
NOTARY PUBLIC STATE OF NEW YORK
NO. 02MA4973231 KINGS COUNTY
COMMISSION EXPIRES OCT. 15, 2008

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