THIS IS A NON-EVICTION PLAN. NO NON-PURCHASING TENANT WILL BE EVICTED BY REASON OF CONVERSION TO CONDOMINIUM OWNERSHIP.

CONDOMINIUM OFFERING PLAN

ONE SUNSET PARK CONDOMINIUM
702 44th Street (a/k/a 4401 Seventh Avenue)
Brooklyn, New York 11220

(The Condominium will include 54 Units)

	Price to Tenants	Price to Non-Tenants
54 Apartment Units (including 1 Resident Manager's Unit)	$21,173,000.00	$24,830,000.00
54 Storage Units	$270,000.00	$270,000.00
Total Offering Amount	$21,443,000.00	$25,100,000.00
Reserve Fund	$635,190.00	$635,190.00

Name of Condominium:
ONE SUNSET PARK CONDOMINIUM
702 44th Street (a/k/a 4401 Seventh Avenue)
Brooklyn, New York 11220

Name of Sponsor:
4401 Sunset Park LLC
c/o Sierra Realty Corp.
12 East 46th Street, 6th Floor
New York, New York 10017

Name and Address of Selling Agents:
Halstead Property Development Marketing LLC
831 Broadway
New York, New York 10003

Date of Acceptance for Filing: **September 4, 2008**

This Plan may not be used for more than twelve (12) months from the date of filing of the Plan unless extended by an Amendment.

SEE PAGE 1 FOR SPECIAL RISKS TO PURCHASERS.

BECAUSE SPONSOR IS RETAINING THE UNCONDITIONAL RIGHT TO RENT RATHER THAN SELL RESIDENTIAL UNITS THIS OFFERING PLAN MAY NOT RESULT IN THE CREATION OF A CONDOMINIUM IN WHICH THE MAJORITY OF THE UNITS ARE OWNED BY OWNER-OCCUPANTS OR INVESTORS UNRELATED TO SPONSOR.

PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE BOARD OF MANAGERS UNDER THE TERMS OF THIS PLAN (SEE SPECIAL RISKS OF THE PLAN).

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

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SPECIAL RISK FACTORS

1. A law enacted by the New York City Council provides a formula for determining the amount of the Reserve Fund which is 3% of the total offering price to tenants when the Plan is declared effective ("Total Price") or 3% of the actual sale price of all residential units which are sold as of the effective date but not less than 1% of the Total Price plus supplementary contributions as units are sold.. The exact amount of the Reserve Fund can not be ascertained until the Plan is declared effective. Sponsor reserves the right to take a credit against the Reserve Fund for qualifying work performed in the Building. Before declaring the Plan effective, Sponsor will amend the Plan to disclose the exact amount of the credit which will not be more than 1% of the Total Price.

See the Section of this Plan entitled "Reserve Fund" which may be found in Part I of this Plan and the Reserve Fund Law (Local Law 70) which may be found in Part II of this Plan for more details.

2. Prospective purchasers should note that their obligations under their Purchase Agreements (set forth in Part II of this Plan) are not conditioned upon obtaining financing. Therefore failure of such Purchaser to pay the balance of the Purchase Price at closing, will constitute a default under the Purchase Agreement and may result in the loss of the Downpayment (as such term is defined in the Purchase Agreement) made by the purchaser under the Purchase Agreement irrespective of whether financing has been obtained. The Downpayment shall be held in escrow in an account at Signature Bank, 300 Park Avenue, New York, New York, as more particularly described in the section entitled "Procedure to Purchase". This bank is covered by federal bank deposit insurance to a maximum of $100,000.00 for each individual deposit. If an individual makes a Downpayment in excess of $100,000.00 for the purchase of a unit, **it is a special risk of this offering** that such deposit will not be federally insured in excess of $100,000.00.

The Purchase Agreement provides that the Balance (as such term is defined in the Purchase Agreement) of the Purchase Price must be paid on the closing date set forth therein. In the event purchaser fails to pay the Balance or otherwise defaults under the Purchase Agreement, Sponsor may cancel the Purchase Agreement by sending the purchaser thirty (30) days' prior written notice and purchaser shall have such time period within which to cure his default. With respect to such time period, the Purchase Agreement provides that "TIME IS OF THE ESSENCE." This means that the purchaser must fully perform all obligations within the time period set forth in the notice of cancellation to enable the purchaser to require Sponsor to sell him the Unit. In the event the purchaser remains in default, Sponsor may retain as and for liquidated damages all payments made under the Purchase Agreement (but in no event to exceed 10% of the Purchase Price), or elect any other available remedy, including but not limited to, filing an action for "specific performance" against the purchaser. This means that the purchaser may be required by a court to close title under the Purchase agreement and pay Sponsor the Balance of the Purchase Price. Notwithstanding the foregoing, Sponsor's right to file an action for specific performance shall not be exercisable against an Existing Tenant (defined below) who purchases the Unit he occupied on the Filing Date of this Plan. Sponsor has the right to approve a request from Purchaser to adjourn the closing of title to

such Unit, but in the event Sponsor elects not to cancel this Purchase Agreement as a result of the failure of Purchaser to close on the date or if Sponsor approves purchaser's request to adjourn the original Closing Date, then (a) Purchaser shall pay Sponsor interest at the highest rate permitted by law on the Purchase Price (excluding the Downpayment previously paid on account) computed from the original Closing Date until the transaction is actually closed and (b) all apportionments between Sponsor and Purchaser shall be made as of the original Closing Date. Purchaser shall reimburse Sponsor for any additional costs incurred by Sponsor as a result of Purchaser's delay including, but not limited to, Common Charges that Sponsor was obligated to pay the Condominium Board, if any, as a result of an unauthorized delay in closing by Purchaser.

The signing of the Purchase Agreement signifies the purchaser's acceptance of the condition of the Property (as represented by Sponsor in this Plan) including the Building, the Unit and all Facilities contained thereon, in their respective existing conditions, ordinary wear and tear excepted between the date the purchaser signs the Purchase Agreement and delivery of the deed to the purchaser. Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Building, the Units or the Facilities, except as may otherwise be set forth in this Plan. Although a landlord is required under various laws, statues, codes and ordinances to cure violations of record, a sponsor is not obligated solely as a result of the presentation of a plan to cure any dangerous or hazardous conditions or violations of any kind. Therefore, the Condominium will be obligated to cure any hazardous or dangerous conditions, if any, and any violations although said obligation and the cost thereof with respect to conditions inside apartments may, in some cases, be passed along to the owners of those apartments. In the event sufficient funds are not available (from the Reserve Fund, Working Capital Fund, money budgeted for repairs and maintenance, or otherwise) to cover the cost of curing violations and/or hazardous or dangerous conditions, if any, for which the Condominium is responsible, it may be necessary to increase Common Charges (in the form of special assessments or otherwise). If violations and/or hazardous or dangerous conditions, if any, are not cured, the Condominium may be subject to fines and penalties and in breach of insurance policies thereby risking loss of coverage.

3. In accordance with the terms of the Plan, Sponsor has the right following the expiration of the Exclusive Purchase Period, to sell occupied Units to one or more non-occupant purchasers for investment or resale or lease occupied units to others. Accordingly, it is possible that many Unit Owners will not be residents of the Building. Any such sales are subject to the right, if any, of non-purchasing Existing Tenants, to purchase their Units during a subsequent exclusive purchase period which occurs prior to the Effective Date.

4. The By-Laws of the Condominium do not include a provision that after the expiration of the Initial Control Period, a majority of the members of the Condominium Board must be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals. Therefore, Purchasers for their own occupancy may never gain control of the Condominium Board under the terms of the Plan. Owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing (i.e., purchase as a home as opposed to as an investment).

5. Sponsor has reserved the right, freely and without restriction, to rent or lease vacant Units (including any Units that become vacant after the Filing Date of this Plan) to purchasers and non-purchasers at any time, both before and after the First Closing. Sponsor's right to rent or lease any unsold Unit will not be subject to any right of the first refusal in favor of the Condominium Board to lease such Unit from Sponsor. See section of Plan entitled "Introduction".

6. In accordance with the terms of the Declaration and By-Laws, Sponsor, the Selling Agent and prospective purchasers and tenants of Unsold Units shall have an easement on and through the Common Elements for all purposes relating to the sale and rental of such Unsold Units, without being subject to any charge or fee therefor. Sponsor, for as long as it owns any Unsold Units, may use its Unsold Units and the Common Elements (at any one or more places designated by Sponsor, including but not limited to, the residential lobby and corridors) for sales, renting, or display purposes, including placing "for sale" or "for rent" signs and other signs and promotional materials for the Unsold Units or apartments in any other building in the vicinity in which principals of Sponsor may have an interest, of such size and content as Sponsor shall determine, in, on, about and adjacent to the exterior walls of the Building, without charge or fee of any kind.

7. In accordance with the terms of this Plan, Sponsor has the right, following the expiration of the Exclusive Purchase Period, to sell occupied Units to one or more non-occupant purchasers for investment or resale or lease occupied units to others or to retain vacated Units for future rental. Sponsor's right to rent, rather than sell Units once they become vacant is unconditional and exercisable in Sponsor's sole discretion. Accordingly, it is possible that a significant proportion of Unit Owners will not be residents of the Building and that a significant portion of tenants in the Building may not be Unit Owners. Because there is no commitment on the part of Sponsor to sell more than fifteen percent (15%) of the Units, as needed to declare the Plan effective, owner occupants may never gain effective control and management of the Condominium and may have difficulty in financing or reselling their Units. The mortgages currently encumbering the property do not allow Sponsor to rent units without mortgagee's consent and sales are subject to minimum release prices. Please refer to the Section of this Plan entitled "Introduction" which may be found in Part I of this Plan for more details.

8. The Common Charges which are shared by the Units are currently allocated based upon the percentage of Common Interests of the respective units or as otherwise described in "Schedule B: Budget for First Year of Condominium Operation". In the opinion of Sponsor's budget expert set forth in Part II of the Plan, said allocations are adequate to cover the Unit's share of the General Common Expenses of the Condominium. See the section entitled "Schedule B: Budget for the First Year of Condominium Operation" for further details.

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

10. The Property and the Units are being offered by the Sponsor as described in this Plan, and, to the extent not otherwise set forth, in "as is" condition as of the Filing Date of this Plan. The Sponsor will maintain the Property until the First Unit Closing in substantially the same condition and manner as on the Filing Date, excluding casualty and reasonable wear and tear. (See the section entitled "Rights and Obligations of the Sponsor" for further discussion.)

11. On the closing date, the Condominium will retain a small sum as a Working Capital Fund. In the event the sum of net closing adjustments are in favor of Sponsor (which is very likely), any excess above the Working Capital Fund shall be paid pursuant to a promissory note to be executed by the Condominium and delivered to sponsor at the closing. Such promissory note will bear interest at the prime rate charged by JPMorgan Chase Bank per annum and will be due thirteen (13) months after the closing date of the first Unit Closing. If the Condominium does not have reserves from the payment of Common Charges by the Unit Owners to make such payments, it may be necessary to require additional Common Charges to pay off such promissory note. (See "Working Capital and Reserve Fund").

12. At the First Closing, Sponsor will sell Unit 1D in the Condominium to the Condominium Board, to be used as the Resident Manager's residence. The Condominium Board shall be responsible for the payment of all mortgage recording and transfer taxes due in connection with the sale of the Unit. All Common Charges, including the costs of utilities and the costs of financing the purchase of the Unit, real estate taxes and the costs of repairs, alterations and improvements undertaken by the Condominium Board attributable to the Resident Manager's apartment, shall be borne by all Unit Owners as a General Common Expense. The purchase price of Unit 1D is $450,000. At the closing of title to Unit 1D, the Condominium Board, on behalf of all Unit Owners will pay the purchase price by executing and delivering one or more purchase money note(s) in the aggregate amount of $450,000 secured by one or more mortgage(s) on the Unit. The purchase money note will be for a term of five (5) years from the First Closing with interest due thereunder at the annual rate of 6%, which will accrue but not be payable during the first two (2) years of its term. The accrued interest of $55,620 shall be added to the outstanding principal of $450,000 and commencing with the 25th month of the Note term, interest and principal shall be paid on the new principal balance of $505,620.00 at the rate of 6% per annum with principal based on a 30 year amortization schedule. Payments shall be in the amount of $3,031 per month. Upon the maturity date of the purchase money note, assuming the Condominium Board is not in default thereunder, all interest and outstanding principal in the approximate amount of $485,820 will be due and payable. Sponsor will not refinance or extend the purchase money note and purchase money mortgage at maturity. Purchasers are advised that refinancing by another lender may not be available and that the Condominium Board, in order to repay the purchase money note, may be required to assess all Unit Owners in proportion to their respective Common Interests. The payment of the purchase money note in the amount of the funds advanced may require an increase in common charges or assessments against each Residential Unit Owner. In addition, the interest rate payable under the purchase money note may or may not be higher than the rate offered at any time by institution lenders to individual Purchasers purchasing their Units for occupancy. Notwithstanding the foregoing Sponsor shall have no obligation to refinance the purchase money mortgage. At Sponsor's option, the note(s) and mortgage(s) will be held by an institutional lender or by Sponsor or by an affiliate of Sponsor. Mortgage recording taxes, title insurance, recording fees and transfer

taxes due in connection with the transfer and mortgage of the Resident Manager's Unit to the Condominium Board will be paid by the Condominium Board from the Contingency Fund or Working Capital Fund. In the event the Contingency Fund or Working Capital Fund is not sufficient, Sponsor will advance the funds necessary on behalf of the Condominium Board and the Condominium Board will repay Sponsor by executing a promissory note in the amount of the funds so advanced, to be repaid, without interest, in twelve equal monthly installments. The Budget set forth in Part I of the Plan contains the estimated cost associated with the mortgage debt service with respect to the Resident Manager's Unit for the first year of condominium operation. Please refer to Schedule A and the Budget in Part I of the Plan for further details.

In the event the Condominium Board defaults under the note(s) and mortgage(s), including, but not limited to a default as the result of the Condominium Board's failure to pay the balance of the purchase money note due at maturity, the holder may foreclose on the Unit 1D and if the proceeds from the sale of the Unit are insufficient to satisfy the outstanding mortgage balance and other fees incurred, the Unit Owners could be liable for the deficiency. In the event of such a foreclosure, the Condominium will be without a Resident Manager's apartment. Accordingly, alternate arrangements will be necessary to shelter the Resident Manager in the Condominium or within such distance of the Condominium as is then required by law.

Sponsor reserves the right, in its sole discretion, to choose a different Unit other than Unit 1D to sell to the Condominium Board as the Resident Manager's apartment; provided, however that such sale shall only be made pursuant to an amendment to the Plan and shall not result in the Condominium Board incurring financing charges, common charges and real estate taxes, the sum of which exceed the costs of owning Unit 1D as set forth in Schedule B.

13. Unit Plans depicting layouts of Units appear in Part II of the Plan. Purchasers should note that the square footage of each Unit as reflected in Schedule A and the Floor Plans set forth in Part II of the Plan is approximate within reasonable tolerances and may differ due to filed conditions and construction variances and tolerances. Because dimensions listed are based on measurements from exterior walls, they do not accurately represent the interior space in the unit and may significantly exceed the actual floor area. Floor area may include columns, mechanical pipes shafts, shaftways, chases, chaseways and conduits which may be incorporated behind protruding walls or may be separately enclosed as freestanding columns thereby reducing the available floor area. The clearance between the top of the sub-floor on one floor and the top of the sub-floor on the next floor will vary among the Units and certain Units may have less clearance and certain rooms within other Units may have a lesser clearance as the result of construction variances or the presence of beams and mechanical spaces in such Units.

Each Unit shall be measured from the center line of the Units partition walls and from the exterior line of the exterior walls and walls between the Unit and the Common Area (perimeter columns and mechanical pipes/ducts/shafts are not deducted). Each Unit shall consist of the area enclosed vertically from (through and including) the floor surface (whether wood, tile, or other floor material) up through and including the first layer of sheetrock or plaster forming the upper ceiling of the Unit. Interior walls of a Unit shall be deemed part of the Unit. As is customary in New York, these square foot areas exceed the usable floor area of each Unit and said square foot areas do not

accurately represent the interior space in the Unit. Each prospective purchaser should carefully inspect the Units prior to entering into an Agreement therefor to determine its actual dimensions, layout, ceiling heights and physical condition. The clearance between the top of the sub-floor and the bottom of the finish ceiling in the Units varies and each prospective purchaser should carefully inspect the Unit before entering into an Agreement therefor. However, certain Units may have less clearance and certain rooms within other Units may have a lesser clearance as the result of the presence of beams and mechanical spaces in such Units.

14. Lot line windows exist in the G and H lines on floors 4-6 along the east facade of the building. There is currently a 2 story building occupying the adjoining lot. If it is ever redeveloped so that a taller building is constructed on that lot, unit owners of the affected units will be required to close their windows at their expense. The approximate cost to close the windows is $400 per window as estimated by Sponsor's engineer. See Report of Howard L. Zimmerman in Part II of the Plan.

15. Several items of repair will need to be under taken with respect to the building in the future, as follows: Certain steel beams, lintels and related brickwork costing between $15,000 to $40,000, and brickwork repairs in the rear facade totaling approximately $30,000.00 are required. Chimney repairs totaling approximately $2,000, parapet work totaling approximately $4,000, and stair bulkhead repairs totaling approximately $600 are also needed. Sponsor has agreed to undertake the repairs sufficient to comply with applicable laws with respect to all of the above but has not committed to the full scope of the repair. Purchasers should be aware that unrenovated apartments need kitchen appliance and air conditioner outlets with separate circuits (approximate cost $2,000) and that the exterior of the building, since it was constructed in 1931, is assumed not to be in compliance with the Energy Conservation Construction Code.

16. Sponsor shall have an easement and privilege for so long as the Condominium shall remain in existence, to license or lease some or all of the roof (excluding any areas needed for building mechanicals) to a company for the installation of a cell tower or similar communications facility. All proceeds and profits from this easement and privilege shall inure solely to benefit the Sponsor. Sponsor and /or the owner of the facility shall enjoy a permanent easement over the Common Elements for access to the facility to repair, renovate or replace same. This right and easement is set forth in the Declaration. See Part II of the Plan. No portion of the roof will be available as a common area for the use of Unit Owners.

INTRODUCTION

The purpose of the Offering Plan is to set forth all the material terms of the offer to convert the building (the "Building") located at 702 44th Street(a/k/a 4401 Seventh Avenue), Brooklyn, New York 11220, and the underlying land (the Building and the land sometimes referred to collectively as the "Property"). The Plan may be amended from time to time when an amendment is filed with the New York State Department of Law. Amendments will be served on all offerees.

The condominium is subject to and complies with the New York Condominium Act.

The Sponsor is 4401 Sunset Park LLC, a New York limited partnership having its principal address at c/o Sierra Realty Corp., 12 East 46th Street, 6th Floor, New York, New York 10017. Sponsor acquired the Property on December 19, 2006 from KMT Realty Corp.

The Offer

The Sponsor hereby offers 54 Units located on floors one through six under this Plan. The purchase prices and estimated Common Charges for each of these Units are listed below in Schedule A -- "Offering Prices and Related Information". **THE PRICES CONTAINED IN THIS PLAN HAVE BEEN SET BY SPONSOR WITHOUT ARMS LENGTH NEGOTIATION AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.**

Of the 54 units offered, 1 is occupied by a rent controlled tenant, 31 are occupied by rent stabilized tenants and 21 units are vacant. 1 unit, Unit 1D will be sold to the Condominium for use of the resident manager. Sponsor intends to construct and offer licenses for 54 storage units in the basement. The units will be located in Storage Rooms A and B in the Basement of the Building as shown on the Floor Plans in Part II hereof.

See Schedule A for price information. Each Existing Tenant on the Filing Date has the exclusive right during the first ninety (90) days after the Presentation Date of this Plan to purchase the Unit occupied by such Existing Tenant at the "inside price" offered to Existing Tenants as set forth in Schedule A. There will be no increase in prices to such Existing Tenants during such "Exclusive Purchase Period". The Sponsor will not accept Purchase Agreements from non-tenant purchasers for occupied Units during any exclusive period.

THIS PLAN IS A NON EVICTION PLAN. Non-purchasing Existing Tenants (as more particularly defined below, "Protected Tenants") may not be evicted pursuant to the provisions of General Business Law Section 352-eeee (see "Rights of Existing Tenants"). Any non-purchasing Existing Tenant whose lease expires after the Filing Date and prior to the date this Plan is declared effective is not a Protected Tenant and may be evicted in accordance with applicable Law. No eviction proceedings will be commenced at any time against Protected Tenants for failure to purchase or any other reason applicable to expiration of tenancy; provided that such proceedings may be commenced for nonpayment of rent, illegal use or occupancy of the premises, non-primary

residency, refusal of reasonable access to the owner or a similar breach by the Protected Tenant of his obligations to the owner of the dwelling unit, or if a tenancy expires pursuant to the provisions of the Rent laws or is not governed by such Rent laws; and provided further that an owner of a dwelling unit may not commence an action to recover possession of a dwelling unit from a Protected Tenant on the grounds that he seeks the dwelling unit for use and occupancy of himself or his family. Protected Tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to the conversion of the building to condominium ownership shall continue to be subject thereto. The rentals of Protected Tenants who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and Protected Tenants who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the Plan has been accepted for filing by the Department of Law shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy.

The Plan delivered to tenants and prospective purchasers contains all of the material terms of the transaction. Copies of the Plan, all documents referred to in the Plan and all Exhibits submitted to the Department of Law in connection with the filing of the Plan will be available for inspection without charge and for copying at a reasonable charge to prospective purchasers and their attorneys at the office of the selling agent or sponsor.

The Units and their appurtenant Common Elements are being sold "as is" in the condition in which they exist on the Filing Date of this Plan, subject to ordinary wear and tear and further subject to Sponsor's obligation to maintain the Building until the First Closing and further subject to Sponsor's obligation to make repairs, improvements or decorations as may be otherwise set forth in this Plan.

No contracts or agreements have been entered into and no deposits or advances of funds have been accepted as of the Filing Date of this Plan.

There are no limitations on who may purchase Units. Under the New York Real Property Law, a condominium unit may be owned by an individual, a corporation, a partnership, a limited liability company, an association, a trust or any other entity which is permitted to take title pursuant to New York Law. Notwithstanding the foregoing, Sponsor is not obligated to offer or sell any Units and may, if it chooses, withhold one or more Units for future sales. Sponsor hereby reserves the right at any time and from time to time for any reason whatsoever, without the consent of any of the Boards, any Unit Owner, or mortgagee, to refuse to approve and execute an Agreement for any Unit; provided, however, that, in either event, Sponsor shall not discriminate against any person because of race, creed, color, sex, disability, marital status, age, ancestry, national origin or other ground proscribed by Law. No binding obligation will arise for the sale of a Unit unless and until an Agreement executed by both Purchaser and Sponsor, has been exchanged and Sponsor has collected the funds constituting Purchaser's required Downpayment thereunder (see the Section entitled "Procedure to Purchase" for more details). Sponsor will not accept an offer of purchase from an individual younger than eighteen (18) years of age or an incompetent under Law.

The Storage Lockers Offered for Sale

Storage Lockers will be offered for sale on a "first-come, first-served" basis pursuant to a licensing arrangement ("Storage Locker License"). Storage Lockers will be located in Storage Rooms A and B in the Basement of the Building as shown on the Floor Plans in Part II hereof. The Storage Units will measure 4' x 4' x 7'. It is expected the Units will be completed in time for the first closing but may be delayed as long as six months after the first closing. Unlike Residential Units, Storage Lockers will not be treated as condominium units or have separate tax lots assigned to them. Ownership of the Storage Lockers will be evidenced by a Storage Locker License, the form of which is set forth in Part II of the Plan.. The terms of the Storage Locker License are subject and subordinate to the Condominium Documents. The Storage Locker License grants the licensee with a license for the exclusive use of a particular Storage Locker. The Storage Locker License shall remain in effect so long as the Residential Unit Owner still owns an Apartment Unit or assigns the Storage Locker License to another Apartment Unit Owner and the Residential Unit Owner is not in default of Residential Unit Owner's obligations under the Condominium Documents. A Storage Locker may only be used for storage purposes and in compliance with the Condominium Documents and Law. Except for Sponsor, a Storage Locker may not be licensed independently of an Apartment Unit. Each Storage Locker is a Residential Limited Common Element of the Condominium.

The prices for each of the Storage Lockers are listed on Schedule A. THESE PRICES HAVE BEEN SET BY SPONSOR AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.

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

Bona Fide Tenants *do not* have any Exclusive Purchase Period within which to purchase a Storage Locker.

The Deposit for a Storage Locker shall be 10% of the Purchase Price and will be held in escrow in accordance with the Section of the Plan entitled "Escrow and Trust Fund Requirements." Monies payable with respect to the Storage Lockers will be held in escrow and will not be released to the Sponsor until the Storage Lockers are completed and usable.

While Sponsor presently intends to offer the Storage Lockers for sale, based upon market conditions. Sponsor reserves the right to withdraw the offering of the Storage Lockers. If Sponsor elects to withdraw the offering of Storage Lockers, Sponsor reserves the right to utilize the Storage Locker Area for any use as determined by Sponsor in its sole discretion, including without limitation, incorporating such Storage Locker Area into the one or more Unit(s). The withdrawal of the offering of the Storage Lockers shall be disclosed bySponsor in an amendment to the Plan before the Plan is declared effective and a Purchaser shall only be relieved of Purchaser's obligation to purchase the Storage Locker, and shall remain obligated to purchase the Apartment Unit. At Closing, such Purchaser will receive a credit against the balance of the Purchase Price equal to the amount allocated to the Storage Locker, to the extent any such money has been delivered to Sponsor. Sponsor reserves the right to include additional storage rooms in the Building to the Storage Locker Area. Sponsor also reserves

the right to lease storage lockers to tenants on such rates and on such condition as Sponsor in its sole discretion shall determine.

Sponsor's Reservation of Rights to Rent Rather than Sell Units

In accordance with the terms of the Plan, Sponsor has reserved the unconditional right, following the expiration of the Exclusive Purchase Period, to : (1) sell occupied Units to one or more non-occupant Purchasers for investment or resale; (2) lease occupied Units to others; and (3) retain vacant Units for future rental or sale. Any such sales are subject to the rights, if any, of Non-Purchasing Tenants, to purchase their Units during any subsequent Exclusive Purchase Period which occurs prior to the Effective Date. Sponsor has reserved the right to rent or lease any vacant Unit prior to Closing to the Purchaser thereof or any other party.

Sponsor further reserves the unconditional right to rent rather than sell Units as they become vacant. Sponsor's right to rent rather than sell Units once they become vacant is unconditional and exercisable in Sponsor's sole discretion. In addition, Sponsor intends to offer Units for sale both to Purchasers for personal occupancy as well as to those who are purchasing for investment or resale. Purchasers for investment or resale may in turn rent such Units and accordingly, such Units will not be used for the personal occupancy of the owner thereof. Since the Condominium Board does not have the right to approve or disapprove prospective Unit Owners, there will be no limit on the number of Unit Owners who may purchase Units for investment rather than for personal occupancy. Accordingly, it is possible that a significant proportion of Unit Owners will not be residents of the Building and that a significant portion of tenants may not be Unit Owners. The mortgage currently encumbering the Property provides that (1) a minimum release price must be paid to the mortgagee in order for the mortgagee to release its lien from the Unit at Closing; and (2) Sponsor may not rent Units without the mortgagee's prior consent except as required by Law.

Because the plan can be declared effective based on sales of 15 per cent of the units to tenants or bona fide purchasers for their own occupancy, purchasers may be living in a mixed rental/owner-occupied building for an indeterminate period of time and owner-occupants may not control the board or operation of the property during such transition or ever. Further the existence of rent regulated, non purchasing, tenants, who have a right to continued occupancy, may slow the speed of the conversion process. Living in a mixed rental/owner-occupied building means that there may be different interests between owners and renters and the Sponsor who will continue to have a role in the building while it owns Unsold Units.

Sponsor shall retain the right to lease or sell space on the roof of the Building for installation of a cell tower or similar communications facility. Sponsor and /or the owner of such communications facility shall enjoy a permanent easement over the Common Elements for access to repair, renovate, and replace the communications facilities erected on the roof.

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

Basic Aspects of Condominium Ownership

Each Purchaser owns his Unit outright and is entitled to exclusive possession of his Unit (unless it is purchased subject to the rights of a non-purchasing Existing Tenant) together with an interest in and right to use the General Common Elements, and, with respect to the Units, the right to use the Common

Elements and the exclusive right to use Limited Common Elements, if any, appurtenant to such Purchaser's Unit.

In addition, each Unit Owner will own, in common with every other Unit Owner, an undivided percentage interest in those certain portions of the Land and the Building (other than the Units), as well as those facilities therein, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property, as more particularly described in paragraph (b) of Article 7 of the Declaration (the "General Common Elements"). Certain Limited Common Elements may include terraces and other areas (however, the use of the same is subject to regulations of the Condominium Board, and compliance with all laws, governmental rules and regulations).

The Limited Common Elements may be used only by the Unit Owner to whose Unit(s) such Limited Common Elements are appurtenant.

Each Unit Owner must pay Common Charges in accordance with the New York Condominium Act, Sections 339(i) and (m).

Each Unit Owner is obligated to comply with the Declaration, the By-Laws, Rules and Regulations and any other requirements of the Condominium Board.

The Units may be used only for residential use and permitted home occupancy uses. With certain exceptions, Units other than Unsold Units are subject to a right of first refusal in favor of the Condominium Board in the event of sale or leasing. Unit Owners may freely mortgage their Units subject only to compliance with certain filing requirements contained in the Condominium's By-Laws. The authority to manage the affairs of the Condominium is vested in the Condominium Board. Unit Owners may vote for members of the Condominium Board.

Each Unit will be taxed as a separate tax lot for real estate tax and assessment purposes, and each individual Unit Owner will be solely responsible for the payment of all real estate taxes and assessments on his Unit. An estimate of the real estate taxes and assessments that will be payable for each of the Units during the first year of condominium operation of the Property is listed in Schedule A. No Unit Owner will be liable for the payment of, and no Unit will be subject to any lien arising out of the non-payment of, real estate taxes or assessments levied against any other Unit. The real estate tax estimates for each Unit were calculated on the assumption that the real estate taxes payable with respect to each Unit will be allocated in proportion to each Unit's projected selling price. There is no assurance that the New York City tax authorities will allocate taxes between the Units in said proportion, and if not, Units may pay different real estate taxes. SPONSOR HAS BASED ITS ESTIMATE OF REAL ESTATE TAXES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION ON THE ESTIMATE OF SPONSOR'S EXPERT REAL ESTATE APPRAISER. SPONSOR MAKES NO REPRESENTATION THAT THE DETERMINATION BY NEW YORK CITY OF ASSESSED VALUE OF THE PROPERTY OR THE TAX RATE FOR THE FIRST OR SUBSEQUENT YEARS OF CONDOMINIUM OPERATION WILL CONFORM TO THE FIGURES SET FORTH IN SCHEDULE A. Under existing law, and assuming no changes therein, the projected amount deductible for income tax purposes will generally include the amounts paid by each Unit Owner for real estate taxes and, in the event a Unit Owner mortgages his Unit, finance charges or interest paid by such Unit Owner in connection with such mortgage indebtedness. These amounts may vary in subsequent years due to changes in interest rate on any mortgage loan obtained by the Unit Owner, any refinancing of such mortgage, the allocation of constant debt service payments between interest and principal, changes in the assessed valuation of the Unit, the real property tax rate or the method of assessing real property or such other changes as may otherwise affect deductions.

Each Unit Owner may decorate the interior of this Unit in any manner that he desires, subject to compliance with the Condominium's By-Laws and the Rules and Regulations promulgated pursuant

thereto, and will be solely responsible for the cost and expense of maintaining, repairing and painting his Unit and for the cost of any insurance he purchases to cover his personal property in the Unit and his liability to others for personal injury or property damage as a result of occurrences in his Unit. Each Unit Owner shall be required to maintain reasonable liability insurance coverage to cover his liability to others for personal injury or property damage as a result of occurrences in his Unit.

Definitions

The term "By-Laws" shall mean the By-Laws which govern the Condominium, a form of which is set forth in Part II hereof.

The term "Building" shall mean the building(s) and other improvements located on the Land (as defined below).

The term "Common Charges" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the By-Laws), to meet the Common Expenses.

The term "Common Elements" shall mean, collectively, the Common Elements, the Limited Common Elements and the General Common Elements and shall consist of all parts of the Property other than the Units.

The term "Common Expenses" shall mean all costs and expenses to be incurred generally by the Unit Owners pursuant to the Declaration and/or the By-Laws in connection with: (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Common Elements; (ii) the establishment and/or maintenance of a general operating reserve or a reserve fund for working capital, for replacements with respect to the Common Elements, or to make up any deficit in the Common Charges for any prior year(s); (iii) the purchase, lease, or sublease by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose owner has elected to sell, lease, transfer, or convey the same or that is to be sold at a foreclosure or other sale and (iv) generally, the conduct of the affairs of the Condominium.

The term "Common Interest" shall mean the undivided percentage interest of each Unit in the Common Elements.

The term "Condominium" shall mean One Sunset Park Condominium, which consists of 54 Units and the Common Elements, which was established pursuant to the terms of the Declaration and is to be governed pursuant to the terms of the By-Laws.

The term "Condominium Board" shall have the meaning set forth in the Declaration.

The term "Condominium Documents" means the Declaration, together with the By-Laws, the Rules and Regulations and the Floor Plans, each of which will be recorded or filed simultaneously with the recording of the Declaration.

The term "Existing Tenant" or "Existing Tenant (bona fide tenant in occupancy)" or "tenant in occupancy" as used in this Plan shall include (i) each bona fide residential tenant in occupancy of a dwelling unit in the building on the Filing Date of the Plan, (ii) each bona fide residential tenant with the right on such date to renew a lease for a dwelling unit in the building and (iii) each bona fide residential tenant who has the right on such date to continued occupancy of a dwelling unit in the building. The following persons (among others) are not Existing Tenants and do not have the rights of an Existing Tenant set forth herein (1) a tenant or occupant who occupies a unit under a professional or office lease or who used a unit primarily for professional purposes; (2) a deceased tenant's estate or beneficiaries, or the executor of the estate; (3) an occupant whose tenancy and right to occupy have been terminated (unless it

is ultimately determined, as a result of such termination being contested, that such termination was not effective); and (4) an unauthorized occupant or subtenant.

The terms "Filing Date" means the date this Plan is accepted by the Department of Law.

The term "First Closing" means the first date upon which title to a Unit is conveyed to a purchaser under this Plan.

The term "General Common Elements" means those certain portions of the Land and the Building (other than the Units), as well as those facilities therein, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property, as more particularly described in paragraph (b) of Article 7 of the Declaration.

The term "Initial Control Period" means the period ending on the earlier of (i) the closing of title under this Plan to Units having more than 50% of the aggregate Common Interests appertaining to all Units or (ii) five years after the First Closing.

The term "Land" means the parcel of land/real property on which the Building is located, as more fully described in the Declaration.

The term "Limited Common Element" shall mean those certain portions of the Land and the Building (other than the Units) that are to be used by the owners of one or more specified Units to the exclusion of all other Unit Owners, as more particularly described in paragraph (ii) of Article 7 of the Declaration.

The term "Managing Agent" means Sierra Realty Corp., or any successor managing agent engaged by the Condominium Board.

The terms "Presentation Date", "presentation", "presented" and words of similar import mean the date delivery of a copy of this Plan to all tenants of the Building is completed or five (5) days after it is mailed to those tenants who were not personally served, whichever is later.

The term "Purchaser" means a purchaser of a Unit under a Purchase Agreement.

The term "Protected Tenant" means a non Purchasing Existing Tenant whose lease does not expire between the Presentation Date and the date the Plan is declared effective.

The term "Sponsor" or "Declarant" means 4401 Sunset Park LLC, its designees, successors and assigns.

The term "Storage Locker" shall mean any Storage Locker located in the Building which is the subject of Storage Locker License or owned by Sponsor. Each Storage Locker shall include the structural framework and materials out of which the Storage Locker is constructed. Each Storage Locker is a Residential Limited Common Element. Any reference in the Plan to "owning a Storage Locker" shall mean that the Residential Unit Owner has entered into a Storage Locker License for a Storage Locker.

The term "Storage Locker Area" shall mean any storage room in the Building containing Storage lockers. The Storage Locker Area is a Residential Common Element of the Condominium.

The term "Storage Locker License" shall mean the agreement pursuant to which a Storage Locker is licensed to a Residential Unit Owner.

The term "Units" means any of the 54 "Units", as such term is defined in the Condominium Act, located on the Basement through the sixth floor of the Building, which Units are more particularly described in Article 6 of, and Exhibit B to, the Declaration and in the Floor Plans.

The term "Unsold Units" means the Units owned by Sponsor its designee, successors and assigns at the time in question.

The term "rent laws" or "Applicable Rent Laws" refers to the New York City Rent and Rehabilitation Regulations of the New York City Housing and Development Administration, the New York City Rent Stabilization Law of 1969, the Amended Code of the Rent Stabilization Association adopted pursuant thereto and the Emergency Tenant Protection Act of 1974, as amended, the Omnibus Housing Act of 1983 and regulations promulgated thereunder, New York City Local Law 4 of 1994, the 1993 Rent Regulation Reform Act, the Rent Regulation Reform Act of 1997 and the relevant portions of Section 352-eeee of the General Business Law, singly or collectively as the context may require.

See Exhibit C to the Declaration of Condominium for a complete list of definitions applicable to the Condominium Documents.

Offering Plan

This Plan constitutes the entire offering of the Sponsor for the sale of the Units. Copies of this Plan, all documents referred to in this Plan, and all Exhibits submitted to the Department of Law in connection with the filing of this Plan will be available for inspection without charge and for copying at a reasonable charge by prospective purchasers at the offices of the Selling Agent.

The Units are offered only to individuals over the age of eighteen (18) years, corporations, partnerships and other business entities and to other entities that may legally own real property in the State of New York.

LOCATION AND AREA INFORMATION

The property is located at 702 44th Street (a/k/a 4401 Seventh Avenue), Brooklyn, New York 11220, in the Sunset Park section of Brooklyn in New York City. New York City is among the largest cities in the United States, as well as one of the principal urban centers of the world and Brooklyn is the largest borough in New York City. Brooklyn contains excellent regional transportation, cultural activities, recreational and open-space park areas, educational facilities, superb medical centers and a vast array of restaurants. Following is additional demographic and neighborhood information:

District:

The building is located on Block 741, Lot 6, in Kings County. The building lies in a R-6 residential zone district. This zone permits a wide range of housing types and includes community facilities and open uses which serve residents of the district. Subway lines serving the area include the BMT N, R, M and D lines. Bus Lines are the B37, B63, B70, BH, B33, B9 and B35. The Brooklyn Public Library has a branch in Sunset Park at 51st Street and 4th Avenue. The community is served by the 72nd Police Precinct and several fire stations. Lutheran Hospital is located in Sunset Park.

Cable Television Service:

The Units have primary connections for cable service, which connections and subsequent monthly fees will be determined by the cable company.

Telephone Services:

The Units have been wired for local and long distance telephone service.

SCHEDULE A
ONE SUNSET PARK CONDOMINIUM
OFFERING PRICES AND RELATED FINANCIAL INFORMATION FOR THE FIRST YEAR OF CONDOMINIUM OWNERSHIP
OCTOBER 1, 2008 – SEPTEMBER 30, 2009

Unit	(1) # Bedrooms/ Baths Kitchen, Study	Rent Regulation Status	(2) Floor Area Sq. Ft.	(3) Purchase Price for Tenants (15% Discount)	for Non-Tenants	Purchase Price Per Sq. Ft.	(4) Percentage of Common Interest	(5) Projected First Years Common Charges Annual	Monthly	(6) First Year Projected Real Estate Taxes Annual	Monthly	(7) Projected Total Carrying Charges Annual	Monthly
1A	1/1 +K	V	878	$ 382,500.00	$ 450,000.00	$ 512.53	1.8689997	$ 4,108.01	$ 342.33	$ 1,375.58	$ 114.63	$ 5,483.59	$ 456.97
2A	1/1 +K	RS	878	$ 391,000.00	$ 460,000.00	$ 523.92	1.8689997	$ 4,108.01	$ 342.33	$ 1,375.58	$ 114.63	$ 5,483.59	$ 456.97
3A	1/1 +K	V	878	$ 399,500.00	$ 470,000.00	$ 535.31	1.8689997	$ 4,108.01	$ 342.33	$ 1,375.58	$ 114.63	$ 5,483.59	$ 456.97
4A	1/1 +K	RS	878	$ 412,250.00	$ 485,000.00	$ 552.39	1.8689997	$ 4,108.01	$ 342.33	$ 1,375.58	$ 114.63	$ 5,483.59	$ 456.97
5A	1/1 +K	RS	878	$ 425,000.00	$ 500,000.00	$ 569.48	1.8689997	$ 4,108.01	$ 342.33	$ 1,375.58	$ 114.63	$ 5,483.59	$ 456.97
6A	1/1 +K	RS	878	$ 437,750.00	$ 515,000.00	$ 586.56	1.8689997	$ 4,108.01	$ 342.33	$ 1,375.58	$ 114.63	$ 5,483.59	$ 456.97
1B	1/1 +K	V	860	$ 340,000.00	$ 400,000.00	$ 465.12	1.8306831	$ 4,023.79	$ 335.32	$ 1,347.38	$ 112.28	$ 5,371.17	$ 447.60
2B	1/1 +K	V	860	$ 348,500.00	$ 410,000.00	$ 476.74	1.8306831	$ 4,023.79	$ 335.32	$ 1,347.38	$ 112.28	$ 5,371.17	$ 447.60
3B	1/1 +K	RS	860	$ 357,000.00	$ 420,000.00	$ 488.37	1.8306831	$ 4,023.79	$ 335.32	$ 1,347.38	$ 112.28	$ 5,371.17	$ 447.60
4B	1/1 +K	V	860	$ 369,750.00	$ 435,000.00	$ 505.81	1.8306831	$ 4,023.79	$ 335.32	$ 1,347.38	$ 112.28	$ 5,371.17	$ 447.60
5B	1/1 +K	RS	860	$ 382,500.00	$ 450,000.00	$ 523.26	1.8306831	$ 4,023.79	$ 335.32	$ 1,347.38	$ 112.28	$ 5,371.17	$ 447.60
6B	1/1 +K	RS	860	$ 395,250.00	$ 465,000.00	$ 540.70	1.8306831	$ 4,023.79	$ 335.32	$ 1,347.38	$ 112.28	$ 5,371.17	$ 447.60
1C	1/1 +K	RS	830	$ 361,250.00	$ 425,000.00	$ 512.05	1.7668221	$ 3,883.42	$ 323.62	$ 1,300.38	$ 108.37	$ 5,183.80	$ 431.98
2C	1/1 +K	V	830	$ 369,750.00	$ 435,000.00	$ 524.10	1.7668221	$ 3,883.42	$ 323.62	$ 1,300.38	$ 108.37	$ 5,183.80	$ 431.98
3C	1/1 +K	RS	830	$ 382,500.00	$ 450,000.00	$ 542.17	1.7668221	$ 3,883.42	$ 323.62	$ 1,300.38	$ 108.37	$ 5,183.80	$ 431.98
4C	1/1 +K	RS	830	$ 395,250.00	$ 465,000.00	$ 560.24	1.7668221	$ 3,883.42	$ 323.62	$ 1,300.38	$ 108.37	$ 5,183.80	$ 431.98
5C	1/1 +K	V	830	$ 408,000.00	$ 480,000.00	$ 578.31	1.7668221	$ 3,883.42	$ 323.62	$ 1,300.38	$ 108.37	$ 5,183.80	$ 431.98
6C	1/1 +K	V	830	$ 420,750.00	$ 495,000.00	$ 596.39	1.7668221	$ 3,883.42	$ 323.62	$ 1,300.38	$ 108.37	$ 5,183.80	$ 431.98
1D	2/1 +K	Employee	1,050	$ 450,000.00	$ 450,000.00	$ 428.57	2.2351363	$ 4,912.76	$ 409.40	$ 1,645.06	$ 137.09	$ 6,557.82	$ 546.49
2D	2/1 +K	RC	1,114	$ 459,000.00	$ 540,000.00	$ 484.74	2.3713732	$ 5,212.21	$ 434.35	$ 1,745.33	$ 145.44	$ 6,957.54	$ 579.79
3D	2/1 +K	RS	1,114	$ 467,500.00	$ 550,000.00	$ 493.72	2.3713732	$ 5,212.21	$ 434.35	$ 1,745.33	$ 145.44	$ 6,957.54	$ 579.79
4D	2/1 +K	RS	1,114	$ 480,250.00	$ 565,000.00	$ 507.18	2.3713732	$ 5,212.21	$ 434.35	$ 1,745.33	$ 145.44	$ 6,957.54	$ 579.79
5D	2/1 +K	RS	1,114	$ 493,000.00	$ 580,000.00	$ 520.65	2.3713732	$ 5,212.21	$ 434.35	$ 1,745.33	$ 145.44	$ 6,957.54	$ 579.79
6D	2/1 +K	RS	1,114	$ 505,750.00	$ 595,000.00	$ 534.11	2.3713732	$ 5,212.21	$ 434.35	$ 1,745.33	$ 145.44	$ 6,957.54	$ 579.79
1E	1/1 +K	V	557	$ 255,000.00	$ 300,000.00	$ 538.60	1.1856866	$ 2,606.10	$ 217.18	$ 872.67	$ 72.72	$ 3,478.77	$ 289.90
2E	1/1 +K	RS	846	$ 369,750.00	$ 435,000.00	$ 514.18	1.8008813	$ 3,958.28	$ 329.86	$ 1,325.45	$ 110.45	$ 5,283.73	$ 440.31
3E	1/1 +K	RS	846	$ 378,250.00	$ 445,000.00	$ 526.00	1.8008813	$ 3,958.28	$ 329.86	$ 1,325.45	$ 110.45	$ 5,283.73	$ 440.31
Subtotal			24,277	$ 10,837,000.00	$ 12,670,000.00		51.6784810	$ 113,587.75	$ 9,465.65	$ 38,035.36	$ 3,169.61	$ 151,623.11	$ 12,635.26

SCHEDULE A
ONE SUNSET PARK CONDOMINIUM
OFFERING PRICES AND RELATED FINANCIAL INFORMATION FOR THE FIRST YEAR OF CONDOMINIUM OWNERSHIP
OCTOBER 1, 2008 -- SEPTEMBER 30, 2009

Unit	(1) # Bedrooms/ Baths Kitchen, Study	Rent Regulation Status	(2) Floor Area Sq. Ft.	(3) Purchase Price for Tenants (15% Discount)	for Non-Tenants	Purchase Price Per Sq. Ft.	(4) Percentage of Common Interest	(5) Projected First Years Common Charges Annual	Monthly	(6) First Year Projected Real Estate Taxes Annual	Monthly	(7) Projected Total Carrying Charges Annual	Monthly
4E	1/1 +K	RS	846	$ 391,000.00	$ 460,000.00	$ 543.74	1.8008813	$ 3,958.28	$ 329.86	$ 1,325.45	$ 110.45	$ 5,283.73	$ 440.31
5E	1/1 +K	V	846	$ 403,750.00	$ 475,000.00	$ 561.47	1.8008813	$ 3,958.28	$ 329.86	$ 1,325.45	$ 110.45	$ 5,283.73	$ 440.31
6E	1/1 +K	RS	846	$ 416,500.00	$ 490,000.00	$ 579.20	1.8008813	$ 3,958.28	$ 329.86	$ 1,325.45	$ 110.45	$ 5,283.73	$ 440.31
1F	1/1 +K	V	562	$ 255,000.00	$ 300,000.00	$ 533.81	1.1963301	$ 2,629.50	$ 219.12	$ 880.50	$ 73.37	$ 3,510.00	$ 292.50
2F	1/1 +K	RS	794	$ 352,750.00	$ 415,000.00	$ 522.67	1.6901888	$ 3,714.98	$ 309.58	$ 1,243.98	$ 103.66	$ 4,958.96	$ 413.25
3F	1/1 +K	RS	794	$ 361,250.00	$ 425,000.00	$ 535.26	1.6901888	$ 3,714.98	$ 309.58	$ 1,243.98	$ 103.66	$ 4,958.96	$ 413.25
4F	1/1 +K	RS	794	$ 374,000.00	$ 440,000.00	$ 554.16	1.6901888	$ 3,714.98	$ 309.58	$ 1,243.98	$ 103.66	$ 4,958.96	$ 413.25
5F	1/1 +K	RS	794	$ 386,750.00	$ 455,000.00	$ 573.05	1.6901888	$ 3,714.98	$ 309.58	$ 1,243.98	$ 103.66	$ 4,958.96	$ 413.25
6F	1/1 +K	V	794	$ 399,500.00	$ 470,000.00	$ 591.94	1.6901888	$ 3,714.98	$ 309.58	$ 1,243.98	$ 103.66	$ 4,958.96	$ 413.25
1G	2/1 +K	RS	1,059	$ 442,000.00	$ 520,000.00	$ 491.03	2.2542947	$ 4,954.87	$ 412.91	$ 1,659.16	$ 138.26	$ 6,614.03	$ 551.17
2G	2/1 +K	RS	1,059	$ 450,500.00	$ 530,000.00	$ 500.47	2.2542947	$ 4,954.87	$ 412.91	$ 1,659.16	$ 138.26	$ 6,614.03	$ 551.17
3G	2/1 +K	RS	1,059	$ 459,000.00	$ 540,000.00	$ 509.92	2.2542947	$ 4,954.87	$ 412.91	$ 1,659.16	$ 138.26	$ 6,614.03	$ 551.17
4G	2/1 +K	RS	1,059	$ 471,750.00	$ 555,000.00	$ 524.08	2.2542947	$ 4,954.87	$ 412.91	$ 1,659.16	$ 138.26	$ 6,614.03	$ 551.17
5G	2/1+K+S	V	1,059	$ 484,500.00	$ 570,000.00	$ 538.24	2.2542947	$ 4,954.87	$ 412.91	$ 1,659.16	$ 138.26	$ 6,614.03	$ 551.17
6G	2/1 +K	RS	1,059	$ 497,250.00	$ 585,000.00	$ 552.41	2.2542947	$ 4,954.87	$ 412.91	$ 1,659.16	$ 138.26	$ 6,614.03	$ 551.17
1H	1/1 +K	RS	792	$ 314,500.00	$ 370,000.00	$ 467.17	1.6859314	$ 3,705.63	$ 308.80	$ 1,240.85	$ 103.40	$ 4,946.47	$ 412.21
2H	1/1 +K	V	792	$ 323,000.00	$ 380,000.00	$ 479.80	1.6859314	$ 3,705.63	$ 308.80	$ 1,240.85	$ 103.40	$ 4,946.47	$ 412.21
3H	1/1 +K	RS	792	$ 340,000.00	$ 400,000.00	$ 505.05	1.6859314	$ 3,705.63	$ 308.80	$ 1,240.85	$ 103.40	$ 4,946.47	$ 412.21
4H	1/1 +K	V	792	$ 357,000.00	$ 420,000.00	$ 530.30	1.6859314	$ 3,705.63	$ 308.80	$ 1,240.85	$ 103.40	$ 4,946.47	$ 412.21
5H	1/1 +K	V	792	$ 374,000.00	$ 440,000.00	$ 555.56	1.6859314	$ 3,705.63	$ 308.80	$ 1,240.85	$ 103.40	$ 4,946.47	$ 412.21
6H	1/1 +K	V	792	$ 391,000.00	$ 460,000.00	$ 580.81	1.6859314	$ 3,705.63	$ 308.80	$ 1,240.85	$ 103.40	$ 4,946.47	$ 412.21
1J	1/1 +K	RS	754	$ 323,000.00	$ 380,000.00	$ 503.98	1.6050408	$ 3,527.83	$ 293.99	$ 1,181.31	$ 98.44	$ 4,709.14	$ 392.43
2J	1/1 +K	RS	754	$ 331,500.00	$ 390,000.00	$ 517.24	1.6050408	$ 3,527.83	$ 293.99	$ 1,181.31	$ 98.44	$ 4,709.14	$ 392.43
3J	1/1 +K	V	754	$ 340,000.00	$ 400,000.00	$ 530.50	1.6050408	$ 3,527.83	$ 293.99	$ 1,181.31	$ 98.44	$ 4,709.14	$ 392.43
4J	1/1 +K	V	754	$ 352,750.00	$ 415,000.00	$ 550.40	1.6050408	$ 3,527.83	$ 293.99	$ 1,181.31	$ 98.44	$ 4,709.14	$ 392.43
5J	1/1 +K	V	754	$ 365,500.00	$ 430,000.00	$ 570.29	1.6050408	$ 3,527.83	$ 293.99	$ 1,181.31	$ 98.44	$ 4,709.14	$ 392.43
6J	1/1 +K	V	754	$ 378,250.00	$ 445,000.00	$ 590.19	1.6050408	$ 3,527.83	$ 293.99	$ 1,181.31	$ 98.44	$ 4,709.14	$ 392.43
Subtotal			22,700	$ 10,336,000.00	$ 12,160,000.00		48.3215190	$ 106,209.25	$ 8,850.77	$ 35,564.64	$ 2,963.72	$ 141,773.89	$ 11,814.49
Grand Total			46,977	$ 21,173,000.00	$ 24,830,000.00		100.00	$ 219,797.00	$ 18,316.42	$ 73,600.00	$ 6,133.33	$ 293,397.00	$ 24,449.75

SCHEDULE A
ONE SUNSET PARK CONDOMINIUM
STORAGE LOCKERS

Unit	Approximate Size	Purchase Price for Tenants	Purchase Price for Non-Tenants
S1	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S2	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S3	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S4	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S5	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S6	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S7	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S8	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S9	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S10	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S11	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S12	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S13	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S14	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S15	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S16	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S17	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S18	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S19	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S20	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S21	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S22	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S23	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S24	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S25	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S26	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S27	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S28	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S29	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S30	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S31	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S32	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S33	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S34	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S35	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S36	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S37	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S38	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S39	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S40	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S41	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S42	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S43	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S44	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S45	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S46	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S47	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S48	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S49	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S50	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S51	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S52	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S53	4' x 4' x 7'	$ 5,000.00	$ 5,000.00
S54	4' x 4' x 7'	$ 5,000.00	$ 5,000.00

Footnotes to Schedule A

(1) Kitchens contain 70 square feet or more.

(2) Floor plans reproduced in the Offering Plan are an approximation of the dimensions and layout of typical units. The actual layout of each unit may have been altered. Each Unit should be inspected prior to purchase to determine its actual dimensions, layout and physical condition. The square footage indicated on Schedule A was based on floor plans and figures furnished by the Sponsor.

The dimensions of the Residential Units depicted in the layouts shall consist of the area enclosed horizontally by the unexposed sides of the dry walls of the exterior walls of the building and by the unexposed sides of the dry walls or the exposed face of the concrete or concrete block of those walls and partitions which separate the unit for the corridors, stairs, mechanical equipment spaces and other units, and enclosed vertically by the underside of the unit's finished flooring and the unexposed side of the unit's drywall ceiling where applicable. The doors and windows which open from the unit shall deemed part of the unit.

These measurements exceed the usable net floor area of each unit and may differ from the square footages set forth in the Declaration. The actual usable square footage may be significantly less than the gross square footage.

(3) Sponsor has reserved the right to change the purchase price and other sale terms from time to time for any Unit not subject to a Purchase Agreement. The Plan will be amended to reflect any Unit price increases or across the board public reduction (as distinguished from an isolated price reduction) or a different price to be advertised in a newspaper or other media.

The purchase prices and sale terms may be negotiated by Sponsor unless it constitutes a prohibited discriminatory inducement. Therefore, Sponsor may enter into a Purchase Agreement to sell one or more Units at prices higher (upon amendment of the Plan) or lower (without the need for amending the Plan) than those in Schedule A (see "Changes in Prices of Units" for further discussion). Prospective purchasers are advised that in addition to the purchase price, they will be responsible for certain closing adjustments and closing costs. (See "Closing Costs and Adjustments" for further discussion.)

All Purchasers, except for the Sponsor, shall pay at closing an amount equal to the sum of two (2) months Common Charges to the Condominium as a contribution to the initial Working Capital Fund (as hereinafter defined). While Sponsor is in control of the Board of Managers, the Working Capital Fund will not be used to reduce the Common Charges. If any portion of the Working Capital Fund is used during the period of Sponsor control to pay for

any of the budget items set forth in Schedule B, such amounts will be repaid to such fund out of Common Charges collected at each Closing.

(4) Pursuant to Section 339-i (ii) of the New York Real Property Law, the percentage interest of each Unit in the Common Elements is based upon the floor space of the Units, subject only to "the approximate proportion that the floor area of the unit at the date of the declaration bears to the then aggregate floor area of all the units". The aggregate Common Interests of all Units equal 100%.

(5) These estimates were based upon "Schedule B – Projected Budget for First Year of Condominium Operation of "One Sunset Park Condominium," on the assumption that the first year of condominium operation will be from October 1, 2008 to September 30, 2009. The actual first year of operation may be earlier or later.

In addition to these estimated Common Charges, each Unit Owner will incur additional expenses for (i) mortgage payments under a loan or loans (if any) obtained to finance the purchase of his or her Unit; (ii) the cost of electricity and gas supplied to that unit, which will be metered separately and will be payable directly to the public utility as and when billed; (iii) the cost of interior repairs to, and the maintenance, painting and decoration of the Unit and any appurtenant Limited Residential Common Elements (including, without limitation, the equipment and appliances contained therein); (iv) the cost of any insurance that the owner may desire to place to cover (a) furniture, improvements, equipment and other personal property and (b) liability to others for personal injury or property damage as a result of occurrences in that Unit, including without limitation, damage from water leaks or other conditions in the Unit; (v) cable television charges; and (vi) real estate taxes (see Footnote 6 below) after the Units are separately assessed. Real estate taxes will be included on a pro-rata basis as part of the Common Charges until the Units are separately assessed.

(6) Any real estate taxes paid by Sponsor are one of the items to be adjusted between Sponsor and each purchaser at the closing of each Unit. Until the Units are separately assessed, real estate taxes will be included in the Common Charges and paid by the Condominium Board as a Common Expense. Real estate taxes will be apportioned between Sponsor and each purchaser as each Unit closes. (See "Closing Adjustments and Closing Costs" for further details.)

There is no assurance that the New York City taxing authority will allocate taxes among Units in proportion to their Common Interests. If they are not so allocated, Unit Owners having the same Common Interests may pay different amounts of real estate taxes. In addition, no warranty is made as to the assessed valuation of the Property or the tax rate that will be in effect at any

time or the amount of real estate taxes (including any minimum tax) which may be due.

(7) The aggregate of the monthly rents currently paid by the tenants of all the occupied units is $32,082.00 or $384,984.00 per annum.

In the opinion of Goldstick, Weinberger, Feldman & Grossman, P.C., counsel to Sponsor, under existing tax laws any real estate taxes actually paid by a purchaser with respect to a Unit used as his primary or secondary residence will, in general, be deductible from the purchaser's income for the purpose of Federal, New York State and New York City income taxes (provided such purchaser itemizes his deductions). However, the amount of such deductions may vary from year to year due to changes in the amount of real estate taxes (which may result from changes in the assessed valuation of the Residential Unit, the tax rate or the method of assessing real property). (See "Counsel's Tax Opinion" in Part II of the Plan for further discussion.)

Sponsor has retained the law firm of Podell, Schwartz, Schecter & Banfield. LLP to estimate the real estate taxes which will be payable for the first year of condominium ownership. Estimates were based on information provided by the Sponsor and on the firm's knowledge of the practices, policies and procedures normally followed by the New York City Department of Finance and were not intended and cannot be construed as a warranty that the expected assessment will be realized.

SCHEDULE B

PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION
ONE SUNSET PARK CONDOMINIUM
702 44TH STREET, BROOKLYN, NEW YORK
OCTOBER 1, 2008 – SEPTEMBER 30, 2009

PROJECTED INCOME

Residential Common Charges (Note 1)	$219,797
Estimated Laundry Income (Note 2)	2,100
Payroll Reimbursement (Note 3)	14,471
TOTAL PROJECTED INCOME:	$236,366

PROJECTED EXPENSES

Superintendent (Note 3)	$28,941
Promissory Notes Payable to Sponsor (Note 4a)	0
Estimated Maintenance and Real Estate Taxes on Superintendent's Apartment 1D (Note 4b)	$6,558
Heating and Hot Water (Note 5)	$108,800
Electricity & Gas (Note 6)	9,960
Water Charges and Sewer Rents (Note 7)	20,000
Supplies, Repairs and Maintenance (Note 8)	8,600
Elevator Maintenance (Note 9)	4,200
Insurance (Note 10)	21,107
Management Fees (Note 11)	16,500
Legal and Audit Fees (Note 12)	5,700
Administrative Contingency and Miscellaneous (Note 13)	6,000
TOTAL PROJECTED EXPENSES:	$236,366

The estimated Common Charges to be collected from Unit Owners are based upon the assumption that the first year of Condominium operation will be the year from October 1, 2008 to September 30, 2009. The actual first year of operation may be earlier or later.

Sponsor anticipates that the First Closing will occur on or about October 1, 2008. In the event that the commencement date of Condominium operation is six (6) months later than the anticipated date of the First Closing, the Plan will be amended to include a revised budget disclosing the then current budget projections. If the Common Charges in the revised budget projections increase by twenty-five (25%) percent or more, Sponsor will offer all Purchasers the right to rescind their Purchase Agreements and have their deposits refunded to them.

NOTES TO SCHEDULE B
ONE SUNSET PARK CONDOMINIUM
702 44th STREET, BROOKLYN, NEW YORK
PROJECTED BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION
OCTOBER 1, 2008 – SEPTEMBER 30, 2009

Note 1: **Residential Common Charges: $219,797**

This amount represents the estimated total Common Charges to be levied against the Residential Units and collected from them during the first year of Condominium operation. The individual Unit Owner's proportionate share of the Common Charges is based on each Unit Owner's percentage interest in Common Charges, set forth in Schedule A.

Note 2: **Estimated Laundry Income: $2,100**

The laundry is being upgraded and a new contract is now being solicited. Renovated units will have washers and dryers include within the unit. Industry sources indicate an amount of about $70.00 per unit. It is expected that there will be approximately thirty units that will not include washers and dryers. Thus an income of $2,100.00 is anticipated as the minimum annual amount to be received.

Note 3: **Superintendent: $28,941**

The amount budgeted is based on the cost of a live-in building superintendent. There are no other employees associated with the rental building. The expenses associated with the building superintendent shall be shared proportionately between all Unit Owners.

While units remain unsold in the building, the superintendent will perform work both for the Condominium Association and for the Sponsor with respect to any repairs necessary for the Unsold Units owned by the Sponsor. In addition to the Sponsor's pro rata share of the Condominium Association's maintenance charges, the Sponsor will reimburse the Condominium Association for the services provided by the superintendent. The expense for these services is set at $250 per sponsor held unit. During the first two years of operation of the condominium, the reimbursement of this expense item will be set at no less then 50% of the cost for the Superintendent which equates to $14,471.

The building superintendent shall be an employee of the Condominium Association and is currently being paid an annual salary, together with associated payroll expenses, as follows:

Building superintendent salary	$24,000
Social Security/Medicaid taxes	1,836
Federal unemployment insurance	187
State unemployment insurance	460
Workman's Comp. insurance	2,398
Disability insurance	60
Current Total Payroll Cost	**$28,941**

It is the Sponsor's opinion that this level of staffing complies with all applicable housing and labor laws. The superintendent is currently are not represented by a union. No representation is made as to whether or not any employees will be represented by a union in the future.

The compensation of the superintendent for duties to the Condominium, as well as the cost of any temporary replacement, is an expense shared by all Unit Owners. Duties of the superintendent include cleaning, maintenance, performing certain repairs, removing garbage and trash for collection, maintenance of the public halls, and keeping the sidewalk free of snow, ice and trash.

Note 4a: **Promissory Notes Payable to Sponsor: $0 for First 2 Years**

At the time of the First Closing, Sponsor will sell Unit 1D (the building superintendent's residence) to the Condominium. The Condominium shall be responsible for the payment of all mortgage recording and transfer taxes due in connection with the sale of the Unit. Common Charges, including the costs of utilities, real estate taxes and the costs of repairs, alterations and improvements undertaken by the Condominium attributable to the building superintendent's apartment, shall be borne by all Unit Owners as a General Common Expense. The purchase price of Unit 1D is $450,000. At the closing of title to Unit 1D, the Condominium Board, on behalf of all Unit Owners, will pay the purchase price by executing and delivering one or more purchase money note(s) in the aggregate amount of the purchase price secured by one or more mortgage(s) on the Unit. Interest at the compounded rate of 6% per annum shall accrue, but not be paid, on the note during the first two years of its term. The accrued interest of $55,620 shall then be added to the principal outstanding balance of $450,000 and, commencing with the 25th month of the note term, interest shall accrue on the new principal amount of $505,620 at the rate of 6% per annum on a 30 year amortization schedule, in the monthly amount of $3,031 per month. This mortgage will mature five (5) years after its inception and will not be extended or renewed.

Note 4b: **Estimated Common Charges and Real Estate Taxes on Superintendent's Apartment 1D: $6,558**

As shown in Schedule A, the anticipated annual real estate taxes to be paid for Apartment 1D (the superintendent's residence) are $1.645 and the

share of the first years common charges are $4,913 for a total of $6,558 per year. This amount will be shared by all of the tenant- owners as part of the superintendent's cost.

Note 5: **Heating and Hot Water: $108,800**

The building boiler uses No. 4 heating oil. Set forth below is a chart showing for the past three calendar years the consumption in gallons of fuel oil utilized in the building and the average price per gallon. Based on the average consumption for the past three years, it might be anticipated that the building would use 34,000 gallons of heating oil during the condominium's first year of operation. However, the Sponsor (1) has recently installed a heating computer which, based upon representations of the manufacturer (confirmed by other owners who have installed similar equipment), is expected to reduce fuel consumption by 15% to 20%; and (2) intends to repair or replace, as and where necessary, the existing windows in the building, which is estimated to result in an additional savings of 5% to 10%. For the budget estimate, the Sponsor has estimated a total reduction of 20% in fuel consumption and calculated the budget based upon an estimate of 27,200 gallons of fuel being used during the first year of condominium operation.

Calendar Year	Consumption in Gallons	Total Cost (Inc. Sales Tax)	Average Price per Gallon
2005	34,516	$58,343	$1.69
2006	30,217	$57,399	$1.90
2007	28,509	$55,092	$1.93

In a telephone conversation with Gillian Hoyte of Stuyvesant Fuel Service Corp (642 Southern Boulevard, Bronx, New York 10455) the estimated cost of #4 fuel oil for the period of 10/01/08 to 09/30/09 is projected at $4.00 per gallon (currently $3.23 per gallon).
$4.00 x 27,200 gallons = $108,800.00 which is used here.

Note 6: **Electricity and Gas: $9,960**

This represents the estimated cost of electricity and gas for the common elements and the superintendent's apartment. Each apartment is metered individually for electricity and gas (billed to the resident). For the elevator, halls, basement lights, and other common building areas and the superintendent's apartment, electricity and gas are estimated to cost $830.00 per month ($9,960.00 yearly). We added $900.00 (10%) to the 2007 cost for the first year of condominium operation.

For the prior three years, the actual cost of electricity and gas for these areas was:

2007	$9,062.00
2006	$8,491.00
2005	$10,028.00

Note 7: **Water Charges and Sewer Rents: $20,000**

Water usage is based on the assumption that the building will be metered as required by code. Historically, the building costs for this item, was based on frontage. In a letter dated April 15, 2008, Vantage Group Inc., a water management company, projected water usage for the period of October 1, 2008 to September 30, 2009 of $20,000.00. This is based on a projected rate of $5.99/ccf., assuming the declared rate increase by DEP of 14.5% is in effect. Costs for the past three years were:

2007	$25,439
2006	21,990
2005	21,670

Note 8: **Supplies, Repairs and Maintenance:** $8,600

Building Supplies	$2,600
Plumbing Repairs & Maintenance	2,000
Miscellaneous Repairs & Maintenance	4,000

The budget for these items includes the cost of normal repairs, maintenance, and supplies for the Common Elements of the Building. The Unit Owners will be responsible for the cost of interior maintenance, repairs, decoration and painting of their respective Units (including repairs and replacement of appliances or fixtures).

The budget is based on experience of the Sponsor, Eugene A. Hegy, Jr. and Dominick S. Pompeo in buildings of comparable size, quality and amenities. Future major capital repairs to the Common Elements will be borne by all Unit Owners.

The cost of repairs, maintenance and supplies for the Common Elements is a Shared Expense.

Note 9: **Elevator Maintenance: $4,200**

The budget is based on the present $4,200.00 maintenance contract, including applicable sales tax. The Sponsor has recently upgraded the elevator system. Such upgrading included replacing the controller, installing all new wiring, fixtures, brake shoes, landing control system, motor, governor, and door operator. In addition, all work has been performed to the elevator cab and the elevator's mechanical systems to ensure its compliance with current federal, state and local handicap accessibility laws (including the Americans with Disabilities Act). The elevator upgrade did not include replacing the machine, rails, safety sling or doors which have all been deemed to be in adequate condition by Sponsor's elevator consultant. As a result of the work performed to the elevator system, the budget assumes that during the first year of

condominium operation no expense will be incurred for repairs not covered by the maintenance contract.

The elevator maintenance budget includes the cost for annual elevator inspection required by the City of New York.

Note 10: **Insurance: $21,107**

In a letter dated April 16, 2008, Barbara Strauss, Executive Vice President, York International Agency, Inc., 1 Executive Blvd., Yonkers, New York 10701, telephone (914) 376-2200 provided the following information (premiums shown are at current rates) at a cost of $19,188.00 per annum.

PACKAGE	Amount of Insurance
Property	$7,000,000
Building	
Risks of Direct Physical Loss Subject to Policy Terms & Conditions	
Agreed Amount/Replacement Cost	Included
Deductible	$5,000
Building Ordinance	Included
Increased Cost of Construction & Demolition	Included
Building Personal Property	$10,000
Business Income/Extra Expense	$450,000
Co-Insurance	Actual Loss Sustained
Flood (Rising Water) & Deductible	$1,000,000/50,000
Earthquake & Deductible	$1,000,000/50,000
Elevator Collision	Included
General Liability	
Each Occurrence (Bodily Injury/Property Damage)	$1,000,000
General Aggregate	$2,000,000
Personal Injury	$1,000,000
Employee Benefits Liability (Claims-Made) Deductible	$1,000,000/1,000
Water Damage Legal Liability	Included
Non-Owned/Hired Auto	$1,000,000
Lead/Mold	Not Excluded
FIDELITY BOND	
Employee Dishonesty & Deductible	$100,000/5,000
Managing Agents Rider	Included
DIRECTORS & OFFICERS LIABILITY	
Limit & Deductible	$2,000,000/5,000
Participation %	.1
Managing Agents Rider	Included
UMBRELLA	
Limit	$100,000,000
Excess Directors & Officers Liability (excludes Employment Practices)	Included to Full Limit
Lead Exclusion/Mold Exclusion	
Self Insured Retention	$10,000
ENERGY SYSTEMS	
Comprehensive Limit	Property Limit
Deductible	$5,000
Business Income Extra Expense	Included
Business Income Deductible	24 Hours
Building Ordinance & Law	Included
WORKERS COMPENSATION	Statutory
DISABILITY	Statutory

Since the insurance agent cannot predict what the premiums will be at the time of closing, the premiums were increased 10% to allow for an increase in the insurance cost.

The building is on an Agreed Amount basis, which waives or eliminates the standard Co-Insurance Clause. Per the current underwriting guidelines, the building limit meets New Hampshire Insurance Company requirements. The fire, casualty and comprehensive general liability insurance coverage will provide that: (1) each unit owner will be included as an additional insured and (2) there will be no cancellation without notice to the Board of Managers.

The premium quotation is an indication of insurance premiums at current rates. Because conditions in the insurance marketplace are so volatile, it is not possible to predict what the premiums will be at the time the Plan is declared effective. Purchasers should be aware of the possibility of significant rate increases. No coverage is provided for risks such as fire and casualty losses to the contents of each individual Unit, nor does the coverage take into account any future replacements or additions to either the Units or the fixtures and improvements contained therein. Furthermore, no liability coverage for individual Unit Owners is included in the coverage provided above. Prospective Purchasers should consult their attorney or insurance agent to determine the advisability of obtaining insurance for their own risk of liability and fire casualty losses. The Sponsor represents that it will purchase fire and casualty insurance, effective at the First Unit Closing, in amounts as set forth, on behalf of the Condominium at the Condominium's expense.

Note 11: **Management Fee: $16,500**

At the First Closing, the Condominium Board will enter into a management agreement with Sierra Realty Corp. (an affiliate of the Sponsor) for an initial term of two (2) years at a fee of $16,500.00 per annum ($1,375.00 per month).

Thereafter, the agreement will be renewed automatically from year to year, but may be cancelled by either party, without cause, upon no less than sixty (60) days prior written notice.

In the opinion of Eugene A. Hegy, Jr. and Dominick S. Pompeo, the management fee for the first year of condominium operation is comparable to the "going rate" which would be charged by other professional real estate management firms for similar services in comparable buildings.

Note 12: **Legal and Audit Fees: $5,700**

The budget includes $4,500 for accounting services in connection with preparation of the Condominium's tax returns and audited financial statements for the first year of operation. The budget also includes $1,200.00 for miscellaneous legal services during the first year of operation.

Note 13: Administrative Contingency and Miscellaneous: $6,000

This item is intended to cover anticipated expenses for telephone, postage, municipal permits, and miscellaneous office expenses and provide for any increases in budgeted expenses. It is not intended to be a reserve for capital improvements. If additional funds are required, over and above this amount, it may be necessary to increase Common Charges or impose a special assessment. Sponsor has attempted to make accurate estimates of anticipated expenses. However, due to inflation, changes in economy and unforeseen factors, the actual expenditures may differ from estimates set forth herein.

* * * * *

In the opinion of Eugene A. Hegy, Jr. and Dominick S. Pompeo, Estimated Income is adequate to meet the Estimated Expenses for the first year of Condominium operation, assuming the first year is the calendar year commencing October 1, 2008. However, the foregoing Budget is not intended, and should not be taken, as a guarantee by anyone that the annual Common Charges or Common Expenses for the first or any subsequent year of operation of the Building will be as set forth in said budget.

At the First Unit Closing, the Sponsor and the Condominium Board will adjust various items of income and expenses in accordance with the period that each owns or operates the Building. If the net adjustments are in favor of the Sponsor, such amount will be paid by the Condominium Board in twelve (12) equal consecutive monthly installments commencing on the first day of the second month subsequent to the First Unit Closing, with interest at the prime rate then announced by JP Morgan Chase Bank, N.A. pursuant to a promissory note to be executed by the Condominium Board and delivered to the Sponsor at the First Unit Closing. Although these installments are not directly included in this Budget, payment of the note (but not interest thereon) represents, in effect, payment of expenses reflected in this Budget that have been prepaid by the Sponsor. (See the section of the Plan entitled "Working Capital Fund" for a full discussion).

SCHEDULE B-1

ONE SUNSET PARK CONDOMINIUM

702 44TH STREET, BROOKLYN, NY

BUDGET FOR PROJECTED INDIVIDUAL ENERGY COSTS

In a telephone conversation on June 16, 2008 with Mr. Steven Bodnaruk of Con Edison (telephone 800-752-6633) she provided the following estimate of annual electric energy for lighting and for operating the typical electrical appliances located in each one-bedroom unit.

The estimated kilowatt hour (KWH) usage per month for the average one-bedroom apartment, according to the building history is 470 KWH monthly (5,640 KWH per year), including the cost of seasonal air conditioning and taxes. Kitchens are equipped with a 12 to 14 cubic foot refrigerator/freezer; either General Electric, Welbilt, Premier or Summit. Mr. Bodnaruk quoted a cost per KWH of 19.5 cents during the summer months and 13.4 cents during the winter months. This equates to approximately $90 monthly during the summer months and to $65 during winter months.

Historically, according to Mr. Peterson of National Grid, which supplies gas for cooking to these apartments (telephone 718-643-4050), the average one-bedroom apartment has used approximately 100 cubic feet (1 CCF) of gas per month or 12 CCFs annually for cooking. Mr. Peterson estimated that the minimum cost for each two-month billing period would be $52.00. This cost includes taxes.

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

DIVERSIFIED VALUATION GROUP

CHANGES IN PRICES AND UNITS

The offering price to be paid by Existing Tenants (bona fide tenants in occupancy) which is applicable during any Exclusive Purchase Period will not be increased during such Exclusive Purchase Period.

The offering price as set forth in Schedule A must be changed by a duly filed amendment to the Plan when the change in price is an across the board increase or decrease affecting one or more lines of Units or Unit models, or is to be advertised, or is a price increase for an individual Purchaser. Unless it would constitute a prohibited discriminatory inducement, the Sponsor may enter into an agreement with an individual Purchaser to sell one or more Units at prices lower than those set forth in Schedule A without filing an amendment. Prices and all other terms are negotiable.

No change will be made in the size or number of Units, their respective percentages of Common Interest or in the size or quality of Common Elements except by amendment to the Plan and to the Declaration.

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. No material change will be made in the size or quality of Common Elements unless Purchasers not in default receive a right to rescind contained in an amendment and a reasonable period of time that is not less than fifteen days after the date of presentation of such amendment to exercise the right. Sponsor will return any deposit or Downpayment promptly to Purchasers who rescind.

Sponsor reserves the right to change: (a) the layout of, or number of rooms in, Unsold Units and (b) the size and/or number of Unsold Units by subdividing one or more Unsold Units into two or more separate Units, by combining two or more separate Unsold Units into one or more Unsold Units, by altering the boundary walls of any Unsold Unit(s), or otherwise, including, without limitation, the use of any portion(s) of the Common Elements adjacent to such Unsold Units to the extent that such portion(s) are not required to be maintained as Common Elements pursuant to the terms of the By-Laws. Subject to the terms of the last two paragraphs of this section, such right may be exercised by Sponsor from time to time, both before and after the First Closing, by amendment to this Plan without the consent or approval of the Selling Agent, the Managing Agent, the Condominium Board, any Unit Owner or any Mortgagee.

In the event that Sponsor shall change the size and/or number of Unsold Units, Sponsor shall increase or decrease the common Interests appurtenant thereto accordingly; however, the aggregate amount of the Common Interests of all of the Units shall always remain at 100%. As a result of such reapportionment, the amount of the Common Charges and the real estate taxes and assessments payable by the owners of the Unsold Units affected thereby will be increased or decreased proportionately, but the amount of the Common Charges and the real estate taxes and assessments payable by the owners of Units unaffected thereby will not be varied.

Once the Declaration is recorded, no change may be made in the number of Units or number of rooms within a Unit, nor may the size of any Unit be changed by subdivision or combination or alteration of boundary walls as aforesaid, or otherwise, nor may the Common Interest of any Unit be changed, unless the Declaration is amended and such amendment is duly recorded. As more particularly provided in the Declaration, Sponsor or its designee, as the owner of an Unsold Unit, will have the right itself to so amend the Declaration to effectuate such change, without the Condominium Board, the other Unit Owners, or any mortgagee consenting to, or executing, such amendment. However, no change of a Unit's Common Interest will be made without obtaining the prior consent of the owner of such Unit. In addition, no change will be

made in the Common Interest of any Unit for which a Purchase Agreement is in effect without obtaining the prior written consent of the Purchaser thereof.

To the extent permitted by law, if the size or configuration of a Unit is changed in compliance with this Plan and the Condominium Documents and, in connection therewith, a wall, space, or other area forming a part of the Common Elements servicing and benefitting only such Unit is razed or incorporated in the Unit, then such Common Element shall be deemed for the exclusive use and benefit of the owner of such Unit and the Unit's Common Interest will remain unchanged.

ACCOUNTANT'S CERTIFIED STATEMENTS OF OPERATION

4401 SEVENTH AVENUE
BROOKLYN, NEW YORK

STATEMENT OF OPERATIONS

DECEMBER 31, 2005 AND 2004

LEHMAN, NEWMAN & FLYNN
CERTIFIED PUBLIC ACCOUNTANTS

LEHMAN, NEWMAN & FLYNN

CERTIFIED PUBLIC ACCOUNTANTS
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4401 Sunset Park LLC
Brooklyn, NY

REPORT OF INDEPENDENT AUDITORS

We have audited the accompanying statement of operations of the building located at 4401 Seventh Avenue, Brooklyn, NY ("the property") as of December 31, 2005 and 2004. These statements are the responsibility of the property's management. Our responsibility is to express an opinion on these income statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 presentation of the income statements. We believe that our audit provides a reasonable basis for our opinion.

The accompanying statement was prepared to present the income and expenses of the property as if the apartment building were operated as a condominium complex, and is not intended to be a complete presentation of the property's results of operations.

In our opinion, the accompanying statement of operations present fairly, in all material respects, the income and expenses of the property as of December 31, 2005 and 2004, as if it were a condominium complex, in conformity with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the management of 4401 Sunset Park LLC and the purchasers of condominiums at the property and is not intended to be and should not be used by anyone other than these specified parties.

Lehman, Newman & Flynn

November 8, 2006

4401 SEVENTH AVENUE
BROOKLYN, NEW YORK
STATEMENT OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31,

	2005	2004
Revenues:		
Rental income	$ 486,569	$ 462,462
Expenses:		
Salaries and related costs	41,191	39,926
Gas and electric	10,028	8,241
Fuel oil	58,123	47,300
Repairs and maintenance	20,528	16,184
Management fees	24,502	23,419
Water and sewer charges	21,670	20,793
Supplies	9,903	6,944
Insurance	20,242	19,186
Professional fees	19,218	16,649
Office expenses and other	6,162	8,721
Total operating expenses	231,567	207,363
Net income	$ 255,002	$ 255,099

4401 SEVENTH AVENUE
BROOKLYN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2005 AND 2004

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

These statement of operations are prepared on the accrual basis of accounting.

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.

2. APARTMENT RENTAL INCOME

Apartment rental income represents income from the building as a rental building. This does not represent income necessary to operate the building as a condominium.

3. SALARIES AND RELATED COSTS

Management expects salaries and related costs to be significantly lower when the building is operated as a condominium. The condominium will not be responsible for repairs to the individual units.

4. PROFESSIONAL FEES

Management expects professional fees to be significantly less when the building is operated as a condominium.

4401 SEVENTH AVENUE
BROOKLYN, NEW YORK

STATEMENT OF OPERATIONS

DECEMBER 31, 2006 AND 2005

LEHMAN, NEWMAN & FLYNN
CERTIFIED PUBLIC ACCOUNTANTS

LEHMAN, NEWMAN & FLYNN

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4401 Sunset Park LLC
Brooklyn, NY

REPORT OF INDEPENDENT AUDITORS

We have audited the accompanying statement of operations of the building located at 4401 Seventh Avenue, Brooklyn, NY ("the property") as of December 31, 2006 and 2005. These statements are the responsibility of the property's management. Our responsibility is to express an opinion on these income statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 presentation of the income statements. We believe that our audit provides a reasonable basis for our opinion.

The accompanying statement was prepared to present the income and expenses of the property as if the apartment building were operated as a condominium complex, and is not intended to be a complete presentation of the property's results of operations.

In our opinion, the accompanying statement of operations present fairly, in all material respects, the income and expenses of the property as of December 31, 2006 and 2005, as if it were a condominium complex, in conformity with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the management of 4401 Sunset Park LLC and the purchasers of condominiums at the property and is not intended to be and should not be used by anyone other than these specified parties.

Lehman, Newman & Flynn

February 17, 2007

4401 SEVENTH AVENUE
BROOKLYN, NEW YORK
STATEMENT OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31,

	2006	2005
Revenues:		
Rental income	$ 546,229	$ 486,569
Expenses:		
Salaries and related costs	41,621	41,191
Gas and electric	9,491	10,028
Fuel oil	54,874	58,123
Repairs and maintenance	25,227	20,528
Management fees	25,976	24,502
Water and sewer charges	21,990	21,670
Supplies	5,402	9,903
Insurance	16,253	20,242
Professional fees	19,100	19,218
Office expenses and other	6,211	6,162
Total operating expenses	226,145	231,567
Net income	$ 320,084	$ 255,002

4401 SEVENTH AVENUE
BROOKLYN, NEW YORK
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2006 AND 2005

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

These statement of operations are prepared on the accrual basis of accounting.

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.

2. APARTMENT RENTAL INCOME

Apartment rental income represents income from the building as a rental building. This does not represent income necessary to operate the building as a condominium.

3. SALARIES AND RELATED COSTS

Management expects salaries and related costs to be significantly lower when the building is operated as a condominium. The condominium will not be responsible for repairs to the individual units.

4. PROFESSIONAL FEES

Management expects professional fees to be significantly less when the building is operated as a condominium.

4401 SUNSET PARK, LLC
(A Limited Liability Company)

FINANCIAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2007

4401 SUNSET PARK, LLC
(A Limited Liability Company)

FOR THE YEAR ENDED DECEMBER 31, 2007

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BASS & LEMER LLP
CERTIFIED PUBLIC ACCOUNTANTS

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SHELBY S. GOLDGRAB, C.P.A., C.M.A.
GARY S. ADLER, C.P.A.

To the Members of
4401 Sunset Park, LLC
(A Limited Liability Company)

Independent Auditors' Report

We have audited the accompanying Statement of Operations of 4401 Sunset Park, LLC (a limited liability company) for the year ended December 31, 2007. This financial statement is the responsibility of the company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement of Operations is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Statement of Operations. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Statement of Operations. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Statement of Operations was prepared to present operating income and operating expenses of the limited liability company for the year ended December 31, 2007. It is not intended to be a complete presentation of the limited liability company's results of operations for its property.

In our opinion, the Statement of Operations referred to above presents fairly, in all material respects, the results of the operations of 4401 Sunset Park, LLC for the year ended December 31, 2007 in conformity with accounting principles generally accepted in the United States of America.

Bass & Lemer LLP

Certified Public Accountants

West Hempstead, New York
April 23, 2008

4401 SUNSET PARK, LLC
(A Limited Liability Company)

STATEMENT OF OPERATIONS
(See Independent Auditors' Report)

FOR THE YEAR ENDED DECEMBER 31, 2007

Revenues:	
Rental Income	$ 472,616
Operating Expenses:	
Real Estate Taxes	96,113
Fuel Oil	55,092
Salaries and Related Costs	29,122
Insurance	26,798
Water and Sewer	25,439
Management Fees	23,546
Repairs and Maintenance	18,270
Professional Fees	13,171
Gas and Electric	9,062
Supplies	6,023
Administrative Expenses	3,994
Total Operating Expenses	306,630
Net Operating Rental Income Before Debt Service, Depreciation, Amortization and Other Income	$ 165,986

The accompanying notes are an integral part of this financial statement.

4401 SUNSET PARK, LLC
(A Limited Liability Company)

NOTES TO FINANCIAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2007

Note 1 - Organization:

4401 Sunset Park, LLC (the company) is a limited liability company which was organized on November 29, 2006 in New York State. On December 19, 2006, the company took title to property located at 4401 Seventh Avenue, Brooklyn, NY consisting of 53 residential apartments and a superintendent's apartment.

Note 2 - Summary of Significant Accounting Policies:

A. Method of Accounting

The company's financial statement is prepared on the accrual method of accounting which recognizes revenue when earned and expenses when incurred.

B. Use of Estimates

The preparation of the Statement of Operations, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

C. Limitations of Financial Statement

The Statement of Operations only includes the results of income and expenses from the rental property location at 4401 Seventh Avenue, Brooklyn, New York before debt service, depreciation, amortization and other income.

D. Condominium Costs:

The condominium costs related to the conversion of the rental building are not included in the Statement of Operations.

Note 3 - Related Party Transaction:

The company entered into an agreement with Sierra Realty, an entity related to the company to act as the managing agent of the property. The management fee is paid monthly, based on 5% of rent collections.

Note 4 - Income Taxes:

The limited liability company is taxed as a partnership under which no Federal, State or City tax liabilities are incurred. Instead, members are taxed individually on their share of the limited liability company's net income or loss in accordance with percentages established in the limited liability company agreement. No provision for Federal, State or City income taxes is reflected in the financial statement.

RIGHTS OF EXISTING TENANTS

In accordance with General Business Law Section 352-eeee, a copy of which is set forth in Part II of the Plan,

(i) All bona fide tenants in occupancy on the Filing Date of the Plan shall have the exclusive right to purchase their Unit for ninety (90) days after the Plan is presented, during which time a tenant's dwelling unit shall not be shown to a third party unless he has, in writing, waived his right to purchase.

(ii) Any bona fide tenant with the right to a renewal lease on the Filing Date has the right to purchase as a tenant during the exclusive period. Any bona fide tenant who has the right to continued occupancy on the Filing Date has the right to purchase as a tenant during the exclusive period. For the purpose of determining who has the right to purchase during the exclusive period, a bona fide tenant of record with an unexpired lease on the Filing Date shall be presumed to be a tenant in occupancy, even though that tenant has sublet his dwelling unit or the dwelling unit is not occupied as the tenant's primary residence. A bona fide sublessee in occupancy on the Filing Date has the right to purchase during the exclusive period if he (i) sublets from a non-bona fide tenant, or (ii) has obtained written permission to purchase the Unit from the bona fide tenant of record. Nothing herein shall be construed to deprive an owner of any legal remedy for an illegal occupancy.

(iii) The following persons (among others) are not Existing Tenants (bona fide tenants in occupancy) and do not have the rights of an Existing Tenant (bona fide tenants in occupancy) set forth herein (1) a tenant or occupant who occupies a unit under a professional or office lease or who used a unit primarily for professional purposes; (2) a deceased tenant's estate or beneficiaries, or the executor of the estate; (3) an occupant whose tenancy and right to occupy have been terminated (unless it is ultimately determined, as a result of such termination being contested, that such termination was not effective); (4) an unauthorized occupant or subtenant; and (5) a residential tenant whose lease has expired after the Filing Date of this Plan.

(iv) The Plan may not be declared effective until written Purchase Agreements have been executed and delivered for at least fifteen percent of all dwelling units in the building subscribed for by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family intend to occupy the dwelling unit when it becomes vacant. As to tenants who were in occupancy on the date a letter was issued by the Attorney General accepting the Plan for filing, the Purchase Agreement shall be executed and delivered pursuant to an offering made without discriminatory repurchase agreements or other discriminatory inducements.

(v) No eviction proceedings will be commenced at any time against non-purchasing tenants for failure to purchase or any other reason applicable to expiration of tenancy; provided that such proceedings may be commenced for nonpayment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the non-purchasing tenant of his obligations to the owner of the dwelling unit; and provided further that an owner of a dwelling unit may not commence an action to recover possession of a dwelling unit from a non-purchasing tenant on the grounds that he seeks the dwelling unit for use and occupancy of himself or his family. Non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to the conversion of the building to condominium ownership shall continue to be subject thereto. Any non-purchasing Existing Tenant whose lease is not subject to rent regulation and which expires after the Filing Date of this Plan and prior to the date this Plan is declared effective is not entitled to a renewal lease and may be evicted in accordance with applicable Law. The rentals of non-purchasing tenants who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and non-purchasing tenants who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is

eliminated or becomes inapplicable after the Plan has been accepted for filing by the Department of Law and who are entitled to renewal leases shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy. In determining comparability, consideration shall be given to such factors as building services, level of maintenance and operating expenses. Complaints of unconscionable rent increases proscribed by law may be referred to the New York State Department of Law, Bureau of Real Estate Financing, 120 Broadway, 23rd Floor, New York, New York 10271.

(vi) The rights granted under the Plan to purchasers under the Plan and to non-purchasing tenants may not be abrogated or reduced notwithstanding any expiration of, or amendment to, General Business Law Section 352-eeee.

(vii) All dwelling units occupied by non-purchasing tenants shall be managed by the same managing agent who manages all other dwelling units in the Building. Such managing agent shall provide to non-purchasing tenants all services and facilities required by law on a nondiscriminatory basis. The Sponsor shall guarantee the obligation of the managing agent to provide all such services and facilities until such time as the Sponsor surrenders control of the Condominium Board (see "Obligations of Owners of Dwelling Units Occupied by Non-Purchasing Tenants").

(viii) It shall be unlawful for any person to engage in any course of conduct, including, but not limited to, interruption or discontinuance of essential services, which substantially interferes with or disturbs the comfort, repose, peace or quiet of any tenant in his use or occupancy of his dwelling unit or the facilities related thereto or harassment of tenants. The Department of Law may apply to a court of competent jurisdiction for an order restraining such conduct and, if he deems it appropriate, an order restraining the Sponsor from selling the Unit or from proceeding with the plan of conversion; provided that nothing contained herein shall be deemed to preclude the tenant from applying on his own behalf for similar relief.

(ix) Assignment or transfer of Purchase Agreements by bona fide tenants in occupancy may be made only in accordance with the provisions set forth under the caption "ASSIGNMENT OF PURCHASE AGREEMENTS."

(x) If the Plan is substantially amended prior to the First Closing, the time periods set forth above shall be extended, if applicable, from the date on which the amendment is presented to the Existing Tenants ("Amendment Presentation Date"), as follows:

> If the Amendment Presentation Date occurs during the ninety (90) day Exclusive Purchase Period, such Exclusive Purchase Period shall terminate not less than thirty (30) days after the Amendment Presentation Date: and
>
> If the Amendment Presentation Date occurs at any time after the ninety (90) day Exclusive Purchase Period has expired but prior to the First Closing, then for thirty (30) days after such Amendment Presentation Date, an Existing Tenant shall have the exclusive right to purchase on the amended terms.
> A substantial amendment is defined as an amendment which contains terms which are materially beneficial to any tenant-purchasers, such as: change from an eviction to an non-eviction plan; decrease in the offering price to tenants; significant increase in the working capital or reserve fund; agreement by the Sponsor to make additional repairs or improvements, or to repurchase apartments; or the offer of new or better terms to tenants for financing the purchase price of an apartment.
>
> In the event of a material amendment to this Plan prior to the First Closing that adversely affects purchasers, each purchaser will have the right to rescind his Purchase Agreement

within fifteen (15) days from the date of presentation of such amendment upon written notice to the Sponsor. In the event of any such cancellation, any payments made by that person under his Purchase Agreement will be returned to that person without interest, unless the monies are held in an interest-bearing account in which event they shall be returned with the interest accrued, and that person will have no further rights or obligations thereunder.

If prior to the First Closing, Sponsor amends the terms and conditions of this offering to be more favorable to Non-Purchasing Tenants, a Tenant-Purchaser who executed and submitted a Purchase Agreement and tendered the Deposit for the Unit which the Tenant-Purchaser occupied on the Filling Date shall benefit from the more favorable terms and conditions. This provision does not apply to Tenant-Purchasers who purchased Units other than the one they occupied on the Filing Date or to assignees of a Tenant-Purchase Agreement.

(xi) Bona fide tenants in occupancy shall not have any rights to purchase any vacant Unit or other Unit not occupied by such bona fide tenant, but may submit Purchase Agreements therefor in the same manner, and subject to the same provisions, as a non-occupant of the Building, and in all events subject to the prior sale of such a Unit to the tenant thereof or a non-occupant.

(xii) The Sponsor shall, on the thirtieth, sixtieth, eighty-eighth and ninetieth days after the date of presentation of the Plan and at least once every thirty days until the Plan is declared effective or abandoned, as the case may be, and on the tenth and second day before the expiration of any exclusive purchase period provided in a substantial amendment to the Plan, (i) file with the Department of Law a written statement, under oath, setting forth the percentage of bona fide tenants in occupancy of all dwelling units in the Building on the date the Plan was accepted for filing who have executed and delivered written agreements to purchase under the Plan as of a specified time on the date of such statement and (ii) before noon on the day such statement is filed, post a copy of such statement in a prominent place accessible to all tenants in the Building. The statement shall include the following:

(a) The date and time of the statement.

(b) The date the Plan was filed with the Department of Law.

(c) The date of presentation of the Plan (and the current amendment).

(d) The last day of the Exclusive Purchase Period.

(e) The number of bona fide tenants as of the date the Plan was filed with the Department of Law who have signed Purchase Agreements as of a specified time on the date of the statement.

(f) The number of bona fide non-tenant purchasers who have represented that they or member(s) of their immediate family intend to occupy the Unit when it becomes vacant.

(g) The number of Units counted in the base.

(h) The percentage obtained by dividing the number of purchasers to be counted towards effectiveness given in subparagraphs (v) and (vi) by the number of Units counted in the base given in subparagraph (vii).

(i) The number of purchasers not included because of relationship to the Sponsor or selling agent, but who may be sought to be included in the future.

(xiii) Tenants or their representatives may physically inspect the premises at any time subsequent to the submission of the Plan to the Department of Law, during normal business hours, upon written request

made by them to the offeror, provided such representatives are registered architects or professional engineers licensed to practice in the State of New York.

(xiv) Non-purchasing tenants may be subject to rent increases as a result of the capital improvements made by the Sponsor, the Condominium Board or Unit Owners. Any such increase must first be approved by DHCR.

(xv) The By-Laws provide that non-purchasing tenants will promptly be notified of changes in ownership of dwelling units they occupy (see Section 7.5 of the By-Laws).

(xvi) A Purchase Agreement from a tenant in occupancy executed during an exclusive purchase period shall have priority over and preempt any Purchase Agreement from non-tenants.

(xvii) Real Property Law ("RPL") Section 339-kk, a copy of which appears as Exhibit XIV in Part II of this Plan, became law on July 22, 1998. The law is intended to provide financial protection for a condominium association if a sponsor or investor or owner who sublets fails to make monthly payments for his/its units.

The law provides in pertinent part, as follows:

If a unit owner who does not occupy the unit rents any dwelling unit and then fails to make payments due for common charges, assessments or late fees for such unit within sixty (60) days of the expiration of any grace period following the earliest date payment is due, then, upon notice from the Condominium Board as described below all rental payments due from the tenant shall be payable directly to the condominium.

If common charges, assessments or late fees due for any unit have not been paid in full within sixty (60) days after the expiration of any grace period following the earliest date they were due, the Condominium Board shall provide written notice to the tenant and to the non-occupying owner providing that commencing immediately, and continuing until such time as all payments for common charges, assessments and/or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium. Where a majority of the Condominium Board has been elected by and from among the unit owners who are in occupancy of their units, the Board may elect not to require that rental payments be made payable to the condominium.

At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given by the Condominium Board within three (3) business days to the rental tenant and non-occupying owner. Thereafter, all rental payments for the unit shall be made payable to the non-occupying owner or to said non-occupying owner's designated agent.

A non-occupying owner who disputes the Condominium Board's claim to a rental payment pursuant to this law shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the Condominium Board, which must be held within thirty (30) days of the date that the Board receives notice that the owner seeks to dispute such claim.

Payment by a rental tenant to the condominium made in connection with said section shall relieve the tenant from the obligation to pay such rent to the non-occupying owner, and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for such rent.

Nothing in the statute shall limit any rights of unit owners or the Condominium Board existing under any other law or agreement.

Lead Paint:

All prospective purchasers are hereby advised that, pursuant to regulations promulgated by the U.S. Department of Housing and Urban Development (24 CFR Par 35) and the Environmental Protection Agency (40 CFR Part 745) in accordance with Section 1018 of the Residential Lead Paint Hazard Reduction Act of

1992, each purchaser has the right to make his obligations under this Purchase Agreement contingent on a ten (10) day period to perform a risk assessment or inspection in the Unit and the Premises for lead-based paint and/or lead-based paint hazards ("Risk Assessment").

Pursuant to the aforementioned laws and regulations, each purchaser will be required to acknowledge having been advised that: (i) exposure to lead from lead-based paint may place young children at risk of developing lead poisoning; (ii) lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems and impaired memory; and (iii) lead poisoning also poses a particular risk to pregnant women.

Sponsor does not have any actual knowledge of any lead-based paint or lead-based paint hazards in any Unit or in the Premises, and does not have any actual knowledge of any records or reports regarding any lead-based paint (or absence thereof) in any Unit or the Premises. However, since the Premises were constructed prior to 1978, it is possible that either the Premises or any Unit may contain lead-based paint and/or lead-based paint hazards. Sponsor has not undertaken and will not undertake any separate investigation or Risk Assessment as to the present of lead-based paint and/or lead-based paint hazards in the Premises and/or in any Unit.

Each purchaser will be required to represent that he has either (a) performed a Risk Assessment or inspection prior to the execution of his Purchase Agreement, or (b) waived his right to do so and any attendant rights he otherwise may have had to cancel his Purchase Agreement for reasons related to the presence, if any, of lead-based paint and/or lead-based paint hazards. By virtue of such waiver, each such purchaser will assume all risks, if any, arising from or relating to lead-based paint and/or lead-based paint hazards in any Unit or in the Premises.

A copy of the pamphlet entitled *"Protect Your Family from Lead in Your Home"* appears in Part II of this Plan. Each purchaser will be required to acknowledge receipt of a copy of that pamphlet.

A copy of the Disclosure Form with respect to lead-based paint and/or lead-based paint hazards appears in Part II of this Plan at the end of the form of Purchase Agreement (Schedule B). Each purchaser will be required to complete, execute and submit that form at the same time he tenders an executed purchase agreement.

In addition to the above-described federal law, and subject to the provisions of the next sentence, for all condominium units located within buildings erected prior to 1978 which are leased to tenants of condominium owners or directly by a condominium, Local Law 1 of 2004 of the City of New York requires (a) an annual notice by owners to all occupants which shall contain (i) an inquiry as to whether a child under the age of seven (7) resides in the unit; (ii) owner's responsibilities under the law; and (iii) a notice for prevention of lead based paint hazards to be published by the City of New York, and further requires (b) an annual lead paint inspection to be performed in each unit where a child under the age of seven (7) is known to reside, in each unit whose occupants do not respond to the owners' inquiry of children under the age of seven (7), and in the common area throughout the building. The foregoing notwithstanding the annual inspection of units and common areas in buildings erected between 1960 and 1978 need only be done if the owner has actual knowledge of a child under the age of seven (7) in the unit, or in a unit in the building, and then presence of lead-based paint. If a lead paint hazard (i.e., chipping or peeling lead paint or deteriorating sub-surfaces) is discovered upon any such inspection, then the hazard must be removed in compliance with law (i.e., proper removal of paint chips and peeled paint, and painting over any exposed area) which work, in the case of a vacancy, must be performed prior to any new occupancy of the unit. Records of all such inspections and remedial actions must also be kept.

Furthermore, a New York City law which went into effect on November 5, 2004, requires owners of class A multiple dwellings and private dwellings to install carbon monoxide detectors in all residential dwellings where a fossil-fuel burning furnace or boiler is located, within fifteen (15) feet of each room lawfully used for sleeping purposes.

The Sponsor has installed carbon monoxide detectors in each Unit, where appropriate. However, it shall be the sole duty of the occupant of each dwelling unit in which a carbon monoxide detecting device has been provided and installed to (i) keep and maintain such device in good repair; and (ii) replace any device which is either stolen, removed, missing or rendered inoperable during the occupancy of such dwelling unit.

Each purchaser will be required to acknowledge that, pursuant to the By-Laws, the Unit Owner (e.g., Purchaser) is responsible for compliance with laws and regulations regarding lead paint hazards.

OBLIGATIONS OF OWNERS OF DWELLING UNITS OCCUPIED BY PROTECTED TENANTS

Obtaining Possession of Occupied Units

All of the Units offered hereby are covered by the Rent Stabilization Law and Amended Code, or the New York City and State Rent Control Law (the "rent laws"). Fifty-two (52) are rent stabilized and one (1) is rent controlled. Twenty-one (21) units are vacant. A purchaser of an occupied unit will have to comply with rent laws including, without limitation the obligation to register the unit with the New York State Division of Housing and Community Renewal.

A Purchaser of a Unit occupied by a tenant will acquire title to said Unit subject to (a) the lease for the Unit in effect on the date on which Purchaser's executed Purchase Agreement is delivered to Sponsor and (b) any existing occupancy of the Unit, (c) the right of any Protected Tenant (i.e., an Existing Tenant who has not purchased his Unit and whose lease has not expired prior to the Effective Date) to remain in possession of the Unit in accordance with the rent laws, including his right to a renewal lease and (d) all other rights of the Protected Tenant, if any, under the rent laws.

If a tenant or other person occupying a Unit does not voluntarily vacate such Unit by the date on which his lease (as the same may be renewed) expires or the date when his right to continued occupancy under the rent laws terminates, whichever is later, a purchaser, in order to gain occupancy of the Unit, may be required, at his own expense, to institute a summary dispossess proceeding or other action in court. No representation or warranty is made as to the length of time which may elapse before actual possession of any Unit may be obtained.

No representation or warranty is made as to the length of time that may elapse before a final court order of eviction is granted and made effective.

Rights and Duties of Non-Occupant Purchasers

Upon acquiring title to a Unit occupied by another, the Purchaser will become the landlord of the tenant or occupant thereof and the latter will become such purchaser's tenant. The relationship between the two parties will be governed primarily by the terms, covenants and conditions contained in the lease or other occupancy agreement then in effect with respect to the Unit. Consequently, such Purchaser will succeed to, among other things, Sponsor's right to receive the rents reserved in the lease or occupancy agreement and Sponsor's obligation to perform all of the duties of the landlord under such lease or occupancy agreement, which duties may include, but may not be limited to, painting, repairs of interior plumbing and wiring, replacement of fixtures and appliances, doors and hardware, equipment and appliances in such Unit and to paint the same periodically. The Purchaser will be obligated to perform these duties as the landlord of such tenant or occupant even though the rents reserved under the lease may be insufficient to pay for the cost of such performance. While Sponsor is in control of the Board, Sponsor guarantees that these services will be provided if required by applicable law. In addition, such Purchaser will be required to pay all Common Charges and special assessments assessed against him by the Condominium Board as well as real estate taxes, regardless of whether such costs are more or less than the rent payable by the tenant or occupant and regardless of whether such rent is received.

The purchaser of an occupied Unit agrees irrevocably to appoint the Managing Agent of the Condominium (or the Condominium Board if no managing agent is employed by the Condominium) as his agent to perform for the account and at the expense of the Purchaser all services required under applicable local law or under General Business Law Section 352-eeee(3) to be furnished or performed by a landlord that are not provided by the Condominium Board under the By-Laws, including interior repairs and painting of the Unit.

The Purchaser of a Unit (other than the Sponsor or its designee) agrees to deposit with the managing agent (or the Condominium Board of the Condominium if no managing agent is to be employed) at the closing, an amount equal to not less than two months common charges and real estate taxes to be used as working capital to furnish services required under the non-purchasing tenant's lease and the laws and regulations specified above. Upon notice by the Managing Agent (or the Condominium Board) that the deposit has been diminished, the fund shall be replenished by the Unit Owner within a specified period of time. The failure of the Unit Owner to replenish the fund in a timely fashion shall result in the Condominium Board, on behalf of the Unit Owners, having a lien against the dwelling Unit. Interest, if any, earned on the fund shall be the property of the Unit Owner.

All costs and expenses incurred in connection with the ownership of a Unit occupied by a non-purchasing Existing Tenant (including, without limitation, legal fees and litigation expenses for enforcing the lease and obtaining possession of such Unit) will be borne entirely by the owner of such Unit.

A person interested in purchasing an occupied Unit which he does not occupy is advised to examine any lease, if any, for such Unit to ascertain the rent, the expiration date and the obligations imposed upon the landlord. These leases, if any, are on file at the office of the Managing Agent. It is further recommended that such person consult with his attorney in order to become fully apprised of the effect of such lease, if any, as well as of the rent laws (with respect to Units), on his rights as a purchaser and his obligations to any existing tenant or occupant.

Upon the closing of title to a Unit subject to a lease or other occupancy agreement, Sponsor will deliver to the non-occupant Purchaser the unapplied balance of any security deposit held by Sponsor pursuant to the terms of such lease or occupancy agreement. With respect to an occupied Unit, any such balance must be held by such purchaser in trust in an interest bearing account in accordance with the terms of Section 7-103 of the New York General Obligations Law. Upon delivery of the unapplied security deposit, the Purchaser will be required to execute, acknowledge and deliver an agreement to Sponsor, both acknowledging the amount so received and indemnifying Sponsor against all claims and liabilities in connection therewith.

INTERIM LEASES

Sponsor reserves the right to rent or lease vacant Units (including any Units that become vacant after the Filing Date of this Plan) to Purchasers and non-purchasers at any time, both before and after the First Closing ("Interim Leases"). However, once a Purchase Agreement is signed for a vacant Unit, and for so long as such Purchase Agreement is in effect, such Unit may only be leased to the Purchaser thereof.

The Interim Lease will be for such rent (but not to exceed the maximum rent legally collectible) and upon such other terms as may be mutually agreed upon. As security for an Interim Lease to a purchaser, Sponsor reserves the right to increase the Downpayment to 50% of the purchase price.

The term of such Interim Lease shall be for a period which will expire on the date of closing or one year after the date of execution of such Interim Lease if this Plan is not declared effective in accordance with its terms.

If this Plan is abandoned, the purchaser, as tenant, shall be subject to the relevant rent laws which affect the Unit (currently none), and may, at any time, at his sole option, cancel such lease and vacate the premises upon 90 days' prior written notice to the Sponsor sent to the address set forth on the cover page of this Plan. Such Interim Lease will also provide that an uncured default by the Purchaser under his Purchase

Agreement will constitute a default under the lease entitling the landlord, at its sole option, to immediately terminate such Interim Lease. It shall be an event of default entitling the Sponsor to cancel the Purchase Agreement in the event that the Purchaser fails to cure a default under his Interim Lease within the applicable grace period (if any). The Purchaser shall be required to vacate the Unit within thirty (30) days after notice of cancellation of the Purchase Agreement is sent to him. If the Purchaser defaults under the Interim Lease, an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser must be obtained or the Purchaser must have vacated the Unit before the Sponsor may declare the Downpayment under the Purchase Agreement forfeited.

No portion of the rent paid under such Interim Lease will be credited towards the Unit's purchase price.

Sponsor's right to rent or lease any Unit will not be subject to any right of first refusal in favor of the Condominium Board to lease such Unit from Sponsor on the same terms offered to the prospective tenant or occupant.

Sponsor does not presently offer the right to rescind the Purchase Agreement or the Interim Lease. However, should such right be offered in the future, and exercised by Purchaser, then the Purchaser's right to rescind will be conditioned upon his surrendering the Interim Lease and possession of the Unit and leaving the same vacant, in good condition and broom clean within thirty (30) days after he elects to rescind. He must also pay any rent due under his Interim Lease. Nothing contained herein shall relieve any Purchaser of liability for damage caused to the Unit, and Purchaser shall also be liable for all expenses including legal fees incurred in any proceeding to remove the Purchaser from the Unit.

It should be noted that until the Purchaser acquires title to the Unit, Purchasers of Units will not be able to claim the income tax deductions described in the Plan. Said deductions may become available only when and if (a) the Plan is declared effective and there is a sale to Purchasers hereunder, and (b) the conditions set forth in the Attorneys Income Tax Opinion have been meet, and then only for the period subsequent to the closing of such Unit. **NO PART OF THE RENT PURSUANT TO AN INTERIM LEASE WILL BE APPLIED TOWARD THE PURCHASE PRICE OF ANY UNIT.**

PROCEDURE TO PURCHASE

A person desiring to purchase a Unit will be required to execute in duplicate a Purchase Agreement in the form contained in Part II of this Plan and return it to the Sponsor or Selling Agent at the address set forth on the cover of the Plan together with a check for (10%) percent of the purchase price (the "Downpayment") drawn to the order of: "*Goldstick, Weinberger, Feldman & Grossman, P.C., as attorneys*".

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

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

All deposits, Downpayments or advances made by Purchasers prior to closing of each sale of a Unit (the "Escrowed Funds"), whether received before or after the date of consummation of the Plan, will be placed, within five (5) business days after the Purchase Agreement is signed by all necessary parties, and provided the Purchaser's social security number has been supplied to the Escrow Agent, in a segregated special escrow account of the law firm of Goldstick, Weinberger, Feldman & Grossman, P.C. ("Escrow Agent"), whose address is 7 Penn Plaza, 16th Floor, New York, New York 10001 and whose telephone

number is (212) 687-3440. The signatories on this account authorized to withdraw funds are Bonnie Covey, Esq. and Howard L. Grossman, Esq., all of the same principals of the law firm that is the Escrow Agent.

The name of the account is "One Sunset Park Escrow Account" and it is located at Signature Bank at its branch at 300 Park Avenue, New York, New York. This bank is covered by federal bank deposit insurance to a maximum of $100,000.00 for each individual deposit. If an individual makes a Downpayment in excess of $100,000.00 for the purchase of a unit, **it is a special risk of this offering** that such deposit will not be federally insured in excess of $100,000.00.

The account will be an interest-bearing account 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% per annum, depending on the amount of the Downpayment. Interest will begin to accrue on the Downpayment in accordance with the bank's policy.

All checks and other instruments shall be made payable to or endorsed to the order of "Goldstick, Weinberger, Feldman & Grossman, P.C., as Attorneys".

Within ten (10) business days after tender of a Downpayment submitted with a Purchase Agreement, and return of a fully executed Purchase Agreement to Purchaser or his/her attorney, and provided Purchaser's social security number has been supplied to the Escrow Agent, the Escrow Agent is to notify the Purchaser or his/her attorney that such funds have been deposited into the escrow account and will provide the account number and the initial interest rate. If the Purchaser or his/her attorney does not receive notice of such deposit within fifteen (15) business days after return of a fully executed Purchase Agreement to Purchaser or his/her attorney, the Purchaser may forward a notice of cancellation and cancel the Purchase Agreement so long as the Sponsor or its attorney receives the notice to rescind within twenty (20) days after tender of the Downpayment. 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.

If insufficient funds are raised through this Plan, or otherwise, to effectuate the contemplated transaction, or if the Sponsor is unable for any reason to perform in accordance with the terms of the Purchase Agreement, then such monies will be fully returned to the Purchaser, with interest earned, if any, after deducting monies paid toward special work or options which have been ordered or installed.

Since all Purchase Agreements are contingent upon the Plan's becoming effective, under no circumstances shall Sponsor have the right to release of the Escrowed Funds of a defaulting Purchaser until after consummation of the Plan. Consummation of the Plan is defined as declaration of effectiveness by the Sponsor and acceptance of the amendment by the Department of Law confirming the declaration of effectiveness. Consummation of the Plan will not relieve Sponsor of its obligations pursuant to General Business Law Section 352-h.

If, instead of closing, the Sponsor terminates the Purchase Agreement because of the Purchaser's default, as set forth above in the section "Procedure to Purchase", then the Escrowed Funds (but in no event more than ten (10%) percent of the Purchase Price plus interest, if any) will be released to the Sponsor by the Escrow Agent as liquidated damages.

Subject to the foregoing, the Escrow Agent will hold funds in escrow until the closing under the Purchase Agreement or until otherwise directed in:

(i) a writing signed by both the Sponsor and Purchaser (the issuance and acceptance of a deed and execution of closing documents shall be deemed such a writing); or

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

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

If Escrowed Funds are to be released from escrow and no closing under the related Purchase Agreement has occurred, and if there is no written agreement between the parties to release the Escrowed Funds, the Escrow Agent will not pay the Escrowed Funds to the Sponsor until the Escrow Agent has given the Purchaser at least five (5) business days prior written notice of the intended release. Thereafter, the Escrowed Funds may be paid to the Sponsor unless the Purchaser has already made application to the Department of Law pursuant to the dispute resolution provisions of the Attorney General's regulations and has so notified the Escrow Agent in accordance with such dispute resolution provisions.

The Sponsor will not object to the release of the Escrowed Funds to:

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

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

The Escrow Agent is acting as an accommodation to the Sponsor and will not be liable for any action taken or omitted under this Plan or any Purchase Agreement except for its negligence or willful misconduct. It will incur no liability to the Sponsor with respect to any action taken or suffered by it in reliance upon any notice, direction, instruction, consent, statement or other paper or document reasonably believed by it to be genuine. Upon payment of the Escrowed Funds in accordance with the terms of the escrow agreement and this Plan, the Escrow Agent will be discharged from liability by the Sponsor.

In the event of a dispute, Purchasers and the Escrow Agent may apply to the Attorney General for a determination of the disposition of the Escrowed Funds, and any interest thereon. The Sponsor must avail itself of this procedure if there is a dispute as to the disposition of the Escrowed Funds. A form for this purpose is included in Part II of this Plan. The party applying for such a determination must send a copy of the application to all other parties.

Pending the determination of the Attorney General to grant or deny the application, the Sponsor, the Purchaser and the Escrow Agent will abide by any interim directive issued by the Attorney General. If the application permitting release of the Escrowed Funds is granted, the Escrowed Funds shall be disposed of in accordance with the determination of the Attorney General, subject to any court action in which preliminary relief is granted. If the application seeking 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 judgment or order of a court of competent jurisdiction is served on the escrow agent; or

(3) the escrow agent deposits the disputed amount into court.

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 set forthabove is included in Part II of this Plan.

If a conflict arises over the disposition of the Escrowed Funds, the attorneys serving as Escrow Agent may represent the Sponsor in such dispute.

The Escrow Agent will maintain all records concerning the escrow account for seven (7) years after the release of Escrowed Funds.

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

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

After the amendment declaring that this Plan is effective has been accepted for filing, Sponsor will give each Purchaser not less than thirty (30) days prior written notice of the date, time and place (in the Borough of Brooklyn) for the transfer of title to his Unit and for the payment of the balance of the purchase price stated and in the manner provided for in the Purchase Agreement. At the closing, Purchaser shall sign a power of attorney in favor of the Sponsor and the Condominium Board in the form set forth in Part II of the Plan.

The following shall constitute "Events of Default" under the Plan and Purchase Agreement:

(1) Purchaser's failure to pay the balance of the purchase price on the Closing Date designated by Sponsor pursuant to written notice.

(2) Purchaser's failure to duly sign, notarize and deliver at closing the power of attorney in favor of the Sponsor and the Condominium Board or the New York City transfer tax return or the New York State Real Estate Transfer Tax return pursuant to the Purchase Agreement;

(3) If Purchaser becomes a tenant of the Building after the Plan is accepted for filing, Purchaser's failure to cure a default under his lease within the applicable grace period (if any), or

(4) The failure to pay, perform or observe any of Purchaser's other obligations under the Purchase Agreement.

TIME IS OF THE ESSENCE with respect to Purchaser's obligation to pay the balance of the purchase price and to perform purchaser's other obligations under this Agreement. If Purchaser shall fail to pay any portion of the purchase price when due, fails to close title on the date, hour and place specified pursuant to the Purchase Agreement or fails to perform any of Purchaser's other obligations hereunder such failure shall constitute a default by Purchaser. In addition, Purchaser agrees that a default under any other purchase agreement or lease that Purchaser has or shall enter into with Seller shall be deemed a default under the Purchase Agreement. Seller shall notify Purchaser in writing of such default and advise Purchaser that he has thirty (30) days from delivery of such notice within which to cure such default. TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THIS PURCHASE AGREEMENT WITHIN SUCH THIRTY (30) DAY PERIOD. If such default is not cured within the applicable written notice period, Seller may, at its option, either (i) cancel the Purchase Agreement and retain the Downpayment, together with interest earned thereon, as liquidated damages, in which event all rights, obligations and liabilities of Seller and Purchaser shall wholly cease and terminate or (ii) bring an action against Purchaser for specific performance, provided, however, that notwithstanding the foregoing, Sponsor's right to file an action for specific performance shall not be exercisable against an Existing Tenant purchaser who purchases the Unit he occupied on the Filing Date of this Plan. In the event that Purchaser fails to close on the designated date or otherwise fails to perform any of his other obligations under this Purchase Agreement, then, following thirty (30) days' prior written notice of such default, Seller shall have the remedies set forth in the preceding sentence. Seller shall have the additional right to approve a request from Purchaser to adjourn the closing of title to such Unit. In the event Seller elects not to cancel this Purchase Agreement as a result of the failure of Purchaser to close on the date specified in the Purchase Agreement, and if Seller approves Purchaser's request to adjourn the original Closing Date, then (a) Purchaser shall pay Seller interest

at the highest annual rate permitted by law on the Purchase Price (excluding the Downpayment previously paid on account) computed from the original Closing Date until the transaction is actually closed and (b) all apportionments between Seller and Purchaser shall be made as of the original Closing Date. Purchaser shall reimburse Seller for any additional costs incurred by Seller as a result of Purchaser's delay including, but not limited to, Common Charges that Seller was obligated to pay any Board as a result of an unauthorized delay in closing by Purchaser. Upon cancellation of the Purchase Agreement and making such refund (if any) to Purchaser, Sponsor and Selling Agent will be released and discharged of all further liability and obligations hereunder and under the Plan. Thereafter, the Unit may be sold to another as though the Purchase Agreement had never been made, and without accounting to Purchaser for the proceeds of such sale.

The Purchase Agreement for the purchase of the Units offered hereby is not contingent upon the Purchaser obtaining financing.

At the option of the Sponsor, non-tenant Purchasers shall either :

(i) have the Plan and amendments thereto available for review at least three (3) business days prior to executing a Purchase Agreement or

(ii) have the right to rescind their Purchase Agreements and receive a full refund of their Downpayment by personally delivering a written notice of rescission to the Sponsor or Selling Agent within seven (7) days after delivering an executed Purchase Agreement together with the required deposit or mailing such written notice and having the mailing postmarked within the seven (7) day period. Tenant Purchasers shall have the Plan and amendments thereto available for review at least three (3) business days prior to executing a Purchase Agreement.

Conflicts between the Purchase Agreement and the Plan shall be resolved in favor of the Plan.

Properly executed Purchase Agreements and Downpayments tendered by non-tenant Purchasers will be accepted or rejected within twenty (20) days of their submission to the Sponsor or Selling Agent. If the Purchase Agreement is accepted, a fully executed copy will be returned to the Purchaser. If a Purchase Agreement tendered by a non-tenant Purchaser is rejected, the Downpayment will be refunded in full. If no action is taken by the Sponsor or Selling Agent within the aforementioned twenty (20) day period, the Purchase Agreement shall be deemed rejected.

The Purchase Agreement may not contain or be modified to contain a provision waiving Purchaser's rights or abrogating Sponsor's obligations under Article 23-A of the General Business Law, or in any case be changed or any of its provisions be waived orally. When the Purchase Agreement set forth in Part II of the Plan is used by tenant Purchasers who purchase during the exclusive period, it may not be modified except by a duly filed amendment to the Plan.

Notwithstanding anything to the contrary contained in this Plan, any offering made to a tenant in occupancy is made to tenants in occupancy as such term is defined in the rent laws. Overtenants who have lawfully sublet their Units in compliance with the terms of their leases or tenancies shall also have the rights of tenants in occupancy under this Plan.

Any offering to a non-tenant Purchaser of a Unit which has a tenant-in-occupancy is made subject to the right of such tenant to purchase during any exclusive period or any other period prescribed by law or by amendment to the Plan (see "Rights of Existing Tenants"). If during the exclusive period, a Purchase Agreement is submitted for the Unit by such tenant, the Purchase Agreement submitted by the non-tenant Purchaser shall be deemed canceled, and, within twenty (20) days after the occurrence of such event, the non-tenant Purchaser's Downpayment shall be refunded to him with interest earned thereon, if any, and all parties shall be released from any further obligation under the Purchase Agreement.

ASSIGNMENT OF PURCHASE AGREEMENTS

Purchase Agreements under this Plan are not assignable by purchasers unless the express prior written consent of the Sponsor is obtained. If the Sponsor consents to or authorizes the assignment by a tenant purchaser (a purchaser who is an Existing Tenant) of his Purchase Agreement, that Purchase Agreement will be counted toward effectiveness only if (i) an amendment to the Plan states conditions for such consent or authorization which are specific and reasonable and applied on an objective and non-discriminatory basis and (ii) Sponsor receives a Purchase Agreement signed by the Existing Tenant together with the full Downpayment, and an affidavit stating that the assignee intends that he or a specified member of his immediate family will personally occupy the dwelling unit (the form of which will be attached to said amendment).

EFFECTIVE DATE

The offer to sell the Units in the Building is contingent upon the Plan being declared effective and in compliance with the conditions and time periods set forth in the Plan.

The Plan may be declared effective when Purchase Agreements are executed and accepted for 15% or more of all Units in the Building by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more specified members of their immediate family occupy the Unit when it becomes vacant. As to Existing Tenants, the Purchase Agreement shall be executed and delivered pursuant to an offering made in good faith without fraud or discriminatory repurchase agreements or other discriminatory inducements.

The Plan will not be declared effective based on Purchase Agreements (1) signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived; (2) assigned or transferred otherwise than in compliance with this Plan and applicable law and regulations; (3) if the Purchaser was not given: (i) 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, or (ii) three (3) business days to review this Plan as amended prior to executing the Purchase Agreement (see "Procedure to Purchase"); or (iii) with any Purchaser who is the Sponsor, the Selling Agent or the Managing Agent, or is a principal of the Sponsor, the Selling Agent or the Managing Agent, or is related to the Sponsor, the Selling Agent or the Managing Agent, or to any principal of the Sponsor, the Selling Agent or the Managing Agent, by blood, marriage or adoption or as a business associate, employee, shareholder or limited partner, except that such a Purchaser other than the Sponsor or a principal of the Sponsor may be included to the extent permissible under applicable law and regulations.

When calculating the minimum percentage of sales to tenants or other purchasers that are needed before the Plan may be declared effective, no more than one (1) Purchase Agreement by tenant(s) of a particular Unit shall be counted and only one (1) Purchase Agreement from any tenant who leases or occupies more than one (1) Unit shall be counted towards effectiveness.

When Purchase Agreements have been executed and accepted for the sale to Purchasers of eighty (80%) percent of the Units offered hereby, the Plan must be declared effective. At any time before the declaration of effectiveness, the Sponsor may abandon the Plan.

If the Plan has not become effective within fifteen (15) months after the date a letter is issued by the Department of Law that the Plan is accepted for filing, the Plan will be deemed abandoned. In the event of such abandonment, no new plan for conversion of this Building shall be submitted to the Department of Law for at least twelve (12) months after such abandonment. If the Plan is abandoned all monies paid by Purchasers will be refunded to them in full, with interest earned thereon, if any, within twenty (20) days thereafter but Sponsor shall not be obligated to deposit any monies in any interest bearing account.

The Plan will be declared effective by written notice to all Purchasers and tenants in the Building or by amendment filed with the Department of Law. If the Plan is declared effective by notice then, within five (5) days thereafter, an amendment to the Plan will be submitted for filing confirming that it has been declared

effective. No closing will take place prior to the amendment being accepted for filing by the Department of Law.

After this Plan has been declared effective, but before the First Closing, Sponsor may, in its sole discretion, withdraw or abandon this Plan in the event of: (i) the existence of one or more defects in title (including, without limitation, violations of record), affecting one or more Units and/or the Common Elements, that cannot be removed, cured, or complied with for less than .5% of the total offering amount in the aggregate (as reasonably estimated by Sponsor); (ii) any substantial damage to, or destruction of, any material portion of the Building by fire or other casualty which cannot be cured for less than .5% of the total offering amount or (iii) the taking of all or part of the Property in condemnation proceedings or by eminent domain. In no event, however, will Sponsor be obligated to engage in litigation or to expend monies with respect to defects in title or casualty losses to the Building, except to the extent of an aggregate of $10,000.00 to remove, cure, or comply with defects in title. Furthermore, Sponsor will not be obligated to remove, cure, or comply with violations of record that are to be removed, cured, or complied with by, or that result from the acts or omissions of, any tenants of the Building.

If this Plan is withdrawn or abandoned, all Purchasers and all tenants or other occupants of Units will be so notified in writing. Within twenty (20) days thereafter, all Downpayments paid to Sponsor pursuant to Purchase Agreements then in effect (together with interest earned thereon if any) will be returned to Purchasers in good standing. However, Sponsor will retain as liquidated damages the Downpayment (together with any interest earned thereon) of any Purchaser who is then in default under his Purchase Agreement beyond any applicable grace period or whose Purchase Agreement had been canceled previously due to such Purchaser's default. Upon the return or retention of the Downpayments and any such interest, the Purchase Agreements will be null and void and Sponsor will have no further obligation or liability to Purchasers under this Plan or under such Purchase Agreements.

The Sponsor shall, on the thirtieth, sixtieth, eighty-eighth and ninetieth days after the date of Filing Date and at least once every thirty days until the Plan is declared effective or abandoned, as the case may be, and on the tenth and second day before the expiration of the Exclusive Purchase Period provided in a substantial amendment to the Plan, (1) file with the Department of Law a written statement, under oath, setting forth the percentage of Existing Tenants of all dwelling units in the Building on the date the Plan was accepted for filing who have executed and delivered written agreements to purchase under the Plan as of a specified time on the date of such statement and (2) before noon on the day such statement is filed, post a copy of such statement in a prominent place accessible to all tenants in the Building. Such statements shall remain posted until the next such statements shall be posted. Each statement shall be available for inspection or copying at the office of the Department of Law, Investor Protection Bureau, 120 Broadway, New York, New York, and at the office of the Sponsor or the Selling Agent. The Sponsor will also submit to the Department of Law, with each such statement, a list of Purchasers, the date the Purchase Agreement of each Purchaser was signed and the amount of Downpayment tendered by such Purchaser.

CLOSING AND TERMS OF SALE

At the Closing, Purchasers will receive a bargain and sale deed with covenants against grantor's acts in the form set forth in Part II of the Plan conveying title to the Unit free and clear of liens, encumbrances and title exceptions other than those set forth in Exhibit A to the Purchase Agreement. See Exhibit A to the Purchase Agreement in Part II of the Plan for a description of leases, mortgages, liens, encumbrances and title exceptions that will affect the Property after Closing.

If the Purchaser becomes the tenant or occupant of the Unit before the closing of title thereto and, before such closing, the Unit is damaged by casualty or otherwise, such Purchaser shall assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside of the Unit and did not result from the acts of such Purchaser or other occupants of the Unit or such Purchaser's guests, invitees, or workmen. Except as set forth in the preceding sentence, all other risk of loss or damage prior to closing is assumed by Sponsor, but Sponsor shall have no obligation or liability to repair or restore the same. If Sponsor or (in the event the Declaration is filed) the Unit Owners do not elect to repair the damage, the Purchase Agreement will be canceled and be of no further force or effect. Within thirty (30) days thereafter,

the Purchaser will be refunded all purchase monies paid to Sponsor with interest earned thereon, if any, unless Purchaser is then in default thereunder (beyond the applicable grace period, if any), in which event the said purchase monies (but in no event to exceed the Liquidated Sum) will be retained by Sponsor as and for liquidated damages. If Sponsor elects to repair or replace the loss or damage, the Purchase Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement of, the purchase price and Sponsor shall be entitled to a reasonable period of time to complete such repairs or replacement.

All personal property located within the Unit on the date the Purchase Agreement is executed that is owned by the Sponsor is included in the sale.

The Declaration, By-Laws and Floor Plans of the Condominium and such other documents required by law will be recorded or filed in the office of the Register of the City of New York, County of Kings, prior to the First Closing in accordance within the New York Condominium Act or other applicable state and/or local law.

If there is a mortgage encumbering the Property, then prior to the First Closing, 1) the mortgage will be satisfied or 2) the lien of the mortgage will be subordinated to the Declaration of Condominium and, with respect to each Unit and its appurtenant Common Interest and the lien of such mortgage shall be released prior to or simultaneously with the closing of title to such Unit.

UNIT CLOSING COSTS AND ADJUSTMENTS

At the time of title closing, each Purchaser of a Unit will pay certain closing costs in addition to the legal fees of such Purchaser's counsel and the amount of any net credit in favor of Sponsor resulting from the closing apportionments described below. Such closing costs will include the following, the amounts of which are based on rates in effect on the date of this Plan and are subject to change without prior notice or amendment:

(1) If such Purchaser elects to obtain fee title insurance, he will pay a premium therefor which will vary depending upon the amount of insurance requested. The premium for fee title insurance, if ordered from American Land Services, as agent for Commonwealth Title Company, will be in accordance with the schedule of rates set by the New York Board of Underwriters and filed with the New York State Insurance Department. At present the rates are $402.00 for the first $35,000.00 of fee insurance plus $6.67 for each $1,000.00 of additional fee insurance up to $50,000.00 and $5.43 for each $1,000.00 of additional fee additional fee insurance over $50,000.00 and up to $100,000.00 and $4.36 of additional fee insurance over $100,000.00 to $500,000.00, and $3.98 for each additional $1,000.00 up to $1,000,000.00, and $3.66 for each additional $1,000.00 up to $5,000,000.00. Each Purchaser is free to obtain title insurance from a title insurance company other than American Land Services, as agent for First American Title Insurance Company. However, Sponsor makes no representation or warranty as to the cost, terms, or availability of such other title insurance. The telephone number of American Land Services is (212) 239-1000.

(2) Purchaser will pay a fee for recording the deed and the Unit Owner's Power of Attorney of $280.00, $150.00 for transfer tax documents, and for each instrument, together with a service charge to the title company for such recording of approximately $5.00 per page of each instrument.

(3) If the Purchaser obtains a mortgage loan, such Purchaser will pay a mortgage recording tax in the amount provided by law (at the date of this Plan, the tax is 2.05% for mortgages securing under $500,000.00 and 2.175% for mortgages securing $500,000.00 or more, less a $25.00 credit) and a fee and service charge for recording the mortgage at the same rates given above for recording the deed and Unit Owner's Power of Attorney. At closing, Sponsor shall be entitled to a sum equal to the partial mortgage taxcredit, if any, to which Purchaser is entitled under Section 339-ee(2) of the New York Condominium Act. This amount will

be paid as a reimbursement for the mortgage recording tax previously paid by Sponsor in connection with existing mortgages. The Lender may also require the Purchaser to obtain insurance in favor of the Lender.

(4) Each Purchaser shall pay a closing fee of $1,500.00 to Sponsor's Closing Counsel.

(5) If Purchaser does not close on the date designated for the transfer of title to his Unit, or if Purchaser assigns the Purchase Agreement (which assignment cannot be made without the Sponsor's consent) the Purchaser shall pay to Sponsor's Closing Counsel an additional closing fee of $500.00. If Sponsor offers financing and same is accepted by Purchaser, or if the closing takes place out of the office of the Sponsor's attorney, then in each of these events additional closing costs of $500.00 for each such event will be incurred by the Purchaser.

(6) New York City Real Property Transfer Tax (currently 1% for Units with a purchase price of equal to or less than $500,000.00, and 1.425% for Units with a purchase price greater than $500,000.00) of the consideration paid or required to be paid for Units and New York State deed documentary stamps (currently $2.00 per $500.00, or fractional portion thereof of the consideration paid or required to be paid) imposed by statute on transferors of property. Purchaser shall also be responsible for the so-called New York State "Mansion Tax" pursuant to Article 31 of the Tax Law, currently 1% of the consideration for conveyances of Units of One Million ($1,000,000) Dollars or more. There is also a $75.00 filing fee for the New York City return. The Purchase Agreement provides that the Purchaser of a Unit will be required to pay these taxes and costs at closing.

For purposes of calculating the taxes payable, the amounts of such taxes will be included in the consideration subject to tax. Therefore, the steps to compute the tax are:

(a) Multiply the purchase price by the RPT Tax rate to compute the New York City tentative tax.

(b) Multiply the purchase price by the NYS Tax rate to compute the tentative NYS Tax.

(c) Add the tentative taxes to the purchase price.

(d) Multiply (c) by the RPT Tax rate to determine the RPT Tax payable.

(e) Multiply (d) by the NYS Tax rate to determine the NYS Tax payable.

Example:
Purchase price = $450,000.00

(a) $450,000.00 x 1% = $4,500.00

(b) $450,000.00 x .4% = $1,800.00

(c) $450,000.00 + $6,300.00 = $456,300.00

(d) $456,300.00 x 1% = $4,563.00

(e) $456,300.00 x .4% = $1,826.00 (rounded up)

Where a purchaser purchases two or more Units the NYC RPT Tax rate where the consideration is $500,000.00 or less will be 1.425%, while the tax rate where the consideration is in excess of $500,000.00 will be 2.625%. The City of New York Department of Finance has recently taken the position that the consideration for the transfer of each Unit is not aggregated for purposes of determining total consideration.

There is no guarantee that The City of New York will not change its positions with respect to the purchase of multiple Units by the same purchaser.

(7) Purchasers of Units occupied by Non-Purchasing Existing Tenants, except Sponsor successor or designees, will be required to deposit with the managing agent at the Closing of title, an amount equal to two (2) months common charges to be used as working capital to furnish services required under the Non-Purchasing Existing Tenant's lease and pursuant to law,

(8) Each Purchaser shall reimburse the Sponsor in an amount equal to two months common charges, if the closing shall occur after the First Closing.

The above closing costs are cumulative to the extent applicable to any individual closing.

The above costs are exclusive of costs which may be incurred by the Purchaser for legal representation in connection with the purchase of the Unit.

At the closing of title to each Unit, Sponsor and the Purchaser shall apportion, as of midnight of the day preceding the closing:

(i) real estate taxes (including all prepaid real estate taxes) and assessments, if any, on the basis of the fiscal or calendar year for which assessed, including water charges and sewer rents (if separately assessed) and escrows for real estate taxes, if any;

(ii) Common Charges for the month in which title closes; and

(iii) rent and other charges, if any, pursuant to a lease for, or tenancy of, such Unit. If a tenant-Purchaser dies or voluntarily or involuntarily vacates his Unit before the Closing Date (irrespective of whether his Purchase Agreement is assigned), rent and other charges will nonetheless be payable until the Closing Date.

(iv) In the event that the Unit has not been separately assessed for the then current fiscal tax-year at the time of closing title, the apportionment of real estate taxes shall be based on the Unit's pro-rata share (in proportion to its Common Interest) of the then current real estate taxes assessed against the Property. Installments for tax assessments due after delivery of the deed (if any) shall be paid by the Purchaser and shall not be considered a defect in title.

(v) Each Purchaser of a Unit will be required to pay two (2) months Common Charges as a contribution to Working Capital Fund of the Condominium or reimburse the Sponsor for the sum contributed by the Sponsor to the Working Capital Fund with respect to the Unit being purchased as described in "Reserve Fund and Working Capital Fund."

RIGHTS AND OBLIGATIONS OF THE SPONSOR

The Sponsor shall not be liable for nor obligated to defend any suits or proceedings arising out of Sponsor's acts or omissions nor shall the Sponsor be obligated to indemnify the Condominium Board or the Unit Owner unless otherwise required by law.

There are mortgages currently affecting the Premises held by North Fork Bank and a subordinate building loan mortgage held by RCG Longview II, L.P. These mortgages provide that they will be subordinated to the Declaration and their lien released from individual units as they are sold provided certain conditions are met including without limitation the sale of 15% of the units and the payment to the Lender of a fixed release price. Units may not be leased without Lender's approval.

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 date will survive delivery of the deed.

Sponsor agrees to pay all common charges, special assessments and real estate taxes with respect to Unsold Units. Sponsor has the financial resources to meet its obligations with respect to Unsold Units. No bond or other security has been furnished to secure Sponsor's obligations.

The Sponsor will maintain the property from the funds maintained by the Condominium until the Sponsor no longer controls the Condominium Board in substantially the same condition and manner as on the date of presentation of the Plan.

Other than obligations, if any, imposed on the Sponsor by the Rent Laws, the Sponsor has no obligation to repair damage from casualty or other cause which occurs prior to the closing of a Purchaser's Unit. See "Closing and Terms of Sale" for the rights of Purchasers of Units damaged by casualty prior to closing.

Sponsor shall procure the fire and casualty insurance pursuant to an agreed amount replacement value policy or in an amount sufficient to avoid co-insurance as set forth in the footnotes to Schedule B of the Plan.

In the event of the dissolution or liquidation of the Sponsor or the transfer of ten or more Units or twenty (20%) percent or more of the total number of Units in the Condominium, whichever is less, the principals of the Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of the Sponsor for those Units transferred under the Plan, applicable laws or regulations. In the event of dissolution or liquidation, the principals of the Sponsor shall guarantee the performance of such obligations.

Sponsor will bear all costs and expenses to be incurred in connection with the creation of the Condominium and the preparation, filing and distribution of this Plan. In addition, Sponsor will pay all selling expenses and brokerage commissions of the Selling Agent or other broker engaged by Sponsor. In the event that there are title encumbrances (other than mortgages and permitted encumbrances) affecting the Property at the time of the First Closing, Sponsor shall cause such encumbrances to be cured, remedied and removed, at its sole cost and expense, except that Sponsor shall have no obligation to cure, remedy, or remove any such encumbrances if the same cannot be accomplished at an aggregate cost and expense of .5% of the purchase price. The existence of any such encumbrances will not constitute an objection to title or excuse any Purchaser from completing payment of the balance due under his Purchase Agreement (without provision for escrow), provided that Sponsor either furnishes adequate proof that such encumbrance has been cured or remedied or deposits in escrow a reasonable sum to secure Sponsor's obligation to cure and remedy such encumbrance subsequent to the First Closing. At Sponsor's request, the escrow agent shall apply the sums so deposited towards payment of the cost of curing or remedying the title defect, except the escrow agent shall retain a sufficient portion of such security deposit to pay for the reasonable costs of curing or remedying the remaining title defects. This provision shall not be construed to limit the Sponsor's obligation to remedy the defect. If the aggregate cost and expense of curing, remedying and removing all such encumbrances exceeds .5% of the purchase price and Sponsor elects not to accomplish the same, Sponsor shall withdraw this Plan in accordance with the terms of the section entitled "Effective Date".

Immediately following the First Closing, Sponsor will assign all assignable service and maintenance contracts and agreements relating to the Property to the Condominium Board, and the Condominium Board will, on behalf of all Unit Owners, assume the same and indemnify Sponsor against all claims and liability thereunder that relate to matters and events occurring on or after the day upon which the First Closing occurs.

In accordance with the terms of the Plan, Sponsor has the right, following the expiration of the Exclusive Purchase Period,, to sell occupied Units to one or more non-occupant Purchasers for investment or resale or lease occupied Units to others or retain vacant Units for future rental. Sponsor's right to rent rather than sell Units once they become vacant is unconditional and exercisable in Sponsor's sole discretion. Accordingly, it is possible that a significant proportion of Unit Owners will not be residents of the Building

and that a significant portion of tenants may not be Unit Owners. In addition, Sponsor and its designees may lease Unsold Units for any term permitted by Law. Any such sales are subject to the rights, if any, of Non-Purchasing Tenants, to purchase their Units during a subsequent exclusive purchase period which occurs prior to the Effective Date. The mortgage encumbering the Unsold Units limits Sponsor's right to rent vacant Units without mortgagee's consent Because Sponsor is not limiting the conditions under which it will rent rather than sell Units, Sponsor makes no commitment to sell more than the 15% necessary to declare the Plan effective. Accordingly, owner-occupants may never gain effective control and management fo the Condominium. Owner occupants and nonresident owners (including the Sponsor) may have inherent conflicts on how the condominium should be managed because of their different reasons for purchasing, such a purchase of a home as opposed to purchase for investment.

Sponsor shall have an easement and privilege for so long as the Condominium shall remain in existence, to license or lease some or all of the roof (excluding any areas needed for building mechanicals) to a company for the installation of a cell tower or similar communications facility. All proceeds and profits from this easement and privilege shall inure solely to benefit the Sponsor. Sponsor and /or the owner of the facility shall enjoy a permanent easement over the Common Elements for access to the facility to repair, renovate or replace same. This right and easement is set forth in the Declaration. See Part II of the Plan.

CONTROL BY SPONSOR

During the Initial Control Period (i.e. the period which ends on the earlier of five (5) years from the closing of the first unit or whenever the unsold units constitute less than 50% of the Common Interests appertaining to all Units, whichever is sooner), Sponsor shall have the right to vote all of the Common Interests attributable to Units owned by Sponsor, except that, when voting for members of the Condominium Board, Sponsor shall in no event cast its votes infavor of more than three of the five members to be elected. Further, at all elections held after the expiration of the Initial Control Period, Sponsor shall have a right to vote all of its common interests attributable to Units owned by the Sponsor and may designate not more than two of the members of the Board. A meeting of Unit Owners shall be held within thirty (30) days after the expiration of the Initial Control Period.

After the Initial Control Period, Sponsor or its designee, as a Unit Owner, shall have the right to designate the following minimum number of members of the Condominium Board: (i) two members, for so long as the Common Interests attributable to the Unsold Units equals, in the aggregate, thirty five (35%) percent or more of the Common Interests of all Units; or (ii) one member, for so long as the Common Interests attributable to the Unsold Units equals, in the aggregate, less than thirty-five (35%) percent but more than five (5%) percent of the Common Interests of all Units. Sponsor may vote for other members of the Board.

The number of members of the Condominium Board may not be increased without the consent of the owner of the Unsold Units for so long as there remain two (2) Unsold Units.

Until Sponsor no longer elects a majority of the members of the Condominium Board, Sponsor will, through its control of the Board, have control of the maintenance and operation of, and the services to be provided by, the Condominium. Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required

(i) to comply with applicable laws or regulations,

(ii) to remedy any notice of violation or

(iii) to remedy any work order by an insurer.

However, Sponsor may exercise veto power over expenses other than those described in Schedule B for a period of five (5) years from the date of the First Closing so long as the Common Interests of the Unsold Units constitute more than 25% in the aggregate.

All members of the Condominium Board shall be either: (i) Unit Owners or mortgagees of Units; (ii) partners or employees of a partnership owning a Unit or a mortgage covering a Unit; (iii) officers, directors, stockholders or employees of corporate owners or corporate mortgagees of Units; or (iv) fiduciaries or their beneficiaries who are owners or mortgagees of Units (or directors, officers, stockholders or employees, of corporate fiduciaries, or partners or employees, of partnership fiduciaries). However, members elected by Sponsor or its designee need not be Unit Owners. Other than members elected by Sponsor or its designee, no member shall continue to serve on the Condominium Board after he ceases to be a Unit Owner or an interested party in a Unit Owner, as specified in the first sentence of this paragraph.

CONDOMINIUM BOARD

The affairs of the Condominium shall be governed by the Condominium Board, which shall consist initially of three members designated by Sponsor.

The members of the Condominium Board will be: Paul J. Klausner, James R. Wacht and Peter Braus.

The members are all principals or affiliates of the Sponsor. At the first meeting of the Unit Owners, which will be held not later than one (1) year after the First Closing, the three-member Condominium Board shall resign in favor of a new five-member Condominium Board, to be elected by Unit Owners at such meeting. Thereafter, elections to the Condominium Board shall be held at the regular annual meeting of Unit Owners held in October of each succeeding year. Special meetings of Unit Owners may be called by resolution of the Condominium Board or on petition of Unit Owners having in the aggregate not less than 25% of the Common interest of all Unit Owners. The By-Laws also provide for the calling of a special meeting of Unit Owners for the purpose of electing a new Condominium Board within thirty (30) days after the expiration of the Initial Control Period.

The term of office of each of the five members of the Condominium Board shall normally be one year.

All Unit Owners shall severally indemnify each member of the Condominium Board against any liability or claim, contractual or otherwise, except those arising out of the bad faith or willful misconduct of such member or that are contrary to law or the terms of the Declaration or the By-Laws. However, the liability of any Unit Owner on account of such indemnification will be limited to such proportionate share thereof as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners.

All officers and members of the Condominium Board shall serve without compensation.

The members of the Condominium Board will have no liability to Unit Owners for errors of judgment, negligence, or otherwise, except that individual members will be liable for their own bad faith or willful misconduct. The Condominium Board may contract or effect other transactions with any member thereof, with any Unit Owner, with Sponsor, or with any affiliate of any of them at competitive rates without incurring any liability for self-dealing.

Members of the Condominium Board are subject to removal, without cause, by vote of Unit Owners owning a majority of the Common Interests attending a meeting at which a quorum is present. However, members elected by Sponsor or its designee may only be removed by Sponsor or said designee, who alone will have the right to designate a replacement. Any officer may be removed, without cause, by vote of a majority of the Condominium Board at a meeting called for such purpose.

Each Unit Owner shall be entitled to cast one vote at all meetings of the Unit Owners for each .001% of Common Interest attributable to the Unit(s) owned by him except that, when voting for the election of members of the Condominium Board, each Unit Owner: (i) shall be entitled to one vote for each .001% of Common Interest attributable to his Units per member to be elected; and (ii) shall not have the right to cumulate his votes in favor of any one or more members to be elected. The presence, in person or by proxy, of Unit Owners having a majority of the votes of all Unit Owners shall constitute a quorum at all meetings of the Unit Owners, and, unless otherwise provided, the decision of the Unit Owners casting a majority of the votes of the Unit Owners at a meeting at which a quorum shall be present shall be binding upon all of the Unit Owners. However, elections of members of the Condominium Board shall be determined by plurality vote.

Generally, subject to certain exceptions and provided that any required consent of the Mortgage Representatives is obtained, any provision of the Declaration, the By-Laws, or the Rules and Regulations may be amended, modified, added to, or deleted by the affirmative vote of 66⅔% of all Unit Owners, both in number and in Common Interests. However, for so long as Sponsor or its designee is the owner of one or more Units, the Declaration, the By-Laws and the Rules and Regulations may not be amended or modified so as to adversely affect the rights reserved to the Sponsor or said designee in the Condominium Documents without the prior written consent of Sponsor or said designee.

The By-Laws do not include a provision requiring a majority of the members of the Condominium Board to be owner-occupants or members of an owner-occupant's household who are unrelated to Sponsor and its principals, after the expiration of the Initial Control Period. Purchasers for their own occupancy may never gain control of the Condominium Board.

RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS AND THE CONDOMINIUM BOARD

Sales and Leases of Units

Each owner of a Unit (other than Sponsor or its designee with respect to Unsold Units) may sell or lease his Unit, provided, however, that such owner first gives the Condominium Board written notice of his intention to do so, which notice shall be accompanied by a fully executed copy of the contract of sale or lease, as the case may be, containing all of the terms offered in good faith by the prospective Purchaser or lessee. The Condominium Board, on behalf of all Unit Owners, shall have the exclusive right to elect to purchase the Unit within fifteen (15) business days after receipt of such notice of sale, or to elect to lease the Unit within ten (10) business days after receipt of such notice of lease, on the same terms set forth in said contract or lease, all as more specifically set forth in Article 7 of the By Laws. If the Condominium Board does not notify the Unit Owner of its election to purchase or lease the Unit, such Unit Owner will have one hundred twenty (120) days thereafter to consummate the sale or lease in accordance with the terms stated in the contract of sale or lease appended to such notice, failing which, the Unit Owner will again be required to offer the same first to the Condominium Board as provided above. Notwithstanding the foregoing, no Lease shall be for a period of less than 12 months unless agreed to in writing by the Condominium Board.

The Condominium Board may not exercise its option to purchase or lease any Unit unless those Unit Owners owning a majority of the aggregate Common Interests of all Units affirmatively vote in favor thereof, in person or by proxy, at a meeting of Unit Owners at which a quorum is present. If approval is given, the Condominium Board may borrow the necessary funds and/or assess each Unit Owner (other than the selling Unit Owner), in proportion to his Common Interest, an amount necessary to effectuate the purchase or lease.

A Unit which is acquired by purchase or lease by the Condominium Board may be used only in accordance with the Condominium Documents. The Condominium Documents provide that a Unit may be used for residential purposes, and upon the prior written consent of Sponsor (or, when there are no longer any Unsold Units, the Condominium Board), any Unit may be used as a professional or business office, if permitted by applicable law. Use of a Unit for other than residential use requires the consent of the Sponsor as long as there are any Unsold Units remaining.

The rent from the leasing or subleasing of a Unit or proceeds from the sale of a Unit after deduction of all expenses incurred in connection with generating the same shall constitute income of the Unit Owners, and shall be collected on behalf of the Unit Owners by the Condominium Board and applied against the Common Expenses for the year in which collected. The excess of such amounts over Common Expenses shall be applied by the Condominium Board against the Common Expenses for the next succeeding year(s) of operation, and no Unit Owner shall be entitled to a distribution of any portion of such excess unless the Condominium Board shall determine to distribute all or part of such excess to all Unit Owners pro-rata in proportion to their respective Common Interests.

The Condominium Board may not discriminate against any person for a reason proscribed by civil rights laws.

Notwithstanding the foregoing, any Unit Owner may sell or lease his Unit to his spouse, adult child, parent, grandparent, parent-in-law, or adult sibling, or may convey his Unit by gift, devise it by will, or have it pass by intestacy, without complying with the restrictions described above provided, however, that each succeeding Unit Owner shall be bound by, and his Unit shall be subject to, such restrictions. In addition, any Unit Owner that is not a natural person may sell, lease, or convey its Unit to a related or controlled entity as more particularly set forth in Article 7 of the By-Laws.

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

Each conveyance of a Unit by a Unit Owner shall include, as part of the property to be conveyed, such Unit Owner's: 1) Common Interest, 2) undivided interest in any Unit or Units acquired by the Condominium Board from Unit Owners (or the proceeds received at a foreclosure or other judicial sale of a Unit) and 3) undivided interest in any other assets of the Condominium. In addition, title to a Unit may not be conveyed unless all unpaid Common Charges and liens against such Unit (other than Permitted Mortgages) are paid and satisfied at or prior to closing. At the time of acquisition of a Unit and as a condition thereof, the new Unit Owner shall be required to execute, acknowledge and deliver a Unit Owner's Power of Attorney in favor of the Condominium Board and Sponsor, in the form set forth in Part II of this Plan, in accordance with Article 14 of the Declaration.

The lease for any Unit, other than an Unsold Unit, shall be in the form of apartment lease then approved by the Real Estate Board of New York, Inc., except for such changes thereto as are provided for in the By-Laws.

The leasing of Units after the First Closing is not subject to government controls as to rents and continued occupancy.

Mortgages of Units

Each owner of a Unit may mortgage his Unit, provided that, with respect to Units other than the Unsold Units, the conditions with respect thereto set forth in Article 8 of the By-Laws are first complied with. As more fully set forth in said Article 8, these conditions include the requirements that: 1) the mortgage be substantially in the form of the New York statutory form of mortgage, except for such changes or additions as may be required to permit a lender to make the loan; 2) the Condominium Board is notified in writing of the making of such mortgage and is given a copy thereof and 3) the Unit Owner making such mortgage is not in arrears for Common Charges and first satisfies all other unpaid liens against his Unit, other than mortgages placed on his Unit in compliance with Article 8 of the By-Laws ("Permitted Mortgages"). Sponsor or its designee, as the owner of Unsold Units, shall have the right to mortgage the Unsold Units, respectively, without any restriction or limitation with respect to the form of mortgage.

Common Charges: Assessment, Collection and Lien for Non-Payment

The Condominium Board will prepare and distribute to all Unit Owners, at least annually, a budget setting forth its projection of the Common Expenses for the coming fiscal year of the Condominium. Such Common Expenses will include, among other things:

(i) all costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Common Elements;

(ii) water charges and sewer rents in connection with the Building (unless the same are separately assessed to individual Units);

(iii) real estate taxes and assessments levied with respect to the Property (until the same are separately assessed to individual Units); and

(iv) amounts for such other items as the Condominium Board may deem proper (such as amounts for reserves, to make up deficits for prior years, to prepay indebtedness of the Condominium, or to purchase or lease Units).

Based upon such budget, the Condominium Board will promptly determine, and advise each Unit Owner of, the Common Charges payable by such Unit Owner during the ensuing fiscal year, which Common Charges shall represent a portion of the projected Common Expenses of the Condominium assessed to such Unit Owner pro-rated according to the Common Interest of his Unit.

Pursuant to the terms of Article 6 of the By-Laws, the Condominium Board has the right to revise its projection of the Common Expenses at any time and from time to time during any fiscal year of the Condominium. Any such revision may result in an increase or decrease in the amount of Common Charges payable by Unit Owners during such fiscal year. However, no such revision shall have a retroactive effect on the amount of Common Charges payable by Unit Owners prior to the date of such new determination.

Unless otherwise determined by the Condominium Board, Common Charges will be payable in monthly installments, in advance, on the first day of each month. No Unit Owner will be relieved from liability for the payment of his Common Charges by waiving the use of any of the Common Elements or by mere abandonment of his Unit. No Unit Owner, however, will be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to a permissible sale, transfer, or other conveyance by him of such Unit.

Any Unit Owner may, by conveying his Unit to the Condominium Board without consideration and by complying with certain conditions set forth in the By-Laws in connection therewith, exempt himself from Common Charges thereafter accruing. Such conditions include the payment of all Common Charges and assessments then due and payable with respect to his Unit and such Unit being free and clear of all liens and encumbrances other than Permitted Mortgages and any statutory lien for unpaid Common Charges.

On a resale of any Unit, the purchaser of such Unit shall be required to pay unpaid Common Charges assessed against such Unit prior to his acquisition, except that a mortgagee acquiring title to a mortgaged Unit or a Purchaser at a mortgage foreclosure sale shall not be liable, and such mortgaged Unit shall not be subject to a lien for the payment of any Common Charges assessed subsequent to the recording of such mortgage and prior to the acquisition of title to such Unit by the mortgagee or a Purchaser at a mortgage foreclosure sale. In the event that the Condominium Board forecloses its statutory lien on any Unit for unpaid Common Charges and the net proceeds of the foreclosure sale shall not be sufficient to pay such unpaid Common Charges, or if such Unit is acquired by a mortgagee or Purchaser at a mortgage foreclosure sale, then, in either event, the defaulting Unit Owner shall remain personally liable for the balance of such unpaid Common Charges. The Condominium Board shall have the right to assess such unpaid balance amongst all those who are Unit Owners at the time that the same is levied.

Under the provision of Section 339-z of the Condominium Act and Section 6.2 of the By-Laws, the Condominium Board will have a lien, on behalf of all Unit Owners, on each Unit for unpaid Common Charges assessed against such Unit together with interest thereon and for the replenishment of the fund to be maintained by Unit Owners of Units occupied by non-purchasing tenants pursuant to Section 5.1(D) of the

By-Laws. All such liens, however, will be subordinate, to the extent required by applicable law, to any liens for real estate taxes and assessments on such Unit. Any lien for unpaid Common Charges against a Unit will be effective from and after filing of a verified notice thereof in the Register's Office 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 Condominium Board (acting on behalf of all Unit Owners) in like manner as the foreclosure of a mortgage on real property, or an action may be brought by the Condominium Board to recover unpaid Common Charges without foreclosing the lien.

Repairs

Generally, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary:

(i) in or to any Unit (other than the Common Elements contained therein) shall be performed by the owner of such Unit at such Unit Owner's sole cost and expense;

(ii) in or to the Common Elements (other than the Limited Common Elements) shall be performed by the Condominium Board as a Common Expense; and

(iii) in or to the Limited Common Elements (i.e., terraces, patios and certain portions of the roof) shall be performed either by the Condominium Board as a Common Expense, if involving structural or extraordinary maintenance, repair, or replacement, or by the Unit Owner having direct and exclusive access thereto at his (their) sole cost and expense, if involving painting, decorating and nonstructural ordinary maintenance, repairs and replacements.

Notwithstanding the foregoing, however, all maintenance, repairs and replacements to the Common Elements, whether structural or non-structural, ordinary or extraordinary, that are necessitated by the negligence, misuse, or abuse of a Unit Owner, will be made by such Unit Owner at his sole cost and expense. In connection with the foregoing, it should be noted that the exterior glass surfaces of all windows located in any Unit are to be washed and cleaned by the owner of such Unit, at such Unit Owner's sole cost and expense.

The By-Laws require that each Unit, all Limited Common Elements appurtenant thereto and all portions of the Common Elements be kept in first-class condition (and, with respect to any terrace, roof, or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof. The By-Laws further require that those public or other areas of the Building that are exposed to public view (whether the same are required to be maintained by a Unit Owner or by the Condominium Board) be kept in good appearance in conformity with the dignity and character of the Building by such Unit Owner or the Condominium Board, as the case may be.

As more fully set forth in the By-Laws, the Condominium Board, and the Managing Agent, superintendent and other persons authorized by the Condominium Board, will have a right of access to any Unit for the purposes, among others, of making inspection of, or removing violations of governmental laws or regulations against, any part of the Property, curing defaults committed by the owner of such Unit under the Condominium Documents, or correcting any conditions originating in any Units and threatening another Unit or any Common Element. In addition, Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for purposes of performing certain alterations and repairs in or about Unsold Units and in fulfilling Sponsor's obligations under the Plan.

Additions, Alterations and Improvements

No Unit Owner (except Sponsor or its designees, as described in the following paragraphs) may make any alteration, addition, improvement or repair in or to his Unit or its appurtenant Limited Common Elements involving structural work or which would impact upon building systems (including without limitation

electrical, mechanical or plumbing work) without the prior written approval of the Condominium Board. Such approval may be conditioned, in the discretion of the Condominium Board, upon the execution of an agreement by such Unit Owner, in form and substance satisfactoryto the Condominium Board, setting forth the terms and conditions upon which such alteration, addition, improvement or repair may be made (including, but not limited to an indemnity agreement). Except as otherwise provided in the By-Laws, no Unit Owner may make any alterations, additions, improvements or repairs in or to the Common Elements. Non-structural alterations, additions or improvements (or those that do not affect building systems) to a Unit or its appurtenant Limited Common Elements do not require the consent of the Condominium Board.

The Board, may exercise the right to reasonably approve the contractors and suppliers, performing alteration, addition, improvement or repair in any Unit and may, at its option, require the Unit Owner to execute an agreement in form and substance satisfactoryto the Board, setting forth the terms and conditions under which such alteration, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done. A Board may impose fees upon a Unit Owner to reimburse the Board for its costs incurred in reviewing or supervising the aforesaid work and providing appropriate security with respect thereto. In addition, the Board will have the right, as a condition to approving a Unit Owner's request to renovate kitchens and bathrooms, to require such Unit Owner to replace plumbing, steam and gas risers running through or adjacent to the Unit or to contribute to the Condominium, the sum necessary to enable the Condominium to perform such replacements made necessary as a result of Unit Owner's work. The foregoing provisions shall not apply to Declarant or its designee or a Permitted Mortgage (or its designee) of Declarant or its assignee.

Sponsor or its designee shall have the right, without the approval of the Condominium Board, the Selling Agent, the Managing Agent, other Unit Owners, or representatives of holders of mortgages on Units and without the execution of any alteration agreement to (a) make alterations, additions, improvements or repairs in or to any Unsold Unit, whether structural or nonstructural, interior or exterior, ordinary or extraordinary and (b) subdivide, combine and change the boundary walls of Unsold Units (see the section above entitled "Changes in Prices and Units" for further discussion).

Generally, all alterations, additions, improvements or repairs in or to the Common Elements will be made by the Condominium Board, and the cost and expense thereof will be charged to the Unit Owners as a Common Expense. In addition, as set forth in paragraph (B) of Section 5.8 of the By-Laws, the owner or owners of any two or more Units, which Units are the only Units serviced or benefitted by any Common Elements adjacent to such Units, shall, under certain circumstances, have the exclusive right to use that portion of the Common Elements as if it were a part of such Units.

Whenever, in the judgment of the Condominium Board, the Common Elements (other than the Limited Common Elements) shall require alterations, additions, improvements or repairs costing more than $100,000.00, in the aggregate, in any calendar year, such additions, alterations, or improvements shall not be made unless the same have been approved by the Unit Owners (including Sponsor, if it then owns any Unit) owning a majority of the Common Interests at a duly constituted Unit Owners meeting and by the representatives of institutional mortgagees of Units, if any, appointed pursuant to the By-Laws (the "Mortgage Representatives"). If approved, the Condominium Board may, in its discretion, assess each Unit Owner his pro-rata share of the cost of such alterations, additions, improvements or repairs according to his Common Interest, as part of the Common Charges. Subject to the rights of Sponsor hereunder, any alterations, additions, improvements or repairs costing $100,000.00 or less, in the aggregate, in any calendar year may be made by the Condominium Board without the approval of the Unit Owners or the Mortgage Representatives, if any, and the cost thereof shall constitute a Common Expense.

Federal Regulation of Lead-based Paint

The Lead-Based Paint Regulations adopted by the U.S. Department of Housing and Urban Development and the Environmental Protection Agency apply to all owners of condominium Units in the Building.

The Regulations do not require an owner to positively test for the presence of lead-based paint nor do they impose a duty to abate, contain, remove or correct lead-based paint conditions or hazards. However, Local Law 1 of 1982 of the City of New York does require the owner of a multiple dwelling to remove or cover specified hazardous lead-based paint or other similar surface-coating materials on the interior walls, ceilings, doors, window sills or moldings of a Unit in which a child six (6) years old or younger resides. Under Local Law 1, peeling paint on such surfaces of a residential apartment in a multiple dwelling built prior to 1960 (which includes this Building) is presumed hazardous. If such apartment is occupied by a child six (6) years old or younger, the peeling paint constitutes a Class C (immediately hazardous) violation, subjecting the owner of the multiple dwelling to penalties. The presumption is rebuttable.

Insurance

The Condominium Board shall maintain fire insurance policies, insuring the Building (including all Units and the bathroom and kitchen fixtures installed therein on the date of recording the Declaration and all service machinery contained therein, but not including appliances or any furniture, furnishings, or other personal property supplied or installed by the Unit Owners or tenants of Unit Owners) and covering the interests of the Condominium, the Condominium Board, all of the Unit Owners and the holders of all Permitted Mortgages (the "Permitted Mortgagees"), as their respective interests may appear, in an amount equal to at least 100% of the full replacement value of the Building (exclusive of excavation and foundations), without deduction for depreciation. Each of such policies shall contain a New York Standard Mortgagee clause in favor of each permitted Mortgagee, which shall provide that the loss proceeds, if any, thereunder shall be payable to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee (hereinafter defined) as set forth below. The cost of all such insurance shall be paid by the Condominium Board and shall be borne by the Unit Owners as part of the Common Charges.

The proceeds of all such policies of physical damage insurance shall be payable to the Condominium Board, in the event of a loss amounting to $250,000 or less, and to the Insurance Trustee, if the loss shall amount to more than $250,000. Such proceeds shall be applied for the purpose of repairing, restoring, or rebuilding the Building, unless otherwise determined by Unit Owners. In no event shall such proceeds be paid to the holder of any mortgage placed by a Unit Owner on his Unit unless, in accordance with the provisions of Section 5.5 of the By-Laws, there shall be a determination not to rebuild the Building. The Insurance Trustee shall be a bank or trust company, having an office in the City and State of New York, designated by the Condominium Board in accordance with the By-Laws.

All policies of physical damage insurance shall contain to the extent obtainable, waivers of subrogation and of any defense based on co-insurance or on invalidity arising from any acts of the insured and of pro-rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days' written notice to all of the insureds, including permitted Mortgagees. Duplicate originals or certificates of insurance of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all Unit Owners and Permitted Mortgagees at least ten (10) days prior to expiration of the then current policies, if requested.

The Condominium Board shall also maintain, to the extent obtainable: (a) fidelity insurance covering all officers and employees of the Condominium and of the Managing Agent (if any) who handle Condominium funds; (b) public liability insurance as to personal injury and property damage in such limits and amounts as the Condominium Board may from time to time determine, covering each member of the Condominium, the Managing Agent or manager (if any) and each of the Unit Owners; (c) rent insurance in an amount equal to the Common Charges for one year; (d) boiler and machinery insurance; (e) water damage legal liability insurance; and (f) such other insurance as the Condominium Board may from time to time determine. Such insurance will not cover the individual liability of a Unit Owner arising from any occurrence within his own Unit.

Any insurance maintained by the Condominium Board may provide for such deductible amounts as the Condominium Board may determine. The cost of all such insurance shall be paid by the Condominium Board and shall be borne by all Unit Owners as part of the Common Charges.

Until the first meeting of the Condominium Board elected by the Unit Owners, the public liability insurance will be in a limit of $1,000,000.00 covering all claims for personal injury or property damage in respect of any one occurrence, and the fire insurance will be at least in the amount of $7,000,000.00. The Condominium Board shall review such limits annually.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit, provided that such policies contain waivers of subrogation and provided, further, that the liability of the carriers issuing insurance procured by the Condominium Board shall not be affected or diminished by reason of any Unit Owner's other insurance. A Unit Owner shall be required to maintain, at his own expense: (1) separate insurance on the contents (i.e., furniture and other personal property and belongings) of his Unit, in such amount as will be adequate to insure against loss by reason of fire or other casualty, and (2) liability insurance against claims for personal injury or property damage resulting from occurrences in his Unit or its appurtenant Limited Common Elements.

Repair or Restoration After Fire or Other Casualty

Except as set forth in the next paragraph, in the event that the Building or any part thereof is damaged or destroyed by fire or other casualty, the Condominium Board will arrange for the prompt repair and restoration thereof (including any damaged Units but excluding appliances, fixtures, furniture, furnishings, or other personal property not constituting a part of such Unit). If the insurance proceeds are insufficient to cover the cost of repairs or restorations, the Condominium Board may assess all Unit Owners for such deficit as a General Common Expense if relating to the General Common Elements, and may assess all Unit Owners for such deficit if relating to the Common Elements and/or the Limited Common Elements. Any surplus insurance proceeds shall be paid to all Unit Owners in proportion to their respective Common Interests, if relating to the General Common Elements, shall be paid to all Unit Owners in proportion to their respective Common Interests if relating to the Common Elements and/or the Limited Common Elements, except that no payment shall be made to a Unit Owner until there has first been paid, out of his share of such funds, such amounts as may be necessary to discharge unpaid liens on his Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens.

If fifty (50%) percent or more of the Building is destroyed or substantially damaged and if seventy-five (75%) percent or more of all Unit Owners of such destroyed Building, in Common Interests, do not promptly resolve 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 lien or, as if owned in common, in which case the net proceeds of the resulting sale, together with the net proceeds of insurance policies, shall be divided among all Unit Owners in proportion to their respective Common Interests to the extent allocated to destroyed or damaged portions of the General Common Elements, provided, however, that no payment shall be made to a Unit Owner until there has first been paid, out of his share of such funds, such amounts as may be necessary to discharge all unpaid liens on his Unit (other than mortgages that are not Permitted Mortgages) in the order of the priority of such liens. If Sponsor is then a Unit Owner, it will have the right to vote at any meeting of Unit Owners called for the purpose of deciding whether or not to proceed with the restoration or repair of the Building.

Restrictions on the Use of Units

As more fully set forth in the Declaration and in the By-Laws, each Unit shall be used only as a residence (except as otherwise described herein), and not more than one natural person, his Family Members (as defined in the Declaration) plus one additional occupant and his dependent children may occupy a Unit at any one time may be used for any purpose permitted by Law. However, upon the prior written consent of Sponsor (or, when there are no longer any Unsold Units, the Condominium Board), any Unit may be used as a professional or business office, provided that such use is permitted by law and does not violate the then existing Certificate of Occupancy covering such Unit. In addition, Sponsor may, without obtaining the consent of the Condominium Board or the other Unit Owners: (a) allow any Unit owned by Sponsor or its designee to be used as a professional or business office or for any other purpose, provided that such use is permitted by law and does not violate the then existing Certificate of Occupancy covering such Unit and (b) use any one or more of such Units as model units and sales and/or promotion offices in connection with the sale or rental of the Unsold Units or for any other purpose, subject only to compliance with law.

A Unit owned or leased by an individual, corporation, partnership, fiduciary, or other entity may be occupied only by said individual, or by an officer, director, stockholder, or employee of such corporation, or by a partner or employee of such partnership, or by said fiduciary (including officers, directors, stockholders, or employees or corporate fiduciaries), or by the beneficiary of said fiduciary, or by a principal or employee of such entity, respectively, or by members of the immediate family or guests of any of the foregoing. However, the foregoing restriction shall not apply to Unsold Units.

No nuisance, or immoral, improper, offensive, or unlawful use, shall be made of the Property or any portion thereof. No portion of a Unit, other than the entire Unit, may be rented. Leases shall be for a minimum of one year and no transient tenants may be accommodated therein. All valid laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Property, shall be complied with at the sole expense of the respective Unit Owners or the Condominium Board, whoever shall have the obligation to maintain or repair such portion of the Property. The Rules and Regulations of the Condominium, which govern the use of all of the Units, may be amended from time to time by the Condominium Board, provided that copies of such amendments are furnished to each Unit Owner prior to the time that they become effective.

Self -Help

In the event that any Unit Owner fails to maintain or repair parts of the Building required to be maintained or repaired by such Unit Owner, or in the event of any breach of the Condominium Documents, then, as set forth in Article 9 of the By-Laws, the Condominium Board shall have certain rights to perform such maintenance or repairs, or to cure such breach, at such Unit Owner's expense.

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

Each Unit Owner must strictly comply with the provisions of the Condominium Documents, as the same may be amended, modified, deleted, or added to from time to time pursuant to the terms thereof. Failure to strictly comply is grounds for an action for damages, injunctive relief, or both.

Units Acquired by the Condominium Board

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

Liability of the Unit Owners

Every contract made by the Condominium Board, by any officer of the Condominium, or by any superintendent or Managing Agent of the Building shall state (if obtainable) that: (i) it is made only as agent

for all Unit Owners, and the members of the Condominium Board or such officer, superintendent, or Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners) and (ii) the liability of any Unit Owner with respect to such contract shall be limited to (1) such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners; and (2) such Unit Owner's interest in his Unit and its appurtenant Common Interest, unless otherwise provided by law.

Compliance with the Rent Laws

The Condominium Board shall operate the Property at the same level of services as those supplied on the date of recording the Declaration in accordance with the Rent Laws except for those services that, under the Declaration or the By-Laws, are the obligation of Sponsor to provide to its Units. The Condominium Board shall not impose any charge or fee against the tenants and occupants of the Units owned by Sponsor or its designee for using the Common Elements or on account of any services provided to such tenants and occupants unless the Sponsor or its designee is permitted by the rent laws to impose such charge or fee against such tenants or occupants. Such permitted charge or fee may be increased by the Condominium Board, but only to the extent allowed by the rent laws. Except for those services and obligations to be provided or performed by the Condominium Board as set forth in the Declaration and the By-Laws, Sponsor shall provide and perform all other services and obligations required by law to be furnished to tenants and occupants of its Units.

Easements

Each Unit shall have, in common with all other Units an easement to use, maintain, repair, alter and replace all pipes, wires, ducts, vents, cables, conduits, public utility lines and other Common Elements existing, or that may come into existence, as a result of (i) the settling or shifting of the Building; (ii) any alteration or repair to the Common Elements made by, or with the consent of, the Condominium Board or (iii) any repair or restoration of the Building (or any portion thereof) or of any Unit 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, so that any such encroachment may remain so long as the Building shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units. In addition, each Unit shall have, and shall be subject to, easements of subjacent support and necessity in favor of such Unit or in favor of other Units and the Common Elements. Each Unit shall have an easement for the exclusive use, alone or in common with one or more other specified Units, of its Limited Common Elements.

Sponsor has reserved the right, for itself and its designee (so long as Sponsor or said designee owns a Unit) and for the Condominium Board, to grant such additional electric, gas, telephone, water, sewer, drainage or other utility easements or to relocate any existing utility easements as Sponsor, its designee, or the Condominium Board shall deem necessary or desirable for the proper operation and maintenance of the Building, or any portion thereof, or for the general health or welfare of the Unit Owners, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Units for dwelling or permitted professional or business purposes. Access to any Unit or to the Common Elements in furtherance of such additional or relocated easement shall be exercised in such a manner as shall not unreasonably interfere with the use of the affected Units for dwelling or permitted professional or business purposes.

Sponsor and prospective purchasers and tenants of Unsold Units shall have an easement on and through the Common Elements for all purposes relating to the sale and rental of such Units, without being subject to any charge or fee therefor. Sponsor may use its Units and the Common Elements (at any one or more places designated by Sponsor) for sales, renting or display purposes, including placing "for sale" or "for rent" signs and other promotional and/or building materials of such size and content as Sponsor shall determine, including on the building exterior.

Each Unit Owner whose Unit has one or more appurtenant Limited Common Elements shall have an exclusive easement for the use thereof. The Units having Limited Common Elements are indicated on Exhibit B to the Declaration.

Sponsor shall have an easement to install, utilize, operate, maintain, repair, alter, rebuild, restore and replace satellite dishes and similar equipment on the roof of the Building and any such satellite equipment shall be the exclusive property of and be available for the exclusive use of Sponsor.

REAL ESTATE TAXES

After the Units are separately assessed, 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, nor will his Unit be subjected to any lien arising from the non-payment, of taxes on other Units.

It is possible that separate assessments will not be made, nor will separate tax bills be issued for as long as a year after the First Closing. Until the Units are separately assessed, the Condominium Board will pay all real estate taxes with respect to the Property and will allocate the cost thereof among all Unit Owners in proportion to each Unit's Common Interest.

Real estate taxes are assessed and collected by the City of New York. The Property is currently classified as a Class 2 property (a residential building).

The actual assessed valuation of the Property for the fiscal year 2008/2009 is $754,200.00. The transitional valuation is $549,000.00. The New York City Assessor phases in increases and decreases in the actual assessed valuation over a five year period, 20% in each year. The resulting valuation is the transitional valuation. Certain increases in the actual assessed valuation, however, resulting from physical improvements to the property, are not subject to such phase-ins and are implemented in full to both the actual and transitional valuations. Real estate taxes are based on the lower of the actual or transitional valuations.

The Class 2 tax rate for fiscal tax year 2007/2008 is 11.928% of the actual valuation which is the rate used by Sponsor's expert to project real estate taxes.

According to Podell Schwartz Schechter & Banfield, LLP, the projected 2009/2010 actual assessed valuation is $1,050,000.00; the projected transitional valuation is $818,400.00. The projected taxes are $97,700.00. The blended taxes for three months of 2008 and nine months of 2009 are estimated to be $73,600.00.

Any refund for the year in which the closing occurs, along with the cost of such proceeding (including attorneys' fees) will be apportioned between Sponsor and the Unit Owners as of the closing date. Any refund covering a period prior to the tax year in which a closing occurs and all expenses incurred in connection therewith (including attorneys' fees) shall belong to and be incurred by Owner alone.

Section 581 of the Real Property Tax Law provides that the aggregate assessment of all Units in the Condominium may not exceed the assessment which would be made had the property not been divided into condominium units. The estimated real estate taxes for each Unit for the first year of condominium operation assumes that the amount of real estate taxes payable with respect to each Unit will be levied in the proportion that its Common Interest bears to the Common Interest of all Units. There is no assurance that the New York City taxing authority will allocate taxes between Units in proportion to their respective Common Interests. If it does not, owners of Units having the same Common Interest will pay different amounts of real estate taxes.

No representation or warranty can be made as to (a) whether there will be (i) a further increase in the actual valuation of the Property during the projected budget year or (ii) an increase in the assessed valuation of the Property by reason of the condominium conversion or otherwise, or (b) the method of determining the assessed valuation (whether on a rent roll, market or other basis) or (c) the amount of any increase in the assessed valuation of the Property.

Purchasers should note that if the assessed valuation of the Property for real estate tax purposes is increased at any time as a result of improvements to the Property or for any other reason, greater amounts of real estate taxes than estimated above may be payable with respect to the Property.

An application for tax certiorari proceedings is presently pending for the Building. Once the building becomes a condominium, each unit owner will be responsible for contesting their own real estate tax assessment should they choose to do so.

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

The following discussion of certain income tax consequences of the ownership of Units was prepared by the Sponsor based, in part, upon the income tax opinion of Goldstick, Weinberger, Feldman & Grossman, P.C., a copy of which is set forth in the following section of this Plan.

GOLDSTICK, WEINBERGER, FELDMAN & GROSSMAN, P.C. IS COUNSEL TO SPONSOR AND NOT TO THE UNIT OWNERS. EACH PURCHASER SHOULD CONSULT HIS OWN TAX COUNSEL AS TO THE TAX CONSEQUENCES OF UNIT OWNERSHIP.

Each Unit Owner will own his Unit, together with its appurtenant Common Interest, in fee simple, and each Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. Because each Unit Owner will own his Unit in fee simple, the owner may mortgage such Unit and become individually liable for the payment of the principal and any finance charges or interest on such mortgage indebtedness.

It is the opinion of Goldstick, Weinberger, Feldman & Grossman, P.C. that, under present law, Unit Owners will, for federal income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the taxable year in which the same are paid or accrued. However, these deductions are subject to certain exceptions and limitations, which are more particularly discussed in the income tax opinion set forth in the following section of this Plan.

It is also the opinion of Goldstick, Weinberger, Feldman & Grossman, P.C., that, under present law, each Unit Owner will, for New York State and New York City income tax purposes, be entitled to the same deduction that is allowed for federal income tax purposes for the mortgage interest and real estate taxes paid or accrued during the taxable year. However, for New York State income tax purposes, the deduction may be reduced if the Unit Owner has more than a specified amount of tax preference items.

It is the opinion of Goldstick, Weinberger, Feldman & Grossman, P.C. that the Condominium will be eligible to elect tax exempt status under the Section 528 of the Internal Revenue Code and pay no tax on its income from common charges.

Common Charges will be borne by the Unit Owners and assessed and collected by the Condominium Board. See the income tax opinion set forth in the following section of this Plan for a further discussion of the tax status of the Condominium.

No warranties are made that the Internal Revenue Service, the New York State Department of Taxation and Finance, or the Finance Administration of The City of New York will allow any of the aforementioned deductions or that the tax laws, or the regulations or rulings issued thereunder, or any judicial interpretation thereof upon which Goldstick, Weinberger, Feldman & Grossman, P.C., has based its income tax opinion will not change. In no event will Sponsor, the Selling Agent, the Managing Agent, or any other person connected with this offering be liable if, on account of any future changes of law or interpretations thereof, it is held that the Unit Owners, or any of them, are not entitled to such income tax deductions. In addition, none of the aforesaid make any warranties with respect to the tax consequences of this Plan or the tax consequences of ownership of any Units offered under the Plan, and no one has been authorized to make such warranties.

OPINION OF COUNSEL

GOLDSTICK, WEINBERGER, FELDMAN & GROSSMAN, P.C.
7 Penn Plaza, 16th Floor - New York, New York 10001
Telephone: (212) 687-3440 - Fax: (212) 818-0625

June 10, 2008

4401 Sunset Park LLC
c/o Sierra Realty Corp.
12 East 46th Street, 6th Floor
New York, New York 10017

Re: Offering Plan for the Conversion to Condominium Ownership of Premises located at 702 44th Street (a/k/a 4401 Seventh Avenue), Brooklyn, New York 11220 ("Plan")

Dear Sirs:

You have requested our opinion concerning: 1) the availability of certain deductions for federal, New York State and New York City income tax purposes (but not for purposes of the New York City earnings tax on non-residents) to individuals who purchase Units for residential use ("Unit Owners") under the Plan; 2) the treatment for such income tax purposes of the Common Charges paid or borne by individual Unit Owners; and 3) compliance with New York State Real Property Law Section 339(i) in assigning the percentage of common interest to each Unit.

In this connection, we have reviewed the Plan, relevant sections of the Internal Revenue Code of 1986, as amended ("Code"), the New York State Tax Law ("State Tax Law"), the New York City Administrative Code ("City Code"), the Regulations promulgated thereunder and such other material as we deem relevant. Except where otherwise indicated, the terms used in this opinion have the same meanings as in the Plan.

I. Deductibility of Mortgage Interest and Real Estate Taxes

A Unit Owner will own his Unit and its appurtenant interest in the Common Elements in fee simple. Therefore, each Unit Owner may mortgage his Unit and become individually liable for the payment of any finance charges or interest on such mortgage indebtedness. Also, each Unit will be taxed as a separate tax lot for real estate tax purposes.

In our opinion, an individual Unit Owner will, for federal income tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid or accrued under Section 163 and 164 of the Code, respectively. Rev. Rul. 64-31, 1964-1 Cum. Bull. 300. This is subject to the proviso that, under Section 461(g) of the Code, no deduction will be allowed to a cash basis taxpayer in the year of payment for prepaid interest (other than points paid in certain cases).

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 3) is incurred in acquiring, 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 $1,000,000.00 for any period ($500,000.00 in the case of a married individual filing a separate return), or 4) 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 $100,000.00 ($50,000.00 in the case of 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 Unit as a qualified residence will be entitled, under current law, to deduct from his gross income for Federal income tax purposes, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code, interest paid or accrued by him on (i) acquisition indebtedness incurred with respect to his 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 $1,000,000.00 ($500,000.00 in the case of a married individual filing a separate return) and (ii) home equity indebtedness with respect to his 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 $100,000.00 ($50,000.00 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, Purchasers should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans and on the overall limitation on the allowance of itemized deductions.

In addition, the deductions for interest will only be available to those taxpayers who elect to itemize their deductions and whose aggregate itemized deductions exceed the standard deduction.

It is also our opinion that each individual Unit Owner will, for New York State and New York City income tax purposes, be entitled to the same deduction which is allowed for federal income tax purposes for the mortgage interest and real estate taxes paid during the taxable year. Section 615 of the State Tax Law; Section T46-115.0 of the City Code. However, certain individual taxpayers may not be able to utilize the deductions herein discussed, in whole or in part, if they are subject to the Alternative Minimum Tax.

Until the Units are separately billed for real property taxes, the By-Laws provide for collection thereof in accordance with each Unit Owner's percentage of Common Interest. Such payments are to be made into a special escrow account for the purpose of paying such taxes, and accordingly, inasmuch as such payment is necessary because the property interest of each Unit Owner would be lost if the taxes were unpaid and the property foreclosed upon, such payment will be deductible. See L. L. Powell, 26 TCM 161 (1967). See also D. G. Peters, 29 TCM 1440 (1970) .

II. Common Charges

Pursuant to the Plan, the Condominium Board will govern the affairs of the Condominium. Presently, the exact tax status of the Condominium is not clear. The federal income tax consequences to the Condominium and the Unit Owners upon receipt by the Condominium of the Common Charges from the Unit Owners and receipts from other sources will depend upon whether the Condominium is treated as a conduit, or is treated as an association taxable as a corporation or qualifies and elects to be treated under Section 528 of the Code.

Section 528 of the Code provides that condominium associations, when qualified, may be treated as partially tax-exempt for federal income tax purposes.

The exemption provided by Section 528 of the Code is available only if the following requirements are met:

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

(ii) Sixty (60%) percent or more of the organization's gross income for the taxable year must be membership dues, fees, or assessments received from residential condominium unit owners. The Plan provides for one hundred (100%) percent of the Common Interest to be allocated to Units and accordingly, we assume one hundred (100%) percent of the gross income of the Condominium will be from membership dues, fees or assessments received from residential condominium unit owners.

(iii) Ninety (90%) percent or more of the organization's expenditures for the taxable year must be for the acquisition, construction, management, maintenance and care of the condominium.

(iv) No part of the net earnings may inure to the benefit of any private individual except through the rebate of excess assessments or indirectly through the acquisition, management and maintenance of association property.

(v) The organization must elect exempt status for the taxable year. Such election must be made for each year that the organization desires to be treated as a Section 528 organization. Treas. Reg. Section 1.528-8.

(vi) Substantially all of the units are used by individuals for residences. [Substantially all of the units will be considered used by individuals for residences if at least eighty-five (85%) percent of the total square footage of all units is used, or is intended to be used by individuals for residential purposes or purposes auxiliary to residential use, such as storage rooms, laundry and maintenance areas. Treas. Reg. Section 1.5284(b)].

Our review of the documents referred to above indicates that the Association meets all the organizational tests described above for qualification for exemption. Assuming the Plan is consummated in accordance with its provisions and that the Association, in its actual operation, meets the other tests set forth above, its is our opinion that the Association will be eligible to elect tax-exempt status under IRC Sec. 528. If such exempt status is properly elected, it is our opinion that the Association will not be subject to federal income tax for the taxable years in which such election is in effect, except as noted in the following paragraph.

If the above requirements are met and a timely election is made, the Condominium's exempt function income is not subject to tax. Income from other sources such as that derived from the lease of laundry facilities or from investment income, is subject to tax after allowable deductions at the rate of thirty (30%) percent. Deductions are allowed for expenses related to the production of non-exempt income, but only if such expenses are directly connected with the production of such income. Section 528(d)(1)(B) of the Code. A specific deduction of One Hundred ($100) Dollars is allowed against non-exempt income. Section 528 (d)(2)(A) of the Code. Neither the net operating loss deduction nor the special deductions for corporations are allowed. Sections 528(d)(2)(B) and 528(d)(2)(C) of the Code.

Accordingly, if the Condominium qualifies and makes a timely election under Section 528 of the Code, it would be taxed only upon income from sources other than Common Charges including investment and income derived from the lease of laundry facilities, if any, and if the Condominium is operated for the first year of operation in such a manner that the income projected in Schedule B of the Plan is received and the expenses on said Schedule B are incurred and paid, it is our opinion that the Condominium will qualify to make the Section 528 election for the first year. However, since the election must be made on an annual basis, we render no opinion as to whether the Condominium would qualify to make the election in subsequent years. Moreover, since deductions ordinarily allowable to corporations are not allowed with respect to an organization electing under Section 528 of the Code, we also render no opinion whether it would be advisable for the Condominium to make the election even if it would be qualified to do so.

Absent the application of Code Section 528, the present state of federal law is unclear as to the precise tax status of the Condominium. The By-Laws of the Condominium provide that the Condominium Board will act as the agent of the Unit Owners. Accordingly, for federal income tax purposes, the Condominium may take the position that since it simply acts as agent for the Unit Owners, it is not a separate taxable entity.

The Condominium would be a mere conduit for receipts and payments of Unit Owners for whom it acts as an agent. In such a case, the Unit Owners would include in their gross income and be taxed on all income earned by the Condominium, less the expenses incurred in earning such income. However, Common Charges would not be considered income to the Condominium. See Rev. Rul.70604, 1970-2 C.B. 9; Lake Petersberg Assoc., 33 TCM 259 (1974).

However, the Internal Revenue Service may contend that for purposes of those matters administered through the Condominium Board, such as the assessment and expenditure of Common Charges, the Unit Owners through the Condominium Board constitute an association taxable as a corporation. In such event, such association may be deemed subject to the federal corporate income tax (and therefore to New York State and New York City corporate income taxes) on the portion of the Common Charges which is deemed to constitute gross income of such association, to the extent that such portion (together with any income earned from other sources, such as interim investments of funds by such association) exceeds the current expenses paid or incurred through the Condominium Board which are deductible for federal income tax purposes.

In this connection, published rulings indicate that Common Charges which are assessed by the Condominium Board and designated for use solely to make specified capital improvements and which are maintained in a separate bank account should not constitute gross income to such Board, either because it is deemed to receive and hold such Common Charges as agent for the Unit Owners from whom the assessments were collected, Rev. Rul. 75-370, 1975-2 Cum. Bull. 25, or because the assessed Common Charges are deemed to be nontaxable contributions to the capital of the association. Rev. Rul. 75-371, 1975-2 Cum. Bull. 25 (cf. Concord Village, Inc., 65 T.C. 14 (1975)).

However, if treated as contributions to the capital of the association, it should be noted that when such amounts (together with any other funds accumulated by the association) are expended for capital improvements, the Internal Revenue Service may contend that the capital expenditures benefit the Unit Owners, and that each Unit Owner should therefore be subject to tax on his pro-rata share of the amounts expended.

In the event that the Condominium Board is required to pay any federal, New York State or New York City income tax, and the Condominium Board makes an additional assessment in order to meet this tax liability, it should be noted that the additional amount collected through such assessment may itself be subject to tax. See Old Colony Trust Co. v. Commissioner, 279 U.S. 716 (1929); Rev. Rul. 74-75, 1974-1 Cum. Bull. 19.

We express no views as to any federal, New York State and/or New York City tax consequences or as to any aspects of the Plan other than those consequences and aspects explicitly discussed in this opinion or as to the tax status and tax consequences of the Plan under the laws of any other U.S. or foreign jurisdiction. This opinion does not deal with tax consequences which may result from ownership of a Unit in connection with the Unit Owner's trade or business or for purposes of investment or the production of income, or which may result to a foreign Unit Owner by reason of his foreign status. This opinion also does not deal with the tax consequences which may arise if Units are acquired and/or leased by the Condominium Board or with respect to whether a Unit Owner may be deemed a resident of New York City due to ownership of a Unit. We therefore strongly advise each person contemplating the purchase of a Unit to consult his own tax advisor as to all such tax matters (as well as with respect to the tax matters discussed in this opinion).

III. Compliance With Real Property Law Section 339(i)

The Declaration of The One Sunset Park Condominium sets forth that the Common Interest of each Unit has been determined on the basis of floor space and additional factors of relative value to the other space in the condominium, the uniqueness of the Unit, availability of Common Elements (as defined in the Declaration) for exclusiveness or shared use and the overall dimension of the particular Unit, which is a method of allocation permitted by Real Property Law Section 339(i)(1)(iii). Based upon our review of the Plan including the Declaration of Condominium, the accuracy of the measurements of approximate floor area of the Units prepared by Howard L. Zimmeran, and Section 339-i of the Real Property Law, we are of the opinion that the allocation of common interests to each Unit in the Condominium complies with Section 339-i of the Real Property Law.

This opinion is not a guarantee; it is based on existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which counsel bases this

opinion will not change. In no event will Sponsor, Sponsor's counsel, the Condominium Board, the selling agent or any other person be liable if there are changes in the facts on which counsel relied in issuing this opinion or if there are changes in the applicable statutes, regulations, case law or Internal Revenue Service rulings on which counsel relied which cause 1) the Condominium to cease to meet the requirements of the Code, the City Code or the State Code and 2) Unit Owners not to be entitled to income tax deductions.

We consent to the filing of this opinion as an exhibit to the Plan and to the reference to our name under the caption "Income Tax Deductions to Unit Owners and Tax Status of the Condominium" in the Plan.

Very truly yours,

GOLDSTICK, WEINBERGER, FELDMAN
& GROSSMAN, P.C.

By: Bonnie Covey
Bonnie Covey, Esq.

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

Eugene A. Hegy & Associates, Inc.

60 East 42nd Street, Suite 1446, New York, N.Y. 10165
(212) 867-7100 FAX: (212) 271-2861

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i
ALLOCATION OF COMMON INTEREST AMONG RESIDENTIAL UNITS

September 4, 2007

Department of Law, State of New York
Real Estate Financing Bureau
120 Broadway – 23rd Floor
New York, New York 10271

Re: 4401 7th Avenue Condominium
Brooklyn, New York

Dear Sir or Madam:

Eugene A. Hegy & Associates, Inc. is a licensed Real Estate Broker under the State of New York. Eugene A. Hegy, Jr., its president, has been active in preparing the Offering Plans for the sale of cooperative and condominium apartments for the past 32 years. Prior to establishing his own company in 1990, Eugene A. Hegy, Jr. was senior vice president of Brown, Harris, Stevens, Inc. for more than 14 years, and before that from 1973 to 1976, was chairman of Brett, Wyckoff Potter Hamilton Inc. Both firms were active in the conversion and management of tenant-owned apartment buildings. The undersigned has no beneficial interest in the sponsor or the profitability of the subject project.

The undersigned has reviewed the allocation of common interests among all the Residential Units in the 4401 7th Avenue Condominium as shown on the Schedule A to be included in the Offering Plan therefore.

Pursuant to Section 339-i (ii) of the New York Real Property Law, the percentage interest of each Unit in the Common Elements is based upon the floor space of the Units, subject only to the "...approximate proportion that the floor area of the unit at the date of the declaration bears to the then aggregate floor area of all the units". The aggregate Common Interests of all Units equal 100%. This allocation utilizes measurements and calculations of square footage made by the Sponsor's architect.

Sworn to before me this
4th day of September 2007

Notary Public

DOMINICK S. POMPEO
Commissioner of Deeds
City of New York No. 2-3211
Commission Expires Dec. 1, 2007

Eugene A. Hegy & Associates, Inc.

By: Eugene A. Hegy Jr.
President

RESERVE FUND AND WORKING CAPITAL FUND

Reserve Fund

Within thirty (30) days after the First Closing, the Sponsor will establish and transfer to the Condominium Board a reserve fund to be used exclusively for making capital repairs, replacements and improvements necessary for the health and safety of the residents of the Building which shall not be subject to reduction for closing apportionments. Such funds shall be in an amount equal to: (i) three (3%) percent of the total price (the sum of the cost of all units offered at the last price offered to tenants in occupancy prior to the effective date of this Plan); or (ii) three (3%) percent of the actual sales price of all Units sold at the time this Plan is declared effective, but not less than one (1%) percent of the total price, plus (iii) supplemental contributions at the rate of three (3%) percent of the actual sales price of Units sold to bona fide purchasers after the effective date and within five (5) years after the First Closing, provided, however, that if the total contributions made to the fund within five (5) years and thirty (30) days after the First Closing are less than three (3%) percent of the total price, the Sponsor will pay the deficiency. Supplemental contributions shall be paid within thirty (30) days of each sale.

Notwithstanding the foregoing, the Sponsor is entitled to a credit against the mandatory initial contribution to the fund equal to the lesser of the actual cost of capital repairs or replacements begun after this Plan was submitted for filing to the Department of Law and before this Plan is declared effective or one (1%) percent of the total price. Sponsor anticipates taking such a credit in an amount equal to $211,730.00 for work on the windows, and exterior repairs among other items. Sponsor will amend the Plan prior to declaring the Plan effective to disclose the exact amount of the credit.
Sponsor anticipates completing the work by October 2008.

The foregoing commitment of the Sponsor is being made pursuant to Chapter 8 of Title 26 of the Administrative Code of the City of New York, (the "Code").

Section 26-705 of the Code requires the Sponsor, not later than the 30th day following the acceptance of this Plan for filing and until the First Closing, to post and maintain in a prominent place, accessible to all tenants in the building, a listing of all violations of record against the building as determined by the Department of Buildings and the Department of Housing Preservation and Development. All newly issued violations must be posted within 48 hours after their issuance and maintained as described above. This section permits the Sponsor to satisfy its requirements by designating an agent on the premises with whom such listing shall be made available for inspection by the tenants. For this purpose the Sponsor hereby designates the superintendent.

Chapter 26 also provides for civil and criminal penalties for its violation and further provides that any waiver of its provisions is void as against public policy.

No representation is made with respect to the adequacy of this fund to meet the cost of capital repairs, replacements or improvements, if any, which may be required as a result of conditions described in the section of the Plan entitled "Description of Property and Building Condition" in Part II of the Plan. Additional sums required to finance capital expenditures such as renewal or replacement of building components or systems or to remedy major building defects may be raised by the Condominium Board by (a) including a reserve fund contribution in each annual budget to build a fund (b) making a special assessment against all Unit Owners or (xviii) borrowing increased funds.

Working Capital Fund

Concurrently with the First Closing, Sponsor with respect to all Unsold Units, and each Purchaser who closes that day will contribute a sum equal to two (2) months Common Charges (the "Working Capital Fund") to the Condominium Board for its working capital. The Working Capital Fund will be increased or decreased (as the case may be), depending upon whether the closing adjustments referred to below result in a net credit in favor of the Condominium or Sponsor, respectively.

AT THE CLOSING OF TITLE TO EACH UNIT AFTER THE FIRST CLOSING, THE PURCHASER OF THE UNIT WILL BE REQUIRED TO REIMBURSE THE SPONSOR FOR THE SUM CONTRIBUTED BY THE SPONSOR TO THE WORKING CAPITAL FUND WITH RESPECT TO THE UNIT BEING PURCHASED.

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 determined by the Condominium Board in its sole discretion.

No representation is made that the Working Capital Fund 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.

THE PROPERTY IS OFFERED IN ITS CURRENT CONDITION AS SET FORTH IN THIS PLAN, WITHOUT ANY OBLIGATION ON THE PART OF SPONSOR OR THE SELLING AGENT TO MAKE ANY REPAIRS OR IMPROVEMENTS EXCEPT AS SET FORTH IN THE PLAN. NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENTAL AGENCY HAS PASSED UPON THE ADEQUACY OF THE WORKING CAPITAL FUND OR UPON THE PHYSICAL CONDITION OF THE BUILDING.

So long as the Sponsor controls the Condominium Board, Reserve Fund and the Working Capital Fund shall not be used to reduce projected Common Charges.

CLOSING ADJUSTMENTS

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

(i) rents for common elements, if any, as and when collected;

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

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

(iv) cost of fuel;

(v) charges for electricity and gas for the Common Elements;

(vi) payments under service and maintenance contracts and concession agreements;

(vii) water charges and sewer rents on the basis of the fiscal or calendar year for which assessed (unless separately assessed to individual Units);

(viii) cost of supplies on hand at Sponsor's cost; and

(ix) premiums for transferable insurance policies.

If the result of the closing adjustments is a net credit in favor of the Condominium, the amount of Sponsor's contribution to the Working Capital Fund will be increased by the amount of such net credit. If, however, the result of the closing adjustments is a net credit in favor of Sponsor, the amount of Sponsor's contribution to the Working Capital Fund will be decreased by the amount of such net credit. If such net credit exceeds the amount of the Working Capital Fund, Sponsor's contribution to the Working Capital Fund will be reduced to $0, and the amount of such net credit in excess of the gross amount of the Working Capital Fund will be paid to Sponsor by the Condominium Board, without interest, in twelve equal consecutive

monthly installments pursuant to the terms of twelve negotiable serial promissory notes to be executed by the Condominium Board at the First Closing. The first of these serial promissory notes will mature one month after the date upon which the First Closing takes place, and the balance will mature successively monthly thereafter. Each serial promissory note will contain a provision allowing Sponsor to accelerate the note's maturity date in the event of a default under any other serial promissory note. The Condominium Board will be entitled to prepay each serial promissory note in full only, at any time and without penalty.

MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

Management Agreement

It is presently contemplated that, prior to the First Closing, the Condominium Board will enter into a Management Agreement with Sierra Realty Corp. for an initial term of two (2) years. Either party may cancel the Management Agreement prior to the expiration of its term for cause. Sierra Realty Corp. is an affiliate of the Sponsor.

The Managing Agent will receive a stated annual fee of $16,500.00 for each of the first two (2) years, payable in equal monthly installments. However, the Managing Agent will be entitled to additional fees for certain special services performed by it. All such fees will be paid by the Condominium Board and will be charged to all Unit Owners as a Common Expense.

All Units occupied by non-purchasing tenants will be managed by the same managing agent who manages all other Units in the Condominium, and the owner of Unsold Units occupied by non-purchasing tenants shall be deemed to have irrevocably appointed the Managing Agent to do so. The Managing Agent will provide to non-purchasing tenants all services and facilities required by law on a non-discriminatory basis. The Management Agreement to be executed by the Condominium Board will provide that the fee payable thereunder for management costs in respect of such Units, including but not limited to collection of rent and payment of Common Charges, shall not exceed $500.00 per apartment per year. This fee includes the cost of providing all such management services and facilities. The Condominium Board will provide all services required by law to the non-purchasing tenant on behalf of the owner of Unsold Units. Any services provided to such tenant over and above what a Unit Owner is entitled to receive from the Condominium Board and approved by the owner of the Unsold Unit, which approval shall not be unreasonably withheld, will be billed by the Managing Agent at the actual cost of providing such services to the owner of the Unsold Unit. So long as there are any Unsold Units which are occupied by non-purchasing tenants (as defined by the General Business Law) every subsequent management agreement must contain a similar provision. If the Condominium Board elects not to employ a managing agent, no separate charge may be made by the Condominium Board for managing Units occupied by non-purchasing tenants. Sponsor will guarantee the obligation of the Managing Agent to provide all such services and facilities unless a majority of the Condominium Board is composed of persons other than Sponsor or individuals designated by Sponsor.

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

(1) billing and collecting Common Charges;

(2) causing the Common Elements to be maintained, repaired and altered in the manner deemed advisable by the Condominium Board, except that the approval of the Condominium Board is necessary for any expenditure of over $5,000.00 for any one item of ordinary repairs or alterations (other than emergency repairs);

(3) contracting for necessary services for the Common Elements (such as utility, exterminator and fuel oil services), but no contract shall be for a term longer than two (2) years or shall require annual payments in excess of $5,000.00 unless authorized by the Condominium Board;

(4) purchasing all supplies necessary properly to maintain and operate the Common Elements;

(5) checking all bills received in connection with the operation of the Common Elements 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) rendering monthly statements of receipts and disbursements to the Condominium Board;

(8) maintaining payroll records and filing withholding tax statements for employees;

(9) maintaining accurate sets of books for the Condominium (other than books of account to be maintained by the Condominium's accountants) and orderly files of rent records, insurance policies, leases, receipted bills, and the like;

(10) preparing and submitting to the Condominium Board, on an annual basis, operating budgets setting forth the anticipated income and expenses for the ensuing year; and

(11) sending notices, preparing agendas and attending meetings of the Condominium Board and Unit Owners.

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

The Managing Agent's contract is not assignable without the consent of the Condominium Board.

All members of the Condominium Board, officers and employees of the Condominium and employees of the Managing Agent except its two principals (during the term of the management agreement) will be bonded at all times from and after the First Closing under fidelity bonds in favor of the Condominium in the amount of $100,000.00 for each loss. The cost of the bonds will be borne by the Condominium Board and charged to the Unit Owners as a Common Expense, and has been provided for in the estimate of Common Charges contained in the First Year's Budget.

Other Agreements

Sponsor has reserved the right, prior to the First Closing, to modify, renew or replace the existing agreements or to enter into new agreements that will be binding on the Condominium Board provided Sponsor may not enter into any binding service, maintenance or concession agreement for longer than two (2) years, unless same contains a provision permitting the Condominium Board to cancel the agreement from and after the second anniversary of the First Closing, upon giving not less than ninety days prior written notice.

IDENTITY OF PARTIES

4401 Sunset Park LLC is the Sponsor under the Plan. Sponsor is a New York limited liability company formed on November 29, 2006. The principal of Sponsor is Six Sons LLC, a New York limited liability company of which James R. Wacht, Paul J. Klausner and Peter Braus are the principals. All have been active in the real estate business and none have previously participated in condominium/cooperative offerings. Paul J. Klausner has developed residential properties in New York and other states, ranging from a single family private townhouse on the Upper East Side of Manhattan to several newly constructed nursing and assisted living facilities on behalf of a public company. Jame Wacht and Peter Braus, as officers of Sierra Realty have owned or managed over 45 residential and commercial buildings since 2001, and 2004 respectively.

Goldstick, Weinberger, Feldman & Grossman, P.C., 7 Penn Plaza, Suite 1602, New York, New York 10001, represents the Sponsor in connection with this transaction and has prepared the Plan and are the closing attorneys. Bonnie Covey, Esq. prepared the Plan. The interests of Sponsor and the Condominium Board are not identical and they may, at times, conflict. In view of the foregoing, and because of the conflicting and diverse interests of the Condominium Board and Sponsor, it is recommended that each Purchaser consult with his own attorney prior to executing a Purchase Agreement.

Sierra Realty Corp., having an office at 12 East 46th Street, New York, New York, is the Managing Agent of the property. Sierra's principals are James R. Wacht and Peter Braus. Sierra has been managing real estate for more than 50 years. Comparable buildings currently managed by the Managing Agent are located at 1125 Lexington Avenue, New York, New York; 971 First Avenue, New York, New York; and 223 East 58th Street, New York, New York.

Sponsor has retained Howard L. Zimmerman, A.I.A, having an address at Howard L. Zimmerman, Architects, P.C., 11 West 30th Street, New York, New York 10001, to prepare the description of the property and building conditions. Howard L. Zimmerman Architects, P.C., have examined the physical condition of numerous premises and have rendered individual reports thereof.

The Selling Agent is Halstead Property Development, Corp. 831 Broadway, New York, New York 10003. Halstead is an independent realtor with extensive experience in the sales and marketing of condominiums in the New York metropolitan area.

Diversified Valuation Group drafted Schedules A and B. Eugene and Gloria Hegy are the principals and have no relationship to the Sponsor.

SPONSOR'S PROFIT

The Sponsor acquired the property known as 702 44th Street (a/k/a 4401 Seventh Avenue), Brooklyn, New York 11220 on December 19, 2006 from KMT Realty Corp. The Purchase price was $6,080,000.00

The acquisition costs totaled approximately $357,000 and capital expenditures will total approximately $3,000,000. The costs of conversion including professional fees, brokers' commissions, marketing, filing fees and related expenses total approximately$1,329,000 and the financing costs are approximately $586,000, for a grand total of approximately $11,350,000, including the purchase price. Sponsor expects to sell Units at full market value. Occupied Units which have not been sold to Tenant Purchasers, will be sold from time to time as they become vacant. However, assuming that all of the Residential Units are sold at the purchase price offered to Tenant Purchasers and given Sponsor's estimated costs the Sponsor's profit from sale of the Residential Units would be approximately $8,407,000.00.

The exact profit to be realized by the Sponsor upon the sale of the Units cannot now be exactly determined and may increase or decrease depending upon such variable factors as future market conditions, losses which may be sustained by reason of Sponsor's responsibility assumed or incurred under this Plan, changes in prices as set forth under the caption "CHANGES IN PRICES AND UNITS", and the length of time required to sell all of the Units offered under this Plan.

No representation can be made that all of the Units will be sold at closing or the terms or price at which they may be sold. The purchase price of the Units may be more or less than the amount set forth in Schedule A. The profit to be made by Sponsor in connection with this transaction will vary accordingly, and no representation can be made as to the exact amount of the profit, if any, to be realized by Sponsor.

REPORTS TO UNIT OWNERS

Each Unit Owner will be entitled to receive, annually, from the Condominium Board copies of the following:

(1) A financial statement of the Condominium prepared by a certified public accountant within four (4) months of the end of each fiscal year of the Condominium. Such statement shall be certified while Sponsor is in control of the Condominium Board.

(2) Prior notice of each annual meeting of Unit Owners.

(3) A copy of the proposed annual budget of the Condominium ten (10) days prior to the date set for implementation of the budget by the Condominium Board.

DOCUMENTS ON FILE

In accordance with Section 352-e (9) of the GBL, copies of this Offering Plan and all documents referred to herein and all exhibits submitted to the Department of Law in connection with the filing of this Plan shall be available for inspection and copying by prospective purchasers and by any person who shall have purchased securities offered by this Plan or shall have participated in the offering of such securities at the office of Goldstick, Weinberger, Feldman & Grossman, P.C., 7 Penn Plaza, Suite 1602, New York, New York 10001, and shall remain available for such inspection without charge and copying at a reasonable charge for a period of six (6) years after the First Closing.

The Sponsor shall deliver to the Condominium Board a copy of all documents filed with the appropriate recording office at the time of the First Closing.

GENERAL

The Plan does not knowingly omit any material fact or contain any untrue statement of any material fact.

There are no outstanding judgments nor are there any lawsuits, administrative proceedings or other proceedings now pending, the outcome of which may materially affect this Offering, the property rights of existing tenants, Sponsor's capacity to perform all of its obligations under the Plan, the Condominium or the operation of the Condominium.

In accordance with the law of the State and City of New York, the Sponsor represents that the Sponsor, and the Selling Agent will not discriminate against any person because of his sex, race, creed, color, national origin or ancestry or any other reason prohibited by applicable civil rights laws in the sale or lease of any Unit.

As of the date of presentation of this Plan, neither Sponsor nor the Selling Agent nor any of their representatives or agents has raised funds or made any preliminary offering to or binding agreement with tenants, subtenants, or non-resident prospective purchasers with respect to the purchase of Units. No contracts or agreements, written or oral, have been entered into for the sale or transfer of any Units offered in the Plan nor have and deposits or advance of funds been taken by or on behalf of the Sponsor in connection with the reservation, sale or transfer of such Units prior to submission of the Plan to the Department of Law. Further, to Sponsor's knowledge, the Property has not been the subject of any prior cooperative or condominium offerings.

Sponsor reserves the right, from time to time prior to the First Closing, without obtaining the consent of Purchasers or others, to revise the terms and conditions on which the Units offered hereby are to be sold, including changes affecting the rights, obligations and liabilities of Purchasers and Sponsor. All substantive or material revisions will be contained in a duly filed amendment to this Plan. If a material revision adversely affects the rights, obligations or liabilities of then existing Purchasers, Purchasers will be given the right to rescind their Purchase Agreements within fifteen (15) days of the presentation date of the amendment and to receive a refund of their Downpayment (with interest, if any, earned thereon) within thirty (30) days after the presentation of the amendment. However, such rescission, as to Purchasers who first became tenants of the Building after the Plan was presented, shall be conditioned on the cancellation of any Interim Lease and surrender of possession of their Units. If the Plan is substantially amended prior to the First Closing, the time periods set forth above shall be extended, if applicable, from the date on which the amendment is presented to the Existing Tenants ("Amendment Presentation Date"), as follows:

If the Amendment Presentation Date occurs during the ninety (90) day Exclusive Purchase Period, such Exclusive Purchase Period shall terminate not less than thirty (30) days after the Amendment Presentation Date: and

If the Amendment Presentation Date occurs at any time after the ninety (90) day Exclusive Purchase Period has expired but prior to the First Closing, then for thirty (30) days after such Amendment Presentation Date, an Existing Tenant shall have the exclusive right to purchase on the amended terms.

No person has been authorized to make any representation which is not expressly contained herein. This Plan may not be changed or modified orally, and no notice need be given prior to the filing of an amendment to this Plan.

SPONSOR'S STATEMENT OF BUILDING CONDITION

General

Sponsor consulted with Howard L. Zimmerman, Architects and commissioned a report from them. The report is set forth on the following pages, which report Sponsor adopts in full.

Sponsor represents that Sponsor does not know of any material defects or need for major repairs to the Property except as set forth in the report.

The Common Elements are offered in "as is" condition as of the Filing Date, subject to (a) Sponsor's obligation to maintain the Property until the closing in substantially the same condition and manner as on the date of presentation and (b) reasonable wear and tear. Each Unit is offered in "as is" condition as of the date of the Purchase Agreement, subject to (a) Sponsor's obligation to maintain the Unit until the closing in substantially the same condition as on the date of execution of the Purchase Agreement and (b) reasonable wear and tear.

Sponsor will maintain the Common Elements in accordance with the requirements of law. Sponsor will eliminate all dangerous or hazardous conditions of which Sponsor has reasonable advance notice, and will comply with all work orders from insurers of which it receives notice prior to the First Closing.

Lead-Based Paint Disclosure

As of the date the Plan was first submitted to the Department of Law, Sponsor has no knowledge, records or reports of the presence of lead-based paint and/or lead-based paint hazards at the Property. Any knowledge, records or reports of the presence of lead-based paint and/or lead- based paint hazards that hereafter become known or available to Sponsor will be disclosed to each prospective Purchaser under the Plan as and to the extent required by the Regulations, but need not be disclosed in an amendment to this Plan.

Prospective Purchasers contemplating alterations which penetrate or disturb the painted surfaces of their Units should consult with a qualified consultant or contractor for the recommended protocol to perform the alteration and avoid potential lead dust contamination.

ASBESTOS DISCLOSURE

Sponsor has performed such tests as are necessary to determine whether Asbestos Containing Material (ACM) is present in insulating or fireproofing material anywhere in the building and whether there is lead-based paint anywhere in the Building. A copy of the Asbestos Report is set forth in Part II of the Plan.

Sponsor is under no obligation to carry out any recommendations contained in the Asbestos Report.

PART II

PURCHASE AGREEMENT

Date: _____, 20____

Purchaser: _____
Unit No. _____ (the "Unit") Common Interest _____%.
Purchase Price $_____
Down Payment (10% herewith) $_____
Balance Due $_____ ("Balance"). Present tenant: ( ) YES ( ) NO
Present Mailing Address: _____
Telephone (home) _____ (business) _____

1. Plan

Purchaser acknowledges having received and read Condominium Offering Plan for THE ONE SUNSET PARK CONDOMINIUM (the "Plan") at least three full business days prior to Purchaser signing this Purchase Agreement. The Plan, as amended from time to time, is hereby incorporated in this Purchase Agreement with the same force and effect as if set forth at length (subject only to Purchaser's right to rescind, if any, pursuant to law). In the event of any inconsistency or conflict between the provisions of this Purchase Agreement and those contained in the Plan, the provisions of the Plan shall govern and be binding. All terms used herein shall have the same meaning as in the Plan.

2. Agreement to Purchase and Sell

Purchaser agrees to purchase from Sponsor, and Sponsor agrees to sell to Purchaser, the Unit together with its _____% undivided interest in the Common Elements ("Common Interest"), on, and subject to, the terms and conditions set forth herein.

3. Purchase Price

(1) The purchase price for the Unit (exclusive of closing adjustments and costs) shall be paid to Sponsor, as follows:

(a) The Down Payment is due when Purchaser signs and submits this Purchase Agreement, and is to be paid by Purchaser's personal check, receipt of which (subject to collection) is hereby acknowledged by Sponsor; and

(b) The Balance is due at the closing and must be paid by Purchaser's unendorsed personal certified check or unendorsed official cashier's check, in either event drawn on a bank that is a member of the New York Clearing House Association.

All checks must be unendorsed and made payable to the direct order of "GWF&G Special Account".

(2) 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 Purchase 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.

4. Purchase Monies to be Held in Trust

Sponsor will hold in trust all monies due to Sponsor and receive by it directly or through its agents, employees, or Escrow Agent (as defined above) until the Unit is transferred to Purchaser or this Agreement is canceled in accordance with its terms. All monies due to Sponsor and received hereunder will be deposited with Signature Bank, 300 Park Avenue, New York, New York, in an interest-bearing escrow account entitled "Goldstick, Weinberger, Feldman & Grossman, P.C. Attorney Escrow Account". The funds so deposited will be disbursed only in accordance with the provisions of this Agreement, the Plan and the Escrow Agreement between Sponsor and the Escrow Agent set forth in Part II of the Plan. The signature of a partner of the law firm of Goldstick, Weinberger, Feldman & Grossman, P.C., will be required before any funds held in trust may be released.

Within ten (10) business days after tender of the Downpayment, and provided the Purchaser's social security number has been provided to the Escrow Agent, the Escrow Agent will notify the Purchaser or his/her attorney of the account into which it has been deposited. If Purchaser or his/her attorney does not receive such notice within fifteen (15) business days after tender of the Downpayment with Purchaser's social security number, Purchaser may, at his election, forward a notice of cancellation and cancel this Purchase Agreement provided such notice is received by Sponsor or its attorney within twenty (20) days after tender of the Downpayment.

In the event the Plan is abandoned or withdrawn, such monies held in trust, will be returned to Purchaser except as otherwise provided in the next sentence. If the Plan is abandoned or withdrawn after being declared effective, and the Purchaser shall be in default hereunder and shall have failed to cure such default within the applicable grace period or if this Agreement had been previously canceled due to Purchaser's uncured default, then Sponsor shall retain as and for liquidated damages the Downpayment, together will any interest earned thereon, plus any additional sums paid to or incurred by Sponsor on account of any special work, upgrades or extras in the Unit ordered by Purchaser.

Upon the payment and performance by Purchaser of all of Purchaser's obligations hereunder and the transfer to Purchaser of title to the Unit, the Escrow Agent shall pay to Sponsor all monies deposited with the Escrow Agent, pursuant to this Agreement. All funds due to Sponsor and received under this Purchase Agreement will be handled in accordance with Sections 352-(e)(2)(b) and 352-h of the New York General Business Law and with Section 71-a(3) of the Lien Law.

5. Release of Funds

Absent a closing hereunder, 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 the intended release not fewer than five (5) 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. In no case shall Sponsor apply for release of escrowed funds of a defaulting Purchaser until after consummation or abandonment of the Plan.

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.

Purchaser or the Escrow Agent may apply to the Attorney General in the event of a dispute for a determination on 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 included 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, Purchaser and the Escrow Agent shall abide by any interim directive issued by the Attorney General.

Sponsor and Purchaser hereby jointly direct the Escrow Agent as follows:

(1) 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

(2) 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 shall be refunded in full.

In the event of an uncured default by Purchaser in his or her obligation, and unless otherwise directed, no more than (10%) of the Purchase Price may be retained as liquidated damages. Notwithstanding the above, the actual costs incurred by Sponsor for any special work in the Unit ordered, in writing, by Purchaser may also be retained as liquidated damages even though the sum total may then exceed 10% of the Purchase Price. No Downpayments for other monies shall be released pursuant to an uncured default by Purchaser prior to the first Unit Closing and/or the consummation of the Plan.

6. Closing Contingent on Plan Being Declared Effective

The respective obligations of Purchaser and Sponsor hereunder are contingent upon the Plan being declared effective.

7. Closing Date and Place

The closing of title shall occur on the date and at the time and place in the City and State of New York as Sponsor shall designate to Purchaser on not less than thirty (30) days prior written notice. Sponsor shall have the right, from time to time, to adjourn such date and time for closing on written notice to Purchaser. If adjourned, Sponsor shall fix a new date and time for title closing and shall give Purchaser not less than five (5) business days' prior written notice of the new scheduled date and time for closing.

8. The Deed

At closing, Sponsor shall deliver to Purchaser a Bargain and Sale Deed with covenants against grantor's acts transferring to Purchaser full ownership (fee simple title) to the Unit. The deed shall be substantially in the form reproduced in Part II of the Plan and shall be executed and acknowledged by Sponsor in form for recording. Such executed deed shall be delivered immediately to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to Purchaser's attorney) for recording. After being recorded, the deed shall be returned to Purchaser.

9. State of Title

Except as otherwise set forth in Paragraph 10, fee title to the Unit shall be transferred to Purchaser at closing subject only to the liens, encumbrances and title conditions ("Permitted Encumbrances") enumerated in Exhibit A to this Agreement. However, any other lien, encumbrance, or

condition shall not be an objection to title if: (i) the instrument required to remove it from the record is delivered to said representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for recording in the proper office, together with the requisite recording or filing fees; or (ii) Purchaser's title insurance company will insure Purchaser against its collection or enforcement out of the Unit.

10. Title Company Approval

Subject to the terms of Paragraphs 8 and 10, Sponsor shall give, and Purchaser shall accept, such title as any title insurance company that is a member of the New York Board of Title Underwriters will approve and insure, provided that the only liens, encumbrances and conditions affecting title shall be the Permitted Encumbrances enumerated in Exhibit A to this Purchase Agreement.

11. Sponsor's inability To Convey Title

In the event that Sponsor is unable to deliver to Purchaser title to the Unit in accordance with the provisions of this Agreement, Sponsor will not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of the limits set forth in the Plan to render title insurable, and in such case, if Sponsor notifies Purchaser of its refusal to remedy the defect in title and if Purchaser is not in default hereunder, Purchaser shall have the option to (i) take title subject to such title defect (without any abatement in, or credit against the Purchase Price, or claim or right of action against Sponsor for damages or otherwise) or (ii) terminate this Purchase Agreement . If Purchaser elects to terminate, Sponsor shall cause to be returned to Purchaser, within thirty (30) days after receipt of Purchaser's termination notice, all monies deposited hereunder, with the interest (if any) earned thereon. Upon making such refund, this Purchase Agreement shall be null and void and neither party shall have any further rights, obligations, or liabilities with respect to the other hereunder or under the Plan. The foregoing option must be exercised by Purchaser in writing sent to Sponsor within ten (10) days after the giving of Sponsor's notice of refusal to remedy the title defect, failing which it shall be conclusively deemed that Purchaser elected the first option above to acquire title subject to the title defect.

12. Closing Adjustments

(1) At closing, Sponsor and Purchaser shall apportion, as of midnight of the day preceding the closing:

(a) real estate taxes (including a prepaid real estate taxes) and assessments, if any, on the basis of the fiscal or calendar year for which assessed, including water charges and sewer rents (if separately assessed) and any escrows for real estate taxes;

(b) Senior Citizen Rent Increase Exemptions (if any);

(c) Common Charges for the month in which title closes; and

(d) rent and other charges, if any, pursuant to a lease for, or tenancy of, the Unit.

The "Customs in Respect of Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned, except as otherwise provided herein.

(2) Purchaser shall reimburse Sponsor for the sum contributed by Sponsor to the Working Capital Fund with respect to the Unit being purchased as described in the section of the

Plan entitled "Reserve Fund and Working Capital Fund."

(3) In the event the Unit has not been separately assessed for the then current fiscal tax year at the time of title closing, the apportionment of real estate taxes shall be based on the Unit's pro rata share (in proportion to its Common Interest) of the then current real estate taxes assessed against the Property. If the Unit has been separately assessed but the closing occurs before the tax rate is fixed, then the apportionment of real estate taxes shall be based upon the latest tax rate applied to the most recent assessed valuation.

(4) Any errors or omissions in computing apportionments at closing shall be corrected and payment made to the proper party promptly after discovery. This provision shall survive the closing.

(5) Installments for tax assessments due after the delivery of the deed, if any, shall be paid by the Purchaser and shall not be considered a defect in title.

13. Purchaser's Closing Costs

At closing, Purchaser will pay certain costs in connection with the purchase of the Unit, in addition to the legal fees of Purchaser's counsel (if any) and the amount of any net credit in favor of Sponsor that may result from the closing apportionments described in the preceding Paragraph. Such closing costs will include the following (the amounts in items (i), (ii), (iii) and (vi) are based on rates in effect on the date of the Plan and are subject to change without prior notice):

(1) If such Purchaser elects to obtain fee title insurance, he will pay a premium therefor which will vary depending upon the amount of insurance requested. The premium for fee title insurance, if ordered from American Land Services, will be in accordance with the schedule of rates set by the New York Board of Underwriters and filed with the New York State Insurance Department. At present the rates are $356.00 for the first $35,000.00 of fee insurance plus $7.92 for each $1,000.00 of additional fee insurance up to $50,000.00 and $4.94 for each $1,000.00 of additional fee additional fee insurance over $50,000.00 and up to $100,000.00 and $3.98 of additional fee insurance over $100,000.00 to $500,000.00. Each Purchaser is free to obtain title insurance from a title insurance company other than American Land Services However, in such event, Purchaser must reimburse Sponsor a sum equal to $1,000.00 for review and clearing title and Sponsor makes no representation or warranty as to the cost, terms, or availability of such other title insurance. The telephone number of American Land Services is (212) 239-1000, Attn: Mark Israel;

(2) Purchaser will pay a fee for recording the deed and the Unit Owner's Power of Attorney of $50.00 for each instrument plus $1.00 per page, together with a service charge to the title company for such recording of approximately $1.00 per instrument.

(3) If Purchaser obtains a mortgage loan from any lender (including the Sponsor), Purchaser will pay:

(a) a fee and service charge for recording the mortgage at the same rates given above for recording the deed,

(b) a mortgage recording tax in the amount provided for by law (at the date of this Plan, the tax is 2.05% of the face amount of the mortgage if the

mortgage is for less than $500,000 of which ¼% will be paid by the lender in the case of institutional lenders; and

(c) (to Sponsor) a sum equal to the partial mortgage tax credit to which Purchaser is entitled under Section 339-ee(2) of the New York Condominium Act.

(d) all other costs and expenses in connection with such loan in amounts determined by the lender.

(4) A closing fee of $1,500.00 to Sponsor's Closing Counsel.

(5) If Purchaser does not close on the date designated for the transfer of title to the first Unit, or if Purchaser assigns the Purchase Agreement (which assignment cannot be made without the Sponsor's consent) the Purchaser shall pay to Sponsor's counsel an additional closing fee of $500.00 for each of these events. If Sponsor offers financing and same is accepted by Purchaser, or if the closing takes place out of the office of the Sponsor's attorney, then in each of these events additional closing costs of $500.00 for each such event will be incurred by the Purchaser.

(6) New York City Real Property Transfer Tax (currently 1% of the purchase price for Units under $500,000.00 and 1.425% for units over $500,000.00) and New York State deed documentary stamps ($2.00 per $500.00, or fractional portion thereof, of the consideration paid or required to be paid).

The above closing costs are cumulative to the extent applicable to any individual closing.

14. Rent Security Deposit

If Purchaser is or hereafter becomes a tenant of the Unit, Purchaser's unapplied rent security deposit, if any, will be refunded to Purchaser, together with any interest earned thereon, within thirty (30) days following the closing, provided Purchaser is not in default under Purchaser's lease or tenancy obligations. If the Unit is occupied by other than Purchaser, then the unapplied security deposit (if any) of the tenant or occupant will be transferred at closing to Purchaser, who will upon receipt sign and deliver to Sponsor an agreement acknowledging the amount received, indemnifying Sponsor from all liability in connection therewith and agreeing (with respect to Purchasers of Units only) to hold such security deposit in trust and to deposit same in an interest bearing bank account pursuant to the provisions of Section 7-103 of the New York General Obligations Law (such agreement to be in form and substance satisfactory to Sponsor). In either event, Sponsor will have the right to deduct from any tenant's security deposit the amount of any rent arrears owing to Sponsor and to commence an action against the tenant to recover additional sums to the extent such rent security is insufficient.

15. Power of Attorney to Condominium Board and Sponsor

At closing, Purchaser shall execute, acknowledge and deliver to the representative of the title insurance company insuring Purchaser's title to the Unit (or, if no representative is present, then to Sponsor's attorney) for recording a power of attorney substantially in the form set forth in Part II. After being recorded, the power of attorney shall be sent to the Condominium Board.

16. Transfer Tax Return

At closing, Sponsor and Purchaser shall each duly complete and sign before a notary public the transfer tax returns required to be filed with The City of New York and the State of New York. The transfer tax returns 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.

17. Default

Upon the occurrence of an Event of Default, as defined in the Plan, Sponsor's sole right shall be to cancel this Purchase Agreement by sending Purchaser thirty (30) days prior written notice of its intention so to do. If Sponsor elects to cancel, Purchaser shall have thirty (30) days from the giving of the cancellation notice within which Purchaser must cure the specific default. Time is of the essence to remedy such default within said thirty (30) day period. If the default is not timely cured, then Sponsor shall have the right to retain, as and for liquidated damages, the Down Payment plus the cost of any special work in the Unit ordered by Purchaser, together with any interest earned thereon (hereinafter called the "Liquidated Sum"), and any sums in excess thereof (together with any interest earned thereon) shall be returned to Purchaser promptly thereafter. Upon cancellation of this Purchase Agreement and making such refund (if any) to Purchaser, Sponsor and Selling Agent will be released and discharged of all further liability and obligations hereunder and under the Plan. Thereafter, the Unit may be sold to another as though this Purchase Agreement had never been made, and without accounting to Purchaser for the proceeds of such sale.

18. Appliances and Equipment

(1) At closing, the Unit will contain only those appliances, countertops, cabinets, sinks, vanities, hardware and other fixtures and equipment currently installed therein that are owned by Sponsor.

(2) The Unit is being sold unfurnished. Any appliances, furnishings, fixtures, equipment and other personal property owned by any tenant of the Unit are not included in this sale. In addition, furniture, wall coverings, furnishings, decorations and the like in or about any model apartment are for display purposes only and are not included in the sale. Any floor plans or sketches shown to Purchaser are only approximations of the Unit's dimensions and arrangement, and Purchaser should not rely thereon.

(3) There will be no modifications or extras unless agreed to in writing by the parties. All modifications, alterations and additions to the Unit must be approved by Sponsor in writing and, if approved, shall be performed by Sponsor at Purchaser's expense (payable in the manner to be set forth in an addendum to this Purchase Agreement or in a separate agreement).

19. Acceptance of the Condition of the Building and the Unit

(1) The Unit is sold "as is" on the date of this Purchase Agreement subject to reasonable wear and tear and to the Sponsor's obligations under the Plan and law to maintain the Unit.

(2) Purchaser shall be given a reasonable opportunity to examine the Unit prior to closing.

20. Possession; Risk of Loss

(1) Unless Purchaser now occupies the Unit, Purchaser shall not be entitled to possession of the Unit until the deed is delivered to Purchaser at closing unless Purchaser executes an interim lease.

(2) If Purchaser is not a tenant on the filing date of the Plan and is given possession of the Unit prior to closing under an interim lease or otherwise, then Purchaser shall be solely responsible for any damage to, or loss or other condition in the Unit resulting from Purchaser's use or occupancy, and Sponsor shall not be obligated to make any repairs to the Unit. However, until closing, Sponsor will remain responsible to make those repairs required of it as landlord under any existing or interim lease and, after closing, the Condominium Board will be responsible to make those repairs required of it under the Condominium Documents.

(3) If Purchaser is not a tenant on the filing date of the Plan, but becomes an interim lessee, then if during Purchaser's occupancy, the Unit is damaged by casualty or otherwise, Purchaser shall assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside the Unit and did not result from the acts of Purchaser, of other occupants of the Unit, or of Purchaser's guests, invitees, or workmen. If Purchaser is obligated to repair the damage, then Purchaser's failure to make such repair shall not excuse Purchaser from paying the Balance and accepting delivery of the deed.

(4) Except as provided in the preceding subparagraph C, all other risk of loss prior to closing has been assumed by Sponsor, but without any obligation or liability of Sponsor to repair the damage or restore the Unit. If Sponsor or (in the event the Declaration is filed) the Unit Owners elect to repair or replace the loss or damage, this Purchase Agreement shall continue in full force and effect. Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the Purchase Price, and Sponsor shall be entitled to a reasonable period of time to complete or to permit the Condominium Board to complete, such repairs or replacements. Purchaser shall not be required to pay the Balance unless and until the Unit has been substantially repaired as near as is reasonably possible to its condition immediately prior to the casualty and its essential services (such as gas, electricity, and heat) and a reasonable means of ingress and egress to the street have been restored. Any proceeds received from insurance, or in satisfaction of any claim or action in connection with such loss, shall belong entirely to Sponsor (subject to the rights, if any, of the Condominium Board or of other Unit Owners). If such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt turn them over to Sponsor. The provisions of the two preceding sentences shall survive the closing.

(5) In the event that Sponsor notifies Purchaser that it does not elect to repair or restore the Unit if the Unit Owners do not resolve to make such repairs or restoration pursuant to the Condominium's By-Laws, this Purchase Agreement shall be deemed canceled and of no further force or effect, and Sponsor shall cause to be returned to Purchaser all sums deposited hereunder, together with interest, if any, earned thereon, whereupon the parties shall be released and discharged from all obligations and liability hereunder and under the Plan, except that, if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor shall retain the Liquidated Sum pursuant to Paragraph 16.

21. Sale Subject to Existing Tenancy

The following provisions are applicable only if, at the time of signing this Purchase Agreement, the Unit is occupied by, or under lease to, one other than Purchaser:

(1) Purchaser is purchasing the Unit subject to the rights of the existing tenants or occupants:

(i) Purchaser of a Unit of which he is not in possession will obtain title to the Unit subject to the lease for the Unit then in effect (and any renewal of the terms thereof effected after the date of presentation of this Plan but prior to the date on which the executed Purchase Agreement is delivered to Sponsor), any existing occupancy of the Unit, the right of any existing tenant (who has not purchased the Unit) to remain in possession of the Unit in accordance with the rent laws, including his right to a renewal lease, all other rights of any existing tenant under the rent laws, and restrictions upon eviction of eligible senior citizens and handicapped persons. (See the section of the Plan entitled "Rights of Eligible Senior Citizens and Eligible Disabled Persons"), and

(ii) Purchaser acknowledges that no representation or statement has been made (and if made, Purchaser knows same are unauthorized and has not relied thereon) as to the length of time that may elapse before Purchaser gains possession of the Unit or that Purchaser, in fact, will obtain possession of the Unit.

(2) If after signing this Purchase Agreement the existing tenant or occupant timely exercises such tenant's exclusive right to purchase the Unit during the period granted under the

Plan or at such later date as may be permitted under applicable law (or an administrative or judicial interpretation thereof), then this Purchase Agreement shall be deemed canceled and, within thirty (30) days thereafter, all monies deposited hereunder shall be returned to Purchaser, with interest earned thereon, if any. Upon such refund being made, Purchaser, Sponsor, Selling Agent and all other persons involved in the Plan shall be released and discharged of all liabilities and obligations hereunder and under the Plan.

(3) Purchaser shall, at closing, deposit with the Managing Agent the sum required of Purchasers of occupied Units as set forth in the Plan in the section entitled "Obligations of Owners of Dwelling Units Occupied By Non-Purchasing Tenants.

22. No Representation

Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or others, 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 or the estimated Common Charges and estimated real estate taxes for the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any other data, except as may be specifically represented herein or in the Plan; Purchaser having relied on Purchaser's own examination thereof. 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 Purchase Agreement. Purchaser agrees (1) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans, is accurate or correct, provided the layouts and dimensions conform substantially to such Floor Plans and (2) that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any minor inaccuracy or error. The provisions of this Paragraph 22 shall survive the closing of title.

23. Notices

All notices, elections, consents, demands and communications (collectively called "notices" or individually called "notice"), other than notices and documents (including amendments to the Plan) required to be served on Purchasers pursuant to the provisions of the Regulation of the Department of Law, shall be delivered personally or given in writing by registered or certified mail, return receipt requested, postage prepaid and, if sent to Purchaser, addressed to Purchaser at Purchaser's address given on the first page of this Agreement and, if sent to Sponsor, addressed to Sponsor in care of Sierra Realty Corp., 12 East 46th Street, 6th Floor, New York, New York 10017, with a copy to Sponsor's Closing Counsel: Goldstick, Weinberger, Feldman & Grossman, P.C., 7 Penn Plaza, 16th Floor, New York, New York 10001. Either party may, by written notice to the other, change the address to which notices are to be sent. Unless otherwise provided herein, all notices shall be deemed given when personal delivery is effected or when deposited in any branch, station or depository maintained by the U.S. Postal Service in the City and State of New York, except that a notice of a change of address shall be deemed given when actually received.

24. No Lien, Agreement Subject to Mortgage

(1) No lien or encumbrance shall arise against the Property or the Unit as a result of this Purchase Agreement or any monies deposited hereunder. This Purchase Agreement shall not be recorded and any purposed recordation hereof by Purchaser shall constitute an

Event of Default.

(2) In furtherance, and not in limitation, of the provisions of the preceding subparagraph A, Purchaser agrees that the provisions of this Purchase Agreement are, and shall continue to be, subject and subordinate to the lien of any mortgages heretofore or hereafter made and any payments or expenses already made or incurred or which hereafter may be made or incurred pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent without the execution of any further legal documents by Purchaser. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date unless Purchaser assumes such mortgages. The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage is subordinated to the Declaration and the Unit is released from the lien of such mortgage at closing.

25. Entire Agreement

This Purchase Agreement, together with the Plan, as the Plan may be amended from time to time, constitutes the entire agreement between the parties as to the subject matter hereof and supersedes all prior understandings and agreements.

26. Joint Purchasers

The term "Purchaser" shall be read as "Purchasers" if there is more than one purchaser, in which case their obligations shall be joint and several.

27. Liability of Sponsor

(1) Sponsor shall not have any liability to Purchaser or others with respect to any of Sponsor's obligations under this Purchase Agreement, under the Plan, or otherwise in excess of the net proceeds paid to Sponsor from the sale of all Unsold Units after payment of, or reserve for, any liabilities, costs, or expenses of Sponsor arising out of the promulgation of the Plan, the offering of the Units for sale and the consummation of the transactions contemplated in the Plan unless otherwise required by law.

(2) Sponsor shall be excused from performing any obligation or undertaking provided for in this Purchase 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.

28. Further Assurances

Either party shall execute, acknowledge and deliver to the other party such instruments and take

such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Purchase Agreement or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

29. Severability

If any provision of this Purchase Agreement or the Plan is invalid or unenforceable as against any person or under certain circumstances, the remainder of this Purchase Agreement or the Plan and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Purchase Agreement or the Plan, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by law.

30. 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 Purchase Agreement or the relationship created hereby. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived.

31. Captions

The captions in this Purchase Agreement are for convenience and reference only and in no way define, limit or describe the scope of this Purchase Agreement or the intent of any provisions hereof.

32. Successors and Assigns

The provisions of this Purchase 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.

33. No Oral Changes

This agreement cannot be changed or any provision waived orally. ANY CHANGES OR ADDITIONAL PROVISIONS OR WAIVERS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES.

34. Acceptance of Purchase Agreement

If Purchaser is not an existing tenant of the Property, the submission of this Purchase Agreement to Sponsor does not constitute a binding obligation on either Purchaser or Sponsor. No such binding obligation shall arise until duplicates of this Purchase Agreement are executed by, and delivered to, both Purchaser and Sponsor (or Sponsor's duly authorized agent). If, within twenty (20) days after the Selling Agent receives this Purchase Agreement signed by Purchaser, a duplicate of this Agreement signed by Sponsor or its authorized agent is not sent or delivered to Purchaser, then it shall be deemed rejected and of no force or effect, and all monies paid by Purchaser shall be promptly refunded, without interest. Upon such refund being made, neither party shall have any further rights, obligations or liabilities hereunder with respect to the other. Sponsor has the right, without incurring any liability, to reject this Purchase Agreement without cause or explanation to Purchaser. This Purchase Agreement may not be rejected due to Purchaser's sex, race, creed, color, national origin, ancestry, or other ground prescribed by law.

IN WITNESS WHEREOF, the parties have executed this Purchase Agreement as of the date first above written.

Sponsor:

4401 Sunset Park LLC
By: Six Sons LLC

By: _____
Name:
Title:

Purchaser(s):

_____

_____

SCHEDULE A

PERMITTED EXCEPTIONS

State of facts shown on survey made by Island Wide Land Surveyors, dated October 11, 2006.

Any additional state of facts which an accurate survey would show since October 11, 2006 providing such additional facts do not render title unmarketable.

Zoning and building laws, ordinances, resolutions, restrictions and regulations of municipal authorities having jurisdiction and any amendments thereto, now or hereafter adopted, providing same will not be violated by the Building.

The Declaration, By-Laws, Maps and Floor Plans to be recorded and filed in the Kings County office of the Register of the City of New York, as the same may be amended from time to time and the terms, covenants and conditions of the Offering Plan and amendments thereto.

Power of Attorney from Purchaser to the Condominium Board.

Easement in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units or Common Elements on the Unit, existing as a result of construction of the Building, or which may come into existence as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building or any adjoining Unit or of the Common Elements made by or with the consent of the Condominium Board 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, made by or with the consent of the Condominium Board, so that any such encroachments may remain so long as the Building shall stand.

Any easement or right of use required by Sponsor or its designee to obtain temporary, permanent or amended certificate(s) of occupancy for the Building or any part thereof.

Encroachments of trim, copings, retaining walls, bay windows, balconies, sidewalk elevators, fences, fire escapes, cornices, foundations, footings, chutes, fuel oil lines, drainage and standpipes, and similar projections, if any, on over or under the Property or the streets, sidewalks or premises 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.

Leases and service, maintenance, employment, concessionaire and license agreements, if any, of other Units or portions of the Common Elements.

The lien of any unpaid Common Charges, real estate tax, water charge or sewer rent, provided the same are adjusted at the Closing of Title.

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

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

Franchise taxes, if any, provided the title company issuing a policy of title insurance to the Purchaser will insure that such taxes cannot be collected from the Unit.

Standard printed exceptions to the NYBTU or ATLA policies of title insurance.

Any Certificate of Occupancy for the Building, so long as the same permits, or does not prohibit, use of the Unit for its stated purposes.

Any lease or other occupancy agreement for the Unit made by Sponsor and Purchaser.

Any violations against the Property (other than the Unit) that are the obligation of the Condominium Board or another Unit Owner to correct.

Variations between tax map and premises described in Schedule A.

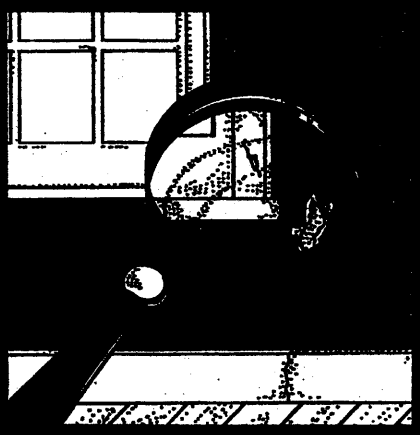
Emergency Repair Notices, if any, filed pursuant to Chapter 57, Section D-26-57.01 of the Administrative Code of the City of New York.

New York City Vault Charges, if any.

The Sidewalk Repair Notice(s) #HWS98K filed 06/22/99.

SCHEDULE B

PROTECT YOUR FAMILY FROM LEAD IN YOUR HOME



Protect Your Family From Lead In Your Home





EPA United States Environmental Protection Agency

United States Consumer Product Safety Commission

United States Department of Housing and Urban Development

Simple Steps To Protect Your Family From Lead Hazards

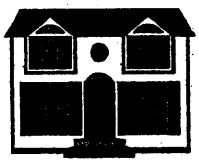
If you think your home has high levels of lead:

- Get your young children tested for lead, even if they seem healthy.
- Wash children's hands, bottles, pacifiers, and toys often.
- Make sure children eat healthy, low-fat foods.
- Get your home checked for lead hazards.
- Regularly clean floors, window sills, and other surfaces.
- Wipe soil off shoes before entering house.
- Talk to your landlord about fixing surfaces with peeling or chipping paint.
- Take precautions to avoid exposure to lead dust when remodeling or renovating (call 1-800-424-LEAD for guidelines).
- Don't use a belt-sander, propane torch, high temperature heat gun, scraper, or sandpaper on painted surfaces that may contain lead.
- Don't try to remove lead-based paint yourself.

Recycled/Recyclable
Printed with vegetable oil based inks on recycled paper
(minimum 50% postconsumer) process chlorine free.

Are You Planning To Buy, Rent, or Renovate a Home Built Before 1978?

Many houses and apartments built before 1978 have paint that contains high levels of lead (called lead-based paint). Lead from paint, chips, and dust can pose serious health hazards if not taken care of properly.



OWNERS, BUYERS, and RENTERS are encouraged to check for lead (see page 6) before renting, buying or renovating pre-1978 housing.

Federal law requires that individuals receive certain information before renting, buying, or renovating pre-1978 housing:



LANDLORDS have to disclose known information on lead-based paint and lead-based paint hazards before leases take effect. Leases must include a disclosure about lead-based paint.



SELLERS have to disclose known information on lead-based paint and lead-based paint hazards before selling a house. Sales contracts must include a disclosure about lead-based paint. Buyers have up to 10 days to check for lead.



RENOVATORS disturbing more than 2 square feet of painted surfaces have to give you this pamphlet before starting work.

IMPORTANT!

Lead From Paint, Dust, and Soil Can Be Dangerous If Not Managed Properly

FACT: Lead exposure can harm young children and babies even before they are born.

FACT: Even children who seem healthy can have high levels of lead in their bodies.

FACT: People can get lead in their bodies by breathing or swallowing lead dust, or by eating soil or paint chips containing lead.

FACT: People have many options for reducing lead hazards. In most cases, lead-based paint that is in good condition is not a hazard.

FACT: Removing lead-based paint improperly can increase the danger to your family.

If you think your home might have lead hazards, read this pamphlet to learn some simple steps to protect your family.

Lead Gets in the Body in Many Ways

Childhood lead poisoning remains a major environmental health problem in the U.S.

Even children who appear healthy can have dangerous levels of lead in their bodies.

People can get lead in their body if they:

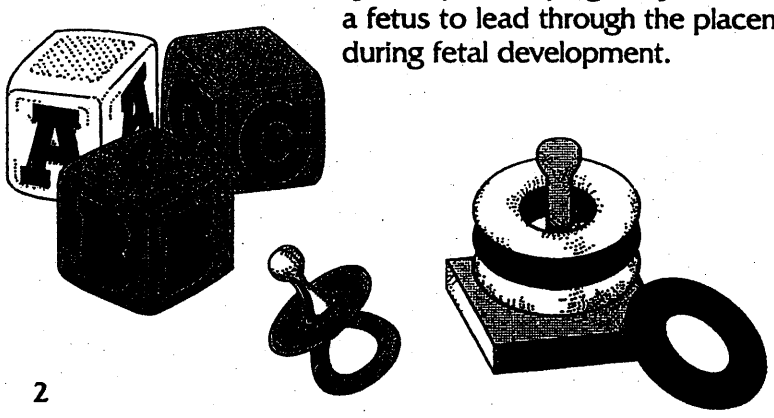
- Breathe in lead dust (especially during renovations that disturb painted surfaces).
- Put their hands or other objects covered with lead dust in their mouths.
- Eat paint chips or soil that contains lead.

Lead is even more dangerous to children under the age of 6:

- At this age children's brains and nervous systems are more sensitive to the damaging effects of lead.
- Children's growing bodies absorb more lead.
- Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.

Lead is also dangerous to women of childbearing age:

- Women with a high lead level in their system prior to pregnancy would expose a fetus to lead through the placenta during fetal development.



Lead's Effects

It is important to know that even exposure to low levels of lead can severely harm children.

In children, lead can cause:

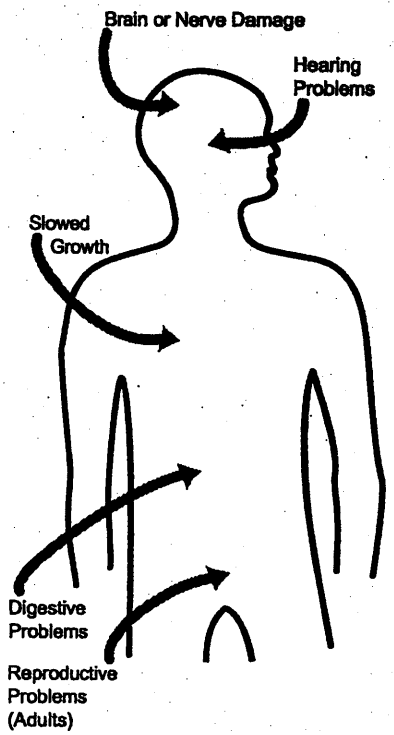
- Nervous system and kidney damage.
- Learning disabilities, attention deficit disorder, and decreased intelligence.
- Speech, language, and behavior problems.
- Poor muscle coordination.
- Decreased muscle and bone growth.
- Hearing damage.

While low-lead exposure is most common, exposure to high levels of lead can have devastating effects on children, including seizures, unconsciousness, and, in some cases, death.

Although children are especially susceptible to lead exposure, lead can be dangerous for adults too.

In adults, lead can cause:

- Increased chance of illness during pregnancy.
- Harm to a fetus, including brain damage or death.
- Fertility problems (in men and women).
- High blood pressure.
- Digestive problems.
- Nerve disorders.
- Memory and concentration problems.
- Muscle and joint pain.



Lead affects the body in many ways.

Where Lead-Based Paint Is Found

In general, the older your home, the more likely it has lead-based paint.

Many homes built before 1978 have lead-based paint. The federal government banned lead-based paint from housing in 1978. Some states stopped its use even earlier. Lead can be found:

- In homes in the city, country, or suburbs.
- In apartments, single-family homes, and both private and public housing.
- Inside and outside of the house.
- In soil around a home. (Soil can pick up lead from exterior paint or other sources such as past use of leaded gas in cars.)

Checking Your Family for Lead

Get your children and home tested if you think your home has high levels of lead.

To reduce your child's exposure to lead, get your child checked, have your home tested (especially if your home has paint in poor condition and was built before 1978), and fix any hazards you may have. Children's blood lead levels tend to increase rapidly from 6 to 12 months of age, and tend to peak at 18 to 24 months of age.

Consult your doctor for advice on testing your children. A simple blood test can detect high levels of lead. Blood tests are usually recommended for:

- Children at ages 1 and 2.
- Children or other family members who have been exposed to high levels of lead.
- Children who should be tested under your state or local health screening plan.

Your doctor can explain what the test results mean and if more testing will be needed.

Identifying Lead Hazards

Lead-based paint is usually not a hazard if it is in good condition, and it is not on an impact or friction surface, like a window. It is defined by the federal government as paint with lead levels greater than or equal to 1.0 milligram per square centimeter, or more than 0.5% by weight.

Deteriorating lead-based paint (peeling, chipping, chalking, cracking or damaged) is a hazard and needs immediate attention. It may also be a hazard when found on surfaces that children can chew or that get a lot of wear-and-tear, such as:

- Windows and window sills.
- Doors and door frames.
- Stairs, railings, banisters, and porches.

Lead from paint chips, which you can see, and lead dust, which you can't always see, can both be serious hazards.

Lead dust can form when lead-based paint is scraped, sanded, or heated. Dust also forms when painted surfaces bump or rub together. Lead chips and dust can get on surfaces and objects that people touch. Settled lead dust can re-enter the air when people vacuum, sweep, or walk through it. The following two federal standards have been set for lead hazards in dust:

- 40 micrograms per square foot ($\mu g/ft^2$) and higher for floors, including carpeted floors.
- 250 $\mu g/ft^2$ and higher for interior window sills.

Lead in soil can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. The following two federal standards have been set for lead hazards in residential soil:

- 400 parts per million (ppm) and higher in play areas of bare soil.
- 1,200 ppm (average) and higher in bare soil in the remainder of the yard.

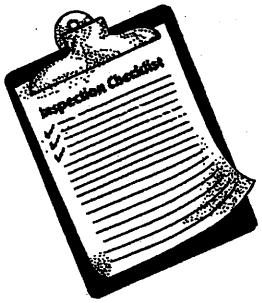
The only way to find out if paint, dust and soil lead hazards exist is to test for them. The next page describes the most common methods used.

Checking Your Home for Lead

Just knowing that a home has lead-based paint may not tell you if there is a hazard.

You can get your home tested for lead in several different ways:

- A paint **inspection** tells you whether your home has lead-based paint and where it is located. It won't tell you whether or not your home currently has lead hazards.
- A **risk assessment** tells you if your home currently has any lead hazards from lead in paint, dust, or soil. It also tells you what actions to take to address any hazards.
- A combination risk assessment and inspection tells you if your home has any lead hazards and if your home has any lead-based paint, and where the lead-based paint is located.



Hire a trained and certified testing professional who will use a range of reliable methods when testing your home.

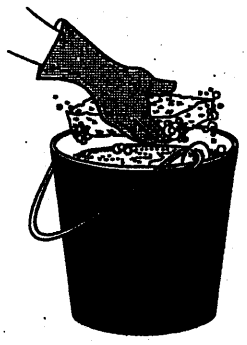
- Visual inspection of paint condition and location.
- A portable x-ray fluorescence (XRF) machine.
- Lab tests of paint, dust, and soil samples.

There are state and federal programs in place to ensure that testing is done safely, reliably, and effectively. Contact your state or local agency (see bottom of page 11) for more information, or call **1-800-424-LEAD (5323)** for a list of contacts in your area.

Home test kits for lead are available, but may not always be accurate. Consumers should not rely on these kits before doing renovations or to assure safety.

What You Can Do Now To Protect Your Family

If you suspect that your house has lead hazards, you can take some immediate steps to reduce your family's risk:



- **If you rent, notify your landlord of peeling or chipping paint.**
- **Clean up paint chips immediately.**
- **Clean floors, window frames, window sills, and other surfaces weekly.** Use a mop or sponge with warm water and a general all-purpose cleaner or a cleaner made specifically for lead. REMEMBER: NEVER MIX AMMONIA AND BLEACH PRODUCTS TOGETHER SINCE THEY CAN FORM A DANGEROUS GAS.



- **Thoroughly rinse sponges and mop heads after cleaning dirty or dusty areas.**
- **Wash children's hands often, especially before they eat and before nap time and bed time.**
- **Keep play areas clean.** Wash bottles, pacifiers, toys, and stuffed animals regularly.
- **Keep children from chewing window sills or other painted surfaces.**
- **Clean or remove shoes before entering your home to avoid tracking in lead from soil.**



- **Make sure children eat nutritious, low-fat meals high in iron and calcium,** such as spinach and dairy products. Children with good diets absorb less lead.

Reducing Lead Hazards In The Home

Removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.

Always use a professional who is trained to remove lead hazards safely.



In addition to day-to-day cleaning and good nutrition:

- You can **temporarily** reduce lead hazards by taking actions such as repairing damaged painted surfaces and planting grass to cover soil with high lead levels. These actions (called "interim controls") are not permanent solutions and will need ongoing attention.
- To **permanently** remove lead hazards, you should hire a certified lead "abatement" contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not permanent removal.

Always hire a person with special training for correcting lead problems—someone who knows how to do this work safely and has the proper equipment to clean up thoroughly. Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

Once the work is completed, dust cleanup activities must be repeated until testing indicates that lead dust levels are below the following:

- 40 micrograms per square foot ($\mu g/ft^2$) for floors, including carpeted floors;
- 250 $\mu g/ft^2$ for interior windows sills; and
- 400 $\mu g/ft^2$ for window troughs.

Call your state or local agency (see bottom of page 11) for help in locating certified professionals in your area and to see if financial assistance is available.

Remodeling or Renovating a Home With Lead-Based Paint

Take precautions before your contractor or you begin remodeling or renovating anything that disturbs painted surfaces (such as scraping off paint or tearing out walls):



- **Have the area tested for lead-based paint.**
- **Do not use a belt-sander, propane torch, high temperature heat gun, dry scraper, or dry sandpaper** to remove lead-based paint. These actions create large amounts of lead dust and fumes. Lead dust can remain in your home long after the work is done.
- **Temporarily move your family** (especially children and pregnant women) out of the apartment or house until the work is done and the area is properly cleaned. If you can't move your family, at least completely seal off the work area.
- **Follow other safety measures to reduce lead hazards.** You can find out about other safety measures by calling 1-800-424-LEAD. Ask for the brochure "Reducing Lead Hazards When Remodeling Your Home." This brochure explains what to do before, during, and after renovations.

If you have already completed renovations or remodeling that could have released lead-based paint or dust, get your young children tested and follow the steps outlined on page 7 of this brochure.

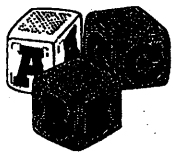
If not conducted properly, certain types of renovations can release lead from paint and dust into the air.

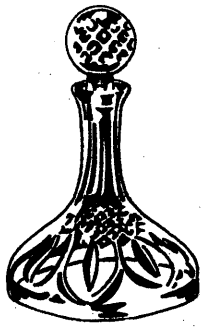


Other Sources of Lead



While paint, dust, and soil are the most common sources of lead, other lead sources also exist.





- **Drinking water.** Your home might have plumbing with lead or lead solder. Call your local health department or water supplier to find out about testing your water. You cannot see, smell, or taste lead, and boiling your water will not get rid of lead. If you think your plumbing might have lead in it:
  - Use only cold water for drinking and cooking.
  - Run water for 15 to 30 seconds before drinking it, especially if you have not used your water for a few hours.
- **The job.** If you work with lead, you could bring it home on your hands or clothes. Shower and change clothes before coming home. Launder your work clothes separately from the rest of your family's clothes.
- Old painted **toys** and **furniture.**
- Food and liquids stored in **lead crystal** or **lead-glazed pottery or porcelain.**
- **Lead smelters** or other industries that release lead into the air.
- **Hobbies** that use lead, such as making pottery or stained glass, or refinishing furniture.
- **Folk remedies** that contain lead, such as "greta" and "azarcon" used to treat an upset stomach.

For More Information



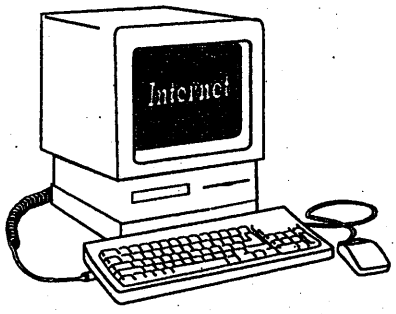
The National Lead Information Center

Call **1-800-424-LEAD (424-5323)** to learn how to protect children from lead poisoning and for other information on lead hazards. To access lead information via the web, visit **www.epa.gov/lead** and **www.hud.gov/offices/lead/.**

EPA's Safe Drinking Water Hotline

Call **1-800-426-4791** for information about lead in drinking water.

Consumer Product Safety Commission (CPSC) Hotline



To request information on lead in consumer products, or to report an unsafe consumer product or a product-related injury call **1-800-638-2772**, or visit CPSC's Web site at: **www.cpsc.gov.**

Health and Environmental Agencies

Some cities, states, and tribes have their own rules for lead-based paint activities. Check with your local agency to see which laws apply to you. Most agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards. Receive up-to-date address and phone information for your local contacts on the Internet at **www.epa.gov/lead** or contact the National Lead Information Center at **1-800-424-LEAD.**

For the hearing impaired, call the Federal Information Relay Service at **1-800-877-8339** to access any of the phone numbers in this brochure.

EPA Regional Offices

Your Regional EPA Office can provide further information regarding regulations and lead protection programs.

EPA Regional Offices

Region 1 (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)

Regional Lead Contact
U.S. EPA Region 1
Suite 1100 (CPT)
One Congress Street
Boston, MA 02114-2023
1 (888) 372-7341

Region 2 (New Jersey, New York, Puerto Rico, Virgin Islands)

Regional Lead Contact
U.S. EPA Region 2
2890 Woodbridge Avenue
Building 209, Mail Stop 225
Edison, NJ 08837-3679
(732) 321-6671

Region 3 (Delaware, Maryland, Pennsylvania, Virginia, Washington DC, West Virginia)

Regional Lead Contact
U.S. EPA Region 3 (3WC33)
1650 Arch Street
Philadelphia, PA 19103
(215) 814-5000

Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)

Regional Lead Contact
U.S. EPA Region 4
61 Forsyth Street, SW
Atlanta, GA 30303
(404) 562-8998

Region 5 (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)

Regional Lead Contact
U.S. EPA Region 5 (DT-8J)
77 West Jackson Boulevard
Chicago, IL 60604-3666
(312) 886-6003

Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas)

Regional Lead Contact
U.S. EPA Region 6
1445 Ross Avenue, 12th Floor
Dallas, TX 75202-2733
(214) 665-7577

Region 7 (Iowa, Kansas, Missouri, Nebraska)

Regional Lead Contact
U.S. EPA Region 7
(ARTD-RALI)
901 N. 5th Street
Kansas City, KS 66101
(913) 551-7020

Region 8 (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)

Regional Lead Contact
U.S. EPA Region 8
999 18th Street, Suite 500
Denver, CO 80202-2466
(303) 312-6021

Region 9 (Arizona, California, Hawaii, Nevada)

Regional Lead Contact
U.S. Region 9
75 Hawthorne Street
San Francisco, CA 94105
(415) 947-4164

Region 10 (Alaska, Idaho, Oregon, Washington)

Regional Lead Contact
U.S. EPA Region 10
Toxics Section WCM-128
1200 Sixth Avenue
Seattle, WA 98101-1128
(206) 553-1985

CPSC Regional Offices

Your Regional CPSC Office can provide further information regarding regulations and consumer product safety.

Eastern Regional Center
Consumer Product Safety Commission
201 Varick Street, Room 903
New York, NY 10014
(212) 620-4120

Western Regional Center
Consumer Product Safety Commission
1301 Clay Street, Suite 610-N
Oakland, CA 94612
(510) 637-4050

Central Regional Center
Consumer Product Safety Commission
230 South Dearborn Street, Room 2944
Chicago, IL 60604
(312) 353-8260

HUD Lead Office

Please contact HUD's Office of Healthy Homes and Lead Hazard Control for information on lead regulations, outreach efforts, and lead hazard control and research grant programs.

U.S. Department of Housing and Urban Development
Office of Healthy Homes and Lead Hazard Control
451 Seventh Street, SW, P-3206
Washington, DC 20410
(202) 755-1785

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U.S. EPA Washington DC 20460
U.S. CPSC Washington DC 20207
U.S. HUD Washington DC 20410

EPA747-K-99-001
June 2003

PURCHASER'S AFFIDAVIT OF INTENTION TO RESIDE

The undersigned, being duly sworn, deposes and says:

1. I am the purchaser of Unit _____ in One Sunset Park Condominium.

2. I will/will not personally occupy the Unit as my residence.

3. If I do not intend to personally occupy the Unit, I represent that I intend that the Unit will be occupied by the following member(s) of my immediate family: _____.

_____
-PURCHASER-

Sworn to before me this
_____ day of _____, 200____.

_____
Notary Public

APPLICATION TO THE ATTORNEY GENERAL FOR A DETERMINATION ON THE DISPOSITION OF DOWNPAYMENTS

[Send this application to the reviewing attorney assigned to the subject plan.]

Re: 702 44th Street (a/k/a 4401 Seventh Avenue), Brooklyn, New York 11220

Application is made to the Attorney General to consider and determine the disposition of down-payments held pursuant to GBL Sections 352-e(2-b) and 352-h. The following information is submitted in support of this application:

1. Name: -PURCHASER-
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
[X] other: Purchase

5. The project is

[X] a conversion of occupied premises.
[ ] newly constructed or rehabilitated.
[ ] vacant (as is).

6. The project is structured as

[ ] a cooperative.
[X] a condominium.
[ ] a homeowners association.
[ ] a timeshare.

[ ] other: _____

7. Name and Address
of Sponsor:
4401 Sunset Park LLC
c/o Sierra Realty Corp.
12 East 46th Street, 6th Floor
New York, New York 10017

8. Name and Address
of Escrow Agent:
Goldstick, Weinberger, Feldman & Grossman, P.C.
7 Penn Plaza, Suite 1602
New York, New York 10001

9. If downpayments are maintained in an escrow account:

(i) Name of account: **GWF&G,P.C. Attorney Escrow Account**

(ii) Name and address
of bank: **Signature Bank, 300 Park Avenue, New York, New York**

(iii) Account number (if known) _____

(iv) Initial interest rate (if known): **1%**

10. If downpayments have been secured by bonds:

(i) Name and address of
bond issuer or surety: _____

(ii) Copy of bond included in this application. (DO NOT SEND ORIGINAL BOND.) If not included, explain:

_____

_____

_____

_____

11. If downpayments have been secured by a letter of credit:

(i) Name and address of bank which issued the letter of credit: _____

_____

_____

(ii) Date of expiration of the letter of credit, if known:

_____

12. Plan information:

(i) Date of filing of plan: _____

(ii) Plan

[X] has been declared effective. Approximate date: _____
[ ] has not been declared effective.

(iii) If effective, the plan

[ ] has closed or the first unit has closed.

Approximate date: _____

[X] has not closed.

[ ] don't know.

(iv) Downpayments are secured by

[X] escrow account.

[ ] bonds.

[ ] letter of credit.

13. Contract information:

(i) Copy of contract and of all riders or modification letters are attached. (DO NOT SEND ORIGINALS.)

(ii) Date on which subscription or Purchase Agreement was signed: _____

(iii) Date(s) of downpayment(s): _____

(iv) Total amount of downpayment(s): $_____

(v) Names and addresses of subscribers or purchasers affected by this application:

-PURCHASER-_____

_____

14. State the basis for your claim. Please be as specific as possible. You may add additional sheets. Attach copies of any relevant documents.

15. I am contemporaneously sending a copy of this application to the following persons:

Note: You are required to mail a copy of this Application to all other affected parties.

In filing this application, I understand that the Attorney General is not my private attorney, but represents the public in enforcing laws designed to protect the public from unlawful business practices. I also understand that if I have any questions concerning my legal rights or responsibilities, I may contact a private attorney. The above application is true and accurate to the best of my knowledge. False statements made herein are punishable as a Class A Misdemeanor under Section 175.30 and/or Section 210.45 of the Penal Law.

Signature: _____ Date: _____

Name (Printed): _____

Telephone: (Home) _____ (Business) _____

Mailing Address: _____

_____

AMENDMENT TO PURCHASE AGREEMENT

Sponsor:
Purchaser(s):
Unit:
Dated:

1. In the event of any inconsistency between the terms of this Amendment and the Purchase Agreement ("Agreement") to which this Amendment is annexed, the provisions of this Amendment shall control.

2. **Storage Locker License**

Sponsor agrees to sell and Purchaser agrees to purchase a [ ] Storage Locker for a Purchase Price of $___"Purchase Price").

The Purchase Price is payable as follows:

(a). $ ____ ("Deposit"), due upon Purchaser's signing and delivering this Rider, by check (subject to collection), receipt of which is hereby acknowledged; and

(b). $_____("Balance of the Purchase Price"), by official bank check or (at Sponsor's sole option) by wire transfer, payable at Closing.

(c). No portion of the Deposit or the Balance shall be released to Sponsor until the Storage Locker is completed and ready for use.

At Closing, Purchaser shall enter into a Storage Locker License to use the specific Storage Locker designated by Sponsor, the form of which is set forth in Part II of the Plan.

3. **Damage To The Storage Locker Area**

If there is a fire or other casualty to the Storage Locker Area and Sponsor does not elect to repair or restore the Storage Locker Area following such fire or casualty, then the Purchase Agreement shall be deemed modified to provide for the closing of title with respect to the Apartment Unit only. In such event, the Purchase Price shall be reduced by the amount of the Purchase Price allocated to the Storage Locker.

4. **Cross Default**

A default by Purchaser under this Rider shall constitute a default under the Purchase Agreement for the Apartment Unit and any default by Purchaser under the Purchase Agreement for the Apartment Unit shall constitute a default under this Rider entitling Sponsor to those default remedies described in the Purchase Agreement and the Plan. Notwithstanding an earlier closing of title with respect to the Apartment Unit, the provisions of the Purchase Agreement with respect to the delivery of the Storage Locker shall survive the closing of title to the Apartment Unit.

5. **Definitions**

All capitalized terms used in this Rider not deemed herein shall have the same meanings ascribed to them in the Purchase Agreement to which this Rider is annexed or in the Plan.

6. **Conflicts**

In the event of any inconsistency between the provisions of this Rider and those contained in the Purchase Agreement to which this Rider is annexed, the provisions of this Rider shall govern and be binding.

7. **Full Force & Effect**

Except as set forth in this Rider, all of the terms and conditions of the Purchase Agreement remain unchanged and in full force and effect.

8. This Amendment may be signed via facsimile and or in counterparts, each of which shall be deemed an original and all of the counterparts, when taken together, shall be deemed to constitute one and the same Amendment.

PURCHASER:

_____

SPONSOR:

4401 Sunset Park LLC, a
New York Liability Company

By:_____
Name:
Title:

STORAGE LOCKER LICENSE

AGREEMENT made this day of , 200 ("Agreement") by and between 4401 Sunset Park LLC, having an office c/o Sierra Realty Corp, 12 East 46th Street, 6th floor, New York, New York 10017 ("Sponsor"), and the Condominium Board of the One Sunset Park Condominium on behalf of all Unit Owners, having an address at 702 44th Street (a/k/a 4401 Seventh Avenue), Brooklyn, New York 11220 ("Condominium Board") (Sponsor and the Condominium Board are sometimes collectively referred to as the ("Licensor") and _____ having an address at 702 44th Street (a/k/a 4401 Seventh Avenue), Apartment Unit__, Brooklyn, New York 11220 (" Licensee");

WHEREAS, the One Sunset Park Condominium ("Condominium") is governed by a certain Declaration of Condominium, recorded in the Office of the Register of the City of New York, County of New York as the same has been or may be amended from time to time (the "Declaration"), the by-laws of the Condominium, as the same has been or may be amended from time to time (the "By-Laws") and the Rules and Regulations of the Condominium, as the same has been or may be amended from time to time (the "Rules and Regulations") (the "Declaration," the "By-Laws" and the "Rules and Regulations" are collectively, referred to as the "Condominium Documents"); and

WHEREAS, in a portion of the Condominium there are Storage Lockers which have been installed for use by permitted Residential Unit Owners ("Storage Locker Area"); and

WHEREAS, Licensee, owns or simultaneously herewith is acquiring Apartment Unit No.____ in the Condominium; and

WHEREAS, Licensee desires the right to the exclusive use of a Storage Locker for so long as Licensee owns an Apartment Unit in the Condominium;

NOW THEREFORE, in consideration of the sum of $10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Licensor hereby grants to Licensee, its successors and assigns, a license for the exclusive use of Storage Locker No. _____ ("Storage Locker License") and Licensee hereby accepts such Storage Locker License from Licensor for a term commencing on the date hereof.

2. The Storage Locker may only be used for the storage of personal effects of Residential Unit Owner only, and in no event shall any food or other perishable item, or any flammable or explosive item or any item which would pose a health or safety threat or cause noxious odors, dirt or other sanitary problems or create a nuisance, be stored in a Storage Locker.

3. Except for Sponsor, a Residential Unit Owner may not own a Storage Locker without also owning an Apartment Unit.

4. Licensee shall not (a) store any property outside of the Storage Locker; or (b) allow any other Person to use the Storage Locker except in accordance with the terms hereof.

5. This Storage Locker License may be assigned by Licensee at any time provided the assignee (i) is a Residential Unit Owner at the Condominium, (ii) assumes the obligations hereunder in the form annexed, (iii) notification of the assignment is delivered in writing to the Condominium Board in compliance with its requirements as the same may be modified from time to time, and (iv) no outstanding monies are owed to the Condominium by Licensee and/or assignee. This Storage Locker License shall automatically terminate at such time as Licensee no longer owns an Apartment Unit in the Condominium unless this Storage Locker License is assigned to and assumed by another Residential Unit Owner.

6. Licensee represents that Licensee has made a thorough inspection of the Storage Locker and the Storage Locker Area and agrees to take same in its "as is" condition as of the date of this Storage Locker, License. Licensee shall throughout the term of this Storage Locker License, take good care of and maintain/ the Storage Locker. All maintenance and repairs to the Storage Locker and the Storage Locker Area shall be performed by the Condominium Board and the cost thereof shall be a Residential Common Expense charged to all Residential Unit Owners, unless such repair or replacement is necessitated by the negligence, misuse, or abuse of a particular Licensee, then the entire cost and expense of such repair or replacement shall be borne by such Licensee. The cost and expense of replacing the Storage Locker shall be borne by Licensee.

7. Licensor nor Licensor's agents or employees shall be liable for any theft or damage to any property stored in the Storage Locker or the Storage Locker License Area.

8. The terms of this Storage Locker License are subject and subordinate to the terms of the Condominium Documents. Nothing contained herein shall be construed as limiting the rights and obligations of the parties under the Condominium Documents. Any conflict between the provisions of this Storage Locker License and the Condominium Documents shall be resolved in favor of the Condominium Documents.

9. If Licensee defaults in its obligations hereunder or under the Condominium Documents, the Condominium Board may, in addition to the rights and remedies set forth in the Condominium Documents, (1) deny access to and use of the Storage Locker until Licensee cures such default or (ii) terminate this Storage Locker License upon written notice to Licensee.

10. The Condominium Board or its agents shall have the right, but not the obligation, to open the Storage Locker in an emergency at any time, and, at other reasonable times upon prior notice to Licensee, to inspect and examine the Storage Locker and to make such repairs, replacements and improvements as the Condominium Board shall deem necessary.

11. This Storage Locker License shall constitute a license only and shall not be construed under any circumstances to be a sale of the Storage Locker or conveyance of title thereto. In no event shall a landlord/tenant relationship exist between Licensor and Licensee with respect to this Storage Locker License.

12. Licensee shall indemnify and hold Licensor and their respective officers, directors, shareholders, Unit Owners, members, agents and employees, harmless from and against any and all liabilities, claims, penalties and judgments, together with any related costs and expenses, including reasonable legal fees, asserted against or sustained by any of them in connection with any act, omission, or negligence of Licensee or Licensee's family, servants, employees, agents, guests and invitees in connection with this Storage Locker License.

13. Licensee shall be obligated to reimburse Licensor for any legal fees and disbursements

incurred by Licensor in defending the rights of Licensor under this Storage Locker License or, in the event Licensee defaults under this Storage Locker License beyond any applicable grace period, enforcing Licensee's obligations hereunder.

14. Licensee shall be obligated at Licensee's sole cost and expense to obtain and maintain insurance covering the Storage Locker in amounts sufficient to cover the property located therein.

15. Neither this Storage Locker License nor any provision hereof may be waived, amended, discharged or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, amendment, discharge or termination is sought and then only to the extent set forth in such instrument.

16. It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this Storage Locker License, which alone fully and completely express their agreement and that this Storage Locker License supersedes any and all such understandings and agreements with respect to the subject matter hereof.

17. If any provision of this Storage Locker License is invalid or unenforceable as against any party or under certain circumstances, the remainder of this Storage Locker License and the applicability of such provision to other parties or circumstances shall not be affected thereby. Each provision of this Storage Locker License, except as otherwise herein or therein provided, shall be valid and enforced to the fullest extent permitted by Law.

18. 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 Storage Locker License 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.

19. Any failure by Licensor to insist upon strict performance by Licensee of any of the provisions of this Storage Locker License shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches which may occur, and Licensor, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Licensee of any and all of the provisions of this Storage Locker License to be performed by Licensee.

IN WITNESS WHEREOF, the undersigned have executed this Storage Locker License as of the day and year first above written.

LICENSOR: **LICENSEE:**

ONE SUNSET PARK CONDOMINIUM

By:
Name:
Title

ASSIGNMENT AND ASSUMPTION OF STORAGE LOCKER LICENSE

THIS ASSIGNMENT AND ASSUMPTION OF STORAGE LOCKER LICENSE made as of the _____day of _____, by and between _____("Assignor"), having an address at _____ and _____ ("Assignee"), having an address at _____.

WITNESSETH:

WHEREAS, Assignor executed a certain Storage Locker License dated ("Storage Locker License") to have the exclusive right to use Storage Locker No. ____("Storage Locker") located in the Building known as the One Sunset Park Condominium located at.702 44th Street (a/k/a 4401 Seventh Avenue), Brooklyn, New York 11220 in accordance with the terms of the Condominium Offering Plan for the Building ("Plan"), as amended; and

WHEREAS, Assignor desires to assign to Assignee all of Assignor's right, title and interest in and to the Storage Locker License; and

WHEREAS, Assignee desires to assume all of the obligations and responsibilities of Assignor in and to the Storage Locker License; and

WHEREAS, the parties hereto wish to set forth their agreements with respect to this Assignment and Assumption of this Storage Locker License.

NOW, THEREFORE, in consideration of the mutual promises herein contained, and other good and valuable consideration, the parties hereto agree as follows:

1. ASSIGNMENT: Assignor hereby assigns to Assignee, from and after the date hereof, all of Assignor's right, title and interest in and to the Storage Locker License, a copy of which is attached hereto and made a part hereof, for a Purchase Price of $ _____.

2. ASSUMPTION: Assignee hereby assumes all of the obligations, promises, covenants and responsibilities of Assignor in and to the Storage Locker License as if Assignee had signed the Storage Locker License originally as "Licensee."

3. AUTHORIZATION AND DIRECTION: Assignor and Assignee hereby authorize and direct the Condominium to have the books and records of the Condominium reflect that Assignee has the exclusive right to use the Storage Locker.

4. EFFECTIVE DATE: This Assignment and Assumption of Storage Locker shall not be deemed effective unless and until signed by each of the parties hereto.

5. DEFINED TERMS: All terms not defined herein shall have the meanings ascribed to them in the Plan.

IN WITNESS WHEREOF, Assignor and Assignee have duly executed this Assignment and Assumption of Storage Locker License on the day and year first above written.

APPROVED BY: **ASSIGNOR:**

ONE SUNSET PARK CONDOMINIUM

By:
Name:
Title

ESCROW AGREEMENT

AGREEMENT made as of the 15th day of May, 2008, between 4401 Sunset Park LLC ("Sponsor"), as Sponsor of the Offering Plan and Goldstick, Weinberger, Feldman & Grossman, P.C., Esq. ("Escrow Agent"), as escrow agent.

WHEREAS, 4401 Sunset Park LLC is the Sponsor of an Offering Plan for condominium ownership of premises located at 702 44th Street (a/k/a 4401 Seventh Avenue), Brooklyn, New York 11220; and

WHEREAS, Goldstick, Weinberger, Feldman & Grossman, P.C., Esq., is authorized to act as an escrow agent hereunder in accordance with General Business Law ("GBL") Section 352-e(2-b) and the Attorney General's regulations promulgated thereunder; and

WHEREAS, Sponsor desires that Escrow Agent act as escrow agent for deposits and payments by purchasers and subscribers, pursuant to the terms of this agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereby agree as follows:

1. ESTABLISHMENT OF THE ESCROW ACCOUNT.

a. Sponsor and Escrow Agent hereby establish an escrow account with Escrow Agent for the purpose of holding deposits or payments made by purchasers or subscribers. The escrow account has been opened with North Fork Bank at its branch located at 7 Penn Plaza, New York, New York.

b. The name of the master escrow account is Goldstick, Weinberger, Feldman & Grossman, P.C., Attorney at Law Escrow Account. There shall be a sub-account for each purchaser.

c. Escrow Agent is the sole signatory on the account.

d. The escrow account shall be an interest-bearing account as disclosed in the offering plan.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

a. All funds received from prospective purchasers or subscribers prior to closing, whether in the form of checks, drafts, money orders, wire transfers or other instruments which identify the payor, shall be deposited in the escrow account. All instruments to be deposited into the escrow account shall be made payable to, or endorsed by the purchaser or subscriber to the order of Goldstick, Weinberger, Feldman

& Grossman, P.C. Escrow Account. Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such escrow account, shall be returned to the prospective purchaser or subscriber promptly, but in no event more than five (5) business days following receipt of such instrument by Escrow Agent. In the event of such return of funds, the instrument shall be deemed not to have been delivered to Escrow Agent pursuant to the terms of this Agreement.

b. 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 twenty (20) 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 subscriber or purchaser.

3. RELEASE OF FUNDS.

a. Escrow Agent shall not release the escrowed funds of a defaulting purchaser until after consummation of the plan as defined in the Attorney General's regulations. Consummation of the plan shall not relieve Sponsor of its fiduciary obligations pursuant to GBL Section 352-h.

b. Escrow Agent shall continue to hold the funds in escrow until otherwise directed in (i) a writing signed by both Sponsor and purchaser or (ii) a determination of the Attorney General or (iii) a judgment or order of a court of competent jurisdiction or until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.

c. Sponsor shall not object to the release of the escrowed funds to a purchaser who timely rescinds in accordance with an offer of rescission contained in the plan or an amendment to the plan.

d. 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 five (5) business days. Thereafter, the funds may be paid to Sponsor unless the purchaser has made application to the New York State 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.

a. Escrow Agent shall maintain all records concerning the escrow account for seven (7) years after release of the funds.

b. Upon the dissolution of a law firm which was Escrow Agent, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the New York State Department of Law of such transfer.

c. 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.

a. Escrow Agent shall maintain the accounts called for in this Agreement under the direct supervision and control of Escrow Agent.

b. A fiduciary relationship shall exist between Escrow Agent and purchasers, and Escrow Agent acknowledges its fiduciary obligations.

6. RESPONSIBILITIES OF SPONSOR.

a. 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.

b. Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and compliance with the Attorney General's regulations.

c. Excepting where it is finally determined that the Escrow Agent has been guilty of gross negligence or wilful misconduct, the Sponsor agrees (a) that the Escrow Agent shall not be liable for any error in judgment, any act done or step taken or omitted in good faith, or failure to reasonably send to purchaser any notice required under paragraph 2 of this agreement and (b) to defend, indemnify and hold the Escrow Agent harmless against and from any claim, judgment, loss, liability, cost or expense, including reasonable attorneys' fees, resulting from any claim, dispute or litigation arising out of or concerning the Escrow Agent's duties or services hereunder.

7. TERMINATION OF AGREEMENT.

a. This Agreement shall remain in effect unless and until it is canceled, by either:

(i) 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 New York State Department of Law providing for a successor Escrow Agent; or

(ii) 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 New York State Department of Law providing for a successor Escrow Agent; or

(iii) All shares or units offered pursuant to the plan have been sold and all sales transactions have been consummated.

b. Upon termination of the duties of Escrow Agent as described in paragraph 7(a) 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.

This Agreement shall be binding upon Sponsor and Escrow Agent and their successors and assigns.

9. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION.

Sponsor agrees that Escrow Agent's compensation shall not be paid from escrowed principal nor from any interest accruing thereon and that compensation to Escrow Agent, if any, shall not be deducted from escrowed funds by any financial institution under any circumstance.

11. SEVERABILITY.

If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. ENTIRE AGREEMENT.

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:

Goldstick, Weinberger, Feldman
& Grossman, P.C.

By: _____
Bonnie Covey, Esq.

SPONSOR:

4401 Sunset Park LLC
By: Six Sons LLC

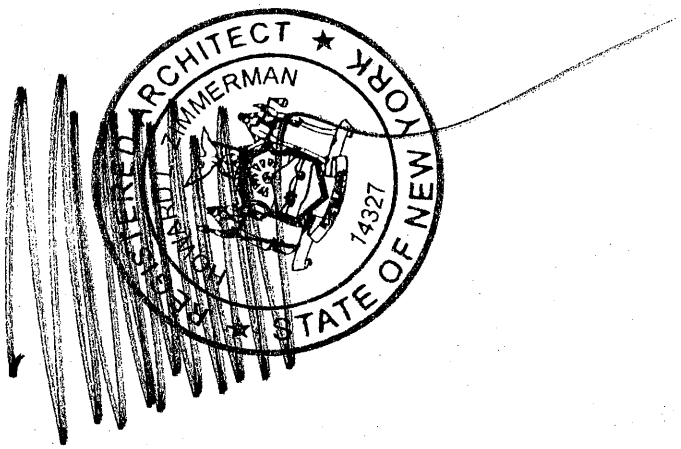
By: _____
Manager

ARCHITECT'S REPORT

DESCRIPTION OF PROPERTY AND SPECIFICATIONS AND/OR BUILDING CONDITION

DESCRIPTION OF PROPERTY & BUILDING CONDITION

4401 7TH AVENUE
A.K.A 702 44TH STREET
BROOKLYN, NY 11220



PREPARED FOR:

SIERRA REALTY CORPORATION
12 EAST 46TH STREET
NEW YORK, NY 10017

REVISED: JUNE 18, 2008
PROJECT#: 07-4401 7TH AVENUE

HOWARD L. ZIMMERMAN ARCHITECTS, P.C. *11 West 30th St. NY, NY 10001 Phone 212.564.9393 Fax 212.564.9032*

SECTION 23.7 Description of Property and Building Condition.

PREFACE

This Report was prepared for the Sponsor for inclusion in an offering plan for said building in compliance with the requirements of the Department of Law of the State of New York. I hereby authorize reproduction of this Report for the purpose exclusively. Reproduction for any other purpose is not authorized.

The intent is to provide a description of the materials, finishes equipment and structure which comprise this Building, as outlined in the guidelines of the office of the Attorney General of the State of New York.

The content of this Report are based on:

a) An inspection of the existing records and applications on file with the Department of Buildings of the City of New York which were made available for review;

b) A visual inspection of some, but not all areas of the Building, including cellar, lobby, public halls, roof bulkheads, exterior walls, yards and courts, some but not all apartments, and related equipment contained therein;

c) Information on open violations on record provided by the governing New York City agencies;

and

d) Information provided by the Sponsor and/or his representatives.

Inspections were made on 01/30/07, 02/15/07, 03/30/07, 07/25/07 and 03/27/08; and the conditions described then existed. Visual examination was made of a sufficiently large representative sampling of the spaces and equipment as deemed necessary in our professional opinion/but not, unless stated herein, any tests or penetrations into walls, ceilings, floors, etc. or removal of any structural or mechanical elements.

Except as noted in this Report, no representation is made as to the condition or legality of the various elements of the Building. This Report is not to be construed as a guarantee or warranty. It is not intended or prepared for the purpose of fixing a value to the property or as an opinion as the advisability or inadvisability to purchase condominium units being offered pursuant to the Sponsor's offering plan.

Unauthorized reproduction or alteration of this Report or any part thereof, without the express written permission of the undersigned, is a violation of the New York State Law and is prohibited. Except as indicated herein, no part of this document may be reproduced or utilized in any form or by any means, electronic or mechanical, including photo-copying, recording or by any information retrieval system, without permission in writing.

CONDITION

(a) *Location and Use of Property*

(1) Address: 702 44th Street, Brooklyn, NY 11220. (A.K.A. 4401 7th Avenue)

(2) Block and Lot Number: Block 741, Lot 6, Elevator Apartment – Semi-Fireproof without Store

(3) Zoning: R6: Residential

(4) Permissible Use:

The R6 zone is a General Residential District.

These districts are designed to provide for all types of residential buildings, in order to permit a broad range of housing types, with appropriate standards for each district on density, open space, and spacing of buildings.

These districts also include community facilities and open uses which serve the residents of these districts or are benefited by a residential environment.

(b) *Status of construction*

(1) Year Built: 1931

(2) Class of Construction:

The Building is an "Old Code Class 2 Fire Protected" construction.

(3) Certificate of Occupancy (C of O), Type and Number:

The use of the Building and the number of units conform with the current C of O No. 63559 of 1931. See Appendix 1.

(4) Alteration Permit Numbers and Description of Work done:

The following records of alteration were found at the New York City Department of Buildings as of 06/09/08:

Permit Number	Issued Date	Description of work
301233056	9/04/01	REPAIR FACADE OF EXG. MULTIPLE DWELLING AS PER PLANS FILED HEREWITH. SIDEWALK SHED APPLLICATION WILL BE FILED SEPARETLY.
301265850	9/13/01	INSTALLATION OF 250' SIDEWALK SHED FOR THE PURPOSE OF FACADE INSPECTION THE SIDEWALK SHED WILL COMPLY WITH LL33/ 91

		AND PPN 9/99. THE SIDEWALK SHED WILL BE FOR LIGHT WEIGHT USE WITH NO STORAGE OF MATERIAL ON IT
301635087	9/05/03	REPLACE EXISTING ROOF WITH NEW, ALL AS P ER PLANS FILED HEREWITH. NO CHANGE IN USE,EGRESS OR OCCUPANCY
301028136	10/16/07	IT IS PROPOSED TO RENOVATE EXISTING APARTMENTS 1F, 2B, 2C, 2H, 3J, 4B, 4H, 4J, 5C, 5G, 5H, 5J, 6C, 6F, 6H, 6J, AS SHOWN ON PLANS. NO CHANGE TO USE, EGRESS, OCCUPANCY OR BULK UNDER THIS APPLICATION.

(c) *Site*

The property is located on the southeast corner of the intersection of 44th Street and 7th Avenue in the Borough of Brooklyn, City of New York.

It is bounded on the west by 7th Avenue; on the south by two (2) two-story One and Two Family buildings; on the north by 44th Street; and on the east by a two-story Multi-Family Walk-up building.

(1) Size:

The irregular lot is 100.17 feet long along 7th Avenue and 120 feet long along 44th Street.

(2) Number of Buildings and Use

There is one (1) six-story plus basement building on the site, with apartments at all floors.

(3) Streets Owned or Maintained by the Project:

All streets are owned and maintained by the City of New York. The streets in front of the Building are described as following:

(i) Paving

The asphalt paved streets are in acceptable condition. Minor spalls and cracks were found on the surface.

(ii) Curbing

Granite curbing on 7th Avenue and 44th Street are in acceptable to fair condition.

(iii) Catch Basins, Drainage

7th Avenue slopes down from north to south and 44th Street slopes down from west to east. No drains are directly in front of the Building.

(iv) Street Lighting

All street lightings are standard New York City Department of Transportation street lighting. One (1) street light is located directly in front of the Building at the northeast corner of the block. All street lights are in fair condition.

(v) All items are in conformity with New York City Department of Transportation Highway Rules.

(4) Drives, Sidewalks and Ramp:

(i) Paving

The concrete sidewalk in front of the Building is in acceptable condition. Minor cracks and spalls were observed.

(ii) Curbing

N/A

(iii) Catch Basins, Drainage

N/A

(iv) Street Lighting

N/A

(v) The sidewalk paving is in conformity with New York City Department of Transportation Highway Rules.

(d) *Utilities*

(1) Water: Provided by New York City as part of its services via a metered line.

(2) Sanitary Sewer: Provided by local municipality.

(3) Storm Drainage: Provided by local municipality.

(4) Gas: Provided by KeySpan Corporation of New York, a regulated public utility company.

(5) Electricity: Provided by Consolidated Edison Company of New York, a regulated public utility company.

(6) Telephone: Provided by Verizon Telephone Company, a regulated utility company.

(7) Fire Hydrant:

One (1) fire hydrant is located at the edge of the sidewalk in front of the Building on 7th Avenue and is in fair condition. One (1) fire hydrant is located at the edge of the sidewalk across from the Building on 44th Street and is in fair condition.

(8) Mail Box:

No U.S. mail box is located in front of the Building.

(9) Public Telephone:

No public telephone is located in front of the Building.

(10) Transit:

The entrance of subway R line is at the corner of 4th Avenue and 45th Street. The entrance of subway D and M lines is at the corner of 9th Avenue and 39th Street. Bus B11 stops along 49th Street and 50th Street. Bus B63 stops along 6th Avenue. Bus B70 stops along 8th Avenue.

(e) *Subsoil conditions*

(1) Detailed architectural/engineering plans for the Building foundations were not reviewed. Foundation walls consist of terra cotta blocks, concrete blocks and bricks. Visual inspection of the basement floors and the exterior façades showed no evidence of cracking or mortar joint decay that may indicate uneven foundation movement and settling.

(2) The basement is dry and shows no evidence of moisture or seepage or ground water infiltration.

(3) The U.S. Geological Survey maps show this area has very low risk of flooding, earthquake, mudslide, and erosion. Flooding may only occur in the event of a water main break in the street. No practical preventative action is suggested. Any goods stored in the cellar should be removed in the event of a flood.

(f) *Landscaping and Enclosures*

(1) Grass Cover:

There is no grass cover on the premises.

(2) Plantings:

Various types of plantings are located along the front façades (north and west façades) with the exception of the entrance yard. The plantings are in fair condition.

(3) Trees:

There is one (1) tree located in front of the Building on 7th Avenue. The tree pits are filled with Belgian Block Cobblestones. All trees and tree pits are in acceptable condition.

(4) Fencing:

There is no other fencing except in the yards, which are discussed in section (h)(9)(v).

(5) Gates:

There are no other gates except at the service entrance, which are discussed in section (h)(6).

(6) Garden Walls:

There are no garden walls on the premises.

(7) Retaining Walls:

Concrete retaining walls are located alongside the stairs and ramp in the yards. The retaining walls are in acceptable condition.

(8) Display Pools and fountains:

There are no display pools and fountains on the premises.

(g) *Building size*

(1) Total Height:

The Building is approximately sixty-five feet (65') above curb level. 7th Avenue slopes down from north to south and 44th Street slopes down from west to east. This creates variances in height.

(2) Crawl Spaces:

There are no crawl spaces in the Building.

(3) Number of Subcellars and Cellars:

The Building contains one (1) basement level.

The basement level contains boiler room, oil tank, electric room, elevator motor room, compactor room, office, utility points of entry, support systems and storage rooms.

(4) Number of Floors

The Building contains six (6) stories.

(5) Equipment Rooms

All equipment rooms are located in the basement level.

(6) Parapet

The height of parapet wall varies from twenty-eight inches (28") to thirty-six inches (36") and forty inches (40").

(h) *Structural System*

(1) Exterior of the Building:

(i) Walls

The structure of the Building appears to be wood frame with masonry façades.

The exterior walls of the primary façades (west and north façades) were made of dark beige rough textured bricks arranged in Common Bond with crenelations and pediments at the roof level. The primary façades are in acceptable condition. Brick replacement at various locations was observed. Horizontal cracks along the window lintel level and above the front entrance were also observed at the entrance yard. Further investigation of the condition of the spandrel beams should be conducted.

All other façades including the courtyards are comprised of bricks which are currently painted over. All walls are in acceptable condition. Moderate vertical and stepped cracks were observed at the spandrel panels between windows and at the parapet walls. Cracks and peeling of the coating were also observed in various locations. No active leaks through the walls have been reported recently.

The Buildings are six (6) stories in height on 7th Avenue and 44th Street. New York City Local Law 11/98 only applies to buildings greater than six

stories in height. The Buildings are exempted from the requirement of Local Law 11/98 5th Cycle.

(ii) Windows

All windows in the Building were replaced approximately in 1987 and are in poor to acceptable condition. Many windows are not properly sealed and air leaks have been reported. All the replaced windows are aluminum double-pane/double hung or sliding windows with steel or arched brick lintels, concrete or brick sills, anti-drift latches, tilt sash latches, spiral balances, and cam locks. All sills are in acceptable condition. Most lintels are in acceptable condition. Approximately a dozen lintels at the front façade appear to have worsened in the past year. These lintels are recommended to be replaced. Some windows are out of balance. Replacement and/or repair of windows is recommended. All windows at common area, including the basement, have wired glass. Windows in the basement, stairwell, and apartments have various types of child guards. The owner is responsible for providing and maintaining the child guards when an apartment is occupied by children, as per the NYC code. Only New York City Fire Department approved gates are allowed on fire escape windows. All other types should be removed. Air conditioning units may not be installed at these windows. There are lot line windows located at G and H lines along the east façade.

(iii) Landmark Status

The Building does not have a landmark status.

(2) Parapets and Copings:

The parapet walls are 3-wythe brick walls with pre-cast concrete copings. The inboard of the parapet walls are coated with stucco. The coating prevents water from exiting the masonry and cause minor cracks on the surface. It is recommended to remove and replace the coating with breathable material when it is undergoing roof work. All work at the roof level was constructed in 2001. Generally, the parapet walls are in fair condition.

(3) Chimneys and Caps:

One (1) chimney for the each of the boiler and compactor is located east of the elevator bulkhead. The chimneys are constructed of masonry and are coated with stucco. Moderate vertical cracks on the stucco surface were observed. The coating should be removed and the condition of the masonry should be examined.

(4) Balconies and Terraces:

There are no balconies or terraces at the Building.

(5) Exterior Entrances:

The front entrance is located on 44th Street.

(i) Exterior Doors and Frames

The front entrance has one (1) aluminum in-swing door with side lites. The door is equipped with an automatic overhead door closer. The doors and frames are in fair condition.

(ii) Vestibule Doors and Frames

The vestibule has one (1) aluminum out-swing door with side lites, which is installed in the wood frame with side lites and head transoms. The door is equipped with an automatic overhead door closer. The doors and frames are in fair condition.

(iii) Exterior Stairs

There is one (1) one-riser stairs located in front of the Building's front entrance. The stairs are made of bluestone tread and brick riser and is in fair condition.

(iv) Railings

There are no railings at the front entrance.

(v) Mail Boxes

There is one (1) brass mail box panel located in the lobby. The mail boxes are the approved type by the U.S. Postmaster General in accordance with the old code. They are individually keyed and hinged on the top. All boxes and the panel are in fair condition. The size and volume of the mail boxes do not accommodate larger parcels that are commonly used today.

(vi) Lighting

One (1) surface mounted wall light is located at the front entrance and is in fair condition.

(6) Service Entrances:

The service entrance is located at the southwest corner of the Building accessing from 7th Avenue.

(i) Doors and Frames

No doors are located at the service entrance.

(ii) Gates

One (1) steel gate/fence with expand steel mesh is located at the service entrance. The gate/fence is in fair condition.

(iii) Exterior Stairs

There are no exterior stairs at the service entrance. A ramp is provided to access the Building.

(iv) Railings

One (1) wall-mounted steel railing is located along the ramp and is in acceptable condition.

(v) Hallway

There are no hallways at the service entrance.

(7) Roof and Roof Structures:

(i) Type Roofs for All Areas

(a) Material

The smooth built-up roof appears to be fair condition. The entire roof was re-roofed with Johns Manville roofing system in 2004. No active leaks through the roof have been reported recently.

(b) Insulation

NRG3 Dura Board. The condition of the insulation cannot be visually examined.

(c) Surface Finish

The entire roof is covered with granulated cap sheets.

(d) Bond or Guarantee

The roofing system is currently under a twenty (20) years warranty starting October 8, 2004.

(e) Flashing Materials, including Counter Flashing

Aluminum flashing was installed in 2004 and is in fair condition.

(ii) Drains

(a) Location, materials and Type

There is one (1) drain with elevated cast metal cover at the center of the west wing on the roof level. There are two (2) scupper drains at the east wing on the main roof level. All drains are in fair condition. No obvious failure of the drains has been reported.

(b) Gutters and Leaders

There are one (1) copper leaders connecting to each of the scupper drains. The leaders are in acceptable condition.

(iii) Skylights

One (1) skylight (approximately 5' x 7') with frosted glass is located above each bulkhead with wire mesh installed below the glass. The skylights are in fair condition. There has not been any obvious leaking condition reported.

(iv) Bulkheads

(a) Stairs

There is one (1) stair bulkhead at the roof level. The bulkhead is comprised of masonry and is coated with stucco. Minor cracks on the stucco surface were observed. The coating prevents water from exiting the masonry and causes this type of deterioration. It is recommended to remove and replace the coating with breathable material when it is undergoing exterior restoration or roof work. No signs of leak were observed from the interior of the bulkhead.

(b) Elevator

There is one (1) elevator bulkhead at the roof level. The construction and the condition of the elevator bulkhead are similar to the stair bulkhead. The two bulkheads are connected.

(c) Other

There are no other bulkheads in the Building.

(v) Metal Work at Roof Levels

(a) Exterior, Metal Stairs

There is one (1) set of steel diamond plate stairs located at the roof level accessing the elevator motor room. The stairs are in acceptable condition.

(b) Vertical ladders, including Gooseneck

There are no vertical ladders at the roof level.

(c) Railings

The steel railing is mounted on the elevator motor room stairs and is in fair condition.

(d) Hatches to Roof

There are no hatches to roof.

(e) Other

Numerous steel plumbing ventilation pipes penetrate to the roof at many locations and are in acceptable condition.

(vi) Rooftop Facilities

There are no rooftop facilities at the Building.

(8) Fire Escapes:

(i) Location

There are five (5) fire escapes at the Building, two (2) at the north façade, one (1) at the west façade, and two (2) at the south façade.

(ii) Floors Covered

The fire escapes at the north and west façades extend from the street level to the sixth level. The fire escapes at the south façade extend from the basement level to the roof level.

(iii) Drop Ladder

Standard vertical steel drop ladders are engage to extend to the street level and basement level and are in acceptable condition.

(iv) Type

All fire escapes are cantilever steel type with steel-slat landings, steel plate treads, open-riser stairs, bar stock handrails, and wrought stock or cast iron balustrades. The fire escapes are firmly attached and supported.

(v) Materials

The fire escapes are made of painted steel. In 2007 all fire escapes were scraped, primed, and repainted with high gloss oil based paint.

(9) Yard and Courts:

There are three (3) yards on the premises. The entrance yard is located at the center of the north façade, accessing the lobby from the street. The east yard is located at the center of the east façade accessing from the basement level through a hallway. The south yard occupies along the south façade, accessing from the basement level or from 7th Avenue. The east and south yards are connected by the hallway.

(i) Paving

Concrete paving in all yards are in acceptable condition. Minor cracks and spalls were observed.

(ii) Drainage

There are three (3) drains located in the south yard, one (1) drain located in the east yard, and one (1) drain located in the entrance yard. All drain covers are flat stamped metal covers in acceptable condition.

(iii) Railings

Steel railings are located alongside the stairs and ramp in the yards. The railings are in acceptable condition.

(iv) Stairs

Two (2) sets of concrete stairs are located in the south yard. One (1) set accesses the south yard to the basement and one (1) set connects the south yard to the east yard through hallway. The stairs are in acceptable condition. Minor to moderate spalls were observed.

One (1) set of concrete stairs is located in the east yard connecting the east yard to the south yard through a hallway. The stairs are in acceptable condition.

(v) Fencing

Common chain link cyclone fences are located along the east and south lot lines in the south yard. The fences are in acceptable condition.

(vi) Walls

The entrance yard is bounded by the walls of the Building at its east, south, and west ends and by the lot line at its north end.

The east yard is bounded by the walls of the Building at its north, south, and west ends and by the wall of the adjacent building at its east end.

The south yard is bounded by the walls of the Building at its north ends and by the lot lines at its east, south, and west ends.

(10) Interior Stairs:

(i) Number of Stairs of each type

There is one (1) open central stairwell located at the center of the Building. There are two (2) open stairs connecting the lobby to the first floor hallways.

(ii) Enclosure

All stairs are enclosed by Building walls and open to each floor landing, lobby, or hallway they serve. There are windows at the stairwell to bring in natural light as described previously in the Report.

(iii) Stair Construction

All stairs in the Building are constructed of iron stringers, granite treads and landings, steel plate or granite risers, painted wood guardrails, cast iron posts, and wrought iron and cast iron spindles. All wood and metal components are painted.

(iv) Stringers

The painted iron stringers are generally in fair condition.

(v) Treads

The granite treads of all stairs are generally in acceptable condition.

(vi) Risers

The steel plate and granite risers are generally in fair condition

(vii) Guardrails

The wooden guardrails are generally in fair condition.

(viii) Balustrade

The balustrades of the stairs are made of cast iron spindles posts. All balustrades are generally in fair condition.

(11) Interior Doors and Frames:

(i) Unit Entrance and Interior Doors and Frames

Unit entrances have metal or metal clad wooden doors and frames with key dead bolts, peek holes, and self-closing springs.

Interior bedroom and bathroom entrances have wood doors and frames.

Most of the doors are in fair condition.

(ii) Corridor doors and Frames

There are no corridor doors and frames in the Building.

(iii) Stair Hall Doors and Frames

There are no stair hall doors or frames in the Building.

(iv) Roof Door, Basement Doors and Frames

The roof, office, compactor room, gas meter room, boiler room, and exits to yards have metal doors and frames. The storage rooms have metal doors and wood frames. The laundry room has a wood frame without a door. The roof doors are equipped with self closing fire rated hinges and Detex alarm locks. All doors and frames are in acceptable condition.

(12) Elevators:

(i) Number of passenger and service elevators

There is one (1) elevator in the Building. The elevator has been upgraded recently and is in fair condition.

(ii) Manufacturer, age of each and capacity

The manufacturer of the elevator, device no. 3P2170, was Otis Elevator Company. The elevator has the capacity of 1,800 lbs.

(iii) Type of operation for each elevator by elevator number or location in Building

The elevator is automatically operated.

(iv) Automatic

The elevator has a call button at each floor and a call button panel with indicator lights in the cab.

(v) Floors served

The elevator extends from the basement level to the sixth level.

(vi) Type

The elevator is worm geared overhead traction type.

(vii) Doors

The elevator has a two-section horizontal sliding door and on each floor a manual out-swing door with one (1) vision panel. All doors are in fair condition.

(viii) Location of machine rooms

The motor of the elevator is located at the roof level.

(ix) DC motor

There are no DC motors in the elevator machine room.

(x) AC motor-generator set

The original Otis Elevator Company motor has been refurbished and is in fair condition.

(xi) Other

All cables and controller for the elevator are in fair condition.

(13) Elevator Cabs:

(i) Kind

The manufacturer of the elevator cab was Otis Elevator Company. The elevator cab has been refurbished with the exception of the interior finish and is in fair condition. Sponsor plans to refurbish the interior of the elevator cab post-closing.

(ii) Floor

The elevator cab has vinyl flooring and is in acceptable condition.

(iii) Walls

The elevator cab wall has metal panels. The wall finish is in acceptable condition.

(iv) Ceiling

The elevator cab ceiling has metal panels. The ceiling is in acceptable condition.

(v) Lighting

The elevator has compact fluorescent lighting in acceptable condition.

(vi) Alarm, safety system

The elevator has a fireman's override switch, an alarm button, and an emergency stop button in the elevator cab.

(i) *Auxiliary Facilities*

(1) Laundry Rooms

(i) Location and Number of Rooms

One room containing the laundry area as well as other general space is located in the southwest corner of the basement in the Building.

(ii) Clothes Washers

There are three (3) washers in the laundry room. The washers are coin operated Speed Queen Commercial Washers and are in acceptable condition.

(iii) Clothes Dryer

There are two (2) dryers in the laundry room. The dryers are coin operated IDC Dryers and are in acceptable condition.

(iv) Room Ventilation

There are three (3) windows in the room containing the laundry.

(v) Dryer Ventilation

There is one (1) round duct exhausting to the south yard through the wall next to the dryers.

(2) Refuse Disposal

(i) Incinerator

There are no incinerators in the Building.

(ii) Compactor

There is one (1) compactor in the Building. The compactor room is located in the basement on the west of the elevator shaft. The compactor is stationary type and has a capacity of two (2) cubic yards. The manufacturer is unknown.

(iii) Approvals by Authority having Jurisdiction

None.

(iv) Initial Storage Location

The initial storage is located in the basement via trash chute located in the hallways at each level. Then it is collected by the Superintendent to the street level.

(v) Pick-up Schedule, and whether public or private provider

Regular refuse disposals are picked up every Wednesday and Saturday. Recycled disposals are picked up every Wednesday. Pick-up is performed by New York City Department of Sanitation.

(j) *Plumbing and Drainage*

(1) Water Supply:

The Building is provided with one (1) domestic water service. The service is provided by a 2" pipe that enters the basement level from 7th Avenue. Cold water service from the basement is not insulated and is in fair condition. Cold water piping from the water service supplies the domestic water system. The service extends to a booster pump and a hydropneumatic tank. The tank is coupled with an air compressor.

Risers are provided for hot water supply, cold water, waste, and vent piping. A portion of existing basement horizontal cold and hot water piping was replaced with copper. Hot/cold water piping is brass and copper. The majority of hot/cold water piping is insulated. Hot/cold water supply is distributed to copper and brass water supply risers. Risers are in fair condition. The expected remaining life of the plumbing piping system is approximately 30 years. Leaks do not occur frequently.

Domestic hot water is generated by a coil in the boiler. The capacity of the coil is adequate for the current hot water load. A 3 way temperature control valve is provided to maintain domestic hot water temperatures. The domestic hot water is adequate.

A mixture of brass and copper, hot and cold water supply pipes from risers extend to fixtures in the bathrooms and kitchens. The majority of hot and cold water risers are brass.

(2) Fire Protection System

(i) Standpipes

There are no standpipes in the Building.

(ii) Hose Racks, Hoses and Nozzles

There are no hose racks, hoses or nozzles in the Building.

(iii) Sprinkler Heads

Garbage compactor and chute is protected with a sprinkler system. The system is connected to the domestic water system.

(iv) Siamese Connection

There are no Siamese connections in the system.

(3) Water Storage Tank and Enclosures

There are no water storage tanks in the Building.

(i) Number, Type, Location of each

N/A

(ii) Material

N/A

(iii) Access to Tank

N/A

(iv) Total Capacity

N/A

(v) Fire Reserve Capacity

N/A

(4) Water Pressure and how Maintained

Water pressure is provided from street pressure at 7th Avenue. The water pressure in all apartments, including the top floor apartments, is adequate.

(5) Sanitary Sewage System

There is a combined sanitary and storm drainage system.

(i) Sewage Piping

The stacks and mains piping for the waste system are cast iron piping. Leaks do not occur frequently. The joints are in fair condition. The branch waste and vent piping at fixtures are in fair condition.

The system serves plumbing fixtures and equipment throughout the Building. Drainage and vent piping extends up the Building in chases. Some piping is from the original building installation and in fair condition. Piping can continue to function for an additional 30 years. Leaks do not occur frequently.

(ii) Sewage Pumps

There are no sewage pumps in the Building.

(iii) Sewage Disposal

The combined house sewer connects to the street sewer in 44th Street. The sanitary drainage and vent system is conventional gravity drainage system which flows from the vertical stacks to house sewer at basement level and then piped to the street sewers after being combined with the Building storm drains.

Toilets are floor mounted flush valve and tank type.

(6) Permit(s) required

All permits are to current date.

Permit	Issued by	Date Issued	Exp. Date
Petroleum Bulk	New York State Department of	05/22/2007	12/19/2011

Storage Certificate	Environmental Conservation		
Certificate of Operation (Boiler and Burner)	Department of Environmental Protection	03/15/2006	11/11/2009

(7) Storm Drainage System

The combined sanitary and storm drainage system is described in section (j)(5).

(i) Catch Basins

There are no catch basins in the system.

(ii) Yard and Roof Drains

Roof and yard drains are provided. A portion of the roof is also provided with a scupper and exterior leader. The drains connect to the interior storm systems. The storm piping connects to the sewer lines and exits the Building as a combined system.

(iii) Piping

Storm drainage piping is cast iron in fair condition.

(iv) Eject or Sump Pumps

A sump pump is installed in the sump pit in basement boiler room.

(k) *Heating*

(1) The heating system consists of one (1) oil fired steam boiler with cast iron radiators. The boiler is coupled with a tankless domestic hot water heating coil. The boiler and domestic hot water heating coil are adequate to maintain requirements of the Building during anticipated outdoor temperature of 15 F and indoor temperatures of 68 F.

(2) Number of Boilers and Description

There is one (1) oil fired steel boiler.

(3) Manufacturer and age of boiler

The heating system is comprised of one (1) oil fire steam boiler, as manufactured by Federal, model FST 90. The boiler has a heating capacity of 3,780 MBH and is in fair condition. A visual inspection of the boiler indicated

that leaks were not present. The boiler is approximately 20 years old, and can remain in use with adequate maintenance (flushing and cleaning) for an additional 30 years. The system is not out of service frequently. The heating system is adequate. The boiler is provided with all required safety devices to maintain proper operation including low water cutout, smoke alarm, emergency on/off switch, and pressure relief. A sidearm oil heater is provided. A tankless coil is installed inside the boiler to generate domestic hot water. Combustion air is drawn into the basement boiler room through an opening to the exterior.

(4) Manufacturer and age of burners

The burner is "Industrial Combustion" model DEG-424P with a consumption of No.4 oil. An air compressor is provided for the burner. The burner is approximately 20 years old and can remain in use with adequate maintenance for an additional 30 years.

(5) Type of controls

A Heat Timer control panel is provided to cycle boiler operation.

(6) Radiators, piping, insulation, valves, pumps

Radiators typically are located beneath windows. Each radiator is coupled with a shut-off valve and a steam vent. The units themselves are in fair condition and can remain in use. Steam from the boiler is supplied to cast iron radiators by means of one pipe distribution system. Steel piping extends vertically throughout the Building within the concealed enclosures. The majority of the steam supply piping within the basement is provided with insulation. Condensate return piping is partially insulated. Steam distribution piping can remain in service with periodic repairs warranted.

(7) Fuel

No. 4 oil only.

(8) Location of Oil Tank, materials, enclosure

Steel oil tank is located in the basement

(9) Capacity of oil tank

No. 4 oil is contained in one (1) 4,000 gallon steel fuel oil tank located in the basement. The tank does not indicate any signs of leaks and the underside of the tank does not have significant signs of rust. A petrometer is provided to measure fuel oil level. Oil piping is black steel in acceptable to fair condition. Fill and vent lines extend to 44th Street. An oil pump located next to the boiler, circulates oil between burner and tank. Replacement of the tank is recommended in 30 years.

(10) For gas

N/A

(l) *Gas Supply*

(1) Type

Keyspan Corporation provides gas supply through a 2" gas service. Gas service enters the Building from 7th Avenue.

(2) Meters

Gas meters are provided for the boiler and apartments. Majority of gas meters are located in the basement.

(3) Piping

Metered gas piping extends to the kitchens and boiler. Exposed black steel gas piping is in fair condition and can remain in use.

(m) *Air Conditioning*

(1) Type of system

Air conditioning for apartments is provided as need basis by individual tenants who purchase their own window type units.

(2) Central System

There is no central air conditioning system.

(3) Cooling Towers, Condensers

There are no cooling towers or condensers in the Building.

(4) Individual Units Covered by the offer

N/A

(n) *Ventilation*

Dryer exhaust extends to the south yard. All other ventilations are discussed in the previous sections. All apartments have adequate light and air.

(o) *Electrical System*

(1) Service from main service switchgear

The existing electric service consists of utility cables entering from 7th Avenue and terminating in a service cable end line box. The utility company service cables are rated at 120/208 volt, 3 phase, 4 wire and provide approximately 800 Amps of power to the Building.

(2) Service to individual units

Service to individual units is provided with dedicated risers.

(3) Compartment switchgear

From the service end line box, cables are connected to the building distribution equipment which consists of the following:

(i) 400 Amp fused disconnect switch with 350 amp fuses.

(ii) 400 Amp fused disconnect switch with 250 Amp fuses.

(iii) Two (2) meterbanks

(iv) 100 Amp, 20 CB panel for the house

(4) Unit Service

(i) The apartments' main electric service consists of a load center with utility meters and 2p-40 Amp main circuit breakers for each apartment. Apartment feeders are connected from the 2p-40 Amp circuit breaker to the apartment panel board. The apartment load center appears to be in fair condition.

(ii) Apartments

All of the apartments have been refurbished with new circuit breaker panel boards. Separate circuits for kitchen appliances have been provided in approximately 95% of the apartments. Separate outlets for A/C units are installed in approximately 50% of the apartments.

(iii) Branch circuit wiring

None of the apartments have had their branch circuit wiring replaced with new wiring. It appears that all apartments still have the original branch circuit wiring which should be replaced when the units are vacant and under renovation.

(iv) Approximately 95% of renovated apartments have separate outlets and circuit breakers for kitchen appliances and a portion with ground fault interrupter (GFI) outlets for both kitchen and bathrooms. The remaining apartments do not have separate outlets and circuit breakers for kitchen appliances. It appears 50% of A/C units are connected to convenience outlets and/or light circuits.

(v) A combination ceiling mounted smoke and carbon monoxide detector has been provided in each apartment.

(5) Adequacy

(i) Service

The apartment electric service feeder and main circuit breakers appear to be adequate for today's modern electrical requirements. In approximately 50% of the apartments, separate circuits have not been provided for air conditioning units.

(ii) Lighting and Fixtures

The Building lighting consists of fluorescent lighting in the basement and stairs and compact fluorescent lighting corridors. Wall mounted receptacles have been provided where required throughout common areas.

(iii) Convenience outlets, appliance outlets

Convenience outlets are scattered throughout apartments. Dedicated appliances have been provided in the renovated apartments.

(p) *Intercommunication and/or door signal systems, security closed circuit TV*

There is a simple closed circuit push button buzzing system with one (1) buzzer panel in the front vestibule and buzzers in all apartments. The buzzer panel and the buzzers in the inspected apartments are in acceptable condition. Complaints of poor connections have been reported.

Time Warner Cable Company provides cable television and internet service to the Building.

(q) *Public Area Lighting*

Basement and central stairs are not provided with emergency lighting. The hallways on each floor have ceiling mounted light fixture with fluorescent lamps. The lobby has wall mounted light fixtures with fluorescent lamps. All lightings appear to be adequate.

(r) *Garages and Parking Areas*

There are no garages or parking areas on the premises.

(s) *Swimming Pools*

There are no swimming pools on the premises.

(t) *Tennis Courts, Playgrounds and Recreation Facilities*

There are no tennis courts, playgrounds, or recreation facilities on the premises.

(u) *Permits and Certificates*

Permit	Issued by	Date Issued	Exp. Date
Certificate of Occupancy	Department of Buildings, City of New York	04/10/1931	-
Petroleum Storage Bulk Certificate	New York State Department of Environmental Conservation	05/22/2007	12/19/2011
Certificate of Operation (Boiler and Burner)	Department of Environmental Protection	03/15/2006	11/11/2009

Inspections:

- Low pressure boiler annual inspection
- Elevator Inspection

Updated boiler and elevator inspection certificates and permits will be provided at the time of closing.

(v) *Violations*

Sponsor has performed all of the work necessary to cure all of the following violations (and has submitted affidavits to that effect to HPD) except violations issued with respect to apartment 6B and the elevator. The tenant in Apartment 6B has requested that the work be performed at a later date which Sponsor has advised will be done. The elevator violation is being worked on by the elevator company that just completed the elevator modernization.

The following open violations were found as of06/03/08:

Department of Buildings: 1 open violation, 0 open complaints.

Violation No.	Description
V021006E9011/152643	Elevator 'PVT' violation for device # 3P2170

Environment Control Board: 0 open

Bureau of Electrical Control: 0 open

New York City Fire Department: 0 open

Department of Housing Preservation and Development (HPD): 9 open violations exist. See Appendix 5 for the list.

Department of Transportation: 1 open

Violation No.	Issued Date	Description
27693	3/15/99	Sidewalk 'trip hazard' on 7th Avenue between 44th & 45th Street

(w) *Unit Information*

There are fifty-four (54) apartments in the Building. Apartments at A, B, C, E, F, H, and J Lines are one-bedroom apartments. Apartments at D and G Lines are two-bedroom apartments. Twenty (21) apartments are currently vacant.

(1) Type and grade of finish material used in each type of unit.

The condition of the finishes varies, based on the age and the use by the tenants.

Room	Floor	Walls	Ceiling
Corridor	2 ½" Strip Oak Flooring/VCT Flooring	Painted Plaster	Painted Plaster

Kitchen	VCT Flooring	Painted Plaster	Painted Plaster/Textured Painted Plaster
Bathroom	Ceramic Tiles/Mosaic Ceramic Tiles	Ceramic Tiles/Painted Plaster/Painted Tiles	Painted Plaster
Living room	2 ½" Strip Oak Flooring/VCT Flooring	Painted Plaster	Painted Plaster/Textured Painted Plaster
Bedroom	2 ½" Strip Oak Flooring/VCT Flooring	Painted Plaster	Painted Plaster/Textured Painted Plaster

(2) Presence, type and condition of all bathroom fixtures

Bathroom fixtures in the inspected apartments include combination of cast iron sink and bath tub, gel-coated fiberglass or porcelain enamel tubs, single molded lavatory counters set on top of plywood vanities or porcelain lavatory basins, two-piece tank water closets, and two-piece tank type toilets. The condition of the fixtures varies based on the age and the use by the tenants.

(3) Presence, type and condition of kitchen and laundry equipment

Kitchen equipment in the inspected apartments include generic plastic laminate/plywood over-counter cabinets, under-counter cabinets, stainless steel kitchen sinks, marble/plastic laminate counters, 4-burner gas stoves/ovens, dishwasher, and 5-feet refrigerators. Laundry equipment is not observed in the inspected units. The condition of the equipment varies based on the age and the use by the tenants.

(x) *Finish Schedule of Spaces Other Than Units*

Room	Floor	Walls	Ceiling	Condition
Office	Painted Concrete	Painted Plaster/Painted Terra Cotta Block	Painted Plaster	Acceptable

Laundry Room	Painted Concrete	Painted Plaster/Painted Brick	Painted Plaster	Acceptable
Storage	Painted Concrete	Painted Brick/ Painted Terra Cotta Block/Concrete Block	Painted Plaster/Painted Concrete	Poor
Boiler Room	Painted Concrete	Painted Brick//Painted Block	Painted Concrete	Acceptable
Cellar Corridor	Painted Concrete	Painted Brick/Painted Plaster	Painted Plaster	Acceptable
Lobby	Terrazzo	Painted Textured Plaster	Painted Plaster	Fair
Stairwell	Terrazzo Treads & Platform	Painted Textured Plaster	Painted Plaster	Fair
Hallway (1st – 6th Floor)	Terrazzo	Painted Textured Plaster	Painted Plaster	Acceptable

(y) *Safety and Warning Devices*

New smoke/carbon monoxide (CO) detectors that are required by the new regulation were installed in all apartments in November, 2004. Smoke/CO detectors have also been installed in the hallways at each floor.

(z) *Additional Information Required*

(1) Site Plan

See Appendix 2.

(2) Area Map

N/A. It is only required if the buildings are not located in highly urban areas.

(3) Floor plan

See Appendix 3

(4) Floor to ceiling heights of units

All units are approximately 9.2' high.

(5) Approximate total area of each unit

The total area of each unit was calculated from the center line of the unit's partition walls and from the exterior line of the exterior walls and walls between the unit and the common area.

Apartment	Approximate Total Area (SF)
Typical A Line	878
Typical B Line	860
Typical C Line	830
Unit 1D	1050
Typical D Line	1114
Unit 1E	557

Apartment	Approximate Total Area (SF)
Typical E Line	846
Unit 1F	562
Typical F Line	794
Typical G Line	1059
Typical H Line	792
Typical J Line	754

(6) Master floor plan

See Appendix 4.

(aa) *Further investigation*

Further investigation for the condition of the spandrel beam in the entrance yard should be conducted.

(bb) *Further development*

No further development is anticipated at this time. The Sponsor reserves the future development rights.

(cc) *Asbestos*

Refer to Asbestos Report by AA Services LLC.

(dd) *Lead-Based Paint*

There are no known locations where lead paint exists in the Building. However, given the age of the Building there is likely to be lead paint. All paint should be tested prior to removal.

(ee) *Special Risks*

(1) Entrance yard facade:

To perform probes at the horizontal cracks along the window lintel level and above the front entrance at the first floor extension, to repair or to replace the deteriorated steel beams and lintels, and to replace the related brickwork, approximate cost range is $5,000-$30,000. The Sponsor will make repairs sufficient to comply with applicable laws and safety concerns but has not committed to the full scope of the repair.

(2) Rear facades:

To repair brickwork at the vertical and stepped cracks at the spandrel panels between windows on the rear facades, approximate cost is $30,000. The Sponsor will make repairs sufficient to comply with applicable laws and safety concerns but has not committed to the full scope of the repair.

(3) Chimney:

To remove the existing stucco, examine the condition of the brickwork, and to repair all deteriorated brickwork at the chimney, approximate cost $2,000. The Sponsor will make repairs sufficient to comply with applicable laws and safety concerns but has not committed to the full scope of the repair.

(4) Hot and Cold Water Piping:

To insulate the basement steam piping where missing, estimated cost is approximately $5,000. The insulation is to be 1" fiberglass. The Sponsor stated that the insulation will be installed prior to closing

(5) Steam piping:

To insulate the basement steam piping where missing, estimated cost is approximately $3,000. The insulation is to be 1" fiberglass. The Sponsor stated that the insulation will be installed prior to closing

(6) Electrical system:

To provide within unrenovated apartments a kitchen appliance and A/C unit outlets with separate circuits, approximate cost is $2,000/apt. This scope of work could be implemented as apartments are vacated and renovated.

(7) Violations:

The Sponsor has stated that prior to the first closing it will perform all work necessary to remove all presently existing violations, although they will not necessarily be removed of record by that date.

(8) Insulation at Exterior Walls and the Roof:

The Building was constructed in 1931 and was constructed of bonded brick walls. The exterior wall is assumed to be non-insulated and not in compliance with the Energy Conservation Construction Cod of NYS.

(9) Parapet and Coping:

To remove the existing coating, estimated cost is approximately $4,000. The masonry underneath the coating should be inspected after the removal of existing coating and repaired as necessary. The Sponsor will make repairs sufficient to comply with applicable laws and safety concerns but has not committed to the full scope of the repair.

(10) Stair Bulkhead:

To remove the existing coating, estimated cost is approximately $600. The masonry underneath the coating should be inspected after the removal of existing coating and repaired as necessary. The Sponsor will make repairs sufficient to comply with applicable laws and safety concerns but has not committed to the full scope of the repair.

(11) Lintels:

To replace the deteriorated window lintels, estimated cost is approximate $10,000. The Sponsor will make repairs sufficient to comply with applicable laws and safety concerns but has not committed to the full scope of the repair.

(12) Lot Line Windows:

Lot line windows are located at the east façade of the Building at Units 4, 5, and 6G and 4, 5, 6, H. To close up the window openings with matching bricks and proper finish in the interior, the estimated cost is approximately $400 per window.

(ff) *Reserve fund*

The Sponsor has no opinion as to the adequacy of the reserve fund to pay for the major capital improvements and replacements which are reasonably foreseeable within three years.

Note:

The term "fair" used in the Report refers to the moderately good, satisfactory, and above average conditions with minor deteriorations that are mostly aesthetic and do not require repair.

The term "acceptable" used in the Report refers to the conditions that meet the minimum requirement of the performance and are judged to be in conformity with approved usage. The item may contain moderate deteriorations that require proper and continuous maintenance or minimal repair.

The term "poor" used in the Report refers to the under-satisfactory and inadequate conditions with deteriorations that require repair or replacement.

APPENDIX 1

CERTIFICATE OF OCCUPANCY

DUPLICATE No. 63559

OFFICE OF THE PRESIDENT OF THE BOROUGH OF BROOKLYN

BUREAU OF BUILDINGS

CERTIFICATE OF OCCUPANCY

(Issued Pursuant to Article 1, Section 5, Building Code)

BROOKLYN, N. Y., April 11 1931

OWNER Avenue Bldg. Corp.

ARCHITECT Rocking & Funkelstein

This is to certify that the ~~ALTERED~~ NEW BUILDING #4401/11

Located at 702/14-44 Ocean P. & C.H. 7 Ave.

has been COMPLETED substantially according to the approved plans and specifications and the requirements of the BUILDING CODE, and PERMISSION is hereby granted for the OCCUPANCY of said building for the following purposes:

This certificate supersedes all previously issued certificates.

STORY	LIVE LOADS LBS. PER SQ. FT.	PERSONS ACCOMMODATED MALE	FEMALE	TOTAL	USE
Cellar					Boiler Room
~~Basement~~					Store
First Story	40				Store & 2 families
Second "	40				Store & 4 families
Third "	40				Store & 4 families
Fourth "	40				Store & 4 families
Fifth "	40				Store & 4 families
Sixth "	40				Store & 4 families
~~Seventh~~					
Eighth "					
Ninth "					
Tenth to th					

Number of Buildings One (1)

Permit No. 9440 '30.

Work Completed 4/10/31

Louis W. Pinsard
Chief Inspector and Acting Superintendent of Buildings

Per E. C. Foley

10A-2065-30-B

APPENDIX 2

SITE PLAN

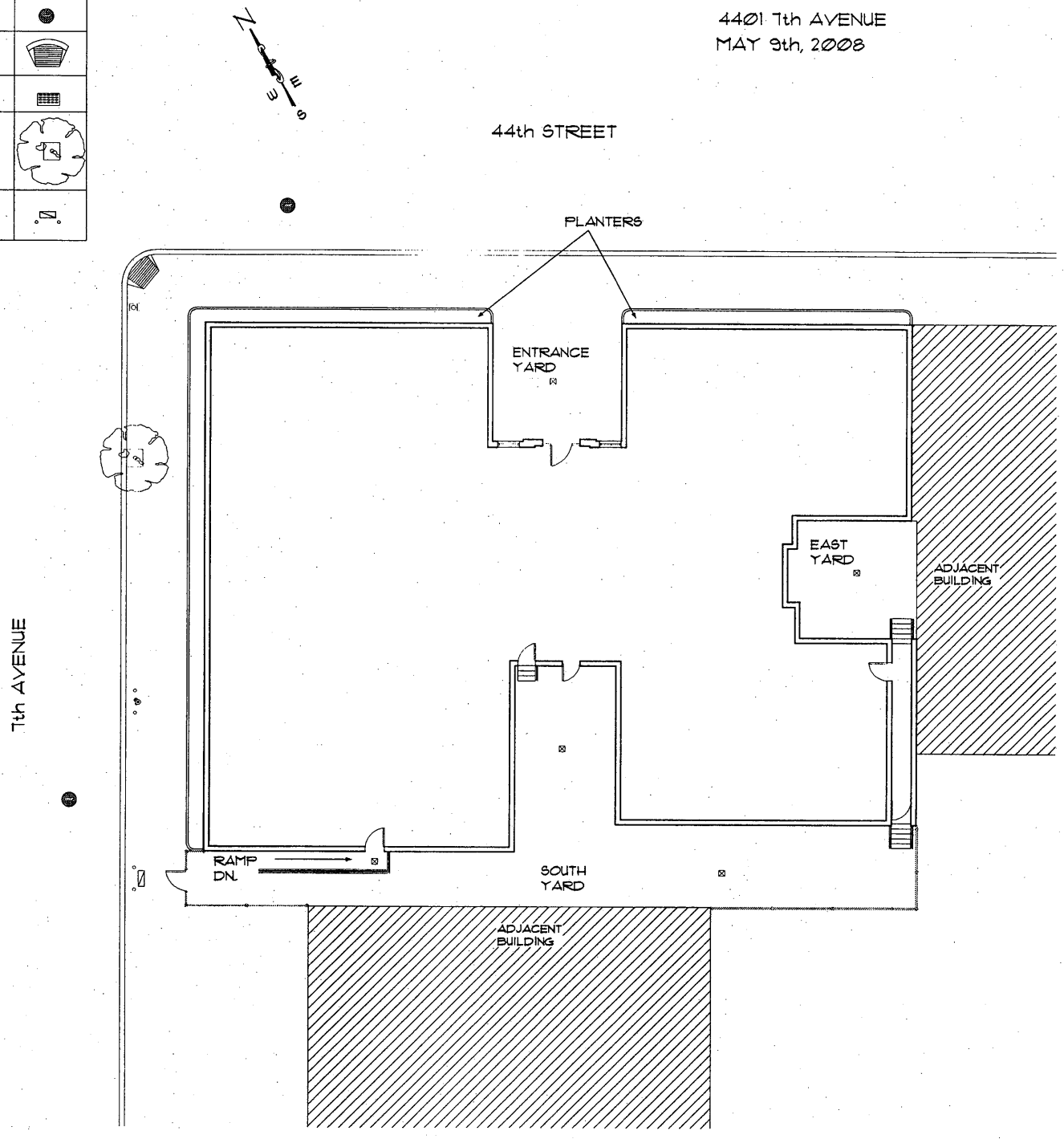
1 / A1-01 SITE PLAN

NTS

LEGEND

LAMP POST	
DRAIN	
FENCE	
FIRE HYDRANT	
MANHOLE COVER	
HANDICAP CURB CUT	
SEWER GRATE	
TREE	
ELECTRICAL CONTROL BOX	

4401 7th AVENUE
MAY 9th, 2008



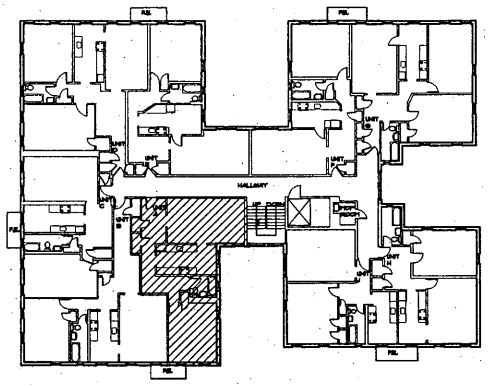
NOTE:
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APPENDIX 3

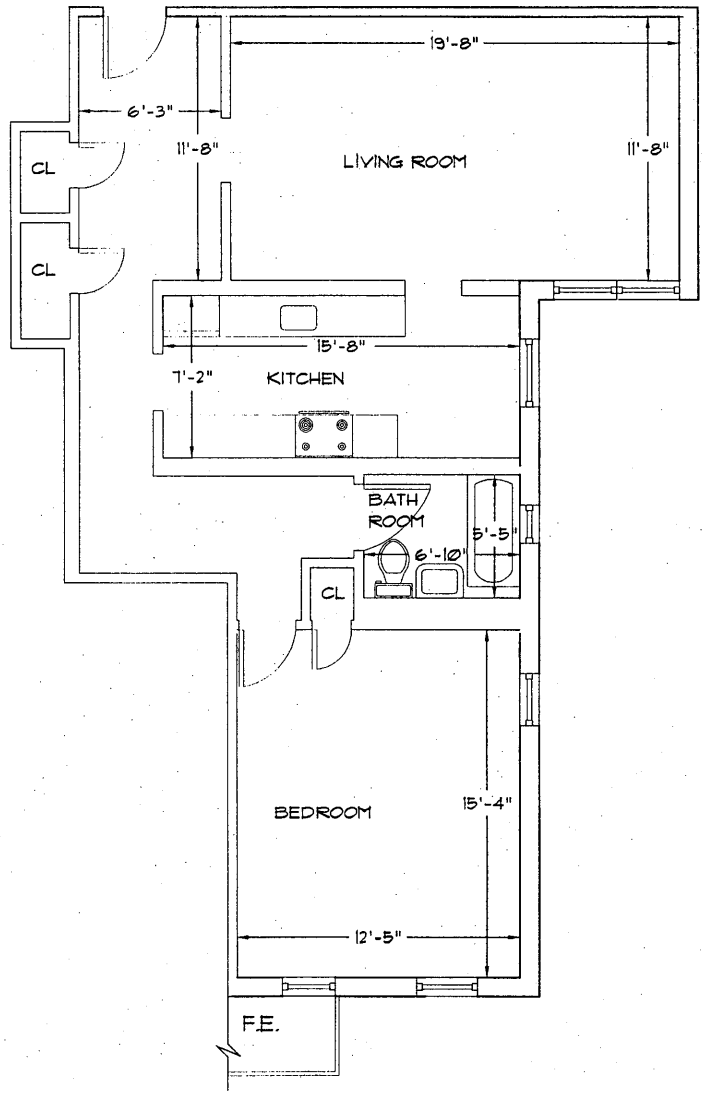
FLOOR PLANS

1 / A2-01 TYPICAL A LINE

SCALE: 1/8" = 1'



4401 7th AVENUE
MAY 9th, 2008

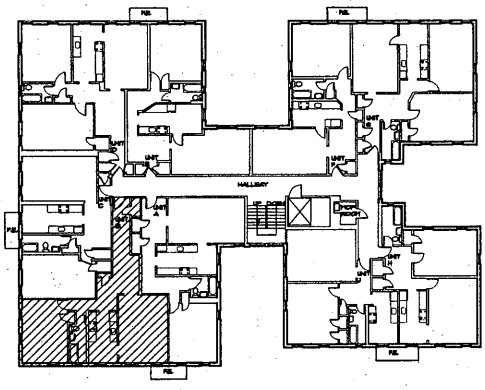


APROXIMATE SQ. FT. 878

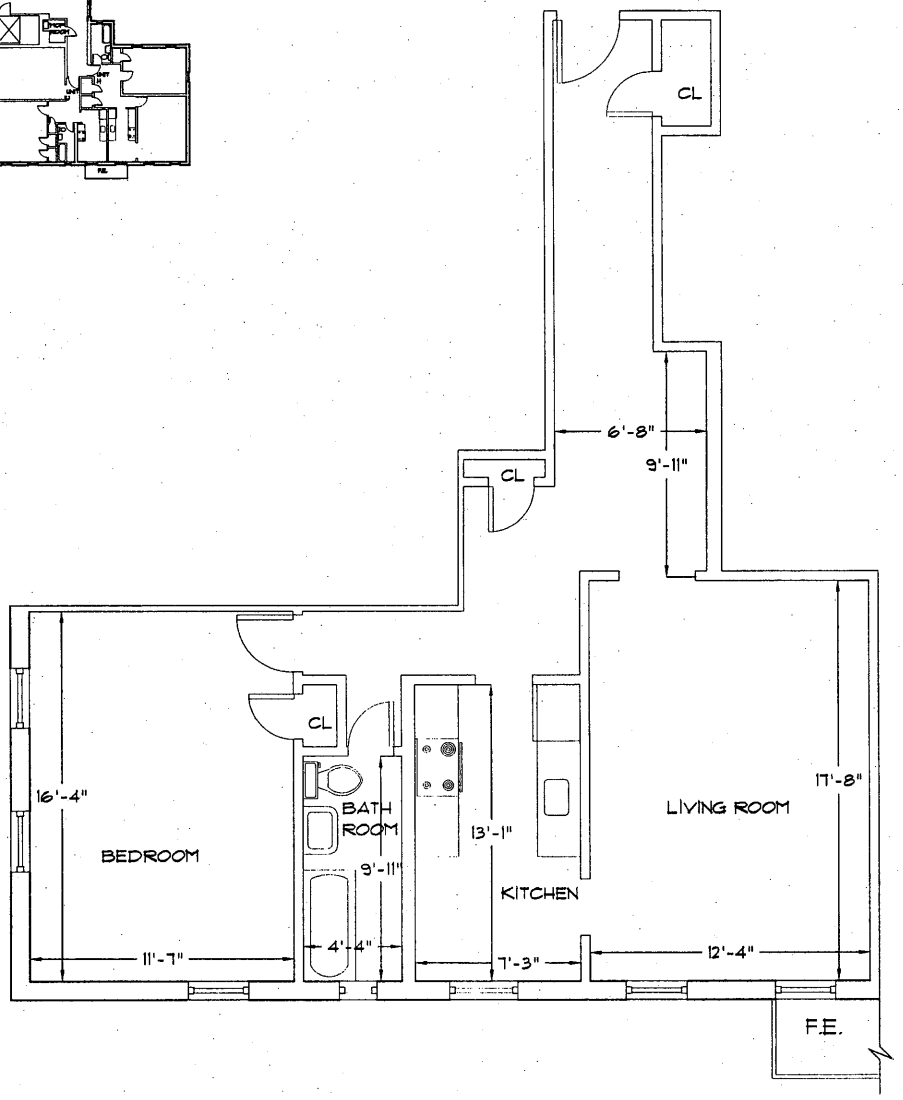
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1 / A2-02 TYPICAL B LINE

SCALE: 1/8" = 1'



4401 7th AVENUE
MAY 9th, 2008

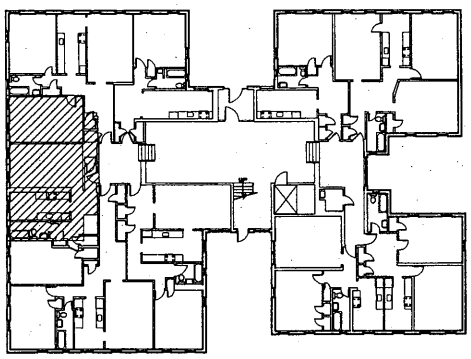


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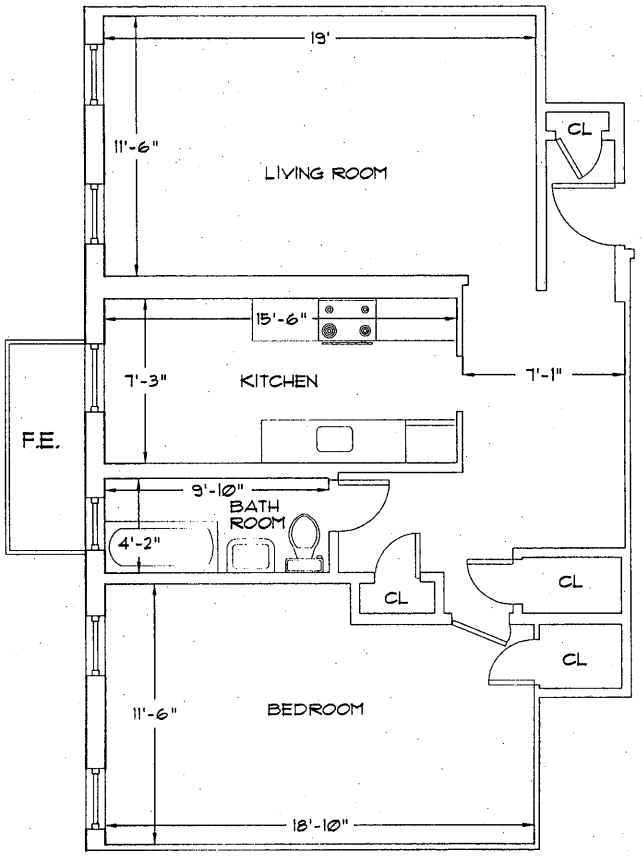
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1 / A2-03 UNIT 1C

SCALE: 1/8" = 1'



4401 7th AVENUE
MAY 9th, 2008

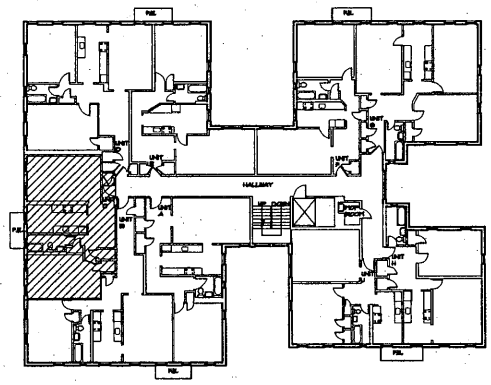


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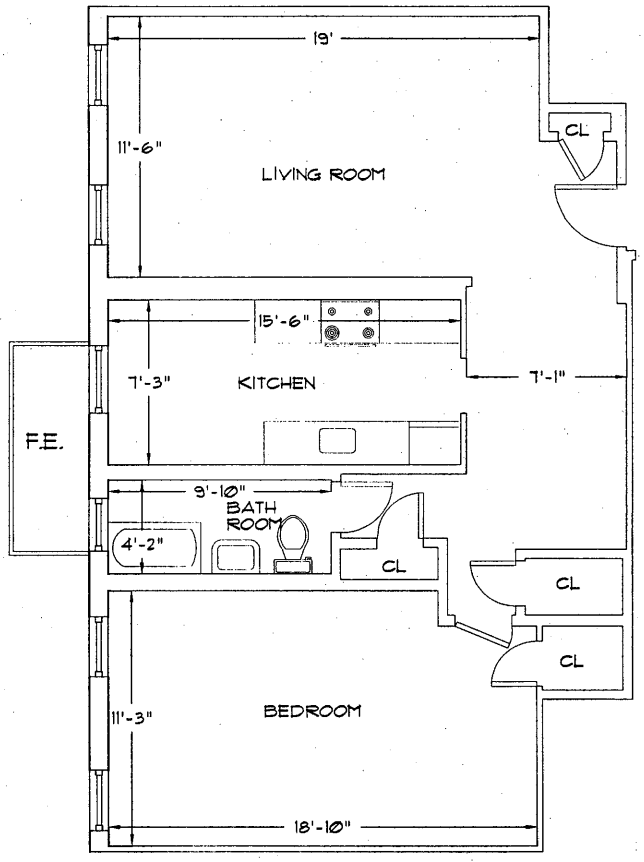
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1 / A2-04 TYPICAL C LINE

SCALE: 1/8" = 1'



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MAY 13th, 2008

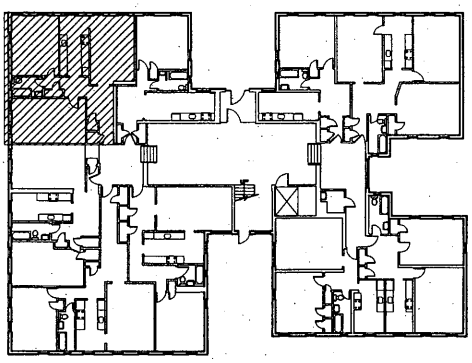


APROXIMATE SQ. FT. 830

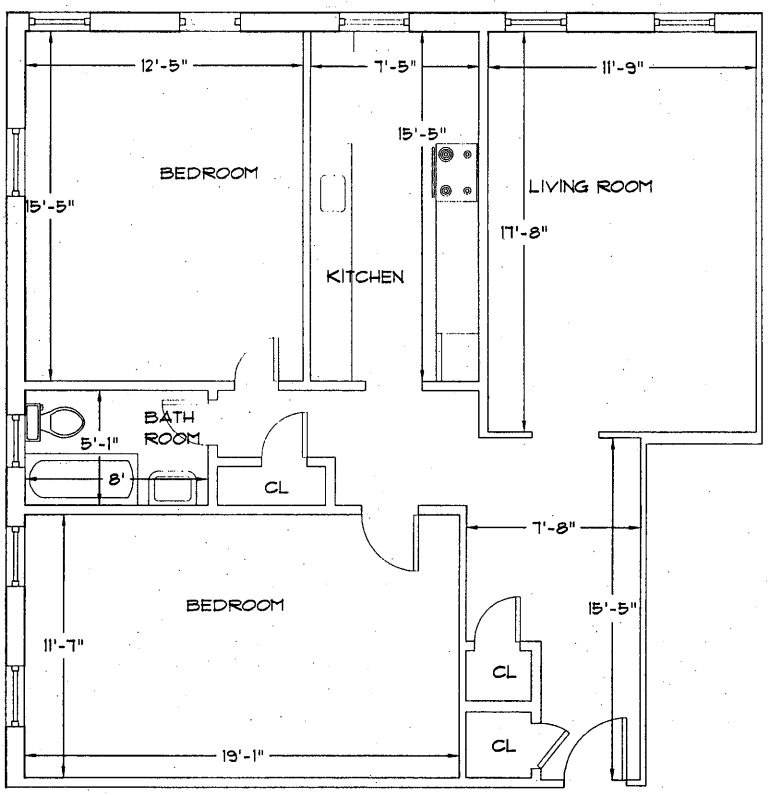
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1 / A2-05 UNIT 1D

SCALE: 1/8" = 1'



4401 7th AVENUE
MAY 9th, 2008

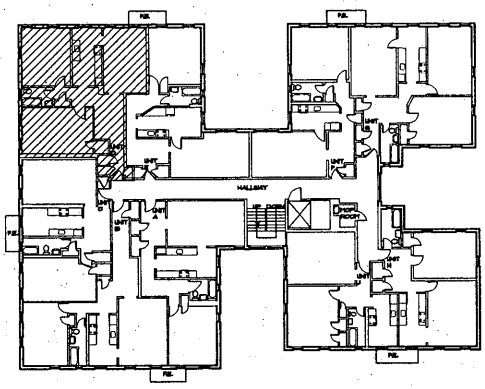


APROXIMATE SQ. FT. 1050

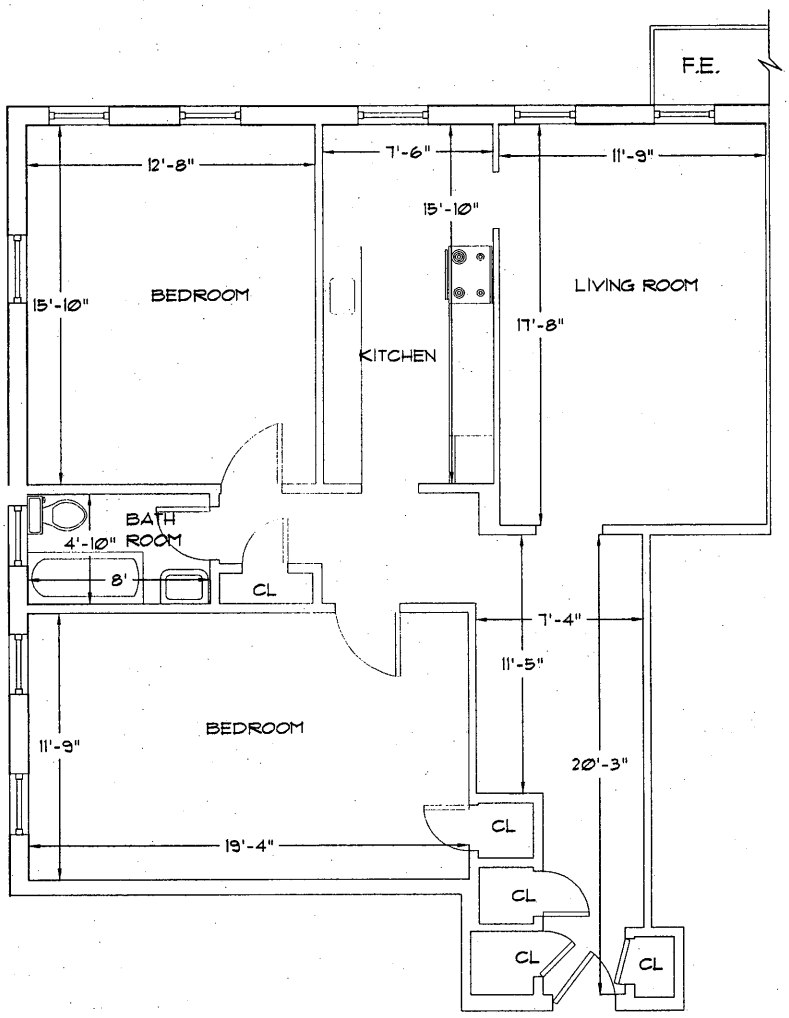
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1 / A2-06 TYPICAL D LINE

SCALE: 1/8" = 1'



4401 7th AVENUE
MAY 9th, 2008

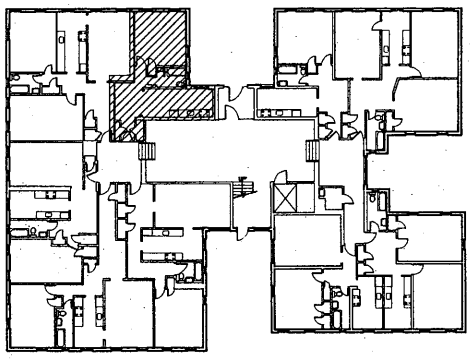


APROXIMATE SQ. FT. 1114

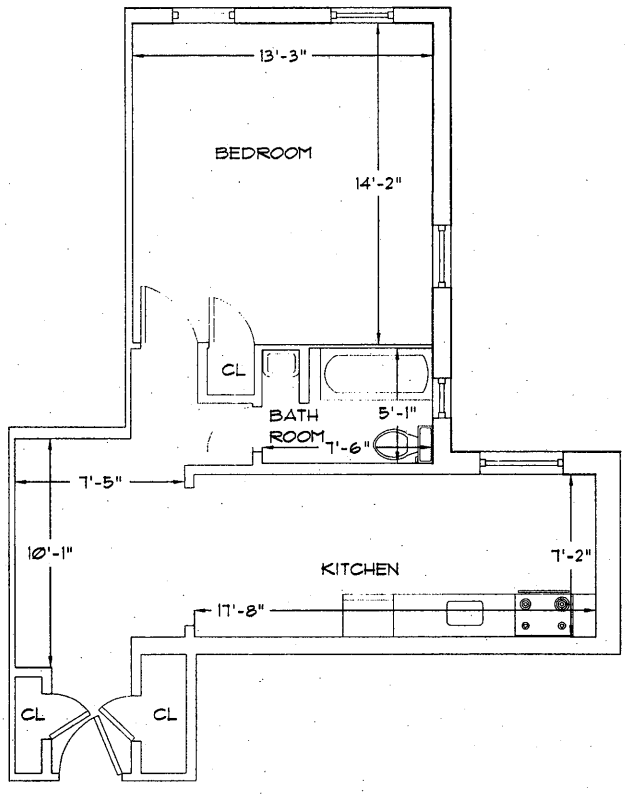
NOTE:
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1 / A2-07 UNIT 1E

SCALE: 1/8" = 1'



4401 7th AVENUE
MAY 9th, 2008

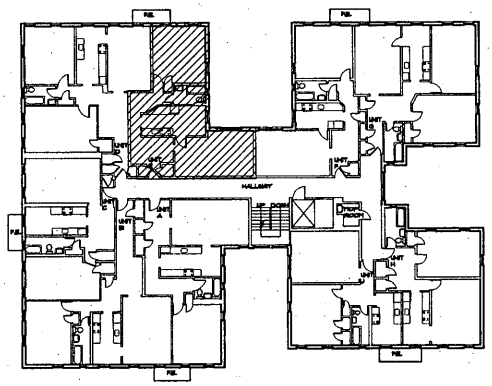


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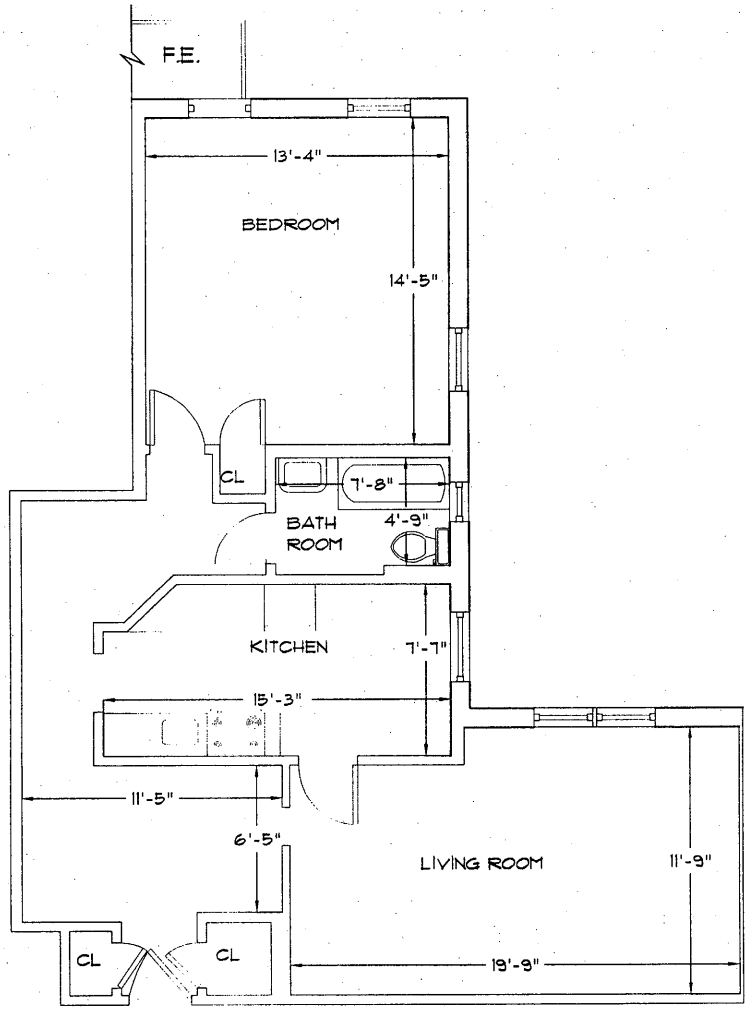
NOTE:
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1 / A2-08 TYPICAL E LINE

SCALE: 1/8" = 1'



4401 7th AVENUE
MAY 9th, 2008

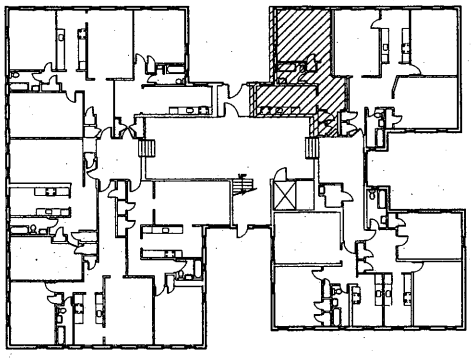


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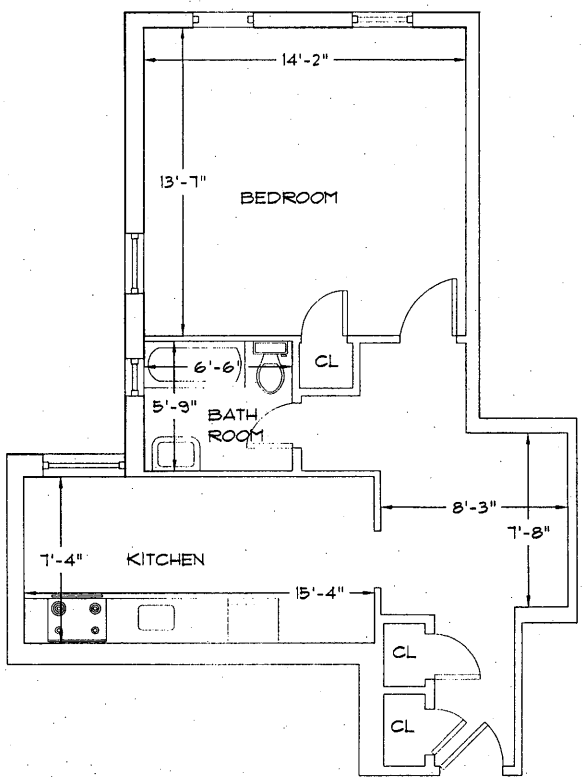
NOTE:
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1 / A2-09 UNIT 1F

SCALE: 1/8" = 1'



4401 7th AVENUE
MAY 9th, 2008

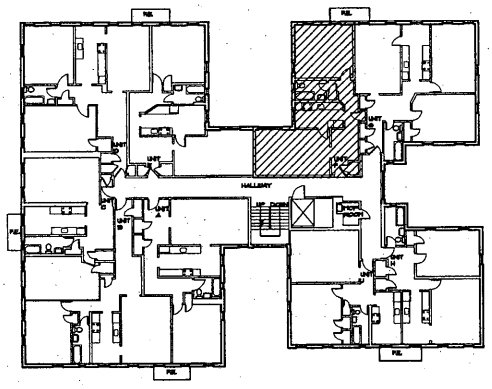


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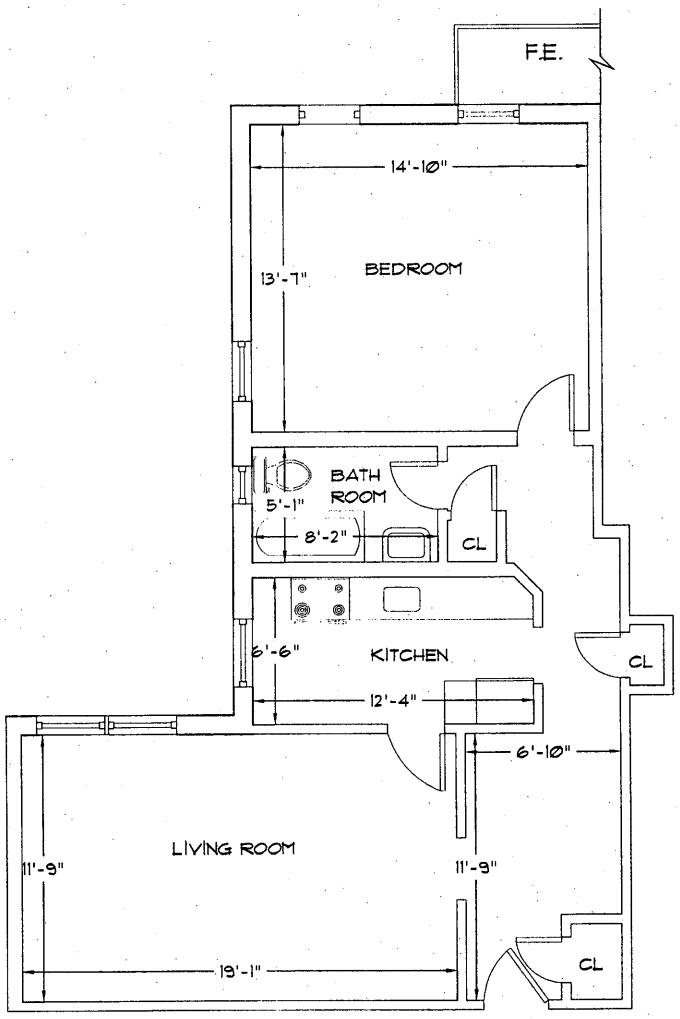
NOTE:
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1 / A2-10 TYPICAL F LINE

SCALE: 1/8" = 1'



4401 7th AVENUE
MAY 9th, 2008



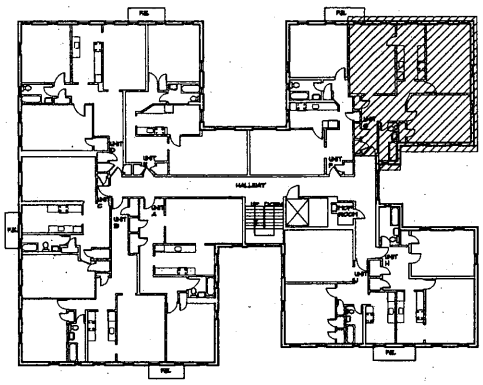
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NOTE:
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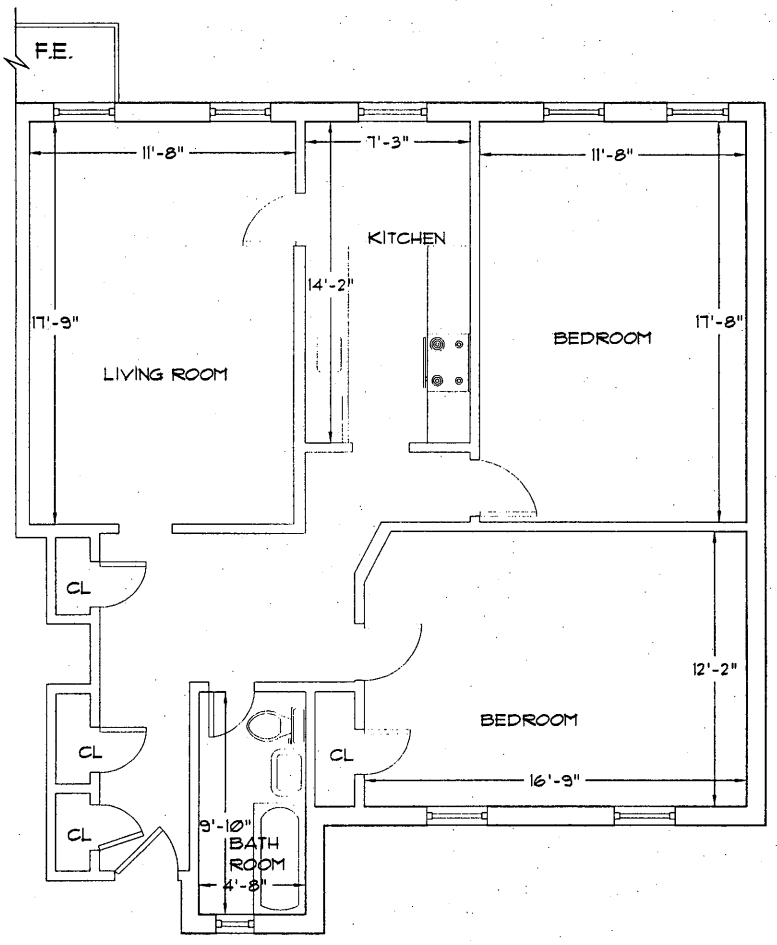
1
A2-11

1-3 G LINE

SCALE: 1/8" = 1'



4401 7th AVENUE
MAY 9th, 2008

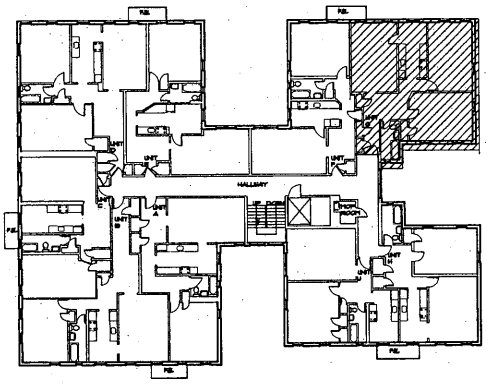


APROXIMATE SQ. FT. 1059

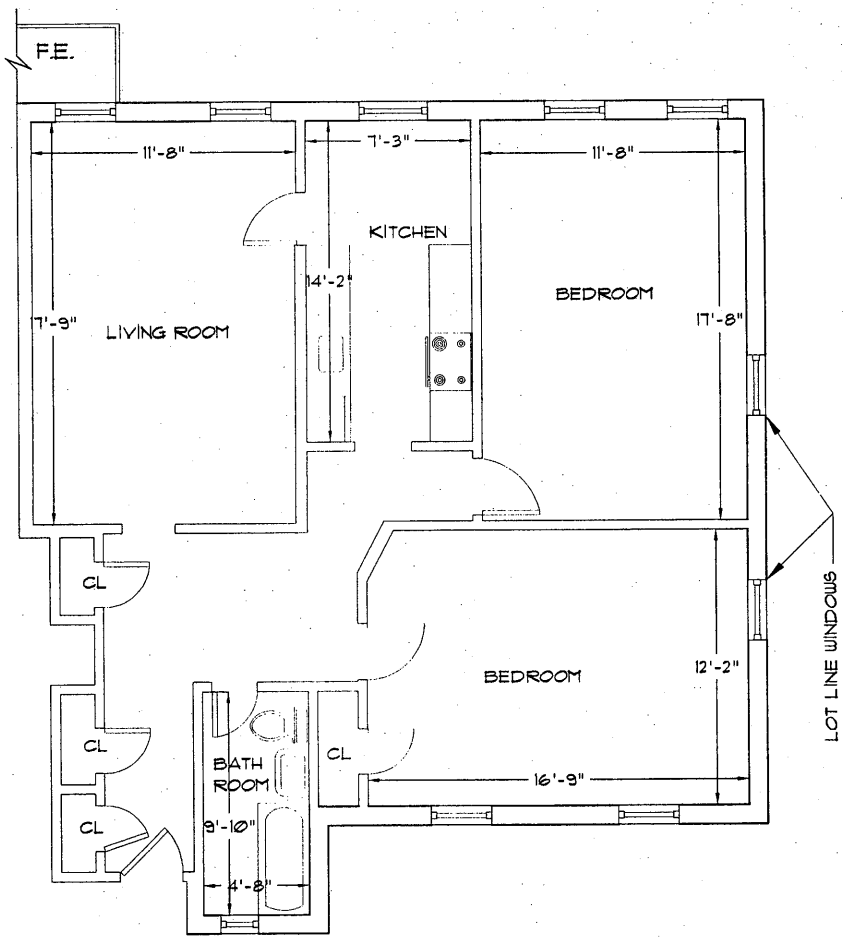
NOTE:
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1 / A2-12 — 4 & 6 G LINE

SCALE: 1/8" = 1'



4401 7th AVENUE
MAY 9th, 2008

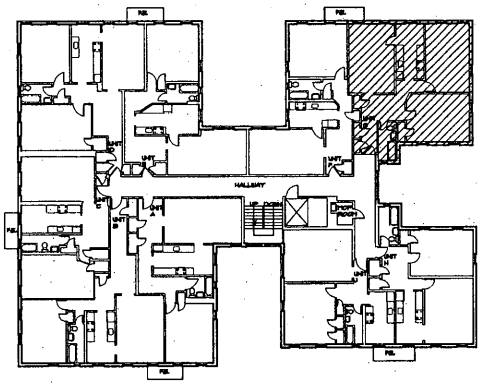


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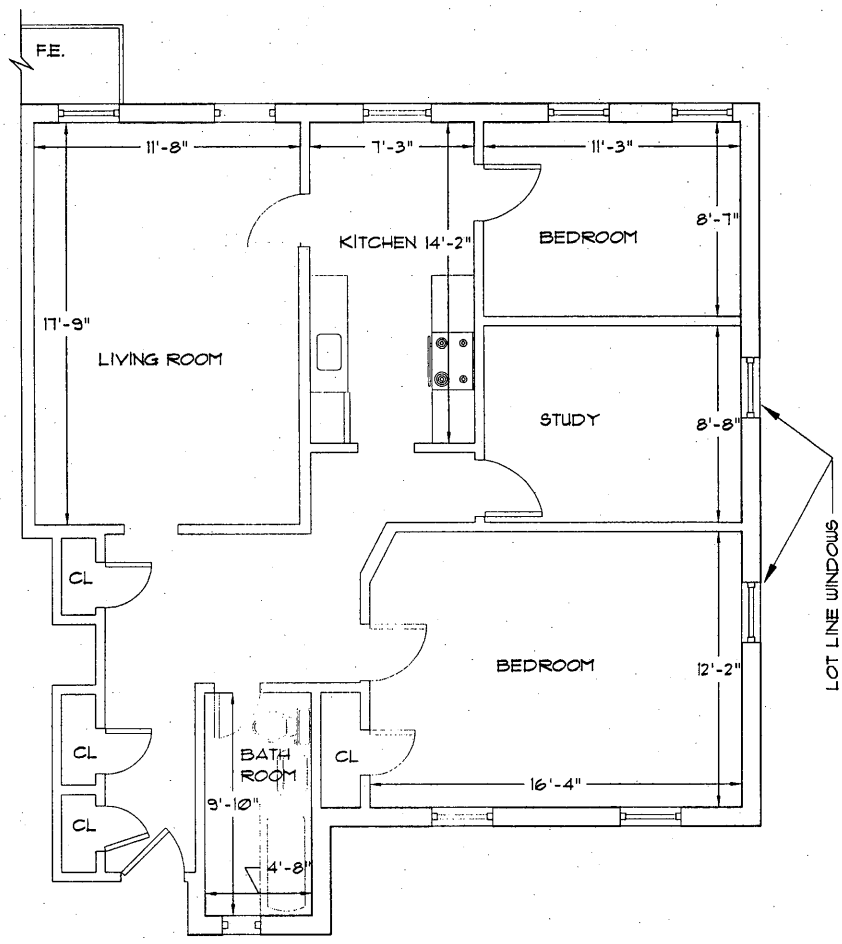
NOTE:
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1 / A2-13 UNIT 5G

SCALE: 1/8" = 1'



4401 7th AVENUE
JUNE 9TH, 2008

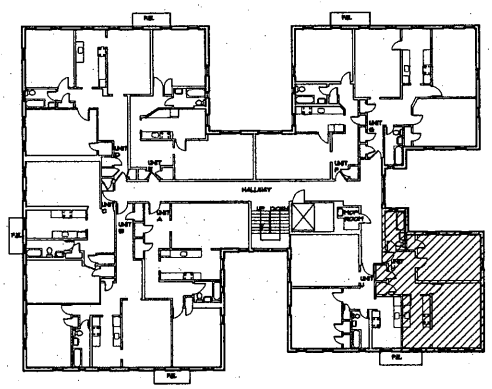


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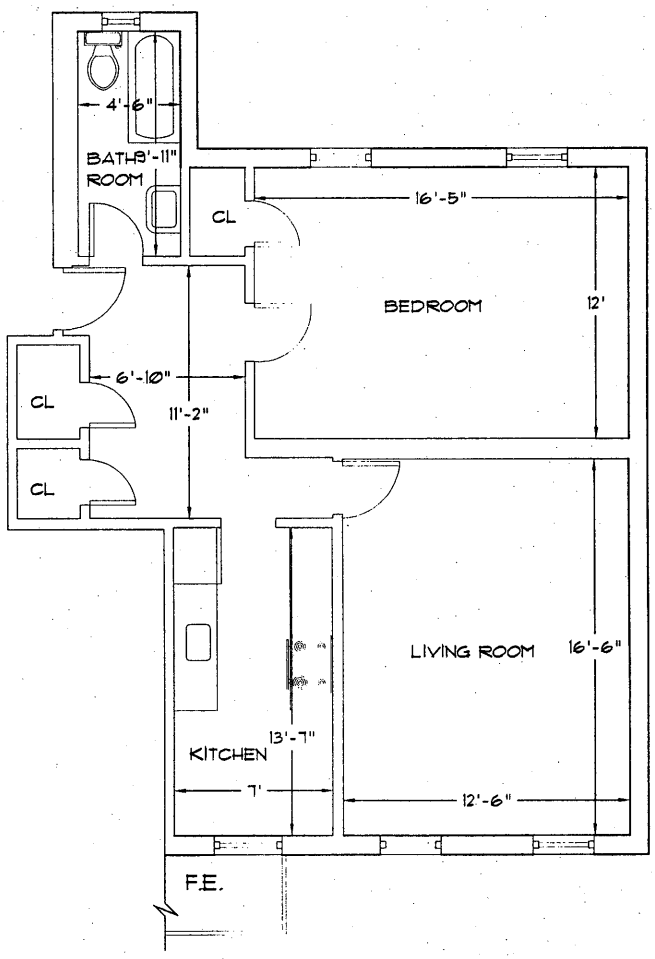
NOTE:
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1
A2-14
1-3 H LINE

SCALE: 1/8" = 1'



4401 7th AVENUE
MAY 9th, 2008

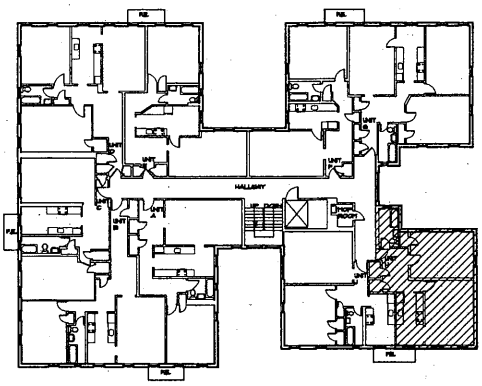


APROXIMATE SQ. FT. 792

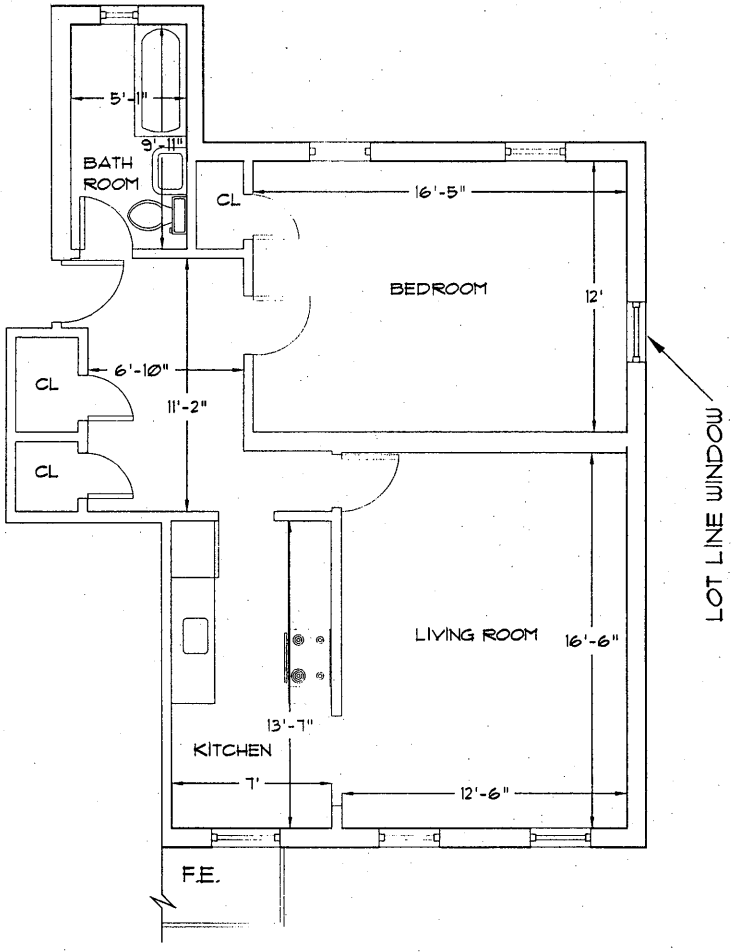
NOTE:
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1 / A2-15 4, 5, 6 H LINE

SCALE: 1/8" = 1'



4401 7th AVENUE
MAY 9th, 2008

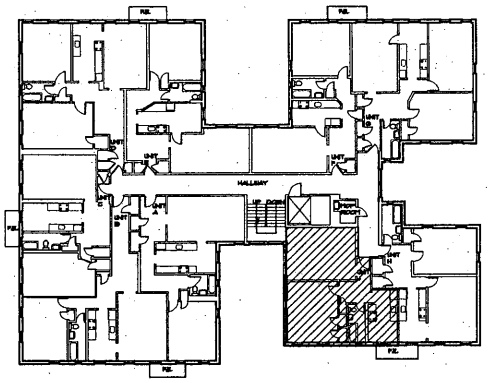


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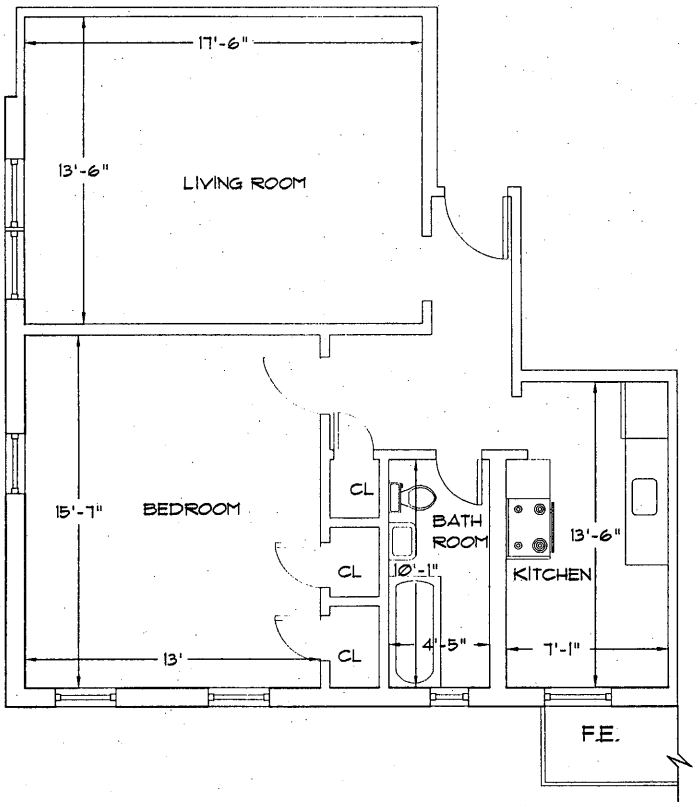
NOTE:
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1 / A2-16 TYPICAL J LINE

SCALE: 1/8" = 1'



4401 7th AVENUE
MAY 9th, 2008



APROXIMATE SQ. FT. 754

NOTE:
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APPENDIX 4

MASTER FLOOR PLANS

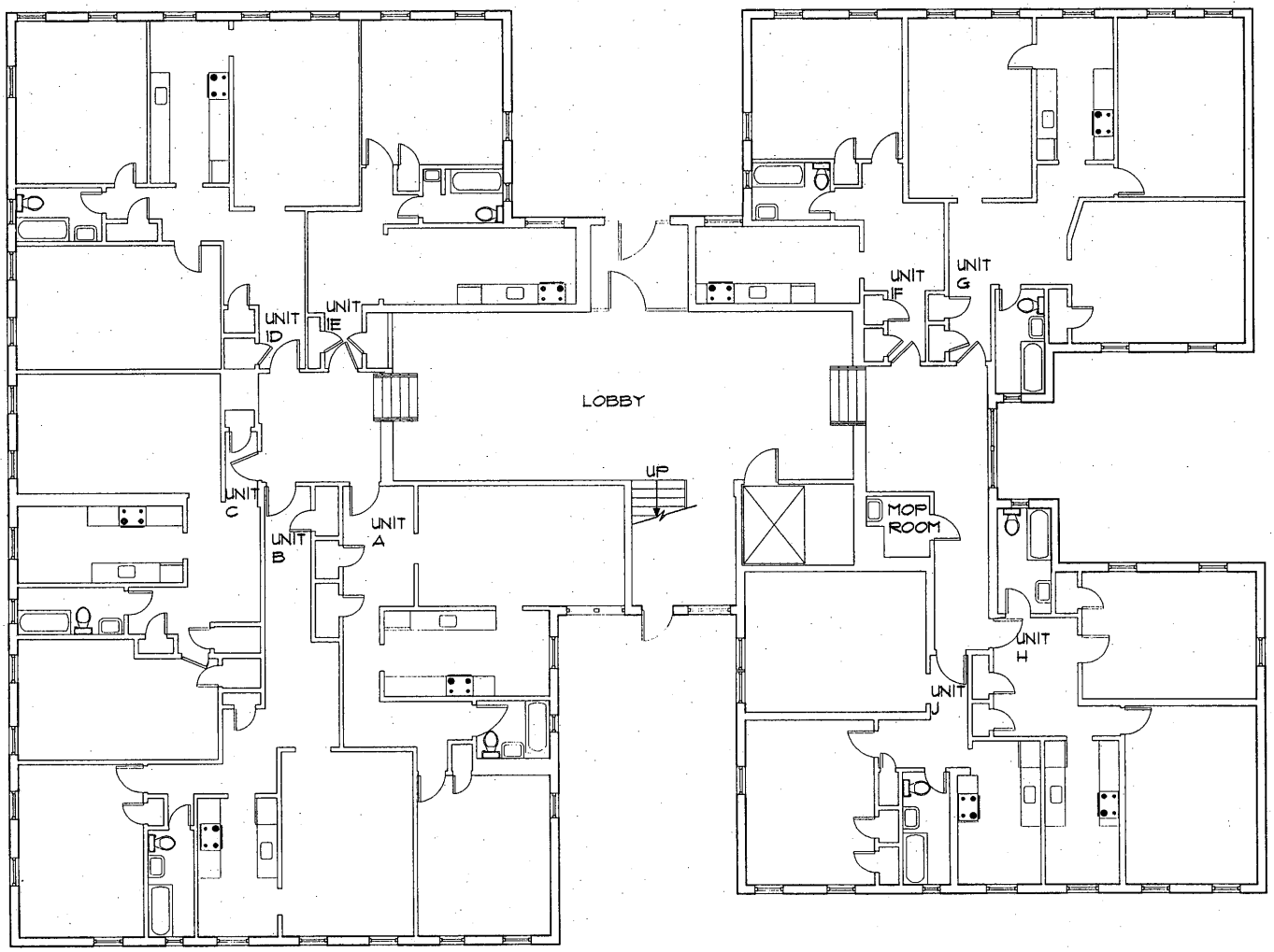
1 / A3-01 GROUND FLOOR

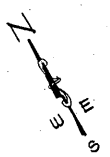
SCALE: 1/16" = 1'

4401 7th AVENUE
MAY 9th, 2008

44th STREET

7th AVENUE





NOTE:
THIS PLAN IS FOR GENERAL INFORMATION ONLY. THE INFORMATION SHOWN HERE IS APPROXIMATE.

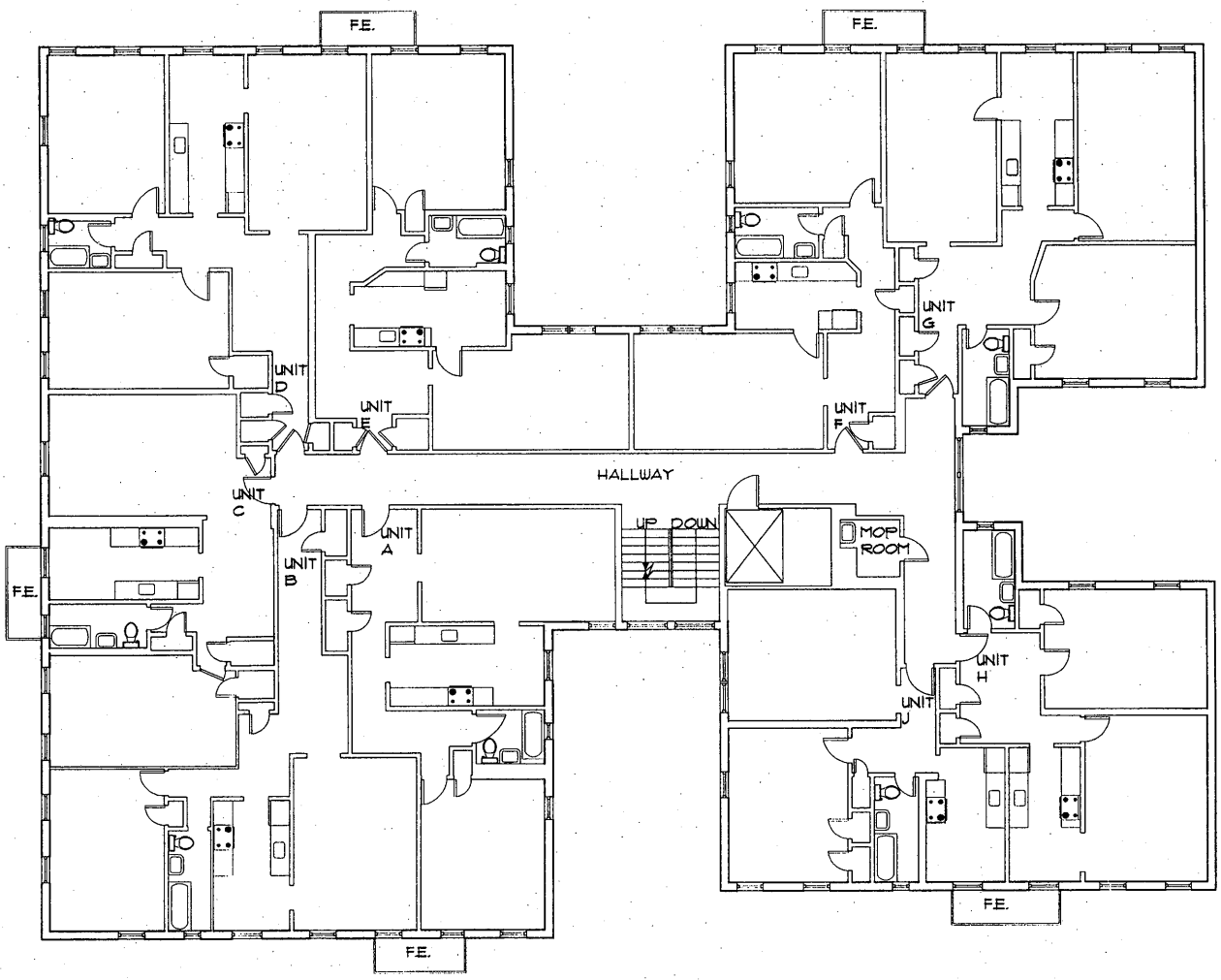
1 / A3-02 2-3 FLOOR PLAN

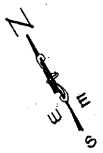
SCALE: 1/16" = 1'

4401 7th AVENUE
MAY 9th, 2008

44th STREET

7th AVENUE





NOTE:
THIS PLAN IS FOR GENERAL INFORMATION ONLY. THE INFORMATION SHOWN HERE IS APPROXIMATE.

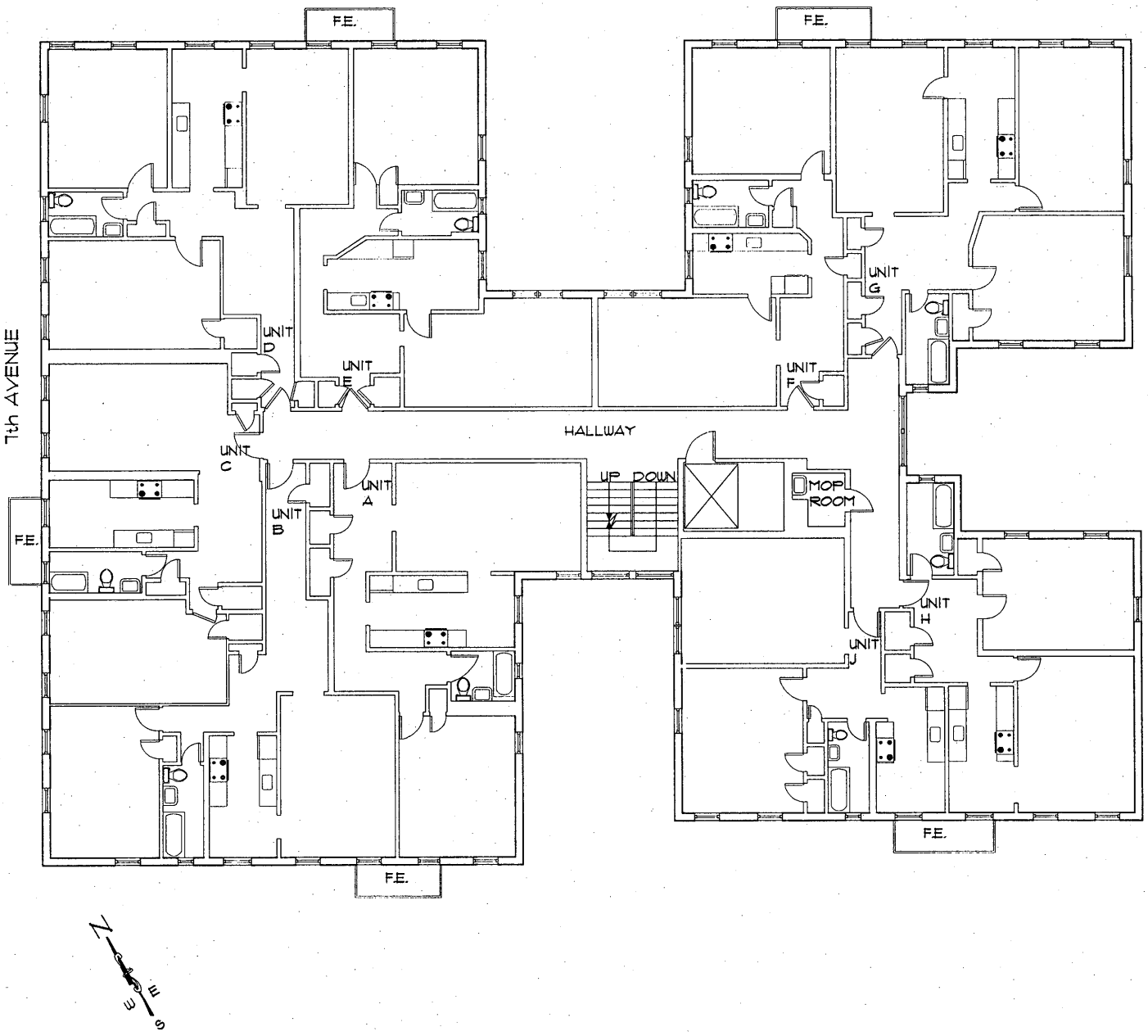
1 / A3-03

4 & 6 FLOOR PLAN

SCALE: 1/16" = 1'

4401 7th AVENUE
MAY 9th, 2008

44th STREET



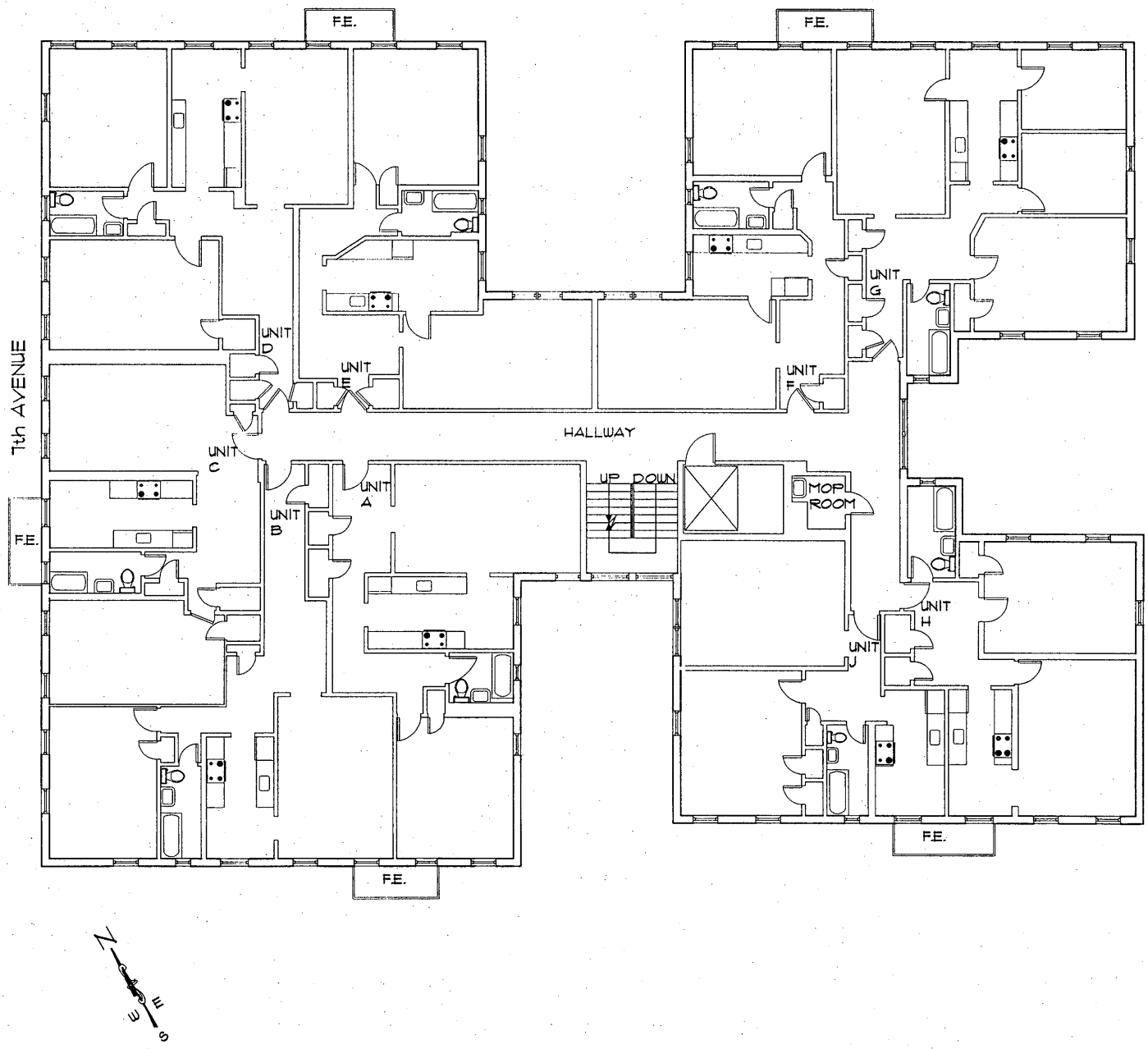
NOTE:
THIS PLAN IS FOR GENERAL INFORMATION ONLY. THE INFORMATION SHOWN HERE IS APPROXIMATE.

1 / A3-04 5 FLOOR PLAN

SCALE: 1/16" = 1'

4401 7th AVENUE
MAY 9th, 2008

44th STREET



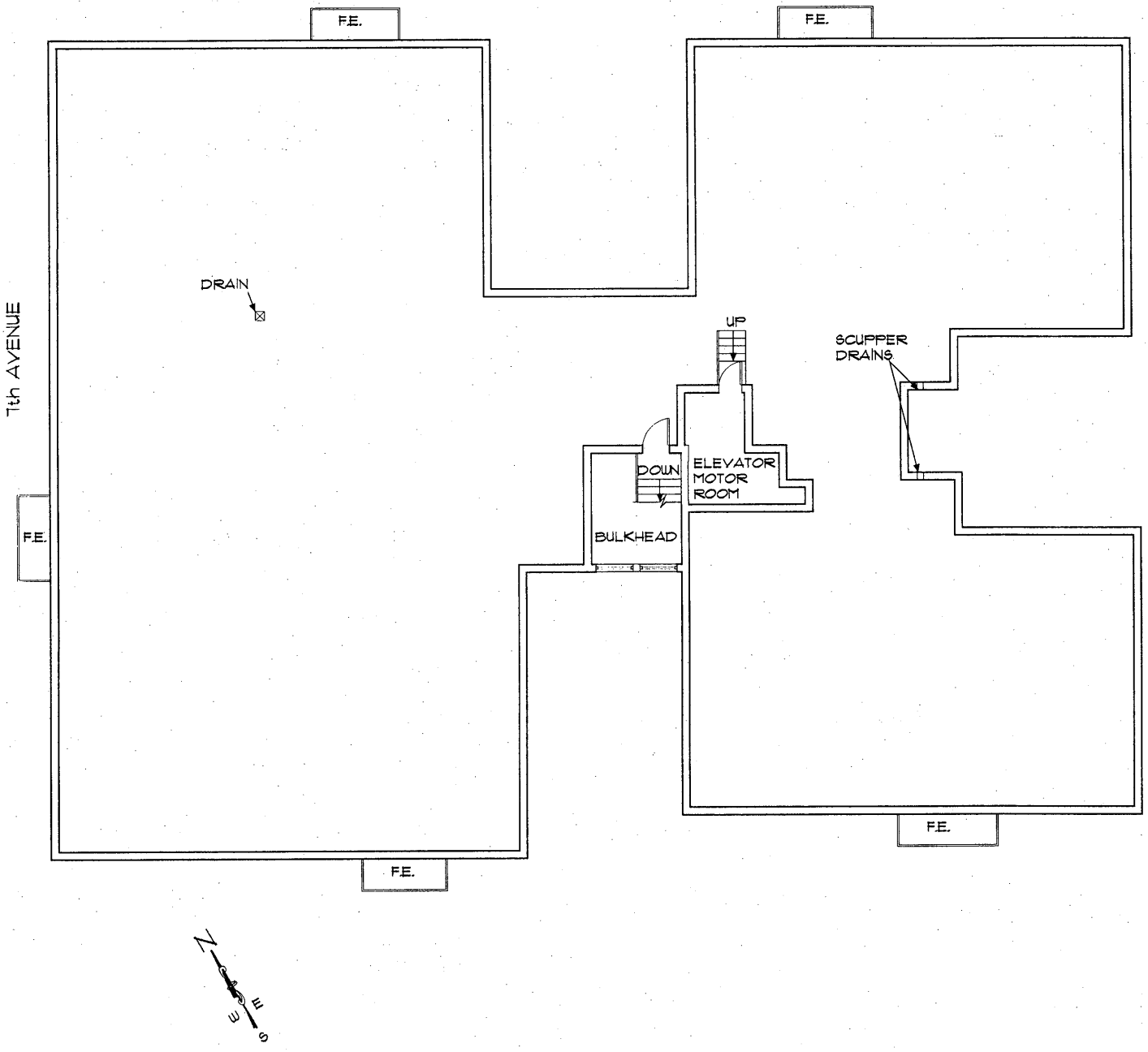
NOTE:
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1
A3-05 ROOF

SCALE: 1/16" = 1'

4401 7th AVENUE
APRIL 9th, 2008

44th STREET



NOTE:
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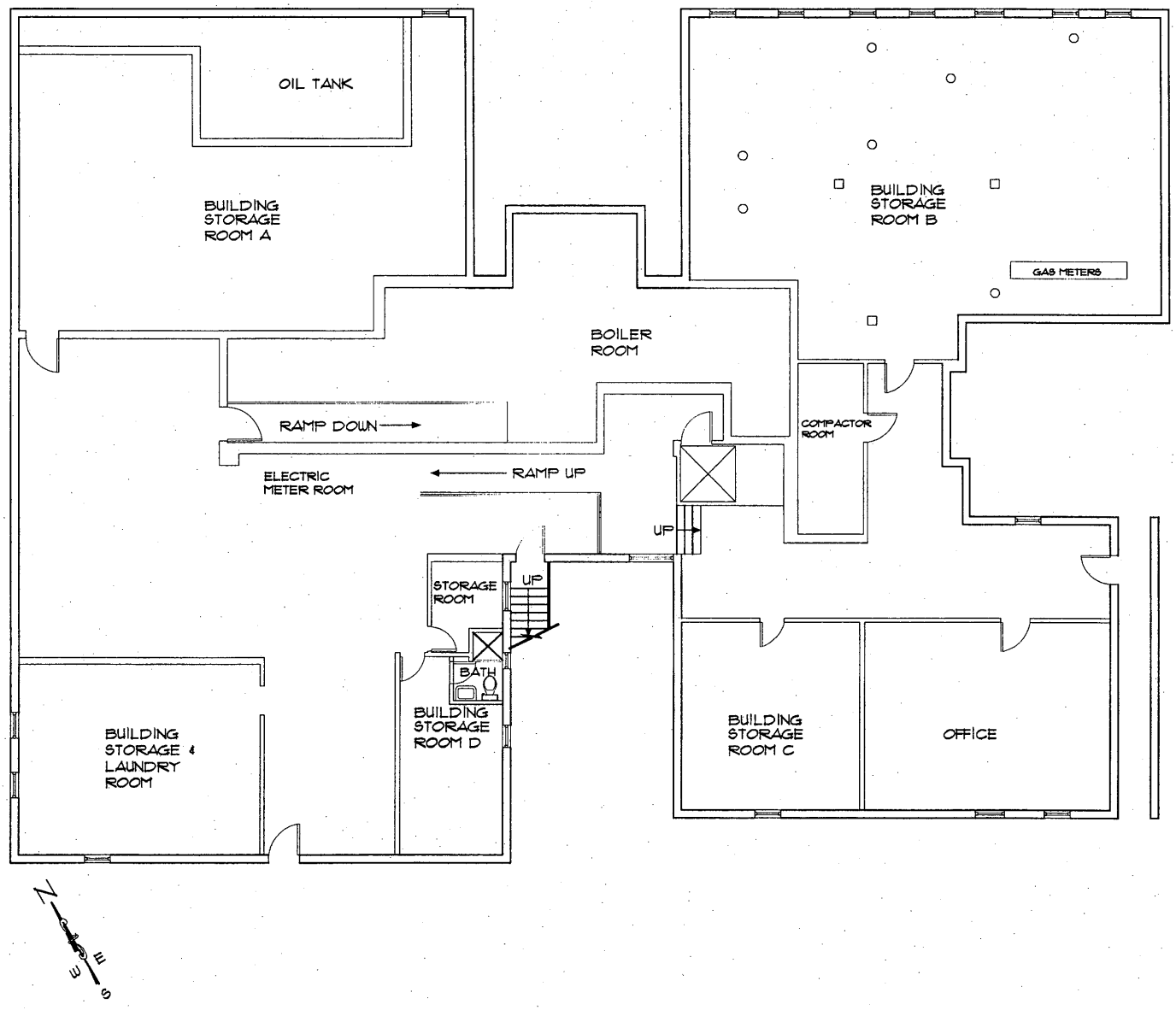
1 / A3-06 BASEMENT

SCALE: 1/16" = 1'

4401 7th AVENUE
MAY 30th, 2008

44th STREET

7th AVENUE



NOTE:
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APPENDIX 5

OPEN HPD VIOLATIONS

Apt Story	Reported Date: nov ISSUED Date	Hzrd Class	Order no - Item no	Violation ID: NOV ID	Violation Description	Status Status Date	Owner Certification Dates: 1st Lead, 2nd Lead
3B 3	2008/01/23 2008/01/28	C	617 -	7118131 3197689	§ 27-2056.6 adm code - correct the lead-based paint hazard - paint that tested positive for lead content and that is peeling or on a deteriorated subsurface - using work practices set forth in 28 rcny §11-06(b)(2) south wall in the kitchen located at apt 3b, 3rd story, 3rd apartment from south at west	DEFECT LETTER 2008/05/08	2008/02/28 -
3B 3	2008/01/23 2008/01/28	C	616 -	7118132 3197689	§ 27-2056.6 adm code - correct the lead-based paint hazard - presumed lead paint that is peeling or on a deteriorated subsurface using work practices set forth in 28 rcny §11-06(b)(2) 1st door from north at east wall in the foyer located at apt 3b, 3rd story, 3rd apartment from south at west	DEFECT LETTER 2008/05/08	2008/02/28 -
3B 3	2008/01/23 2008/01/28	C	617 -	7118133 3197689	§ 27-2056.6 adm code - correct the lead-based paint hazard - paint that tested positive for lead content and that is peeling or on a deteriorated subsurface - using work practices set forth in 28 rcny §11-06(b)(2) 1st door frame from north at east wall in the foyer located at apt 3b, 3rd story, 3rd apartment from south at west	DEFECT LETTER 2008/05/08	2008/02/28 -
5D 5	2008/01/23 2008/01/28	C	617 -	7118136 3197692	§ 27-2056.6 adm code - correct the lead-based paint hazard - paint that tested positive for lead content and that is peeling or on a deteriorated subsurface - using work practices set forth in 28 rcny §11-06(b)(2) 1st door from south at west wall, 1st door frame from south at west wall in the foyer located at apt 5d, 5th story, 1st apartment from north at east	TO BE REINSPECT 2008/05/06	2008/02/28 -
6B 6	2000/07/17 2007/05/04	B	501 -	3546697 2965727	§ 27-2005 adm code properly repair the broken or defective wood floor in the foyer located at apt 6b, 6th story, 1st apartment from east at south	TO BE REINSPECT 2008/05/13	2007/07/04 -
6B 6	2000/07/17 2007/05/04	B	508 -	3546728 2965727	§ 27-2005 adm code repair the broken or defective plastered surfaces and paint in a uniform color walls and ceiling through-out in the entire apartment located at apt 6b, 6th story, 1st apartment from east at south	TO BE REINSPECT 2008/05/13	2007/07/04 -
6E -	1995/08/09 2007/05/04	B	508 256	1036850 2965727	§ 27-2005 adm code repair the broken or defective plastered surfaces and paint in a uniform color walls and ceilings thru out 6 sty apt 6e	1 NO ACCESS 2008/05/15	2007/07/04 -
5H -	1987/09/21 2007/05/04	B	508 173	1036843 2965727	§ 27-2005 adm code repair the broken or defective plastered surfaces and paint in a uniform color ceiling 5 sty apt 5h bathroom.	NOT COMPLIED 2008/05/08	2007/07/04 -
5G -	1985/05/14 2007/05/04	B	510 129	1036841 2965727	d26-10.01 adm code & 309 m/d law abate the nuisance consisting of water seepage 5 sty northeast apt 5g east wall northeast room r76.	NOT COMPLIED 2008/05/08	2007/07/04 -

ASBESTOS SURVEY AND REPORT

AA SERVICES LLC
36 Eagle Street
Monroe, NY 10950
845-782-4443 NYC 212-243-6500

ASBESTOS SURVEY AND REPORT

FOR THE PROPERTY
LOCATED AT

4401 7th AVENUE
BROOKLYN, NEW YORK

PREPARED FOR:

SIERRA REALTY
12 EAST 46TH STREET
NEW YORK, NY 10017

DATE OF REPORT:
JULY 25, 2007

Report Prepared and Reviewed By:

Jean Reisink
Certified Environmental Specialist (41224)

7.25.07
Date

Inspection Conducted By:

Anthony P. Nowicki, Jr.
Licensed Asbestos Investigator (106554)

7.25.07
Date

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SCOPE OF THE ASSESSMENT	3
PROPERTY DESCRIPTION	4
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CONCLUSIONS AND RECOMMENDATIONS	5
APPENDICES	

... Laboratory Analysis
... Operations and Maintenance Program Outline

36 Eagle Street
Monroe, NY 10950
845-782-4443 NYC 212-243-6500

July 25, 2007

Jim Wacht
SIERRA REALTY
12 East 46th Street
New York, NY 10017

Re: 4401 7th Avenue, Brooklyn

Dear Jim:

On March 14, 2007, an inspection was conducted at the above captioned premises to determine if asbestos is present. Our visual inspection and testing program has been prepared and reflects the conditions that were visible in those areas where access was available on the date of our site visit. It is possible that potential asbestos-containing materials might be found in inaccessible areas and in materials that have not been sampled and analyzed by a laboratory.

The samples taken, if any, are considered to be representative of the premises's construction. Laboratory tests for asbestos were performed by PLM/TEM methods in accordance with EPA guidelines by an independent third party laboratory.

AA Services, LLC assumes no responsibility for correction or disposition of the ACM at the above noted location.

Respectfully submitted,

Jean Rensink, CES
AA Services, LLC

EXECUTIVE SUMMARY

No visible, friable asbestos containing materials were found to be present in the basement at the subject property.

Destructive sampling was not conducted to determine if ACM is present above ceilings, behind walls or under existing flooring. Asbestos containing materials may be present in these locations as well as in materials which were not sampled as a part of this inspection.

Sampling was conducted of wall and ceiling materials in several locations throughout the building and NO ASBESTOS WAS DETECTED in these samples. It is possible that when wall surfaces are demolished other suspect materials may be exposed. If suspect materials are discovered during the renovation project, a licensed asbestos investigator should be contacted immediately to sample these materials.

Asbestos is a common additive in roofing materials such as felts, tars and papers. Sampling was not conducted of the roofing materials in order to avoid needless damage and possible fiber release. Roofing materials at this location are presumed to contain asbestos and should not be subjected to sanding, grinding, drilling or other activities which would allow for disturbance of the integrity of the materials.

SCOPE OF THE ASSESSMENT

On March 14, 2007 an assessment to determine whether asbestos containing materials are present in the building located at 4401 7th Avenue, New York, New York was conducted. The survey reflects conditions that were visible on the date of our site visit. Asbestos may be present in materials that were not sampled and analyzed by a laboratory.

The assessment, conducted in accordance with applicable Federal, State and local regulations, was performed by a qualified, licensed, New York State/New York City investigator, and included:

-- A visual inspection to identify and quantify possible sources of ACM, including but not limited to thermal system insulation, fireproofing and roofing materials;

-- Limited sampling to determine the presence of ACM in suspect materials;

-- Interviews with on-site personnel;

Bulk sample preparation and analysis is performed in accordance with current EPA regulations. Samples are taken of suspect materials including but not limited to, insulation, decorative coatings, floor or ceiling tiles, surfacing materials, and radiator cover linings. A small portion of the suspect material is put into a sample bag with a zip-lock, sealed with duct tape and placed in a second ziplock bag. Each sample is marked with a unique sample identification before being sent to the laboratory for analysis.

Samples are analyzed via PLM (Polarized Light Microscopy) and TEM (Transmission Electron Microscopy) methods in accordance with applicable regulations. Non-organically bound (NOB) materials - i.e. floor tile, roofing, transite - were analyzed using PLM-NOB methods. If the result was negative or inconclusive the material was analyzed via TEM methods. TEM analysis uses more sophisticated instruments which is more sensitive to smaller fibers allowing for more accurate results.

PROPERTY DESCRIPTION

The subject property is located at 4401 7th Avenue, New York, New York and is also known as 702 44th Street. The building is described as Block 741, Lot 6 by the New York City Department of Buildings Information System. The property is currently occupied by a six-story residential building with 54 dwelling units.

SURVEY FINDINGS

Basement

The following basement rooms were inspected and no visible, friable asbestos containing materials were observed: boiler room, storage room, gas meter room, workshop and storage, compactor room, laundry room and personal storage areas.

Floors 1-6

Six residential apartment units were inspected as follows: 1F, 1J, 4H, 5J, 6E, and 6F. No visible, friable asbestos containing materials were observed. Sampling was conducted of linoleum in the kitchen of apartment 5J and NO ASBESTOS WAS DETECTED in this material. Wall and ceiling surfaces were sampled and laboratory analysis indicates that NO ASBESTOS WAS DETECTED in these materials.

SUMMARY OF SAMPLES

Sample ID	Location	Description	Result
001	Apartment 5J - Kitchen	Linoleum	NAD
002	Apartment 1F - L/R	Sheetrock	NAD
003	Apartment 4H - B/R	Sheetrock	NAD

CONCLUSIONS AND RECOMMENDATIONS

- No visible, friable asbestos containing materials were observed at the subject property. Sampling of materials that were suspected of containing asbestos was conducted and NO ASBESTOS WAS DETECTED in these materials. Apartments which were inspected are presumed to be representative of the remainder of the units in the building.

- Asbestos is a common additive in roofing papers, tars and felts and is presumed to be present at the subject property. This material is non-friable and poses little threat of fiber release if left undisturbed. Roofing materials should not be subjected to sanding, grinding, drilling or other activities which would disturb the integrity of the fibers and allow for release of airborne fibers.

- If construction activities are undertaken in areas which were not included in this report, an asbestos investigation should be performed prior to commencement of construction activities.

AmeriSci New York
NEW YORK, NY 10016
TEL: (212) 679-9000 • FAX: (212) 679-3114

PLM Bulk Asbestos Report

AA Asbestos Services
Attn: Jean Rensink
36 Eagle Street
Walton Lake Park
Monroe, NY 10950

Date Received 03/28/07
Date Examined 03/29/07
ELAP Number 11480
RE 4401 7th Avenue, Brooklyn, NY

AmeriSci Job No. 207034287
P.O. # Rensink
Page 1 of 1

Client No. / HGA	Lab No.	Asbestos Present	Total % Asbestos
1	207034287-01	No	NAD (by NYS ELAP 198.1) by Karol H. Lu on 03/29/07
	Location: Apt. 1F- Sheetrock		
Analyst Description: White, Homogeneous, Fibrous, Bulk Material			
Asbestos Types:			
Other Material: Cellulose 10 %, Non-fibrous 90 %			
2	207034287-02	No	NAD (by NYS ELAP 198.1) by Karol H. Lu on 03/29/07
	Location: Apt. 4H- Sheetrock		
Analyst Description: White, Homogeneous, Fibrous, Bulk Material			
Asbestos Types:			
Other Material: Cellulose 10 %, Non-fibrous 90 %			
3	207034287-03	No	NAD (by NYS ELAP 198.1) by Karol H. Lu on 03/29/07
	Location: Apt. 6E- Sheetrock		
Analyst Description: Brown/White, Homogeneous, Fibrous, Bulk Material			
Asbestos Types:			
Other Material: Cellulose 80 %, Non-fibrous 20 %			

Reporting Notes:

Analyzed by: Karol H. Lu Karol H. Lu

"NAD/NSD =no asbestos detected;NA =not analyzed; NA/PS=not analyzed/positive stop;PLM Bulk Asbestos Analysis by EPA 600/M4-82-020 per 40 CFR 763 (NVLAP Lab #200548-0) and ELAP PLM Analysis Protocol 198.1 for New York friable samples and 198.6 for NOB samples (NYSDOH ELAP Lab#11480);Note:PLM is not consistently reliable in detecting asbestos in floor coverings and similar non-friable organically bound materials. NAD or Trace results by PLM are inconclusive, TEM is currently the only method that can be used to determine if this material can be considered or treated as non asbestos-containing in NY State (also see EPA Advisory for floor tile,FR 59,146,38970,8/1/94). National Institute of Standards and Technology Accreditation requirements mandate that this report must not be reproduced except in full without the approval of the lab. This PLM report relates ONLY to the items tested. AIR#F 102343.

Reviewed By:_____

OPERATIONS AND MAINTENANCE PROGRAM

The purpose of an Operations and Maintenance (O & M) Program is to develop a comprehensive program that will minimize the potential for exposure to asbestos fibers. In order to accomplish this objective, the following procedures should be implemented:

- Maintain ACM in good condition;
- Ensure proper clean-up of previously released fibers;
- Prevent further release of asbestos fibers;
- Monitor condition of ACM in place.

The O & M Program should remain in place until all ACM has been removed or the building is demolished.

An Asbestos Project Manager (APM) should be appointed to take responsibility for implementing the O & m Program, and to track and periodically re-evaluate the condition of the ACM in place.

The APM's responsibility shall include:

- Notification to all maintenance personnel and contractors as to where ACM is located and information on how to avoid disturbing material.
- Performance of an annual inspection will be performed to assess any changes in the condition of the ACM in place and to perform repairs and/or clean-up as deemed necessary.
- Keeping records of all activities performed under the O & M program including all inspections, corrective actions taken, notifications, air sampling data and disposition of ACM waste.

JEAN RENSINK
Certified Environmental Inspector

Jean Rensink founded AA Services, LLC in 1993, after working for several years in the asbestos industry. As a Certified Environmental Inspector for AA Services, LLC, Ms. Rensink supervises Phase I property environmental assessments and risk assessment report generation. Ms. Rensink's industry expertise is with Phase I and II environmental assessments, soil and ground water sampling assessments, and asbestos/lead surveys and reports. Ms. Rensink has received extensive training and with nearly fifteen years of experience in the environmental industry, she is able to provide the high quality service that AA Services clients have come to expect.

Areas of Expertise:

- Phase I and II Property Environmental Assessments
- Soil and Ground water sampling assessments
- Review of regulatory data and public records
- Services for survey, evaluation and control of hazardous materials including asbestos and lead
- Indoor air quality assessments

Professional Experience:

- Conducts environmental property assessments for mortgage bankers, property management groups and other private clients
- Supervision and evaluation of hazardous materials in construction materials, soil and water for public and private housing authorities
- Extensive experience in dealing with Federal, State and local environmental regulators regarding property assessments
- Comprehensive review and interpretation of regulatory data and public records

Education/Certifications:

- B.A., University of Wisconsin - Madison
- NYU - Continuing and Professional Education - Real Estate/Construction Management
- Certified Environmental Inspector - Environmental Assessment Association
- Identification and Abatement of Lead Based Paint Hazards, Rutgers University
- Due Diligence at Dawn Seminar- ASTM E 1527 Standard for the New Millennium
- ASTM Update/Due Diligence Seminars
- Asbestos Management Planner Certification

Anthony P. Nowicki, Jr., CEI

As Director of Operations and Field Services for AA Services, LLC, Mr. Nowicki performs a variety of functions. As a Certified Environmental Inspector, he performs Phase I environmental assessments in the tri-state area. These evaluations include on-site property evaluations, and research to identify environmental concerns. Mr. Nowicki has received extensive training and with his excellent background, professional certifications and over 25 years of industry experience, provides diversified environmental services for a wide variety of AA Services' clients.

Areas of Expertise:

- Phase I and Phase II Property Environmental Assessments
- Services to provide surveys, evaluation and control of hazardous materials including asbestos, lead and radon.
- Compliance with OSHA, EPA and AHERA regulations

Professional Experience:

- Conducts environmental property assessments for mortgage banker, property management groups and other private clients
- Supervision of subcontractors in performing Phase I and II site assessments
- Extensive experience in performing Federal and State environmental property assessments
- Supervision of soil/ground water sampling as part of Phase II investigations
- Evaluation of hazardous materials in construction materials, soil and water
- Conducts air sampling for hazardous materials for private clients

Education/Certifications:

- B.S., St.John's University, New York
- Environmental Hygiene - New York University - School of Medicine
- Certified Environmental Inspector- Environmental Assessment Association
- Identification and Abatement of Lead Based Paint Hazards, Rutgers Univeristy
- NY City Asbestos Investigators Certification
- NY State Inspectors Certification
- AHERA Inspectors Certification
- EPA Model Lead Inspector Training Certification
- Air monitoring Technician Certification

DECLARATION

Establishing a Plan for Condominium Ownership
of the Premises known as

ONE SUNSET PARK CONDOMINIUM

Pursuant to Article 9-B of the Real Property
Law of the State of New York

Name:
One Sunset Park Condominium
702 44th Street (a/k/a 4401 Seventh Avenue)
Brooklyn, New York 11220

Declarant:
4401 Sunset Park LLC
c/o Sierra Realty Corp.
12 East 46th Street, 6th Floor
New York, New York 10017

Date of Declaration: _____, **2008**

Prepared by:
Goldstick, Weinberger,
Feldman & Grossman, P.C.
7 Penn Plaza, Suite 1602
New York, New York 10016

The land affected by the within instrument
lies in Section ____, Block 741, Lot 6
on the Tax Map of the Borough of Brooklyn,
County of Kings, City and State of New York

DECLARATION
OF
ONE SUNSET PARK CONDOMINIUM

(Pursuant to Article 9-B of the Real Property Law
of the State of New York)

4401 Sunset Park LLC, a New York limited partnership, having an address c/o Sierra Realty Corp., 12 East 46th Street, 6th Floor, New York, New York 10017 (hereinafter referred to as "Declarant"), does hereby declare as follows:

PART I

ARTICLE 1

Definitions

All capitalized terms used in this Declaration that are not otherwise defined in the Articles hereof shall have the meanings set forth in Exhibit C annexed hereto, unless the context in which the same are used shall otherwise require. All capitalized terms used in this Declaration that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the said capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

ARTICLE 2

Submission of the Property

Declarant hereby submits the Property to the provisions of the Condominium Act and, pursuant thereto, does hereby establish a regime for the condominium ownership of the Property as more particularly set forth herein and in the By-Laws.

ARTICLE 3

Name of Condominium

The condominium shall be known as One Sunset Park Condominium.

ARTICLE 4

The Land

The Land, which is located in the Borough of Brooklyn, County of Kings in the City and State of New York, and is more particularly described in Exhibit A annexed hereto, is owned by Declarant in fee simple absolute and has a total gross building area of approximately 8,972 square feet.

ARTICLE 5

The Building

The building consists of 54 units (hereinafter collectively referred to as the "Units).

ARTICLE 6

The Units

(a) Exhibit B annexed hereto sets forth the following data with respect to each Unit necessary for the proper identification thereof; (i) its designation number; (ii) its tax lot number, (iii) its approximate location in the Building; (iv) its approximate area; (v) the number of rooms contained therein; (vi) the portions of the Common Elements to which such Unit has immediate access; and (vii) the Common Interest appurtenant to such Unit. The precise location of each Unit within the Building is shown on the Floor Plans.

(b) Each Unit is measured from the center line of the Unit's partition walls and from the exterior line of the exterior walls and walls between the Units and the common areas.

(c) Each Unit consists of the area measured vertically from the top of the wood or concrete structural floor to the top of the wood or concrete floor or roof above.

(d) Each Unit includes: (i) the entrance doors to such Unit; interior walls, partitions and floor coverings and ceilings affixed, attached, or appurtenant to such Unit; any and all equipment, fixtures and appliances (including, without limitation, cooling equipment, plumbing, plumbing facilities, sinks, bathtubs, waterclosets, refrigerators, ovens, ranges, dishwashers and any other appliances) affixed, attached, or appurtenant to such Unit; and (iv) all Facilities affixed, attached, or appurtenant to such Unit and benefiting only that Unit.

(e) Notwithstanding anything contained in this Article 6 to the contrary, each Unit Owner shall have the right, exercisable at any time and from time to time, to install, at such Unit Owner's sole cost and expense, such decorations, fixtures and coverings (including, without limitation, painting, finishing, wall papering, carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit and with respect to the Units to a depth of one inch behind such surfaces for the purposes of installing nails, screws, bolts, receptacles and the like, provided that no such installation shall impair the structural integrity of such Unit or of the Building or violate law.

ARTICLE 7

The Common Elements

(a) The Common Elements are comprised of (i) the General Common Elements, which are described in paragraph (b) of this Article 7 and (ii) the Limited Common Elements, which are described in paragraph (c) of this Article 7.

(b) The General Common Elements consist of the Land and those rooms, areas, corridors and other portions of the Building (other than the Units), as well as those Facilities therein, either currently or hereafter existing for the common use of the Units or of the Unit Owners or necessary for, or convenient to, the existence, maintenance, management, operation, or safety of the Property. Without intention to limit the generality of the foregoing in any respect, the General Common Elements include:

(i) the Land;

(ii) all foundations, columns, beams, supports, girders, exterior walls, interior walls, partitions, windows, casements and frames, floors, roofs, and ceilings in, on, or under the Building, to the extent that the same are not expressly included as a part of a Unit pursuant to the terms of Article 6 hereof or as part of a Limited Common Element pursuant to the terms of paragraph (c) of this Article 7;

(iii) all hallways, corridors, lobbies, vestibules, basements and cellars, yards, storage lockers, common laundry spaces, mail rooms, mail boxes, stairs, stairways (other than stairs within a unit), other mechanical and electrical equipment spaces, and entrances to, and exits from, the Building;

(iv) all central and appurtenant installations and Facilities for services such as power, light, telephone, intercom, gas, sewer, plumbing, drainage, hot and cold water distributions, heat, garbage disposal, cable television and other mechanical and electrical systems to the extent that the same are not expressly included as a part of a Unit pursuant to the terms of Article 6 hereof; and

(v) all other parts of the Property, and all apparatus and installations now existing or hereafter constructed in the Building or on the Property, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property.

(c) The Limited Common Elements consist of all portions of the Land and the Building (other than the Units) that are for the use of one or more specified Units to the exclusion of all other Units. The Limited Common Elements include:

(i) any roof deck, balcony, terrace or yard (other than the structural elements thereof) to which there is direct and exclusive access from the interior of a Unit (which shall be for the exclusive use of such Unit);

(ii) the entrance doors, canopies and corridors (if any) leading directly and exclusively from any street to any Unit or any portion thereof (which shall be for the exclusive use of such Unit); and

(iii) basement storage lockers, if any.

(d) The Common Elements shall remain undivided, and no Unit Owner or any other Person shall bring, or shall have the right to bring, any action for partition or division thereof, except as is expressly permitted pursuant to the terms of Article 15 hereof and Section 5.5 of the By-Laws.

ARTICLE 8

Determination of Common Interests

The percentage interest of each Unit in the Common Elements is based upon the floor space of the Units, additional factors of relative value to the other Units, the uniqueness of the Unit, the availability of the Common Elements of exclusive or shared use and the overall dimensions of the Unit.

ARTICLE 9

Use of Units

(a) As more particularly set forth in the By-Laws, each Unit may be used only as a residence, and not more than one natural person and his Family Members or partner plus one additional occupant and his dependent children may occupy a Unit at one time. Upon the prior written consent of Declarant (or, when there are no longer any Unsold Units, the Condominium Board), any Unit may be used as a professional or business office, provided, however, that such use is permitted by Law.

(b) A Unit owned or leased by an individual, corporation, partnership, fiduciary, or any other entity may be occupied only by said individual, or by an officer, director, stockholder, or employee of such corporation, or by a partner or employee of such partnership, or by said fiduciary (including a director, officer, stockholder, or employee of a corporate fiduciary and a partner or employee of a partnership fiduciary), or by the beneficiary of said fiduciary, or by a principal or employee of such other entity, or by Family Members or guests of any of the foregoing. Units may be leased in accordance with the By-Laws and the Rules and Regulations.

(c) Notwithstanding the foregoing or anything contained in the By-Laws or the Rules and Regulations to the contrary, Declarant may, without the consent of the Condominium Board or other Unit Owners: (i) grant permission for the use of any Unsold Unit as a professional office or for any other purpose, provided, however, that such use is permitted by Law; (ii) use any Unsold Units as model units and offices for the selling, renting, management, operation and promotion of the Unsold Units or for any other purpose, subject only to compliance with Law and (iii) lease any Unsold Units to third parties for their occupancy.

ARTICLE 10

Easements for the Enjoyment of Common Elements

(a) Subject to the terms of the By-Laws and the Rules and Regulations, Declarant, the Unit Owners, all other permitted tenants and occupants of the Building, the Selling Agent, the Managing Agent, the Condominium Board and all officers, partners, employees, agents, guests,

ARTICLE 14

Power of Attorney to Declarant and the Condominium Board

(a) Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have nominated, constituted and appointed as such Unit Owner's attorney-in-fact, which power is irrevocable and coupled with an interest and with power of substitution, (i) Declarant, to amend the Condominium Documents pursuant to the terms of Article 18 hereof and (ii) the Persons who shall from time to time constitute the Condominium Board, jointly, to:

(x) acquire or lease any Unit, together with its Appurtenant Interests, (1) whose owner desires to sell, convey, transfer, assign, lease, or surrender the same or (2) that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners;

(y) convey, sell, lease, mortgage, or otherwise deal with (but not to vote the Common Interest appurtenant to) any Unit so acquired or to sublease any Unit so leased; and

(z) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Condominium that the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Condominium or (2) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Condominium or the Common Elements that the Condominium Board deems necessary or appropriate.

(b) In confirmation of the foregoing Power of Attorney, each Unit Owner, upon the request of either Declarant or the Condominium Board, shall duly execute, acknowledge and deliver to the requesting party, for recording in the Register's Office, a Unit Owner's Power of Attorney in the form set forth as Exhibit E to this Declaration.

ARTICLE 15

Termination of Condominium

The Condominium shall continue until terminated by (i) casualty loss, condemnation, or eminent domain, as more particularly provided in the By-Laws or (ii) withdrawal of the Property from the provisions of the Condominium Act by a vote of at least one hundred (100%) percent of all Unit Owners, both in number and in aggregate Common Interests. No such vote under clause (ii) in the preceding sentence shall be effective without the written consent of the Mortgage Representatives, if any, which consent shall not be unreasonably withheld or delayed. Declarant will not vote the aggregate Common Interests appurtenant to the Unsold Units for such withdrawal unless at least one hundred (100%) percent, both in number and in aggregate Common Interests, of all other Unit Owners so elect for such withdrawal, or Declarant is the owner of all Units, in either of which cases, Declarant may choose to vote either in favor of or against withdrawal from condominium ownership, as it sees fit. In the event that said withdrawal is authorized by a vote of Unit Owners other than

(iv) if appropriate, reapportion among such Units affected by such change in size or number pursuant to the preceding clause (iii) their respective Common Interests;

provided, however, that, with respect to any such alteration, addition, improvement, or change in, to, of, or upon such Unit:

(1) no physical modification shall be made to any Unit or its Common Interest unless the owner of such affected Unit shall consent thereto;

(2) Declarant or its designee, shall comply with Law;

(3) Declarant or its designee shall agree to hold the Condominium Board and all other Unit Owners harmless from any liability arising therefrom; and

(4) such alteration, addition, improvement or change shall not jeopardize the soundness or structural integrity of any part of the Building or the safety of any tenant or other person at the Property.

Notwithstanding the foregoing, however, the aggregate amount of the Common Interests of all of the Units shall always remain at 100%, and no reapportionment of the Common Interest appurtenant to any Unit shall be made unless there is first delivered to the Condominium Board a written certification stating that the new Common Interest of the affected Unit has been based upon the factors set forth in Article 8 hereof. The certification referred to in the preceding sentence shall be delivered, at Declarant's election, by Declarant, the Selling Agent, the Managing Agent, or any other Person reasonably acceptable to the Condominium Board. The provisions of this Article 12 may not be added to, amended, modified, or deleted without the prior written consent of Declarant or its designee.

ARTICLE 13

Acquisitions of Units by the Condominium Board

If (i) any Unit Owner surrenders his Unit, together with its Appurtenant Interests, to the Condominium Board pursuant to the terms of the By-Laws or of Section 339-X of the Condominium Act or (ii) the Condominium Board, pursuant to the terms of the By-Laws or otherwise, either (x) acquires or leases a Unit, together with its Appurtenant Interests, or (y) purchases a Unit, together with its Appurtenant Interests, at a foreclosure or other similar sale, then, in any such event, title or the leasehold estate, as the case may be, in and to such Unit and such Appurtenant Interests shall be held by the Condominium Board or its designee, corporate ,or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests. Any lease or sublease of any Unit leased or subleased by the Condominium Board or its designee shall be held by the Condominium Board or such designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests.

easements and the rights of access granted in this paragraph shall be exercised in such manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on not less than one (1) day's notice, except that no such notice shall be necessary in the event of repairs or replacements immediately necessary or required for the preservation or safety of the Building, for the safety of the occupants of the Building or other persons, or to avoid the suspension of any necessary service in the Building.

(b) Each Unit and the Common Elements shall have easements of subjacent support and necessity, and such easements shall be subject to the same easements in favor of all of the other Units and the Common Elements.

(c) If (i) any portion of the Common Elements now encroaches upon any Unit or upon any other portion of the Common Elements, (ii) any Unit now encroaches upon any other Unit or upon any portion of the Common elements or (iii) any such encroachment shall hereafter occur as a result of (x) the settling or shifting of the Building, (y) any repair or alteration and to the Common Elements in accordance with the terms of this Declaration and the By-Laws by Declarant, or its designee or (z) any repair or restoration made to the Building or any portion thereof, to any Unit, or to the Common Elements in accordance with the terms of this Declaration and the By-Laws after damage by fire or other casualty or after any taking by condemnation or eminent domain proceedings, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same for so long as the Building or the affected Unit or Common Elements shall stand.

(d) In addition to the specific easements set forth in this Article 11 and in Article 10 hereof, the Property and every portion thereof shall be subject to all easements and rights of access prescribed in the Condominium Act.

ARTICLE 12

Alterations, Additions, Improvements and Changes to Unsold Units

Except to the extent prohibited by Law, Declarant or its designee with respect to Unsold Units shall have the right, without the consent or approval of the Condominium Board, any Unit Owner, the Selling Agent, the Managing Agent, or the Mortgage Representatives, if any, to:

(i) make alterations, additions, or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon Unsold Units;

(ii) change the use or layout of or number of rooms in any such Units;

(iii) change the size and/or number of Unsold Units by (w) subdividing one or more such Units into two or more separate Units, (x) combining two or more separate Units (including, without limitation, those resulting from such subdivision or otherwise) into one or more Units, (y) altering the boundary walls of any of such Units or (z) otherwise; and

invitees and licensees of the foregoing shall have, in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the General Common Elements, and the General Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no Person shall use or enjoy the General Common Elements except in accordance with the reasonable purposes for which they are intended and without encroaching upon the rights of other Persons to do so.

(b) Each Unit Owner whose Unit has one or more appurtenant Limited Common Elements shall have an exclusive easement for the use thereof. The Units having Limited Common Elements are indicated on Exhibit B.

(c) Notwithstanding anything to the contrary contained in paragraph (a) hereof, Declarant and its designees, successors, assignees, invitees, licensees, contractors, employees, agents and tenants shall have an easement in, over, under, through and upon the General Common Elements to use the same, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of Unsold Units and shall have the right to use any one or more Unsold Units as sales, rental and/or management offices and/or as model units. Such Unsold Units shall remain Units within the meaning of this Declaration, the By-Laws and the Condominium Act, and shall not comprise a part of the General Common Elements. In addition, Declarant reserves the right, to the extent permitted by Law, without charge or limitation to use one or more portions of the Common Elements, as designated by Declarant in its sole discretion, for sale, rental, or display purposes, which right shall include, without limitation, the right to place "for sale", "for rent" and other signs and promotional materials, of such size and content as Declarant shall determine, in, on, about and adjacent to the Building (including on the exterior walls thereof) and the Property. The foregoing right shall be exercised by Declarant without unreasonably interfering with the rights of Unit Owners. The provisions of this paragraph (c) may not be amended without the consent of Declarant. Declarant shall also have the right, easement and privilege to license or lease a portion of the roof to a company for the purpose of erecting and maintaining a cell tower or similar communications facility and Declarant and its assigns shall enjoy a permanent easement over the Common Elements for the purpose of accessing same for such use and the repair, renovation, or replacement of said facilities.

ARTICLE 11

Other Easements

(a) Subject to the terms of the By-Laws and to the Rules and Regulations, each Unit Owner shall have, in common with all other Unit Owners, an easement to use any of the Common Elements, and all pipes, wires, ducts, cables, conduits, public utility lines and all other utility distribution systems, whether or not Common Elements, located in, over, under, through, adjacent to, or upon any other Unit or the Common Elements to the extent that such Common Elements and utility distribution system serve, or are necessary to the service of, his Unit, and each Unit and all of the Common Elements shall be subject to such easement. In addition, the Condominium Board shall have an easement and a right of access to each Unit and to the Common Elements to inspect them, to remove violations therefrom and to install, operate, maintain, repair, alter, rebuild, restore and replace any of the Common Elements located in, over, under, through, adjacent to, or upon the same, and each Unit and the Common Elements shall be subject to such easement and right of access. The

Declarant as aforesaid, but only in such event, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid, out of such Unit Owner's share of such net proceeds, all liens on the Unit Owner's Unit, in the order of priority of such liens.

ARTICLE 16

Covenant of Further Assurances

(a) Any Person who is subject to the terms of this Declaration, whether such Person is a Unit Owner, a lessee or a sublessee of a Unit Owner, an occupant of a Unit, a member of the Condominium Board, an officer of the Condominium, or otherwise, shall, at the expense of any such other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action, as such other Person may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

(b) If any Unit Owner or any other Person who is subject to the terms of this Declaration fails or refuses to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten (10) days after request therefore, to take any action that such Unit Owner or Person is required to take pursuant to this Declaration, then the Condominium Board is hereby authorized as attorney-in-fact for such Unit Owner or other Person, which power is irrevocable and deemed to be coupled with an interest and with power of substitution to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

(c) If any Unit Owner or the Condominium Board or any other Person who is subject to the terms of this Declaration fails or refuses to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action that the Condominium Board, Unit Owner, or other Person is required to take pursuant to this Declaration at the request of Declarant, then Declarant is hereby authorized as attorney-in-fact for the Condominium Board, such Unit Owner or other Person, which power is irrevocable and deemed to be coupled with an interest and with power of substitution to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Condominium Board, such Unit Owner or other Person, and such document or action shall be binding on the Condominium Board, such Unit Owner or other Person, as the case may be.

ARTICLE 17

Covenants to Run With the Land

(a) All provisions of this Declaration, the By-Laws and the Rules and Regulations, including, without limitation, the provisions of this Article 17, shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and with every part thereof and interest therein, and all of the provisions thereof shall be binding upon, and shall inure to the benefit of, the owner of all or any part thereof, or interest therein, and his heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create,

nor shall they be construed as creating, any rights in or for the benefit of the general public. All present and future owners, tenants and occupants of Units shall be subject to, and shall comply with, the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance, 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, conveyance, or lease.

(b) If any provision of this Declaration or of the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the property to the provisions of the Condominium Act, but shall nevertheless be valid and binding upon, and shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision that is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as a part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

(c) Subject to the terms of paragraph (b) of this Article 17, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon, and shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

ARTICLE 18

Amendments to this Declaration

(a) Subject to the provisions contained herein or in the By-Laws, with respect to amendments, modifications, additions, or deletions affecting Declarant or its designee, or any Unsold Units, and except as hereinafter otherwise provided, any provision of this Declaration may be amended, modified, added to, or deleted by the vote of at least 66⅔% of all Unit Owners, both in number and in aggregate Common Interests, taken in accordance with the provisions of the By-Laws. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions, or deletions affecting Declarant or its designee, or any Unsold Units, no amendment, modification, addition, or deletion pursuant to the preceding sentence shall be effective without the written consent of the Mortgage Representatives, if any, which consent shall not be unreasonably withheld or delayed. No such amendment, modification, addition, or deletion shall

be effective until recorded in the Register's Office. Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions, or deletions affecting Declarant or its designee, or any Unsold Units, any such amendment, modification, addition, or deletion shall be executed by the Condominium Board as Attorney-in-fact for the Unit Owners, which power is irrevocable and deemed to be coupled with an interest and power of substitution, and the Condominium Board is hereby authorized by the Unit Owners so to act as their Attorney-in-fact.

(b) Declarant or its designee shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, the Condominium Board, or the Mortgage Representatives, if any, to execute, acknowledge and record (or, at Declarant's or such designees' sole option, to require the Condominium Board or any other Unit Owners to execute, acknowledge and record) in the Register's Office and elsewhere, if required by Law, one or more amendments to this Declaration (including, without limitation, to Exhibit B hereto), together with such documents, plans and maps as Declarant or such designee deems appropriate to effectuate the same:

(i) to reflect any changes in Unsold Units and/or the reapportionment of the Common Interest of the affected Unsold Units resulting therefrom made by Declarant or such designee in accordance with the terms of Article 12 hereof; or

(ii) required by (x) an Institutional Lender designated by Declarant to make a loan secured by a mortgage on any Unit, (y) any governmental agency having regulatory jurisdiction over the Condominium or (z) any title insurance company selected by Declarant to insure title to any Unit.

provided, however, that any amendment made pursuant to the terms of subparagraph (i) or (ii) of this paragraph shall not (1) change the Common Interest of any Unit other than a Unit owned by Declarant, (2) require a material, physical modification of any Unit other than a Unit owned by Declarant or (3) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender unless the owner of such affected Unit (in the event described in subparagraph (1) or (2) of this paragraph) or the holder of such mortgage (in the event described in subparagraph (3) of this paragraph) shall consent thereto by joining in the execution of such amendment.

(c) Any amendment to this Declaration may be executed: (i) if on behalf of Declarant pursuant to the terms of paragraph (b) hereof, by a member of Declarant (ii) if on behalf of the Unit Owners or by the Condominium Board, by the President or Vice President and the Secretary or an Assistant Secretary of the Condominium. If the amendment requires the approval of a specified percentage of Unit Owners pursuant to the terms of this Declaration or the By-Laws, then there shall be attached to such amendment an original executed Secretary's Certification, certifying that the requisite number and percentage of Unit Owners approved the amendment at a duly constituted meeting or (when permitted in this Declaration or the By-Laws) in writing without a meeting, in which Certification shall be described the number and percentage of Unit Owners so consenting and (if voted upon at a meeting) the date and time of the meeting.

(d) Notwithstanding anything contained in the Condominium Documents to the contrary, but subject to any limitation imposed by the Condominium Act, no amendment to the Condominium Documents shall be adopted for so long as Declarant or its designee owns any Unit if same would (i) unreasonably interfere with the sale, lease, or other disposition of a Unit owned by Declarant; (ii) abridge, modify, suspend,

eliminate, or otherwise affect any right, power, easement, privilege, or benefit reserved to Declarant or such designee; or (iii) impose any charge or fee against Declarant or such designee; without the consent of Declarant or its designee.

(e) The provisions of this Article 18 may not be modified, amended, added to, or deleted, in whole or in part, without the consent of Declarant or its designee.

ARTICLE 19

Consents of Declarant and the Condominium Board

Wherever the consent, approval, satisfaction, or permission of Declarant or its designee is required under this Declaration or the By-Laws, such consent, approval, satisfaction, or permission shall not be required when Declarant or such designee no longer owns any Units. All consents required to be given by Declarant or the Condominium Board shall be given in writing. Wherever the consent, approval, satisfaction or permission of Declarant or its designee, the granting of such consent, approval, permission or acknowledgment of satisfaction shall be solely in the discretion of the party whose consent, approval, satisfaction or permission is required and no standard of reasonableness shall be imposed on such party.

ARTICLE 20

Person to Receive Service

The Secretary of State of the State of New York, is hereby designated to receive service of process in any action that may be brought against the Condominium.

ARTICLE 21

Incorporation by Reference

The terms, covenants, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the table of definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Unit Owner's Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans are, by this reference, each incorporated herein and made a part of this Declaration as if the same were set forth at length in the text hereof.

ARTICLE 22

Waiver

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

ARTICLE 23

Severability

Subject to the provisions of paragraphs (b) and (c) of Article 17 hereof, if any provision of the Condominium Documents is invalid or unenforceable as against any Person or under certain circumstances, the remainder of the Condominium Documents and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of the Condominium Documents shall, except as otherwise provided herein, be valid and enforced to the fullest extent permitted by Law. Any conflict between any provision of the Condominium Documents and the Condominium Act, or any questions regarding the interpretation of any of the Condominium Documents, shall be governed by the Condominium Act.

ARTICLE 24

Successors and Assigns

The rights and/or obligations of Declarant as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of Declarant or, with consent of Declarant, any transferee of all of the then Unsold Units. Subject to the foregoing, Declarant shall have the right, at any time, in its sole discretion, to assign or otherwise transfer its interest herein, whether by merger, consolidation, lease, assignment, or otherwise.

ARTICLE 25

Gender

A reference in this Declaration to any one gender, masculine, feminine, or neuter, includes the other two, and the singular includes the plural, and vice-versa, unless the context otherwise requires.

ARTICLE 26

Captions

The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of this Declaration or the intent of any provision hereof.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed as of the ____ day of _____, 2007.

4401 Sunset Park LLC
By: Six Sons LLC

By: _____

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

On the ____ day of _____, 2007, 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

EXHIBIT A
TO THE DECLARATION OF
ONE SUNSET PARK CONDOMINIUM

DESCRIPTION OF THE LAND

ALL that certain plot, piece, or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York and bounded and described as follows:

BEGINNING at the corner formed by the intersection of the Easterly side of 7th Avenue and the Southerly side of 44th Street;

RUNNING THENCE Easterly along the Southerly side of 44th Street, 120 feet;

THENCE Southerly parallel with 7th Avenue, 100 feet 2 inches;

THENCE Westerly parallel with 44th Street, 120 feet to the Easterly side of 7th Avenue;

THENCE Northerly along the Easterly side of 7th Avenue, 100 feet 2 inches to the corner, the point or place of BEGINNING.

EXHIBIT B
TO THE DECLARATION OF
ONE SUNSET PARK CONDOMINIUM

DESCRIPTION OF THE UNITS

UNIT	NUMBER OF OF BEDROOMS AND BATHS	APPROXIMATE TOTAL SQ. FT.		BLOCK TAX LOT NO.	% OF COMMON INTEREST	LOCATION IN PORTION OF BUILDING FACING DIRECTION SET FORTH BELOW	COMMON ELEMENTS TO WHICH THE UNIT HAS IMMEDIATE ACCESS
		UNIT	BALCONY / TERRACE				

EXHIBIT C
TO THE DECLARATION OF
ONE SUNSET PARK CONDOMINIUM

DEFINITIONS

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

"Building" shall mean the building situated on the Land and known as 702 44th Street (a/k/a 4401 Seventh Avenue), Brooklyn, New York 11220.

"By-Laws" shall mean the by-laws of the Condominium, which are annexed as Exhibit D to the Declaration, as the same may be amended from time to time pursuant to the terms thereof.

"Common Elements" shall mean, collectively [the Limited Common Elements] and the General Common Elements and shall consist of all parts of the Property other than the Units.

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

"Common Expenses" shall mean all costs and expenses to be incurred generally by the Unit Owners pursuant to the Declaration and/or the By-Laws in connection with: (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Common Elements; (ii) the establishment and/or maintenance of a general operating reserve or a reserve fund for working capital, for replacements with respect to the Common Elements, or to make up any deficit in the Common Charges for any prior year(s); (iii) the purchase, lease, or sublease by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose owner has elected to sell, lease, transfer, or convey the same or that is to be sold at a foreclosure or other sale and (iv) generally, the conduct of the affairs of the Condominium.

"Common Interest" shall mean the undivided percentage interest of each Unit in the Common Elements.

"Condominium" mean One Sunset Park Condominium, which was established pursuant to the terms of the Declaration and is to be governed pursuant to the terms of the By-Laws.

"Condominium Act" shall mean Article 9-B of the Real Property Law of the State of New York, as the same may be amended from time to time.

"Condominium Board" shall mean the governing body of the Condominium, whose members shall be selected pursuant to the terms of Articles 2 and 4 of the By-Laws.

"Condominium Documents" shall mean the Declaration, the Laws and the Rules and Regulations.

"Declarant" shall mean 4401 Sunset Park LLC.

"Declaration" shall mean the declaration executed by Declarant for the purposes of submitting the Property to the provisions of the Condominium Act and establishing a regime for the condominium ownership thereof.

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

"Family Members" shall mean the spouse, domestic partner, children (natural and adopted), stepchildren, grandchildren, siblings, parents, parents-in-law and grandparents, sons-in-law or daughters-in-law of a person.

"First Closing" shall mean the first date upon which title to a Unit is conveyed to a purchaser pursuant to the terms of the Plan.

"Floor Plans" shall mean the floor plans of the Units certified by Sears-Tambasco and filed in the Register's Office simultaneously with the recording of the Declaration, together with any supplemental floor plans thereto.

"General Common Elements" shall mean those certain portions of the Land and the Building (other than the Units), as well as those facilities therein, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property, as more particularly described in paragraph (b) of Article 7 of the Declaration.

"Initial Control Period" shall mean the period ending on the earlier of: (i) the closing of title with purchasers under the Plan to Units having more than fifty percent of the aggregate Common Interests appertaining to all Units or (ii) five years after the First Closing.

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

"Insurance Trustee" shall mean a bank or a trust company, in either event having both an office in the City of New York and a capital surplus and undivided profits of $500,000,000.00 or more, from time to time appointed to serve as such by the Condominium Board.

"Land" shall mean all that certain tract, plot, piece and parcel of land situate, lying and being in the County of Kings, City and State of New York, as more particularly described in Exhibit A to the Declaration.

"Law" shall mean the laws and ordinances of any or all of the federal, state or municipal governments, the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental, public, or quasi-public authorities having jurisdiction over the Property and/or the condominium, and/or the direction of any public officer pursuant to law.

"Limited Common Element" shall mean those certain portions of the Land and the Building (other than the Units) that are to be used by the owners of one or more specified Units to the exclusion of all other Unit Owners, as more particularly described in paragraph (c) of Article 7 of the Declaration.

"Managing Agent" shall mean a Person employed by the Condominium Board pursuant to paragraph (C) Section 2.6 of the By-Laws, who shall undertake to perform the duties and services that the Condominium Board shall direct and who shall have whatever powers the Condominium shall delegate, subject to the limitations contained in paragraph (D) of Section 2.6 of the By-Laws.

"Majority of Unit Owners" shall mean those Unit Owners having more than fifty (50%) percent of the total authorized votes of all Unit Owners (determined in accordance with the terms of Section 4.8 of the By-Laws) who are present, in person or by proxy, and voting at any duly constituted meeting of the Unit Owners at which a quorum is present.

"Mortgage Representatives" shall mean the representatives of the holders of all mortgages encumbering Units, designated by the holders of Institutional Mortgages in accordance with the terms of paragraph (B) of Section 8.6 of the By-Laws.

"Permitted First Mortgage" shall mean a Permitted Mortgage that is a first mortgage lien against a Unit.

"Permitted First Mortgagee" shall mean any holder of a Permitted First Mortgage.

"Permitted Mortgage" shall mean any mortgage covering one or more Units that is placed thereon in compliance with the terms contained in Article 8 of the By-Laws.

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

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

"Plan" shall mean that certain offering plan pursuant to which the Property is converted to condominium ownership and which was accepted for filing by the New York State Department of Law of the State of New York pursuant to Section 352-e of the General Business Law of the State of New York.

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

"Register's Office" shall mean the Kings County office of the Register of the City of New York.

"Unit Owner" shall mean any Person who holds fee title, of record, to one or more Units at the time in question.

"Rules and Regulations" shall mean the rules and regulations of the Condominium which are annexed as an addendum to the By-Laws, as any of the same may be amended, modified, added to, or deleted from time to time pursuant to the terms of the By-Laws, provided that they are not in conflict with the terms of the Condominium Act, the Declaration, or the By-Laws.

"Selling Agent" shall mean any Person employed by Declarant or its designee in connection with the sale or leasing of the Unsold Units.

"Special Assessments" shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the By-Laws), in accordance with paragraph (C) of Section 6.1 of the By-Laws.

"Sponsor" shall mean 4401 Sunset Park LLC, having an office c/o Sierra Realty Corp., 12 East 46th Street, 6th Floor, New York, New York 10017.

"Storage Locker" shall mean any Storage Locker located in the Building which is the subject of a storage Locker License or owned by Sponsor. Each Storage Locker shall include the structural framework and materials out of which the Storage Locker is constructed. Each Storage Locker is Limited Common Element. Any reference in the Plan or the Condominium Documents to "owning a Storage Locker" means that the Unit Owner has entered into a Storage Locker License for a Storage Locker.

"Storage Locker Area" shall mean any storage room in the Building containing Storage Lockers. The Storage Locker Area is a Common Element of the Condominium.

"Storage Locker License" shall mean the agreement pursuant to which a Storage Locker is licensed to a Residential Unit Owner.

"Unit Owners" shall mean the Unit Owners at the time in question.

"Units" shall mean the Unit(s) located on the basement through 6th floors of the Buildings.

"Unsold Unit" shall mean any Unit owned by Declarant or its designee at the time in question.

EXHIBIT D TO THE DECLARATION OF ONE SUNSET PARK CONDOMINIUM

BY-LAWS

BY-LAWS

OF

ONE SUNSET PARK CONDOMINIUM

_____, 2007

Prepared by:

**Goldstick, Weinberger,
Feldman & Grossman, P.C.
Attorneys for Declarant
7 Penn Plaza, Suite 1602
New York, New York 10001**

THE BY-LAWS
OF
ONE SUNSET PARK CONDOMINIUM

ARTICLE 1

General

Section 1.1 Purpose. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium. The Condominium covers the Property, which consists of: (i) the Land which lies in Block 741, Lot 6 on the Tax Map of the Borough of Brooklyn, County of Kings, City and State of New York; (ii) the Building, which includes, without limitation, the Units, the Common Elements and all easements, rights and appurtenances belonging thereto and (iii) all other property, real or personal intended for use in connection therewith. The Property has been submitted to the provisions of the Condominium Act by the recording of the Declaration in the Register's Office, of which Declaration these By-Laws form a part.

Section 1.2 Definitions. All capitalized terms used in these By-Laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in Exhibit C to the Declaration, unless the context in which the same are used shall otherwise require. All capitalized terms used in these By-Laws that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in, which the same are used shall otherwise require. Each of the aforedescribed capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Section 1.3 Applicability of By-Laws. These By-Laws are applicable to the Property and to the use and occupancy thereof.

Section 1.4 Application of By-Laws. All present and future Unit Owners, mortgagees, lessees, subleases and occupants of Units, and employees and guests of Unit Owners, as well as all other Persons who may use the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations, as each of the same may be amended from time to time. The acceptance of a deed or other instrument of conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of the Declaration, these By-Laws and the Rules and Regulations, as each of the same may be amended from time to time, are accepted, ratified and will be complied with.

Section 1.5 Principal Office of the Condominium. The principal office of the Condominium shall be located either at the Property or at such other place in the City of New York reasonably convenient thereto as may be designated from time to time by the Condominium Board.

ARTICLE 2

Board of Managers

Section 2.1 General. As more particularly set forth in Sections 2.4, 2.5 and 2.6 hereof, the affairs of the Condominium shall be governed by the Condominium Board. In exercising its powers and performing its duties under the Declaration and these By-Laws, the Condominium Board shall act as, and shall be, the agent of the Unit Owners, subject to, and in accordance with, the terms of the Declaration and these By-Laws.,

Section 2.2 Status of the Condominium Board. Unless and until the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon unincorporated associations under, or pursuant to, the terms of the General Association Law of the State of New York. If the Condominium Board shall incorporate in accordance with the terms of Section 2.4 hereof, the Condominium Board shall have, to the extent permitted by Law, the status conferred upon it under, or pursuant to, the terms of the applicable statutes of the State of New York. In either event, however, the Condominium Board shall also have the status conferred upon it under, or pursuant to, the terms of the Condominium Act.

Section 2.3 Principal Office of the Condominium Board. The principal office of the Condominium Board shall be located either at the Property or at such other place in the City of New York reasonably convenient thereto as may be designated from time to time by the Condominium Board.

Section 2.4 Powers and Duties of the Condominium Board. (A) The Condominium Board shall have all of the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium, provided, however, that the Condominium Board shall not have such powers and duties that by Law, or pursuant to the terms of the Declaration and these By-Laws, may not be delegated to the Condominium Board by the Unit Owners. Without intention to limit the generality of the foregoing in any respect, the Condominium Board shall have the following specific powers and duties:

(i) to operate, maintain, repair, restore, add to, improve, alter and replace the Common Elements, including, without limitation, as the Condominium Board shall deem necessary or proper in connection therewith: (a) the purchase and leasing of supplies, equipment and material and (b) the employment, compensation and dismissal of personnel;

(ii) to acquire, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of the Unit Owners, all rights, titles and interests in real and personal property deemed necessary or proper by the Condominium Board for use in connection with the ownership and operation of the Property as a residential condominium.

(iii) to maintain complete and accurate books and records with respect to the finances and the operation, of the Condominium, including, without limitation: (a) detailed accounts, in chronological order, of receipts and expenditures affecting the property; (b) detailed books of account of the Condominium Board; (c) other financial records, as well as other books of account of the Condominium, as may be required to be kept pursuant to the terms of these By-Laws and (d) minutes and other records of all meetings held pursuant to the terms of these By-Laws;

(iv) to prepare and adopt a budget for the Condominium for each fiscal year thereof, setting forth, without limitation: (a) a detailed accounting of the anticipated Common Expenses for the ensuing fiscal year and (b) a detailed projection of all sources and amounts of income necessary to discharge the same;

(v) to determine the amount and establish the methods of payment of, and to collect, the Common Charges and Special Assessments from the Unit Owners;

(vi) to borrow money on behalf of the Condominium when required in connection with the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements, provided, however, that: (a) the affirmative consent of at least all of the members of the Condominium Board shall be required for the borrowing of any sum in excess of $10,000.00 in any one fiscal year (regardless of the balance of any loans outstanding from previous fiscal years); (b) no lien to secure repayment, of any sum borrowed may be created on any Unit or its Appurtenant Interests without the consent of the owner of such Unit, and (c) the documentation executed in connection with any such borrowing shall provide that, if any sum borrowed by the Condominium Board pursuant to this subparagraph (vi) shall not be repaid by the Condominium Board, any Unit Owner who pays to the creditor thereunder such proportion of the then outstanding indebtedness represented or secured thereby as such Unit Owner's Common Interest bears to the aggregate Common Interests of all Unit Owners shall be entitled to obtain from the creditor a release of any judgment or other lien that the said creditor shall have filed, or shall have the right to file, against such Unit Owner's Unit;

(vii) to open and maintain bank accounts on behalf of the Condominium and to designate the signatories required therefor;

(viii) to use the Common Charges and Special Assessments collected from Unit Owners, as well as all other funds held by the Condominium Board or received in connection with the operation of the Property, for the administration of the Condominium, including, without limitation: (a) the payment of Common Expenses and (b) the making of restorations, additions, alterations and improvements to the Common Elements;

(ix) to obtain insurance for the Property, including the Units, pursuant to the terms of Section 5.4 hereof;

(x) to adjust and settle claims under insurance policies obtained pursuant to the terms of Section 5.4 hereof, and to execute and deliver releases upon such adjustment and settlement on behalf of: (a) all Unit Owners; (b) all holders of mortgages and other liens on Units and (c) all holders of any other interest in the Property;

(xi) to make, or to contract with others for the making of, repairs, maintenance, additions and improvements to, and alterations, restorations and replacements of, the Property after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings, all in accordance with the terms of these By-Laws;

(xii) Intentionally ommitted.

(xiii) to accept the surrender of any Unit pursuant to the terms of paragraph (C) of Section 6.2 hereof, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xiv) in accordance with the Condominium Documents to purchase, lease, or otherwise acquire Units offered for sale or lease by their owners, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xv) to purchase Units at foreclosure or other judicial sales, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xvi) to sell, lease, mortgage and otherwise deal with Units acquired by, and to sublease Units leased by, the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, provided, however, that the Condominium Board or its designees shall in no event be entitled to vote the votes appurtenant to any such Unit;

(xvii) in accordance with the Condominium Documents, to adopt and amend the Rules and Regulations and to levy and collect fines against Unit Owners for violations of the same;

(xviii) to enforce by legal means the terms, covenants and conditions contained in the Condominium Documents and to bring or defend against any proceedings that may be instituted on behalf of, or against, the Unit Owners;

(xix) to incorporate, to the extent and in the manner provided in the Condominium Act, provided, however, that: (a) the Certificate of Incorporation and by-laws of any such resulting corporation shall conform as closely as practicable to the terms of the Declaration and these By-Laws and (b) the terms of the Declaration and these By-laws shall prevail in the event of any inconsistency or conflict between the terms thereof and the terms of such Certificate of Incorporation and by-laws;

(xx) to organize corporations to act as the designees of the Condominium Board in acquiring title to, or leasing of, Units and in acquiring rights, title and interest in real and personal property for use in connection with the ownership and operation of the Property as a residential condominium;

(xxi) to execute, acknowledge and deliver; (a) any declaration or other instrument affecting the Property that the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Building and (b) any consent, covenant, restriction, easement or declaration affecting the Property that the Condominium Board deems necessary or appropriate;

(xxii) to prepare, execute, acknowledge and record on behalf of all Unit Owners, as their attorney-in-fact, coupled with an interest, a restatement of the Declaration or these By-Laws, whenever, in the Condominium Board's estimation, it is advisable to consolidate and restate all amendments, modifications, additions and deletions theretofore made to the same; and

(xxiii) to carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-Laws.

(B) The Condominium Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or occupied by the owner thereof or by a permitted lessee or other permitted occupant.

Section 2.5 Certain Limitation on the Powers of The Condominium Board. (A) Notwithstanding anything to the contrary contained in these By-Laws, for a period of three (3) years from the First Closing, so long as Declarant or its designee or both shall continue to own one unit, the Condominium Board may not, without Declarant's or such designee's prior written consent:

(i) make any addition, alteration, or improvement to the Common Elements or to any Unit, unless the same shall be required by Law or an insurance company insuring the Property;

(ii) assess any Common Charges or Special Assessments for the creation or replacement of, or the addition to, all or any part of a reserve, contingency, or surplus fund in excess of five percent in the aggregate of the estimated Common Expenses for any year of operation;

(iii) increase the number or change the type of employees from that described in Schedule B set forth in the Plan;

(iv) enter into any service or maintenance contracts for work not covered in the schedule referred to in subparagraph (iii) hereinabove; or

(v) borrow money on behalf of the Condominium.

(B) Notwithstanding anything to the contrary contained in these By-Laws, the Condominium Board shall not take any of the following actions unless Unit Owners, representing at least a majority of the Unit Owners shall approve the same in writing or by vote at a duly constituted meeting called for such purpose:

(i) increase the number, or change the type, of employees from those hired at the time of recording the Declaration;

(ii) provide for new or additional services from those being provided at the time of recording the Declaration;

(iii) impose any Common Charge or Special Assessment for the purpose of making any capital or major improvement, alteration, or addition to the Common Elements or to any Unit, unless required by Law or an insurance company insuring the Property; or

(iv) establish any reserves, including, without limitation, a reserve for contingencies, repairs, improvements, or replacements, other than a twelve-month reserve for contingencies not exceeding five percent of the budgeted operating expenses for the ensuing twelve months of operation.

Section 2.6 Exercise and Delegation of Powers and Duties. (A) Any act within the power of the Condominium Board to perform, and deemed necessary or desirable to be performed by the Condominium Board, shall be performed by the Condominium Board or shall be performed on its behalf and at its direction by the agents, employees or designees of the Condominium Board.

(B) The Condominium Board may appoint an Executive Committee by duly adopted resolution, which Executive Committee shall have, and may exercise, all of the powers of the Condominium Board subject to both the exceptions and limitations contained in paragraph (D) of this Section 2.6 and such additional exceptions and limitations as the Condominium Board may from time to time deem appropriate, during the intervals between the meetings of the Condominium Board. In addition, the Condominium Board may from time to time appoint, by duly adopted resolutions, such other committees as the Condominium Board may deem appropriate to perform such duties and services as the Condominium Board shall direct, each of which committees shall have, and may exercise, all of the powers delegated to it in its enabling resolution, subject, however, to the exceptions and limitations contained in paragraph (D) of this Section 2.6. The Executive Committee and each other committee shall consist of two or more members of the Condominium Board, at least one of whom shall be a member designated by Declarant for so long as Declarant shall have the right to designate or elect one or more members of the Condominium Board.

(C) The Condominium Board may employ a Managing Agent to serve at a compensation to be established by the Condominium Board and to perform such duties and services as the Condominium Board shall direct. Subject to the exceptions and limitations contained in paragraph (D) of this Section 2.6 the Condominium Board may delegate to the Managing Agent any of the powers granted to the Condominium Board in these By-Laws.

(D) Notwithstanding anything to the contrary contained in this Section 2.6, the Executive Committee and the Managing Agent shall neither have nor be entitled to exercise, and the Condominium Board shall not delegate to either of them or to any other committee, the powers or duties described in subparagraphs (ii), (iv), (v), (vi), (vii), (x), (xiii), (xiv), (xv), (xvi), (xvii), (xix), (xx), and (xxi) of paragraph (A) of Section 2.4 hereof. In addition, neither the Managing Agent nor any of the committees described in Subsection (B) of this Section 2.6 shall have, or be entitled to exercise, any of the powers of the Condominium Board, except to the extent permitted by Law.

Section 2.7 Number, Election and Qualification of Members. Until the first annual meeting of the Unit Owners held pursuant of the terms of Section 4.1 hereof, the Condominium Board shall consist of three (3) individuals to be designated from time to time by Declarant. From and after the first annual meeting of the Unit Owners, the Condominium Board shall consist of five individuals to be elected by the Unit Owners pursuant to the terms of Section 4.9 hereof. Except for members designated or elected by Declarant or its designee pursuant of the terms of this Section 2.7 or of Section 2.10 or 4.9 hereof, all members of the Condominium Board shall be either: (i) individual Unit Owners; (ii) individual Permitted Mortgages; (iii) officers, directors, shareholders, partners, principals, employees, or beneficiaries of corporations, partnerships, fiduciaries, or any other entities that are Unit Owners or Permitted Mortgagees; or (iv) adult Family Members of any of the foregoing. However, no Unit Owner may be elected to serve on the Condominium Board if the Condominium Board has perfected a lien against such Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such election.

Section 2.8 Term of Office of Members. The terms of office of the three members of the Condominium Board designated by Declarant prior to the first annual meeting of the Unit Owners shall expire when the five individuals to be elected at such meeting are so elected and qualified. The term of office of each of the five individuals elected and qualified at the first annual meeting of the Unit Owners shall be for one year. At each annual meeting of the Unit Owners subsequent to the first such meeting, the members of the Condominium Board shall be elected pursuant to the terms of Section 4.9 hereof to serve a term of office fixed at one year. Notwithstanding anything to the contrary contained in this Section 2.8, however, each member of the Condominium Board shall serve until his successor shall be elected and qualified. There shall be no limit on the number of terms of office, successive or otherwise, that a member of the Condominium Board may serve.

Section 2.9 Removal and Resignation of Members. (A) Any member of the Condominium Board who was elected there either by the Unit Owners, pursuant to the terms of Section 2.10 hereof, or by the Condominium Board, pursuant to the terms of Section 2.10 hereof, may be removed from office, with or without cause by a vote of a Majority in interest of Unit Owners. Any member of the Condominium Board who was designated as such or elected by Declarant or its designee, pursuant to the terms of Section 2.7, 2.10, or 4.9 hereof may be removed, with or without cause, only by Declarant or the said designee. Any member of the Condominium Board whose proposed removal is to be acted upon at a meeting of the Unit Owners shall be given prior written notice thereof and an opportunity to be present and heard thereat.

(B) Any member of the Condominium Board may resign his membership at any time by giving written notice thereof to the Condominium Board and, with respect to members of the Condominium Board designated as such or elected by Declarant or its designee, to Declarant or such designee. In addition, any member of the Condominium Board who shall cease to be qualified for membership pursuant to the terms of Section 2.7 hereof shall be deemed to have resigned his membership effective as of the date upon which such qualification shall cease.

Section 2.10 Vacancies. (A) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a member who was elected thereof by the Unit Owners shall be filled by an individual who is qualified to be a member pursuant to the terms of Section 2.7 hereof and who is elected by a vote of the majority of the members of the Condominium Board then in office. A special meeting of the Condominium Board shall be held for the purpose of filling any such vacancy promptly after the occurrence thereof, and the election held thereat shall be effective to fill such vacancy even if the number of members present at such meeting shall not constitute a quorum.

(B) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a member who was designated as such or elected by Declarant or its designee shall be filled by an individual designated by Declarant or such designee.

(C) Each member of the Condominium Board who is elected thereto or designated as such to fill a vacancy pursuant to the terms of paragraph (A) or (B), respectively, of this Section 2.10 shall serve as a member of the Condominium Board for the remainder of the term of the member he replaced and until his successor shall be selected and qualified at the appropriate annual meeting of the Unit Owners pursuant to the terms of Section 4.9 hereof.

Section 2.11 Organizational Meeting of the Condominium Board. The first meeting of the Condominium Board following each annual meeting of the Unit Owners shall be held within ten (10) days of such annual meeting, at such time and place in the City of New York as shall be both fixed informally by a majority of the members of the Condominium Board and designated in a written notice given to all members thereof by personal delivery, mail, or telegram not later than five (5) business days prior to such date.

Section 2.12 Regular Meetings of the Condominium Board. Regular meetings of the Condominium Board may be held at such time and place in the City of New York as shall be determined from time to time by a majority of the members thereof, provided that at least four (4) such meetings shall be held during each fiscal year. Written notice of all regular meetings of the Condominium Board shall be given to each member thereof by personal delivery, mail, or telegram at least five (5) business days prior to the day named for such meeting.

Section 2.13 Special Meetings of the Condominium Board. The President may call a special meeting of the Condominium Board whenever he deems the same to be necessary or desirable. However, the President shall call such a meeting upon the written request of three or more members of the Condominium Board. Written notice of all special meetings shall be given to each member thereof by personal delivery, mail, or telegram at least five (5) business days prior to the day named for such meeting, which notice shall state the time, place in the City of New York and purpose of the meeting.

Section 2.14 Waiver of Notice of Meetings. Any member of the Condominium Board may, at any time, waive notice of any meeting thereof in writing, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a member of the Condominium Board at any meeting thereof shall constitute a waiver by him of notice of the time and place thereof. If all of the members of the Condominium Board are present at any meeting thereof, no notice of such meeting shall be required and any business may be transacted at such meeting.

Section 2.15 Quorum of the Condominium Board. For purposes of all meetings of the Condominium Board, a majority of the members thereof shall constitute a quorum for the transaction of business. In connection therewith, one or more members of the Condominium Board may participate in any meeting thereof by means of a conference telephone or similar communications equipment permitting all individuals participating in the meeting to hear each other at the same time, and such participation shall constitute presence at such a meeting for all purposes. If, at any meeting of the Condominium Board, there shall be less than a quorum present, a majority of the members of the Condominium Board in attendance may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting originally called but for the lack of a quorum may be transacted without further notice.

Section 2.16 Conduct of Meetings. The President shall preside at all meetings of the Condominium Board, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Condominium Board and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure from time to time acceptable to a majority of the Condominium Board, shall govern the conduct of the meetings of the Condominium Board unless the same shall be in conflict with the terms of the Declaration, these By-Laws, or the Condominium Act.

Section 2.17 Decisions by the Condominium Board. Except as otherwise expressly provided in the Declaration or these By-Laws, the vote of a majority of the members of the Condominium Board present at a meeting thereof at which a quorum is present shall constitute the decision of the Condominium Board. Alternatively, any decision that is required or permitted to be made by the Condominium Board may be made without a meeting thereof if all members of the Condominium Board shall individually or collectively consent in writing to such decision, and all such written consents shall be duly filed by the Secretary of the Condominium in the minutes of the Condominium Board.

Section 2.18 Compensation of Members. No member of the Condominium Board shall receive any compensation from the Condominium for acting as such.

Section 2.19 Common or Interested Members of the Condominium Board. Each member of the Condominium Board shall perform his duties, and shall exercise his powers, in good faith and with a view to the interests of the Condominium. To the extent permitted by law, no contract or other transaction between the Condominium Board and either (i) any of its members or (ii) any corporation, partnership, fiduciary, firm, association, or other entity in which any of the members of the Condominium Board are officers, directors, employees, partners, fiduciaries, beneficiaries, or principals, or are otherwise interested, pecuniarily or otherwise, shall be deemed either void or voidable because either (a) any such member of the Condominium Board was present at the meeting or meetings of the Condominium Board during which such contract or transaction was discussed, authorized, approved, or ratified, or (b) the vote of any such member was counted for such purpose, provided, however, that either:

(x) the fact thereof is disclosed to, or known by, the Condominium Board or a majority of the members thereof or noted in the minutes thereof, and the Condominium Board shall authorize, approve, or ratify such contract or transaction in good faith by a vote of a majority of the entire Condominium Board, less the number of such members;

(y) the fact thereof is disclosed to, or known by, a majority of Unit Owners who shall authorize, approve, or ratify such contract or transaction; or

(z) the contract or transaction is commercially reasonable to the Condominium Board at the time that the same is authorized, approved, ratified, executed, or otherwise consummated.

Any such member of the Condominium Board may be counted in determining the presence of a quorum of any meeting of the Condominium Board that authorizes, approves, or ratifies any such contract or transaction, but no such member shall be entitled to vote thereat to authorize, approve, or ratify such contract or transaction.

Section 2.20 Liability of the Condominium Board. (A) The members of the Condominium Board shall have no liability to the Unit Owners for errors of judgment, negligence, or otherwise, except that each member of the Condominium Board shall be liable thereto for his own bad faith or willful misconduct. In connection therewith, members of the Condominium Board designated as such by Declarant shall not be deemed either to be in bad faith or to have committed willful misconduct by reason of any self-dealing in connection with any contract made, or other transaction entered into, between the Condominium Board and Declarant or its agents, provided that any compensation paid, or to be paid, to Declarant or its agents in connection with any such contract or transaction is disclosed in the Plan or an amendment thereto or is at competitive rates for goods sold or services rendered in the Borough of Brooklyn.

(B) Every contract made, and other document executed, by or on behalf of the Condominium Board, any committee thereof, or the Managing Agent shall expressly state (if obtainable and in addition to the limitation of liability of the members of the Condominium Board and the Unit Owners pursuant to the terms of Sections 3.10 and 4.12 hereof, respectively) that the same is made or executed by or on behalf of the Condominium Board, such committee, or the Managing Agent solely as agent for the Unit Owners and that the members of the Condominium Board or such committee or the Managing Agent shall have no liability thereon, except to the extent of their liability, if any, as Unit Owners pursuant to the terms of Section 4.12 hereof.

(C) Neither the Condominium Board nor any member thereof shall be liable for either:

(i) any failure or interruption of any utility or other services to be obtained by, or on behalf of, the Condominium Board or to be paid for as a Common Expense; or

(ii) any injury, loss, or damage to any individual or property, occurring in or upon either a Unit or the Common Elements, and either: (a) caused by the elements, by any Unit Owner or by any other Person; (b) resulting from electricity, water, snow or ice that may leak or flow from a Unit or any portion of the Common Elements or (c) arising out of theft or otherwise.

(D) The Unit Owners shall jointly and severally defend and indemnify and hold each member of the Condominium Board harmless from and against any claim or liability to others arising from his acts or omissions as, or by reason of the fact that such individual is or was, a member of the Condominium Board, except, however, to the extent that such claim or liability shall be due to, or shall arise out of, the bad faith or willful misconduct of such member.

ARTICLE 3

Officers

Section 3.1 General. The principal officers of the Condominium shall be the President, the Vice President, the Secretary and Treasurer. The Condominium Board may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its discretion may be necessary or desirable. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed, upon the direction of the Condominium Board, by any two officers of the Condominium or by such lesser number of officers or by such other Person or Persons as may be designated from time to time by the Condominium Board.

Section 3.2 President. The President shall be chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and of the Condominium Board. The President shall have all of the general powers and duties that are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York (hereinafter referred to as the "BCL"), including, but not limited to, the power to appoint the members of all committees created by the Condominium Board from amongst the Unit Owners from time to time as he may decide, in his discretion, are appropriate to assist in the conduct of the affairs of the Condominium.

Section 3.3 Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If both the President and the Vice President are unable to act the Condominium Board shall appoint some other member of the Condominium Board to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall be imposed upon him from time to time by the Condominium Board or by the President.

Section 3.4 Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Condominium Board. The Secretary shall have charge of such books and papers as the Condominium Board shall direct and, in general, shall perform all of the duties that are incident to the office of secretary of a stock corporation organized under the BCL. The Secretary/Treasurer shall also have the duties of Treasurer described in Section 3.5. At the Board's discretion there may be a Secretary separate from the Treasurer.

Section 3.5 Treasurer. The Treasurer shall have the care and custody of the funds and securities of the Condominium and shall be responsible for keeping full and accurate financial records and books of account thereof, showing all receipts and disbursements necessary for the preparation of all required financial data. The Treasurer shall be responsible for the deposit of all funds and other securities in the name of the Condominium Board or in the name of

the Managing Agent in such depositories as may from time to time be designated by the Condominium Board and, in general, shall perform all of the duties incident to the office of treasurer of a stock corporation organized under the BCL.

Section 3.6 Election, Term of Office and Qualifications of Officers. Each of the officers of the Condominium Board shall be elected annually by a majority vote of the Condominium Board taken at the organizational meeting of each new Condominium Board, and shall serve at the pleasure of the Condominium Board. The President and the Vice President shall be elected from amongst the members of the Condominium Board. The other officers of the Condominium, however, need not be Unit Owners or members of the Condominium Board and need not have any interest in the Condominium.

Section 3.7 Removal and Resignation of Officers. Any officer of the Condominium may be removed from office, with or without cause, by an affirmative vote of a majority of the members of the Condominium Board. In addition, any officer may resign at any time by giving written notice to the Condominium Board. Finally, if the President or the Vice President of the Condominium shall cease to be a member of the Condominium Board during his term of office, such officer shall be deemed to have resigned his office effective upon the date upon which his membership shall cease.

Section 3.8 Vacancies. Any vacancy in an office shall be filled by a majority vote of the Condominium Board at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

Section 3.9 Compensation of Officers. No officer of the Condominium shall receive any compensation from the Condominium for acting as such.

Section 3.10 Liability of the Officers of the Condominium. (A) The officers of the Condominium shall have no liability to the Unit Owners for errors of judgment, negligence, or otherwise, except that each officer of the Condominium shall be liable thereto for his own bad faith or willful misconduct. In addition, every contract made, and other document executed, by one or more officers or other Persons on behalf of the Condominium shall expressly state (if obtainable and in addition to the limitation of liability of the members of the Condominium Board and the Unit Owners pursuant to the terms of Sections 2.20 and 4.12 hereof, respectively) that the same is made or executed by such officers or persons on behalf of the Condominium solely as agent for the Unit Owners and that such officers or Persons shall have no liability thereon, except to the extent of their liability, if any, as Unit Owners pursuant to the terms of Section 4.12 hereof.

(B) 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 any such officer on behalf of the Condominium or to be paid for as a Common Expense; or

(ii) any injury, loss, or damage to any individual or property, occurring in or upon either a Unit or the Common Elements, and either: (a) caused by the elements, by any Unit Owner or by any other Person; (b) resulting from electricity, water, snow or ice that may leak or flow from a Unit or any portion of the Common Elements or (c) arising out of theft or otherwise.

(C) The Unit Owners shall jointly and severally defend and indemnify and hold each officer of the Condominium harmless from his acts or omissions as, or by reason of the fact that such individual is or was, an officer of the Condominium, except, however, to the extent that such claim or liability shall be due to, or shall arise out of, the bad faith or willful misconduct of such officer.

ARTICLE 4

Unit Owners

Section 4.1 Annual Meetings of the Unit Owners. The first annual meeting of the Unit Owners shall be held not later than one (1) year after the First Closing, at which meeting the incumbent three-member Condominium Board shall resign and a successor five-member Condominium Board shall be elected or designated by the Unit Owners, as provided both in this Article 4 and in Article 2 hereof. Thereafter, annual meetings of the Unit Owners shall be held on or about the anniversary of such first meeting unless such date shall occur on a legal holiday, in which event the meeting will be held on or about the succeeding business day. At each such subsequent meeting, the Unit Owners shall elect successors to the members of the Condominium Board whose term of office expires on the day of such meeting and shall transact such other business as may properly come before such meeting.

Section 4.2 Special Meetings of the Unit Owners. The President shall call a special meeting of the Unit Owners whenever so directed by a duly adopted resolution of the Condominium Board or upon receipt by the Secretary of a petition calling for such a meeting signed by at least a majority in interest of Unit Owners. Each such resolution or petition shall set forth, in reasonable detail, the purposes for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to such stated purposes.

Section 4.3 Place of Meetings. Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable and convenient place in the City of New York as may be designated by the Condominium Board.

Section 4.4 Notice of Meetings. (A) The Secretary of the Condominium shall give notice of each annual or special meeting of the Unit Owners to all Unit Owners then of record entitled to vote at such meeting, which notice shall set forth the purpose, time and place of such meeting. Such notice may be given to any Unit Owner by personal delivery, mail or telegram not later than ten (10) business days prior to the day fixed for the meeting; however, the mailing of such notice to any Unit Owner, addressed to his address at the Property, at least ten (10) days prior to the day fixed for the meeting shall be conclusively deemed the giving of notice to such Unit Owner of such meeting. Any Unit Owner may designate an address for the giving of notice other than such Unit Owner's address at the Property by giving written notice thereof to the Secretary of the Condominium not less than ten (10) days prior to the giving of notice of the applicable meeting.

(B) If the business to be conducted at any meeting of the Unit Owners shall include the consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be mailed to all Unit Owners at least thirty (30) days prior to the day fixed for such meeting and shall be accompanied by a copy of the text of such proposed amendment.

Section 4.5 Quorum of the Unit Owners. Except as otherwise provided in these By-Laws, the presence, in person or by proxy, of 51% in interest of Unit Owners shall constitute a quorum at all meetings of the Unit Owners. If, at any meeting of the Unit Owners, there shall be less than a quorum present, a majority of the Unit Owners present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

Section 4.6 Conduct of Meetings. The President shall preside at all meetings of the Unit Owners, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Unit Owners and a record of all transactions and proceedings occurring there at. The then current edition of Robert's Rules of Order, or any other rules of procedure acceptable to a majority of the Unit Owners present at any meeting, in person or by proxy, shall govern the conduct of the meetings of the Unit Owners, unless the same shall be in conflict with the terms of the Declaration, these By-Laws or the Condominium Act. All votes of the Unit Owners shall be tallied by the persons appointed by the presiding officer of the meeting.

Section 4.7 Order of Business. The order of business at all meetings of the Unit Owners shall be as follows:

(i) Roll call;

(ii) Proof of notice of meeting;

(iii) Reading of the minutes of the preceding meeting (unless waived);

(iv) Reports of officers of the Condominium;

(v) Reports of members of the Condominium Board;

(vi) Reports of committees;

(vii) Election of inspectors of election (when so required);

(viii) Election Of members of the Condominium Board (when so required);

(ix) Unfinished business; and

(x) New business.

Section 4.8 Voting. (A) Subject to the terms of Section 4.9 hereof, each Unit Owner shall be entitled to cast one vote at all meetings of the Unit Owners for each percentage of common element he owns.

(B) Notwithstanding the terms contained in paragraph (A) hereof, no Unit Owner may vote at any meeting of the Unit Owners if the condominium Board has perfected a lien against such Unit Owner's Unit and the amount necessary to release such lien has not been paid at the time of such meeting. In addition, neither the Condominium Board nor any designee thereof shall be entitled to vote the Common Interest appurtenant to any Unit owned by the Condominium Board or such designee. The Common Interests of all Units whose owners are precluded from voting pursuant to the terms of this paragraph (b) will be excluded when computing the aggregate Common Interests of all Unit Owners for voting purposes.

(C) A fiduciary shall be the voting member with respect to a Unit owned in a fiduciary capacity. In addition, if two or more Persons own a Unit, they shall designate one Person amongst them to cast the vote appurtenant to their Unit in a writing given to the Secretary of the Condominium, and the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually vote under one ballot without division, and the concurrence of all such Persons shall be conclusively presumed if any one of them purports to vote without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the vote appurtenant to such Unit shall be counted solely for the purpose of determining whether a quorum is present for such voting.

(D) The owner(s) of any Unit may designate any Person to act as a proxy on his behalf. The designation of any such proxy shall be made in a writing both signed and dated by the designer and delivered to the Secretary of the Condominium at or before the appointed time for the meeting(s) during which the same is to be effective. Any such designation shall be revocable at any time upon written notice given to the Secretary of the Condominium; however, no revocation of such a designation shall be effective with respect to any votes cast by such proxy prior to the receipt of such revocation notice by the Secretary of the Condominium or, if such revocation is made at a meeting of the Unit Owners during which the Secretary of the Condominium is not in attendance, by the individual acting as the Secretary of such meeting. Except with respect to the designation of a Permitted Mortgagee to act as the proxy of its mortgagor(s), no designation to act as proxy shall be effective for a period in excess of six (6) months after the date thereof.

(E) Except when otherwise required by law or otherwise provided in the Declaration or in these By-Laws, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

Section 4.9 Election of Members of the Condominium Board. (A) When voting for members of the Condominium Board, each Unit Owner shall be entitled to cast one vote for each .001% percent of common interest attributable to his Unit(s) per member to be elected. However, nothing contained herein shall be deemed either to permit any Unit Owner to cumulate the votes attributable to the ownership of any one Unit in favor of any one for more members to be elected. In addition, the terms of paragraphs (B), (C) and (D) of Section 4.8 hereof shall apply to all elections of members of the Condominium Board.

(B) All elections of members of the Condominium.Board shall be by written ballot, and each ballot cast shall state: (i) the name of the voting Unit Owner and, if such ballot is cast by proxy, the name of the proxy; (ii) the designation number(s) of the Unit(s) owned by the voting Unit Owner; and (iii) the names of the candidates for whom such ballot is cast (the number of which names shall not exceed the number of members to be elected). Any ballot that is not cast in conformity with this paragraph (B) shall be discounted. All election ballots shall be retained in the records of the Condominium, appropriately segregated by election.

(C) Subject to the terms of paragraph (D) of this Section 4.9, all elections of members of the Condominium Board shall be determined by plurality vote.

(D) Not more than three (3) members of the Condominium Board shall be designated by Declarant or its designee at any election held during the Initial Control Period, and not more than two (2) members of the Condominium Board shall be designated by Declarant its designee at any election held after the expiration of the Initial Control Period. However, after the Initial Control Period, Declarant or its designee shall have the right to designate the following minimum number of members of the Condominium Board: (a) two (2) members, for so long as Declarant or its designee own two or more units or two or more Unit Owners; (b) one (1) members for so long as the Common Interests attributable to any Units owned by Declarant or its designee owns one unit. In addition, Sponsor or any Holder of Unsold Units shall continue to have the right to vote all of the common interests attributable to the Unsold Units as it sees fit.

Section 4.10 Action Without a Meeting. Any action required or permitted to be taken by the Unit Owners at a duly constituted meeting may be taken without such a meeting if the number of Unit Owners sufficient (both in absolute number and in aggregate Common Interests) to approve such an action at a duly constituted meeting of the Unit Owners pursuant to the Declaration or to these By-Laws consent in writing to the adoption of a resolution approving such action. All written consents given by Unit Owners pursuant to this Section 4.10 shall be retained in the records of the Condominium together with a true copy of the resolution to which they relate.

Section 4.11 Title to Units. Title to any Unit may be taken by any Person or by any two or more Persons as joint tenants, tenants in common, or tenants by the entirety, as may be appropriate, but not as owners in severalty.

Section 4.12 Contractual Liability of Unit Owners. Every contract made by the Condominium Board, by any officer of the Condominium, or by any superintendent or Managing Agent of the Building shall state (if obtainable and in addition to the limitation of liability of the members of the Condominium Board and the officers of the Condominium pursuant to the terms of Section 2.20 and 3.10 hereof, respectively) that the liability of any Unit Owner with respect thereto shall be limited to: (i) such proportionate share of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners and (ii) such Unit Owner's interest in his Unit and its Appurtenant Interests, unless otherwise provided by Law.

ARTICLE 5

Operation Of The Property

Section 5.1 Maintenance and Repairs. (A) Except as otherwise provided in the Declaration or in these By-Laws, all painting, decorating, maintenance, repairs and replacements, whether structural or non-structural, ordinary or extraordinary:

(i) in or to any Unit and all portions thereof (including, but not limited to, the interior walls, ceilings and floors in the unit, kitchen and bathroom fixtures and appliances, all doors (entrance and terrace, if any) and their frames and saddles, exposed plumbing, gas and heating fixtures and equipment, air conditioning units, lighting and electrical fixtures and any General Common Elements incorporated therein pursuant to paragraph (B) of Section 5.8 hereof, but excluding any other General Common Elements contained therein) shall be performed by the owner of such Unit at such Unit Owner's cost and expense.

(ii) in or to the General Common Elements (other than any General Common Elements incorporated into one or more Units pursuant to the terms of paragraph (B) of Section 5.8 hereof) shall be performed by the Condominium Board as a Common Expense; and

(iii) in or to the Limited Common Elements shall be performed (a) by the Condominium Board as a Common Expense, if involving structural or extraordinary maintenance, repairs, or replacements (including, but not limited to, the repair of any leaks that are not caused by the acts or omissions of the Unit Owner having direct and exclusive access thereto), or (b) by the Unit Owner having direct and exclusive access thereto at his sole cost and expense, if involving non-structural ordinary maintenance, repairs, or replacements.

Promptly upon obtaining knowledge thereof, each Unit Owner shall report to the Condominium Board or the Managing Agent any defect or need for repairs for which the Condominium Board is responsible pursuant to the terms hereof. All painting, decorating, maintenance, repairs and replacements performed hereunder or otherwise, whether by or at the behest of a Unit Owner or the Condominium Board, shall be performed in such manner as shall not unreasonably disturb or interfere with any Unit Owners or the tenants and occupants of any Units.

(B) The exterior glass surfaces of all windows of each Unit are to be washed and cleaned by the Owner of such Unit at such Unit Owner's sole cost and expense. In addition, if any painting, decorating, maintenance, repairs, or replacements to the Property or any part thereof, whether structural or non-structural, ordinary or extraordinary, is necessitated by the negligence, misuses or abuse of any Unit Owner, the entire cost and expense thereof shall be borne by such Unit Owner, and, if necessitated by the negligence, misuse or abuse of the Condominium Board as a Common Expense, except, in all events, to the extent that such cost and expense is covered by the proceeds of any insurance maintained pursuant to the terms of these By-Laws. Similarly, each Unit Owner shall be responsible for any and all damage to any Unit or to the Common Elements resulting from such Unit Owner's failure to maintain, repair, or replace his Unit or any portion thereof as required herein.

(C) Each Unit and all portions of the Common Elements shall be kept in first-class condition, order and repair (and free of snow, ice and accumulation of water with respect to any terrace, roof or other part of the property exposed to the elements) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Condominium Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work (including, without limitation, painting, repairs and replacements) that is necessary in connection therewith. In addition, the public areas of the Building and those areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by (i) the Condominium Board, with respect to such parts of the Building required to be maintained by it, and (ii) each Unit Owner, with respect to the interior and exterior surfaces of terraces, windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to his Unit.

Section 5.2 Alterations, Additions, Improvements, or Repairs in and to Units and Limited Common Elements. (A) Subject to the terms of Article 12 of the Declaration no Unit Owner shall make any alteration addition, improvement or repair in or to his Unit or its appurtenant Limited Common Elements involving structural work or work which would impact upon building systems (including without limitation, electrical, mechanical or plumbing work) without the prior written approval of the Condominium Board. In the event, however, that the Condominium Board shall fail to answer any written, reasonably detailed request for such approval within fifteen (15) days after such request is received, Owner shall send a second notice and if not responded to within a second fifteen (15) day period, such failure to respond shall constitute the Condominium Board's consent thereto. Such approval may be conditioned, in the discretion of the Condominium Board, upon the execution of an agreement by such Unit Owner, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions upon which such alteration, addition, improvement or repair may be made (including, but not limited to an indemnity agreement). Prior to, and as a condition of, the granting of any such approval, the Condominium Board may, at its sole option require the Unit Owner to procure and agree to maintain during the course of such work such insurance as the Condominium Board may reasonably prescribe.

(B) The Board, may exercise the right to reasonably approve the contractors and suppliers, performing alteration, addition, improvement or repair in any Unit and may, at its option, 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, addition, improvement or repair may be made, including, without limitation, the days and hours during which any work may be done. A Board may impose fees upon a Unit Owner to reimburse the Board for its costs incurred in reviewing or supervising the aforesaid work and providing appropriate security with respect thereto. In addition, the Board will have the right, as a condition to approving a Unit Owner's request to renovate kitchens and bathrooms, to require such Unit Owner to replace plumbing, steam and gas risers running through or adjacent to the Unit or to contribute to the Condominium, the sum necessary to enable the Condominium to perform such replacements in the same is necessary as a result of Unit Owner's work. The foregoing provisions shall not apply to Declarant or its designee or a Permitted Mortgage (or its designee) of Declarant or its assignee.

Sponsor or its designee shall have the right, without the approval of the Condominium Board, the Selling Agent, the Managing Agent, other Unit Owners, or representatives of holders of mortgages on Units and without the execution of any alteration agreement to (a) make alterations, additions, improvements or repairs in or to any Unsold Unit, whether structural or nonstructural, interior or exterior, ordinary or extraordinary and (b) subdivide, combine and change the boundary walls of Unsold Units (see the section above entitled "Changes in Prices and Units" for further discussion).

(C) All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with law. In connection therewith, the Condominium Board shall execute applications to any departments of the City of, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements or repairs in or to a Unit or its appurtenant Limited Common Elements, provided that, with respect to all such work of a structural nature (except as provided in Article 12 of the Declaration), the same was approved by the Condominium Board pursuant to the terms of paragraph (A) hereof.

(D) Neither the Condominium Board nor any Unit Owner (other than the Unit Owner(s) making any alterations, improvements, additions or repairs, or causing any of the same to be made, in or to his Unit(s) and appurtenant Limited Common Elements) shall incur any liability, cost or expense either (i) in connection with the preparation, execution or submission of the applications referred to in paragraph (C) hereof; (ii) to any contractor, subcontractor, materialman, architect or engineer on account of any alterations, improvements, additions or repairs made or caused to be made by any Unit Owner; or (iii) to any Person asserting any claim for personal injury or property damage arising therefrom. Any Unit Owner(s) making any alterations, improvements, additions or repairs, or causing any of the same to be made, in or to Unit(s) and appurtenant Limited Common Elements shall agree (in a writing executed and delivered to the Condominium Board, if the Condominium Board shall so request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Condominium Board, the members of the Condominium Board, the officers of the Condominium, the Managing Agent and all other Unit Owners harmless from and against any such liability, cost or expense.

Section 5.3 Alterations, Additions, Improvements or Repairs to the General Common Elements. Except as otherwise provided in the Declaration or in these By-Laws, all necessary or desirable alterations, additions, improvements or repairs in or to any of the General Common Elements shall be made by the Condominium Board, and the cost and expense thereof shall constitute a Common Expense. Notwithstanding the foregoing, however, whenever the cost of any such alterations, additions, improvements or repairs would, in the judgment of the Condominium Board, exceed $100,000.00 in the aggregate in any calendar year, such proposed alterations, additions, improvements or repairs shall not be made unless first approved by the Unit Owners owning a majority of the Common Interests at a duly constituted meeting of the Unit Owners and by the Mortgage Representatives, if any. Except as otherwise provided in the Declaration and in these By-Laws, all such alterations, additions, improvements or repairs costing $100,000.00 or less in the aggregate in any calendar year may be made as aforesaid without the approval of either the Unit Owners or any Mortgage Representatives.

Section 5.4 Insurance. (A) The Condominium Board shall obtain, and shall maintain in full force and effect, fire insurance policies with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the Building (including all Units, bathroom and kitchen fixtures, but not including appliances or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by Unit Owners or the tenants of Unit Owners) and covering the interests of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their interests may appear. Each of the said policies shall contain to the extent obtainable:

(i) waivers of (a) subrogation against Unit Owners, (b) any defense based upon co-insurance or other insurance, and (c) invalidity arising out of any acts of the insured;

(ii) a provision that any adjustment of loss will be made by the Condominium Board and that all proceeds thereof shall be paid to either the Condominium Board or the Insurance Trustee, as provided in Section 5.5 hereof;

(iii) a New York standard mortgagee clause in favor of each Permitted Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Condominium Board and the Insurance Trustee set forth in subparagraph (ii) above and in Section 5.5 hereof; and

(iv) a provision that such policy may not be either cancelled or materially modified except upon at least thirty (30) days prior written notice to all of the insureds, including all Permitted Mortgagees.

Duplicate originals or certificates of all such policies shall be given to all Unit Owners upon request and duplicate originals or certificates of all renewal policies, together with proof of payment of premiums, shall be sent to all Unit Owners and upon request by Permitted Mortgagees at least ten (10) days prior to the expiration of the then current policies.

(B) The Condominium Board shall also obtain and maintain, to the extent practicable:

(i) comprehensive general liability insurance, covering all claims for personal injury or property damage arising out of any occurrence on the Property and listing as co-insureds (a) the Condominium Board and each member thereof, (b) the Managing Agent or manager (if any), (c) each officer and employee of the Condominium and (d) each Unit Owner (except, however, that such insurance shall not cover any liability of a Unit Owner arising from occurrences within his own Unit or its Limited Common Elements);

(ii) rent insurance;

(iii) water damage legal liability insurance; and

(iv) such other insurance as the Condominium Board shall from time to time determine.

Each of the aforementioned policies of insurance shall also cover cross-liability claims of one insured against another.

(C) All policies of insurance to be maintained by the Condominium Board shall contain such limits as the Condominium Board shall from time to time determine, provided, however, that:

(i) with respect to insurance policies maintained by the Condominium Board pursuant to paragraph (A) hereof, the coverage shall be in an amount equal to not less than eighty (80%) percent of the full replacement cost of the Building, exclusive of excavation and foundations, without deduction for depreciation, as approved by the fire insurance company issuing the policy or a qualified appraiser (and, until the first regular meeting of the first five-member Condominium Board elected by the Unit Owners, such coverage shall be at least in the amount of $7,000,000.00;

(ii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (i) of paragraph (B) hereof, such policies shall contain single limits of not less than $1,000,000.00 in the aggregate until the first regular meeting of the first five-member Condominium Board elected by the Unit Owners; and

(iii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (ii) of paragraph (B) hereof, the coverage shall be in an amount equal to not less than the aggregate of all of the Unit Owners' Common Charges for one year.

Any insurance policies maintained by the Condominium Board may also provide for such deductible amounts as the Condominium Board shall determine. The Condominium Board shall review the limits of each insurance policy, as well as the amount of any deductible sum thereunder, at least once each year.

(D) The cost of all insurance maintained by the Condominium Board pursuant to this Section 5.4 together with the fees and disbursements of any Insurance Trustee appointed by the Condominium Board pursuant to the terms of these By-Laws, shall be borne by the Unit Owners as a Common Expense.

(E) Unit Owners shall be required to carry liability insurance in such amounts as the Condominium Board shall reasonably require. In addition, Unit Owners may carry other insurance for their own benefit, provided that all such policies shall contain waivers of subrogation against the other Unit Owners and the Condominium Board and further provided that the liability of the carriers issuing the insurance maintained by the Condominium Board shall not be affected or diminished by reason of any such insurance carried by any Unit Owner.

Section 5.5 Casualty or Condemnation. (A) In the event that either the Building or any part thereof is damaged or destroyed by fire or other casualty (hereinafter referred to as a "Casualty Loss" or (ii) the General Common Elements are or any part thereof is taken in condemnation or by eminent domain (hereinafter referred to as a "Taking"), the net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the terms of Section 5.4 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable either to the Condominium Board, if the same shall be $250,000.00 or less in the aggregate, or to the Insurance Trustee, if the same shall exceed $250,000.00 in the aggregate. In either instance, all such monies actually received (hereinafter referred to as the "Trust Funds") shall be held in trust for the benefit of all Unit Owners and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section 5.5. Notwithstanding anything to the contrary contained either in this paragraph (A) or elsewhere in this Section 5.5, however, no Unit Owner whose Unit, its appurtenant Limited Common Elements, or any portion thereof are taken in condemnation or by eminent domain (whether or not all or a part of the General Common Elements are contemporaneously taken) shall be deemed to have waived whatever rights he may have to pursue a separate claim against the condemning authority by reason thereof.

(B) Subject to the terms of paragraph (D) hereof, the Condominium Board shall arrange for the prompt repair or restoration (hereinafter referred to as the "Work") of: (i) in the event of a Casualty Loss, the portion(s) of the Building (including all Units and the bathroom and kitchen fixtures installed therein on the date of recording the Declaration and all service machinery contained therein, but not including appliances or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by either Unit Owners or the tenants of Unit Owners) affected by such Casualty Loss or (ii) in the event of a Taking, the portion(s) of the General Common Elements affected by such Taking. If pursuant to the immediately preceding sentence, Work is to be performed in or to Units, Common Elements that service or enclose Units and other Common Elements, or any combination of the foregoing, the Work shall be performed, to the extent practicable, first in or to the Units, next in or to the Common Elements that service or enclose Units and then in or to the balance of the Common Elements.

(C) In the event that Work shall be performed pursuant to the terms of paragraphs (B) and (D) of this Section 5.5, the Condominium Board or the Insurance Trustee, as the case may be, shall disburse the Trust Funds to the contractors engaged in the work in appropriate progress payments. If the Trust Funds shall be less than sufficient to discharge the cost and expense of performing the Work, the Condominium Board shall levy a Special Assessment against all Unit Owners for the amount of such deficiency in proportion to their respective Common Interests, and all proceeds of such Special Assessment shall become part of the Trust Funds. If, conversely, the Trust Funds shall prove to be more than sufficient to discharge the cost and expense of performing the Work, such excess shall be paid to all Unit Owners in proportion to their respective Common Interests, except that no payment shall be made to a Unit Owner until there shall have first been paid, out of such Unit Owner's share of such excess, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of their priority. Notwithstanding the foregoing, if the Unit Owners are assessed pursuant to the terms of the second sentence of this paragraph (C) for any projected deficiency in the amount of the Trust Funds and after the payment of all costs and expenses of performing the Work, a portion of the Trust Funds remains unspent, such excess shall, but only to the extent that it does not exceed such Special Assessment, be paid to the Unit Owners so assessed in proportion to their respective Common Interests, free of any claim of any lienor (including, without limitation, any Permitted Mortgagee).

(D) If either 75% or more of the Building is destroyed or substantially damaged by fire or other casualty of 75% or more of the General Common Elements are taken in a Taking, the Work shall not be performed unless Unit Owners owning 75% in common interest of the Units shall pass a resolution to proceed with the same. If such resolution is duly adopted, the Work shall be performed pursuant to the terms of paragraphs (B) and (C) hereof. Conversely, if such resolution is not duly adopted the Work shall not be performed and the Property may be subjected to an action for partition by any Unit Owner or lien or as if it were owned in common, in which event the net proceeds of the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interests, except that no payment shall me made to a Unit Owner until there shall first have been paid out of such Unit Owner's share of such funds, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of their priority.

(E) If the damage resulting from a Casualty Loss shall (i) render one or more Units wholly or partially unusable for the purposes permitted herein and in the Declaration or (ii) destroy the means of access to one or more Units, the installments of Common Charges otherwise payable by the owner of any Unit so affected thereby shall proportionately abate until such Unit shall again be rendered usable for such purposes and/or until the means of access thereto shall be restored, as the case may be. Notwithstanding the foregoing, if such Casualty Loss is caused by the negligent act or omission of the owner of a Unit so affected thereby, by a Family Member of such Unit Owner, or by a tenant or other occupant of such Unit, such installments of Common Charges shall abate only to the extent of any proceeds of rent insurance actually collected by the Condominium Board attributable to such Unit and there shall be no abatement if such Casualty Loss is caused by the willful act of the Owner of such Unit, Family Member of such Unit Owner or by a tenant or other occupant of such Unit.

(F) If (i) a portion of any Unit shall be taken in condemnation or by eminent domain and (ii) the Condominium shall not be terminated by reason of a simultaneous Taking pursuant to the terms of paragraph (D) hereof,

the Common Interest appurtenant to such Unit shall be adjusted in the proportion that the total floor area of such Unit and its appurtenant Limited Common Elements after such Taking bears to the total floor area of such Unit and its appurtenant Limited Common Elements prior to such Taking. The Condominium Board shall promptly prepare and record an amendment to the Declaration reflecting the new Common Interest appurtenant to such Unit, which amendment shall be executed or consented to by the owner of such Unit together with the holders of record of any liens thereon in recordable form. Following the recording of the aforementioned amendment to the Declaration, the votes appurtenant to such Unit shall be based upon the new Common Interest of such Unit, and, in the event of a Taking of an entire Unit, the vote appurtenant to such Unit shall wholly terminate. In either event, the Common Interests of the other or remaining Units shall be adjusted accordingly and reflected in an amendment to the Declaration duly executed and acknowledged by the Condominium Board and the owners of, together with the holders of record of all liens upon, all of the other or remaining Units.

(G) As used in this Section 5.5:

(i) "prompt repair or restoration" shall mean that the Work is to be commenced not later than either: (a) sixty (60) days after the date upon which the Insurance Trustee notifies the condominium Board and the Unit Owners that it has received Trust Funds sufficient to discharge the estimated cost and expense of the Work or (b) ninety (90) days after the date upon which the Insurance Trustee notifies the Condominium Board and the Unit Owners that is has not received Trust Funds sufficient to discharge the estimated cost and expense of the Work or (c) in the event that the Trust Funds are payable to the Condominium Board pursuant to the terms of paragraph (A) of this Section 5.5, sixty (60) days after the date upon which the Condominium Board notifies the Unit Owners that it has received the Trust Funds, whether or not the same are sufficient to discharge the cost and expense of the Work; and

(ii) a resolution shall not be deemed duly adopted unless it is adopted by the owner of at least two of the Unit Owners not more than sixty (60) days after the Condominium Board or the Insurance Trustee, notifies the Unit Owners that it has received Trust Funds irrespective of whether such funds are sufficient to discharge the estimated cost and expense of the Work.

(H) Any dispute concerning or that may arise under this Section 5.5 between Unit Owners or between any Unit Owner(s) and the Condominium Board shall be resolved by arbitration pursuant to the terms of Article 10 hereof. The provisions of this paragraph (H) shall not be construed to extend time periods prescribed in paragraph (G) of this Section 5.5.

Section 5.6 Use of the Property. (A) No nuisance shall be allowed on the Property, nor shall any use or practice be allowed that either is a source of unreasonable annoyance to its residents or interferes with the peaceful possession or proper use of the property by its residents or occupants. No immoral, improper, offensive or unlawful use shall be made of the Property or any portion thereof.

(B) Nothing shall be done or kept in any Unit or in any of the Common Elements that would increase the rate of insurance for the Property, except upon the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements that will result in the cancellation of insurance on the Property or the contents thereof, or that would be in violation of any Law. No waste shall be committed in the Common Elements.

(C) Nothing shall be done in any Unit or in, on, or to the Common Elements that will impair the structural integrity of the Property or that will structurally change the Building, except as is otherwise provided in the Declaration or in these By-Laws.

Section 5.7 Use of the Units. (A) In order to provide for congenial occupancy of the Property and for the protection of the value of the Units, the use of Units shall be restricted to, and shall be in accordance with, the terms contained in the balance of this Section 5.7.

(B) Each Unit shall be used only as a residence, and not more than one natural person and his Family Members plus one additional occupant and the dependent children of such additional occupant may reside in a Unit at any one time. Notwithstanding the foregoing, however, Declarant or its designee (or, when there are no longer any Unsold Units, the Condominium Board) may, in its sole discretion, consent to the use of a Unit as a professional or business office or for any purpose other than that set forth in this paragraph (B), provided that the nature and manner of such use complies with Law and does not violate the then existing Certificate of Occupancy covering such Unit. Any such consent shall be in writing and shall be personal to such Unit Owner. Any lessee of, or successor in title to, such Unit Owner shall be required to obtain the prior written consent of Declarant or its designee or the Condominium Board (as the case may be) before using such Unit for any purpose other than that set forth in the first sentence of this paragraph (B).

(C) Intentionally Omitted.

(D) A Unit owned or leased by an individual, corporation, partnership, fiduciary, or any other entity may be occupied only by said individual, or by an officer, director, stockholder, or employee of such corporation, or by a partner or employee of such partnership, or by said fiduciary (including a director, officer, stockholder, or employee of a corporate fiduciary and a partner or employee of a partnership fiduciary), or by the beneficiary of said fiduciary or by a principal or employee of such other entity, respectively, or by Family Members or guests of any of the foregoing. Additionally, in no event shall a portion of a Unit (as opposed to the entire Unit) be sold, conveyed, leased, or subleased, and no transient occupant (other than a guest permitted under this paragraph (D) may be accommodated therein.

(E) Notwithstanding anything to the contrary contained in this Section 5.7, Declarant may, without the consent of either the Condominium Board or the Unit Owners use any one or more Unsold Units as model units and offices for the sales, promotions, rental, management and operation of the Unsold Units or for any other purpose, subject only to compliance with Law.

Section 5.8 Use of the Common Elements. (A) Subject to the terms of paragraphs (B) and (C) of this Section 5.8, the Common Elements (including, without limitation, the electrical, heating, gas, plumbing and other mechanical systems and equipment of the Building and the Facilities) may be used only for the furnishing of the services and facilities, and for the other uses, for which they are reasonably suited and capable.

(B) The owner or owners of any two or more if such Units are the only Units serviced or benefitted by any General Common Element adjacent or appurtenant to such Units (for example, that portion at the end of any residential hallway that is directly adjacent to any such Units located on opposite sides of such hallway) shall, with the consent of the Condominium Board (which consent shall not be unreasonably withheld or delayed), have the right to use such General Common Elements exclusively, as if it were a part of such Units (including the right, in the above example of a portion of a hallway, to enclose such portion), and no amendment to the Declaration or reallocation of Common Interests shall be made by reason thereof. In such an event, however, such owner or owners shall, at his sole cost and expense, both (i) operate, maintain and repair such General Common Element for so long as such owner(s) exercise such exclusive right of use and (b) restore such General Common Element to its original condition, reasonable wear and tear excepted, after such owner(s) cease to exercise such exclusive right of use.

(C) The terms of paragraph (A) of this Section 5.8 shall not apply to the Declarant or its designee for so long as there are any Unsold Units. Declarant or its designee shall have the right, without charge or limitation, to: (i) have their respective employees, contractors, subcontractors and sales agents present on the Property; and (ii) do all things necessary or appropriate, including use the General Common Elements, to sell, lease, manage, or operate Unsold Units, to complete any work or repairs to the Building expressly undertaken by Declarant and to comply with Declarant's obligations under the Plan and the Condominium Documents. In addition, Declarant and its designee shall be entitled to exercise the rights

set forth in paragraph (B) of this Section 5.8 with respect to any Unsold Unit(s) without the necessity of obtaining the consent of either the Condominium Board or any other Unit Owners. In no event, however, shall Declarant or such designee be entitled to use any Common Elements in such a manner as will unreasonably interfere with the use of any Unit for its permitted purposes. The provisions of this paragraph (C) may not be amended without the consent of Declarant.

Section 5.9 Rights of Access. (A) Subject to the right of existing tenants and other occupants of Unsold Units, each Unit Owner shall grant to the Condominium Board, to the Managing Agent or manager (if any), to the superintendent and/or to any other Person authorized by any of the foregoing a right of access to his Unit and its appurtenant Limited Common Elements for the purposes of:

(i) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the property;

(ii) curing defaults hereunder or under the Declaration or violations of the Rules and Regulations committed by such Unit Owner or correcting any conditions originating in his Unit and threatening another Unit or all or a portion of the Common Elements;

(iii) performing maintenance, installations, alterations, repairs, or replacements to the mechanical or electrical services, or other portions of the Common Elements located within his Unit or elsewhere in the Building;

(iv) reading, maintaining, or replacing utility meters relating to the Common Elements, to his Unit, or to any other Unit; or

(v) correcting any condition that violates the provisions of any Permitted Mortgage encumbering another Unit.

Except in cases of emergency (e.g., a condition requiring repairs or replacements immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individual, or required to avoid the suspension or any necessary service in the Building), the foregoing rights of access shall be exercised only upon not less than one (1) days advance notice and only in such a manner as will not unreasonably interfere with use of the Units and their appurtenant Limited Common Elements for their permitted purposes. In cases of emergency, however, such rights of access may be exercised immediately, without advance notice and whether or not the Unit Owner is present.

(B) Each Unit Owner shall grant a right of access to his Unit and its appurtenant Limited Common Elements, and the Condominium Board shall grant rights of access to the General Common Elements, to Declarant and its contractors, subcontractors, agents and employees for the purpose of fulfilling Declarant's obligations as set forth in the Plan or in any amendment thereto, provided that access thereto shall not be exercised, with respect to any Unit and its appurtenant Limited Common Elements, in such a manner as will unreasonably interfere with the use of such Unit and Limited Common Elements for their permitted purposes.

Section 5.10 Modification of the Rules and Regulations. The Condominium Board shall have the right to amend, modify, add to, or delete any of the Rules and Regulations from time to time, provided, however, (i) that any such amendment, modification, addition, or deletion may be overruled by a vote of Majority of Unit Owners and (ii) no rule or regulation may be amended to increase the obligation or abridge the rights or limit the benefits to Declarant or its designee without the consent of the affected party. Copies of the text of any amendments, modifications, additions, or deletions to the Rules and Regulations shall be furnished to all Unit Owners not thirty (30) days prior to the effective date thereof.

Section 5.11 Water Charges and Sewer Rents. Water for the Building is supplied by the City of New York. Unless and until real estate taxes, water charges and sewer rents are billed directly to Unit Owners by the City Collector, the Condominium Board shall promptly pay such taxes, charges and rents as a Common Expense.

Section 5.12 Heating and Gas. The cost of gas for individual stoves will be separately charged to all Unit Owners by the respective utilities. The cost of heating will be a common expense.

Section 5.13 Electricity. Electricity shall be supplied to each Unit through either a submeter or a separate meter for such Unit, and each Unit Owner shall be required to pay all charges for electricity consumed or used in his Unit directly to the utility company servicing the Building or to Condominium Board if sub-metered.

Section 5.14 Utilities Serving the General Common Elements. The Cost and expense of water, steam, electricity and gas serving or benefiting any General Common Element shall be (i) considered part of the expense of maintaining such General Common Element and (ii) charged to the Unit Owners as a Common Expense.

Section 5.15 Vault Charges. All license fees, and all periodic taxes and charges, for vaults or other protrusions beyond the building line shall be paid by the Condominium Board as a Common Expense.

Section 5.16 Records and Audits. (A) The Treasurer of the Condominium, or the Managing Agent under the supervision of such Treasurer, shall keep full, detailed and accurate records and books of account with respect to the financial affairs of the Condominium, which records and books of account shall include, without limitation, (i) a listing of all receipts of and expenditures by the Condominium Board and the Managing Agent and (ii) a separate listing for each Unit, setting forth, among other things, the amount of each assessment of Common Charges and Special Assessments levied against such Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid.

(B) Within three (3) months after the end of each fiscal year of the Condominium, the Condominium Board shall submit to each Unit Owner, and, if so requested, to any Permitted Mortgagee, an annual report of the receipts and expenditures of the Condominium prepared and certified by an independent certified public accountant. The cost of preparing and distributing each such report shall be borne by the Unit Owners as a Common Expense.

ARTICLE 6

Common Charges

Section 6.1 Determination of Common Expenses and Fixing of Common Charges. (A) From time to time, but not less frequently than once a year, the Condominium Board shall: (i) prepare and adopt a budget for the Condominium, subject, in all respects, to the strictures set forth in Section 2.5 hereof; (ii) determine the aggregate amount of Common Charges necessary to be charged to the Unit Owners in order to meet the Common Expenses; and (iii) allocate and assess such Common Charges amongst the Unit Owners pro-rata, in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in these By-Laws).The Condominium Board shall advise all Unit Owners promptly thereafter in writing of the amount of Common Charges payable by each of them and, not later than ten (10) days next preceding the date upon which the first installment of newly determined Common Charges is due, shall furnish copies of the budget (in a reasonably itemized form) upon which such Common Charges are based to all Unit Owners and to their respective Permitted Mortgagees. The Condominium 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. Notwithstanding the foregoing, however, the Condominium 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 the number employed for the Property on the date of recording the Declaration, or eliminating or reducing any service or reducing the insurance coverage below that provided for the Property on such date, except with the concurrence of a majority of the members of the Condominium Board elected by Unit Owners other than Declarant or its designee. During the period, if any, the Condominium Board is paying the real estate taxes as a Common Expense, that portion of the Common Charges billed which is allocable to such tax, shall be separately stated on a bill for Common Charges rendered to the Unit Owners and the funds so collected shall be held in a separate account by the Managing Agent and shall be used solely for the purpose of paying said real estate tax.

(B) The failure or delay of the Condominium Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges. In such event, the Common Charges that were computed on the basis of the Common Expenses last determined for any fiscal year or portion thereof shall continue thereafter to be the Common Charges payable by the Unit Owners until a new determination of the Common Expenses shall be made.

(C) In addition to the foregoing duty to determine the amount of and assess Common Charges, the Condominium Board shall have the right, subject in all respects, to the strictures contained in Section 2.5 hereof, to levy Special Assessments to meet the Common Expenses. All Special Assessments shall be levied against all Unit Owners in proportion to their respective Common Interests and may be payable either in one lump sum or in installments, as the Condominium Board shall determine, provided, however that the Condominium Board shall give each Unit Owner not less than fifteen (15) days written notice prior to the date upon which such Special Assessment, or the first installment thereof shall be due and payable, which notice shall set forth, in reasonable detail, the nature and purpose thereof. The Condominium Board shall have all rights and remedies for the collection of Special Assessments as are provided herein for the collection of Common Charges (including, without limitation, the provisions of Section 6.4 hereof).

(D) The excess of all rents, profits and revenues derived from the rental or use of any space forming a part of, or included in, any General Common Element or rent from the subleasing of a Unit leased pursuant to Section 7.3 hereof or rent from the leasing or proceeds from the sale of a Unit to which title was acquired pursuant to Section 7.3 hereof remaining after deduction of all expenses incurred in connection with generating the same shall constitute income of the Unit Owners, and shall be collected on behalf of the Unit Owners by the Condominium Board and applied against the Common Expenses for the year in which collected. In the event that such net rents, profits and revenues, together with the Common Charges and any Special Assessments collected from the Unit Owners, for any year of operation shall exceed the Common Expenses for such year, then such excess shall be applied by the Condominium Board against the Common Expenses for the next succeeding year(s) of operation, and no Unit Owner shall be entitled to a distribution of any portion of such excess unless the Condominium Board shall determine to distribute all or part of such excess to all Unit Owners pro-rata, in proportion to their respective Common Interests. Notwithstanding any provision contained in these By-Laws or in the Declaration to the contrary, however, 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.

(E) If the Condominium Board shall specifically so elect, the determination of Common Expenses may include sums to be collected as Common Charges for the improvement or replacement of the Common Elements, but the Condominium Board need not designate specifically which Common Elements are to be replaced or improved. All such sums shall be collected as Common Charges, shall be separately stated on bills for Common Charges to be rendered for the period during which such determination is in effect, and must be deposited by the Condominium Board or the Managing Agent in a separate bank account. All such Common Charges payable pursuant to such a determination shall be deemed to be contributions to the capital of the Condominium. The Condominium Board may discontinue, modify or increase any determination theretofore made without prejudice to any future determination in that regard.

Section 6.2 Payment of Common Charges. (A) All Unit Owners shall be obligated to pay Common Charges and Special Assessments assessed by the Condominium Board pursuant to the terms of Section 6.1 hereof at such time or times (but not less than annually) as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board. Common Charges shall be payable in installments on the first day of every month in advance. To the extent permitted by Law, the Condominium Board shall have a lien on each Unit, on behalf of all Unit Owners, for unpaid Common Charges and Special Assessments assessed against such Unit. Such lien, however, shall be subordinate, to the extent required by Law, to any liens for real estate taxes assessed against such Unit.

(B) No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessments assessed against his Unit subsequent to a sale, transfer, or other conveyance by him of such Unit, together with its Appurtenant Interests, made in compliance with the terms of Article 7 hereof. A purchaser or other successor-in-title to the owner of a Unit shall be liable for the payment of all Common Charges and any Special Assessments accrued and unpaid against such Unit prior to his acquisition thereof, except that, to the extent permitted by Law, a Permitted First Mortgagee acquiring title to a mortgaged Unit or a purchaser at a mortgage foreclosure sale held with respect to a Permitted First Mortgage shall not be liable, and such mortgaged Unit shall not be subject to a lien, for the payment of any Common Charges and Special Assessments assessed subsequent to the recording of such Permitted First Mortgage and prior to the acquisition of title to such Unit by the Permitted First Mortgagee or by such purchaser. However, in the event of a foreclosure of a Permitted First Mortgage (whether by sale, deed in lieu of foreclosure, or otherwise), the defaulting Unit Owner shall remain fully liable for the payment of all unpaid Common Charges and Special Assessments that accrued prior to such foreclosure. Any unpaid Common Charges and Special Assessments that are not collected from such defaulting Unit Owner shall be deemed a Common Expense, collectible from all those who are Unit Owners at the time that the same is levied.

(C) Subject to the terms and conditions contained in these By-Laws, any Unit Owner may convey his Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, without being compensated therefor, and, in such event, be exempt from the payment of Common Charges and Special Assessments thereafter accruing, provided, however, that: (i) all Common Charges and any Special Assessments then due and payable with respect to such Unit have been paid; (ii) such Unit is free and clear of all liens and encumbrances other than a Permitted First Mortgage and the statutory lien for unpaid Common Charges and, Special Assessments; and (iii) no violation of any provision of the Condominium Documents then exists with respect to such Unit.

(D) No Unit Owner shall be exempted from liability for the payment of Common Charges or Special Assessments by waiving the use or enjoyment of any or all of the Common Elements or by abandoning his Unit (except with respect to a conveyance of the same to the Condominium Board, without compensation, pursuant to the terms of paragraph (C) hereof. Except as expressly provided to the contrary in paragraph (E) of Section 5.5 hereof, no Unit Owner shall be entitled to a diminution or abatement in the Common Charges or Special Assessments payable thereby for any inconvenience or discomfort arising from: (i) the failure or interruption of any utility or other services; (ii) the making of repairs or improvements to the Common Elements or any Unit (including, without limitation, such Unit Owner's Unit) pursuant to the terms of Section 5.1, 5.2, or 5.3 hereof, or (iii) any action taken by the Condominium Board or the officers of the Condominium to comply with Law.

Section 6.3 Statement of Common Charges. The Condominium Board shall promptly provide a written statement of all unpaid Common Charges due from any Unit Owner upon its receipt of a written request therefore from such Unit Owner. In addition, each Unit Owner shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 6.4 Default in Payment of Common Charges. (A) The Condominium Board shall take prompt action to collect any Common Charges due to the Condominium Board that remain unpaid for more than thirty (30) days after the due date for the payment thereof. In connection therewith, the Condominium Board shall have the right and obligation to cause liens for all sums due and owing to the Condominium Board to be filed in the Register's Office pursuant to the terms of Section 339-z of the Condominium Act, to cause such liens to be foreclosed in the manner

provided in Section 339-aa of the Condominium Act and/or to institute all other proceedings deemed necessary or desirable by the Condominium Board to recover all such unpaid Common Charges, together with all additional sums of money collectible by the Condominium Board by reason of such nonpayment pursuant to the terms of paragraph (B) hereof. A suit to recover a money judgment for unpaid Common Charges, however, shall be maintainable without foreclosing or waiving the lien securing such charges.

(B) In the event that any Unit Owner shall fail to make prompt payment of Common Charges within twenty (20) days of the due date, such Unit Owner shall be obligated to pay a 4% late fee and interest thereon at the highest rate chargeable to individuals pursuant to Law, to be computed from the due date thereof until paid in full, together with all costs and expenses paid or incurred by the Condominium Board, the Managing Agent, or the manager (if any) in connection with collecting such unpaid Common Charges with interest as aforesaid and/or in foreclosing the aforementioned lien, including, without limitation, reasonable attorneys' fees and disbursements and court costs. In addition, if the Condominium Board shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner will be required to pay a reasonable rental for the use of his Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. All such interest, costs and expenses and rentals shall be added to and shall constitute Common Charges payable by such Unit Owner.

(C) In any action brought by the Condominium Board to foreclose a lien on a Unit because of unpaid Common Charges, the Condominium Board shall have, on behalf of all Unit Owners, the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote the votes appurtenant to the same). In the event that the net proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokerage commissions, court costs and other costs and expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, such Unit Owner shall remain liable for the deficit. Any surplus on such foreclosure sale shall be paid to the defaulting Unit Owner after first paying all liens on such Unit Owner's Unit in the order of priority of such liens.

ARTICLE 7

Selling and Leasing of Units

Section 7.1 General. Subject to the terms of Section 7.5 hereof, no Unit Owner may sell or lease his Unit except in compliance with the applicable provisions of this Article 7. Any purported sale or lease consummated in default of the applicable terms hereof shall be voidable at the sole election of the Condominium Board, and, if the Condominium Board shall so elect, the selling or leasing Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized leasing) in the name of the said Unit Owner as the owner or landlord, as the case may be. The said Unit Owner shall reimburse the Condominium Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, reasonable attorneys' fees and disbursements and court costs.

Section 7.2 Right of First Refusal. (A) Subject to the terms of Sections 7.5 and 7.9 hereof, any contract to sell a Unit together with its Appurtenant Interests and any lease of a Unit (hereinafter collectively referred to as a "Sale or Lease Agreement") shall contain the following language: "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHTS, IF ANY, OF THE CONDOMINIUM BOARD OF THE CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF SECTIONS 7.2 AND 7.3 OF THE BY-LAWS OF THE SAID CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED". Promptly after any Sale or Lease Agreement shall be fully executed, the Unit Owner executing the same (hereinafter referred to as the "Offeree Unit Owner") shall send written notice thereof to the Condominium Board by certified or registered mail, return receipt requested, which notice shall be accompanied by a fully executed, original counterpart of the contract of sale or

the lease, as the case may be containing all of the terms offered in good faith by the prospective purchaser or tenant(hereinafter referred to as the "Outside Offeror").

(B) The sending of the notice referred to in paragraph (A) of this Section 7.2 shall constitute an offer by the Offeree Unit Owner to sell his Unit, together with its Appurtenant Interests, or to lease his Unit, as the case may be, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, upon the same terms and conditions as are contained in such Sale or Lease Agreement, subject, however, to any variance therefrom provided in Section 7.3 hereof. The giving of such notice shall further constitute a representation and warranty by the Offeree Unit Owner to the Condominium Board, on behalf of all Unit Owners, that such Offeree Unit Owner believes the Sale or Lease Agreement to be bona fide in all respects. Thereafter, upon the written demand of the Condominium Board, the Offeree Unit Owner shall submit to the Condominium Board, in writing, such further information with respect to the Outside Offeror and the Sale or Lease Agreement as the Condominium Board may reasonably request.

(C) The Condominium Board may elect, by sending written notice thereof to the Offeree Unit Owner by certified or registered mail not later than thirty (30) business days after receipt of the notice referred to in paragraph (A) hereof together with such further information as may have been requested pursuant to the terms of paragraph (B) hereof, to purchase such Unit together with its Appurtenant Interests or to lease such Unit together with its Appurtenant Interests, 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 substantially the same terms and conditions as were contained in the Sale or Lease Agreement and stated in the response(s) by the Offeree Unit Owner to any requests for additional information pursuant to the terms of paragraph (B) hereof except as otherwise set forth in this Article 7. Notwithstanding anything to the contrary contained herein, however, the Condominium Board shall not exercise any option set forth in this Section 7.2 to purchase or lease any Unit without the prior approval of a Majority in interest of Unit Owners.

Section 7.3 Acceptance of Offer. (A) In the event that the Condominium Board shall elect, within the time and in the manner provided in Section 7.2 hereof, to purchase a Unit together with its Appurtenant Interests, to lease such Unit, or to cause the same to be purchased or leased by its designee, title shall close or a lease shall be executed, in either event in accordance with the terms of the Sale or Lease Agreement, at the office of the attorneys for the Condominium within forty-five (45) days after the day upon which the Condominium Board shall give notice of its election to accept such offer.

(B) If such Unit and its Appurtenant Interests are to be purchased by the Condominium Board or its designee on behalf of all Unit Owners, such purchase may be made from the funds deposited in the capital and/or expense accounts of the Condominium. If the funds in such accounts are insufficient to effectuate such purchase, the Condominium Board may levy a Special Assessment against each Unit Owner (other than the Offeree Unit Owner) in accordance with the terms of paragraph (C) of Section 6.1 hereof and/or the Condominium Board may, in its discretion, finance the acquisition of such Unit; provided however, that no such financing may be secured by an encumbrance on or a hypothecation of any portion of the Property other than the Unit to be purchased together with its Appurtenant Interests. At the closing of title, the Offeree Unit Owner shall convey the Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, on behalf of all Unit Owners, by deed in the form required by Section 399-0 of the Condominium Act with all tax and/or documentary stamps affixed at the expense of the Offeree Unit Owner, who shall also pay all other transfer taxes arising out of such sale notwithstanding any terms of the Sale or Lease Agreement to the contrary. Real estate taxes (including water charges and sewer rents, if separately assessed), mortgage interest (if applicable) and Common Charges shall be apportioned between the Offeree Unit Owner and the Condominium Board or its designee as of the closing date, notwithstanding any terms of the Sale or Lease Agreement to the contrary. Thereafter, such Unit shall be held, so long as the same is owned by the Condominium Board or its designee, on behalf of all Unit Owners, as tenants-in-common, and all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit. Notwithstanding anything to the contrary herein contained, so long as there are Unsold Units held by the Sponsor or its designee, the Condominium Board shall not purchase a condominium unit without consent of the Sponsor.

(C) In the event that such Unit is to be leased by the Condominium Board or its designee on behalf of all Unit Owners, the Offeree Unit Owner shall execute and deliver to the Condominium Board or such designee a lease covering such Unit by and between the Offeree Unit Owner, as landlord, and the Condominium Board or such designee, as tenant. Such lease shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and shall contain all of the terms and conditions of the Sale or Lease Agreement not in conflict with such form of lease, including, without limitation, the rental and term provided for therein. Notwithstanding anything to the contrary set forth hereinabove or in the Sale or Lease Agreement, such lease shall expressly provide that the Condominium Board or such designee may enter into a sublease of the premises demised thereunder without consent of the landlord.

Section 7.4 Failure to Accept Offer. (A) in the event that the Condominium Board shall fail to accept an offer made pursuant to the terms of Section 7.2 hereof within the respective times set forth in paragraph (C) thereof, the Offeree Unit Owner shall be free to consummate the transaction embodied in the Sale or Lease Agreement within one hundred twenty (120) days after (i) notice of refusal is sent to the Offeree Unit Owner by the Condominium Board or (ii) the expiration of the period within which the Condominium Board or its designee might have accepted such offer, as the case may be whichever is earlier. If the Offeree Unit Owner shall fail to consummate the transaction embodied in the Sale or Lease Agreement within such one hundred twenty (120) day period, then, should the Offeree Unit Owner thereafter elect to sell such Unit together with its Appurtenant Interests or to lease such Unit, the Offeree Unit Owner shall be required again to comply with all of the terms and provisions of Sections 7.2, 7.3 and 7.4 hereof.

(B) Any deed of a Unit and its Appurtenant Interests to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the terms of the Condominium Documents, and, in the absence of such express language, the same shall be conclusively deemed to have been included therein.

(C) Each lease of a Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., subject to such modifications as may be approved in writing by the Condominium Board. Notwithstanding the foregoing however, each such lease shall be consistent with the Condominium Documents and shall expressly provide that:

(i) such lease may not be amended, modified or extended without the prior written consent of the Condominium Board in each instance;

(ii) the tenant thereunder shall not assign his interest in such lease or sublet the premises demised thereunder or any part thereof without the prior written consent of the Condominium Board in each instance; and

(iii) the Condominium Board shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (a) a default by the tenant in the performance of its obligations under such lease or (b) a foreclosure of the lien granted by Section 339-z of the Condominium Act.

Section 7.5 Termination of, and Exceptions to the Right of First Refusal. (A) A certificate executed and acknowledged by the Secretary of the Condominium or the Managing Agent, stating that the provisions of Section 7.2 hereof have been met by a Unit Owner or that the right of first refusal provided for therein has been duly released or waived by the Condominium Board and that, as a result thereof, the rights of the Condominium Board thereunder have terminated, shall be conclusive upon the Condominium Board and all Unit Owners in favor of all persons who rely upon such certificate in good faith. After the due issuance of such a certificate, the Unit to which the same shall relate, together with its Appurtenant Interests, may be sold, conveyed, or leased free and clear of the terms and conditions contained in Section 7.2 hereof. The Condominium Board shall furnish or cause the Managing Agent to furnish, without charge, upon written request such certificate to any Unit Owner in respect to whom the provisions of Section 7.2 hereof have, in fact, been terminated. In no event, however, shall the right of first refusal described in Section 7.2 hereof be deemed released or waived by the Condominium Board (as opposed to satisfied pursuant to the express terms of Sections 7.2, 7.3 and 7.4

hereof) in the absence of a certificate that has been duly executed, acknowledged and issued by the Condominium Board or the Managing Agent as aforesaid.

(B) The terms and conditions contained in Section 7.2, 7.3 and 7.4 hereof shall not apply with respect to any sale, lease or conveyance of a Unit, together with its Appurtenant Interests, by:

(i) the owner of such Unit to any of his adult Family Members, to any combination of the same, or to a trust for the benefit of any of them or, with respect to a Unit Owner that is not an individual, to any entity or individual that owns more than fifty (50%) percent of the legal and beneficial interest of such Unit Owner or to any entity with respect to which such Unit Owner (individual or otherwise) owns more than fifty (50%) percent of the legal and beneficial interest thereof;

(ii) Declarant or its designee, as to Unsold Units;

(iii) the Condominium Board;

(iv) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure, or

(v) any Permitted Mortgagee or his nominee, who has acquired title to any Unit at any foreclosure sale of his Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction,

provided, however, that each succeeding Unit Owner shall be bound by, and his Unit shall continue to be subject to, all of the terms and conditions of this Article 7. In addition, the terms and conditions contained in Section 7.2.

Section 7.6 No Severance of Ownership. No Unit Owner shall execute any deed or any other instrument conveying title to his Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance or other disposition. of such part of the Appurtenant Interests of all Units. Nothing contained in this Section 7.6, however, shall prohibit the lease of any Unit without the simultaneous lease of its Appurtenant Interests.

Section 7.7 Payment of Common Charges. Owner shall not be permitted to convey or lease his Unit unless he shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit.

Section 7.8 Power of Attorney. At the time of acquiring title to a Unit and as a condition thereof,the new Unit Owner shall duly execute, acknowledge and deliver to the representative of his title insurance company (or,if no such representative is present, to Declarant or its designee, or,if Declarant or its designee is not then the owner of any Unsold Unit, to the Condominium Board) for recording in the Register's Office (or the Office of the Clerk of the County of Kings the Unit Owner's Power of Attorney required in Article 14 of the Declaration, in the form set forth as Exhibit E to the Declaration.

Section 7.9 Gifts and Devises, Etc. Any Unit Owner shall be free to convey or transfer his Unit, together with its Appurtenant Interests, by gift, or to devise the same by will or to have the same pass by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and his Unit shall be subject to, the provisions of this Article 7.

ARTICLE 8

Mortgaging of Units

Section 8.1 General. Each Unit Owner shall have the right to mortgage his Unit, subject only to the terms and conditions contained in Section 8.2 hereof. Any Unit Owner who mortgages his Unit, or the holder of such mortgage, shall supply the Condominium Board with the name and address of his mortgagee and shall file a conformed copy of the note and mortgage with the Condominium Board. Any Unit Owner who satisfies a mortgage covering his Unit shall so notify the Condominium Board and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board. The Secretary of the Condominium shall maintain such information in a book entitled "Mortgages of Units".

Section 8.2 Restrictions on Mortgaging. (A) No Unit Owner shall be permitted to mortgage, pledge, or hypothecate his Unit unless and until he shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, except the liens of Permitted Mortgages levied against such Unit.

(B) No Unit Owner shall execute any mortgage or other document mortgaging, pledging or hypothecating title to his Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein.

(C) Any mortgage covering a Unit shall be substantially in the form of the New York statutory form of mortgage, except for such changes or additions thereto as may be required in order to permit a particular bank, trust company, insurance company, savings and loan association, or other institutional or noninstitutional lender to make the mortgage loan.

Section 8.3 Notice of Unpaid Common Charges and Default. Whenever requested in writing by a Permitted Mortgagee, the Condominium Board shall promptly report to such Permitted Mortgagee any default by his mortgagor(s) in the payment of Common Charges or Special Assessments or in the observance or performance of any of the provisions of the Condominium Documents as to which the Condominium Board has knowledge then exists. The Condominium Board shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to his Permitted Mortgagee, if so requested. However, the Condominium Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of any default by his mortgagor under the Condominium Documents, provided that (i) the Condominium Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure and (ii) if the Condominium Board shall foreclose a lien on such mortgagor's Unit pursuant to the terms of Section 6.4 hereof by reason of such default, the Condominium Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit or such lesser sum as shall be due and owing to such permitted Mortgagee.

Section 8.4 Performance by Permitted Mortgagees. Any sum of money to be paid or any act to be performed by a Unit Owner pursuant to the terms of the Condominium Documents may be paid or performed by his Permitted Mortgagee, and the Condominium Board shall accept such Permitted Mortgagee's payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

Section 8.5 Examination of Books. Each Permitted Mortgagee shall be permitted to examine the books of account of the Condominium at reasonable times on business days, but not more frequently than once a month.

Section 8.6 Consent of Mortgagees: Designation of Mortgage Representatives. (A) Except as otherwise expressly provided for herein or in the Declaration, no consent or approval by any mortgagee shall be required with respect to any determination or act of the Condominium Board or any Unit Owner, provided, however, that nothing

contained herein shall be deemed to limit or affect the rights of any mortgagee against 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 the Mortgage Representatives, if any are designated pursuant to the terms of paragraph (B) of this Section 8.6, shall be deemed binding upon the holders of all mortgages encumbering Units.

(B) The holders of Institutional Mortgages constituting a majority in principal amount of all Institutional Mortgages may, if they so effect, designate not more than three (3) Mortgage Representatives by giving written notice thereof to the Condominium Board, which Mortgage Representatives shall thereby be empowered to act as the representatives of the holders of all mortgages encumbering Units with respect to any matter requiring the consent or approval of mortgagees under the Declaration or these By-Laws. Any designation of a Mortgage Representative pursuant to the terms of this paragraph (B) shall be effective until any successor Mortgage Representative is designated pursuant to the terms hereof and written notice thereof is given to the Condominium Board. Unless otherwise required by Law, no holders of mortgages encumbering Units other than Permitted Mortgagees who hold Institutional Mortgages shall be entitled to participate in the designation of Mortgage Representatives but all holders of mortgages encumbering Units shall be subject to all determinations made by the Mortgage Representatives pursuant to the terms of the Declaration or these By-Laws.

ARTICLE 9

Certain Remedies

Section 9.1 Self Help. If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, including, without limitation, any breach of his obligation to paint, decorate, maintain, repair or replace his Unit or its appurtenant Limited Common Elements pursuant to the terms of Article 5 hereof, and shall fail to cure such violation or breach within five (5) days after receipt of written notice of the same from the Condominium Board, the Managing Agent, or any manager (or, with respect to any violation or breach of the same not reasonably susceptible to cure within such period, to commence such cure within such five (5) day period and, thereafter, to prosecute such cure with due diligence to completion), the Condominium Board shall have the right to enter such Unit Owner's Unit and/or its appurtenant Limited Common Elements and summarily to abate, remove or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In addition, if the Condominium Board shall determine that the abatement, removal or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the suspension of any necessary service in the Building, the Condominium Board may take such action immediately, without prior notice and without allowing the said Unit Owner any period of time within which to cure or to commence to cure such violation or breach.

Section 9.2 Abatement and Enjoinment. (A) If any Unit Owner shall violate or breach any of the provisions of the Condominium Documents on his part to be observed or performed, the Condominium Board shall have the right to enjoin, abate or remedy the continuance or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

(B) The violation or breach of any of the terms of the Condominium Documents with respect to any rights, easements, privileges or licenses granted to Declarant or its designee shall give to Declaration or such designee the right to enjoin, abate or remedy the continuation or repetition of any such violation or breach by appropriate proceedings brought either at law or in equity.

Section 9.3 Remedies Cumulative. The remedies specifically granted to the Condominium Board or to Declarant or its designee in this Article 9 or elsewhere in the Condominium Documents shall be cumulative, shall be in addition to all other remedies obtainable at law or in equity and may be exercised at one time or at different times, concurrently or in any order, in the sole discretion of the Condominium Board or Declarant or such designee, as the case may be. Further, the exercise of any remedy shall not operate as a waiver, or preclude the exercise, of any other remedy.

Section 9.4 Costs and Expenses. All sums of money expended, and all costs and expenses incurred, by (i) the Condominium Board in connection with the abatement, enjoinment, removal or cure of any violation, breach, or default committed by a Unit Owner pursuant to the terms of Section 9.1 or paragraph (A) of Section 9.2 hereof or (ii) Declarant in connection with any abatement, enjoinment or remedy of any violation or breach of the Condominium Documents pursuant to the terms of paragraph (B) of Section 9.2 hereof, shall be immediately payable by (a) in the event set forth in subparagraph (i) hereof, such Unit Owner to the Condominium Board or (b) in the event set forth in subparagraph (ii) hereof, the offending party (i.e., the Condominium Board or the Unit Owner) to Declarant, which amount shall, in either event, bear interest (to be computed from the date expended) at the rate of two (2%) percent per month, (but in no event in excess of the maximum rate chargeable to such Unit Owner pursuant to Law). All sums payable by a Unit Owner to the Condominium Board pursuant to the terms of this Section 9.3 shall, for all purposes hereunder, constitute Common Charges payable by such Unit Owner.

ARTICLE 10

Arbitration

Section 10.1 Procedure. Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in the City of New York in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in the City of New York before one arbitrator appointed, upon the application of any party, by any Justice of the highest court of appellate jurisdiction then located in the City of New York. The decision of the arbitrator so chosen shall be given within ten (10) days after the hearing on the matter is complete. Any arbitrator appointed or selected in connection with any arbitration to be conducted hereunder shall be a member of a law firm having at least five (5) members whose principal office is located in the City of New York.

Section 10.2 Variation by Agreement. The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 10.1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner.

Section 10.3 Binding Effect. The decision in any arbitration conducted pursuant to the terms of Sections 10.1 and 10.2 hereof shall be binding upon all of the parties thereto and may be entered in any count of appropriate jurisdiction. Notwithstanding the foregoing, however, any arbitration held pursuant to the terms of the Condominium Documents with respect to a matter that arose prior to the first annual meeting of all Unit Owners held pursuant to the terms of Section 4.1 hereof shall be non-binding.

Section 10.4 Costs and Expenses. (A) The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his counsel and expert witnesses.

(B) All costs and expenses paid or incurred by the Condominium Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses, shall constitute Common Expenses.

ARTICLE 11

Notices

Section 11.1 General. All notices required or desired to be given hereunder shall be sent by registered or certified mail, return receipt requested, postage prepaid addressed:

(i) if to the Condominium Board, to the Condominium Board at its principal office as set forth in Section 1.5 hereof, with a photocopy sent to the Managing Agent (if any) at its principal office address as aforesaid;

(ii) if to a Unit Owner other than Declarant or its designee, to such Unit Owner at his address at the Property;

(iii) if to Declarant or its designee, to Declarant or such designee at 4401 Sunset Park LLC c/o Sierra Realty Corp. (Attn: President), 12 East 46th Street, 6th Floor, New York, New York 10017; or

(iv) if to a Permitted Mortgagee, to such Permitted Mortgagee at its latest address designated in writing to the Condominium Board.

Any of the foregoing parties may change the address to which notices and/or copies of notices are to be sent, or may designate additional addresses for the giving of notice, by sending written notice to the other parties as aforesaid. All notices sent pursuant to the terms of this Section 11.1 shall be deemed given when deposited in a United States Postal Service depository located in the State of New York enclosed a sealed, postage prepaid wrapper, provided, however, that notices of change of address, notices designating additional addresses and notices deposited in a United States Postal Service depository located outside of the State of New York shall be deemed to have been given when received.

Section 11.2 Waiver of Service of Notice. Whenever any notice is required to be given by Law pursuant to the terms of the Condominium Documents, 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 12

Amendments to By-Laws

Section 12.1 General. (A) Subject to the terms of paragraph (B) hereof and subject, further, to any provisions contained in the Declaration or these By-Laws with respect to any amendments affecting or in favor of Sponsor or its designee any Unsold Unit(s), or any Permitted Mortgagee, any provision of these By-Laws may be amended, modified, added to, or deleted by the affirmative vote of not less than 66⅔% in common interest of Unit Owners either taken at a duly constituted meeting thereof or given in without a meeting as provided in Section 4.10 hereof. Each duly adopted amendment, modification, addition or deletion hereof or hereto shall be effectuated in an instrument executed and recorded in the Register's Office (or the Office of the Clerk of the County of Kings) by or on behalf of the Condominium Board as attorney-in-fact of all Unit Owners, which Power of Attorney shall be deemed irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Secretary's Certification, certifying that the requisite number and percentage of Unit Owners approved the amendment, modification, addition or deletion set forth therein either at a duly constituted meeting of Unit Owners or in writing without a meeting pursuant to the terms of Section 4.10 hereof, in which Secretary's Certification there shall be described the number and percentage of Unit Owners approving the same and, if voted at a meeting, the date, time and place of such meeting. No such amendment, modification, addition or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office (or the Office of the Clerk of the County of Kings.

(B) Notwithstanding anything to the contrary contained in paragraph (A) hereof, but still subject to any provision contained in the Declaration or these By-Laws with respect to any amendment affecting or in favor of Declarant or its designee, any Unsold Unit and/or any Permitted Mortgagee.

(i) the Common Interest appurtenant to any Unit, as set forth in the Declaration, shall not be altered without the consent of the Unit Owner thereof, except as otherwise provided in paragraph (E) of Section 5.5 hereof;

(ii) no amendment, modification, addition or deletion agreed to pursuant.to the terms of paragraph (A) hereof shall be effective without the prior written consent of the Mortgage Representatives, if any, provided, however, that no such consent shall be unreasonably withheld or delayed.

Section 12.2 Special Amendments. (A) Any amendment, modification, addition, or deletion of or to any of the provisions of these By-Laws that, pursuant to the terms of the Declaration or these By-Laws that may be effected by Declarant or its designee without the consent of the Condominium Board or the Unit Owners shall be embodied in an instrument executed and recorded in the Register's Office by Declarant or such designee as attorney-in-fact of both the Condominium Board and all Unit Owners, which power-of-attorney shall be deemed to be irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Certification by Declarant or such designee certifying that the amendment, modification, addition or deletion set forth therein was effectuated by Declarant or such designee pursuant to the terms of the Declaration and/or these By-Laws, in which Certification there shall be set forth the Article and/or Section of the Declaration or these By-Laws pursuant to which the same was effectuated. No such amendment, modification, addition or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding any provision contained in the By-Laws to the contrary, no amendment, modification, addition or deletion of or to these By-Laws shall be effective in any respect against Declarant or its designee, any Unsold Unit, or the holder of any present or future mortgage, pledge lien, or security agreement covering any Unsold Unit unless and until the Declarant, such designee, and/or such holder (as the case may be) shall consent to the same in writing.

(C) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition, or deletion of or to Section 5.4 or 5.5, paragraph (B) of Section 6.2, subparagraph (iv) or (v) of paragraph (B) of Section 7.5 or Article 8 hereof shall be effective with respect to the holder of any Permitted Mortgage theretofore made unless and until such Permitted Mortgagee shall have given its written consent thereto.

(D) Whenever, pursuant to any provision of these By-Laws, the consent, approval, satisfaction or permission of Declarant or its designee the granting of such consent, approval, permission or acknowledgment of satisfaction shall be solely in the discretion of the party whose consent, approval, satisfaction or permission is required and no standard of reasonableness shall be imposed on such party.

ARTICLE 13

Further Assurances

Section 13.1 General. Any Person that is subject to the terms of these By-Laws, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member of the Condominium Board, an officer of the Condominium, or otherwise, shall, at the expense of any Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request in order either to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

Section 13.2 Failure to Deliver or Act. (A) If any Unit Owner or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action that such Unit Owner or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws, then the Condominium Board is hereby authorized, as attorney-in-fact for such Unit Owner or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

(B) If the Condominium Board, any Unit Owner, or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action that the Condominium Board, such Unit Owner, or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Declarant or its designee, then Declarant or its designee is hereby authorized, as attorney-in-fact for the Condominium Board, such Unit Owner, or other Person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Condominium Board, such Unit Owner, or other Person, and such document or action shall be binding on the Condominium Board, such Unit Owner or other Person.

ARTICLE 14

Miscellaneous

Section 14.1 Inspection of Documents. Copies of the Declaration, these By-Laws, the Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the Condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

Section 14.2 Waiver. No provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

Section 14.3 Conflicts. In the event that any provision of these By-Laws or of the Rules and Regulations shall be construed to be inconsistent with any provision of the Declaration or of the Condominium Act, the provision contained in the Declaration or in the Condominium Act shall control.

Section 14.4 Severability. If any provision of these By-Laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of these By-Law s shall, except as otherwise provided herein, be valid and enforced to the fullest extent provided by Law.

Section 14.5 Successors and Assigns. The rights and/or obligations of Declarant as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of Declarant or, with the consent of Declarant, any transferee of an Unsold Unit.

Section 14.6 Gender. 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.

Section 14.7 Captions. The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws or the intent of any provision hereof.

ADDENDUM TO THE BY-LAWS OF
ONE SUNSET PARK CONDOMINIUM

RULES AND REGULATIONS
OF
ONE SUNSET PARK CONDOMINIUM

1. The sidewalks, entrances, passages, public halls, elevators, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Units. No vehicle belonging to a Unit Owner, to a Family Member of a Unit Owner, or to a guest, tenant, subtenant, licensee, invitee, employee or agent of a Unit Owner shall be parked in such a manner as to impede or prevent ready access to any entrance to, or exit from, the Building by another vehicle.

2. Intentionally omitted.

3. Intentionally omitted.

4. Intentionally omitted.

5. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases or fire tower landings or any other Common Area of the Building, nor shall any fire exit thereof be obstructed in any manner.

6. Intentionally omitted.

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

8. No refuse from the Units shall be sent to the cellar of the Building, except at such times and in such manner as the Condominium Board or the Managing Agent may direct. Nothing shall be hung or shaken from any doors, windows or open terraces, or placed upon the window sills of the Building, and no Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

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

10. The Condominium Board or the Managing Agent may, from time to time, curtail or relocate any portion of the General Common Elements devoted to storage, recreation, or service purposes in the Building.

11. Nothing shall be done or be kept in any Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof, without the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No Unit Owner or any of his Family Members, agents, servants, employees, licensees or visitors shall, at any time, bring into or keep in his Unit or Limited Common Elements any inflammable, combustible, or explosive fluid, material, chemical, or substance, except as shall be necessary and appropriate for the permitted uses of such Unit or Limited Common Elements.

12. There shall be no barbecuing in the Units, in their appurtenant Limited Common Elements, or in the General Common Elements, except for those areas (if any) specifically designated for barbecuing by the Condominium Board.

13. No Unit Owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from his Unit or its appurtenant Limited Common Elements or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Unit Owners. No Unit Owner shall play upon or suffer to be played upon any musical instrument, or shall operate or permit to be operated a phonograph, radio, television set, or other loud-speaker in such Unit Owner's Unit between 10:00 P.M. and the following 8:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Unit Owner practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. No construction, repair work, or other installation involving noise shall be conducted in any 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.

14. No Unit Owner shall store items or make any installations of plants or otherwise on any terrace or balcony or roof deck without the prior written approval of the Condominium Board. It shall be the responsibility of the Unit Owner to maintain all installations in good condition, and the drainage tiles and weep holes in operating condition. Such Unit Owner shall pay the cost of any repairs rendered necessary, or damage caused, by such plantings or installations.

15. No group tour or exhibition of any Unit or its contents shall be conducted, nor shall any auction sale be held in any Unit, without the consent of the Condominium Board or the Managing Agent in each instance. In the event that any Unit shall be used for home occupation or professional purposes in conformance with the Declaration and the By-Laws, no patients, clients, or other invitees shall be permitted to wait in any lobby, public hallway, or vestibule.

16. No window guards or other window decorations shall be used in or about any Unit, except such as shall have been approved in writing by the Condominium Board or the Managing Agent, which approval shall not be unreasonably withheld or delayed. In no event, however, shall any exterior glass surfaces of any windows at the Property be colored or painted.

17. No ventilator or air-conditioning device shall be installed in any Unit without the prior written approval of the Condominium Board, which approval may be granted or refused in the sole discretion of the Condominium Board.

18. No radio or television aerial or satellite dishes shall be attached to or hung from the exterior of the Building, and no sign, notice, advertisement, or illumination (including, without limit "For Sale", "For Lease" or "For Rent" signs) shall be inscribed or exposed on or at any window or other part of the Building, except such as are permitted pursuant to the terms of the Declaration and/or the By-Laws or shall have been approved in writing by the Condominium Board or the Managing Agent. Nothing shall be projected from any window of a Unit without similar approval.

19. All radio, television, or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements, or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television, or other electrical equipment.

20. Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into 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.

21. Each Unit Owner shall keep his Unit and its appurtenant Limited Common Elements in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

22. The agents of the Condominium Board or the Managing Agent, and any contractor or workmen authorized by the Condominium Board or the Managing Agent, may enter any room or Unit at any reasonable hour of the day, on at least 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.

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

24. If any key or keys are entrusted by a Unit Owner, by any Family Member thereof, or by his agent, servant, employee, licensee, or visitor to an employee of the Condominium or of the Managing Agent, whether for such Unit Owner's Unit or an automobile, trunk, or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Condominium Board nor the Managing Agent shall (except as provided in Rule 23 above) be liable for injury, loss, or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

25. Unit Owners and their respective Family Members, guests, servants, employees, agents, visitors, or licensees shall not at any time or for any reason whatsoever enter upon, or attempt to enter upon, the roof of the Building.

26. Any consent or approval given under these Rules and Regulations may be amended, modified, added to, or repealed at any time by resolution of the Condominium Board. Further, any such consent or approval may, in the discretion of the Condominium Board or the Managing Agent, be conditional in nature. These rules and regulations may be amended by a resolution of the Board.

EXHIBIT E

UNIT OWNER'S POWER OF ATTORNEY

All terms used in this Unit Owner's Power of Attorney that are used, (a) in the Declaration establishing a plan for condominium ownership of the premises known as One Sunset Park Condominium and by the street number 702 44th Street (a/k/a 4401 Seventh Avenue), Brooklyn, New York 11220, under Article 9-B of the Real Property Law of the State of New York, dated _____, and recorded in the Kings County office of the Register of the City of New York on _____, 200__, in Reel _____ at Page _____ (hereinafter referred to as the "Declaration"), or (b) in the By-Laws of One Sunset Park Condominium (hereinafter referred to as the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in this Unit Owner's Power of Attorney as in the Declaration or the By-Laws.

The undersigned _____ (having an office) (residing)1 at _____, the owner of the Condominium Unit (hereinafter referred to the"Undersigned's Unit") known as Unit No. _____ in the Declaration and also designated as Tax Lot 6 in Block 741 of Section ____ of the _____ on the Tax Map of the Real Property Assessment Department of _____ and on the Floor Plans, (does) (do)* hereby irrevocably nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with the Unit Owners' respective Common Interests, subject to the provisions of the By-Laws then in effect (1)(a) to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assignor lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, whose owner elects to surrender the, same pursuant to the term of paragraph (C) of Section 6.2 of the By-Laws, (c) to acquire any Unit, together with its Appurtenant Interests, that becomes the subject of a foreclosure or other similar sale, on such terms and (with respect to any transfer pursuant to the terms of subdivision (a) or (c) of this paragraph) at such price or at such rental, as the case may be, as said attorneys-in-fact shall deem proper, and thereafter to convey, sell, lease, mortgage, or otherwise deal with (but not vote the interest appurtenant to) any such Unit so acquired by them, or to sublease any Unit so leased by them, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in-fact the power to do all things in said premises that the undersigned could do if the undersigned were personally present and (2) to execute, acknowledge and deliver (a) any declaration. or other instrument affecting the Condominium that the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution, or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Condominium or (b) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Condominium or the Common Elements, that the Condominium Board deems necessary or appropriate.

The acts of a majority of Condominium Board shall constitute the acts of said attorneys-in-fact.

The undersigned (does) (do)* hereby irrevocably nominate, constitute and appoint _____ (hereinafter referred to as "Declarant") as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time said declaration, By-Laws and the Rules and Regulations of the said Condominium, or any of said documents, when such amendment (1) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the affected Unsold Units resulting therefrom made by Declarant or its designees in accordance with Article 12 of the Declaration or (2) shall be required by (a) an Institutional Lender designated by Declarant to make a mortgage loan secured by a mortgage on any Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any

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[1] Delete whichever is inapplicable.

title insurance company selected by Declarant to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subdivision (1) or (2) of this paragraph shall not (i) change the Common Interest of the Undersigned's Unit, (ii) require a material, physical modification to the Undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender covering the Undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to, this paragraph shall remain in full force and effect until such time as the Declarant or its designees shall cease to own any of the Units in One Sunset Park Condominium.

IN WITNESS WHEREOF, the undersigned (has) (have)* executed this Unit Owner's Power of Attorney as of the _____ day of _____, 200___.

(SEAL) _____

_____

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

On the ____ day of _____, 200___, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Signature and Office of individual taking acknowledgment

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

On the ____ day of _____, 200___, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Signature and Office of individual taking acknowledgment

FORM OF UNIT DEED

THIS INDENTURE, made the _____ day of _____, 200__, by and between 4401 Sunset Park LLC, a New York limited partnership having an office at c/o Sierra Realty Corp., 12 East 46th Street, 6th Floor, New York, New York 10017 (hereinafter referred to as the Grantor") and _____ (having an office) (residing)** at _____ (hereinafter referred to as the "Grantee").

WITNESSETH:

That the Grantor, in consideration of Ten ($10.00) Dollars and other valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, and the heirs or successors and assigns of the Grantee, forever:

The Condominium Unit (hereinafter referred to as the "Unit") known as Unit No. _____) in the building (hereinafter referred to as the "Building") known as One Sunset Park Condominium and by the street number 702 44th Street (a/k/a 4401 Seventh Avenue), Brooklyn, New York 11220, Borough of Brooklyn, County of Kings and State of New York, said Unit being designated and described as (Unit No. _____)* in a certain declaration dated _____ made by Grantor pursuant to Article 9-B of the Real property Law of the State of New York (hereinafter referred to as the "Condominium Act"),establishing a plan for condominium ownership of the Building and the land (hereinafter referred to as the "Land") upon which the Building is situate (which Land is more particularly described in Exhibit A annexed , hereto and made apart hereof), which declaration was recorded in the Kings County office of the Register of The City of New York on _____, 200__ in Reel _____ page _____ (and has been amended as set forth on Exhibit B annexed hereto and by this reference made a part hereof) (which declaration and amendments thereto are hereinafter collectively referred to as the "Declaration"). This Unit is also designated as Tax Lot 6 in Block 741 of Section _____ of the Borough of Brooklyn on the Tax Map of the Real property Assessment Department of the City of New York and on the Floor Plans of the Building, certified by _____, 200__, and filed with Assessment Department of the City of New York.

Together with an undivided _____ interest in the Common Elements (as such term is defined in the Declaration);

Together with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

Together with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws of The Condominium, as the same may be amended from time to time (hereinafter referred to as the "By-Laws"), all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest or estate in the Unit, as though recited and stipulated at length herein;

Subject also to such other liens, agreements, covenants, easements, restrictions, consents and other matters of record as pertain to the Unit, to the Land and/or to the Building (which Land and Building are hereinafter collectively referred to as the "Property").

TO HAVE AND TO HOLD the same unto the Grantee, and the heirs or successors and assigns of the Grantee, forever.

** Delete whichever is inapplicable.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to the provisions of the Condominium Act, or if any provision that is necessary to cause the Declaration or the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration or the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of Article 17 of the Declaration shall control.

Except as otherwise specifically permitted by the Condominium Board (as such term is defined in the Declaration) or provided in the Declaration or in the By-Laws, the Unit is intended for residential use only.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatever, except as set forth in the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws).

The Grantor, in compliance with Section 13 of the Lien law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvements at the Property and will apply the same first to the payment of the cost of such improvements before using any part of the same for any other purposes.

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

If the Grantor a corporation, this conveyance is made in business actually conducted by the Grantor.

The term "Grantee" shall be read as "Grantee" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this indenture as of the day and year first above written.

4401 Sunset Park LLC

By: _____

_____
Grantee

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

On the ____ day of _____, 200__, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

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

On the ____ day of _____, 200__, before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

GENERAL BUSINESS LAW SECTION 352-eeee.
CONVERSIONS TO COOPERATIVE OR CONDOMINIUM OWNERSHIP IN THE CITY OF NEW YORK

1. As used in this Section, the following words and terms shall have the following meanings:

(a) "Plan". Every offering statement or prospectus submitted to the department of law pursuant to section three hundred fifty-two-e of this article for the conversion of a building or group of buildings or development from residential rental status to cooperative or condominium ownership or other form of cooperative interest in realty, other than an offering statement or prospectus for such conversion pursuant to article two, eight or eleven of the private housing finance law.

(b) "Non-Eviction Plan". A plan which may not be declared effective until written purchase agreements have been executed and delivered for at least fifteen percent of all dwelling units in the building or group of buildings or development by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family intend to occupy the unit when it becomes vacant. As to tenants who were in occupancy on the date a letter was issued by the attorney general accepting the plan for filing, the purchase agreement shall be executed and delivered pursuant to an offering made in good faith without fraud and discriminatory repurchase agreements or other discriminatory inducements.

(c) "Eviction Plan". A plan which, pursuant to the provisions of this section, can result in the eviction of a non-purchasing tenant by reason of the tenant failing to purchase pursuant thereto, and which may not be declared effective until at least fifty-one percent of the bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the attorney general (excluding, for the purposes of determining the number of bona fide tenants in occupancy on such date, eligible senior citizens and eligible disabled persons) shall have executed and delivered written agreements to purchase under the plan pursuant to an offering made in good faith without fraud and no discriminatory repurchase agreements or other discriminatory inducements.

(d) "Purchaser Under the Plan". A person who owns the shares allocated to a dwelling unit or who owns such dwelling unit itself.

(e) "Non-purchasing Tenant". A person who has not purchased under the plan and who is a tenant entitled to possession at the time the plan is declared effective or a person to whom a dwelling unit is rented subsequent to the effective date. A person who sublets a dwelling unit from a purchaser under the plan shall not be deemed a non-purchasing tenant.

(f) "Eligible Senior Citizens". Non-purchasing tenants who are sixty-two years of age or older on the date the attorney general has accepted the plan for filing, and the spouses of any such tenants on such date, and who have elected, within sixty days of the date the attorney general has accepted the plan for filing, on forms promulgated by the attorney general and presented to such tenants by the offeror, to become non-purchasing tenants under the provisions of this section; provided that such election shall not preclude any such tenant from subsequently purchasing the dwelling unit on the terms then offered to tenants in occupancy.

(g) "Eligible Disabled Persons". Non-purchasing tenants who have an impairment which results from anatomical, physiological or psychological conditions, other than addiction to alcohol, gambling, or any controlled substance, which are demonstrable by medically acceptable clinical and laboratory

diagnostic techniques, and which are expected to be permanent and which prevent the tenant from engaging in any substantial gainful employment on the date the attorney general has accepted the plan for filing, and the spouses of any such tenants on such date, and who have elected, within sixty days of the date the attorney general has accepted the plan for filing, on forms promulgated by the attorney general and presented to such tenants by the offeror, to become non-purchasing tenants under the provisions of this section; provided, however, that if the disability first occurs after acceptance of the plan for filing, then such election may be made within sixty days following the onset of such disability unless during the period subsequent to sixty days following the acceptance of the plan for filing but prior to such election, the offeror accepts a written agreement to purchase the apartment from a bona fide purchaser; and provided further that such election shall not preclude any such tenant from subsequently purchasing the dwelling unit or the shares allocated thereto on the terms then offered to tenants in occupancy.

2. The attorney general shall refuse to issue a letter stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this chapter has been filed whenever it appears that the offering statement or prospectus offers for sale residential cooperative apartments or condominium units pursuant to a plan unless:

(a) The plan provides that it will be deemed abandoned, void and of no effect if it does not become effective within fifteen months from the date of issue of the letter of the attorney general stating that the offering statement or prospectus has been accepted for filing and, in the event of such abandonment, no new plan for the conversion of such building or group of buildings or development shall be submitted to the attorney general for at least twelve months after such abandonment.

(b) The plan provides either that it is an eviction plan or that it is a non-eviction plan.

(c) The plan provides, if it is a non-eviction plan, as follows:

(i) The plan may not be declared effective until written purchase agreements have been executed and delivered for at least fifteen percent of all dwelling units in the building or group of buildings or development subscribed for by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family occupy the dwelling unit when it becomes vacant. As to tenants who were in occupancy on the date a letter was issued by the attorney general accepting the plan for filing, the purchase agreement shall be executed and delivered pursuant to an offering made without discriminatory repurchase agreements or other discriminatory inducements.

(ii) No eviction proceedings will be commenced at any time against non-purchasing tenants for failure to purchase or any other reason applicable to expiration of tenancy; provided that such proceedings may be commenced for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the non-purchasing tenant of his obligations to the owner of the dwelling unit or the shares allocated thereto; and provided further that an owner of a unit or of the shares allocated thereto may not commence an action to recover possession of a dwelling unit from a non-purchasing tenant on the grounds that he seeks the dwelling unit for the use and occupancy of himself or his family.

(iii) Non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to the conversion of the building or group of buildings or development to cooperative or condominium ownership shall continue to be subject thereto.

(iv) The rentals of non-purchasing tenants who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and non-purchasing tenants who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the plan has been accepted or filing by the attorney general shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy. In determining comparability, consideration shall be given to such factors as building services, level of maintenance and operating expenses.

(v) The plan may not be amended at any time to provide that it shall be an eviction plan.

(vi) The rights granted under the plan to purchasers under the plan and to non-purchasing tenants may not be abrogated or reduced notwithstanding any expiration of, or amendment to, this section.

(vii) After the issuance of the letter from the attorney general stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this article has been filed, the offer shall, on the thirtieth, sixtieth, eighty-eighth and ninetieth day after such date and at least once every thirty days until the plan is declared effective or is abandoned, as the case may be, and on the second day before the expiration of any exclusive purchase period provided in a substantial amendment to the plan, (1) file with the attorney general a written statement, under oath, setting forth the percentage of the dwelling units in the building or group of buildings or development subscribed for by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family occupy the dwelling unit when it becomes vacant as of the date of such statement, and (2) before noon on the day such statement is filed post a copy of such statement in a prominent place accessible to all tenants in each building covered by the plan.

(d) The plan provides, if it is an eviction plan, as follows:

(i) The plan may not be declared effective unless at least fifty-one percent of the bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the attorney general (excluding, for the purposes of determining the number of bona fide tenants in occupancy on such date, eligible senior citizens and eligible disabled persons shall have executed and delivered written agreements to purchase under the plan pursuant to an offering made in good faith without fraud and with no discriminatory repurchase agreement or other discriminatory inducements.

(ii) No eviction proceedings will be commenced against a non-purchasing tenant for failure to purchase or any other reason applicable to expiration of tenancy until the later to occur of (1) the date which is the expiration date provided in such non-purchasing tenant's lease or rental agreement, and (2) the date which is three years after the date on which the plan is declared effective- Non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to conversion shall continue to be subject thereto during the period of occupancy provided in this paragraph. Thereafter, if a tenant has not purchased, he may be removed by the owner of the dwelling unit or the shares allocated to such dwelling unit.

(iii) No eviction proceedings will be commenced, except as hereinafter provided, at any time against either eligible senior citizens or eligible disabled persons. The rentals of eligible senior citizens and eligible disabled persons who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and eligible senior citizens and eligible disabled persons who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the plan has been accepted for filing shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy considering, in determining comparability, such factors as building services, level of maintenance and operating expenses; provided that such proceedings may be commenced against such tenants for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the tenant of his obligations to the owner of the dwelling unit or the shares allocated thereto.

(iv) Eligible senior citizens and eligible disabled persons who reside in dwelling units subject to government regulation as to rentals and continued occupancy shall continue to be subject thereto.

(v) The rights granted under the plan to eligible senior citizens and eligible disabled persons may not be abrogated or reduced notwithstanding any expiration of, or amendment to, this section.

(vi) Any offeror who disputes the election by a person to an eligible senior citizen or an eligible disabled person must apply to the attorney general within thirty days of the receipt of the election forms for a determination by the attorney general of such person's eligibility. The attorney general shall, within thirty days thereafter, issue his determination of eligibility The foregoing shall, in the absence of fraud, be the sole method for determining a dispute as to whether a person is an eligible senior citizen or an eligible disabled person. The determination of the attorney general shall be reviewable only through a proceeding under article seventy-eight of the civil practice law and rules, which proceeding must be commenced within thirty days after such determination by the attorney general becomes final.

(vii) After the issuance of the letter from the attorney general stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this article has been accepted for filing, the offeror shall, on the thirtieth, sixtieth, eighty-eighth and ninetieth days after such date and at least once every thirty days until the plan is declared effective or abandoned, as the case may be, and on the second day before the expiration of any exclusive purchase period provided in a substantial amendment to the plan, (1) file with the attorney general a written statement, under oath, setting forth the percentage of bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the attorney general who have executed and delivered written agreements to purchase under the plan as of the date of such statement, and (2) before noon on the day such statement is filed post a copy of such statement in a prominent place accessible to all tenants in each building covered by the plan.

(viii) If the plan is amended before it is declared effective to provide that it shall be a non-eviction plan, any person who has agreed to purchase under the plan prior to such

amendment shall have a period of thirty days after receiving written notice of such amendment to revoke his agreement to purchase under the plan.

(ix) The tenants in occupancy on the date the attorney general accepts the plan for filing shall have the exclusive right to purchase their dwelling units or the shares allocated thereto for ninety days after the plan is accepted for filing by the attorney general, during which time a tenant's dwelling unit shall not be shown to a third party unless he has, in writing, waived his right to purchase; subsequent to the expiration of such ninety day period, a tenant in occupancy of a dwelling unit who has not purchased shall be given the exclusive right for an additional period of six months from said expiration date to purchase said dwelling unit or the shares allocated thereto on the same terms and conditions as are contained in an executed contract to purchase said dwelling unit or shares entered into by a bona fide purchaser, such exclusive right to be exercisable within fifteen days from the date of mailing by registered mail of notice of the execution of a contract of sale together with a copy of said executed contract to said tenant.

(e) The attorney general finds that an excessive number of long-term vacancies did not exist on the date that the offering statement or prospectus was first submitted to the department of law. "Long-term vacancies" shall mean dwelling units not leased or occupied by bona fide tenants for more than five months prior to the date of such submission to the department of law. "Excessive' shall mean a vacancy rate in excess of the greater of (i) ten percent and (ii) a percentage that is double the normal average vacancy rate for the building or group of buildings or development for two years prior to the January preceding the date the offering statement or prospectus was first submitted to the department of law.

(f) The attorney general finds that, following the submission of offering statement or prospectus to the department of law, each tenant in the building or group of buildings or development was provided with a written notice stating that such offering statement or prospectus has been submitted to the department of law for filing. Such notice shall be accompanied by a copy of the offering statement or prospectus and a statement that the statement submitted pursuant to subparagraph (vii) of paragraph (c) or subparagraph (vii) of paragraph (d) of this subdivision, whichever is applicable will be available for inspection and copying at the office of the department of law where the submission was made and at the office of the offeror or a selling agent of the offeror. Such notice shall also be accompanied by a statement that tenants or their representatives may physically inspect the premises at any time subsequent to the submission of the plan to the department of law, during normal business hours, upon written request made by them to the offeror, provided such representatives are registered architects or professional engineers licensed to practice in the state of New York. Such notice shall be sent to each tenant in occupancy on the date the plan is first submitted to the Department of Law.

3. All dwelling units occupied by non-purchasing tenants shall be managed by the same managing agent who manages all other dwelling units in the building or group of buildings or development. Such managing agent shall provide to non-purchasing tenants all services and facilities required by law on a non-discriminatory basis. The offeror shall guarantee the obligation of the managing agent to provide all such services and facilities until such time as the offeror surrenders control to the board of directors or board of managers.

4. It shall be unlawful for any person to engage in any course of conduct, including, but not limited to, interruption or discontinuance of essential services, which substantially interferes with or disturbs the comfort, repose, peace or quiet of any tenant in his use or occupancy of his dwelling unit or the facilities related thereto. The attorney General may apply

to a court of competent jurisdiction for an order restraining such conduct and, if he deems it appropriate, an order restraining the owner from selling the shares allocated to the dwelling unit or the dwelling unit itself or from proceeding with the plan of conversion; provided that nothing contained herein shall be deemed to preclude the tenant from applying on his own behalf for similar relief.

5. Any local legislative body may adopt local laws and any agency, officer or public body may prescribe rules and regulations with respect to the continued occupancy by tenants of dwelling units which are subject to regulation as to rentals and continued occupancy pursuant to law, provided that in the event that any such local law, rule or regulation shall be inconsistent with the provisions of this section, the provisions of this section shall control.

6. Any provision of a lease or other rental agreement which purports to waive a tenant's rights under this section or rules and regulations promulgated pursuant hereto shall be void as contrary to public policy.

7. The provisions of this section shall only be applicable in the City of New York.

ADMINISTRATIVE CODE OF THE CITY OF NEW YORK
CHAPTER 8 OF TITLE 26
COOPERATIVE AND CONDOMINIUM CONVERSIONS

§ 26-701 Application. The provisions of this chapter shall apply to conversions from rental to cooperative or condominium status of a building or a group of buildings or a development for which a plan must be filed with the state department of law pursuant to section three hundred fifty-two-eeee of the general business law.

§26-702 Definitions. As used in this chapter the following words shall mean:

(a) "Building" any building, group of buildings or development.

(b) "Total price"

(1) with respect to cooperative conversions, the number of all shares in the offering multiplied by the last price per share which was offered to tenants in occupancy prior to the effective date of the plan regardless of number of sales made;

(2) with respect to condominium conversions, the sum of the cost of all units in the offering at the last price which was offered to tenants in occupancy prior to the effective date of the plan regardless of number of sales made.

(c) "Capital replacement" a building-wide replacement of a major component of any of the following systems:

(1) elevator;
(2) heating, ventilation and air conditioning;
(3) plumbing;
(4) wiring;
(5) window;

or, a major structural replacement to the building; provided, however, that replacements made to cure code violations of record shall not be included.

(d) "Offeror" the offeror, his or her nominees, assignees and successors in interest.

§26-703 Establishment of reserve fund.

a. Within thirty (30) days after the closing of a conversion pursuant to an offering plan the offeror shall establish and transfer to the cooperative corporation or condominium board of managers a reserve fund to be used exclusively for making capital repairs, replacements and improvements necessary for the health and safety of the residents of such buildings. Such reserve fund shall be exclusive of any other funds required to be reserved under the plan or applicable law or regulation of the state attorney general, except a fund for capital repairs, replacements and improvements, substantially similar in purpose to and in an amount not less than the reserve fund mandated by this section. Such reserve fund also shall be exclusive of any working capital fund and shall not be subject to reduction for closing apportionments.

b. Such fund shall be established in an amount equal to either (i) three per cent of the total price or, (ii) (A) three per cent of the actual sales price of all cooperative shares or condominium units sold by the offeror at the time the plan is declared effective, provided, however, that if such amount is less than one per cent of the total price, then the fund shall be established as a minimum of one per cent of the total price; plus (B) supplemental contributions to be made by the offeror at a rate of three per cent of the actual sales price of cooperative shares or condominium units for each unit or its allocable shares held by the offeror and sold to bona fide purchasers subsequent to the effective date of the plan and within 5 years of the closing of the conversion pursuant to such plan notwithstanding that the total amount contributed may exceed three per cent of the total price; and provided, further, that if five years from thirty days after the closing of the conversion pursuant to such plan the total contributions by the offeror to the fund are less than three per cent of the total price the offeror shall pay the difference between the amount contributed and three per cent of the total price. Supplemental contributions shall be made within 30 days of each sale.

c. The contributions required pursuant to this section may be made earlier or in an amount greater than so provided. An offeror may claim and receive credit against the mandatory initial contribution to the reserve fund for the actual cost of capital replacements which he or she has begun after the plan is submitted for filing to the state department of law and before the plan is declared effective; provided, however, that any such replacements must be set forth in the plan together with their actual or estimated costs and further provided, that such credit shall not exceed the lesser of the actual cost of the capital replacements or one per cent of the total price.

d. Any building, construction of which was completed within three years prior to the closing of a conversion pursuant to an offering plan, shall be exempt from the requirements of this section.

§26-704 Report on status of reserve fund. The cooperative corporation or condominium board of managers shall report to shareholders and unit owners on a semi-annual basis with respect to all deposits into and withdrawals from the reserve fund mandated by Section 26-703 of this chapter.

§26-705 Posting of violations. The offeror, not later than the thirtieth day following the acceptance of a plan for filing by the state department of law pursuant to section three hundred fifty-two-eeee of the general business law and until the closing of the conversion pursuant to such plan, shall post and maintain in a prominent place, accessible to all tenants in each building covered by the plan, a listing of all violations of record against such buildings as determined by the department of buildings and the department of housing preservation and development. All newly issued violations shall be posted within forty-eight hours of their issuance and maintained as described above. The offeror may satisfy the requirements of this section by designating an agent on the premises with whom such listing shall be made available for inspection by the tenants.

§26-706 Report on condition of premises. Where, pursuant to law or regulation of the state attorney general, an offeror is required to file a report with the state department of law describing the condition of the physical aspects of the premises to be converted and the surrounding neighborhood, a copy of such report shall be submitted simultaneously to the commissioner of buildings.

§26-707 No waiver of rights. Any provision purporting to waive the provisions of this chapter in any contract to purchase or agreement between an offeror and the cooperative corporation or the condominium board of managers pursuant to a conversion plan shall be void as against public policy.

§26-708 Criminal and civil penalties; enforcement.

a. Except as otherwise provided in subdivision b of this section, any person who knowingly violates or assists in the violation of any section of this chapter shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than one hundred nor more than one thousand dollars. Except as otherwise provided in subdivision b of this section, any person who violates or assists in the violation of any section of this chapter shall be subject to a civil penalty of one hundred dollars per day per unit for each day that a building is not in compliance with the provisions of such sections; provided, however, that such civil penalty shall not exceed one thousand dollars per unit.

b. Any person who knowingly violates or assists in the violation of Section 26-703 of this chapter shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not more than two times the amount required to be reserved by section 26-703 which was not so reserved. Any person who violated or assists in the violation of section 26-703 of this chapter shall also be subject to a civil penalty of one thousand dollars per day for each day that the reserve fund required by section 26-703 of this chapter is not established; provided, however, that such civil penalty shall not exceed the amount required to be reserved pursuant to section 26-703 of this chapter.

c. In addition, any other action or proceeding in any court of competent jurisdiction that may be appropriate or necessary for the enforcement of the provisions of this chapter may be brought in the name of the city, including actions to secure permanent injunctions enjoining any acts or practices which constitute a violation of any provision of this chapter, mandating compliance with the provisions of this chapter or for such other relief as may be appropriate. In any such action or proceeding the city may apply to any court of competent jurisdiction, or to a judge or justice thereof, for a temporary restraining order or preliminary injunction enjoining and restraining all persons from violating any provision of this chapter, mandating compliance with the provisions of this chapter, or for such other relief as may be appropriate, until the hearing and determination of such action or proceeding and the entry of final judgment or order therein. The court, or judge or justice thereof, to whom such application is made, is hereby authorized forthwith to make any or all of the orders above specified, as may be required in such application with or without notice, and to make such other or further orders or directions as may be necessary to render the same effectual. No undertaking shall be required as a condition of the granting or issuing of such order, or by reason thereof.

d. Nothing contained in this section shall impair any rights, remedies or causes of action accrued or accruing to purchasers of cooperative shares or condominium units.

e. The department of housing preservation and development is empowered to enforce the provisions of this chapter.

TAX EXPERT'S OPINION LETTER

LAW OFFICES

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SENIOR COUNSEL
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SPECIAL COUNSEL
VICTOR HADE

OF COUNSEL
OWEN B. CARRAGHER

March 27, 2008

4401 Sunset Park LLC
c/o James R. Wacht, President
Sierra Realty Corp.
12 East 46th Street
New York, NY 10017

Re: CONDOMINIUM CONVERSION
4401 7th Avenue
Block: 741 Lot: 6
Borough: Brooklyn

Gentlemen:

You have requested that we provide you with an estimate of the above property's real estate tax assessment following its conversion to a condominium.

You have also requested an estimate of the real estate taxes that would be applicable to the condominium following its conversion.

You have advised us that you are the fee owner of certain real property located at 4401 7th Avenue, Brooklyn, New York, and designated as Block 741, Lot 6 on the Official Tax Map of the City of New York. According to New York City Department of Finance records, the property consists of a land area of 12,020 square feet and is improved by a 6-story, 54 unit, 54,770 square-foot (gross, above grade), tax "class 2," apartment building constructed in 1931.

You have advised us that you intend to convert the existing building into a condominium consisting of 54 residential units.

You have advised us that the conversion will take place pursuant to a "non-eviction" plan and that there will be no major alteration or construction work performed in connection with this conversion.

You have further advised us that you anticipate the first year of condominium operation will be October 1, 2008 through September 30, 2009.

Although the setting of an assessment on any particular property is subject to an individual assessor's subjective determination based upon general assessment guidelines, it is possible to estimate an approximate assessed value based upon a number of factors. These factors include actual construction costs, the property's location, a hypothetical economic analysis of the condominium as if it were a rental property (as required pursuant to section 581 of the New York Real Property Tax Law), assessed valuations of comparable buildings and New York City Department of Finance Assessment Guidelines. We have examined these factors in arriving at our estimates.

The 4401 7th Avenue property's assessment history is as follows:

			Land	Total
Tentative	2008/09	Actual	$ 95,850	$549,000
		Transitional	$ 95,850	$754,200
Final	2007/08	Actual	$ 95,850	$819,000
		Transitional	$ 98,280	$801,900
Final	2006/07	Actual	$ 95,850	$882,000
		Transitional	$ 97,470	$795,600
Final	2005/06	Actual	$ 95,850	$801,000
		Transitional	$ 96,660	$770,400

New York City is an annual assessing jurisdiction and is required to assess property for each upcoming fiscal tax year (July 1 – June 30) based upon its use and condition on January 5th (taxable status date). Annual increases or decreases in assessed value resulting from construction, demolition or other physical changes to the property (i.e., "physical" or "alteration" increases) are taxable the year they are levied. For "class 2" residential properties having more than 10 units, annual assessment increases or decreases not resulting from physical changes (i.e., "equalization" changes) are phased in for tax purposes over a five (5) year period at 20% per year. Hence, two assessed values: 1) the "actual assessment," which is reflective of the City's claimed market value; and 2) the "transitional assessment," which is based on physical increases and the 5-year phase in of equalization changes. Real property taxes in any given year are based on the lesser of the actual or transitional assessment.

As set forth above, the New York City Department of Finance has tentatively set the property's taxable assessed value (i.e., the lesser of the actual or transitional assessment) for the fiscal 2008/09 tax year in the amount of $549,000. This represents a 33% reduction in actual assessed value from the 2007/08 tax year. While the property will benefit from this reduction, as set forth in more detail

below, given financial information provided as well as the property's recent assessment history, we are projecting an increase for the 2009/10 tax year.

The City's tentative assessment roll, which was published on or about January 15, 2008, also continues to classify the property for tax purposes in residential tax "class 2."

The most recent tax rates available as of the date of this letter are those passed by the City Council for the 2007/08 tax year. Assuming a "class 2" tax rate of 11.928% (i.e., the 2007/08 "class 2" tax rate), based on the projected taxable 2008/09 assessed value (i.e., the lesser of the estimated actual or transitional assessed value), we estimate that the property's gross real estate taxes due for the fiscal year July 1, 2008 through June 30, 2009 will be in the approximate amount of $65,500.

The first taxable status date subsequent to the property's conversion and apportionment into separate condominium tax lots will be January 5, 2009, which will be the basis for the property's 2009/10 assessed values. We have assumed that the residential condominium units will be classified for tax purposes in residential tax "class 2." Our estimates of the post-conversion assessed values for the residential and parking portions of the property for the 2009/10 tax year are as follows:

Estimated Actual . . .	$ 1,050,000
Estimated Transitional . . .	$ 818,400

Assuming a residential "class 2" tax rate of 11.928% (i.e., the 2007/08 "class 2" tax rate), based on the projected 2009/10 taxable assessed values (e.g., the lesser of the estimated actual or transitional assessed values), we estimate the gross real estate taxes due on the residential units for the fiscal year July 1, 2009 through June 30, 2010 will be in the approximate amount of $97,700.

You have advised us that the first year of Condominium operation will be from October 1, 2008 through September 30, 2009. Based on the foregoing projections for the 2008/09 and 2009/10 fiscal tax years, we estimate real estate taxes for the Condominium's first year of operation to be in the approximate amount of $73,600.

We have been advised that it is the policy and practice of the New York City Department of Finance to assign separate tax lots and apportion the assessed valuation of a condominium among the various units based upon the percentage of common interest contained in the Condominium Declaration.

This letter was prepared at the sponsor's request. The figures set forth herein are approximations derived from material submitted by the sponsor and publicly available

tax records and are subject to variation. No government agency has passed upon these figures or the estimates of assessed valuation and taxes herein. We have not passed on the accuracy of any figures or estimates contained in the Offering Plan, and offer no warranties on real estate assessments, tax classifications, taxes, or tax rates for any period. All prospective purchasers are advised that, although the estimate of assessed valuation upon completion of conversion are good faith estimates, such assessed valuations when actually made may be less or greater than as estimated herein.

The above estimates do not take into account any future increases in the level of assessed valuation applied to residential property or any increase in the real estate tax rates. The above opinion is based upon our interpretation of The New York State Real Property Tax Law and The Administrative Code of the City of New York and is not intended to be a guarantee or assurance that the actual or transitional tax assessments, tax rates or actual taxes will be as estimated.

No representation is made that the provisions of law or New York City Department of Finance policies and practices will apply at the time the property's conversion is complete. You should be aware that the laws, regulations and practices of the Department of Finance upon which this opinion is predicated may in the future be revised in a manner adverse to your interests, or that there may be an adverse interpretation of the law or regulations by one of more agencies of the City of New York, or Courts of competent jurisdiction.

While we believe our opinions are well-founded, they are not intended, and should not be construed as representations or warranties that assessments, tax rates, and taxes will not be determined in a different amount. The foregoing analysis is based upon our knowledge of the making and review of assessments by the Real Property Assessment Department and the Tax Commission of the City of New York with respect to residential properties held in the condominium form of ownership. Application of a particular approach to valuation by an individual assessor may yield a different result.

We hereby consent to the inclusion of this letter in the Offering Plan.

Very truly yours,
PODELL, SCHWARTZ, SCHECHTER
& BANFIELD, LLP

BY: _____
PAUL V. GRECO

PVG:

CERTIFICATION OF SPONSOR AND PRINCIPALS
PURSUANT TO PART 23.4(b) OF THE REGULATIONS ISSUED PURSUANT TO GENERAL BUSINESS LAW ARTICLE 23-A, AS AMENDED

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

Attn: Real Estate Financing Bureau

Re: 702 44th Street (a/k/a 4401 Seventh Avenue), Brooklyn, New York 11220

We are the sponsor and the principals of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 23 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

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

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

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

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

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

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

SPONSOR:

4401 Sunset Park LLC

By: _____
Paul J. Klausner

PRINCIPAL(S):

_____
Paul J. Klausner

_____
James R. Wacht

_____
Peter Braus

Sworn to before me this
16 day of August, 2008

_____
Notary Public

MARC J. LAZAR
Notary Public, State of New York
NOL 01LA5066582
Qualified in Nassau County
Commission Expires Sept. 30, 2010

Diversified Valuation Group

REAL ESTATE APPRAISERS AND CONSULTANTS

60 East 42nd Street, Suite 1446, New York, NY 10165-1437
Tel. (212) 867-7100 Fax (212) 271-2861

Eugene A. Hegy, Jr., IFAS, CSA-G
Chairman
NYS General Certification #46000002678

Dominick S. Pompeo, SRPA, SRA, CSA
President
NYS General Certification #46000000001

Kurt M. Polinsky, MAI
Sr. Vice President
NYS General Certification #46000000010

CERTIFICATION REGARDING ADEQUACY OF THE BUDGET PURSUANT TO SECTION 23.3(i) OF THE REGULATION ISSUED PURSUANT TO GENERAL BUSINESS LAW ARTICLE 23-A AS AMENDED

June 30th, 2008

Real Estate Finance Bureau
New York State Department of Law
120 Broadway, 23rd Floor
New York, New York 10271

Re: One Sunset Park Condominium
Brooklyn, New York

Gentlemen:

The sponsor of the captioned condominium offering plan retained our firm to prepare Schedule B, with the footnotes thereto, containing projections of income and expenses for the first year of condominium operation. Our experience in this field includes more than thirty years in executive capacities with real estate management firms that managed more than 80 apartment houses in Manhattan and Queens, most of which are tenant-owned as cooperatives or condominiums. Eugene A. Hegy, Jr., chairman of this firm, has been involved actively in the operation, management and conversion of large residential buildings to tenant-ownership since 1973.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law (Attorney General) in Part 23 insofar as they are applicable to Schedule B.

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

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

Diversified Valuation Group

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The sponsor of the captioned condominium offering plan retained our firm to prepare Schedule B, with the footnotes thereto, containing projections of income and expenses for the first year of condominium operation. Our experience in this field includes more than thirty years in executive capacities with real estate management firms that managed more than 80 apartment houses in Manhattan and Queens, most of which are tenant-owned as cooperatives or condominiums. Eugene A. Hegy, Jr., chairman of this firm, has been involved actively in the operation, management and conversion of large residential buildings to tenant-ownership since 1973.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law (Attorney General) in Part 23 insofar as they are applicable to Schedule B.

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

We certify that the projections in Schedule B appears reasonable and adequate under existing circumstances 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 of 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.

DIVERSIFIED VALUATION GROUP

Eugene A. Hegy, Jr.
Chairman

Sworn to before me this
30th day of June 2008

Notary Public

DOMINICK S. POMPEO
Commissioner of Deeds
City of New York No. 2-3217
Commission Expires Dec. 1, 2008

CERTIFICATION OF SPONSOR'S ENGINEER OR ARCHITECT

New York State Department of Law
New York, New York 10047
Att: Real Estate Financing Bureau

Re: **4401 7th Avenue**
Brooklyn, New York 11220

Ladies and Gentlemen:

The sponsor of the offering plan to convert the captioned property to condominium ownership retained me/our firm to prepare a report disclosing the condition of the property, (the "Report"). I visually inspected the property on January 30, 2007, February 15, 2007, March 30, 2007, July 25, and March 27, 2008 and prepared the report dated August 6, 2007 and revised on June 18, 2008, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the report.

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 13 NYCRR Part 23 insofar as they are applicable to this report (addendum).

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. I certify that the report and all documents prepared by me disclose all the material facts that were then discernible from a visual inspection of the property. This certification is made for the benefit of all persons to whom this offer is made. I certify that the report based on my visual inspection:

(i) sets forth in narrative form the physical condition of the entire property, and is current and accurate as of the date of inspection;

(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 a material fact;

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

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

(vii) does not contain any representation or statement which is false, where I: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representations or statement made; and

(viii) it is to be understood that all aspects of the physical condition of the property cannot be determined by a visual inspection and that all statements contained in this certification are premised on and limited to such visual inspection.

I further certify that I am not owned or controlled by and have no beneficial interest in the sponsor and that my/our compensation for preparing this report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee of warranty of the physical condition of the property.

Name: Howard L. Zimmerman

Sworn to before me this
18 day of June, 2008

Antoinette Bree
Notary Public

ANTOINETTE BREE
Notary Public, State of New York
No. 01BR6089968
Qualified in Bronx County
Commission Expires March 31, 20 11