This plan Has Been Amended.
See Inside Cover.

CONDOMINIUM OFFERING PLAN

STERLING GREEN CONDOMINIUM
580 Sterling Place
Brooklyn, New York 11238

KINGS COUNTY

Total Amount of Offering $3,452,000

(8 Residential Units being offered)

Sponsor:
580 Sterling Place LLC
398 2nd Street
Brooklyn, New York 11215

Date of Acceptance for Filing: September 16, 2008

The Term of the Initial Offer is from September 16, 2008 and will end on September 15, 2009, unless extended by amendment.

SEE PAGE iii FOR SPECIAL RISKS TO PURCHASERS

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

TABLE OF CONTENTS

PART I

	PAGE
SPECIAL RISKS	iii
DEFINITIONS	1
INTRODUCTION	5
DESCRIPTION OF PROPERTY AND IMPROVEMENTS	8
LOCATION AND AREA INFORMATION	9
OFFERING PRICES AND RELATED INFORMATION, SCHEDULE A	10
BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION, SCHEDULE B	17
BUDGET FOR INDIVIDUAL ENERGY COSTS, SCHEDULE B-1	17
COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i	24
CHANGES IN PRICES AND UNITS	26
INTERIM LEASES	29
PROCEDURE TO PURCHASE	30
ASSIGNMENT OF PURCHASE AGREEMENTS	38
EFFECTIVE DATE	39
TERMS OF SALE	41
UNIT CLOSING COSTS AND ADJUSTMENTS	45
RIGHTS AND OBLIGATIONS OF THE SPONSOR	50
CONTROL BY THE SPONSOR	57
BOARD OF MANAGERS	58
RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS	60
REAL ESTATE TAXES AND TAXES ON THE CONDOMINIUM	75
INCOME TAX DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM	78
OPINION LETTER REGARDING ABATEMENT AND EXEMPTION	80

RESERVE FUND 89

WORKING CAPITAL FUND AND CLOSING ADJUSTMENTS WITH THE CONDOMINIUM BOARD 89

IDENTITY OF THE PARTIES 90

REPORTS TO UNIT OWNERS 92

DOCUMENTS ON FILE 92

GENERAL 92

SPONSOR'S STATEMENT OF SPECIFICATIONS OR BUILDING CONDITION 94

PART II

PAGE

PURCHASE AGREEMENT A-1

APPLICATION FOR DOWN PAYMENT DISPOSITION A-16

ESCROW AGREEMENT A-32

POWER OF ATTORNEY B-1

FORM OF UNIT DEED C-1

DESCRIPTION OF PROPERTY AND SPECIFICATIONS OR BUILDING CONDITION D-1

FLOOR PLANS E-1

LIMITED WARRANTY F-1

DECLARATION OF CONDOMINIUM G-1

CONDOMINIUM BY-LAWS H-1

CERTIFICATIONS

SPONSOR AND PRINCIPALS I-1

SPONSOR'S ARCHITECT I-3

SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET I-5

SPECIAL RISKS

TERMS USED IN THIS SECTION OF THIS PLAN ARE DEFINED IN THE NEXT SECTION OF THIS PLAN.

1. If a Purchaser defaults under a Purchase Agreement, time is of the essence with respect to the time within which the Purchaser must cure the default, as provided in the Purchase Agreement. This means that time limits within which the Purchaser must cure the default will be strictly observed and extensions will not be granted. See the Purchase Agreement, a copy of which is included in Part II of this Plan.

2. No bond or other security is provided to secure the obligations of the Sponsor under the Plan, including the obligation to complete the construction work described in this Plan. See the section of this Plan entitled "Rights and Obligations of Sponsor."

3. The Sponsor has commenced the construction described in this Plan with funding from the members of the Sponsor and from Capital at Work, Co. & Asher Group LLC (the "construction lender"). Such funding is anticipated and expected, but not guaranteed, to be sufficient to complete the construction described in this Plan. If unforeseen circumstances arise during construction, however, the Sponsor may not be able to complete the construction described in this Plan. See the section of this Plan entitled "Rights and Obligations of Sponsor."

4. The Sponsor shall have the right to designate two of the three Board members until the later of: (1) two years after the first Closing or (2) the time the Sponsor holds less than fifty percent (50%) of the Common Interests. Because the Sponsor is not obligated to sell more than 50% of the Units, it may control the Board indefinitely. After Sponsor's initial voting control period, there is no requirement that a majority of the Board of Managers be composed of owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals. Therefore, owner-occupants and non-resident owners, including Sponsor, may have inherent conflicts on how the Condominium should be managed. See the sections of this Plan entitled "Control by the Sponsor" and "Board of Managers."

5. Down Payments will be placed in an escrow account of the Sponsor's attorney. Deposits in excess of $100,000 will not be federally insured in excess of $100,000. See the section of this Plan entitled "Procedure to Purchase."

6. The Purchaser is responsible for the payment of the New York State Real Estate Transfer Tax, which currently is $2.00 per $500, or fractional portion thereof, of the purchase price for Residential Units, and for Residential Units costing $1,000,000 or more, an additional tax of one percent (1%) of the purchase price (the "Mansion Tax"). The Purchaser is also responsible for the New York City Real Property Transfer Tax, which is currently equal to one percent (1%) of the purchase price for Residential Units

costing $500,000 or less and one and four hundred twenty five one thousandths percent (1.425%) for Residential Units costing more than $500,000. When calculating the taxes, taxes paid by Purchasers, except the Mansion Tax, are added to the purchase price. See the section of the Plan entitled "Closing Costs and Adjustments."

7. It is the obligation of the Sponsor to complete all alterations and improvements to the Units, the public portions and Common Areas of the Building in material compliance with the approved plans, and to obtain either a temporary or a permanent Certificate of Occupancy for the Building or a Unit prior to a Unit's Closing. If the Sponsor has not obtained a permanent Certificate of Occupancy by the time of the Closing of the first Unit, it will be obtained within two years after that Closing. A permanent Certificate of Occupancy is required for permanent use of the Units. A temporary Certificate of Occupancy is issued for three months at a time and may only be renewed for a total period of two years from the date of its original issuance. Purchasers are required to close title to the Units whether the Sponsor obtains a temporary or a permanent Certificate of Occupancy. It is recommended that Purchasers consult the New York City Department of Buildings' website ("Consumer Tips") for its recommendation when purchasing Units in a building that does not have a permanent Certificate of Occupancy. See the section of this Plan entitled "Rights and Obligations of the Sponsor."

8. Construction is a complicated process requiring the coordination of numerous tasks and the balancing of complex mechanical and architectural systems. No assurance can be given with regard to the accuracy of any projected completion dates set forth herein. During the first year of condominium operation, construction workers and related personnel may be at the Property from time to time to make adjustments and to perform various tasks related to the completion of construction. Various systems, including, but not limited to, water supply, electricity, air conditioning, heating and ventilation, may require more than a year after any Unit Closing to complete and may need to be shut down temporarily. Various other adjustments to windows and other systems may require eighteen (18) months or more after the first Closing to be completed. The Sponsor may not complete the decoration of the corridors in the Building, including, but not limited to, installing light fixtures, hanging wall coverings or laying carpeting, until that particular floor is fully occupied by Residential Unit Owners.

9. The Sponsor has mortgaged the Property to its construction lender in connection with a construction loan. To the extent not prohibited by applicable law, the construction lender may, on an occurrence of default by the Sponsor, exercise the Sponsor's rights under this Plan or other rights as the owner of the Units to the same extent as the Sponsor would have been entitled to exercise such rights, and superior rights under the mortgage, and may give all consents, waivers and ratifications in respect thereof and may otherwise act with respect thereto as though the lender or its designees were the outright holder of such rights. The construction lender may require that the Sponsor rent Units in the Building in the event market conditions change and the Units cannot be sold at the offering prices and, further, the lender may do so itself in the occurrence of a default. See the section of this Plan entitled "Rights and Obligations of Sponsor."

10. On July 14, 2008, The City of New York Department of Housing Preservation and Development ("HPD") issued a Preliminary Certificate of Eligibility, which means that Unit Owners may receive 421-a real estate tax benefits provided that a complete and timely final application is submitted to HPD and HPD approves the same. The final application must be made prior to the first taxable status date following completion of construction of the Building, and must contain, among other things, a copy of a temporary or permanent certificate of occupancy. The Sponsor represents it will submit a complete and timely final application to HPD. The Sponsor does not anticipate obtaining those benefits prior to the Closing of the first Unit. While the Sponsor anticipates receiving the described real estate tax benefits, no warranty is made as to whether they will be granted or the amount thereof. See the sections of this Plan entitled "Real Estate Taxes and Taxes on the Condominium" and "Schedule A – Schedule of Purchase Prices and Other Financial Details."

11. All funds received by Sponsor for upgrades or special work will be placed in the Escrow Account initially. However, Purchasers should note that such funds may be released from the Escrow Account by the Escrow Agent so long as Sponsor uses the funds for such upgrades or special work. As a result, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds used for upgrades or special work.

12. Risk of loss for fire or other casualty remains with the Sponsor until legal title to the Unit has been conveyed to the Purchaser, unless the Purchaser enters into an Interim Lease or otherwise takes possession of the Unit. Purchasers are advised to obtain insurance against loss for fire or other casualty effective upon his, her or its taking possession of a Unit. A person who occupies a Unit pursuant to an Interim Lease, or otherwise takes possession of a Unit prior to closing, may not be able to obtain insurance for all risks of damage to the Unit that the person is assuming and therefore assumes the risk of losses not covered by insurance. See the section of this Plan entitled "Procedure to Purchase."

13. Areas in Schedule A are not based on measurements from the interior surfaces of interior walls of rooms and are greater than the usable floor area of the Units. All measurements are approximate, within reasonable tolerances. See the section of this Plan entitled "Offering Prices and Related Information, Schedule A" and the Declaration, a copy of which is included in Part II of this Plan.

14. The Sponsor intends to sell the Units offered pursuant to this Plan and will endeavor in good faith to sell Units rather than rent. Sponsor reserves the unconditional right to rent the Units offered pursuant to this Plan. Because the Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more units than the fifteen percent (15%) necessary to declare the plan effective and owner-occupants may never gain effective control and management of the Condominium. If the Sponsor makes a bulk sale of all or some of its Unsold Units, the transferee successor sponsor is bound by Sponsor's representations regarding its commitment to sell, and its reservation of the right to rent, the Units as specified herein.

See the sections of the Plan entitled "Introduction" and "Rights and Obligations of the Sponsor."

15. Although a Purchaser may obtain financing from a lending institution or any other source, his, her or its obligation to purchase a Unit pursuant to his, her or its Purchase Agreement is not contingent on obtaining financing for such purchase. Purchasers may experience difficulty in obtaining financing and having a buyer obtain financing on a re-sale if less than fifty percent (50%) of the Units are sold. See the section of this Plan entitled "Procedure to Purchase."

16. Purchasers of Units 2B, 3A, 3B, PH A and PH B should note that the windows on the Building's eastern wall (facing 578 Sterling Place) are lot line windows. If a building is built on the property to the east of the Building, it may block the lot line windows. If the lot line windows are blocked, the Board of Managers will seal the windows and the costs thereof shall be a Common Expense. Because the other windows of the Units meet the light and air requirements of local codes, sealing of the lot line windows would not affect the legal use of the spaces within the Units. See the section of this Plan entitled "Description of Property and Improvements."

17. Purchasers of Units 1A and 1B should note that the portions of those units located in the cellar may not be used as bedrooms. See the section entitled "Floor Plans" in Part II of this Plan.

18. The Purchase Agreement provides that prior to the Closing, the Purchaser shall not offer the Unit or the Purchase Agreement for sale or rental, engage any selling agent or broker, list the Unit or the Purchase Agreement with any selling agent or broker, link or make reference to or otherwise use any marketing material used by the Sponsor or its representatives, for the purpose of offering the Unit or the Purchase Agreement for sale or rental without the prior, written consent of the Sponsor. Failure by Purchaser to abide by the restrictions contained in the Purchase Agreement shall constitute a default thereunder. In addition, after the Closing, the Unit Owner shall not link or make reference to or otherwise use any marketing material used by the Sponsor or its representatives, for the purpose of offering the Unit for sale or rental, without the prior, written consent of the Sponsor. See the Purchase Agreement in Part II of this Plan, as well as the section in Part I entitled "Terms of Sale."

19. Part II of this Plan contains a limited warranty of materials and workmanship that will be given to a Purchaser upon the purchase of a Unit. The warranty supplants the provision of the Housing Merchant Implied Warranty Law (Article 36-B of the New York General Business Law). Regardless of any limitations in the warranty, Sponsor is obligated to construct the premises in accordance with all applicable codes, filed plans and specifications, and locally accepted building practices for items that are not covered by codes. See the Limited Warranty, a copy of which is included in Part II of this Plan.

20. The Building will be self-managed. No manager or management contract is provided for. The Board of Managers will be responsible for, among other duties, operating and

maintaining the Property, hiring and supervising any staff, purchasing supplies, effecting insurance coverage, paying all Condominium accounts, collecting Common Charges and assessments, and retaining and assisting accountants to prepare tax returns and annual statements. Unit Owners should note, however, that if they decide to engage a managing agent, the common charges will increase accordingly. The usual market rate to manage a building this size is approximately $9,000 per year. See the section of this Plan entitled "Budget for First Year Condominium Operation, Schedule B."

21. The Sponsor may agree, in its sole discretion, at the request of any Purchaser, to modify the interior of any Unit including the equipment and fixtures in the Unit, to combine one or more Units into a single Unit, or to perform other specialized work in any Unit, subject to any Legal Requirements. Such work shall be performed upon terms and conditions determined by the Sponsor and the Purchaser. In connection with the combination of one or more Units into a single Unit, the first installment of the Down Payment payable by the Purchaser shall equal twenty percent (20%) of the total Purchase Price of the combined Units; in all other cases, a sum equal to the cost of such modifications or special work or materials shall be paid to the Sponsor prior to any obligation on the Sponsor's part to perform such work. Such sum shall be held in escrow together with the Down Payment. However, Purchasers should note that such funds may be released from the Escrow Account by the Escrow Agent so long as Sponsor uses the funds for such modifications or special work or materials. As a result, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds used for modifications or special work or materials. See the section in Part I of this Plan entitled "Changes In Prices and Units."

22. The Purchase Agreement in Part II of this Plan states that Purchaser shall have the one time right to adjourn the Closing Date for up to fifteen (15) days after the scheduled Closing Date (to a date that shall be acceptable to Sponsor) on five (5) days written notice to Sponsor, provided however, that Purchaser shall pay to Sponsor at Closing an adjournment fee equal to 0.03% of the Total Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay. In addition, the Closing apportionments described in the Plan will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs. The adjournment fees described above shall also apply to any default curing period. If the Closing does not occur at all due to Purchaser's refusal or inability to cure his, her or its default, then the fees described above shall be due Seller within three (3) business days after the expiration of the default curing period. See the Purchase Agreement in Part II of this Plan.

23. Each Unit Owner must notify the Board of Managers (and the Managing Agent if the Condominium engages the services of one) in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. Each Unit Owner shall install, at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner must maintain all window guards installed in the

Unit and shall not remove the same until permitted by applicable law and in any event, without full knowledge of the Board of Managers (and the Managing Agent, if applicable).

24. Purchasers and Unit Owners should note that neither Common Elements nor Limited Common Elements, such as, but not limited to, storage areas, balconies, terraces, rear yards, areaways and roof decks, may not be used for habitable purposes and doing so may result in a violation against the Building being issued by the Department of Buildings.

DEFINITIONS

Definitions of some important terms used in this offering plan are set forth below. These definitions are for explanatory purposes and should be read in conjunction with technical definitions appearing in the Declaration, By-Laws and Condominium Act, all defined below.

1. Board of Managers - The governing body of Condominium (defined below), which will conduct Condominium affairs and supervise the operation of the Property (defined below). Also referred to as "Board."

2. Building - The structure erected now or later on the Land (defined below) comprised of the Units (defined below) and Common Elements (defined below).

3. By-Laws - The by-laws for the governance of the Condominium. A copy of the By-Laws is included in Part II of this Plan.

4. Closing - The time, place and procedure of transfer of title of a Unit from the Sponsor (defined below) to a Purchaser (defined below) in exchange for payment of the purchase price pursuant to a fully executed Purchase Agreement (defined below).

5. Common Charges - Each Unit's proportionate share of the Common Expenses (defined below), determined by multiplying the Common Expenses by the Unit's Common Interest (defined below).

6. Common Elements - The portions of the Property other than Units, including without limitation, the Land, corridors, hallways, stairs, stairways, portions of the cellar, bike storage room, roof and other portions of the Building set aside for common use and Limited Common Elements (defined below).

7. Common Expenses - Operating and other expenses of the Condominium as determined by the Board of Managers.

8. Common Interest - The proportionate undivided interest, in fee simple absolute, expressed as a numerical percentage, in the Common Elements, appurtenant to each Unit. The aggregate Common Interest for all Units is 100%. The percentage of Common Interest of a Unit is the basis for determination, among other things, of the following rights and duties of the Unit Owner (defined below):

   a. Voting power;

   b. Share of Common Expenses;

   c. Share of any distribution upon termination of Condominium ownership.

10. Condominium - The Units and Common Elements constitute the Condominium to be located at 580 Sterling Place, Brooklyn, New York 11238 and to be known as "Sterling Green Condominium."

11. Condominium Act - Article 9-B of the Real Property Law of the State of New York, as amended.

12. Declaration - The document by which the Property is submitted to the provisions of the Condominium Act, as such document may from time-to-time be amended, consistent with law, the provisions of the Declaration and the By-Laws. The Declaration will be recorded in the Office of the City Register, Borough of Brooklyn. A copy of the Declaration is included in Part II of this Plan.

13. Department of Law - The New York State Department of Law, also known as the Attorney General's office.

14. Down Payment - The payment made pursuant to a Purchase Agreement by a Purchaser to the Sponsor at the time a Purchase Agreement is signed.

15. Escrow Account - The bank account into which the Escrow Agent will place Down Payments and other funds received under a Purchase Agreement prior to Closing.

16. Escrow Agent - The attorney for the Sponsor, Marcus Attorneys, which will hold funds paid by a Purchaser under a Purchase Agreement until the Closing or termination of a Purchase Agreement and disposition of such funds as described in the Purchase Agreement and the section of this Plan entitled "Procedure to Purchase."

17. Exhibits - Those documents which are part of this Plan and are intended to provide additional information to the Purchaser and/or clarify the Plan. The Exhibits include Parts A, B, C and D submitted to the Department of Law by the Sponsor pursuant to the regulations of the Department of Law.

18. Final Inspection Sheet – A statement in which the Sponsor and a Purchaser agree as to the incomplete work of a material nature which the Sponsor must perform or complete in, or to, said Purchaser's Unit.

19. Floor Plans - The floor plans for the Building to be filed with the Declaration in the Office of the City Register, Borough of Brooklyn and available at the office of the Sponsor's attorney.

20. Interim Lease - A lease between the Sponsor and a Purchaser to permit occupancy of a Unit prior to the Closing.

21. Land - The land known as 580 Sterling Place, Brooklyn, New York 11238 and described in detail in the section of this Plan entitled "Description of Property and

Improvements."

22. Legal Requirements - The requirements and limitations of laws, ordinances, rules, regulations, guidelines and determinations of any government, governmental authority or quasi-governmental authorities and agencies, case law and all judicial rulings, judgments and orders, the requirements of insurers, insurance underwriting agencies, agreements, instruments and insurance policies, and of mortgages and the holders of mortgages on the Property or any part thereof binding on the Board of Managers or affecting the Condominium, the Declaration, the By-Laws or the Rules and Regulations, and of the By-Laws, the Declaration and the Rules and Regulations (defined below).

23. Limited Common Element - A Common Element appurtenant to a particular Unit or Units, the use of which is restricted to the owner(s) of such Unit or Units. The respective responsibilities of such Unit Owners and the Board of Managers for repair and maintenance of Limited Common Elements are set forth in the Declaration and By-Laws.

24. Plan - This offering plan describing the sale of Units at 580 Sterling Place, Brooklyn, New York 11238, including the Exhibits.

25. Property - The Land and Building known as 580 Sterling Place, Brooklyn, New York 11238.

26. Purchase Agreement - The written agreement for the sale-purchase of a Unit between a Purchaser and the Sponsor. The Purchase Agreement is described in the section of this Plan entitled "Procedure to Purchase" and a form is included in Part II of this Plan.

27. Purchaser - A person, persons or an entity that has or have entered into a Purchase Agreement.

28. Residential Units – Units 1A, 1B, 2A, 2B, 3A, 3B, PH A and PH B, as described on the floor plans on file at the office of the Sponsor's attorney and which will be filed in the Office of the City Register, Borough of Brooklyn.

29. Rules and Regulations – The rules and regulations of the Condominium, initially as included in Part II of this Plan and as modified from time to time in accordance with the By-Laws.

30. Sponsor – 580 Sterling Place LLC, the limited liability company making the offering described in this Plan. 580 Sterling Place LLC has its office at 398 2nd Street, Brooklyn, New York 11215. It is formed under the laws of the State of New York.

31. Unit - A particular space described as a "unit" on the Floor Plans, together with an undivided percentage interest in the Common Elements and appurtenant rights.

32. Unit Owner - The person, persons or entity owning a Unit in fee simple absolute.

33. Unsold Unit - A Unit owned, at the time in question, by the Sponsor or its designee or successor who or which does not occupy the Unit for his, her, its or their own use.

34. Working Capital Fund - A fund created for working capital, making repairs or for such other appropriate purposes permitted under the By-Laws as will be determined by the Board of Managers. At Closing, each Purchaser will contribute three months' Common Charges to the fund. See the section of this Plan entitled "Working Capital Fund And Closing Adjustments With The Condominium Board."

INTRODUCTION

580 Sterling Place LLC presents this offering plan to describe the submission to condominium ownership of the Land and the Building known as 580 Sterling Place, Brooklyn, New York 11238 and all appurtenances thereto and the sale of Units in the Condominium. The Condominium will be known as "Sterling Green Condominium." The Condominium will contain a total of 8 Residential Units, all of which are vacant and offered for sale.

The Sponsor invites all prospective Purchasers to read this Plan in order to properly and thoroughly evaluate the offering made by the Sponsor. The purpose of this Plan is to set forth all the material terms of the offer to sell Units in order to allow prospective Purchasers to make informed decisions regarding their purchase of Units. The terms of this Plan may be changed from time to time by amendments accepted for filing by the Department of Law. Amendments will be distributed to Purchasers and Unit Owners and any other person entitled to receive a copy of an amendment pursuant to law or regulations.

The Condominium is subject to, and complies with, the Condominium Act. The Property will be submitted to provisions of the Condominium Act by the Sponsor's recording the Declaration in the Office of City Register, Borough of Brooklyn. From the date of recording the Declaration, the Sponsor will be the owner of each of the Units until each is sold and conveyed. The Sponsor may not, under law, offer Units for sale unless and until an offering plan has been accepted for filing by the Department of Law.

The Sponsor of this Plan is 580 Sterling Place LLC. The Sponsor acquired title to the Property on January 14, 2007.

The Sponsor intends to sell the Units offered pursuant to this Plan and will endeavor in good faith to sell Units rather than rent. Sponsor reserves the unconditional right to rent the Units offered pursuant to this Plan. Because the Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more units than the fifteen percent (15%) necessary to declare the plan effective and owner-occupants may never gain effective control and management of the Condominium. If the Sponsor makes a bulk sale of all or some of its Unsold Units, the transferee successor sponsor is bound by Sponsor's representations regarding its commitment to sell, and its reservation of the right to rent, the Units as specified herein. See the section of the Plan entitled "Rights and Obligations of the Sponsor."

The Sponsor has mortgaged the Property to its construction lender in connection with a construction loan. The construction lender shall release the Units from the lien of the mortgage upon sale of such Units, provided that Sponsor shall pay to the construction lender upon the release of the individual Unit a release price equal to the net sales proceeds resulting from the sale of such Unit. To the extent not prohibited by applicable law, the construction lender may, on an occurrence of default by the Sponsor, exercise the Sponsor's rights under this Plan or

other rights as the owner of the Units to the same extent as the Sponsor would have been entitled to exercise such rights, and superior rights under the mortgage, and may give all consents, waivers and ratifications in respect thereof and may otherwise act with respect thereto as though the lender or its designees were the outright holder of such rights. The construction lender may require that the Sponsor rent Units in the Building in the event market conditions change and the Units cannot be sold at the offering prices and, further, the lender may to do so itself in the occurrence of a default. The construction lender has not imposed any minimum sales requirements before the Plan may be declared effective. See the section of this Plan entitled "Rights and Obligations of Sponsor."

The Board of Managers does not have the right to approve or disapprove Purchasers. There is no limit on the number of Unit Owners who may purchase for investment rather than for personal occupancy. Therefore, there may always be a substantial percentage of Unit Owners who are non-residents.

This Plan as currently constituted calls for 8 Residential Units, as well as the Common Elements. Improvements being made to the Building by the Sponsor are described in the section of Part II of this Plan entitled "Description of Property and Specifications or Building Condition." The Sponsor intends to obtain 421-a tax benefits for the Property. However, the Sponsor makes no representation that the benefits will be obtained or, if obtained, how long they will last.

The initial purchase price for each Unit, the percentage of Common Interest allocated to each Unit, the estimated annual Common Charges and other financial information are listed below in "Schedule A – Schedule of Purchase Prices and Other Financial Details for Each Unit." **THE PRICES CONTAINED IN THIS PLAN HAVE BEEN SET BY THE SPONSOR WITHOUT ARMS LENGTH NEGOTIATION AND ARE NOT SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OR ANY OTHER GOVERNMENTAL AGENCY.**

No binding obligation will arise between a Purchaser and the Sponsor unless and until a Purchase Agreement, executed by both a Purchaser and the Sponsor, has been exchanged and Sponsor has collected the Down Payment. The submission of a Purchase Agreement for a Unit by the Sponsor to a prospective Purchaser or receipt by the Sponsor of a Purchase Agreement from a prospective Purchaser does not mean that the Sponsor has approved the prospective Purchaser to purchase a Unit.

Features of Condominium Ownership

The Purchaser of a Unit will own his, her or its Unit in a manner similar in many respects to the ownership of a one-family home. He, she or it will own the Unit outright, will be entitled to the exclusive possession of the Unit and also will own an undivided fee interest in, and will have the right to use, the Common Elements in common with all other Unit Owners. He, she or it also will have the exclusive or shared right to use any Limited Common Elements appurtenant to his, her or its Unit. A Unit Owner will be required to pay Common Charges in accordance with the Declaration, By-Laws and Sections 339-i, 339-m and other applicable

provisions of the Condominium Act, proportionate to his, her or its respective interest in the Common Elements, for the operation and maintenance of the Property. The Common Charges may include a reserve for contingencies, replacements and/or repairs in such amount as the Board of Managers shall decide is in the best interest of the Condominium. The Board of Managers will determine the Common Charges. See "Schedule B – Projected Budget for First Year of Condominium Operations." A Unit Owner may use the Unit for any legal purpose, subject to Legal Requirements. Prospective Purchasers should note the use restrictions contained in the Declaration and the By-Laws and described in the section of this Plan entitled "Rights and Obligations of the Unit Owners and the Board of Managers." Each Unit Owner must comply with the Declaration, the By-Laws and the Rules and Regulations and may lose the right to vote annually for the Board of Managers and be subject to other sanctions if not in compliance with all of the foregoing.

A Unit Owner may sell or lease his, her or its Unit subject only to the right of first refusal exercisable by the Board of Managers, and may mortgage his, her or its Unit, without restriction, with an institutional lender.

Each Unit Owner will be taxed separately for real estate tax purposes and may obtain a mortgage loan on his, her or its Unit and make the mortgage loan payment directly to the mortgage lender. The Unit will not be affected by any other Unit Owner's separate obligation for such other Unit Owner's mortgage loan or real estate taxes. Each Unit Owner will be further responsible for utility charges consumed in his, her or its unit.

At the Closing of a Unit, the Purchaser will be required to make a contribution equal to three months of Common Charges to the Working Capital Fund as described in the section of this Plan entitled "Working Capital Fund and Closing Adjustments with the Condominium Board" below.

Each Unit Owner will be responsible for the cost of interior maintenance and repair of his, her or its Unit, and for the cost of all decoration of the interior of the Unit beyond that set forth in the "Description of Property and Specifications or Building Conditions" in Part II of this Plan. Each Unit Owner will be responsible for the cost of his, her or its own liability insurance to cover occurrences within the Unit as well as for casualty insurance to cover losses to his, her or its personal possessions and improvements in the Unit. A more detailed description of the rights and obligations of Unit Owners is contained in the Declaration and By-Laws of the Condominium. These documents appear in Part II of this Plan.

The Board of Managers will conduct the affairs of the Condominium and supervise the operation of the Property. Unit Owners have the right to vote for members of the Board of Managers.

Any controversy among Unit Owners must be resolved by the Unit Owners in accordance with the By-Laws.

* * * *

In the opinion of the counsel for the Sponsor, each Unit Owner may be entitled to certain deductions for income tax purposes. See the section of this Plan entitled "Opinion of Counsel."

When notice is required pursuant to the regulations of the Department of Law as described in Part I of this Plan, it shall be effective as follows: service by personal delivery shall be deemed complete upon delivery; service by mailing shall be presumed complete on the fifth day after the date of mailing. Purchasers should note that documents contained in Part II of this Plan may contain different notice provisions in which case such different provision shall apply.

The Sponsor has the right to reject any prospective Purchaser without cause or explanation, provided that such rejection is not based on sex, sexual orientation, race, creed, color, national origin, ancestry, age, disability, marital status or other ground proscribed by law. Units may be offered only to individuals over the age of eighteen (18) and to corporations and other entities that may legally own real property in the State of New York.

A form of the Purchase Agreement is reproduced in Part II of this Plan.

This Plan consists of Parts I and II, including all schedules, as well as Parts A, B, C and D of the Exhibits submitted to the Department of Law. This Plan constitutes the entire offer of the Sponsor and contains all of the material terms of the transaction. Part I sets forth a general description of the offering and the Condominium. Part II of this Plan contains the basic documents necessary to create the Condominium and otherwise effectuate this Plan. Also included in Part II are a detailed physical description of the Property and certifications as to certain matters discussed in this Plan. All documents referred to in this Plan are important and should be read carefully by prospective Purchasers. Prospective Purchasers should consult an attorney before purchasing a Unit and provide him or her with a copy of this Plan. Copies of this Plan, all documents referred to herein and all Exhibits submitted to the Department of Law in connection with the filing of this Plan, will be available for inspection by prospective Purchasers and their attorneys without charge at the office of the Sponsor's attorney during normal business hours. Copies will also be available for photocopying at a reasonable charge. In addition, copies of this Plan and all Exhibits will be available for inspections and copying at a reasonable fee at the Department of Law.

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

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

Located in the Prospect Heights neighborhood of Brooklyn, the Property is on the southern side of Sterling Place, between Classon and Franklin Avenues. The sponsor will newly construct the Building, which will consist of eight (8) residential units as follows: Unit

1A (cellar, 1st Floor); Unit 1B (cellar, 1st floor); Unit 2A (2nd Floor); Unit 2B (2nd Floor); Unit 3A (3rd Floor); Unit 3B (3rd Floor); Unit PH A (4th, 5th Floors); and Unit PH B (4th, 5th Floors). The Building will contain, without limitation, the following Common Elements: corridors, hallways, stairs, stairways, portions of the cellar, bike storage room and roof. It will also contain the following Limited Common Elements: storage areas in the cellar appurtenant to each Unit; areaways appurtenant to Units 1A and 1B; roof decks appurtenant to Units 1A and 2A; rear yards appurtenant to Units 1B and 2B; balconies appurtenant to Units 3A, 3B, PH A and PH B; and terraces appurtenant to Units PH A and PH B. A more detailed description of the Limited Common Elements is included in the Notes to Schedule A, below.

The Building and Units will be constructed in accordance with all applicable zoning and building laws and all other applicable requirements.

The Sponsor anticipates that construction will be completed in July 2009, though the Sponsor does not warrant or guarantee any occupancy dates for the Building.

Purchasers of Units 2B, 3A, 3B, PH A and PH B should note that the windows on the Building's eastern wall (facing 578 Sterling Place) are lot line windows. If a building is built on the property to the east of the Building, it may block the lot line windows. If the lot line windows are blocked, the Board of Managers will seal the windows and the costs thereof shall be a Common Expense. Because the other windows of the Units meet the light and air requirements of local codes, sealing of the lot line windows would not affect the legal use of the spaces within the Units.

In Part II of this Plan is a detailed description of the Property and the construction work described above.

LOCATION AND AREA INFORMATION

The Building is located in Prospect Heights. Primarily a residential neighborhood, Prospect Heights is replete with beautiful row houses and apartment buildings. It also features the Brooklyn Museum, the Brooklyn Public Library, the Botanic Garden, the Brooklyn Academy of Music and Prospect Park.

Accessible transportation include the C line, which stops locally at Clinton and Washington Avenues, as well as the S line, which stops locally at Park Place.

Services: Police, fire, water, sanitation, and road maintenance services are all provided by the City of New York.

Zoning: The Property is located within an R6 district.

SCHEDULE A

OFFERING PRICES AND RELATED INFORMATION
FOR EACH UNIT FOR THE FIRST YEAR OF CONDOMINIUM OPERATIONS
FROM SEPTEMBER 1, 2009 TO AUGUST 31, 2010

Sterling Green Condominium
580 Sterling Place
Brooklyn, New York

Unit number and location	Bedrooms and Baths (1)	Approx. area sq. ft. (2)	Limited Common Elements area sq. ft. (8) - (11)	Offering price (3)	Percent common interest (4)	Est. common charges monthly/annually (5)		Est. annual real estate taxes monthly/annually without 421-a benefits (6)		Est. annual real estate taxes monthly/annually with 421-a benefits (6)		Est. monthly carrying cost without/with 421-a benefits (7)	
1A (Cellar & 1st Floor)	0/1.5	776	144	$339,000	9.83%	$197.98	$2,375.81	$354.81	$4,257.77	$8.78	$105.38	$552.80	$206.77
1B (Cellar & 1st Floor)	0/1.5	1,071	626	$529,000	15.32%	$308.56	$3,702.69	$552.98	$6,635.70	$13.69	$164.23	$861.53	$322.24
2A (2nd Floor)	0/1	552	141	$349,000	10.11%	$203.62	$2,443.49	$364.92	$4,379.05	$9.03	$108.38	$568.54	$212.66
2B (2nd Floor)	0/1	575	623	$389,000	11.27%	$226.99	$2,723.85	$406.79	$4,881.49	$10.07	$120.81	$633.78	$237.06
3A (3rd Floor)	0/1	552	40	$359,000	10.40%	$209.46	$2,513.58	$375.39	$4,504.66	$9.29	$111.49	$584.85	$218.76
3B (3rd Floor)	0/1	575	40	$369,000	10.69%	$215.31	$2,583.67	$385.86	$4,630.27	$9.55	$114.60	$601.16	$224.86
PH A (4th, 5th Floors)	1/2	897	340	$559,000	16.19%	$326.08	$3,912.96	$584.38	$7,012.54	$14.46	$173.56	$910.46	$340.54
PH B (4th, 5th Floors)	1/2	903	240	$559,000	16.19%	$326.08	$3,912.96	$584.38	$7,012.54	$14.46	$173.56	$910.46	$340.54
		5,901	**2,194**	**$3,452,000**	**100.00%**	**$2,014.08**	**$24,169.00**	**$3,609.50**	**$43,314.00**	**$89.33**	**$1,072.00**	**$5,623.58**	**$2,103.42**

NOTES TO SCHEDULE A

1. Bedrooms and Bathrooms

The bedroom/bathroom count does not necessarily conform to counts used by the New York City Department of Buildings or any other government agency. Any Floor Plan or sketch shown to a prospective Purchaser shows only an approximation of the dimensions and layout of a Unit, within reasonable tolerances. Floor Plans are included in Part II of this Plan. Each Unit should be inspected to determine its condition, layout and the position of partitions. The Sponsor reserves the right to change the location of any demising walls used in defining the spaces of any Unit, and thereby change, within reasonable tolerances, the approximate gross square footage of the Unit so affected.

No material change in size or layout may be made unless an affected Purchaser consents 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 in size of the Units will be made without an amendment to the Plan.

2. Approximate Area

Unit areas are not based on measurements from the interior surfaces of interior walls of rooms and are greater than the usable floor area of the Unit. The approximate area within the Units is measured horizontally from the centerline of the demising and the outside of exterior walls surrounding the Units and including Common Elements wholly within Units, such as columns and mechanical chases, but excluding the trash chute, and the area measured vertically from the top of the concrete decking to the underside of the structural steel and metal decking on the ceiling above, or to the underside of the fireproofing applied to that steel or decking where fireproofing is found. Doors and windows that open from or form a border of a Unit shall be deemed part of the Unit. However, any Common Element located within a Unit shall not be considered a part of the Unit. No Unit shall include any Common Element. Unit area measurements are approximate, within reasonable tolerances. No material change in size or layout may be made unless an affected Purchaser consents 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 in size of the Units will be made without an amendment to the Plan.

3. Offering Price

The prices presented in Schedule A may be changed only by an amendment to this Plan duly filed with the Department of Law when the change in price is an across-the-board increase or decrease affecting one or more lines of Units, or is to be advertised, or is a price increase for a individual Purchaser. The Sponsor reserves the right to lower prices and to alter other terms of the Purchase Agreement for a Unit as a result of individual negotiations between the Sponsor and a Purchaser without filing an amendment. Accordingly, it is possible that Purchasers may

pay less than is indicated in this Plan. See the section of this Plan entitled "Changes in Price and Units," below.

Closing costs and adjustments, which will vary for each Unit, are not included in the purchase price. The current estimates of such costs and adjustments are discussed in the section of this Plan entitled "Closing Costs and Adjustments," below.

The Purchaser is responsible for the payment of the New York State Real Estate Transfer Tax and the New York City Real Property Transfer Tax due on the sale-purchase of a Unit.

4. Percentage of Common Interest

A Unit's percentage of Common Interest is calculated based on a Unit's floor space subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared used, and the overall dimensions of the particular Unit, pursuant to Section 339-i (1) (iv) of the Condominium Act.

5. Common Charges

Common Charges will be billed and collected on a monthly basis, subject to change by the Board of Managers. To the extent that Common Charges are unpaid, they shall constitute a lien upon the Unit charged. Such lien shall be subordinate to liens for real estate taxes and any first mortgage on the Unit.

A Purchaser shall contribute three months' Common Charges to the Working Capital Fund at the time of Closing on his, her or its Unit. See the sections of this Plan entitled "Unit Closing Costs and Adjustments" and "Working Capital Fund and Closing Adjustments with the Condominium Board."

6. Projected Real Estate Taxes

After the Condominium is divided into individual tax lots, each Unit will be taxed as a separate tax lot for real estate tax purposes. A Unit Owner will not be responsible for, nor will the Unit be subject to, any lien arising from the non-payment of, taxes on other Units.

The opinion of the Sponsor's attorney, included in this Plan, describes circumstances under which real estate taxes may be deductible for income tax purposes. In general, real estate taxes paid on a Unit used as the taxpayer's primary residence are deductible. Deductibility in other circumstances is discussed in the attorney's opinion. As a result of changes in real estate taxes, tax laws, assessed values and/or tax rates, the amount of income tax deductions with respect to real estate taxes will vary. See the section of this Plan entitled "Real Estate Taxes," below.

It is projected that the Building's post-construction assessed value will be $363,132 for

the 2009-2010 real estate tax year. The estimated 2009/2010 applicable tax rate is 11.928%. The Department of Finance of the City of New York will allocate the assessed value among the Units. It is anticipated that the allocation will be based on each Unit's Common Interest but no warranty as to the method of allocation is made to any Purchaser or Unit Owner. Pursuant to Real Property Law Section 581, the assessed value of the Property must be determined without regard for whether the Property is owned on a condominium basis or not.

On July 14, 2008, The City of New York Department of Housing Preservation and Development ("HPD") issued a Preliminary Certificate of Eligibility, which means that Unit Owners may receive 421-a real estate tax benefits provided that a complete and timely final application is submitted to HPD and HPD approves the same. The final application must be made prior to the first taxable status date following completion of construction of the Building, and must contain, among other things, a copy of a temporary or permanent certificate of occupancy. The Sponsor represents it will submit a complete and timely final application to HPD. After the final application is made, the Property would be eligible to receive a 15-year tax exemption from increases in the assessed value attributable to the construction work. There would be a full exemption for such increases for 11 years, after which the exemption would decrease at the rate of 20% per year for the next four years. The Sponsor cannot guaranty the effective date of the 421-a benefits, whether they will be in effect at the time of the first Closing, or when real estate taxes are first due and payable by the Unit Owners. The Sponsor makes no representation that HPD will approve the 421-a, or the length of the exemption if it is granted. A Unit Owner will not be responsible for the payment of, nor will the Unit be subjected to, any lien arising from non-compliance by other Units with any law, order, rule, request or demand of HPD or any governmental agency that is involved in the administration of the 421-a benefits, or the non-payment by other Units of their taxes.

Throughout the exemption period, real estate taxes will be based upon, among other things, the tax rate fixed annually by the City Council on or about June 15th. Real estate taxes payable during tax year 2009/2010, by all Units, would be approximately $1,072 based on an estimated 11.928% tax rate.

Real estate taxes for an individual Unit will increase in proportion to any increase in real estate taxes for the Condominium as a whole.

The foregoing estimate of real estate taxes is made based upon assumptions about assessment practices and policies of the City of New York made by Metropolitan Realty Exemptions, Inc., 118 Middleton Street, Brooklyn, New York 11206, in a letter to the Sponsor dated June 3, 2008. The Sponsor has relied on these letters in the projecting real estate taxes and exemptions and abatements of the real estate taxes. No assurance can be given that the practices and policies will be applied as assumed or that the practices and policies will not change.

7. Carrying Charges

Prospective Purchasers should note that monthly carrying charges do not include certain

housing costs for which each Unit Owner is responsible, such as repairs to the interior of the Unit, separately metered gas and electricity, repairing the Unit's appliances, cable television, internet and telephone services, and insurance on improvements to the Unit, a Unit Owner's possessions and against liability for occurrences in the Unit. In addition, if a Purchaser obtains financing, debt servicing on such financing will be an additional monthly expense that is not included in the carrying charges. The Sponsor is not offering or procuring mortgage financing.

8. Skylights

Unit PHA shall have two skylights as Limited Common Elements, and Unit PHB shall have one skylight as a Limited Common Element, as shown on the Floor Plans. The owners of said Units shall be responsible for the maintenance, repair and replacement of their skylights, as required. The Board of Managers shall be responsible for maintenance, repair and replacement of all Common elements, except that in all events a Unit Owner shall be responsible for the cost and expense of any maintenance, repair and replacement of any portion of the Common Elements if necessitated by the negligence, misuse or neglect of a Unit Owner or an occupant of a Unit or a Unit Owner's employees, invitees, agents or contractors. In the event removal or disruption of a skylight is required, it shall be the responsibility of the Unit Owner to replace or repair same at the Unit Owner's expense.

9. Areaways

Units 1A and 1B shall each have as a Limited Common Element an areaway, as shown on the Floor Plans. The owners of Units 1A and 1B shall be responsible for the maintenance, repair and replacement of their areaway, as required. The Board of Managers shall be responsible for maintenance, repair and replacement of all Common elements, except that in all events a Unit Owner shall be responsible for the cost and expense of any maintenance, repair and replacement of any portion of the Common Elements if necessitated by the negligence, misuse or neglect of a Unit Owner or an occupant of a Unit or a Unit Owner's employees, invitees, agents or contractors. In the event removal or disruption of an areaway is required, it shall be the responsibility of the Unit Owner to replace or repair same at the Unit Owner's expense.

10. Rear Yards

Units 1B and 2B shall each have as a Limited Common Element a rear yard, as shown on the Floor Plans. A Unit Owner may use the rear yard appurtenant to his, her or its Unit only in compliance with all Legal Requirements. The owners of Units 1B and 2B and their successors and assigns shall be responsible for the maintenance, repair and replacement of any paving, landscaping, drainage, fences, enclosures, walls, or other elements of their rear yards, other than the Building walls, as required by Legal Requirements. The Board of Managers shall be responsible for maintenance, repair and replacement of the Building's exterior walls and other elements of the Building, except that in all events the Unit Owner shall be responsible for any maintenance, repair and replacement of any portion of the rear yard or Building's exterior walls or other elements of the Building, if necessitated by damage caused by the Unit Owner or the Unit Owner's invitees, tenants, employees, agents or contractors. The Board of Managers

and its agents, employees and contractors may have access to all areas of the rear yards in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event repairs require removal or disruption of any element of the rear yard, it shall be the responsibility of the Unit Owner to replace such element at the Unit Owner's cost. The owners of Units 1B and 2B may not perform construction in their rear yard areas that would require a building permit unless the owners comply with all Legal Requirements and obtain the prior approval of the Board of Managers.

11. Balconies

Units 3A, 3B, PH A and PH B shall each have a balcony as a Limited Common Element, as shown on the Floor Plans. The owners of said Units and their successors and assigns shall be responsible for maintenance, repair and replacement of their balconies, including the balconies' surfaces, but the Board of Managers shall make any structural repairs to the balconies, including the railings, if any, that are required, except that in all events the Unit Owner shall be responsible for any maintenance, repair and replacement of any portion of the balconies if necessitated by damage caused by the Unit Owner or the Unit Owner's invitees, tenants, employees, agents or contractors. The Board of Managers and its agents, employees and contractors may have access to all balconies in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event repairs require removal or disruption of any element of the balconies, it shall be the responsibility of the Unit Owner to replace such element at the Unit Owner's cost. The owners of said Units may not perform construction in the balconies that would require a building permit unless the owners comply with all Legal Requirements and obtain the written approval of the Board of Managers.

12. Terraces

Units PH A and PH B shall each have a terrace as a Limited Common Element, as shown on the Floor Plans. The owners of said Units and their successors and assigns shall be responsible for maintenance, repair and replacement of their terraces, including the terraces' surface, but the Board of Managers shall make any structural repairs to the terraces, including the railings, if any, that are required, except that in all events said Unit Owners shall be responsible for any maintenance, repair and replacement of any portion of the terraces if necessitated by damage caused by said Unit Owners or their invitees, tenants, employees, agents or contractors. The Board of Managers and its agents, employees and contractors may have access to all terraces in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event repairs require removal or disruption of any element of a terrace, it shall be the responsibility of said Unit Owner to replace such element at the Unit Owner's cost. The owners of said Units may not perform construction in the terraces that would require a building permit unless the owner complies with all Legal Requirements and obtains the written approval of the Board of Managers.

13. Roof Decks

Units 1A and 2A shall each have a roof deck as a Limited Common Element, as shown on the Floor Plans. The owners of said Units and their successors and assigns shall be responsible for maintenance, repair and replacement of their roof decks, including the decks' surfaces, but the Board of Managers shall make any structural repairs to the roof decks, including the railings, if any, that are required, except that in all events said Unit Owners shall be responsible for any maintenance, repair and replacement of any portion of the roof decks if necessitated by damage caused by said Unit Owners or their invitees, tenants, employees, agents or contractors. The Board of Managers and its agents, employees and contractors may have access to all roof decks and the roof in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event repairs require removal or disruption of any element of a roof deck, it shall be the responsibility of said Unit Owner to replace such element at the Unit Owner's cost. The owners of said Units may not perform construction in the roof decks that would require a building permit unless the owner complies with all Legal Requirements and obtains the written approval of the Board of Managers.

SCHEDULE B

BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION BEGINNING SEPTEMBER 1, 2009

Sterling Green Condominium
580 Sterling Place
Brooklyn, New York

Income		
Residential common charges (1)		$24,169.00
Expenses		
Labor (2)	$4,800.00	
Gas (3)	$0.00	
Electricity (4)	$1,357.00	
Water charges and sewer rents (5)	$2,952.00	
Repairs, maintenance and supplies (6)	$2,000.00	
Service contracts (7)	$0.00	
Insurance (8)	$5,810.00	
Management fee (9)	$0.00	
Legal and audit fees (10)	$4,250.00	
Other expenses (11)	$1,000.00	
Contingency fund (12)	$2,000.00	
Total		$24,169.00

SEE NOTES ON THE FOLLOWING PAGES.

NOTES TO SCHEDULE B

1. Common Charges

The estimate of the Common Charges to be billed during the first year of Condominium operation is based upon the assumption that the first year of Condominium operation will be the year from September 1, 2009 to August 31, 2010. The actual first year of operation may be earlier or later than that year.

2. Labor Costs

A visiting part-time superintendent will be an independent contractor. He or she will be on-call 24-hours a day and expected to be at the Building an average of eight hours per week to clean the common areas. He or she will be paid an estimated $400 per month. The superintendent will maintain the common areas and Common Elements only. He or she will be responsible for paying all taxes, benefits and insurance required by law from his or her fee. He or she will not be a union member. The level of staffing complies with all applicable housing and labor laws.

3. Gas Costs

The Building does not contain any systems using common gas. Each Unit contains heating and hot water equipment that will be separately metered to such Unit. Estimates of the costs for the same are included below in the "Budget for Individual Energy Costs, Schedule B-1" section of this Plan.

4. Electricity Costs

The estimated electrical charge is for lighting the common areas of the Building and use of the lobby's heater and stairwell's exhaust fan. Unit Owners will each arrange directly with the utility company for electricity consumed within Units and will be responsible for paying charges for their own electrical service. The budgeted common electrical charges are based on the estimate of power usage of 4,681 KWH per year at a rate of $0.29 per KWH, determined by Insite East LLC, 13 Greene Avenue, Brooklyn, New York 11238 and presented in a letter to the Sponsor dated June 22, 2008. The total estimated cost for electricity is $1,357 per year for the first year of Condominium operations.

Electricity to the Common Elements will be supplied by ConEdison through its "WIND Power" program, which uses electricity generated solely by wind power. While Unit Owners are free to choose whichever energy program they desire for their Units, the Sponsor encourages Unit Owners to choose a clean energy plan. Please visit the following webpage for more information on clean energy programs: http://www.conedsolutions.com/residential/greenpowermain.htm.

The budgeted amount for electricity is only an estimate. The actual amount will vary depending on usage and the cost of power, among other things. It is believed that the projected

figure should be sufficient to cover the cost of electricity during the first year of Condominium operations. However, no warranty is made that the projection will equal the actual cost during the first year of Condominium operations.

5. Water and Sewer

Water charges and sewer rents are based upon an estimate by Insite East LLC, 13 Greene Avenue, Brooklyn, New York 11238 and presented in a letter to the Sponsor dated June 22, 2008, based on estimated usage and current rates. Based on an estimated consumption of 45,561 cubic feet per year at an estimated cost of $0.0648 per cubic foot, which combines the estimated rates of water and sewer, the annual cost of water and sewer charges is estimated to be $2,952.

Water charges and sewer rents will be Common Expenses of all Units unless either (i) any Unit Owner is directly billed for water charges and sewer rents by the municipal authority or (ii) the Board of Managers finds that a Unit Owner uses water in excess of normal domestic, sanitary and lavatory purposes and requires such Owner to install a water meter and bills such Owner for water used, in which event the owner of such Unit shall not be charged water charges and sewer rents as part of the Common Charges and the owners of Units not so directly billed shall be specially allocated the Condominium's water charges and sewer rents.

6. Repairs, Maintenance and Supplies

The Building is being newly constructed. It is anticipated that there will not be major repairs to the common areas of the Building during the first year of Condominium operations. The budgeted figure is based upon an estimate of repairs and maintenance to the common areas and includes various supplies (such as cleaning supplies and materials, lubricants, bulbs, general and hardware supplies) and painting of the common areas as needed. The estimate does not include repairs, painting, maintenance, or supplies for individual Units, all of which are the responsibility of the Unit Owners.

7. Service Contracts

No service contracts are included is the estimated budget for the first year of Condominium operations.

The budget for the first year of Condominium operation does not provide for the maintenance, repair and replacement of the Building's windows. In accordance with the By-Laws, maintenance, repair and replacement of the Building's windows shall be the responsibility of the Board of Managers and the costs thereof shall be a Common Expense. Unit Owners, however, shall be responsible for the cost of cleaning the inside face of windows at their Units. The Board of Managers may require that all Unit Owners grant access to their Units and terraces to persons retained by the Board of Managers to clean the exterior surfaces of the windows and to maintain, repair and/or replace the windows.

8. Insurance

The budget for insurance is based upon a proposal dated June 10, 2008, submitted by CBS Coverage Group, Inc., 111 Express Street, Plainview, NY 11803, and includes the following coverage:

Property

Special form/Replacement cost valuation/Agreed amount endorsement
All other perils seductible: $5,000
Building: $1,550,000
Business Income: Actual loss sustained for 12 months
Equipment Breakdown: Included
Ordinance or Law: Undamaged portion of building included
Ordinance or Law: Demolition $155,000
Ordinance or Law: Increased cost of construction $310,000
Flood: $250,000 limit subject to $25,000 deductible
Earthquake: $250,000 limit subject to $25,000 deductible

General Liability

$2,000,000 Aggregate, $1,000,000 per occurrence
Personal & advertising injury: $1,000,000
Fire damage legal liability: $300,000
Medical expenses: $5,000

Umbrella Liability

$2,000,000 Aggregate, $2,000,000 per occurrence
Self insured retention: $10,000

Directors & Officers Liability

Limit: $1,000,000
Deductible: $1,000
Claims Made Form

Fidelity/Crime

Limit: $100,000
Deductible: $250

Premium

Package premium (Property & General Liability): $3,650
Umbrella premium: $1,000

Directors & Officers premium: $810
Fidelity/Crime premium: $350
TOTAL: $5,810

The fire and casualty policy is expected to be on an agreed amount replacement cost basis, which eliminates co-insurance. It is the opinion of the insurance broker, that the insurance coverage of $1,550,000 is an adequate amount to rebuild the structure (but not portions of the interior of Units which are the responsibility of Unit Owners to insure) if totally destroyed by fire or other insured peril.

The fire, casualty and general liability insurance is expected to be on terms that provide: (1) that each Unit Owner is an additional insured party; (2) that there will be no cancellation without notice to the Board of Managers; (3) a waiver of subrogation in favor of Unit Owners; (4) a waiver of invalidity because of the acts of the insured and Unit Owners; and (5) waiver of pro-rata reduction if Unit Owners obtain additional coverage.

Purchasers are strongly advised to obtain insurance (which would be at their own expense) for items not covered by the insurance described above. Unit Owners are urged to obtain insurance for the contents of their Units, their personal possessions, replacements, additions, upgraded fixtures and improvements to the Units and liability coverage for occurrences within their Units.

9. Management Fee

The Building will be self-managed. No managing agent or management contract is provided for. The Board of Managers will be responsible for, among other duties, operating and maintaining the Property, hiring and supervising any staff, purchasing supplies, effecting insurance coverage, paying all Condominium accounts, collecting Common Charges and assessments, and retaining and assisting accountants to prepare tax returns and annual statements. Unit Owners should note, however, that if they decide to engage a managing agent, the common charges will increase accordingly. The usual market rate to manage a building this size is approximately $9,000 per year.

10. Legal and Audit Fees

Accounting and auditing expenses will consist of a $3,250 fee for tax filing, preparing the annual financial report to the Condominium Board of Managers and tax forms to each Unit Owner for the first year of Condominium operations. The fee is based on a quotation from Ronald S. Kustal, CPA, of Kustal & Ferber, P.C., Certified Public Accountants, 237 West 35th Street, Suite 1001, New York, NY 10001, in a letter to the Sponsor dated June 10, 2008. $1,000 for miscellaneous legal fees is included in the budget.

11. Other Expenses

Includes taxes on the Condominium and minimal miscellaneous charges. No warranty is made that the amount shall be sufficient to pay all expenses incurred.

12. Contingency Fund

This item is included to provide a fund out of which unanticipated expenses or unanticipated increases in one or more items of operating expenses can be paid. However, no warranty is made that the contingency fund will cover all unanticipated expenses and/or increases. If additional funds are required, it may be necessary to increase Common Charges or separately assess all Unit Owners.

The Sponsor has not budgeted for a yearly contribution to a reserve fund. It is anticipated that there will not be major capital repairs or replacement items in the foreseeable future.

* * * *

The Sponsor has reserved the right to modify, renew and replace existing service, maintenance, employment, other agreements and insurance policies, and to enter into new agreements and policies that will be binding on the Condominium on the date of Closing the first Unit. However, no service or maintenance contracts which would materially increase the first year's estimated Common Charges will be made unless this Plan is amended.

If at any time, the projected commencement of the budget year in this Plan differs by six (6) months or more from the anticipated date of the first Closing, this Plan will be amended to include a revised budget. If the amended projections exceed the original projections by twenty five percent (25%) or more, the Sponsor will offer all Purchasers with pending Purchase Agreements the right to rescind for a period of fifteen (15) days after the date of presentation of such amendment. The Sponsor shall return promptly all Down Payments, with interest earned, if any, to Purchasers who rescind.

The Sponsor may not declare this Plan effective where there are material changes to Schedule B – Budget for First Year of Condominium Operations if said material changes have not been disclosed by a duly filed amendment to this Plan.

IN THE OPINION OF RICK ELEZI, OF REM RESIDENTIAL, AN EXPERIENCED MANAGER OF SIMILAR BUILDINGS, THE PROJECTED RECEIPTS ARE ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE CONDOMINIUM'S FIRST YEAR OF OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE FISCAL YEAR COMMENCING ON SEPTEMBER 1, 2009. THE FOREGOING SCHEDULES, HOWEVER, ARE NOT INTENDED AND SHOULD NOT BE TAKEN AS A WARRANTY OR GUARANTEE BY ANYONE THAT THE COMMON CHARGES, OTHER INCOME OR EXPENSES FOR THE FIRST YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE CONDOMINIUM WILL BE AS SET FORTH IN SAID SCHEDULES, AND IT IS LIKELY THAT THE ACTUAL INCOME AND EXPENSES WILL VARY FROM THE AMOUNTS SHOWN IN THE

SCHEDULE. NO PROVISION IS MADE FOR UNFORESEEN EVENTS OTHER THAN THE CONTINGENCY FUND DESCRIBED ABOVE.

BUDGET FOR INDIVIDUAL ENERGY COSTS, SCHEDULE B-1

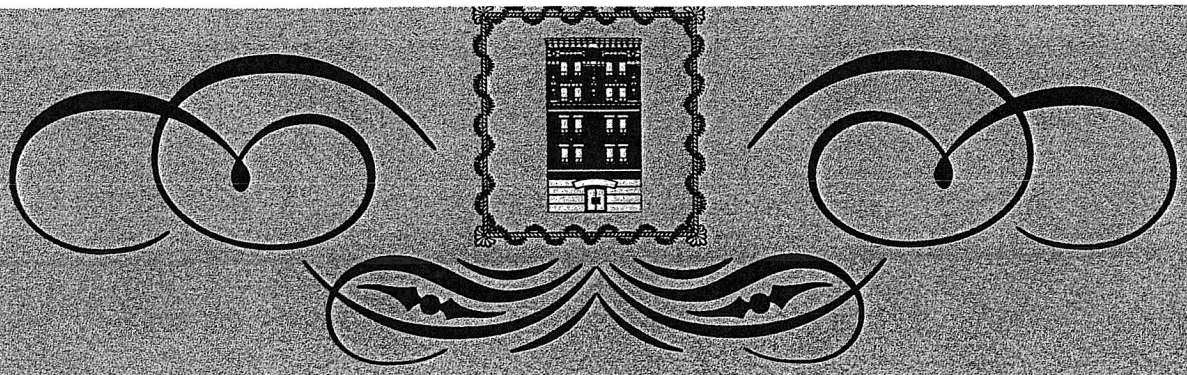
Each Unit Owner will be responsible for the gas and electricity costs associated with his, her or its Unit. The total estimated average gas and electricity costs were estimated by Insite East LLC, 13 Greene Avenue, Brooklyn, New York 11238, presented in a letter to the Sponsor dated August 8, 2008, and are based on current gas and electricity charges.

The equipment using natural gas in the Units include boilers, hot water heaters and cooking ranges. The electricity estimate includes use of refrigerators, A/C units, blowers for heating units, dishwashers and exhaust fans within the Units, but does not include other individually owned appliances. Gas costs are estimated at a rate of $2.00 per therm and electricity costs are estimated at a rate of $0.29 per KWH. The estimated costs are as follows:

Unit	Electric (Annual)	Gas (Annual)
1A	$773	$1,386
1B	$935	$1,656
2A	$566	$845
2B	$566	$845
3A	$566	$845
3B	$566	$845
PH A	$807	$1,140
PH B	$807	$1,140

In view of the varying costs of gas and energy and the patterns of usage, it is not possible to predict with certainty whether the estimated figures will reflect the actual cost to be incurred during the first year of operation. 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 that are beyond the control of the Sponsor. Purchasers are advised that the projections are only estimates and actual consumption will vary based on personal needs of occupants, weather conditions and the cost of gas and energy.

ALTHOUGH SPONSOR BELIEVES THAT THE FOREGOING IS ACCURATE, NO WARRANTY IS MADE BY THE SPONSOR OR THE SPONSOR'S CONSULTANT AS TO WHAT AN INDIVIDUAL UNIT OWNER'S GAS AND ELECTRICITY COSTS MAY BE.



June 22, 2008

580 Sterling Place LLC
Attention: Seth Brown
398 2nd Street
Brooklyn, New York

Re: Sterling Green Condominium

Dear Mr. Brown:

I have been a licensed real estate broker since 2000 and have been engaged in the real estate business in New York State for over 7 years. I have participated in the sale, rental and management of property in the New York City area and am familiar with numerous buildings similar to the building proposed for 580 Sterling Place, Brooklyn, New York.

I will not serve as the managing agent for the property.

You have told me that the factual basis for the allocation of each unit's common interest as expressed in the Declaration, pursuant to Section 339-i (1) (iv) of the Real Property Law, is based on a Unit's floor space subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared used, and the overall dimensions of the particular Unit.

I have examined originals or copies of documents as I have deemed relevant, including the offering plan and the approved floor plans for the premises. In such examinations, I have assumed the genuineness of all signatures and the authenticity of all documents.

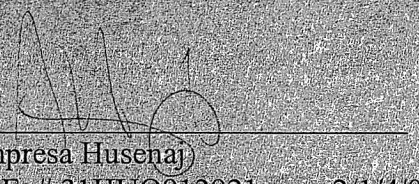
Based upon my review of the foregoing, it is my opinion that the allocation of the common interest for each unit of the condominium complies with Section 339-i of the Real Property Law.

julianna realty

118 East 17th Street New York, NY 10003
phone: 212.477.2100 fax: 212.260.6922 email: sales@juliannarealty.com web: www.juliannarealty.com

I hereby authorize the use of this opinion or a reproduction hereof in the offering plan.

Very truly yours,



Shpresa Husenaj
R.E. #31HUO912921 exp. 2/1/4/08

julianna realty

118 East 17th Street New York, NY 10003
phone: 212.477.2100 fax: 212.260.6922 email: sales@juliannarealty.com web: www.juliannarealty.com

CHANGES IN PRICES AND UNITS

A. Changes in Prices

The offering prices set forth in "Offering Prices and Related Information, Schedule A," above, may only be changed by a duly filed amendment to this Plan if the change in prices is an across-the-board change affecting one or more lines of Units or Unit models or is to be advertised or is a price increase for an individual Purchaser. However, the Sponsor may enter into an agreement with a Purchaser to sell one or more Units at prices lower than those set forth in Schedule A pursuant to negotiations with an individual Purchaser without filing an amendment.

In the event that the Sponsor changes the purchase price of one or more Units, the Purchaser(s) of such Unit(s) may pay more or less than other Purchasers of comparable Units having the same Common Interest. However, such price change shall not alter the Common Interest of, or the amount of the Common Charges payable by, the owner of any Unit.

The Sponsor reserves the right to change the manner of payment of the purchase price and any other terms of sale of any Unit from time to time, both before and after the first Closing, without any consent or approval including, without limitation, the consent or approval of the managing agent, if any, the Board of Managers, any Unit Owner or any mortgagee. Notwithstanding the foregoing, however, no such change shall be made with respect to a Unit for which a Purchase Agreement is then in effect without the consent of the Purchaser thereunder.

B. Changes of Sizes, Layout, Number and Use

In order to meet the possible varying demands for number and type of Units, or for any other reason, the Sponsor or other owner of an Unsold Unit reserves the right to change (a) the layout of or number of rooms in Unsold Units, (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 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 this paragraph, such right may be exercised by the Sponsor or other owner of an Unsold Unit from time to time, both before and after the first Closing, without any consent or approval including, without limitation, the consent or approval of the managing agent, if any, the Board of Managers, any Unit Owner or any mortgagee. However, the Sponsor or other owner of an Unsold Unit shall first obtain the approval of all governmental authorities whose approval is required by law and otherwise comply with all Legal Requirements.

The Sponsor reserves the right to amend or modify the plans and specifications for the Building in any way (including, without limitation, changing materials, appliances, equipment, fixtures, and other construction details and design details) and to substitute in place of any

materials, appliances, equipment, and/or fixtures set forth therein or described in the "Description of Property and Specifications or Building Condition" in Part II of this Plan, materials, appliances, equipment, and/or fixtures of substantially equal or better quality, provided only that any necessary approval of any governmental authority having jurisdiction thereover is first obtained. Any or all of the foregoing amendments or changes may be made without prior notice or amendment to this Plan.

No change will be made in the size or number of Units, and/or their respective percentage of Common Interest or in the size or quality of Common Elements, except by amendment to this Plan and, when applicable, to the Declaration, and without the consent of all owners of Units directly affected and, with respect to changes in a Unit's percentage of Common Interest, without the consent of Sponsor's construction lender (so long as the construction lender holds a lien on the Property), and without the consent of a Purchaser's lender, if any and if required by the same.

In the event that the Sponsor or other owner of an Unsold Unit changes the size and/or number of Unsold Units, the Sponsor shall increase or decrease the Common Interest appurtenant thereto accordingly; however, the aggregate amount of the Common Interest of all of the Units shall always be one hundred percent (100%). As a result of such reapportionment, the amount of the Common Charges and assessments and, subject to the judgment of the assessing authorities, the real estate taxes payable by the owners of the directly affected Unsold Units will be increased or decreased proportionately, but the proportion of the Common Interest, Common Charges and the amounts of assessments and the real estate taxes payable by the owners of Units not directly affected will not be changed due to the reapportionment.

In addition, unless the 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 accepted by the Sponsor for that Unit and the Purchaser is not in default.

No material change will be made in the size and no material adverse change will be made in the quality of Common Elements unless all Purchasers consent.

Any change in the number of Units or number of rooms within a Unit, or in the size of any Unit resulting from a subdivision or combination or alteration of boundary walls as permitted in this Plan, or otherwise, or in the Common Interest of any Unit, shall be reflected in a duly recorded amendment to this Plan, or, once filed, the Declaration. As more particularly provided in the Declaration, the Sponsor and any other owner of an Unsold Unit have the right to amend the Declaration to effectuate such change without the Board of Managers, any other Unit Owners, or any mortgagee consenting to, or executing, the amendment. However, no change of a Unit's Common Interest will be made without the prior written 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 the prior written consent of the affected Purchaser thereof.

To the extent not prohibited by law, if the size or configuration of a Unit is changed in compliance with this Plan, the Declaration and the By-Laws and, in connection therewith, a

wall, space or other area forming a part of the Common Elements serving and benefiting only such Unit is razed or incorporated into 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.

The Sponsor may agree, in its sole discretion, at the request of any Purchaser, to modify the interior of any Unit including the equipment and fixtures in the Unit, to combine one or more Units into a single Unit, or to perform other specialized work in any Unit, subject to any Legal Requirements. Such work shall be performed upon terms and conditions determined by the Sponsor and the Purchaser. In connection with the combination of one or more Units into a single Unit, the first installment of the Down Payment payable by the Purchaser shall equal twenty percent (20%) of the total Purchase Price of the combined Units; in all other cases, a sum equal to the cost of such modifications or special work or materials shall be paid to the Sponsor prior to any obligation on the Sponsor's part to perform such work. Such sum shall be held in escrow together with the Down Payment. However, Purchasers should note that such funds may be released from the Escrow Account by the Escrow Agent so long as Sponsor uses the funds for such modifications or special work or materials. As a result, in the event a Purchaser is entitled to rescission, the Purchaser will not receive a refund of any funds used for modifications or special work or materials.

INTERIM LEASES

At the election of the Sponsor, a Purchaser may occupy a Unit pursuant to an Interim Lease prior to the Closing. A copy of an Interim Lease is included as Exhibit G to the Purchase Agreement included in Part II of the Plan. The Interim Lease shall be signed simultaneously with, or after execution of, a Purchase Agreement. No rental protection laws are applicable to Interim Leases. Rent payable under the Interim Lease shall be negotiated by the Sponsor and the Purchaser. The term of the Interim Lease shall expire on the date of the Closing or on the date provided in the Interim Lease if this Plan is not declared effective. If this Plan is abandoned, the tenant under the Interim Lease may, at any time, cancel the Interim Lease and vacate the Unit upon ninety (90) days prior written notice to the Sponsor, except that a tenant may not remain in a Unit after the end of the term of an Interim Lease without the prior written consent of the Sponsor.

It will be a default under the Interim Lease if the Purchaser-tenant fails to comply with all of the Purchaser's obligations under the Purchase Agreement. It will be a default under the Purchase Agreement if the Purchaser-tenant fails to comply with all of the Purchaser-tenant's obligations under the Interim Lease, which default will permit the Sponsor to cancel the Purchase Agreement provided (a) the Sponsor either obtains an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser-tenant or (b) the Purchaser-tenant has vacated the Unit. The Purchaser-tenant shall vacate the Unit within thirty (30) days after notice of cancellation of the Purchase Agreement from the Sponsor or rescission of the Purchase Agreement by the Purchaser-tenant, in the event rescission is

permitted. If the right to rescind a Purchase Agreement is offered to a Purchaser who has entered into an Interim Lease, the Purchaser's right to rescind shall be conditioned upon (i) his, her or its surrendering possession of the Unit within thirty (30) days of the service of such Purchaser's notice of rescission to the Sponsor, (ii) leaving the Unit broom swept, clean, empty of the Purchaser-tenant's possessions and restored to its condition prior to the Purchaser-tenant's occupancy, and (iii) paying all rent due under the Interim Lease. Nothing contained in this Plan and no recession shall relieve any Purchaser of liability for damage caused to the Unit. The Purchaser shall be responsible for payment of the Sponsor's reasonable costs and attorney's fees if it is necessary for the Sponsor to bring an action or proceeding to remove the Purchaser-tenant from the Unit or to recover money in connection with damage to the Unit.

Rent due under any Interim Lease for the month in which the Closing occurs shall be adjusted between the Sponsor and the Purchaser-tenant as of the date of the Closing. No part of any rent paid under any Interim Lease will inure to the benefit of the Purchaser-tenant under the Interim Lease. Security held by the Sponsor under an Interim Lease with interest, if any, less any statutorily permitted administrative fee will be transferred to the Purchaser at the Closing.

The Sponsor is under no obligation to enter into an Interim Lease. The Sponsor may rent any vacant Unit not subject to a Purchase Agreement for any term, rent and conditions the Sponsor may choose.

PROCEDURE TO PURCHASE

A person desiring to purchase a Unit shall have at least three (3) business days to review this Plan and all filed amendments to this Plan prior to executing a Purchase Agreement. A person desiring to purchase a Unit will be required to execute, in quadruplicate, a Purchase Agreement in the form included in Part II of this Plan. The Purchase Agreement contains the terms and conditions upon which the Unit will be sold and should be read carefully by a Purchaser and his, her or its legal and financial advisors before being executed.

A potential Purchaser must deliver all four (4) copies of the executed Purchase Agreement together with his, her or its good unendorsed check made payable to "Marcus Attorneys, as Escrow Agent" the Down Payment of ten percent (10%) of the purchase price and additional sums due in accordance with this Plan to the Selling Agent, if any is designated by the Sponsor, or to the Sponsor.

Within thirty (30) days after a prospective Purchaser delivers an executed Purchase Agreement, together with the Down Payment, the Sponsor must either accept the Purchase Agreement and return a fully executed counterpart to the Purchaser, or reject the Purchase Agreement and refund the Down Payment. If the Sponsor fails to do either within thirty (30) days, Purchaser's offer shall be deemed rejected, unless Purchaser agrees, in writing, to have his, her or its offer extended. The Purchaser will have ten (10) days from the end of the thirty (30) day period to exercise the right to extend his, her or its offer. If the Sponsor accepts the Purchase Agreement, the Down Payment will be placed promptly in a segregated special attorney's escrow account, described below.

The Sponsor may reject any Purchase Agreement, without cause or explanation, so long as the rejection is not based upon race, creed, color, national origin, ancestry, age, marital status, sex, sexual orientation or any other ground proscribed by law. Until the Purchase Agreement is executed by the Sponsor and returned to the prospective Purchaser, the Sponsor will not be bound to a prospective Purchaser in any respect. No Purchase Agreement submitted to the Sponsor or to any agent and no deposit of any Down Payment or other payment on behalf of a Purchaser shall create any obligation on the part of the Sponsor (other than to return the Down Payment or such other payment) .

Any time prior to Closing, the Sponsor may check the credit rating of any prospective Purchaser. Such credit check shall be performed in accordance with any applicable laws, rules, or regulations of governmental authorities. Purchasers shall timely provide the Sponsor or the Selling Agent with any and all information, execute any and all documents, and do any and all other things that the Sponsor may reasonably request to enable the Sponsor to perform such credit check.

The circumstances under which the Sponsor may vary the price of a Unit or the size, layout and use of a Unit from that described in this Plan as a result of the negotiations with a prospective Purchaser are described in the section of this Plan entitled "Changes in Prices and Units," above. Furthermore, Sponsor reserves the right to negotiate with each Purchaser the other terms and conditions of the Purchase Agreement, including, but not limited to, interest on the required Down Payment, financing contingencies, and alteration work and customization to a Unit and/or credits therefor and the waiver of conditions to, and notices of, Closing. No Purchaser will benefit from any term or condition negotiated with any other Purchaser or have any rights of rescission or renegotiation under a Purchase Agreement due to any term or condition negotiated with any other Purchaser.

Among the important provisions of the Purchase Agreement are the following:

1. The Down Payment will be ten percent (10%) of the purchase price. However, the Down Payment may be increased if the Purchaser purchases two or more Units that are to be combined. If Sponsor agrees to modifications or special work, the cost of same shall be paid to the Sponsor prior to any obligation on the Sponsor's part to perform such work and shall be held in escrow together with the Down payment. However, such funds may be released from Escrow Account by the Escrow Agent so long as the Sponsor uses the funds for the modifications or special work.

2. Escrow Trust Fund. The Sponsor will comply with the escrow and trust fund requirements of General Business Law 352-e (2-b) and 352-h and the regulations promulgated pursuant thereto. Any provision of any contract or agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding trust funds is absolutely void. The provisions of the regulations of the Department of Law concerning escrow/trust funds shall prevail over any conflicting or inconsistent provision in this Plan or in a Purchase Agreement. Purchasers shall not be obligated to pay any legal or other

expense of the Sponsor in connection with the establishment, maintenance or defense of obligations arising from the handling or disposition of escrow/trust funds.

All deposits, down payments, or advances made by Purchasers prior to Closing of each individual transaction, whether received before or after the date of consummation of this Plan, will be placed within five (5) business days of receipt in an attorney escrow account of Marcus Attorneys, the Escrow Agent, whose address is 13 Greene Avenue, Brooklyn, New York 11238 and whose telephone number is (718) 643-6555. The signatory on this account authorized to withdraw funds is Jed S. Marcus. The name of the Master Escrow Account is "Marcus Attorneys Escrow Account" and is located at Bank of America, 205 Montague Street, Brooklyn, NY 11201. Bank of America is covered by federal bank deposit insurance to a maximum of $100,000 per individual depositor. Funds on deposit in excess of $100,000 will not be covered by such federal bank deposit insurance.

The main Escrow Account will be an IOLA account and interest will not be credited to any party. If, however, the Purchaser returns, along with executed Purchase Agreements and the Down Payment, an executed W-8 or W-9 form, as the case may be, then the Down Payment shall be deposited in an interest bearing sub-account and interest will be credited to the Purchaser. Failure by Purchaser to return an executed W-8 or W-9 form, as the case may be, shall result in the Down Payment being deposited in the main IOLA account without any interest being credited to any party.

All funds received as a Down Payment or other initial advance pursuant to a Purchase Agreement from Purchasers, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be made payable to the order of "Marcus Attorneys, as Escrow Agent." In accordance with Lien Law Section 71-a (3), all such funds shall be deposited into an escrow account within five (5) business days of receipt.

Within ten (10) business days after tender of the Down Payment submitted with the Purchase Agreement, the Escrow Agent will notify the Purchaser that such funds have been deposited into the Escrow Account. Such deposit may be made even though the Sponsor has not accepted the Purchase Agreement of the Purchaser. If the Purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the Down Payment, the Purchaser may cancel the purchase and rescind so long as the right to rescind is exercised within ninety (90) days after tender of the deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the New York State 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. In the event the Purchase Agreement is not accepted within thirty (30) days, as described above, then the Down Payment shall be returned to the party which paid it promptly.

Since all Purchase Agreements are contingent upon this Plan's becoming effective, under no circumstances shall the Sponsor apply for release of the escrowed funds of a defaulting Purchaser until after consummation of this Plan, unless this Plan could have been effective but for such default.

Where there has been a dispute over the Down Payment in accordance with the provisions contained in this Plan, the Escrow Agent will hold funds in escrow until otherwise directed in:

- a writing signed by both the Sponsor and the Purchaser (the Purchase Agreement is a writing authorizing the release of the Down Payment and other deposits made pursuant to the Purchase Agreement); or
- a determination of the Attorney General pursuant to the dispute resolution procedures contained in the Attorney General's regulations; or
- a judgment or order of court of competent jurisdiction; or
- if released as follows:

  If there is no written agreement between the parties to release the escrowed funds, the Escrow Agent will not pay the funds to the Sponsor until the Escrow Agent has given the Purchaser written notice of no less than ten (10) business days in advance of the release. Thereafter, the 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 provisions.

The Sponsor will not object to the release of the escrowed funds to:

- a Purchaser who timely rescinds in accordance with an offer of rescission contained in this Plan or an amendment to this Plan; or
- all Purchasers after an amendment abandoning this Plan is accepted for filing by the Department of Law.

Purchasers and the Escrow Agent may apply to the Attorney General in the event of a dispute for a determination on the disposition of the Down Payment. The Sponsor must avail itself of this procedure if there is a dispute which needs to be resolved. A form for this purpose is included as an exhibit to the Purchase Agreement in Part II of this Plan. The party applying for a determination must contemporaneously send all other parties a copy of the application. Pending the determination of the Attorney General to grant or deny the application, the Sponsor, the Purchaser, and the Escrow Agent shall abide by any interim directive issued by the Attorney General. If the application permitting release of funds is granted, the Down Payment 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 release of funds is denied, the Escrow Agent shall continue to hold the Down Payment until: (1) both the Sponsor and the Purchaser direct payment to a

specified party in accordance with a written direction signed by both parties, (2) a judgment or order of a court of competent jurisdiction is served on the Escrow Agent, (3) the Escrow Agent deposits the disputed amount into court, or (4) the dispute is finally resolved by determination of the Attorney General.

Any provision of any contract or agreement, whether oral or in writing, by which a Purchaser purports to waive or indemnify any obligation of the Escrow Agent holding trust funds is absolutely void.

A copy of the escrow agreement which incorporates the terms of the regulations of the Department of Law is included in the Exhibits to this Plan. The Escrow Agent will maintain all records concerning the escrow account for seven (7) years after the release of funds. The regulations of the Department of Law with respect to escrow funds shall prevail over any conflicting or inconsistent provision in this Plan or in the Purchase Agreement.

3. As required by Section 71-a (3) of the Lien Law of the State of New York, the contract provides that

YOU, AS THE PURCHASER OF THIS RESIDENCE, MAY REQUIRE THE RECIPIENT OR CONTRACTOR TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, THE RECIPIENT OR CONTRACTOR MAY POST A BOND OR CONTRACT OF INDEMNITY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE.

4. In the event of an uncured default by a Purchaser in his, her or its obligations under the Purchase Agreement, no more than ten percent (10%) of the purchase price, plus any interest earned thereon, may be retained as liquidated damages, plus the actual cost incurred by the Sponsor for any modifications or special work ordered by the Purchaser. The Sponsor agrees not to seek the remedy of specific performance in connection with the Purchaser Agreement as to which there has been a default by a Purchaser.

5. If a Purchaser defaults under a Purchase Agreement, time is of the essence with respect to the time within which the Purchaser must cure the default, as provided in the Purchase Agreement. This means that time limits within which the Purchaser must cure the default will be strictly observed, and extensions will not be granted. See the Purchase Agreement, a copy of which is included in Part II of this Plan.

6. The balance of the purchase price is payable at the Closing, unless the Purchase Agreement provides for earlier payments with respect to special work ordered by a Purchaser. The balance shall be paid by certified or official bank or cashier's check drawn on a bank which is a member of the New York Clearing House Association to the order of "580 Sterling Place LLC," or to such other party or parties as the Sponsor may designate, and delivered to the Sponsor at the Closing.

7. After the amendment declaring this Plan effective has been accepted for filing,

the Sponsor will fix dates for Closing for each Unit for which a Purchase Agreement has been executed by serving notice on each Purchaser stating the date of the first Closing and setting such Purchasers' Closing date. Such notice will be by regular mail addressed to the Purchaser at least thirty (30) days prior to the Closing date for his, her or its Unit and at least thirty (30) days prior to terminating a purchase agreement for failure by a Purchaser to close. Purchasers may waive this thirty (30) day closing notice provision by executing a written waiver.

8. The Sponsor anticipates that the first Closing of a Unit will occur on or about September 2009. If such date is delayed twelve (12) months or more, Purchasers will be offered rescission. Common Charges will be due and payable beginning on the Closing date and will be prorated for the month in which title closes.

9. In the event of a default by a Purchaser, the Sponsor will make a written demand for payment after default thirty (30) days before forfeiture of the deposit shall be declared. Time is of the essence to cure said default, meaning that time limits will be strictly observed and extensions will not be granted.

10. Each Purchaser shall execute and deliver to the Sponsor the Power of Attorney included in Part II of this Plan at the Closing. Failure to do so will be a default under the Purchase Agreement.

11. Purchasers will be afforded not less than three (3) business days to review this Offering Plan and all filed amendments to this Plan, prior to executing a Purchase Agreement.

12. Risk of loss for fire or other casualty remains with the Sponsor until legal title to the Unit has been conveyed to the Purchaser, unless the Purchaser enters into an Interim Lease or otherwise takes possession of the Unit. Purchasers are advised to obtain insurance against loss for fire or other casualty effective upon his, her or its taking possession of a Unit. A person who occupies a Unit pursuant to an Interim Lease, or otherwise takes possession of Unit prior to closing, may not be able to obtain insurance for all risks of damage to the Unit that the person is assuming and therefore assumes the risk of losses not covered by insurance.

13. Although a Purchaser may obtain financing from a lending institution or any other source, his, her or its obligation to purchase a Unit pursuant to his, her or its Purchase Agreement is not contingent on obtaining financing for such purchase. Neither the Sponsor nor the Selling Agent, if any, makes any representation as to the terms or availability of any mortgage financing. Prospective Purchasers are, therefore, advised to finalize their financing arrangements before signing a Purchase Agreement. However, prospective Purchasers should be aware that even if a loan commitment is obtained, its term may be fixed and it could expire before the Closing Date.

14. Any conflict between any provisions of this Plan and the Purchase Agreement will be resolved in favor of such provisions in this Plan, except those provisions in the Purchase Agreement negotiated by the parties.

15. Within thirty (30) days after delivery by a Purchaser of an executed Purchase Agreement together with the Down Payment, the Sponsor will either:

- o accept the Purchase Agreement and cause to be returned to Purchaser a fully executed counterpart thereof; or

- o reject the Purchase Agreement offer and thereafter promptly refund the Down Payment tendered.

If the Sponsor fails to do either within thirty (30) days, Purchaser's offer shall be deemed rejected, unless Purchaser agrees, in writing, to have his, her or its offer extended. The Purchaser will have ten (10) days to exercise the right to extend his, her or its offer.

16. Nothing contained in this Plan will be in derogation of the rights of a Purchaser under Article 23-A of the General Business Law, and neither this Plan nor the Purchase Agreement may contain, or be modified to contain, a provision waiving a Purchaser's rights or abrogating Sponsor's obligations under Article 23-A of the General Business Law.

17. The Sponsor agrees to convey to a Purchaser title in fee simple to the Unit free and clear of all liens and encumbrances, other than those set forth in this Plan and any mortgages obtained by the Purchaser.

18. Neither the Purchase Agreement nor any monies deposited thereunder shall constitute a lien against the Property, including the Unit.

19. The following occurrences, among others, constitute a default by a Purchaser under the Purchase Agreement:

- o Purchaser's failure to pay the balance on the Closing date designated by the Sponsor;

- o Purchaser's failure to duly sign, notarize and deliver at the Closing the Power of Attorney to the Board of Managers pursuant to the Purchase Agreement or to complete the New York City Real Property Transfer Tax Return and New York State Combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate or to pay the taxes shown as due on said forms;

- o If applicable, Purchaser's failure to duly sign, notarize, deliver or complete at the Closing any forms or returns necessary for the calculation or recording of the portion of the mortgage tax to be computed in accordance with Section 339-ee of the Condominium Act, or to pay such portion to the Sponsor in reimbursement of mortgage tax which the Sponsor previously paid if the Sponsor had previously placed a mortgage on the Property;

- o The failure to pay, perform or observe any of the Purchaser's other obligations under the Purchase Agreement; and

- The failure of the Purchaser to observe all the terms, covenants and conditions of an Interim Lease, if any.

The provisions of the Purchase Agreement relating to defaults by a Purchaser, the thirty (30) day time-period to cure defaults, retention by the Sponsor of monies paid under the Purchase Agreement, and the obligation of the Purchaser to pay a legal fee to the Sponsor's counsel if the thirty (30) day notice of default is sent, are of special importance and should be read carefully by each Purchaser.

20. The Purchase Agreement is contingent upon the effectiveness of this Plan. If this Plan is abandoned, all Purchase Agreements will be canceled. However, defaults by Purchasers shall not be waived as long as the Plan is not abandoned.

21. The Purchase Agreement contains important provisions regarding acceptance of the condition of the Unit and Common Elements by the Purchaser at the Closing, which provisions should be read carefully by each Purchaser. Among the provisions is the requirement that the Purchaser pay the balance of the purchase price at the closing scheduled by the Sponsor even if work remains to be done on the Unit or on Common Elements. Closing will not relieve the Sponsor of its obligation to complete the work described in this Plan. No escrow or other security will be provided to secure the obligation of the Sponsor to complete work in the Unit.

22. The Purchase Agreement limits the Sponsor's liability in case of its failure or inability to deliver title in accordance with the Purchase Agreement.

23. The Sponsor may cancel a Purchase Agreement if any governmental bureau, department or subdivision thereto shall impose restrictions on the manufacture, sale, distribution and/or use of material necessary in the construction of improvements to the Building and such restrictions shall prevent the Sponsor from obtaining such materials from its regular suppliers or from using same in the construction and/or completion of the Unit; or the Sponsor is unable to obtain materials from its usual sources due to strikes, lockouts, war, military operations and requirements, national emergencies, acts of God; or if the installation of public utilities is restricted or curtailed.

24. The Purchase Agreement contains a representation by the Purchaser to the Sponsor that he, she or it has not dealt with any broker other than any broker specified in the Purchase Agreement in connection with the acquisition of his, her or its Unit and will indemnify the Sponsor against any costs and expenses in connection with claims by any other broker claiming to have dealt with the Purchaser or the Purchaser's representatives.

25. No provision of the Purchase Agreement shall survive the delivery of the deed, except those obligations expressly stated therein or in this Plan to so survive or to be performed subsequent to the Closing. Acceptance by the Purchaser of the deed will constitute Purchaser's acceptance and acknowledgment of the full performance by the Sponsor of, and the discharge of

the Sponsor from, all obligations under the Purchase Agreement except those obligations expressly stated to survive or to be performed subsequent to delivery of the deed.

26. The following fees will be payable by a Purchaser at the time scheduled for the Closing, whether or not the Closing occurs, unless the Closing does not occur because of a default by the Sponsor or the Sponsor's inability to close: $1,500 for preparation of legal documents and coordinating the Closing; an additional $300 attendance fee if the Closing occurs outside of the Sponsor's attorney's office or other office designated by the Sponsor but in the City of New York or $500 if in Westchester, Nassau or Suffolk Counties; or an amount determined by the Sponsor's attorney if elsewhere; an additional $300 fee if the Closing is adjourned at the Purchaser's request on less than forty-eight (48) hours notice (nothing herein shall give a Purchaser a right to adjourn a Closing); an additional $500 if notice of default is issued, unless the Closing does not occur because of a default by the Sponsor or the Sponsor's inability to close; and an additional $500 fee if the Purchaser assigns his, her or its Purchase Agreement.

27. In addition, a Purchaser will pay the items described in the section of this Plan entitled "Closing Costs and Adjustments," below.

28. At the Closing, the Sponsor will deliver to the Purchaser a bargain and sale deed with covenants against grantor's acts conveying title to the Unit to the Purchaser. Such deed will be in the form contained in Part II of this Plan, executed and acknowledged by the Sponsor and the Purchaser in the form for recording.

29. The Purchase Agreement contains a warning and Seller's disclosure regarding lead based paint. The Purchaser is required to execute and deliver to Seller the Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards attached as an exhibit to the Purchase Agreement.

Additional costs a Purchaser may incur are described in the section of this Plan entitled "Closing Costs and Adjustments," below.

ASSIGNMENT OF PURCHASE AGREEMENTS

The Purchase Agreement is not assignable by the Purchaser without obtaining the express written consent of the Sponsor. In the event the Sponsor, in its sole discretion, consents to an assignment, the same shall be subject to the conditions that

- o the Purchaser wishing to assign a Purchase Agreement has executed the Purchase Agreement and tendered the Down Payment;
- o the assignment is in a form approved by Sponsor is executed and delivered by the prospective assignee to the Sponsor no later than thirty (30) days prior to the Closing date; and

- the assignee pays to Sponsor's attorney the sum of $500 to cover the fee for legal services rendered to Sponsor in connection with the assignment.

In no event will a Purchaser have the right to postpone the Closing as a result of an assignment. If Sponsor refuses to consent, Purchaser will not be excused from his, her or its obligations under the Purchase Agreement.

EFFECTIVE DATE

The Sponsor's offer to sell Units is contingent upon this Plan being declared effective and upon the Purchaser's compliance with relevant conditions and time periods described in this Plan and in the Purchase Agreement. All Purchase Agreements are contingent upon such effectiveness and no Closing will occur before this Plan has been declared effective. This Plan will be declared effective upon the following conditions:

- This Plan may be declared effective (i) by an amendment duly filed with the Department of Law or (ii) by personal service of a notice on every tenant and Purchaser or by commencement of service by mail in the manner required by the regulations of the Department of Law of a notice that this Plan has been declared effective and submitting an amendment to this Plan to the Department of Law within five (5) days confirming that this Plan was declared effective on a specified date. The amendment shall conform to said regulations. The Closing of the first Unit shall not be fixed until the Plan is declared effective and the effectiveness amendment is accepted for filing by the Department of Law.

- This Plan may not be declared effective unless bona fide Purchasers, including investors, have signed Purchase Agreements for at least fifteen percent (15%) of the Units (two Units) and until executed Purchase Agreements have been accepted by Sponsor for not less than fifteen percent (15%) of the Units (two Units) offered under this Plan.

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

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

  (ii) if the Purchaser was not afforded at least three (3) business days to review the offering plan and all filed amendments prior to executing a Purchase Agreement; or

  (iii) with any Purchaser who or which is the Sponsor, the Selling Agent, if any, 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 by blood, marriage or adoption or as a

business associate, an employee, a shareholder or a limited partner; except that such a Purchaser other than the Sponsor or a principal of the Sponsor may be included if the Sponsor has submitted proof satisfactory to the Department of Law establishing that the Purchaser is a bona fide tenant in occupancy or is a bona fide Purchaser who intends that he or she or one or more of his or her family intend to occupy the Unit.

- This Plan must be declared effective when Purchase Agreements have been accepted by the Sponsor for eighty percent (80%) or more of the Units offered under this Plan.

- This Plan may be abandoned by the Sponsor, at its sole and unrestricted option, at any time before it is declared effective. This Plan will be abandoned by an amendment together with form RS-3 filed at the Department of Law. Within five (5) days of acceptance of the amendment for filing, all monies paid by Purchasers shall be refunded to them in full with interest, if any.

- This Plan may not be abandoned once it has been declared effective for any reason other than:

  - a defect in title which cannot be cured without litigation or cannot be cured for less than one-half of one percent of the total amount of the offering; or

  - substantial damage or destruction of the Building by fire or other casualty which cannot be cured for less than one-half of one percent of the total amount of the offering; or

  - the taking of any material portion of the Property by condemnation or eminent domain.

The stated dollar amounts relied upon as basis for abandonment after effectiveness of this Plan will exclude any attorneys' fees or any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of this Plan and are either known to the Sponsor or are a matter of public record.

The Sponsor may abandon this Plan once it has been declared effective or cancel Purchase Agreements for any of the foregoing reasons, acting in its sole discretion. If the Sponsor abandons this Plan and/or cancels the Purchase Agreements, then within five (5) days of such event, all monies paid by Purchasers shall be refunded to them in full with interest, if any. Upon making such refund, the parties shall be relieved of all further obligations and liabilities under the Purchase Agreements and this Plan.

The Sponsor is not obligated to engage in litigation to cure title defects, nor to

incur any expense to cure any title defect if the cost to cure exceeds one-half of one percent of the total offering price. The Sponsor is not obligated to cure substantial damage or destruction of the Building, if the cure or performance of the foregoing would exceed one-half of one percent of the total amount of the offering.

The Sponsor agrees that copies of all Purchase Agreements (and any amendments or modifications) will be delivered to the Department of Law within five (5) business days of a request for inspection by the Department of Law.

TERMS OF SALE

A Purchaser will receive a bargain and sale deed with covenants against grantor's acts. The form of deed is included in Part II of this Plan.

Subject to the Sponsor's right to abandon this Plan due to damage to the Building, as described in the section of this Plan entitled "Effective Date," above, and unless the risk of loss with respect to a Unit has passed to a Purchaser that has taken possession of a Unit, in the event a Unit is damaged by a casualty or other cause between the date a Purchase Agreement is accepted by the Sponsor and the Closing, the Sponsor will repair the Unit if the cost of the repair is less than or equal to one-half of one percent of the purchase price. If the cost of the repair is more than one-half of one percent of the purchase price, the Sponsor may, but is not obligated to, repair the Unit. The date for the Closing will be extended to give the Sponsor time to repair the Unit if the Sponsor is obligated to repair the Unit or elects to repair the Unit. If the Sponsor repairs the Unit, then the Purchase Agreement shall remain in full force and effect and the Closing shall occur as specified in a notice from the Sponsor to the Purchaser after the repair is completed. If the cost of the repair is more than one-half of one percent of the purchase price and the Sponsor does not elect to repair the Unit, then the Purchaser may either purchase the Unit with a credit of one-half of one percent of the purchase price or rescind the Purchase Agreement, in either case by giving the Sponsor written notice of the Purchaser's choice within thirty (30) days after the Sponsor gives notice of the Sponsor's election not to repair the Unit. If the Purchaser fails to give notice rescinding the Purchase Agreement within said thirty (30) day period, then the Purchaser will be deemed to have chosen to be bound by the Purchase Agreement and to receive the credit of one-half of one percent of the purchase price. Upon Closing, a Purchaser of a damaged Unit will be responsible for all repairs to the Unit and for complying with all Legal Requirements with respect to the condition of the Unit and repairs.

The Sponsor is not obligated to perform any work and is obligated to provide only the equipment, fixtures, and furnishings described in the "Description of Property and Specifications or Building Condition" in Part II of this Plan. If a Purchaser requests that the Sponsor perform other or additional work or provide other or additional equipment, fixtures or furnishings, and Sponsor, in the Sponsor's sole discretion, agrees to perform such work or to provide such equipment, fixtures or furnishings, then Sponsor may require the Purchaser to first deposit with the Escrow Agent the amount Sponsor determines to be the cost of such work or

such equipment, fixtures or furnishings. The Sponsor shall not be bound to perform such work or provide such equipment, fixtures, or furnishings unless the special work and the cost thereof is memorialized in a writing executed by the Sponsor and the Purchaser. In no event shall the presence of any furniture, furnishings, equipment, material or other features in any model apartment imply or represent that any Unit will be other than as described in the "Description of Property and Specifications or Building Condition."

The actual layout and dimensions of a Unit may differ from the layout and dimensions on the Floor Plans in Part II of this Plan.

Each Purchaser of a Unit shall be given a reasonable opportunity to examine his, her or its Unit prior to Closing and is urged to make a careful inspection of the Unit. At the Closing, each Purchaser shall be required to sign and deliver to Sponsor a Final Inspection Sheet substantially in the form set forth as an exhibit to the Purchase Agreement in Part II of this Plan wherein the Purchaser acknowledges the condition in which he, she or it has received his, her or its Unit. Under no circumstances shall any item included on a Final Inspection Sheet constitute grounds for a Purchaser to postpone or otherwise delay the date scheduled for Closing.

The Building is being newly constructed. To the best of the Sponsor's knowledge, belief and information, upon completion of construction there will be no lead-based paint on the walls, ceilings, doors and windows of the Units. The Purchase Agreement provides a Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards and further provides a Purchaser with sufficient opportunity to conduct a lead-based paint assessment. The Purchaser is required to execute and deliver to Seller the Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards prior to or at Closing.

Title to each Unit and its appurtenant interest in the Common Elements will be conveyed at the Closing free and clear of all liens, encumbrances and title exceptions except for the provisions of the deed, a form of which is in Part II of this Plan, and the following:

- The Declaration,
- The Floor Plans,
- The By-Laws,
- The state of facts that an accurate survey may show, provided title is not rendered unmarketable,
- The Power of Attorney as required in the Purchase Agreement, a form of which Power of Attorney is included in Part II of this Plan,
- Mortgages and UCC financing statements, if any, which are subordinated to the Declaration,
- Standard printed exceptions contained in the form of title insurance policy then

issued by the title insurance company insuring the Purchaser's interest in the Unit,

- Building restrictions and zoning regulations and ordinances and any amendments thereto now or hereafter adopted by any governmental or quasi-governmental authority having jurisdiction which are not violated by the Building and which do not prevent the use of the Building described in this Plan,

- Existing violations of building, fire, electrical and similar codes, laws, rules and regulations, subject to the Sponsor's obligation to cure violations as described in the section of this Plan entitled "Rights and Obligations of Sponsor," below,

- Encroachments of retaining walls, fences, bay windows, fire escapes, stoops, banisters, areas, cellar steps, doors, railings, air conditioners, balconies, drain, vent and other pipes, electrical conduits, lights, trim, foundation, cornices, if any, and similar projections on, over and under the Property and encroachments on to streets, highways and adjoining premises by improvements on the Property, and the rights of governmental authorities to require the removal of any such projections and variations beyond record lines of the Property,

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

- Any other covenants, restrictions, easements or agreements of record, if any, which are not violated by the Building or its use described in this Plan,

- Any state of facts a physical inspection of the Property would disclose,

- The terms and conditions of this Plan and any amendments thereto,

- The lien of any unpaid Federal or State or New York City taxes, provided Sponsor, at the Closing, makes such deposit or guarantee as might be reasonably required by the Purchaser's title insurance company to issue to the Purchaser a policy of title insurance insuring against the collection of such taxes out of the Unit,

- The revocability of the right to maintain street vaults and other areas under or projections over any sidewalk, if any, and the lien of unpaid vault charges (which are to be paid by the Board of Managers),

- Any easement or right of use created in favor of any public utility company and the right to install, use, maintain, repair and replace wires, lines, facilities, connections, equipment and the like upon, under and across the Property,

- Service, maintenance, employment, management and license contracts and agreements, if any, described in this Plan,

- The lien of unpaid water charges and sewer rents, which shall be paid by the Board of Managers,

- The lien of unpaid Common Charges and real estate taxes, which shall be apportioned as of the Closing,

- The lien of any unpaid assessments payable in installments, except the Sponsor will pay all such installments due and payable prior to the Closing date, and the Purchaser will be obligated to pay all installments due at or subsequent to the Closing Date (however, the then current installment shall be apportioned at the Closing),

- Any other matter or encumbrance as to which Vanguard Title Agency, Inc., or a reputable title company chosen by the Purchaser, would be willing, in a fee title insurance policy issued by it to the Purchaser, to insure the Purchaser that such matter or encumbrance (a) will not be collected out of the Unit if it is a lien, and (b) will not prevent the use of the Unit for dwelling purposes,

- Zoning Lot Certification recorded 1-29-2008 as CRFN 2008000039580,

- Lot Line Window Restrictive Declaration recorded 7-18-2008 as CRFN 2008000285558,

- Any other declaration or other instrument affecting the Property that the Sponsor deems necessary or appropriate to comply with any Legal Requirement.

A Closing will take place only concurrently with (i) the issuance of a temporary or permanent certificate of occupancy for the entire project or (ii) issuance of a partial, temporary or permanent certificate of occupancy for the Unit closed or the Building in which the Unit is located.

The Purchase Agreement lists the personal property to be included in the sale of the Unit. All personal property to be used in connection with the use of the Unit, as described in this Plan, and located within the Unit on the date the Purchase Agreement is signed is included in the conveyance unless specifically excepted in this Plan or the Purchase Agreement. In addition, the Purchaser shall acquire an undivided interest in the personal property located within the Common Elements on the date the Declaration is filed and necessary for the operation of the Building and which is the property of the Sponsor unless specifically excepted in this Plan.

The Purchase Agreement provides that prior to the Closing, the Purchaser shall not offer the Unit or the Purchase Agreement for sale or rental, engage any selling agent or broker, list the Unit or the Purchase Agreement with any selling agent or broker, link or make reference to or

otherwise use any marketing material used by the Sponsor or its representatives, for the purpose of offering the Unit or the Purchase Agreement for sale or rental without the prior, written consent of the Sponsor. Failure by Purchaser to abide by the restrictions contained in the Purchase Agreement shall constitute a default thereunder. In addition, after the Closing, the Unit Owner shall not link or make reference to or otherwise use any marketing material used by the Sponsor or its representatives, for the purpose of offering the Unit for sale or rental, without the prior, written consent of the Sponsor.

The Declaration, the By-Laws and the Floor Plans and such other documents as may be required by law will be recorded or filed prior to the first Closing in accordance with the Condominium Act in the Office of the City Register, Borough of Brooklyn.

A copy of plans for the construction work on the Building, approved in accordance with Section 300 of the Multiple Dwelling Law, has been submitted to the Department of Law. The "Description of the Property and Specifications or Building Condition" in Part II of this Plan describes construction work on the public portions and common areas of the Building and to the Units as may be necessary to obtain a permanent Certificate of Occupancy for permanent residential use of the Residential Units. It is the obligation of the Sponsor to complete all alterations and improvements to the Units, the public portions and Common Areas of the Building in material compliance with such approved plans, and to obtain a temporary Certificate of Occupancy for a Unit prior to its Closing. The Sponsor intends to complete construction in July 2009. If the Sponsor has not obtained a permanent Certificate of Occupancy by the time of the Closing of the first Unit sold, it will be obtained within two years after that Closing. A permanent Certificate of Occupancy is required for permanent residential use of the Residential Units. A temporary Certificate of Occupancy may only be renewed for a total period of two years from the date of its original issuance and if the temporary Certificate of Occupancy shall have expired prior to obtaining a permanent Certificate of Occupancy, residential occupancy of the Residential Units will be in violation of the Multiple Dwelling Law, subjecting the occupants, the Unit Owners and the Board of Managers to possible penalties under the Multiple Dwelling Law including eviction of residential occupants.

If any mortgage or construction loan will not be satisfied at or prior to the Closing of the first Unit, at the time of conveyance of the first Unit, each mortgagee will either: (i) consent to the formation of the Condominium and acknowledge that the mortgagee's lien will be limited to Unsold Units; (ii) subordinate the lien of its mortgage to the Declaration; or (iii) release its lien on the Unit being conveyed and its appurtenant interest in the Common Elements.

UNIT CLOSING COSTS AND ADJUSTMENTS

General

The estimated Closing costs and expenses to be borne by a Purchaser are described below. The estimates are based on current rates, costs and charges, which are subject to change

without notice or amendment of this Plan. Changes in rates, costs or charges shall not be deemed an objection to title nor cause an offer of rescission.

Closing Adjustments

At each Closing, the Sponsor and the Purchaser shall apportion as of midnight of the day preceding the Closing:

- Real estate taxes (including all prepaid real estate taxes), on the basis of the quarter or semi-annual installment (as the case may be) due with respect to the period including the Closing date.

- Assessments, if any, payable in installments based on the due date of the installments, regardless of when the assessment became a lien.

  In the event that the Unit has not been separately assessed for the then current fiscal tax year of a taxing or assessing authority at the time of the Closing, the apportionment of real estate taxes and assessments shall be apportioned based on the real estate taxes and assessment payable with respect to the Property multiplied by the percentage of Common Interest attributable to the Unit. Installments for real estates taxes and assessments assessed against the Unit due after delivery of the deed (if any) shall be paid by the Purchaser and shall not be considered a defect in title.

  The By-Laws provide that if at the time of the Closing of the first Unit, Units have not been separately assessed for real estate tax and assessment purposes, Common Expenses shall include real estate taxes and assessments on the Property until the Units are separately assessed. After the Units are separately assessed, the Board of Managers will reimburse Unit Owners for any overpayment of taxes or assessments or assess Unit Owners for any underpayment of taxes or assessments

- If water charges and sewer rents are separately assessed against the Unit, such charges shall be apportioned on the basis of the usage per day based on the last meter reading and the number of days between the last meter reading and the Closing date.

- The estimated Common Charges for each Unit, as shown in "Offering Prices and Related Information, Schedule A," above, for the month in which title closes.

If any of the foregoing cannot be adjusted because they are not fully ascertainable, they shall be apportioned and adjusted at Closing to the extent reasonably possible, and final adjustments will be made as soon thereafter as the undetermined amounts are ascertained. Any errors or omissions in calculating adjustments at Closing shall be corrected after the Closing and payment shall be made to the proper party promptly after discovery of such error or omission.

If the assessed valuation of the Units for the tax year in which the first Closing occurs or in any subsequent tax year is reduced and the real estate taxes predicated thereon are reduced or a credit or refund is issued for the benefit of a Purchaser of a Unit as a result of tax certiorari applications or proceedings instituted by the Sponsor, whether by settlement or otherwise in the Sponsor's sole discretion, the Board of Managers shall, upon request of the Sponsor, reimburse the Sponsor for the actual cost of any such tax certiorari applications or proceedings (including Sponsor's reasonable attorneys' fees) incurred by the Sponsor that are allocable to the time periods after the date of the First Closing. The Sponsor shall, upon request of the Board of Managers, furnish the Board with receipts or other proof of such costs. The Board of Managers shall assess against every Unit Owner who has received the benefit of such tax reduction, credit or refund, such costs, in proportion to (a) the time period each Unit Owner has been the owner of his, her or its Unit and (b) each Unit Owner's Common Interest.

Closing Costs

In the following paragraphs, examples of fees and/or costs that Purchasers may incur are provided. The Sponsor, the Sponsor's attorney and the Selling Agent, if any, make no warranty or representation that the following examples will accurately reflect Purchaser's actual fees and/or costs. Purchasers should consult with their attorneys and financial advisors to determine the actual costs likely to be associated with the purchase of their individual Unit.

- Owner's (Fee) Title Insurance: If a Purchaser obtains fee title insurance, the Purchaser will pay a premium to his, her or its title insurance company. The amount of the premium will depend upon the amount of insurance requested. Each Purchaser is free to obtain title insurance from a title insurance company of his, her or its choice. The Sponsor makes no representation or warranty as to the cost, terms or availability of such title insurance from any particular title insurance company. Example: The premium for Owner's Title Insurance for a residential Unit with a purchase price of $350,000 would be approximately $1,110.

Purchaser shall be obligated to pay the following costs at Closing:

- Recording Fees: Fees for recording the deed covering the Unit and the power of attorney in favor of the Board of Managers and Sponsor and mortgages, if any. Typical recording charges are $125 for a deed, $75 for a power of attorney and $125 for a mortgage.

- New York State and New York City Transfer Taxes: The New York State Real Estate Transfer Tax, currently $2.00 per $500, or fractional portion thereof, of the purchase price of Residential Units, plus an additional one percent (1%) of the purchase price for Residential Units costing $1,000,000 or more (the "Mansion Tax"), and the New York City Real Property Transfer Tax, currently equal to one percent (1%) of the purchase price for Residential Units costing $500,000 or less and one and four hundred twenty five one thousandths percent

(1.425%) for Residential Units costing more than $500,000. For purposes of calculating the taxes, taxes paid by the Purchaser, except the Mansion Tax, are added to the Purchase Price. Example: For a Residential Unit with a purchase price of $350,000, the New York State tax would be $1,400 and the New York City tax would be $3,500. There would be no Mansion Tax. However the New York City and New York State taxes, except the Mansion Tax, must be added back into the purchase price and the taxes recalculated so that the taxes actually due would be $1,420 for the State and $3,549 for the New York City tax.

o Mortgages: If a Purchaser obtains a mortgage loan, then he, she or it will be responsible for paying all closing costs and expenses in connection with the loan in amounts determined by the lender. Generally such costs include: points, a fee charged by the lender's attorney, an appraisal fee, mortgage insurance, fees for recording the mortgage, and an origination fee. The Sponsor makes no representation or warranty as to such Closing costs and expenses or as to availability of mortgage financing. In addition the lender is likely to require the Purchaser to obtain title insurance in the lender's favor and pay the premium for the insurance. Example: For a Residential Unit with a purchase price of $350,000, the lender's fees would typically include the following: an origination fee ("points") of between 0% and 2.5% of the loan (between $0 and $7,875 on a $315,000 loan); lender's attorney fees, typically between $500 and $1,000; an appraisal fee, typically between $500 and $1,000; plus various other fees totaling between $500 and $1,000.

The Mortgagee Title Insurance premium for a mortgage in the amount of 315,000 would be approximately $302.

For mortgages on Residential Units securing a principal debt or obligation of less than $500,000, the mortgage tax is $2.05 for each $100.00 or major fraction thereof of the principal amount secured. For mortgages on Residential Units securing a principal debt or obligation of $500,000 or more, the mortgage tax is $2.175 for each $100.00 or major fraction thereof of principal amount secured. Example: For a residential Unit with a mortgage of $315,000, the Mortgage Tax would be $6,456.

A portion of the mortgage tax, to be computed in accordance with Section 339-ee of the Condominium Act, will be paid by the Purchaser to the Sponsor in reimbursement of mortgage tax which the Sponsor previously paid if the Sponsor had previously placed a mortgage on the Building. The portion to be paid is roughly equal to the Purchaser's Percentage Common Interest multiplied by the mortgage tax previously paid by the Sponsor, if any. The portion reimbursed to the Sponsor will be deducted from the mortgage tax due from the Purchaser to the taxing authorities at Closing.

Mortgages from institutional lenders will generally require monthly deposits with the lender of monies applicable to the payment of casualty and mortgage

insurance and real estate taxes, as well as a reserve which will be sufficient when included with anticipated monthly deposits to meet the taxes and insurance when due. This amount will vary depending on the institutional lender and the date of the Closing.

There will be no mortgage Closing costs on Units that are not covered by mortgages.

- Attorney Fees: The fees of the Sponsor's attorney due at Closing are as follows: $1,500 for preparation of legal documents and for coordinating the Closing; an additional $300 attendance fee if the Closing occurs outside of the Sponsor's attorney's office or other office designated by the Sponsor but in the City of New York or $500 if in Westchester, Nassau or Suffolk Counties, or an amount determined by the Sponsor's attorney if elsewhere; an additional $300 fee if the Closing is adjourned at the Purchaser's request on less than forty-eight (48) hours notice (nothing herein shall give a Purchaser a right to adjourn a Closing); an additional $500 fee if notice of default is issued, unless the Closing does not occur because of a default by the Sponsor or the Sponsor's inability to close; and an additional $500 fee if the Purchaser assigns his, her or its Purchase Agreement.

- Working Capital Fund Contribution: The Purchaser will be required to pay an amount equal to three month's Common Charges as shown in Schedule A, above, to provide the Condominium with a working capital fund. This amount will not be kept separate from the general funds of the Condominium and will not be refunded. It is not an advance payment of a Unit's monthly Common Charges. During the period in which the Sponsor is in control of the Board of Managers, these funds will not be used to reduce Common Charges without the permission of a majority of Unit Owners other than the Sponsor.

- Purchaser's Professionals: The Purchaser shall have sole responsibility for payment of all professionals, including attorney(s), retained by the Purchaser.

Based on the information above, the approximate closing costs for a Unit with a purchase price of $350,000 and a mortgage of $315,000 would be:

Owner's Title Insurance	$1,110
Recording fees	$200
New York City transfer tax	$3,549
New York State transfer tax	$1,420
Mansion Tax	N/A
Sponsor's attorney's fee	$1,500
Working Capital contribution	$900
TOTAL	$8,679

Mortgage related costs	
Origination fee	$0 – $7,875
Lender's attorney's fee	$500 - $1,000
Appraisal fee	$500 - $1,000
Misc. fees	$500 - $1,000
Mortgage recording fee	$125
Mortgage Title Insurance	$302
Mortgage tax	$6,456
TOTAL MORTGAGE RELATED FEES	$8,283 - $17,658

The entire contents of the foregoing part of this section of the Plan, "Closing Costs and Adjustments," as same may be revised or amended, shall be deemed to be incorporated in each Purchase Agreement.

RIGHTS AND OBLIGATIONS OF THE SPONSOR

(This section and subsequent sections of this Plan contain summaries of certain provisions of the By-Laws. No such summary shall modify any provision of the By-Laws. Potential Purchasers and their attorneys are encouraged to review the By-Laws and should note that if there is any inconsistency between the summary in this section and the By-Laws, the By-Laws shall govern.)

The rights and obligations of the Sponsor pursuant to this Plan include the following:

- The Sponsor intends to sell the Units offered pursuant to this Plan and will endeavor in good faith to sell Units rather than rent. Sponsor reserves the unconditional right to rent the Units offered pursuant to this Plan. Because the Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more units than the fifteen percent (15%) necessary to declare the plan effective and owner-occupants may never gain effective control and management of the Condominium. If the Sponsor makes a bulk sale of all or some of its Unsold Units, the transferee successor sponsor is bound by Sponsor's representations regarding its commitment to sell, and its reservation of the right to rent, the Units as specified herein.

- The Sponsor has no obligation to defend any suits or proceedings, nor to indemnify the Board of Managers or the Unit Owners, except in the case of claims arising out of the acts, omissions or representations of the Sponsor, as limited herein. The Sponsor shall defend any suits or proceedings arising out of Sponsor's acts or omissions and indemnify the Board of Managers and Unit

Owners with respect to liability due to the Sponsor's acts or omissions, subject to the limitations set forth in this Plan.

- All representations of the Sponsor under this Offering Plan, all the obligations of the Sponsor under the General Business Law and all obligations of the Sponsor under this Plan which are to be performed after the Closing shall survive delivery of the deed to a Unit.

- Except for costs and expenses to be apportioned as described in the section of this Plan entitled "Closing Costs and Adjustments," above, the Sponsor will pay all costs and expenses incurred prior to the establishment of the Condominium or in connection with the sale of all the Units held or owned by the Sponsor (except for costs and expenses specifically made payable by a Purchaser under this Plan), and will pay all selling expenses including, but not limited to, advertising and printing costs, the Sponsor's architect fees, and the costs of filing this Plan and amendments to this Plan. The Sponsor agrees to pay all Common Charges, assessments and real estate taxes with respect to Unsold Units. The Sponsor represents that it has the financial resources to meet its obligations with respect to Unsold Units. It will fund its financial obligations to the Condominium from its resources and from the proceeds of the sales or rental of Unsold Units. No bond or other security has been posted to secure the Sponsor's obligations with respect to the aforementioned expenses.

- The rights and obligations of the Sponsor and a Purchaser with respect to a Unit damaged by fire or other casualty are described in the section of this Plan entitled "Terms of Sale," above.

- The Sponsor agrees to procure fire and casualty insurance pursuant to an agreed amount replacement value policy or in an amount sufficient to avoid co-insurance. No representation is made as to the amount of the premium for any insurance, as set forth in "Budget for First Year of Condominium Operation, Schedule B," or otherwise.

- In the event of dissolution or liquidation of the Sponsor or the transfer of twenty percent (20%) or more of the total number of Units, 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 under this Plan, applicable laws or regulations. In the event of dissolution or liquidation, the principals of the Sponsor shall guarantee the performance of such obligations.

- The Sponsor has obtained financing for the construction described in this Plan from the principals of the Sponsor and from its construction lender. In the event such financing is not available or is insufficient, then the Sponsor may not be able to complete construction, especially if unforeseen circumstances arise during the course of construction. The construction lender shall release the Units

from the lien of the mortgage upon sale of such Units, provided that Sponsor shall pay to the construction lender upon the release of the individual Unit a release price equal to the net sales proceeds resulting from the sale of such Unit. To the extent not prohibited by applicable law, the construction lender may, on an occurrence of default by the Sponsor, exercise the Sponsor's rights under this Plan or other rights as the owner of the Units to the same extent as the Sponsor would have been entitled to exercise such rights, including selling the Property or any part thereof, renting the Units and evicting tenants, and may give all consents, waivers and ratifications in respect thereof and may otherwise act with respect thereto as though the construction lender or its designees were the outright holder of such rights.

o The Sponsor intends to build and complete the Condominium in accordance with the building plans and specifications identified in this Plan. The Sponsor will maintain each Unit, and the fixtures and personalty contained therein up to the transfer of title to the Unit in question. Sponsor-installed equipment and fixtures shall be in working order at the time of transfer of title. If the Purchaser of a Unit inspects the Unit at least seven (7) days prior to the Closing Date and finds that Sponsor's improvements have not been completed, although such improvements have been substantially completed, then Sponsor and the Purchaser in question will immediately thereafter prepare a memorandum of incomplete work of a material nature (the "Final Inspection Sheet") and will enter into an agreement under which the Sponsor will agree to complete the work in the Unit described on the Final Inspection Sheet either prior to or within a reasonable time following the Closing, at the Sponsor's sole discretion. The Sponsor shall have no obligation to complete any work which is not specifically designated by the Purchaser at least seven (7) days prior to the Closing Date, except for work necessary to cure violations to obtain either a temporary or permanent certificate of occupancy. Under no circumstances shall any item included on a Final Inspection Sheet constitute grounds for a Purchaser to postpone or otherwise delay the date scheduled for Closing. Without limitation, incomplete "work of a material nature" shall not include nail pops; ridging on sheet rock walls; lumber shrinkage; separation in joints of tile or wood flooring or floor levels, ceiling imperfections, painting defects, alignment of bathroom finishes, air infiltration from windows, any damage resulting from settlement (including, without limitation, concrete cracks which do not impair the structural soundness of the Building), normal plumbing, heating and air conditioning noises, or minor chips, mars, breaks or other defects in window sashes, window sills, electric fixtures and globes, interior painted surfaces, sinks, tubs, bowls, medicine cabinets, doors, mirrors, ceramic tile, hardware, bath tile grouting, countertops, vanity tops and bases, kitchen tile and cabinets or flooring, bathroom tile and cabinets or flooring, hardware, flooring, or appliance cabinets, carpet discoloration and stretching, or doors sticking due to humidity, temperature or similar conditions or door warpage. Work by the Sponsor to be performed to complete the work of a material nature shall be comparable to local standards, customary in the particular trade, and in substantial accordance with

this Plan. The Sponsor shall use its best efforts not to interfere with the Unit Owner's use of his, her or its Unit provided (i) the Unit Owner allows the Sponsor access to the Unit at reasonable times and during normal business hours and (ii) the Sponsor shall not be required to pay over-time wages to its employees or agents in connection with such compliance. Subsequent to conveyance of title to a Unit, the Sponsor shall not be responsible for paint touch-ups or for repair of any condition deemed not work of a material nature.

- The fact that work of a material nature as detailed on a Final Inspection Sheet remains shall not permit a Purchaser to delay a Closing or to claim credit or to require any escrow or otherwise to fail to fully perform a Purchase Agreement. A Purchaser's sole right shall be to require the Sponsor to complete the incomplete work as provided in the preceding paragraph. The Sponsor shall complete all required construction work as promptly as reasonably possible.

- The Sponsor will give each Purchaser a limited warranty covering materials and workmanship within the Unit provided by the Sponsor, if any. A copy of the warranty is included in Part II of this Plan. The warranty provides specific steps that a Purchaser must follow in order to be covered for defects that are evident at the time of Closing and defects that appear later. The warranty complies with the requirements of the Housing Merchant Implied Warranty Law (Article 36-B of the New York General Business Law) and supplants any implied warranty. All Units, Common Elements and Limited Common Elements offered pursuant to this Plan are sold as described in this Plan. Neither the Sponsor nor any agent or employee of the Sponsor hereunder makes any warranty whatsoever regarding materials, workmanship or any other aspect of the Units, Common Elements, Limited Common Elements or any portion thereof except for the limited warranty included in Part II of this Plan.

- In all events, the Sponsor shall have the right to substitute equipment or materials of equal or better quality or design. The Sponsor shall not change the size or location of Units, Common Elements or other improvements if such changes affect the percentage of Common Interest or adversely affect the value of any Unit to which title has closed or for which a Purchase Agreement has been executed and is in effect, unless all affected Unit Owners consent in writing to such change and all affected Purchases are given a right of rescission.

- Construction is a complicated process requiring the coordination of numerous tasks and the balancing of complex mechanical and architectural systems. No assurance can be given with regard to the accuracy of any projected completion dates set forth in this Plan. During the first year of condominium operation, construction workers and related personnel may be at the Property from time to time to make adjustments and to perform various tasks related to the completion of construction. Various systems, including, but not limited to, water supply, electricity, air conditioning, heating and ventilation, may require more than a

year after any Unit Closing to complete and may need to be shut down temporarily. Various other adjustments to windows and other systems may require eighteen (18) months or more after the first Closing to be completed. The Sponsor may not complete the decoration of the corridors in the Building, including, but not limited to, installing fixtures, hanging wall coverings or laying carpeting, until that particular floor is fully occupied by Residential Unit Owners.

- If a permanent Certificate of Occupancy for the Unit and the Building is not obtained by the time of Closing of the first Unit sold, then the Sponsor will perform all work needed to obtain a permanent Certificate of Occupancy and obtain a permanent Certificate of Occupancy within two years of the Closing. Further, all common areas (the hallways, stairs and vestibule) will be substantially completed, including construction of walls, floors and installation of lighting fixtures and floor treatments, and all violations with respect to the common areas and Units sold will be removed either prior to or within two years of the Unit Closing.

- If the first Closing will take place prior to the issuance of a permanent Certificate of Occupancy for the Property, the Sponsor will maintain all deposits and funds in the Escrow Account described in the section of this Plan entitled "Procedure to Purchase," above, unless the Sponsor's architect certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent certificate of occupancy. In such cases, the sum exceeding the amount so certified by the Sponsor's architect may be released from the escrow account and paid to the Sponsor. Alternatively, the Sponsor may deposit with the Escrow Agent an unconditional, irrevocable letter of credit, or post a surety bond, in both cases in the amount so certified or provide other collateral acceptable to the Department of Law.

- The Sponsor will assign to a Purchaser upon the Closing of a Unit any manufacturer's and/or subcontractor's warranty or bond relating to heating, electrical work, plumbing, equipment and appliances installed in the Unit. Such warranties or bonds, if any, with respect to Common Elements shall be assigned to the Board of Managers. The Sponsor undertakes to do the above only to the extent that warranties or bonds are actually made by manufacturers and/or subcontractors and only to the extent such warranties are assignable. All prospective Purchasers are advised that warranties vary in length depending, in part, upon when appliances, equipment, finishes, materials or fixtures covered are first purchased or installed. The Sponsor makes no representation as to which, if any, of the warranties will continue to remain in force upon the Closing date of any particular Unit.

- The Sponsor agrees to pay for all authorized and proper work involved in the Sponsor's construction of the Building, establishment of the Condominium to the extent provided in this Plan, and sale of the Units, and to cause all mechanics'

liens with respect to such construction to be discharged or bonded.

- The Sponsor agrees to keep copies of this Plan, the Exhibits and documents referred to in this Plan on file at its office or at the office of its attorney for six (6) years from the date of the first Closing. The Sponsor agrees to deliver a set of "as-built" plans to the Board of Managers.

- No bond or other security has been furnished to secure any of the Sponsor's obligations, including Sponsor's obligations to complete any construction after Closing title to the first Unit.

- The Sponsor agrees to repair damage resulting from exercise of the Sponsor's rights of access and to exercise such rights so as to limit, to the extent practicable, unnecessary interference with use of the Property by Unit Owners, without, however, incurring overtime for labor or other extraordinary charges.

- All the Sponsor's obligations pertaining to the Common Elements shall be enforceable only by the Board of Managers on behalf of the Unit Owners and not by the individual Unit Owners. However, nothing herein shall prevent an individual Unit Owner from bringing an action in his, her or its own capacity against the Sponsor if the Board of Managers has failed to take reasonable action to enforce such obligations within ninety (90) days after an individual Unit Owner gives the Board of Managers notice of a claim. During the time the designees of the Sponsor control the Board, it is within their sole power to enforce the obligations of the Sponsor pertaining to the Common Elements and, therefore, the Sponsor agrees that during such period it will in its capacity as the Board of Managers, enforce such obligations when required to do so by a resolution duly passed by a majority of the Unit Owners, excluding Sponsor, at a special meeting of the Unit Owners called for such purpose.

- Before the first Unit Closing, all liens and mortgages affecting the Property shall be paid and satisfied or each mortgagee shall either: (a) consent to the formation of the Condominium and acknowledge that its lien will be limited to Unsold Units; (b) subordinate the lien of its mortgage to the Declaration; or (c) release its lien on the Unit being conveyed and its interest in the Common Elements.

- The Sponsor will pay all contractors, subcontractors and materialmen and all others involved in the construction of the Condominium for work properly performed on behalf of the Sponsor and for fixtures, material and equipment properly supplied or installed in the construction of the Condominium on behalf of the Sponsor and will cause all mechanic's liens arising out of the construction of the Condominium on behalf of the Sponsor or the furnishing or installation of fixtures or equipment properly on behalf of the Sponsor to be discharged or bonded after the liens are filed.

- In accordance with Section 339-p of the Condominium Act, a registered architect or licensed professional engineer shall certify within reasonable tolerances that the Floor Plans filed with the recording of the Declaration are an accurate copy of portions of the plans of the Building as filed with and approved by the municipal or other governmental subdivision having jurisdiction over the issuance of permits for the construction of buildings.

- The Sponsor has the right to use Units or space within the Building as a sales or construction office and/or model apartment.

- The Sponsor has the right to change prices set forth in Schedule A of this Offering Plan.

- The Sponsor reserves the right to rent or lease Units to Purchasers as described in the section of this Plan entitled "Interim Leases," above, and to rent or lease Unsold Units at any time to anyone it may choose without approval of the Board.

The obligations of the Sponsor hereunder shall be enforceable by the Board of Managers on behalf of Unit Owners. Except as expressly provided herein to the contrary, the obligations of the Sponsor shall be enforceable by individual Unit Owners only if either (i) the Board fails to take reasonable action to enforce such obligations within ninety (90) days following the giving of notice of a claim by a Unit Owner to the Board or (ii) the applicable statute of limitations with respect to any claim by a Unit Owner which would otherwise be enforceable by the Board will expire during the aforesaid ninety (90) day period (in either of which events the Unit Owner may bring an action in the nature of a derivative action against the Board of Managers). However, with regard to the Sponsor's obligations pertaining to the Common Elements, nothing herein shall prevent an individual Unit Owner from bringing an action in his, her or its own capacity against the Sponsor after the aforesaid ninety (90) day period has expired and the Board of Managers has failed to take reasonable action to enforce such obligations within the aforesaid ninety (90) day period. In addition, to the extent permitted by law, the Sponsor will have no liability to any Purchaser, subsequent purchaser of a Unit, Unit Owner, or the Board with respect to its obligations under this Plan (other than for the actual, non-consequential damages, including property damage, personal injury, or wrongful death, arising as a result of the negligence of Sponsor or its authorized agents or employees in connection with the transactions contemplated in the Plan) in excess of the net proceeds paid to Sponsor from the sale of Units after payment of, or reasonable reserve for, any liabilities of Sponsor arising out of the consummation of the transactions contemplated in this Plan.

- Sponsor's Rights of Access; Alterations

  (a) Rights of Access. The Sponsor reserves to itself, its successors, assigns, designees, employees, agents and contractors, easements and rights of access in, and to, Units and Common Elements, consistent with the purposes of this Plan and the Sponsor's rights and obligations hereunder. The rights of the Sponsor and its successors, assigns, designees,

employees, agents and contractors include, among other rights:

1) Right of access in, and to, Units and Common Elements for purposes of construction, repair, refurbishment, correction, alterations, finishing, servicing (including but not limited to garbage collection) and similar work anywhere in the Building or at the Property;

2) Right to show vacant or leased Units; and

3) Right to create and use utility and other easements created for the benefit of Unit Owners and the Board of Managers.

If reasonable care, under the circumstances, is exercised to safeguard the Unit Owner's property, such entry shall not render the Sponsor or its authorized agents liable for any damage to the Unit or personalty, equipment, fixtures or furnishings contained therein.

(b) Alterations. The Sponsor (and its successors, assigns, designees, employees, agents and contractors) have the right to alter any Unit or Common Element, subject to the rights of Purchasers under binding Purchase Agreements.

(c) Repairs, Interference. Subject to Unit Owner's responsibility for improvements to Limited Common Elements, the Sponsor agrees to repair damage resulting from the exercise of the above rights of access and to exercise such rights so as to limit, to the extent practicable, unnecessary interference with use of the Property by Unit Owners.

This section of this Plan and the Purchase Agreement together set forth the entire obligations of Sponsor and no others shall be implied. The Sponsor makes no representation or warranty as to the work, materials, appliances, equipment, or fixtures other than as set forth in this Plan.

CONTROL BY THE SPONSOR

The affairs of the Condominium will be governed by the Board of Managers.

Under the By-Laws, as set forth in Part II of this Plan, until the first meeting of Unit Owners, the Board of Managers will consist of three (3) members designated by the Sponsor. Within ninety (90) days after the first Closing of title to a Unit, the Sponsor will call the first meeting of Unit Owners, at which meeting the Unit Owners shall elect three (3) members, subject to Sponsor's right to designate members. The Sponsor shall have the right to designate

two members of the Board until the later of: (1) two years after the Closing of the first Unit or (2) the time the Sponsor holds less than fifty percent (50%) of the Common Interests. A meeting will be held to elect new members of the Board within thirty (30) days of the termination of the Sponsor's special right to designate members of the Board. During the period in which the Sponsor may designate two members of the Board, Unit Owners, other than the Sponsor, will vote for the remaining Board member. After the period during which Sponsor may designate two members of the Board, all Unit Owners, including the Sponsor, may vote for all members of the Board, including members of the Board that are related or unrelated to the Sponsor.

The number of members of the Board may not be increased without the consent of the Sponsor for so long as Sponsor owns one Unit. The Sponsor may not exercise veto power over expenses described in "Schedule B – Projected Budget for First Year of Condominium Operations," or over expenses required to comply with applicable laws or regulations, or to remedy any notice of violation, or to remedy any work order by an insurer. The Sponsor may exercise veto power over expenses other than those described in the preceding sentence until five (5) years after the Closing of the first Unit or until the Unsold Units constitute less than twenty five (25%) percent of the Common Interest, whichever is sooner.

Because the Sponsor will hold Units as investments, it may have different priorities in operating the Building, such as regarding when and how much to invest in repairs, maintenance or capital improvements.

BOARD OF MANAGERS

The Board of Managers will be responsible for management and maintenance of the Condominium. It shall have the powers and duties necessary for the administration of the affairs of the Condominium and may perform any acts necessary therefor, consistent with the Declaration, By-Laws and applicable law. Such acts include: determination and collection of Common Charges and enforcement of the obligation of Unit Owners to pay Common Charges; employment and dismissal of personnel and a managing agent; providing for insurance as to Common Elements; and adoption of Rules and Regulations relating to use and operation of Condominium property. A detailed list of the powers and duties of the Board is contained in Article II, Section 2 of the By-Laws in Part II of this Plan.

Under the By-Laws, as set forth in Part II of this Plan, until the first meeting of Unit Owners, the Board of Managers will consist of three (3) members designated by the Sponsor. Within ninety (90) days after the first Closing of title to a Unit, the Sponsor will call the first meeting of Unit Owners, at which meeting the Unit Owners shall elect three (3) members. The election of members of the Board of Managers shall be subject to the rights of the Sponsor described in the section of this Plan entitled "Control by the Sponsor," above.

Except for designees of the Sponsor, all members of the Board of Managers shall be Unit Owners, mortgagees of Units, partners or employees of a partnership owning a Unit or a mortgage covering a Unit, shareholders, officers, directors or employees of a corporate Unit

Owner or corporate mortgagee of Units, fiduciaries or officers or employees of fiduciaries who are Owners or mortgagees of Units, or persons with similar authority over, or interest in, another entity owning or holding a mortgage on a Unit.

The Board of Managers shall elect its officers.

Article II, Section 9 of the By-Laws provide for the calling of special meetings of the Board of Managers. Special meetings may be called by the President of the Board of Managers and shall be called by the President or the Secretary upon the written request of one member of the Board of Managers. Pursuant to Article III, Section 3 of the By-Laws, it shall be the duty of the President to call a special meeting if so directed by resolution of the Board of Managers or upon a petition signed and presented to the Secretary by Unit Owners holding twenty five (25%) percent of the Common Interest.

The initial Board of Managers will consist of Seth Brown, President, Richard Ludwig, Vice President, and Stephen Weintraub, Secretary/Treasurer. Seth Brown is a member of the Sponsor. Richard Ludwig and Stephen Weintraub are designees of the Sponsor.

Article II, Section 14 of the By-Laws discusses indemnification of Board members and liability, and provides that the Unit Owners will severally indemnify the members of the Board of Managers against any claims except those arising out of bad faith or willful misconduct. The members of the Board of Managers may have personal liability for actions taken in bad faith or for willful misconduct. The members of the Board of Managers shall not be liable to the Unit Owners for any mistake or judgment or negligence or otherwise except for their own individual willful misconduct or bad faith.

All members of the Board of Managers shall serve without compensation.

The term of office of members of the Board of Managers shall be one (1) year. The second meeting of Unit Owners will occur on the first anniversary of the first meeting of the Unit Owners.

The By-Laws provide that a Unit Owner may remove a Board member appointed by the Unit Owner with or without cause. The Board of Managers may remove a Board member, including a member appointed by the Sponsor, with cause at a meeting of the Board. Officers, including officers appointed by the Sponsor, may be removed by a vote of the Board with or without cause. In the event of removal, the Unit Owner who appointed the removed member may appoint another person as Board member. In the event of removal for cause of a Sponsor-appointed member, the Sponsor only shall appoint the new member (provided the new appointment takes place within Sponsor's special right to designate two of the three members). The provision for removal of members of the Board of Managers is contained in Article II, Section 5 of the By-Laws.

The voting rights of Unit Owners are described in Article III, Section 8 of the By-Laws. Each Unit Owner shall be entitled to cast the number of votes equal to his, her or its Common Interest.

Amending the Declaration and the By-Laws

Except with respect to amendments required to implement the rights of owners of Unsold Units to make alterations to their Units, the Declaration may be amended with the approval of at least sixty-six and two-thirds percent (66 2/3%) in number and in Common Interest of all Unit Owners, in accordance with the provisions of the Declaration, provided, however, that the Common Interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the consent of all Unit Owners affected.

The By-Laws may be amended with the approval of at least sixty-six and two-thirds percent (66 2/3 %) in number and in Common Interest of all the Unit Owners, as provided in Article X of By-Laws included in Part II of this Plan.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS

Below is a summary of various provisions of the Declaration and By-Laws, as well as certain provisions of the Condominium Act, respecting rights and obligations of Unit Owners and the Board of Managers. This is intended as an illustrative summary only, and the Declaration, the By-Laws, and the Rules and Regulations should be carefully reviewed by potential Purchasers and their attorneys. They are fully set forth in Part II of this Plan. The terms of the Declaration, the By-Laws and the Rules and Regulations should not be deemed varied in any way by this section or any other provision of this Plan.

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

Generally, Unit Owners must comply with the Declaration, the By-Laws and the Rules and Regulations of the Condominium and other requirements of the Condominium. Failure to comply may result in liability on the part of a Unit Owner. For example, in the event of default by any Unit Owner in paying Common Charges or any other money due to the Board of Managers, such Unit Owner shall be obligated to pay the maximum legal interest rate on such Common Charges and money from the due date thereof, together with all expenses, including attorney fees, incurred by the Board. Among its remedies, the Board may bring an action for foreclosure of the lien for Common Charges and other money due on the Unit with the potential result that the Unit would be sold and the amounts realized used to satisfy the Unit Owner's obligation to the Board of Managers.

In addition, the violation of any rule or regulation adopted by the Board of Managers, or the breach of any By-Law, or the breach of any provision of the Declaration shall give the Board the right, among other rights, (a) to enter the Unit which, or as to which, such violation or

breach exists and to abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein which presents the violation or breach; and/or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach; and/or (c) to seek compensation for damages caused by the violation or breach.

Sale or Lease of Unit by Unit Owners
Rights of First Refusal of Board of Managers

Each Unit Owner other than the Sponsor and other owner of an Unsold Unit has the right to sell or lease his, her or its Unit (subject to the consent, if required, of his, her or its mortgagee, if any) provided the Board of Managers waives its right of first refusal. The selling Unit Owner must give the Board of Managers thirty (30) days prior written notice of terms of any bona fide sale or lease which he, she or it desires to make. The failure of the Board of Managers to act however, within the thirty (30) day period shall be deemed to constitute waiver of the Board's right of first refusal. If the Board of Managers disapproves the transaction, it shall, within the thirty (30) day period, either (a) produce a purchaser or lessee who will purchase or lease the Unit upon the same terms as stated in the Unit Owner's notice to the Board of Managers or (b) agree to purchase or lease the Unit on behalf of all other Unit Owners upon the same terms as stated in the Unit Owner's notice to the Board of Managers. The Board of Managers, however, may not purchase or lease a Unit without the approval of the Owners of Units constituting sixty-six and two-thirds percent (66 2/3%) of the Common Interest, excluding the Common Interest of the selling/leasing Unit Owner. If the Board of Managers does not have sufficient funds on hand for the acquisition and maintenance of a Unit which has been approved by the Unit Owners, the Board of Managers may either borrow such funds or assess the Unit Owners therefor in proportion to their respective Common Interests, excluding the Common Interest of the selling/leasing Unit Owner. If the Board of Managers does not either produce a purchaser or lessee for the Unit or agree to purchase or lease the Unit on behalf of all other Unit Owners as set forth above within the aforesaid thirty (30) day period, the Unit Owner shall have the right to consummate the sale or lease on the terms submitted to the Board of Managers. The rights of first refusal described above are governed by more specific terms set forth in the By-Laws.

There are no limitations on the price or rent that a Unit Owner may negotiate with a prospective purchaser or tenant.

Any lease of a Unit shall be in the form recommended for apartments by the Real Estate Board of New York, Inc., except as otherwise provided in the By-Laws or as otherwise approved by the Board of Managers.

The restrictions upon the sale and lease of Units set forth in this section and the rights of the Board of Managers with respect thereto shall not apply to the Sponsor or its designee or other owner of Unsold Units, or to acquisition by an institutional mortgagee acquiring title in foreclosure or by deed in lieu of foreclosure; the Sponsor, its designee, an owner of an Unsold Unit and any such mortgagee shall be free to sell or lease without first notifying or obtaining the

consent or waiver of the Board of Managers and not subject to any right of first refusal. The Board of Managers shall cooperate in providing appropriate physical access to any Unit being so sold or leased and related Common Elements, as well as all financial information regarding the Condominium and the Unit in question.

Units acquired or leased by the Board of Managers pursuant to the rights of first refusal described above may be sold, leased, mortgaged or otherwise dealt with in the discretion of the Board of Managers. Such Units may be used in any manner in compliance with the Legal Requirements. Such Units held by the Board of Managers shall not carry any voting rights. Proceeds of such disposition will be received by the Board of Managers on behalf of all Unit Owners in proportion to their respective Common Interest. See the subsection of this section of this Plan entitled "Units Acquired or Leased by Board of Managers," below.

The Board of Managers may not discriminate against any person on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status or other ground prohibited by law.

Subject to the rights of the Board of Managers, Units may be sold or leased by a Unit Owner provided that he, she or it is not in arrears on payment of Common Charges and satisfies other liens against the Unit other than permitted mortgages.

Notwithstanding the rights of the Board of Managers described above, any Unit Owner who is a natural person may sell or lease his or her Unit to his or her spouse, domestic partner registered as such with the City of New York, adult child, parent, grandparent, parent-in-law or adult sibling, or may convey his or her Unit by gift, devise 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, her or its Unit shall be subject to, the restrictions described above and as more particularly set forth in the By-Laws. In addition, any Unit Owner that is not a natural person may sell, lease or convey its Unit to a controlled or related entity or person as more particularly set forth in the By-Laws.

Each conveyance of a Unit by a Unit Owner shall include, as part of the property to be conveyed, such Unit Owner's: Common Interest; undivided interest in any Unit or Units acquired by the Board from Unit Owners (or the proceeds received at a foreclosure or other judicial sale of a Unit); and 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 to the Board of Managers a Unit Owner's Power of Attorney in favor of the Board (and the Sponsor, if applicable), in the form set forth in Part II of this Plan or such other form as the Board of Managers may approve from time to time, in accordance with the Declaration. The new Unit Owner shall be responsible for having said Power of Attorney recorded and returned to the Board of Managers, and paying the fees therefor.

The Board of Managers may establish a reasonable fee for the processing of Unit sales

and leases and notices relating to the Board of Manager's rights of first refusal. Such fee shall be payable by the selling or leasing Unit Owner, as the case may be, but not by the Sponsor or an owner of an Unsold Unit.

Further restrictions on, or conditions to, the sale or lease of Units may be made in the future, consistent with the Declaration, the By-Laws and applicable law.

Mortgaging of Units by Unit Owners

Each Unit Owner shall have the right to mortgage his, her or its Unit without restriction, provided that (a) any such mortgage shall be substantially in the form of a New York statutory form mortgage, except for such changes or addition as may be necessary in order to permit a particular bank, trust company, savings and loan association or other institutional lender to make the mortgage loan; (b) the Board is notified in writing in advance of the making of such mortgage and is given a copy thereof promptly; and (c) the Unit Owner making such mortgage is not in arrears for Common Charges and first satisfies all other unpaid liens against his, her or its Unit, other than mortgages placed on his, her or its Unit in compliance with the By-Laws and cures any default under any such mortgage. The Sponsor or its designee, as the owner of Unsold Units, and any other owner of Unsold Units, shall have the right to mortgage the Unsold Units without any restriction or limitation except that the Board shall be notified in writing of the making of such mortgage and shall be given a copy thereof.

Common Charges and Assessments

Each Unit Owner shall have the obligation to pay Common Charges and assessments, proportionate to his, her or its Common Interest, for the operation and maintenance of the Property as determined by the Board of Managers. For the purpose of making such determination, the Board, pursuant to the By-Laws, is required to prepare from time to time (and at least annually) a budget of Common Expenses. Common Expenses include expenses for maintenance and operation of the Common Elements, such as those listed in "Budget for First Year of Condominium Operations, Schedule B," above, and other items enumerated in the By-Laws. The Common Expenses are multiplied by each Unit Owner's Common Interest to determine each Unit Owner's Common Charges. A Unit's percentage of Common Interest is calculated based on a Unit's floor space subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared used, and the overall dimensions of the particular Unit, pursuant to Section 339-i (1) (iv) of the Condominium Act. Common Charges (aside from adjustments made at Closing) will initially be billed monthly. For details see Article V, Section 1 of the By-Laws.

The Board shall have the right to charge any Unit Owner the difference in the cost of any higher insurance premium incurred by the Board if the use of such Unit Owner's Unit has caused such the higher premium.

The Board of Managers may increase Common Charges or collect assessments for the accumulation of reserves for capital expenditures, subject to provisions of applicable tax laws and subject to Sponsor's right, for a limited period, to withhold consent to such action.

No Unit Owner shall be liable for the payment of any part of the Common Charges or assessments assessed against his, her or its Unit subsequent to a sale, transfer or other conveyance of the Unit (with the appurtenant Common Interest) made in accordance with the Declaration and By-Laws.

Under the provisions of Section 339-z of the Condominium Act, the Board of Managers on behalf of the Unit Owners will have a lien on each Unit for unpaid Common Charges, together with the interest thereon. Such lien will be subordinate only to liens for real estate taxes on the Unit and to any sums unpaid on certain first mortgages of record thereon. Any lien for unpaid Common Charges against a Unit may be filed in the Office of the City Register, Borough of Brooklyn and shall be effective until all sums secured thereby with the interest thereon shall have been fully paid or until six (6) years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever may be earlier. The By-Laws also impose upon a Unit Owner a responsibility to pay the Condominium's attorney fees incurred in connection with unpaid Common Charges and liens with respect thereto. A lien may be foreclosed by a suit brought in the name of the Board of Managers acting on behalf of the Unit Owners in like manner as the foreclosure of a mortgage on real property and/or an action may be brought by the Board of Managers to recover the unpaid Common Charges without foreclosing the lien. Upon the sale or conveyance of a Unit, unpaid Common Charges shall be paid out of the sales proceeds or by the seller, lessor, or transferor, as the case may be. Any seller, lessor or transferor or purchaser, lessee, or transferee, as the case may be, is entitled to a statement from the Board setting forth the accrued amount of unpaid Common Charges against the Unit as of the date of conveyance and such amount shall be the limit of liability of the seller, lessor or transferor or purchaser, lessee, or transferee, as the case may be, as well as the limit of the lien subject to which the Unit may be conveyed.

The Sponsor will cause the Board of Managers to file a lien as provided in Section 339-aa of the Condominium Act on Units in which the Sponsor is more than thirty (30) days in arrears of Common Charges while it is in control of the Board of Managers.

Under the provisions of section 339-kk of the Condominium Act, if a non-occupying Unit Owner rents his, her or its Unit to a tenant 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 after they are due, upon written notice by the Board of Managers to the non-occupying Unit Owner and tenant, all rental payments from the tenant shall be directed to the Board of Mangers and made payable to the Condominium until such time as all payments for Common Charges, assessments or late fees are made current, at which time the Board of Managers shall provide written notice to the non-occupying Unit Owner and tenant within three (3) business days. Thereafter, all rental payments shall be directed and made payable to the non-occupying Unit Owner or his, her or its designated agent. A non-occupying Unit Owner who or that disputes the Condominium's claim to rental payments pursuant to section 339-kk of the Condominium Act shall be entitled to present facts supporting his, her or its position at the

next scheduled meeting of the Board of Managers, which must be held within thirty (30) days of the date that the Board of Managers receives notice that the non-occupying Unit Owner seeks to dispute such claim. Payment by a tenant to the Condominium made pursuant to section 339-kk of the Condominium Act shall relieve that tenant from the obligation to pay such rent to the non-occupying Unit Owner and shall be an absolute defense in any non-payment proceeding commenced by the non-occupying Unit Owner against the tenant for such rent.

Pursuant to the By-Laws, the Board has the right to revise its projection of 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 revision.

Each Unit Owner shall comply with the By-Laws and any Rules and Regulations and pay Common Charges and assessments to the Board of Managers. In addition to the lien for Common Charges described above, the Board of Managers will have the right to take additional actions to abate and enjoin violations of the By-Laws and Rules and Regulations by Unit Owners, as provided, for example, in Article V, Section 8 of the By-Laws.

Repairs

All maintenance, repairs and replacements to the Common Elements, including Limited Common Elements and whether located inside or outside the Units, will be made by the Board of Managers and the cost thereof will be a Common Expense, except for repairs to Limited Common Elements that are expressly made the responsibility of the Unit Owner of the benefited Unit. All maintenance, repairs and replacements to the Units, whether structural or non-structural, ordinary or extraordinary, other than to the Common Elements contained therein, will be made by each respective Unit Owner at his, her or its expense and shall be completed within a reasonable period of time. All maintenance, repairs and replacements to the Common Elements of the Condominium, including Limited Common Elements and whether located inside or outside the Units, if necessitated by the negligence, misuse or neglect of a Unit Owner or an occupant of a Unit or a Unit Owner's employees, invitees, agents or contractors shall be made at the election of the Board of Managers either by the Board, at the expense of the Unit Owner, or by the Unit Owner.

Unit PHA shall have two skylights as Limited Common Elements, and Unit PHB shall have one skylight as a Limited Common Element, as shown on the Floor Plans. The owners of said Units shall be responsible for the maintenance, repair and replacement of their skylights, as required. The Board of Managers shall be responsible for maintenance, repair and replacement of all Common elements, except that in all events a Unit Owner shall be responsible for the cost and expense of any maintenance, repair and replacement of any portion of the Common Elements if necessitated by the negligence, misuse or neglect of a Unit Owner or an occupant of a Unit or a Unit Owner's employees, invitees, agents or contractors. In the event removal or

disruption of a skylight is required, it shall be the responsibility of the Unit Owner to replace or repair same at the Unit Owner's expense.

Units 1A and 1B shall each have as a Limited Common Element an areaway, as shown on the Floor Plans. The owners of Units 1A and 1B shall be responsible for the maintenance, repair and replacement of their areaway, as required. The Board of Managers shall be responsible for maintenance, repair and replacement of all Common elements, except that in all events a Unit Owner shall be responsible for the cost and expense of any maintenance, repair and replacement of any portion of the Common Elements if necessitated by the negligence, misuse or neglect of a Unit Owner or an occupant of a Unit or a Unit Owner's employees, invitees, agents or contractors. In the event removal or disruption of an areaway is required, it shall be the responsibility of the Unit Owner to replace or repair same at the Unit Owner's expense.

Units 1B and 2B shall each have as a Limited Common Element a rear yard, as shown on the Floor Plans. A Unit Owner may use the rear yard appurtenant to his, her or its Unit only in compliance with all Legal Requirements. The owners of Units 1B and 2B and their successors and assigns shall be responsible for the maintenance, repair and replacement of any paving, landscaping, drainage, fences, enclosures, walls, or other elements of their rear yards, other than the Building walls, as required by Legal Requirements. The Board of Managers shall be responsible for maintenance, repair and replacement of the Building's exterior walls and other elements of the Building, except that in all events the Unit Owner shall be responsible for any maintenance, repair and replacement of any portion of the rear yard or Building's exterior walls or other elements of the Building, if necessitated by damage caused by the Unit Owner or the Unit Owner's invitees, tenants, employees, agents or contractors. The Board of Managers and its agents, employees and contractors may have access to all areas of the rear yards in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event repairs require removal or disruption of any element of the rear yard, it shall be the responsibility of the Unit Owner to replace such element at the Unit Owner's cost. The owners of Units 1B and 2B may not perform construction in their rear yard areas that would require a building permit unless the owners comply with all Legal Requirements and obtain the prior approval of the Board of Managers.

Units 3A, 3B, PH A and PH B shall each have a balcony as a Limited Common Element, as shown on the Floor Plans. The owners of said Units and their successors and assigns shall be responsible for maintenance, repair and replacement of their balconies, including the balconies' surfaces, but the Board of Managers shall make any structural repairs to the balconies, including the railings, if any, that are required, except that in all events the Unit Owner shall be responsible for any maintenance, repair and replacement of any portion of the balconies if necessitated by damage caused by the Unit Owner or the Unit Owner's invitees, tenants, employees, agents or contractors. The Board of Managers and its agents, employees and contractors may have access to all balconies in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event repairs require removal or disruption of any element of the balconies, it shall be the responsibility of the Unit Owner to replace such element at the Unit Owner's cost. The owners of said Units may not perform construction in the balconies that would require a building permit unless the owners

comply with all Legal Requirements and obtain the written approval of the Board of Managers.

Units PH A and PH B shall each have a terrace as a Limited Common Element, as shown on the Floor Plans. The owners of said Units and their successors and assigns shall be responsible for maintenance, repair and replacement of their terraces, including the terraces' surface, but the Board of Managers shall make any structural repairs to the terraces, including the railings, if any, that are required, except that in all events said Unit Owners shall be responsible for any maintenance, repair and replacement of any portion of the terraces if necessitated by damage caused by said Unit Owners or their invitees, tenants, employees, agents or contractors. The Board of Managers and its agents, employees and contractors may have access to all terraces in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event repairs require removal or disruption of any element of a terrace, it shall be the responsibility of said Unit Owner to replace such element at the Unit Owner's cost. The owners of said Units may not perform construction in the terraces that would require a building permit unless the owner complies with all Legal Requirements and obtains the written approval of the Board of Managers.

Units 1A and 2A shall each have a roof deck as a Limited Common Element, as shown on the Floor Plans. The owners of said Units and their successors and assigns shall be responsible for maintenance, repair and replacement of their roof decks, including the decks' surfaces, but the Board of Managers shall make any structural repairs to the roof decks, including the railings, if any, that are required, except that in all events said Unit Owners shall be responsible for any maintenance, repair and replacement of any portion of the roof decks if necessitated by damage caused by said Unit Owners or their invitees, tenants, employees, agents or contractors. The Board of Managers and its agents, employees and contractors may have access to all roof decks and the roof in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event repairs require removal or disruption of any element of a roof deck, it shall be the responsibility of said Unit Owner to replace such element at the Unit Owner's cost. The owners of said Units may not perform construction in the roof decks that would require a building permit unless the owner complies with all Legal Requirements and obtains the written approval of the Board of Managers.

Those public or other areas of the Building exposed to public view that are required to be maintained by a Unit Owner or the Board shall be kept by each in good appearance in conformity with the dignity and character of the Building as determined by the Board of Managers.

The Board of Managers shall have the right of access to any Unit and Limited Common Element for the purposes of inspecting and making any repairs or replacements to any of the Common Elements or to remedy any condition which would result in damage to any Unit or the Common Elements or which would violate the provisions of any mortgage covering another Unit or for the purpose of complying with, and determining the Unit Owner's compliance with, Legal Requirements. The Board's right of access shall be exercised so as not to unreasonably interfere with the use of the Units, but no prior notice shall be required in the event the Board of

Managers shall determine that action is immediately necessary for the preservation or safety of the property of the Condominium or the Units or for the safety of Condominium residents or other persons or required to avoid the suspension of any necessary service to the Condominium.

Work in the nature of decorating, which does not involve any structural alterations or any electrical or plumbing work, may be done without a building permit. Most construction, such as a deck or gazebo, the addition of rooms or interior stairs, electrical work and alterations to plumbing, requires a permit from the Department of Buildings and is subject to the requirements of zoning. Certain roof structures and enclosure of a balcony, if permitted by the Declaration, the By-Laws and Board of Managers, and which may involve the addition of more enclosed space than is permitted by zoning or which are obstructions in required yards, cannot be built as-of-right and require a variance from the Board of Standards and Appeals. The application for a variance may be opposed by the Board of Managers, and for this reason, among others, may be denied.

Additions, Alterations and Improvements
by Board of Managers

Additions, alterations, or improvements may be made by the Board of Managers without approval of Unit Owners, except that (a) no addition, alteration or improvement costing more than $5,000 shall be made without the approval of the Sponsor and all other owners of Unsold Units as long as there are any Unsold Units (unless such addition, alteration or improvement is necessary in order to comply with Legal Requirements or is necessary to protect the Property from deterioration), and (b) no additions, alterations or improvements costing more than $5,000 shall be made unless approved by sixty-six and two-thirds percent (66 2/3%%) in number and in Common Interest of the Unit Owners, including the Sponsor or its designee. The Board of Managers shall proceed with duly authorized additions, alterations or improvements and shall assess each Unit Owner his, her or its proportionate share of the cost as part of the Common Expenses or as a special assessment, or shall pay for the addition, alteration or improvement from reserves accumulated for purposes of same or shall borrow funds to pay therefore as described below. Additions, alterations or improvements costing $5,000 or less may be made by the Board of Managers without approval of Unit Owners and the cost thereof shall constitute part of the Common Expenses.

Whenever in the judgment of the Board of Managers, in connection with the operation, care, upkeep and maintenance of the Common Elements, money must be borrowed on behalf of the Condominium, no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interests or on the Common Elements without the consent of all of the Unit Owners. The Board of Managers may only borrow money on behalf of the Condominium when required in connection with the payment, collection, and disbursement of funds, including reserves, to provide for major and minor maintenance, repairs, additions, improvements, replacements, working capital, bad debts and unpaid common expenses, depreciation, obsolescence and similar purposes, provided, however, that (i) such debt is incurred no earlier than the fifth anniversary of the first Closing of a Unit and (ii) the incurrence of such debt shall require the consent of majority of all Unit Owners in Common Interest and the Sponsor and any other owner of an Unsold Unit as long as there is an Unsold Unit. If any sum borrowed by the

Board of Managers is not repaid by the Board, a Unit Owner who pays to the creditor the proportion of the loan equal to the proportion that the Unit Owner's Common Interest bears to the Common Interest of all Units shall be entitled to a release of any judgment or other lien which the creditor shall have filed or shall have the right to file against the Unit Owner's Unit.

Additions, Alterations and Improvements by Unit Owners

Except as provided below with respect to the Sponsor and Unsold Units, (a) no Unit Owner may make any structural addition, alteration or improvement in his, her or its Unit without the prior written approval of the Board of Mangers (and, if required, of his, her, or its mortgagee), and (b) no application or other document shall be filed with any governmental authority for a permit covering an addition, alteration or improvement to be made in a Unit unless approved and, if necessary, executed by the Board of Mangers, without, however, incurring any liability on the part of the Board of Managers, or any of them, to any contractor, subcontractor, material supplier, architect or engineer, or other professional by reason of such addition, alteration or improvement or to any person having any claim for injury to any person or damage to property arising therefrom. The Board may, at its option, require the Unit Owner to execute an agreement satisfactory to the Board of Managers setting forth the terms and conditions under which such addition, alteration or improvement may be made.

The Sponsor (or its designee) shall have the right without the approval of the Board, the Selling Agent, if any, the Managing Agent, if any, other Unit Owners or holders of mortgages on Units (a) to make alterations, additions, improvements or repairs in, or to, any Unsold Unit, whether structural or non-structural, interior or exterior, ordinary or extraordinary and (b) to subdivide, to combine and to change the boundary walls of Unsold Units. At the request of the Sponsor, the Board of Managers will execute any application or other document required to be filed with any governmental authority having or asserting jurisdiction in connection with any structural addition, alteration or improvement, subdivision, continuation, or change made by the Sponsor or its designee to any Unit, provided, however, that the Board of Managers shall not be subjected to any expense or liability by virtue of the execution of the application or such other document.

Non-structural alterations and improvements to a Unit that do not affect the exterior of the Building or the value of other Units may be made by a Unit Owner without the prior approval of the Board of Managers.

In the event that, with the approval of the Board of Managers, a Unit Owner, other than an owner of an Unsold Unit, wishes to construct, either structural or non-structural additions, alterations, improvements in or to his, her, or its Unit or the Limited Common Element associated with his, her or its Unit, the Board of Managers may regulate one or more of the aspects of construction including, without limitation, the following: (a) the time periods during which work is permitted; (b) the manner in which deliveries and construction debris will be handled; (c) the measures which must be taken to prevent compromising the security of the Building during construction; (d) the interruption of services during construction; (e) liability insurance for contractors during construction; and (f) such other matters as are necessary for the

safety and continued enjoyment of the Building by all Unit Owners. The Board of Managers may, at its sole discretion, require that such terms be memorialized in a written agreement with the Unit Owner.

No Unit Owner, other than the Sponsor, may make any changes in, or to, the Common Elements without the prior written approval of the Board of Managers.

Insurance

The Board of Managers will obtain and maintain, to the extent obtainable at commercially reasonable premiums: (a) fire insurance, with extended coverage, vandalism and malicious mischief endorsements normal for condominiums similar to the Condominium, insuring the Building, including all of the Units, and the equipment installed therein by the Sponsor, partitions, floors and ceilings within the Units (but not including any equipment not installed by the Sponsor, any wall, ceiling or floor decorations or coverings, or furniture, furnishings, fixtures or other personal property within the Unit), together with all Building service machinery, covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to an agreed replacement value of the Building (exclusive of the cost of excavations and foundations) without deduction for depreciation; (b) water damage legal liability insurance; and (c) such other insurance as the Board of Managers may determine.

The amount of fire insurance to be maintained on the Building until the first meeting of the Board of Managers elected by the Unit Owners will be $1,550,000.

The proceeds of all policies of physical damage insurance will be payable to the Board of Managers in accordance with the terms of the By-Laws, to be applied for the purpose of repairing, restoring or rebuilding the Building unless otherwise determined by the Unit Owners as described in the By-Laws. No portion of the insurance proceeds shall be applied to the payment of the mortgage indebtedness of any Unit Owner unless the Unit Owners determine not to repair, restore or rebuild the Building as set forth in Section 339-cc of the Condominium Act.

The Board of Managers will obtain (if available at commercially reasonably rates) policies of physical damage insurance which contain waivers of subrogation and of any defense based on co-insurance or of pro-rata reduction of liability or invalidity arising from any acts of the insured, and shall provide that such policies may not be canceled by the insurance carrier or substantially modified without at least ten (10) days' prior written notice to all of the insureds, including all mortgagees of Units. Duplicate original certificates of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees, of whom the Board of Managers has notice and who have requested policies, at least ten (10) days prior to expiration of the then current policies and each Unit Owner shall receive a certificate of such insurance.

The Board of Managers shall also obtain to the extent obtainable for commercially reasonable premiums public liability insurance covering the Condominium and each member of the Board of Managers in such amount as the Board of Managers may deem proper and

covering all claims for bodily injury or property damage arising out of any occurrence in the Common Elements or the Units, except that such policy will not cover liability of a Unit Owner arising from occurrences within his, her or its own Unit or due to the acts or omissions of Unit Owners, occupants of Units, or invitees, employees, agents or contractors of Unit Owners; and public liability insurance also shall cover cross-liability claims of one insured against another.

Until the first meeting of the Board of Managers elected by the Unit Owners the public liability insurance will be in a limit of $2,000,000 in the aggregate or $1,000,000 per occurrence, covering all claims for bodily injury and property damage with respect to any one occurrence. For details regarding initial insurance coverage see the footnote to "Budget for First Year of Condominium Operations, Schedule B," above.

The cost of all the insurance obtained by the Board of Managers, including that described in this section of this Plan shall be paid by the Board of Managers and shall constitute a Common Expense. The Board may charge a Unit Owner the cost of any increase in an insurance premium if due to any act, omission or activity of the Unit Owner, the occupants of the Unit or the Unit Owner's contractors, employees or invitees or if due to the condition of the Unit.

Unit Owners may carry other insurance at their own expense (covering items not included or included only to a limited extent in the policy of the Board of Managers), provided that such policies contain waivers of subrogation for the benefit of the Board of Managers and other Unit Owners and further provided that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any Unit Owner's other insurance. Examples of items not included in the policy of the Board of Managers are fire and casualty losses to Unit contents, furnishings, replacements, additions, upgraded fixtures and improvements, as well as liability coverage for Unit Owners for occurrences within Units or due to the acts or omissions of Unit Owners, occupants of Units or invitees, employees, agents or contractors of Unit Owners. Insurance policies for such losses within a Unit are generally available. Unit Owners are strongly urged to consider the advisability of obtaining insurance to cover items not included in the policy of the Board of Managers.

Restrictions on Occupancy and Use

In order to provide for the congenial occupancy of the Building and Units and for the protection of the values of the Units, the By-Laws provide that the use of the Units shall be restricted to, and be in accordance with, the following provisions:

The Rules and Regulations provide that the Board of Managers may restrict or prohibit pets and that a subsequent prohibition would apply to all Unit Owners whether or not pets were previously permitted.

Purchasers should note the restrictions contained in the Rules and Regulations regarding television antennas and other objects visible from the exterior of the Building, the use of

vestibules, and related matters. If air conditioners and similar objects are permitted to be inserted in windows of the Building, the Board of Managers may prescribe a uniform color for them. The Board of Managers may make such other aesthetic restrictions as it deems advisable.

As more fully set forth in the Declaration, By-Laws and the Rules and Regulations each Unit shall be used only as a residence and for legally permitted uses accessory to residential use and for professional or business use of a permitted residential occupant, provided that such use is in accordance with Legal Requirements. As defined in the Rules and Regulations, a family includes domestic partners registered as such with The City of New York. In addition the Sponsor may, without obtaining the consent of the Board or the other Unit Owners: (a) allow Unsold Units 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 Legal Requirements and (b) use Unsold Units as a model Unit 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. The current zoning law permits the use of up to five hundred (500) square feet, but no more than twenty-five percent (25%) of the Unit, for a home occupation. The term "home occupation" is defined to include certain artistic, professional and teaching activities.

A Unit owned or leased by an individual, corporation, partnership, fiduciary or other entity may be occupied only by said individual, or by a designated officer, director, stockholder or employee of such corporation, or by a designated partner or employee of such partnership or by said fiduciary (including designated officers, directors, stockholders or employees of corporate fiduciaries), or by the beneficiary of said fiduciary, or by a principal or designated employee of such other entity, respectively, or by members of the family or guests of any of the foregoing. Within thirty (30) days after a Unit is acquired by an owner other than an individual, such non-individual owner shall notify the Board of Managers of the name of the officer, director, stockholder, partner, employee, principal, fiduciary, or beneficiary designated by such owner to occupy its Unit. The person so designated may be changed from time to time by the non-individual owner by similar written notice to the Board of Managers. However, all designees must be bona fide officers, directors, stockholders, partners, employees, principals, fiduciaries or beneficiaries of the non-individual owner and, under no circumstances, may more than one family occupy a Unit at one time. Guests are permitted only when Unit Owners (or, in the case of Units owned by corporations, partnerships, fiduciaries or other entities, the designees of such Unit Owners) or a family member is present. All of the foregoing restrictions on occupancy shall not apply to Unsold Units.

The Rules and Regulations contain restrictions against illegal or offensive uses.

Self-Help

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

Mechanic's Liens and Judgement Liens

Under the provisions of Section 339-l of the Condominium Act, no lien of any nature may arise or be created against the Common Elements except with the unanimous consent of all Unit Owners. Liens may arise or be created only against the several Units and their respective Common Interest. A lien for labor performed in, or materials supplied to, a Unit may be filed against the Unit of an Owner who has expressly requested or consented to the same, but in the case of emergency repairs the Owner shall be deemed to have consented thereto. No labor performed in, or materials furnished to, the Common Elements shall be the basis for a lien on the Common Elements, but all Common Charges received and to be received by the Board, and the right to receive such funds, shall constitute trust funds for the purpose of paying the such cost of labor performed or materials furnished at the express request of, or with the consent of, the Board or the managing agent and same shall be expended first for such purpose before expending any part of same for any other purpose.

A lien resulting from a judgment for personal injury and/or property damage arising out of, taking place in, or caused by, the Common Elements may be filed against all the Units.

Easements

As specifically described in the Declaration, each Unit shall have, in common with all other Units: (a) an easement to use, maintain, repair, alter and replace all pipes, wires, flues, ducts, vents, cables, conduits, public utility lines, equipment and facilities and other Common Elements located in other Units or elsewhere on the Property and servicing such Unit; and (b) an easement for the continuance of any encroachment by such Unit on any other Unit or on any 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 Board of Managers; 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.

The Sponsor reserves the right, for itself and its designees (so long as the Sponsor or its designee owns a Unit), and for the Board of Managers to grant such additional electric, transformer, amplifier, gas, television, telephone, communications, sprinkler, fire protection, fire alarm, security, air conditioning, water, storm drainage, sewer or other utility easements or to relocate any existing utility easements as the Sponsor, any of its designees or the 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 their permitted purposes. Access to any Unit or to the Common Elements in furtherance of such additional or relocated easements shall be exercised

in such a manner as shall not unreasonably interfere with the use of the affected Units for their permitted purposes.

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

Termination

Once the Property has been subjected to the provisions of the Condominium Act, the Property shall not be withdrawn therefrom unless at least eighty percent (80%) of the Unit Owners in number and in Common Interest (and if required by the respective mortgages, their first mortgagees, if any, of such Units) agree to the withdrawal of the Property from the provisions in the Condominium Act. The Sponsor or its nominee will not cast any of its votes for withdrawal, unless eighty percent (80%) of the Unit Owners other than the Sponsor so vote, in which event the Sponsor will be free to cast its votes either for or against withdrawal.

Relative to termination of the Condominium by withdrawal from the provisions of the Condominium Act, Section 339-t of such law provides as follows:

> If withdrawal of the Property from this article is authorized... then the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all the Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to any Unit Owner until there has first been paid off out of his share of such net proceeds all liens on his Unit. Such withdrawal of the Property from this article shall not bar the subsequent submission to the provisions of this article in accordance with the terms of this article.

Amendments of By-Laws

The By-Laws may be amended with the approval of at least sixty-six and two-thirds percent (66 2/3%) in number and in Common Interest of all Unit Owners. Consent of the Sponsor is required for certain changes in the By-Laws. See Article X of the By-Laws included in Part II of this Plan.

Units Acquired or Leased by Board of Managers

The Board of Managers, with the approval of owners of Units constituting sixty-six and two-thirds percent (66 2/3%) of the Common Interest, may purchase or lease a Unit from a Unit Owner desiring to sell or lease it, or at a foreclosure or other judicial sale. In the event the

Board of Managers does not have sufficient funds on hand for the purchase or lease of a Unit which has been so approved by the Unit Owners, the Board of Managers either may borrow such funds or may assess the Unit Owners therefor in proportion to their respective Common Interest.

Any Unit acquired or leased by the Board of Managers or its designee shall be held on behalf of all Unit Owners in proportion to their respective Common Interest. The votes appurtenant to the Units so acquired may not be voted by the Board of Managers or its designee.

Power of Attorney in Favor of Board of Managers

Each Unit Owner, on the closing of title to his, her or its Unit, will be required to execute an instrument in the form set forth in Part II of this Plan or such other form as the Board of Managers may from time to time approve, irrevocably constituting the Board of Managers and its successors his, her or its attorneys-in-fact, coupled with an interest, for the purpose, among others, of selling, conveying, mortgaging, leasing or otherwise dealing with any Unit acquired by, or leasing any Unit leased by, the Board of Managers or its designee on behalf of all Unit Owners.

Severance of Ownership Prohibited

The Declaration and the By-Laws prohibit a Unit Owner from attempting to convey his, her or its Unit separate from its appurtenant interests, the intent of such provision being to prevent any severance of such combined ownership.

Unit Owners of Unsold Units

Each owner of an Unsold Unit shall have the rights and obligations with respect to his, her or its Unit that the Sponsor would have if the Sponsor owned the Unit, provided such owner of an Unsold Unit owns twenty percent (20%) or more of the total number of Units.

The foregoing sections of this Plan are not intended as a complete summary of the Declaration, the By-Laws and the Rules and Regulations or the Condominium Act, but only as reference to some of their important provisions. The Rules and Regulations, By-Laws, the Declaration and other important documents affecting the fundamental nature and operation of the Condominium are reproduced in Part II. Prospective purchasers and their attorneys are urged to review them carefully. In the case of inconsistency between the provisions of Part I of this Plan and the Declaration, the By-Laws or the Condominium Act, the provisions of the Declaration, the By-Laws and the Condominium Act shall govern.

REAL ESTATE TAXES AND TAXES ON THE CONDOMINIUM

As provided in Section 339-y of the Real Property Law and Section 581 of the New York Real Property Tax Law, each Unit and its Common Interest shall be deemed to be a

separate tax parcel and shall be subject to separate assessment and taxation by each applicable assessing authority. Under law, the aggregate of the assessment of the Units and their appurtenant interests shall not exceed the total valuation of the Property were it assessed as a single parcel.

After the Units are separately assessed by The City of New York, each Unit will be taxed as a separate tax lot for real estate tax purposes. A Unit Owner will not be responsible for the payment of, nor will the Unit be subjected to, any lien arising from the non-payment of taxes on other Units.

It is possible that separate assessments for each Unit will not be obtained from the tax assessor's office prior to the Unit's Closing. In such event, each Unit Owner will pay to the Board of Managers as a part of Common Charges the proportion of taxes assessed against the Property equal to the Unit's Common Interest, apportioned at the time of the Closing of each Unit and thereafter promptly upon request therefor by the managing agent or the Board of Managers. At the election of the Board of Managers or the managing agent, payments for real estate taxes may be required to be made in advance in monthly installments.

The notes to "Offering Prices and Related Information, Schedule A" above, describe the projected taxes for the first year of Condominium operations. In the schedule, taxes are allocated among Units based on their Common Interest and each Unit's status as a Residential Unit. However, the assessing authority, the New York City Department of Finance, may allocate taxes among Units in a different manner when creating separate tax lots. It should be noted that the tax projections and allocations are estimates without warranty of any kind.

An estimate of the real estate taxes which will be due on the Property at the time of the creation of the Condominium and during the first year of Condominium operations and of relevant assessment and tax policies is included in notes to "Offering Prices and Related Information, Schedule A," above.

No tax certiorari proceedings challenging the Property's assessed value are pending. The By-Laws provide that the Board of Managers may act as an agent of each Unit Owner who has given his, her or its written authorization to complain or apply to the Board of Assessment Review of the assessing agency by filing a single complaint on behalf of all such Unit Owners pursuant to Section 512 of the Real Property Tax Law and to commence and prosecute a special proceeding for the review of assessment of real property as an aggrieved person pursuant to Section 704 of the Real Property Tax Law of the State of New York. The Board of Managers may retain legal counsel on behalf of all Unit Owners for which it is acting as agent and charge all such Unit Owner a pro rata share of expenses, disbursements and legal fees, for which charges the Board of Managers shall have a lien pursuant to Section 339 of the Condominium Act.

It is projected that the Building's post-construction assessed value will be $363,132 for the 2009-2010 real estate tax year. The estimated 2009/2010 applicable tax rate is 11.928%. The Department of Finance of the City of New York will allocate the assessed value among the Units. It is anticipated that the allocation will be based on each Unit's Common Interest but no

warranty as to the method of allocation is made to any Purchaser or Unit Owner. Pursuant to Real Property Law Section 581, the assessed value of the Property must be determined without regard for whether the Property is owned on a condominium basis or not.

On July 14, 2008, The City of New York Department of Housing Preservation and Development ("HPD") issued a Preliminary Certificate of Eligibility, which means that Unit Owners may receive 421-a real estate tax benefits provided that a complete and timely final application is submitted to HPD and HPD approves the same. The final application must be made prior to the first taxable status date following completion of construction of the Building, and must contain, among other things, a copy of a temporary or permanent certificate of occupancy. The Sponsor represents it will submit a complete and timely final application to HPD. After the final application is made, the Property would be eligible to receive a 15-year tax exemption from increases in the assessed value attributable to the construction work. There would be a full exemption for such increases for 11 years, after which the exemption would decrease at the rate of 20% per year for the next four years. The Sponsor cannot guaranty the effective date of the 421-a benefits, whether they will be in effect at the time of the first Closing, or when real estate taxes are first due and payable by the Unit Owners. The Sponsor makes no representation that HPD will approve the 421-a, or the length of the exemption if it is granted. A Unit Owner will not be responsible for the payment of, nor will the Unit be subjected to, any lien arising from non-compliance by other Units with any law, order, rule, request or demand of HPD or any governmental agency that is involved in the administration of the 421-a benefits, or the non-payment by other Units of their taxes.

Throughout the exemption period, real estate taxes will be based upon, among other things, the tax rate fixed annually by the City Council on or about June 15th. Real estate taxes payable during tax year 2009/2010, by all Units, would be approximately $1,072 based on an estimated 11.928% tax rate.

Real estate taxes for an individual Unit will increase in proportion to any increase in real estate taxes for the Condominium as a whole.

The foregoing estimate of real estate taxes is made based upon assumptions about assessment practices and policies of the City of New York made by Metropolitan Realty Exemptions, Inc., 118 Middleton Street, Brooklyn, New York 11206, in a letter to the Sponsor dated June 3, 2008. The Sponsor has relied on these letters in the projecting real estate taxes and exemptions and abatements of the real estate taxes. No assurance can be given that the practices and policies will be applied as assumed or that the practices and policies will not change.

HPD routinely conducts audits, which can result in the reduction or revocation of benefits if proper documentation is not provided.

The Sponsor will keep all records required by HPD and will make them available to HPD whenever requested to do so.

Upon Closing, the Sponsor will make all tax benefit documents in its possession available to the Board for inspection and copying for the life of the benefits and will file all applications and timely comply with all procedures required to properly process and maintain the 421-a tax benefits.

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

The Sponsor has been advised by its counsel that each Unit Owner who is a person will be entitled under present law to deduct from his or her gross income for federal, New York State and New York City income tax purposes the real estate taxes assessed against his or her Unit and paid to the taxing authorities and the amount paid by him or her on any mortgage indebtedness in connection with the purchase of his or her Unit if the Unit is a household's primary residence.

In addition, the Sponsor has been advised by counsel that some Unit Owners, such as veterans of the United States armed forces, may be entitled to exemptions covering part of the real estate taxes otherwise assessed against their Units.

The Condominium is expected to be a taxable entity and will file tax returns. Certain condominiums that satisfy the requirements of Section 528 (c) (i) of the Code, however, may elect to be treated as "homeowners associations" for federal tax purposes. In order for the Condominium to qualify as a homeowners association, Section 528 would require, among other things, that substantially all of the Units in the Condominium be used by individuals for residences. The Treasury Regulations promulgated under Section 528 state that substantially all of the condominium units will be considered used by individuals for residences if at least eighty-five percent (85%) of the total square footage of all the units within the project is used by individuals for residential purposes. In addition, in order for the Condominium to qualify, at least sixty percent (60%) of the Condominium's gross income for the tax year must consist of membership dues, fees or assessments from Unit Owners and at least ninety percent (90%) of the Condominium's expenses for the tax year must consist of expenses to acquire, build, manage, maintain or care for the Property. An analysis of the finances of the Condominium would be necessary to determine if it is desirable to elect to be treated as a "home-owners association."

A copy of the opinion of counsel concerning the deductibility of real estate taxes and interest on mortgage indebtedness for the purpose of determining taxable income appears below.

Neither the Sponsor nor counsel for the Sponsor makes any warranty or guaranty that the United States Internal Revenue Service or the New York State Department of Taxation and Finance or the New York City Department of Finance will allow the deductions described above, or any representation or warranty that the tax laws or the regulations or rulings issued thereunder, or any judicial interpretation thereof may not change so as to disallow the deductions in whole or in part. Neither the Sponsor nor counsel to the Sponsor shall be liable if,

for any such reason, it is held that the Unit Owners are not entitled to such income tax deductions or to 421-a or other exemptions or abatements as aforesaid.

Metropolitan Realty Exemptions, Inc.
118 Middleton Street Brooklyn, NY 11206
Telephone: (718)387-3004 Facsimile: (718)228-3503
Email: taxadvisor@thejnet.com

June 23, 2008

Aspen Equities LLC
Seth A. Brown
398 2nd Street
Brooklyn, NY 11215

RE: 580 Sterling Place, LLC
580 Sterling Place
Brooklyn, 11238
Block & lot 1175 - 25

Opinion Letter regarding 421-a Real Estate Tax Exemption Benefits and Tax Liabilities

Dear Sir:

You have requested us to advise you with an opinion regarding the eligibility and extent of real estate tax exemption benefits, available to the above captioned premises (the "Site"), pursuant to Section 11-245 of the Administrative Code of the City of New York and §421-a of the New York State Real Property Tax Law (a/k/a "421-a Program").

The real estate tax benefits available to eligible properties under Section 421-a are as follows:

- During the period of construction, which will not exceed three years, multiple dwellings, which have met all requirements of Section 421-a and the regulations and have received a Preliminary Certificate of Eligibility, shall be exempt from real property taxes, other than assessments for local improvements, upon any increase in assessed valuation attributable to construction over the prior assessed valuation (the assessed valuation in effect during the tax year preceding the commencement of construction), provided that taxes shall be paid in each tax year in which full or partial exemption is in effect.

- After the first taxable status date immediately following the completion of construction, any increase in assessed valuation over the prior assessed valuation of eligible multiple dwellings which have received a Final Certificate of Eligibility shall be exempt from real property taxes, other than assessments for local improvements, for either ten, fifteen, twenty or twenty-five consecutive tax years. In addition, full taxes must be paid on the prior assessed valuation.

In this instant, after the completion of construction as described above, any increase in the properties assessed valuation, resulting from the construction of the building will be exempt from

taxation for a period of fifteen years, with 100% exemption for eleven years followed by a 20% phase-out in each of the succeeding four years. The current assessed value is not to be exempt from real estate taxes.

All interested parties should realize that the State Legislator and Senate have voted to extend and amend the 421-a tax code, the amended tax code will affect construction commenced after Jun 30th '08.

> **SPECIAL RISK**: The enabling legislation authorizing the 421-a tax exemption program as it is represented in this opinion letter is scheduled to expire on June 30, 2008. Any project which has not commenced construction prior to June 30, 2008 may receive substantially diminished benefits; and may be required to incorporate a percentage of low income housing units in order to qualify for 421-a benefits; and may be required to comply with different eligibility requirements.

Furthermore, please be advised that the assessed valuation of the various units are determined by the Real Property Assessment Department of the New York City Department of Finance. The tax rate is determined by the New York City Council who publishes the rate annually, usually in June.

In rendering this opinion, we have relied upon the following facts and assumptions that were confirmed to us by you:

1. Based upon information received from you and your architect, one multiple dwelling building will be constructed, with a total of 8 residential condo units;

2. The building will be constructed substantially in accordance with the plans and specifications approved by the New York City Department of Buildings, and comply with the requirements of section 421-a, the Regulations, and HPD is notified of any modifications to plans for the building or the "sell-out" price;

3. The temporary and final Certificates of Occupancy, and the Preliminary and Final Certificates of Eligibility, will be filed with the appropriate New York City agencies during the appropriate time periods;

4. An application for Preliminary Certificate of Eligibility for 421-a benefits will be filed after the commencement of construction but prior to the issuance of either a Temporary Certificate of Occupancy for all residential areas or a Permanent Certificate of Occupancy upon prescribed forms and applications prepared by the New York City Department of Housing Preservation and Development;

5. An application for Final Certification of Eligibility for 421-a benefits will be filed prior to the occupancy of the building, but no earlier than the date of the application for a Preliminary Certificate of Eligibility. Additionally, the application must be completed within ninety (90) days following the issuance of the Permanent Certificate of Occupancy or the Temporary Certificate of Occupancy covering all residential space;

6. The premises, or any portion thereof, was "underutilized" (pursuant to the provisions of Section 421-a) 36 months prior to commencement of construction;

7. Neither the Building nor any part thereof shall be used as a hotel or for single room occupancy as defined in the Rules Section 6-01(c);

8. The building will be substantially used for dwelling purposes for a period of at least fifteen years following its completion;

9. There will be no real estate taxes, water or sewer charges or payments in lieu of taxes due and owing as of the last day of the tax quarter preceding the submission date of the application to the Department of Finance, or at any time during the application process or the benefit period;

10. All records requested by the New York City Department of Housing Preservation and Development, pursuant to the regulations, will he provided;

Based upon the foregoing information furnished to us by you and your architect, and subject to your timely completion of work and filing of all documentation pursuant to Section 421-a of the Real Property Tax Law and applicable rules and regulations as is required to obtain the benefits thereof, and assuming presently applicable Section 421-a provisions apply, it is our opinion that:

- The premises, after completion of construction, will be eligible for partial real estate tax exemption under Section 421-a.
- All Section 421-a partial real estate tax benefits may be revoked or reduced if the application misstates or omits to state a material fact and/or for non-payment or underpayment of taxes and for certain other reasons.

Real Estate Tax liabilities due in reference to the above mentioned structure are as follows:

The total assessed value of the property (i.e., the aggregate assessment of all units) following completion of construction, is estimated to be $363,132.00 approximately. Using the foregoing estimate of assessed value, assuming a residential tax rate of 11.928% (i.e., $11.928 per $100 of assessed value, the final 2007/08 tax rates), the total real estate tax liabilities due, will be approximately as follows.

Tax liabilities without 421-a benefits

Residential Assessed Value	$363,132.00
Residential tax liabilities	$43,314.38
Total tax liabilities	$43,314.38

Tax liabilities with 421-a benefits

Residential Assessed Value	$8,985.00
Residential tax liabilities	$1,071.73
Total tax liabilities	$1,071.73

You are advised that this projection is an estimate, as it is unlikely that the post-construction assessed value or tax rate will remain constant for the 15 year Section 421-a exemption period. Thus, the actual assessment and real estate tax for each Unit may be more or less than the Unit's proportionate share of the total assessment and tax amount shown.

This letter was prepared at the Sponsor's request. However, we make no representation that Section 421-a benefits will be obtained if any items in the application are not true, or if the assumptions above listed are incorrect, or if the 421-a law, either statutory or decisional, or 421-a rules and

regulations, or present interpretations are modified or changed at the time the construction of the building are completed.

Sincerely yours,

Martin Joseph

Martin Joseph
Metropolitan Realty Exemptions, Inc.

118 Middleton Street Brooklyn, NY 11206 Tel: (718) 387-3004 Fax: (718) 228-3503

June 1, 2008

580 Sterling Place LLC
398 2nd Street
Brooklyn, New York 11215

Re: Condominium Offering Plan
Sterling Green Condominium
580 Sterling Place
Brooklyn, New York 11238

Gentlemen and Ladies:

You have requested our opinion concerning the deductibility for federal, New York State, and New York City income tax purposes of mortgage interest and real estate taxes paid by individual residents of New York who purchase Residential Units ("Residential Units") offered pursuant to the referenced Offering Plan (the "Plan). You have also requested our opinion concerning whether the allocation of the Common Interest for each Unit of the Condominium complies with Section 339-i of the Real Property Law.

In addition, you have requested us to provide a general description of the federal income tax treatment to Sterling Green Condominium (the "Condominium") of assessments payable by unit owners to meet common expenses of the Condominium ("Common Charges").

In this connection, we have reviewed the Plan (including the exhibits thereto) and relevant sections of the Internal Revenue Code of 1986, as amended (the "Code"), the New York State Tax Law (the "State Tax Law"), the New York City Administrative Code (the "City Code"), the Regulations promulgated under the foregoing laws and such other material as we deemed relevant.

The opinions expressed herein are based upon the assumptions that (1) the Plan becomes effective and is consummated in accordance with its terms, (2) condominium ownership of the Residential Units located in the Condominium is established under applicable law and (3) the legal consequences of the Plan are as described therein. Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Plan.

The Plan provides for the establishment of condominium ownership of the land and building and appurtenances thereto, comprising the Condominium, situated at 580 Sterling Place, Brooklyn, New York 11238. The Condominium will be comprised of 8 Residential Units ("Residential Units") and the common elements ("Common Elements"). This opinion addresses the tax consequences that would result from the ownership of a Residential Unit by an individual taxpayer for use as his or her own primary or secondary residence. It does not address the tax consequences of ownership of Residential Units by corporations, other entities or foreign persons.

13 GREENE AVENUE · BROOKLYN, NEW YORK 11238
TEL (718) 643·6555 FAX (718) 643·9111

I. Deductibility of Mortgage Interest and Real Estate Taxes.

We understand that each Residential Unit Owner will hold title to his or her Unit and an undivided interest in the Common Elements in fee simple and that each Residential Unit Owner may individually place a mortgage on his or her Residential Unit incurring direct liability for the interest or finance charges attributable thereto. Under New York State law, each Residential Unit and its interest in the Common Elements will be taxed as a separate parcel for real estate tax purposes (Section 339-y, N.Y. Real Property Law). Under these circumstances, the Internal Revenue Service has ruled that the owner of a residential condominium unit who itemizes deductions in filing his or her federal income tax returns may deduct interest paid on his or her mortgage indebtedness and the real estate taxes assessed and paid on his or her interest in the property. Rev. Rul. 64-31, 1964-1 (Part I) C.B. 300.

Based on the foregoing, it is our opinion that each individual taxpayer who itemizes deductions will be entitled under current law to deduct from his or her gross income, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code, for federal, New York State and New York City income tax purposes, real estate taxes assessed against his or her Residential Unit and paid to the local authority. However, no deduction for real estate taxes is permitted for purposes of the federal alternative minimum tax. Residential Unit Owners should consult their tax advisers regarding the applicability of the overall limitation on itemized deductions to the deductibility of real estate taxes, and the effect of the alternative minimum tax.

A taxpayer generally is entitled to a deduction for federal income tax purposes for interest paid during the taxable year on "acquisition indebtedness" or "home equity indebtedness" with respect to a "qualified residence" of the taxpayer. A "qualified residence" means the principal residence of the taxpayer and one other residence of the taxpayer selected by the taxpayer for the taxable year. "Acquisition indebtedness" means any indebtedness which is secured by any qualified residence of the taxpayer and which 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). The aggregate amount treated as acquisition indebtedness for any period cannot exceed $1,000,000 ($500,000 in the case of a married individual filing a separate return). "Home equity indebtedness" means any indebtedness (other than acquisition indebtedness) secured by a qualified residence over the amount of acquisition indebtedness with respect to such residence. The aggregate amount treated as home equity indebtedness for any period cannot exceed $100,000 ($50,000 in the case of a married individual filing a separate return). Accordingly, an owner of a Residential Unit who itemizes deductions and who uses such Unit as a qualified residence will be entitled, under current law, to deduct from his or her gross income, subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code, for federal income tax purposes, interest paid by him or her on (i) acquisition indebtedness incurred with respect to such Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with the respect to a second qualified residence (if any), does not exceed $1,000,000 ($500,000 in the case of a married individual

filing a separate return) and (ii) home equity indebtedness with respect to such Unit to the extent that such indebtedness, when added to the amount of home equity indebtedness incurred with respect to a second qualified residence (if any), does not exceed $100,000 ($50,000 in the case of a married individual filing a separate return). Since the rules and limitations regarding deductibility of home mortgage interest are complex, purchasers are urged to consult their tax advisers regarding the application of such rules to them, as well as regarding the deductibility of interest with respect to their Residential Units for alternative minimum tax purposes (which at present is subject to rules different from those described above for regular tax purposes). In addition, owners of Residential Units should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans and on the overall limitation on the allowance of itemized deductions.

Each owner of a Residential Unit who uses such Unit as a residence will generally be entitled to the same deduction for interest and real estate taxes paid or accrued with respect to such Unit for New York State and New York City income tax purposes as is allowed for federal (regular) income tax purposes. However, although the overall limitation set forth in Section 68 of the Code does not apply, under New York State and New York City income tax law, itemized deductions, such as interest and real estate tax deductions, are subject to reduction by as much as 50% in the case of individuals having income exceeding certain prescribed levels. Furthermore, purchasers should consult their tax advisers to determine the application, if any, of the New York State and New York City minimum tax to the deduction for interest and real estate taxes with respect to their Units.

II. General Description of the Tax Status of the Condominium.

The following discussion is a general description of the federal income tax treatment of the Condominium under present law. It is for informational purposes only and we express no opinion with respect to the method of taxation of the Condominium.

Under the Plan, the Board will, from time to time, assess Common Charges against the Unit Owners generally in proportion to their respective Common Interest in order to pay the costs and expenses of operating, repairing and maintaining the Common Elements.

The Internal Revenue Service may assert that a condominium association such as the Condominium should be treated for federal tax purposes as a separate taxable entity apart from the Unit Owners. In such case the Service may assert that the Condominium is taxable as a corporation and that the assessments paid by the Unit Owners must be treated as income to the Condominium.

Certain condominiums that satisfy the requirements of Section 528 (c) (i) of the Code may elect to be treated as "homeowners associations" for federal tax purposes. In order for the Condominium to qualify as a homeowners association, Section 528 would require, among other things, that substantially all of the Units in the Condominium be used by individuals for residences. The Treasury Regulations promulgated under Section 528 state that substantially all of the condominium units will be considered used by individuals for residences if at least

eighty-five percent (85%) of the total square footage of all the units within the project is used by individuals for residential purposes. In addition, in order for the Condominium to qualify, at least sixty percent (60%) of the Condominium's gross income for the tax year must consist of membership dues, fees or assessments from Unit Owners and at least ninety percent (90%) of the Condominium's expenses for the tax year must consist of expenses to acquire, build, manage, maintain or care for the Property. An analysis of the finances of the Condominium would be necessary to determine if it is desirable to elect to be treated as a "home-owners association."

In the event that the Condominium does not qualify for, or chooses not to make, the election under Code Section 528, the present state of the law is uncertain as to the proper reporting and tax treatment of the income of the Condominium derived from Unit Owners ("membership income") and others ("nonmembership income") in excess of appropriate deductions and credits. It is possible that the Condominium could be viewed as an agent or conduit for Unit Owners, in which case each Unit Owner would be required to report his or her proportionate share of nonmembership and possibly membership income (and deductions attributable thereto) directly on his or her own tax return. Alternatively, the Internal Revenue Service may take the position that the Condominium should be treated as a separate entity taxable as a corporation. If the Condominium is so treated, it would be subject to tax on its taxable income. In determining its taxable income, the Condominium's deductions attributable to furnishing services to Unit Owners may be limited to its membership income. Certain earnings and profits expended for the benefit of Unit Owners, and possibly rebates, if any, to Unit Owners of excess membership dues, fees or assessments may be treated as dividends to them. In addition, the Condominium would be subject to New York City and New York State franchise taxes.

We express no opinion concerning (a) any federal, New York State, or New York City tax consequences not explicitly discussed in this opinion, (b) any other aspects of the Plan other than those consequences and aspects explicitly discussed in this opinion, or (c) the tax status and tax consequences of the Plan under the laws of any other local or foreign jurisdiction. Except as explicitly provided, this opinion does not address (i) tax consequences which may result with respect to any Units held in connection with a trade or business, or any Units held for purposes of investment or for the production of income, or (ii) tax consequences which may result to a foreign Unit Owner by reason of his or her foreign status. This opinion also does not discuss the tax consequences which may arise if Units or Common Elements are acquired and/or leased by the Board or the issue of whether a Residential Unit Owner may be deemed to be a resident of the United States, New York State, or New York City as a result of the ownership of a Residential Unit and the attendant income, estate or other tax consequences. We therefore advise each person contemplating the purchase of a Unit to consult his or her own tax adviser concerning all such tax matters as well as with respect to the matters discussed in this opinion.

It should be noted that this opinion is based solely on the facts and documents referred to above and is not binding on the Internal Revenue Service, the New York State Department of Taxation and Finance, or the New York City Department of Finance. Moreover, the federal, New York State and New York City tax laws and regulations and the rulings and decisions

thereunder may change, possibly with retroactive effect, and thereby affect the opinions stated above in whole or in part. We undertake no obligation to update, modify or supplement this opinion in the event of any such change in applicable law, although we have advised you that you are obligated to do so.

This opinion is not a guarantee; it is based on existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which counsel base this opinion will not change. In no event will the sponsor, the sponsor's counsel, the board of managers of the condominium, the selling agent, if any, or any other person be liable if there are changes in the facts on which counsel relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or Internal Revenue Service rulings on which counsel relied which cause the condominium to cease to meet the requirements of Section 528 of the Internal Revenue Code of 1986, as amended or the New York State tax law, as amended and unit owners not to be entitled to income tax deductions (or which cause unit owners not to be or to cease to be entitled to the benefits or the level or duration of benefits described above).

III. Compliance with Real Property Law Section 339-i

We understand that, pursuant to Section 339-i (1)(iv) of the Real Property Law, a Unit's percentage of Common Interest is calculated based on a Unit's floor space subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared used, and the overall dimensions of the particular Unit. Based on the factual determinations made by Shpresa Husenaj, a licensed real estate broker, it is our opinion that the allocation of the Common Interest for each Unit of the Condominium complies with Section 339-i of the Real Property Law.

Very truly yours,

Marcus Attorneys

By: _____
Guillermo Santiago

RESERVE FUND

No reserve fund is to be provided. It is not anticipated that major capital improvements or replacements will be required during the first five years of Condominium operations. However, no warranty or representation as to the need for, or timing of, future capital improvements is made to Unit Owners or the Board of Managers. If a major capital improvement or replacement is required, the Board of Managers will have to fund the work out of Common Charges or an assessment on Unit Owners.

WORKING CAPITAL FUND AND CLOSING ADJUSTMENTS WITH THE CONDOMINIUM BOARD

Working Capital Fund

A Purchaser shall contribute three months' Common Charges at the time of Closing on his, her or its Unit.

The Sponsor will not contribute to the working capital fund for the Units held as Unsold Units.

The working capital fund may be held or used for working capital, to make repairs or for such other appropriate purposes permitted under the By-Laws as will be determined by the Board, in its sole discretion. For so long as the Sponsor is in control of the Board, the working capital fund will not be used to reduce Common Charges.

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 operations, including, without limitation, the cost of any necessary repairs or replacements. If additional funds are required over and above the working capital fund, it may be necessary to increase the Common Charges or to assess Unit Owners. The Board of Managers may choose to establish a reserve fund for capital expenditures. None is currently provided. Neither the Department of Law nor any other governmental agency has passed upon the adequacy of the working capital fund.

Closing Adjustments with the Condominium Board

Immediately prior to the first Unit Closing or as soon thereafter as necessary information is available, the Sponsor shall apportion the following items with the Board of Managers as of midnight of the day immediately preceding such Closing:

- charges for electricity for the Common Elements;

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

o vault charges, if any;

o any prepaid service contract fees or premiums on transferable insurance policies;

o salaries, wages and benefits for any employees of the Sponsor who will become employees of the Board of Managers;

o cost of fuel, if any;

o cost of unopened packages of Building supplies plus sales tax; and

o the costs of any renewable permits, licenses, authorization and inspection fees which cover a period running from prior to, to after, such Closing; and

o any other costs or expenses pertaining to the Property, concerning both a period before and a period after the date of such Closing.

If the result of the closing adjustments is a net credit in favor of the Condominium, the Sponsor shall make a contribution to the working capital fund in the amount of such net credit. If, however, the result of the closing adjustments is a net credit in favor of the Sponsor, same will be paid to the Sponsor by the Board in twelve (12) equal consecutive monthly installments pursuant to the terms of twelve (12) negotiable serial promissory notes to be executed by the Board at the first Closing. The first of these serial promissory notes will mature two (2) months after the date upon which the first Closing takes place and the balance will mature monthly thereafter. Each serial promissory note will contain a provision allowing the Sponsor to accelerate the note's maturity date in the event of a default under any other serial promissory note. The Board of Managers will be entitled to prepay each serial promissory note, in full only, at any time and without penalty. Payments of the serial promissory notes shall be withdrawn from the Working Capital Fund. In the event the Working Capital Fund is insufficient to fully pay off the serial promissory notes, payment of the balance of the same shall be a Common Expense that will increase the Common Charges.

The Sponsor makes no guarantee or representation of any minimum working capital fund after adjustments, if any, are made with the Condominium.

IDENTITY OF THE PARTIES

Sponsor

The Sponsor is 580 Sterling Place LLC, a New York limited liability company with an

office at 398 2nd Street, Brooklyn, New York 11215. The principal of the Sponsor is Seth Brown.

Seth Brown is a real estate developer and a founder of Aspen Equities LLC, a real estate development and investment firm that practices primarily in New York City and focuses on environmentally sustainable projects. His business address is 398 2nd Street, Brooklyn, New York 11215. Mr. Brown has not been a sponsor or principal on any other cooperative or condominium development or offering within the past five (5) years and he does not own ten percent (10%) or more of the units or unsold shares in any other condominium or cooperative.

Neither the Sponsor nor any principal nor any person owning or controlling ten (10%) percent or more of the equity interest of the Sponsor nor any entity in which the principals of the Sponsor were principals has any prior felony conviction or any prior conviction, injunction or judgement that may be material to this Plan or an offering of securities generally during the fifteen (15) years prior to the submission of this Plan. Except as stated above, neither the Sponsor nor any of its principals has offered for sale any properties as cooperatives, condominiums, planned unit development homes or time shares that were first offered in the five (5) years prior to the date of this Plan.

Attorney for Sponsor

Marcus Attorneys, with an office at 13 Greene Avenue, Brooklyn, New York 11238, represents the Sponsor in connection with this Plan. Guillermo Santiago prepared this Plan with information provided by the Sponsor.

Marcus Attorneys has prepared this Plan, including the Exhibits, based on information from the Sponsor. The Sponsor is paying the fees of the law firm for the aforementioned services. Marcus Attorneys has no financial interest in the Property, the Sponsor or any other party in interest in the offering described in this Plan, except that Marcus Attorneys has been paid a fee for its services. Marcus Attorneys will serve as the Escrow Agent under the Purchase Agreements. Marcus Attorneys will represent Sponsor in connection with Unit Closings.

Engineer

The project's engineering firm is Barry J. Bank, PE.

The Sponsor's certifying engineer is Barry J. Bank, whose address is 123-40 83rd Avenue, Suite 1L, Kew Gardens, New York 11415. He and his firm have no financial interest in the Property, the Sponsor or any other party in interest in the offering described in this Plan, except that Barry J. Bank, PE has been paid a fee for its services.

REPORTS TO UNIT OWNERS

Annually, the Board of Managers is obligated to give all Unit Owners:

- a financial statement of the Condominium prepared by an certified public accountant by a date specified in the agreement between the Board of Managers and the accountant; such statement shall be certified while the Sponsor is in control of the Board of Managers.

- prior written notice of the annual Unit Owner's meeting not less than ten (10) days before the meeting.

- a copy of the proposed annual budget of the Condominium at least fifteen (15) days prior to the date set for adoption thereof by the Board of Managers; while the Sponsor is in control of the Board of Managers such budget shall be certified in the manner in which the budget included in "Budget for First Year of Condominium Operations, Schedule B," in this Plan, above, is certified.

DOCUMENTS ON FILE

The Sponsor shall keep 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 on file and available for inspection without charge and copying at a reasonable charge at the office of the Sponsor's attorney or such other office as the Sponsor may designate for six (6) years from the date of the first Closing. The Sponsor shall deliver to the Board of Managers a copy of all documents filed with the Office of the City Register, Borough of Brooklyn pertaining to the formation of the Condominium at the time of the first Closing.

GENERAL

There are no lawsuits or administrative or other proceedings pending, the outcome of which may materially affect this offering, the Property, the rights of existing tenants, the Condominium, the operation of the Condominium or the Sponsor's capacity to perform its obligations under this Plan.

The Property has not been the subject of any prior cooperative or condominium offering.

In accordance with the laws of the United States, the State of New York and The City of New York, the Sponsor and its agents will not discriminate against any person on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status or other grounds prohibited by law.

The Sponsor reserves the right to revise, from time to time, the terms and conditions upon which Units are to be sold and to otherwise revise this Plan, including revisions affecting the rights, obligations and liabilities of the Sponsor, Purchasers or prospective Purchasers,

without obtaining the consent of Purchasers or others. However, the Sponsor may neither unilaterally cancel a Purchase Agreement that has been executed and delivered by the Sponsor, except as therein or herein provided (such as in case of an uncured default), nor unilaterally change the purchase price or the payment terms contained in such a Purchase Agreement. All substantive or material revisions will be contained in a duly filed amendment of this Plan. In the case of material revision adversely affecting the rights, obligations or liabilities of then existing Purchasers or reducing the undertakings or obligations of the Sponsor, such Purchasers will be given the right to rescind their Purchase Agreements and be refunded all monies paid thereunder (with interest earned thereon, if any) within thirty (30) days of presentation of the amendment offering such rescission. However, as to a Purchaser who first became an occupant of the Building after this Plan is filed with the Department of Law, such rescission will be conditioned on the cancellation of any Interim Lease and surrender of possession of his, her or its Unit within thirty (30) days after rescission.

Interests under this Plan are offered only to persons, who, if natural persons, must be over eighteen (18) years of age. Under no circumstances is this offering being made in any state or jurisdiction where unlawful.

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

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

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

Neither the Sponsor nor any of its principals has entered into any contracts or agreements, oral or written, for the sale or transfer of any of the Units offered in the Plan prior to submission of the Plan to the Department of Law. No deposits or advances of funds have been taken by, or on behalf of, the Sponsor or its principals in connection with the reservation, sale, or transfer of such Units prior to submission of the Plan to the Department of Law. Neither the Sponsor nor any of its principals will enter into any such contracts or agreements, or accept any such deposits or advances, prior to the date the Plan is accepted for filing by the Department of Law.

SPONSOR'S STATEMENT OF SPECIFICATIONS OR BUILDING CONDITION

The Sponsor adopts the "Description of Property and Specifications or Building Condition" included in Part II of this Plan. The Sponsor has no knowledge of any material defects or need for major repairs to the Property except as set forth in, and to be addressed by the construction described in, the "Description of Property and Specifications or Building Conditions."

The Sponsor intends to complete the construction described in this Plan in July 2009, but such date may be delayed due to delays in construction. The Property will require a new Certificate of Occupancy in order to be used in accordance with the provisions of this Plan.

Purchasers of Units 2B, 3A, 3B, PH A and PH B should note that the windows on the Building's eastern wall (facing 578 Sterling Place) are lot line windows. If a building is built on the property to the east of the Building, it may block the lot line windows. If the lot line windows are blocked, the Board of Managers will seal the windows and the costs thereof shall be a Common Expense. Because the other windows of the Units meet the light and air requirements of local codes, sealing of the lot line windows would not affect the legal use of the spaces within the Units.

580 Sterling Place LLC

Brooklyn, New York

Sterling Green Condominium

OFFERING PLAN

Part II

Page without text

SECTION A

PURCHASE AGREEMENT

Page without text

PURCHASE AGREEMENT

Purchaser(s) Name:

Address:

Telephone:

Social Security No.(s):

Unit No.: Percentage of Common Interest _____

Down Payment: $

Balance Due At Closing: $

Total Purchase Price: $

Name(s) and manner in which title will be taken:

Statements of Seller and Purchaser

1. Statement of Seller: 580 Sterling Place LLC, with an address of 398 2nd Street, Brooklyn, New York 11215 ("Seller") has promulgated a Plan (the "Plan") of Condominium Ownership of Sterling Green Condominium pursuant to which the land with appurtenances and the units (the "Units") located at 580 Sterling Place, Brooklyn, New York (the "Property") will be declared to be a condominium under the provisions of Article 9-B of the Real Property Law of the State of New York on the terms and conditions more particularly set forth in the Plan.

2. Statement of Purchaser: Purchaser acknowledges as follows: At least three (3) days prior to the execution of this Purchase Agreement, Purchaser has received a copy of the Plan (which includes the Declaration to be made by Seller and to be recorded in the Office of the City Register, Borough of Brooklyn, the Schedules, By-Laws and Rules and Regulations attached thereto, all of which are incorporated herein by reference and made part of this Agreement with the same force and effect as if fully set forth herein), including any amendments to the Plan filed with the New York State Department of Law.

Purchaser acknowledges having had a full opportunity to examine the Plan and all amendments thereto for at least three (3) business days prior to signing this Agreement and to investigate all statements therein, to examine all documents referred to herein, to investigate all statements made herein, and to consult such experts as Purchaser feels are appropriate.

Purchaser has been given an opportunity to examine the architectural plans and specifications for the above-numbered Unit and for the building in which it is located ("the Building") prepared by Barry Bank, PE. (the "Architect").

Purchaser is desirous of purchasing the above-numbered Unit, as designated in the Declaration and on the floor plans filed or to be filed in the Office of the City Register, Borough of Brooklyn, together with an undivided interest in the Common Elements appurtenant thereto (the above-numbered Unit and the undivided interest being hereinafter collectively called the "Unit"). Purchaser hereby adopts, accepts and approves of the Plan (including the proposed Condominium documents contained in Part II of the Plan) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Seller (including amendments involving any changes, modifications or updating of the estimated Common Charges, the estimated real estate taxes to be paid by Purchaser or the "Budget for First Year of Condominium Operation, Schedule B"). Any such amendments shall neither excuse Purchaser from performing Purchaser's obligations hereunder nor entitle Purchaser to any offset of credit against the total Purchase Price and may be made by Seller without Purchaser's consent or approval, except that in certain circumstances described in the Plan Purchaser may have a right to rescind this Agreement upon the filing of certain amendments to the Plan. The Plan is hereby incorporated in this Agreement as if set forth at length. In the event of any inconsistency or conflict between the provisions of this Agreement and those contained in the Plan, the provisions of the Plan shall govern and be binding.

Agreements Between Seller and Purchaser

For good and valuable consideration, receipt of which is hereby acknowledged, Seller and Purchaser mutually agree as follows:

3. Payment for Unit: Seller hereby agrees to sell and Purchaser hereby agrees to purchase the Unit for the Total Purchase Price stated above. The down payment stated above has been made on the signing of this Agreement, receipt of which by check subject to collection is acknowledged by Seller. The balance due at Closing shall be payable at the Closing of title, as hereinafter provided in Paragraph 4, by unendorsed certified or cashier's check of Purchaser drawn on a bank or trust company which is a member of the New York Clearing House Association payable to the order of Seller.

TIME IS OF THE ESSENCE CONCERNING PURCHASER'S OBLIGATIONS. This means the time for payment of the balance of the Purchase Price hereunder is of the essence of this Agreement; Purchaser's failure to pay the balance on the Closing Date designated by Seller pursuant to Paragraph 4 shall constitute a default and result in cancellation of this Agreement and such other consequences as are specified in Paragraph 10.

4. Closing of Title: The Closing of title shall take place on no less than thirty (30) days' prior written notice to Purchaser at such place as Seller may designate, at an hour and on a date (hereinafter called the "Closing Date") to be specified by Seller. Such date shall be no earlier than

thirty (30) days after the date on which written notice is given to Purchaser that the Plan has been declared effective (unless Purchaser and Seller shall agree on an earlier Closing Date). The Closing of title may be adjourned to such later date as the parties may agree upon in writing, or as otherwise set forth in the following paragraph, and such adjourned date shall then be deemed the Closing Date hereunder.

Seller shall be entitled to reasonable adjournments of the Closing of title in the event of delays for any reason.

Purchaser shall have the one time right to adjourn the Closing Date for up to fifteen (15) days after the scheduled Closing Date (to a date that shall be acceptable to Sponsor) on five (5) days written notice to Seller, provided however, that Purchaser shall pay to Sponsor at Closing an adjournment fee equal to 0.03% of the Total Purchase Price for each day starting from (and including) the originally scheduled Closing Date to (and including) the day before the actual Closing Date as a reimbursement of Seller's higher carrying costs for the Unit by virtue of the delay. In addition, the Closing apportionments described in the Plan will be made as of midnight of the day preceding the originally scheduled Closing Date, regardless of when the actual Closing occurs. The adjournment fees described above shall also apply to any default curing period. If the Closing does not occur at all due to Purchaser's refusal or inability to cure his, her or its default, then the fees described above shall be due Seller within three (3) business days after the expiration of the default curing period. This paragraph shall survive the Closing.

At the Closing of title Seller shall deliver to Purchaser a bargain and sale deed with covenants against grantor's acts, conveying the Unit to Purchaser, such deed to be substantially in the form contained in Part II of the Plan, executed and acknowledged by Seller in form for recording.

Simultaneously with the delivery of the deed, Purchaser shall cause the balance of the purchase price to be paid to Seller, if applicable, by payment to Seller of the proceeds of any mortgage loan obtained by Purchaser, and shall execute and deliver to the mortgagee the note and mortgage and any other documents required by the mortgagee, as well as any documents required by Seller.

5. Power of Attorney to Board of Managers: At the Closing of title and simultaneously with the delivery to Purchaser of the deed conveying the Unit, Purchaser shall execute and acknowledge a power of attorney for each Board of Managers, as applicable to the Unit, in the form prepared by the attorney for Seller and substantially in the form contained in Part II of the Plan. Purchaser agrees to deliver such power of attorney(s) to Seller at the Closing of title.

6. Binding Effect of Declaration, By-Laws, Plan, Rules and Regulations: Purchaser hereby agrees to be bound by the Declaration, the By-Laws, the Rules and Regulations as contained in the Plan, and the Plan, as such documents may be amended from time to time.

7. Condition of Title: Seller agrees to convey to Purchaser title in fee simple to the Unit free and clear of all liens and encumbrances other than those set forth in the Plan (as well as mortgages, if any, obtained by Purchaser) and as set forth in Exhibit F attached hereto.

Notwithstanding the above, the existence of unpaid taxes or liens of any kind at the Closing of title shall not constitute an objection to title, provided that Purchaser's title insurance company shall be willing to insure against collection of same from the Unit. The parties agree that Seller may pay and discharge any liens and encumbrances upon the Unit, not permitted to remain under the Plan or this Agreement, out of the monies to be paid by Purchaser at the time of the Closing of title.

Subject to the terms of this Paragraph 7, Seller shall give, and Purchaser shall accept, such title as Vanguard Title Agency, Inc. will approve and insure, subject to the liens, encumbrances and other exceptions set forth in the Plan and this Agreement.

Purchaser's payment of the balance of the Total Purchase Price and acceptance of a deed to the Unit shall constitute Purchaser's recognition that Seller has satisfactorily performed all its obligations under and stated in the Plan and this Agreement, except those expressly provided to survive the Closing or to be performed after the Closing. However, nothing herein contained shall excuse Seller from performing those obligations (if any) expressly stated herein or in the Plan to be performed subsequent to the Closing of title.

Purchaser shall deliver to Seller, at least fifteen (15) days prior to Closing, a statement of any objections to the state of title to the Unit. In the event that Seller is unable to deliver to Purchaser title to the Unit in accordance with the provisions of this Agreement, Seller will not be obligated to bring any action or proceeding or otherwise incur any cost or expense to render title marketable. If Seller notifies Purchaser of Seller's inability to remedy the defect in title, and if Purchaser is not then in default hereunder, Purchaser shall have the option (i) to take title subject to such title defect (without any abatement in, or credit against, the Total Purchase Price or claim or right of action against Seller for damages or otherwise), or (ii) to terminate this Agreement. If Purchaser elects to terminate, Seller shall instruct the Escrow Agent (defined below) to return to Purchaser, within ten (10) days after receipt of Purchaser's termination notice, all monies deposited hereunder, with interest earned thereon, if any. Upon making such refund this 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 written notice given by Purchaser to Seller no later than ten (10) days after Seller's notice of inability to remedy the title defect. If Purchaser shall not give such notices within said ten (10) day period, it shall be conclusively deemed that Purchaser elected the first option above, to acquire title subject to the title defect.

8. Expenses of Closing and Closing Adjustments: Purchaser will pay the Closing costs and expenses referred to herein or in the Section of the Plan (as same may be amended to date) entitled "Closing Costs and Adjustments," including, if applicable, the amount of any credit for mortgage tax as set forth in said Section. Purchaser shall make the contribution to the working capital of the Condominium referred to in said Section. Real estate taxes and Common Charges and expenses shall be adjusted between Seller and Purchaser as of midnight preceding the Closing Date in accordance with the provisions of the Plan. In the event real estate taxes shall not have been levied against the Unit, then real estate taxes shall be apportioned based on the real estate taxes payable with respect to the Property multiplied by the percentage of Common Interest attributable to the Unit. Purchaser will pay the New York City Real Property Transfer Tax and New York State Real

Estate Transfer Tax attributable to the delivery of the deed hereunder. ANY SUCH EXPENSES OR ADJUSTMENTS PAYABLE TO SELLER IN EXCESS OF $500 WILL BE PAID BY CERTIFIED CHECK OR BANK CHECK.

The "Customs in Respect of the Title Closing" 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.

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.

9. Agreement Subject to Mortgages: Purchaser agrees that all terms and provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage, building loan mortgage or development loan mortgage heretofore or hereafter made and any advances heretofore or hereafter made thereon and any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the building loan schedule of payments or accelerated thereunder by virtue of lender's right to make advances before they become due in accordance with the schedule of payments. Notwithstanding anything to the contrary contained in this Paragraph 9, however, on the Closing Date the Unit will not be subject to any such building loan mortgage or developmental loan mortgage, but may be subject to any mortgage(s) obtained by Purchaser.

10. Default by Purchaser: TIME IS OF THE ESSENCE CONCERNING PURCHASER'S PERFORMING HIS, HER OR ITS RESPECTIVE OBLIGATIONS UNDER THIS AGREEMENT WITHIN THE TIME PERIOD PROVIDED FOR HEREIN. If Purchaser shall (i) fail to pay any portion of the purchase price when due, or (ii) fail to close title on the date, hour and place specified by Seller pursuant to Paragraph 4 hereof, or (iii) become a tenant of the Unit or the Building and fail to pay rent or otherwise to comply with Purchaser's lease or tenancy obligations, or (iv) fail to perform any of Purchaser's other obligations hereunder, Seller may send notice to Purchaser of Seller's intention to cancel this Agreement if such default shall not be cured within thirty (30) days thereafter, time being of the essence. Seller's attorney shall impose a fee for such notice of default, which will be paid by Purchaser. If within said thirty (30) day period Purchaser shall fail to cure such default, Seller may, at its option, cancel this Agreement by notice to Purchaser. In the event that Seller shall elect so to cancel this Agreement, Seller shall certify to the Escrow Agent that title has not closed because of Purchaser's default and that Seller has elected to cancel this Agreement by reason thereof, and the Escrow Agent shall thereupon pay over to Seller as liquidated damages the down payment (plus all sums held by the Escrow Agent with respect to special work in the Unit ordered by Purchaser, which sums, whether paid to the Escrow Agent or paid directly to Seller by Purchaser, Seller may also retain as liquidated damages to the extent of actual costs incurred for such special work) and any interest earned thereon, and upon such payment being made, each of the parties hereto shall be relieved of any further liabilities or obligations hereunder. If the Agreement shall be canceled by Seller pursuant to this Paragraph 10, Seller may sell the Unit to any third party or otherwise exercise its rights as owner of the Unit in any manner it

may choose and shall be under no obligation to account to Purchaser for any part of the proceeds of such sale or such exercise of its rights. The Escrow Agent may rely upon the truth and accuracy of the facts contained in Seller's certification and the authority of the person or persons executing the same and shall have no liability as a result of such reliance.

11. Agreement May Not be Assigned; Marketing Representations: Purchaser shall have no right to assign this Agreement without the prior consent in writing of Seller and any purported assignment of this Agreement in violation hereof shall be voidable at the option of Seller. Seller's refusal to consent to an assignment shall not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Seller. In the event Seller, in its sole discretion, shall consent to an assignment, the same shall be subject to the conditions that (a) Purchaser wishing to assign his, her or its Purchase Agreement has executed the Purchase Agreement and tendered the required down payment; (b) the assignment in a form approved by Seller is executed and delivered by the respective assignee no later than thirty (30) days prior to the Closing Date; and (c) the assignee pays Seller's attorney a fee for legal services in connection with the assignment.

Prior to the Closing, Purchaser shall not offer this Agreement or the Unit for sale or rental, engage any selling agent or broker, list this Agreement or the Unit with any selling agent or broker, link or make reference to or otherwise use any marketing material used by the Seller or its representatives, for the purpose of offering this Agreement or the Unit for sale or rental without the prior, written consent of the Seller. Failure by Purchaser to abide by the restrictions contained in this paragraph shall constitute a default under this Agreement. After the Closing, the Unit Owner shall not link or make reference to or otherwise use any marketing material used by the Seller or its representatives, for the purpose of offering the Unit for sale or rental, without the prior, written consent of the Seller. In addition to any remedies available to Seller under the Plan and this Agreement, Seller shall be entitled to all proceeds received or to be received by Purchaser as a result of Purchaser's failure to abide by the restrictions contained in this paragraph. This paragraph shall survive the Closing.

12. Notices: Any notice to be given hereunder shall be in writing and sent by mail to Purchaser at the address given above and to Seller at 398 2nd Street, Brooklyn, New York 11215, with a copy to Marcus Attorneys, Attention: Guillermo Santiago, Esq., 13 Greene Avenue, New York, New York 11238, or such other address as either party may hereafter designate to the other in writing. Notices shall be given by certified mail, return receipt requested, or by overnight delivery. The date of mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Attorneys for the parties are authorized to give and receive notices on behalf of their clients.

13. No Representation: Except as herein or in the Plan specifically set forth, Purchaser acknowledges that Purchaser has not relied upon any plans or specifications, sales plans, selling brochures, advertisements, representations, warranties or statements of any nature, whether made by Seller, Seller's counsel or anyone acting or purporting to act on behalf of Seller, with respect to any matter, including, without limitation, the description or physical condition of the Building or the Unit, the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the Building services, the estimated Common Charges and Expenses and real estate taxes allocable to the Unit and any abatement thereof or exemption therefrom, or the right to

any income tax deduction on account of any real estate taxes and/or mortgage interest paid by Purchaser. Purchaser agrees that Seller shall have no liability or responsibility to Purchaser if the layout or dimensions of the Unit or any part thereof or of the Common Elements as shown on the floor plans or on the architectural plans and specifications for the Building or site plan are not accurate or correct provided such layout or dimensions conform substantially to the floor plans and the architectural plans and specifications for the Building and the site as modified or supplemented in accordance with the Plan and that Purchaser will not be relieved from his, her or its obligations hereunder by reason of any minor variation, inaccuracy or error.

14. Recording of Deed and Power of Attorney: At the Closing of title, Purchaser shall also execute the deed thereby accepting and ratifying the provisions of the Condominium Declaration, By-Laws and Residential By-Laws, and Purchaser will deliver the executed deed received from Seller and the executed and acknowledged power of attorney(s) to the representative of the title company, if any, or to Seller for recording in the Office of the City Register, Borough of Brooklyn. Such deed and power of attorney(s) will be substantially in the form set forth in the Plan. Purchaser shall pay the cost of such recording to said representative or Seller, as the case may be, at the Closing of title.

15. Binding Effect: This Agreement shall not be effective or binding on Seller until a counterpart hereof is executed by Seller and delivered to Purchaser. Subject to the provisions hereof, this Purchase Agreement shall bind and inure to the benefit of the parties hereto, their heirs, personal representatives, successors and assigns.

16. Agreement Subject to Plan Becoming Effective; Seller's Right to Cancel: This Purchase Agreement is contingent upon the Plan being declared effective. The Plan may be abandoned by Seller at any time prior to its being declared effective and shall be abandoned and deemed abandoned if it has not been declared effective within the time prescribed in the Plan. If the Plan is abandoned or does not become effective, this Purchase Agreement shall be deemed canceled. If, after the Plan is declared effective, title to the Unit shall not close within the time set forth herein or in the Plan for the Closing, as such time may be extended as provided herein or in the Plan, for any reason other than Purchaser's default, then, Purchaser may elect to terminate this Agreement upon ten (10) days prior notice. If Seller offers to close within said ten (10) day period, then this Agreement shall remain fully binding. If Seller shall fail to tender a deed and otherwise perform within said ten (10) day period this Purchase Agreement shall be canceled at the conclusion of said ten (10) day period. If this Purchase Agreement is canceled pursuant to the provisions of this paragraph, then not later than five (5) days thereafter, Purchaser shall receive a refund in full of all monies paid by Purchaser hereunder, with the interest earned thereon, if any, and upon such repayment, neither party shall have any claim against the other and both shall be released from all obligations hereunder.

In addition to Seller's rights pursuant to Paragraph 10 of this Agreement relating to default by Purchaser, Seller may cancel this Agreement by forwarding its check in the full amount paid by Purchaser, together with a notice to Purchaser for any of the reasons set forth in the Plan, including, prior to the Plan's being declared effective, without limitation, in the event of the occurrence of any of the following: (a) that any governmental bureau, department or subdivision thereto shall impose restrictions on the manufacture, sale, distribution and/or use of material necessary in the

construction of improvements to the Building and such restrictions shall prevent Seller from obtaining such materials from its regular suppliers or from using same in the construction and/or completion of the Unit; or (b) that Seller is unable to obtain materials from its usual sources due to strikes, lockouts, war, military operations and requirements, national emergencies, acts of God; or (c) if the installation of public utilities is restricted or curtailed.

Once the Plan has been declared effective, it may not be abandoned for any reason other than (1) a defect in title which cannot be cured without litigation or cannot be cured for less than one-half of one percent of the total amount of the offering, (2) substantial damage or destruction of the Building by fire or other casualty which cannot be cured for less than one-half of one percent of the total amount of the offering, or (3) the taking of any material portion of the Property by condemnation or eminent domain.

17. Monies to be Held in Trust; Payment of Purchase Price; Notice of Closing:

(a) The down payment pursuant to this Agreement will be ten (10%) percent of the Total Purchase Price for the Unit, which down payment shall be increased by the cost of special work or materials, if any, offered by Seller and ordered by Purchaser as itemized in this Agreement. All monies received by Seller through its agents or employees pursuant to this Agreement will be deposited with Bank of America, in an escrow account entitled "Marcus Attorneys Escrow Account" at its branch located at 205 Montague Street, Brooklyn, NY 11201. Such funds will be held in trust in accordance with the escrow and trust provisions of Section 352(h) and 352-e 2(b) of the New York General Business Law, and regulations, if any, promulgated pursuant to said Section 352-e 2(b). Such funds will be disbursed only upon written instructions of a member of the law firm of Seller's attorney, as follows: (i) to Seller if the Plan is declared effective and title closes hereunder or if Purchaser defaults hereunder; or (ii) to Purchaser if the Plan is abandoned or withdrawn or title does not close because of Seller's default, or this Agreement is canceled (without default by either party) in accordance with its terms. Down payments, with accumulated interest, if any, shall remain the property of Purchaser except as provided by law.

(b) All deposits, down payments, or advances made by Purchaser prior to Closing of each individual transaction, whether received before or after the date of consummation of the Plan, will be placed, within five (5) business days after receipt of fully executed purchase agreements by the Seller's attorney, in a segregated special escrow account of Marcus Attorneys, the "Escrow Agent", whose address is 13 Greene Avenue, New York, New York 11238 and whose telephone number is (718) 643-6555. The signatory on this account authorized to withdraw funds is: Jed S. Marcus. This bank is covered by federal bank deposit insurance to a maximum of $100,000 per individual deposit. A copy of the Escrow Agreement between Seller and Escrow Agent is attached hereto as Exhibit H.

The account will be an interest-bearing account and interest will be credited to the Purchaser, provided that Purchaser returns, along with the Down Payment, an executed W-8 or W-9 form. Otherwise, the account will not be interest-bearing and no interest will be available to any party.

All checks shall be made payable to or endorsed to the order of "Marcus Attorneys, as Escrow Agent".

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

Where there is a dispute over the Down Payment pursuant to and in accordance with the provisions contained herein and in the Plan, the Escrow Agent will hold funds in escrow until otherwise directed in:

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

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

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

If there is no written agreement between the parties to release the escrowed funds, the Escrow Agent will not pay the funds to Seller until the Escrow Agent has given Purchaser written notice of no less than ten (10) business days in advance of the release. This Purchase Agreement will constitute such written agreement for delivery of funds at the Closing. Thereafter, the funds may be paid to Seller 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.

Seller will 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.

Purchaser and the Escrow Agent may apply to the Attorney General in the event of a dispute for a determination on the disposition of the down payment. Seller must avail itself of this procedure if there is a dispute which needs to be resolved. A form for this purpose is attached hereto as Exhibit A. 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, Seller, Purchaser, and the Escrow Agent shall abide by any interim directive issued by the Attorney General.

(c) In the event of an uncured default by Purchaser in his, her or its obligations under this Purchase Agreement, no more than ten (10%) percent of the purchase price plus any interest earned thereon, may be retained as liquidated damages. Notwithstanding the above, the actual cost incurred by Seller for any special work, materials, labor, machinery or equipment ordered by

Purchaser also may be retained as liquidated damages. Seller agrees not to seek the remedy of specific performance in connection with this Agreement if there has been a default by Purchaser.

(d) The balance of the purchase price will not be payable until Closing of title to the Unit. The balance shall be paid by certified or official bank or cashier's check drawn on a bank which is a member of the New York Clearing House Association to the order of "580 Sterling Place LLC", or to such other party or parties as the Seller may designate, and delivered to the Seller at the Closing.

(e) Purchaser will be given notice of the declaration of effectiveness of the Plan, at least thirty (30) days prior to the Closing date for his, her or its Unit, which notice will also remind Purchaser of the obligation to pay the balance of the purchase price at that time and will state when Common Charges will be due and payable. The Purchaser may waive this thirty (30) day provision by executing a written waiver. For the purposes of this Paragraph 17(e), notice shall be by regular mail to the Purchaser's address as indicated above.

(f) The Sponsor may agree, in its sole discretion, at the request of Purchaser, to modify the interior of the Unit, including the equipment and fixtures in the Unit, to combine one or more Units into a single Unit, or to perform other specialized work in the Unit, subject to any Legal Requirements. Such work shall be performed upon terms and conditions determined by the Seller and Purchaser. In connection with the combination of one or more Units into a single Unit, the first installment of the Down Payment payable by Purchaser shall equal twenty percent (20%) of the total Purchase Price of the combined Units; in all other cases, a sum equal to the cost of such modifications or special work or materials shall be paid to the Seller prior to any obligation on the Seller's part to perform such work. Such sum shall be held in escrow together with the Down Payment. However, Purchaser should note that such funds may be released from the Escrow Account by the Escrow Agent so long as Seller uses the funds for such modifications or special work or materials. As a result, in the event Purchaser is entitled to rescission, Purchaser will not receive a refund of any funds used for modifications or special work or materials.

YOU, AS PURCHASER OF THIS RESIDENCE, MAY REQUIRE THE RECIPIENT OR CONTRACTOR TO DEPOSIT THE INITIAL ADVANCE MADE BY YOU IN AN ESCROW ACCOUNT. IN LIEU OF SUCH DEPOSIT, THE RECIPIENT OR CONTRACTOR MAY POST A BOND OR CONTRACT OF INDEMNITY WITH YOU GUARANTEEING THE RETURN OF SUCH ADVANCE.

18. Equipment and Furnishings: Seller will provide Purchaser only with the fixtures, equipment, hardware, appliances and furnishings referred to in the Plan, including the "Description of Property and Specifications or Building Condition," which are included in the purchase price of the Unit. Fixtures, equipment, hardware, appliances, furnishings and decorations in any model unit or sales office not referred to in the Plan are excluded from this sale. Optional items, if any, offered by Seller which Purchaser desires to purchase as "extras," and the cost thereof, are listed in Exhibit B attached hereto. Such costs will be added to the purchase price of the Unit. All sums or deposits paid for the optional items shall be deemed to be part of the down payment. Purchaser shall select other applicable items for the Unit from Seller's samples within five (5) days after request is made

thereof by Seller, and if Purchaser fails to do so Seller shall have the right to make the selection for Purchaser.

19. Acceptance of Condition of Unit; Risk of Loss:

(a) Purchaser shall accept title without abatement of, or credit against, the purchase price (or provision for escrow) notwithstanding that construction of minor details of the Unit has not been completed. Purchaser shall be given a reasonable opportunity to examine the Unit prior to Closing and if work of a "material nature" is found to be incomplete, Sponsor shall furnish Purchaser its written undertaking to complete such incomplete work of a "material nature" prior to or following the Closing, said undertaking to be a Final Inspection Sheet in the form attached hereto as Exhibit C. Work of a "material nature" as used in this paragraph shall not include nail pops, ridging on sheet rock walls, lumber shrinkage, separation in joints of tile or wood flooring, floor levels, ceiling imperfections, painting defects, alignment of bathroom finishes, air infiltration from windows, any damage resulting from settlement (including, without limitation, concrete cracks which do not impair the structural soundness of the Building), normal plumbing, heating and air conditioning noises, or minor chips, mars, breaks or other defects in window sashes, window sills, electric fixtures and globes, interior painted surfaces, sinks, tubs, bowls, medicine cabinets, doors, mirrors, ceramic tile, hardware, bath tile grouting, countertops, vanity tops and bases, kitchen tile and cabinets or flooring, hardware, flooring, appliance cabinets, or carpet discoloration and stretching or doors sticking due to weather or door warpage. Subsequent to conveyance of title to a Unit, the Sponsor shall not be responsible for paint touch-ups, or for repair of any condition deemed not of a material nature.

(b) Risk of loss for fire or other casualty remains with Seller until the earlier of the following events:

(i) Legal title to the Unit has been conveyed to Purchaser; or

(ii) Purchaser has taken actual possession of the Unit pursuant to a written agreement with Seller.

20. Possession of Unit prior to Closing: It is expressly understood and agreed that Purchaser shall in no event take possession of the Unit prior to the Closing and full compliance by a Purchaser with the terms of this Agreement except pursuant to an Interim Lease, as described in the Plan, and should Purchaser violate this provision, Seller shall have the right to remove him, her or it from the Unit as a squatter and intruder. Upon Purchaser's unauthorized possession, Purchaser shall be deemed in default hereunder at the option of Seller, and if Seller so elects, Seller may cancel this Agreement and all amounts deposited hereunder shall belong to Seller as liquidated damages deemed earned hereunder. It is further understood and agreed that upon Purchaser's taking possession of the Unit, Seller will not be responsible for damage or loss to any property of Purchaser or to the Unit before, on, or after the Closing of title. If, in Seller's sole discretion, Seller shall permit Purchaser to take possession of the Unit prior to the Closing, then and in such event, Purchaser's failure to pay rent or otherwise to comply with Purchaser's lease or tenancy obligations shall be deemed a default by Purchaser under this Agreement.

21. Damage to the Unit: Subject to the Sponsor's right to abandon the Plan due to damage to the Building and for other reasons, as described in the Plan, and unless the risk of loss with respect to a Unit has passed to the Purchaser, in the event the Unit is damaged by a casualty or other cause prior to the Closing, the Sponsor will repair the Unit if the cost of the repair is less than or equal to one-half of one percent of the purchase price. If the cost of the repair is more than one-half of one percent of the purchase price, the Sponsor may, but is not obligated to, repair the Unit. The date for the Closing will be extended to give the Sponsor time to repair the Unit if the Sponsor is obligated to repair the Unit or elects to repair the Unit. If the Sponsor repairs the Unit, then this Agreement shall remain in full force and effect and the Closing shall occur as specified in a notice from the Sponsor to the Purchaser after the repair is completed. If the cost of the repair is more than one-half of one percent of the purchase price, and the Sponsor does not elect to repair the Unit, then the Purchaser may either purchase the Unit with a credit of one-half of one percent of the purchase price or rescind this Agreement, in either case by giving the Sponsor notice of the Purchaser's choice within thirty (30) days after the Sponsor gives notice of the Sponsor's election not to repair the Unit. If the Purchaser fails to give notice rescinding this Agreement within said thirty (30) day period, then the Purchaser will be deemed to have chosen to be bound by this Agreement and receive the credit described above. A Purchaser of a damaged Unit will be responsible for all repairs to the Unit and for complying with all laws, rules and regulations with respect to the condition of the Unit and repairs.

22. Limitation of Seller's Liability: Seller's liability under this Agreement for any reason whatsoever, including inability to deliver title, but except for failure to perform its obligations under the Plan, shall be limited to the return of the money deposited hereunder (with interest, if any), provided, however, that Seller may retain any funds paid by Purchaser for construction materials, labor, machinery or equipment specifically ordered by Purchaser to the extent costs therefor have been incurred by Seller, and upon the return of said money, this Agreement shall be null and void and the parties hereto released from any and all liability hereunder.

23. Definitions: The term "Purchaser" shall be read as "Purchasers" if more than one person or entity are purchasers, in which case their obligations shall be joint and several. The capitalized terms used herein shall have the same meanings as in the Plan.

24. Other Agreements: This Purchase Agreement supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them and no oral representations or statements shall be considered a part hereof.

25. Amendment of Purchase Agreement: This Purchase Agreement may not be amended, altered, discharged or waived except by agreement in writing signed by the party sought to be charged therewith or by his, her or its duly authorized agent.

26. Brokerage: Purchaser represents and warrants to Seller that Purchaser did not negotiate with any broker for the purchase of the Unit other than the broker(s) identified in Exhibit D hereto, if any. Purchaser agrees that should any claim be made against Seller for commissions by any other broker on account of any acts of Purchaser or of Purchaser's representatives, Purchaser will indemnify and hold Seller free and harmless from any and all liabilities and expenses in connection

therewith, including (without limitation) reasonable legal fees and disbursements. The provisions of this Paragraph shall survive the Closing.

27. Governing Law: This Purchase Agreement shall be governed by and construed in accordance with the laws of the State of New York.

28. Jury Waiver: Purchaser hereby waives trial by jury in any action, proceeding, or counterclaim involving any matter arising out of, or connected with, this Purchase Agreement or the relationship of the parties as Purchaser and Seller, or the right of Purchaser to any statutory relief or remedy.

29. Acceptance by Seller: Within thirty (30) days after delivery to the Seller or Selling Agent, if any, by Purchaser of this Purchase Agreement with the required down payment, executed by Purchaser, Seller will either:

(i) accept this Agreement and cause to be returned to Purchaser a fully executed counterpart thereof, or

(ii) reject this Agreement and refund the down payment tendered by Purchaser.

If Seller fails to do either within thirty (30) days, Purchaser's offer shall be deemed rejected, unless Purchaser agrees, in writing, to have his, her or its offer extended. Purchaser will have ten (10) days to exercise the right to extend his, her or its offer.

30. Survival: The Closing of title to the Unit and the delivery of the deed thereto shall be deemed full compliance with each and every term of this Purchase Agreement, except as to any item expressly stated to survive Closing.

31. Conflict with Plan: Any conflict between the Plan and this Purchase Agreement will be resolved in favor of the Plan.

32. 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 provision hereof.

33. Closing Fees to Seller's Counsel: All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's attorneys, Marcus Attorneys, in connection with the closing of title to Purchaser's Unit: $1,500 for preparation of legal documents and for coordinating the Closing; an additional $300 attendance fee if the Closing occurs outside of the Sponsor's attorney's office or other office designated by the Sponsor but in the City of New York or $500 if in Westchester, Nassau or Suffolk Counties; or an amount determined by the Sponsor's attorney if elsewhere; an additional $300 fee if the Closing is adjourned at the Purchaser's request on less than forty-eight (48) hours notice (nothing herein shall give a Purchaser a right to adjourn a Closing); an additional $500 fee if notice of default is issued, unless the Closing does not occur because of a default by the Sponsor or the

Sponsor's inability to close; and an additional $500 fee if the Purchaser assigns his, her or its Purchase Agreement.

34. Transfer Tax Return: At Closing, Seller and Purchaser shall each duly complete and sign before a Notary Public the transfer tax return required to be filed by the state and any local government and any affidavits and certificates required in connection with the recording of the deed. The transfer tax return shall be delivered at Closing to the representative of Purchaser's title insurance company (or, if none, to Seller's attorney) for filing with the proper governmental officer. **Purchaser shall also execute and deliver to Seller a W-8 or W-9 Internal Revenue Service form.**

35. Contract Not Subject to Loan: This Agreement is not contingent upon the Purchaser obtaining a loan commitment. In the event the Purchaser obtains financing, he, she or it shall pay the Mortgage Tax applicable to any mortgage given by Purchaser and shall sign, acknowledge, notarize, deliver or complete at the Closing any forms or returns necessary for the calculation or recording of the portion of the Mortgage Tax to be computed in accordance with Section 339-ee of the Condominium Act, and shall pay such portion to the Sponsor in reimbursement of the Mortgage Tax which the Sponsor previously paid if the Sponsor had previously placed a mortgage on the Property. Purchaser shall give Seller a copy of any loan commitment promptly after Purchaser's receipt.

36. Lead Paint Warning and Disclosure Statement: Purchaser shall execute and deliver to Seller the Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards attached hereto as Exhibit "E".

37. Further Assurances: Either party shall execute, acknowledge and deliver to the other party such instruments and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement and the transactions contemplated herein or to confirm or perfect any right to be created or transferred hereunder or by any such transaction.

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

39. Strict Compliance: Any failure by Seller to insist upon strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, irrespective of the number of violations or breaches that may occur, and Seller, notwithstanding any such failure, shall have the right thereafter to insist upon strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

40. No Lien: No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any monies deposited hereunder. This Agreement shall not be recorded.

41. Credit Check: The Purchaser consents that at any time prior to Closing, the Seller may check Purchaser's credit rating. Such credit check shall be performed in accordance with any applicable laws, rules, or regulations of governmental authorities. The Purchaser agrees to timely provide the Seller or the Seller's designee with any and all information, execute any and all documents, and do any and all other things that the Seller may reasonably request to enable the Seller to perform such credit check.

IN WITNESS WHEREOF, the parties have executed this Agreement this____ day of _____, 200__.

Purchaser: _____

Purchaser: _____

Accepted:

580 Sterling Place LLC

By: _____
Seth Brown, Member

EXHIBIT A

APPLICATION TO THE ATTORNEY GENERAL
FOR A DETERMINATION ON THE
DISPOSITION OF DOWN PAYMENTS

[Send this application to the reviewing attorney assigned to the subject plan.]

Re: _____
Address of Building or
Name of Project

File Number: _____

Application is made to the Attorney General to consider and determine the disposition of down payments held pursuant to GBL Section 352-e (2-b) and 352-h. The following information is submitted in support of this application:

1. Name of
Applicant_____

2. Address of
Applicant_____

3. Name, Address and Telephone Number
of Applicant's Attorney (if any) _____

_____

_____

4. This is an application for
[ ] return of down payment.
[ ] forfeiture of down payment.
[ ] other: _____

_____

5. The project is [ ] a conversion of occupied premises.
[ ] newly constructed or rehabilitated.
[ ] vacant (as is).

6. The project is structured as
[ ] a cooperative.
[ ] a condominium.
[ ] a homeowners association.
[ ] a timeshare.
[ ] other: _____

7. Name and Address of Sponsor: _____

_____

8. Name and Address
of Escrow Agent: _____

_____

9. If down payments are maintained in an escrow account:

(a) Name of account: _____

(b) Name and address of bank: _____

_____

(c) Account number (if known): _____

(d) Initial interest rate (if known): _____

10. If down payments have been secured by bonds:

(a) Name and address of bond issuer or surety: _____

_____

(b) Copy of bond included in this application. (DO NOT SEND ORIGINAL BOND.) If not included, explain:

_____

_____

_____

11. If down payments have been secured by a letter of credit:

(a) Name and address of bank which issued the letter of credit:

_____

_____

(b) Date of expiration of the letter of credit, if known: _____

12. Plan information:

(a) Date of filing of plan: _____

(b) Plan

[ ] has been declared effective.
Approximate date: _____
[ ] has not been declared effective.

(c) If effective, the plan

[ ] has closed or the first unit has closed.
Approximate date: _____
[ ] has not closed.
[ ] don't know.

(d) Down payments are secured by

[ ] escrow account.
[ ] bonds.
[ ] letter of credit.

13. Contract information:

(a) Copy of contract and of all riders and modification letters are attached. (DO NOT SEND ORIGINALS.)

(b) Date on which subscription or purchase agreement was signed: _____

(c) Date(s) of down payment(s): _____

(d) Total amount of down payment(s): _____

(e) Names and addresses of subscribers or purchasers affected by this application:

_____

_____

_____

_____

_____

14. State the basis for your claim. Please be as specific as possible. You may add additional sheets. Attach copies of any relevant documents.

_____

_____

_____

_____

_____

15. I am contemporaneously sending a copy of this application to the following persons:

_____

_____

_____

_____

Note: You are required to mail a copy of this application to all other affected parties.

In filing this application, I understand that the Attorney General is not my private attorney, but represents the public in enforcing laws designed to protect the public from unlawful business practices. I also understand that if I have any questions concerning my legal rights or responsibilities I may contact a private attorney. The above application is true and accurate to the best of my knowledge. False statements made here are punishable as a Class A Misdemeanor under Section 175.30 and/or Section 210.45 of the Penal Law.

Signature: _____ Date: _____

Name (Printed): _____

Telephone: (Home) _____

(Business) _____

Mailing Address: _____

_____

EXHIBIT B

PURCHASE AGREEMENT
OPTIONAL EXTRAS

Re: Unit # _____ Date: _____

I request that you supply and install the following optional extras:

_____
Purchaser's Signature

_____
Purchaser's Signature

Accepted:

580 Sterling Place LLC

By: _____
Seth Brown, Member

EXHIBIT C

FINAL INSPECTION SHEET

Unit: _____

Date of Inspection: _____

Time of Inspection: _____

Present: _____

_____

_____

_____

Defects or Flaws:

_____

_____

_____

_____

_____

Purchaser(s) hereby state that he, she or it accept the Unit "as is" with the exception of the above listed items and that upon reasonable completion of the above listed items the Seller shall have no further obligations to the Purchaser(s) hereunder. Seller shall complete the above listed items as promptly as reasonably possible.

Purchaser:_____ Seller: 580 Sterling Place LLC

By: _____

Purchaser:_____ Seth Brown, Member

EXHIBIT D

BROKER

Name of Broker: _____

Address of Broker: _____

_____

_____

Telephone Number of Broker: _____

EXHIBIT E

Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards

Lead Warning Statement

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligent quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and to notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Seller's Disclosure (initial)

_____(a) Presence of lead-based paint and/or lead-based paint hazards (check one below):

☐ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

_____

_____

_____

☑ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

_____(b) Records and reports available to the seller (check one below):

☐ Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

_____

_____

_____

☑ Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing, although the premises were built prior to 1978.

Purchaser's Acknowledgment (initial)

_____(c) Purchaser has received copies of all information listed above.

_____(d) Purchaser has received the pamphlet Protect Your Family from Lead in Your Home.

_____(e) Purchaser has (check one below):

☐ Received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

☐ Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Agent's Acknowledgments (initial)

_____(f) Agent has informed the seller of the seller's obligations under 42 U.S.C. 4852(d) and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information provided by the signatory is true and accurate.

580 Sterling Place LLC

By: _____

Seth Brown, Member Date

_____ _____

Seller Date

_____ _____

Agent Date

_____ _____

Agent Date

_____ _____

Purchaser Date

_____ _____

Purchaser Date

_____ _____

Purchaser Date

_____ _____

Purchaser Date

EXHIBIT F

Permitted Exceptions to Title

- The Declaration,
- The Floor Plans,
- The By-Laws,
- The state of facts that an accurate survey may show, provided title is not rendered unmarketable,
- The Power of Attorney as required in the Purchase Agreement, a form of which Power of Attorney is included in Part II of this Plan,
- Mortgages and UCC financing statements, if any, which are subordinated to the Declaration,
- Standard printed exceptions contained in the form of title insurance policy then issued by the title insurance company insuring the Purchaser's interest in the Unit,
- Building restrictions and zoning regulations and ordinances and any amendments thereto now or hereafter adopted by any governmental or quasi-governmental authority having jurisdiction which are not violated by the Building and which do not prevent the use of the Building described in this Plan,
- Existing violations of building, fire, electrical and similar codes, laws, rules and regulations, subject to the Sponsor's obligation to cure violations as described in the section of this Plan entitled "Rights and Obligations of Sponsor," below,
- Encroachments of retaining walls, fences, bay windows, fire escapes, stoops, banisters, areas, cellar steps, doors, railings, air conditioners, balconies, drain, vent and other pipes, electrical conduits, lights, trim, foundation, cornices, if any, and similar projections on, over and under the Property and encroachments on to streets, highways and adjoining premises by improvements on the Property, and the rights of governmental authorities to require the removal of any such projections and variations beyond record lines of the Property,
- Consents by the Sponsor or the owner or any former owner of the Property for the erection of any structure or structures on, under, or above any street or streets on which the Property may abut,
- Any other covenants, restrictions, easements or agreements of record, if any, which are not violated by the Building or its use described in this Plan,
- Any state of facts a physical inspection of the Property would disclose,

- The terms and conditions of this Plan and any amendments thereto,
- The lien of any unpaid Federal or State or New York City taxes, provided Sponsor, at the Closing, makes such deposit or guarantee as might be reasonably required by the Purchaser's title insurance company to issue to the Purchaser a policy of title insurance insuring against the collection of such taxes out of the Unit,
- The revocability of the right to maintain street vaults and other areas under or projections over any sidewalk, if any, and the lien of unpaid vault charges (which are to be paid by the Board of Managers),
- Any easement or right of use created in favor of any public utility company and the right to install, use, maintain, repair and replace wires, lines, facilities, connections, equipment and the like upon, under and across the Property,
- Service, maintenance, employment, management and license contracts and agreements, if any, described in this Plan,
- The lien of unpaid water charges and sewer rents, which shall be paid by the Board of Managers,
- The lien of unpaid Common Charges and real estate taxes, which shall be apportioned as of the Closing,
- The lien of any unpaid assessments payable in installments, except the Sponsor will pay all such installments due and payable prior to the Closing date, and the Purchaser will be obligated to pay all installments due at or subsequent to the Closing Date (however, the then current installment shall be apportioned at the Closing),
- Any other matter or encumbrance as to which Vanguard Title Agency, Inc., or a reputable title company chosen by the Purchaser, would be willing, in a fee title insurance policy issued by it to the Purchaser, to insure the Purchaser that such matter or encumbrance (a) will not be collected out of the Unit if it is a lien, and (b) will not prevent the use of the Unit for dwelling purposes,
- Zoning Lot Certification recorded 1-29-2008 as CRFN 2008000039580,
- Lot Line Window Restrictive Declaration recorded 7-18-2008 as CRFN 2008000285558,
- Any other declaration or other instrument affecting the Property that the Sponsor deems necessary or appropriate to comply with any Legal Requirement.

EXHIBIT G

INTERIM LEASE AGREEMENT

This Agreement (the "Lease") is made as of the _____ day of _____, 200__ between _____ ("Seller") having offices at _____, and _____ ("Purchaser") having an address at _____.

WHEREAS the Purchaser under a Purchase Agreement ("the Purchase Agreement") dated _____ has agreed to purchase the Unit ___ ("Unit") located at 580 Sterling Place, Brooklyn, New York (the "Premises"); and

WHEREAS the Purchaser has placed $_____ ("Down Payment") in escrow with Marcus Attorneys ("the Escrow Agent") under the terms of the Purchase Agreement and the Plan; and

WHEREAS the Purchaser wishes to enter upon the Premises prior to the closing of title and to occupy the Unit under the terms hereinafter stated,

NOW, THEREFORE, in consideration of the granting of the right to the Purchaser to take possession of the Premises on _____, 200__ without first having paid the Purchase Price under the Purchase Agreement, the Purchaser and Seller jointly agree to the following:

1. The Seller, as landlord, leases to Purchaser, as tenant, the Unit at the rent and for the term hereinafter provided and the Purchaser hires the Unit from Seller.

2. Purchaser will, at Purchaser's expense, promptly comply with all laws, orders, rules, requests and directions of all governmental authorities, Seller's insurers, Board of Fire Underwriters, or similar groups pertaining to the Unit and Purchaser's use of the Unit. No action of Purchaser, Purchaser's agents or invitees shall be performed that may increase Seller's insurance premiums. In the event that any action of Purchaser or Purchaser's agents or invitees shall cause an increase in Seller's insurance premiums, Purchaser shall pay the increase as additional rent.

3. The Purchaser hereby assumes all damages to the Premises.

4. Purchaser and Occupants hereby indemnify and hold Seller, its 's members, agents, employees, assigns, or independent contractors, harmless from and against any and all claims, liabilities, obligations, damages, penalties, claims, costs, charges and expenses, including reasonable attorney's fees, which may be imposed upon, or incurred by, or asserted against, Seller by Purchaser or Occupants, their agents, employees, assigns, or independent contractors, by reason of any damage arising from the negligent acts of Seller, its members, agents, employees, assigns, or independent contractors during Purchaser's and/or Occupant's pre-closing occupancy of the Premises.

5. The Purchaser will assume all obligations for maintenance and repair of the Unit during the Lease. If the Purchase Agreement is cancelled, Purchaser will be responsible for delivery of the Premises at the conclusion of the Lease in a physical condition equal to or better that existed at the execution of this Lease.

6. Purchaser agrees to pay to Seller $_____ per month on or before the first day of each month, in advance, as rent. The first month's rent shall be by check or money order made to Seller simultaneously with the execution of this Agreement and this Agreement is subject to the collection of such funds.

7. To secure the payment of the rent and Purchaser's compliance with all other terms of this Lease, the Purchaser's Down Payment shall also serve as Purchaser's security deposit for this Lease. If rent is unpaid as of the tenth day of any month (or the first business day after the tenth), or if the Seller incurs any other expenses in connection with a breach of this Lease by Purchaser, Seller may deduct any rent, additional rent, or any of Seller's reasonable expenses in connection with such failure or breach, including legal fees from the Purchaser's security, without waiving Purchaser's default. Seller and Purchaser, as parties to the Purchase Agreement, direct Escrow Agent to make payment to Seller of any sums due to Seller under this paragraph. If the Seller draws down Purchaser's security pursuant to this Lease, it shall be an additional breach hereunder if Purchaser shall fail to replenish the amount drawn down within three (3) days of notice from Seller to Purchaser.

8. Purchaser agrees that if for any reason Seller is unable to close title, the Seller's only liability will be to pay any money from the rent in excess of maintenance and real estate taxes on the Unit, or attributable to the Unit based on a proration of taxes on the Premises, after possession of the Unit is returned to Seller in the condition required pursuant to this Agreement. If the closing occurs, then said excess shall be credited against the balance of the Purchase Price due at the closing pursuant to the Purchase Agreement. If the closing does not occur for any reason other than Seller's inability to close title or Seller's default under the Purchase Agreement then all rent paid and due and payable hereunder shall be fully earned by Seller without credit to Purchaser.

9. The term of this Agreement shall end on _____.

10. Purchaser has provided proof that he/she has the ability to close title to the Unit and represents that he/she will continue to maintain the ability until the date of closing. Purchaser shall pay all costs associated with financing and maintaining all of Purchaser's representations under this Lease and the Purchase Agreement. Failure to make maintain the Purchaser's representations and financing shall be a material breach of this Lease and the Purchase Agreement.

11. Purchaser agrees that any default under the Purchase Agreement shall also be a default under this Lease and any default under this Lease shall be a default under the Purchase Agreement which will permit Seller to cancel the Purchase Agreement, provided (a) Seller either obtains an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the Purchaser or (b) Purchaser has vacated the Unit. Purchaser shall be required to

vacate the Unit within thirty (30) days after notice of cancellation of the Purchase Agreement from Seller or rescission of the Purchase Agreement by Purchaser, in the event rescission is permitted. If the right to rescind a Purchase Agreement is offered to Purchaser, Purchaser's right to rescind shall be conditioned upon his, her or its surrendering possession of the Unit within thirty (30) days of the service of Purchaser's notice of rescission to Seller, leaving the Unit broom swept, clean, empty of Purchaser's possessions and restored to its condition prior to Purchaser's occupancy, and paying all rent due under the Agreement. Nothing contained herein shall relieve Purchaser of liability for damage caused to the Unit. Purchaser shall be responsible for payment of the Seller's reasonable costs and attorney's fees if it is necessary for the Seller to bring an action or proceeding to remove Purchaser or anyone claiming under Purchaser from the Unit. Any default under either Agreement shall terminate this Agreement or otherwise enforce Seller's right hereunder and Purchaser's right to possession under this Lease.

12. Seller and Purchaser waive trial by a jury in any matter, which may come up between the parties under or because of this Lease. In any action or proceeding seeking possession of the Unit, Purchaser shall not have the right to make a counterclaim or set off.

13. Any bill, statement or notice must be in writing. If to Purchaser, it must be delivered or mailed to the Purchaser at the Unit, with a copy to _____. If to Seller it must be delivered or mailed to Seller's address with a copy to Guillermo Santiago, Esq., Marcus Attorneys, 13 Greene Avenue, Brooklyn, NY 11238. It will be considered delivered on the day after it is mailed or if not mailed, when left at the proper address. A mailed notice must be sent certified mail return receipt requested or by overnight delivery, and the attorneys for the parties are hereby authorized to give and receive any notices on behalf of their clients.

14. Seller's acceptance of rent or failure to enforce any term in this Lease is not a waiver of any of Seller's rights. If a term in this Lease is illegal or unenforceable, the rest of this Lease remains in full force.

15. If Purchaser requires Seller's consent to any act and such consent is not given, Purchaser's only right is to ask a court to force Seller to give consent. Purchaser agrees not to make any claim against Seller for money or subtract any sum from the rent because such consent was not given.

16. Seller is not liable for loss, expense, or damage to any person or property, unless due to Seller's willful and gross negligence. Purchaser must pay for damages suffered and money spent by Seller relating to any claim arising from any act or neglect of Purchaser, family, employees, guests or invitees.

17. Execution of this Lease shall constitute acceptance of the Unit and the Premises and all fixtures, machinery, equipment, furnishings, appliances, in good present condition free of all defects and damage on the date of this Lease and in the condition requested pursuant to the Purchase Agreement as of the date of Closing thereunder.

18. This Lease is subject and subordinate to the following (the "Documents"): (a) the By-Laws, Rules and Regulations and Provisions of the Declaration of Condominium, (b) Powers of Attorney granted to the Board of Managers, Leases, agreements, building loan mortgages, renewals, modifications, consolidations, replacements and extensions to which the Declaration or the Unit are presently or may in the future be subject, and (c) insurance policies covering the Premises and/or the Unit. Purchaser shall not perform any act or fail to perform an act if the performance or failure to perform would be or if done or not done by Seller would be, a violation of, or default under any of the Documents. Purchaser shall not exercise any right or privilege under this Lease, the performance of which would be a default under or violation of any of the Documents. Purchaser acknowledges that Purchaser had the opportunity to read the Documents. Purchaser agrees to observe and be bound by all the terms contained in those documents, which apply to the occupant or user of the Unit or a user of Condominium common areas and facilities.

19. Purchaser shall not assign this Lease or sublease their right of possession to the Unit.

20. Purchaser shall arrange for and pay for any service for which the Unit is separately metered, such as, but not limited to, gas, electric and telephone service.

21. In the case of any inconsistency between the terms of this Lease and the Purchase Agreement, the terms of this Lease shall control, except that nothing herein shall limit the right of Seller to declare Purchaser in default under the Purchase Agreement according to its terms.

22. Until the end of the term of this Lease, Seller may, at reasonable times, enter the Unit to examine, to make repairs or alterations, and to show it to possible buyers, lenders or Purchasers.

23. If all of the Unit or Premises is taken or condemned by a legal authority, the term of this Lease, and Purchaser's rights shall end as of the date the authority takes title to the Unit or Premises. If any part of the Unit or Premises is taken, Seller may cancel this Lease on notice to Purchaser. The notice shall set a cancellation date not less than 30 days from the date of the notice. If the Lease is canceled, Purchaser must deliver the Unit to Seller on the cancellation date together with all rent due to that date. The entire award for any taking belongs to Seller. Purchaser gives Seller any interest Purchaser may have to any part of the award. Purchaser shall make no claim for the value of the remaining part of the term.

24. This Lease is binding on Seller and Purchaser and those that lawfully succeed to their rights or take their place.

25. Purchaser shall not alter the Unit in anyway.

26. The liability of the persons constituting Purchaser shall be joint and several.

27. This Lease may be changed only by an agreement in writing signed by and delivered to each party.

28. This Lease is effective when Seller delivers to Purchaser a copy signed by all parties.

IN WITNESS WHEREOF, the parties herewith have signed this Lease as of the date above written:

PURCHASER: _____

580 Sterling Place LLC

By: _____
Seth Brown, Member

EXHIBIT H

ATTORNEY GENERAL
OF THE STATE OF NEW YORK
MODEL FORM
ESCROW AGREEMENT

AGREEMENT made this _____ day of June, 2008 between 580 Sterling Place LLC ("SPONSOR") as sponsor of the offering plan and Jed S. Marcus ("ESCROW AGENT") as escrow agent;

WHEREAS, 580 Sterling Place LLC, with an address at 398 2nd Street, Brooklyn, N.Y. 11215, is the sponsor of an offering plan to convert to condominium ownership the premises located at 580 Sterling Place, Brooklyn, New York, which premises are known as Sterling Green Condominium; and

WHEREAS, Jed S. Marcus, an attorney admitted to practice in the State of New York, 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.

1.1 SPONSOR and ESCROW AGENT hereby establish an escrow account with ESCROW AGENT for the purpose of holding deposits or payments made by purchasers or subscribers. The escrow account has been opened with Bank of America at the branch located at 205 Montague Street, Brooklyn, NY 11201.

1.2 The name of the account is "Marcus Attorneys Escrow Account."

1.3 ESCROW AGENT is the sole signatory on the account.

1.4 The escrow account shall be an interest-bearing account as disclosed in the offering plan.

1.5 The escrow account is an IOLA established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 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 "Marcus Attorneys, as Escrow Agent" of Sterling Green Condominium offering plan. 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 fully executed purchase agreements by ESCROW AGENT. In the event of such return of funds, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 Within ten (10) business days after tender of the deposit submitted with the subscription or purchase agreement, ESCROW AGENT shall notify the purchaser of the deposit of such funds in the bank indicated in the offering plan, provide the account number, and disclose the initial interest rate. Such deposit of such funds in said bank may be made even though the Sponsor has not accepted the subscription agreement of the purchaser. In the event such subscription agreement is not accepted within the time period provided in the plan, then such funds shall be returned to the party which paid them promptly. If the purchaser does not receive notification of such deposit within fifteen (15) business days after tender of the deposit, the purchaser may cancel the purchase and rescind within ninety (90) days after tender of the deposit, or may apply to 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.

2.3 If a Purchaser returns, along with executed Purchase Agreements and the deposit, an executed W-8 or W-9 form, as the case may be, then the deposit shall be deposited in an interest bearing sub-account and interest will be credited to the Purchaser.

3. RELEASE OF FUNDS.

3.1 ESCROW AGENT shall not release the escrowed funds of a defaulting purchaser until after consummation of the plan as defined in the Attorney General's regulations. Consummation of the plan shall not relieve SPONSOR of its fiduciary obligations pursuant to GBL Section 352-h.

3.2 Where there has been a dispute over the down payment pursuant to and in accordance with the provisions of the regulations of the Attorney General, ESCROW AGENT shall continue to hold the funds in escrow until otherwise directed in: (a) a writing signed by both sponsor and purchaser; or (b) a determination of the Attorney General; or (c) a judgment or order of a court of competent jurisdiction; or until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds. In the event of a dispute ESCROW AGENT may pay the funds into court.

3.3 SPONSOR shall not object to the release of the escrowed funds to: (a) a purchaser who timely rescinds in accordance with an offer of rescission contained in the plan or an amendment to the plan; or (b) all purchasers after an amendment abandoning the plan is accepted for filing by the Department of Law.

3.4 If there is no written agreement between the parties to release the escrowed funds, ESCROW AGENT shall not pay the funds to SPONSOR until ESCROW AGENT has given the purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to SPONSOR unless the purchaser has made application to the Department of Law pursuant to the dispute resolution provisions contained in the Attorney General's regulations and has so notified ESCROW AGENT in accordance with such provisions.

4. RECORD KEEPING.

4.1 ESCROW AGENT shall maintain all records concerning the escrow account for seven years after release of the funds.

4.2 Upon the dissolution of a law firm which was ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

4.3 ESCROW AGENT shall make available to the Attorney General, upon his request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1 ESCROW AGENT shall maintain the accounts called for in this Agreement under the direct supervision and control of ESCROW AGENT.

5.2 A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary obligations.

6. RESPONSIBILITIES OF SPONSOR.

6.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall immediately deliver all deposits and payments received by them prior to Closing of an individual transaction to ESCROW AGENT.

6.2 SPONSOR agrees that it shall not interfere with ESCROW AGENT'S performance of its fiduciary duties and compliance with the Attorney General's regulations.

7. TERMINATION OF AGREEMENT.

7.1 This Agreement shall remain in effect unless and until it is canceled, by either:

(a) Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall

take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or

(b) The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign, which resignation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or

(c) All shares or units offered pursuant to the plan have been sold and all sales transactions have been consummated.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1 above, ESCROW AGENT shall deliver any and all funds held by it in escrow and any and all contracts or documents maintained by ESCROW AGENT to the new escrow agent.

8. SUCCESSORS AND ASSIGNS.

8.1 This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their successors and assigns.

9. GOVERNING LAW.

9.1. This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION.

10.1 (a) 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. ESCROW AGENT shall receive no payment for handling the funds deposited with him and shall not be liable for such handling except in the case of gross negligence or willful disregard of the provisions of this Agreement.

(b) SPONSOR agrees to defend and indemnify ESCROW AGENT and hold ESCROW AGENT harmless against and from any claim, judgment, loss, liability, cost or expense resulting from any dispute or litigation arising out of, concerning Escrow Agent's duties, except to the extent that such claim, judgment loss, liability, coast expenses results from the ESCROW AGENT's gross negligence or willful disregard of the provisions of this Agreement. The indemnity in this paragraph includes, without limitation, disbursements and reasonable attorney's fees either paid to retain attorneys or representing the fair value of legal services rendered by ESCROW AGENT to himself.

11. SEVERABILITY.

11.1 If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by Law.

12. ENTIRE AGREEMENT.

12.1 This Agreement, read together with GBL Section 352-e(2-b) and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT

_____

Jed S. Marcus

SPONSOR

580 Sterling Place LLC

By: _____

Seth Brown, Managing Member

Page without text

SECTION B

POWER OF ATTORNEY

Page without text

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 both as Sterling Green Condominium and by the street number 580 Sterling Place, Brooklyn, New York (the "Condominium") under Article 9-B of the Real Property Law of the State of New York, dated _____ _____ and recorded in the Office of the City Register, Borough of Brooklyn on _____ as CRFN# _____ (hereinafter referred to as the "Declaration"), or (b) in the By-Laws of the Condominium and the By-Laws of the residential portion of the Condominium (hereinafter referred to together as the "By-Laws") attached to, and recorded together with, the Declaration shall have the same meanings in this Unit Owner's Power of Attorney as in the Declaration or the By-Laws.

The undersigned _____, (having an office) (residing)* at _____ _____, the owner of the Condominium Unit (hereinafter referred to as the "Undersigned's Unit") designated and described as Unit No. _____ in the Declaration and also designated as Tax Lot _____ in Block ____ of Section _____ of the Borough of Brooklyn on the Tax Map of the City of New York, (does) (do)* hereby irrevocably nominate, constitute and appoint the persons who may from time to time constitute the Board of Managers (the "Board"), true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with the power of substitution, in their own names, as members of the Board or in the name of their designee (corporate or otherwise), on behalf of (me) (us)* and all Unit Owners, in accordance with the Unit Owners' respective Common Interest, subject to the provisions of the By-Laws and the Declaration then in effect, (1) (a) to acquire or lease any Unit, together with the Appurtenant Interests in connection with any Right of First Refusal, (b) to acquire any Unit, together with its Appurtenant Interests, whose Owner elects to abandon or surrender the same pursuant to the terms 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 (2) 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 respect to any such Unit that the undersigned could do if the undersigned were personally present and (3) to execute, acknowledge and deliver any (a) consent, covenant, restriction, easement, application, certification, declaration or other instrument affecting the Condominium and the Property necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution, guideline or requirement of the City or State of New York or of the federal government or any public department, agency or authority thereof, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Property or any use thereof permitted pursuant to the Declaration or the By-Laws, or (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or the Common Elements that the Board deems necessary or appropriate.

The acts of majority of such persons constituting the Board shall constitute the acts of said attorneys-in-fact.

The undersigned (does) (do)* hereby irrevocably nominate, constitute, and appoint 580 Sterling Place LLC (hereinafter referred to as the "Sponsor"), as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, (1) to amend from time to time said Declaration, By-Laws and the Rules and Regulations, or any of said documents, when such amendment (a) shall be required to reflect any changes in Unsold Units and/or re-apportionment of the Common Interest of the affected Unsold Units resulting therefrom made by the Sponsor or its designee in accordance with the Declaration or (b) shall be required by (i) any governmental agency having regulatory jurisdiction over the Condominium, or (ii) any title insurance company selected by the Sponsor to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of subdivision (a) or (b) of this Paragraph shall not (x) change the Common Interest of the Undersigned's Unit, (y) require material physical modification to the Undersigned's Unit or (z) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by a bank, savings bank, insurance company, government agency, investment bank with a net worth in excess of $100,000,000, or a mortgage company affiliated with any of the foregoing covering the Undersigned's Unit unless the undersigned (in the event described in subdivision (x) or (y) of this Paragraph) or the holder of such mortgage (in the event described in subdivision (z) of this Paragraph) shall consent thereto in writing and (2) to execute, acknowledge and deliver (a) any consent, covenant, restriction, easement, application, certification, declaration or other instrument affecting the Condominium and the Property that the Sponsor deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution, guideline or requirement of the City or State of New York or of the federal government or any public department, agency or authority thereof, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Unsold Units or any use thereof permitted pursuant to the Declaration or the By-Laws, or (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Unsold Units or any of them, as shall be permitted by the Declaration and the By-Laws. The terms, covenants and conditions contained in, and the powers granted pursuant to, this Paragraph shall remain in full force and effect until such time as the Sponsor or its designees shall cease to own any of the Units in the Condominium.

IN WITNESS WHEREOF, the undersigned (has) (have) executed the Unit Owner's Power of Attorney as of the day of , 200__.

_____

_____

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

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 on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

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

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 on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

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SECTION C

FORM OF UNIT DEED

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UNIT DEED

THIS INDENTURE, made the _____ day of _____, 200__, between 580 Sterling Place LLC having an office at 398 2nd Street, Brooklyn, New York 11215 ("Grantor"), and _____, residing at _____ ("Grantee"),

WITNESSETH:

That the Grantor, in consideration of Ten Dollars ($10.00) and other valuable consideration paid by the Grantee, receipt of which is hereby acknowledged, does hereby grant and release unto the grantee, the heirs or successors and assigns of the Grantee, forever:

The Unit known as Unit No. _____ (hereinafter called "the Unit") in the building (hereinafter referred to as the "Building") known as Sterling Green Condominium, 580 Sterling Place, Brooklyn, New York, referred to in the declaration establishing Sterling Green Condominium (which Building together with the land hereinafter described is hereinafter called the "Condominium Property"), made by the Grantor under the Article 9-B of the Real Property Law of the State of New York), dated _____, recorded in the Office of the City Register, Borough of Brooklyn on _____ as CRFN# _____ and designated as Tax Lot ___ in Block ____ of the Borough of Brooklyn on the Tax Map of the City of New York.

The land area (the "Land") of the Condominium Property is described on Schedule A attached hereto and made a part hereof.

TOGETHER with the benefits, rights, privileges, easements and subject to the burdens, covenants, restrictions, by-laws, rules, regulations and easements all set forth in the Declaration and documents attached thereto and recorded therewith as the same may be amended from time-to-time;

TOGETHER with the appurtenant interests as described in the Declaration and by-laws of the Condominium and the by-laws of the residential portion of the Condominium (together the "By-Laws") as the same may be amended from time-to-time;

TOGETHER with an undivided _____ percent interest appurtenant to the Unit in the Common Elements of the Condominium Property (hereinafter called the "Common Elements");

TOGETHER with an easement for the continuance of all encroachments by the Unit on any adjoining Units or Common Elements or Limited Common Elements now existing as a result of construction of the Building or which may come into existence hereafter as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building, the Common Elements or the Unit after damage or destruction by fire or other casualty, or after a taking in condemnation or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements, so that any such encroachments may remain, so long as the Building shall stand;

TOGETHER with an easement in common with the owners of other Units to use any pipes, wires, ducts, cables, conduits, utility lines, equipment and facilities, flues and other Common Elements located in any of the other Units or elsewhere on the Condominium Property, and serving the Unit;

TOGETHER with the appurtenances and all the estate and rights of the Grantor in and to the Unit;

TOGETHER with a right of way through the Common Elements to the public streets;

TOGETHER with the right, if any, of the use of the Limited Common Elements as is set forth in the Declaration and subject to the rights of other Unit Owners to use the Limited Common Elements appurtenant to their Units, if any, as set forth in the Declaration, as the same may be amended from time-to-time;

TOGETHER with the easements created by the Declaration, which are incorporated herein by references as though fully set forth herein, as the same may be amended from time-to-time;

TOGETHER with and SUBJECT to all easements of necessity in favor of the Unit or in favor of other Units or the Common Elements;

SUBJECT to: (1) any state of facts an accurate survey would show; and (2) any other covenants, restrictions, easements, liens, agreements, documents and instruments that Grantor or the Board of Managers of the Condominium (the "Board of Managers") may record against the Condominium Property for the construction of improvements and the use, maintenance and operation thereof;

SUBJECT also to easements in favor of adjoining Units and in favor of the Common Elements and Limited Common Elements for the continuance of all encroachments of such Units or Common Elements or Limited Common Elements on the Unit now existing as a result of construction of the Building, or which may come into existence hereafter as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building or any Unit or the Common Elements or Limited Common Elements after damage or destruction by fire or other casualty or after a taking in condemnation or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements, so that any such encroachments may remain so long as the Building shall stand;

SUBJECT also to an easement in favor of the owners of other Units and the Board of Managers to use, maintain, repair, remove, replace and relocate the pipes, wires, ducts, conduits, cables, utility lines, equipment and facilities, flues and other Common Elements now or hereafter located in the Unit or elsewhere on or in the Condominium Property and serving such other Units;

SUBJECT also to the terms, conditions, covenants and provisions of the Declaration and of the By-Laws, as the same may be amended from time-to-time, which terms, conditions, covenants and provisions shall run with the land and shall bind any person having at any time any interest or estate in the Unit as though such provisions were recited herein;

SUBJECT also to the Power of Attorney(s) from Grantee to the Board of Managers relating, among other things, to disposition of Units acquired or leased by the Board of Managers;

SUBJECT also to the rights reserved in the Declaration, as the same may be amended from time-to-time, to establish, grant and create additional utility easements in, under and through the Condominium Property including the Unit, to relocate existing utility easements in any portion of the Condominium Property including the Unit and to dedicate any or all of such easements and/or facilities or equipment therein to any governmental body, public benefit corporation or utility company;

SUBJECT also to easements for ingress and egress for construction, installation, operation and maintenance of municipal service facilities and utilities;

SUBJECT also to rights of owners of other Units and the Board of Managers through the Common Elements to the public streets;

TO HAVE AND TO HOLD the same unto the Grantee, and the heirs or successors and assigns of the Grantee forever.

The use for which the Unit is intended is that permitted by the By-Laws and the Declaration, as the same may be amended from time-to-time.

The Grantor covenants that it has not done or suffered anything whereby said premises have been encumbered in any way, except as aforesaid.

The Grantor, in compliance with Section 13 of the Lien Law, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement before using any part of the same for any other purpose.

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws and the Rules and Regulations of the Condominium recorded simultaneously with and as part of the Declaration and agrees to comply with all the terms and provisions thereof as the same may be amended from time to time.

This conveyance is made in the regular course of business actually conducted by the Grantor herein.

The terms "Grantor" and "Grantee" shall be read as "Grantors" and "Grantees" whenever the sense of this deed so requires.

The term "Board of Manager" shall mean the Board of Managers.

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this deed the day and year first above written.

580 Sterling Place LLC

By: _____
Seth Brown, Member

Grantee:

_____

Grantee:

_____

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

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 on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

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

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 on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

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

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 on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

SCHEDULE A
580 Sterling Place
Brooklyn, New York

The Unit known as Unit No. _____ in the building known as and by the street number 580 Sterling Place, Brooklyn, New York, designated and described as Unit No. _____ in the Declaration establishing a plan for condominium ownership of said building and the land on which it is erected made by 580 Sterling Place LLC under the Condominium Act of the State of New York (Article 9-B of the Real Property Law of the State of New York) dated _____ recorded in the office of the Register of the City of New York in the County of Kings on _____ as CRFN # _____ and designated as Tax Lot No. _____ in Block ___ 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 for the Building certified by _____ on _____, 200__ and filed in the office of the Register of the City of New York, County of Kings on _____ _____ as Condominium Plan No. _____.

TOGETHER with an undivided ____ percent interest in the Common Elements.

THE Land on which the Building lies is described as follows:

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, bounded and described as follows:

BEGINNING at a point on the southerly side of Sterling Place, distant 580.00 feet westerly from the corner formed by the intersection of the southerly side of Sterling Place with the westerly side of Franklin Avenue;

RUNNING THENCE southerly parallel with Franklin Avenue, 131.00 feet to the center line of the block;

THENCE westerly along the centerline of the block and parallel with Sterling Place, 20.00 feet;

THENCE northerly parallel with Franklin Avenue, 131.00 feet to the southerly side of Sterling Place;

THENCE easterly along the southerly side of Sterling Place, 20.00 feet to the point or place of BEGINNING.

SECTION D

DESCRIPTION OF PROPERTY AND SPECIFICATIONS OR BUILDING CONDITION

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STERLING GREEN CONDOMINIUM
Brooklyn, New York

DESCRIPTION OF PROPERTY AND SPECIFICATIONS

(a) Location and Use of Property

This property and its proposed use will comply with all Zoning and Use requirements, and either a temporary or a permanent Certificate of Occupancy will be in place by the closing of the first Unit. In the event the sponsor obtains a temporary certificate of occupancy, the sponsor shall subsequently obtain a permanent one as soon as reasonably possible thereafter.

(1) Address: 580 Sterling Place, Brooklyn, New York 11238

(2) Block: 1175, Lot: 25

(3) Zoning: R6 (QHP)

(4) Permissible Use: Medium-density residential district with optional quality housing regulation.

The Certificate of Occupancy will permit the following uses:

Cellar:	Recreation Room, Storage, & Accessory Uses (On Ground)
1st Floor:	Two (2) Dwelling Units (40 pounds live load)
2nd Floor:	Two (2) Dwelling Units (40 pounds live load)
3rd Floor:	Two (2) Dwelling Units (40 pounds live load)
4th Floor:	Two (2) Dwelling Units in conjunction w/ 5th floor (40 lbs live load)
5th Floor:	Parts of dwellings in conjunction w/ 4th floor (40 lbs live load)

(b) Status of Construction

The building is classified as IC per the Building Code of the City of New York, in which the walls, exit ways, shafts, and structural members are constructed of non-combustible materials and assemblies, affording a fire resistive rating of two hours. Building is currently under construction, under approved New Building application #310101895; and an initial work permit was issued. Construction is anticipated to be completed in July 2009.

(c) Site

The building is situated on a 2,620 square feet lot. One building containing eight (8) residential Units is proposed on the site.

The site has 20 feet of street frontage on the southern side of Sterling Place,

between Classon Avenue and Franklin Avenue. Sterling Place, of asphaltic pavement in good condition, is a 70-foot wide public street with one-way traffic running westerly. The street slopes easterly and drains in that direction. There is a catch basin, in good condition, approximately 85 feet east of the property.

There is an 18-foot wide concrete sidewalk and average 4-inch high concrete curb that will be replaced and in new condition at end of construction. The sidewalk drains easterly at a slope of approximately one percent. There is a fire hydrant across the street on the opposite sidewalk. Adequate street and sidewalk lighting near the property is provided from lamps on eight-sided aluminum posts: one approximately 40 feet west of the property on the same sidewalk, and another approximately 60 feet east of the property on the opposite sidewalk. There are neither drives nor ramps near the property.

These items are in conformity with New York City Fire and Building Codes. None of these items are owned by the project.

(d) Utilities

(1) Water: There are two 8-inch water mains at Sterling Place serviced by the New York City Water Board. A tap connection has been made to the closest water main for the building. A total of one volumetric water meter will be installed, and water will be billed to the condominium as a common expense by the Water Board in accordance with the water meter reading based on actual consumption.

(2) Sewer: There is a 12-inch combined city-owned sewer on Sterling Place, and is currently maintained by the New York City Department of Environmental Protection.

(3) Gas: Con Edison provides the service of gas usage. There are eight gas meters. There is one for each Unit to measure the consumption of gas for heating and/or cooking, and hot water for all Units.

(4) Electricity: Con Edison supplies electric service through below-ground conduits to an electric main on Sterling Place. There is one meter for each residential Unit, and one for the combined common areas. The total number of electric meters is nine.

(5) Telephone: Telephone service is provided by Verizon, and will be subscribed individually by the owner of each condominium Unit.

(6) Television Provider: Digital television service will be provided by Time Warner or Verizon, and the owner of each condominium Unit will

subscribe individually.

(e) Sub-soil Conditions

A licensed engineer conducted test boring on November 7, 2007. The boring test shows the load bearing capacity (7-65 classification) as sufficient to support the building of five stories in height. Furthermore, no ground water was detected down to 21′-6″, which is far below the depth of the foundation footings. There is no evidence of any seepage or ground water infiltration. Percolation test results indicate that a constant head could not be maintained. Results were confirmed at the time the site was excavated for the foundation. There are no visible streams of natural watercourses on the property, nor any apparent danger of flooding from bodies of water.

(f) Landscaping and Enclosures

Part of the area of the lot between the street line and the street wall of the building is planted. A new tree approved by the Parks Department is planted on the sidewalk in front of the building. The rear yard is landscaped with fine fescue grass as well as shrubs. Rear yard fencing is made from wood, and separates the rear yard from adjoining properties, and also divides the rear yard into two sections, as detailed in the marketing plans. The rear yard section belonging to Unit 1B is 542 square feet in area, and the section belonging to Unit 2B is 623 square feet. A two-foot high retaining wall, constructed of concrete block, spans across the rear yard parallel to the rear wall of the building. This retaining wall is 9 feet from the rear wall of the building. The fence at the front of the property is constructed of painted steel.

(g) Building Size

The building has a total building height measurement of 51.3 feet from ground level to the roof. There is one cellar, and five aboveground floors. The interior height of each floor is 9′-0″, with the cellar being 8′-0″ and the top floor being 10′-4″. Parapet walls or metal railings of 3′-6″ in height line the roof and terraces of the building. There will be one small equipment closet in each residential unit, which will house a tankless water heater.

(h) Structural System

(1) Exterior of building:

(i) The structural system is a bearing wall system, and consists of poured-in-place reinforced concrete footing and foundation walls below ground floor level. The bearing walls are reinforced concrete masonry Unit walls. The typical floors are of structural cement bonded particle board supported by 'C' joists not more than 16 inches

on center. Local law 10 does not apply to this building.

(ii) Aluminum double hung and picture windows are utilized on exterior walls. Glass is dual-paned insulating. All windows are caulked from the exterior with Sonolastic NP 1 gun-grade polyurethane joint sealant. The air infiltration level will be kept to a minimum. The ability to stand the cold weather is adequate in terms of ambient conditions in Brooklyn, NY. Lintels are of steel beams and/or steel angles. Window sills are precast concrete. There are five lot-line windows abutting 578 Sterling Place.

(2) Parapets and copings: The parapet is of brick and block walls. All parapet walls have aluminum copings.

(3) Chimneys and caps: There will be no chimneys or fireplaces in this building.

(4) Balconies and terraces: There is a balcony for each residential Unit on the 3rd and 4th floors. The 5th floor has a terrace for each residential Unit. All balconies and terraces are constructed over a metal deck. The floors are concrete. Balconies and terraces have 3′-6″ high steel railings. Steel balusters are a maximum of 4-inches on center. The soffits on the underside of each balcony are enclosed with steel mesh covered with stucco. A sliding door opens onto each balcony or terrace. Terraces are covered with wood or wood-appearance decking or deck tiles.

(5) Exterior entrances: The main entrance to the front of the building is through a ground-level hollow metal door with side panels. The door frame is constructed of metal. The main entrance door locks are Schlage or equivalent quality. Main door can be remotely unlocked via the intercom system. There is no vestibule door at the main entrance. The rear entrances provide auxiliary access to the rear first and second floor residential Units, and are constructed of hollow metal. Rear door locks are Schlage or equivalent quality. Rear entrance door frames are also metal. Steel stairs and railings connect to the easternmost portion of rear wall, and lead to the rear second floor Unit. All exterior doors are hollow metal with minimum 5 square feet of glass. Eight pedestal mounted aluminum mailboxes are located outside the front of the building near the main entrance. All entrances are illuminated by fluorescent wall sconces.

(6) Service entrances: None available.

(7) Roof and roof structures:

(i) Type of roofs: The roof of the building is constructed of structural cement bonded particle board supported by 'C' joists not more than 16 inches on center. A minimum of R-30 batt insulation is used for thermal resistively. The surface is finished with APP 160 torch-down rubber roofing material. Flashing is composed of the same rubber roofing material. The built-up roof has a 5-year manufacturer warranty. Wooden or wood-plastic composite roof decking material is placed on top of the rubber roof in some areas.

(ii) Drains: Two 4-inch floor drains are located in the cellar. All washer/dryers are placed over floor drains or drain pans. Aluminum gutters line the front and rear terraces on the 5th floor, as well as the rear of the roof. Aluminum leaders run from the front of the 5th floor to the cellar, and from the roof rear to the cellar.

(iii) Skylights: Three ventilating skylights with woven wire mesh screen above and below glazing are located on building roof, with a fourth skylight on bulkhead roof. Glazing is non-patterned high-performance, low-E tempered glass.

(iv) Bulkhead: The bulkhead is constructed of Gypsum board type 'X', metal studs, and Portland cement-lime stucco over metal lath on exterior.

(v) Metal work at roof level: 3′-6″ high metal railings line the front and rear of the roof.

(8) Fire escapes: No fire escapes are installed.

(9) Yard and courts: Front yard is planted between street line and street wall of building. Rear yard is planted. 4′-0″ diameter concrete drywell is buried within rear yard. A wooden-plastic composite fence is placed around rear perimeter of lot. A wooden fence also divides the rear yard into two parts. Rear yard is accessed only from Unit 1B, through rear door at same level, and Unit 2B from level above via metal stairs. A 4-inch yard drain in rear yard is located at lowest point from open area to house trap.

(10) Interior stairs: One set of interior exit stairs is located in the middle of the building. The core is constructed of metal studs and gypsum board providing a two-hour fire resistive rating. The stairs are constructed of steel railings, stringers, risers and treads filled with concrete. The 6-story stair tower from the cellar to the roof has landings at each floor for egress from each residential Unit.

(11) Interior doors and frames: Two-hour fire resistive self-closing hollow metal doors are located at entrances into stair tower, onto roof, and into each residential Unit. The interior doors for bedrooms, bathrooms, and closets are wood or Masonite. Door frames are metal.

(i) Auxiliary facilities

(1) Laundry rooms: Laundry hook-ups are provided for one washer/dryer in each residential Unit.

(2) Refuse disposal: Department of Sanitation provides regularly scheduled curbside refuse and recycling collection services. Occupants must place their refuse out for disposal for curb-side pick-up on Mondays, Wednesdays, and Fridays. Recycling is collected on Mondays.

(j) Plumbing and drainage

(1) Water supply: Domestic water is supplied by ductile iron service pipes from the 8-inch city water main on Sterling Place. A 1½-inch diameter water pipe provides domestic service to the building. One volumetric water meter is installed.

(2) Fire protection system: Sixty-four (64) residential pendent heads for a wet sprinkler piping system are located throughout the building:

Floor	Number of Spinkler Heads
Cellar	10
1st	11
2nd	12
3rd	12
4th	13
5th	5
Roof	1

The sprinkler system is not fed off the domestic system. A Fire Department Siamese connection is located 30 inches from the ground on the front exterior wall of the building.

(3) Water storage tanks: None installed.

(4) Water pressure: Static pressure from the 8-inch water main feeding the building is 63 pounds per square inch. The residual pressure is 62 psi when 500 gallons per minute flow from the hydrant across the street on Sterling Place.

(5) Sanitary sewage system: The sanitary house drain, house trap, and house sewer on the cellar through 5th floors are gravity-fed with a 4-inch cast

iron pipe to a 12-inch city owned combined sewer line on Sterling Place.

(6) Permits obtained (as of the date of this report):

(i) Demolition of existing building: 302387995-01-DM [12/21/2007 – 05/24/2008]
(ii) New Building: 310101895-01-NB [05/22/2008 – 03/01/2009]
(iii) Equipment, Fence: 310101895-01-EQ FN [05/22/2008 – 03/01/2009]
(iv) Underpinning/Shoring: 310138856-01-AL [05/22/2008 – 03/01/2009]
(v) Plumbing: 310101895-01-PL [07/10/2008 – 07/10/2009]

(7) Storm drainage system: Roof drains via gravity-fed gutters through 4-inch aluminum leaders and discharge to private drywell in rear yard. Front terrace and area drains discharge to combined city sewer line.

(k) Heating

(1) Hot water is provided by tankless gas water heaters located in each residential Unit.

(2) Space heating is provided by one gas-fired packaged terminal air conditioner (PTAC) at each level of every residential Unit. All units utilize a 16,000 output Btu, 1.2 amps, 80% steady state efficiency unit. However, fifth floor level utilizes two 9840 output Btu, 1.0 amps, 82% steady state efficiency units. These units are sufficient to maintain an internal temperature of all habitable rooms at a minimum of 70°F at an outdoor temperature of 8°F. Each unit is controlled by a built-in thermostat. Additionally, one electric radiator is installed along baseboard for common elements of first floor main entrance.

(l) Gas supply

Natural gas is provided by Con Edison and used for space heating, cooking, and domestic hot water. Gas piping is schedule 40 steel screwed to malleable iron fittings. Eight (8) gas meters are located in cellar meter room.

(m) Air conditioning

Space cooling is provided by one electric packaged terminal air conditioner (PTAC) at each level of every residential Unit. All Units utilize a 16,000 Btu, 7.3 amps, 80% steady state efficiency unit. However, fifth floor level utilizes two 9800 Btu, 4.6 amps, 82% steady state efficiency units. These units are

capable of exceeding NYC Building Code standards for air conditioning of interior spaces based on an internal temperature of 78°F at 50% relative humidity when the outside air temperature is 89°F and the coincident wet bulb temperature is 73°F. The rated energy efficiency of the units is no less than 10 EER. Each unit is controlled by a built-in thermostat.

(n) Ventilation

All kitchens are ventilated via 150 cubic feet per minute exhaust fans to the outside. All bathrooms are ventilated via 100 cfm exhaust fans to the outside. Laundry rooms are ventilated via louvers in doors.

(o) Electrical System

Electrical service enters the building at the end box at 800-amperes and is routed to two switches. The public service feeds the common building lighting, heating and other uses and is 200-ampere, 3-phase, 4-wire 3/0, 208-volt service. The individual Unit service feeds the eight residential Units and is 400-ampere, 3-phase, 4-wire 500 MCM, 208-volt service. The individual Unit risers operate at 100 amperes, with single-phase, 3-wire #2, 208/110 volt service. Circuit breaker maximums of 30 amps are provided to an average of 16 branches throughout each residential Unit by #10 and/or #12 gauge copper wiring. There is an average of three wall outlets per room, and 18 convenience outlets in an average apartment. Each apartment includes 12 hardwired light fixtures on average. The electrical system is capable of handling modern appliances. Average apartment maximum electrical usage, including PTAC unit, dishwasher, and electric clothes dryer, equals 13 kilowatts, and the electrical system will provide approximately 18 kilowatts. Units will therefore have adequate electrical power. Electrical meters for each residential Unit are located in cellar.

(p) Intercommunication system

An intercom system provided to each residential Unit is capable of unlocking the main entrance door. The system operates via two-way video and audio when activated by a control on the user panel in each Unit.

(q) Public area lighting

Entrances, halls, stairs, corridors, and cellar are well lit via fluorescent light fixtures.

(r) Garages and parking area: None provided.

(s) Swimming pool: None provided.

(t) Recreation facilities: None provided.

(u) Permits and certificates

Permits to be obtained for construction:
(1) New Building
(2) Construction Equipment
(3) Plumbing
(4) Sprinkler
(5) Electrical

Inspections to be completed for sign-offs:
(1) Construction (DOB)
(2) Electrical (DOB)
(3) Plumbing (DOB)
(4) Final BPP (DOT)

(v) Violations: All existing violations are attached.

(w) Unit information

Room schedule of residential units:

Unit Designation	Floor Level(s)	Indoor Floor Area (sf)	½ Bathroom	Full Bathroom	Recreation Room	Dining / Living Area	Bedroom	Outdoor Accessory Space(s)
1A	Cellar / First	776	1	1	1	1		Roof
1B	Cellar / First	1071	1	1	1	1		Rear Yard
2A	Second	552		1		1		Roof
2B	Second	575		1		1		Rear Yard
3A	Third	552		1		1		Balcony
3B	Third	575		1		1		Balcony
PH-A	Fourth / Fifth	897		2		1	1	Balcony / Terrace
PH-B	Fourth / Fifth	903		2		1	1	Balcony / Terrace

Building has a total of eight (8) residential Units. The number and type of rooms is presented in the schedule above. Each Unit shall consist of the area measured horizontally from the centerline of the demising and the outside of exterior walls surrounding the Units and including Common Elements wholly within Units, such as columns, but excluding mechanical chases and chutes, and the area measured vertically from the top of the concrete decking to the underside of the structural steel and metal decking on the ceiling above, or to the underside of the fireproofing applied to that steel or decking where fireproofing is found. Doors which open from or form a border of a Unit shall be deemed part of the Unit. However, any Common Elements located within a Unit shall not be considered a part of the Unit. No Unit shall include any Common Element.

The type of finish material used in each Unit is uniform throughout the

building. All flooring is minimum 5/8-inch bamboo. All sub-floors are structural cement bonded particle board supported by 'C' joists not more than 16 inches on center. Kitchens have wood flooring. Bathrooms are covered with porcelain or glass tile from the floor to at least 4-feet above the floor. All walls and ceilings are gypsum board covered with two coats of matte white latex paint.

Each kitchen is furnished with the following appliance or equivalent: a stainless steel built-in dishwasher, a minimum 12 cubic feet stainless steel refrigerator with internal ice-maker, and a 24-inch gas range.

(x) Finish schedule of spaces other than Units

The type of finish material used in common rooms and spaces is uniform throughout the building.

Finish schedule of common spaces:

Room	Floor	Walls	Ceiling	Remarks
Meter Room	Concrete	Concrete	Gyp. Bd.	Unpainted
Public Stairs	Concrete Tile	Concrete Block/Gyp. Bd.	None	Painted
Public Hallways	Slate	Gyp. Bd.	Gyp. Bd.	Painted

(y) Safety and warning devices

Dual smoke and carbon monoxide detectors are installed in all residential Units as required by law. The entire building is provided with an automatic sprinkler system. An emergency exit sign/light is placed over the interior of the main entrance.

(z) Additional information

The entire building is in full compliance with Local Law #58/87 by providing handicap adaptable Units on all floors.

Floor-to-ceiling height for the cellar is 8′-1½″. Floor-to-ceiling heights for floors one through four are 9′-2½″. Fifth level floor-to-ceiling height is 10′-6½″.

There will be a common bicycle storage room in the cellar.

All dimensions are subject to normal construction variances and tolerances.

Barry J. Bank, P.E.



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NYC Department of Buildings

DOB Violation Display

Premises: 580 STERLING PLACE BROOKLYN **BIN: 3029470 Block: 1175 Lot: 25**

Issue Date: 02/28/2008
Violation Type: C - CONSTRUCTION
Violation Number: KOST0010MI
ECB No.:
Infraction Codes:

Violation Category: V - DOB VIOLATION - ACTIVE
Device No.:

Disposition:
Code: **Date:**
Inspector:
Comments:

If you have any questions please review these Frequently Asked Questions, the Glossary, or call the 311 Citizen Service Center by dialing 311 or (212) NEW YORK outside of New York City.

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NYC Department of Buildings

ECB Violation Details

Premises: 580 STERLING PLACE BROOKLYN **Filed At: 580 STERLING PLACE , BROOKLYN , NY 11238**

BIN: 3029470 Block: 1175 Lot: 25

ECB Violation Summary

VIOLATION ACTIVE

ECB Violation Number:34633127Z

Violation Severity: HAZARDOUS

Status: OVERDUE COMPLIANCE

Respondent Information

Name: ALWAYS FAST INC

Mailing Address: 58-19 MASPETH AVENUE , MASPETH , NY 11378

Violation Details

Issue Date: 02/28/2008 **Violation Type:** SS - SITE SAFETY

Served Date: 02/28/2008 **Issuing Unit:** BEST SQUAD

Infraction Codes	Section of Law	Standard Description
BM4	27-1018	FAILURE TO PERFORM ADEQUATE HOUSEKEEPING

Specific Violation Condition(s) and Remedy:

FAILURE TO PERFORM ADEQUATE HOUSEKEEPING - UPON INSPECTION TWO STORY HOUSE UNDER DEMOLITION, WORK IS IN PROGRESS. AT TIME OF INSPECTION LARGE AMOUNT OF COMBUSTIBLE DEBRIS LIKE WOOD, PLYWOOD, BRICKS & PIECES OF

Issuing Inspector ID:

DOB Violation Number: 022808CSSTMI02

Issued as Aggravated Level: NO

Hearing Information

Scheduled Hearing Date: 04/24/2008 **Hearing Status:** IN VIOLATION

Hearing Time: 10:30

Penalty and Compliance Information

Penalty Imposed: $350.00 **Compliance/Certification Status:** OVERDUE COMPLIANCE

Adjustments: $0.00

Amount Paid: $0.00

Balance Due: $350.00

A Certificate of Correction must be submitted to the Administrative Enforcement Unit (AEU) for all violations. A violation that is not dismissed by ECB will continue to remain ACTIVE or "open" on DOB records until acceptable proof is submitted to the AEU, even if you have paid the penalty imposed by ECB.

Historical Event

Compliance Events **Hearing Events**

If you have any questions please review these Frequently Asked Questions, the Glossary, or call the 311 Citizen Service Center by dialing 311 or (212) NEW YORK outside of New York City.

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NYC Department of Buildings

ECB Violation Details

Premises: 580 STERLING PLACE BROOKLYN **Filed At: 580 STERLING PLACE , BROOKLYN , NY 11238**

BIN: 3029470 Block: 1175 Lot: 25

ECB Violation Summary

VIOLATION ACTIVE

ECB Violation Number:34633129M

Violation Severity: NON-HAZARDOUS **Status: NO COMPLIANCE RECORDED**

Respondent Information

Name: ALWAYS FAST INC

Mailing Address: 58-19 MASPETH AVENUE , MASPETH , NY 11378

Violation Details

Issue Date: 02/28/2008 **Violation Type:** SS - SITE SAFETY

Served Date: 02/28/2008 **Issuing Unit:** BEST SQUAD

Infraction Codes	Section of Law	Standard Description
BL4	27-1020	DEPT OF TRANS PERMIT FOR STREET/SIDEWALK CLOSING NOT POSTED

Specific Violation Condition(s) and Remedy:

NO DOT (DEPT OF TRANSPORTATION) PERMIT POSTED FOR STREET CLOSING - UPON INSPECTION DEMOLITION WORK IN PROGRESS. AT TIME OF INSPECTION DEBRISCONTAINER STORED ON ROADWAY IN FRONT OF THE JOB SITE OCCUPYING 1 LANE

Issuing Inspector ID: **DOB Violation Number:** 022808CSSTMI03

Issued as Aggravated Level: NO

Hearing Information

Scheduled Hearing Date: 06/19/2008 **Hearing Status:** IN VIOLATION

Hearing Time: 8:30

Penalty and Compliance Information

Penalty Imposed: $400.00 **Compliance/Certification Status:** NO COMPLIANCE RECORDED

Adjustments: $0.00

Amount Paid: $0.00

Balance Due: $400.00

A Certificate of Correction must be submitted to the Administrative Enforcement Unit (AEU) for all violations. A violation that is not dismissed by ECB will continue to remain ACTIVE or "open" on DOB records until acceptable proof is submitted to the AEU, even if you have paid the penalty imposed by ECB.

Historical Event

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ECB Violation Details

Premises: 580 STERLING PLACE BROOKLYN **Filed At: 580 STERLING PLACE , BROOKLYN , NY 11238**

BIN: 3029470 Block: 1175 Lot: 25

ECB Violation Summary

VIOLATION ACTIVE

ECB Violation Number:34643981R

Violation Severity: HAZARDOUS **Status: OVERDUE COMPLIANCE**

Respondent Information

Name: ALWAYS FAST INC

Mailing Address: 58-19 MASPETH AVE , MASPETH , NY 11378

Violation Details

Issue Date: 04/24/2008 **Violation Type:** SS - SITE SAFETY

Served Date: 04/24/2008 **Issuing Unit:** BEST SQUAD

Infraction Codes	Section of Law	Standard Description
B3K	27-	MISCELLANEOUS VIOLATIONS OF SITE SAFETY

Specific Violation Condition(s) and Remedy:

27-1026(D) FAILURE TO WEATHER PROOF ADJ. BLDG UPON INSP AT 580 STERTING PLACE BUILDING IS DOWN SITE IS GRADED FENCE IS IN IN PLACE CONTRACTORS IS ASKING FOR SIGN OFF ON DEMO, ADJACENT BLDG 582 STERLING PLACE FA

Issuing Inspector ID: 2299 **DOB Violation Number:** 042408CSSTWW01

Issued as Aggravated Level: NO

Hearing Information

Scheduled Hearing Date: 06/19/2008 **Hearing Status:** IN VIOLATION

Hearing Time: 10:30

Penalty and Compliance Information

Penalty Imposed: $500.00 **Compliance/Certification Status:** OVERDUE COMPLIANCE

Adjustments: $0.00

Amount Paid: $500.00

Balance Due: $0.00

A Certificate of Correction must be submitted to the Administrative Enforcement Unit (AEU) for all violations. A violation that is not dismissed by ECB will continue to remain ACTIVE or "open" on DOB records until acceptable proof is submitted to the AEU, even if you have paid the penalty imposed by ECB.

Historical Event

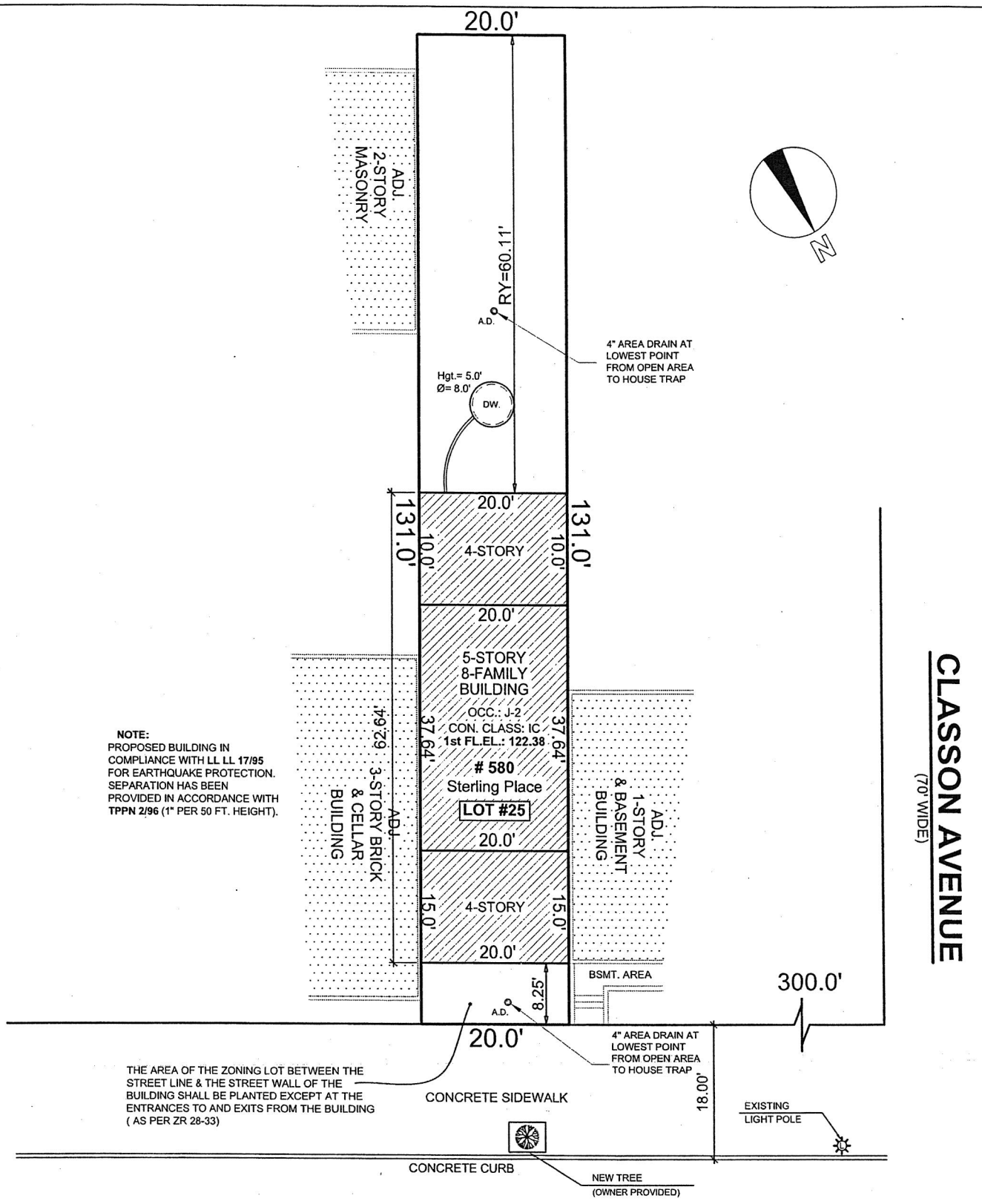
Compliance Events **Hearing Events**

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SECTION E

FLOOR PLANS

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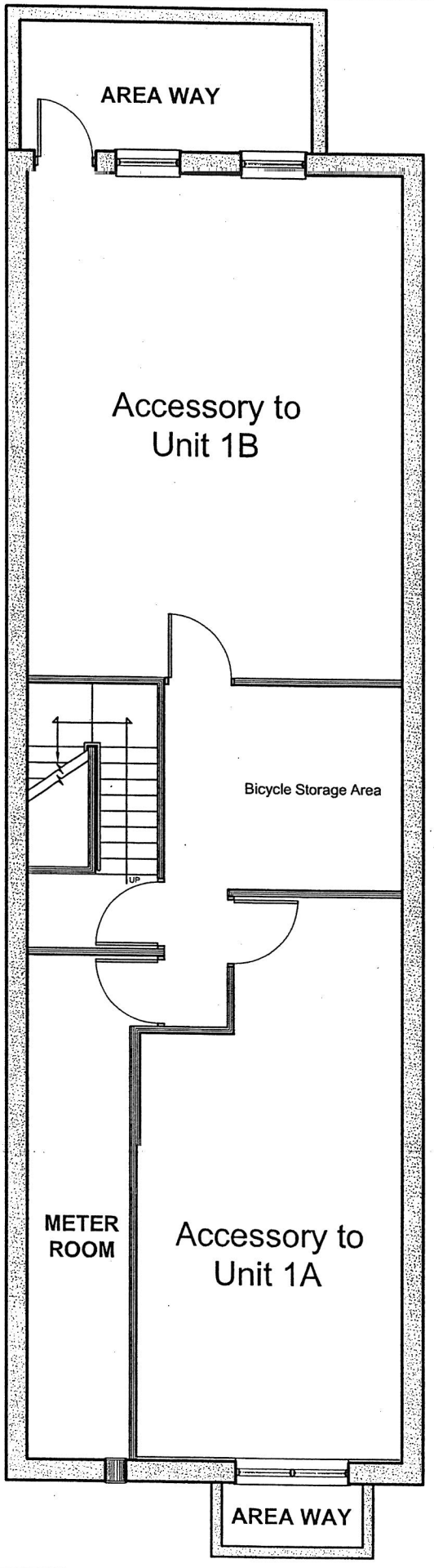
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts.

STERLING GREEN CONDOMINIUM

580 Sterling Place
BROOKLYN, NEW YORK 11238

SITE PLAN

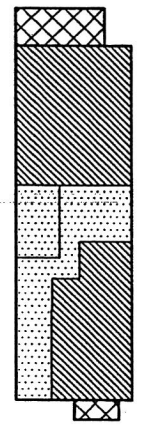
Lot Area:	2620 SF (243.4 m²)
Building Floor Area:	5764 SF (535.5 m²)



UNIT SPACE

LIMITED COMMON ELEMENT

COMMON ELEMENT



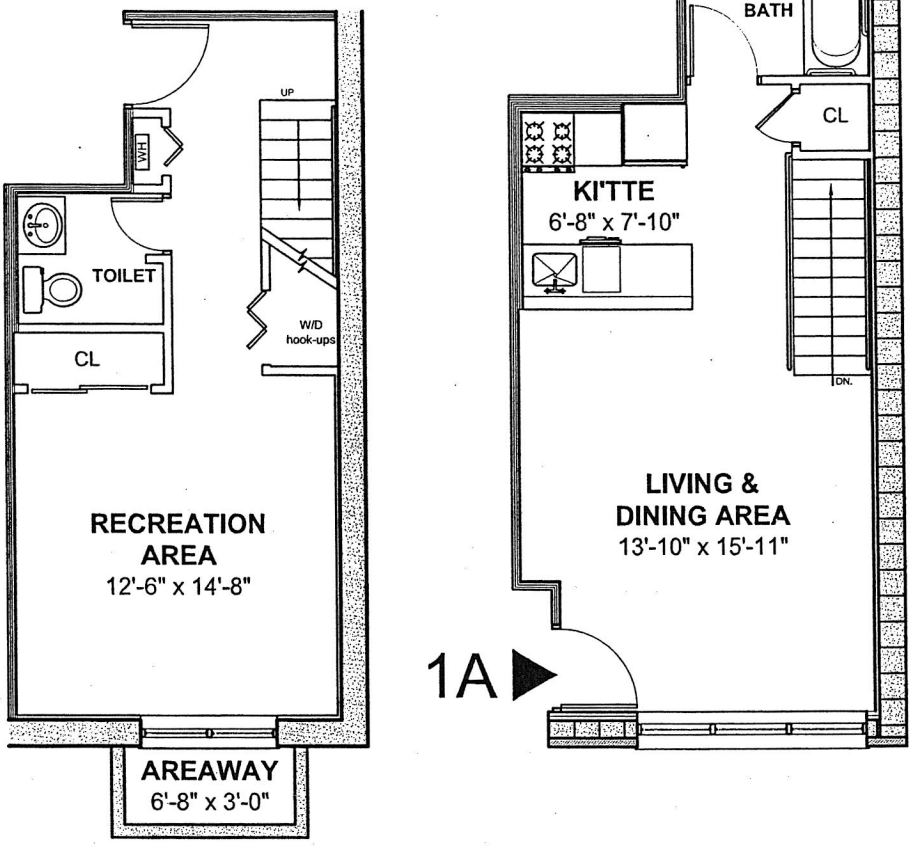
Cellar

0 5' 10' 25'
GRAPHIC SCALE

STERLING GREEN
CONDOMINIUM
580 Sterling Place
BROOKLYN, NEW YORK 11238

CELLAR

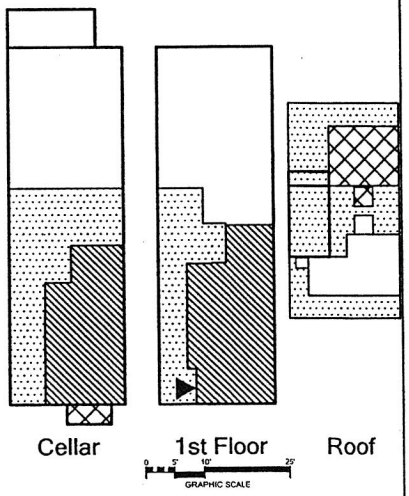
Meter Room
Storage Area



UNIT SPACE

LIMITED COMMON ELEMENT

COMMON ELEMENT



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STERLING GREEN CONDOMINIUM

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BROOKLYN, NEW YORK 11238

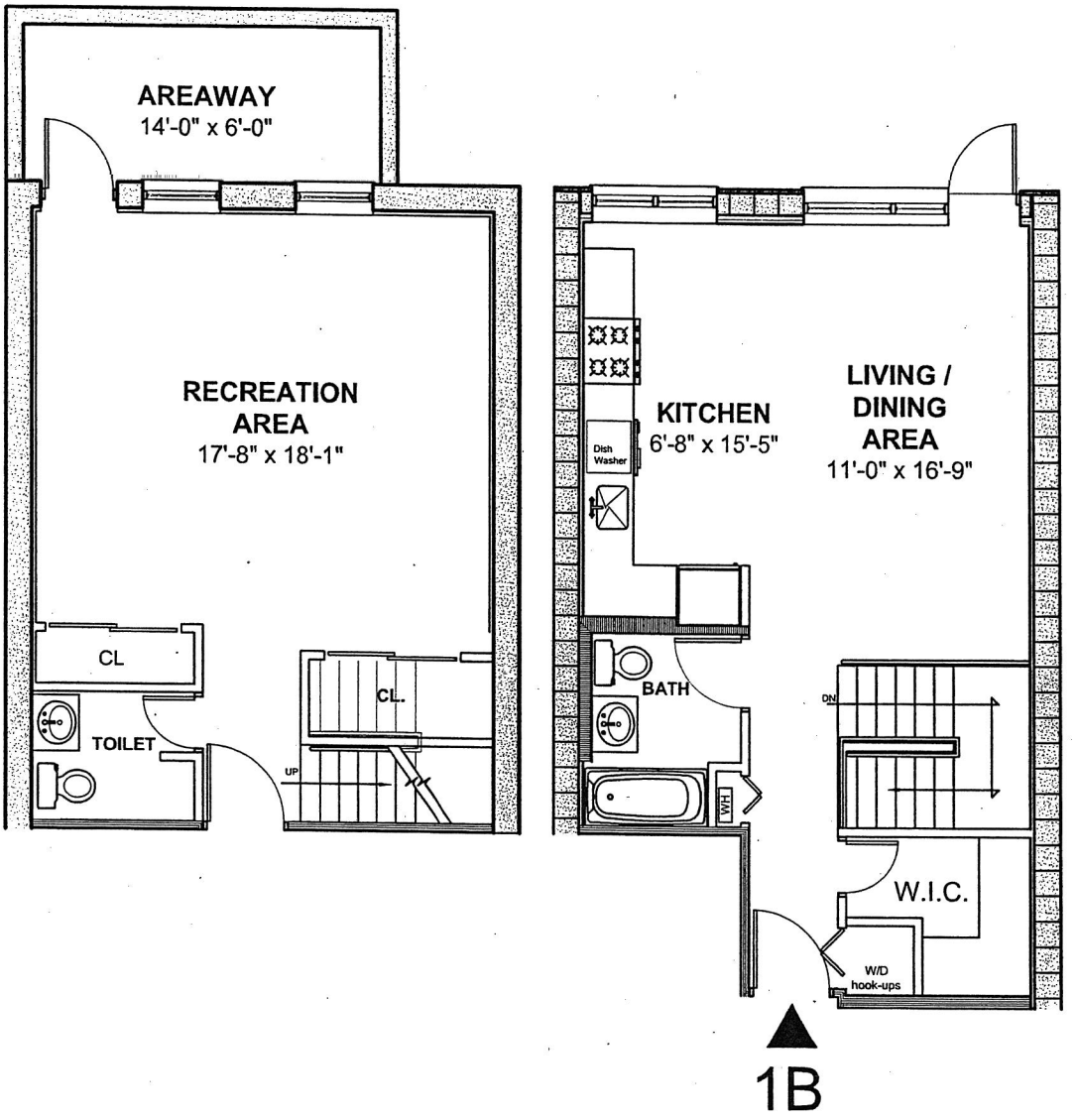
STUDIO

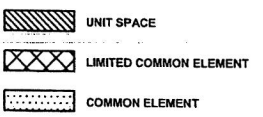
1A

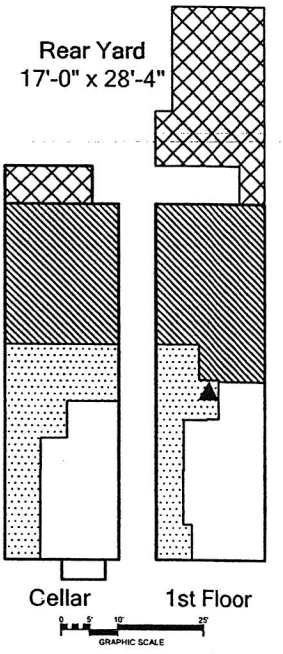
Floors: Cellar & 1st

1½ BATHS

UNIT TOTAL:	776 SF (72.09 m²)
1st Floor:	421 SF (39.11 m²)
Cellar:	355 SF (32.98 m²)
Roof:	124 SF (11.52 m²)
Areaway:	20 SF (1.86 m²)







All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts.

STERLING GREEN CONDOMINIUM

580 Sterling Place
BROOKLYN, NEW YORK 11238

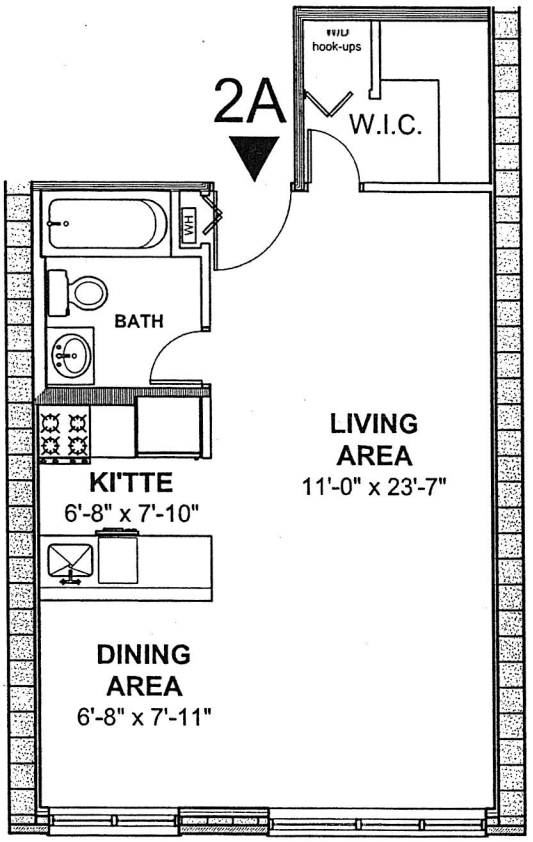
STUDIO

1B

Floors: Cellar & 1st

1½ BATHS

UNIT TOTAL:	1071 SF (99.50 m²)
1st Floor:	575 SF (53.42 m²)
Cellar:	496 SF (46.08 m²)
Rear Yard:	542 SF (50.35 m²)
Areaway:	84 SF (7.80 m²)



UNIT SPACE

LIMITED COMMON ELEMENT

COMMON ELEMENT

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts.

STERLING GREEN CONDOMINIUM

580 Sterling Place
BROOKLYN, NEW YORK 11238

STUDIO

2A

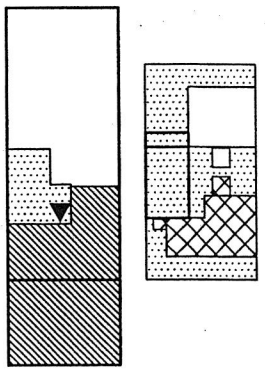
Floor: 2nd

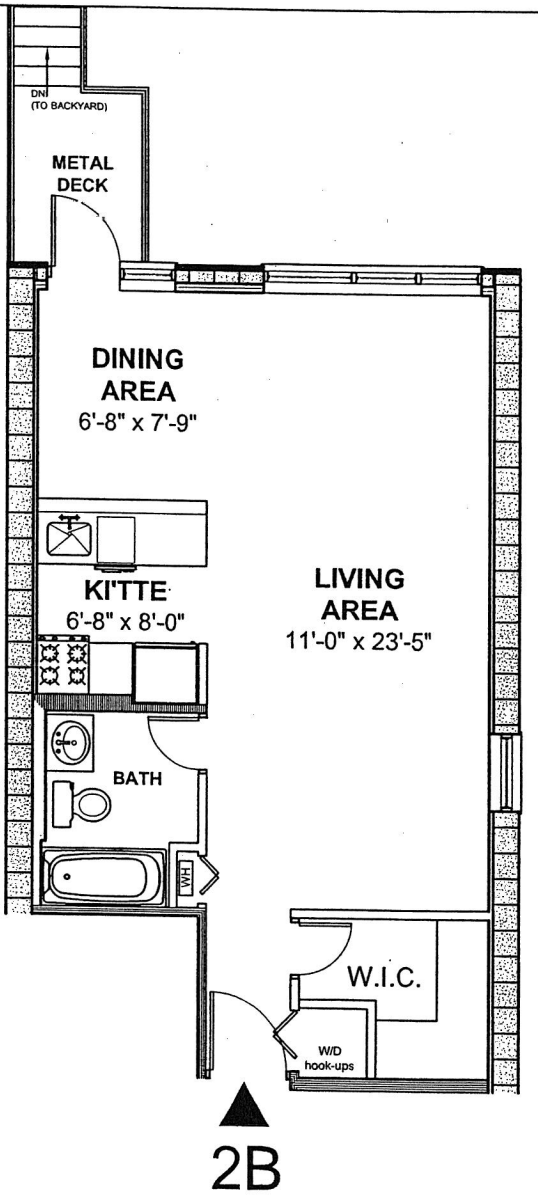
1 BATH

UNIT TOTAL: **552 SF (51.28 m²)**

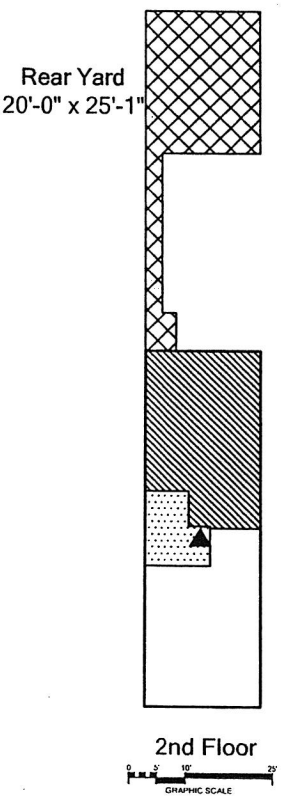
2nd Floor: 552 SF (51.28 m²)

Roof: 141 SF (13.01 m²)





2B



UNIT SPACE

LIMITED COMMON ELEMENT

COMMON ELEMENT

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts.

STERLING GREEN CONDOMINIUM

580 Sterling Place
BROOKLYN, NEW YORK 11238

STUDIO

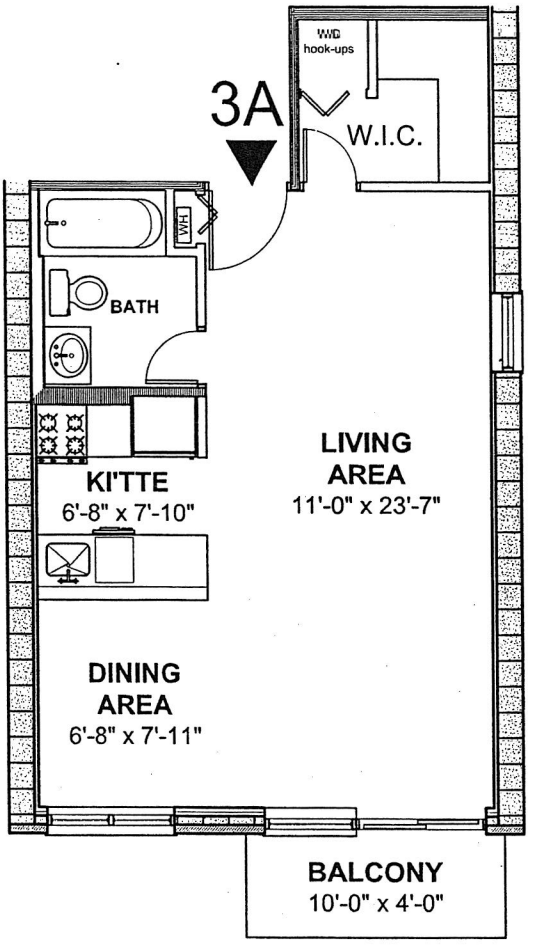
Floors: 2nd

UNIT TOTAL:
2nd Floor:
Rear Yard:

2B

1 BATH

575 SF (53.42 m²)
575 SF (53.42 m²)
623 SF (57.88 m²)



UNIT SPACE

LIMITED COMMON ELEMENT

COMMON ELEMENT

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts.

STERLING GREEN CONDOMINIUM

580 Sterling Place
BROOKLYN, NEW YORK 11238

STUDIO

3A

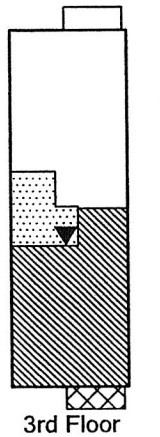
Floor: 3rd

1 BATH

UNIT TOTAL: 552 SF (51.28 m²)

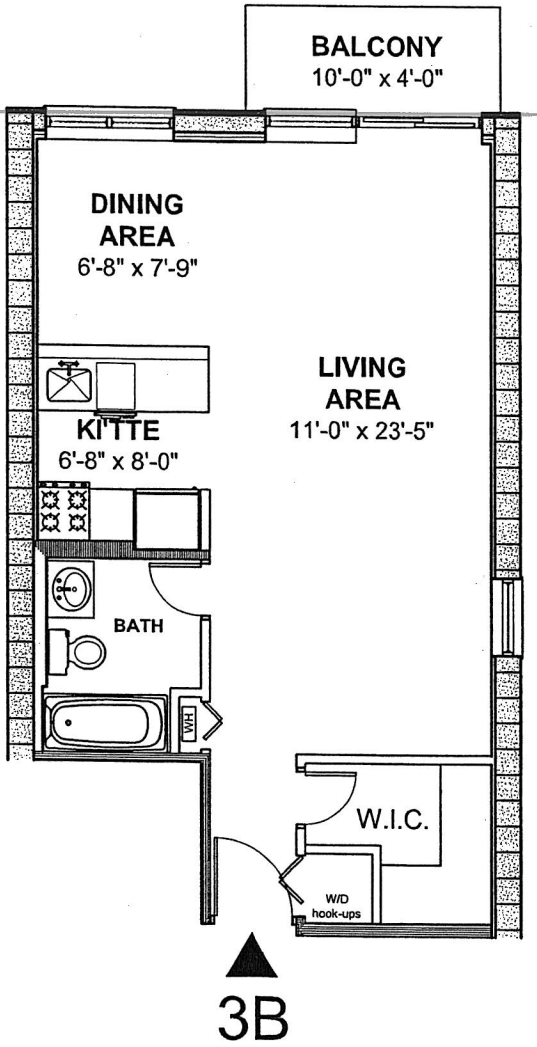
2nd Floor: 552 SF (51.28 m²)

Balcony: 40 SF (3.72 m²)



3rd Floor

GRAPHIC SCALE



3B

UNIT SPACE

LIMITED COMMON ELEMENT

COMMON ELEMENT

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580 Sterling Place
BROOKLYN, NEW YORK 11238

STUDIO

Floors: 3rd

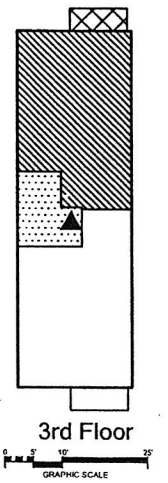
UNIT TOTAL: **575 SF (53.42 m²)**

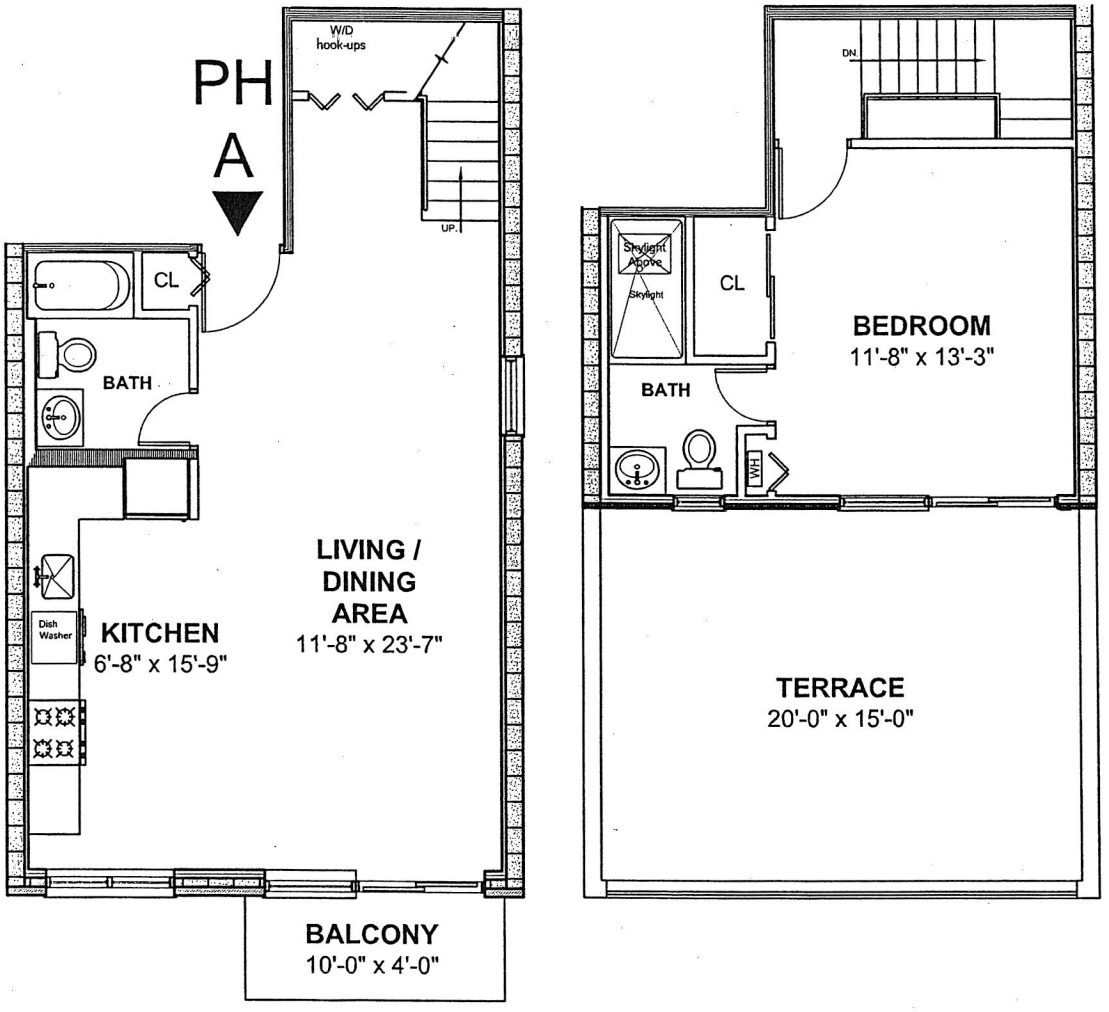
2nd Floor: 575 SF (53.42 m²)

Balcony: 40 SF (3.72 m²)

3B

1 BATH

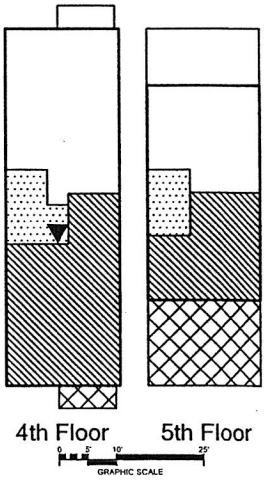




UNIT SPACE

LIMITED COMMON ELEMENT

COMMON ELEMENT



All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts.

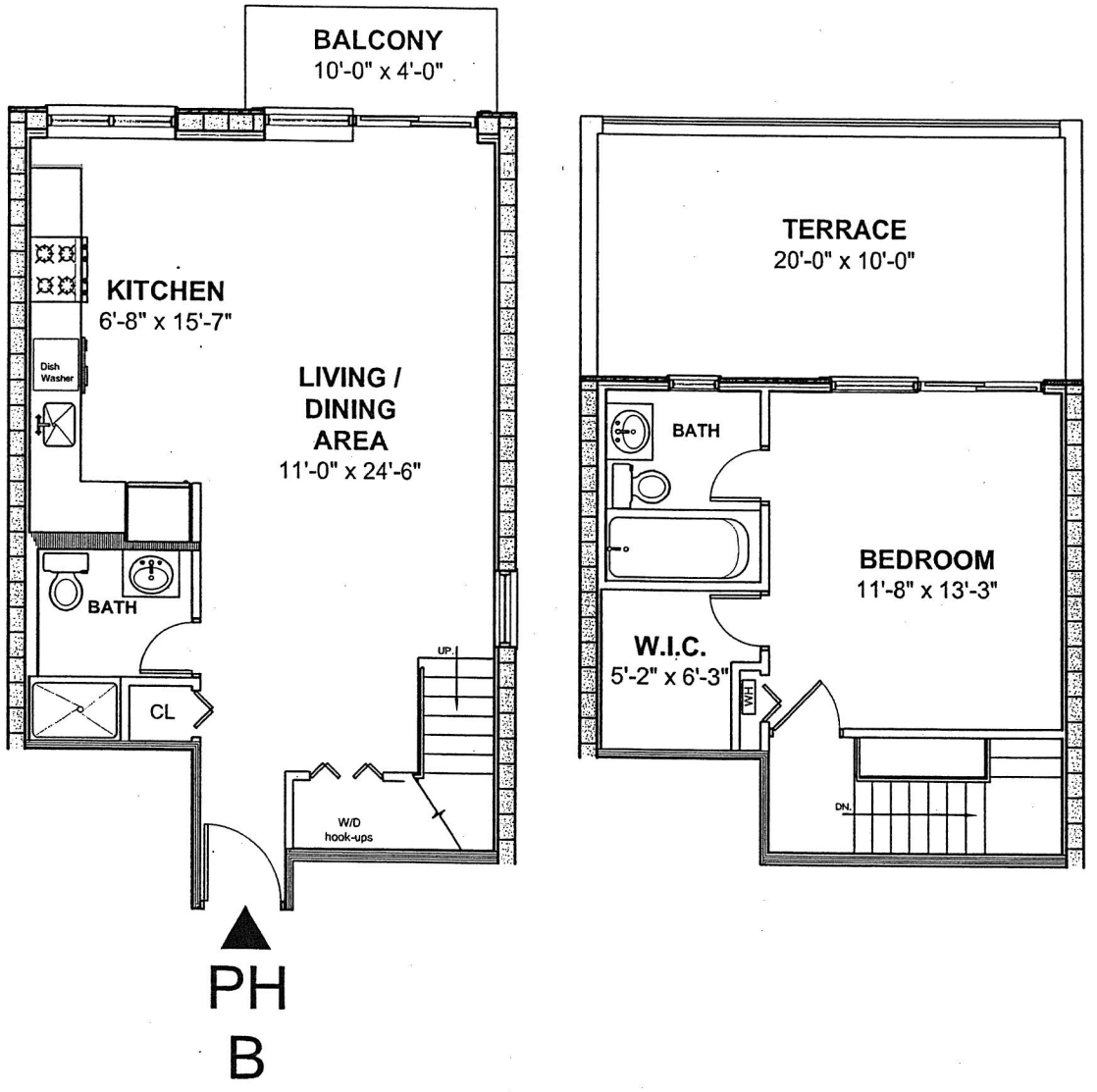
STERLING GREEN CONDOMINIUM

580 Sterling Place
BROOKLYN, NEW YORK 11238

1-Bedroom **Penthouse A**

Floors: 4th & 5th — 2 BATHS

UNIT TOTAL:	897 SF (83.33 m²)
4th Floor:	576 SF (53.51 m²)
5th Floor:	321 SF (29.82 m²)
Terrace:	300 SF (27.87 m²)
Balcony:	40 SF (3.72 m²)



UNIT SPACE

LIMITED COMMON ELEMENT

COMMON ELEMENT

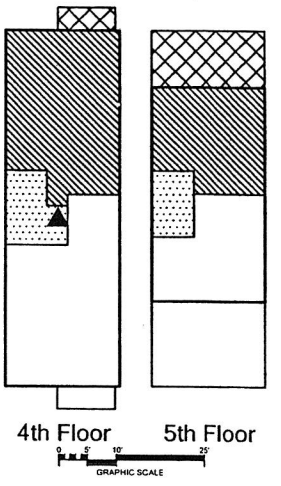
All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts.

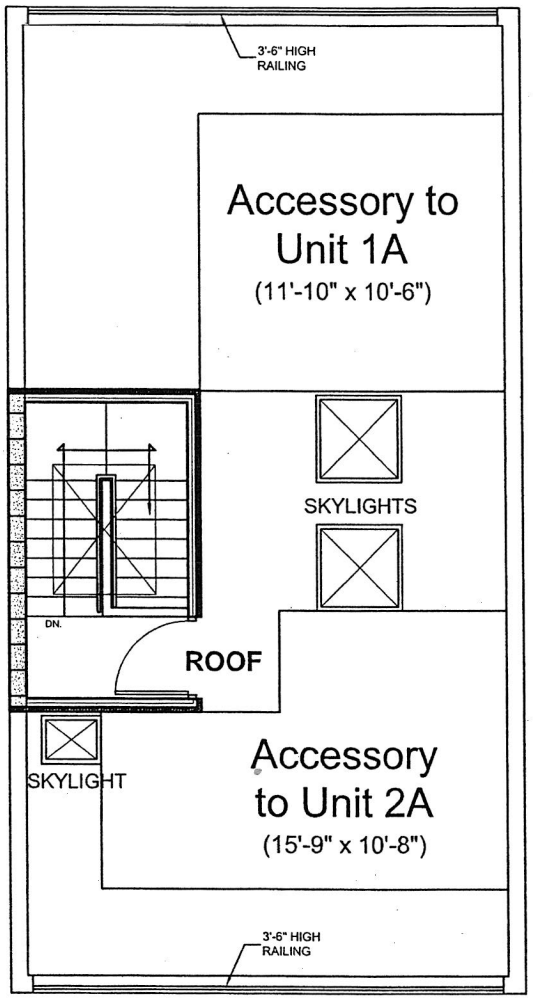
STERLING GREEN CONDOMINIUM
580 Sterling Place
BROOKLYN, NEW YORK 11238

1-Bedroom **Penthouse B**

Floors: 4th & 5th — 2 BATHS

UNIT TOTAL:	903 SF (83.89 m²)
4th Floor:	556 SF (51.65 m²)
5th Floor:	347 SF (32.24 m²)
Terrace:	200 SF (18.58 m²)
Balcony:	40 SF (3.72 m²)

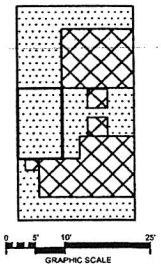




UNIT SPACE

LIMITED COMMON ELEMENT

COMMON ELEMENT



Roof

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtracting cutouts.

STERLING GREEN
CONDOMINIUM
580 Sterling Place
BROOKLYN, NEW YORK 11238

ROOF PLAN

N

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SECTION F

LIMITED WARRANTY

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LIMITED WARRANTY

Warranty No._____

NAME OF PURCHASER(s): _____

ADDRESS OF PURCHASER(s): _____

_____

ADDRESS OF UNIT WARRANTED: _____

_____

NAME OF SPONSOR: 580 Sterling Place LLC

WARRANTY DATE:_____

SPONSOR'S LIMIT OF
TOTAL LIABILITY: ___[75% of Purchase Price]_____

This Limited Warranty Excludes All
Consequential and Incidental Damages
Except as Required By New York State Law.

1. To Whom Given. This limited warranty is extended to the Purchaser named on page 1 while the Purchaser owns the Unit. It does not extend to subsequent owners of the Unit or other persons.

2. By Whom Made. This Limited Warranty is made exclusively by the Sponsor whose name and address appear on page 1.

3. Final Inspection of the Unit. Before the Purchaser moves into the Unit or accepts the deed, the Sponsor will set up an appointment for final inspection of the Unit with the Purchaser.

The purpose of this final inspection is to discover any defects or flaws of a visible or obvious nature, such as mars, chips, dents, cracks, or scratches, that may have occurred during the final stages of finishing the Unit, or any unfinished work caused by back-orders beyond the Sponsor's control. The Sponsor may also point out other defects known to have occurred during the construction process and that remain uncorrected at the time of the inspection.

All defects or flaws found on final inspection of the Unit will be itemized on a Final Inspection Sheet (a copy of which is attached to this Limited Warranty), which will include a schedule for each item that will be corrected. The Final Inspection Sheet will be signed by the Purchaser and the Sponsor before occupancy of the Unit or transfer of the deed.

When the Purchaser moves into the Unit or accepts the deed, the Sponsor's responsibility is limited to:

(a) completion of items shown on the Final Inspection Sheet, and

(b) performance of warranty obligations under the provisions of this Limited Warranty, as listed below. The purpose of the Limited Warranty is to identify the Sponsor's responsibilities for construction defects of a latent or hidden kind that would not have been found or disclosed on final inspection of the Unit.

4. Limited Warranty. This Limited Warranty excludes all other warranties on the construction and sale of the Unit and its components, both express and implied. There are no warranties which extend beyond the face hereof.

5. Warranty Coverage and Periods. The Warranty Period for all coverage begins on the Warranty Date shown on page 1. (This Warranty Date is the date that the Purchaser, or a member of

the Purchaser's family, takes title to the Unit or any person begins residential occupancy of the Unit, whichever date is earlier). It ends at the expiration of the coverage shown below:

FIRST YEAR BASIC COVERAGE: For one year from the Warranty Date, the Unit will be free from latent defects that constitute:

(a) defective workmanship performed by the Sponsor, an agent of the Sponsor or subcontractor of the Sponsor;

(b) defective materials provided by the Sponsor, an agent of the Sponsor or subcontractor of the Sponsor; or

(c) defective design, provided by an architect, landscape architect, engineer, surveyor, or other design professional engaged solely by the Sponsor.

Workmanship, materials, and design will be considered to be defective if they fail to meet or exceed the relevant standards and specifications of the New York State Uniform Fire Prevention and Building Code (or, for Units in New York City, the Building Code of the City of New York) or if they fail to meet the Accepted Standards which are attached to this Limited Warranty.

TWO YEAR MAJOR SYSTEM COVERAGE: For two years from the Warranty Date, the Plumbing, Electrical, Heating, Cooling and Ventilation Systems of the Unit which have been installed by the Sponsor are warranted to be free from latent defects that constitute defective installation by the Sponsor.

Installation will be considered to be defective if the Sponsor's workmanship upon the installation fails to meet or exceed the relevant standards and specifications of the New York State Uniform Fire Prevention and Building Code (or, for Units in New York City, the Building Code of the City of New York) and the Accepted Standards.

The Plumbing System means: gas supply lines and fittings, water supply, waste and vent pipes and their fittings, septic tanks and their drain fields, water, gas and sewer service piping and their extensions to the tie-in of a public utility connection, and on-site well and sewage disposal system.

The Electrical System means: all wiring, electrical boxes, switches, outlets and connections up to the public utility connection.

The Heating, Cooling and Ventilation Systems means: all duct work, steam, water and refrigerant lines, registers, convertors, radiation elements and dampers.

All systems are exclusive of appliances, fixtures and items of equipment.

SIX YEAR MAJOR STRUCTURAL DEFECT COVERAGE: for six years from the Warranty Date, the Unit will be free from latent defects that are Major Structural Defects, as defined below, and that constitute:

(a) defective workmanship performed by the Sponsor, an agent of the Sponsor or subcontractor of the Sponsor;

(b) defective materials provided by the Sponsor, an agent of the Sponsor or subcontractor of the Sponsor; or

(c) defective design, provided by an architect, landscape architect, engineer, surveyor, or other design professional engaged solely by the Sponsor.

Workmanship, materials, and design will be considered to be defective if they fail to meet or exceed the relevant standards and specifications of the New York State Uniform Fire Prevention and Building Code (or, for its Units in New York City, the Building Code of the City of New York) or if they fail to meet the Accepted Standards.

A Major Structural Defect is a defect resulting in actual physical damage to the following load-bearing portions of the Unit caused by failure of such load-bearing portions which affects their load-bearing functions to the extent that the Unit becomes unsafe, unsanitary or otherwise unlivable: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems and roof framing systems.

Damage to the following non-load bearing portions of the Unit do not constitute a Major Structural Defect for the Major Structural Defect coverage: roofing and sheathing; drywall and plaster; exterior siding; brick, stone and stucco veneer; floor covering material; wall tile and other wall coverings; non-load-bearing walls and partitions; concrete floors in attached garages and basements that are built separately from foundation walls or other structural elements of the Unit; electrical, plumbing, heating, cooling and ventilation systems; appliances, fixtures and items of equipment; paint; doors and windows; trim; cabinets; hardware; insulation.

6. Exclusions from all Coverage. The following are excluded from the Basic Coverage, Major System Coverage, and Major Structural Defect Coverage:

(a) Loss or damage caused by workmanship performed by any person other than (i) the Sponsor, (ii) an agent of the Sponsor, or (iii) a subcontractor of the Sponsor.

(b) Loss or damage caused by defective materials supplied by any person other than (i) the Sponsor, (ii) an agent of the Sponsor, or (iii) a subcontractor of the Sponsor.

(c) Loss or damage caused by defective design provided by any person other than a design professional retained exclusively by the Sponsor.

(d) Patent defects including defects shown on the Final Inspection Sheet and defects which an examination of the Unit prior to acceptance of the deed or occupancy of the Unit ought to have revealed.

(e) Defects in outbuildings including but not limited to detached garages and detached carports (except outbuildings which contain the plumbing, electrical, heating, cooling or ventilation systems serving the Unit); swimming pools and other recreational facilities; driveways; walkways; patios; boundary walls; retaining walls; bulkheads; fences; landscaping (including sodding, seeding, shrubs, trees and plantings); off-site improvements or any other improvements not a part of the Unit itself.

(f) After the first year Basic Coverage, concrete floors of basements and concrete floor of attached garages that are built separately from foundation walls or other structural elements of the Unit.

(g) Damage to real property which is not part of the Unit covered by this Limited Warranty and which is not included in the purchase price of the Unit.

(h) Any damage to the extent that it is caused or made worse by:

(i) negligence, improper maintenance, or improper operation by anyone other than the Sponsor, its employees, agents, or subcontractors; or

(ii) failure by the Purchaser or anyone other than the Sponsor, its employees, agents or subcontractors, to comply with the warranty requirements of manufacturers or suppliers of appliances, fixtures or items of equipment; or

(iii) failure of the Purchaser to give notice to the Sponsor of any defects or damage within a reasonable time; or

(iv) changes in the grading of the ground by anyone other than the Sponsor, its employees, agents or subcontractors; or

(v) changes, alterations or additions made to the Unit by anyone after the Warranty Date shown on page 1; or

(vi) dampness or condensation due to failure of the Purchaser or occupant to maintain adequate ventilation.

(i) Any condition which does not result in actual physical damage to the Unit.

(j) Loss or damage caused by or resulting from accidents, riot and civil commotion, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, acts of God, lightning, windstorm, hail, flood, mud slide, earthquake, volcanic eruption, wind-driven water, and not reasonably foreseeable changes in the underground water table.

(k) Loss or damage caused by seepage of water unless such loss or damage is the direct result of a construction defect otherwise covered by this Limited Warranty.

(l) Any damage caused by soil movement for which compensation is provided by legislation or which is covered by other insurance.

(m) Any damage which the Unit Owner has not taken timely action to minimize.

(n) Normal wear and tear and normal deterioration.

(o) Insect damage.

(p) Bodily injury or damage to personal property.

(q) Failure of the Sponsor to complete construction of the Unit.

(r) Loss or damage which arises while the Unit is being used primarily for nonresidential purpose.

(s) Loss or damage due to abnormal loading on the floors by the Unit Owner which exceed maximum design loads as mandated by the Building Code.

(t) Costs of shelter, transportation, food, moving, storage or other incidental expenses related to relocation during repair.

(u) Consequential damages (except where required by state law).

(v) Any claim not filed in a manner set forth below in paragraph 8, "Step by Step Claims Procedures".

7. Warranty. If a defect occurs in an item covered by this Limited Warranty, the Sponsor will repair, replace or pay the Purchaser the reasonable cost of repairing or replacing the defective item(s) within a reasonable time after the Sponsor's inspection or testing discloses the problem. The choice among repair, replacement or payment is solely that of the Sponsor.

In no event will the Sponsor's total liability, for deficiencies under this Limited Warranty exceed the Sponsor's Limit of Total Liability, shown on page 1.

Repair, replacement or payment of reasonable cost for any Major Structural Defect is further limited to (i) the repair of damage to the load-bearing portions of the Unit themselves which is necessary to restore their load-bearing function; and (ii) the repair of those items of the Unit damaged by the Major Structural Defect which made the Unit unsafe, unsanitary or otherwise unlivable.

When the Sponsor finishes repairing or replacing the defect or pays the reasonable cost of doing so, a full release of all legal obligations with respect to the defect must be signed by the Purchaser and delivered to the Sponsor.

8. Step by Step Claims Procedures.

(a) Written notice of any warranty claim must be made on the attached "Notice of Warranty Claim Form" and MUST BE RECEIVED BY THE SPONSOR AT THE ADDRESS IDENTIFIED ON PAGE 1 NO LATER THAN THE FIRST BUSINESS DAY AFTER WARRANTY COVERAGE ON THAT ITEM EXPIRES. If this Notice of Warranty Claim Form is not properly completed and received by the Sponsor by that deadline, the Sponsor will have no duty to respond to any complaint or demand, and any or all claims may be rejected. NOTICE OF WARRANTY CLAIM IS NECESSARY TO PROTECT RIGHTS TO WARRANTY PERFORMANCE UNDER THIS LIMITED WARRANTY.

(b) No steps taken by the Sponsor, Purchaser or any other person to inspect, test or correct defects will extend any time period under this Limited Warranty. The Sponsor's response to any complaint or request, other than a timely and properly completed Notice of Warranty Claim, will not impair, prejudice or otherwise affect any right of the Sponsor, including but not limited to the Sponsor's right to receive a timely and properly completed Notice of Warranty Claim.

(c) In response to a Notice of Warranty Claim, or any other complaint or request of the Purchaser, the Sponsor and the Sponsor's agents will have the right to inspect and test the portion of the Unit to which the claim, complaint or request relates. The Purchaser and occupants of the Unit must provide reasonable access to the Sponsor and the Sponsor's agents during normal business hours to complete inspection, testing and repair or replacement.

(d) The Sponsor will complete inspection and testing within a reasonable time under the circumstances, not to exceed thirty (30) days after receipt of a timely and properly completed Notice of Warranty Claim Form. Upon completion of inspection and testing, the Sponsor will determine whether to accept or reject the claim. If the Sponsor rejects the claim, the Sponsor will give written notice of that decision to the claimant at the address shown on the Notice of Claim Form. If the Sponsor accepts the claim, the Sponsor will take corrective action within a reasonable time under the circumstance and, upon completion, will give written notice of completion to the claimant at the address shown on the Notice of Claim Form. The Sponsor will use good faith efforts to process and handle claims in a timely manner, but all time periods for repair or replacement of defects necessarily are subject to weather conditions, acts of God, availability of materials, and other events beyond the Sponsor's control.

9. Legal Actions.

(a) No claim or cause of action under this Limited Warranty may be commenced or asserted in any suit, action, or other legal proceeding against the Sponsor in any Court or forum unless notice of the claim or cause of action has been received by the Sponsor in a timely and properly completed Notice of Warranty Claim Form as provided in paragraph 8 above.

(b) No suit, action and proceeding against the Sponsor under this Limited Warranty may be commenced in any Court or forum after the later of:

(i) the date of expiration of the applicable warranty coverage under paragraph 5 of this Limited Warranty, or;

(ii) sixty (60) calendar days after the Warrantor has given written notice of rejection of claim or completion or corrective action as provided in clause 8 (d) above.

10. General Provisions.

(a) This Limited Warranty may not be changed or amended in any way.

(b) This Limited Warranty is to be binding upon the Sponsor and the Purchaser, their heirs, executives, administrators, successors and assigns.

(c) Should any provisions of this Limited Warranty be deemed unenforceable by a court of competent jurisdiction, the determination will not affect the enforceability of the remaining provisions.

(d) As may be appropriate, use of one gender in this Limited Warranty includes all other genders, use of the plural includes the singular, and use of the singular includes the plural.

(e) This Limited Warranty is to be governed in accordance with the laws of New York State.

(f) This Limited Warranty contains the entire agreement of the parties with respect to warranties and representations concerning the condition of the Unit.

580 Sterling Place LLC

By: _____
Seth Brown, Member

Purchaser: _____

Purchaser: _____

FINAL INSPECTION SHEET

Unit: _____

Date of Inspection: _____

Time of Inspection: _____

Present: _____

_____

_____

_____

Defects or Flaws:

_____

_____

_____

_____

_____

_____

_____

_____

Purchaser:_____ Seller: 580 Sterling Place LLC

By: _____

Purchaser:_____ Seth Brown, Member

NOTICE OF WARRANTY CLAIM FORM

Dear Unit Owner:

To ask the Sponsor to correct a defect in your Unit that you think is covered by the Sponsor's Limited Warranty, you must complete this form and deliver it to the Sponsor. This is necessary to protect your rights to warranty performance under the Limited Warranty. Even if you believe that the Sponsor is aware of the problem, fill out this form and deliver it to the Sponsor.

The information you will need to fill out the form will be on page 1 of the Limited Warranty. However if you do not know the answer to any questions, write "Don't know". Please do not leave any item blank.

Your Name: _____

Mailing Address: _____

_____

Phone No.: _____

Limited Warranty No.: _____

Warranty Date: _____

Describe the defect(s) which you think are covered by the Limited Warranty. Be sure to include when each defect first occurred or when you first noticed it. Use additional sheets, as necessary, to fully describe the problem.

_____

_____

_____

_____

_____ _____
(signature) (date)

_____ _____
(signature) (date)

ACCEPTED STANDARDS

FOR CONSTRUCTION

1. Except as specifically stated in these Accepted Standards, construction shall meet the minimum requirements of the applicable building code, laws, ordinances, and governmental rules and regulations (collectively "Codes"). When the Codes do not provide a relevant specific standard, construction shall meet the standards of locally accepted building practices in the county of the project.

2. The following are consistent with Accepted Standards: nail pops, ridging on sheet rock walls, lumber shrinkage, separation in joints of tile or wood flooring, floor levels, ceiling imperfections, painting defects, alignment of bathroom finishes, air infiltration from windows, any damage resulting from settlement (including, without limitation, concrete cracks which do not impair the structural soundness of the Building), normal plumbing, heating and air conditioning noises, or minor chips, mars, breaks or other defects in window sashes, window sills, electric fixtures and globes, interior painted surfaces, sinks, tubs, bowls, medicine cabinets, doors, mirrors, ceramic tile, hardware, bath tile grouting, countertops, vanity tops and bases, kitchen tile and cabinets or flooring, hardware, flooring, or appliance cabinets, carpet discoloration and stretching, or doors sticking due to humidity, temperature or similar conditions or door warpage.

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SECTION G

DECLARATION OF CONDOMINIUM

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DECLARATION OF CONDOMINIUM

Establishing a Plan of Condominium Ownership
of Premises Located at 580 Sterling Place,
County of Kings, City and State of New York,
Pursuant to Article 9-B of the Real Property Law
of the State of New York

Name: Sterling Green Condominium, 580 Sterling Place, Brooklyn, New York 11238

Sponsor: 580 Sterling Place LLC, 398 2nd Street, Brooklyn, New York 11215

Date of Declaration: _____

Block No.: 1175
Lots: FKA: 25
NKA: [redacted]

Record and Return:

Marcus Attorneys
13 Greene Avenue
Brooklyn, New York 11238
(718) 643-6555

Declaration Establishing a Plan for Condominium Ownership of Premises to be known as Sterling Green Condominium, at 580 Sterling Place, in Kings County, City and State of New York, pursuant to Article 9-B of the Real Property Law of the State of New York.

580 Sterling Place LLC, having an address at 398 2nd Street, Brooklyn, New York 11215, hereinafter referred to as the "Sponsor," does hereby declare:

1. Submission of Property: The Sponsor hereby submits the land described in Exhibit A, attached hereto and made a part hereof (the "Land"), together with the building and improvements thereon erected (the "Building"), owned by the Sponsor in fee simple absolute (the Land and Building together referred to as the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act").

2. Area and Location of Land: The Land has an area of approximately 2,620 square feet and is located in the County of Kings, City and State of New York.

3. Description of the Building: The Building consists of a masonry bearing walls structure with poured-in-place reinforced concrete footing and foundation walls below ground floor level. The bearing walls are reinforced concrete masonry Unit walls. It is located at Block 1175, Lot 25 of the Borough of Brooklyn on the southern side of Sterling Place, between Classon and Franklin Avenues in the Prospect Heights neighborhood of Brooklyn. The Building contains a cellar, five floors and eight residential units.

4. Name of Condominium: The condominium shall be known as "Sterling Green Condominium".

5. Units:

(a) List and Description: Annexed hereto and made a part hereof as Exhibit B is a list of all Units containing their designations and tax lot numbers, locations and approximate areas of the Units, number of rooms in each residential Unit, the Common Elements (defined hereinafter) and Limited Common Elements to which each has immediate access (all as shown on the floor plans of the Building, certified by Barry Bank, PE (the "Floor Plans") intended to be filed in the Office of the Register of the City of New York, Borough of Brooklyn simultaneously with the recording of this Declaration), and the percentage of interest of each Unit in the Common Elements (the "Common Interest"). The location of the Building is shown on the site plan intended to be filed in the said Office of the Register of the City of New York, Borough of Brooklyn, as part of the Floor Plans. Any heating, hot-water and/or air-conditioning systems located inside or outside the Unit together with any piping and/or ductwork attached thereto, and/or any equipment which only serves the individual Unit shall be deemed a fixture and part of the individual Unit.

(b) Dimensions: Each Unit shall consist of the area measured horizontally from the centerline of the demising and the outside of exterior walls surrounding the Units and including Common Elements wholly within Units, such as columns, but excluding mechanical chases and chutes, and the area measured vertically from the top of the wood decking to the underside of the wood or metal decking on the ceiling above. Doors and windows which open

from or form a border of a Unit shall be deemed part of the Unit. However, any Common Element located within a Unit shall not be considered a part of the Unit. No Unit shall include any Common Element. The provisions of this subdivision (b) may not be amended without the approval of the Unit Owner (defined below) of every Unit affected.

6. Certain Definitions:

(a) The owner of each Unit is herein referred to as the "Unit Owner," which term shall have the meaning ascribed to it in the Condominium Act. Every Unit Owner shall be treated for all purposes as a single owner, irrespective of whether such ownership is joint, in common, or tenancy by the entirety. The number of Unit Owners shall be equal to the number of Units, regardless of whether an owner owns more than one Unit, except as expressly provided herein, when a Unit is owned by the Board of Managers.

(b) "Board of Managers" shall mean the Board of Managers of Sterling Green Condominium.

(c) "By-Laws" shall mean the By-Laws of Sterling Green Condominium as from time to time amended pursuant thereto.

(d) "Condominium" shall mean Sterling Green Condominium, which is composed of the Units and the Common Elements (hereinafter defined).

(e) "Legal Requirements" shall mean all requirements and limitations of all laws, ordinances, rules, regulations, guidelines and determinations of any government, governmental authority or quasi-governmental authorities and agencies, case law and all judicial rulings, judgments and orders, the requirements of insurers, insurance underwriting agencies, agreements, instruments and insurance policies, and of mortgages and the holders of mortgages on the Property or any part thereof binding on the Board of Managers or affecting the Condominium this Declaration, the By-Laws and the Rules and Regulations and of the By-Laws, this Declaration and the Rules and Regulations.

(f) "Party Wall" shall mean a wall which is common to, and separates, two Units or a Unit and a Common Element.

(g) "Plan" or "Offering Plan" shall mean the Offering Plan for Sterling Green Condominium dated _____, 2008, as the same may be amended.

(h) "Rules and Regulations" shall mean the rules and regulations included in the Plan as amended from time to time by the Board of Managers.

(i) "Sponsor-affiliates" shall mean (i) an entity in which the Sponsor possesses a legal or beneficial interest or a person or entity which possesses a legal or beneficial interest in the Sponsor or an entity which controls or is controlled by an entity which is otherwise a Sponsor-affiliate or (ii) a person or entity succeeding to the rights of Sponsor as an owner of one or more Unsold Units, as defined in the Offering Plan.

7. Permitted Uses: The Units may be used only for residential use and for legally permitted uses accessory to residential use and for legally permitted professional or business offices subject to the provisions of the certificate of occupancy for the Building, except that the Sponsor or its designee(s) shall have the right to maintain a general and sales office in any Unit owned by it and to use such Unit as a model and for other promotional purposes. The Building shall be used solely for the purposes for which the Units contained therein may be used.

8. Common Elements: The "Common Elements" shall mean the entire Property, including all parts of the Building other than the Units and including, without limitation, the following:

(a) General Common Elements

(i) The Land described in Exhibit A to this Declaration;

(ii) All roofs and all other elements thereof down to but not the unexposed side of the plaster or sheetrock, if any, of the ceiling of a Unit immediately below the roof, if any, foundations and concrete floors;

(iii) All foundations;

(iv) All columns, girders, joists, beams, load bearing walls and supports but not any plaster, sheetrock or similar covering within a Unit;

(v) All portions of the exterior walls, beyond the hidden face of the interior plaster, sheetrock or similar material walls, if any; all portions of Party Walls located beyond the unexposed sides of the plaster, sheetrock or similar material walls within Units; the space between the top of the concrete or other decking or lowest wood decking where there is wood decking, and the unexposed upper surface of the plaster, sheetrock or similar material ceiling below or, if the ceiling below is not finished with plaster, sheetrock or similar material, the exposed surface of the structural members and decking of the ceiling of each floor between Units or within a Unit;

(vi) All central and appurtenant installations for services such as electricity, light, gas, heating, air conditioning, trash collection, storage and disposal, sprinklers, fire alarms and protection, telephone, television, communications, water, waste, piping and roof drains, including all pipes, flues, ducts, wires, cables and conduits used in connection therewith, whether located in or outside of the Units and not installed by, or on behalf of, any Unit Owner;

(vii) The corridors, hallways, stairs, stairways, portions of the cellar, bike storage room, roof and all chases, shafts and chutes;

(viii) All others parts of the Property and all machinery, equipment, apparatus and installations now or hereafter existing in the Building or at the Property for common use or necessary or convenient to the existence, maintenance or safety of the Property.

(b) "Limited Common Elements" are Common Elements which are available for the use, for certain purposes, solely by the Owners of Units to which such Limited Common Elements are appurtenant and by the occupants of such Units and invitees of such Owner and occupants. The Limited Common Elements are as follows.

(i) Unit PHA shall have two skylights as Limited Common Elements, and Unit PHB shall have one skylight as a Limited Common Element, as shown on the Floor Plans. The owners of said Units shall be responsible for the maintenance, repair and replacement of their skylights, as required. The Board of Managers shall be responsible for maintenance, repair and replacement of all Common elements, except that in all events a Unit Owner shall be responsible for the cost and expense of any maintenance, repair and replacement of any portion of the Common Elements if necessitated by the negligence, misuse or neglect of a Unit Owner or an occupant of a Unit or a Unit Owner's employees, invitees, agents or contractors. In the event removal or disruption of a skylight is required, it shall be the responsibility of the Unit Owner to replace or repair same at the Unit Owner's expense.

(ii) Units 1A and 1B shall each have as a Limited Common Element an areaway, as shown on the Floor Plans. The owners of Units 1A and 1B shall be responsible for the maintenance, repair and replacement of their areaway, as required. The Board of Managers shall be responsible for maintenance, repair and replacement of all Common elements, except that in all events a Unit Owner shall be responsible for the cost and expense of any maintenance, repair and replacement of any portion of the Common Elements if necessitated by the negligence, misuse or neglect of a Unit Owner or an occupant of a Unit or a Unit Owner's employees, invitees, agents or contractors. In the event removal or disruption of an areaway is required, it shall be the responsibility of the Unit Owner to replace or repair same at the Unit Owner's expense.

(iii) Units 1B and 2B shall each have as a Limited Common Element a rear yard, as shown on the Floor Plans. A Unit Owner may use the rear yard appurtenant to his, her or its Unit only in compliance with all Legal Requirements. The owners of Units 1B and 2B and their successors and assigns shall be responsible for the maintenance, repair and replacement of any paving, landscaping, drainage, fences, enclosures, walls, or other elements of their rear yards, other than the Building walls, as required by Legal Requirements. The Board of Managers shall be responsible for maintenance, repair and replacement of the Building's exterior walls and other elements of the Building, except that in all events the Unit Owner shall be responsible for any maintenance, repair and replacement of any portion of the rear yard or Building's exterior walls or other elements of the Building, if necessitated by damage caused by the Unit Owner or the Unit Owner's invitees, tenants, employees, agents or contractors. The Board of Managers and its agents, employees and contractors may have access to all areas of the rear yards in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event repairs require removal or disruption of any element of the rear yard, it shall be the responsibility of the Unit Owner to replace such element at the Unit Owner's cost. The owners of Units 1B and 2B may not perform construction in their rear yard areas that would require a building permit unless the owners comply with all Legal Requirements and obtain the prior approval of the Board of Managers.

(iv) Units 3A, 3D, PH A and PH B shall each have a balcony as a Limited Common Element, as shown on the Floor Plans. The owners of said Units and their successors and assigns shall be responsible for maintenance, repair and replacement of their balconies, including the balconies' surfaces, but the Board of Managers shall make any structural repairs to the balconies, including the railings, if any, that are required, except that in all events the Unit Owner shall be responsible for any maintenance, repair and replacement of any portion of the balconies if necessitated by damage caused by the Unit Owner or the Unit Owner's invitees, tenants, employees, agents or contractors. The Board of Managers and its agents, employees and contractors may have access to all balconies in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event repairs require removal or disruption of any element of the balconies, it shall be the responsibility of the Unit Owner to replace such element at the Unit Owner's cost. The owners of said Units may not perform construction in the balconies that would require a building permit unless the owners comply with all Legal Requirements and obtain the written approval of the Board of Managers.

(v) Units PH A and PH B shall each have a terrace as a Limited Common Element, as shown on the Floor Plans. The owners of said Units and their successors and assigns shall be responsible for maintenance, repair and replacement of their terraces, including the terraces' surface, but the Board of Managers shall make any structural repairs to the terraces, including the railings, if any, that are required, except that in all events said Unit Owners shall be responsible for any maintenance, repair and replacement of any portion of the terraces if necessitated by damage caused by said Unit Owners or their invitees, tenants, employees, agents or contractors. The Board of Managers and its agents, employees and contractors may have access to all terraces in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event repairs require removal or disruption of any element of a terrace, it shall be the responsibility of said Unit Owner to replace such element at the Unit Owner's cost. The owners of said Units may not perform construction in the terraces that would require a building permit unless the owner complies with all Legal Requirements and obtains the written approval of the Board of Managers.

(vi) Units 1A and 2A shall each have a roof deck as a Limited Common Element, as shown on the Floor Plans. The owners of said Units and their successors and assigns shall be responsible for maintenance, repair and replacement of their roof decks, including the decks' surfaces, but the Board of Managers shall make any structural repairs to the roof decks, including the railings, if any, that are required, except that in all events said Unit Owners shall be responsible for any maintenance, repair and replacement of any portion of the roof decks if necessitated by damage caused by said Unit Owners or their invitees, tenants, employees, agents or contractors. The Board of Managers and its agents, employees and contractors may have access to all roof decks and the roof in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event repairs require removal or disruption of any element of a roof deck, it shall be the responsibility of said Unit Owner to replace such element at the Unit Owner's cost. The owners of said Units may not perform construction in the roof decks that would require a building permit unless the

owner complies with all Legal Requirements and obtains the written approval of the Board of Managers.

9. Determination of Percentages in Common Elements: The percentages of interest of the Units in the Common Elements are based on a Unit's floor space subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared used, and the overall dimensions of the particular Unit, pursuant to Section 339-i (1) (iv) of the Condominium Act, and shall be as set forth in Exhibit B, a part hereof. A Unit Owner may not convey his, her or its Unit separate from its appurtenant interest in the Common Elements. No change will be made to the Units' percentages of Common Interest without the consent of all owners of Units directly affected, without the consent of Sponsor's construction lender (so long as the construction lender holds a lien on the Property), and without the consent of a Purchaser's lender, if any and if required by the same.

10. Encroachments: If any portion of the Common Elements now encroaches upon any Unit, or if any Unit now or upon completion of construction by the Sponsor substantially in accordance with the Floor Plans encroaches upon any other Unit or upon any portion of the Common Elements, as a result of the construction of the Building, or if any such encroachment shall occur hereafter as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building (or any portion thereof), any Unit or the Common Elements after damage or destruction by fire or other casualty or after a taking in condemnation or eminent domain proceedings of all or any portion of a Unit or the Common Elements or by reason of alteration or repair to the Common Elements made by, or with the consent of, the Board of Managers, a valid easement for the encroachment and for the maintenance of the encroachment so long as the Building stands shall exist.

11. Condemnation: In the event of taking in condemnation or by eminent domain of part or all of the Common Elements, the award made for such taking shall be payable to the Board of Managers. If the Unit Owners duly and promptly approve the repair and restoration of such Common Elements, the Board of Managers shall arrange for such repair and restoration, and the Board of Managers shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. If the Unit Owners do not duly and promptly approve the repair and restoration of such Common Elements, the Board of Managers shall disburse the net proceeds of such award in the same manner as they are required to distribute insurance proceeds where there is no repair or restoration of the damage, as provided in Section 3 of Article V of the By-Laws.

12. Easements:

(a) Each Unit Owner shall have an easement in common with the owners of other Units to use, maintain, repair, alter and replace all pipes, wires, flues, ducts, vents, cables, conduits, public utility lines, equipment and facilities and other Common Elements located in any of the Units or elsewhere on the Property and serving his, her or its Unit. Each Unit shall be subject to an easement in favor of the owners of all other Units and the Board of Managers (i) to use the pipes, flues, ducts, cables, wires, conduits, utility lines, equipment and facilities and other Common

Elements serving other Units and located in such Unit, and (ii) for the Board of Managers and its agents, employees and contractors to have access to each Unit to inspect the Unit, to remove violations of Legal Requirements, and (iii) to maintain, repair, replace or modify Common Elements contained therein or elsewhere in the Building.

(b) Each Unit shall have, and shall be subject to, easements of subjacent support and necessity in favor of such Unit and in favor of other Units and the Common Elements.

(c) The Sponsor, Sponsor-affiliates and their successors, assigns, invitees, licensees, contractors, employees, and tenants (i) shall have an easement to erect, maintain, repair and replace from time to time one or more signs on the Property for the purposes of advertising the sale of Units and the leasing of space in any Unit as well as an easement in, and access to, Units and Common Elements consistent with the purposes of the Offering Plan and Sponsor's rights and obligations thereunder, including, without limitation, the right to develop, renovate, alter, maintain, repair, replace, refurbish, offer, sell and lease Units and appurtenant interests and Common Elements; and (ii) reserve the right to establish, grant and create easements for any additional electric, transformer, amplifier, gas, television, telephone, communications, sprinkler, fire protection, fire alarm, security, air conditioning, water, storm drainage, sewer or other utility or service lines and appurtenances in, under and through the Property including, without limitation, an easement or easements for the benefit of any property adjacent to the Property, to relocate any existing utility easements in any portion of the Property and to dedicate any or all of such facilities to any governmental body, public benefit corporation or utility company if the Sponsor or designee shall deem it necessary or desirable for the proper operation and maintenance of the Property or any portion thereof, for the general health or welfare of any Unit Owner, or the residents of any property adjacent to the Property, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Units for their permitted purposes. Any governmental agency, utility company or public benefit corporation furnishing services to the Property, and the employees and agents of any such agency, company or corporation, shall have the right of access to any Unit, to the Common Elements, and to the Limited Common Elements included in the exercise of the rights to which such easements pertain, provided such right of access is exercised in such a manner as not unreasonably to interfere with the use of the affected Units for their permitted purposes.

(d) The user of any easement granted by subparagraph (b) or (c) of this Article 12 shall have the responsibility of repairing any damage to Common Elements resulting from such use. A Unit Owner shall have the responsibility of repairing any damage to his, her or its Unit resulting from such use.

(e) Each Unit Owner whose Unit has one or more appurtenant Limited Common Elements shall have an exclusive easement for use thereof.

(f) In addition to the specific easements set forth in this Article 12, the Property and every portion thereof shall be subject to all easements and the rights of access prescribed in the Condominium Act.

(g) Notwithstanding the foregoing, no person shall use or enjoy the Common Elements or Limited Common Elements except in accordance with the reasonable purposes for which they are intended and, subject to such purposes, without encroaching unreasonably upon the rights of other persons to do so in accordance with this Declaration.

13. Power of Attorney to Board of Managers: Each Unit Owner shall grant to the persons who shall from time to time constitute the Board of Managers, an irrevocable power of attorney, coupled with an interest, in such form as the Board of Mangers may from time to time approve, to, among other things, acquire title to or lease any Unit whose Owner desires to surrender, sell or lease the same, or which may be the subject of a foreclosure or other judicial sale, in the name of the Board of Managers or its designee, corporate or otherwise, and to convey, sell, lease, mortgage or otherwise deal with any such Unit so acquired or to sublease any Unit so leased by the Board of Managers.

14. Acquisition of Units by Board of Managers: In the event any Unit Owner shall surrender his Unit together with: (i) the undivided interest in the Common Elements appurtenant thereto; (ii) the interest of such Unit Owner in any other Units acquired by the Board of Managers or its designee on behalf of all Unit Owners, or the proceeds of the sale or lease thereof, if any; and (iii) the interest of such Unit Owner in any other assets of the Condominium (hereinafter collectively called the "Appurtenant Interest") pursuant to the provisions of Section 339-x of the Condominium Act, or in the event the Board of Managers shall purchase at a foreclosure or other judicial sale a Unit together with its Appurtenant Interests, title to any such Unit, together with its Appurtenant Interests, shall be held by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests. The lease covering any Unit leased by the Board of Managers, or its designee, corporate or otherwise, shall be held by the Board of Managers, or its designee, on behalf of all Unit Owners, in proportion to their respective Common Interest.

15. Person to Receive Service of Process: The Secretary of State of the State of New York is hereby designated as agent of the Board of Managers upon whom process against it may be served, and the post office address to which the Secretary of State shall mail a copy of any process against it served upon him is Seth Brown, having an office at 398 2nd Street, Brooklyn, New York 11215. As required by law, the Board of Managers shall notify the Secretary of State of any change in the managing agent or person authorized to receive a copy of any process served against the Secretary of State. Until the first meeting of Unit Owners, Seth Brown, having an office at 398 2nd Street, Brooklyn, New York 11215 is hereby designated to receive service of process in any action which may be brought against the Condominium. Following said meeting any member of the Board of Managers is hereby designated to receive service of process in any such action.

16. Units Subject to Declaration, By-Laws and Rules and Regulations: All present and future Unit Owners, tenants, sub-tenants and occupants of Units and invitees, employees, agents, and contractors of Unit Owners 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 for, or the entering into a lease for, 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 shall be binding on all sub-tenants, invitees, employees, agents and contractors, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

17. Amendment of Declaration:

(a) This Declaration may be amended with the approval of owners of sixty-six and two-thirds percent (66 2/3%) in number and in Common Interest of all Unit Owners, in accordance with the provisions of the By-Laws, provided, however, that the Common Interest appurtenant to each Unit as expressed in this Declaration shall not be altered without the consent of all Unit Owners affected, and provided further that no right granted herein to the Sponsor or a Sponsor-affiliate shall be modified without the written consent of the Sponsor so long as the Sponsor or a Sponsor-affiliate shall own a Unit.

(b) The Sponsor or a Sponsor-affiliate shall have the right without vote or consent of other Unit Owners, the Board of Managers or the holders of Unit mortgages to execute or (on its request) to require the Board of Mangers to execute and record in the Office of the City Register, Borough of Brooklyn and elsewhere if required by law, an amendment or amendments to this Declaration (together with such other documents, plans and maps as may be required to effectuate the same) to reflect (i) any changes in Units and the reapportionments of the Common Interests resulting therefrom, made by the Sponsor pursuant to Article 19 hereof; or (ii) any construction of the Building which shall not have been completed on the date of recording of this Declaration, including, without being limited to, the final location, dimensions or size of the Building and the Units therein.

18. Termination: If withdrawal of the Property from application of the Condominium Act is authorized by at least eighty percent (80%) of the Unit Owners in number and in Common Interest (and if required by the respective mortgages, their first mortgagees, if any, of such Unit), then the Property shall be subject to an action or partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all the Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of his, her or its share of such net proceeds all liens on his, her or its Units. The Sponsor or its nominee will not cast any of its votes for withdrawal, unless eighty percent (80%) of the Unit Owners other than the Sponsor so vote, in which event the Sponsor will be free to cast its votes either for or against withdrawal.

19. Changes in Sponsor-Owned Units: For any Units owned by the Sponsor or its designee(s) or a Sponsor-affiliate, if not prohibited by the Condominium Act (as the same may be amended from time to time), the Sponsor or a Sponsor-affiliate shall have the right, without the vote or consent of the Board of Managers, other Unit Owners or the holders of Unit mortgages, to (i) make alterations, additions, or improvements in, to, and upon, the Unit; (ii) change the layout or

number of rooms in the Unit; (iii) change the size and/or number of such Units by subdividing a Unit, combining separate Units (including those resulting from any subdivision or otherwise) into one or more Units, altering the boundary walls between any Units or otherwise; and (iv) reapportion among such Units affected by such changes in size or number, subdivision, combination or alteration, their appurtenant interests in the Common Elements; provided, however, that the Sponsor or its designee(s) shall comply with all rules, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom. In accordance with law, the Common Elements appurtenant to each Unit as expressed in this Declaration shall have a permanent character and shall not be altered without the consent of all Unit Owners affected. Written consents will be obtained from Unit Owners, if any, who are adversely affected as a result of the above changes. The provision of this Article 19 may not be added to, amended or deleted without the prior written consent of the Sponsor or its designee(s).

20. Specially Allocated Expenses: The Board of Managers shall not allocate specific expense items to a Unit if the owner of said Unit pays such items directly. An expense from which a Unit is exempt shall be specially allocated to the Units which are not exempt. A specially allocated expense is charged to a Unit based on the proportion that the Common Interest of said Unit bears to the total Common Interest of all Units not exempt from said expense. The Board of Managers, acting reasonably, shall determine which items of expense shall be specially allocated as aforesaid, and inform the owners of the Units thereof and the owners of the Units shall determine the amounts thereof. There are no specially allocated expenses as of the date of this Declaration. Water charges and sewer rents will be Common Expenses of all Units unless either (i) any Unit Owner is directly billed for water charges and sewer rents by the municipal authority or (ii) the Board of Managers finds that a Unit Owner uses water in excess of normal domestic, sanitary and lavatory purposes and requires such Owner to install a water meter and bills such Owner for water used, in which event the owner of such Unit shall not be charged water charges and sewer rents as part of the Common Charges and the owners of Units not so directly billed shall be specially allocated the Condominium's water charges and sewer rents. The Board of Managers shall have all the rights with respect to the collection of such specially allocated expenses and the creation of liens therefor and the enforcement of such collection and liens and the foreclosure of such liens, as the Board of Managers has with respect to Common Charges.

21. Invalidity: The invalidity of any provision of this Declaration shall not be deemed to impair or affect in any manner the validity, enforceability or affect of the remainder of this Declaration and the remainder of this Declaration shall continue in full force and affect as if such invalid provision had never been included herein.

22. Waiver: No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations of any provision hereof.

23. Gender and Number: The use of the masculine gender in this Declaration shall be deemed to refer to the feminine gender and neuter and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

24. Further Assurances: (a) Any person who is subject to the terms of this Declaration, whether such a person is a Unit Owner, a lessee or a sublessee of a Unit Owner, an occupant of a Unit member of the Board of Managers, an officer of the Condominium, or otherwise, shall, at the expense of such other person requesting the same, execute, acknowledge and deliver to such other person such instrument, in addition to those specifically provided for herein, and take such other action as such other persons may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to 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 days after request therefor, to take any action that such Unit Owner or person is required to take pursuant to this Declaration, the Board of Managers is hereby authorized as attorney-in-fact for such Unit Owner or other person, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other person, and such document or action shall be binding on such Unit Owner or other person.

(c) If any Unit Owner, the Board of managers or any other person who is subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten days after request therefor, to take any action which the Board of Managers, Unit Owner or person is required to execute, acknowledge and deliver or to take pursuant to this Declaration at the request of Sponsor or the Sponsor's affiliate, then the Sponsor or the Sponsor's affiliate is hereby authorized as attorney- in-fact for such Unit Owner, the Board of Managers 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, the Board of Managers or other person and such document or action shall be binding on such Unit Owner, the Board of Managers or other person.

25. 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 25, 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 shall be binding upon, and shall inure 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 Unit Owners, tenants and occupants of Units shall be subject to, Regulations, as the may be amended from time to time. The acceptance of a deed or conveyance, the entering into a lease, or the entering into an 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 Unit 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 or 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 or 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 or 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 purpose of submitting the Property to the provisions of the Condominium Act.

(c) Subject to the terms of paragraph (b) of this Article, if this Declaration or the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration or 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 or the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the land.

26. Successors and Assigns.. The rights and/or obligations of the Sponsor or its designee as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignee of Sponsor or, with consent of the Sponsor or its designee, any transferee of all of the then Unsold Units. Subject to the foregoing, the Sponsor or its designee 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, without the consent of the Board of Managers or any other person.

27. Captions. The captions 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, the Sponsor has caused this Declaration to be executed this ____ day of_____, 200__.

580 Sterling Place LLC

By: _____
Seth Brown, Member

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

On the day of , 200__, before me, the undersigned personally appeared Seth Brown, 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 on behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

SCHEDULE A
580 Sterling Place
Brooklyn, New York

THE Land on which the Building lies is described as follows:

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, bounded and described as follows:

BEGINNING at a point on the southerly side of Sterling Place, distant 580.00 feet westerly from the corner formed by the intersection of the southerly side of Sterling Place with the westerly side of Franklin Avenue;

RUNNING THENCE southerly parallel with Franklin Avenue, 131.00 feet to the center line of the block;

THENCE westerly along the centerline of the block and parallel with Sterling Place, 20.00 feet;

THENCE northerly parallel with Franklin Avenue, 131.00 feet to the southerly side of Sterling Place;

THENCE easterly along the southerly side of Sterling Place, 20.00 feet to the point or place of BEGINNING.

EXHIBIT B
Sterling Green Condominium
580 Sterling Place
Brooklyn, New York

Unit No.	Tax Lot No.	Location	Approx. Area (sq. ft.)	Rooms / Baths	Common Interest	Limited Common Elements (sq. ft.)	Immediately Accessible Common Elements
1A		Cellar, 1st Floor	776	3/1.5	9.83%	Areaway (20 SF); Roof Deck (124 SF)	Cellar, stairs & stairways.
1B		Cellar, 1st Floor	1,071	3/1.5	15.32%	Areaway (84 SF); Rear Yard (542 SF)	Cellar, stairs & stairways.
2A		2ndFloor	552	2/1	10.11%	Roof Deck (141 SF)	Stairs & stairways.
2B		2nd Floor	575	2/1	11.27%	Rear Yard (623 SF)	Stairs & stairways.
3A		3rd Floor	552	2/1	10.40%	Balcony (40 SF)	Stairs & stairways.
3B		3rd Floor	575	2/1	10.69%	Balcony (40 SF)	Stairs & stairways.
PH A		4th, 5th Floors	897	3/2	16.19%	Skylights; Balcony (40 SF); Terrace (300 SF)	Stairs & stairways, roof.
PH B		4th, 5th Floors	903	3/1.5	16.19%	Skylight; Balcony (40 SF); Terrace (200 SF)	Stairs & stairways, roof.

SECTION H

CONDOMINIUM BY-LAWS

Page without text

BY-LAWS

of

Sterling Green Condominium

County of Kings

City and State of New York

(Part 2 of the Declaration)

Record and Return To:

Marcus Attorneys
13 Greene Avenue
Brooklyn, New York 11238

By-Laws

of

Sterling Green Condominium

ARTICLE I
Plan of Unit Ownership

Section 1. Unit Ownership. The property located in the County of Kings, City and State of New York at 580 Sterling Place has been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act") by the Declaration (the "Declaration") recorded in the Office of the Register of the City of New York, Borough of Brooklyn simultaneously herewith and shall hereinafter be known as Sterling Green Condominium (hereinafter called the "Condominium"). The residential apartments are herein sometimes called the "Units". The owner of a Unit is herein referred to as a "Unit Owner". All capitalized terms not defined herein shall have the meaning set forth in the Condominium Act.

Section 2. Applicability of By-Laws.

(a) The provisions of these By-Laws are applicable to the Property of the Condominium and to the use, operation and occupancy thereof. The term "Property" as used herein shall include the land, the buildings and all other improvements thereon (including the Units, the Common Elements and the Limited Common Elements) known as 580 Sterling Place, Brooklyn, New York, and all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith. The provisions of these By-Laws are applicable to the Property of the Condominium and to the use, operation and occupancy thereof.

(b) All present and future owners, mortgagees, lessees, sublessees and occupants of Units and their employees, invitees, agents and contractors and any other persons who may use the facilities of the Property in any manner are subject to these By-Laws, the Declaration and the rules and regulations (the "Rules and Regulations") attached hereto as Schedule A, each as amended from time to time.

The acceptance of a deed or conveyance or the entering into of a lease or the occupancy of a Unit shall constitute an agreement that these By-Laws, the Rules and Regulation and the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

Section 3. Office. The office of the Condominium and of the Board of Managers of the Condominium (the "Board of Managers") shall be located at the Property, unless another office in the County and State of is designated by the Board of Managers.

ARTICLE II
Board of Managers

Section 1. Number and Qualification. The affairs of the Condominium shall be governed by a Board of Managers which shall consist of three persons. Until the first meeting of Unit Owners held pursuant to Section 1 (a) of Article III of these By-Laws, the Board of Managers shall consist of three (3) persons designated by the sponsor of the Condominium, 580 Sterling Place LLC (the "Sponsor"). As used in these By-Laws "Unsold Units" shall mean a Unit owned, at the time in question, by the Sponsor or its designee or successor who or which does not occupy the Unit for his, her, its or their own use. Within ninety (90) days after the first Closing of title to a Unit, the Sponsor will call the first meeting of Unit Owners, at which meeting the Unit Owners shall elect three (3) members, subject to the Sponsor's right to designate two members of the Board until the later of: (1) two years after the Closing of the first Unit or (2) the time the Sponsor holds less than fifty percent (50%) of the Common Interests. A meeting will be held to elect new members of the Board within thirty (30) days of the termination of the Sponsor's special right to designate members of the Board. During the period in which the Sponsor may designate two members of the Board, Unit Owners, other than the Sponsor, will vote for the remaining Board member. After the period during which Sponsor may designate two members of the Board, all Unit Owners, including the Sponsor, may vote for all members of the Board, including members of the Board that are related or unrelated to the Sponsor. Each member of the Board of Managers shall be an owner of a Unit, a mortgagee of a Unit, general partner, partner or designated employee of a partnership owning a Unit or holding a mortgage covering a Unit, a shareholder, officer, director or designated employee of a corporate Unit Owner or corporate mortgagee of a Unit, a fiduciary or officer or designated employee of a fiduciary who is the owner or mortgagee of a Unit, or a person with similar authority over, and interest in, another entity owning or holding a mortgage on a Unit, or in the case of the Sponsor or a Sponsor-affiliate, shall be a designee of the Sponsor. A person designated by the Sponsor or a Sponsor-affiliate under this Article need not be a Unit Owner or holder of an office or interest in a Unit Owner. As used in these By-Laws, the term "Sponsor-affiliate" shall mean (i) any person or entity which the Sponsor may designate to acquire title to a Unit or exercise other rights of the Sponsor hereunder or under the Declaration or the Offering Plan for the Property (the "Plan"), (ii) an entity in which the Sponsor possesses a legal or beneficial interest or a person or entity which possesses a legal or beneficial interest in the Sponsor or an entity which controls or is controlled by an entity which is otherwise a Sponsor-affiliate or (iii) a person or entity succeeding to the rights of Sponsor as an owner of one or more Unsold Units, as defined in the Offering Plan. A Sponsor-affiliate shall have the right to designate a person or entity to succeed to its rights. The term Sponsor-affiliate is also used to refer to any such designee.

Section 2. Power and Duties. The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium and may do all acts and things except such acts or things which by law or by the Declaration or by these By-Laws may not be delegated to the Board of Managers by the Unit Owners. Such powers and duties of the Board of Managers shall include, but shall not be limited to, the following:

(a) Operation, care, upkeep and maintenance of the Common Elements and Limited

Common Elements.

(b) Determination of the Common Expenses required for the affairs of the Condominium, including, without limitation, the operation and maintenance of the Property, and specially allocated expenses as described in Section 1 (d) of Article V hereof.

(c) Collection from the Unit Owners of the Common Charges, assessments and other sums due under these By-Laws or the Declaration.

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements.

(e) Adoption and amendment of Rules and Regulations covering the details of the occupancy, operation and use of the Property.

(f) Opening and maintaining of bank and investment accounts on behalf of the Condominium and designating the signatories therefor.

(g) Purchasing or leasing or otherwise acquiring in the name of the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, Units offered for sale or lease or surrendered by their owners to the Board of Managers.

(h) Purchasing of Units at foreclosure or other judicial sales in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners.

(i) Acquiring in the name of the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, rights and interests in real and personal property for use in connection with the ownership and operation of the Property as a condominium, as described in the Declaration and these By-Laws.

(j) Selling, leasing, mortgaging, borrowing money with respect to, or otherwise dealing with Units acquired by, and subleasing Units leased by, the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners.

(k) Organizing corporations and other entities to act as designees of the Board of Managers in acquiring title to, or leasing of, Units or rights and interests in real and personal property for use in connection with the ownership and operation of the Property as a condominium, on behalf of all Unit Owners.

(l) Obtaining insurance for the Property, the Condominium and the Board of Managers pursuant to the provisions of Article V, Section 2 hereof.

(m) Making of repairs, additions and improvements to, or alterations of, the Property subject to the provisions of Section 13 of Article V hereof and making of repairs to, and restoration of, the Property in accordance with the other provisions of these By-Laws after damage or destruction by fire or other casualty, or as a result of condemnation or eminent

domain proceedings.

(n) Borrowing money on behalf of the Condominium when required in connection with the payment, collection and disbursement of funds, including reserves, to provide for major and minor maintenance, repairs, additions, improvements, replacements, working capital, bad debts and unpaid Common Expenses, depreciation, obsolescence and similar purposes, provided, however, that (i) such debt is incurred no earlier than the fifth anniversary of the first conveyance of a Unit and (ii) the incurrence of such debt shall require the consent of a majority of all Unit Owners in Common Interest; and in connection with such borrowing, to give such security interest as may be permitted by law.

(o) Borrowing money on behalf of the Condominium when required in connection with any matter not included in the preceding paragraph, provided, however, that no lien to secure repayment of any sum borrowed may be created on any Unit or its Appurtenant Interests (as defined in Article VII, Section 1(a) of these By-Laws) or on the Common Elements without the consent of all of the Unit Owners. If any sum borrowed by the Board of Managers on behalf of the Condominium pursuant to the authority contained in this paragraph (o) is not repaid by the Board of Managers, a Unit Owner who pays to the creditor such proportion thereof as his interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against the Unit Owner's Unit.

(p) Levying fines against Unit Owners for violations of the Rules and Regulations.

(q) Adjusting and settling claims under insurance policies obtained pursuant to Article V, Section 2 and executing and delivering releases upon settlement of such claims on behalf of all Unit Owners.

(r) Notwithstanding anything to the contrary contained in these By-Laws, so long as the Sponsor or any Sponsor-affiliate shall continue to own a Unit or Units constituting twenty five percent (25%) or more of the Common Interest, but in no event for a period in excess of five (5) years from the Closing of title to the first Unit, the Board of Managers may not, without the Sponsor's or Sponsor-affiliate's prior written consent, (i) make any addition, alteration or improvement to the Common Elements or to any Unit or (ii) assess any Common Charge for the creation or addition to or replacement of all or part of a reserve, contingency or surplus fund except that Sponsor will consent to replacements to the contingency fund provided for in the Budget for First Year of Condominium Operation, Schedule B of the Offering Plan for the Property (the "Plan") to the extent that the aggregate amount of such fund does not exceed ten percent (10%) of the budgeted expenses of the Condominium or (iii) borrow money on behalf of the Condominium (except where necessary to perform work required by law to the extent that existing reserves are insufficient). The Sponsor and Sponsor-affiliates shall have the right to withhold its or their consent to any of the foregoing actions. However, notwithstanding the provisions of this paragraph (r), the Sponsor and Sponsor-affiliates may not exercise veto power over expenses described in said Schedule B or over expenses required to comply with applicable law or regulations, to remedy any notice of violation, or to remedy any work order by an insurer.

(s) Notwithstanding anything to the contrary contained in there By-Laws, so long as there shall be an Unsold Unit, the Board of Managers may not, without the consent of the Unit Owner of each Unsold Unit (i) amend the Declaration or these By-Laws so as to in any way adversely affect the Sponsor or any Sponsor-affiliate or any Unit owned thereby; or (ii) interfere with: the offer and sale or leasing of Units; operation of general or sales and leasing offices of the Sponsor or any Sponsor-affiliate at the Property; actions necessary for construction, renovation, repair alteration, maintenance, operation and replacement of the Property or any parts thereof by, or on behalf of, the Sponsor or any Sponsor-affiliate and permitted pursuant to the Plan and/or the Declaration.

(t) The Board of Managers may act as an agent of each Unit Owner who has given his written authorization to complain or apply to the Board of Assessment Review of the assessing agency by filing a single complaint on behalf of all such Unit Owners pursuant to Section 512 of the Real Property Tax Law and to commence and prosecute a special proceeding for the review of assessment of real property as an aggrieved person pursuant to Section 704 of the Real Property Tax Law of the State of New York. The Board of Managers may retain legal counsel on behalf of all Unit Owners for which it is acting as agent and to charge all such Unit Owner a pro rata share of its expenses, disbursements and legal fees in connection with the review of assessments, for which charges the Board of Managers shall have a lien pursuant to Section 339 of the Condominium Act.

Section 3. Managing Agent and Manager. The Board of Managers may employ a managing agent and/or manager (including the Sponsor or a corporation or other entity organized or controlled by the Sponsor) for the Condominium at a compensation established by the Board of Managers to perform such duties and services as the Board of Managers shall authorize. The Board of Managers may delegate to any manager or managing agent all of the powers granted to the Board of Managers by these By-Laws other than the powers set forth in subdivisions (b), (e), (g), (h), (i), (j), (k), (n) and (o) of Section 2 of this Article II.

Section 4. Election and Term of Office. The term of office of the members of the Board of Managers elected by Unit Owners at the first meeting of Unit Owners held pursuant to Section 1(a) of Article III of these By-Laws shall expire on the date of the second meeting of the Unit Owners held pursuant to Section 1(b) of Article III of these By-Laws. At the second meeting and all subsequent meetings of the Unit Owners held for the purpose of electing members of the Board of Managers, the term of office of the three (3) members of the Board of Managers shall be fixed at one year.

Section 5. Removal of Members of the Board of Managers. At any regular or special meeting of Unit Owners, any one or more of the members of the Board of Managers, other than a member designated by the Sponsor or a Sponsor-affiliate (who may be removed by the Unit Owners at such a meeting only for cause) may be removed with or without cause by a majority of the Unit Owners and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any member of the Board of Managers whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting. A member of the Board of Managers designated by the Sponsor or a Sponsor-affiliate may be removed by the Sponsor for any reason. If a member of the Board of Managers ceases to be a Unit Owner or Unit mortgagee

(or a designee of an entity which owns a Unit or holds a mortgage on a Unit), unless such member is a designee of the Sponsor or a Sponsor-affiliate, he or she shall be deemed to have resigned effective as of the date such ownership or mortgage interest ceases.

Section 6. Vacancies. Vacancies in the Board of Managers caused by any reason other than the removal of a member thereof by a vote of the Unit Owners, shall be filled by vote of a majority of the remaining members at a special meeting of the Board of Managers held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum, and each person selected shall be a member of the Board of Managers until the next annual meeting of the Unit Owners, at which meeting a successor shall be elected for such member. Notwithstanding any other provisions of these By-Laws, vacancies for any reason of members designated by the Sponsor or Sponsor-affiliate shall be filled only by the Sponsor or a Sponsor-affiliate.

Section 7. Organization Meeting. The first meeting of the members of the Board of Managers following the first meeting of the Unit Owners shall be held within ten (10) days after the first meeting of the Unit Owners at such time and place as shall be fixed by the members of the Board of Managers and no notice shall be necessary to the newly elected members of the Board of Managers in order legally to constitute such meeting, provided a majority of the whole Board of Managers shall be present thereat.

Section 8. Regular Meetings. Regular meetings of the Board of Managers may be held at such time and place as shall be determined from time to time by the members of the Board of Managers, but at least four (4) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Managers shall be given to each member of the Board of Managers by mail or fax at least three (3) business days prior to the day of such meeting.

Section 9 Special Meetings. Special meetings of the Board of Managers may be called by the President on three (3) business days' notice to each member of the Board of Managers given by mail or fax, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Managers shall be called by the President or Secretary in like manner and on like notice on the written request of at least one (1) member of the Board of Managers.

Section 10. Waiver of Notice. Any member of the Board of Managers may at any time waive notice of any meeting of the Board of Managers in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Managers at any meeting of the Board shall constitute a waiver of notice by him or her of the time and place thereof. Any one or more members of the Board of Managers or any committee thereof may participate in a meeting of the Board by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting. If all the members of the Board of Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 11. Quorum of the Board of Managers. At all meetings of the Board of Managers, a majority of the members thereof shall constitute a quorum for the transaction of business, and the

votes of the members of the Board of Managers present at a meeting at which a quorum is present shall constitute the decision of the Board of Managers. If at any meeting of the Board of Managers there shall be less than a quorum present, the meeting must be adjourned. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called, may be transacted without further notice. Any action required or permitted to be taken by the Board of Managers may be taken without a meeting if all members of the Board consent in writing to the adoption of a resolution authorizing such action, and the writing or writings are filed with the minutes of the proceedings of the Board.

Section 12. Fidelity Bonds. The Board of Managers may obtain a fidelity bond in the amount of $25,000 or more for all officers and employees of the Condominium and of the managing agent handling or responsible for Condominium funds. The Board of Managers may obtain such other fidelity bonds as it deems proper. The premiums on such bonds shall constitute a Common Expense.

Section 13. Compensation. No member of the Board of Managers shall receive any compensation from the Condominium for acting as such.

Section 14. Liability of the Board of Managers. The members of the Board of Managers shall not be liable to any Unit Owner for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the members of the Board of Managers against all liability to others arising from their acts as, or by reason of the fact that such person was, a member of the Board of Managers. It is intended that the members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium within the scope of their authority. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers or out of the aforesaid indemnity in favor of the members of the Board of Managers shall be limited to such proportion of the total liability thereunder as his, her or its interest in the Common Elements bears to the interests of all the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the managing agent on behalf of the Board of Managers shall be deemed made on behalf of the Unit Owners, and the Board of Managers and the managing agent, as the case may be, are acting only as agents for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners) and any liability of a Unit Owner thereunder shall be limited to such proportion of the total liability thereunder as his, her or its interest in the Common Elements bears to the interests of all Unit Owners in the Common Elements. Members of the Board of Managers designated by the Sponsor or a Sponsor-affiliate shall not incur any liability for self-dealing in connection with any contract made by the Board of Managers on behalf of the Unit Owners with the Sponsor or Sponsor-affiliate provided that any compensation paid under such contract shall be no more than at then competitive rates for similar goods and services in Kings County.

ARTICLE III
Unit Owners

Section 1. Annual Meetings.

(a) First Meeting. Within ninety (90) days after the first Closing of title to a Unit, the Sponsor shall call the first meeting of Unit Owners for the election by Unit Owners of the members of the Board of Managers, subject to the Sponsor's right to designate members. The full Board of Managers shall then be composed of three (3) members. Persons designated by the Sponsor or a Sponsor-affiliate need not be Unit Owners.

(b) Annual Meetings. Annual meetings of Unit Owners shall be held at the first anniversary of the first meeting of the Unit Owners held pursuant to Section 1(a) of this Article III and annually thereafter unless such day shall fall on a Saturday, Sunday or legal holiday, in which event, the meeting for that year shall be held on the succeeding Monday or day which is not a legal holiday.

Section 2. Place of Meetings. Meetings of the Unit Owners shall be held at the principal office of the Condominium or at such other suitable place convenient to the Unit Owners as may be designated by the Board of Managers.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the Unit Owners if so directed by resolution of the Board of Managers or upon a petition signed and presented to the Secretary by Unit Owners holding twenty percent (20%) of the Common Interest of all Unit Owners in the Common Elements. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting of the Unit Owners, at least ten (10) but not more than forty (40) days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Unit Owner of record, at the building or at such other address as such Unit Owner shall have designated by notice in writing to the Board of Managers. If the purpose of any meeting shall be to act upon a proposed amendment to the Declaration or to these By-Laws, the notice of meeting shall be mailed at least thirty (30) days prior to such meeting.

Section 5. Adjournment of Meetings. If any meeting of Unit Owners cannot be held because a quorum has not attended, the Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 6. Order of Business. The order of business at all meetings of the Unit Owners shall be as follows:

(a) Roll Call.

(b) Proof of notice of meeting.

(c) Reading of minutes of preceding meeting.

(d) Reports of officers.

(e) Report of Board of Managers and/or managing agent.

(f) Reports of committees.

(g) Election of inspectors of election (when so required).

(h) Election of members of the Board of Managers (when so required).

(i) Unfinished business.

(j) New Business.

Section 7. Title to Units; Status of Holder of Title as Unit Owner. Title to Units may be taken in the name of an individual or in the names of two or more persons, as tenants in common or as joint tenants or as tenants by the entirety, or in the name of a corporation, partnership, limited liability company, a fiduciary, non-profit organization or governmental entity (upon waiver of diplomatic immunity, as, if and when required by the Board of Managers), or other entity provided such entity is empowered to own real property and otherwise comply with the obligations of a Unit Owner and be sued in the courts of the State of New York. The term "Unit Owner" as used in these By-Laws shall include any person, group of persons, association or entity taking title as set forth in this Section. This section shall not constitute consent or the condoning of any activity not permitted by laws, ordinances, rules, regulations, guidelines and determinations of any government, governmental authority or quasi-governmental authorities and agencies, case law and all judicial rulings, judgments and orders, the requirements of insurers, insurance underwriting agencies, agreements, instruments and insurance policies and of mortgages and the holders of mortgages on the Property or any part thereof binding on the Board of Managers or affecting the Condominium this Declaration, the By-Laws and the Rules and Regulations and of the By-Laws, this Declaration and the Rules and Regulations (hereinafter called the "Legal Requirements").

Section 8. Voting. Each Unit Owner (as determined by the Board of Managers) or some person designated by a Unit Owner to act as proxy on his, her or its behalf and who need not be a Unit Owner shall be entitled to cast the votes appurtenant to such Unit at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary by the Unit Owner so designating. Any or all of such Unit Owners may be present at any meeting of the Unit Owners and (those constituting a group acting unanimously) may vote or take any other action as a Unit Owner either in person or by proxy. The total number of votes of all Unit Owners shall be one hundred and each Unit Owner (including the Sponsor or Sponsor-affiliates if the Sponsor or a Sponsor-affiliate shall then own or shall then hold title to one or more Units) shall be entitled to

cast the number of votes at all meetings of the Unit Owners equal to his, her or its percent of interest in the Common Elements applicable to his, her or its Unit. A fiduciary shall be the voting party with respect to any Unit owned in a fiduciary capacity.

Section 9. Quorum. Except as otherwise provided in these By-Laws or the Declaration, the presence in person or by proxy of Unit Owners representing a majority of the Common Interest shall constitute a quorum at all meetings of the Unit Owners.

Section 10. Majority Vote. The vote of Unit Owners constituting a majority of the percentage of Common Interest present at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes unless a provision of these By-Laws or the Declaration shall expressly require approval by a higher or different number of votes or Unit Owners. Members of the Board of Managers shall be elected by a plurality of the percentage of Common Interest present except as provided in these By-Laws with respect to members designated by the Sponsor.

Section 11. Action Without Meeting. Any action required or permitted to be taken by the Unit Owners may be taken without a meeting if the number of Unit Owners required by the Declaration, these By-Laws or applicable law consents in writing to the adoption of a resolution authorizing such action and the writing or writings are filed with records of the Condominium.

ARTICLE IV
Officers

Section 1. Designation. The principal officers of the Condominium shall be the President, the Secretary, and the Treasurer, all of whom shall be elected by the Board of Managers. The Board of Managers may appoint a vice president, an assistant treasurer, an assistant secretary, and such other officers as in its judgment may be necessary. The President and any vice president, if any but no other officers, need be members of the Board of Managers.

Section 2. Election of Officers. The officers of the Condominium shall be elected annually by the Board of Managers at the organization meeting of each new Board of Managers and shall hold office at the pleasure of the Board of Managers.

Section 3. Removal of Officers. Upon the affirmative vote of all other members of the Board of Managers, any officer may be removed, either with or without cause, and his or her successor may be elected at any regular meeting of the Board of Managers, or at any special meeting of the Board of Managers called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Condominium and must be a member of the Board of Managers. He or she shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including but not limited to the power to appoint members of committees created by the Board of Managers from among the Unit Owners or otherwise from time to time as he or she may in his or her discretion decide are appropriate to

assist in the conduct of the affairs of the Condominium.

Section 5. Vice President. If a Vice President is elected, the Vice President shall take the place of the President and perform his or her duties whenever the President shall be absent or unable to act. If the President is absent or not able to act and if there is no Vice President or the Vice President is also absent or not able to act, the Board of Managers shall appoint some other member of the Board of Managers to act in the place of the President on an interim basis. The Vice President also shall perform such other duties as shall from time to time be imposed upon him or her by the Board of Managers or by the President.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Board of Managers; he or she shall have charge of such books and papers as the Board of Managers may direct; and he or she shall, in general, perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 7. Treasurer. The Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for causing full and accurate financial records and books of account showing all receipts and disbursements to be kept, and for the preparation of all required financial data. He or she shall be responsible for directing the deposit of all moneys and other valuable effects in the name of the Board of Managers or the managing agent, in such depositories as may from time to time be designated by the Board of Managers, and he or she shall, in general, perform all the duties incident to the office of treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 8. Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any two (2) persons who shall be officers of the Condominium or by such other person or persons as may be designated by the Board of Managers.

Section 9. Liability of Officers. The officers of the Condominium shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the officers of the Condominium against all liability to others arising from his or her acts as, or by reason of the fact that such person was, an officer. It is intended that the officers shall have no personal liability with respect to any contract made by them on behalf of the Condominium within the scope of their authority. It is also intended that the liability of any Unit Owner arising out of any contract made by an officer or out of the aforesaid indemnity in favor of the officers shall be limited to such proportion of the total liability thereunder as his, her or its interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements.

ARTICLE V
Operation of the Property

Section 1. Determination of Common Expenses and Fixing of Common Charges.

(a) The Board of Managers shall, from time to time and at least annually, prepare a budget for the Common Expenses of the Condominium and fix the Common Charges payable by the Unit Owners. The Common Charges payable by a Unit Owner shall be the same portion of the Common Expenses as his, her or its interest in the Common Elements bears to the interests of all the Unit Owners in the Common Elements, except as provided in (d) of this Section. Common Charges shall be payable in such installments and at such times as the Board of Managers may determine. The Common Expenses shall include the cost of all insurance premiums on all policies of insurance required to be or which the Board of Managers has obtained pursuant to the provisions of Section 2 of this Article V. The Common Expenses may also include (i) such amounts as the Board of Managers may deem proper for the operation and maintenance of the Property, including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the Common Expenses for any prior year, (ii) such amounts as may be required for the purchase or lease by the Board of Manager or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit which the Board of Managers decides to acquire and lease pursuant to these By-Laws, (iii) such assessments as are necessary to provide funds for other Condominium purposes including, without limitation, capital improvements to, and repairs and replacements of Condominium real or personal property, the acquisition of real or personal property on behalf of the Unit Owners, and expenses which were not anticipated at the last time Common Expenses were determined, and (iv) if Units have not been separately assessed for real estate tax and assessment purposes, such proportion of real estate taxes and assessments assessed against the Property equal to the Unit's Common Interest. After the Units are separately assessed, the Board of Managers shall reimburse Unit Owners for any overpayment of taxes or assessments or assess Unit Owners for any underpayment of taxes or assessments. Notwithstanding any other provision of these By-Laws, any Common Expense of the nature described in (iii) above and which is in excess of $10,000 shall require the approval of sixty-six and two thirds percent (66 2/3%) in number and Common Interest of the Unit Owners. The Board of Managers shall advise all Unit Owners, promptly, in writing, of the amount of Common Expenses and the amount of Common Charges payable by each of them, respectively, as determined by the Board of Managers, as aforesaid, and shall furnish copies of each budget on which such Common Expenses and Charges are based to all Unit Owners (and their respective mortgagees, if required). The Board of Managers may from time to time increase or decrease its prior determination of Common Expenses for a year or portion thereof. No determination of Common Expenses shall have any effect on the amount of Common Charges payable by any Unit Owner for any period prior to the date of such determination.

(b) Section 2 of Article II of these By-Laws contains additional limitations on the Board of Managers powers to set Common Expenses.

(c) The Sponsor or a Sponsor-affiliate shall be responsible for the Common Charges

assessed against a Unit owned by it from the date of the first conveyance of title to a Unit in the Building in which such Sponsor-owned Unit is located until such Unit is sold to a bona fide purchaser.

(d) Specially Allocated Expenses. The Board of Managers shall not allocate specific expense items to a Unit if the owner of said Unit pays such items directly. An expense from which a Unit is exempt shall be specially allocated to the Units which are not exempt. A specially allocated expense is charged to a Unit based on the proportion that the Common Interest of said Unit bears to the total Common Interest of all Units not exempt from said expense. The Board of Managers, acting reasonably, shall determine which items of expense shall be specially allocated as aforesaid, and inform the owners of the Units thereof and the owners of the Units shall determine the amounts thereof. There are no specially allocated expenses as of the date of the Declaration. Water charges and sewer rents will be Common Expenses of all Units unless either (i) any Unit Owner is directly billed for water charges and sewer rents by the municipal authority or (ii) the Board of Managers finds that a Unit Owner uses water in excess of normal domestic, sanitary and lavatory purposes and requires such Owner to install a water meter and bills such Owner for water used, in which event the owner of such Unit shall not be charged water charges and sewer rents as part of the Common Charges and the owners of Units not so directly billed shall be specially allocated the Condominium's water charges and sewer rents. The Board of Managers shall have all the rights with respect to the collection of such specially allocated expenses and the creation of liens therefor and the enforcement of such collection and liens and the foreclosure of such liens, as the Board of Managers has with respect to Common Charges.

(e) The omission or failure of the Board of Managers to determine the Common Expenses for any year or portion thereof shall not affect the obligation of a Unit Owner to pay Common Charges, but Common Charges on the basis of the Common Expenses as last determined for a year or portion thereof shall continue to be the Common Charges due from each Unit Owner until a new determination of Common Expenses shall be made.

Section 2. Insurance.

(a) The Board of Managers shall obtain and maintain, to the extent obtainable at commercially reasonable premiums, the following insurance: (1) fire insurance with extended coverage, including provision for "additional living expense" of Unit Owners, vandalism and malicious mischief endorsements normal for a condominium of this type, insuring the Building, (including all of the Units and the equipment installed by the Sponsor or the Board of Managers, and partitions, floors and ceilings within the Units and installed by the Sponsor or the Board of Managers but not including any equipment, any wall, ceiling or floor decorations or coverings or other furniture, furnishings, fixtures or other personal property within the Units) together with all property real, personal or mixed part of, or used in connection with, the Common Elements and covering the interests of the Condominium (collectively, the "Insured Property"), the Board of Managers and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of the Building (exclusive of the cost of excavation and foundations) and all other Insured Property, without deduction for depreciation; each of said policies shall contain a New York standard mortgagee clause in favor of each mortgagee of a

Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers; (2) water damage legal liability insurance; and (3) such other insurance as the Board of Managers may determine. All such policies shall provide that adjustment of loss shall be made by the Board of Managers and that the net proceeds thereof shall be payable to the Board of Managers.

The amount of fire insurance to be maintained until the first meeting of the Board of Managers following the first meeting of the Unit Owners shall be in at least the sum of $500,000.

(b) The Board of Managers shall also be required to obtain and maintain, to the extent obtainable at a cost deemed reasonable by the Board of Managers, public liability insurance in such limits as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the officers, the managing agent, the manager, and each Unit Owner and covering all claims for bodily injury or property damage arising out of any occurrence in the Common Elements or the Units, except such policy shall not cover liability of a Unit Owner arising from an occurrence from within his, her or its own Unit. Such public liability coverage shall also cover cross liability claims of one insured against another. The Board of Managers shall review such limits once each year or prior to renewal of a policy if a policy covers a multi-year period. Until the first meeting of the Board of Managers following the second meeting of the Unit Owners, such public liability insurance shall be a single limit of not less than $500,000, covering all claims for bodily injury and property damage with respect to any one occurrence.

(c) To the extent obtainable at a cost deemed reasonable by the Board of Managers, all policies of physical and liability insurance shall contain waivers of subrogation and waivers of any defense based on co-insurance or of pro-rata reduction of liability or of invalidity arising from any acts of the insured, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days' a prior written notice to all of the insured, including all mortgagees of Units of which the insurer has notice. Duplicate originals of all physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of Units of which the Board of Managers has notice and who has requested copies at least ten (10) days prior to the expiration of the then current policies. Each Unit Owner shall receive a certification of such insurance. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Managers shall obtain an appraisal from a fire insurance company or otherwise of the Building (exclusive of the cost of excavation and foundations), including all of the Units, and all of the Common Elements therein including such property, without deduction for depreciation, for the purpose of determining the amount of fire insurance to be effected pursuant to this Section.

(d) If the Property is within a federally designated flood plain the Board of Managers shall insure the Insured Property against flood damage in such amounts as the Board of Mangers determines.

(e) Unit Owners shall not be prohibited from carrying other insurance for their own benefit provided that all such policies shall contain waivers of subrogation in favor of the Board of Managers and other Unit Owners and further provided that the liability of the carriers issuing

insurance obtained by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

(f) The Board of Managers shall have the right to charge any Unit Owner the cost of any increase in an insurance premium if due to any act, omission or activity of the Unit Owner, the occupants of the Unit or invitees, employees, agents or contractors of the Unit Owner, or if due to the condition of the Unit.

Section 3. Repair or Reconstruction after Fire or Other Casualty. In the event of damage to, or destruction of, the Building as a result of fire or other casualty (unless a Unit Owner or lienor exercises a right of partition as provided in the Condominium Act, the Board of Managers shall arrange for prompt repair and restoration of the Building (including all of the Units and the equipment installed by the Sponsor or the Board of Managers and partitions, floors and ceilings within the Units and installed by the Sponsor or the Board of Managers but not including any equipment, any wall, ceiling or floor decorations or coverings or other furniture, furnishings, fixtures or other personal property within the Unit) and the Board of Managers shall disburse the proceeds of all insurance policies and such additional sums, if any, as may be required, to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges. No portion of the insurance proceeds shall be applied to the payment of the mortgage indebtedness of any Unit Owner except pursuant to applicable provisions of the Condominium Act.

If, as a result of damage or destruction of the Building by fire or casualty, the Property becomes subject to an action for partition by any Unit Owner or lienor, in accordance with the provisions of the Condominium Act, the Building will not be repaired and the net proceeds of sale, together with the net proceeds of insurance policies (or if there shall have been a repair or restoration pursuant to the first paragraph of this Section 3 and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration, then the excess of such insurance proceeds) shall be divided by the Board of Managers among all the Unit Owners in proportion to their respective Common Interests, after first paying out of the share of each Unit Owner the amount of any unpaid liens on his, her or its Unit, in the order of the priority of such liens.

Section 4. Payment of Common Charges. All Unit Owners shall be obligated to pay the Common Charges and assessments assessed by the Board of Managers pursuant to the provisions of Section 1 of this Article V at such time or times as the Board of Managers shall determine.

No Unit Owner shall be liable for the payment of any part of the Common Charges or assessments assessed against his, her or its Unit subsequent to a sale, transfer or other conveyance by him, her or it (made in accordance with the provisions of Section 1 of Article VII of these By-Laws) of such Unit, together with the Appurtenant Interests (as defined in Section 1 of Article VII hereof.) In addition, any Unit Owner may, subject to the terms and conditions specified in these By-Laws, provided that his, her or its Unit is free and clear of liens and encumbrances (other than a first mortgage from an institutional lender) and the statutory lien for unpaid Common Charges, convey his, her or its Unit, together with the Appurtenant Interests, to

the Board of Managers, or its designee, corporate or otherwise, on behalf of all other Unit Owners, without any compensation and in such event be exempt from Common Charges thereafter assessed. A purchaser of a Unit shall be liable for the payment of Common Charges assessed against such Unit prior to the acquisition by him, her or it of such Unit, except that a mortgagee or other purchaser of a Unit at a foreclosure sale of such Unit shall not be liable for, and such Unit shall not be subject to a lien for the payment of, Common Charges assessed prior to the foreclosure sale.

Section 5. Default in Payment of Common Charges or Assessments. In the event of a default by any Unit Owner in paying any installment of the Common Charges or any assessment as determined by the Board of Managers, such Unit Owner shall be obligated to pay a charge thereon at the lower of eighteen percent (18%) per year or the highest lawful rate on such Common Charges or assessments from the due date thereof, together with all expenses, including attorneys' fees, incurred by the Board of Managers in, and prior to, any action or proceeding brought to collect such unpaid Common Charges or assessments. The Board of Managers shall have the right and duty to attempt to recover such Common Charges or assessments together with interest thereon, and such expenses, in an action or proceeding to recover the same brought against such Unit Owner, or by foreclosure of the lien on such Unit granted by the Condominium Act, in the manner provided by the Condominium Act or otherwise as permitted by law.

Pursuant to Real Property Law Section 339-kk, if a non-occupying Unit Owner rents his, her or its Unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such Unit within sixty days of the expiration of any grace period after they are due, upon notice per the By-laws, all rental payments from the tenant shall be directly payable to the condominium association. Payment by a rental tenant to the condominium association made in connection with Section 339-kk shall relieve that rental tenant from the obligation to pay such rent to the non-occupying Unit Owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying Unit Owner against such tenant for such rent. If the 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 of the earliest due date, the Board shall provide written notice to the tenant and the non-occupying Unit Owner providing that, commencing immediately and until such time as all payments for common charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the Board has been elected by and from among the Unit Owners who are in occupancy, the Board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for common charges, assessments and late fees from the non-occupying Unit Owner are once again current, notice of such fact shall be given within three (3) business days to the rental tenant and non-occupying Unit Owner. Thereafter all rental payments shall be made payable to the non-occupying Unit Owner or a designated agent. A non-occupying Unit Owner who disputes the association's claim to rental payments pursuant to Real Property Law Section 339-kk shall be entitled to present facts supporting such Unit Owner's position at the next scheduled meeting of the Board, which must be held within thirty (30) days of the date that such Board receives notice that such Unit Owner seeks to dispute such claim.

The Sponsor will cause the Board of Managers to file a lien as provided in Section 339-aa of the Condominium Act on Units in which the Sponsor is more than thirty (30) days in arrears of Common Charges while it is in control of the Board of Managers.

Section 6. Foreclosure of Liens for Unpaid Common Charges. If any action or proceeding is brought by the Board of Managers to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use of his, her or its Unit for any period of such use from the time of failure to pay Common Charges, until judgment and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Board of Managers, acting on behalf of all Unit Owners, shall have the power to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage, convey or otherwise deal with the same. A suit to recover a money judgment for unpaid Common Charges, interest thereon as specified in Section 5 of this Article and expenses of the Board of Managers in connection with the collection thereof (including attorneys' fees and disbursement) shall be maintainable without foreclosing or waiving the lien securing the same.

Section 7. Statement of Common Charges and Assessments. The Board of Managers (or a managing agent on its behalf) shall promptly provide to any Unit Owner so requesting the same in writing, a written statement of all unpaid Common Charges, assessments and other sums due from such Unit Owner.

Section 8. Abatement and Enjoinment of Violation by Unit Owners. The violation of any rule or regulation adopted by the Board of Managers, or the breach of any provision of these By-Laws, or the breach of any provision of the Declaration, shall give the Board of Managers the right, in addition to any other right by law or as set forth in these By-Laws: (a) upon reasonable notice to the Unit Owner, to enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof or thereof (provided, however, that no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Property of the Condominium or otherwise for the safety of occupants of the Condominium or other persons or required to avoid the suspension of any necessary service to the Condominium or any Unit); and/or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation or breach; and/or (c) to seek compensation for damages caused by the violation or breach.

Section 9. Maintenance and Repair. (a) All maintenance, repairs and replacements to a Unit, whether structural or non-structural, ordinary or extraordinary (other than maintenance of, and repairs to, any Common Element contained therein and not necessitated by the negligence, misuse or neglect of the owner of such Unit or his, her or its tenants, invitees, employees, agents or contractors), shall be made by the owner of such Unit at his, her or its expense. Each Unit Owner shall be responsible for all damages to any and all other Units and/or to the Common Elements, that result from his, her or its failure to perform such maintenance, repair or replacements.

(b) All maintenance, repairs and replacements to the Common Elements, whether located inside or outside of the Units (unless necessitated by the negligence, misuse or neglect of a Unit Owner or his, her or its tenants, invitees, agents, employees or contractors, in which case such expense shall be charged to such Unit Owner) shall be made by the Board of Managers and be charged to all Unit Owners as a Common Expense except as provided in these By-Laws with respect to specially allocated expenses and assessments.

(c) Maintenance, repair and replacement of the Building's windows shall be the responsibility of the Board of Managers and the costs thereof shall be a Common Expense, except that Unit Owners shall be responsible for the cost of cleaning the inside face of windows at their Units. The Board of Managers may choose to require that all Unit Owners grant access to their Units to persons retained by the Board of Managers to clean the exterior surfaces of the windows and to maintain, repair and/or replace the windows.

(d) Notwithstanding the above, the Board of Managers shall have the responsibility (which shall constitute its only responsibility regarding those items) of painting or refinishing the exterior of doors opening out of Units (should same ever become necessary) in compliance with all applicable laws.

Section 10. Limited Common Elements. The Limited Common Elements shall be as follows.

(a) Unit PHA shall have two skylights as Limited Common Elements, and Unit PHB shall have one skylight as a Limited Common Element, as shown on the Floor Plans. The owners of said Units shall be responsible for the maintenance, repair and replacement of their skylights, as required. The Board of Managers shall be responsible for maintenance, repair and replacement of all Common elements, except that in all events a Unit Owner shall be responsible for the cost and expense of any maintenance, repair and replacement of any portion of the Common Elements if necessitated by the negligence, misuse or neglect of a Unit Owner or an occupant of a Unit or a Unit Owner's employees, invitees, agents or contractors. In the event removal or disruption of a skylight is required, it shall be the responsibility of the Unit Owner to replace or repair same at the Unit Owner's expense.

(b) Units 1A and 1B shall each have as a Limited Common Element an areaway, as shown on the Floor Plans. The owners of Units 1A and 1B shall be responsible for the maintenance, repair and replacement of their areaway, as required. The Board of Managers shall be responsible for maintenance, repair and replacement of all Common elements, except that in all events a Unit Owner shall be responsible for the cost and expense of any maintenance, repair and replacement of any portion of the Common Elements if necessitated by the negligence, misuse or neglect of a Unit Owner or an occupant of a Unit or a Unit Owner's employees, invitees, agents or contractors. In the event removal or disruption of an areaway is required, it shall be the responsibility of the Unit Owner to replace or repair same at the Unit Owner's expense.

(c) Units 1B and 2B shall each have as a Limited Common Element a rear yard, as shown on the Floor Plans. A Unit Owner may use the rear yard appurtenant to his, her or its Unit only in compliance with all Legal Requirements. The owners of Units 1B and 2B and their

successors and assigns shall be responsible for the maintenance, repair and replacement of any paving, landscaping, drainage, fences, enclosures, walls, or other elements of their rear yards, other than the Building walls, as required by Legal Requirements. The Board of Managers shall be responsible for maintenance, repair and replacement of the Building's exterior walls and other elements of the Building, except that in all events the Unit Owner shall be responsible for any maintenance, repair and replacement of any portion of the rear yard or Building's exterior walls or other elements of the Building, if necessitated by damage caused by the Unit Owner or the Unit Owner's invitees, tenants, employees, agents or contractors. The Board of Managers and its agents, employees and contractors may have access to all areas of the rear yards in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event repairs require removal or disruption of any element of the rear yard, it shall be the responsibility of the Unit Owner to replace such element at the Unit Owner's cost. The owners of Units 1B and 2B may not perform construction in their rear yard areas that would require a building permit unless the owners comply with all Legal Requirements and obtain the prior approval of the Board of Managers.

(d) Units 3A, 3B, PH A and PH B shall each have a balcony as a Limited Common Element, as shown on the Floor Plans. The owners of said Units and their successors and assigns shall be responsible for maintenance, repair and replacement of their balconies, including the balconies' surfaces, but the Board of Managers shall make any structural repairs to the balconies, including the railings, if any, that are required, except that in all events the Unit Owner shall be responsible for any maintenance, repair and replacement of any portion of the balconies if necessitated by damage caused by the Unit Owner or the Unit Owner's invitees, tenants, employees, agents or contractors. The Board of Managers and its agents, employees and contractors may have access to all balconies in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event repairs require removal or disruption of any element of the balconies, it shall be the responsibility of the Unit Owner to replace such element at the Unit Owner's cost. The owners of said Units may not perform construction in the balconies that would require a building permit unless the owners comply with all Legal Requirements and obtain the written approval of the Board of Managers.

(e) Units PH A and PH B shall each have a terrace as a Limited Common Element, as shown on the Floor Plans. The owners of said Units and their successors and assigns shall be responsible for maintenance, repair and replacement of their terraces, including the terraces' surface, but the Board of Managers shall make any structural repairs to the terraces, including the railings, if any, that are required, except that in all events said Unit Owners shall be responsible for any maintenance, repair and replacement of any portion of the terraces if necessitated by damage caused by said Unit Owners or their invitees, tenants, employees, agents or contractors. The Board of Managers and its agents, employees and contractors may have access to all terraces in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event repairs require removal or disruption of any element of a terrace, it shall be the responsibility of said Unit Owner to replace such element at the Unit Owner's cost. The owners of said Units may not perform construction in the terraces that would require a building permit unless the owner complies with all Legal Requirements and obtains the written approval of the Board of Managers.

(f) Units 1A and 2A shall each have a roof deck as a Limited Common Element, as shown on the Floor Plans. The owners of said Units and their successors and assigns shall be responsible for maintenance, repair and replacement of their roof decks, including the decks' surfaces, but the Board of Managers shall make any structural repairs to the roof decks, including the railings, if any, that are required, except that in all events said Unit Owners shall be responsible for any maintenance, repair and replacement of any portion of the roof decks if necessitated by damage caused by said Unit Owners or their invitees, tenants, employees, agents or contractors. The Board of Managers and its agents, employees and contractors may have access to all roof decks and the roof in order to inspect the Common Elements and for any action the Board of Managers is required or permitted to take. In the event repairs require removal or disruption of any element of a roof deck, it shall be the responsibility of said Unit Owner to replace such element at the Unit Owner's cost. The owners of said Units may not perform construction in the roof decks that would require a building permit unless the owner complies with all Legal Requirements and obtains the written approval of the Board of Managers.

Section 11. Heating, Hot Water and Air-Conditioning Systems. All maintenance, repairs and replacements to the heating, hot water, and air-conditioning system solely serving a Unit, if any, shall be made by the Unit Owner at the Unit Owner's expense. Maintenance, repairs and replacements to the heating, hot water, and air-conditioning system serving the common areas and/or all Units in common shall be made by the Board of Managers and the costs thereof included in the Common Charges.

Section 12. Restrictions on Use of Units. In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of the Property shall be restricted to and shall be in accordance with the following provisions:

(a) All Units shall be used only in the manner and for the uses permitted in the Declaration and in conformity with all Legal Requirements.

(b) The Common Elements shall be used by Unit Owners and their invitees, employees, agents, and contractors and occupants of Units only for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of Units.

(c) No nuisances shall be allowed on the Property nor shall any use or practice be allowed which unreasonably interferes with the peaceful possession or proper use of the Property by other Unit Owners and other occupants.

(d) No immoral, improper, offensive, or unlawful use shall be made of the Property or any part thereof by Unit Owners and their invitees, employees, agents, and contractors and occupants of Units, and all Legal Requirements relating to any portion of the Property or the use or condition thereof, shall be complied with, by and at the sole expense of each Unit Owner or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property except such expense shall be borne by a Unit Owner if the Unit Owner or other occupant of the Unit or any of the Unit Owners' invitees, employees, agents, or contractors caused the condition which must be remedied. The provisions of this paragraph shall not limit

the rights of the Sponsor and Sponsor-affiliate to change the use and alter Units they own.

(e) No portion of a Unit (other than the entire Unit and its appurtenant interests) may be rented, and no transient tenants may be accommodated therein.

(f) No Unit Owner shall keep or do anything in a Unit or the Common Elements or Limited Common Elements which will increase the rate of insurance of the Building, or contents thereof, without the prior written consent of the Board of Managers. Without affecting the obligation of the Owner of a Unit to remove or abate anything which increases the rate of such insurance, the Unit Owner shall pay to the Board of Managers the amount of such increase within three (3) days of written demand.

(g) Those public or other areas of the Building exposed to public view that are required to be maintained by a Unit Owner or the Board of Managers shall be kept by each in good appearance in conformity with the dignity and character of the Building, as determined by the Board of Managers.

Section 13. Additions, Alterations or Improvements by Board of Managers. Additions, alterations, or improvements may be made by the Board of Managers without approval of Unit Owners, except that (a) no addition, alteration or improvement costing more than $5,000 shall be made without the approval of the Sponsor and all other owners of Unsold Units as long as there are any Unsold Units (unless such addition, alteration or improvement is necessary in order to comply with Legal Requirements or is necessary to protect the Property from deterioration), and (b) no additions, alterations or improvements costing more than $5,000 shall be made unless approved by sixty-six and two-thirds percent (66 23/%) in number and in Common Interest of the Unit Owners, including the Sponsor or its designee. The Board of Managers shall proceed with duly authorized additions, alterations or improvements and shall assess each Unit Owner his, her or its proportionate share of the cost as part of the Common Expenses or as a special assessment, or shall pay for the addition, alteration or improvement from reserves accumulated for purposes of same or shall borrow funds to pay therefore as described below. Additions, alterations or improvements costing $5,000 or less may be made by the Board of Managers without approval of Unit Owners and the cost thereof shall constitute part of the Common Expenses.

Section 14. Additions, Alterations or Improvements by Unit Owners. No Unit Owners shall make any addition, alteration or improvement in or to his, her or its Unit which is structural or which affects the value of other Units or which affects the exterior of the Building, without the prior written consent thereto of the Board of Managers (and if required, of his, her or its mortgagee). The Board of Managers shall answer any written request by a Unit Owner for approval of a proposed addition, alteration or improvement in or to a Unit, within thirty (30) days after such request; and failure to do so within such time shall constitute a consent by the Board of Managers to the proposed addition, alteration or improvement. The Board of Managers may condition its approval in any way it deems appropriate. Any application to any governmental authority having or asserting jurisdiction, for a permit to make an addition, alteration or improvement in or to any Unit shall be executed by the Board of Managers only, without, however, incurring any liability on the part of the Board of Managers or any of them to any Unit

Owner, contractor, subcontractor, materialman, architect or engineer on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. This Section 14 shall not apply to a Unit owned by the Sponsor or Sponsor-affiliate.

The Board of Managers will execute any application or other document required to be filed with any governmental authority having or asserting jurisdiction in connection with any addition, alteration, improvement or repair or any subdivision, combination or change in the boundary walls made by the Sponsor or a Sponsor-affiliate to any Unit held by it, provided, however, that neither the Board of Managers nor any of them nor any Unit Owner other than the Sponsor or Sponsor-affiliate shall be subjected to any expense or liability by virtue of the execution of the application or such other document.

Non-structural alterations and improvements to Units that do not affect the exterior of the Building or the value of other Units may be made without the prior approval of the Board of Managers, except any alterations and/or improvements to an appurtenant Limited Common Element shall require the prior approval of the Board of Managers, which approval may be withheld or conditioned at the sole discretion of the Board of Managers.

In the event that a Unit Owner wishes to make either structural or non-structural additions, alterations, improvements in or to his, her, its Unit or the Limited Common Element associated with his, her or its Unit, the Board of Managers may regulate:

(a) the time periods during which work is permitted;

(b) the manner in which construction debris will be handled;

(c) the measures which must be taken to prevent compromising the security of the Building during construction;

(d) the interruption of services during construction;

(e) liability insurance for contractors during construction; and

(f) such other matters as are necessary for the safety and continued enjoyment of the Building by all Unit Owners.

The Board of Managers 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 the addition, alteration or improvement may be made.

Section 15. Use of Common Elements and Facilities.

(a) A Unit Owner shall not store any furniture, packages or objects or any kind in any part of the Common Elements other than a Limited Common Element appurtenant to his, her or its Unit.

(b) The Common Elements and facilities shall be used only for those purposes for which they are reasonably suited and capable. No Unit Owner shall make any addition, alteration, improvement or change in, or to, any Common Element (including, without limitation, the exterior of the Building) without the prior written consent of the Board of Managers (and the holders of Unit first mortgages, if required), except as permitted with respect to Limited Common Elements. The Sponsor and any Sponsor-affiliate shall have the right to alter and use the Common Elements, without charge, for the purposes and in the manner permitted herein and in the Declaration.

Section 16. Right of Access. A Unit Owner shall grant a right of access to his, her or its Unit, including any appurtenant Limited Common Element, to the manager and/or the managing agent and/or any other person authorized by the Board of Managers, the manager or the managing agent, for the purpose of making inspections or for the purpose of correcting any condition originating in his, her or its Unit and threatening another Unit or a Common Element, or for the purpose of performing installations, alterations, additions or repairs to the mechanical or electrical services or other Common Elements in his, her or its Unit or elsewhere in the Building or to correct any condition which violates any Legal Requirement, provided that request for entry is made in advance and that any such entry is at a time reasonably convenient to the Unit Owner and further provided that such right shall be exercised in such a manner as will not unreasonably interfere with the proper use of the Units. In case of any emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not.

Section 17. Water, Gas and Electricity. Electricity to Units will be supplied by the public utility companies serving the area through individual meters and billed by such companies to each Unit Owner. The cost of electricity for common areas and gas, as measured by one or more building meters, will be borne by the Unit Owners and will be included in the Common Charges, subject to special allocation, if any, as described in Section 1 of Article V of these By-Laws. Water will be supplied to all Units by the City of New York or other public utility and the cost thereof will be included in the Common Charges, except as otherwise provided in these By-Laws.

Section 18. Rules and Regulations.

(a) The rules and regulations adopted by the Board of Managers may be promulgated and amended from time to time by the Board of Managers provided that copies of such Rules and Regulations are furnished to each Unit Owner not less than five (5) days prior to the time that they become effective. Any rule or regulation may be rescinded by a vote of owners of two-thirds (2/3rds) of the Units at a meeting duly called for such purpose.

(b) The Condominium's initial rules and regulations are attached hereto as Schedule A.

Section 19. Default by Unit Owners and Expenses of Board of Managers.

(a) In the event a Unit Owner fails to make any payment due to the Board of Managers by the due date thereof, then a charge shall accrue on the unpaid sum at the lower of eighteen percent (18%) per annum and the highest rate permitted by law from the due date thereof until

payment is made.

(b) In the event the Board of Managers incurs any expense (including attorneys' fees) in connection with the failure of any Unit Owner to abide by the provisions of these By-Laws or the Declaration, then the defaulting Unit Owner shall pay to the Board of Managers the amount of such expense no later than three (3) days after notice of the amount thereof from the Board of Managers or its designee to the defaulting Unit Owner.

(c) If a Unit Owner shall fail to pay any sum due to the Board of Managers pursuant to this Section 19, the Board of Managers shall have all of the rights with respect to such sum and such failure which the Board of Managers would have with respect to a failure to pay Common Charges to the extent permitted by the Condominium Act.

ARTICLE VI
Mortgages

Section 1. Mortgage of Units. Each Unit Owner shall have the right to mortgage his, her or its Unit without restriction provided that any such mortgage shall be granted to a bank or insurance company or a savings and loan association or a mortgage company affiliated with any of the foregoing or a governmental agency, or unless such mortgage shall be substantially in the form available from the Board of Managers, and provided further that a copy of each mortgage and the note secured thereby shall be delivered to the Board of Managers promptly after execution and delivery thereof together with a written notice of the name and address of the mortgagee for the purposes of notices to the mortgagee.

Section 2. Notice of Unpaid Common Charges or Other Default. The Board of Managers, whenever so requested in writing by a mortgagee of a Unit, shall promptly report any then unpaid Common Charges or assessments levied by the Board of Managers due from, or any default by, the owner of the mortgaged Unit.

Section 3. Notice of Default. The Board of Managers, when giving notice to a Unit Owner of a default in paying Common Charges or assessments or other default, shall send a copy of such notice to each holder of a mortgage covering such Unit whose name and address had theretofore been furnished to the Board of Managers and which requested such notice.

Section 4. Examination of Books. Each Unit Owner and each mortgagee of a Unit shall be permitted to examine the books of account of the Condominium at reasonable times, on business days.

ARTICLE VII
Sales and Leases of Units

Section 1. Sales and Leases. The Board of Managers shall have the rights set forth in this

Section ("Right of First Refusal") with respect to the sale and lease of Units.

(a) No Unit Owner may sell his, her or its Unit or any interest therein except by complying with the following provisions:

Any Unit Owner who receives a bona fide offer (hereinafter called an "Outside Offer") for the purchase of his, her or its Unit, which offer shall be deemed to include, for the purposes of this Article VII, the purchase of (i) the Unit Owner's undivided interest in the Common Elements; (ii) the interest of such Unit Owner in any Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, and the proceeds of the sale or lease thereof, if any; and (iii) the interest of such Unit Owner in any other assets of the Condominium (which interests are collectively referred to as "Appurtenant Interests") which the Unit Owner intends to accept, shall give notice to the Board of Managers of such offer and of such intention, the name and address of the proposed purchaser, the terms of the proposed transaction and such other information as the Board of Managers may reasonably require, and shall offer to sell such Unit, together with the Appurtenant Interests, to the Board of Managers, or its designee, corporate or otherwise, on behalf of the owners of all other Units, on the same terms and conditions as contained in such Outside Offer. The giving of such notice shall constitute a warranty and representation by the Unit Owner who received the Outside Offer to the Board of Managers on behalf of the other Unit Owners that such Unit Owner believes the Outside Offer to be bona fide in all respects. Within thirty (30) days after receipt of such notice, the Board of Managers may elect by notice to such Unit Owner either (iv) to purchase such Unit, together with the Appurtenant Interests (or to cause the same to be purchased by its designee (corporate or otherwise) on behalf of all other Unit Owners) on the same terms and conditions as contained in the Outside Offer and as stated in the notice from the offering Unit Owner, on the same terms and conditions contained in the Outside Offer and as stated in the notice from the offering Unit Owner, or (v) to produce a purchaser who will purchase such Unit, together with the Appurtenant Interests, on the same terms and conditions contained in the Outside Offer and as stated in the notice from the offering Unit Owner. In the event the Board of Managers shall elect to purchase such Unit, together with the Appurtenant Interests, or to cause the same to be purchased by its designee, corporate or otherwise, title shall close at the office of the attorneys for the Condominium in accordance with the terms of the offer but not more than sixty (60) days after the giving of notice by the Board of Managers of its election to accept such offer. At the Closing, the Unit Owner shall convey the Unit (and Appurtenant Interests) to the Board of Managers or to its designee, on behalf of all other Unit Owners by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all transfer stamps affixed, and shall pay all transfer and other taxes arising out of such sale, unless the Outside Offer permits otherwise. Real estate taxes, mortgage interest on any mortgage assumed by the Board of Managers or other purchaser and Common Charges and Expenses shall be apportioned between the Unit Owner and the Board of Managers, or its designee, as of midnight of the day immediately preceding such Closing date. In the event the Board of Managers or its designee shall fail to accept such offer or to produce a purchaser within thirty (30) days as aforesaid or fails to act within said thirty (30) days, the offering Unit Owner shall be free to contract to sell such Unit, together with the Appurtenant Interest, within ninety (90) days after the expiration of the period in which the Board of Managers or its designee might have elected to purchase or cause the purchase of such Unit with Appurtenant Interests on the terms and conditions set forth in the notice from the Unit Owner to the Board of Managers of the Outside Offer. Any deed to

an outside purchaser shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time. In the event the offering Unit Owner shall not, within said ninety (90) days, contract to sell such Unit, together with the Appurtenant Interests, to the outside purchaser on the terms and conditions contained in the Outside Offer, or if the Unit Owner shall so contract to sell such Unit, together with the Appurtenant Interests, to such outside purchaser on the terms and conditions in the Outside Offer, but such sale shall not be consummated pursuant to the terms of such contract, then should the offering Unit Owner thereafter elect to sell such Unit (any such sale being deemed to include the Appurtenant Interests) to the same or another outside purchaser on the same or other terms or conditions, the offering Unit Owner shall be required to again comply with all of the terms and provisions of this Section 1 of this Article VII.

(b) No Unit Owner may lease his, her or its Unit except by complying with the following provisions:

Any Unit Owner who receives a bona fide offer for a lease (the "Lease Offer") of his, her or its Unit, which he, she or it intends to accept, shall give notice to the Board of Managers of such offer and of such intention, the name and address of the proposed lessee, the terms of the proposed lease, references for the proposed lessee, and such other information as the Board of Managers may reasonably require and shall offer to lease such Unit to the Board of Managers, or its designee, corporate or otherwise, on the same terms and conditions as the Lease Offer. The Board of Managers shall have the same right of election to lease the Unit on behalf of all Unit Owners or to produce a lessee for the Unit as contained in subsection (a) above relating to the purchase of Units. In the event the Board of Managers or its designee shall fail to accept the Lease Offer or to produce a lessee to accept the Lease Offer or fails to act within the time period set forth in subsection (a) the Unit Owner shall be free to lease such Unit to the proposed lessee of the Lease Offer on the terms and conditions contained in the Lease Offer, provided such lease shall be executed within sixty (60) days after the expiration of the period in which the Board of Managers or its designee might have elected to lease or produce a lessee on the terms and conditions of the Lease Offer.

Any such lease shall be consistent with these By-Laws and shall provide that it may not be modified, amended, extended or assigned, without the prior consent in writing of the Board of Managers, that the lessee shall not sublet the demised premises or any part thereof without the prior consent in writing of the Board of Managers, that the Board of Managers shall have power to terminate such lease and/or to bring summary proceedings to evict the lessee in the name of the landlord thereunder in the event of default by the lessee under the provisions of such lease, and the Board of Managers shall have the right to terminate the lease on not less than thirty (30) days prior written notice upon foreclosure of the lien for Common Charges granted herein and pursuant to the Condominium Act. Except as hereinbefore set forth, the form of any such lease shall be the then current form of apartment lease recommended by The Real Estate Board of New York, Inc., except as may be otherwise provided herein or by the Board of Managers.

(c) Any purported sale or lease of a Unit in violation of this Section shall be voidable at the election of the Board of Managers.

(d) The Board of Managers may establish a reasonable fee for the processing of Unit sales and leases and notices relating to the Board of Manager's rights of first refusal. Such fee shall be payable by the selling or leasing Unit Owner, as the case may be.

Section 2. Consent of Unit Owners to Purchase of Units by Board of Managers. The Board of Managers shall not exercise any option to acquire or lease a unit as set forth in Section 1 of this article set forth to purchase or lease any Unit without the prior approval of owners of Units constituting sixty six and two-thirds percent (66 2/3%) of the Common Interest, not including the Unit Owner who or which wishes to sell or lease. If the Board of Managers does not have sufficient funds on hand for the acquisition and maintenance of a Unit which has been approved by the Unit Owners, the Board of Managers may either borrow such funds or may assess the Unit Owners therefor in proportion to their respective Common Interest, not including the Unit Owner of the sold or leased Unit.

Section 3. No Severance of Ownership. No Unit Owner shall execute any deed, mortgage, or other instrument transferring, conveying or mortgaging title to his, her or its Unit without simultaneously transferring conveying or mortgaging the Appurtenant Interests. Any deed, mortgage or other instrument purporting to affect the transfer, conveyance or mortgage of a Unit without including all such Appurtenant Interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be transferred, conveyed, mortgaged, or otherwise disposed of, except as part of a transfer, conveyance, mortgage or other disposition of the Unit to which such interests are appurtenant, or as part of a transfer, conveyance or mortgage or other disposition of such part of the Appurtenant Interests of all Units.

Section 4. Release by Board of Managers of Right of First Refusal. The Right of First Refusal may be released or waived by the Board of Managers, in which event the Unit, together with the Appurtenant Interests, may be leased, sold or conveyed free and clear of the provisions of Section 1 of this Article VII.

Section 5. Certificate of Termination of Right of First Refusal. A certificate, executed and acknowledged and in recordable form by the Secretary of the Condominium, stating that the provisions of Section 1 of this Article VII have been met by a Unit Owner, or have been duly waived by the Board of Managers, and that the rights of the Board of Managers thereunder have terminated, shall conclusively bind the Board of Managers and the Unit Owners in favor of all persons who rely thereon in good faith. Such certificate shall be furnished to any Unit Owner who has in fact complied with the provisions of Section 1 of this Article VII or with respect to whom the provisions of such Section have been waived, upon request.

Section 6. Financing of Purchase and Lease of Units by Board of Managers. Acquisition and lease of Units by the Board of Managers, or its designee, on behalf of all Unit Owners and payment of the costs and expenses associated therewith may be made from the working capital and Common Charges in the hands of the Board of Managers, or if such fund are insufficient, the Board of Managers may levy an assessment against each Unit Owner, excepting the Unit Owner

of the sold or leased Unit, in proportion to such owner's interest in the Common Elements, as a Common Charge, which assessment shall be enforceable in the same manner as provided in Sections 5 and 6 of Article V, or the Board of Managers, in its discretion, may borrow money to finance the acquisition or lease of such Unit (together with associated costs and expenses), provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the Unit, together with its Appurtenant Interests, so to be acquired by the Board of Managers.

Section 7. Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer his, her or its Unit and Appurtenant Interests by gift, or to devise his, her or its Unit and Appurtenant Interests by will or to pass the same by intestacy without restriction.

Section 8. Waiver or Right of Partition with Respect to Such Units As Are Acquired by the Board of Managers, or Its Designee, on Behalf of All Unit Owners As Tenants in Common. In the event that a Unit shall be acquired by the Board of Managers, or its designee, on behalf of all Unit Owners as tenants in common, all Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit.

Section 9. Payment of Common Charges and Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease his, her or its Unit unless and until the Unit Owner shall have paid in full to the Board of Managers all unpaid Common Charges and assessments and expenses theretofore assessed by the Board of Managers against the Unit and until he, she or it shall have satisfied all unpaid liens against such Unit, except permitted mortgages or except in the case of a foreclosing mortgagee.

Section 10. Exceptions. The provisions of Section 1 of this Article VII shall not apply with respect to (a) any sale, conveyance or lease of a Unit and Appurtenant Interests to a Unit Owner's spouse, including domestic partners registered as such with the City of New York, or child or children over the age of eighteen (18) years or parent or parents or brother or sister, or any more than one of them, or (b) any sale, conveyance or lease of a Unit and Appurtenant Interests to a trust for the benefit of the Unit Owner or for the benefit of one or any more than one of the persons stated in (a) of this Section 11, or (c) the acquisition, conveyance, sale or lease of a Unit and Appurtenant Interests by the Sponsor, a Sponsor-affiliate or a other owner of an unsold unit, or (d) the acquisition, sale or lease of a Unit, together with its Appurtenant Interests, by a mortgagee who shall acquire title to such Unit by foreclosure or by deed in lieu of foreclosure. The Board of Managers shall be required to cooperate in providing appropriate physical access to any Unit (and related Common Elements) described in Subdivision (c) and (d) of this Section 10, as well as all financial information regarding same.

Section 11. Mortgage of Units. Each Unit Owner shall have the right to mortgage his, her or its Unit without restriction provided that any such mortgage shall be granted to a bank or insurance company or a savings and loan association or a mortgage company affiliated with any of the foregoing or a governmental agency, provided that such mortgage shall be substantially in the form available from the Board of Managers, and provided further that a conformed copy of each note and mortgage shall be delivered to the Board of Managers promptly after execution and delivery thereof.

Section 12. Voting Rights and Proceeds. Units held by the Board of Managers shall not carry any voting rights. Proceeds from the disposition of a Unit held by the Board of Managers shall be received by the Board on behalf of all Unit Owners in proportion to their respective Common Interest.

Section 13. Power of Attorney to Board of Managers. 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 to the Board of Managers a Unit Owner's Power of Attorney in favor of the Board (and the Sponsor, if applicable), in the form required by the Board, in accordance with the Declaration. The new Unit Owner shall be responsible for having said Power of Attorney recorded, returnable to the Board, and paying the fees therefor.

Section 14. Abandonment. No Unit Owner may exempt himself from liability for his common charges by waiver of the use or enjoyment of any of the common elements or by abandonment of his Unit. Subject to such terms and conditions as may be specified in the By-Laws, any Unit Owner may, by conveying his Unit and his Common Interest to the Board of Managers on behalf of all other Unit Owners, exempt himself from common charges thereafter accruing.

ARTICLE VIII
Records

The Board of Managers shall keep detailed records of the actions of the Board of Managers, minutes of the meetings of the Board of Managers, minutes of the meetings of the Unit Owners, and financial records and books of account of the Condominium, including a chronological listing of receipts and expenditures, as well as a separate account for each Unit which, among other things, shall contain the amount of each assessment of Common Charges against such Unit, the date when due, the amounts paid thereon and the balance remaining unpaid.

An annual report of the receipts and expenditures of the Condominium, certified or audited, as the Board of Managers may choose, by an independent certified public accountant, shall be given by the Board of Managers to all Unit Owners and to all mortgagees of Units who have requested the same promptly after the end of each fiscal year. The cost of such report shall be paid by the Board of Managers as a Common Expense.

ARTICLE IX
Miscellaneous

Section 1. Notices. All notices hereunder shall be sent by registered or certified mail to the Board of Managers at the office of the Board of Managers or to such other address as the Board of Managers may designate from time to time by notice in writing to all Unit Owners and to all

mortgagees of Units. All notices to any Unit Owner shall be sent by registered or certified mail to the Unit Owner at the Building or to such other address as may have been designated by the Unit Owner from time to time by notice in writing to the Board of Managers. All notices to mortgagees of Units shall be sent by registered or certified mail to their respective addresses, as designated by the respective mortgagee from time to time, in writing, to the Board of Managers. All notices shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received. Where these By-Laws permit the use of notice by facsimile, such notice shall be deemed effective on the date faxed.

Section 2. Invalidity. The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Laws.

Section 3. Captions. Captions are inserted in these By-Laws 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.

Section 4. Gender and Number. The use of the masculine gender in these By-Laws shall be deemed to include the feminine gender and the neuter. The singular shall be deemed to include the plural and vice-versa whenever the context so requires.

Section 5. Waiver. No restriction, condition, obligation, or provisions contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 6. Definition of "Mortgagee." As used in these By-Laws, the term "mortgagee" or "holder of a first mortgage" shall include the holder of any construction loan mortgage which shall be a lien on a Unit.

Section 7. Application of Payments. The Board of Managers, and the managing agent on its behalf, may apply any funds received on or on behalf of any Unit Owner to any sum due from such Unit Owner to the Condominium which the Board of Managers or the managing agent may elect, notwithstanding any direction from the Unit Owner as to how any payment shall be applied or any notation on any check or any condition attached to such payment.

Section 8. No Discrimination. The Board of Managers shall not discriminate against any person on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status or other grounds prohibited by law.

Section 9. Termination. If withdrawal of the Property from application of the Condominium Act is authorized by at least eighty percent (80%) of the Unit Owners in number and in Common Interest (and if required by the respective mortgages, their first mortgagees, if any, of such Unit), then the Property shall be subject to an action or partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all the Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of his, her or its share of such net proceeds all liens on his, her or its Units. The Sponsor or its nominee will not cast any

of its votes for withdrawal, unless eighty percent (80%) of the Unit Owners other than the Sponsor so vote, in which event the Sponsor will be free to cast its votes either for or against withdrawal.

Section 10. Arbitration. Any controversy between Unit Owners or any claim by a Unit Owner against the Condominium or another Unit Owner arising out of or in relation to the Declaration, By-Laws or Rules and Regulations of the Condominium shall be settled by arbitration in accordance with the Rules of the American Arbitration Association, and judgment upon the award rendered by the Arbitration may be entered in any court having jurisdiction thereof.

ARTICLE X
Amendments to By-Laws

Except as hereinafter provided otherwise, these By-Laws may be modified or amended with the approval of at least sixty-six and two-thirds percent (66 2/3%) in number and in Common Interest of all the Unit Owners, upon notice as provided in Section 4 of Article III of these By-Laws.

The following provisions of these By-Laws may not be amended without the consent in writing of the Sponsor or Sponsor-affiliate so long as it shall be the owner of one or more Units:

(a) Section 2 of Article II - Insofar as it provides that the Board of Managers may not exercise certain powers without the Sponsor's or Sponsor-affiliate's consent for a period specified therein or so long as the Sponsor or a Sponsor-affiliate shall continue to own one or more Units.

(b) Section 1 of Article III - Insofar as it provides that the Sponsor or Sponsor-affiliate, so long as it is the owner of a Unit, shall be entitled to elect members of the Board of Managers, which members need not be Unit Owners.

(c) Section 8 of Article III - Insofar as it provides that the Sponsor or Sponsor-affiliate, so long as it is the owner of one or more Units, may cast the votes appurtenant thereto.

(d) Section 14 of Article V - Insofar as it provides that the provisions of such Section shall not apply to any Units owned by the Sponsor, Sponsor-affiliate, or any designee of same.

(e) Section 15 of Article V - Insofar as it provides for rights of the Sponsor and Sponsor-affiliate with respect to the use and alteration of the Common Elements so long as the Sponsor or a Sponsor-affiliate owns one or more Units.

(f) Section 11 of Article VII - Insofar as it applies to the Sponsor or a Sponsor-affiliate.

(g) This Article X.

(h) Any other provision of these By-Laws granting the Sponsor or a Sponsor-affiliate rights as such, or the amendment of which would adversely affect the Sponsor or any Sponsor-affiliate.

ARTICLE XI
Conflicts

These By-Laws are intended to comply with the requirements of Article 9-B of the Real Property Law of the State of New York. In case any of these By-Laws conflict with the provisions of said statute or of the Declaration, the provisions of said statue or of the Declaration, as the case may be, shall control.

ARTICLE XII
Certain Remedies

Section 1 Self Help. If any Unit Owner shall violate or breach any provision of the Declaration, these By-Laws or the Rules and Regulations and shall fail to cure such violation or breach within five days after receipt of written notice of the same from the Board of Managers (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 day period and, thereafter, to prosecute such cure diligently to completion) or immediately in the case of an emergency, the managing agent if any, and the Board of Managers shall have the right to enter such Unit Owner's Unit and summarily to abate, remove, or cure such violation or breach without thereby being deemed guilty or liable in any manner of trespass. In the event that the Board of Managers shall determine that the abatement, removal, or cure of any such violation or breach is immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals or is required to avoid the suspension of any necessary service in the Building the Board of Managers 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 2 Abatement and Enjoinment.

(a) If any Unit Owner shall violate or breach any provision of the Declaration, these By-Laws or the Rules and Regulations, the Board of Managers shall have the right to enjoin, abate, or remedy the continuance or repetition of any such violation or breach by appropriate proceedings either at law or in equity.

(b) Any violation or breach of any provision of the Declaration, these By-Laws or the Rules and Regulations with respect to any of the rights, easements, privileges or licenses granted to the Sponsor or other owner of an Unsold Unit shall give to Sponsor or such owner, the right to enjoin, abate, or remedy the continuation or repetition of any such violation or breach by

appropriate proceedings either at law or in equity.

Section 3 Remedies Cumulative; Non-Waiver. The remedies specifically granted to the Board of Managers, to the Sponsor or other owner of an Unsold Unit in this Article or elsewhere in the Declaration, these By-Laws or the Rules and Regulations 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, all in the sole discretion of the Board of Managers, the Sponsor or other owner of an Unsold Unit, as the case may be. The exercise of any remedy or failure to exercise any remedy shall not operate as a waiver, or preclude the exercise, of the remedy at any time or any number of times or the exercise of any other remedy.

Section 4 Costs and Expenses. All sums of money expended, and all costs and expenses (including reasonable attorneys fees and disbursements) incurred, in connection with any breach or violation of the Declaration, these By-Laws or the Rules and Regulations and any cure, abatement, remedy, enjoinment, proceeding or other action in connection with such breach or violation, (a) by the Board of Managers or (b) by the Sponsor or other owner of an Unsold Unit shall be paid immediately upon demand (y) by the Unit Owner committing the breach or violation to the Board of Managers (if expended or incurred by the Board of Managers) or (z) by the offending party (i.e., the Board of Managers or a Unit Owner or Unit Owners) to the Sponsor or other owner of an Unsold Unit (if expended or incurred by the Sponsor or such owner). All sums due pursuant to the preceding sentence shall bear interest from the date of the demand until paid at the lower of 18% per year or the maximum rate of interest permitted by law. The Board of Mangers shall have a lien for all sums payable by a Unit Owner to the Board of Managers pursuant to this Section 4 in the same manner as a lien for Common Charges.

SCHEDULE A

Rules and Regulations

1. The Units shall be used only for residential use and for legally permitted uses accessory to residential use and for a "home occupation" (as defined and limited by the New York City Zoning Resolution) subject to the provisions of the certificate of occupancy for the Building, except that the Sponsor or its designee(s) may, without obtaining the consent of the Board or the other Unit Owners: (a) allow Unsold Units 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 Unsold Units as a model Unit 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. The Building shall be used solely for the purposes for which the Units contained therein may be used.

2. Except as provided in Rule 1 above, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise designed for profit, altruism, or otherwise, shall be conducted, maintained or permitted on any part of the Property, nor shall any "For Sale," "For Rent" or "For Lease" signs or other window displays or advertising be maintained or permitted on any part of the Property or in any Unit therein nor shall any Unit be used or rented for transient, hotel or motel purposes. Notwithstanding the above, the right is reserved by the Sponsor, Sponsor-affiliates and the Board of Managers, and their agent, (a) to place "For Sale," "For Rent" or "For Lease" signs on any Units owned by any of them, and (b) to erect, lease, manage and maintain commercial and recreational facilities on various portions of the Property as permitted by applicable law or regulation, and as contemplated by the Offering Plan, as amended. The right is hereby given to any mortgagee, who may become the owner of any Unit, to place the above described signs on any Unit owned by such mortgagee, but in no event will any such sign be larger than one foot by two feet.

3. Nothing shall be done or kept in the Units or the Common Elements or the Limited Common Elements which will increase the rate of insurance of the building, or contents thereof, without the prior written consent of the Board of Managers. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements or Limited Common Elements which will result in the cancellation of insurance of the building, or contents thereof, or which would be in violation of any Legal Requirement. No Unit Owner or occupant or any agents, servants, employees, licensees or visitors or contractors of a Unit Owner shall at any time bring into or keep in his, her or its Unit, any Limited Common Element appurtenant thereto, or vestibule, any flammable, combustible or explosive fluid, material, chemical or substance (except gasoline in automobile tanks), in any case in compliance with all Legal Requirements. No waste shall be committed in the Common Elements or Limited Common Elements.

4. All radio, television or other electrical or communications 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 thereof, and the Unit Owner alone shall be liable for any damage

or injury or interference caused by any radio, television or other electrical or communications equipment in such Unit. No such installation shall interfere with reception of the master television antenna, if any.

5. Nothing shall be done in any Unit or in, on or to the Common Elements or Limited Common Elements which will impair the structural integrity of any building or which would structurally change the Building without the written consent of the Board of Managers.

6. Nothing shall be altered or constructed in, or removed from, the Common Elements, except upon the written consent of the Board of Managers.

7. No more than two (2) pets shall be permitted, kept or harbored in a Residential Unit and no dog or other animal weighing over seventy-five (75) pounds at maturity without the same in each instance having been expressly permitted in writing by the Board of Managers and such consent, if given, shall be revocable by the Board of Managers in its sole discretion, at any time. Pets or animals may not be walked on the Property and all Owners must clean up after their pets. In no event shall any pet or animal be permitted in the Common Elements unless carried or on a leash. No pigeons or other animals shall be fed from the window sills or Common Elements or on the sidewalk or street adjacent to the Property. No animal shall be kept, bred or maintained for any commercial purposes. Each Residential Unit Owner who keeps any type of pet or animal in his, her or its Residential Unit shall be required to indemnify and hold harmless the Board of Managers, the Condominium, the Managing Agent and all Unit Owners from all claims and expenses resulting from acts of such pets or animals. Unit Owners will be bound by any rule or regulation adopted by the Board of Managers concerning pets or animals, even if such rule or regulation is more restrictive than the rules in effect at the time the pet or animal was first brought into the Unit.

8. No noxious or offensive activity (including without limitation the production or release of offensive odors or excessive noise) shall be carried on by any Unit Owner in any Unit or in or on the Common Elements or Limited Common Elements, nor shall anything be done therein or thereon, either willfully or negligently, which may be or become an annoyance or nuisance to any other Unit Owner or occupant.

9. There shall be no obstruction of the Common Elements nor shall anything be stored in the Common Elements without the prior consent of the Board of Managers except that the Limited Common Elements may be used for any purpose not prohibited by any Legal Requirement.

10. Except in recreational or other areas designated as such by the Board of Managers or in the Declaration, there shall be no playing, lounging, or parking of baby carriages or playpens, bicycles, wagons, toys, vehicles, benches or chairs, on any part of the Common Elements (except that Limited Common Elements may be used for any purpose not prohibited by any Legal Requirement). Storage by Unit Owners in areas designated by the Board of Managers or in the Declaration shall be at their own risk.

11. No clothes, sheets, blankets, laundry or other articles of any kind shall be hung

out of a Unit or exposed to any part of the Common Elements. The Common Elements and Limited Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials, nor shall any rugs or mops be shaken or hung from or on any of the windows, doors, railings, or vestibules, nor shall be a Unit Owner sweep or throw or permit to be swept or thrown therefrom any dirt or other substance.

12. Each Unit Owner shall keep his, her or its Unit in a good state of preservation and cleanliness and each Unit Owner shall be obligated to maintain and keep in good order and repair his, her or its own Unit in accordance with the provisions of the By-Laws and these Rules and Regulations.

13. No lobby or landing shall be decorated or otherwise altered without the consent in writing of the Board of Managers.

14. The agents of the Board of Managers and the managing agent, and any contractor or workman authorized by the Board of Managers or the managing agent, may enter any room or Unit in the Building at any reasonable hour of the day upon reasonable advanced notice 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.

15. The Board of Managers, or its designated agent, may retain a pass key to each Unit and any other area under the control of the Unit Owner. No Unit Owner shall alter any lock or install a new lock on any door of the Unit or other area without the written consent of the Board of Managers. In case such consent is given, the Unit Owner shall provide the Board of Managers, or its agent, with an additional key to afford access to the Unit and other area. If entry is required in an emergency and the key has not been furnished as required by these Rules, an agent of the Board of Managers or the managing agent (with authorization from an officer of the Board of Managers) may forcibly enter the Unit or other area without liability for damages or trespass, provided that reasonable care is exercised.

16. If any key or keys are entrusted by a Unit Owner or occupant or by his, her or its agent, servant, employee, licensee or visitor to an employee of the Board of Managers, whether for such Unit or for an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner or occupant, and the Board of Managers shall not be liable for injury, loss or damage of any nature whatsoever directly or indirectly resulting therefrom or connected therewith.

17. Any consent or approval given under these rules and regulations may be added to, amended or repealed at any time by resolution of the Board of Managers.

18. In order to retain the structural integrity and aesthetic appearance of the Building, no additional window or through-the-wall air-conditioning appliances may be installed in any Unit and no radio or television or other aerial or similar device shall be attached to or hung from the exterior of the Building by a Unit Owner without the written consent of the Board of Managers. If air conditioners and similar objects are permitted to be inserted in windows of the

Building, the Board of Managers may prescribe a uniform color for them.

19. Not more than one family may occupy a Unit at any one time. A family member includes spouse, domestic partner registered as such with the City of New York, child, parent, grandparent, parent-in-law and sibling. This paragraph shall not prevent a Unit Owner, however, from having an occupant occupy a Unit with the Unit Owner. An occupant is a person, other than a family member or a tenant, occupying a Unit with the Unit Owner and the Unit Owner's consent.

20. A Unit owned or leased by an individual, corporation, partnership, fiduciary or other entity may be occupied only by said individual, or by a designated officer, director, stockholder or employee of such corporation, or by a designated partner or employee of such partnership or by said fiduciary (including designated officers, directors, stockholders or employees of corporate fiduciaries), or by the beneficiary of said fiduciary, or by a principal or designated employee of such other entity, respectively, or by members of the family or guests of any of the foregoing. Within thirty (30) days after a Unit is acquired by an owner other than an individual, such non-individual owner shall notify the Board of Managers of the name of the officer, director, stockholder, partner, employee, principal, fiduciary, or beneficiary designated by such owner to occupy its Unit. The person so designated may be changed from time to time by the non-individual owner by similar written notice to the Board of Managers. However, all designees must be bona fide officers, directors, stockholders, partners, employees, principals, fiduciaries or beneficiaries of the non-individual owner. Guests are permitted only when a Unit Owner (or, in the case of Units owned by corporations, partnerships, fiduciaries or other entities, the designee of such Unit Owners) or a family member is present.

21. A Unit Owner shall ensure that seventy-five (75%) percent of exposed flooring in the Unit, except for kitchens or bathrooms, is carpeted or similarly covered

22. In the event that any Unit shall be used for home occupation or professional purposes in conformance with the Declaration and By-Laws, no patients, clients, or other invitees shall be permitted to wait in any lobby or landing. This Rule shall not confer any right to use any Unit in a manner not otherwise permitted.

23. Water-closets and other water apparatus 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 in to 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.

24. These Rules and Regulations may be altered or amended by vote of the Board of Managers, as set forth in the By-Laws and Rules and Regulations may be rescinded as set fort in the By-Laws.

SECTION I

CERTIFICATIONS

Page without text

CERTIFICATION OF SPONSOR AND SPONSOR'S PRINCIPALS PURSUANT TO SECTIONS 20.2 (c) AND 20.4 (b) OF THE REGULATIONS GOVERNING THE CONVERSION OF NEWLY CONSTRUCTED, VACANT OR NON-RESIDENTIAL CONDOMINIUMS, ISSUED PURSUANT TO GENERAL BUSINESS LAW ARTICLE 23-A, AS AMENDED

Re: Sterling Green Condominium
580 Sterling Place
Brooklyn, New York

We are the sponsor and the principal of the sponsor of the condominiu n offering plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants 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, or suppression, false pretense or fictitious or pretended purchase or sale;

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

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

(a) knew the truth;

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

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

(d) did not have knowledge concerning the representations or 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.

580 STERLING PLACE LLC

By: _____
Seth Brown, Managing Member

Sworn to before me this
20th day of June, 2008

_____
Notary Public

GUILLERMO SANTIAGO
NOTARY PUBLIC
QUALIFIED IN NY CO. NY
02SA6138152
EXP DEC 12 2009
DATE: 6/20/08
SIGN:

_____
Seth Brown

Sworn to before me this
20th day of June, 2008

_____
Notary Public

GUILLERMO SANTIAGO
NOTARY PUBLIC
QUALIFIED IN NY CO. NY
02SA6138152
EXP DEC 12 2009
DATE: 6/20/08
SIGN:

CERTIFICATE OF SPONSOR'S ENGINEER PURSUANT TO PART 20
OF THE REGULATIONS OF THE DEPARTMENT OF LAW PURSUANT
TO GENERAL BUSINESS LAW ARTICLE 23-A AS AMENDED

Re: STERLING GREEN CONDOMINIUM
580 Sterling Place
Brooklyn, New York

The sponsor of the offering plan to convert the captioned property to condominium ownership retained me to prepare a report describing the construction of the property (the "Report"). I examined the building plans and specifications that were prepared by Barry J. Bank, P.E., and prepared the Report, dated August 12, 2008, copies of which are intended to be incorporated into the Offering Plan so that prospective Purchasers may rely on the Report.

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

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

I have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

I Certify that the Report:

(i) sets forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that I examined;

(ii) in my professional opinion, affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that I examined;

(iii) does not omit any material facts;

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

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

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

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

(a) knew the truth;

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

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

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

I further certify that I am not owned or controlled by and have no beneficial interest in the sponsor and that my compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

Barry J. Bank, P.E.



Sworn to before me this
14th day of August, 2008

Notary Public

JOHN CALDERON
NOTARY PUBLIC-STATE OF NEW YORK
No. 01CA6147577
Qualified in Queens County
My Commission Expires June 05, 2010

CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET PURSUANT TO PART 20 OF THE REGULATIONS OF THE DEPARTMENT OF LAW PURSUANT TO GENERAL BUSINESS LAW ARTICLE 23-A, AS AMENDED

Re: Sterling Green Condominium
580 Sterling Place
Brooklyn, New York

The sponsor of the condominium offering plan for the captioned property retained my firm to review or prepare Schedules B and B-1, containing projections of income and expenses for the first year of condominium operation and for the individual units. REM Residential has been in business for over five years and our experience in this field includes:

220 West 15th Street, New York, New York
221 West 14th Street, New York, New York
223 West 14th Street, New York, New York
140 Charles Street, New York, New York
170 East 88th Street, New York, New York
12 East 14th Street, New York, New York

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedules B and B-1.

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

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

I certify that the Schedules:

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

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

(iii) do not omit any material fact;

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

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

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

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

(a) knew the truth;

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

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

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

I further certify that my firm is not owned or controlled by the sponsor. I 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. I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law."

REM Residential

By: _____
Rick B. Elezi, President

Sworn to before me this
25th day of June, 2008

_____
Notary Public

GUILLERMO SANTIAGO
NOTARY PUBLIC
QUALIFIED IN NY CO. NY
02SA6138152
EXP DEC 12 2009
DATE: 6/25/08
SIGN: