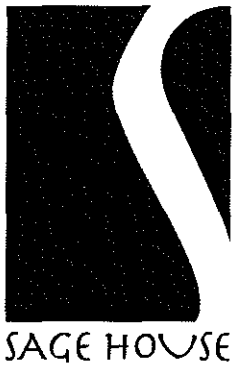
CONDOMINIUM OFFERING PLAN

FOR THE SALE OF THIRTY-THREE UNITS IN A CONDOMINIUM TO BE KNOWN AS:

THE SAGE HOUSE CONDOMINIUM
112-02 NORTHERN BOULEVARD
QUEENS, NEW YORK 11368



Residential Units.....33	$ 16,906,812.00
Total Amount of Offering	$ 16,906,812.00

SPONSOR

Raphy Benaim and Eddie Shapiro
112 Northern Development LLC
1230 Avenue of the Americas, 7th fl
New York, NY 10020
(646) 443-3701

SELLING AGENT:

Eddie Shapiro
Nest Seekers International
20 E 49th St., 6th fl
New York, NY 10017
(646) 443-3700

Approximate date of the first offering of this plan is June 15, 2009.
This plan may not be used after June 15, 2010 unless extended by a duly filed amendment.

THIS PLAN CONTAINS SPECIAL RISKS TO THE PURCHASER. SEE PAGE 1.

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

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.

Prepared By:
Taliya A. Bashani, Esq.
TAB LAW FIRM, PC
65 Broadway, Ste 829
New York, NY 10006
(646) 709-8120

FIRST AMENDMENT
TO THE CONDOMINIUM OFFERING PLAN
FOR THE SAGE HOUSE CONDOMINIUM, LOCATED AT
112-02 NORTHERN BOULEVARD, QUEENS, NEW YORK

The Offering Plan dated June 15, 2009 for condominium ownership of premises located at 112-02 Northern Boulevard, Queens, New York,(the "Plan") is hereby amended by this First amendment as follows;

I. The following provisions shall be highlighted as a SPECIAL RISK in Part I of the Plan:

This amendment modifies and replaces all disclosure about square footage in the Plan including if applicable, the declaration, the by-laws, and the Schedule A or the notes thereto with regards to each of the units as follows:

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

II Part 2, Document Number 7, By-Laws, shall heretofore be amended as follows:

Part 2, Document Number 7, By-Laws, shall be amended by adding the following; sections to the By- Laws.

Article XIV "MORTGAGING OF THE UNITS";

Section 1. Additional Rights of Mortgagee:

A. If the Declaration and the By-Laws of the Condominium are to be amended and such amendment would materially interfere with any right or interest of any mortgagee such amendment may only be filed upon approval of 51% of all mortgagees.

B. In addition to any other notices provided for in the Declaration and By-Laws, Notices will be sent to any mortgagee, by certified or registered mail return receipt requested, upon the happening of any of the following circumstances to either the building or to a mortgaged unit:

1) In the event that either (i) the Building or any part thereof is damaged or destroyed by fire or other casualty (hereinafter referred to as a "Casualty Loss"), or (ii) the Common Elements or any part thereof is taken in condemnation or by eminent domain (hereinafter referred to as a "Taking"), as described and in accordance with Article VIII the By-Laws: (iii) In addition to the notice thereto provided for herein, in the event of Casualty Loss or a Taking referred to in this subsection as described in Article VIII of the By-Laws, when applicable, no termination of condominium shall occur without the written consent and approval of 51% of all mortgagees.

2) In the event that any party whose unit or interest is mortgaged to a mortgagee defaults in performing any act or making any payment which is that party's responsibility hereunder, including common charges and or special assessments, for a period of sixty days after the obligation to pay, and said default is not cured within fifteen (15) days of written notice of said default.

3) If any insurance policies insuring the Building and all service machinery contained therein covering the interest of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their interests may appear may not be either cancelled, or be allowed to lapse, or substantially modified except upon at least ten days' prior written notice to all of the insureds, including all Permitted Mortgagees.

4) If the Declaration and the By-Laws of the Condominium are to be amended and such amendment would materially interfere with any right or interest of any mortgagee .

C. Notwithstanding the foregoing provisions in the event a mortgagee fails to respond to written notice within 60 days of said written notice, provided notice was delivered by certified or registered mail return receipt requested said silence shall be construed as an implied approval by an mortgagee.

2.. Annexed hereto as Exhibit I is a revised Schedule B with certifications. The budgeted year has been updated to January 1, 2011. The contingency will heretofore be known as a Reserve Fund. The Reserve Fund is increased by this amendment to $18,100.00. The Sections of the budget as amended are included in the amended Section H1 - "Notes to Schedule B" are as follows:

13. Reserve Fund

This item is to provide for possible increases in one or more items of operating expense above the amounts projected or for unanticipated expenses. The basis of the figure projected for this item is approximately eleven percent (11%) of the entire budget. The budget may be modified from time to time prior to the commencement of, or during, condominium operation to add new items of expense or to increase one or more items of operating expense. The funds for such modifications may be provided by decreasing this budget item or by decreasing one or more items of expense, or both. This fund can also be used as a reserve to pay for periodic capital replacements or repairs. This fund has been allocated at greater than 10% to reserve for, if necessary, funds to pay for insurance deductibles in the event that the building collects on an insurance policy and is short in the amount of the deductible. For a list of insurance deductibles see Note 9 to Schedule B. At this time, the Sponsor has no knowledge of any capital improvements that may have to be made during the first five years of condominium operation.

3. Annexed hereto as Exhibit II is a revised Schedule A which reflects changes to the common charges due to the above changes and the following changes;

i) Duplex units are designated with a TH.
ii) A column for carrying charges without 421-a tax benefits has been added to the Schedule A.
iii) A column with residential percent common interest has been added to the Schedule A. The projected budget is only applicable to the residential units and the common charges collected therefore, will come form the residential units only in accordance with the residential percent common interest.

iv) The Parking Unit and the Commercial Unit no longer have an offering price and will be retained by the Sponsor. In accordance with the offering plan, the Parking Unit contains nineteen (19) parking spots which are available to lease by the unit owners for $225.00 a month at a first come first serve basis. The Sponsor will be responsible for the maintenance, real estate taxes, upkeep, insurance and repairs of both the Parking Unit and the Commercial Unit.

v) The fourth floor is heretofore to be re labeled as the fifth floor and the fifth floor is to be re labeled as the sixth floor. Consequentially the building will no longer contain a forth floor.

4. No material changes.

Other than as expressly set forth herein, there have been no material changes in the Offering Plan, and the terms of the Offering Plan as amended remain in full force and effect.

Dated:

Sponsor:
112 Northern Developments LLC
1230 Avenue of the Americas, 7th Floor
New York, NY 10020

SCHEDULE B

Budget for First Year of

Condominium Operation

The Sage House Condominium

Year Projected to Begin:
1-Oct-10

INCOME:

Common Charges:	$164,296

EXPENSES:

Salaries, Wages, Payroll, Taxes & Benefits (2):	$ 15,517.00
Hot Water (3):	15,050.00
Cooking Gas(4):	3,960.00
Electricity (5):	35,871.00
Water & Sewer (6):	9,636.00
Repairs & Maintenance (7):	10,000.00
Service & Supplies (8)	12,000.00
Insurance (9):	22,162.00
Management Fee (10):	10,000.00
Legal & Auditing fees (11):	5,000.00
Administration (12):	5,000.00
Reserve Fund(13)	18,100.00
	$164,296

Complete Condo Management
1303 53rd Street
Brooklyn, NY 11219

CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET

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

Re: The Sage House Condominium
Queens, New York
Condominium Offering Plan

To whom it may concern;

The sponsor of the condominium offering plan for the captioned property retained me to review Schedule B , containing projections of income and expenses for the first year of condominium operation. I have the following experience:

I have been engaged in the real estate business for over three (3) years in the State of New York, during which time I have been involved in the purchase, sale, and management of real property. My management experience includes the following residential/commercial buildings and/or condominiums/cooperatives: 37 North Henry Street, Brooklyn New York, 71 Lexington Avenue, Brooklyn New York , and 235 Ocean Parkway, Brooklyn 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.

I have reviewed the Schedule and investigated the facts set forth in the Schedule and the facts underlying them with due diligence in order to form a basis for this certification. I have also relied on my experience in managing buildings.

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

I certify that the Schedule:

(i) sets forth in detail the projected income and expenses for the projected 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) does not contain any untrue statement of a material fact;

(v) does 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) does not contain any representation or statement which is false, where I:

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

I further certify that I am 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.

Eli Brieger

Affirmed before me this
23rd day of July, 2010

Notary Public

BASYA PRICE
NOTARY PUBLIC, State of New York
No. 01PR6191182
Qualified in Kings County
Commission Expires August 4,2012

SCHEDULE A

The Sage House Condominium

PURCHASE PRICE and ALLOCATION of COMMON INTEREST

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION - JANUARY 1, 2009 - DECEMBER 31, 2009

(1*) UNIT		(1*) NO. BEDROOM/ BATHROOM	(2*) Approx Unit Square Footage	(2*) Approx Balcony Square Footage	(2*) Approx Outdoor Square Footage	(3) Offering Price	(4) Percentage of Common Interest	(4) Share of Residential Section Common Interest	(5) Projected Monthly Common CHARGES	(6*) Projected Monthly RE Taxes w/ 421a	(6*) Projected Monthly RE Taxes w/o 421a	PROJECTED Total Monthly Carrying Charges w/ 421a	PROJECTED Total Monthly Carrying Charges w/o 421a
2A	T	1/1	586		200	$ 342,810	1.5110%	2.1409%	$ 269.75	$ 40.85	$ 208.71	$ 310.60	$ 478.46
2B	T	1/1	689		250	$ 395,500	1.7940%	2.5420%	$ 320.29	$ 48.50	$ 247.81	$ 368.78	$ 568.10
2C	T	1/1	722		263	$ 398,500	1.8800%	2.6639%	$ 335.64	$ 50.82	$ 259.69	$ 386.46	$ 595.33
2D	T	1/1	727		183	$ 398,900	1.8034%	2.5553%	$ 321.96	$ 48.75	$ 249.11	$ 370.71	$ 571.06
2E		2/2	1143			$ 592,074	2.5184%	3.5684%	$ 449.61	$ 68.08	$ 347.87	$ 517.69	$ 797.48
2F		2/2	1185			$ 598,000	2.6109%	3.6995%	$ 466.13	$ 70.58	$ 360.66	$ 536.71	$ 826.79
2G		2/2	1211			$ 597,000	2.6682%	3.7807%	$ 476.36	$ 72.13	$ 368.57	$ 548.49	$ 844.93
3-TH	DPLX	2/1.5	1184			$ 693,500	2.6153%	3.7057%	$ 466.90	$ 70.70	$ 361.25	$ 537.60	$ 828.15
3B	B	1/1	689	45		$ 375,500	1.5467%	2.1916%	$ 276.14	$ 41.81	$ 213.66	$ 317.95	$ 489.79
3C	B	1/1	722	45		$ 391,500	1.6196%	2.2949%	$ 289.15	$ 43.78	$ 223.72	$ 332.93	$ 512.87
3D		1/1	727			$ 383,856	1.6058%	2.2753%	$ 286.69	$ 43.41	$ 221.82	$ 330.10	$ 508.50
3E		2/2	1143			$ 594,000	2.5247%	3.5773%	$ 450.73	$ 68.25	$ 348.74	$ 518.98	$ 799.48
3F		2/2	1185			$ 597,000	2.6175%	3.7088%	$ 467.29	$ 70.76	$ 361.56	$ 538.05	$ 828.85
3G		2/2	1211			$ 598,000	2.6749%	3.7902%	$ 477.55	$ 72.31	$ 369.49	$ 549.86	$ 847.04
5B	B	1/1	689	45		$ 375,500	1.5506%	2.1971%	$ 276.83	$ 41.92	$ 214.19	$ 318.74	$ 491.01
5C	B	1/1	722	45		$ 393,500	1.6237%	2.3006%	$ 289.87	$ 43.89	$ 224.28	$ 333.76	$ 514.15
5D		1/1	727			$ 389,500	1.6098%	2.2810%	$ 287.40	$ 43.52	$ 222.37	$ 330.92	$ 509.77
5E		2/2	1143			$ 595,000	2.5310%	3.5863%	$ 451.86	$ 68.42	$ 349.61	$ 520.28	$ 801.47
5F		2/2	1185			$ 598,000	2.6240%	3.7180%	$ 468.46	$ 70.94	$ 362.46	$ 539.39	$ 830.92
5G		2/2	1211			$ 599,000	2.6816%	3.7996%	$ 478.74	$ 72.49	$ 370.41	$ 551.23	$ 849.15
6-TH	DPLX	2/1.5	1184			$ 695,800	2.6283%	3.7241%	$ 469.23	$ 71.05	$ 363.08	$ 540.28	$ 832.28
6B	B	1/1	689	45		$ 385,500	1.5544%	2.2026%	$ 277.51	$ 42.02	$ 214.72	$ 319.54	$ 492.24
6C	B	1/1	722	45		$ 388,500	1.6277%	2.3064%	$ 290.59	$ 44.00	$ 224.84	$ 334.59	$ 515.43
6D		1/1	727			$ 395,000	1.6138%	2.2867%	$ 288.12	$ 43.63	$ 222.92	$ 331.74	$ 511.04
6E		2/2	1143			$ 626,364	2.5373%	3.5952%	$ 452.98	$ 68.59	$ 350.48	$ 521.57	$ 803.46
6F		2/2	1185			$ 649,380	2.6305%	3.7273%	$ 469.62	$ 71.11	$ 363.36	$ 540.74	$ 832.99
6G		2/2	1211			$ 663,628	2.6882%	3.8091%	$ 479.93	$ 72.67	$ 371.33	$ 552.60	$ 851.26
PHB	B	1/1	689	45		$ 389,500	1.5583%	2.2080%	$ 278.20	$ 42.13	$ 215.25	$ 320.33	$ 493.46
PHC	B	1/1	722	45		$ 397,500	1.6317%	2.3121%	$ 291.31	$ 44.11	$ 225.40	$ 335.43	$ 516.71
PHD		1/1	727			$ 399,500	1.6178%	2.2924%	$ 288.83	$ 43.74	$ 223.48	$ 332.57	$ 512.31
PHE		2/2	1143			$ 656,500	2.5436%	3.6041%	$ 454.10	$ 68.76	$ 351.35	$ 522.87	$ 805.46
PHF		2/2	1185			$ 669,500	2.6370%	3.7365%	$ 470.79	$ 71.29	$ 364.26	$ 542.08	$ 835.05
PHG		2/2	1211			$ 685,500	2.6949%	3.8185%	$ 481.12	$ 72.85	$ 372.26	$ 553.97	$ 853.38
Residential Total		50/49	31,339	360	896	$ 16,906,812	70.5747%	100.0000%	$ 12,599.67	$ 1,907.87	$ 9,748.72	$ 14,507.54	$ 22,348.38
Parking Unit	n/a	n/a	6480			N/A	14.2775%			$ 385.97	$ 1,972.20	$ 385.97	$ 1,972.20
Commercial Unit	n/a	n/a	6875			N/A	15.1478%			$ 409.50	$ 2,092.42	$ 409.50	$ 2,092.42
Commercial Total			13,355				29.4253%		$ -	$ 795.46	$ 4,064.62	$ 795.46	$ 4,064.62
Grand Totals							100.0000%	100.0000%	$ 12,599.67	$ 2,703.33	$ 13,813.33	$ 15,303.00	$ 26,413.00

NOTES:

1) The above figures are rounded off to the nearest cent, which may cause slight discrepancies.
2) There are 19 underground parking spots available for lease, at $225/month.
3) Units A, B, C & D on 2nd floor have terraces. Units B & C on floors 3, 4, 5, & 6 have balconies.
4) In addition to the purchase price, there are additional closing costs assessed against each unit (i.e document preparation fee, payment of transfer taxes, reimbursement fee, etc.) all of which are set forth in the CLOSING COSTS & ADJUSTMENTS section of this Offering Plan.

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SPECIAL RISKS

1) The Sponsor has made, and will pursue, an application for abatement and exemption of taxes under 421(a) of the Real Property Tax Law of the State of New York, and shall make all filings necessary to obtain such benefits. Sponsor has received a Preliminary Certificate of Eligibility dated May 20, 2008. Upon closing, the Sponsor will make all tax benefit documents available to the Condominium for inspection and copying for the life of the benefits. The Sponsor will timely file all applications and timely comply with all procedures required to properly process and maintain the benefits. Sponsor will make the application at his own cost and expense. Sponsor will use his best efforts to obtain the real estate tax benefits set forth herein. A preliminary Letter of Eligibility will be obtained prior to the first closing; a final Certificate of Eligibility cannot be filed until after the Certificate of Occupancy is obtained. It is anticipated that benefits will commence within one year after said date, but will apply retroactively to the date on which the Certificate of Occupancy was obtained; so that a Purchaser who pays real estate taxes in excess of the amount due after benefits may be entitled to a refund or remission.

   The Sponsor's projection of tax due for the first year of operation is based on the figures and assumptions in the accompanying expert's opinion as to real estate tax benefits. However, it is not possible to accurately determine what the increase and actual assessed valuation will be. Moreover, it is equally impossible to predict any future increases in real estate tax rates, which may affect the amount of tax due on the property.

   NO WARRANTY IS OR CAN BE MADE THAT THE BENEFITS SET FORTH THEREIN WILL BE OBTAINED. IN THE EVENT THE BENEFITS ARE NOT OBTAINED, OR IN THE EVENT THERE ARE INCREASES IN THE TAX RATE, OR THE PROPERTY'S ASSESSED VALUATION, OR IN THE STATUTES GOVERNING TAX BENEFITS, REAL ESTATE TAXES MAY BE HIGHER THAN SET FORTH ABOVE FOR THE FIRST YEAR OF OPERATION AND IN FUTURE YEARS. HENCE, INDIVIDUAL CARRYING COSTS FOR ALL UNITS WOULD ALSE BE HIGHER.

   Prospective purchasers are urged most strongly to read the section entitled REAL ESTATE TAX BENEFITS OPINION included herein.

2) Closing will not take place, and no individual condominium apartment will be sold until a permanent or temporary Certificate of Occupancy has been obtained for the premises. In the event closing occurs after the issuance of a temporary Certificate of Occupancy, but prior to the issuance of permanent Certificate of Occupancy, then it will remain the obligation of the Sponsor to, at its own cost and expense, obtain such permanent Certificate, and the Certificate must be obtained within two (2) years from the date of closing. Prior to obtaining the permanent Certificate of Occupancy, the Sponsor is required to either: 1) maintain all deposits and funds in a special escrow account required by GBL-352(e)(2)(b)

unless the Sponsor's engineer or architect certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain the permanent Certificate of Occupancy, in which case the sum exceeding the amount so certified may be released; or 2) deposit with an escrow agent an unconditional, irrevocable letter of credit, or post a surety bond, in the aforesaid specified amount, in accord with the regulations of the New York State Department of Law. See RIGHTS AND OBLIGATIONS OF THE SPONSOR section of this Offering Plan.

3) At the time a Purchase Agreement is executed, Purchaser is required to make a Deposit in an amount equal to 10% of the Purchase Price. In the event a Purchaser defaults under the Purchase Agreement, time being of the essence with regarding to the obligations of Purchaser thereunder, and does not cure such default within 30 days after Sponsor gives written notice to Purchaser of such default, Sponsor may, at its option, either (i) cancel the Purchase Agreement and retain, as liquidated damages, the full Deposit, together with interest earned thereon and any amount spent by Sponsor for special work requested by Purchaser, or (ii) bring an action against Purchaser seeking specific performance of the Purchase Agreement, in which event Purchaser could be compelled to complete the transaction. There are numerous time constraints imposed in the Purchase Agreement set forth in Part II of this Offering Plan. Time is of the essence as to all such time constraints. This means that if the Purchaser fails to perform within the applicable time frame, he may waive substantive rights, or incur a forfeiture of substantial sums of money. Purchasers are advised to consult with their attorney concerning all terms of this offering. Please see the section of this Plan entitled PROCEDURE TO PURCHASE, and the PURCHASE AGREEMENT, set forth in Part II, for a statement of all applicable time limitations.

4) If a Purchaser fails for any reason to close title to the Unit on the originally Scheduled Closing Date other than due to Sponsor's failure or inability to close, and Sponsor elects not to cancel the Purchase Agreement as a result of the same, (a) the apportionments to be made at the closing will be made as of midnight of the day preceding the Scheduled Closing Date, and not as of midnight of the day preceding the Actual Closing Date, and (b) Purchaser shall be required to pay to Sponsor an amount equal to 0.03% of the Purchase Price of the Unit for each day commencing with the Scheduled Closing Date through the day before the Actual Closing Date. (See the Section of the Plan entitled "Procedure to Purchase" for details.

5) The signing of the Purchase Agreement signifies Purchaser's acceptance of the condition of the Property (as represented by Sponsor in the Plan) including, but not limited to, the Unit, the Ancillary Amenities, the Building and all Common Elements contained therein. Sponsor has no obligation to make any repairs, improvements or decorations in or to the Property, the Unit, the Ancillary Amenities, the Building or the Common Elements, except as may otherwise be set forth in the Plan. HOWEVER SPONSOR HAS A DUTY TO CONSTRUCT THE PREMISES IN ACCORDANCE WITH ALL APPLICABLE CODES AND FILED PLANS AND SPECIFICATIONS. (See the section of the Plan entitled "Procedure to Purchase" and "Rights and Obligations of Sponsor")

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

7) Although a Purchaser may apply for financing from any lending institution or source, Purchaser's obligation to purchase a Unit pursuant to a Purchaser Agreement is contingent on Purchaser obtaining such financing from Sponsor's Designated Lender, Wells Fargo Bank NA. The Mortgage Contingency Clause contained in the Purchase Agreement (See Part II) will only apply to conventional (non-veteran or Fannie Mae) mortgages from Wells Fargo. Any future change regarding a Sponsor designated lender shall be set forth in an amendment to this Plan.. (See the Section of the Plan entitled "Procedure to Purchase" for details).

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

9) The terms of this Offering Plan transfer the statutory obligation to pay New York City Real Property transfer taxes (1% of purchase price for all residential units less than $500,000 and 1.425% of purchase price for all residential units more than $500,000), New York State Documentary Stamp Taxes ($4.00 per thousand) to the Purchaser, and the New York State Additional Real Estate Transfer Tax, commonly referred to as the "Mansion Tax" equating 1% of the Purchase Price for Units priced over $1 million, so that the cost of such taxes represent an additional closing cost to the Purchaser, and an additional item, of consideration on which transfer taxes must be paid. See section of the Offering Plan entitle UNIT CLOSING COSTS AND ADJUSTMENTS.

10) **Sponsor Control of the Condominium Board**:

(a) Sponsor will have voting control over the Condominium Board until the later to occur of: (i) the Closing of Title with Purchasers under the Plan to Units representing at least 95% in number of all Units offered for sale, or (ii) the issuance of a Permanent Certificate of Occupancy ("Initial Control Period"). Sponsor reserves the right to relinquish voting control of the Condominium Board prior to the expiration of the Initial Control Period. (See the section of the Plan entitled "Rights and Obligations of Sponsor" for details)

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

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

(d) The Condominium By-Laws provide that after the Initial Control Period, a majority of the members of the Condominium Board must be owner-occupants of the Building who are unrelated to Sponsor and its Principals.

(e) See the Sections of the Plan entitled "Control by Sponsor" and "Condominium Board" and the By-Laws set forth in Part II of the Plan for details.

11) Sponsor is liable for all common charges, special assessments, and real estate taxes with respect to unsold units, and represents that Sponsor has financial resources to meet these obligations. However, no bond or other security has been furnished to secure the Sponsor's obligations. Please see section of the Offering Plan entitled RIGHTS AND OBLIGATIONS OF THE SPONSOR for a more detailed explanation.

12) <u>Reserve Fund and Working Capital Fund</u>

(a) No provision has been made to establish a reserve find for capital replacements or repairs, because the Building, upon completion of construction to be perform by Sponsor will be predominantly new. The Condominium Board, in its discretion, and subject to certain restrictions contained in the By-Laws, may

declared in the future to create a reserve fund by Special Assessment or by increase in Common Charges.

(b) The contingency provided for in Schedule B- First Year's Budget is intended to provide a fund for unanticipated expenses not included in the budget and for possible increases in operation expenses above the amounts projected if the Working Capital Fund is not sufficient to cover such costs. The contingency is not intended and may not be sufficient to meet the cost of any major capital repairs or replacements which may be required. If additional funds are required to meet such costs, it may be necessary for the Condominium Board to increase Common Charges or impose Special Assessments.

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

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

13) Pursuant to existing law and regulations, the Sponsor may declare the plan effective by entering into a contract for a minimum of 15% of the apartments in the building. In the event purchase agreements counted towards the minimum number of sales required declaring the plan effective fail to close, it is possible that the building will be converted to condominium status with less than 15% of the apartments in the building actually sold to purchasers. Please see EFFECTIVE DATE section of this Offering Plan.

14) Purchasers should note that in the current real estate market, banks and other lenders are imposing various restrictions on loans. Such restrictions include requiring that a certain percentage (such as 50% or higher) of the apartments in a building be sold before the lender will consider making a loan. Thus, it may be possible for a Purchaser to experience difficulty obtaining a loan in a building where the percentage of units purchased is lower than a lender's particular sales minimum. See PROCEDURE TO PURCHASE section of Offering Plan.

15) <u>Sponsor's Right to Rent Unsold Units</u>

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

(b) Sponsor intends to offer Unsold Units for sale both to Purchasers for personal occupancy as well as to those who are purchasing for investment or resale.

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

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

16) Transfer Taxes

Purchasers shall be required to pay all New York City Real property Transfer Tax, New York State Real Estate Transfer Tax and New York State Additional Real Estate Transfer Tax, commonly referred to as the "Mansion Tax" imposed on their purchase. The New York City Department of Finance has taken the position that where the purchaser of property assumes the obligation for the payment of New York State Real Estate Transfer Tax and the New York City Real Property Tax, the amount of the tax which would otherwise be payable if the seller were to pay such taxes, will be tread as additional consideration for the transaction subject to tax. (See the Section of the Plan entitled "Closing Costs and Adjustments" for details.)

17) All funds received by the Sponsor for upgrades or extras must initially be placed in the escrow account set forth herein. However, Purchaser should note that such funds may be released from the escrow account by the escrow agent as long as the Sponsor uses the funds for such upgrades or extras. As a result, in the event the Purchaser is entitled to a rescission, the Purchaser will not receive a refund of any funds used for upgrades or extras. See PROCEDURE TO PURCHASE section of this Offering Plan.

18) The cost of providing heat and hot water for individual units is included in the monthly Common Charges. Please see SCHEDULE B-1 section of this Offering Plan.

19) Unit Measurements

Each unit consists of the area measured horizontally from the exterior side of the exterior walls (columns, mechanical pipes, shafts, shaftways, chases, chaseways, and conduits are not deducted from measurement of each Unit) to the centerline of the partitions separating one Unit from another Unit, or separating one Unit from corridors, stairs, elevators and other mechanical equipment spaces or any Common Elements not within a Unit or to the exterior side of the opposite exterior walks,. Each Unit consists of the area measured vertically from the top of the floor (located under the finished flooring and subflooring materials) to the

underside of the ceiling. As is customary in New York, these square foot areas exceed the usable floor area of each Unit.

20) It is expected that a part-time superintendent will be employed and his duties will include taking out the garbage/recycling, minor maintenance, clean and maintain sidewalks, lobby cleaning and upkeep, and cleaning and maintenance of hallways and common areas.

21) Entrance to the roof patio may only be accessed via the elevator. The roof patio may only be used for passive recreations, such as lounging and sunbathing. Sponsor, however, shall have the right to use the roof patio for any purpose permitted by Law or to change the permitted use of the roof patio, subject to the provisions of the Bylaws.

22) There are 2 commercial spaces located on the ground level which shall be retained by Sponsor and leased out to third party retailers. The Sponsor shall also have ownership interest of the 2 street parking spaces in front of the commercial space as well as ownership of the front yard and back yard.

23) There will be 19 below grade parking spaces in the cellar for the use of Resident Owners for a monthly fee and these spaces shall remain Sponsor owned.

24) Sponsor has engaged Global Arch, LLC as architect of record, Bharati, PE, PC as structural engineer and Emtec Consulting Engineers as mechanical engineer. The Plans and Specifications have been prepared by such architects and engineers. (See the Section of the Plan entitled "Identity of Parties" for further detail.)

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

Based upon the current construction schedule, sponsor presently contemplates that, unless delayed by Force Majeure, construction the building will be sufficiently completed to permit closings of the units to being on or about August

2010. Purchasers should note, however, that (i) the Units will be completed at different times over a period that may begin prior to and/or extend significantly beyond such date, and (ii) Units on higher floors generally close later than Units of lower floors. Sponsor anticipated, but does not guarantee, that a temporary certificate of occupancy will be obtained for all Residential Units by May 2010 and that a permanent certificate of occupancy will be obtained for the building by August 2010. Sponsor will have no liability to any purchaser, nor will a purchaser be entitled to any credit, offset or reduction on the purchase price for the unit or otherwise be relieved for any obligations under the purchase agreement in the event that the first closing occurs earlier or later than the targeted date or the time to complete or to close title to the unit is delayed or postponed by Sponsor. In the event the actual or anticipated commencement date of the first year of condominium operation is to be delayed by 6 months or more, Sponsor will amend the Plan to include a revised budget with updated projections and , If the Unit Owner's monthly common charges in the amended budged exceed those in the latest budget set for the in the plan by 25% or more, Sponsor will offer all purchasers the right to rescind their purchase agreements within 15 days of the presentation date of the amendment containing such revised budget.

25) Use of the services and facilities shall be available only to individuals who reside in a Unit in the building(i.e. a unit owner or tenant) and , subject to the rules and regulations implemented by the condominium board such individual's guests, provided that such unit owner or tenant accompanies the guest during such use. In addition, use of the services and facilities are subject to such rules and regulations and may be promulgated from time to time by condominium Board, including, without limitation a, the right to impose fees and restriction on hours of access an use.

INTRODUCTION

This is an Offering Plan for the sale of condominium apartments at 112-02 Northern Blvd, Queens, NY 11366. The purpose of this plan is to fully set forth all material terms of the offer. This plan may be amended from time to time, if such amendment is filed with the New York State Department of Law. Any such amendments will be served on all prospective Purchasers who have executed a Purchaser Agreement for any apartment, all unit owners, and all other persons entitled to service pursuant top local law or statute.

The Sponsor of this offering plan is 112 Northern Development LLC, 1230 Avenue of the Americas, 7th fl., New York, NY 10020. The principals of the Sponsor are Eddie Shapiro and Raphy Benaim. The Sponsor acquired the property in September of 2007 and work on the building is scheduled for completion in August 2009. Units will be conveyed free and clear of any mortgages, liens, or other encumbrances. Units will be conveyed by delivery of a UNIT DEED set forth in Part II of this Offering Plan.

The prices contained in this offering, as set forth in SCHEDULE A, are set by the Sponsors, and are not subject to approval by the New York State Department of Law, or any other governmental agency.

This condominium will be subject to, and in compliance with, the New York State Condominium Act, Article 9-B of the New York Real Property Law.

This plan, including all schedules and exhibits submitted herewith, constitutes the entire Offering Plan. Copies of the plan and Parts A, B, C and D of the exhibits will be available for inspection to potential purchasers and their attorney at the office of the Sponsor indicated on the front cover of this Offering Plan, and the New York State Department of Law, Investment Protection Bureau (Real Estate Finance Section), 120 Broadway, New York, New York, without charge; and for copying, at a reasonable charge.

The premises consist of one building, comprised of six (6) stories and a below grade parking garage containing 19 parking spaces for lease, and containing thirty-three (33) residential units and two ground floor commercial units that are not being offered for sale. Rather, the commercial space shall be retained by Sponsor and leased out to third party retailers. The Sponsor shall also have ownership interest of the 2 street parking spaces in front of the commercial space as well as ownership of the front yard and back yard.

The property is located in the Corona/Flushing section of Queens. There will be underground parking on the premises accommodating nineteen (19) cars total available for lease. All residential apartments will be equipped with the following appliances, or of equal or greater value: GE Dishwasher (Model # PDW7980NSS), a GE Range (JB900SKSS), a GE Refrigerator (Model # GDS20SBS), a GE Microwave (Model # JVM1540SMSS) and a Frigidaire Washer/Dryer (Model # FEX831FS). See

DESCRIPTION OF PROPERTY AND BUIDLING CONDITION included in Part II of this Offering Plan.

This offering is made only to individuals over the age of 18.

In accordance with the provisions of the Laws of the City of New York, the Sponsor represents that neither the Sponsor, nor the Condominium nor the Selling Agent will discriminate against any person because of his race, creed, color, sex, national origin, ancestry, or any other reason prohibited by civil rights law in the sale of apartments offered by this Plan. Unit owners have an unrestricted right to lease, sell or mortgage units, Use of units is limited to residential use, and appurtenant home office use.

This is a newly constructed building. Work on the building is scheduled for completion in August 2009.

The Sponsor represents and warrants that no contract or agreement has been entered into and no deposit or advance of funds have been accepted as of the date the plan is accepted for filing.

The Sponsor represents and warrants that all of the units offered in the plan are vacant.

Ownership of a Condominium Unit resembles in many ways ownership of a private home. Basic aspects of condominium ownership include:

(1) Each purchaser owns his unit outright and is entitled to exclusive possession of his unit. Each purchaser also has an interest, and a right to use common elements and limited common elements of the building. However, each unit owner is obligated to comply with the Declaration, By-Laws, rules and regulations, and any other requirements of the Board of Managers.

(2) Common elements are parts of the Property, in addition to his/her own Unit, which a Unit Owner owns in common with the owners of all other Units, such as entryways, stairways, hallways, roof deck, utility areas, and similar elements of the building, which serve all Unit Owners. A Unit Owner will share the non-exclusive right to use the Common Elements with all other unit owners.

Limited Common Elements are those areas appurtenant to a particular Unit or Units, the use of which is restricted to the owner(s) of such Unit or Units, but which are not owned by that unit owner.

(3) After filing of the Declaration, each unit will be separately taxed and may be separately mortgaged; each unit owner may deduct from adjusted gross income for income tax purposes real state taxes and mortgage interest. No unit owner will be responsible for payment of, or any lien, arising out of non payment of, real estate taxes assessed against any other unit in the building.

(4) Operating of the Condominium will be vested in a Condominium Board, the members of whom will be elected by the unit Owners, subject to the rights of Sponsor to designate members of the Condominium Board, as set forth in the Section of the Plan entitled "Rights and Obligations of the Condominium Board".

(5) Each unit owner must pay common charges in accordance with the New York State Condominium Act (Real Property Law Sections 339(i) and 339(m)) and any applicable state or local law. The common charges payable under the By-Laws will be based strictly on the projected cash requirements of ownership and operation of the Property and may include an allowance for contingencies, replacements, and/or repairs. Furthermore, the Board of Mangers may impose special assessments in order to meet emergencies, contingencies, or other unforeseen events, which will become the financial obligation of each purchaser of a Condominium Apartment. These assessments will be levied in direct proportion to the percentage of common interest allocated to each apartment.

(6) Individual purchasers should explore obtaining insurance coverage, which would be at their own cost and expense, to insure them for such risks as fire and casualty losses in their apartments to their personal contents therein, as well as liability insurance for each occurrence which might occur within their respective apartments.

(7) Unit owners are responsible for maintenance and repairs to their individual units.

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

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

(10) The condominium board does not have the right to approve or disapprove purchasers. Therefore there is no limit on the number of owners who may purchase for investment rather than for personal occupancy and there may always be a substantial percentage who are non-residents.

The estimated Common Charges for the first year of Condominium operation are set forth in SCHEDULE A. The projected budget for the first year of Condominium operation is set forth in SCHEDULE B.

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

DEFINITIONS

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

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

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

"Building" shall mean the building located at 112-02 Northern Blvd., Queens, New York.

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

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

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

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

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

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

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

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

"Condominium" shall mean The Sage Condominium which will be establish pursuant to the terms of the Declaration and which is governed pursuant to the terms of the By-Laws.

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

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

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

"Declarant" shall mean 112 Northern Development LLC and its successors and assigns.

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

"Department of Law" shall mean the Real Estate Finance Bureau of the Department of Law of the State of New York.

"Deposit" shall mean all deposits, advances and payments made by Purchasers prior to the closing of a Unit.

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

"Filing Date" shall mean the date a letter is issued by the Department of Law accepting the plan and any amendments to the Plan, as the case may be, for filing.

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

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

"First Year's Budget" shall mean the Section of the Plan entitled "Schedule B-First Year's Budget".

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

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

"Initial Control Period" shall mean the period ending on the later to occur of: (i) the Closing of Title with Purchasers under the Plan to units representing at least 95% in number of all Units offered for sale, or (ii) the issuance of a Permanent Certificate of Occupancy.

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

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

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

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

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

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

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

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

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

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

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

"Schedule B" shall mean the Section of the Plan entitled "Section B- First Year's Budget".

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

"Selling Agent" shall mean the selling agent name in the Plan or any successor Selling Agent at the time in question.

"Sponsor" shall mean 112 Northern Development LLC and its successors and assigns as well as any Person(s) designated by Sponsor, in a writing to the Condominium Board or by amendment to the Plan, to retain Sponsor's rights under the Plan and the Condominium Documents.

"Temporary Certificate of Occupancy" shall mean a temporary certificate of occupancy for the Building issues by the Buildings Department.

"Title Company" shall mean All American Abstract LLC, having an office address at 31 Stewart Street, Floral Park, NY, 11001, PH: 800-693-7617, Fax: 516-488-0486, or any successor Title company at the time in questions.

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

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

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The premises consist of one building, comprised of six (6) stories and a below grade parking garage, and containing thirty-three (33) residential units and one ground floor commercial unit that is not being offered for sale. The property is located in the Corona/Flushing section of Queens. There will be underground parking on the premises accommodating nineteen (19) cars total available for lease. All residential apartments will be equipped with the following appliances, or of equal or greater value: GE Dishwasher (Model # PDW7980NSS), a GE Range (JB900SKSS), a GE Refrigerator (Model # GDS20SBS), a GE Microwave (Model # JVM1540SMSS) and Whirlpool Washer/Dryer units (Model # WTW6500WW and WGD6200SW) will be in the cellar for Unit Owners. See DESCRIPTION OF PROPERTY AND BUIDLING CONDITION included in Part II of this Offering Plan.

Limited Common Elements: this includes those portions of the Building available for the exclusive use of some but not all Residential Unit Owners. At the present time, the Limited Common Elements consist of the balconies appurtenant to certain residential units, rooftop and fitness center.

This is a newly constructed building. It is anticipated that construction will be completed in August of 2010.

The Sponsor will complete the work set forth in this plan relating to the building, and the apartments contained therein, in conformity with all applicable New York City Administrative Code requirements, and subject to procurement of all applicable and proper permits which are required, if any.

The Sponsor hereby adopts the detailed description of property and building conditions set forth in the section entitled DESCRIPTION OF PROPERTY, SPECIFICATIONS, and BUILDING CONDITION of this Offering Plan. With reference to such material, a licensed engineer prepared the description of property and building condition contained therein. Prospective purchasers are urged to refer to said section for a more complete understanding of the physical condition of the subject property and building.

LOCATION AND AREA INFORMATION

Location

The property is located at 112-02 Northern Boulevard in the borough of Queens, City and State of New York.

Transportation

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

Transportation to and from the Building, and through New York City, is available by taxi and limousine services. Public bus lines 9, 23, 48, and 66 are nearby. The nearest subway station is at 111th street and Roosevelt Avenue which is served by the 7 line. This line provides both uptown and downtown service.

Medical, Educational and Religious Facilities

A number of excellent medical centers, such as Flushing Hospital Medical Center, are readily accessible.

Numerous private, public and parochial schools on elementary, middle school and high school levels are located within walking distance of the Building. There are 17 public schools in the vicinity of the property.

There are houses of worship of most major denominations in the vicinity of the Building. Religious facilities in the area include Grace Episcopal Church and the Chan Meditation Center.

Municipal Services

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

The local police station is the 111th Police Precinct located at 45-06 215th Street, New York, New York.

The local fire station is Engine 313, Ladder 164, located at 44-01 244th Street, New York, New York.

Mailing Address

The mailing address for the building is 112-02 Northern Boulevard, Queens, NY 11368.

Zoning

The property is located within an R6 district with a C2-4 overlay. The Building will meet all zoning requirements.

Landmark Designation

The Building does not have landmark status.

General

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

SCHEDULE A

The Sage House Condominium

PURCHASE PRICE and ALLOCATION of COMMON INTEREST

PROJECTED COMMON CHARGES AND REAL ESTATE TAXES FOR THE FIRST YEAR OF CONDOMINIUM OPERATION - JANUARY 1, 2009 - DECEMBER 31, 2009

(1[1]) UNIT		(1[2]) NO. BEDROOM/ BATHROOM	(2[1]) APPROX UNIT SQUARE FOOTAGE	(2[2]) APPROX BALCONY SQUARE FOOTAGE	(2[3]) APPROX OUTDOOR SQUARE FOOTAGE	(3) OFFERING PRICE	(4) COMMON INTEREST	(5) PROJECTED MONTHLY COMMON CHARGES	(6[1]) PROJECTED MONTHLY RE TAXES w/ 421a	(6[2]) PROJECTED MONTHLY RE TAXES w/o 421a	PROJECTED TOTAL MONTHLY CARRYING CHARGES w/ 421a
Parking	n/a	n/a	6480			$ 1,250,000	14.2775%	$ -	$ 385.97	$ 1,972.20	$ 385.97
Commercial	n/a	n/a	6875			$ 3,750,000	15.1478%	$ -	$ 409.50	$ 2,092.42	$ 409.50
2A	T	1/1	586		200	$ 342,810	1.5110%	$ 468.80	$ 40.85	$ 208.71	$ 509.65
2B	T	1/1	689		250	$ 395,500	1.7940%	$ 551.20	$ 48.50	$ 247.81	$ 599.70
2C	T	1/1	722		263	$ 398,500	1.8800%	$ 577.60	$ 50.82	$ 259.69	$ 628.42
2D	T	1/1	727		183	$ 398,900	1.8034%	$ 581.60	$ 48.75	$ 249.11	$ 630.35
2E		2/2	1143			$ 592,074	2.5184%	$ 914.40	$ 68.08	$ 347.87	$ 982.48
2F		2/2	1185			$ 596,000	2.6109%	$ 948.00	$ 70.58	$ 360.66	$ 1,018.58
2G		2/2	1211			$ 597,000	2.6682%	$ 968.80	$ 72.13	$ 368.57	$ 1,040.93
3H-T	DPLX	2/1.5	1184			$ 693,500	2.6153%	$ 947.20	$ 70.70	$ 361.25	$ 1,017.90
3B	B	1/1	689	45		$ 375,500	1.5467%	$ 551.20	$ 41.81	$ 213.66	$ 593.01
3C	B	1/1	722	45		$ 391,500	1.6196%	$ 577.60	$ 43.78	$ 223.72	$ 621.38
3D		1/1	727			$ 383,856	1.6058%	$ 581.60	$ 43.41	$ 221.82	$ 625.01
3E		2/2	1143			$ 594,000	2.5247%	$ 914.40	$ 68.25	$ 348.74	$ 982.65
3F		2/2	1185			$ 597,000	2.6175%	$ 948.00	$ 70.76	$ 361.56	$ 1,018.76
3G		2/2	1211			$ 598,000	2.6749%	$ 968.80	$ 72.31	$ 369.49	$ 1,041.11
4B	B	1/1	689	45		$ 375,500	1.5506%	$ 551.20	$ 41.92	$ 214.19	$ 593.12
4C	B	1/1	722	45		$ 393,500	1.6237%	$ 577.60	$ 43.89	$ 224.28	$ 621.49
4D		1/1	727			$ 389,500	1.6098%	$ 581.60	$ 43.52	$ 222.37	$ 625.12
4E		2/2	1143			$ 595,000	2.5310%	$ 914.40	$ 68.42	$ 349.61	$ 982.82
4F		2/2	1185			$ 598,000	2.6240%	$ 948.00	$ 70.94	$ 362.46	$ 1,018.94
4G		2/2	1211			$ 599,000	2.6816%	$ 968.80	$ 72.49	$ 370.41	$ 1,041.29
5H-T	DPLX	2/1.5	1184			$ 695,800	2.6283%	$ 947.20	$ 71.05	$ 363.06	$ 1,018.25
5B	B	1/1	689	45		$ 385,500	1.5544%	$ 551.20	$ 42.02	$ 214.72	$ 593.22
5C	B	1/1	722	45		$ 388,500	1.6277%	$ 577.60	$ 44.00	$ 224.84	$ 621.60
5D		1/1	727			$ 395,000	1.6138%	$ 581.60	$ 43.63	$ 222.92	$ 625.23
5E		2/2	1143			$ 626,364	2.5373%	$ 914.40	$ 68.59	$ 350.48	$ 982.99
5F		2/2	1185			$ 649,380	2.6305%	$ 948.00	$ 71.11	$ 363.36	$ 1,019.11
5G		2/2	1211			$ 663,628	2.6882%	$ 968.80	$ 72.67	$ 371.33	$ 1,041.47
PHB	B	1/1	689	45		$ 389,500	1.5583%	$ 551.20	$ 42.13	$ 215.25	$ 593.33
PHC	B	1/1	722	45		$ 397,500	1.6317%	$ 577.60	$ 44.11	$ 225.40	$ 621.71
PHD		1/1	727			$ 399,500	1.6178%	$ 581.60	$ 43.74	$ 223.48	$ 625.34
PHE		2/2	1143			$ 656,500	2.5436%	$ 914.40	$ 68.76	$ 351.35	$ 983.16
PHF		2/2	1185			$ 669,500	2.6370%	$ 948.00	$ 71.29	$ 364.26	$ 1,019.29
PHG		2/2	1211			$ 685,500	2.6949%	$ 968.80	$ 72.85	$ 372.26	$ 1,041.65
TOTAL		50/49	38,214	360	896	$ 16,906,812	100.0000%	$ 25,071.20	$ 2,703.33	$ 13,813.33	$ 27,388.56

NOTES:

1) The above figures are rounded off to the nearest cent, which may cause slight discrepancies.

2) There are 19 underground parking spots available for lease, at $225/month.

3) Units A, B, C & D on 2nd floor have terraces. Units B & C on floors 3, 4, 5, & 6 have balconies.

4) In addition to the purchase price, there are additional closing costs assessed against each unit (i.e document preparation fee, payment of transfer taxes, reimbursement fee, etc.) all of which are set forth in the CLOSING COSTS & ADJUSTMENTS section of this Offering Plan.

FOOTNOTES TO SCHEDULE A

1) The room count is based on the method suggested by the Real Estate Board of New York. This method counts as a room, each entirely partitioned room. Dual-purpose rooms such as living/dining rooms, which are not separately partitioned, count as one room. A bath, including tub or shower, toilet, and sink is considered a full bath; a bath without a tub or shower is considered a half bath. See the section entitled DESCRIPTION OF PROPERTY AND BUILDING CONDITION, and FLOOR PLANS, both of which are included in Part II of this Offering Plan, for a more complete description of each apartment.

2) The determination of percentages of Common Interest allocated to each unit is based upon floor space, subject to the location of such space, and the additional factors of relative value to other space in the condominium, the uniqueness of the unit, the availability of common elements or exclusive or shared use, and the overall dimensions of a particular unit, as per Section 339(i)(1)(iv) of the New York State Real Property Law.

3) Across-the-board changes in unit price, advertised price changes, and increase in individual unit process may be made by duly-filed amendments only; however, individually negotiated reductions in the purchase price of a unit may be made without prior amendment. Purchasers will also incur certain closing costs in connection with the purchaser of their unit. See CHANGES IN PRICES IN UNITS and CLOSING COSTS sections of this Offering Plan.

4) Projected Common Charges for the first year of operation include only those expenses which are enumerated in Schedule B. Maintenance charges do not include such expenses as repairs to the interior of the owner's unit, and the owner's individual gas, electricity, and telephone expenses; individual costs for heat and hot water for each apartment is set forth in SCHEDULE B1 of this Offering Plan. Moreover, if the purchaser should obtain financing for the purchase, the debt service on that loan will be an additional expense not covered by the Common Charges. Common Charges are arrived at by allocating to each unit a share of the Monthly Charges proportionate to the Common Interest which that unit bears in the condominium.

5) After the condominium is divided into individual tax lots, each lot will be separately taxed for New York City property tax purposes. A unit owner will not be responsible for the payment of, nor will the unit be subject to, any lien arising from the nonpayment of taxes on other units. Sponsor is applying for Real Estate Tax Benefits pursuant to Section 421(a) of the New York State Real Property tax law. This will result in an exemption of the building from increase in actual assessed valuation due to improvements to the premises for a period of fifteen (15) years. Sponsor has received a Preliminary Certificate of Eligibility dated May 20, 2008. Sponsor has obtained an opinion from Martin Joseph as to the likely effects of Sponsor's application for Real Estate Tax Benefits; Purchasers are directed to the section of this Offering Plan

entitled REAL ESTATE TAX BENEFITS OPINION for a complete explanation.

The anticipated date of completion of construction is January 2009.

Calculations of Real Estate Taxes are arrived at by applying the current tax rate to the assessed value, and then allocating the resulting taxes in direct proportion to the allocation of common interest. In the event the Tax Abatement and Exemption benefits are obtained, the assessed value will be based on the pre-construction assessed value of $3,500,000.00. In the event tax exemption benefits are not obtained, the assessed value used for calculations is the $17,200,000.00 post-completion assessed value estimated by the Sponsor's real estate tax exemption and abatement expert, and set forth in his letter included in this Plan. In either case, the tax rate used for the calculation is 12.50% which is the current tax rate for Class 2. Unit owners shall be entitled to deduct real property taxes paid on the unit for income tax purposes. See TAX OPINION hereinafter set forth for a more complete discussion.

6) Monthly carrying charges are composed of the monthly common charges and the monthly real estate taxes projected against each unit.

7) While Sponsor is applying for real estate tax benefits, and the expert opinion included in this Offering Plan projects that such benefits are available and will be granted, no guarantee can be, or is made, that said benefits will be obtained, or will continue to be available. Therefore, Sponsor has projected in Schedule A the real estate taxes in the event no such benefits are obtained.

8) Monthly carrying charges, in the event benefits are not obtained, are composed of the monthly common charges plus the monthly real estate taxes without benefits as set forth in column 8. Unit owners who itemize their deductions should, for federal income tax purposes, be entitled to a deduction for real estate taxes in the year in which same are paid or accrued. The projected tax deduction may vary in future years due to changes in the interest rate on the unit owner's mortgage (if any), or from changes in the allocation of constant debt service payments to interest and principal; or due to charges in real property taxes resulting from the expiration of real estate tax benefits, or from changes in the assessed value, tax rates, or the method of assessing real property; or from changes in the tax laws governing deductibility of mortgage interest and real estate taxes. Please see the TAX OPINION LETTER set forth in this Offering Plan for a more complete explanation.

9) The square footage listed for each unit in Schedule A represents the approximate, rather than actual usable floor area of the unit. The estimated square footage of each unit is based on the FLOOR PLANS and ENGINEER'S DESCRIPTION OF PROPERTY set forth in Part II of this Offering Plan.

SCHEDULE B

BUDGET FOR FIRST YEAR OF CONDOMINUM OPERATION
January 1, 2009 – December 31, 2009

PROJECTED INCOME

Common Charges (1)	$151,196.00

PROJECTED EXPENSES

Salary, Wages, Payroll, Taxes & Benefits (2)	$15,517.00
Hot Water (3)	$16,050.00
Cooking Gas (4)	$3,960.00
Electricity (5)	$36,871.00
Water & Sewer (6)	$9,636.00
Repairs & Maintenance (7)	$10,000.00
Services & Supplies (8)	$12,000.00
Insurance (9)	$22,162.00
Management Fee (10)	$10,000.00
Legal & Auditing Fees (11)	$5,000.00
Administration (12)	$5,000.00
Contingency (13)	$5,000.00
TOTAL	$ 151,196.00

Note: All figures are rounded to the nearest dollar.

IF THE ACTUAL OR ANTICIPATED DATE OF COMMENCEMENT OF CONDOMINIUM OPERATION IS TO BE DELAYED MORE THAN SIX (6) MONTHS BEYOND THE BUDGET YEAR PROJECTED AND THE OFFERING PPAN, THE PLAN WILL BE AMENDED TO INCLUDE A REVISED BUDGET DISCLOSING CURRENT PROJECTIONS. IF SUCH AMENDED PROJECTION EXCEEDS ORIGINAL PROJECTIONS BY 25% OR MORE, THE SPONSOR MUST OFFER ALL PURCHASERS THE RIGHT TO RESCIND IN A REASONABLE PERIOD OF TIME THAT IS NOT LESS THAN 15 DAYS AFTER THE DATE OF PRESENTATION OF SAID AMENDED BUDGET, TO EXERCISE SAID RIGHT, WHETHER OR NOT SPONSOR OFFERS TO GUARANTEE THE PREVIOUS BUDGET PROJECTION. SPONSOR MUST RETURN ANY DEPOSIT OR DOWNPAYMENT TO A PURCHASER WHO RESCINDS WITHIN 10 DAYS AFTER RECEIPT OF NOTICE OF RESCISSION.

ADDITIONALLY, PURCHASERS WILL BE OFFERED THE OPPORTUNITY TO RESCIND THEIR PURCHASE AGREEMENT IN THE EVENT CLOSING DOES NOT OCCUR WITHIN 12 MONTHS FROM THE COMMENCEMENT DATE OF THE PROJECTED BUDGET.

FOOTNOTES TO SCHEDULE B
Notes to Schedule B

(1) COMMON CHARGES – (Budget $151,196)

The estimated Common Charges to be collected from Unit Owners during the first year of the Condominium operation are based upon the assumption that the first year of Condominium operation will be twelve months commencing January 1, 2009. The actual first year of operation may be earlier or later.

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

If the Common Charges in the revised budget projections exceed the earlier budget projections by twenty-five percent (25%) or more, the Sponsor will offer all purchasers the right to rescind their Purchaser Agreements and have their Deposits refunded to them, whether or not the Sponsor offers to guarantee the earlier budget projections. Purchasers should note that the right of recession will be for a reasonable time that is not less than fifteen days after the date of the presentation of the right of rescission.

(2) SALARIES, WAGES, PAYROLL TAXES & BENEFITS – (Budget)

The budgeted amount includes base wages, worker's compensation and disability insurance, payroll taxes and the cost of sick days, holidays and vacation pay for a projected part time superintendent. The projected level of staffing for the Building complies with all applicable housing and labor laws. It is anticipated that such employees will be non-union members.

Position	Annual Wages
(1) Superintendent	$12, 000

The projections allow 30 sick days, holidays and vacation pay and miscellaneous payroll expenses.

Total Base Wages	$13,020
FICA @ 7.65% of Base Wages	996
Worker's Compensation @ 5.5% of total wages	716
FUI and FUTA-NYS Unemployment, @ $ 425 employee	425
NYS Disability @ $60 per employee	60
Total Benefit	$2,497
TOTAL WAGES, TAXES & BENEFITS	**$15,517**

(3) **HOT WATER – (Budget $16,050)**

The budgeted amount is based upon a letter from Ettinger Engineering, 505 Eighth Avenue, New York, NY 10018, sponsor's consulting engineers dated March 3, 2008. It is anticipated that the annual consumption of gas for domestic hot water for the residential units will be approximately 10,700 therms at $1.50 per therm for a total cost of $16,050. A 10% inflation factor has been added.

It is not possible to predict how closely the budgeted figure will reflect the actual cost of gas domestic hot water during the first year of Condominium operation, because such cost will vary with the level of consumption and the price of gas. The projected unit cost of gas ($1.50 per therm) allows for a reasonable increase in the unit price of gas over the average gas rates in effect as of February 2008. Consumption of gas for domestic hot water and gas rates will be affected by occupancy.

(4) **COOKING GAS (Budget - $3,960)**

The Residential Units will not be separately metered for gas to be used for cooking. Based on a letter date March 3, 2008 from Ettinger Engineering, 505 Eighth Avenue, New York, NY 10018, it is estimated that the gas cost for apartment cooking based on 2,640 therms of gas/year at $1.50 per therm, will be $3,960. A 10% inflation factor has been added.

(5) **ELECTRICITY – Budget $36,871)**

The electricity consumption for the first year of Condominium operation for the common gas was estimated by Ettinger Engineering, 505 Eighth Avenue, New York, NY 10018, in a letter dated March 3, 2008 at 175,580 kilowatt hours of electricity, at an average rate of $.21 per kilowatt hour of electricity including applicable sales tax, resulting in an annual cost of $36,871. This estimate includes costs for the common area air conditioning units, distribution pumps, miscellaneous floor loads, elevators and lighting. Electricity costs can vary depending upon consumption and demand factors. A 10% inflation factor has been included.

Each unit will be individually metered for consumption of electricity within their own units.

(6) **WATER & SEWER – (Budget - $9,636)**

The Residential Area is separately metered from water consumption. The amount budgeted is based upon a letter from Ettinger Engineering, 505 Eighth Avenue, NY, NY 10018 dated March 3, 2008, projected residential consumption of 192,720 cubic feet of water per year and the current rate of $0.05 per cubic foot, the total cost of $9,636/yr.

(7) **REPAIRS & MAINTENACE – Budget $10,000)**

Since the Building will be newly renovated it has no operating history upon which to project future costs of repairs and maintenance. No major capital repairs are included in

the First Year's Budget since all major construction and mechanical systems will be now. Future major capital repairs to the Common Elements will be borne by all Unit Owners.

The budgeted figure for this item includes the cost of normal maintenance and repairs to the Common Elements of the Building that are the responsibility of the Condominium. Each Unit Owner will be responsible for the cost of the interior maintenance repairs, decoration and painting of their respective units, including the appliances, incremental heating/air-conditioning units and any Limited Residential Common Elements appurtenant thereto.

(8) **SERVICE & SUPPLIES – Budget - $12,000)**

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

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

It is projected that the Condominium will enter into maintenance agreements for the following services:

Elevator Maintenance	$5,000
Sprinkler System/Fire Protective Alarm System	$2,000
Exterminator	$2,000
Miscellaneous Supplies	$3,000

(9) **INSURANCE ($22,162)**

Based upon the proposal dated February 21, 2008, from Bermack, Champion & Lewine, having an office address at 481 Eighth Avenue, Suite 1510, NY, NY 10001. The following insurance coverage will be obtained for the Building for the first year of Condominium operation:

A Comprehensive Condominium Package Policy, including Boiler & Machinery and Water Damage, with the following General Coverage and Limits:

Property Policy ($11,330)

$6,600,000	Building "All Risk", Special Form, Agreed Amount, No Co-insurance, Replacement Cost, $2,500 Deductible.
$51,000	Business Income Limit

$10,000 Personal Property Limit

$6,600,000 Boiler & Machinery

General Liability Policy ($6,000)

$1,000,000 Each Occurrence

$2,000,000 General Aggregate

$1,000,000 Personal & Advertising Injury

$5,000 Medical Payments

$1,000,000 Non-Owned Automobile/Hire Car

Directors & Officers Policy ($1,544)

$1,000,000 Directors & Officers Liability – per occurrence/annual aggregate – $2,500 deductible

Crime/Fidelity ($788)

$1,000,000 Crime/Fidelity Limit - $2,500 deductible

Umbrella Liability ($2,500)

$1,000,000 – Umbrella Liability – per occurrence/aggregate

The annual premium for the above mentioned insurance policies are estimated to be $22,162.

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

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

- fire or casualty losses to the contents of his unit and any replacements, additions, upgraded fixtures and improvements therein; and

- Liability for personal injury or property damage as a result of occurrences in his Unit, including water damage legal liability to cover damage arising from leaks or other conditions within the Unit.

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

At or prior to the First Closing, the Condominium will enter into a management agreement with a real estate management firm. The agreement will be for an initial term of 2 years. Thereafter, the agreement will be automatically renewed from year to year, but may be cancelled by either party without cause, upon not less than sixty (60) days' prior written notice.

The Managing Agent will receive an annual fee of $10,000 payable in equal monthly installment of $833.33. The Managing Agent's fee for the first year of Condominium operation is comparable to the "going rate" for similar services in comparable buildings.

(11) LEGAL & AUDIT FEES – (Budget - $5,000)

The Condominium will engage a law firm to act as the attorney for the Condominium. The estimated cost for these services for the Condominium's first year is $1,000. It is anticipated that the Condominium will enter into an agreement with a CPA to provide audit tax returns preparation and financial statement preparation services for the Condominium. It is estimated that the first year cost for these services will be $4,000.

(12) ADMINISTRATION – (Budget $5,000)

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

(13) CONTINGENCY – (Budget $5,000)

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

(14) TOTAL PROJECTED EXPENSES – (Budget)

The total projections set forth in this budget assume that the first year of Condominium operation will cover the period from January 1, 2009 through December 31, 2009

IN THE OPINION OF J.A.L DIVERSIED MANAGEMENT CORP., HAVING AN OFFICE AT 9437 SHORE ROAD, BROOKLYN, NY 10017. THE PROJECTED INCOME IS ADEQUATE TO MEET THE ESTIMATED EXPENSES FOR THE FIRST YEAR OF CONDOMINIUM OPEARATION. THE BUDGET, HOWEVERIS NOT AMENDED AND SHOULD NOT BE TAKEN AS A GURANTEE OR WARRANTY

BY ANYONE THAT THE ANNUAL COMMON CHARGES OR COMMON EXPENSES FOR THE FIRST OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY BY THE BOARD WILL BE AS SET FORTH IN THE BUDGET. IN FACE, IT IS LIKELY THAT THE ACTUAL INCOME AND EXPENSES FRO THE FIRST YEAR OF CONDOMINIUM OPERATION WILL VARY FROM THE AMOUNTS SHOWN IN THE BUDGET.

SCHEDULE B1

Andrew Solano of EMTEC Consulting Engineers, having an office at 45 West 21st St., Ste 5A, New York, NY 10010 provided the attached estimate of annual electric energy costs for lighting and for operating the typical electrical appliances in each Unit.

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

emtec
CONSULTING ENGINEERS

March 21, 2008

TAB LAW
63 Wall Street-Suite 1540
New York, N.Y. 10005

Attn: Ms. Taliya Bashani

Re: LEV Development
112-02 Northern Blvd
Queens, New York
Apartment Estimated Electric Usage
EMTEC Job No. 07-3897

Dear Ms. Bashani:

In accordance with your request, we are providing the following revised information regarding estimated annual electrical energy costs associated with operating the electrical lighting, air conditioning, heating, electrical appliances, etc. for each apartment, as well as the estimated energy cost for electrical, gas and water for the common areas. The square footages are based upon information provided by the architect.

The estimated apartment electrical energy usage and gas energy usage for the common areas has been calculated in accordance with accepted industry software programs for seasonal use for heating and air conditioning as well as apportioned usage for lighting and typical major electrical appliances to include microwave, dishwasher, refrigerator, washer and dryer.

The cost basis is KWHR. The price per KWHR is based upon current Con Edison rates which average approximately $.257 per KWHR and adjusted for a 5% increase over the course of the next year for a total estimated per KWHR cost of $.27.

Therefore, based upon the above information, the following table represents the estimated annual cost of electricity for each of the individual apartments:

Unit	Unit Type	Square Footage	Total Annual KWH	Total Annual Cost	Total Annual KWH/Sq. Ft/Year
2A	1 BR	586	8724	$2,356	14.9
2B	1 BR	689	9088	$2,454	13.2
2C	1 BR	722	9197	$2,483	12.7
2D	1 BR	727	8450	$2,282	11.6
2E	2 BR	1143	12488	$3,372	10.9

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2F	2 BR	1185	12295	$3,320	10.4
2G	2 BR	1211	13009	$3,512	10.7
3/4H	DUPLEX	1184	12960	$3,499	10.9
3B	1 BR	689	9106	$2,459	13.2
3C	1 BR	722	9197	$2,483	12.7
3D	1 BR	727	9496	$2,564	13.1
3E	2 BR	1143	12488	$3,372	10.9
3F	2 BR	1185	12295	$3,320	10.4
3G	2 BR	1211	13009	$3,512	10.7
4B	1 BR	689	9106	$2,459	13.2
4C	1 BR	722	9197	$2,483	12.7
4D	1 BR	727	9496	$2,564	13.1
4E	2 BR	1143	12295	$3,320	10.8
4F	2 BR	1185	12295	$3,320	10.4
4G	2 BR	1211	13009	$3,512	10.7
5/6H	DUPLEX	1184	13820	$3,732	11.7
5B	1 BR	689	9106	$2,459	13.2
5C	1 BR	722	9197	$2,483	12.7
5D	1 BR	727	9496	$2,564	13.1
5E	2 BR	1143	12488	$3,372	10.9
5F	2 BR	1185	12295	$3,320	10.4
5G	2 BR	1211	13009	$3,512	10.7
6B	1 BR	689	9776	$2,639	14.2
6C	1 BR	722	9946	$2,685	13.8
6D	1 BR	727	10244	$2,766	14.1
6E	2 BR	1143	13811	$3,729	12.1
6F	2 BR	1185	13078	$3,531	11.0
6G	2 BR	1211	14339	$3,871	11.8

COMMON AREA CHARGES

GAS (Annual Budget - $22,506.00)

Gas is provided for cooking, domestic hot water, heating of the multi-purpose room and heating of the parking garage.

The budgeted amount is based upon an anticipated annual consumptions of gas for hot water for the residential units of approximately 4,380 therms at $1.45 per therm for a total cost of $6,351.00. A 5% inflation rate factor has been added.

The residential units will not be separately metered for cooking. Gas consumption for apartment cooking is estimated at 4,410 therms of gas/year at $1.45 per them, or $4,785.00. A 5% inflation factor has been added.

The budgeted amount is based upon an anticipated annual consumptions of gas for heating of the garage and multi-purpose room of approximately 7,840 therms at $1.45 per therm for a total cost of $11,370.00. A 5% inflation rate factor has been added.

ELECTRICTY (Budget - $38,070.00)

The electricity consumption for the common areas is estimated at 141,000 kilowatt hours of electricity, at an average rate of $0.27 per kilowatt hour of electricity including applicable sales tax, resulting in an annual cost of $38,070.00. The common areas include the parking garage, mechanical rooms, stairwells, hallways and the multi-purpose room. This estimated costs for the common area included air conditioning units, distribution pumps, miscellaneous common area loads, elevators and lighting. Electricity costs can vary depending upon consumption and demand factors. A 5% inflation factor has been included.

Each unit will be individually metered for consumption of electricity within their own units.

WATER & SEWER (Budget - $10,535.00)

The building will have a single main water meter, which will measure actual water usage. Water and sewer charges are based upon a combined charge of $153.00 per 1000 Cu. Ft. and an estimated annual consumption of 68,850 C.C.F.

The annual water and sewer charge during the first year of condominium operation is estimated at $10,535.00. A 5% inflation factor has been added.

Please note that the above rates used are estimated and are not guaranteed. These rates are subject to change depending upon the length of time to Certificate of Occupancy as well as factors such as oil price escalation, which are beyond our control. Furthermore, it is also not possible to predict how closely the budgeted figure will reflect the actual cost of gas for heat and hot water during the first year of Condominium operation, because such cost will vary with the level of consumption and price of gas. Consumption will be affected by the severity of the weather and by any conservation measures adopted by the Condominium Board or individual unit owners.

Very truly yours,

EMTEC CONSULTANTS,
Professional Engineers, PLLC

Andrew R. Solano, P.E.

cc: Joseph A. Pilewski, AIA - Global Arch- jpilewski@global-arch.com
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August 15, 2008

112 Northern Development LLC
1230 Avenue of the Americas, 7th fl
New York, NY 10020

Re: 112-02 Northern Blvd.
Queens, NY 11366

Gentlemen:

You have requested our opinion regarding the allocation of common interests to the Units at the above referenced Condominium as required by NYCRR Section 20.3(y)(5). Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Offering Plan for the referenced project (the "Plan").

In connection with rendering this opinion we have reviewed the allocation of Common Interests as shown on the Schedule A of the Plan and the declaration establishing the Condominium. We have also considered the relevant sections of the New York State Condominium Act and such other materials as we deemed relevant. Our opinion is based upon the factual determinations made by JAL Management ("Budget Expert") as set forth in its opinion contained in the Plan as required by NYCRR Section 20.3(i). We have made no independent investigation of the truth or accuracy of the factual determinations of JAL Management ("Budget Expert").

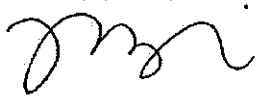
Based upon our review of the foregoing, we have determined that Common Interests were allocated pursuant to the method set forth in Real Property Law section ("RPL") 339-i (1)(iv), i.e., based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit.

Accordingly, based on the foregoing it is our opinion that Real Property Law Section 339-i has been complied with in assigning Common Interests to the Units. This opinion, while based upon existing rules of law applied to the facts and documents referred to above, is not a guarantee to purchasers. In no event will the Sponsor, TAB Law Firm PC, the Selling Agent or the Condominium board be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in RPL Section 339 or other applicable law.

The Opinion expressed herein is based solely on New York law.

We hereby authorize the use of this opinion, or a reproduction thereof, in the Plan and referenced to our name in the Plan.

Very truly yours,



TAB LAW FIRM, PC

CHANGES IN PRICES AND UNITS

The offering prices, as set forth in SCHEDULE A, may only be increased or decreased by a duly filed amendment to the plan when the change in price is an across-the-board change affecting one or more lines of units, unit models, or is to be advertised, or represents a price increase for any individual unit. However, prices are negotiable, and Sponsor may enter into an agreement with a purchaser to sell one or more units at pries lower from those set forth in SCHEDULE A without filing an amendment prior to entering such agreement, as per FOOTNOTES TO SCHEDULE A.

No change will be made in the size or number of units, and/or their respective percentage of common interest; and no material change will be made in the size or quality of common elements; except by amendment to the Plan and when applicable, to the Declaration. Unless an effected purchaser consents, no material change will be made in unit size, layout or percentage of common interest, if a Purchase Agreement has been executed and delivered to the Sponsor for that unit and the Purchaser is not in default. Unless all purchasers consent, no material change will be made in the size, and no material change will be made in the quality, of common elements. No change of any type set forth in this paragraph shall be made except by amendment duly filed with the New York State Department of Law.

INTERIM LEASE

The Sponsor may, at Sponsor's option, extend an interim lease to any purchaser who has executed a contract of sale for a unit in the subject premises and is not in default therein. It shall be in the Sponsor's sole and exclusive discretion as to whether or not to offer an interim lease. The Sponsor may for any, or for no reason, refuse to offer an interim lease to any purchaser. Interim leases or short term leases hall not be offered to any party who has not executed a Purchase Agreement for a unit. The interim lease shall not create landlord-tenant relationship but shall be deemed the use and occupancy agreement and part of the contract. No rental protection laws are applicable to the interim leases. The interim lease will provide that in the event the contract is cancelled, or the Plan is abandoned, Interim Lessee will move out on 30 days written notice. Interim lease will further provide that an uncured default under the purchase agreement is a default under the interim lease, and that an uncured default under the interim lease is a default under the purchase agreement. Notwithstanding the foregoing, before the Sponsor can utilize a default under the interim lease to declare a default under the purchase agreement, the Sponsor must either obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the interim lessee; unless the interim lessee has vacated the unit. Interim lessee has 30 days to vacate the unit after receipt of notice of a default; after delivery to the Sponsor of written notice of exercise of right of rescission; or after delivery to the purchaser or written notice that the Plan has been abandoned.

PROCEDURE TO PURCHASE

Persons desiring to purchase condominium units will be required to execute a Purchase Agreement and Transferee Affidavit in the form contained in Part II of this Plan and return it to the selling agent, together with a check in the amount of 10% of the purchase price, as a down-payment, drawn to the order of "Choe & Oh, P.C. as Escrow Agent.". Sponsor reserves the right to accept a lesser down-payment to accommodate Purchasers, but in no case will the down-payment be less than $1,000.00

The prospective purchaser must have the Offering Plan and all filed amendments in his possession at least five (5) business days prior to executing the Purchase Agreement. In the event Purchaser has not had said Offering Plan in his possession for at least five (5) business days prior to execution, Purchaser may rescind the Purchase Agreement by mailing Notice of Rescission to Sponsor or selling agent, or by hand delivering notice, within seven (7) days after executing same. Notice by mail will be effective if it is postmarked within seven (7) days of executing Purchase Agreement. Purchase Agreement shall not be binding on any party until accepted by the Sponsor. Within twenty (20) days after the prospective purchaser has delivered to the selling agent a signed Purchase Agreement, together with the required downpayment, the sponsor must either accept the Purchase Agreement and return a fully executed counterpart, or reject the Purchase Agreement and refund in full any downpayment taken. The Plan will expire twelve (12) months from the date of acceptance unless extended by a duly filed amendment.

All downpayments will be placed in an account in conformity with the disclosure contained in this Plan.

The Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-3(2-b) and 352-h, and the Attorney General's 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 Attorney General's regulations concerning escrow/trust funds shall prevail over any purchase. Purchasers shall not be obligated to pay any legal or other expense of the sponsor in connection with the establishment, maintenance, or defense of obligations arising from the handling or disposition of trust funds.

All deposits, downpayments, or advances, made by purchasers prior to closing of each individual transaction, whether received before or after the date of consummation of the Plan, will be placed, within five (5) business days after the agreement is signed by all necessary parties, in a segregated special escrow account of "Choe & Oh, P.C. as Escrow Agent" at Bank of Smithtown, 100 Motor Parkway, Ste 160, Hauppauge, NY 11787. This is a multiple escrow account; with no sub accounts for each downpayment. This bank is covered by federal bank deposit insurance to a maximum of $100,000.00. To the extent deposits in the

account exceed $100,000.00, they will not be federally insured. If the escrow agents are replaced or funds are transferred to a new escrow account, the Plan will be amended to provide the same full disclosure with respect to the new account, escrow agent and escrow agreement as was originally provided. No transfer of funds or change of escrow agent will be made until such amendment is accepted for filing by the Department of Law.

This account will be an IOLA account with no interest accrued to the benefit of either the purchaser or the Sponsor. All interest accrued on the account will be paid over to the State of New York.

While the Sponsor will not offer mortgage financing nor arrange for such financing on behalf of Purchasers, it is prepared to assist any interested Purchaser in the filing of applications with lending institutions of their choice. However, the mortgage contingency clause contained in the Purchase Agreement will apply to conventional mortgage from Wells Fargo Bank only. Any future change regarding Sponsor designated lenders shall be set forth an amendment to this Plan.

Within ten (10) business days after tender of the deposit submitted with the Purchase Agreement, the escrow agent will notify the purchaser that such funds have been deposited into the escrow account and will provide the account number and the initial interest rate, if applicable. If the purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the deposit, 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. Such purchaser may also apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited and requisite notice was timely mailed to the purchaser in conformity with the Attorney General's regulations.

Since all contracts are contingent upon the Plan becoming effective, under no circumstances shall Sponsor apply for release of the escrowed funds of a defaulting purchaser until after consummation of the Plan.

The escrow agent will hold funds in escrow until otherwise directed in:

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

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

(3) 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 the Sponsor until the escrow agent has given the purchaser written notice of not fewer than ten (10) business days. 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 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:

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

(2) all purchasers after an amendment abandoning the plan is accepted for filing by the Department of Law.

Purchasers and escrow agent may apply to the Attorney General in the event of a dispute for a determination on the disposition of the downpayment and any interest thereon. 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 in Part II of this Offering Plan, and is also available at the New York State Department of Law; 120 Broadway, New York, NY. A party applying to the Department of Law for determination on the disposition of a downpayment must also contemporaneously send a copy of the application to all other parties.

Pending the determination of the Attorney General to grant or deny the application, the Sponsor, the purchaser, and the escrow agent shall abide by any interim directive issued by the Attorney General. If the application permitting release of funds is granted, the deposit and interest earned thereon shall be disposed of in accordance with the determination of the Attorney General, subject to any court action from which preliminary relief is granted. The attorney general shall act on the application within 30 days after its submission to the Department of Law by either making a determination or notifying the parties that an extension of time in which to do so is necessary for stated reasons. If the application seeking release of finds is denied, the escrow agent shall continue to hold the deposit and any interest earned thereon until: i) both the Sponsor and Purchaser direct payment to a specified party in accordance with the written direction signed by both Sponsor and Purchaser; or ii) judgment or order of a court of competent jurisdiction is served on the escrow agent; or iii) escrow agent deposits the disputed amount with the court.

In no event shall the escrow agent release funds in dispute, other than a payment of such funds with the court, until such dispute is finally resolved whether by determination of the Attorney General, or by order of a court of competent jurisdiction, or by written agreement with the Sponsor and Purchaser.

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

The escrow agent will maintain all records concerning the escrow account for seven years after the release of funds. The Department of Law may perform

random reviews and audits of all such records involving escrow accounts to determine compliance with the statute and regulations.

The Sponsor may apply to the Attorney General to use security in the form of surety bonds or a letter of credit, in accordance with the regulations of New York State Department of law, in lieu of escrow of such funds. In the event the Sponsor elects to use such alternative security, an amendment to that effect will be filed in the Offering Plan fully complying with all provisions of the Department of Law for proof of satisfactory insurance of said funds.

Risk of loss from fire or other casualty remains with the Sponsor until title has passed unless and until the purchaser is given the right of possession of that unit pursuant to a written agreement with the Sponsor.

Certain provisions of the Purchase Agreement are "Time Of The Essence". This means that failure to strictly comply with the time requirements of said provisions may result in the Purchaser losing his right to complete the purchase, and forfeiting his downpayment hereunder. Thus, a Purchaser who fails to cure a default within thirty (30) days after receipt of written notice of said default, will both have the Contract canceled, and lose his downpayment; however, Sponsor must make written demand for payment after default at least thirty (30) days before forfeiture of the deposit may be declared.

After the Plan has been declared effective, the Sponsor will fix dates for closing title to all units for which Purchase Agreements have been executed by serving notice on each Purchaser stating the date of the first closing and setting such purchaser's closing date. Such notice will be served in compliance with the Attorney General's rules no less than thirty (30) days prior to the closing date set therein. Sponsor will permit Purchasers to waive this 30-day provision by delivering to Sponsor written notice that Purchaser wishes to close prior to the expiration of the 30-day notice period.

The first closing of a Unit is expected to occur on or about May 2010. If such closing is delayed more than twelve (12) months beyond the originally scheduled date, purchaser will be offered the right to rescind this contract. On closing, purchaser will be required to sign a Power of Attorney in favor of the Board of Managers as otherwise set forth in this Offering Plan.

The Purchase Agreement may not contain, or be modified to contain, a provision waiving Purchaser's rights or abrogating Sponsor's obligations under the Offering Plan or Article 23-A of the General Business Law. Any conflict between the Purchase Agreement and the Offering Plan shall be resolved in favor of the Offering Plan. Sponsor will not permit the assignment or transfer of Purchase Agreements.

EFFECTIVE DATE

The offer to sell embodied in this Offering Plan is contingent upon the Plan being declared effective in accord with its terms and conditions, and the terms and conditions imposed by law.

The Plan will only be declared effective by a duly filed amendment, or by personal service of notice to all Purchasers. If declared effective by notice, an amendment to that effect, specifying the date on which the plan was declared effective, shall be filed within five (5) days thereafter with the New York State Department of Law. No closing on any individual unit will be held prior to the acceptance for filing of such amendment by the New York State Department of Law.

The Plan may be declared effective upon execution of Purchase Agreements for 15% (in number, not common interest) of the residential Units in the building to bona fide purchasers, including investors. A minimum of five (5) residential units must be sold to declare the Plan effective. The count of Purchase Agreements towards the minimum number for effectiveness shall not include those: signed by Purchasers granted a right of rescission which has neither expired nor been waived; a Purchaser who has not been afforded the protections required by 13 NYCRR 20.3 (o)(15) (the Purchaser must have not fewer than three business days prior to executing the Purchase Agreement, to review the Offering Plan and all filed Amendments, or must not have fewer than seven days after delivering an executed Purchase Agreement, together with the required deposit, to rescind the Purchase Agreement, and have the full deposit refunded promptly); with any Purchaser who is the Sponsor, the selling agent, or the managing agent, or is a principal for the Sponsor, the selling agent, or the managing agent, or is related to the Sponsor, the selling, or the managing agent or to any principal of the Sponsor, or the selling agent, or the managing agent by blood, marriage, or adoption, or as a business associate, employee, shareholder, or a limited partner; except that such a Purchaser, other than the Sponsor or a principal of the Sponsor, may be included if the Sponsor has submitted proof satisfactory to the Department of Law establishing that the Purchaser is bona fide.

The Plan must be declared effective upon the execution of Purchase Agreements for 80% (in number, not common interest) of the units, which, in the case of this Plan means twenty-six (26) units. Prior to the sale of 80% of such Units, or prior to being declared effective, the Plan may be abandoned by the Sponsor at his option. In such case, the Sponsor will return all monies paid by Purchasers, together with interest earned, if any, within ten business days. The Sponsor will also file with the New York State Department of Law an amendment abandoning the Plan and form RS-3 detailing why the Plan was abandoned, and explaining all disbursements of funds.

The Sponsor may not abandon the Plan after it has been declared effective for any reason other than: a defect in title which cannot be cured without litigation, or expenditure of an amount in excess of one-half (1/2) of one percent (1%) of the total offering price, or violations, or substantial damage or destruction of the

building by fire or other casualty, which cannot be cured for less than one-half (1/2) of one percent (1%) of the total offering price, or the taking of any material portion of the property by condemnation or eminent domain; however, such title defects, violations, or casualty losses, as are known to the Sponsor at time of presentation, shall be excluded from calculations under this presentation, shall be excluded from calculations under this section. Additionally, any dollar amount relied on as a basis for abandonment after effectiveness must exclude any attorney's fees.

TERMS OF SALE

On Closing, Sponsor will deliver to Purchaser a Bargain and Sale Deed with Covenants Against Grantor's Acts in the proper form for recording as set forth in Part II of this Offering Plan. Title, together with the appurtenant interest in the Common Elements will be conveyed at closing, free and clear of all liens, encumbrances, and title exceptions as set forth in the aforementioned Deed, the Condominium Declaration, and any state of facts an accurate survey may show, provided same does not render title marketable.

Risk of loss from fire or other casualty remains with the Sponsor until title is passed, unless and until the Purchaser is given the right of possession of that unit pursuant to a written agreement with the Sponsor. Upon Purchaser acquiring right of possession of the unit, all risk of loss passes to Purchaser, and Sponsor shall not thereafter be responsible to repair any damage, which occurs before closing. No closing will occur unless and until a partial temporary or permanent Certificate of Occupancy for the unit to be closed has been issued.

All personal property located within the unit on the date the Purchase Agreement is signed, or located within the Common Elements on the date the Declaration is filed, which property is owned by the Sponsor or the Owner of the property, is included in the conveyance unless specifically excepted elsewhere in this Offering Plan.

The Declaration, By-Laws, and Floor Plans for the Condominium, and such other documents as are required by law, will be recorded with the New York City Register for the County of Kings in accordance with the New York Condominium Act prior to the first conveyance of title to a unit.

If existing mortgages or construction loans encumbering the property will not be satisfied at or prior to closing of the first unit, each mortgagee will, at the time of the conveyance of the first unit, either consent to the formation of a Condominium, and acknowledge that its lien will be limited to Unsold Condominium Units; or subordinate the lien of its mortgage to the Declaration of the Condominium; or, release its lien upon the Condominium Unit being conveyed, and its interest in the Common Elements.

CLOSING COSTS AND ADJUSTMENTS

As set forth in the Purchase Agreement, the purchaser will pay the following estimated closings costs at the time of Closing of Title for the purchaser's Unit. These estimates are based on current costs and charges, which are subject to change:

(a) If a purchaser elects to obtain fee title insurance, the purchaser will pay the premium thereof which will vary depending upon the Purchaser Price of the Unit. Rates set by the New York Board of Title Underwriters are currently $1,117.00 on a Purchaser Price up to $200,000.00 and approximately $4.00 for each additional thousand dollars or fraction thereof. Mortgage title insurance is currently $806.00 on a mortgage of $160,000.00 and $3.50 for each additional thousand dollars or fraction thereof; however, where mortgage and fee title are obtained simultaneously, the charge for mortgage insurance is reduced to 30% of the usual applicable rate, up to the amount of the fee insurance. Title insurance will be provided through National Granite Title Insurance Company, Inc.

(b) Fees for recoding the Deed and Power of Attorney are $42.00 for the first page, plus $5.00 per page for every page thereafter, and a $50.00 service charge per instrument. Additionally, there is a $25.00 charge for recording the Real Property Transfer Tax Return along with the deed. The recording fee for Mortgages are $250.00 for the first three (3) pages, and $5.00 per page thereafter, with a $50.00 service charge.

(c) If the purchaser obtains a mortgage loan, the purchaser will pay a mortgage tax of 1.8 % of the principal of the mortgage for loan amounts less than $500k and 1.925% for loan amounts greater than $500k.. If a mortgage tax credit is or becomes available pursuant to Section 339-ee(2) of the Condominium Act, such credit will inure to the benefit of the Sponsor. Accordingly, at closing, the Purchaser will reimburse the Sponsor for any mortgage tax credit allowed; and will pay the balance of the mortgage recording tax provided by law.

(d) All legal costs, fees and expenses charged by the purchaser's attorney will be the sole responsibility of each purchaser.

(e) New York City Real Property Transfer taxes, currently one (1.0%) of the Purchaser Price of a Unit less than $500k and 1.425% of the Purchase Price of a Unit greater than $500k, will be the sole responsibility of the Purchaser. Payment of the New York City Real Property transfer tax by the Purchaser is deemed an additional consideration to the Seller, and so is in and of itself taxable, which will result in a "tax on a tax" effect. In addition, Purchaser will also be responsible for paying any charges assessed by any title company for "E-form" preparation.

(f) New York State Documentary Stamp taxes presently $4.00 per $1,000.00 of the Purchase Price of a Unit less existing and continuing mortgage, will be the sole responsibility of the purchaser. Payment of the New York State

Documentary tax stamps by the Purchaser is deemed an additional consideration to the Seller, and so is in and of itself taxable, which will result in a "tax on a tax" effect.

(g) Each purchaser will be required to make a contribution to the Working Capital Fund in the amount of two months of their unit's common charge.

(h) All costs with regard to any mortgage that the purchaser will place on his/her Unit (i.e., loan origination fees, commitment fees, application fees, appraisal fees, credit reports, survey fees, bank attorney fees, tax service fees, bank document preparation fees, etc.) will be his own and sole responsibility.

ALL COSTS FOR RECORDING CHARGES, MORTGAGE, TRANSFER, AND OTHER TAXES, ARE SUBJECT TO CHANGE. THESE CHARGES ARE NOT SET BY THE SPONSOR, AND SPONSOR SHALL NOT BE LIABLE ON ACCOUNT OF ANY INCREASE IN SUCH CHARGES.

Purchasers shall pay to the Sponsor's Attorney at closing a fee of $1,750.00 for the preparation of closing documents. If a purchaser fails to close on the date set for first closing, or adjourns a scheduled closing date on less than three (3) days notice, there shall be a late closing adjournment fee of $600.00 added to the above. If closing, at the request of the purchaser, is held outside the office of the Sponsor's attorney, Purchaser shall pay Sponsor's counsel a travel fee of $500.00 if the closing is held elsewhere in Manhattan and $750.00 if the closing is held in another borough other than Manhattan. In the event Purchaser fails to fulfill their terms of the Purchaser Agreement and Sponsor's Attorney mails a Notice of Default, there will be a $100.00 charge for such notice.

If the units have not been separately assessed for real estate tax purposes prior to the Closing of Title to the first Unit, the Sponsor will place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes (or estimates thereof based on current assessments) due for the next ensuing six months (or until the Units are separately assessed, whichever is shorter), provided, however, that as closings occur, the portion of such funds held in escrow which represent the portion allocable to the Unit being sold shall be released; and interest accrued on such escrow, if any, shall inure to the benefit of, and belong to, the Sponsor. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable; the Sponsor shall be entitled to reimbursement from unit owners for any taxes paid on their behalf.

Except as specifically set forth herein, the Sponsor will pay all costs and expenses incurred in connections with this Plan, the creation of the Condominium and the initial sale of units.

A numerical example of closing costs allocable to a typical Unit are set forth below:

SAMPLE CLOSING COSTS

Unit 6G

$685,500.00 Purchase Price
$548,400.00 Mortgage

A. Mortgage and Fee Title Insurance	$ 3,658.00
B. Deed and Power of Attorney Recording	$ 223.00
C. Mortgage Tax	$10,556.70
D. New York City Transfer Tax	$ 9,768.37
E. New York State Documentary Stamp Tax	$ 2,742.00
F. Working Capital Fund Contribution	$ 1,937.60
G. Closing Fee	$ 1,750.00
TOTAL	$30,635.67

In addition to the foregoing, the purchaser will, of course, be responsible for any fees charged by his own bank; his own Attorney; and additional fees incurred because of Default or failure to close at the scheduled time or place.

RIGHTS AND OBLIGATIONS OF THE SPONSOR

(a) The Sponsor is using its own capital to complete the construction of the building as set forth herein.

(b) The Sponsor will complete the work set forth in this Plan relating to the building and the apartments contained therein in conformity with and in accordance with the Building Plans and Specifications, and all applicable New York City Administrative Code requirements, and subject to procurement of all applicable and proper permits which are required, if any. Insofar as this is a newly constructed building, there are currently no housing, building, or fire department violations; however, in the event any housing, building or fire department violations arise prior to closing, all such violations, if any, will be cured prior to closing. The Sponsor may make changes in design, layout, and arrangement of apartments, and substitute equipment and materials, except that the Sponsor may not (i) substitute materials or equipment of lesser quality or design, or (ii) change the size, location, or value of any units, or of other improvements or public areas, if such changes adversely affect the public areas, or effect the percentage of common interest, or adversely effect the value of, any unit to which title has been closed, or for which a Purchase Agreement has been fully executed and is in effect, unless all affected purchasers consent in writing to such change, and all affected contract vendees are given the opportunity to rescind their contacts and receive a refund of the deposit or downpayment given to the Sponsor. All representations under the Offering Plan, and all obligations pursuant to the GBL, and any additional obligations under the Offering Plan which are to be performed subsequent to the closing date, will survive delivery of the Deed.

(c) Closing will not take place, and no individual condominium apartment will be sold until a permanent or temporary Certificate of Occupancy has been obtained for the premises. In the event closing occurs after the issuance of a temporary Certificate of Occupancy, but prior to the issuance of a permanent Certificate of Occupancy, then it will remain the obligation of the Sponsor to, at its own cost and expense, obtain such permanent Certificate, and the Certificate must be obtained within two (2) years from date of closing. Prior to obtaining the permanent Certificate of Occupancy, the Sponsor is required to either: (a) maintain all deposits and funds in a special escrow account required by GBL-352(e)(2)(b) unless the Sponsor's engineer or architect certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain the permanent Certificate of Occupancy, in which case the sum exceeding the amount so certified may be released; or (b) deposit with an escrow agent an unconditional, irrevocable letter of credit, or post a surety bond, in the aforesaid specified amount. In the event option "(b)" is employed, posting of the surety bond or letter of credit must be in compliance with the applicable laws and rules of the New York State Department of Law. Notwithstanding the foregoing, alterations or improvements to the common areas and public portions of the building will be completed before the closing of the first unit.

a. In the event of the dissolution or liquidation of the sponsor or the transfer of twenty (20%) or more of the total number of units in the condominium, 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 the offering plan, applicable laws or regulations.

(d) Each Residential Unit and the fixtures and personal property contained therein are being sold and delivered as described in the Plan, at the time of transfer of title to such Residential Unit, unless Sponsor and Purchaser otherwise agree. Sponsor will maintain each Residential Unit, and the fixtures and personalty contained therein, up to the time of the transfer of title to the Unit in question. The Purchaser of a Residential Unit shall have the right to inspect such Unit prior to the Closing Date. However, the failure of Sponsor to complete "punch list" type work shall not be a ground for Purchaser delaying the Closing provided that Sponsor agrees to complete such work promptly after closing.

(e) Sponsor is obligated to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan. The Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering. Sponsor is not making any express or implied warranties of fitness for a particular purpose, merchantability or habitability. Unless caused by a violation of the Sound Transmission Code or other applicable code, there is no warranty as to sound transmission. Unless caused by a violation of an applicable code with regard to the ventilation system or other applicable code, there is no warranty as to odors. Unless caused by a code violation, there is no warranty with respect to mold, mildew, spores, fungi or other toxins. There is no warranty as to view or light quality. The sponsor's obligation, regardless of any limitations in the warranty, is to construct the premises in accordance with all applicable codes and filed plans and specifications, and any conflict between the disclaimers and the Sponsor's obligation to construct the premises in accordance with all applicable codes and filed plans and specifications shall be resolved in favor of the latter. Sponsor has not given and Purchaser has not relied on or bargained for any such warranties. In no event will Sponsor be liable for incidental or consequential damages (whether based on negligence, breach of contract, warranty or otherwise). In the event of any conflict between the foregoing disclaimers and Sponsor's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan, Sponsor's obligations to construct the Building in accordance with all applicable codes and filed building plans and specifications as well as the provisions of the Plan will control.

(f) Each prospective purchaser may have the building and apartments therein inspected by an architect or engineer or their own choosing, and at their own expense, to determine the quality of materials and workmanship.

(g) The Sponsor will pay for the authorized and proper work involved in the construction of the property that the Sponsor is obligated to complete under the Plan. All mechanic's liens that are lodged against the property by virtue of work done by the Sponsor, or in the Sponsor's behalf, will be promptly discharged or appropriately bonded. Sponsor guarantees payment of all common charges and

assessments with respect to unsold units. Such guarantees will remain in effect until all units are sold. Sponsor warrants and represents that he has adequate financial resources to meet its obligations with respect to any unsold unit.

(h) The Sponsor agrees to pay all common charges, special assessments, and real estate taxes with regards to unsold units and has financial resources to meet its obligations with respect to such unsold units, which source of funding includes both proceeds of the sale of units and existing financial resources of the Sponsor. **No bond or other security has been furnished to secure Sponsor's obligations.** In the event of dissolution or liquidation of the Sponsor, or transfer of 20% or more of the total number of residential units in the condominium, 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 the Offering plan, applicable laws, or regulations.

(i) Any suits or proceedings instituted against the Sponsor, which may result in a lien against the property and any suits or proceedings against the condominium arising from the Sponsor's acts or omissions, will be defended by the Sponsor, and the Sponsor does hereby indemnify the condominium, the Board of Managers, and individual unit owners therefore. Nothing contained herein shall limit the rights of the condominium which are granted pursuant to law and statute.

(j) In the event the work on the building as set forth herein is not fully completed at the time the building becomes occupied, the Sponsor will have the right to enter the premises to complete its obligations under this Plan. Such entry shall be conducted in such a manner so as to produce a minimum of discomfort to those purchasers already in possession.

(k) In the event the Sponsor finds it necessary to enter the property after closing of title to complete the work, then such work will be performed between 8 A.M. and 6 P.M. on weekdays and non-holiday weekends. Damage caused by such work will be repaired in a good and workmanlike manner.

(l) Sponsor will secure, and provide at closing, an agreed amount replacement value multi-peril hazard policy which will prevent the Condominium from being a co-insurer. The cost of such policy will be paid by the Condominium, and is provided for in SCHEDULE B. Sponsor also agrees to deliver a set of "as built" plans to the Board of Managers upon election of the first Board of Managers after closing of the first unit. Sponsor will assign any manufacturer's warranties with respective equipment and appliances installed in any individual unit to the unit owner, and with respect to equipment and appliances installed in the common elements, same will be assigned to the Board of Managers.

(m) The property will be conveyed free and clear of all liens. The Sponsor will not dissolve or liquidate for a minimum of six (6) years. Copies of the plans, exhibits and documents referred to herein shall be kept on file at the office of the Attorney for the sponsor for a period of six (6) years after filing of the Declaration of Condominium. No bond or other security has been furnished to secure Sponsor's obligations hereunder. The Sponsor will repair any damage from a casualty or

other cause that occurs prior to the closing of any unit; and no Purchaser shall be required to accept a damaged unit.

CONTROL BY THE SPONSOR

The sponsor is represented by two (2) members, Raphy Benaim and Eddie Shapiro, who share equal interest, and the latter member retains majority control. The Condominium Board shall initially consist of 5 people designated from time to time by Sponsor, who may be affiliated with Sponsor, and shall conduct all affairs of the Condominium. The first annual meeting of the Unit Owners will be held approximately 30 days after the later to occur of (a) the second anniversary of the First Closing; or (b) the Closing of Title with Purchasers under the Plan to Units representing at least 50% in number of all Units offered for sale.

Sponsor will have voting control over the Condominium Board until the later to occur of (a) the Closing of Title with Purchasers under the Plan to Units representing at least 95% in number of all Units offered for sale, or (ii) the issuance of a permanent Certificate of Occupancy ("Initial Control Period"). Sponsor reserves the right to relinquish voting control of the Condominium Board prior to the expiration of the Initial Control Period.

Commencing with the first annual meeting, the Condominium Board shall consist of 5 individuals, whom shall be selected and/or designated in accordance with the terms of the By-Laws by the Unit Owners (including Sponsor) (collectively, the "Members"). The number or composition of Condominium Board members may not be changed except in accordance with the procedures described in the By-Laws.

At meetings of the Unit Owners, Sponsor will have the right to vote all of the Common Interests attributable to the Unsold Units as it sees fit. When voting for members of the Condo Board, each unit Owner shall be entitled to cast 1 vote for each .00001% of Common Interest attributable to the Unit per Member to be elected. However, at elections of members to the Board held during the Initial Control Period, Sponsor shall have the right to designate 3 of the 5 Members of the Condo Board. So long as the Sponsor shall continue to own at least 1 Unsold Unit, Sponsor shall have the right to designate 1 Member to the Condo Board, and shall have the right to vote its Common Interests attributable to the Unsold Units for the remaining Members of the Condo Board.

Within 30 days after expiration of the Initial Control Period, 3 of the 5 Members of the Board who were designated by Sponsor shall resign and replacements shall be filled by a vote of the Unit Owners (including Sponsor) at a special meeting called for such purpose. After the Initial Control Period, a majority of the Members of the Condo Board must be owner occupants of the Building who are unrelated to Sponsor or its principals. The number of members of the Condo Board may not be increased or decreased without the consent of Sponsor for so long as Sponsor continues to own at least 1 Unsold Unit. During the Initial Control Period, Sponsor, through its control of the Condo Board, will have control of the maintenance and operation of, and the services to be provided by, the Condominium and will determine the Common Charges to be paid by all Unit Owners.

So long as the Sponsor continues to own at least 25% in number of all Units, but in no event later than 5 years after the First Closing, the Condo Board may not, without Sponsor's prior written consent: (a) make any addition, alteration or improvement to the Common Elements or to any Unit; (b) assess any Common Charges or Special Assessments for the creation of, or addition to, or replacement of or addition to or part of

a working capital, reserve, contingency or surplus fund; (c) increase or decrease the number, or change the kind of employees from those described in the First Year's Budget; (d) enter into any service or maintenance contract for work or otherwise contract for work or services in excess of those described in the First year's Budget, except as is required to reflect normal annual increases in operating services incurred in the ordinary course of business; (e) borrow money on behalf of the Condominium; provided, however that (x) Sponsor may not exercise veto power over expenses described in Schedule B; and (y) Sponsor's written consent is not necessary to perform any function or take any action described in terms (a) through (f) above, if, and only if, the performance of such function or the carrying out of such an action is necessary and no other alternative is available, to enable the Condo Board to (i) comply with Law; or (ii) remedy any notice of violation; or (iii) remedy any work order of the Condominium's insurer.

BOARD OF MANAGERS

The Condominium shall be governed according to the By-Laws in Part II.

The By-Laws limit the number of Managers to not less than three (3) members. The first Board of Managers shall consist of the following two (2) members designated by the Sponsor: Eddie Shapiro and Raphy Benaim, each a principal of the Sponsor. However, these Officers and Managers will resign in favor of Officers and Managers which will be elected by the Unit Owners at a meeting to be convened within sixty (60) days after the First Closing; they may however, be re-elected at such time. The By-Laws do not include a provision that a majority of the Board of Managers must be owner occupants or members of an owner occupant's household who are unrelated to the Sponsor and its Principal after the end of the initial Sponsor control period.

Managers shall be elected by a plurality of the votes at a meeting at which a quorum shall be present. When voting for Managers, each Unit Owner shall be entitled to cast one vote for each .01% of common interest in the condominium appurtenant to such Owner's Unit, which may be cast all for one nominated manager or divided among any number of candidates. At such time as the Unsold Units constitute less than fifty (50%) percent of the Condominium, but in no event later than the second anniversary of the Closing Date, not less than a majority of Managers shall be residents of the Building and unrelated to the Sponsor. Members of the Board of Managers shall serve without compensation, except for reimbursement for expenses actually incurred in the course of any furtherance of business for the Board of Managers.

The Board of Managers shall meet at least annually, and at such regularly scheduled times as shall be adopted by resolution by the Board. Emergency meetings may be called on five (5) days written notice by any two Managers.

The Board of Managers will be responsible for the operations of the affairs of the Condominium including, but not limited to, the fiscal operation, repairs and maintenance of the common areas of the Property, replacement and capital improvements to the common areas of the Property; the hiring, supervisions and discharging of employees and Managing Agent (if any), and the enforcement of the provisions of the By-Laws, and shall have the powers and duties necessary for the administration of such affairs. The Managers shall serve without compensation or remuneration.

Any Manager may be removed from office at any time with or without cause upon the affirmative vote of the Unit Owners whose aggregate votes are at least 51% of the votes of the Condominium at a Unit Owner's meeting duly called for the purpose; provided, however, that the Manager(s) elected by the Holder(s) of Unsold Units can be removed only for cause by vote of a majority of the Unit Owners or without cause by the Holders of the Unsold Units.

The members of the Board of Mangers shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for willful misconduct or bad faith. The Unit Owners shall severally indemnify the members of the Board of Managers against any liability or claims except those arising out of the bad faith or willful

misconduct of a member of members 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. 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 interest in the Common Elements of all Unit Owners.

The principal officers of the Condominium shall be the President and the Vice President, Secretary and the Treasurer, all of whom shall be elected by the Board of Managers. The President and Vice-President, but no other officers, need be members of the Board of Managers. All officers shall serve without compensation or remuneration. The officers shall be elected annually by the Board of Mangers; and, each officer shall hold office at the pleasure of the Board of Managers or until succession, resignation, or death. Upon the vote of a majority of the Board of Managers, any officer may be removed, with or without cause.

The President shall be the chief executive officer of the Condominium, and shall have all of the general powers and duties which are incident to the office of a president of a stock corporation organized under the Business Corporation Law of the State of New York.

The Vice-President shall take the place of the President and perform his/her duties whenever the President shall be absent or unable to act. The Vice President shall also perform such other duties as shall from time to time be imposed upon his/her by the Board of Managers or by the President.

The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Board of Managers, and shall have charge of such books and papers as the Board of Managers may direct; and shall, in general, perform all duties incident to the office of a secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

The Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for: keeping full and accurate financial records and books of account; and, 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.

The Board of Managers, or the Secretary, shall keep detailed records of the actions and 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. In addition, an annual audited financial statement of the Condominium, and an income tax deduction statement certified by an independent Certified Public Accountant, shall be rendered by the Board of Managers to all Unit Owners March 1 of each calendar year.

The Secretary shall mail a notice of each annual or special meeting to all Unit Owners of record. The notice shall state the purpose of the meeting as well as the time and place where it is to be held, and the notice will be given at least ten (10), but not more than forty (40) days prior to such meeting.

Each Unit Owner and each mortgagee of a Unit shall, upon prior request, be permitted to examine the books of account of the Condominium and other records of the Condominium during normal business hours on business days at the office of the Condominium.

Both the Declaration and the By-Laws may be modified or amended by the vote of two-thirds (2/3) of the Unit Owners, as that term is defined in Article II, Section 8 of the By-Laws, at a meeting of Unit Owners duly held for such purpose. Anything herein contained to the contrary notwithstanding, so long as the Sponsor is the owner of one or more unsold units, the By-Laws may not be altered, amended, repealed, or added to, without the consent of the Sponsor.

The Board of Managers shall be required to maintain hazard and casualty insurance on the building in an amount sufficient to ensure that the condominium shall not be a co-insurer (which in general means that the policy must be retained at replacement value); and it shall also maintain liability insurance in an amount which it deems appropriate. The proceeds of the hazard and fire insurance policy shall be payable to the condominium Board in the event of a loss amounting to $100,000 or less and to the insurance trustee, if the loss exceeds $100,000. Such proceeds shall be applied to the repairing, restoring or rebuilding the building unless otherwise determined by unit owners. In no event shall the proceeds of any such insurance policy be paid to the holder of any mortgage on a unit unless there has been a determination by unit owners not to rebuild the building. The insurance trustee, if any, shall be a bank or trust company having an office in the city and state of New York.

The Condominium shall continue, unless terminated by reason of casualty, loss, or by condemnation, until such time as the Condominium shall be legally abandoned and terminated as a result of the vote of Unit Owners owning at least eight (80%) percent of the total votes of the Condominium, at which time the Property shall be subject to an action for partition by any Unit Owner, or any lienor, as if owned in common, and the net proceeds of the sale resulting therefrom shall be divided among all Unit Owners in proportion to their respective interests in the Common Elements, after first applying the share of the net proceeds of such sale otherwise payable to each Unit Owner to the payment of any liens on his/her Unit in the order of the priority of such liens.

The condominium board does not have the right to approve or disapprove purchasers. Therefore, there is no limit on the number of owners who may purchase for investment rather than for personal occupancy and there may always be a substantial percentage who are non-residents. Additionally, the By-Laws do not include a provision that after two years, a majority of the Board of Managers must be Owner-Occupants or member of an owner occupant's household, who are unrelated to the Sponsor and its Principals. Owner-Occupants and non-resident owners, including the Sponsor, may have inherent conflicts on how the Condominium should be managed because of their different reasons for purchasing, i.e., purchase as a home, as opposed to purchase as an investment. See the INTRODUCTION, RIGHTS AND OBLIGATIONS OF THE SPONSOR, CONTROL BY SPONSOR AND BOARD OF MANAGERS sections of this Offering Plan for a more completed explanation.

Copies of the Declaration and By-Laws are set forth in Part II of the Plan.

RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD OF MANAGERS

Unit Owners will have the right to sell, lease, or mortgage units, without restriction, except as set forth herein, subject to the requirements that all Common Charges are current. A Unit Owner may only sell or lease the entire Unit. A Unit Owner may not sell or rent only a portion of a Unit. The Board of Managers does not have a right of first refusal with regards to the sale or rental of a unit. Rentals of condominium units, while subject to general principles of contract law in New York (such as the General Obligations Law) are not subject to any rent regulatory laws, nor any restrictions on the rents which may be charged.

The By-Laws provide that the use of the Units shall be restricted to and be in accordance with the following provisions:

(a) A Unit Owner may only use his/her Unit for a purpose consistent with any applicable ordinance or statute, or regulation of a government authority that has jurisdiction over the Condominium, but in no event for a use that violates the By-Laws of the Condominium.

(b) The Common Elements shall be used for the furnishing of services and facilities for which they are reasonably suited and capable, and which are incident to the use and occupancy of Units.

(c) No nuisances shall be allowed on the Property, not shall any use or practice be allowed which interferes with the peaceful possession, or use of the Property, by its residents or occupants.

(d) No improper, offensive, or unlawful use shall be made of the Property nor any part thereof. Violations of laws, orders, rules, regulations, or requirements, of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be eliminated by, and at the sole expense of, the respective Unit Owners or by the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property, or comply with such laws.

(e) Each Unit Owner shall keep his Unit in a good state of cleanliness and repair in accordance with the provisions of the By-Laws, and the rules and regulations of municipal departments or agencies having jurisdiction thereof.

Each Unit Owner will have an undivided interest in the Common Elements in the respective percentages set forth in SCHEDULE A in Part I. Subject to the provisions of the By-Laws and Rules and Regulations, the Common Elements are appurtenant to, serve and benefit each Unit to the extent of such Unit's percentage share of the Common Elements, and the Common Elements are for the common use of all Unit Owners.

Further restrictions on the use of Units are set forth in the By-Laws. Rules and Regulations made in accordance with the By-Laws, which are set forth in Part II of

the Plan. Rules and Regulations concerning the use of the Units may be promulgated and amended from time to time by the Board of Managers as provided in the By-Laws. Such restrictions include a restriction that the unit shall be used for private residents only, or any home occupation use permitted under applicable zoning law, ordinances, building codes or other governmental regulations. Units may also be used as a professional office by a resident thereof provided such professional use does not violate zoning regulations and that consent of Board of Mangers has been obtained. Units may not be used for any unlawful purpose and any use which amounts to a violation of law or to rules, regulations or requirements of any governmental agency having jurisdiction thereover shall be eliminated at the sole expense of the unit owner.

The Board of Managers shall from time to time, but at least annually, prepare a budget for the Condominium determining the amount of the Common Charges payable by the Unit Owners. Common Charges will be established by determining the operating budget for the coming year of condominium operation and allocating to each unit owner a percentage of that budget in accordance with their percentage of ownership for common interest in the condominium. The Common Expenses include, among other things, the cost of all insurance premiums on all policies of insurance required to be, or which have been, obtained by the Board of Managers. The Common Expenses may also include such amounts a the Board of Mangers may deem proper for the operation and maintenance of the Property including, without limitation, an amount of working capital and a general operating reserve. The Board of Managers shall advise all Unit Owners promptly, in writing, of the amount of Common Charges payable by each of them, and shall furnish copies of each budget on which such Common Charges are based to all Unit Owners and to their mortgagees of record, if requested.

Under the provisions of Section 339-z of the Condominium Act, the Board of Managers on behalf of the Unit Owners shall have a lien on each Unit for unpaid Common Charges assessed against such Unit by the Board of Managers, together with interest thereon. Such lien shall be subordinate only to liens for real estate taxes on the Unit and to any sums unpaid on the first mortgage or record of such Unit. Any lien for unpaid Common Charges against a Unit shall be effective from and after the filing of a notice thereof in the Queens County Office of the City Register, and 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 (6) year period), whichever may be earlier. Such 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, or an action may be brought by the Board of managers to recover the Unpaid Common Charges without foreclosing the lien. In the event the Sponsor is more than thirty (30) days in arrears on Common Charges for any unsold Unit during the time the Sponsor is in control of the Board of Managers, Sponsor will cause the Board of Managers to file a lien as provided for in section 339-aa of the Real Property Law.

Under section 339-kk of the Real Property Law, the board of managers has the right to require the tenant in an apartment owned by a non-occupying owner to make rental payments directly to the board of managers where such non-occupying owner is in default on payments of common charges, assessments or late fees for such unit for a

period of 60 days after the expiration of any grace period after they are due. Payments by such rental tenant to the condominium pursuant to this statute relieves such rental tenant from the obligation to pay rent to such non-occupying owner, and is an absolute defense in any nonpayment proceeding commenced by such non-occupying owner. The procedures by which the board of managers may enforce this right, including required notice, means of protest, and termination are set forth in the aforementioned section which is recited at page 43 of this Offering Plan.

No Unit Owner may exempt himself from liability for Common Charges or Expenses by waiver of the use, or enjoyment of any of the Common Elements, or by abandonment of his Unit. The liability of each Unit Owner for the payment of the Common Charges and Expenses thereafter assessed or becoming due against the Unit shall terminate upon a permissible sale, transfer or other conveyance of such Unit, and the appurtenant interests in the Common Elements. In addition, any Unit owner may, subject to the terms and conditions specified in the By-Laws, convey his/her Unit together with the said appurtenant interests to the Board of Managers or its nominee on behalf of all other Unit Owners, and in such event be exempt from all Common Charges and Expenses thereafter assessed.

All maintenance or any repair to any Unit, ordinary or extraordinary, and to the doors and windows (except the painting and decoration of the side of the elevator doors and stairwell doors which do not face into a Unit, and the exterior side of windows), electrical (except Common Elements) within the Unit or belonging to the Unit Owner, shall be at the Unit Owner's expense, except for structural elements as specifically required herein. All maintenance, repairs, and replacements to the Common Elements (including the exterior walls of the Building and exterior sides of the windows) and the painting and decorating of the side of the elevator doors and stairwell doors which do not face into a Unit shall be made at the direction of the Board of Managers, and be proportionately charged to all the Unit Owners as a Common Expense, except to the extent that the same are necessitated by the negligence, misuse, or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner. Unit owners who enjoy use of a limited common element are responsible for regular repair and maintenance of such limited common element such as cleaning, painting, repair to surface damage, etc. Damage to the structural or mechanical systems serving such limited common element (except where directly caused by act or omission of the unit owner, their agents, employees or invitees) are the responsibility of the condominium through the Board of Managers.

No Unit Owner may make any structural addition, alteration or improvement in his Unit, without the prior written approval of the Board of Managers. As a condition of the granting of its consent to the above acts, the Board of Managers may require the Unit Owner to execute an agreement in form and substance satisfactory to the Board of Mangers setting forth the terms and conditions under which such alteration, addition, improvement or repair, may be made, including without limitation, the days and hours during which any work may be done. No application 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 executed by the Board of Managers; such approval, however, shall not result in liability on the part of the Board of Mangers or any of them, to a contractor, subcontractor, materialman, architect or engineer, by

reason of such addition, alteration or improvement, or to any person having any claim for injury to person, or damage to property arising therefrom. The provisions of this paragraph shall not apply to an Unsold Unit, provided that any alterations to such Unsold Units shall be in accordance with, and only as permitted, by the Condominium Act and all governmental regulations. Non-structural alterations and improvements to Residential Units that do not affect the exterior of the Building, or the value of other Units, may be made without prior approval of the Board of Managers.

Unit owners may perform all standard repair and maintenance items within their apartment and standard home improvement items without permission of the Board of Managers. Thus, unit owners may repair or replace fixtures, equipment, cabinetry, flooring, sheetrock, etc. without permission of the Board of Managers. However, unit owners may not relocate plumbing, heating, electric or other service lines affecting other units in the building during the course of such repairs or improvements without receiving Board permission.

The Board of Managers shall obtain and maintain, to the extent determined by them to be appropriate; (1) hazard insurance, with extended coverage, insuring the Building and Units (but not including furniture, furnishings, or other person property supplied to, or installed by, Unit Owners), together with all service machinery contained therein covering the interests of the Condominium, 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 insured property without deduction for depreciation; (2) machinery insurance; (3) water damage legal liability insurance; (4) liability insurance for personal injury or property damage in an amount not less than one million dollars; (5) officer's and director's insurance covering the board of managers; and (6) such other insurance as the Board of Managers may determine. Each of the policies shall contain a New York standard mortgage 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 interests may appear, subject, however, to the loss payment provisions in favor of the Board of Managers in the event of casualty or condemnation. Unit Owners shall be entitled to carry casualty insurance protection for their furniture and the interior of their Units and for personal liability coverage for their own benefit at their own expense, provided that such policies contain waivers of subrogation, and further provide that such policies contain waivers of subrogation, 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 other insurance carried by a Unit Owner.

A Unit Owner by acceptance of a Deed for a Unit shall have granted a right of access to the Unit and storage areas and terrace, if any, to the Managing Agent and/or any other person authorized by the Board of managers of the Managing Agent, for the purpose of performing installations, alterations or repairs to the mechanical or electrical services of other Common Elements in his/her Unit or elsewhere in the Building in which the Unit is located, to remove violations, cure defaults by a Unit Owner, and for any other purpose provided in the Plan, Declaration, or as may be required by law or governmental regulation, provided that requests for entry (except in emergency situations) is at a time reasonably convenient to the Unit Owner. In case

of emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. Provided reasonable care is exercised to safeguard the Unit Owner's property, such entry shall not render the Board of Managers or its authorized agents liable for damage incurred in connection with the exercise of such right of entry. Each Unit Owner will deposit with the President of the Board of Managers a key to his/her Unit to allow for entry in an emergency. The Board of Managers may designate responsible individual(s) to hold such keys.

Each Unit Owner shall be required to pay the Common Charges and Expenses levied by the Board of Mangers. All Unit Owners, mortgagees, lessees, and occupants of Units and their employees, and any other persons who may use the facilities of the Property in any manner, are subject to the By-Laws, the Declaration and the Rules and Regulations. A copy of the Declaration and By-Laws and Rules and Regulations appear in Part II of this Plan. The violation of any of the Rules and Regulations or the breach of any By-Laws or provision of the Declaration shall give the Board of Mangers, in addition to other rights set forth in specific provisions of the By-laws, the right to: (i) enter any Unit in which, or as to which, such violations or breach exists and to abate and/or remove same summarily, at the expense of the defaulting Unit Owner. The Board of Managers shall not thereby be deemed guilty or liable for trespass nor be liable for any damage to the Unit, nuisances or fixtures incurred in connection with such rights unless such damage is caused by negligence on the part of the Board of Managers; or (ii) enjoin, abate or remedy by appropriate legal proceedings, the continuance of any such violation or breach. The costs incurred by the Board by virtue of the exercise of its rights to correct such breaches or violations, including attorney's fees, shall be due upon demand from the Unit Owner in question, and shall constitute a Common Expense against his/her Unit.

As part of purchase of the Unit, Purchaser will be required to execute a broad Power of Attorney in favor of the Board of Managers of the Condominium. This Power of Attorney will give the Board of Managers the right to acquire and otherwise administer defaulted, abandoned or foreclosed units in the name of the condominium. It will also give the Board of Managers the right to exercise amendments to the Condominium Declaration, Deeds conveying condominium property, filing for severance of tax lots and other functions reasonable or necessary to effectuate the purpose set forth in the Condominium Declaration, on behalf of all of the Unit Owners. Please see the POWER OF ATTORNEY set forth in Part II of this Offering Plan. in favor of the Board of Managers.

REAL ESTATE TAX BENEFITS

After the units are separately assessed, each Unit Owner will be taxed as a separate tax lot for real estate tax purposes, and no Unit Owner will be responsible for the payment of, nor subject to any lien for non-payment of taxes on any other unit. Units will not be separately assessed for the first year of condominium operation. Thus the annual real estate taxes payable for the first year of condo operation with tax benefits are $32,439.96 and annual real estate taxes without tax benefits for the first year of condo operations are $165,759.96. On closing, Sponsor shall deposit with the Board of Managers a sum sufficient to pay all taxes due for the balance of 2008/2009 tax year. The Board of Managers shall be authorized to pay such taxes as and when due from such escrow fund. As each subsequent individual condominium Unit is sold, the purchasers thereof, as a standard closing adjustment, shall reimburse the Sponsor for the portion of their tax liability paid by the Sponsor from the date of closing through the end of the 2008/2009 tax year. It is anticipated that Units will be separately assessed for the 2009/2010 tax year, and that individual Unit Owners (whether purchasers, holders of unsold shares, or the Sponsor) will pay the taxes thereof as set forth in the attached SCHEDULE A.

The Property is taxed by the City of New York which, through the Department of Finance, has assessed the property at a pre-construction value of $3,500,000.00 and impose a tax rate of 15.434%. The real estate taxes payable in SCHEDULE A are determined by applying the applicable tax rate to the non-exempt portion of the assessment as set forth in the attached letter from Paul Greco, Esq. and then allocating the amount due in conformity with the allocation of Common Interests, and may allocate on a different basis. All figures are estimates.

There are no tax certiorari proceedings currently pending. Individual owners may challenge the assessment of their property by filing a tax protest in accord with the rules of New York City Tax Commission. The Board of Managers may also file a protest on behalf of all Unit Owners. While there is no specific section of the By-Laws dealing with review of real estate tax assessment, the general grant of power in the Board of Managers to operate the property in the best interest of unit owners is sufficient to delegate to the Board of Managers a right to file tax protests on behalf of all unit owners. The Building benefits from the limitations imposed by Section 581 and 1805 of the Real Property Tax Law.

The Sponsor has applied for Real Estate Tax Exemption Benefits pursuant to Section 421(a) of the Real Property Tax Law of the State of New York. The benefits provided pursuant to this section are stated in more particularly in the letter, included in this Offering Plan from Martin Joseph of the J Net who has filed an application on behalf of the Sponsor. Briefly stated, however, the program provides an exemption from any increase in assessed value of the property for real estate tax purposes, to the extent that such increase results from the reasonable cost of alteration or improvement to the building, for a period of fifteen (15) years after granting of the exemption. Thereafter, the exemption declines by 20% per year until, after the fifteenth (15^{th}) year, real estate taxes will be based on the full assessed value of the property. Sponsor has obtained an estimate from Martin Joseph of a post-completion assessed value of

$17,200,000.00 commencing in the 2008 tax year. SCHEDULE A includes the estimated tax payments in the event 421(a) Tax Benefits are not obtained. The following table indicates the application and expiration of benefits:

YEAR	Percentage of Increased Assessed Valuation Which is Exempt
1-11	100%
12	80%
13	60%
14	40%
15	20%
16	0%

The projections set forth herein are based on current New York City Tax Rate and assessment procedures. No guarantee or warranty is or can be made that the tax rate will not change in the future, or that the assessed value of the property will not rise due to changes in assessment practices and policies or increases in market value which are reflected in the assessed value. Therefore, the estimate contained in SCHEDULE A for monthly real estate taxes in the event 421(a) tax benefits are not obtained may not accurately reflect the taxes which will apply at the expiration of the benefits period.

Sponsor will use best efforts to obtain the aforementioned real estate tax exemption benefits, and will make all filings necessary to obtain such benefits, including a timely filing of all applications, and timely compliance with all procedures required to properly process and maintain the benefits. Upon closing, the Sponsor will make all documents available to the Board of Managers for inspection and copying for the life of the benefits.

This explanation and projection prepared by the Sponsor's tax abatement expert, who prepared the 421(a) application, is expressly adopted by the Sponsor and included as part of this Offering Plan.

DEDUCTIONS TO UNIT OWNERS, AND TAX STATUS OF CONDOMINIUM

Unit Owners who itemize their deductions should, for Federal Income Tax purposes, be entitled to a deduction for mortgage interest and real estate taxes in the year paid, or accrued, under Sections 163 and 164 of the IRS Code. These deductions are subject, however, to certain exceptions and limitations that are more particularly discussed in the COUNSEL'S TAX OPINION LETTER. Each individual Unit Owner should, for New York State and New York City Income Tax purposes, be entitled to similar deductions for the mortgage interest and real estate taxes paid, or accrued, during the taxable year.

The Condominium will be governed by a Board of Managers. The Board of Managers will assess and collect Common Charges from the Unit Owners, and will have certain discretionary powers over the operating expenses and the application of the assessments. While there is presently no direct authority as to the tax status of the Condominium for Federal Income Tax purposes, Sponsor's Counsel is of the opinion that the Condominium will not be treated as an association taxable as a corporation, due to the fact that it will qualify as an exempt homeowner's association under section 528 of the IRS code. As a result, the condominium may not be subject to Federal corporate income tax on its taxable income, if any.

The statements set forth herein are based upon an analysis of the Internal Revenue Code of 1986, as amended (the "Code"), New York State Tax Law, the Administrative Code of the City of New York, the applicable regulations promulgated or proposed thereunder, the current position of the applicable administrative agency, in particular, the positions of the IRS stated in published Revenue Rulings and Revenue Procedures, and judicial decisions. It is emphasized, however, that legislative, judicial or administrative changes may be made which would require modification of such statements, or that, the IRS or other applicable administrative agency may disagree with Counsel's interpretations and conclusions. A more detailed statement of the tax factors involved may be found in the COUNSEL'S TAX OPINION; however, each purchaser should consult with his or her own attorney with regard to tax consequences of this transaction.

Metropolitan Realty Exemptions, Inc.

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

March 11, 2008

Yoram Barel
Nest Seekers International
20 East 49th Street, 6th Floor
New York, NY 10017

RE: My Building on 112 Realty Corp.
112-02 Northern Boulevard
Queens, 11368
Block & Lot 1727 – 1

Letter of Opinion Regarding 421-a/ICIP Real Estate Tax Exemption Benefits and Tax Liabilities:

Dear Sir,

You have requested us to advise you with our opinion in respect to the applicability of the above property for partial real estate tax exemption under Section 421-a of the Real Property Tax Law of the State of New York ("Section 421-a") and the regulations adopted by the Department of Housing Preservation and Development, and the Industrial And Commercial Incentive Program (ICIP) and the regulations adopted by the Department of Finance, as amended. In addition, advising with an estimate of the real tax liabilities with and without the above mentioned program and its benefits.

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

1. 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.

2. 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 the instant application, 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 twenty-five years, with 100% exemption for twenty one 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 amended the 421-a tax code, the amended tax code will affect construction commenced after June 30, 2008.

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.

> **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; 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.

The real estate tax benefits available to eligible properties under the ICIP are as follows:

An exemption is granted on that portion of a property's assessed valuation known as the exemption base. The exemption base for each year is limited to the increase in assessed valuation solely attributable to improvements made to the commercial property.

Commercial projects receive a full exemption on the increase in assessed value attributable to the improvements made, for a period of 11 years, followed by 4 years of exemption declining 20 percent phase out per year.

Commercial project in designated special exemption areas, receive a full exemption for 16 years, with the exemption declining by 10 percent annually for the following consecutive 9 years.

In the instant application, any increase in the properties assessed valuation, resulting from the construction of the building, will be exempt from taxation for a period of twenty-five years, with 100% exemption for sixteen years followed by a 10% phase-out in each of the succeeding nine years. The current assessed value is not to be exempt from real estate taxes.

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, 1 multiple dwelling building will be constructed with a total of 33 residential Condominiums. There will be 16 apartments of 3.5 zoning rooms, 17 apartments of 4.5 zoning rooms and 2 floors (cellar and first floor) of commercial space.

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. The premises does not result from the conversion of a private dwelling.

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/ICIP 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/ICIP provisions apply, it is our opinion that:

- The premises, after construction is completed, will be eligible for partial real estate tax exemption under Section 421-a/ICIP.
- All Section 421-a/ICIP 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 $2,680,393.50, approximately. Using the foregoing estimate of assessed value, assuming a Class 2 tax rate of 11.928% and a Class 4 tax rate of 10.059% (i.e., $11.928 per $100 of assessed value, and $10.059 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/ICIP benefits

Total Assessed Value	Residential Assessed Value	Commercial Assessed Value
$2,680,393.50	**$1,891,821.73**	**$788,571.77**
Residential tax liability		**$225,656.50**
Commercial tax liability		**$79,322.43**
Total tax		**$304,978.93**

Tax liabilities with 421-a/ICIP benefits

Total Assessed Value	Residential Assessed Value	Commercial Assessed Value
$125,892.00	**$88,854.57**	**$37,037.43**
Residential tax liability		**$10,598.57**
Commercial tax liability		**$3,725.59**
Total tax liability		**$14,324.17**

You are to be 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 benefit 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 and/or ICIP benefits will be obtained if any items in the applications are not true, or if the assumptions above listed are incorrect, or if the 421-a and/or ICIP law, either statutory or decisional, or 421-a and/or ICIP rules and regulations, or present interpretations are modified or changed at the time the construction of the building are completed. In no event will my firm, the Sponsor, the Sponsors' counsel, the Condominium Board or any other person be accountable if the assessed valuation when actually made is lesser or greater than predicted.

Sincerely yours,

Martin Joseph
Metropolitan Realty Exemptions, Inc.

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February 18, 2008

112 Northern Blvd, LLC
c/o Lev Development Group LLC
Rockefeller Plaza
1230 Avenue of the Americas, 7th Floor
New York, NY 10020

Re: THE SAGE CONDOMINIUM
112 -02 Northern Boulevard
Block: 1727 Lots: 1, 7 & 35
Borough: Queens

Gentlemen:

You have requested that we provide you with an estimate of the real estate tax assessment on the residential condominium to be constructed on the 112-02 Northern Boulevard property.

You have also requested an estimate of the real estate taxes that would be applicable to the condominium upon completion of construction, without regard to any potential tax exemption or abatement benefits, as well as an estimate of real estate taxes assuming the property's eligibility for partial tax exemption pursuant to section 421-a of the New York Real Property Tax Law (the 421-a program).

You have advised us that you are the fee owner of certain real property located at 112-02 Northern Boulevard, Queens, New York, and designated as Block 1727, Lots 1, 7 and 35 on the Official Tax Map of the City of New York. According to New York City Department of Finance records: Tax Lot 1 consists of a land area of 9,703 square feet and was formerly improved by a one-story, 4,148 square-foot (gross, above-grade), tax "class 4," gas station; Tax lot 7 consists of a land area of 2,489 square feet and was formerly improved by a one-story, 1,660 square-foot (gross, above-grade), tax "class 4," garage and gas station; and Tax Lot 35 consists of a land area of approximately 2,000 square-feet and was formerly improved by a two-story, tax "class 1," two-family dwelling.

You have advised us that you have demolished the former improvements and are in the process of constructing a new, six (6) story, 43,498 square-foot (gross, above grade) mixed use condominium consisting of the following: 1) 33 residential units on floors 2

through 6; 2) one (1) commercial/retail unit consisting of 6,375 square feet located on the ground level; and 3) below grade accessory residential parking (19 spaces).

You have further informed us that you started construction work during September, 2007, that you anticipate completing construction during November, 2008, and that the first year of condominium operation will be December 1, 2008 through November 30, 2009.

Although the setting of an assessment on any particular property is subject to an individual assessor's subjective determination based upon general assessment guidelines, it is possible to estimate an approximate assessed value based upon a number of factors. These factors include actual construction costs, the property's location, a hypothetical economic analysis of the condominium as if it were a rental property (as required pursuant to section 581 of the New York Real Property Tax Law), assessed valuations of comparable buildings and New York City Department of Finance Assessment Guidelines. We have examined these factors in arriving at our estimates.

The assessment history of the 112-02 Northern Boulevard property is as follows:

			Land	Total
Lot 1 (tax "class 4"):				
Tentative	2008/09	Actual	$ 270,000	$ 270,000
		Transitional	$ 165,933	$ 165,933
Final	2007/08	Actual	$ 157,500	$ 292,500
		Transitional	$ 142,497	$ 252,144
Final	2006/07	Actual	$ 135,000	$ 270,000
		Transitional	$ 139,347	$ 237,294
Lot 7 (tax "class 4"):				
Tentative	2008/09	Actual	$ 83,500	$ 83,500
		Transitional	$ 43,317	$ 43,317
Final	2007/08	Actual	$ 33,750	$ 155,700
		Transitional	$ 32,940	$ 69,840
Final	2006/07	Actual	$ 33,750	$ 53,100
		Transitional	$ 32,346	$ 47,025
Lot 35 (tax "class 1"):				
Tentative	2008/09		$ 4,675	$ 18,494
Final	2007/08		$ 2,651	$ 17,457
Final	2006/07		$ 1,796	$ 16,484

New York City is an annual assessing jurisdiction and is required to assess property for each upcoming fiscal tax year (July 1 – June 30) based upon its use and condition on

January 5th (taxable status date). Annual increases or decreases in assessed value resulting from construction, demolition or other physical changes to the property (i.e., "physical" or "alteration" increases) are taxable the year they are levied. For "class 4" commercial properties, and "class 2" residential properties having more than 10 units, annual assessment increases or decreases not resulting from physical changes (i.e., "equalization" changes) are phased in for tax purposes over a five (5) year period at 20% per year. Hence, two assessed values: 1) the "actual assessment," which is reflective of the City's claimed market value; and 2) the "transitional assessment," which is based on physical increases and the 5-year phase in of equalization changes. Real property taxes in any given year are based on the lesser of the actual or transitional assessment.

As of January 5, 2008, which is the basis for the property's 2008/09 assessed value, you have advised us that construction work was approximately 30% complete. As set forth above, the New York City Department of Finance has tentatively set the property's taxable assessed values (i.e., the lesser of the actual or transitional assessment) for the 2008/09 fiscal tax year. The City's tentative assessment roll, which was published on or about January 15, 2008, continues to classify lots 1 and 7 for tax purposes in commercial tax "class 4" and lot 35 in "class 1."

The most recent tax rates available as of the date of this letter are those passed by the City Council for the fiscal 2007/08 tax year. Assuming a tax "class 4" tax rate of 10.059% and a "class 1" tax rate of 15.434% (i.e., the fiscal 2007/08 tax rates), based on the 2008/09 tentative taxable assessments, we estimate the real estate taxes on the property for the fiscal year July 1, 2008 through June 30, 2009 (exclusive of any potential tax exemption benefits) will be as follows:

Tax Lot	Tentative Taxable A.V.	2007/08 Tax Rate	Estimated 2008/09 Taxes
1	$ 165,933	10.059%	$ 16,700
7	$ 43,317	10.059%	$ 4,400
35	$ 18,494	15.434%	$ 2,900
		Total . . .	$ 24,000

The first taxable status date following the anticipated November, 2008 completion of construction will be January 5, 2009, which will be the basis for the property's 2009/10 assessed values. We estimate the post-construction assessed value for the property to be in the total amount of $3,200,000.

We have been advised that it is the policy and practice of the New York City Department of Finance to assign separate tax lots and apportion the assessed

valuation of a condominium among the various units (both residential and commercial) based upon the percentage of common interest contained in the Condominium Declaration. Based on the Schedule "A" in the Offering Plan, the percentage of common interest assigned to the residential units is in the total amount of 70.5747%, and the percentages assigned to the commercial and parking units are 15.1478% and 14.2775% respectively. Based on these percentages, our estimates of the post-construction assessed values for the residential, commercial, and parking units for the 2009/10 tax year are as follows:

Residential Units . . .	$ 2,258,390
Commercial Unit . . .	$ 484,730
Parking Unit . . .	$ 456,880
Total . . .	$ 3,200,000

We assume that the residential units will be classified for tax purposes as tax "class 2" and that the commercial and parking units will be designated as tax "class 4." Assuming a residential "class 2" tax rate of 11.928% and a commercial "class 4" rate of 10.059% (i.e., the fiscal 2007/08 tax rates), based on the projected taxable 2009/10 assessed values, we estimate that the gross real estate taxes (exclusive of any potential tax exemption benefits) due for the fiscal year July 1, 2009 through June 30, 2010 will be as follows:

Residential Units . . .	$ 269,400
Commercial Unit . . .	$ 48,800
Parking Unit . . .	$ 46,000
Total . . .	$ 364,200

You have advised us that the first year of Condominium operation will be from December 1, 2008 through November 30, 2009. Based on the foregoing projections for the 2008/09 and 2009/10 fiscal tax years and apportioning estimated taxes among the residential, commercial and parking portions of the property based on their respective percentages of common interest set forth in the Schedule A of the Offering Plan, we estimate real estate taxes exclusive of exemption or abatement benefits for the Condominium's first year of operation to be in the following amounts:

Residential Units . . .	$ 122,130
Commercial Unit . . .	$ 22,460
Parking Unit . . .	$ 21,170
Total . . .	$ 165,760

You have advised us that you intend to apply for partial tax exemption benefits pursuant to section 421-a of the New York Real Property Tax Law on behalf of the 112-02 Northern Boulevard property. Should your application be approved, the 2009/10

exemption on the property will be based on the increase in assessed valuation over the property's pre-construction taxable assessed value. The exemption will be reduced by the percentage of non-residential space, if any, in excess of 12% of the building's aggregate floor area. Exemption benefits would run for up to three years during construction and, thereafter, for fifteen (15) years following completion of construction as follows: Eleven (11) years at 100% with an annual 20% reduction in benefits for years 12 through 15.

According to New York City Department of Finance records, the property's 2006/07 pre-construction taxable assessed value was in the total amount of $300,803 (i.e., $237,294 for Lot 1, $47,025 for Lot 7, and $16,484 for Lot 35). Based upon the square footage numbers that you provided, there would be no reduction in potential benefits due to excess non-residential space. Given the project's start and anticipated completion dates, 2008/09 would represent the first and only construction year and 2009/10 would represent the first year of the 15-year post-construction benefit period. Should your 421-a application be granted, we estimate the property's assessed value and tax liability for the 2008/09 and 2009/10 tax years to be as follows:

	Est. Taxable Assessment	Most Recent 2007/08 Tax Rate	Est. 2008/09 & 2009/10 Tax Liability
2008/09:			
Lot 1 . . .	$ 237,294	10.059%	$ 23,870
Lot 7 . . .	$ 47,025	10.059%	$ 4,730
Lot 35 . . .	$ 16,484	15.434%	$ 2,550
Total . . .	$ 300,803		$ 31,150
2009/10:			
Residential Units . . .	$ 212,291	11.928%	$ 25,325
Commercial Unit . . .	$ 45,565	10.059%	$ 4,585
Parking Unit . . .	$ 42,947	10.059%	$ 4,320
Total . . .	$ 300,803		$ 34,230

Based on the foregoing tax estimates for fiscal 2008/09 and 2009/10, assuming 421-a benefits are granted, we estimate the property's real property tax liability for the first year of Condominium operation (i.e., December 1, 2008 through November 30, 2009) will be as follows:

Residential Units . . .	$ 23,380
Commercial Unit . . .	$ 4,665
Parking Unit . . .	$ 4,395
Total . . .	$ 32,440

No representations or warranties are made herein regarding the property's eligibility for RPTL 421-a exemption benefits, that the New York City Department of Housing Preservation & Development will approve these benefits, or that these benefits will ultimately be realized or realized in the amounts set forth.

It is the policy and practice of the New York City Department of Finance to assign separate tax lots and apportion the assessed valuation of a condominium among the various units based upon the percentage of common interest contained in the Condominium Declaration.

This letter was prepared at the sponsor's request. The figures set forth herein are approximations derived from material submitted by the sponsor and are subject to variation. No government agency has passed upon these figures or the estimates of assessed valuation and taxes herein. We have not passed on the accuracy of any figures or estimates contained in the Offering Plan, and offer no warranties on real estate assessments, tax classifications, taxes, or tax rates for any period. All prospective purchasers are advised that, although the estimate of assessed valuations upon completion of conversion are good faith estimates, such assessed valuations when actually made may be less or greater than as estimated herein.

The above estimates do not take into account any future increases in the level of assessed valuation applied to residential property or any increase in the real estate tax rates. The above opinion is based upon our interpretation of The New York State Real Property Tax Law and The Administrative Code of the City of New York and is not intended to be a guarantee or assurance that the actual tax assessments or actual taxes will be as estimated.

No representation is made that the provisions of law or New York City Department of Finance policies and practices will apply at the time the construction of the building is complete. You should be aware that the laws, regulations and practices of the Department of Finance upon which this opinion is predicated may in the future be revised in a manner adverse to your interests, or that there may be an adverse interpretation of the law or regulations by one of more agencies of the City of New York, or Courts of competent jurisdiction.

While we believe our opinions are well-founded, they are not intended, and should not be construed as, representations or warranties that assessments and taxes will not be determined in a different amount. The foregoing analysis is based upon our knowledge of the making and review of assessments by the Real Property Assessment Department and the Tax Commission of the City of New York with respect to residential properties held in the condominium form of ownership. Application of a particular approach to valuation by an individual assessor may yield a different result.

We hereby consent to the inclusion of this letter in the Offering Plan.

Very truly yours,
PODELL, SCHWARTZ, SCHECHTER
& BANFIELD, LLP

BY: _____
PAUL V. GRECO

PVG:

RESERVE FUND

No fund will be created on closing as a reserve for capital expenditures. In the event a need arises for capital expenditures such as renewal or replacement of building components or systems, or to remedy major building defects, it will be necessary to raise needed capital either by assessing individual unit/owners for the cost of such expenditures. However, in the Sponsor's estimation, and in view of the fact that all building systems and components are new, it is anticipated that there will be no needed capital expenditures within the five (5) years immediately following the first closing of a condominium unit under the Offering Plan.

WORKING CAPITAL FUND

At closing of title to each residential Unit, the Unit Owner for such Unit will contribute twice the amount of their respective monthly common charge to the capital of the Condominium as a Working Capital Fund contribution (see CLOSINGS COSTS AND ADJUSTMENTS). Sponsor will make the required contribution for all unsold units at the time of the closing of the first unit, and will be reimbursed therefore on each subsequent closing of a unit by the unit purchaser. This Working Capital Fund will be used to make repairs and improvements, and for other appropriate purposes as determined by the Board of Managers, particularly to meet emergencies not budgeted for in SCHEDULE A. While the Sponsor controls the Board of Managers (see CONTROL BY THE SPONSOR), the Working Capital Fund will not be used to reduce estimated Common Charges.

The Working Capital Fund will not be reduced by any closing adjustments to the Sponsor. All closing adjustments to the sponsor will be paid in equal monthly installments over the twelve (12) month period following closing. All adjustments represent reimbursement for prepayment of expenses already included in the budget set forth herein as Exhibit B, and therefore do not represent an additional expense to Condominium Purchasers.

No representation is made that the Working Capital Fund will be adequate to cover current or future expenses. If additional funds are required over and above the Working Capital Fund, it may be necessary to increase Common Charges or separately assess all Unit Owners. Neither the Department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund, it may be necessary to increase Common Charges or separately assess all Unit Owners. Neither the department of Law nor any other government agency has passed upon the adequacy of the Working Capital Fund.

IDENTITY OF PARTIES

SPONSOR: The Sponsor of this project is 112 NORTHERN DEVELOPMENT, LLC, a New York limited liability company with offices located at 1230 Avenue of the Americas, 7th fl, New York, NY 10020. The principals of the Sponsor are Eddie Shapiro, and Raphy Benaim whose address is 1230 Avenue of the Americas, 7th fl, New York, NY 10020. Raphy Benaim is a real estate investor and developer. Eddie Shapiro is a real estate developer and real estate broker engaged in several projects, including acting as the selling agent for this project. He is the only principal of the Sponsor that has submitted an offering plan in the past five years. The only project was 505 W 47th St Condominium.

COUNSEL: Sponsor has engaged Tali A Bashani, Esq., TAB Law Firm, 65 Broadway, ste 829, New York, NY 10006 to represent them in all matters arising or pertaining to the conversion of the premises to individual condominium units. Ms. Bashani represents the Sponsor, not the Condominium, which is not represented by counsel. Ms. Bashani also prepared this Offering Plan. Additionally, Sponsor has engaged Paul Greco for his opinion on tax issues affecting the Condominium.

ENGINEER: The architect, Joseph Pilewski, P.E., of Global Arch who has an office at 156 Fifth Ave., PH 1, New York, NY, has examined the physical condition of the property and has rendered his report thereof as set forth in Part II starting at Page 1. He has varied experience in preparing such reports, and has prepared a number of such reports. The engineer has no financial interest in the property, Sponsor, condominium, selling agent, or any other party interested in this transaction, except for his fee for services rendered in connection with his report.

SELLING AGENT: Nestseekers International is owned and operated by Eddie Shapiro, and is the selling agent for the building as well as one of the principals of Sponsor. Office is located at 20 East 49th St., 6th fl, New York, NY 10017.

ENERGY EXPERT: Andrew Solano of EMTEC Consultants is the energy expert with an office address of 45 West 21st St., Ste 5A, New York, NY 10010.

GENERAL

The Plan does not knowingly omit any material fact or contain any untrue statement of any material fact. Exact copies are contained in Part II hereof of the Condominium Declaration, Purchase Agreement, Condominium B-Laws, and form of Unit Deed.

There are no lawsuits or other proceedings now pending, or any judgments outstanding, either against the Sponsor or any other person or persons which might become a lien against the Property or which may materially affect this offering, the Property, Sponsor's capacity to perform all obligations under the Plan, the Condominium, or the operation of the Condominium.

No units in this building are occupied by residential or commercial tenants, and all units offered in the plan are vacant. No contracts or agreements, written or oral, have been entered into for the sale or transfer of any of the units offered pursuant to the Offering Plan. No deposits or advances of funds have been taken by, or on behalf of, the Sponsor in connection with the reservation, sale, or transfer of any units offered pursuant to this Offering Plan as of the date the plan is accepted for filing.

The Property has not been the subject of any prior cooperative or condominium offerings. There are no preliminary binding agreements entered with any purchasers, nor has any money been collected from any prospective purchasers. Sponsor plans to test the market during Spring 2008 pursuant to Cooperative Policy Statement No. 1.

In accordance with the provisions of the laws of the State and City of New York, the Sponsor represents that the Sponsor, and the Selling Agent will not discriminate against any person because of race, creed, color, sex, disability, age, marital status, national origin or ancestry in the sale of the units offered by the Plan, or in the leasing of any apartment in the building.

No person has been authorized to make a representation which is not expressly contained herein. This Plan may not be changed or modified orally, however Sponsor reserves the right, from time to time, upon amendment to the Plan, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Units are sold, including changes affecting the rights, obligations and liabilities of Sponsor, the Purchasers and/or prospective Purchasers under the Plan. However, Sponsor may not unilaterally cancel an Agreement which is in effect, except as therein provided, as in the case of an uncured default, nor unilaterally change the purchase price or payment terms contained in such Agreement. All substantive or material revisions will be contained in a duly filed amendment to the Plan. If there is a material amendment to the Plan as to which rescission is required by the Department of Law, Purchasers will have a right of rescission which may only be exercised within fifteen (15) days from the date of presentation of said amendment. Escrow Agent shall promptly return any Deposit, together with any interest thereon, to Purchasers who rescind, except that Escrow Agent shall return to Sponsor the Deposit (and any interest thereon) of any Purchaser who is in default under the Agreement beyond any applicable grace period.

DOCUMENTS ON FILE

Sponsor shall keep copies of the Offering Plan, all documents referred to in the Offering Plan, and all exhibits submitted to the Department of Law in connection with the Offering Plan on file and available for inspection without charge, and for copying at a reasonable charge, at the Sponsor's Office as set forth in this Offering Plan, or at the office of the Sponsor's attorney, for a period of six (6) years from the date of first closing. The Sponsor shall deliver to the Board of Managers of the Condominium, a copy of all documents filed with the appropriate recording office at the time of the first closing of a condominium unit.

REPORT TO UNIT OWNERS

The Board of Managers of the Condominium shall give annually to each and every Unit Owner:

1) On or before March 1st of each year a financial statement. During the period the Sponsor is in control of the Board of managers, there shall be a certified financial statement prepared by a certified public accountant.
2) Prior notice of the annual Unit Owners meeting.
3) A copy of the proposed annual budget of the Condominium, no less than thirty (30) days prior to the date set for adoption thereof by the Board of Managers. During the time the Board is controlled by the Sponsor, this statement shall be certified by a qualified budget expert.

SPONSOR'S STATEMENT OF BUILDING CONDITION

The Sponsor hereby adopts the DESCRIPTION OF PROPERTY set forth in Part II of this Offering Plan. With reference to such material, a licensed engineer prepared the description of property and building condition contained therein.

The Sponsor represents that it does not know of any defect or need for major repairs except as hereinafter set forth, and that, to the best of the Sponsor's knowledge, the following description accurately states the condition of the building and its equipment (see DESCRIPTION OF PROPERTY AND BUILDING CONDITION in Part II of the Plan.)

The Property will be offered in its present condition as described in this Plan. Neither the Sponsor nor the Condominium will have any obligation to make repairs or improvements except as set forth in this Plan. The Sponsor will cure, or cause to be cured, all violations of record against the Property on the closing date and eliminate all known dangers or hazardous conditions, and comply with all work orders from mortgagees.

PART II

AGREEMENT

Purchaser(s)

with

112 NORTHERN DEVELOPMENT LLC

Sponsor/Seller

Unit Number ___
THE SAGE HOUSE CONDOMINIUM
112-02 Northern Boulevard
Queens, NY

AGREEMENT

UNIT NO.

THE SAGE HOUSE CONDOMINIUM
112-02 Northern Boulevard
Queens, NY

(to be executed in quintuplicate)

AGREEMENT (this "Agreement"), made as of the ____ day of _____ 200__, between 112 NORTHERN DEVELOPMENT LLC a New York limited liability company, having an office at 1230 Avenue of the Americas, 7th Floor, New York, NY 10036 (hereinafter, "Sponsor"), and ********** (hereinafter, "Purchaser").

WITNESSETH

1. **Definitions.** Terms used in this Agreement and not otherwise defined herein shall have the meanings set forth in the Offering Plan for The Sage House Condominium (such plan, together with any amendments thereto filed prior to the date hereof, is hereinafter referred to as the "Plan").

2. **The Unit.** Sponsor hereby grants to Purchaser, and Purchaser hereby acquires from Sponsor, an option to purchaser Unit No. *** at the Condominium (as designated in the Declaration), together with the undivided **0.****%** interest in the Common Elements appurtenant to such Unit (the "Unit"), upon and subject to the terms and conditions set forth herein.

3. **Purchase Price.**

3.1 The purchase price for the Unit (the "Purchaser Price") is **$******* payable as follows:

(a) **$********** (the "Initial Deposit"), due upon the signing and submitting of the Agreement, receipt of which (subject to collection is hereby acknowledged;

(b) **$********** (the "Additional Deposit"; the term "Deposit", as used herein, refers to both the Initial Deposit and, if the same has been paid at the time in question, the Additional Deposit), due upon the earlier to occur of: (i) the date which is four (4) months after the date of this Agreement; or (ii) fifteen (15) days after Sponsor serves Purchaser with written notice of an amendment declaring the Plan effective, but in no event later than the closing of title, subject to collection; and

(c) **$********** (the "Balance"), constituting the balance of the Purchase Price, at the closing as hereinafter provided.

3.2 All checks shall represent United States currency, be drawn on or issued by a New York bank which is a member of the New York Clearing House Association and shall be unendorsed. Checks for the Deposit shall be Purchaser's good check(s) or, at Sponsor's option, Purchaser's certified check(s) or an official bank check(s), made payable to the direct order of "Choe & Oh, P.C. as Escrow Agent." The check or checks for the Balance and all other sums due Sponsor pursuant to this Agreement shall be good certified check of Purchaser or official bank or cashier's check, made payable to the direct order of "112 Northern Development LLC" (or such other party as Sponsor directs to Purchaser, in writing, prior to the date of closing of title). If any check is returned, dishonored or fails collection for insufficient funds or for any other reason, the Escrow Agent is authorized to deliver such check to Sponsor and Sponsor will have the choice of remedies

set forth in the Plan and in this Agreement with respect to an Event of Default (which shall include suing on such dishonored check or (at Sponsor's option) canceling this Agreement and returning the instrument to Purchaser without affording Purchaser a grace period to cure such default.

4. Deposit.

4.1 The Initial Deposit shall be deposited within five (10) business days after this Agreement is countersigned by or on behalf of Sponsor and returned to Purchaser, and the Additional Deposit shall be deposited within five (10) business days after its receipt by Sponsor or Sponsor's agents, employees or the Escrow Agent, in each case to a segregated special interest-bearing escrow account (the "Escrow Account") at Bank of Smithtown,100 Motor Parkway, Ste 160, Hauppauge, NY 11787 (the "Depository") entitled "The Sage Condominium Escrow Account" subject to the provisions of the Plan with respect to the designation of a substitute bank and/or account type or title. The Deposit shall be held in trust in such account in conformity with Sections 352-e(2)(b) and 352-h of the New York General Business Law and the Attorney General's regulations promulgated pursuant thereto until such funds may be withdrawn in accordance with such laws and regulations and the terms of this Agreement and the Plan. While the same are being so held, such funds shall not be commingled with any other funds of Sponsor (except, at Sponsor's sole election, funds deposited by other purchasers under the Plan). The Escrow Account will be interest-bearing and, unless Purchaser defaults, interest will be credited to Purchaser at the closing. The interest rate to be earned will be the prevailing rate for these accounts. (No representation or guarantee is made as to the actual rate of interest that will be earned on such funds). Interest, if any, will begin to accrue within five (10) business days after this Agreement is fully executed and tender for payment of the check representing the Deposit. Notwithstanding anything to the contrary contained herein, unless and until Purchaser has delivered to the Escrow Agent a completed and signed Form W-9 (Request for Taxpayer Identification Number and Certification) or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), whichever may be applicable, the Deposit will be deposited in a non-interest-bearing escrow account at the Depository.

4.2 The Deposit shall be held in the escrow account identified in Section 4.1 above until Choe & Oh, P.C. (the "Escrow Agent") is otherwise directed in: (a) a writing signed by both Sponsor and Purchaser; or (b) a determination of the Attorney General pursuant to the dispute resolution procedures contained in the Attorney General's regulations; or (c) a judgment or order of a court of competent jurisdiction.

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

4.4 Sponsor will not object to the release of the escrowed funds to: (a) a purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an amendment

to the Plan; or (b) all purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law.

4.5 Purchaser or the Escrow Agent may apply to the Attorney General in the event of a dispute for a determination on the disposition of the escrowed funds and any interest thereon. Sponsor must avail itself of this procedure if there is a dispute, which needs to be resolved. A form for this purpose is attached in Part II of the Plan. The party applying for a determination must send all other parties a copy of the application. Pending the determination of the Attorney General to grant or deny the application, Sponsor, Purchaser and the Escrow Agent shall abide by any interim directive issued by the Attorney General

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

(a) if title to the Unit is transferred to Purchaser, the Deposit shall be paid to Sponsor, and any interest earned on the Deposit shall be paid to Purchaser; or

(b) if Purchaser becomes entitled to cancel this Agreement in accordance with the terms of this Agreement or the Plan, and actually cancels this Agreement as so provided, the Deposit and any interest earned on the Deposit shall be refunded in full.

4.7 Notwithstanding anything set forth in this Article 4 to the contrary, the Escrow Agent may release a portion of the Deposit to Sponsor, provided that prior to such release, such released funds shall be secured by a bond ("Bond") obtained by Sponsor from an insurance company to be named in an amendment to the Plan (the "Insurance Company") in favor of Purchaser in an amount equal to the amount released, together with interest, if any, which shall accrue thereon as hereinafter provided. Sponsor will secure the Bond in accordance with Sections 352-e(2)(b) and 352-h of the New York General Business Law and Section 71-a of the New York Lien Law. Simultaneously with the delivery of the released funds to Sponsor, Purchaser will receive the Bond, the form of which Bond will be set forth as an exhibit in an amendment to the Plan. The Bond shall apply to a loss by Purchaser of the released portion of the Deposit in the event Sponsor fails to complete the Unit and deliver a deed or convey title to the Unit pursuant to this Agreement or if for any reason Purchaser is entitled to receive the return of the Deposit. The extent of Purchaser's recovery under the Bond is the amount of the released portion of the Deposit actually received by Sponsor, together with any interest, which has accrued thereon in accordance with this Agreement, and the liability of the Insurance Company under the Bond does not exceed the amount of the Bond. In order to recover such funds pursuant to the Bond, Purchaser must file a claim with the Insurance Company. In the event of a dispute Sponsor must apply and Purchaser or the Insurance Company may apply to the Attorney General for a determination on the disposition of the portion of the Deposit secured by the Bond. All funds received by Sponsor will be handled in accordance with the provisions of Sections 352-e(2)(b) and 352-h of the New York General Business Law and shall be employed by Sponsor only in connection with the consummation of the Plan.

4.8 Sponsor is required by law to submit a Form 1099 to the Internal Revenue Service reporting any interest earned on the Deposit, if any. Purchaser will be taxed accordingly on

such interest, whether or not Purchaser ultimately receives the interest in accordance with the terms of this Article or Article 8.

5. Closing Date and Place.

5.1 The closing of title shall be held at the office of Choe & Oh, P.C., 15 East 32nd Street, Third Floor, New York, NY 10036 (or such other place in the City and State of New York as Sponsor may designate to Purchaser) and on such date and hour as Sponsor may designate to Purchaser on not less than thirty (30) days' prior notice. Sponsor may, from time to time, adjourn such date and hour upon reasonable prior notice to Purchaser, which notice shall fix a new date (and hour and place, if appropriate) for the closing of title (but in no event may Sponsor adjourn the date originally set herein for a closing for more than twelve months in the aggregate without the consent of Purchaser).

5.2 Whenever used herein, the terms "Closing Date" or "closing of title" or words of similar import shall mean the date on which the deed to the Unit is delivered to Purchaser.

6. Delivery of Deed and Power of Attorney.

6.1 At the closing of title, Sponsor shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying fee simple title to the Unit to Purchaser, subject only to the liens, encumbrances and title conditions set forth on Schedule A annexed hereto and made a part hereof. Sponsor shall prepare the deed, which shall be substantially in the form set forth in Exhibit 3 in Part II of the Plan, and Sponsor and Purchaser shall execute the deed and have the same acknowledged, in form for recording.

6.2 At the closing of title, Purchaser shall execute and acknowledge a power of attorney to the Board, prepared by Sponsor and substantially in the form set forth as Exhibit *** in Part *** of the Plan.

6.3 The executed deed and power of attorney shall be delivered to the representative of the title company insuring Purchaser's title (or if no such representative is present, then to Sponsor's attorney) for recorded in the City Register's Office, which recording shall be at Purchaser's expense. After being recorded: (i) the deed shall be returned to Purchaser; and (ii) the power of attorney in favor of the Board shall be returned to the Board (or as the Board shall direct).

6.4 Purchaser's payment of the Balance and acceptance of the deed to the Unit shall constitute Purchaser's recognition that Sponsor has fully satisfactorily performed those obligations stated in the Plan and/or this Agreement to be performed by Sponsor prior to closing. However, nothing herein contained shall excuse Sponsor from performing those obligations (if any) expressly stated herein or in the Plan to be performed subsequent to the closing, and nothing herein shall be in derogation of the rights of purchasers under Article 23-A of the General Business Law, the Plan or Part 20 of the Regulations issued by the Department of Law.

7. State of Title.

7.1 The title conveyed by Sponsor to Purchaser shall be subject only to the liens, encumbrances and title conditions set forth in Schedule A annexed hereto and made a part hereof. Any lien, encumbrance or condition to which title is not to be subject shall not be an objection to title if: (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to the Title Company (hereinafter defined), together with the recording of riling fee; or (b) Purchaser's title insurance company will insure Purchaser, at the company's regular rates and without additional premium, that it will not be collected out of, or enforced against, the Unit; or (c) Purchaser's title insurance company is unwilling to issue the affirmative insurance described in subsection (b) at its regular rates and without additional premium, and the Title Company would be willing to do so at its regular rates and without additional premium (as evidenced by the issuance of the same by the Title Company in connection with the closing of any other Units in the Condominium).

7.2 Sponsor shall be entitled to adjourn the closing to remove or correct any defect in title which is not set forth in Schedule A. However, if such defect existed at least 10 days prior to the closing and Purchaser, or Purchaser's attorney, failed to send Sponsor's attorney written notice of such defect in title at least 10 days prior to the closing, then, for purposes of Article 12 below, Purchaser shall be deemed at fault for not having sent timely notice, and the closing adjournment to allow Sponsor to correct or remove such title defect shall be considered as being at the request of Purchaser.

7.3 The covenants in the deed will be solely for the personal benefit of Purchaser and will not inure to the benefit of Purchaser's successors or subrogees. In the event of a claimed breach of any covenant of the grantor contained in the deed, Purchaser must first seek recovery against Purchaser's title insurance company before proceeding against Sponsor, it being agreed that the liability of Sponsor will be limited to any loss or damage not covered by such title insurance. In the event that Purchaser elects not to purchase title insurance, then the liability of Sponsor shall be limited to any loss or damage which would not have been covered by the title insurance that was available to Purchaser at the closing. The terms of any marked0up title binder of any title insurance company authorized to do business in New York State issued in connection with any Unit shall be conclusive evidence of the title insurance coverage that was available to Purchaser. The provisions of this Section 7.3 shall survive the closing of title or the termination of this Agreement.

8. Closing Adjustments.

8.1 The following costs with respect to the Unit shall be apportioned between Sponsor and Purchaser as of the Closing Date:

(a) Real estate taxes and assessments, if any (including water charges and sewer rents, if separately assessed), on the basis of the period for which assessed;

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

(c) If Purchaser is allowed to occupy the Unit prior to the closing, accrued rent and any other charges pursuant to an interim lease or occupancy or other agreement, if any, covering the Unit.

8.2 If the Unit has been separately assessed but the closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser; however, the installment for the then current period shall be apportioned appropriately. If the unit has not been separately assessed as of the Closing Date for the then current tax period, the adjustment under subsection 8.1 (a) hereof shall be based upon the Property's actual taxes and assessment for such period prorated to the Unit in the manner set forth in Section 6.16 of the By-Laws and in Part I of the Plan.

8.3 Sponsor shall remit or cause to be remitted to Purchaser an amount equal to interest, if any, earned on the Deposit, on or promptly after the Closing Date.

8.4 Sponsor shall remit or cause to be remitted to Purchaser an amount equal to interest, if any, earned on the Deposit, on or promptly after the Closing Date.

(a) the closing apportionments shall be made as of the originally scheduled closing date regardless of when the actual closing of title occurs; and

(b) Purchaser shall pay Sponsor interest at the rate of 0.04% per day (or such) lower rate per day which is the legal limit, if 0.04% per day exceeds the legal limit) on the total purchase price, computed from the original Closing Date until this transaction is actually closed. If, through no fault or Purchaser, Sponsor postpones the originally scheduled Closing Date, the foregoing provisions shall apply to the rescheduled Closing Date if Purchaser fails for any reason to close title to the Unit on the rescheduled Closing Date.

8.5 Adjustments and apportionments shall be calculated on the basis of the actual number of days in the period for which payments were made or are due, as the case may be. The "Customs in Respect to Title Closings" recommended by The Real Estate Board of New York, Inc., as amended to date, shall apply to the adjustments and other matters therein mentioned, except as aforesaid and as otherwise provided herein or in the Plan.

8.6 Any errors or omissions in calculating apportionments at closing shall be corrected, and payment shall be made to the proper party, promptly after discovery. This provision shall survive the closing.

9. Closing Costs.

Purchaser shall be required to pay certain costs in connection with the purchase of the Unit, in addition to any net credit in favor of Sponsor that may result from the closing adjustments and any interest or late closing charge described in Article 8. Other than any such net credit in favor of Sponsor that may result from the closing adjustments (or certain other fees which may be payable prior to the closing, as described below), all such closing costs shall be paid by Purchaser, at closing, by Purchaser's unendorsed, personal certified check or by official bank check, in either event drawn only upon a bank that is a member of the New York Clearing House Association. Such closing costs

will include the following, the amounts of which (where applicable) are based on rates in effect on the date hereof and are subject to change without prior notice.

9.1 If Purchaser elects to obtain fee title insurance, Purchaser will pay a premium to the title company for such insurance, which will vary depending upon the amount of insurance purchased.

9.2 Purchaser will pay a fee to the City Register for recording the deed and the power of attorney of approximately $32.00 for each instrument plus $5.00 for each page (including the cover page), and will pay the $75.00 filing fee for the RP-5217 form. In addition, Purchaser's title insurance company may charge various fees and service charges in connection with such recordings and filings, all of which shall be payable by Purchaser.

9.3 If Purchaser obtains a mortgage loan, Purchaser shall pay all closing costs associated with such loan, which may include, but need not be limited to, the following:

(a) a fee and service charge for recording the mortgage at the same rates given above for recording the deed and power of attorney;

(b) a mortgage recording tax in the amount provided for by law, which on the date hereof is 2.05% of the principal amount of the mortgage for mortgages of less than $500,000.00 and 2.175% of the principal amount of the mortgages for mortgages equal to or greater than $500,000.00 (further, pursuant to law, the mortgagor receives a $25 deduction and the mortgagee pays .25%, and in each case, the amount payable to Sponsor under subparagraph (c) below is deducted);

(c) to Sponsor, a sum equal to the full amount (but not in excess thereof) of the partial mortgage recording tax credit provided by Section 339-ee(2) of the New York Condominium Act, to the extent the same is or becomes available, as a reimbursement for the mortgage recording taxes previously paid (such credit is based, in general, on the Common Interest of the Units being purchased multiplied by a portion of the mortgage tax previously paid on account of pre-existing mortgages on the Property);

(d) the premium for mortgage title insurance, if required by Purchaser's lender;

(e) deposits for Common Charges, real estate taxes, any assessments, water charges and sewer rents (if separately assessed), if required by Purchaser's lender; and

(f) such other costs and expenses in connection with such loan as determined by Purchaser's lender.

9.4 Purchaser will be required to pay the amount of $1,750 to Choe & Oh, P.C., Sponsor's counsel, for each Unit purchased hereunder, in order to defray Sponsor's legal fees for services in connection with preparing the deed and power of attorney and for coordinating and attending the closing. If Purchaser obtains financing and the lender is unwilling to close at the

offices of Sponsor's counsel or if Purchaser otherwise requests that the Closing occur other than at the office of Sponsor's counsel (or such other place as Sponsor may designate in its closing notice) and Sponsor in its sole discretion consents to such request, the closing may be held elsewhere in New York City, provided that Purchaser shall pay Sponsor's counsel a travel fee of $500 if the closing is held elsewhere in Manhattan and $750 if the closing is held in another borough other than Manhattan. If Purchaser chooses (or is required by its lender) to obtain title insurance, Purchaser may use any title insurance company it desires, however, if Purchaser shall use an abstract company or title insurance company other than: All American Abstract LLC (31 Stewart St., Floral Park, NY 11001; (800) 693-7617, or such other or additional company/ies designated by Sponsor in an amendment to this Plan (any of the foregoing, the "Title Company") and Sponsor incurs any additional legal fees or expenses as a result of such other company's form of title report or clearing the title exceptions, or addressing the requirements, of such other abstract or title insurance company, then Purchaser shall reimburse Sponsor or pay directly to Sponsor's Counsel the amount of such legal fees and expenses so incurred, not to exceed $650 per closing. If, through no fault of Sponsor, Purchaser fails to close on the date scheduled by Sponsor (including, without limitation, the failure of Purchaser or Purchaser's attorney to give at least ten (10) days' prior written notice of a title defect as required in Article 7 above and the failure of Purchaser to have payment in proper form available at closing), then Purchaser shall pay to Sponsor's counsel an additional fee of $600 for each Unit purchased hereunder for each rescheduled closing to help defray the cost of preparing for and coordinating the new closing and recalculating the closing apportionments. If Purchaser shall obtain mortgage financing, then Purchaser shall pay an additional fee of $500 to Sponsor's counsel to defray the additional costs associated therewith. In addition, if Sponsor, in its sole discretion, consents to a Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement (or Purchaser otherwise exercises its limited right with respect to an assignment as provided in Section 23.4 hereof), a fee of $850, shall be payable by Purchaser to Sponsor's counsel, for preparation of an assignment agreement. Purchaser may be required to pay more than one fee pursuant to the preceding sentence and forgoing provisions with respect to a single Unit. At Sponsor's option in its sole discretion, any one or more of the foregoing fees to be paid to Sponsor's counsel shall be paid by Purchaser in advance, prior to closing, upon notice to Purchaser.

9.5 Purchaser shall make a contribution to the Working Capital Fund of the Condominium, payable to the Board, in an amount equal to two (2) months' Common Charges then in effect for each Unit pursuant to the Condominium budget and in accordance with Schedule A in the Plan, as the same may be amended from time to time.

9.6 Purchaser shall pay to the Board of the Common Charges for the Unit for the first full month following the month in which title closes. In addition, if Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity) shall pay to the Board an amount equal to the Common Charges for such Unit for a period of two (2) years as security for the faithful observance by Purchaser of the terms, provisions and conditions of the By-Laws. In the event that Purchaser defaults in respect of the terms, provisions and conditions of the By-Laws, the Board may use, apply, or retain the whole or any part of the security so paid in advance to the extent required for the payment of any Common Charges or any other sum as to which Purchaser is in default; and such Unit Owner shall, within

thirty (30 days after notice from the Board, deposit with such Board the amount so applied or retained so that at the option of the Board, such Board shall have the full amount of said security on hand at all times. The provisions of the preceding sentence shall survive the closing of title.

9.7 Purchaser shall pay the Real Estate Transfer Tax due to the State of New York (the so-called "deed stamps" and, if applicable, the so-called "mansion tax"), the Real Property Transfer Tax due to the City of New York and any other real property transfer tax due to the City of State of New York. Purchaser agrees to indemnify and hold Sponsor harmless from and against any and all liabilities and expenses (including, without limitation, reasonable legal fees and disbursements) incurred by Sponsor by reason of the non-payment by Purchaser of any of the taxes Purchaser is obligated to pay hereunder in connection with the purchase of the Unit. Purchaser's obligations to pay the taxes described in this Section 9.7 and to indemnify Sponsor as herein provided shall survive the closing of title or the termination of this Agreement.

10. Transfer Tax Returns. At the closing, Purchaser shall duly complete and sign before a notary public the real property transfer tax return required to be filed with The City of New York ("RPT Form") and Purchaser shall duly complete and sign the Combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate ("Combined Tax Form") required to be filed with the Department of Taxation and Finance of the State of New York (the "Tax Department"), or such other forms as may then be required by law. The RPT Form and Combined Tax Form shall be delivered at closing to the representative of Purchaser's title insurance company (or, if none, to Sponsor's attorney) for filing with the proper governmental office. Sponsor will similarly execute all of such forms and other documents required in connection with recording of the deed including, without limitation, smoke detector and multiple-dwelling affidavits.

11. The Plan.

11.1 Purchaser acknowledges having received and read a copy of the Plan, including all amendments thereto, if any, filed prior to the date hereof with the Department of Law of the State of New York, at least three (3) business days before submitting this Agreement. If, however, Purchaser did not receive a copy of the Plan at least three (3) business days before submitting this Agreement, Purchaser may rescind this Agreement, by sending written notice of same to Sponsor by certified or registered mail, return receipt requested, or by personal delivery, in either case within seven (7) days of Purchaser's submission of this Agreement.

11.2 The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth herein at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern, except with respect to express modifications to the terms of the Plan included in this Agreement and agreed to by Sponsor and Purchaser, in which case such modifications will govern.

11.3 Purchaser hereby adopts, accepts and approves the Plan (including, without limitation, the Declaration, By-Laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Sponsor.

12. **Default by Purchaser.** (a) Any of the following shall constitute an "Event of Default" hereunder:

(i) Purchaser's failure to pay the Additional Deposit on the date set forth in Article 3 hereof, Purchaser's failure to pay the Balance or any closing apportionment of closing cost required to be paid by Purchaser in Article 8 or 9 hereof on the Closing Date designated by Sponsor pursuant to Article 5 hereof, or the dishonor of any check given by Purchaser to Sponsor.

(ii) the failure to pay, perform or observe any of Purchaser's other obligations hereunder;

(iii) if Purchaser is permitted to become the tenant or other occupant of the Unit, Purchaser's failure to pay rent or to perform some other lease or occupancy obligation within the period after notice, if any, set forth in the lease or occupancy or other agreement and either (x) Sponsor has obtained an order of eviction against Purchaser from a court of competent jurisdiction or (y) Purchaser has vacated the Unit;

(iv) Purchaser's assignment of any of Purchaser's property for the benefit of creditors, or Purchaser's filing a voluntary petition in bankruptcy; or

(v) If a non-bankruptcy trustee or receiver is appointed over Purchaser or Purchaser's property, or an involuntary petition in bankruptcy is filed against Purchaser; or

(vi) If a judgment or tax lien is filed against Purchaser and Purchaser does not pay or bond the same within thirty (30) days.

(b) **TIME IS OF THE ESSENCE** with respect to Purchaser's obligations to pay the balance and to pay, perform or observe Purchaser's other obligations under this Agreement. Upon the occurrence of an Event of Default, Purchaser shall have thirty (30) days from the giving of the notice of such default to cure the specified default. If the default is not cured within such thirty (30 days, TIME BEING OF THE ESSENCE, then Sponsor, in its sole discretion, may thereupon cancel this Agreement. If Sponsor elects to cancel, this Agreement shall be deemed cancelled, and Sponsor, as its sole remedy, shall have the right to retain, as and for liquidated damages, the Deposit and any interest earned on the Deposit. Upon the cancellation of this Agreement, Purchaser and Sponsor will be released and discharged of all further liability and obligations hereunder and under the Plan, and the Unit may be sold to another as though this Agreement had never been made, and without accounting to Purchaser for any of the proceeds of such sale.

(c) Sponsor and Purchaser each hereby agree and acknowledge that it would be impractical and/or extremely difficult to fix or establish the actual damage sustained by Sponsor as a result of a default by a Purchaser hereunder, and that the Deposit (including all interest) shall constitute and be deemed to be the reasonable and agreed upon liquidated damages of Sponsor in respect of the possible loss of a timely closing, the possible fluctuation of values, additional carrying costs of the Unit and other expenses that may be incurred, including, without limitation, attorneys'

fees, and shall be paid by Purchaser to Sponsor as Sponsor's sole and exclusive remedy. The payment of the deposit (including all interest) as liquidated damages is not intended to be a forfeiture or penalty, but is intended to constitute liquidated damages to Sponsor.

(d) NEITHER SELLER NOR PURCHASER SHALL CHALLENGE THE VALIDITY OF THE PROVISIONS OF THIS AGREEMENT OR THE PLAN WITH RESPECT TO LIQUIDATED DAMAGES OR ANY RIGHT OF SPONSOR SET FORTH HEREIN OR THEREIN TO RETAIN THE DEPOSIT IN THE EVENT OF A PURCHASER DEFAULT. SUCH PROVISIONS HAVE BEEN AGREED TO VOLUNTARILY, AFTER NEGOTIONA, WITHOUT DURESS OR COERCION BY ANY PARTY UPON ANY OTHER PARTY, AND WITH EACH PARTY HAVING BEEN (OR HAVING HAD FULL AND ADEQUATE OPPORTUNITY TO BE) REPRESENTED AND ADVISED BY COUNSEL, ACCOUNTANTS, BROKERS, APPRAISERS AND OTHER EXPERTS AND ADVISORS OF ITS OWN CHOOSING.

13. Agreement Subject to Lien of Mortgage. No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any money deposited hereunder, except as hereinafter set forth. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall continue to be subject and subordinate to the lien of any mortgage heretofore or hereafter made and any payments or expenses already made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the fullest extent thereof, without the execution of any further legal documents by Purchaser. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of the Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date, unless, if Purchaser is obtaining financing on the Unit, Purchaser assumes such mortgages (at Sponsor's discretion). The existence of any mortgage or mortgages encumbering the Property, or portions thereof, other than the Unit and its undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of Purchaser's other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage is subordinated to the Declaration, or the Unit is released from, or not subject to, the lien of such mortgage at closing (unless Purchaser has assumed the continuation of a mortgage lien encumbering such Unit as hereinabove described).

14. Agreement Subject to Plan Being Effective. The performance by Sponsor of its obligations under this Agreement is contingent upon the Plan having been declared effective in accordance with the terms and provisions of the Plan (as the same may be amended from time to time). The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. If the Plan is abandoned or if, after being declared effective, the Plan is not consummated for any reason and Purchaser is not in default under this Agreement beyond any applicable grace period, this Agreement shall be deemed cancelled and the Deposit, together with interest, if any, earned thereon, shall be returned to Purchaser. Upon such return, neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan.

15. Sponsor's Inability to Convey the Unit. If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan by reason of a defect in title, substantial damage or destruction of the Building by fire or other casualty, or the taking of any material portion of the Property by condemnation or eminent domain, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability. If Sponsor is not so obligated under the Plan and notifies Purchaser of its election not to cure such inability, and Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such inability (without any abatement in or credit against the Purchaser Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within 30 days after receipt of notice or termination from Purchaser, return the Deposit to Purchaser, together with interest, if any, earned thereon. Upon making such payment, this Agreement shall be terminated and neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan. The foregoing remedy must be exercised by written notice sent by Purchaser to Sponsor within ten days after the giving of Sponsor's notice or election not to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the first remedy above to acquire title subject to such inability.

16. Fixtures, Appliances and Personal Property. Only those fixtures, appliances and items of personal property, which are described in the Plan as being included in the Unit are included in the sale of the Unit pursuant to this Agreement. No portion of the Purchase Price shall be attributable to such items.

17. Construction.

17.1 The construction of the Building and the Unit, including the materials, equipment and fixtures to be installed therein, shall be substantially in accordance with the Plan and the Plans and Specifications (as defined in the Plan), subject to the right of Sponsor to amend the Plan and the Plans and Specifications in order to substitute materials, equipment or fixtures of equal or better quality, provided that the approval of any governmental authorities having jurisdiction is first obtained (if required). The issuance of a temporary or permanent Certificate of Occupancy for the Building shall be deemed presumptive evidence that the Building and the Unit have been fully completed in accordance with the Plan and the Plans and Specifications. However, nothing herein contained shall excuse Sponsor from its obligation to correct any defects in construction in accordance with the conditions set forth in the Plan in the Section entitled "Rights and Obligations of Sponsor."

17.2 The construction of the Building and the Unit and the correction of any defects in the construction thereof to the extent required under the Plan are the sole responsibility of Sponsor. Purchaser acknowledges and agrees that Sponsor will not be liable for, and will have no obligation to correct, certain variations from the Plan and Plans and Specifications as indicated in the Section of the Plan entitled "Rights and Obligations of Sponsor" and will only be responsible to correct any construction defects to the extent, and on the terms and conditions, set forth in such Section.

17.3 The closing of title shall occur only after, or concurrently with, compliance with the prerequisites set forth under "Prerequisites to Closing of Title" in Part I of the Plan. As a result, if all other prerequisites not involving the construction of the Unit are met, Purchaser shall be obligated to close and complete payment of the full Purchase Price (without any credit against or abatement in the Purchase Price and without any provision for escrow) once a temporary or permanent Certificate of Occupancy is issued for the Unit (notwithstanding any construction items noted on Purchaser's Inspection Report (as hereinafter defined) remaining for Sponsor to complete and/or correct in accordance with its obligations under the Plan, and notwithstanding the incomplete construction and/or decoration of any other portions of the Building not preventing Purchaser's occupancy of the Unit).

17.4 Sponsor has projected that, based upon currently anticipated schedules, construction of the Building will be sufficiently completed to permit closings of Units to begin in or about December 2008. The actual date for the First Closing is only an estimate and is not guaranteed or warranted, any may be earlier or later depending on the progress of construction and compliance with the other prerequisites described in the Plan. Purchaser acknowledges that construction may be delayed by weather, casualty, labor difficulties (including work stoppages and strikes), late delivery or inability to obtain on a timely basis or otherwise materials or equipment, governmental restrictions, or other events beyond Sponsor's reasonable control. Purchaser further acknowledges that the units in the Building will be completed at varying times over a period that could extend well beyond the First Closing. The order in which these units will be completed is in the discretion of Sponsor. Purchaser acknowledges that except as otherwise expressly provided in the Plan, Purchaser shall not be excused from paying the full Purchase Price, without credit or set-off, and shall have no claim against Sponsor for damages or losses, in the event that the First Closing occurs substantially earlier or later than the projected dated or the time to complete or to close title to the Unit is accelerated, delayed or is postponed by Sponsor, Purchaser's rights as set forth in Plan in respect thereof being in lieu of any other rights or remedies which may be available pursuant to any applicable law, regulation, statute or otherwise, all of are hereby expressly waived by Purchaser.

18. Inspection of Unit. At least one week (but not more than one month) prior to the Closing Date, at Sponsor's direction, Selling Agent shall notify Purchaser that the Unit is ready for inspection. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with Selling Agent to inspect the Unit within the week prior to the Closing Date. Purchaser or his or her duly authorized agent shall attend such inspection, shall carefully inspect the Unit, and shall complete, date and sign the Inspection Statement (in the form set forth as Schedule B to this Agreement) and deliver same to Selling Agent at the conclusion of the inspection. Failure of Purchaser either to arrange such appointment or to inspect the Unit within the week prior to the Closing Date or to so sign and deliver the completed Inspection Statement shall not excuse Purchaser from paying the Balance when due and shall constitute Purchaser's full acceptance of the Unit. However, nothing herein shall relieve Sponsor of its obligations as set forth in "Rights and Obligations of Sponsor" in the Plan.

19. Damage to the Unit. If between the date of this Agreement and the closing of title, the Unit is damaged by fire or other casualty, the following shall apply

19.1 The risk of loss to the Unit by fire or other casualty, until the earlier of closing of title or possession of the Unit by Purchaser, is assumed by Sponsor; provided that Sponsor shall have no obligation or liability to repair or restore the Unit. In the event of damage or destruction of the Unit due to fire or other casualty prior to the closing of title and the election by Sponsor to repair or restore the Unit, this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Condominium Board and the Board and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the preceding sentence shall survive the closing of title or the termination of the Agreement.

19.2 In the event of damage to or destruction of the Unit by fire or other casualty prior to the closing of title and the election by Sponsor, with notice thereof to Purchaser, that it does not elect to repair or restore the Unit, or, if the Declaration has been recorded prior thereto, then if the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, this Agreement shall be deemed cancelled and of no further force or effect and Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest, if any, earned thereon, and neither party shall have any further rights, obligations or liability to or against the other and the parties shall be released and discharged from all obligations and liability hereunder and under the Plan, except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor shall retain all such sums deposited by Purchaser hereunder and any interest earned thereon, as and for liquidated damages.

20. **No Representations.** Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes of the Unit, the ability to rent the Unit and/or the rental income therefore, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any other data, except as herein or in the Plan specifically represented; Purchaser has relied solely on his or her own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor. No oral representations or statements shall be considered a part of this Agreement. Purchaser agrees (a) to purchase the Unit, without offset or any claim against, or liability of, Sponsor, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans on file in Sponsor's office and to be filed in the City Register's Office, is accurate or correct, and (b) that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any immaterial or insubstantial inaccuracy or error. The provisions of this Article 20 shall survive the closing of title or the termination of this Agreement.

21. Prohibition Against Advertising. Purchaser hereby covenants and agrees that is shall not, prior to the closing of title hereunder, list the Unit for sale or resale with any broker or otherwise advertise, promote, or publicize the availability of the Unit for sale. Any such listing of the Unit or form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives prior to the closing of title shall be an Event of Default hereunder, entitling Sponsor to the remedies set forth in Article 12 hereof. Purchaser hereby further covenants and agrees that it shall not list the Unit for sale or resale with any broker or otherwise advertise, promote or publicize the availability of the Unit for sale following the closing of title hereunder until the earlier of: (a) one year after the First Closing; or (b) the closing of title to all Units. Any such listing of the Unit for form of advertising, promotion or publicizing of the Unit by Purchaser or its agents or representatives following closing in violation of the immediately preceding sentence shall entitle Sponsor to all remedies available at law, in equity or otherwise, including without limitation injunctive relief. The provisions of this Article 21 shall survive the closing of title or the termination of this Agreement.

22. Broker. Purchaser represents to Sponsor that Purchaser has not yet dealt with any broker in connection with this transaction other than Selling Agent and *********. Purchaser shall pay the commission of any broker with whom Purchaser may have dealt, other than Selling Agent and the aforementioned broker. Purchaser agrees that, should any claim be made against Sponsor for commissions by any broker other than Selling Agent or the aforementioned broker on account of any acts or dealings of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including, but not limited to, reasonable legal fees and disbursements. The provisions of this Article 22 shall survive the closing of title or the termination of this Agreement.

23. Agreement May Not Be Assigned.

23.1 This Agreement, or any interest of Purchaser herein, shall not inure to the benefit of any successors or assigns of Purchaser and may not be assigned by Purchaser, without the prior written consent of Sponsor, which consent may be given or denied by Sponsor in its sole discretion. Any purported assignment by Purchaser in violation of this Agreement shall be an event of default by Purchaser entitling Sponsor to al remedies available at law, in equity or otherwise, including, without limitation, the remedies set forth in Article 12 hereof, and shall be voidable at the option of Sponsor.

23.2 If Purchaser is a corporation, any sale, assignment, transfer, pledge encumbrance or other disposition of any of the stock of Purchaser, or if Purchaser is a partnership, limited liability company or other entity, any sale, assignment, transfer, pledge encumbrance or other disposition of any interest in such partnership, limited liability company or other entity shall, for purposes of this Agreement, be considered an assignment and shall be subject to the provisions, prohibitions and terms of this Article concerning assignment of this Agreement, except that a sale of less than fifty percent (50%) of the stock, or in the case of a partnership, limited liability company or other entity, less than fifty percent (50%) of the ownership interests, of Purchaser which does not result in a change in control of Purchaser shall not be considered an assignment. For purposes of the preceding sentence only, "control" shall mean the ownership of fifty-one percent (51%) or more of

the interest in such entity of possession of the power to direct the management and policies of such entity and the distribution of its profits.

23.3 If a Purchaser desires to assign its rights under this Agreement or to take title in the name of an affiliate of, or entity related to, or controlled by Purchaser that differs from that reflected in this Agreement, or to add, delete or substitute the name of a member of the Purchaser's family, then, if such assignment, alteration, addition, deletion or substitution is permitted by Sponsor (in Sponsor's sole discretion), Purchaser shall deliver to Selling Agent or Sponsor's counsel, four (4) signed forms of assignment of this Agreement (to be prepared by Sponsor's counsel at Purchaser's expense and in form and content acceptable to Sponsor, in its sole discretion), as well as three (3) completed and signed copies of either Form W-9 (Request for Taxpayer Identification Number and Certification)or Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding), as applicable, in the form required by law. Upon each assignment or other change permitted by Sponsor (it its sole discretion), the assignments and Form W-8 or Form W-9, as applicable, must be delivered to Selling Agent or Sponsor's counsel, together with a personal certified check, or an official bank or cashier's check, in the amount $850 made payable to Choe & Oh, P.C. (for services rendered in connection with the assignment), not less than twenty (20) days prior to the date scheduled for the Purchaser's closing. In no event shall Purchaser or its assignee (or any added or substituted party) have any right to adjourn or postpone the closing as a result of any such change or assignment. Sponsor is not obligated to consent to any such change or assignment and, Sponsor's refusal to consent to an assignment or change in name will not entitle Purchaser to cancel this Agreement or excuse Purchaser from any of its obligations hereunder or give rise to any claim for damages against Sponsor; and the prohibition against advertising or publicizing the availability of purchaser's Unit as set forth in Article 21 above and in the Plan will remain in effect.

23.4 Notwithstanding the provisions of Section 23.12 above, Sponsor will not unreasonably withhold its consent to the assignment by Purchaser, on one (1) occasion only, of all of Purchaser's right under this Agreement to a Purchaser Affiliate or to member(s) of Purchaser's Immediate Family, provided that any such assignment is made without consideration and otherwise in accordance with the provisions and procedures set forth in Section 23.3 above. For purposes of this Section 23.4 only: (i) "Purchaser Affiliate" means an entity, as of the date of the assignment and at all times thereafter through and including the Closing, controlled by or under common control with Purchaser; (ii) "Immediate Family Members" means Purchaser's spouse, domestic partner, children, grandchildren, parents, grandparents, brothers or sisters, stepchildren and stepparents; and (iii) "control" means the ownership of fifty-one percent (51%) or more of the interests in such entity and possession of the power to direct the management and policies of such entity and the distribution of its profits.

23.5 Notwithstanding any consent by Sponsor pursuant to the terms of this Article to any such change of name or assignment, in no event shall Purchaser, as assignor, be released or relieved from any obligations, promises, covenants and liabilities under or in respect of this Agreement.

24. Binding Effect. The submission of this Agreement to Purchaser does not create a binding obligation on the part of Sponsor. This Agreement shall not be binding on Purchaser or Sponsor until Purchaser has signed this Agreement and delivered the signed Agreement and the

Initial Deposit to Sponsor, and a counterpart hereof executed by Sponsor has been delivered to Purchaser. If this Agreement is not signed by Sponsor and a fully executed counterpart delivered to Purchaser or its attorneys within thirty (30) days after the date hereof, this Agreement shall be deemed to have been rejected and the Initial Deposit shall be promptly returned to Purchaser. Upon such refund being made, neither party shall have any further rights, obligations or liabilities hereunder with respect to the other. Prior to Sponsor's countersigning and returning this Agreement to Purchaser, and at any time thereafter, Purchaser agrees upon request to provide Sponsor with written information about Purchaser's employment, financial and rental/ownership history. Such information obtained prior to countersignature may be used to determine Purchaser's qualification to purchase and own the Unit, but does not constitute a reservation or binding obligation on either the applicant or Sponsor. Sponsor has the right, without incurring any liability to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's sex race, creed, color, national origin, ancestry, disability, marital status, or other ground proscribed by law.

25. Notices.

25.1 Any notice, election, demand, consent, request or other communication hereunder or under the Plan shall be in writing and either delivered in person or sent, postage prepaid, by registered or certified mail, return receipt requested or by Federal Express or other reputable overnight courier, with receipt confirmed: to Purchaser at the address given at the beginning of this Agreement; and to Sponsor, address to Selling Agent at : Nestseekers International, Attn: Eddie Shapiro, 20 E 49th St., 6th fl, New York, NY 10017, (646) 443-3700 with a copy sent simultaneously and in like manner to Choe & Oh, P.C., 15 East 32nd Street, New York, New York 10016, Attention: Peter Choe, Esq. Either party may hereafter designate to the other in writing a change in the address to which notices are to be sent. Except as otherwise expressly provided herein, a notice shall be deemed given when personal delivery or delivery by overnight courier is effected or, in the case of mailing, three (3) days after the date of mailing, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address.

25.2 Sponsor hereby designates and empowers both Selling Agent and Sponsor's counsel (Choe & Oh, P.C.) as Sponsor's agents to give any notice to Purchaser under this Agreement (including, without limitation, a notice of default) in Sponsor's name, which notice so given shall have the same force and effect as if given by Sponsor itself.

26. Joint Purchasers. The term "Purchaser" shall be read as "Purchasers" if the Unit is being purchased by more than one person, in which case their obligations shall be joint and several.

27. Liability of Sponsor. Sponsor shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as such performance is prevented, delayed or hindered by an act of God, fire, flood, explosion, war, riot, sabotage, inability to procure or general shortage of energy, labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strike, lockout, action or labor unions, or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Sponsor. Sponsor's time to perform

such obligation or undertaking shall be tolled for the length of the period during which such performance was excused.

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

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

30. Strict Compliance. Any failure by either party hereto to insist upon the strict performance by the other party of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and each party, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the other party of any and all of the provisions of this Agreement to be performed by such other party.

31. No Lien. Neither this Agreement nor any monies deposited hereunder or expended by Purchaser in connection herewith shall constitute a lien against the Unit, any other Units, or any other portion of the Building or the Land upon which it is situated, and Purchaser may not record this Agreement or a memorandum thereof.

32. Governing Law. The provisions of this Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of New York applicable to contracts made and to be performed wholly in the State of New York, without regard to principles of conflicts of law.

33. Purchaser's Representations.

33.1 Purchaser represents that Purchaser has full right and authority to execute this Agreement and perform Purchaser's obligations hereunder. If Purchaser is not a natural person, Purchaser agrees to deliver at Closing, such documents evidencing Purchaser's authority as may be required by Purchaser's title company. Purchaser further represents that the Deposit represents Purchaser's own funds and that no other party (other than Purchaser or Seller, as provided herein) has any right or claim to all or any portion of the Deposit.

33.2 Purchaser is not now, nor shall it be at any time prior to or at the closing of title, and individual, corporation, partnership, joint venture, trust, trustee, limited liability company, unincorporated organization, real estate investment trust or any other form of entity (collectively, a "Person") with whom a United States citizen, entity organized under the laws of the United States or its territories or entity having its principal place of business within the United States or any of its territories (collectively, a "U.S. person"), is prohibited from transacting business of the type

contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") (including those executive orders and lists published by OFAC with respect to Persons that have been designated by executive order or by the sanction regulations of OFAC as Persons with whom U.S. Persons may not transact business or must limit their interactions to types approved by OFAC or otherwise. Neither Purchaser nor any Person who owns an interest in Purchaser is now nor shall be at any time prior to or at the closing title a Person with whom a U.S. Person, including a "financial institution" as defined in 31 U.S.C. 5312 (a)(z), as periodically amended, is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States law, regulation, executive orders and lists published by the OFAC or otherwise.

33.3 Purchaser has taken, and shall continue to take until the closing of title, such measures as are required by applicable law to assure that the funds used to pay to Seller the Purchase Price are derived: (i) from transactions that do not violate United States law nor, to the extent such funds originate outside the United States, do not violate the laws of the jurisdiction in which they originated; and (ii) from permissible sources under United States law and to the extent such funds originate outside the United States, under the laws of the jurisdiction in which they originated. Purchaser is, and will at closing be, in compliance with any and all applicable provisions of the USA PATRIOT Act of 2001, Pub. L. No. 107-56, the Bank Secrecy Act of 1970, as amended, 31 U.S.C. Section 5311 et. seq., the Trading with the Enemy Act, 50 U.S.C. App. Section 1701 et. seq., the International Emergency Economic Powers Act, 50 U.S.C. Section 1701 et. seq., and the sanction regulations promulgated pursuant thereto by the OFAC, as well as laws relating to prevention and detection of money laundering in 18 U.S.C. Sections 1956 and 1957.

33.4 The provisions of this Article shall survive the closing of title to the Unit or termination of this Agreement.

34. Agreement Not Contingent Upon Financing. The terms and provisions of this Agreement and Purchaser's obligations hereunder are not contingent upon Purchaser securing financing of the Purchase Price (or any portion thereof) stated in Article 3 of this Agreement, and Purchaser understands and agrees that Purchaser's failure to obtain such financing will not relieve Purchaser of Purchaser's obligations hereunder. Purchaser further understands and agrees that if Purchaser chooses to finance the purchase of the Unit through a lending institution and obtain a commitment therefrom, neither a subsequent change in the terms of such commitment, the expiration or other termination of such commitment, any change in Purchaser's financial status or condition, nor any delay in or adjournment of the Closing, shall release or relieve Purchaser or Purchaser's obligations pursuant to this Agreement.

35. Costs of Enforcing and Defending Agreement. Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under this Agreement or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Purchaser's obligations hereunder. The provisions of this Article shall survive closing of title or the termination of this Agreement.

36. Waiver of Jury Trial. Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, connected with, or relating to this Agreement or the relationship created hereby or in the Plan. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any such claim as a counterclaim in, nor move to consolidate such claim with, any action or proceeding in which a jury trial is waived. The provisions of this Article shall survive closing of title or the termination of this Agreement.

37. Waiver of Diplomatic or Sovereign Immunity.

37.1 Purchaser hereby waives any and all immunity from suit or other actions or proceedings and agrees that, should Sponsor or any of its successors or assigns bring any suit, action or proceeding in New York or any other jurisdiction to enforce any obligation or liability of Purchaser arising, directly or indirectly, out of or relating to this Agreement, no immunity from such suit, action or proceeding will be claimed by or on behalf of Purchaser.

37.2 As of the execution of this Agreement, Purchaser acknowledges and agrees that all disputes arising directly or indirectly, out of or relating to this Agreement may be dealt with and adjudicated in the state courts of New York or the federal courts sitting in New York, and hereby expressly and irrevocably submits the person of Purchaser to the jurisdiction of such courts in any suit, action or proceeding arising, directly or indirectly, out of or relating to this Agreement. So far as is permitted under the applicable law, this consent to personal jurisdiction shall be self-operative and no further instrument or action shall be necessary in order to confer jurisdiction upon the person of Purchaser in any such court.

37.3 Purchaser irrevocably waives, the to the fullest extent permitted by law, and agrees not to assert, by way of motion, as a defense or otherwise in any suit, action or proceeding arising, directly or indirectly, out of relating to this Agreement, brought in the state courts in new York or the federal courts sitting in new York: (i) any objection which it may have or may hereafter have to the laying of the venue of any such suit, action or proceeding in any such court; (ii) any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum; or (iii) any claim that is not personally subject to the jurisdiction of such courts. Purchaser agrees that final judgment from which Purchaser has not or may not appeal or further appeal in any such suit, action or proceeding brought in such a court shall be conclusive and binding upon Purchaser and, may so far as is permitted under the applicable law, be enforced in the courts of any state or any federal court and in any other courts to the jurisdiction of which Purchaser is subject, by a suit upon such judgment and that Purchaser will not assert any defense, counterclaim, or set off in any such suit upon such judgment.

37.4 Purchaser agrees to execute, deliver and file all such further instruments as may be necessary under the laws of the State of New York, in order to make effective the consent of Purchaser to jurisdiction of the state courts of New York and the federal courts sitting in New York and any other provisions of this Article 37.

37.5 Nothing in the Article 37 shall affect the right of Sponsor to being proceedings against Purchaser in the courts of any jurisdiction or jurisdictions.

37.6 The provisions of this Article 37 shall survive the closing of title or the termination of this Agreement for the purpose of any suit, action, or proceeding arising directly or indirectly out of or relating to this Agreement.

37.7 In the event Purchaser is a foreign government, a resident representative of a foreign government or such other person or entity otherwise entitled to the immunities from suit enjoyed by a foreign government (i.e., diplomatic or sovereign immunity), such Purchaser shall hereby be deemed to have designated and hereby designates C.T. Corporation System, having its offices, at the date hereof at 111 Eighth Avenue, New York, New York 10011 as its duly authorized and lawful agent to receive process for and on behalf of Purchaser in any state or Federal suit, action or proceeding in the State of New York based on, arising out of or connected with this Agreement.
37.8 If Purchaser is a foreign mission, as such term is defined under the Foreign missions Act, 22 U.S.C. 4305, Purchaser shall notify the United States Department of State prior to purchasing a Unit and provide a copy of such notice to Sponsor. Sponsor shall not be bound under this Agreement unless and until the earlier to occur of: (i) a notification of approval is received from the Department of State; or (ii) sixty (60) days after Purchaser's notice is received by the Department of State.

38. Entire Agreement. This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them with respect to the subject matter hereof.

39. Certain References. A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless in this Agreement, refer to this entire Agreement and not to the particular provision in which the term is used. Unless otherwise stated, all references herein to Articles, Sections or other provisions are references to Articles, Sections or other provisions of this Agreement.

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

41. Successors and Assigns. Subject to the provisions of Article 23 hereof, the provisions of this Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

42. No Oral Changes. This Agreement, or any provision hereof, cannot be orally changed, terminated or waived. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES AND WHICH REFERS TO THIS AGREEMENT.

43. Counterparts. This Agreement and any Rider(s) which may be annexed hereto may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same document. A facsimile signature on this Agreement (or any such Rider(s)) shall be acceptable and be deemed binding. The party tendering such facsimile signature shall provide the other party with original counterparts of the signature page

promptly after delivery of the facsimile signature page, although the failure to do so shall not invalidate the effectiveness of the facsimile signature.

44. Rule of Construction. There shall be no presumption against the drafter of this Agreement or the Plan.

45. Section 1031 Exchange. Sponsor hereby acknowledges that the acquisition of the Unit hereunder may be in connection with a tax deferred exchange under §1031 of the Internal Revenue Code and that Purchaser (except as prohibited by paragraph 24 of this Agreement) may be assigning all of its rights and obligations hereunder to a qualified intermediary as part of, and in furtherance of, such tax deferred exchange. Sponsor hereby agrees to reasonably assist and cooperate in such tax deferred exchange, provided, however, that: (i) any action taken in connection with such tax deferred exchange or requested of Sponsor shall not result in any cost, expense or liability on the part of Sponsor or increased risk to Sponsor relating to the transaction contemplated by this Agreement (and, among other things, Purchaser acknowledges that a fee may be payable to Sponsor's Counsel in connection with the review of any documentation related to such tax-deferred exchange); (ii) no action or failure on the part of Purchaser (or any other party to such tax deferred exchange) will frustrate the purpose of this Agreement or otherwise result in a reduction of Sponsor's rights, remedies and privileges under this Agreement or increase any of Sponsor's obligations or duties under this Agreement or otherwise; and (iii) Sponsor shall not be obligated, as part of any tax deferred exchange to convey any property (other than Unit), acquire any property, or accept any form of payment in respect of the amounts due hereunder other than as set forth herein. Purchaser shall indemnify and shall hold Sponsor harmless from and against any and all costs, expenses, fees (including, without limitation, reasonable attorneys' fees) or liabilities incurred by Sponsor in connection with or resulting from the said tax deferred exchange, and such indemnity shall survive the closing of title or the termination of this Agreement. Notwithstanding the foregoing, Sponsor makes no representation and expresses no opinion with respect to the applicability of §1031 of the Internal Revenue Code to the purchase or acquisition of a Unit.

46. Maximum Construction Period. Notwithstanding any express or implied provision in the Plan or otherwise in this Agreement to the contrary: (i) subject only to any "Permissible Excuses" (hereinafter defined), Sponsor hereby unconditionally agrees to deliver the Unit within two (2) years after the date of purchaser's execution of this Agreement; and (ii) with respect to any failure by Sponsor to deliver the Unit as aforesaid, Purchaser shall be entitled to all remedies available at law or in equity. For purposes of this paragraph, "Permissible Excuses" means such facts, circumstances or occurrences that are legally recognized under the laws of the State of New York as an excuse to performance (in whole or in part, as may be applicable).

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth hereinabove.

SPONSOR:

112 NORTHERN DEVELOPMENT LLC

By: _____
Name:
Title:

PURCHASER(s)

_____
Name: *********

Social Sec. Number
or Federal Tax ID: *********

PURCHASER(s)

_____
Name: **********

Social Sec. Number
or Federal Tax ID: **********

Purchaser acknowledges receipt
of Offering Plan [and amendments]
on _____ ___, 200__

Initials of Purchaser(s):

_____ _____

POWER OF ATTORNEY

The undersigned, _____, the Owner(s) of Unit No. ___ located at 112-02 Northern Blvd, Queens, New York in the Condominium known as The Sage House Condominium, consisting of the property submitted to the provisions of Article 9-B of the Real Property Law of the State of New York pursuant to Declaration dated the ___ day of _____, 2008 and recorded in the Queens County Office of the Register of the Borough of Queens on the ___ day of _____, 2008 in Reel _____at Page _____ in the Floor Plans of file as Map No. _____, do hereby nominate, constitute and appoint the persons who may from time to time constitute the Board of Managers of The Sage House Condominium jointly, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, to acquire in their own name, as members of the Board of Managers, or in the name of their designee, corporate or otherwise, on behalf of all Owners of Units in said Property, in accordance with their common interest, any Unit whose Owner desires to abandon or sell the same, the undivided interest in the Common Elements appurtenant thereto, the interest of such Unit Owner in any other Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, or in the proceeds of sale or lease thereof, if any, and the rights and privileges appurtenant thereto, the interest of such Unit Owner in all other assets of the Condominium as defined in the aforementioned Amended Declaration or any Unit, which shall be the subject of a foreclosure or other judicial sale, or to lease any Unit whose Owner desires to rent the same, at such price or on such rental, as the case may be, and on such terms as said attorneys-in-fact shall deem proper, and thereafter to convey, sell, lease or mortgage (but not to vote the votes appurtenant thereto) to otherwise deal with any such Units 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 such attorneys-in-fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present.

The acts of majority of such persons shall constitute the acts of said attorneys-in-fact.

The undersigned do hereby nominate, constitute and appoint Northern Development, LLC, ("Sponsor") as attorney-in-fact for the undersigned, couple with an interest, with power of substitution, to amend from time to time the Amended Declaration, the By-Laws and the Rules and Regulations of the Condominium, or any of said documents, when such amendment (1) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the affected Unsold Units resulting therefrom made by Sponsor or its Designee in accordance with Article ___ of the Declaration or (2) shall be required by (a) and institutional lender procured by Sponsor to make a mortgage loan secured by a mortgage on any Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium, or (c) any title insurance company selected by Sponsor to insure title to any Unit, provided, however, that any amendment made pursuant to the terms of this paragraph shall not (i) change the Common Interest of the undersigned's Unit, (ii) require a material, physical modification to the undersigned's Unit, or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by and institutional lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) and the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. The terms, covenants and conditions contained in, and the powers granted pursuant to this paragraph shall remain in full force and effect until such time as the Sponsor or Sponsor-Designee(s) shall cease to own any Units in the Condominium.

The undersigned do further nominate, constitute and appoint Northern Development, LLC as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to execute any document on behalf of the undersigned, if same is necessary, to effectuate the transfer, assignment or conveyance by Sponsor, in whole or in part, of the transferable air rights and/or development rights which Sponsor has retained for itself, its successors and assigns. This power of attorney shall in no way be construed to grant any interest in such transferable air rights and/or development rights to the undersigned.

This power of attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned, has executed this Power of Attorney this ____ day of _____, 2009.

_____

_____

STATE OF NEW YORK)
) SS.:
COUNTY OF QUEENS)

On the ___ day of _____, in the year 2009, 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 their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individuals acted, executed the instrument.

_____
Notary Public

UNIT DEED

THIS INDENTURE made the ____ day of _____, 2009, between 112 NORTHERN DEVELOPMENT, LLC, 1230 Avenue of the Americas, 7th fl., New York, NY 10020 (hereinafter "Grantor"), and _____, ("hereinafter "Grantee:");

WITNESSETH:

That the Grantor, in consideration of Ten ($10.00) Dollars and other valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, and the heirs or successors and assigns of the Grantee, forever:

The Unit described in the attached Schedule A.

TOGETHER with any strips or gores adjoining the above described premises on any of the sides thereof;

TOGETHER with an undivided _____ percent interest in the Common Elements of the Property described in said Declaration (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 now existing as a result of construction of the Buildings, or which may come into existence hereafter as a result of settling of the Buildings, or as a result of repair or restoration of the Buildings, or the Unit, after damage by fire or other casualty, or after taking in condemnation or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements made by or with the consent of the Board of managers, so that any such encroachments may remain so long as the Buildings shall stand;

TOGETHER with an easement in common with the Owners of other Units to use any pipes, wires, ducts, cables, conduits, public utility lines, and other Common Elements located in any of the other Units or elsewhere on the property, and serving the Units;

TOGETHER with the appurtenances and all the estate and rights of the Grantor in, and to, the Unit;

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 easements in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units or Common Elements on the Unit, now existing as a result of construction of the Building, or as a result of repair or restoration of the Building, or any adjoining Unit, or of the Common Elements, after damage, condemnation, or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements made by, or with the consent of, the

Board of mangers so that any such encroachments may remain so long as the Building shall stand. Each Unit shall be subject to the aforesaid easements in favor of all other Units.

TOGETHER with and subject to easements, rights of way, restrictions and encumbrances created by the Declaration for THE SAGE HOUSE CONDOMINIUM recorded in the Queens County Office of the Register of the City of New York on the ___ day of _____, 2008, in Reel ___, Page ____.

SUBJECT to the provisions of the Declaration, By-Laws, and Floor Plans of the Condominium recorded simultaneously with and as part of the Declaration, as the same may be amended from time to time by instruments recorded in the Kings County Office of the Register of the City of new York, which provisions, together with any amendments thereto, shall constitute covenants running with the land and shall bind any person having time, any interest, or estate in the Unit, as though such provisions were recited and stipulated at length herein;

AND the Grantor covenants that the Grantor has not done or suffered anything whereby the said premises have been encumbered in any way whatsoever, except as aforesaid;

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 of a residence and/or professional home office as permitted by the By-Laws and the Declaration.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the Condominium Act, or if any provision that is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from the Declaration or the By-Laws, or if the Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the applicable provisions of the Condominium Act shall control.

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 applying the cost of the improvements, and will apply the same first to the payment of the cost of the improvements before using any party of the same for any other purpose.

IN WITNESS WHEREOF, the Grantor has duly executed this Deed the day and year first written.

112 NORTHERN DEVELOPMENT, LLC
BY:

_____

STATE OF NEW YORK)
) SS.:
COUNTY OF QUEENS)

On the ___ day of _____, in the year 2009, 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 their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individuals acted, executed the instrument.

_____
Notary Public

Description of property and improvements

The following is a general description of the Property as well as certain facilities and services to be provided at the condominium.

(a) Location:

(1) The property is located at 112-02 Northern Blvd in the borough of Queens, City and state of New York. The mailing address for the building is 112-02 Northern Blvd, Queens, NY
(2) Block 1727 Lot 1, 7, 35
(3) The property is located within an R6 district with a C2-4 overlay
(4) Permissible use – Use group 2, 4, and 6

(b) Construction Status:

(1)Year Built - 2009

(2) Class of Construction- 2B

(3) Certificate of Occupancy – Pending

(4) Permit Number – NB 402504214-01-NB

(c) Site:

(1) 14,198.89 s.f

(2) One building proposed mixed use commercial and residential. There will be 2 commercial retain spaces which shall be retained by the Sponsor and leased out to third party retailers.

(3) Street owned or maintained by the project:
- (i) Paving – Asphalt / Concrete varies
- (ii) Curbing – Concrete
- (iii) Catch Basins – The streets are presently pitched to drain through catch basins into the New York City storm water drainage system. The catch basins are owned and maintained by the City of New York
- (iv) The street lighting shall be existing light poles owned by the City of New York. They are owned and maintained by the City of New York.
- (v) Items conform to local applicable codes

(4) Drives, Sidewalks, and ramps:

(i) New concrete sidewalks will be provided along the front of the building

(ii) Curbs fronting the streets will be new, and shall be steel-faced concrete curbs.

(iii) The streets are presently pitched to drain through catch basins into the New York City storm water drainage system.

(iv) The street lighting shall be existing light poles owned by the City of New York.

(v) Items conform to local applicable codes

(d) Utilities: Unit Owners will have access to various utility and service area throughout the building including the rooftop, small fitness center and lobby/hallways.

(i) Electricity: Consolidated Edison Company will provide electrical service. The electricity to the building will be master metered. The electricity to each Residential Unit and the Commercial Units shall be individually metered and billed to the tenant. The electricity consumed in the Common Elements will be separately metered and will be borne by the residential unit owners as a common expense.

(ii) A new 4" domestic water service will be provided from the New York City water main in 112th Street. Duplex constant pressure house pump will be provided at the basement floor to provide all domestic water. Water supply and combined sewer servicing the Building will be provided by the City of New York. Water will be collectively metered for the entire building.

(iii) Gas service will be provided by Key Span Energy and gas will be master metered. Separate gas is provided for the cooking and domestic hot water production. Gas supplied to the residential apartments for cooking will be billed as part of the residential common charge.

(iv) Telephone: "Local" telephone service will be provided by Verizon and/or another service provider. Every Unit Owner will be required to pay their associated telephone charges and initial charges for activating individual outlets in the Unit. The telephone charges with respect to the public areas of the building will be borne by all Unit Owners as a Common Expense and will be borne by the Residential Unit Owner. Telephone outlets in the Residential Units will be provided in the living room, dining room (as applicable), kitchen, bedrooms and master bedroom.

(v) Cable Television: Cable Television services will be available for all Residential Units from Time Warner (or alternate cable TV company). All charges for cable television service (including installation and subscription charges) will be paid by each Unit Owner, who subscribes directly to the cable TV company. In each Residential Unit an outlet will be provided in the living room and each bedroom.

(e) Sub-Soil Conditions

(1) The geotechnical report titled Report of Geotechnical Investigation 112-02 Northern Boulevard Corona, Queens, NY, dated October 10, 2006, and prepared by RA Consultants provided the criteria for the foundation design.

(2) New concrete foundation will be constructed. The foundation system consists of reinforced concrete spread footing bearing natural soil of Stratum 2 (as described in the geotechnical report). The basement floor consists of a reinforced concrete slab on ground cast over a layer of gravel. It is estimated that settlements with the above foundation construction may be about one inch, occurring mostly during construction.

(3) No flooding is anticipated since groundwater is well below basement level and basement level is way below the 100-yr flood plain.

(f) Landscaping and Enclosures

(1) Grass cover: None
(2) Planting: TBD
(3) Trees: New street trees will be planted (subject to DOT approval)
(4) Fencing: TBD
(5) Gates: TBD
(6) Garden walls: TBD
(7) Retaining walls: Non provided
(8) Display pools and fountains: TBD

(g) Building Size

(1) Building height 60'-0"

(2) Crawl spaces – Plank construction is +/- 12" no crawl space area

(3) One cellar used for parking with height of approximately 13'-0".

(4) There are 6 stories above grade, plus a bulkhead level.

(i) Basement: Parking garage with total of 19 parking spaces, compactor room and mechanical rooms, entrance from 112th Street

(ii) Floor 1:
112th Street entrance: Residential Lobby, mail boxes, common residential lounge

Northern Boulevard Entrance: Commercial Space, commercial parking in the Front Yard, Open Areas in the Rear Yard for the Use of the Commercial Unit Owner

(iii) Floor 2-6: Residential units and terraces/balconies

(iv) Floor 8 (roof): Bulkheads, common areas

(5) Mechanical equipment is located in the cellar with refuse room. Elevator equipment on roof.

(6) Parapet 42" above roof where applicable

(h) Structural System – Building is constructed of concrete footings and foundations, masonry load bearing walls with structural precast concrete plank construction for the floors and roof

(1) Exterior of the Building:

(i) Exterior walls Exterior Walls: Northern Boulevard (North), 112th Street (West) and east elevations will be reinforced mason bearing walls consisting of nominal 4" exterior façade stones, 1" air space and 10" concrete mason block; metal studs with 5/8" gypsum wallboard finish. South elevation of the building will be reinforced mason bearing wall consisting of exterior stucco finish, 2" thermal insulation, and 10" concrete blocks: metal studs and 5/8" gypsum wallboard finish. All elevation will have punched openings, North elevation will have curtain wall windows, south elevation will have terraces and balconies with private access doors from the residential apartments. Per Local Law 11, the building façade is required to be inspected in five-year cycles after issuance of Final Certificate of Occupancy. The R-value of the exterior walls is 19.

(ii) Windows: Windows will be manufactured by Crystal Window and Door Systems, Ltd. The windows at the residential floors will be aluminum fixed, aluminum out-swings and aluminum out-swings terrace door type at terraces. Windows will have painted hardwood sills. Bond of Guarantee: written warranty, signed by the manufacturer, installer, and the Contractor will be provided agreeing to repair or replace defective windows materials, finish on windows material and glass for ten (10) years warranty period and parts and workmanship for 1 year from date of substantial Completion. "Defective" is defined to include abnormal deterioration; aging; weathering, glass breakage, failure of operational parts to function normally, deterioration of discoloration of finishes, and failure of system to meet performance requirements including structural and air or water infiltration. Windows located on the east façade of the building are called "Lot Line Windows" and they may be required to be closed up in the unlikely event that the adjoining property is ever redeveloped. Closing of these lot line windows in year 2009 Dollar value is estimated to be approximately $2000 per window. Also see section Z code compliance.

Schedule of Units with Lot Line Windows:

Unit 2A on floor 2: Lot Line window is located in bed room

Unit 2E on floor 2: _Lot Line window is located in bed room

Unit 3H-T on Floor 3: Lot Line window is located in living room

Unit 3E on floor 3: Lot Line window is located in bed room

Unit 3H-T on Floor 4: Lot Line window is located in bed room

Unit 4E on floor 4: Lot Line window is located in bed room

Unit 5H-T on floor 5: Lot Line window is located in living room

Unit 5E on floor 5: Lot Line window is located in bed room

Unit 5H-T on floor 6: Lot Line window is located in bed room

Unit PHE on floor 6: Lot Line window is located in bed room

(iii) This building is not a landmarked structure

(2) Parapets and Copings : The parapets will be of masonry. The parapet coping at masonry parapet will be with coping stones

(3) Chimney and Caps: Chimneys not provided. Boiler vent pipe is provided on the roof. There is one compactor chute in the building. Chute shall be twenty-four inches (24") diameter, 16 gauge aluminized steel as manufactured by "Action Chutes" or approved equal. The chute will terminate at the roof and have an explosion vent and metal flashing collar. The chute will be metal enclosed in shaft. At the chute there will be 1 1/2 hour rated doors at every opening. All chutes and flues will terminate in accordance with the New York City Building Code at the roof of the Building. Bathroom. Residential kitchen exhaust vents will be provided central fan systems exhausting to the exterior.

(4) Balconies and Terraces

(i) Deck Finish – finished concrete
(ii) Balustrade – Metal
(iii) Railing – Metal
(iv) Copings – N/A
(v) Soffits – Stucco
(vi) Doors to balconies – Metal frame glass

(5) Exterior Entrances

(i) Exterior doors and Frames – Metal frame with glass
(ii) Vestibule doors and frames – Metal frame with glass
(iii) Exterior Stairs – N/A
(iv) Railings – Metal
(v) Mailboxes – A Mailbox area is located on the ground floor of the building. Mailboxes are horizontal, front loading US Postal Service Approved.

Lighting – Surface mounted fixtures

(vi) Lighting – Surface mounted fixtures

(6) Service entrances

(i) Doors and frames – hollow metal
(ii) Gates – N/A
(iii) Exterior Stairs – N/A
(iv) Railings – N/A

(7) Roof and roof structures

(i)Type roofs for all areas:

(a) Material – concrete precast plank with 2 inches concrete topping.

(b) Insulation – Polystyrene

(c) Surface finish – Pavers

(d) Bond or guarantee- the roofing system shall have a 15-year manufacture's guarantee.

(e) Flashing materials – Metal

(ii) Drains

(a) Location – 3 drains, 3 overflows, in center of roof
(b) Gutters and leaders – internal roof drains

(iii) Skylights – N/A

(iv) Bulkheads

(a) Stairs – Steel decking with concrete topping
(b) Elevator – metal decking and concrete

(v) Metal works at roof levels

(a) Stairs – N/A
(b) Vertical ladders – N/A
(c) Railings – Metal
(d) Hatches – N/A

(vi) Rooftop facilities: outdoor rooftop plaza with pavers

(8) Fire Escapes. Describe at each floor and specify any unusual access situations

(i) Location- fireproof staircase exits the lobby on the west side. East side of building with fireproof staircase to exit into rear yard.

(ii) Floors Covered - 8 floors, basement 6 floors residential and roof.

(iii) Drop Ladder- N/A

(iv) Type N/A

(v) Materials - Concrete steal stairs.

(9) Yards and Courts: describe each yard and court including front, rear and interior listing methods of access. Front yard facing Northern Blvd. for use of the commercial tenant which includes 6 parking spaces. No rear yard use for tenants, for use of the commercial space.

(i) Paving – at front and rear

(ii) Drainage – sloped slabs to drainage points

(iii) Railings – N/A

(iv) Stairs – N/A

(v) Fencing – N/A

(vi) Walls – N/A

(10) Interior Stairs

(i) Number of stairs - Two main stair towers and internal stairs within duplexes

(ii) Enclosure - Main stair towers enclosed in concrete block, duplex stairs are open

(iii) Construction - Metal pan with concrete infill

(iv) Stringer – metal

(v) Treads – concrete

(vi) Risers – metal

(vii) Guard rails – metal

(viii) Balustrade – metal

(11) Interior doors and frames

(i) Unit entrance – hollow metal door and frame

(ii) Corridor – hollow metal door and frame

(iii) Stair hall – hollow metal door and frame

(iv) Roof doors – hollow metal

(12) **Elevators**

(i) One passenger elevator
(ii) Global Tardif, new elevator, 2000-4000 lbs, 12-15 people
(iii) PE#1 servicing the residential units on all floors from cellar to roof level
(iv) Automatic
(v) 8
(vi) Gearless traction elevator
(vii) Automatic single speed side opening
(viii) This elevator is a machine room less elevator
(ix) N/A
(x) Leroy-Somer

(13) **Elevator Cab**

(i) Global Tardif
(ii) Stone floor
(iii) Wood and Glass walls
(iv) Resin Panels ceiling
(v) Recessed down lighting
(vi) A smoke vent connected directly to the outside via a non combustible duct at the elevator control room is provided to ventilate the elevator shaft. An elevator alarm that is connected to central station and an intercom is provided.

(i) **Auxiliary Facilities**

(1) Laundry Rooms

(i) Location – the building will contain a coin operated washing machine and dryer or a combination washer/dryer in the cellar.

(ii) Clothes Washer – Whirlpool Model # WTW6500WW

(iii) Clothes Dryer – Whirlpool Model # WGD6200SW

(iv) Room ventilation – Central ventilation

(v) Dryer Vent – Tied to central ventilation

(2) Refuse Disposal

(i) Incinerators – N/A

(ii) Compactors – there will be one compactor servicing the residential units located in the cellar, manufactured by Wilkinson Hi-Rise (or equal)_. Waster compactor shall be capable of processing 37,000 lbs of solid waste per 24 hours.

(iii) Approvals – by authority having jurisdiction will be provided after final inspection

(iv) Initial Storage location – Cellar

(v) Pick up schedule – Monday, Thurs, Garbage, Recycling Thurs

(j) **Plumbing and Drainage**

(1) Water Supply: New 4" Water service from the municipal street main in 112th street, new check valve device and meter are provided on the domestic line. The domestic water service feeds a new duplex booster pump system which supplies domestic water to the entire building. Domestic hot water is provided by hot water from cellar mounted boiler. All domestic water heating equipment is located in the cellar. Hot water temperature is maintained by re-circulating pump and copper re-circulating hot water piping. The piping system consists of type L copper tubing with 95-5 tin antimony soldered joints. All mains and risers are insulated.

(2) Fire Protection System:

(i) Standpipes- The fire Standpipe System consists of combined fire standpipe/sprinkler riser serving each floor, located in the west stairway. The riser is supplied from a new automatic fire pump to feed standpipe

and sprinkler systems. A 2.5 inch hose valve with cap and chain is located at the fire standpipe risers at each floor. Piping is scheduled 40 steel with threaded joints.

(ii) Hose Rack, Hoses and Nozzles- A central hose station and locked key box is located at the lobby of each building

(iii) Sprinkler System- An automatic wet sprinkler system will be provided throughout the building in compliance with the New York City Building Code. The sprinkler system is supplied from the combined fire standpipe/sprinkler risers via a floor control valve assembly typically located in the same stair enclosure as the fire standpipe. There is one floor control valve assembly on each floor to feed residential areas.

(iv) Siamese Connections- New 5"x3"x3" combined fire standpipe/sprinkler Siamese connection supply the new combined fire standpipe/sprinkler main.

(3) Water Storage Tanks: None Provided

(4) Water pressure and how maintained: Water pressure is controlled by providing a single zone system. Domestic water pressure is maintained by a new duplex constant pressure booster system. Fire standpipe and sprinkler system pressures are maintained by an automatic fire pump which shall be peerless

(5) Sanitary sewage system:

(i) Sewage piping – no-hub cast iron piping with stainless steel couplings and rubber gaskets. Soil and waste branches and stacks to consist of all new piping.

(ii) Sewage pumps – Sanitary sewage is conveyed by gravity via vented soil and waste branches, stacks and house drains, to sanitary house sewer.

(iii) Sewage disposal – public sewer system

(6) Permits-

(i) Permit required, SD-1/2 approved
(ii) Domestic water and fire services, as well as sewer connections have been approved by DEP
(iii) Permits for plumbing and sprinkler/standpipe work will be obtained by the plumbing and sprinkler contractors respectively.

(7) Storm drainage system: Gravity roof drainage including vertical leaders and balconies/terraces drainage are connected to 2 dry wells installed in the front yard.

Garage ramp entrance and garage space are connected to the dry wells via oil interceptor and a buster pump. Dry wells are permitted under the SD-1/2 permit

(i) Catch basins – None
(ii) Roof Drains – Main roof drains with connection to vertical leaders
(iii) Piping – Piping is no-hub cast iron with stainless steel joints and rubber gasket
(iv) Sump Pump – New sump pump in elevator pit

(k) Heating

(1) The heat source for the domestic hot water will be gas fired modular boiler plant. The system will consist boiler model # with a gross output of 1699 MBTU/hr.The heating system is adequate to maintain comfortable conditions and complies with New York State Energy code. It shall consist of Electrical PTAC units located in each apartment. Public areas shall be heated via electrical PTAC window units in the hallways, electrical heaters in the stairs and central heating in lobby and tenant lounge on the ground floor.

(2) Number of Boilers and Description: 1 modular hot water boilers for domestic.

(3) Manufacturer and age of Boilers: Lars, Brand New.

(4) Manufacturer and Age of Boiler: In the individual apartments there will be various sized electrical PTAC units. There are four different sizes that will be utilized:

a. HP-A Trane (or equal) PTHE0701UDAA, 256 Fan CFM, Evaporator Capacity 7.4 MBH, 12 EER, 208 volts
b. HP-B Trane (or equal) PTHE0901UDAA, 256 Fan CFM, Evaporator Capacity 9.1 MBH, 11.4 EER, 208 volts
c. HP-C Trane (or equal) PTHE1201UDAA, 325 Fan CFM, Evaporator Capacity 12.0 MBH, 11.2 EER, 208 volts
d. HP-D Trane (or equal) PTHE1501UDAA, 350 Fan CFM, Evaporator Capacity 13.6 MBH, 9.9 EER, 208 volts

(5) Type of Controls: Hot water temperature is controlled by Aquastat

(6) Radiators, Piping, Insulation, Valves, Pumps: N/A

(7) Fuel: Electrical for heating, natural gas for hot water

(8) Location of Oil Tank, Materials, Enclosure: N/A

(9) Capacity of Oil Tank: N/A

(l) Gas Supply:

(1) Type: Natural gas is supplied by Key Span Energy

(2) Meters: Standard gas meters furnished by Key Span Energy

(3) Piping: Standard weight schedule 40 steel

(m) Air Conditioning: PTAC units and public area air conditioning equipment are adequately sized to maintain code required comfort conditions and comply with the New York State Energy Code.

(1) Type of System: Electrical PTAC

(2) Central System: (manufacturer, model and capacity) N/A

(3) Cooling towers, condensers (roof top, self contained units, including number location and description) N/A

(4) Individual Units covered by the offer (window/sleeve- specify number, capacity, amperage and efficiency:

a. HP-A Trane (or equal) PTHE0701UDAA, 256 Fan CFM, Evaporator Capacity 7.4 MBH, 12 EER, 208 volts
b. HP-B Trane (or equal) PTHE0901UDAA, 256 Fan CFM, Evaporator Capacity 9.1 MBH, 11.4 EER, 208 volts
c. HP-C Trane (or equal) PTHE1201UDAA, 325 Fan CFM, Evaporator Capacity 12.0 MBH, 11.2 EER, 208 volts
d. HP-D Trane (or equal) PTHE1501UDAA, 350 Fan CFM, Evaporator Capacity 13.6 MBH, 9.9 EER, 208 volts

(n) Ventilation: Kitchens (where required by Code) to be exhausted through wall or ceiling mounted registers connected to a vertical duct exhausted roof top fan. Bathrooms are exhausted via rooftop exhausted fans. Residential units are ventilated via operable windows. The cellar-level is vented and exhausted via a dedicated exhaust fan. Corridors ventilated by a window PTAC unit.

(o) Electrical System

(1) Service entrance to main service- Con Ed Service 3000A nominal secondary feed, 208V, 3 phase, 4 wire from Northern Boulevard. Amperes: 1600 amp ; Voltage: 208/120V 3-phase, 4 wire; Phases: 3 ; Wire Protective Equipment: Fuses.

(2) Service to Individual Units: (risers, etc): Each individual unit is directly connected to apartment meter bank in the electrical room via one main riser

(3) Compartment Switch Gear: The electrical service room and the switchgears, distribution panels will be located at the cellar floor. The electrical service for the House "Owner" loads will be separately metered in the main electric room. The loads for the Residential apartments units shall be fed from two 800A meter banks where the individual apartment risers separately meter and billed directly to Con Ed.

(4) Unit Service (ratings of fuses and circuit breakers) Fuses are by Bussman or equal rated @ 200,000 sym amps. Service size to Residential Units shall be from circuit breakers and range from 60-100 amps. Number, size and Type for tapping wire for apartment: (3) # 4 or (3) # 2 (see schedules)

(5) Adequacy:

(i) Service: average number of circuits per apartment: Adequate @ 18-24; Capacity to handle modern appliances- Air conditioning units: Adequate @ 20 amps / Dishwashers: Adequate @ 20 amps / Electric dryers: Adequate @ 6500 watts 208 single phase

(ii) Lighting and fixtures: Adequate

(iii) Convenience and Appliance Outlet- Average number per living room: (5)(see plans) ; Average number per bedroom: (4)(see plans)

(p) Intercommunication, Telecom, and/or door signal systems: The residential Section intercommunication system shall be provided by a separate house phone system with one house telephone in each apartment The residential Section will be provided with internet, cable TV and Telephone backbone, from the main telecommunication room at the cellar and will feed distribution throughout the building. Every apartment will have a voice, data, and cable TV distribution system, providing voice data and TV outlets in most rooms, connected to this backbone. The residents will be responsible for arranging the service from the respective providers.

(q) Public Area lighting Residential Entrance: Fluorescent and incandescent. Adequate ; Residential Lobby: Fluorescent recessed lighting. Adequate; Halls and Stairs Fluorescent fixtures. Adequate ; Residential Corridors: Fluorescent recessed lighting. Adequate; Yard, Terraces/Balconies and exterior building lights. Adequate.

(r) Garages and Parking areas

(1) Location of garage – Cellar level

(2) Location of parking areas – Parking garage with 19 self parking spaces is provided at the cellar space, gated entrance to the parking garage is from 112th Street via concrete ramp. Residents can rent parking spaces from the parking garage condominium owner, rate TBD.

(3) Surfaces – Concrete at garage and asphalt at street level

(4) Parking – Unattended

(5) Garage ventilation – Mechanical via exhaust fans

(6) Garage Fire Protection – Fully sprinklered

(7) Drainage – floor drains

(s) Swimming Pools – N/A

(t) Tennis Courts, Playgrounds and Recreational Facilities

(1) Tennis Courts- N/A

(2) Playgrounds- N/A

(3) Recreation Facilities- A common outdoor roof terrace will be located on the roof level of the building. A tenant common area will be provided on ground floor next to the residential lobby. The common area will be use for kids playroom/fitness center and/or tenant lounge.

(u) Permits and Certificates

Full building permit is in place- (list all applicable permits which must be obtained and inspections which are to be done. List type of inspection and authority and durance of approval once received) New building permit 402504214-01-NB , sidewalk shed 402504214-02-EQ SH , plumbing 402504214-03-PL , construction equipment fence 402504214-01-EQ FN

(v)Violations

All existing violations will be removed before occupancy.

(w) Unit Information

There will be 33 Residential Units

(1)Finish Schedule

Counter Top	Ceiling	Base	Wall	Floor	Space
	K/P	WD	P	WD	Foyer
	K/P	WD	P	WD	Living/Dining Room
	K/P	WD	P	WD	Bedrooms
SC	K/P	WD	P	WD	Kitchen
SC	K/GWB	T	T/P	T	Master Bathroom
SC	K/GWB	T	T/P	T	Secondary Bathrooms
	K/GWB	WD	P	WD	Closets
	K/GWB	WD	P	WD	W/D Closet

(2) Kitchen and Bathroom Fixtures

Finish	Model #	Manufacturer	Plumbing Fixtures
			Kitchen
S/S	TBD	TBD	Sink
Chrome	TBD	TBD	Faucet
			Bathroom/Master Bathroom
White	TBD	TBD	Lavatory
Chrome	TBD	TBD	Lavatory Faucet
White	TBD	TBD	Toilet
White	700095000000090 T-5930	Duravit	Bath Tub

Chrome	5895 9101 0017	Hansa	Bath and Shower Control/Spout
Chrome	D460002 / 27411-003	Danze/Hansgrohe	Shower Head/Shower Arm
Chrome	DYN-4024	Dynasty	Toilet Paper Holder
Chrome	DYN-4001	Dynasty	Towel Bar

(3) Appliances

Finish	Model #	Manufacturer	
S/S	GLD4960PSS	GE	Dishwasher
S/S	JGSP28SENSS	GE	Stove
S/S	GDSS0KCXSS	GE	Refrigerator
S/S	JNM1541SNSS	GE	Microwave
S/S	TBD	GE	Range Hood
White	TBD	GE	Washer/Dryer

(4) Abbreviations for Finishes

Acoustical Tile	AT
Back Painted Glass	BPG
Concrete Masonry Unit	CMU
Ceramic Tile	CT
Carpet	CPT
Concrete	CONC

Dust proofing and Hardener	DP
Deck Enamel	DE
Granite Tile	GT
Gypsum Wallboard	GWB
Hung Ceiling	HC
Kadex	K
Liquid Waterproofing	LWP
Marble Tile	MT
Metal Pan	MP
Paint	P
Porcelain Tile	PT
Quarry Floor Tile	QT
Rubber Floor Tile	RFT
Stone Counter Top	SC
Stone Tile	ST
Spray Paint	SP
Stainless Steel	SS
To Be Determine	TBD
Tiles	T
Textured Ceiling Paint	TCP
Vinyl	V
Vinyl Composition Tile	VCT
Veneered Wood	VWC
Vinyl Wall Covering	VWC
Water Resistant Gypsum Wall	WRWB

Board

Hard Wood WD

(x) Finish Schedule of Spaces Other than Units

Space	Floor	Wall	
Stairs	CONC	P/GWB	
Lobbies	Tile	P/GWB/Tile	
Service Corridor	N/A	N/A	
Public Corridor	P	CPT	
Amenity Facility	CPT	P	
Mechanical Rooms	CONC	P	

(y) Safety and Warning devices

A combination smoke and carbon monoxide detector will be provided in each unit in the compliance with the law. Additionally, the building will be fully sprinklered in compliance with the law

(aa) In the event that certain conditions in the building cannot be adequately evaluated by visual examination, the Department of Law, may, in its sole discretion, direct that an independent engineer or testing lab be retained to perform such tests or monitoring as may be necessary in order to make adequate disclosure. Conditions which may require additional testing or monitoring include, but are not limited to: settlement, masonry, cracks, rusting of structural steel, adequacy of concrete cover, firestopping etc. Test results must be reported in the offering plan or in amendment thereto.

(bb) Further Development- Sponsor does not intend to add additional units to the building.

(cc) Asbestos- no asbestos present, new construction building.

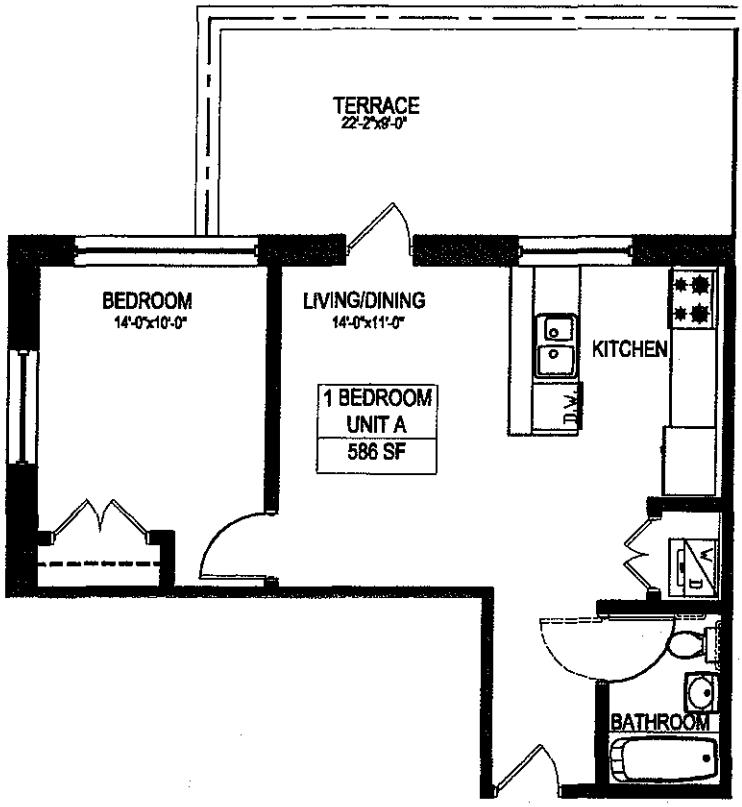
(dd) Lead Based Paint- no lead base paint present, new construction building

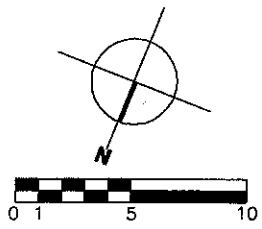
To the best of my knowledge, believe and professional judgment, these plans and specifications are in compliance with the Energy Conservation Construction Code of New York.

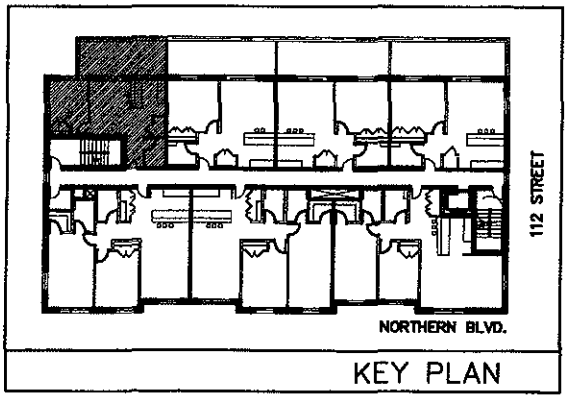




JOSEPH A PILEWSKI, AIA, NCARB







SECOND FLOOR UNIT A

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Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with offering plan.
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globalarch
DESIGN & CONSULTING
156 Fifth Avenue, Penthouse 1
New York, NY 10010
TEL: 212.924.5050 / FAX: 212.924.5151

Project: 112-02 Northern Blvd.
Project Sponsor: 112 Northern Development, LLC
1230 Avenue of The Americas
New York, NY 10020

Drawing Title: SECOND FLOOR UNIT A

Project Number:

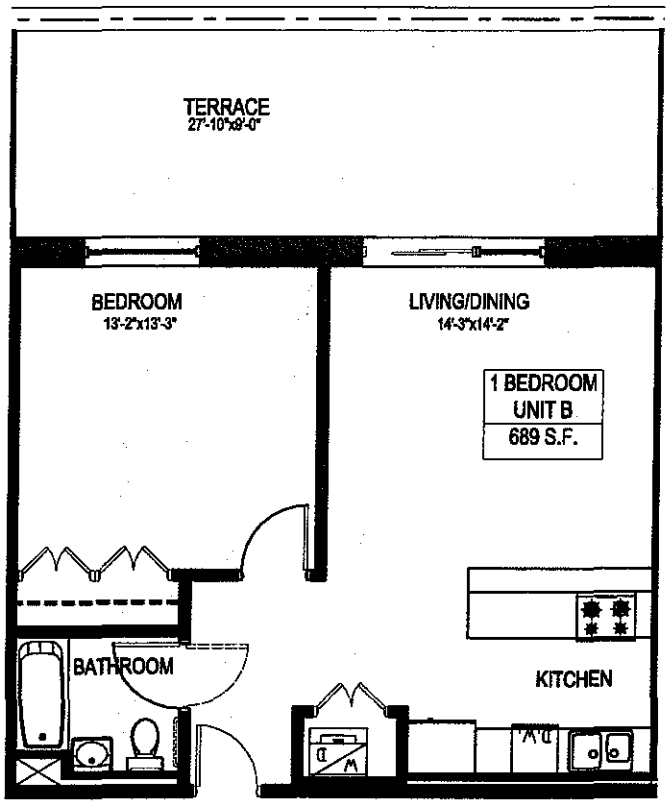
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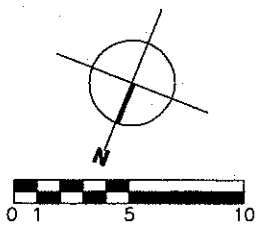
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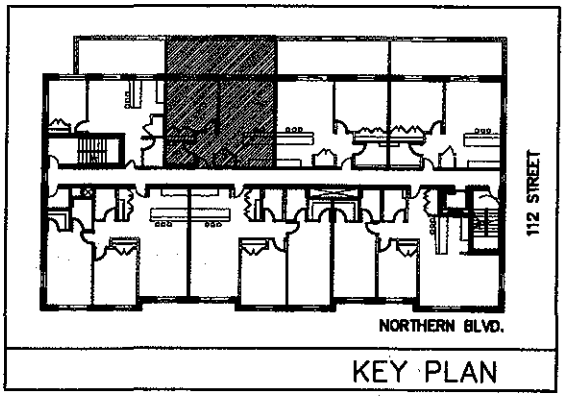
Drawn by: LR

Checked by: JP

Drawing Number: 1







SECOND FLOOR UNIT B

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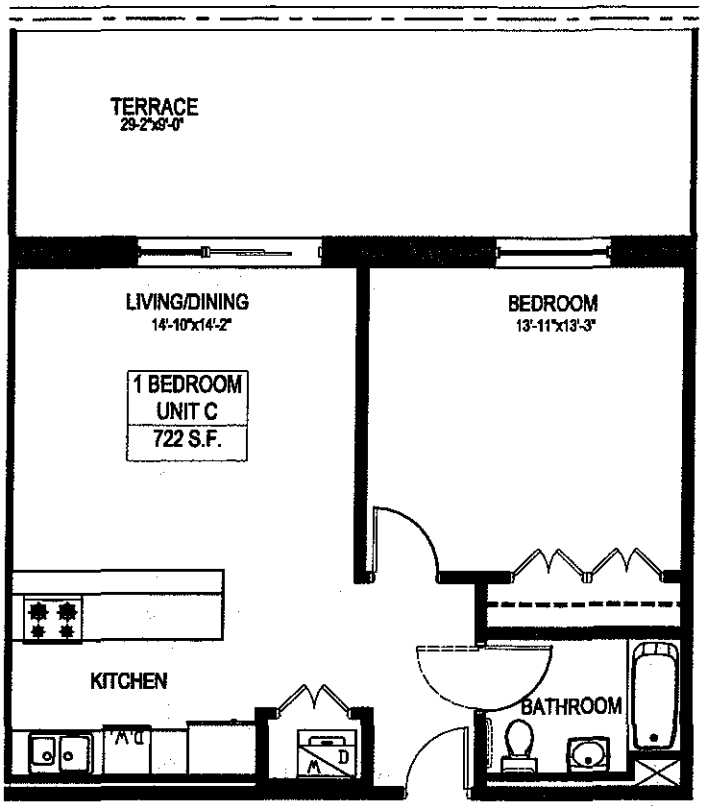
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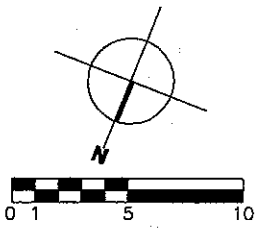
Project: 112-02 Northern Blvd.
Project Sponsor: 112 Northern Development, LLC
1230 Avenue of The Americas
New York, NY 10020

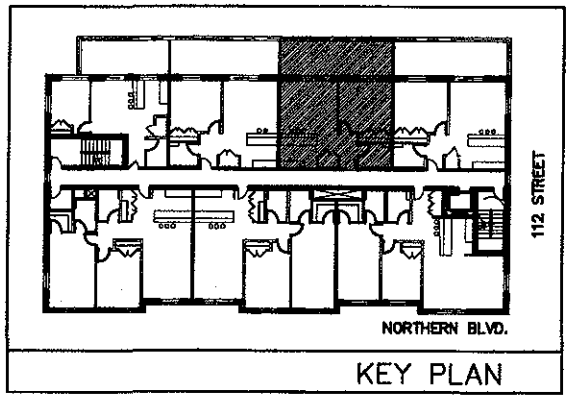
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Project Number:
Date: 1.20.08
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Drawn by: LR
Checked by: JP

Drawing Number: 2







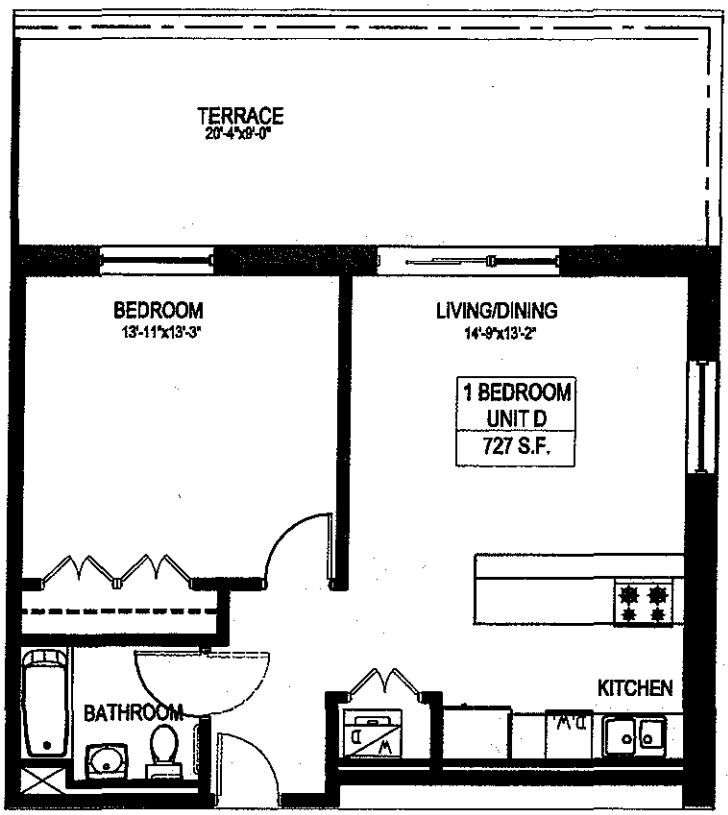
SECOND FLOOR UNIT C

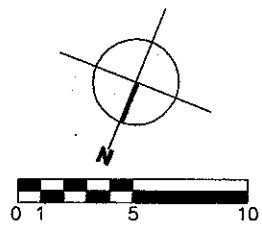
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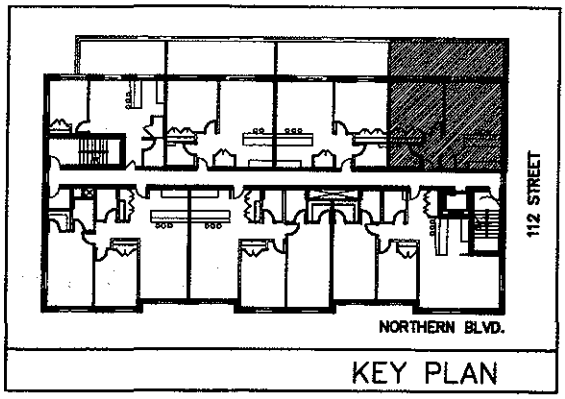
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1230 Avenue of The Americas
New York, NY 10020
Drawing Title: SECOND FLOOR UNIT C

Project Number:
Date: 1.20.08
Scale: 1 / 8" = 1'-0"
Drawn by: LR
Checked by: JP
Drawing Number: 3







SECOND FLOOR UNIT D

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with offering plan.
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globalarch
DESIGN & CONSULTING
156 Fifth Avenue, Penthouse 1
New York, NY 10010
TEL: 212.924.5050 / FAX: 212.924.5151

Project: 112-02 Northern Blvd.
Project Sponsor: 112 Northern Development, LLC
1230 Avenue of The Americas
New York, NY 10020

Drawing Title: SECOND FLOOR UNIT D

Project Number:

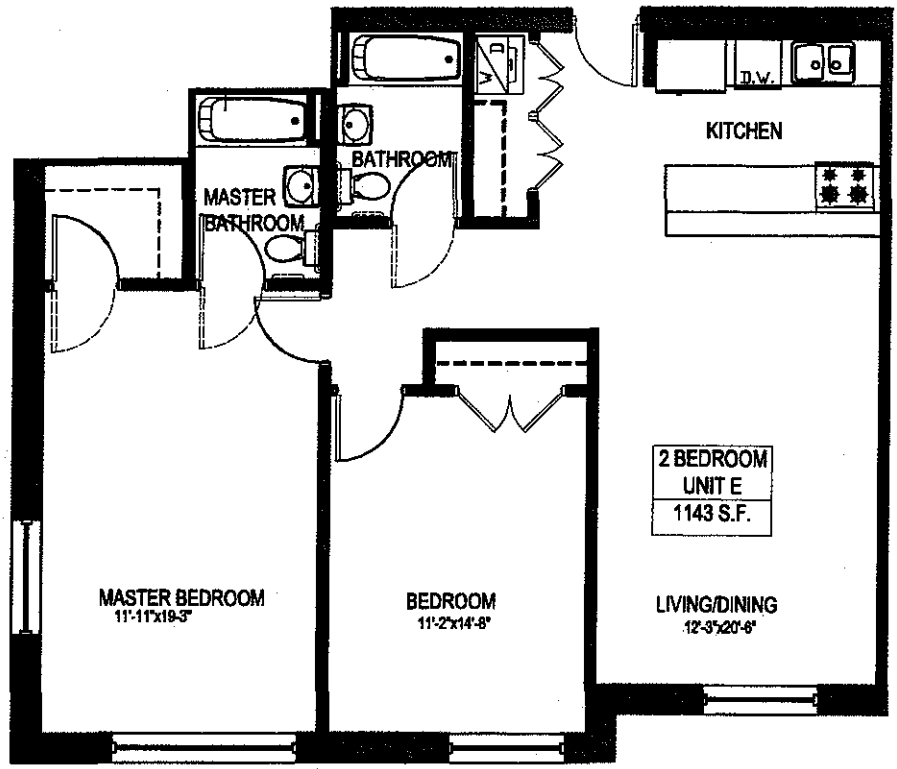
Date: 1.20.08

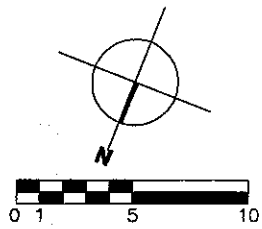
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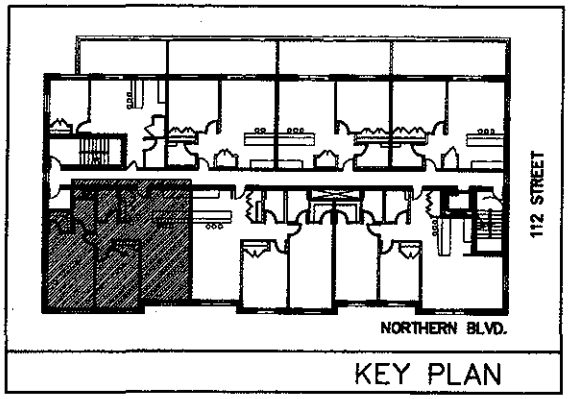
Drawn by: LR

Checked by: JP

Drawing Number: 4







TYPICAL UNIT E - ALL FLOORS

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with offering plan.
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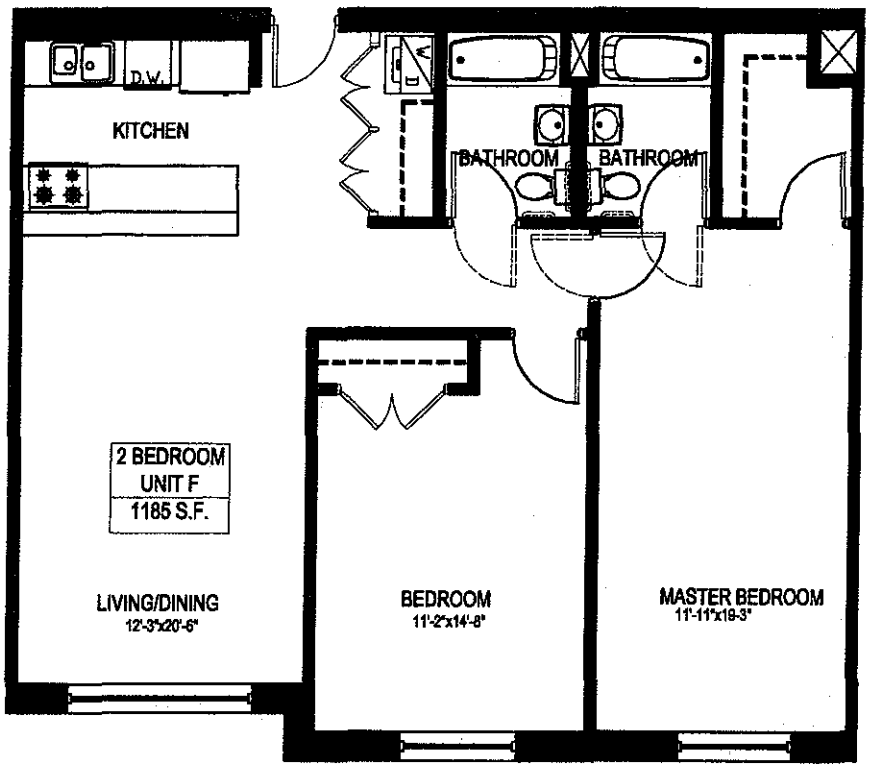
globalarch
DESIGN & CONSULTING
156 Fifth Avenue, Penthouse 1
New York, NY 10010
TEL: 212.924.5050 / FAX: 212.924.5151

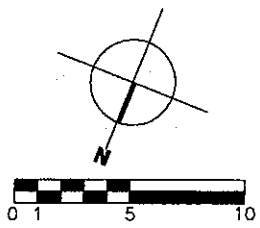
Project: 112-02 Northern Blvd.
Project Sponsor: 112 Northern Development, LLC
1230 Avenue of The Americas
New York, NY 10020

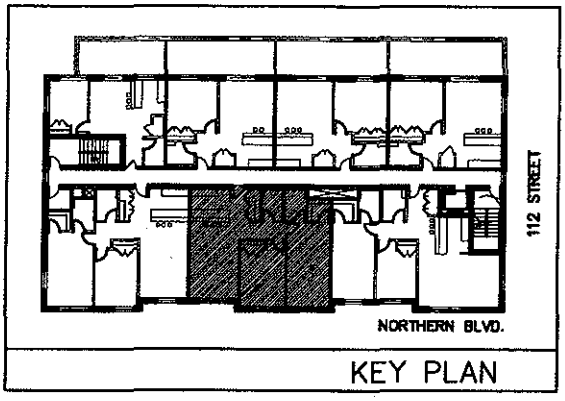
Drawing Title: TYPICAL UNIT E - ALL FLOORS

Project Number:
Date: 1.20.08
Scale: 1 / 8" = 1'-0"
Drawn by: LR
Checked by: JP

Drawing Number: 5







TYPICAL UNIT F - ALL FLOORS

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New York, NY 10010
TEL: 212.924.5050 / FAX: 212.924.5151

Project: 112-02 Northern Blvd.
Project Sponsor: 112 Northern Development, LLC
1230 Avenue of The Americas
New York, NY 10020

Drawing Title: TYPICAL UNIT F - ALL FLOORS

Project Number:

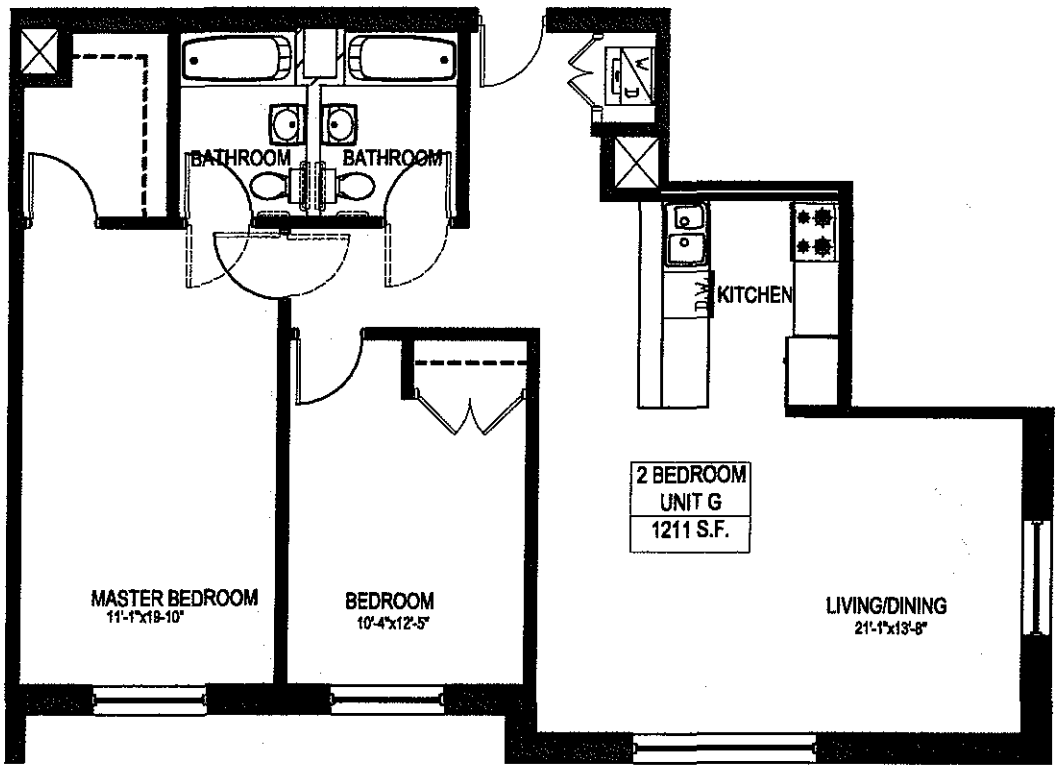
Date: 1.20.08

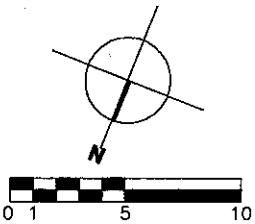
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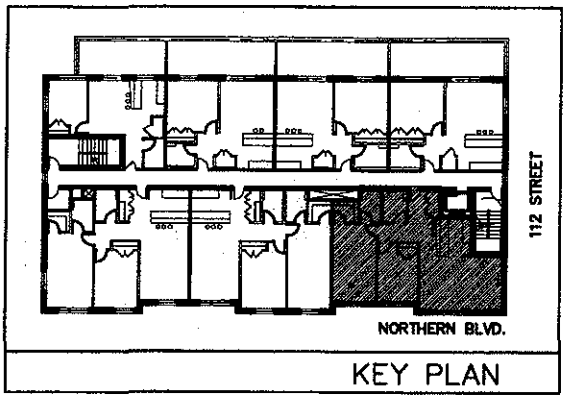
Drawn by: I.R

Checked by: JP

Drawing Number: 6







TYPICAL UNIT G - ALL FLOORS

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with offering plan.
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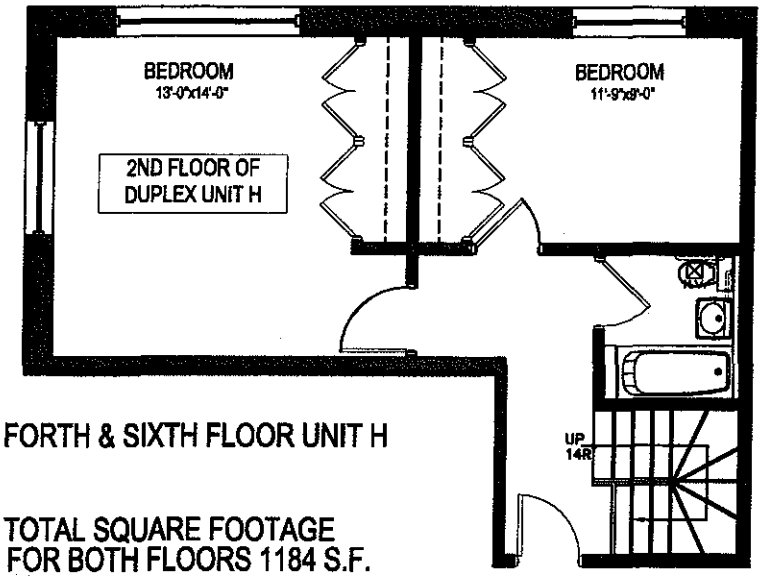
globalarch
DESIGN & CONSULTING
156 Fifth Avenue, Penthouse 1
New York, NY 10010
TEL: 212.924.5050 / FAX: 212.924.5151

Project: 112-02 Northern Blvd.
Project Sponsor: 112 Northern Development, LLC
1230 Avenue of The Americas
New York, NY 10020

Drawing Title: TYPICAL UNIT G - ALL FLOORS

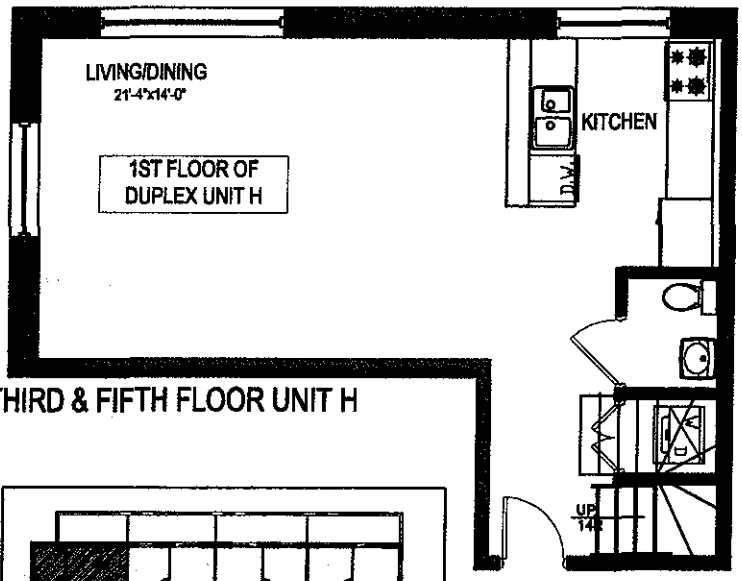
Project Number:
Date: 1.20.08
Scale: 1 / 8" = 1'-0"
Drawn by: LR
Checked by: JP

Drawing Number: 7

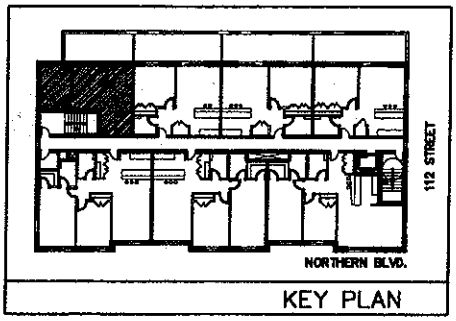


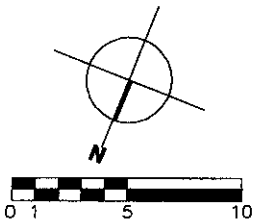
FORTH & SIXTH FLOOR UNIT H

TOTAL SQUARE FOOTAGE
FOR BOTH FLOORS 1184 S.F.



THIRD & FIFTH FLOOR UNIT H





DUPLEX UNIT H

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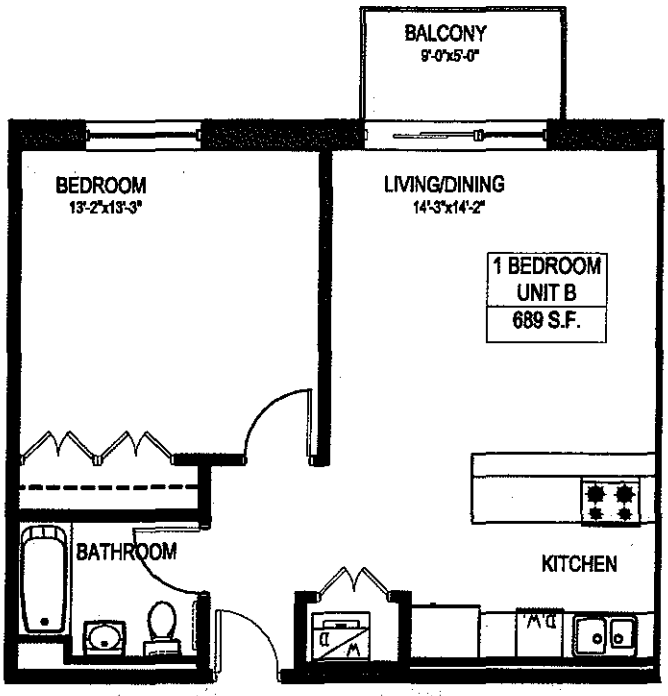
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156 Fifth Avenue, Penthouse 1
New York, NY 10010
TEL: 212.924.5050 / FAX: 212.924.5151

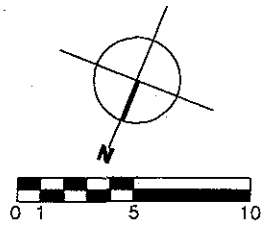
Project: 112-02 Northern Blvd.
Project Sponsor: 112 Northern Development, LLC
1230 Avenue of The Americas
New York, NY 10020

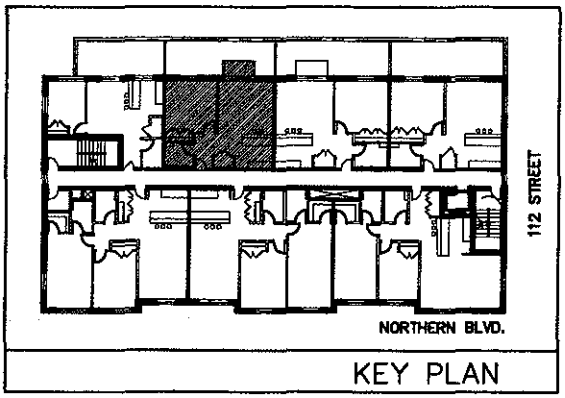
Drawing Title: DUPLEX UNIT H

Project Number:
Date: 1.20.08
Scale: 1 / 8" = 1'-0"
Drawn by: LR
Checked by: JP

Drawing Number: 8







THIRD THRU SIXTH FLOOR UNIT B

All dimensions are approximate and subject to normal construction variances and tolerances. Dimensions are maximum overall subtract cutouts. We reserve the right to make changes due to unforeseen conditions in accordance with offering plan.
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New York, NY 10010
TEL: 212.924.5050 / FAX: 212.924.5151

Project: 112-02 Northern Blvd.
Project Sponsor: 112 Northern Development, LLC
1230 Avenue of The Americas
New York, NY 10020

Drawing Title: THIRD THRU SIXTH FLOOR UNIT B

Project Number:

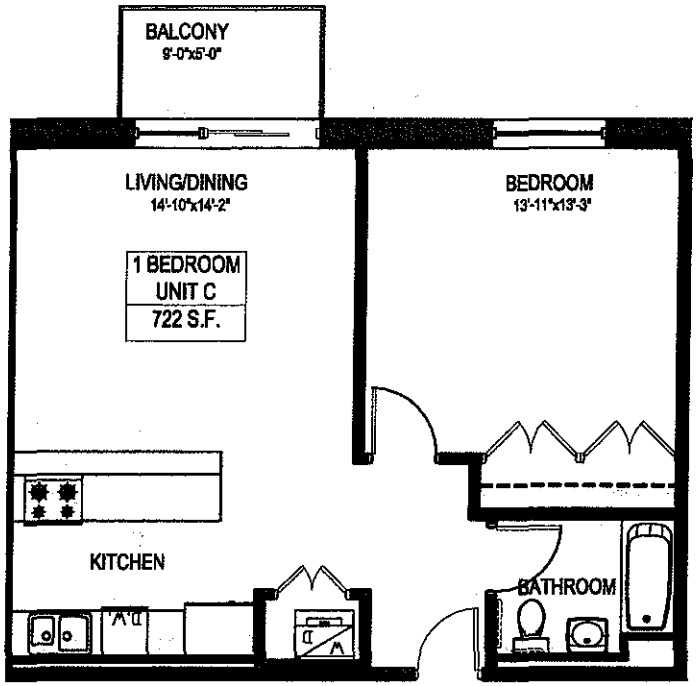
Date: 1.20.06

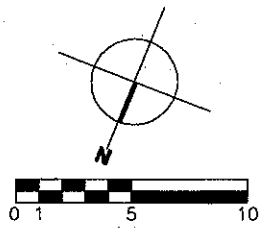
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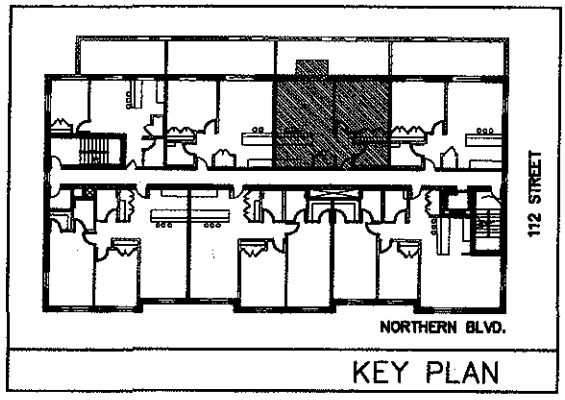
Drawn by: LR

Checked by: JP

Drawing Number: 9







THIRD THRU SIXTH FLOOR UNIT C

All dimensions are approximate and subject to normal construction variances and tolerances.
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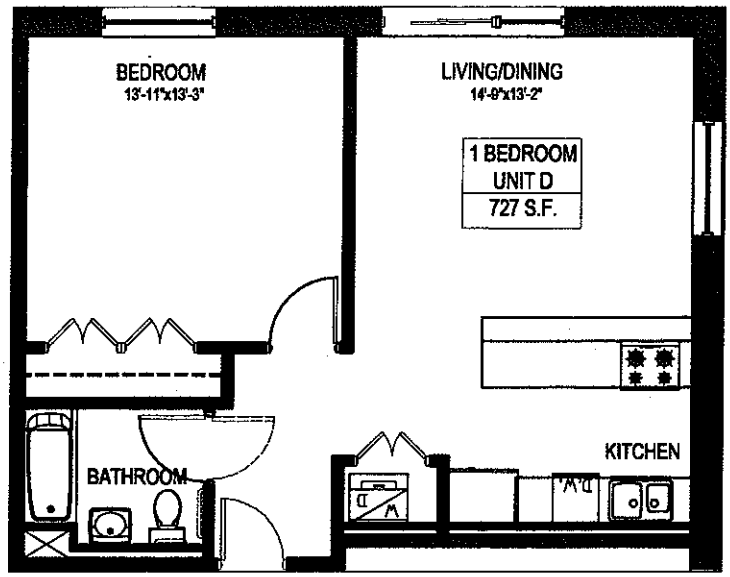
globalarch
DESIGN & CONSULTING
156 Fifth Avenue, Penthouse 1
New York, NY 10010
TEL: 212.924.5050 / FAX: 212.924.5151

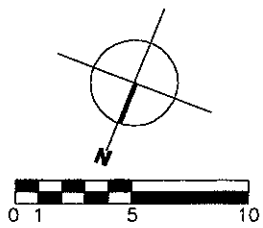
Project: 112-02 Northern Blvd.
Project Sponsor: 112 Northern Development, LLC
1230 Avenue of The Americas
New York, NY 10020

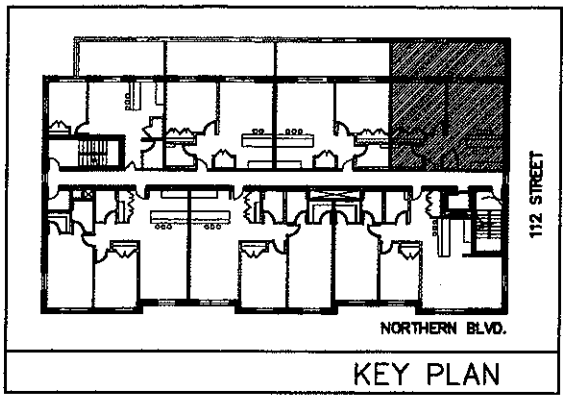
Drawing Title: THIRD THRU SIXTH FLOOR UNIT C

Project Number:
Date: 1.20.08
Scale: 1 / 8" = 1'-0"
Drawn by: LR
Checked by: JP

Drawing Number: 10







KEY PLAN

THIRD THRU SIXTH FLOOR UNIT D

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Project: 112-02 Northern Blvd.
Project Sponsor: 112 Northern Development, LLC
1230 Avenue of The Americas
New York, NY 10020

Drawing Title: THIRD THRU SIXTH FLOOR UNIT D

Project Number:
Date: 1.20.08
Scale: 1/8" = 1'-0"
Drawn by: LR
Checked by: JP

Drawing Number: 11

DECLARATION

Establish a Plan for Condominium Ownership of Premises located at 112-02 Northern Blvd, Queens, New York, County of Queens, City and State of New York pursuant to Article 9-B of the Real Property Law of the State of New York.

NAME: THE SAGE HOUSE CONDOMINIUM

SPONSOR: 112 Northern Development, LLC
1230 Avenue of the Americas, 7th fl
New York, NY 10020

DATE OF DECLARATION:

The land affected by the within instrument lies in Block 8804, Lots 88, 90 & 91 on the Tax Map of the Borough of Queens, County of Queens, City and State of New York.

Record and Return:

Peter Choe, Esq.
Choe & Oh, PC
15 East 32nd St., 3rd fl
New York, NY 10036

DECLARATION ESTABLISHING A PLAN FOR CONDOMINIUM OWNERSHIP of Premises to be known as THE SAGE HOUSE CONDOMINIUM, located at 112-02 Northern Blvd, Queens, New York, Borough of Queens, County of Queens, City and State of New York, pursuant to Article 9-B of the real Property Law of the State of New York.

112 Northern Development LLC, located at 1230 Avenue of the Americas, 7th fl, New York, New York, hereinafter referred to collectively as "the Sponsor", does hereby declare:

1. Submission of Property: Sponsor hereby submits the land hereinafter described, together with the buildings and improvements thereon erected ("the Property") to the provisions of Article 9-B of the Real Property Law of the State of New York.

2. Area and Location of Land: The land ("Land") consists of all that certain tract, plot, place, piece and parcel of land situate, lying and being in the County of Queens, City and State of New York, more particularly described on Schedule A annexed hereto and made a part hereof. The Land is owned by the Sponsor in fee simple absolute.

3. Name of Condominium: The Condominium shall be known as THE SAGE HOUSE CONDOMINIUM.

4. Description of the Building: The Condominium consists of one building, comprised of six (6) stories and one roof patio and a cellar, and containing thirty-three (33) units. The legal occupancy will match the proposed occupancy hereunder. The building complies with Class 1-D fireproof masonry construction requirements.

5. The Units: SCHEDULE A annexed hereto and made a part hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof; Unit designation; tax lot number; approximate square foot area; location; number of rooms; the portion of the Common Elements, including Limited Common Elements to which the Unit has immediate access (if any) and the percentage of interest in the Common Elements. The location of each Unit, and any Limited Common Elements appurtenant thereto, is more clearly designated on the Floor Plans (as hereinafter defined) and reference should be made thereto for the statement of the location of each Unit.

6. Floor Plans: As shown on the Floor Plans of the Buildings (the "Floor Plans"), certified by Emtec Consulting Engineers, and intended to be filed in the Queens County Office of the register of the City of New York, simultaneously with the recording of this Declaration, the dimensions indicated are approximate and are located: horizontally, approximately to the inside face of masonry work at the exterior walls of the building, approximately to the unit side of walls and partitions (dividing the units from corridors, stairs and mechanical spaces). Dimensions shall be to the center line when a partition divides two (2) units.

7. Common Elements: The Common Elements of the Condominium consist of the entire Property, including parts of the Buildings and improvements thereon other than the Units. Common Elements are comprised of General Common Elements and Limited Common Elements. They include, without limitation, the following:

   a. General Common Elements:

      i. The land on which the Buildings are physically erected.

      ii. All foundations, columns, girders, beams, supports, bearing walls; those portions of the exterior walls and installations beyond the exterior face of the Buildings; those portions of the walls and partitions dividing the Units from corridors, lobby and stairs located beyond the exposed face of the dry walls enclosing the Unit; the subfloor and framing joists, including any framing attached to such joists from which the dry wall ceiling of the Unit below is attached; roofs (excluding balconies), corridors, halls, stairs and stairway areas located beyond the unexposed face of the dry walls enclosing the Residential Unit; lobby; storage and utility areas located beyond the unexposed face of the dry walls and the entrances to and exit from the Buildings;

      iii. All installations outside the Units for services such as gas, power, light, telephone and water;

      iv. All sewer pipes and drainage pipes outside units;

      v. The boiler room and meter areas, and janitor's closet(s), if any, as shown and delineated on the Floor Plans;

      vi. All other apparatus and installations existing in the Buildings for common use or necessary or convenient to the existence, maintenance or safety of the Buildings.

   b. Limited Common Elements:

      Each Unit Owner, his guests, invitees, lessees, and residents of his Unit shall have the exclusive right to use and possession of the limited common elements indicated in the attached Exhibit B, subject to the following:

      Each Unit Owner shall solely and only be responsible for repair and maintenance of the Limited Common Element appurtenant to their Unit including, but not limited to, painting, cleaning, patching, and surface repair; and, in the case of the balconies, structural maintenance. In the event a Unit Owner fails to properly maintain his Limited Common

Element, the Condominium Board of Managers may take such steps as in its exclusive judgment are necessary to maintain the areas and the cost thereof shall be assessed against the Condominium Unit to which such Limited Common Elements are appurtenant. To the extent that any damage to a Limited Common Element is caused by building condition, or by other condition for which the Condominium carries insurance, the cost of repair of such damage shall be borne by the Condominium.

8. Determination of Percentages in Common Elements: The determination of percentages of Common Interest allocated to each unit is based upon floor space, subject to the location of such space, and the additional factors of relative value to other space in the condominium, the uniqueness of the unit, the availability of common elements or exclusive or shared use, and the overall dimensions of a particular unit, as per Section 339(i)(1)(iv) of the New York State Real Property Law.

9. Use of Units: Any Unit may be used for private residential use, or for any home occupation use permitted under applicable zoning laws and ordinances, building code, or other rules and regulations of governmental authorities having jurisdiction thereof. Such Units may also be used as professional offices by a resident thereof, provided such professional use does not violate any zoning law and ordinance, and provided further that prior written consent of the board of managers for such processional use is obtained. Notwithstanding the foregoing, the Sponsor, may, without the permission of the Board of Managers, retain ownership of one or more Units for use as rental units, models, sales and/or offices in connection with the sale or rental of the Units.

10. Encroachments: If any portion of the Common Elements encroach upon any Unit, or if any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, or if any encroachment shall occur hereafter as a result of (a) settling or shifting of the Buildings, or (b) alteration or repair to the Common Elements made by or with the consent of the Board of Managers, or (c) as a result of repair or restoration o the Buildings or a Unit after damage by fire or other casualty, or (d) as a result of condemnation or eminent domain proceedings; a valid easement shall exist for such encroachments and for the maintenance of the same so long as the Buildings shall stand.

11. Easements:

a) Each Unit Owner shall have an easement in common with the owners of all other Units to use all pipes, wires, ducts, cables, conduits, public utility lines and other Common Elements located in any of the other Units and serving his Unit. Each Unit shall be subject to an easement in favor of the Owners of all other Units to use the pipes, ducts, cables, wires, conduits, public utility lines and other Common Elements serving such other Units and located in such Unit. The Board of Managers shall have a right to access to each Unit and any Limited Common Elements appurtenant thereto to inspect the same, to remove

violations therefrom and/or to maintain, repair or replace the Common Elements contained therein or elsewhere in the Building.

b) The Sponsor and its designees, their successors, assigns, invitees, licensee, contractors, employees and tenants, shall have an easement in, on, over and across the Property for (i) construction, installation and development thereon and for the construction and installation, ingress to and egress from, and use of (including the right to connect with) all pipes, conduits, ducts, cables, wires, storm drainage facilities, water, sewer and other utility lines and (ii) construction and installation, ingress to and egress from and the right to use (in common with Unit Owners) all storm drainage facilities, water, sewer and other utility lines, pipes, conduits, flues, ducts, wires and cables, and (iv) ingress to and egress from all land areas of the Property and the use of said land areas (in common with Unit Owners) for any lawful purpose.

c) The Sponsor, its designees 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 the access to Units and Common Elements consistent with the purposes of the Offering Plan for the Property as same may be amended, and Sponsor's rights and obligations thereunder, including, without limitation, the right to develop, renovate, maintain, repair, refurbish, offer, sell and lease Units and Common Elements, and (ii) reserve the right to establish, grant and create easements for any additional underground electric, transformer, amplifier, gas, cable television, telephone, water, storm drainage, sewer or other utility 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, or the residents of any property adjacent to the Property, or users of the Recreation Facilities, provided that such additional utilities or the relocation of existing utilities will not prevent or unreasonably interfere with the use of the Residential Units for dwelling purposes. Any utility company or public benefit corporation furnishing services to the Property, and the employees and agents of any such company or corporation, shall have the right to access any Unit, to the Common Elements or the Limited Common Elements in furtherance of such easements, provided such right to access is exercised in such a manner as not unreasonably to interfere with the use of the Units.

d) The user of any easement granted by Sub-paragraphs "b" and "c" of this Paragraph 11 shall have the responsibility of repairing any damage resulting therefrom.

12. Person to Receive Service: For the period during which Sponsor is in control of the Board of Managers, then Cody Jones c/o 112 Northern Development LLC, 1230 Avenue of the Americas, 7th Floor, New York, NY 10020, is hereby designated to receive notice of process in any action which may be brought against the Condominium. After Sponsor

relinquishes control of the Board of Managers notice of process in any action which may be brought against the Condominium shall be served on the President of the Condominium at the office of the Condominium located at 112-02 Northern Blvd., Queens, New York.

13. Units Subject to Declaration, By-Laws and Rules and Regulations: All present and future Owners, tenants, subtenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into a lease or the entering unto occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such Owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

14. Amendment to Declaration: This Declaration may be amended, modified, added to or deleted from by vote of Unit Owners representing at least 66-2/3% of the Common Interest of all Unit Owners, cast in person or by proxy at a meeting duly held in accordance with the provisions of the By-Laws, or in lieu of a meeting, any amendment may be approved, in writing by vote of Unit Owners representing at least 66-2/3% of the Common Interest of all Unit Owners; provided however,

a) No amendment, modification, addition or deletion which shall adversely affect the lien or any mortgage may be made without the written consent of the mortgagee;

b) No amendment which shall change the percentage of Common Interests allocated to any Unit or Units maybe made without the written consent of such Owner;

c) No amendment, modification, addition or deletion of or to this Declaration will be effective in any respect against the Sponsor, its designee, or any Unsold Unit until the Sponsor or such designee shall consent thereto in writing.

The Sponsor hereby reserves to itself and its designee(s) the right to amend this Declaration at any time without the requirements of a vote and without the approval or consent of any Unit Owners or mortgagees for the sole purpose of filing the Floor Plans required by the New York Real Property Law Section 339-p for any portion or portions of the Buildings and appurtenances which are incomplete upon the original filing of the Declaration provided that the verified statement of a registered architect or licensed professional engineer certifying that the plans being filed simultaneously with such amendment, fully and fairly depicting the layout, location, unit designations and approximate dimensions of the particular Unit or Units as built, as provided in said Section 339-p will be filed with such amendment.

No such amendment shall be effective until recorded in the Queens County Office of the Register of the City of New York.

15. Changes in Unsold Units: For any Unit owned by the Sponsor or its designee(s), if not prohibited by the New York Condominium Act, (as the same may be amended), the Sponsor or its designee(s) 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 in and 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 Unit or otherwise; and (iv) reapportion among such Units affected by such change in size or number, subdivision, combination or alteration, 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 consent will be obtained from Unit Owners, if any, who are adversely affected as a result of the above changes. Contract vendees, if any, pursuant to Purchase Agreements with the Sponsor or its designees for a Unit adversely affected as a result of the above changes, will be given the right to rescind their Purchase Agreements and receive a refund of any disclosed in an amendment to the Offering Plan for the Property. The provisions of this Paragraph 15 may not be added to, amended or deleted without the prior written consent of the Sponsor or its designee(s). In the event of any such change in an Unsold Units, Sponsor shall amend the Declaration and Floor Plans to reflect same.

In the event the Sponsor or its designee, exercising its rights pursuant to this Article so requires, the Board of Managers shall promptly amend the Declaration at the expense of the Sponsor or its designee, to reflect any such alteration, addition, improvements, changes or reapportionments and shall record such amendment in the Office of the Register of Queens County. Unit Owners in the Condominium hold title to their respective Units subject to the benefits, rights, privileges, easements, burdens, covenants, and restrictions as described herein, in the By-Laws of the Condominium and any agreement of record recorded prior or subsequent to this Declaration.

16. Invalidity:

a) 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 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;

(b) Subject to the terms of Paragraph "a" above, if this Declaration or the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, this Declaration and By-Laws shall nevertheless be valid and binding upon, and shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provisions as a covenant running with the Land.

17. Termination of Condominium: The Condominium may be terminated by casualty loss, condemnation or eminent domain, in accordance with the provisions of the By-Laws, or by withdrawing the Property from the provisions of the New York Condominium Act if authorized by an affirmative vote of Unit Owners who own not less than eighty (80%) percent in Common Interest of the Units. The Sponsor or its designees will not vote its interests appurtenant to any Unsold Units for such withdrawal unless at least eighty (80%) percent in Common Interest of all other Unit Owners have elected for such withdrawal, in which event the Sponsor may choose to vote in favor of or against such withdrawal. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all the Unit Owners in proportion to their respective Common Interests, provided however, that no payment shall be made to a Unit Owner until all lienors have first been paid off out of his share of such proceeds.

18. Common Expense: Common Expenses of the Condominium mean and include all expenses of operation of the Property and all sums designated Common Expenses by or pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York, the Declaration or the By-Laws.

19. Definition of "Sponsor-Designee": The term "Sponsor Designee" as used in this Declaration shall mean any person or entity designated by the Sponsor to acquire title to a Unit, other than a good faith Purchaser for value purchasing pursuant to a validly executed Purchase Agreement. A "Sponsor-Designee" shall have the right to designate a person or entity to succeed to its rights and any such designee shall also be deemed a "Sponsor-Designee."

20. Waiver: No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

21. Captions: The captions herein are inserted only as a matter of convenience and for

reference, and in no way define, limit or describe the scope of this Declaration nor the intent of any provision thereof.

22. Gender: The use of the masculine gender in this Declaration shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

IN WITNESS WHEREOF, the parties have caused this Declaration to be executed by its duly authorized representatives this _____ day of _____, 200__.

112 NORTHERN DEVELOPMENT, LLC
By:_____

STATE OF NEW YORK)

COUNTY OF QUEENS)

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 same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) or the person upon behalf of which the individual(s) acted, executed the instrument.

_____

NOTARY PUBLIC

BY-LAWS of THE SAGE HOUSE CONDOMINIUM

ARTICLE I

Purpose of Business

Section 1. Unit Ownership: The property located in the Borough of Queens, County of Queens, City and State of New York at 112-02 Northern Blvd, Queens, New York (hereinafter called the "Property") has been submitted pursuant to the provisions of Article 9-B of the Real Property Law of the State of New York by the Declaration recorded in the Queens County office of the Register of the City of New York, simultaneously herewith. The Condominium thereby created shall hereinafter be known as THE SAGE HOUSE CONDOMINIUM.

Section 2. Applicability of By-Laws: The provisions of these By-Laws are applicable to the Property of the Condominium and to the use 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), owned in fee simple absolute, and all easements, rights and appurtenants belonging thereto, and all other property, personal and mixed, intended for use in connection therewith, all of which are intended to be submitted to the provisions of said Article 9-B of the Real Property Law of the State of New York. The Condominium Units are hereinafter sometimes referred to as "Unit" or "Units".

Section 3. Application: All present and future owners, mortgages, lessees and occupants of Units and their employees, 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 attached hereto as Schedule A.

The acceptance of a deed or conveyance or the entering into of a lease for a Unit or the act of occupancy of a Unit shall constitute an agreement that these By-Laws, the Rules and Regulations and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

Section 4. Office: The office of the Condominium and of the Board of Manages shall be located at the Property.

ARTICLE II

Meetings of Unit Owners

Section 1. Annual Meeting: The Annual Meeting of the Unit Owners of the Condominium for the election of the Board of Managers and for such other business as may properly come before such meeting, shall be held in the Borough of Queens, City of

New York, at such time and place, each year as may be designated by the Board. The notice of the meeting shall be in writing and signed by the President or a Vice President or the Secretary or an Assistant Secretary. Such notice shall state the time and when and the place within the state where it is to be held, and the Secretary shall cause a copy thereof to be delivered personally or mailed to each Unit Owner of record of the Condominium entitled to vote at such meeting not less than ten (10) nor more than forty (40) days before the meeting. If mailed, it shall be directed to each such Unit Owner at his or her address as it appears in the records of the Condominium, unless he or she shall have filed with the Secretary of the Condominium a written request that notices intended for him or her be mailed to some other address, in which case it shall be mailed to the address designated in such request.

Section 2. Special Meetings: Special meetings of Unit Owners, other than those the calling of which is regulated by statute, may be called at any time by the President or Secretary or by a majority of the Board of Managers. It shall so be the duty of the Secretary to call such meetings whenever requested in writing so to do by Unit Owners owning at least twenty-five percent (25%) of the voters of the Condominium. The Secretary shall cause a notice of such Special Meeting stating the time, place and object thereof and the officer or other person or persons by whom the meeting is called, to be delivered personally or mailed as provided in Section I of this Article to each Unit Owner of record of the Condominium entitled to vote at such meeting not less than ten (10) nor more than forty (40) days before such meeting. No business other than that stated in such notice shall be transacted at such Special Meeting unless the holders of all the Units of the Condominium are present thereat in person or by proxy. Except that there shall be a meeting commenced within sixty (60) days after the closing of the First Unit to be sold to elect a Board of Managers.

Section 3. Waiver of Notices: The notice provided for in the two foregoing sections is not Indispensable, but any Unit Owners' meeting whatever shall be valid for all purposes if all the Unit Owners of the Condominium are represented thereat in person or by proxy, or if a quorum is present, as provided in the next succeeding section, and waiver of notice of the time, place and objects of such meeting shall be duly executed in writing either before or after said meeting by such Unit Owners as are not so represented and were not given such notice.

Section 4. Quorum: At each meeting of Unit Owners, except where otherwise provided by law, Unit Owners representing, in person or by proxy, 51% of the votes of the Units shall constitute a quorum; in case a quorum shall not be present at any meeting, the holders of a majority of the Units represented may adjourn the meeting to some future time and place. Only those Unit Owners who, if present at the adjourned meeting, would have been entitled to vote thereat, shall be entitled to vote at any such adjourned meeting.

Section 5. Voting: At each meeting of Unit Owners, each Unit Owner present in person or by proxy shall be entitled to cast the voters appurtenant to his/her Unit at the time of service of notice of such meeting or at such prior date, not more than forty (40) days before such meeting, as may be prescribed by the Board of Managers as the date for determining which Unit Owners of record are entitled to notice of and to vote at such

meeting. The proxies shall be in writing duly signed by the Unit Owner but need not be acknowledged or witnessed, and the person named as proxy by any Unit Owner need not himself be a Unit Owner of the Condominium. Voting by Unit Owners shall be viva voce unless any Unit Owner present at the meeting, in person or by proxy, demands a vote by written ballot, in which case the voting shall be by ballot, and each ballot shall state the name of the Unit Owner voting and the number of votes appurtenant to his/her Unit, and in addition, the names of the proxy of such ballot if cast by proxy.

Section 6. Title to Units: Title to Units may be taken in the name of an individual or in the name of two (2) or more persons, as tenants in common or as joint tenants or as tenants by the entirety or in the name of the corporations or partnership, or in the name of a fiduciary or trust, estate, un-incorporated association, syndicated, joint venture, organization, government or any department or agency thereof, of any other entity. 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.

Section 7. Number of Votes: Any or all of such Owners (including the Sponsor or Sponsor-designee, if the Sponsor or its designee shall then own one or more Units) shall be entitled to cast one vote for each .001% of interest in the Common Elements attributable to the Unit or Units owned by them on all matters put to the vote at all meetings of Unit Owners; except that, when voting for the election of members of the Board of Managers, each Unit Owner: (i) shall be entitled to one vote for each .01% of Common Interest attributable to his Unit per member to be elected. If Units are owned by more than one person as joint tenants, tenant by the entirety, or as tenants in common or by a partnership, corporation or other entity, the persons owning said Unit shall agree among themselves and cast the votes for their Unit as a single vote. A fiduciary shall be the voting member with respect to any Unit in a fiduciary capacity. Any Unit or Units owned by the Board of Managers or its designee shall not be entitled to vote.

Section 8. Majority of Unit Owners: As used in these By-Laws the term "majority of Unit Owners" shall mean those Unit Owners having greater than fifty percent (50%) of the total authorized votes of all Unit Owners present in person or by proxy and voting at any meeting of the Unit Owners, determined in accordance with the provisions of Section 7 of this Article II. Two-thirds (2/3) of Unit Owners shall mean those Unit Owners having greater than 66 2/3% of the total authorized vote of all Unit Owners present in person or by proxy and voting at any meeting of the Unit Owners. A vote of a majority of Unit Owners shall be sufficient for any action of any meeting, except where otherwise provided herein or required by statute.

Section 9. Inspectors of Election: Inspectors of election shall not be required to be appointed at any meeting of Unit Owners unless requested by a Unit Owner present (in person or by proxy) and entitled to vote at such meeting and upon the making of such request inspectors shall be appointed or elected as provided in section 610 of the Business Corporation Law.

ARTICLE III

OFFICERS

Section 1. Designation: The principal officers of the Condominium shall be the President, the Vice-President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Managers. The Board of Managers may appoint such other officers as in its judgment may be necessary. The President and Vice-President, 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 and until their successors are elected, their resignation or death.

Section 3. Removal of Officers: Upon affirmative vote of a majority of the members of the Board of Managers, any officer may be removed, either with or without cause, and his 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. He shall preside at all meetings of the Unit Owners and of the Board of Managers. He shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including but not limited to the power to appoint committees from among the Unit Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Condominium.

Section 5. Vice-President: The Vice-President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice-President is 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, or an interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon him 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 shall have charge of such books and papers as the Board of Managers may direct; and shall in general perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 7. Treasurer: The Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financi8al data. He shall be responsible for 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 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. Compensation of Officers: No officer shall receive any salary or other compensation from the Condominium for acting as such or for services rendered in an official capacity.

Section 9. Liability of Officers: No officer shall be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for willful misconduct or bad faith. The Unit Owners shall severally indemnify each officer against any liability or claims except those arising out of the bad faith or willful misconduct of an officer. It is intended that each officer shall have no personal liability with respect to any contract made by him on behalf of the Condominium. It is and shall be permissible for each officer who is appointed by the original Board of Managers (designees of the Sponsor), to contract with the Sponsor and affiliated corporations without fear of being charged with self-dealing. 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 each officer shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the aggregate interest in the Common Elements of all the Unit Owners. Every agreement made by an officer on behalf of the Condominium shall provide that each officer is acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners, except for willful misconduct or bad faith), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the aggregate interest in the Common Elements of all Unit Owners.

ARTICLE IV

Managers

Section 1. Number: The number of Managers of the Corporation shall not be less than three (3) nor more than seven (7), as may from time to time be herein provided and, in the absence of such provision shall be three (3). Commencing with the first election of Managers by Unit Owners of the Condominium, and until changed by amendment of this By-Law provision, and hereinafter provided, the number of Managers shall be three (3). The number of Managers shall not be decreased to a number less than the number of Managers than in office except at any Annual Meeting of Unit Owners. However, during the period the Sponsor, its Successor Offeror(s) or Designee(s) continue to own fifty percent (50%) or more of the Condominium, the number of Managers shall remain fixed at three (3).

Section 2. Powers and Duties: The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium, as agent of all Unit Owners.

Section 3. Nomination and Election: The Managers shall be elected for a term of one (1) year at the Annual Meeting of Unit Owners or at a Special Meeting called for that purpose as provided by law. Each Condominium Unit shall be entitled to cast one vote for each .01% of Common Interest in the Condominium appurtenant to the Unit, which may be cast all for one nominated Manager, or divided among any number of candidates. Their term of office shall be until their respective successors are elected and qualify.

Section 4. Quorum: A majority of the Managers then authorized by these By-Laws shall constitute a quorum.

Section 5. Vacancies: Vacancies in the Board of Managers resulting from death, resignation or otherwise may be filled without notice to any of the Unit Owners by a vote of a majority of the remaining Managers present at the meeting at which such election is held for that purpose promptly after the occurrence of any such vacancy even though no quorum is present. Each person so elected shall be a member of the Board of Managers until a successor shall be elected at the next annual meeting of Unit Owners to serve the remaining term. In the event of the failure to hold any election of Managers at the time designated for the annual election of Managers or in the event that the Board of Managers shall have not filled any such vacancy, a Special Meeting of Unit Owners shall be called to elect a new Board of Managers. Any vacancy created by amendment of these By-Laws shall be filled in the manner provided in the resolution adopting such amendment. In case of a reduction of the authorized number of Managers by amendment of these By-Laws, the Managers, if any, whose term of office shall cease, shall be determined in the manner provided in the resolution adopting such amendment.

Section 6. Meetings: The Board of Managers shall meet immediately after the Annual Meeting of Unit Owners without notice and also whenever called together by any Manager of the Condominium or upon the written request of any three Managers then holding office, upon notice given to each Manager, by delivering personally, mailing or telegraph the same to him at least two days prior to such meeting at the last address furnished by him at least two days prior to such meeting at the last address furnished by him to the Condominium. Regular meetings may be held without notice at such times and places as the Board of Managers may determine. Any meeting of the Board at which all the Managers shall be present, or of which notice shall be duly waived by all absentees, either before or after the holding of such meeting, shall be valid for all purposes provided a quorum be present. Meetings of Managers may be held either at the principal office of the Condominium or elsewhere within the State of New York as provided in the notice calling the meeting, unless the Board of Managers by resolution adopt some further limitation in regard thereto. At all meetings of the Board of Managers, each Manager shall be entitled to one vote. The vote of a majority of the Board of Managers present at the time of a vote of a duly constituted meeting shall be the act of the Board of Managers.

Section 7. Resignation and Removal: Any Manager may resign at any time by written notice delivered in person or sent by certified registered mail to the President or Secretary of the Condominium. Such resignation shall take effect at the time specified therein, and unless specifically requested, acceptance of such resignation shall not be necessary to make it effective. Any Manager may be removed from office at any time

with or without cause upon the affirmative vote of the Unit Owners whose aggregate vote is at least 51% of the votes of the Condominium at a Unit Owners' meeting duly called for the purpose; provided, however, that the Manager(s) elected by the Holders of "Unsold Units" can be removed only for cause by a vote of a majority of the unit owners or without cause by the Holders of Unsold Units.

Section 8. Annual Cash Requirements: The Board of Managers shall, from time to time, determine the cash requirements as defined in the Condominium's By-Laws, and fix the terms and manner of payment of Common Charges as more specifically set forth in Article VI. The Board of Managers shall have discretionary power to prescribe the manner of maintaining and operating the Building, to be paid as aforesaid by the Unit Owners. Every such determination by the Board of Managers shall be final and conclusive as to all Unit Owners and any expenditure made by the Condominium's officers or its agent under authority of, or with the approval of, the Board of Managers of the Condominium shall, as against the Unit Owners, be deemed necessarily and properly made for such purpose. Until the earlier of (i) the second anniversary of the First Closing or (ii) such time as the Holders of Unsold Units hold less than 50% of the outstanding votes of the Residential Units, the Board of Managers of the Condominium will not take any of the following actions unless Unit Owners owning at least 51% of the votes of Residential Units of the Condominium approve in writing or by vote, in person or by proxy, at a duly constituted meeting called for such purpose:

a) Increase the number or change the type of employees from that described in the NOTES TO SCHEDULE B of the Offering Plan;
b) Provide for new or additional services from that indicated in the NOTES TO SCHEDULE B, unless the annual cost of such new or additional services, when added to the annual cost of all other services, being provided, is no greater than that provided in said notes;
c) Establish any reserve other than the Reserve and/or Working Capital Funds set forth in the Offering Plan.

However, notwithstanding anything contained herein to the contrary, the Sponsor, as Holder of Unsold Units, or other Holder(s) of Unsold Units, shall not veto the expenses set forth in SCHEDULE B of the Offering Plan, or expenditures required to comply with applicable laws or regulations.

Section 9. Rules and Regulations: The Board of Managers may from time to time adopt and amend such rules and regulations as it may deem necessary in respect to the Building of the Condominium for the health, safety and convenience of the Unit Owners. Copies thereof and of changes therein shall be furnished to each Unit Owner.

Section 10. Compensation: No member of the Board of Managers shall receive any compensation from the Condominium for acting as such.

Section 11. Liability of the Board of Managers: The Members of the Board of Managers 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 members of the Board of

Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or of these By-Laws. 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 understood and permissible for the original Board of Managers, who are designated by the Sponsor, to contract with the Sponsor and affiliated corporations without fear of being charged with self-dealing. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers, who are designated by the Sponsor, to contract with the Sponsor and affiliated corporations without fear of being charged with self-dealing. It is also intended that the liability of any Unit Owners arising out of any contract made by the Board of Managers shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements. Every agreement made by the Board of Managers, or the Managing Agent, or the Manager, on behalf of the Condominium shall provide that the members of the Board of Managers, or the Managing Agent, or the Manager, as the case may be, are acting only as agent for the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the Managing Agent or by the Manager on behalf of the Condominium shall provide that the members of the Board of Managers, or the Managing Agent, or the Manager, as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interest of all Unit Owners in the Common Elements.

ARTICLE V

NOTICES

Section 1. Definitions: Whenever under the provisions of the Declaration or of these By-Laws, notice is required to be given to the Board of Managers, any Manager, Unit Owner or mortgagee, it shall not be constructed to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letter box, in a postpaid sealed wrapper, addressed to the Board of Managers, such Managers or Unit Owner or mortgagee in such address as appears on the books of the Condominium.

Section 2. Service of Notice Waiver: Whenever any notice is required to be given under the provisions of the Declaration or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE VI

OPERATION OF THE PROPERTY

Section 1. Determination of Common Expenses and Fixing of Common Charges: The Board of Managers shall from time to time, and at least annually, prepare a budget for the operation of the Condominium, determine the amount of the Common Charges payable by the Unit Owners to meet the Common Expenses, and allocate and assess such Common Charges and Expenses among the Unit Owners in proportion to their respective Common Interests. The Common Expenses shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Managers pursuant to the provisions of these By-Laws and the fees and disbursements of the Insurance Trustee. The Common Expenses may also include such amount as the Board of Managers may deem proper for the operation and maintenance of the Common Elements 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. The Common Expenses may also include such amounts as may be required for the purchase or lease of any Unit who's Owner has elected to sell or lease such Unit, or any Unit which is to be sold at a foreclosure or other judicial sale. The Board of Managers shall advise all Unit Owners promptly, in writing, of the amount of Common Charges and Expenses 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 Charges and Expenses are based, to all Unit Owners. Any dispute relating to the expenses to be borne by the Unit Owners shall be submitted to arbitration in accordance with these By-Laws.

The Sponsor or Sponsor-designee shall be responsible for the Common Charges assessed against a Unit owned by it from the date of the First Unit Closing until such Unit is sold to a bona fide purchaser.

Section 2. Insurance: The Board of Managers shall be required to obtain and maintain, to the extent obtainable, the following insurance: (1) fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the Buildings containing the Units (including all of the Units and the fixtures initially installed therein by the Sponsor or by prior construction and any other property usual to the servicing and general occupancy, but not including furniture, furnishings, or other personal property supplied or installed by Unit Owners) together with all service machinery and equipment contained therein and covering the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees with certificates of insurance, as their interests may appear, in an amount to be determined by the Board of Managers.

Section 3. Payment of Common Charges: All Unit Owners shall be obligated to pay the Common Charges assessed by the Board of Managers pursuant to the provisions of Section 1 of Article VI 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 assessed against his Unit subsequent to a sale, transfer or other conveyance by him.

Section 4. Collection of Common Charges and Assessments: The Board of Managers shall assess Common Charges against Unit Owners from time to time at least annually and shall take prompt action to collect any Common Charge due from any Unit Owner which remains unpaid for more than thirty (30) days from due date for payment thereof. The Board of Managers shall also take prompt action to collect any assessment due from any Unit Owner which remains unpaid for more than thirty (30) days from the due date thereof.

Section 5. Default in Payment of Common Charges or Assessments: In the event of default by any Unit Owner in paying to the Board of Managers the Common Charges or any assessment as determined by the Board of Managers, such Unit Owners shall be obligated to pay interest at the highest legal rate on such Common Charges or assessments from the due date thereof, together with all expenses, including attorney's fees, incurred by the Board of Managers in any 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 the expenses of the proceeding, including attorney's fees, in an action to recover the same brought against such Unit Owner, or by foreclosure of the lien on such Unit granted by Section 339-z of the Real Property Law of the State of New York, in the manner provided in Section 339-aa thereof. A Unit Owner defaulting in payment of Common Charges or assessments shall not be permitted to vote at any regular or special meeting of Unit Owners.

Section 6. Foreclosure of Liens for Unpaid Common Charges: In any action 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 a reasonable rental for the use of his Unit and the plaintiff in such foreclosure action shall be entitled 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 a foreclosure sale and to acquire, hold, lease, mortgage (but not to vote the votes appurtenant to), convey, or otherwise deal with same. A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing the same. The proceeds from the same of any Unit pursuant to this Section shall be used first to pay the unpaid Common Charges and/or assessments, plus reasonable attorney's fees and administrative costs and any other lawful liens on the defaulting Unit. Amounts above this, if any, will be the property of the defaulting Unit Owner. If after the sale of the Unit for the nonpayment of Common Charges and/or assessments, the sale does not recover the full amount due and owing, the Board of Managers has the right to assess all the Unit Owners as a Common Expense for the difference between the amount received by the Condominium from the sale of the Unit and the amount owed to the Condominium.

Section 7. Statement of Common Charges and Assessments: The Board of Managers shall promptly provide any Unit Owner so requesting the same in writing, with a written statement of all unpaid Common Charges from such Unit Owner.

Section 8. Abatement and Enjoinment of Violations by Unit Owners: The violation of any rule or regulation adopted by the Board of Managers, or the branch of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board of Managers the right, in addition to any other right 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 (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 for the safety of residents of the Condominium or other persons or required to avoid the suspension of any necessary service to the Condominium); or (b) to enjoin, abate, or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

Section 9. Maintenance and Repairs:

a) All maintenance of and repairs to any Unit, ordinary or extraordinary, and to the doors (except painting exterior side of Unit entrance door), windows (except painting exterior side of windows), electrical (except Common Elements), plumbing (except Common Elements) and heating fixtures and air conditioning units within the Unit or belonging to the Unit Owner shall be at the Unit Owner's expense, except as otherwise specifically provided herein.

b) All maintenance, repairs and replacements to the General Common Elements as defined in the Declaration, and the painting and decorating of the exterior side of Unit entrance doors and windows shall be made by the Board of Managers as a Common Expense, except to the extent that the same are necessitated by the negligence, misuse or negligence of a Unit Owner, in which case such expense shall be charged to such Unit Owner. Maintenance, repair and replacements in or to the Limited Common Elements as defined in the Declaration will be performed as per the Declaration.

Section 10. 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:

a) The Units shall be used for private residences only, except that a Unit Owner may use his Unit for any home occupation use permitted under applicable zoning law and ordinances, building code or other rules and regulations of governmental authorities having jurisdiction. Any Unit may also be used as a professional office by a resident thereof provided such professional use does not violate zoning regulations and provided further that the prior consent of the Board of Managers to such professional use is obtained. Notwithstanding the foregoing, the Sponsor or Sponsor-Designee shall have the right, without charge, (i) to maintain general and sales officers in one or more Units as models and for other promotional purposes and to erect and maintain signs on the Property; (ii) to have its employees, contractors and sales agents present

on the Property; (iii) to do all things necessary or appropriate, including the use of the Common Elements, to sell or lease Units and to complete construction on the Building and to comply with its obligations.

b) The Common Elements shall be used 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 is a source of annoyance to its residents or which interferes with the peaceful possession or proper use of the Property by its residents.

d) No unlawful use shall be made of the Property of any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violation of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be eliminated, by and at the sole expense of the Unit Owners, or the Board of Managers, whichever shall have the obligation to maintain or repairs such portion of the Property.

e) No portion of a Unit or other Limited Common Elements appurtenant thereto (other than the entire Unit including the Limited Common Elements appurtenant thereto), may be separately rented.

Section 11. Additions, Alterations or Improvements by Unit Owners: No Unit Owner shall make any structural addition, alternation or improvement in or to his Unit, or which affects the exterior of the Building's Units, without prior written consent thereto of the Board of Managers. The Board of Managers shall have the obligation to answer in writing any written request by a Unit Owner for approval of a proposed structural addition, alteration or improvement in such Unit Owner's Unit, within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Board of Managers to the proposed addition, alteration, or improvement. An application to any department of the City of New York or to any other governmental authority 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 contractor, subcontractor, or material man 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.

In the event the Board of Managers grants its consent, either affirmatively or by its inaction, to any structural addition, alteration or improvement to be made by a Unit Owner, the consent shall provide that any such work shall be at the Unit Owner's sole cost and expense, that work shall be done in accordance with all governmental or quasi-governmental laws, rules, regulations, codes and ordinances, that all work shall be done by reputable contractors with adequate liability, property damage and worker's

compensation insurances (certificates for which shall be delivered to the Board of Managers prior to the commencement of construction), that any additions, alterations or improvements, shall be maintained in their entirety by said Unit Owner who shall also be responsible for any repairs, including structural repairs, to such area in any event, and to the Unit and any Common Elements where such repairs become necessary due to additional stresses caused by the structural alteration, addition or improvement, or due to improper design or construction of the structural alteration, addition or improvement, and such approval shall further provide that the Unit Owner shall reimburse the Board of Managers any out-of-pocket expenses incurred by the Board of Managers in connection with the granting of such approval and in connection with any services provided to such alteration, addition or improvement; such expenses may include, but shall not be limited to, any fees of an attorney and/or fees of an architect consulted in connection with any request by a Unit Owner for approval of such work.

The provisions of this Section 11 which requires the consent of the Board of Managers in connection with a structural addition, alteration or improvement shall not apply to Units owned by the Sponsor or its designee. All other provisions of this Section 11 shall apply to all Units.

Non-structural alterations and improvements to Units that do not affect the exterior of the Buildings may be made without the prior approval of the Board of Managers.

Section 12. Use of Common Elements and Facilities: A Unit Owner shall not place or cause to be placed in the lobby, public hallways, stairways or other common areas or common facilities, any furniture, packages or objects of any kind. The public halls and stairways shall be used for no purpose other than for normal transit through them. The Sponsor and any Sponsor-Designee shall have the right to use of the Common Elements, without charge, for the purpose set forth in Section II of this Article VI.

Section 13. Right of Access: A Unit Owner shall grant a right of access to his Unit, to the Manger 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 Unit and threatening another Unit or a Common Element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in his Unit or elsewhere in the Building in which the Unit is located provided that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether Unit Owner is present at the time or not. In the event of the exercise of the right of access provided in this Section 13, any costs for repairs shall be borne in accordance with the provisions of Section 10 of this Article IV. Each Unit Owner will be required to give a copy of his/her keys to his/her Unit to the President of the Board of Managers who shall designate an authorized person or persons to keep the keys and use them in case of an emergency.

Section 14. Rules of Conduct: Rules and Regulations concerning the use of the Units and the Common Elements may be promulgated and amended by the Board of

Managers. A majority vote of Unit Owners at a meeting may overrule the Board. Copies of such rules and regulations shall be furnished by the Board of Managers to each Unit Owner prior to the time when the same shall become effective. Initial rules and regulations, which shall be effective until amended by the Board of Managers are annexed hereto and made a part hereof as Schedule A.

Section 15. Water Charges and Sewer Rents: Water shall be supplied to all of the Units and the Common Elements through one or more building meters or pursuant to a frontage charge and the Board of Managers shall pay, as a Common Expense except for the Commercial Unit, which shall be separately metered and billed, all charges for water consumed on the Property and in the Units, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered. In the event of a proposed sale of a Unit by the Owner thereof, the Board of Managers, on request of the selling Unit Owner, shall execute and deliver to the purchaser of such Unit or to the purchaser's title insurance company, a letter agreeing to pay all charges for water and sewer rents affecting the Property as of the date of closing of title to such Unit promptly after such charges shall have been billed. The Commercial Unit or Units shall be entitled to a credit against common charges for the portion of such common charges allocable to water/sewer charges for residential Units.

ARTICLE VIII

Mortgages

Section 1. Notice to Board of Managers: A Unit Owner who mortgages his Unit shall notify the Board of Managers of the name and address of his mortgagee and shall file a confirmed copy of the note and mortgage with the Board of Managers; the Board of Managers shall maintain such information in a book entitled "Mortgages of Units."

Section 2. Notice of Unpaid Common Charges: The Board of Managers, when so requested in writing by a mortgage of a Unit, shall promptly notify any mortgagee of a Unit, of such Unit Owner's default, including non-payment of Common Charges, and the obligations of such Unit Owner under the Declaration, By-Laws, Rules and Regulations, as the same are amended from time to time, or in any order of the Board of Managers issued with respect thereto.

Section 3. Notice of Default: The Board of Managers, when giving notice to a Unit Owner of a default in paying Common Charges or other default, shall send a copy of such notice to each holder of a mortgage covering such Unit whose name and address has heretofore been furnished to the Board of Managers.

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 VIII

Condemnation and Termination

Section 1. Condemnation: In the event of a 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 such award amounts to fifty thousand dollars ($50,000.00) or less, and to the Insurance Trustee if such award amounts to more than fifty thousand dollars ($50,000.00). If seventy-five percent (75%) or more of the Unit Owners duly and promptly approve the repair and restoration of such Common Elements, the Board of Managers or the Insurance Trustee, as the case may be, shall arrange for the repair and restoration of such Common Elements, and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that seventy-five percent (75%) or more of the Unit Owners do not duly and promptly approve the repair and restoration of such Common Element, 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 VI of these By-Laws. As used in this Section, the words "promptly approve" shall mean not more than sixty (60) days from the date of such taking.

Section 2. Termination: The Condominium may be terminated by the casualty loss, condemnation or eminent domain, in accordance with the provisions of the By-Laws, or by withdrawing the Property from the provisions of the New York Condominium Act if authorized by an affirmative vote of Unit Owners who own not less than eighty percent (80%) in number and in Common Interest of the Units. Sponsor or its designees will not vote its interests appurtenant to any Unsold Units for such withdrawal, in which event the Sponsor may choose to vote in favor of or against such withdrawal. In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all the Unit Owners in proportion to their respective Common Interests. However, no payment shall be made to a Unit Owner until all liens to which his/her Unit are subject are paid off.

Article IX

Arbitration

Section 1. Procedure: Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in New York City, New York, in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American Arbitration Association shall not be in existence and has no successor organization, any such arbitration shall be

held in New York City, New York before one arbitrator appointed, upon the application of any party by the Real Estate Board of New York.

Section 2: Variation by Agreement: The parties to any dispute requited or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York City Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes."

Section 3. Binding Effect: The decision in any arbitration conducted pursuant to the terms of Section 1 and 2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 4. Cost and Expenses: (a) The fees, costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his counsel and expert witnesses.

All costs and expenses paid or incurred by Condominium Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses shall constitute Common Expenses.

ARTICLE X

Conflicts

Section 1. Conflicts: These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Law of the State of New York. In case of any of these By-Laws conflict with the provisions of said statute or of the Declaration, the provisions of said statute or of the Declaration, as the case may be, shall control.

ARTICLE XI

Amendments to the By-Laws

Section 1. Amendment to By-Laws: These By-Laws may be modified or amended by the vote of two-thirds (as that number is defined in these By-Laws) in Common Interests of all Unit Owners at a meeting of Unit Owners duly held for such purpose.

For as long as there are one or more Unsold Units, these By-Laws, including the Rules and Regulations of the Condominium attached hereto, may not be altered, amended, repealed or added to without the consent of the Holder(s) of Unsold Residential Units and the Sponsor.

ARTICLE XIII

Miscellaneous

Section 1. Invalidity: The invalidity of any part of the By-Laws shall not impair or affect in any manner the valid enforceability or effect of the balance of these By-Laws.

Section 2. Captions: The captions herein are inserted only by matter of convenience and or reference, and in no way define, limit, or describe the scope of these By-Laws, or the intent of any provision therein.

Section 3. Gender: The use of the masculine gender in the BY-Laws shall be deemed to include the feminine gender and the use of singular shall be deemed to include the plural, whenever the context requires.

Section 4. Waiver: No restriction, condition, obligation or provision contained in these By-Laws, shall be deemed to have abrogated or waived by reason of any failure to enforce the same, respective of the number of violations or breaches thereof which may occur.

Section 5. Insurance Trustee: The Insurance Trustee selected, shall be a bank, trust company or savings and loan association in the State of New York, designated by the Board of Managers (with approval of the holders of give (5) or more Unit first mortgages). In the event the Insurance Trustee shall resign, the new insurance Trustee shall also be a bank, trust company, or savings and loan association in the State of New York, designated by the Board of Managers (with the approval of the holders of five (5) or more Unit first mortgagees). The Board of Managers shall pay fees and disbursements of any Insurance Trustee, and such fees or disbursements shall constitute a Common Expense of the Condominium.

SAMPLE - PRO FORMA POLICY

SCHEDULE A

Amount of Insurance: $ TBA **Policy No.: SAMPLE**

Premium: $ TBA **File No.: TBA**

Date of Policy: TBA

1. Name of Insured: **Proposed Insured**

2. The estate or interest in the land which is covered by this policy is Fee Simple:

3. Title to the estate or interest in the land is vested in:

by means of Deed dated to the insured from 112 Northern Development LLC to be recorded in the County Clerks Office/Registers Office of New York County CRFN

4. The land referred to in this policy is described as set forth in the insured mortgage, is situated in the County of Queens, City and State of New York, and is identified as follows:

112 Northern Boulevard
Corona, New York
County: Queens
Block: 1727
Lot(s): TBP

Countersigned:

Authorized Officer or Agent

SCHEDULE B
EXCEPTIONS FROM COVERAGE

Policy No.:
File No.:

This policy does not insure against loss or damage (and the Company will not pay costs, attorney's fees or expenses which arise by reason of:

1. Any Facts An Accurate Survey May Show.

2. Rights of Tenants Or Persons in Possession.

3. Covenants, Conditions, Easements, Leases, Agreements Of Record, Etc., more fully set forth he
   A) Agreement in Deed Book 6307 Page 516
   B) Zoning Lot Description in CRFN 2006000610515
   C) Certificate pursuant to zoning lot in CRFN 2006000610516

4. Mortgage made by PROPOSE PURCHASER to INSURED LENDER , dated in the amount of $ plus interest to be duly recorded herewith.

5. Policy excepts the terms and conditions set forth in the Declaration of Condominium and By-Laws recorded in the New York County City Register's Office in CRFN , but policy will insure against loss or damage occasioned by the premises not being a part of a condominium validly created pursuant to Article 9-B of the Real Property Law, as amended.

6. With respect to unit # , which is insured hereunder, policy excepts any state of facts which an accurate survey would show, although encroachment of a portion of the unit structure upon other units or upon the common elements may remain undisturbed so long as same shall stand.

Countersigned:

Authorized Officer or Agent

SCHEDULE C

Policy No.:
File No.:

The Unit (the "Unit) known as Unit No. _____, in the Building known as The Sage House Condominium, located at 112-02 Northern Boulevard, in the Borough of the Queens, Queens County and the State of New York , and also designated and described as Unit No._____, in the Declaration establishing THE SAGE HOUSE CONDOMINIUM (hereinafter called the "Property") made by the Grantor under Article 9-B of the Real Property Law of the State of New York (the "New York Condominium Act"), dated_____, 200__, and recorded in the New York County Office of the City Register, on the _____ day of _____, 200__ in CRFN_____, "hereinafter called the "Declaration") which Unit is also designated as Tax Block No. 1727, Tax Lot No._____ on the Floor Plans and Site Plan (the "Floor Plans") of said Building, certified by Green Farrell Architects, and filed with the Real Property Assessment Department of The City of New York on the ____ day of _____, 200__, as Condominium Plan No._____ and simultaneously with said Declaration in the said Office of the Register of the City of New York, New York County, as Condominium Plan No. _____ Map No. _____ (hereinafter called the "Unit"). The land area of Property is described as follows:

Schedule C – Continued
(Description)

Lot 1 & 7 :

ALL that certain plot, piece or parcel of land at Corona in the Borough and County of Queens in the City and State of New York being more particularly bounded and described as follows.

BEGINNING at the corner formed by the intersection of the southerly side of Northern Boulevard formerly known as Jackson Avenue with the easterly side of 112th Street, formerly known as DePeyster Street;

RUNNING THENCE southerly along the easterly side of 112th Street, 107.50 feet;

THENCE easterly at right angles to 112th Street, 100 feet;

Countersigned:

Authorized Officer or Agent

THENCE southerly parallel with 112th Street, 40 feet;

THENCE easterly at right angles to 112th Street, 20 feet;

THENCE northerly parallel with 112th Street 122.34 feet to the southerly side of Northern Boulevard;

THENCE westerly along the southerly side of Northern Boulevard 103.97 feet to a point;

THENCE still westerly along the southerly side of Northern Boulevard 18.66 feet to the corner the point or place of BEGINNING.

SAID PREMISES being known as 112-10 Northern Boulevard, Corona, NY 11368 and 112-12 Northern Boulevard, Corona, NY 11368.

Lot 35:

ALL that certain plot piece or parcel of land at Corona in the Borough and County of Queens in the City and State of New York being more particularly bounded and described as follows:

BEGINNING at the point on the easterly side of 112th Street formerly known as Roosevelt Street, distant 107.50 feet southerly from the corner formed by the intersection of the easterly side of 112th Street with the southerly side of Northern Boulevard formerly known as Jackson Avenue;

THENCE easterly at right angles to 112th Street, 100 feet;

THENCE southerly parallel with 112th Street, 20 feet;

THENCE westerly at right angles to 112th Street and part of the distance through a party wall 100 feet to the easterly side of 112th Street, 20 feet to the point or place of BEGINNING.

SAID PREMISES being known as 33-11 112th Street, Corona, NY 11368.

TOGETHER with an undivided _____ percent interest in the common elements of the Property described in said Declaration (hereinafter called the "Common Elements");

Countersigned:

Authorized Officer or Agent

EXHIBIT A TO PURCHASE OPTION AGREEMENT

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: The Sage House Condominium
112-02 Northern Blvd.
Queens, NY 11368
File Number:_____

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

1. Name of Applicant _____

2. Address of Applicant _____

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

4. This is an application for
[ ] return of 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 time share.
[ ] 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 or modification letters are attached. (DO NOT SEND ORIGINALS.)

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

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

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

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

_____
_____
_____
_____
_____

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

_____
_____
_____
_____
_____
_____
_____
_____
_____
_____

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

_____
_____
_____
_____
_____

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

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

Signature:_____ Date:_____

Name (Printed):_____

Telephone: (Home)_____ (Business)_____

Mailing Address:_____

ESCROW AGREEMENT FOR CONTRACT DOWN PAYMENTS

THE SAGE HOUSE CONDOMINIUM
112 NORTHERN BOULEVARD
QUEENS, NEW YORK

AGREEMENT made this _____ day of _____, 200__, between **112 NORTHERN DEVELOPMENT LLC** having an address at 1230 Avenue of the Americas, 7th fl., New York, New York 10020 **("Sponsor")** and **CHOE & OH, P.C.**, having an address at 15 East 32nd Street, Third Floor, New York, NY 10016 **("Escrow Agent")**.

WHEREAS, Sponsor is the Sponsor under the offering plan (the "Offering Plan") for the sale of condominium units **(the "Units")** at ----------, Northern Boulevard, Queens, New York **(the "Premises")**; and

WHEREAS, Sponsor will enter into agreements to sell Units to purchasers under the Offering Plan (individually a **"Purchase Agreement"** and collectively the **"Purchase Agreements"**); and

WHEREAS, Escrow Agent has been requested by Sponsor to act as an escrow agent under the Offering Plan in accordance with General Business Law **("GBL")** Section 352-e(2-b) and the Attorney General's regulations promulgated thereunder (the **"Regulations"**) with respect to down payments made by purchasers **(the "Purchasers")** pursuant to Purchase Agreements entered into with Sponsor to purchase Units at the Premises.

NOW THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration, the parties hereto agree as follows:

1. **ESTABLISHMENT OF THE ESCROW ACCOUNT.**

1.1 Escrow agent shall establish an escrow account for the purpose of holding deposits or payments made by Purchasers under Purchase Agreements entered into pursuant to the Offering Plan (the "**Escrow Account**"). As set forth in the Offering Plan, the Escrow Account in which contract down payments will be deposited will be opened at Bank of Smithtown (the "**Bank**") in the branch located at Port Washington, NY 10103.

1.2 The name of the Escrow Account will be "Choe & Oh, P.C. Attorney Trust Account for ---- ----------" (or similar, with the name or address of the Premises included).

1.3 Specified members of the firm comprising Escrow Agent will be the sole signatories on the Escrow Account.

1.4 The Escrow Account shall be an interest-bearing account as disclosed in the Offering Plan. Escrow Agent will arrange for interest earned on monies deposited in the Escrow Account

to be paid to the party entitled to the interest as disclosed in the Offering Plan. The Escrow Account is not an IOLA pursuant to Judiciary Law § 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All funds received from purchasers prior to closing under their Purchase Agreements, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be delivered by Sponsor to Escrow Agent to be deposited in the Escrow Account. All instruments to be deposited into the Escrow Account shall be made payable to the order of "Choe & Oh, P.C., as Escrow Agent." Any instrument payable other than as required hereby, and which cannot be deposited into the Escrow Account, shall be returned to the prospective Purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by Escrow Agent (or if applicable, within five (5) business days after said instruments has been returned to Escrow Agent by the depository as unpayable). Delivery shall be deemed made if the instruments is delivered to Purchaser personally or mailed to Purchaser at the address set forth in the Purchase Agreement, whether or not it is actually received by Purchaser. Delivery shall be deemed made on the date mailed. 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 five (5) business days after Purchaser's tender to Sponsor of the deposit together with a fully executed Purchase Agreement and expiration of any rescission period granted by Sponsor to Purchaser, the funds shall be delivered by Sponsor to Escrow Agent for deposit in the Escrow Account. Within ten (10) business days after Escrow Agent has received the funds and an original completed Form W-9 or Form W-8, as applicable, executed by Purchaser or by Purchaser's designated interest-recipient as described in the Plan, Escrow Agent shall notify Purchaser of the deposit of such funds in the Bank and shall provide the account number and the initial interest rate, if applicable. If Purchaser does not receive notification of such deposit within fifteen (15) business days after Purchaser's tender of the deposit and Purchase Agreement to Sponsor, delivery of a completed and executed Form W-9 or Form W-8, as applicable for the interest recipient, and expiration of any rescission period granted to Purchaser by Sponsor, Purchaser may cancel the purchase and rescind the Purchase Agreement, or may apply to the Attorney General for relief. Any such rescission must be exercised no later than ninety (90) days after Purchaser's tender to Sponsor of the deposit and executed Purchase Agreement. 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 the foregoing and requisite notice was timely mailed to Purchaser.

3. RELEASE OF DUNDS.

3.1 Escrow Agent shall not release the escrowed funds of a defaulting Purchaser until after consummation of the Offering Plan as defined in the Attorney General's regulations. Consummation of the Offering Plan shall not relieve Sponsor or Sponsor's fiduciary obligations pursuant to GBL Section 352.h.

3.2 Escrow Agent shall continue to hold the funds in escrow until the earlier of (a) closing under a Purchase Agreement, in which event the funds may be paid to Sponsor (or anyone Sponsor designates or directs) without further authorization of Purchaser required, (b) Purchaser's permitted rescission of a Purchase Agreement, in which case the funds will be paid to Purchase, (c) Sponsor's termination of the Purchase Agreement following Purchaser's continuing default under the Purchase Agreement after delivery to Purchaser by Sponsor of a notice of default and expiration of the applicable cure period (in which event the funds may be paid to Sponsor), (d) otherwise directed in writing signed by both Sponsor and Purchaser directing disposition of such funds, (e) otherwise directed by a determination of the Attorney General pursuant to the dispute resolution procedures in the Regulations, (f) otherwise directed by a judgment or order of a court of competent jurisdiction directing disposition of such funds, (g) the Escrow Agent is changed in connection with a transfer of funds to a new escrow agent in accordance with ¶ 9 of this Agreement, (h) released pursuant to the Regulations of the Attorney General pertaining to the release of escrowed funds, as incorporated into ¶ 3.4 below, or (i) Sponsor's abandonment of the Plan. Interest earned on funds held in the Escrow Account shall be paid as described in the Plan.

3.3 Sponsor shall not object to the release of the escrowed funds to (a) a Purchaser who timely rescinds in accordance with an offer of rescission contained in the Offering Plan or an amendment to the Plan or (b) all Purchasers after an amendment abandoning the Offering Plan is accepted for filing by the Department of Law.

3.4 If there is no closing under a Purchase Agreement and there is no written agreement between the parties to release the escrowed funds, or if release is not otherwise authorized pursuant to the provisions of ¶ 3.2 or ¶ 3.3 of this Agreement, Escrow Agent shall not pay the funds to Sponsor until Escrow Agent has sent Purchaser at least ten (10) business days prior written notice to the last address listed in the Purchase Agreement. For purposes of this provision, notice shall be deemed given if actually delivered to Purchaser or Purchaser's counsel at the address set forth in the Purchase Agreement, whether or not it is actually received, and shall be deemed given five (5) business days after the day mailed, if it is mailed. Thereafter, the funds may be paid to Sponsor unless Escrow Agent has received prior written notice from Purchaser that Purchaser has made application to the Department of Law pursuant to the dispute resolution provisions contained in the Regulations and has so notified Escrow Agent in accordance with such provisions. Escrow Agent shall be entitled to act upon any document believed by it in its reasonable judgment to be genuine.

4. RECORD-KEEPING.

4.1 Escrow Agent shall maintain all records concerning the Escrow Account for seven years after release of funds.

4.2 Upon the dissolution of Escrow Agent, the former partners or members of the firm shall make appropriate arrangements for 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 arrangement.

4.3 Sponsor agrees that Escrow Agent shall make available to the Attorney General, upon his or her request, all books and records of Escrow Agent then available relating to funds deposited and disbursed hereunder. Sponsor shall pay all expenses and costs incurred by Escrow Agent arising out of the provisions of Paragraphs 4.2 and 4.3 of this Agreement.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1 Escrow Agent shall maintain the Escrow Account 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.

5.3 Escrow Agent or any member of its firm shall be permitted to act as counsel for Sponsor in any dispute as to the disbursement of any deposits or payments or any other dispute between the parties, whether or not Escrow Agent is in possession of such deposits or payments and whether or not Escrow Agent continues to act as Escrow Agent.

6. RESPONSIBILITES OF SPONSOR.

6.1 Sponsor agrees that Sponsor and its agents, including any selling agents, shall immediately deliver to Escrow Agent all deposits and payments received by them prior to closing of an individual transaction.

6.2 Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and compliance with the Regulations.

7. INDEMNITY AND DISPUTES.

7.1 In the event Escrow Agent, before the release of escrow funds attributable to a particular Purchase Agreement in accordance with this Agreement, receives or becomes aware of conflicting demands or claims with respect to said escrow funds or the rights of any party with respect thereto, of any funds, securities, property or documents deposited herein or affected hereby, or if Sponsor becomes indebted to Escrow Agent, or for any other reason in its sole discretion, Escrow Agent shall have the right to discontinue any and all further acts on its part until such conflict is resolved to its satisfaction.

7.2 Escrow Agent shall have the further right but not the obligation to commence or defend any action or proceeding for the determination of such conflict. Sponsor agrees to indemnify Escrow Agent and pay all costs, damages, judgments and expenses, including attorneys' fees and disbursements, suffered or incurred by Escrow Agent in connection with or arising out of this Escrow Agreement, including, but without limiting the generality of the foregoing, a suit in interpleader brought by Escrow Agent, or proceedings or actions

brought by any Purchaser(s) or the New York State Department of Law, or the expenses of maintaining or administering the Escrow Account in accordance with this Agreement (including, without limitation, the aliquot portion of Escrow Agent's expenses for overhead, staff and equipment in connection with such activities), and such other expenses as may be determined by Escrow Agent. In the event Escrow Agent flies a suit in interpleader, Escrow Agent shall thereupon be fully released and discharged from all further obligations to perform any and all duties or obligations imposed upon Escrow Agent by this Agreement.

7.3 Escrow Agent is hereby given a lien on all right, title and interest of Sponsor in the escrowed funds in the Escrow Account and monies arising therefrom, to protect, indemnify and reimburse Escrow Agent for all costs, expenses and liabilities arising out of this Agreement.

8. LIABILITY OF ESCROW AGENT.

8.1 Escrow Agent shall not be liable for any error of judgment or for any act done or omitted by it in good faith, or for anything which it may in good faith do or refrain from doing in connection with its obligations under this Agreement, nor for any negligence other than its gross negligence, nor shall Escrow Agent be answerable for the default or misconduct of its agents, attorneys or employees if they are selected with reasonable care, or the banking institution in which the escrow funds are deposited. No liability will be incurred by Escrow Agent if, in the event of any dispute or question as to its duties or obligations hereunder, it acts in accordance with written advice of legal counsel. Escrow Agent is authorized to act upon any document believed by it to be genuine and to be signed by the proper party or parties, and will incur no liability in so acting.

8.2 Escrow Agent shall not be liable to Sponsor for any loss occasioned by any right of rescission accruing to a Purchaser and rising out of Escrow Agent's performance or failure of performance hereunder.

9. TERMINATION OF AGREEMENT.

9.1 This Agreement shall remain in effect unless and until it is cancelled:

(a) By written notice given by Sponsor to Escrow Agent of cancellation of designation of Escrow Agent to act in said capacity; or

(b) By the resignation or withdrawal of Escrow Agent upon written notice to Sponsor. Sponsor agrees to file an amendment to the Offering Plan to describe the occurrences described in ¶ 9.1(a) or 9.1(b) of this Agreement immediately upon their occurrence, but the failure to file such amendment shall not prevent the effectiveness of such cancellation, resignation or withdrawal; or

(c) By virtue of all Apartments offered pursuant to the Offering Plan having been sold and all sales transactions having been consummated.

9.2 Upon termination of the duties of Escrow Agent as described in Paragraph 9.1 above, Escrow Agent shall deliver any and all funds held by it in escrow and any and all Purchase Agreements and associated documents maintained by Escrow Agent to the new escrow agent, if there be one, or to a court of competent jurisdiction, as applicable.

10. SUCCESSORS AND ASSIGNS.

10.1 This Agreement shall be binding upon Sponsor and Escrow Agent and their successors and assigns.

11. GOVERNING LAW.

11.1 This Agreement shall be construed in accordance with and governed by the laws of the State of New York. Sponsor and Escrow Agent agree to the jurisdiction and venue of the courts located in the County and State of New York.

12. ESCROW AGENT'S COMPENSATION.

12.1 Sponsor agrees that Escrow Agent's compensation shall not be paid from escrowed principal nor from any interest accruing thereon and that compensation to Escrow Agent, if any, shall not be deducted from escrowed funds by any financial institution under any circumstance, unless and until Sponsor becomes entitled to such funds pursuant to the provisions of this Agreement.

13. SEVERABILITY.

13.1 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.

14. MISCELLANEOUS.

14.1 Wherever delivery is required herein of a notice or check to Purchaser, it shall be deemed delivered to Purchaser if actually delivered to Purchaser's attorney or if mailed to Purchaser's attorney, whether or not it is actually received by Purchaser's attorney, with the date of receipt being deemed to be the date delivered, if delivered, or five (5) business days after the date mailed, postage prepaid, if mailed. Conflicts between this provision and other provisions in this Agreement shall be resolved in favor of this provision.

15. ENTIRE AGREEMENT.

This Agreement, read together with GBL Section 352-e(2-b) and the Attorney General's Regulations, constitutes the entire agreement between Sponsor and Escrow Agent with respect to the subject matter hereof.

16. COUNTERPARTS.

This agreement may be executed in any number of counterparts and each counterpart, when taken together with all other counterparts, shall constitute one and the same document.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

112 NORTHERN DEVELOPMENT LLC

By: _____
Name:
Title:

CHOE & OH, P.C.

By: _____

Exhibit A-1

"Sponsor Certification"

We are the sponsor and principals of sponsor of the condominium offering plan for the captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

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

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

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

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

a. knew the truth;

b. with reasonable effort could have known the truth;

c. made no reasonable effort to ascertain the truth; or

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

This certification is made under penalty and 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.

EDDIE SHAPIRO

RAPHY BENAIM

112 Northern Development, LLC
By: Eddie Shapiro, Managing Member

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On the 23 day of March, 2009, personally came Eddie Shapiro. known to me to be the individual described in and who signed the foregoing instrument and he duly acknowledged to me that he executed the same.

NOTARY PUBLIC

TALI A. BASHANI, ESQ.
Notary Public, State of New York
No. 02BA6155171
My Commission Expires 11/06/2010

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On the 23 day of March, 2009, personally came Raphy Benaim, known to me to be the individual described in and who signed the foregoing instrument and he duly acknowledged to me that he executed the same.

NOTARY PUBLIC

TALI A. BASHANI, ESQ.
Notary Public, State of New York
No. 02BA6155171
My Commission Expires 11/06/2010

Exhibit A-2

Sponsor's Architect Certification

The sponsor of the offering plan to convert the captioned property to condominiums ownership retained me/our firm to prepare a report describing the construction and/or renovation of the property (the "Report"). I/We visually inspected existing portions of the renovated property, if any on N/A, and I/we examined the building plans and specifications that were prepared by GLOBAL dated 1.14.08 and prepared the Property Description Report dated March 31, 2009 a copy(ies) of which is (are) intended to be incorporated into the offering plan so that prospective Purchasers may rely on the Report.

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

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

I/We 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/We 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/we examined;

(ii) in my/our 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/we examined;

(iii) does not omit any material fact;

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

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

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

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

i. knew the truth;
ii. with reasonable effort could have know the truth;
iii. made no reasonable effort to ascertain the truth; or
iv. did not have knowledge concerning the representation or statement made.

I/We further certify that I am/we are not owned or controlled by and have no beneficial interest in the sponsor and that my/our compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.

DATED: 3/31/09

By: Joseph Pilewski
Global Arch Design & Consulting

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On the 31 day of March, 2009, personally came Joseph Pilewski, known to me to be the individual described in and who signed the foregoing instrument and he duly acknowledged to me that he executed the same.

NOTARY PUBLIC

TALI A. BASHANI
Notary Public, State of New York
No. 02BA6155171
My Commission Expires 11/06/2010

Exhibit A-3

Certification by Expert on Adequacy of Budget
(on adequacy of Schedule B, B-1,)

The sponsor of the condominium offering plan for the captioned property retained me/our firm to review or prepare Schedule(s) B, B-1 and C, containing projections of income and expenses for the first year of condominium operation. My/our experience in this field includes: 25 years as a real estate manager and broker. I am President of JAL Diversified which currently managers over 65 buildings in Manhattan and throughout the boroughs.

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 Schedule(s) B, B-1, and C.

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

I certify that the projections in Schedule(s) B, B-1 and C 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 Schedule(s):

(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) does not omit any material fact;

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

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

(vi) does not contain any promise or presentation 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 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.

DATED: 3/27/09

John Lipuma

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

On the 27 day of March, 2009, personally came John Lipuma, known to me to be the individual described in and who signed the foregoing instrument and he duly acknowledged to me that he executed the same.

NOTARY PUBLIC

TALI A. BASHANI, ESQ.
Notary Public, State of New York
No. 02BA6155171
My Commission Expires 11/06/2010