

CONDOMINIUM OFFERING PLAN

FOR

The Avenue K Developers Condominium

Located at:

8413 Avenue K, Brooklyn, NY 11236

Total Amount of offering, for the sale of Twenty (18) Residential Units, One (2) Commercial Units and Twelve (12) Parking Spaces

is $8,687,100.00

Sponsor
Avenue K Developers.
33 Great Neck Road, #9
Great Neck, NY 11021

Selling Agent
Jean-Paul Ho Fillmore Realty LTD.
9317 Avenue L
Brooklyn, NY 11236

DATE OF ACCEPTANCE OF FILING:_____

THIS PLAN MAY NOT BE USED AFTER _____, UNLESS EXTENDED BY AMMENDMENT

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

SEE PAGE (2) FOR SPECIAL RISKS TO PURCHASERS

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

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

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SPECIAL RISKS

1. SPONSOR'S RIGHT TO LEASE UNITS

Sponsor is reserving the unconditional right to rent rather than sell units. Because sponsor is not limiting the conditions under which it will rent rather than sell units, there is no commitment to sell more units than the fifteen percent (15% (3 unit)) necessary to declare the plan effective and owner-occupants may never gain effective control and management of the condominium. **{See Part I, Section "A" and See Part I, Section "P").**

2. ELIGIBILITY FOR PARTIAL REAL ESTATE TAX ABATEMENT AND PURCHASER TO PAY SPONSOR FOR TAX EXEMPTION APPLICATION

The condominium may be eligible for partial tax exemption benefits under Section 421-A/ICIP of the Real Property Tax Law . An application has been filed with The City of New York Department of Housing Preservation and Development, but has not yet been acted upon. It is possible that the benefits will not be obtained before the closing of the first unit and there is no guaranty that benefits will be granted to the property. The sponsor will use its best efforts to obtain these benefits.

The construction & excavation has begun in good faith on the basis of approved construction plans with the foundation fully constructed prior to June 30, 2008.

Each purchaser shall pay to the sponsor one and one-half percent (1.5%) of the sales price of his respective unit for reimbursement of the sponsor's costs in applying for partial tax exemption benefits pursuant to section 421-A/ICIP of the New York State Real Property Tax Law. Sponsor cannot guaranty that the condominium will receive the partial tax abatement, and the costs of one and one-half percent (1.5%) of the sales price as and for sponsor's costs to apply for same will be due to Sponsor regardless of whether the City of New York grants the 421-A/ICIP tax abatement and the fees charged by Sponsor will not be returned or refunded if the 421-A/ICIP application is not granted. The range of the 1.5% fee is between $300 to $26,622 based on the sales price of the particular unit purchased as set forth in the offering plan. (See **Part I, Section "(I)(G)" and Section "T").**

3. MATERIALS, WORKMANSHIP. ETC.

All Units and general and limited Common Elements offered pursuant to this Offering Plan are sold subject to completion of the work specified in the Architect's Report **(see Part II, Section "II").**

4. CLOSING DATE AND ADJOURNMENTS

The contract authorizes one adjournment of the closing date of up to 10 days. The contract makes the adjourned closing date "time of the essence." This means that the Purchaser must close by the adjourned date. In the event that Purchaser does not close on the adjourned date, Purchaser may risk the loss of his or her Down Payment . **(see Part I, Section "K")** and **(Part II, Section "EE" - Purchase Agreement).** Purchasers will be required to pay an additional fee of $350.00 to Sponsor's closing attorneys if purchaser does not close title to his or her unit on the date stated in the notice of closing because such purchaser has not complied with the terms of the executed Purchase Agreement, or if the purchaser's lender requires the closing to be at a place other than that indicated in the notice of closing, **(see Part I, Section "N").**

5. CONTRIBUTIONS TO WORKING CAPTIAL FUND

At the time of closing, each purchaser will be required to pay an amount equal to two months' Common Charges then in effect for the Unit pursuant to the budget in accordance with Schedule A hereto, as the same may be amended from time to time which shall be paid into the Working Capital Fund of the Condominium. The working capital fund may not be used to pay common expenses of the Condominium during the time that the Sponsor remains in control of the Board of Managers, (see **Part I, Sections "W" and "X").**

6. BONDING BY SPONSOR

No bond or other security has been Posted to secure sponsor's obligations under this Plan or to complete construction of the building or other obligations under the Plan including the obligation to pay common charges with respect to unsold units (see **Part I, Section "P").**

7. SPONSOR DECLARING PLAN EFFECTIVE

Pursuant to existing law and regulation, the Sponsor may declare the condominium plan effective with executed purchase agreements for a minimum of fifteen percent of the units (3 units) in the building. Even if the plan is declared effective with a minimum number of sales, it is possible that the Sponsor may be able to create a condominium with fewer than the minimum number of sales, if purchasers counted towards effectiveness do not ultimately purchase an apartment, (see **Part I, Section "N")**

8. LENDER INFORMATION REGARDING CONDOMINIUMS IN GENERAL

Purchasers should note that certain banks and other lenders impose various restrictions on loans. Such restrictions may include requiring that a certain percentage (50% or more) of the units in a building be sold before the

lender will consider making a loan. Thus it may be possible for a purchaser to experience difficulty obtaining a loan in a building where the percentage of units purchased is lower than a lender's particular sales minimum. Even once the offering plan has been declared effective, lenders may still impose minimum sales requirements before granting a loan. It then may be difficult for a purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to such minimum sales requirements, (see **Part I, Section "L")**

9. ESCROW OF PURCHASERS FUNDS

All funds received by the Sponsor for upgrades or extras must initially be placed in the escrow account. However, purchasers shall note as a special risk 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 rescission, the purchaser will not receive a refund of any funds used for upgrades or extras **(see Part I, Section "K"(12)).**

All deposits, down payments or advances made by purchasers prior to closing will be placed in an interest bearing escrow account with the interest earned following the funds, to the seller at closing if title passes to purchaser, or to the purchaser if the closing does not occur provided that purchaser has not defaulted in the obligations pursuant to the purchase agreement. The segregated escrow account will not be federally insured in excess of $250,000.00, (see **Part I, Section "K").**

10. SPONSORS RETAINED VOTING POWERS As long as the Sponsor or its designees shall own Units representing 25% or more in common interest or for a period of five (5) years after closing of title to the first unit, whichever occurs first, the Board of Managers may not, without the prior written consent of the Sponsor or its designees

(a) capital improvements, (b) expenditures of monies, (c) the imposition of assessments, and (d) the amendment of the Declaration and by-laws of the Condominium. The Sponsor will have voting control of the board of managers. (see **Part I, Section "Q").**

11. AFTER SPONSORS CONTROL PERIOD EXPIRES

After the initial sponsor control period expires, the by-laws do not require that the majority of the board consist of owner occupants or members of an owner-occupant's household who are unrelated to the sponsor and its principals. Owner-occupants and non-resident owners, including sponsor, may have inherent conflicts on how the condominium should be managed because of their different reasons for purchasing, i.e., as a home as opposed to an investment, (see **Part I, Section "Q").**

12. MORTGAGE TAX CREDIT

Sponsor shall, upon the closing of each unit, have the right to receive a rebate for mortgage recording taxes already paid, if any, which rebate shall be credited to Sponsor from amounts any unit purchaser otherwise would have paid in connection with the recording of a mortgage against his unit at the time of purchase, (see **Part I, Section "O").**

13. APPLIANCES

The Sponsor will provide a Refrigerator, a Range and dishwasher in each residential condominium unit. The Sponsor will not provide, and the purchase price shall not include, a dishwasher, washer/dryer in the individual condominium unit. There will be a common laundry facility in cellar of this condominium. **(see Part I, Section "C").**

14. PURCHASER PAYMENT OF TRANSFER TAXES

While the New York State and New York City Transfer Taxes are customarily paid for by the Seller in Single Family Home Transactions, the burden of paying such taxes may be modified by contract. As is common with many other condominium developments in the State of New York, the purchase agreement for this condominium provides that the purchaser of a condominium unit will be required to pay the New York State and New York City Transfer Taxes at the Closing. The New York State Department of Taxation and Finance and the New York City Department of Finance take the position that where the Purchaser pays the transfer taxes, the amount thereof will be added to the taxable consideration for determining the transfer taxes.

The New York State Transfer Tax rate is $4.00 per $1,000.00 of the purchase price (for example - $400,00 per $100,000,00 of purchase price). The New York City Transfer Tax is 1.00% of the purchase price up to $500,000.00 and 1.425% over $500,000.00 (for example -$1,000,00 or $1,425.00 respectively per $100,000.00 of purchase price). The actual transfer taxes to be paid by Purchaser is set forth in this offering plan. Because the purchaser is required to pay the New York State and New York City Transfer taxes, the tax is based on additional consideration amounting to 1.4% of the price of the unit.

(For example, for a unit price of less than $500,000 - if the unit price is $400,000.00, for purposes of calculating the transfer taxes, the unit price of $400,000.00 is multiplied by 1.014 for a total price for tax purposes of $405,600.00). The transfer taxes are added as additional consideration on which the tax is calculated Therefore, the New York State Transfer Tax would be $1,622.40 instead of $1,600.00, and the New York City Transfer Tax would be $4,056.00 instead of $4,000.00.

(For example, for a unit price of more than $500,000 - if the unit price is $580,000,00, for purposes of calculating the transfer taxes, the unit price of $580,000,00 is multiplied by 1.014 for a total price for tax purposes of $588,120.00). The transfer taxes are added as additional consideration on which the tax is calculated Therefore, the New York State Transfer Tax would be $2,352.50 instead of $2,320.00, and the New York City Transfer Tax would be $8,381.00 instead of $8,265,00.

The transfer taxes are added as additional consideration on which the tax is calculated **(See Part I, Section "O").**

15. SPONSOR'S LIABILITY LIMITATIONS

Pursuant to 13 NYCRR §20.3(t)(1), it is disclosed that the Sponsor has no obligation to defend any suits or proceedings arising out of Sponsors acts or omissions and no obligation to indemnify the Board of Managers and Unit Owners, except for claims arising out of the acts, omissions or representations of the Sponsor, as limited in this Offering Plan, The sponsor and its principals may not, and does not disclaim or limit liability for their failure to perform any obligation imposed by any applicable statute or regulation. The sponsor and its principals may not and does not include any financial limitation on the sponsor's liability for their failure to perform its obligations under this offering plan.

Directors and officers liability insurance will not be included in this budget. Sponsor and its principals will remain liable notwithstanding any disclaimers or limitations of liability on the part of the sponsor or its principals for failure to perform any obligation imposed by applicable statute or regulation. This offering plan does not include any financial limitation on sponsor's liability for failure to perform its obligations under the offering plan. **(See Part I, Section P").**

16. CONTROL OF MANAGEMENT BY SPONSOR

Until sponsor or its designee transfers title to units representing at least 75% in common interest or for a period of five (5) years after closing of title to the first unit, whichever occurs first, the Board of Managers may not, without the prior written consent of the Sponsor or its designees, (i) make any addition, alteration or improvement to the Common Elements, Limited Common Elements or to any Unit or (ii) assess any common charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund except that Sponsor will consent to replacements to the contingency fund provided for in Schedule B to the extent that the aggregate amount of such fund does not exceed 5% of the budget expenses of the Condominium or (iii) borrow money on behalf of the Condominium (except where necessary to perform work required by law) to the extent that existing reserves are insufficient or (iv) amend the Declaration or By-Laws of the Condominium so as to in any way adversely affect Sponsor or its designees. The Sponsor shall have the right to withhold its consent to any of the foregoing actions. **(See Part I, Section "Q").**

17. CERTIFICATE OF OCCUPANCY

It should be noted by Purchasers that the closing of individual Units under the Plan may occur prior to the sponsor obtaining a permanent Certificate of Occupancy for the Building. If only a temporary Certificate of Occupancy is issued by the Closing Date, Sponsor will, at Sponsor's sole cost and expense, do and perform or cause to be performed all work and supply or cause to be supplied all materials necessary to renew the temporary Certificate of Occupancy and to obtain such permanent Certificate of Occupancy. Complete details regarding the issuance of the certificate of occupancy are discussed in this offering plan. **(See Part I, Section "C").**

It has been customary for units in newly constructed and gut rehab co-ops and condos to close after a TCO covering such units has been issued. Sponsor will send closing notices for units covered by TCOs and purchasers will be required to close with a TCO, rather than a permanent CO in place. TCOs are issued for 3 months at time and may be extended for up to 2 years.after which they must be succeeded by a permanent CO.

The NYC Department of Buildings advises purchases of houses and apartments, who close with only a TCO in place, to consult with their attorneys and engineers to assure that sufficient funds are escrowed or otherwise secured for sponsor to obtain a permanent or final CO. It is strongly recommended that buyers consult the "DOB Website Consumer Tips" for its recommendation when buying units in a building that does not have a Final Certificate of Occupancy.

18. RESERVE FUND

It should be noted that there is no reserve fund for major capital improvements and replacements which are foreseeable within the next three years. As the systems are new in this project, it is estimated that there will be no foreseeable major capital improvements and/or replacements within the next three years. **(See Part I, Section "W").**

19. SPONSOR WILL HAVE CERTAIN EASEMENTS

While the Sponsor has interest in the unsold units of this condominium, the Sponsor will have the right to use or lease any portion of the roof of the building or parapet walls at the roof of the building for installation of equipment including but not limited to cellular telephone antennas. The area of the roof in which the Sponsor may install or lease space for the installation of antennas and/or cellular telephone transmission equipment is limited to ten percent (10%) of the roof surface area and the parapet walls, the plan will be amended to disclose details of any sale or lease of portion of roof, (see **Part I, Section "C").**

Unit owners may not sell or lease the roof for personal or profitable use. The roof may not be used for recreational use. The roof will not be

paved. Unit owners' may not install any permanent or temporary fixtures on roof, unless granted by the board of managers.

In order to manage and maintain the common areas of the subject building, which may be shared by the Condominium Unit Owners, the Sponsor will subject the property to the Declaration of Easements, Use and Maintenance as set forth in Schedule "M" to this offering plan. This Declaration provides for mutual easements of ingress and egress, utilities, support, maintenance, the apportionment of expenses and the establishment of a committee to enact and enforce rules, regulations and obligations imposed under the Declaration for maintenance, repair and replacement of common areas, **(see Part II, Section "NN").**

20. CONDOMINIUM UNIT LEASING RESTRICTIONS

There will be no leasing restrictions on this project. **(See Part I, Section "S").**

21. SPONSOR HAS THE RIGHT TO SELL UNITS FOR INVESTMENT OR RESALE

The Sponsor has the right to sell Units to purchasers for investment or for resale. A purchaser of a unit that has been previously rented takes unit as is. It is possible that certain Unit Owners will not be residents of the Condominium Building. Sponsor has further reserved the right to enter into Use and Occupancy Agreements for any Unit prior to Closing of the sale with the Purchaser thereof or with any other party, and residents of the Condominium may be comprised of both Unit Owners and tenants leasing from Sponsor or the Unit Owners. Individuals leasing Unit from Sponsor will not, except as expressly provided in their respective Use and Occupancy Agreements, have any special rights to purchase such Units. In addition, a purchaser may be acquiring a Unit that has been previously occupied, but such Unit will be delivered at closing free and clear of all leases and tenancies, except as may otherwise be agreed to in writing by the parties. There is no limit on the number of Unit Owners who may purchase for investment rather than personal occupancy. Unit owners and investors may have inherent conflicts on how the condominium should be managed because of their different reasons for purchasing-purchase of a home, as opposed to an investment. Consequently, there may always be a substantial percentage of Unit Owners who are non-residents. **(See Part I, Section "C" and "S").**

22. SPONSOR MAY CONTINUE TO SHOW UNSOLD UNITS TO PROSPECTIVE PURCHASERS, UNIT OWNERS DO NOT HAVE THE RIGHT APPROVE PROSEPECTIVE PURCHASERS

While Units are being offered for sale or lease by the Sponsor or its designees, there will be a greater number of visitors to the Building than

would otherwise be the case. No representation or warranty is made and no assurance is given as to when such selling or leasing activity will terminate. Unit owners do not have the right to approve prospective purchasers.

23. SPONSOR WAY SEEK SPECIFIC PERFORMANCE OF THE PURCHASE AGREEMENT

Pursuant to 13 NYCRR 20.3(o)(9), the Sponsor hereby advises the purchaser of the special risk that the Sponsor may seek specific performance of the purchase agreement to compel the purchaser to purchase the subject condominium unit. **(See Part I, Section "K")**

24. PURCHASER MAY NOT PROFIT BY THE SALE OF THE UNIT WITHIN 12 MONTHS FROM THE DATE OF CLOSING.

In the event that a purchaser sells his or her unit within 12 months of the closing date of their unit (the "subsequent sale"), purchaser shall be obligated to pay to the sponsor, in addition to the purchase price paid at the closing of the purchase of the unit from the sponsor, the net proceeds of the subsequent sale. Net proceeds is defined as the gross sales price less the balance of the mortgage, transfer taxes, brokerage fees and any other costs incurred in selling the unit. (See **Part II, Section "EE").**

25. INCREASE OR DECREASE IN COMMON INTEREST

The Common Interest of each of the Units has been determined pursuant to Section 339-i(1)(iv) of the Condominium Act and accordingly based upon a comparison of the 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.

Based upon final specifications, construction conditions and/or "as-built" plans for the Building reflecting relative measurements, areas and uses of portions of the Building, application of such method of allocation of Common Interest may justify a minor increase or decrease in the aggregate Common Interest appurtenant to the Units. In such event, the Common Interest appurtenant to each individual unit would be adjusted pro rata. Sponsor expressly reserves the right, from time to time, prior to the first closing, to effect such a change in the common interests and to amend the plan so as to reflect the same. In no event, however, will the common interest of any residential unit be increased as result of any of the foregoing by more than 5%.

26. PURCHASE AGREEMENT MAY BE MADE TIME OF THE ESSENCE.

In the event that the purchaser does not appear for closing ready, willing and able to accept title from the Sponsor, and pay Sponsor the balance of the purchase price and associated costs within thirty days from the date set forth in the contract, provided that the Sponsor is ready, willing and able to convey title to the purchaser, then, in that event, the Sponsor may make the closing date "time of the essence". If the Sponsor makes the closing "time of the essence" and the purchaser fails to close on the "time of the essence" closing date, the purchaser may forfeit his or her down payment.

27. BALCONIES/TERRACES MAY NOT BE USED FOR ANY TYPE OF OCCUPANCY.

Balconies/Terraces May not be used for any type of occupancy-including but not limited to dining, sleeping, living room, recreation room, office, etc. To do so may result in a violation against the building being issued by the Buildings Department.

28. UNIT OWNERS MUST NOTIFY MANAGING AGENT IN WRITING OF CHILDREN UNDER THE AGE OF 11.

Unit Owners Must notify Managing Agent in writing when a child or children are under the age of eleven (11) years lives or resides (even temporarily) in the Unit . Each Residential Owner shall install at the Residential Owner's expense, the required Window Guards in all windows of the unit and shall not remove them until permitted by law in any event, without the full knowledge of the Managing Agent.

29. STORAGE SPACE/AREAS MAY NOT BE USED FOR ANY TYPE OF OCCUPANCY.

Storage spaces/Areas May not be used for any type of occupancy-including but not limited to dining, sleeping, living room, recreation room, office, etc. To do so may result in a violation against the building being issued by the Buildings Department.

30. STORAGE SPACE/AREAS MAY NOT BE USED FOR COMBUSTIBLE ITEMS.

Storage spaces/Areas May not be used for Combustible Items as identified in the Building Code. No Storage of clothing, furniture, books, papers, or any combustible items will be permitted.

31. INSURANCE COVERED IN THIS OFFERING PLAN DOES NOT COVER

The following items are not included in the budget and are applicable to the offering: Officers & Directors Liability, Rent Insurance & excess liability.

32. IF THE PURCHASERS FAILS TO CLOSE ON THE CLOSING DATE

If the Purchaser fails to close on the Closing Date for any reason, then (i) the closing adjustments shall be made as of midnight of the day preceding the date originally scheduled for the Closing Date and (ii) the Purchaser shall pay to Sponsor, as a late fee, an amount equal to .03%, having the total annual amount of 10.95%, times the unpaid portion of the purchase price for his or her Unit for each days delay, beginning with the date originally scheduled for the Closing Date to and including the day immediately preceding the actual Closing Date. The provisions of this paragraph shall not be applicable if, through no fault of Purchaser, Sponsor postpones the Closing Date except to the extent that thereafter the Purchaser postpones the closing for any reason or is in default.

33) PURCHASER WILL BE REQUIRED TO PAY FEES

These are the items that the purchaser will be required to pay fees for which benefits the seller or that seller undertakes or is obligated to do: Title Insurance Fee Premium, Title Insurance Mortgage Premium, Mortgage Recording Tax, New York State Transfer Tax, New York City Real Property Transfer Tax, New York State Mansion Tax, Recording of Deed/Mortgage/ Unit Power of Attorney, Mortgage Tax Credit, Contribution to Working Capital Fund, First Month's common charges, Survey Fee, Tax Abatement fee, Sponsor's attorney's fee.

For more detail on fees see the chart on **part I, section O** of this plan. The chart of this plan are estimates and the sponsor does not guaranty the accuracy of these set forth herein.

34. HOT AND COLD WATER PIPING.

The hot and cold water piping will not be insulated.

PART I

A. DEFINITIONS OF TERMS USED IN THIS OFFERING PLAN

"Appurtenant Interest" shall mean with respect to any Unit, the undivided interest of the owner thereof, pursuant to 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 Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners; (iii) any proceeds of the sale or lease of Units of Units of the nature described in subdivision (ii) above; and (iv) any other assets of the Condominium.

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

"Board" or "Board of Managers" or "Condominium Board" means the Board of Managers of the Condominium which is the overall governing body of the Condominium which represents all the Unit Owners and managers the Condominium pursuant to the provisions of the Declaration, By-Laws, and of the Plan.

"Building" means the building structure known by the address 8413 Avenue K, Brooklyn, New York which is located on the Land.

"By-Laws" means the By-Laws governing the operation of the Condominium, the form of which is set forth in Part II of the Plan, as the same may be amended from time to time.

"Closing" shall be the time, place and procedure by which fee title to the Unit in question is conveyed to a Purchaser pursuant to a fully executed Purchase Agreement.

"Closing Date" shall be the date upon which a Closing occurs.

"Code" means the Internal Revenue Code of 1986, as amended.

"Common Charges" means any charges assessed by the Board against any Unit Owner and/or each Unit's proportionate share of the common expenses in accordance with its common interest.

"Common Elements" means all portions of the Condominium other than the Units, including without limitation the land, roofs, walls and structural elements of the Buildings, windows, hallways, compactor room, boiler room, electric meter room, gas meter room, water meter room, recreation and/or exercise room, and certain other portions of the Buildings to be set aside for common use.

"Common Expense" means all costs and expenses incurred or paid generally by the Board in connection with the operation of the Condominium, which pursuant to the Plan, the Declaration and the By-Laws, are, except as set forth in the Plan and the Condominium By-Laws, to be paid by the Unit Owners in proportion to their Common Interest, as summarized in "Rights and Obligations of Unit Owners and Board of Managers; Summary of By-Laws" and as more fully described in the Declaration and the By-Laws.

"Common Interest" means the proportionate, undivided interest each Unit Owner has in the Common Elements.

"Condominium" means The Avenue K Developers Condominium which is composed of the Unit Owners.

"Condominium Act" means Article 9-B of the Real Property Law of the State of New York as the same may be amended from time to time.

"Condominium Documents" means collectively this Plan, the Declaration, the By-Laws and the Rules and Regulations thereunder, as the same may be amended from time to time.

"Declaration" or "Declaration of Condominium" means the instrument by which the property is submitted to the provisions of the Condominium Act, and such instrument as from time to time amended, consistent with the provisions of the Condominium Act and of the By-Laws.

"Department of Law" means the Real Estate Financing / Investor Protection Bureau of the Department of Law, 120 Broadway, New York, New York 10271.

"Designee" means any individual or entity so designated in writing by a unit owner or sponsor as the case may be authorized to make such designation.

"Exhibits" means collectively Exhibits A, B, D and D which were submitted to the Department of Law in connection with the submission of this Plan to such Department.

"Filing Date" means the date that the offering plan is or was accepted for filing by the New York State Department of Law.

"First Unit Closing" means the first date that title to a Residential Unit is transferred to a Purchaser under the Plan.

"Floor Plans" means the condominium floor plans of the Building, to be filed with the Office of the County Clerk, Kings County, copies of which are reproduced in Part II of the Plan.

"GBL" or **"General Business Law"** shall mean the New York State General

Business Law.

"Land" means the parcel of land upon which the Building is situated, as more fully described in Schedule A to the Declaration.

"Law" means the laws and ordinances of any or all of the Federal, New York State, New York City and County (where the condominium is located) governments, the rules, regulations, orders and directives of any or all departments, subdivisions, bureaus, agencies, or offices thereof or of any other governmental, public, or quasi-public authorities having jurisdiction over the property and/or the Condominium, and/or the direction of any public officer pursuant to law.

"Limited Common Elements" means, with respect to each Unit, those Common Elements, if any, which are so designated on the Floor Plans or in the Declaration and which serve or benefit exclusively some, but not all, of the Unit Owners.

"Majority" means more than sixty-six and two-thirds percent (66 2/3rds) in Common Interest in the aggregate, as may be specified herein or in the Declaration or the Bylaws with respect to any matter or matters. Any specified percentage of Unit Owners means such percentage in Common Interest in the aggregate, as may be specified herein or in the aggregate, as may be specified herein or in the Declaration or the Bylaws with respect to any matter or matters, provided, however that different percentages in interest and in number of Units may be so specified.

"Managing Agent" shall mean a person or entity employed by the Condominium Board to undertake and perform the duties and services that the Condominium Board shall direct and who shall have whatever powers the Condominium shall delegate, subject to the limitations contained in the Bylaws, **(see Part II, Section MM, Article II, Section 3).**

"Offering Plan" shall mean the document filed with the New York State Department of Law which describes the Condominium property and pursuant to which individual Units in the Condominium are offered for sale, as the same may be amended from time to time.

"Operation of the Property" means the administration and operation of the Property and the maintenance, repair and replacement of, and the making of any additions and improvements to, the Common Elements.

"Parking Unit" shall mean any unit designated as a Parking Unit in the Declaration. All such Parking Units are collectively referred to as the "Parking Units". (if applicable)

"Parking Unit Owner" shall mean any owner of a Parking Unit. All such owners

are collectively referred to as the "Parking Unit Owners".(if applicable)

"Party Wall" as hereinafter referred to shall be defined as a wall which is common to and separates two or more Units.

"Permitted Mortgage" means a mortgage placed on a Unit made to a bank, a trust company, an insurance company, a federal savings and loan association, a pension fund or other institutional lender, the Sponsor, a Sponsor-designee, or the Seller of the Unit.

"Permitted Mortgagee" means the holder of a Permitted Mortgage.

"Person" means a natural person, corporation, partnership, limited liability company, association, trustee or other legal entity.

"Plan" means the Condominium Offering Plan for The Avenue K Developers Condominium promulgated by the Sponsor.

"Power of Attorney" means the document signed by Unit Owners which (i) appoints the Board of Managers as attorney in fact to acquire on behalf of all Unit Owners, any Unit that the Unit Owner of which wishes to sell or abandon, together with the Appurtenant Interest thereto, and to deal with any such Units so acquired as they may determine and (ii) appoint the Sponsor, as attorney in fact, to amend the Declaration, the Bylaws, the Rules and Regulations of the Condominium, or any of said documents under certain conditions set forth in the Power of Attorney.

"Property" means and includes collectively the Land and the Building, and all other improvements thereon, owned in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, which have been or are intended to be submitted to the provisions of the New York State Condominium Act..

"Purchase Agreement" The agreement to purchase a Unit pursuant to the Offering Plan.

"Purchaser" Any person who has entered into an agreement with Sponsor to purchase a Unit and is not in default thereunder.

"Residential Unit" means a Residential Unit is each unit of residential housing now or hereafter situated on the property. A Residential Unit is equivalent to the term "Unit" as the same is used in Article 9-B of the Real Property Law.

"Rules and Regulations" means the rules and regulations made in accordance with the By-Laws of the Condominium as the same may be amended from time to time, provided that they are not in conflict with the terms of the Condominium Act, the Declaration or the Bylaws.

"Selling Agent" means the Sponsor.

"Sponsor" means the promoter of the project and/or the Offering Plan to convert or create the particular parcel of property to Condominium Ownership. The Declarant under the declaration of Condominium for the Property is the Sponsor of the Offering Plan. Avenue K Developers is the Sponsor and Declarant.

"Sponsor Designee" means any person designated by Sponsor to hold title to any Unit. Sponsor's statement in writing that a person is a Sponsor-designee shall be conclusive evidence of such status so as to entitle such Person to all of the rights of a Sponsor-designee. A Sponsor-designee shall have the right to designate a Person to succeed to its rights and any such designee shall also be deemed a "Sponsor-designee".

"Unit" means any space designated as a Unit in the Declaration.

"Unit Deed" shall mean the deed transferring title to a specified Unit from Sponsor to Purchaser in fee simple absolute.

"Unit Designation" shall mean the number, letter or combination thereof or other official designations conforming to the tax lot number, if any, designating the unit in the Declaration and on the Floor Plans.

"Unit Owner" or **"Unit Owners"** means any owner or owners of a Condominium Unit in the Condominium. All of such Unit Owners are collectively referred to as "Unit Owner". "Unit Owner" and shall have the meaning ascribed to it in Article 9-B of the Real Property Law of the State of New York. Every Unit Owner shall be treated for all purposes as a single owner, irrespective of whether such ownership is joint, in common or tenancy by the entirety.

"Unsold Unit" means any unit held by the Sponsor or Sponsor's designee or any Construction Lender or Sponsor or Receiver appointed by such Construction Lender or a Purchaser at a foreclosure sale held by such Construction Lender or any designee of such Construction Lender or any entity acquiring Sponsor's Units by a deed in lieu of foreclosure. The owner of Unsold Units shall have the same rights, privileges, exemptions and benefits with respect to its Unsold Units as Sponsor has under this Plan and the Declaration and By-Laws with respect to the Units owned by Sponsor.

B. INTRODUCTION

(1) Offer Made by Offering Plan.

Under New York law, a Sponsor may not offer condominium units for sale unless and until an Offering Plan has been accepted for filing by the Department of Law of the State of New York. The purpose of the Offering Plan is to set forth all of the material terms of the offer in order to allow prospective Purchasers to make an informed decision regarding their purchase of a unit. The Offering Plan may be amended from time to time when an amendment is filed by Sponsor with the New York State Department of Law. All amendments will be served on all offerees (all purchasers and Unit Owners) as defined in Part 20.1(d) of Title 13 NYCRR. An amendment is not effective until the Department of Law of the State of New York has accepted the amendment for filing.

(2) Applicable Law.

The Condominium is subject to and complies with the New York Condominium Act (Article 9-B of the New York Real Property Law).

(3) Sponsor.

The sponsor is Avenue K Developers a New York Corporation.

The sponsor acquired in fee simple the property on August 5, 2005.

Sponsor reserves the unconditional right to rent rather than sell units. Sponsor will endeavor in good faith to sell units rather than rent. If sponsor makes a bulk sale of all or some of its unsold units, the transferee successor sponsor is bound by sponsor's representations regarding its commitment to sell units.

The Sponsor has not entered into any contract or agreement. No deposits or advances funds have been accepted as of date the plan is accepted for filing.

Sponsor does not have any mortgage on the property. There are no limits placed on sponsor's right to rent rather than sell. The Sponsor may not declare the condominium plan effective unless there are executed purchase agreements for a minimum of fifteen percent of the units (3 units) in the building.

(4) Size of the Offering.

The sponsor hereby offers the following Units:

2 Commercial units & 18 residential apartment units for sale.

Age of Building:

The building is a new construction and will completed on or about April 30, 2010.

(5) Percentages of Common Interest.

The offering plan contains the percentages of common interest, the number of units that will be built and the timetable for completing the units.

The percentages of common interest are set forth on Schedule "A" of this offering plan.

The number of units that will be built are set forth on Schedule "A" of this offering plan.

It is anticipated that all of the units contained in the Condominium will be constructed on or before April 30, 2010.

(6) Basic Aspects of Condominium Ownership.

(i) Outright Ownership.

Ownership of a condominium is similar in many respects to the ownership of a private one-family home. Each purchaser owns his or her unit outright and is entitled to the exclusive possession of his or her unit together with an interest in and right to use the common elements, and exclusive right to use limited common elements.

(ii) Differences between the space owned exclusively by a unit owner and common elements and limited common elements.

Space located inside of the Condominium Unit is owned by a Unit Owner for his or her exclusive use. Use of the Unit is controlled by the provisions of the Condominium Declaration, By-Laws and any rules and regulations promulgated pursuant to these documents. The interior living space of the unit is generally exclusive space. It must be maintained and decorated by the Unit Owner at his or her own expense.

Common Elements are those portions of the building used by all Unit Owners together. Examples of common elements are the hallways and the stairs which are located outside of the condominium unit. The Common Elements are not the exclusive property of any one Unit Owner.

Limited Common Elements of the Condominium consist of the portion of the land or Building, other than the Units themselves, which are for the use of

the land or Building, other than the Units themselves, which are for the use of one or more specified units to the exclusion of all other Units.

(iii) Payment of Common Charges.

Each Unit Owner must pay common charges in accordance with the Declaration, By-Laws and Sections 339-i and 339-m and other related provisions of the New York Condominium Act (Article 9-B of the New York Real Property Law). Common charges are paid in proportion to the Unit Owner's respective interest in the residential common elements and are used for the operation and maintenance of the condominium property as the Board of Managers determines in the exercise of its business judgment

(iv) Compliance with Declaration, By-Laws. Rules and Regulations.

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

(v) Restrictions on Use. Resale and Leasing,

There will be no restriction on resale or leasing of units.

(vi) Authority of Board of Managers.

The Board of Managers governs the affairs of the condominium and supervises the operation of the property. Each Unit Owner has the right to vote at annual elections for the Board of Managers in accordance with the Condominium Declaration and By-Laws. There exists no governmental agency to regulate the internal affairs and management of a condominium in New York. Any controversy among Unit Owners must be resolved by the Unit Owners in accordance with the By-Laws of the condominium,

(vii) Taxation and Mortgages.

Each condominium unit will be separately taxed and may be separately mortgaged.

(viii) Maintenance. Repairs and Insurance,

A unit owner will be responsible for maintenance and repairs inside of the condominium unit, and for any equipment which is exclusively used by the condominium owner, such as items which services only the individual

condominium unit. The unit owner will be responsible for obtaining and maintaining casualty and liability insurance for the interior of the condominium unit. The condominium, through common charges will be responsible for maintaining and repairing all common areas of the condominium.

(7) Equipment and Fixtures are included in the Offering Price.

All of the equipment and fixtures described in this Plan are included in the offering price. Options may be available from the Sponsor on an individual basis at additional cost. There are no specific options offered by Sponsor. Sponsor will discuss the options desired by a prospective purchaser on an individual basis and a price will be negotiated.

(8) Prices Fixed by Sponsor Alone.

The prices for the units offered through this plan are not subject to approval by the New York State Department of Law or any other governmental agency.

(9) Plan Contains All Material Terms.

The Plan delivered to prospective purchasers contains all of the material terms of the transaction. Copies of the Plan, all documents referred to in the Plan and all Exhibits submitted to the Department of Law in connection with the filing of the Plan will be available for inspection without charge and for copying at a reasonable charge to prospective purchasers and their attorneys at the site whenever the on-site sales office is open and at the office of the selling agent or Sponsor. Copies of this offering plan and exhibits will be available for inspect and copying at a reasonable fee at the Department of Law.

(10) No Limit on Number of Owners Who May Purchase For Investment Purposes

The condominium board does not have the right to approve or disapprove purchasers, and 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 of owners who are non-residents.

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

The purchase agreements Once executed by the Purchaser and Seller are non-assignable without the express written consent of the Sponsor.

(11) PURCHASERS ADVISED TO READ OFFERING PLAN.

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

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C. DESCRIPTION OF PROPERTY AND IMPROVEMENTS

(1) General Descriptions of the land, building, units, parking facilities, recreational facilities and amenities;

GENERAL DESCRIPTION OF THE LAND

The Condominium is located in the City of New York, County of Kings , State of New York. The land is located at 8413 Avenue K, Brooklyn, NY. A metes and bounds description of the Land is set forth in the Declaration in Part II of the Plan. The Property is presently designated as Block 8036, Lot 1 & 4 on the tax map of the City of New York for the Borough of Brooklyn , County of Kings. The individual condominium units will be designated as a condominium series of lots numbers by the City of New York whereby each condominium will have and be known as an individual tax lot number.

GENERAL DESCRIPTION OF THE BUILDING

The building contains 5 stories plus a cellar in the buildings. The building structure consists of exterior walls constructed of brick, metal studs and yellow board which are non-combustible materials. The building is constructed with concrete plank floors supported by steel beams. The roof consists of cement, tar, and thinsulate. The foundation is poured in place with steel reinforcing rods resting on virgin soil. Foundation walls are of poured concrete.

The building is currently being constructed as described in "Description of Property, Specifications and Building Condition" in Part II of the Plan. The building will be constructed in accordance with all applicable zoning and building laws, regulations, codes and other, requirements including requirements of the New York City Building Code and applicable zoning requirements. Prospective purchasers may examine the Building Plans filed with the Building Department of the City of New York at the Sponsor's office or the Building Department. The building plans have been filed and approved by the New York City Department of Buildings.

Construction timetable - Construction work is in progress as of the date of this offering. The Construction is anticipated to end in April 30, 2010 and the first closing will be on or about April 30, 2010.

GENERAL DESCRIPTION OF THE UNITS

The condominium will consist of a total of 2 Commercial Units & 18 Residential Condominium Units which are offered for sale.

The condominium will consist of thirteen (13) 2-bedroom apartments, Five (5) 1-bedroom apartments, two (2) commercial units & twelve (12) parking spaces.

A summary description of the Units offered for sale under this Plan is set forth in **"Introduction"** and **"Schedule A".** Floor plans for the Unties are set forth in "Condominium Floor Plans" in Part II of the Plan.

The legal description of the Units, the Common Elements and the Limited Common Elements is set forth in the Declaration in Part II of the Plan and is summarized in **"Rights and Obligations of Unit Owners and Board of Managers, Summary of By-Laws"** in Part I of the Plan.

GENERAL DESCRIPTION OF THE RECREATIONAL FACILITIES

Rooftop of condominium

May be used by all residents of the condominium for leisurely purposes, such as tanning, sightseeing, etc.

GENERAL DESCRIPTION OF AMENITIES

There are no amenities contained in the condominium other than those discussed in this offering plan.

(2) Major Fixtures or Equipment Not Included in Offering Price

The following major fixtures or equipment are not included in the offering price: Clothes washer and dryers are NOT included in the offering price. The Sponsor includes a refrigerator, a dishwasher and a range in the offering price. There will be coin-operated laundry facility in the cellar of this condominium.

(3) Property to Comply with All Laws,

The property will be improved and the units constructed in accordance with all applicable zoning and building laws, requirements and specify the laws and regulations that apply.

(4) Property to Comply with All Laws and Certificate of Occupancy to be Obtained by Sponsor,

It is anticipated that the construction of the all units, recreational facilities and amenities will be completed by April 30, 2010, at which time the Sponsor will convey title to the unit purchasers.

It should be noted by Purchasers that the closing of individual Units under the Plan may occur prior to obtaining a permanent Certificate of Occupancy for the Building. If only a temporary Certificate of Occupancy is issued by the Closing Date, Sponsor will, at Sponsor's sole cost and expense, do and perform or cause to be performed all work and supply or cause to be supplied all materials

necessary to renew the temporary Certificate of Occupancy and to obtain such permanent Certificate of Occupancy.

Until a permanent Certificate of Occupancy for the Building has been obtained, no Unit Owner may perform work or cause to be performed work in his or her Unit without Sponsor's prior written consent, which consent will not be granted unless this Plan is first amended and which consent may be granted or withheld in Sponsor's sole and absolute discretion. If Sponsor shall give its written consent to such work then Sponsor shall not be released from its obligation under the Plan to renew any temporary Certificate of Occupancy or to obtain a permanent Certificate of Occupancy for the Building on account of any delays or impediments thereto arising as a result of the performance of such work. However, if any Unit Owner performs or causes to be performed any work in his Unit without the written consent of Sponsor ("non-permitted work") and such non-permitted work prevents or delays Sponsor from obtaining, renewing or extending any temporary or permanent Certificate of Occupancy, Sponsor shall take all reasonable measures against the Unit Owner, which measures shall include, if reasonably required, the commencement of appropriate legal and/or equitable action against such Unit Owner in a court of competent jurisdiction and Sponsor has the right to enter into the Unit and perform all work necessary to obtain the permanent certificate of occupancy at the sole cost and expense of the offending unit owner in addition to all legal remedies. Sponsor shall be entitled to exercise all rights and remedies at law and in equity with respect to such Unit Owner and the Unit Owner's work and Sponsor shall be entitled to recover from such Unit Owner any costs incurred by Sponsor (including, without limitation, court costs and reasonable attorney's fees) in enforcing such Unit Owner's obligations hereunder and under the By-Laws. In no event, shall Sponsor be required to appeal any unfavorable decision rendered by a court of competent jurisdiction, in addition, an action may be brought by the Board of Managers against a Unit Owner who violates Section 15 of Article V of the By-Laws, which provides that a Unit Owner is not permitted to make any structural addition, alteration or improvement to his or her Unit without the consent of the Board of Managers, which consent may be withheld in the Board's sole discretion if there is any reasonable possibility that such addition will adversely affect or delay the ability to obtain or extend a temporary Certificate of Occupancy for any portion of the Building or adversely affect or delay the ability to obtain a Permanent Certificate of Occupancy for any portion of the Building. Sponsor shall not be liable for any delay in obtaining, renewing or extending any temporary or permanent Certificate of Occupancy covering any Unit or the Building or any portion thereof to the extent that such delay is the result of the performance of non-permitted work by a Unit Owner.

(5) Roads and Access to the Condominium.

There will be no roads constructed by the Sponsor which will be dedicated to the local government. All roadways are owned and maintained by the City of New

York.

There is access to the public roadways which is located in front of the condominium.

D. LOCATION AND AREA INFORMATION

Location

The Property is located on Avenue K , between East 84th Street & East 85th Street, in the borough of Brooklyn, County of Kings, New York.

The surrounding areas and neighborhood is composed of primarily of single family, multi-family detached and semi-detached residences and commercial stores and offices. The surrounding areas are residential with concentrated areas of retail and commercial properties. The properties adjacent to and to the North, East, South and West of the condominium are all residential properties. To the sponsor's knowledge, there are no adjacent or nearby properties which a reasonable purchaser would find obnoxious.

Transportation

Bus lines serving the area include the B6, B82, B17, B103 & BM2 .

Shopping

N B Superette 8821 Avenue L, Brooklyn, NY.
Shop Smart Supermarket 8123 Flatlands Ave B, Brooklyn, NY.

Recreational Facilities

N Y City Parks & Recreation 95 Prospect Park W, Brooklyn, NY.
Prospect Park Wildlife Ctr 450 Flatbush Ave, Brooklyn, NY.

Medical Facilities

Canarsie Animal Hospital 8423 Flatlands Ave, Brooklyn, NY.
Interfaith Medical Ctr 9625 Avenue B, Brooklyn, NY.

Religious

Young Israel Synagogue 66 E 89th St, Brooklyn, NY.
Real Life Church 8710 Avenue L, Brooklyn, NY.

Educational Facilities

Our Lady of Miracles School 744 E 87th St, Brooklyn, NY.

Public School 276 1070 E 83rd St, Brooklyn, NY.

Police. Fire, Water. Sanitation. Snow Removal and Road Maintenance Services

Brooklyn 69th Precinct Police 9720 Foster Ave, Brooklyn, NY 718-257-6211 (1 mile away).Brooklyn Fire Dept 395 4th Ave, Brooklyn, NY (4.98 miles away). Brooklyn Sanitation Dept 1750 E 49th St, Brooklyn, NY 718-252-5560 (1.58 miles away).

Sanitation services and rubbish is picked up by the New York City Sanitation Department. A superintendent and/or porter will place the compacted garbage in bags and will place in the area designated by the Sanitation Department for pick up.

The City of New York will remove snow and maintain the roads in the street in front of the condominium.

Zoning

The Property is located in an R5 zone which is primarily residential use. The New York City Zoning Resolution, as per Section 22-12 permits Use Group 2 Residential Uses as-of-right. The "Quality Housing" provision of the resolution has been utilized. There is no undeveloped land adjoining the Property. The sponsor and no principals of the sponsor have any option or right to acquire any adjacent areas which are not fully developed.

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SCHEDULE A - OFFERING PRICES OF UNITS AND RELATED INFORMATION

THE AVENUE K DEVELOPERS CONDOMINIUM
8413 Avenue K, Brooklyn, NY 11236
Estimated Individual Expenses for the First Full Year
May 1, 2010 to April 30, 2011

						Estimated	Estimated	Estimated	Estimated	Estimated	Estimated
						Real Estate	Real Estate	Real Estate	Real Estate	Total	Total
				Percentage	Estimated	Taxes	Taxes	Taxes	Taxes	Monthly	Monthly
				of	Monthly	with 421-a	without 421-a	with 421-a	without 421-a	Carrying Charges	Carrying Charges
	Bedrooms/	Square	Offering	Common	Common	Benefits	Benefits	Benefits	Benefits	with 421-a	without 421-a
Unit	Bath	Footage	Price	Interest	Charge	Monthly	Monthly	Annually	Annually	Benefits	Benefits
2A	2 Bdrm +2 Bath	858.00	$386,100.00	4.56%	$230.47	$11	$328	$150	$3,935	$241.92	$558.39
2B	1 Bdrm +1 Bath	658.00	$360,000.00	3.59%	$181.44	$9	$258	$118	$3,098	$190.46	$439.61
2C	2 Bdrm +2 Bath	849.00	$382,050.00	4.52%	$228.45	$11	$325	$149	$3,900	$239.79	$553.49
2D	2 Bdrm +2 Bath	929.00	$418,050.00	4.91%	$248.16	$12	$353	$162	$4,237	$260.48	$601.25
2E	2 Bdrm +2 Bath	878.00	$395,100.00	4.66%	$235.52	$12	$335	$154	$4,021	$247.22	$570.63
2F	2 Bdrm +2 Bath	870.00	$391,500.00	4.62%	$233.50	$12	$332	$152	$3,987	$245.10	$565.73
3A	2 Bdrm +2 Bath	858.00	$386,100.00	4.56%	$230.47	$11	$328	$150	$3,935	$241.92	$558.39
3B	1 Bdrm +1 Bath	658.00	$360,000.00	3.59%	$181.44	$9	$258	$118	$3,098	$190.46	$439.61
3C	2 Bdrm +2 Bath	849.00	$382,050.00	4.52%	$228.45	$11	$325	$149	$3,900	$239.79	$553.49
3D	2 Bdrm +2 Bath	929.00	$418,050.00	4.91%	$248.16	$12	$353	$162	$4,237	$260.48	$601.25
3E	2 Bdrm +2 Bath	878.00	$395,100.00	4.66%	$235.52	$12	$335	$154	$4,021	$247.22	$570.63
3F	2 Bdrm +2 Bath	870.00	$391,500.00	4.62%	$233.50	$12	$332	$152	$3,987	$245.10	$565.73
4A	2 Bdrm +2 Bath	745.00	$335,250.00	4.01%	$202.67	$10	$288	$132	$3,460	$212.74	$491.04
4B	2 Bdrm +2 Bath	810.00	$364,500.00	4.33%	$218.85	$11	$311	$143	$3,737	$229.71	$530.22
4C	2 Bdrm +2 Bath	915.00	$411,750.00	4.84%	$244.62	$12	$348	$160	$4,177	$256.77	$592.67
5A	1 Bdrm +1 Bath	536.00	$360,000.00	2.99%	$151.12	$8	$215	$99	$2,580	$158.62	$366.14
5B	1 Bdrm +1 Bath	528.00	$360,000.00	2.95%	$149.10	$7	$212	$97	$2,546	$156.50	$361.24
5C	1 Bdrm +1 Bath	478.00	$360,000.00	2.71%	$136.97	$7	$195	$89	$2,339	$143.77	$331.85
Comm1	Commercial	755.00	$450,000.00	3.83%	$193.57	$10	$275	$126	$3,305	$203.19	$469.00
Comm2	Commercial	3944.00	$1,200,000.00	12.22%	$617.62	$31	$879	$403	$10,545	$648.29	$1,496.38
PS1	Parking	144.00	$15,000.00	0.70%	$35.46	$2	$50	$23	$605	$37.22	$85.92
PS2	Parking	144.00	$15,000.00	0.70%	$35.46	$2	$50	$23	$605	$37.22	$85.92
PS3	Parking	144.00	$15,000.00	0.70%	$35.46	$2	$50	$23	$605	$37.22	$85.92
PS4	Parking	144.00	$15,000.00	0.70%	$35.46	$2	$50	$23	$605	$37.22	$85.92
PS5	Parking	144.00	$15,000.00	0.70%	$35.46	$2	$50	$23	$605	$37.22	$85.92
PS6	Parking	144.00	$15,000.00	0.70%	$35.46	$2	$50	$23	$605	$37.22	$85.92
PS7	Parking	144.00	$15,000.00	0.70%	$35.46	$2	$50	$23	$605	$37.22	$85.92
PS8	Parking	144.00	$15,000.00	0.70%	$35.46	$2	$50	$23	$605	$37.22	$85.92
PS9	Parking	144.00	$15,000.00	0.70%	$35.46	$2	$50	$23	$605	$37.22	$85.92
PS10	Parking	144.00	$15,000.00	0.70%	$35.46	$2	$50	$23	$605	$37.22	$85.92
PS11	Parking	144.00	$15,000.00	0.70%	$35.46	$2	$50	$23	$605	$37.22	$85.92
PS12	Parking	144.00	$15,000.00	0.70%	$35.46	$2	$50	$23	$605	$37.22	$85.92
Total Line:		**20,523.00**	**$8,687,100.00**	**100.00%**	**$5,054.17**	**$251.00**	**$7,191.17**	**$3,299.40**	**$86,294.00**	**$5,306.22**	**$12,247.76**

FOOTNOTES TO SCHEDULE A

The amounts set forth on Schedule A are projected based on the assumption that the First Year of Condominium Operations will be the year from May 1, 2010 to April 30 , 2011. The actual First Year of Condominium Operations may begin earlier or later than the projected date.

(1) The number of bedrooms and bathrooms are listed for each Unit and are based on the architectural plans provided by David Nagan, R.A., 71-44 160th Street, Office 1, Fresh Meadows, NY 11365. For more details regarding the rooms within the Units, please consult the floor plans in Part II, Section "II".

(2) Any floor plan or sketch or schedule shown to a prospective Purchaser is only an approximation within reasonable tolerances of the square foot area and layout of the Unit in question. Any material changes will be set forth, in an amendment to the Offering Plan, and no material adverse change will be made in the size (ex, a decrease), configuration, or layout of a Unit for which an Agreement which has been countersigned by Sponsor and returned to the Purchaser unless the same is dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc. and, in all cases, in good faith, reasonably necessary due to factors not within the Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists, and in such event, Sponsor will, in the amendment disclosing such change and delivered to the Purchasers, offer the materially adversely affected Purchaser(s) the right, for at least; fifteen days, to rescind their Agreement and receive a refund of their deposit, together with all interest, if any, earned thereon. An increase in the size of a room or Unit will not on its own give rise to a right of rescission. For more details regarding the actual size of the units, please consult the floor plans in Part II, Section "II".

All square footage measurements listed are approximate within reasonable tolerances, and were obtained by using the method customarily used in New York City to measure Condominium apartments. The approximate floor area of each condominium unit is measured as follows: (a) vertically from the top of the concrete or wood flooring to the underside of the concrete or sheetrock ceiling and (b) horizontally to the center line of demising walls between units; to the centerline of non-structural common walls; to the inside face of common structural walls or elements; and to the outside face of exterior wails. The square footage of each unit is not based upon measurements from interior surfaces of interior walls and the actual area comprising the condominium unit is less than listed in Schedule A.

(3) No change in the sales price will be made other than pursuant to a duly filed amendment, except that the Sponsor reserves the right to decrease the

sales prices below the offering plan prices without filing an amendment to the Plan at any time during the offering where a reduction in the offering price does not constitute a general offering, but is rather the result of an individual negotiated purchase. Purchasers of similar units may pay different prices for their respective units. See Part I, Section "K" for further discussion.

Part I, Section "O" of the offering plan states the estimated closing costs and adjustments, which must be borne by purchasers in addition to the sale prices set forth. Purchasers are advised to consult with their attorneys as to the exact closing costs that they will incur in purchasing their Condominium Unit.

(4) The percentage of Common Interest for each of the Units has been calculated in accordance with Section 339-i1(iv) of the Condominium Act based upon floor space, subject to the location of such space and additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of common elements for exclusive or shared use and the overall dimensions of the particular Condominium Unit. The size of the Unit, the location of the Unit, balconies, terraces and other limited common elements are factors which, have been considered in determining the percentage of common interest of each Unit.

(5) The amount stated represents the sum of projected monthly common charges for the first year of operation based on the condominium budget set forth on Schedule B.

Under current income tax law, no deduction is allowed for any part of the common charges for a residential occupant of a condominium unit The common charges may be deductible under certain circumstances if the unit is held for investment. Interest on a residential mortgage may be deductible for income tax purposes under Federal, State and City law provided deductions are itemized and the unit is used for residential purposes of the Unit Owner. If the unit is held for investment, then certain passive loss restrictions may apply and prevent an overall loss deduction. The interest deductible on a mortgage may vary in future years due to changes in the interest rate (adjustable mortgages) on a Unit Owner's mortgage or from changes in the allocation of constant debt service payments to interest and principal, or due to changes in real property taxes resulting from changes in the assessed value, the tax rate or the method of assessing real property. Purchasers should consult their tax advisor with respect to these items and should not rely on any Sponsor's representations regarding tax deductibility,

(6) With regard to projected real estate taxes, after the condominium is divided into individual tax lots, each unit will be taxed as a separate tax lot for real estate tax purposes and the 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. Under Federal, State and New York City law, real estate taxes paid are deductible for income tax purposes provided deductions are

itemized and the unit is used for residential purposes of the Unit Owner. If the unit is held for investment, then certain passive loss restrictions may apply and prevent an overall loss deduction. The Sponsor has filed or will file an application with The City of New York Department of Housing Preservation & Development for a partial exemption from real estate taxes under Section 421-A/ICIP of the Real Property Tax Law for the residential condominium units ("Section 421-A/ICIP"). The application has not yet been acted Purchasers are advised to review the Sponsor's Opinion of Counsel, Part I, Section "V" of this offering plan which discusses the tax implications of the condominium association. Additionally, all purchasers will pay to sponsor at closing a fee equal to 1.5% of the purchase price of their unit as reimbursement of the sponsor's cost in the projection of the real estate tax that will be payable for each of the Units during the projected First Year of Condominium Operations is based upon an opinion letter prepared by Joseph Martin, real estate consultant ("real estate tax consultant"),118 Middleton Street, Brooklyn, NY, Sponsor's real estate tax consultant and takes into account of the following upon assumptions and projections:

(a) A projected assessed value for the Building for the 2008/2009 tax year of approximately $723,165.30 , which is based upon assessment following substantial completion of the Building;

(b) An assumed tax rate of 12.596 per $100 of assessed value for the 2009/2010 tax year; (the tax rate may increase during the First Year of Condominium Operations);

(c) A projected real estate tax of approximately $86,294.00 based on the foregoing if no partial tax abatement is granted;

(d) Provided that the construction is completed after December 31, 2009, it is anticipated that real estate taxes will be assessed on December 31, 2009 to December 30, 2010 for the completed building for the tax year commencing on December 31, 2009 to December 30, 2010 ;

No warranty, guaranty[1].or assurance is given that:

(i) Any projected or estimated amount set forth above (including, without limitation, the estimates of the Property's assessed valuations during the First

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[1] Sponsor does not guaranty the Issuance of any partial tax abatement or exemption for the Building and only the New York City Department of Housing Preservation and Development may issue or guaranty the issuance of tax abatements which would be implemented by the New York City Department of Finance .applying for a partial tax exemption benefits to section 421-A/ICIP of the New York State Real Property Tax Law. Sponsor cannot guaranty that the condominium will receive the partial tax exemption, and the costs of 1.5% of the sales price will be due to Sponsor as and for sponsor's costs to apply for same.

Year of Condominium Operations, the estimates of the portions 'of such assessed valuations that will be allocable to the Units and the projections of the average real estate tax rate that will be in effect during such First Year of Condominium Operation and the rate of construction progress of the condominium building,

(ii) The New York City Real Estate Tax Assessment Bureau will allocate the Property's aggregate assessed valuation between the Units in accordance with the values used by Joseph Martin. for such purpose, or that such bureau will allocate the aggregate assessed valuation attributable to type Units among the different Units as described above; or

(iii) Any of the projections or estimates made above and in Schedule A are accurate,

For the period from the estimated closings in December 31, 2009 to December 30, 2010, the real estate taxes may be less based upon a lower assessed value due to the fact that construction was not completed when the property will be assessed in December 31, 2009 to December 30, 2010.

Pursuant to Section 421-A/ICIP, the real estate tax estimate for the First Year of Condominium Operations will be based upon the assessed valuation of the Property in the tax year prior to the commencement of construction.

Assuming that a 421-A/ICIP tax abatement is granted for the Property, as the assessed value for year 2007/2008, which was the full year prior to construction was : 13,200, it is projected that with the Section 421-A/ICIP partial tax abatement, the real estate taxes for the Property for the 2007/2008 tax year will be $3,234.00 The total real estate taxes will be apportioned to individual tax lots (one for each condominium unit). Based upon a tax rate of 15.523 per $100.00 of assessed value as estimated by Joseph Martin. the total projected real estate taxes for the building for the 2008/2009 tax year is 3292.32.

The City of New York had implemented an 18 % increase in Real Estate Taxes on January 1, 2003. Future increases cannot be predicted by Sponsor.

The projected monthly real estate taxes for the First Year of Condominium Operations during the 2009/2010 tax year for each of the condominium units can be seen on the Schedule A of this plan.

The sponsor is not offering or procuring mortgage financing for the purchasers. Therefore, If the purchaser obtains financing, the purchaser's debt service for the mortgage financing will be an additional expense, in addition to monthly common charges. Monthly common charges set forth in this offering plan are projected for the first year of operation (see Part I, Section "F" -Schedule "B"). These Common Charges do not include certain costs for which the Unit Owner will be responsible such as repairs to the interior of the Unit (see Rights and Obligations

of Unit Owners, Part I, Section S) and certain Limited Common Elements restricted to the use of certain Unit Owners and separately metered domestic utility costs for electricity including for air conditioning, lighting and power for each unit. Gas for heating the individual units and for hot water are included in the common charges. If Unit Owners obtain cable television services, the costs of cable television service are additional costs to the Unit Owner. See Schedule "B-1" in this offering plan which sets forth the individual carrying costs for utilities.

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F. SCHEDULE B - BUDGET FOR FIRST YEAR OF OPERATION

The Avenue K Developers Condominium

May 1, 2010 to April 30, 2011

PROJECTED INCOME:

Common Charges (Note "i")	$ 43,898.47	
Commercial Income (Note "i")		$ 16,751.53
Total Projected Income		$ 60,650.00

PROJECTED EXPENSES:

Labor (Note "ii")	$ 15,000.00
Heating Costs (Note "iii")	$ 9,500.00
Electric Utilities (Note "iv")	$ 8,400.00
Water Charges / Sewer Rents (Note V)	$ 9,000.00
Repairs, Maintenance and Supplies (Note "vi")	$ 2,500.00
Service Contracts (Note "vii")	$ 4,800.00
Insurance (Note "viii")	$ 7,450.00
Management Fees (Note "ix")	$ 2,300.00
Legal Fees and Audit Fees (Note V)	$ 1,000.00
Miscellaneous Expenses (Note "xi")	$ 200.00
Contingency Fund (Note "xii")	$ 500.00
Total Disbursements	$ 60,650.00

FOOTNOTES TO SCHEDULE B

The projections set forth in footnotes (i) through (xii) of this Schedule B, were made by David A. Berk, 348 Wheatley Road, Brookville, NY 11545 whose qualifications are set forth in the CERTIFICATION BY SPONSOR'S EXPERT CONCERNING THE OF ADEQUACY OF OPERATING BUDGET, (see Part I, Section H).

Amounts are projected on the assumption that the First Year of Condominium Operations will be the twelve month period May 1, 2010 to April 30, 2011. The actual First Year of Condominium Operations may be earlier or later than the aforesaid twelve month period. If the actual or anticipated date of commencement of condominium operation is to be delayed more than six (6) months from the budget year projected in the Offering Plan, the plan must be amended to include a revised budget disclosing current projections. If such amended projections exceed the original projections by twenty-five percent (25%) or more, the sponsor must offer all purchasers the right to rescind and a reasonable period of time that is not less than fifteen (15) days after the date of presentation to exercise the right, whether or not sponsor offers to guarantee the previous budget projection. Sponsor must return any deposit or down payment to purchasers who rescind within a reasonable period of time not to exceed fifteen (15) days, Sponsor may not declare a plan effective where there are any material changes to the budget if these changes have not been disclosed by a duly filed amendment to the Offering Plan.

(i) Common Charges - $60,650.00

The Common Charges are equal to the estimates of income expenses made by the Sponsor based upon the operation of comparable developments in the City of New York. It cannot be construed as an assurance of the final expenses and is merely based upon information available at this time.

(ii). Labor- $15,000.00

There will be one part time staff member ("the labor staff") that will be hired by the condominium. The superintendent will not be a union member. The condominium will pay costs associated with payroll, including workers compensation insurance, FICA, Medicare contribution, Unemployment insurance and New York State disability insurance. The condominium will pay any monies for health benefits, pension or annuities for the superintendent.

The labor staff (superintendent) will be responsible for performing all work needed such as maintaining common areas of the condominium, such as garbage removal, snow removal, and landscaping.
The labor staff will not be residing in the condominium and will not be given a unit to reside in.

The Board of Managers shall be responsible for hiring any appropriate repair service and to ensure that such service will make any emergency repairs to the common elements in the event that the one part time superintendent cannot make any necessary repairs.

The labor staff will be paid the sub of approximately $15,000.00 including payroll taxes and related payroll costs, which sum is a reasonable amount for the payroll costs.

The level of staffing complies with all applicable housing and labor laws. The labor costs set forth herein, include benefits required by local, state or local federal law or required by contract such as workers' compensation, disability insurance, welfare and pension contributions by employers, unemployment insurance and payroll taxes.

It is projected that the salary, wages, expenses and benefits for the labor staff will be as follows:

ONE PART TIME SUPERINTENDENT

Part time Superintendent – 5 day / week – 4 hours / day @ $15.00 per hour	
Salary	$12,660.86
Workers Compensation Insurance @ 3.42% of applicable wages	$408.87
FICA @ 6.20% of applicable wages	$741.21
Medicare @ 1.45% of applicable wages	$173.35
NYS Unemployment Insurance @ 7.40% of applicable wages	$884.67
Federal Unemployment Insurance @ 0.80% of applicable wages	$95.64
NYS Disability Insurance @ approximately $35.40 per employee	$35.40
Union Welfare / Pension:	$ -
Welfare	$ -
Pension	$ -
Annuity	$ -
Total Salary and Benefits for Part Time Superintendent	$15,000

It is not anticipated that any repairs will be needed in the first year of operation. Each unit owner will be responsible for repairs on their own boiler and water heater.

In the event that the Board determines that additional labor is required in the future, common charges will be increased to cover the increased costs of labor.

(iii) Heating, cooling and hot water costs (utility costs) - $ 9,500.00

The heating and hot water in the condominium is provided by gas. There will be one domestic hot water heater for the whole condominium.

Cooling (air conditioning) is provided by electricity. There is no air conditioning in the common areas, Air conditioning in individual units is provided by electricity.

(iv) Electric Utility costs - $ 8,400.00

There will be separate electric meters for each condominium unit for electricity usage inside each apartment. There will be one meter for all the common areas of the condominium.

The projection for the electricity usage is based upon estimates provided by LDP Services, Inc.,61-17 190th Street, Fresh Meadows, NY 11365.

(v) Water Meter / Sewer Charges - $ 9,000.00

There will be one water meter to measure all of the water consumed by unit owners and for common areas.

The projection for water meter / sewer charges is based upon estimates provided by LDP Services, Inc.,61-17 190th Street, Fresh Meadows, NY 11365. The budgeted figure has been estimated based upon estimated annual water and sewer charges published by the New York City Bureau of Water & Energy Conservation, similar charges for buildings with approximately the same number units and in accordance with rates currently in effect in New York City.

The annual water and sewer charge for 100 cubic feet of water (748 gallons) is $5.23.

Sponsor estimates that three (3) people will live in each unit of the building and that water usage will be 70 GPD (gallons per day). The estimated cost includes an adjustment for sales tax of 8.50 percent and a five percent inflation factor.

(vi) Repairs, Maintenance and Supplies - $ 2,500.00

The budgeted figure for repairs, maintenance and supplies common areas such as cellar mechanical for changing bulbs and maintaining the area. Improvements and repairs to, maintenance of, or supplies for individual Units and certain Limited common Elements (see Special Risks, Part I), Each individual Unit Owner is responsible for improvements and repairs to, maintenance of, and supplies for his Unit and certain Limited Common Elements irrevocably restricted to his use.

Costs to be incurred by individual unit owners, include unit interior repairs, individual unit heating systems (hot water heater, boiler, pipes, radiators), plumbing inside of the individual condominium unit, electrical work inside of the individual condominium unit, exterminating inside of the individual condominium unit, cleaning inside of the individual condominium unit and painting inside of the individual condominium unit

Based upon the experience of David A. Berk, 348 Wheatley Rd, Brookville, NY 11545, having prepared actual budgets for other condominiums, he has

determined that the sum of $200.00 is adequate for costs that the condominium can expect to incur during the first year of operation.

(vii) Service Contracts ■ $4,800.00

There will be no service contracts . The Board may review and change this as necessary

(viii) Insurance ■ $ 7,450.00

The budgeted figure for insurance is based upon an estimate provided by InsureSecure Brokerage Inc., 4707 13th Avenue, Brooklyn, NY 11219, on June 1, 2009. The above estimate has the inflation factor included.

At the closing the condominium will have , fire and casualty insurance under an agreed amount replacement cost policy. In the event of a total or partial loss this policy will completely cover the replacement of the building. The items to be covered under the policy are as follows:

Coverage	Limits/Deductibles
Building	$4,375,000 / $5000
Rent Loss	ALS
All Risk Peril	
Vandalism & Malicious Water Damage	
100% Replacement Cost, No Co-Insurance	
Deductible	$5,000

(a) The budget must and will have public liability insurance at closing

(b) The insurance meets the requirements of most mortgage lenders. The mortgage lender will not be procured by the sponsor.

(c) The Fire, casualty and general liability insurance are subject to the following terms
   (1) each unit owner is a an additional insured party;
   (2) there will be no cancellation without notice to the board of managers;
   (3) a waiver of subrogation;
   (4) a waiver of invalidity because of the acts of the insured and unit owners; and
   (5) a waiver of pro-rata reduction if unit owners obtain additional coverage.

(d) The following items are not included in the budget and are applicable to the offering: Officers & Directors Liability, Rent Insurance & excess liability.

(e) Additional insurance may available to unit owners' at extra cost to cover such risks as fire and casualty losses to unit contents , replacements , additions, fixtures and improvements, and liability coverage for occurrences within the unit or, where applicable, on limited common elements.

IT IS NOT POSSIBLE TO PREDICT WHETHER FUTURE PREMIUMS WILL INCREASE OR DECREASE.

InsureSecure Brokerage, Inc., 4707 13th Avenue, Brooklyn, NY 11219, has represented to sponsor that a premium of $7,450.00 is a reasonable estimate for the first years insurance given the factors based on the building, the condominium and insurance companies writing this type of insurance.

(ix) Management Fees - $ 2,300.00

This figure represents the estimated annual cost of management services, based on prevailing rates. Sponsor expects to have the Board of Managers enter into a written agreement with a property management company for a term of one year, effective on the date of the First Unit Closing,

The budget for the first year of operations includes a management fee of $2,300.00 per year plus expenses such as postage and disbursements which ,are estimated at $200.00 per year. The cost of management fees include all costs required by the terms of the management agreement. There is no cost for bonding as the management agent is not required to be bonded under this offering plan.

The costs of the managing agent are not greater or substantially less than the prevailing cost for similar services.

The management services will be provided by David A. Berk, 348 Wheatley Road, Brookville, New York 11545, .

The managing agent will be responsible for issuing monthly common charge invoices to the unit owners, collecting the monthly common charges, paying bills of the condominium, and overseeing the employees of the condominium. The duties of the Board with respect to management of the Condominium are set forth in Section "R" & "S" of this Offering Plan.

(x) Legal Fees and Audit Fees – $ 1,000.00

No sum of money has been included in the budget which reflects the estimated cost of retaining an attorney to advise the Board of Managers on legal issues that may arise in connection with the Condominium's normal business operations. The amount reflected does not cover extraordinary costs or expenses for additional

services rendered or costs incurred to conduct litigation on behalf of the Condominium, The budgeted sum is to be used by the Board of Managers elected by Unit Owners when consulting with an attorney of their choice to review contracts, collect delinquent common charges, or general legal advice with regard to the Condominium.

The sum of $1,000.00 has been included in the budget which reflects the estimated cost of retaining an accountant to prepare a year end financial statement and federal and state tax returns for the first calendar year of condominium operation. The estimate is based upon the fee quotation dated 06/24/2009 provided to the Sponsor by David Lipton, Certified Public Accountant, 1333 Broadway, Ste. 1102, New York, New York 10018. The fee of $1,000.00 is the maximum that will be charged to the condominium for the preparation of a certified financial statement while the Sponsor in control of the Board of Managers, and this sum is guaranteed by the Sponsor as long as the Sponsor is in control of the Board of Managers. In the event that the actual costs exceed $1,000.00 while the sponsor is in control of the Board of Managers, then the Sponsor shall be responsible for any accounting fees exceeding the $1,000.00 as quoted by the Certified Public Accountant herein.

(xi) Miscellaneous Expenses - $ 200

There is a $ 200 yearly postage expense for management company to supply billing and other pertinent information.

There are no other expenses anticipate and no other amount included for any other expenses such as employer association dues, building telephone, license fees, registration and municipal permits, provision for income taxes and any other taxes payable by the condominium or miscellaneous expenses.

(xii) Contingency Fund - $ 500

The budget amount for contingency fund is intended to provide funds for unanticipated expenses or unanticipated increases in the projected expenses of the condominium.

(xiii) Reserve Fund

There is no reserve fund for capital expenditures so the contingency fund may be used to pay for capital expenditures should be need for such expenditure arise.

Miscellaneous Notes

Sponsor has reserved the right to modify, renew and replace existing service, maintenance, employment, concessionaire and other agreements and to enter into new agreements that will be binding on the board of managers upon

commencement of condominium operations. All such modifications, renewals and replacements thereto will be reflected in an amendment to this plan if they materially alter statements made herein.

IN THE OPINION OF DAVID A. BERK, 348 WHEATLEY ROAD, BROOKVILLE, NEW YORK 11545, (SEE OPINION LETTER, PART I, SECTION "H"), THE FOREGOING ESTIMATED COMMON CHARGES ARE SUFFICIENT TO PAY THE PROJECTED OPERATING EXPENSES FOR THE CONDOMINIUM'S FIRST YEAR OF OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE TWELVE MONTH PERIOD COMMENCING DECEMBER 31, 2009 TO DECEMBER 30, 2010. THE FOREGOING BUDGET, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTY OR WARRANTY BY ANYONE THAT THE ANNUAL COMMON CHARGES OR OTHER INCOME OR EXPENSES FOR SUCH FISCAL YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE PROPERTY BY THE CONDOMINIUM WILL BE AS SET FORTH IN SAID SCHEDULE AND BUDGET, AND IT IS POSSIBLE THAT THE ACTUAL COMMON CHARGES AND OTHER ITEMS OF INCOME AND EXPENSES WILL VARY FROM THE AMOUNTS SHOWN IN THE SCHEDULE.

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G. SCHEDULE B-1 - BUDGET FOR INDIVIDUAL ENERGY COSTS

By letter dated, 07/2/2009, LDP Services, Inc.,61-17 190th Street, Fresh Meadows, NY 11365 provided the following estimate of annual electric energy costs and gas costs for the individual condominium units.

The following are the projected individual electric and gas costs for Unit Owners: Electricity is used for lighting, power and air conditioning. Gas is used for heating and cooking appliances;

ESTIMATED ANNUAL OPERATING COSTS
(INFLATION FACTORS, DELIVERY CHARGES
AND SALES TAX HAVE BEEN INCLUDED)

Unit #	Approx. Sq. Ft	Electric Usage / Kilowatt	Total Electric Cost	Gas Useage / Heating & H.W Therms	Total Gas Cost	Total Utility Cost
2A	858.00	6,959	$1,391.82	944.19	$1,491.82	$2,883.64
2B	658.00	6,261	$1,252.22	855.84	$1,352.22	$2,604.44
2C	849.00	6,943	$1,388.55	942.12	$1,488.55	$2,877.10
2D	929.00	7,101	$1,420.21	962.16	$1,520.21	$2,940.42
2E	878.00	7,051	$1,410.10	955.76	$1,510.10	$2,920.20
2F	870.00	7,044	$1,408.72	954.89	$1,508.72	$2,917.44
3A	858.00	6,959	$1,391.82	944.19	$1,491.82	$2,883.64
3B	658.00	6,261	$1,252.22	855.84	$1,352.22	$2,604.44
3C	849.00	6,943	$1,388.55	942.12	$1,488.55	$2,877.10
3D	929.00	7,101	$1,420.21	962.16	$1,520.21	$2,940.42
3E	878.00	7,051	$1,410.10	955.76	$1,510.10	$2,920.20
3F	870.00	7,044	$1,408.72	954.89	$1,508.72	$2,917.44
4A	745.00	6,992	$1,398.35	948.32	$1,498.35	$2,896.70
4B	810.00	6,726	$1,345.22	914.70	$1,445.22	$2,790.44
4C	915.00	7,076	$1,415.22	959.00	$1,515.22	$2,930.44
5A	536.00	4,780	$956.00	668.35	$1,056.00	$2,012.00
5B	528.00	4,760	$952.00	665.82	$1,052.00	$2,004.00
5C	478.00	4,611	$922.12	646.91	$1,022.12	$1,944.24
Comm1	755.00	7,005	$1,401.00	1,203.16	$1,901.00	$3,302.00
Comm2	3944.00	29,310	$5,862.00	3,960.76	$6,258.00	$12,120.00

NOTES TO SCHEDULE "B-1" BUDGET FOR INDIVIDUAL ENERGY COSTS

1. The estimated cost for electric usage by each individual Unit Owner is based upon each unit being equipped for general lighting and miscellaneous household appliances.

2. The estimated cost for gas usage by each individual Unit Owner is based upon each unit being equipped for Gas furnace, hot water heating and cooking.

3. The estimated costs are based upon average consumption of similarly situated residential users and is based upon the projections provided by LDP Services, Inc.,61-17 190th Street, Fresh Meadows, NY 11365. It is not possible to predict whether the estimated annual cost for each unit will reflect the actual cost which will vary with the level of consumption of each Unit Owner.

4. The cost of electric is based upon a price of $.20 per kilowatt hour of use. The cost of gas is based upon a price of $1.58 per therm. The estimated cost includes an adjustment for sales tax of 8.25 percent.

Heating costs, which are a substantial part of a consumer's gas usage, have been estimated for each unit based upon maintaining the inside temperature at 68 degrees Fahrenheit when the outside temperature is 5 degrees Fahrenheit for 4,871 degree days.

Air conditioning will be produced by the boiler located in the cellar which costs are borne by the condominium and included in common charges.

The aforementioned calculations were prepared by LDP Services, Inc., premised on: A one (1) bedroom apartment with two occupants and a two (2) bedroom apartment with three (3) occupants. Actual Costs will vary depending on weather conditions, quality of construction and the habits of the unit occupants.

In view of the fact that these averages may include the use of energy by persons of varying need, with different standards of comfort, or with families of different sizes, the amount of energy used by the Purchaser may vary substantially from the average estimates herein provided. In addition, the effect of inflation, fuel shortages and other factors may raise the cost of electricity and gas substantially higher than the current or projected rate.

Although the Sponsor is under obligation to provide accurate information to prospective purchasers, factors beyond its control may substantially affect the cost of electricity and gas after the purchase of a Unit or in subsequent years. Sponsor represents however, that it has followed the plans and specifications provided by the manufacturer of the appliances together with the recommendation of the manufacturer and other experts to enable these items of equipment to operate at the optimum efficiency and at the lowest costs.

H. COMPLIANCE WITH REAL PROPERTY LAW § 339-i

David A. Berk
Lic. Realty Broker, Property Manager, Buiding Consultant

348 Wheatley Road
Brookville, NY 11545
Tel: 212-920-5010 Fax: 516-626-2737

February 10, 2010

State of New York
Department of Law
120 Broadway
New York, NY 10271

Re: **Compliance With Real Property Law § 339-i**

The Avenue K Developers Condominium
8413 Avenue K
Brooklyn, NY 11236

Gentlemen:

I am a licensed real estate broker and have been engaged in the real estate field for over eight years. I am certified as Property Manager from NYU. Services that I provide are sales, leasing, renting, and property management. I've sold over $200 Million in residential properties in NYC, Brooklyn, Queens, Bronx and Nassau. I am currently managing over 6 buildings in NYC, Queens & Brooklyn. Amongst them are the Prospect & Homes Condominium located in the Bronx, 233 Monitor Street, 234-236 Hawthorne St in the borough of Brooklyn, and voarious condo units throughout Manhattan. I handle all aspects of property management; qualifying tenants, credit checks, evictions, utilities, maintenance, repairs, etc.

I have reviewed the allocation of common interests as shown on the Schedule A to be included in the Condominium Offering Plan for the subject project. The common interests among the Units have been allocated to each based upon floor space, subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use and the overall dimensions of the particular Unit, in accordance with Section 339-i(1)(iv) of the Real Property Law of the State of New York. The allocation utilizes the measurements and calculations of square footage by the project architect. I hereby authorize inclusion of this opinion in the Offering Plan for The Avenue K Developers Condominium to be filed with the Department of Law.

We have reviewed the allocation of common interest for the units in the proposed Condominium Offering Plan, and in our opinion, such allocation is

in the approximate proportion that the fair value of the units will bear (as of the date of the Declaration) to the then aggregate fair value of all the units. Therefore, the allocation complies with Section 339-i(1)(i) of the New York Real Property Law.

David A. Berk, Property Manager

X _____

Sworn to before me this
11 day of Feb, 2010.

_____
Notary

Ali Yildirim
Notary Public, State of New York
Reg. # 01YI6196600
My Comm. Exp. 11/17/2012

I. CHANGES IN PRICES OR UNITS

The offering prices set forth in Schedule A and other terms of payment (but not other terms of sale) with respect to a particular Unit are negotiable and may be changed by Sponsor at any time and from time to time, both before and after the recording of the Declaration, without prior notice and without the consent of the Board, any Unit Owner or mortgagee. However, no such change with respect to any Unit for which an Agreement is then in effect may be made without the consent of the Purchaser thereunder, and no Agreement will be modified to waive any of the Purchaser's rights or abrogating any of Sponsor's obligations, under this Plan or Article 23-A of the New York General Business Law.

The offering prices set forth in Schedule "A" must be changed by duly filed amendment to the Plan when the change in price is an across the board increase or decrease affecting one or more lines of units or unit models, or is to be advertised, or is a price increase for an individual purchaser.

No change will be made in the size or number of units and/or their respective percentages 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 affected purchaser consents, no material change will be made in unit size, layout, or percentage of common interest if a purchase agreement has been executed and delivered to the sponsor for that unit and the purchaser is not in default.

Unless all purchasers consent, no material change will be made in the size and no material adverse change will be made in the quality of common elements.

In order to meet the possible varying demand for number any type of different Units, or to meet particular requirements of prospective Purchasers, or for any other reason, Sponsor and its designees reserve the right (except to the extent prohibited by applicable Legal Requirements and subject to the Declaration and By-Laws) at any time and from time to time, before and after the recording of the Declaration, without prior notice and without the consent of the Board, any Unit Owner or mortgagee, to: (i) make alterations, additions or improvements, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to and upon any Unsold Unit; (ii) change the layout of, or number of rooms in, any Unsold Unit; (iii) change the size and/or number of Unsold Units by subdividing one or more such Units into two or more separate Units, combining separate Unsold Units (including those resulting from a subdivision or combination or otherwise) into one or more Units, altering any boundary walls between any Unsold Units, and/or incorporating within any Unsold Unit the use of any portion of the Common Elements adjacent thereto (but only to the extent that such Common Elements are not required to be maintained as Common Elements based upon such alterations); (iv) if appropriate, reapportion

among the Unsold Units affected by such change, their Common Interest, provided however, that after the recording of the Declaration, no change in any Unit's Common Interest will be made without obtaining the prior consent of all Unit Owners affected by such change; and (v) change the permitted use of some or all of the Unsold Units. Any such change described in subsections (ii) through (v) as stated above and additionally any material adverse change in the size or quality of any of the Common Elements shall be disclosed by sponsor in a duly filed amendment to the Plan and, when applicable, to the Declaration. In the event of any such change after the Declaration is recorded, the Declaration and Floor Plans shall each be amended and such amendments duly recorded and disclosed in a duly filed amendment to the Plan, Sponsor or its designee will have the right to (or to cause the Board to) so amend the Declaration and Floor Plans, to the extent required, in order to reflect any such change affecting Unsold Units. In addition, none of the foregoing changes, including any material adverse change in size, layout or Common Interest of a Unit or in the amount or quality of Limited Common elements directly affecting or servicing a Unit, will be made with respect to any Unit for which an Agreement has been mutually executed and delivered and the Purchaser thereunder is not in default, unless: (a) such change has been dictated by construction conditions at the Property (such as coordination of Building systems, conflicts with structural members or elements, conforming with Legal Requirements, unforeseen events, etc.) and, in all cases, in good faith, reasonably necessary due to factors not within Sponsor's reasonable control, and where no practicable alternative (in the exercise of sound construction management practices) exists and set forth in an amendment to the Plan, and the Purchaser is offered the right in such amendment, for at least fifteen days, to rescind his or her Agreement and receive a refund of the Deposit, together with all interest earned thereon, and the Purchaser elects not to exercise such right of rescission; or (b) such change is not a material adverse change in the size, dimension or floor space or layout of such Unit, in which event a Purchaser will not be excused from purchasing such Unit by reason of such minor, non-material deviation or change and will not have any claim against Sponsor as a result thereof.

J. INTERIM LEASES

(1) Sponsor may rent any unit that is vacant before the closing or after the Plan has been declared effective and any unpaid common charges due prior to or as of the date of closing will be payable on the date of closing together with any other payments required under this plan.

(2) Interim lessees will not be afforded any rights under Rent Stabilization Laws or any applicable laws afforded to Tenants in this State, and leases will state that tenant acknowledges the same.

(3) An uncured default under the purchase agreement is a default under the lease and an uncured default under the lease is a default under the purchase agreement. An uncured default under the lease can result in a default under the

purchase agreement, however before the sponsor may utilize the default under the 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 lessee unless the lessee has vacated the unit.

An interim lessee has to vacate the unit after a default under the purchase agreement or rescission of the purchase agreement by the lessee within thirty days.

(4) All of the units offered in this plan are vacant.

K. PROCEDURE TO PURCHASE

The form of the Purchase Agreement is contained in Part II, Section "EE". Prospective purchasers will be required to execute a Purchase Agreement in substantially such form in triplicate. The Purchase Agreement will not be binding upon the Sponsor until Sponsor receives four originally executed copies of the Purchase Agreement signed by the Purchaser(s), together with the down payment check as required hereunder and a signed copy of either IRS Form W-9 (Request for Taxpayer Identification Number and Certification) or IRS Form W-8BEN (Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding) and a copy of the Purchase Agreement is executed by the Sponsor and delivered to the Purchaser or Purchaser's counsel.

If a purchaser's obligations are contingent on obtaining a financing commitment and the financing commitment lapses or expires prior to closing, and the purchaser has made a good faith effort to extend the commitment, sponsor will grant to such purchaser a right of rescission and a reasonable period of time to exercise the right.

The purchase agreement and offering plan may not contain, or be modified to contain a provision waiving the purchaser's rights or abrogating sponsor's obligations under Article 23-A of the General Business Law.

The following are important provisions contained in the Purchase Agreement:

(1) Downpayment

The amount or the percentage of the deposit shall be ten percent (10%) of the offering price.

(2) Statutory Requirement

The sponsor shall comply with the escrow and trust fund requirements of GBL Sections 352-e(2-b) and 352-h and these regulations, and all funds paid by purchasers shall be handled in accordance with these statutes and regulations.

(3) Escrow

The following requirements shall apply to this offering plan:

(a) The account. All deposits, down payments, or advances made by purchasers prior to closing of each individual transaction, Whether received before or after the date of consummation of the plan, must be placed within five business days after the agreement is signed by all necessary parties, in an attorney's segregated special escrow account in a bank doing business in the State of New York which account is covered by federal bank deposit insurance,

(ii) Payments. All funds received from purchasers whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payer, shall be made payable to or endorsed by the purchaser to the order of the IOLA Trust account Bruce Montague and Partners as escrow agent.

(iii) The escrow agent. Bruce Montague and Partners, the escrow agent consists of Harry Zubli, Esq. who is an attorney admitted to practice in the State of New York. Bruce Montague and Partners is independent of the sponsor. Bruce Montague and Partners must comply with the Appellate Division rules for the preservation of client funds of the Judicial Department having jurisdiction over the attorney. Harry Zubli, Esq., 1010 Northern Blvd., Suite 310, Great Neck, NY 11021 with a phone number of 516-487-5777 shall act as escrow agent shall be a signatory on the account and only Harry Zubli, Esq. shall be authorized to release funds.

(iv) The escrow agreement. Sponsor is responsible for complying with the escrow and trust fund requirements of sections 352-e (2-b) and 352-h of the General Business Law and the Attorney General's regulations promulgated pursuant thereto. All funds paid by purchasers will be handled in accordance with General Business Law sections 352-e (2-b), 352-h, Section 20.3 of Title 13 NYCRR and Section 71-a (3) of the Lien Law of the State of New York. All funds will be deposited into a separate escrow account entitled the " Harry Zubli IOLA Attorney Account". All instruments for the payment of the deposits, Down Payments, or advances made by purchasers prior to closing of each individual transaction, whether received before or after the date of consummation of the plan, must be placed within five business days after the agreement is signed by all necessary parties, in the " Harry Zubli IOLA Attorney Account " in a bank doing business in the State of New York which account is covered by federal bank deposit insurance. Purchaser shall be aware that deposits in excess of $250,000 will not be federally insured in excess of $250,000. Harry Zubli Attorney at Law , 1010 Northern Blvd., Suite 310, Great Neck, NY 11021 will open and maintain the escrow account. The " Harry Zubli IOLA Attorney Account" shall be used for the transactions regarding The Avenue K Developers Condominium. The funds placed in the Escrow account shall only be released by signature of Harry Zubli. Harry Zubli is the only signatory on the escrow account. Neither the sponsor nor any principal of the sponsor may be a

signatory on the Escrow account. Interest earned on the Escrow Account will be paid to a State of New York fund, not to the Sponsor or to the Purchaser, The escrow account will be maintained at Capitol One Bank, 1010 Northern Blvd., Great Neck, NY 11021. The account number is [redacted]

Harry Zubli Attorney at Law, will be the escrow agent herein with offices at 1010 Northern Blvd., Suite 310, Great Neck, NY 11021, telephone number 516-487-5777. All funds received from purchasers whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be made payable to or endorsed by the purchaser to the order of " Harry Zubli IOLA Attorney Account" escrow agent.

A copy of the full escrow agreement is contained in this offering plan (see Part II, Section "PP").

(v) Notification to purchaser. Within 10 business days after tender of the deposit submitted with the purchase agreement, the escrow agent shall notify the purchaser that such funds have been deposited in the bank indicated in the offering plan, at Capitol One Bank, 1010 Northern Blvd., Great Neck, NY 11021, and shall provide the account number and the initial interest rate. If the purchaser does not receive notice of such deposit within 15 business days after tender of the deposit, he or she may cancel the purchase and rescind within 90 days after tender of the deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited in accordance with these regulations and requisite notice was timely mailed to the purchaser.

(vi) Escrow revisions. Before funds are transferred to a new escrow account, or if the escrow agent is replaced, the plan must be amended to provide the same full disclosure with respect to the new account, the escrow agent and the escrow agreement as was originally provided. A bond, letter of credit or other security may be substituted for the escrow account only after the Department of Law approves in writing the use of such alternate form of security, pursuant to the provisions of paragraph (4) of Part 20(o) of Title 13 N.Y.C.R.R.

(vii) Release of funds. The escrow agreement and the plan must set forth the requirements and procedures for the release of the escrowed funds. These shall include:

(a) Under no circumstances shall sponsor apply for release of the escrowed funds of a defaulting purchaser until after consummation of the plan. Consummation of the plan does not relieve the sponsor of its obligations pursuant to GBL Section 352-h.

(b) The escrow agent shall hold the 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 subsection (viii) below; or (3) a judgment or order of a court of competent jurisdiction, or until released pursuant to clause (d) of this

subparagraph.

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

(c) If there is no written agreement between the parties to release the escrowed funds, the escrow agent shall not pay the funds to the sponsor until the escrow agent has given the purchaser written notice of not fewer than 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 contained in these regulations and has so notified the escrow agent in accordance with such provisions. (Part 20(o)(vii)(d) ofTitle13N.Y.C.R.R.)

(viii) Disputes.

(a) In the event of a dispute, the sponsor shall apply and the purchaser or the escrow agent holding the down payments in escrow may apply to the Attorney General for a determination on the disposition of the down payment and any interest earned thereon. Forms for this purpose will be available from the Department of Law. The party applying shall contemporaneously send to all other parties a copy of such application.

(b) 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.

(c) If the application permitting release of funds is granted, the deposit and any interest earned thereon shall be disposed of in accordance with the determination of the Attorney General, subject to any court action in which preliminary relief is granted.

(d) The Attorney General shall act upon the application within 30 days after its submission to the Department of Law, by either making a determination or notifying the parties that an extension of time in which to do so is necessary for stated reasons.

(e) If the application seeking release of funds is denied, the escrow agent shall continue to hold the deposit and any interest earned thereon until (1) both the sponsor and purchaser direct payment to a specified party in accordance with a written direction signed by both the sponsor and purchaser; or *(2)* a judgment or order of a court of competent jurisdiction is served on the escrow agent; or (3) the escrow agent deposits the disputed amount into court.

(f) In no event shall the escrow agent release funds in dispute, other than a

payment of such funds into court, until such dispute is finally resolved either by determination of the Attorney General or by order or judgment of a court of competent jurisdiction or by written agreement of the sponsor and the purchaser.

(ix) Exhibits to plan. Copies of the forms provided by the bank for opening the escrow account and the escrow agreement as proposed has been filed with the New York State Department of Law with Sponsor's exhibits to the offering plan submission. Upon first deposit, a copy of the escrow agreement as executed and a copy of the bank forms as executed will be submitted by the Sponsor to the New York Department of Law as a supplement to the previously submitted exhibits filed with the New York Department of Law.

(x) Records on file. The escrow agent shall maintain all records concerning the escrow account for seven years after release of the funds. Upon the dissolution of any law firm which was the escrow agent, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of them or by the successor firm and shall notify the Department of Law of such transfer.

(xi) Review and audit. The Department of Law may perform random reviews and audits of any records involving escrow accounts to determine compliance with statute and regulation.

(xii) Waiver void. Any provision of any contract or agreement, whether oral or in writing, by which a purchaser purports to waive or indemnify any obligation of the escrow agent holding trust funds is absolutely void. The provisions of this section of the regulations shall prevail over any conflicting or inconsistent provision in the offering plan or in a purchase agreement.

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

(xiv) Transition. All funds required to be held pursuant to GBL sections 352-e(2~b) and 352-h on the effective date of this section shall be transferred into escrow accounts in compliance with this regulation within 60 days thereafter.

(4) Alternatives to escrow account.

A sponsor may apply to the Attorney General to use security in the form of surety bonds or a letter of credit in lieu of escrow of such funds for use in newly constructed or gut rehabilitated developments upon showing of adequate insurance of such funds to the satisfaction of the Attorney General.

(i) Application for alternate security. Sponsor must submit an affidavit which contains full information as to the proposed usage of such funds, the sponsor's financing of construction or rehabilitation work, expected completion date, the terms and conditions of the proposed surety bonds or letter of credit, and required undertakings and covenants.

(ii) Documentation. The proposed form of surety bond or letter of credit, any underlying agreement or related agreement, and any undertaking or covenant required hereunder, shall be appended to the application and also filed as exhibits to the offering plan in or as exhibits to an amendment to the plan.

(iii) Change from escrow account. Where surety bonds are or a letter of credit is to be provided under an amendment to the plan calling for release of funds already deposited in escrow, the amendment shall provide for, and annex a form for, the written consent of each affected purchaser and shall provide for continuation of escrow of funds of any purchaser who does not execute and deliver such written consent to the sponsor.

(iv) Disclosure. If an application for alternate security is approved, the terms of such alternate security shall be disclosed in the plan or in an amendment to the plan promptly submitted.

(5) Surety bonds.

At the present time, Sponsor has not made any application to the New York State Department of Law to use a surety bond as an alternative security to the escrow account.

A sponsor whose application to use alternate security is approved by the Attorney General, may meet its obligation to insure the availability of such funds to purchasers by effectuating the issuance of surety bonds to such purchasers by a licensed insurance company which agrees to act as surety for the amount of such down payments or deposits.

(i) Deposits into escrow account. All down payments and deposits, received after the Attorney General's approval of the use of surety bonds as alternate security, shall be placed within five business days after the purchase agreement is signed by all necessary parties, in an attorney's segregated special escrow account, established pursuant to and in compliance with paragraph (3) of 13 NYCRR 20.3. Such funds shall be released by the escrow agent to the sponsor upon receipt by the escrow agent of a copy of the surety bond issued to the purchaser whose funds are being released.

(ii) Payments. All funds received from purchasers whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be made payable to or endorsed by the purchaser to the order of the attorney or law firm as escrow agent.

(iii) Requirements to act as surety, The surety company must be licensed to write insurance in the State of New York by the New York State Department of Insurance, whether or not the property which is the subject of the plan is located in the State of New York unless the law of the state where the property is located requires otherwise. If the property is located outside New York State and the sponsor claims that the law of such state conflicts and is controlling, the sponsor's application must specify the conflicting law. In order for the application for alternate security to be approved by the Attorney General, the applicant must show that the surety company with which the sponsor proposes to contract has a current rating for debt securities no lower than the third highest grade conferred by at least two of the national reporting services regularly evaluating insurance companies.

(iv) Agreement between sponsor and surety. If the Sponsor uses a surety bond, then an amendment to the plan will be filed which will fully disclose the material terms of the agreement between the insurance company as surety and the sponsor, including the premium to be paid by the sponsor, any agreement by which sponsor provides collateral to secure its obligations to the surety and any agreement by the sponsor indemnifying the surety. The agreement will provide that the surety will abide by directives in conformity with these regulations.

(v) Provisions of the bond. The surety bond will specify the name and address of the sponsor as principal; the name and address of the surety company to which claims for payment may be made; provision for the name and address of the purchaser as obligee on the bond; provision for the amount of the down payment or deposit secured and the rate of interest, if any, to accrue on such funds; the term of the bond, and, if the bond is for a finite period, a guarantee by the surety that it will pay the amount secured to the purchaser-obligee prior to expiration of the bond or a guarantee by the sponsor that the bond will be renewed before expiration.

(vi) Term and continuation. Each surety bond and any accompanying agreement will provide that it will continue in effect or that it will be renewed periodically until consummation and closing of the sale of the respective unit the down payment for which is secured by such surety bond or until the secured funds of a purchaser have been returned in full, or until the funds secured by the surety bond have been placed in the escrow account pursuant to paragraph (7) of 13 NYCRR 20.3 or until there is an undisputed purchaser default or a determination by the Attorney General or order or judgment of a court of competent jurisdiction that the purchaser has defaulted and that the sponsor is entitled to the secured funds.

(vii) . Delivery of the surety bond. The sponsor will cause the surety to mail or personally deliver the surety bond to the purchaser-obligee before the funds are

released to the sponsor from the escrow account. The sponsor, the escrow agent and the surety company will each retain a copy of the surety bond.

(viii) Invoking the bond. The purchaser-obligee shall have the right to demand payment of the amount secured by the surety bond directly from the surety, without first requesting payment from the sponsor. The surety shall be obligated to pay the amount secured by the bond to the purchaser-obligee without the consent or despite the objection of the sponsor, upon the following events or circumstances:

(a)Timely rescission of a purchase agreement by a purchaser pursuant to an offer of rescission contained in the plan or an amendment to the plan;

(b)Acceptance for filing by the Department of Law of an amendment abandoning the plan;

(c)Determinations by the Attorney General pursuant to subparagraph (x) of 13 NYCRR 20.3 that rescission or the return of funds is required;

(d) Failure by the sponsor to obtain a commitment by the surety company to renew the surety bond 60 days prior to its expiration;

(e) Direction by the sponsor upon request by the purchaser.

(ix) Failure by purchaser-obligee to produce a copy of the bond.

A purchaser's inability to produce a copy of the surety bond shall not be a basis for the surety to reject the purchaser's claim. The surety shall retain a copy of the bond and shall pay the secured funds to the purchaser-obligee without a copy of the bond as long as the purchaser is able to provide proof of identity as the obligee on the bond.

(x) Disputes.

(a) In the event of a dispute, the sponsor shall apply and the purchaser or the surety issuing the bond may apply to the Attorney General for a determination on the disposition of the down payment secured by the bond and any interest earned thereon. Farms for this purpose will be available from the Department of Law. The party applying shall contemporaneously send to all other parties a copy of such application.

(b) Pending the determination of the Attorney General to grant or deny the application, the sponsor, the purchaser and the surety shall abide by any interim directive issued by the Attorney General.

(c) If the Attorney General determines:

(1) that the purchaser is entitled to the disputed funds secured by the surety bond, the surety shall pay the funds to the purchaser in accordance with the determination of the Attorney General;

(2) that the purchaser is not entitled to the disputed funds secured by the surety bond, such determination may provide either that the surety bond shall be continued in effect or that the surety bond may be cancelled.

(d)The Attorney General shall act upon the application within thirty 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,

(e) In no event shall the funds secured by the bond be paid to the purchaser nor shall the surety bond be discharged until any dispute is finally resolved either by written agreement of the parties directing payment of the funds or discharge of the surety bond, or by a determination of the Attorney General or by order or judgment of a court of competent jurisdiction.

(6) Letters of credit.

At the present time, Sponsor has not made any application to the New York State Department of Law to use a letter of credit as an alternative security to the escrow account.

A sponsor whose application to use alternate security is approved by the Attorney General, may meet its obligation to insure the availability of such funds to purchasers by effectuating the issuance of a letter of credit for the benefit of the purchasers by an issuer qualifying hereunder.

(i) Amount. The amount of the letter of credit shall be at least 125 percent of the aggregate of all down payments or payments expected to be received from purchasers, and not retained in escrow, during such period of time as the letter of credit will be needed, as estimated by the sponsor in the application to the Department of Law. The amount of the letter of credit may be reduced or increased as warranted by circumstances and pursuant to a filed amendment to the offering plan.

(ii) Irrevocability. The letter of credit must be irrevocable during the stated term and any renewal term.

(iii) Beneficiary. The beneficiary must be an attorney, or firm of attorneys, acting as or qualified under paragraph (3) (iii) of 13 NYCRR 20.3 to act as escrow agent under the plan, who shall act as a fiduciary for the benefit of purchasers under the

plan.

(iv) Authority to draw, The letter of credit must provide that the beneficiary shall have sole power to draw upon the letter of credit without the consent or despite the objection of the sponsor or of any provider of underlying credit, at such times or upon such events as are set forth in subparagraph (ix) of 13 NYCRR 20.3.

(v) Issuer. The issuer must be a bank authorized to act as a commercial bank or savings institution under supervision of the New York State Banking Department or a federally supervised banking institution located in the State of New York, unless the property is located in another state and the letter of credit is issued by a bank located within such state. In order for the application for alternate security to be approved by the Attorney General the applicant must show that the issuer bank has surplus funds and net worth of at least ten times the amount of the letter of credit, and must have a current rating with respect to its debt securities that is within "investment grade" by one of the generally accepted national reporting services regularly rating the debt securities of banking institutions and that the provisions of the letter of credit include the right of the beneficiary to draw down the letter of credit in conformity with these regulations.

(vi) Term and continuation. The letter of credit and related agreement and any accompanying undertaking shall provide that it will continue in effect or that it shall be periodically renewed until consummation and closings of sales of all units referred to in the application for alternate security pursuant to subparagraph (4) (i) of 13 NYCRR 20.3 or until the covered funds of purchasers have been returned to them in full.

(vii) Undertaking. If the letter of credit will expire prior to the latest date of closings of sales of ail such units, provision for renewal of the letter of credit without loss of irrevocability and without any change of terms shall be afforded by: (a) an "evergreen" or automatic renewal clause, if obtainable, and (b) the irrevocable undertaking and covenant of the sponsor and by any other provider of underlying credit to provide successive renewals thereof until consummation and closings of sales of all units or until the covered funds of purchasers have been returned in full.

(viii) Operative provisions. Upon approval of a sponsor's application for use of a letter of credit as alternate security:

(a) Deposits into escrow account. All down payments and deposits received shall be placed, within five business days after the purchase agreement is signed by all necessary parties, in an attorney's segregated special escrow account established pursuant to and in compliance with paragraph (3) of 13 NYCRR 20.3. The escrow agent shall release such funds to the sponsor provided that the escrow agent has documentation showing that the letter of credit or a renewal or replacement letter of credit has been issued and is in effect. Such escrow agent shall no longer release funds from escrow if the escrow agent receives notice or

information warranting drawdown of the letter of credit under subparagraph (6) (ix) of 13 NYCRR 20.3.

(b) Payments. All funds received from purchasers whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payer, shall be made payable to or endorsed by the purchaser to the order of the attorney or law firm as escrow agent.

(ix) Right to draw upon letter of credit- The escrow agent as the beneficiary of the letter of credit, acting as a fiduciary for the benefit of purchasers under the plan whose funds were released from escrow by reason of the grant of sponsor's application, shall have the duty and the right to draw upon and collect the proceeds of the letter of credit, 10 business days after notice to the sponsor and sponsor's failure or refusal to restore such funds to the escrow agent, without the consent or despite the objection of the sponsor or the provider of the credit, upon the following events or circumstances:

(a) Timely rescission of a purchase agreement by a purchaser pursuant to an offer of rescission contained in the plan or an amendment to the plan;

(b) Acceptance for filing by the Department of Law of an amendment abandoning the plan;

(c) Determination by the Attorney General pursuant to subparagraph (x) of this paragraph mandating that rescission or the return of funds is required;

(d) Failure by the sponsor to obtain a renewal or replacement letter of credit no later than 60 days prior to the expiration of the existing letter of credit;

(e) Direction by the sponsor upon request of the purchaser;

(f) Notice of impending cancellation of the letter of credit has been given or received, or the issuer has filed a bankruptcy or insolvency petition or has been taken over by a federal or state authority, and no proper replacement of the letter of credit has been furnished although continuation of the same in effect is required under subparagraph 4(i) of 13 NYCRR 20.3 or subparagraph (vi) of this paragraph .

(x) Disputes.

(a) In the event of a dispute, the sponsor shall apply, and the purchaser, the escrow agent or the bank issuing the letter of credit may apply to the Attorney General for a determination on the disposition of funds secured by the letter of credit, the deposit and any interest earned thereon. Forms for this purpose shall be available from the Department of Law. The party making such application shall contemporaneously send to the other three parties a copy of such application.

(b) Pending the determination of the Attorney General to grant or deny the application, the sponsor, the purchaser, the escrow agent and the bank shall abide by any interim directive issued by the Attorney General.

(c) If the application permitting release of funds is granted, such funds secured by the letter of credit, and any interest earned thereon shall be disposed of in accordance with the determination of the Attorney General, subject to any court action in which preliminary relief is granted.

(d) The Attorney General shall act upon the application within 30 days after its submission to the Department of Law, by either by making a determination or notifying the parties that an extension of time in which to do so is necessary for stated reasons.

(e) In no event shall the disputed funds secured by the letter of credit be paid to the purchaser nor shall the letter of credit be terminated until any dispute is finally resolved either by written agreement of the parties directing payment of the funds, or by a determination of the Attorney General or by order or judgment of a court of competent jurisdiction.

(7) Change to escrow account.

Where alternate security as provided under a filed offering plan is no longer needed by the sponsor, or new or additional alternate security cannot be obtained by a sponsor or its successor, sponsor shall submit an amendment for filing which provides that any future purchase deposits or downpayments shall be held in the escrow account in accordance with paragraph (3) of 13 NYCRR 20.3. Such amendment shall not affect the sponsor's obligation to account for funds previously released to the sponsor unless the funds representing all such deposits or downpayments are restored to the escrow account.

(8) Compliance with Lien Law Section 71-a(3).

Because this offering plan provides for the construction of residential condominium units, the purchase agreement and the plan must comply with Section 71-a (3) of the Lien Law.

Section 71-a (3) of the Lien Law provides the following:

(a) The initial advance pursuant to a contract of sale which by its terms provides for or is incidental to a contract providing for the construction on the subject real property of residential condominium unit or any structure designed solely for residential occupancy of not more than two families living separately, on property to be purchased shall, at the vendee's option, be deposited within five business days thereafter by the recipient in an interest bearing escrow account in a bank, trust company, savings bank, state or federal savings and loan association,

located in this state. Such deposit, together with the interest accumulated thereon, shall remain the property of the vendee except as otherwise provided herein. The recipient shall advise the vendee in writing of the name of the depository where the funds have been placed within ten business days after such deposit has been made.

(b) In lieu of making the deposit of such moneys in an escrow account as provided in paragraph (a) of this subdivision, the recipient may post with the vendee a bond or contract of indemnity, issued by a surety company licensed to execute such an instrument in this state, guaranteeing the return of the moneys which otherwise would be required to be deposited in such escrow account, in which case the recipient shall not be required to deposit such money in an escrow account. Said bond or contract of indemnity shall be delivered to the vendee within ten business days after receipt of the initial advance.

(c) At any time after making the deposit of such moneys in the escrow account, the recipient may post with the vendee a bond or contract of indemnity issued by a surety company licensed to execute such an instrument in this state guaranteeing the return of such moneys, in which case the recipient shall not be required to maintain the deposit of such moneys in such account.

(d) Such advance shall be retained in the escrow account or such bond or contract of indemnity continued in effect until the trust is terminated (i) by the recipient's performance of the terms of the contract of sale, or (ii) by default of the vendee excusing the recipient's performance of the terms of the contract of sale, or (iii) by release or discharge of the recipient's liability to refund such advance to the vendee, or (iv) upon transfer of title of the real property to the vendee.

(e) Every contract of sale which by its terms provides for or is incidental to a contract providing for the construction on the subject real property of a residential condominium unit or a structure designed solely for the residential occupancy by not more than two families living apart, shall contain a statement advising the vendee of the provisions of this subdivision. Such statement shall be printed in bold type which is at least two points larger than any other printing contained thereon and shall read as follows:

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

(9) Specific Performance of the Purchase Agreement.

Sponsor may seek specific performance of the purchase agreement, requiring purchaser to close and purchase the condominium unit for which purchaser has

executed a purchase agreement.

(10) Purchase Agreement May Be Made Time of the Essence.

In the event that the purchaser does not appear for closing ready, willing and able to accept title from the Sponsor, and pay Sponsor the balance of the purchase price and associated costs within thirty days from the date set forth in the contract, provided that the Sponsor is ready, willing and able to convey title to the purchaser, then, in that event, the Sponsor may make the closing date "time of the essence". If the Sponsor makes the closing "time of the essence" and the purchaser fails to close on the "time of the essence" closing date, the purchaser may forfeit his or her down payment.

(11) Closing Date.

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 Section 20.1(d) (1) of 13 NYCRR 20.3 no less than 30 days before the date set for the closing of the units. Sponsor may permit purchasers to waive this thirty (30) day provision by including such waiver in the plan or in an amendment thereto.

(12) Date of Expected First Closing.

Sponsor expects that the first closing of unit will occur on or about December 31, 2009. If such closing is delayed twelve (12) months or more, purchasers will be offered rescission of their contracts.

(13) Sponsor Must Make Written Demand Before Declaring Default.

Sponsor must make a written demand for payment for default at least thirty (30) days before a default or forfeiture of the deposit may be declared.

Paragraph "15" of the Purchase Agreement relating to defaults by purchaser, time periods to cure defaults and retention by Sponsor of moneys paid under the Purchase Agreement is of special importance and should be carefully read by each purchaser.

PARAGRAPH "15" OF THE PURCHASE AGREEMENT READS AS FOLLOWS:

The time for the payment of the balance of the Purchase Price and the performance of Purchaser's other obligations hereunder, is of the essence of this Agreement. If Purchaser fails to make such payment when required as herein provided or fails to perform any of Purchaser's other obligations hereunder, Seller may give notice to Purchaser of such default. If such default shall not be cured

within fifteen (15) days thereafter, Seller may, at its option, cancel this Agreement by notice of cancellation to Purchaser. Notwithstanding the foregoing, in the event Purchaser fails to close title on the designated date and Seller does not elect to cancel this Agreement, Seller shall also have the right to approve a request from Purchaser to adjourn the Closing Date and in such event (a) Purchaser shall Pay Seller interest at the rate of twelve percent (12%) per annum on the entire amount of the purchase price computed from the original Closing Date until this transaction is actually closed, (b) all apportionments between Seller and Purchaser shall be made as of the original Closing Date and (c) Purchaser shall reimburse Seller for any additional costs incurred by Seller as a result of Purchaser's delay. If Seller elects to cancel this Agreement on account of Purchaser's default, (i) Seller may retain all sums deposited by Purchaser hereunder, together with interest earned thereon as liquidated damages (Seller's actual damages being difficult or impossible to ascertain), and upon retaining such sum, this Agreement shall be terminated and neither party shall have any further rights, obligations or liabilities or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan and (ii) Seller may sell the Unit to any third party as though this Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale),

(14) <u>Unit Power of Attorney,</u>

Each unit purchaser will be required to sign a power of attorney to the Board of Managers of the condominium on the date of delivery of the deed. Sponsor will not close with any purchaser who refuses to sign a power of attorney and reserves the right to rescind the Purchase Agreement by returning the full down payment. The Power of Attorney provides the following powers to the Board of Managers of the Condominium: to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer assign or lease the same, upon such terms and conditions as shall be approved by a majority of Unit Owners, (b) to acquire any unit, together with its Appurtenant Interests, whose Owner elects to surrender the same pursuant to Article "VII", Section "1" of the By-Laws, (c) to acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental as the case may be, as said attorneys-in-fact shall deem proper, in the name of the Board of its designee, corporate or otherwise, on behalf of all Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote, the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in-fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present; (2) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Condominium which the Board deems necessary or appropriate to comply with any law, ordinance,

regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Residential Section or (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Residential Section or the Common Elements which the Board deems necessary or appropriate.

(15) Purchaser's Right To Rescind The Purchase Agreement.

Purchasers shall be afforded not fewer than three business days to review the offering plan and all filed amendments prior to executing a purchase agreement. For the convenience of some Purchasers, however, Sponsor will have the right, at its sole option, to accept an Agreement prior to the expiration of such period of three business days; and in such event, and only in such instance, such Purchaser will have the right to rescind such Agreement by written notice sent to Sponsor by certified or registered mail, return receipt requested, or by personal delivery within seven days of such Purchaser's submission of the Agreement, whereupon Sponsor will refund, without interest (notwithstanding any provision of this Plan regarding interest to the contrary), the Deposit received by Sponsor from such Purchaser in connection with such Agreement.

(16) Risk of Loss.

Risk of loss for fire or other casualty remains with the Sponsor until legal title to the Unit has been conveyed to the purchaser. Prior to the first closing, Sponsor may, at Sponsor's option abandon the Plan or to repair or to replace such loss or damage. If Sponsor elects to replace or repair such loss or damage, then at Sponsor's option, it shall be entitled to a reasonable adjournment of the closing. After the first closing, the entire building will be insured by the Condominium. Any person who takes possession prior to closing assumes the risk of losses not covered by insurance.

(17) Purchase Agreement.

A complete copy of the Purchase Agreement is included in Part II of this Plan.

(18) Financing Contingency.

Purchasers shall have the right to execute a Purchase Agreement subject to obtaining a commitment for financing from a financial institution. In the event that a purchaser elects to make his Purchase Agreement subject to obtaining financing, then purchaser: a) Must apply for said financing within three (3) days from the date of receipt of an executed copy of the Purchase Agreement; b) Must notify the Sponsor within five (5) days after the three (3) day period referred to in subparagraph (a) of the name and address of the financial institution to whom application was made and the date when said application was submitted; c) Must

notify the Sponsor whether the application is accepted or rejected; d) Must request any and all renewals or extensions of the financing commitment so that said commitment will be in force at the closing of title; e) Shall have thirty (30) days from the date of execution of the Purchase Agreement in order to obtain the required financing; or the Sponsor may attempt to obtain a commitment from another lending institution for a Purchase Money Mortgage Loan covering the Unit in the same amount on substantially the same terms and conditions within forty-five (45) days thereafter; or the Sponsor may agree to take back a Purchase Money Mortgage in that amount or substantially the same terms and conditions; or Sponsor or purchaser may elect to rescind the Purchase Agreement by notice to the other sent by certified mail, return receipt requested within ten (10) days after the expiration of Sponsor's time to procure such commitment. If a purchaser's obligations are contingent on obtaining a financing commitment and the financing commitment lapses or expires prior to closing, and the purchaser has made a good faith effort to extend the commitment, sponsor grants to such purchaser a right of rescission and a reasonable period of time to exercise the right of rescission.

(19) Conflicts Between Offering Plan and Purchase Agreement.

If any provision of the Purchase Agreement is in conflict or inconsistent with any provision of the Offering Plan, then such conflict or inconsistency shall be resolved in favor of the Offering Plan.

(20) Time Limitation For Sponsor To Accept Or Reject Purchase Agreement.

Sponsor will either accept a Purchase Agreement and cause to be returned to purchaser a fully executed counterpart thereof or reject the Purchase Agreement offer and refund the Down Payment tendered within thirty (30) days after delivery by Purchaser of an executed Purchase Agreement together with the required Down Payment . In the event Sponsor fails to elect to accept or reject within the stated thirty (30) day period, seller will be deemed to have rejected same and purchaser shall be entitled to a prompt return of the deposit.

(21) Purchase Agreement And Offering Plan Does Not Waive Any Rights Under Article 23-A of the New York General Business Law.

The Plan and the Purchase Agreement does not contain, and may not be modified to contain, a provision waiving a Purchaser's right or abrogating Sponsor's obligations under the Offering Plan or Article 23-A of the New York General Business Law.

(22) Assignment or Transfer of Purchase Agreement.

(22) Assignment or Transfer of Purchase Agreement.

There will be no restrictions or limitations on purchasers on resale of units.

L. FINANCING FOR QUALIFIED PURCHASERS

THIS PLAN DOES NOT CONTAIN ANY FINANCING ARRANGEMENTS FOR PURCHASERS. PROSPECTIVE PURCHASERS WHO ARE INTERESTED IN SUCH FINANCING SHOULD CONTACT LENDING INSTITUTIONS, SUCH AS MUTUAL SAVINGS BANKS AND COMMERCIAL BANKS, MANY OF WHICH HAVE ADVERTISED THAT THEY OFFER FINANCING TO PURCHASERS OF CONDOMINIUM UNITS.

Any applications for such financing with lending institutions must be done on an individual basis by prospective Purchasers and will involve negotiations exclusively between the lending institution and the applicant. The Sponsor should not be construed hereunder as offering any such financing or representing the availability or terms of such financing.

The Purchase Agreement of Purchasers desiring to finance the purchase of a Residential Unit will be conditioned upon the Purchaser making prompt and diligent application to a lending institution designated or approved by Sponsor for *a* mortgage commitment.

The Purchase Agreement is contingent upon Purchaser obtaining, at its own cost and expense, a mortgage loan commitment in the amount and under the terms set forth in Paragraph "14" of the Purchase Agreement (Section "EE" of the Offering Plan). If the Lender fails to issue its Commitment to Purchaser within thirty (30) days after the date of the Purchase Agreement or within such longer period of time as Sponsor may grant by notice to Purchaser, either party may cancel the contract only if at the time notice of cancellation is given, the Lender has still not issued its Commitment to grant the mortgage loan. Shall have thirty (30) days from the date of execution of the Purchase Agreement in order to obtain the required financing; or the Sponsor may attempt to obtain a commitment from another lending institution for a Purchase Money Mortgage Loan covering the Unit in the same amount on substantially the same terms and conditions within forty-five (45) days thereafter; or the Sponsor may agree to take back a Purchase Money Mortgage in that amount or substantially the same terms and conditions; It is an express condition to Purchaser's right to cancel that Purchaser has strictly complied with all obligations imposed on Purchaser's mortgage loan application. To cancel, the canceling party must give written notice of cancellation to the other party, whereupon Sponsor shall refund the down payment. Thereafter, the contract shall be deemed canceled and neither party shall have any further liability or obligation to the other in connection with the contract or transaction.

The Purchaser shall be obligated to fill out all forms and perform all acts necessary to obtain such mortgage commitment. The Purchaser will be obligated to take all action necessary to fulfill all of the terms and conditions of the mortgage commitment in order to close title, including but not limited to paying any

outstanding debts required by the lending institution issuing the mortgage commitment and paying all costs and expenses incurred in procuring the mortgage and closing such mortgage including but not limited to mortgage tax, origination fees, commitment fees, recording fees, title fees and the lender's fee's. See Paragraph "14" of the Purchase Agreement for complete terms. Purchaser shall be obligated to obtain renewals or extensions through the date of closing on such terms and at such interest rate as the Lender may require and shall pay any fees and charges required to renew and extend the commitment.

NO REPRESENTATION IS MADE BY THE SPONSOR AS TO WHETHER ANY PURCHASER WILL QUALIFY FOR FINANCING OR AS TO THE TERMS, COST OR AVAILABILITY OF SUCH FINANCING. THE SPONSOR SHALL HAVE NO LIABILITY OR RESPONSIBILITY TO ANY APPLICANT IF HIS APPLICATION FOR FINANCING IS NOT ACCEPTED, EXCEPT TO RETURN THE DOWN PAYMENT, PROVIDED THE AGREEMENT WAS CONDITIONED UPON OBTAINING SUCH FINANCING.

The closing of title to a Residential Unit where the Purchaser has obtained financing will take place simultaneously with the closing of the mortgage loan and the proceeds will be applied towards the then balance of the purchase price.

M. EFFECTIVE DATE OF THE PLAN

The Purchase Agreement and offer to sell condominium units is contingent upon, and the closing of the first unit will not occur until the offering plan is declared effective and the effectiveness amendment is accepted for filing by the Department of Law.

The offering plan may be declared effective by (i) an amendment to the plan or (ii) by personal service of notice on every purchaser or by commencement of service by mail in the manner required by Section 20.1(d) of 13 NYCRR 20.3 stating that the plan is declared effective and submitting an amendment to the Department of Law within five days confirming that the plan was declared effective on a specified date. The amendment must conform to 13 NYCRR 20.5(e).

The offering plan will not be declared effective unless bona fide purchasers, including investors, have signed purchase agreements for at least 15 percent of the units, three (3) units, offered under the offering plan. Units of a primarily ancillary nature such as garage spaces, boat slips or cabanas, may not be counted toward effectiveness. Such units may be excluded from the base in calculating the percentage needed to become effective.

The offering plan will not be declared effective based on purchase agreements: (i) signed by purchasers who have been granted a right of rescission that has not

yet expired or been waived; or
(ii) if the purchaser was not afforded the protections required by paragraph (o)(10) of 13 NYCRR 20.3; or
(iii) with any purchaser who is the sponsor, the selling agent, or the managing agent or is a principal of the sponsor, the selling agent or the managing agent or is related to the sponsor, the selling agent or the managing agent or to any principal of the sponsor or the selling agent or the managing agent by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner; except that such a purchaser other than the sponsor or a principal of the sponsor may be included if the sponsor has submitted proof satisfactory to the Department of Law establishing that the purchaser is bona fide.

The offering plan must be declared effective when purchase agreements have been accepted by sponsor for eighty (80) percent of the units, five units, or more offered under the plan.

If the offering plan is abandoned by sponsor, after the filing and the sponsor has accepted purchase agreements, the sponsor shall promptly submit an amendment to the Office of the Attorney General together with the form RS-3 promulgated by the Office of the Attorney General. If payments under purchase agreements have been received, the amount of such funds and the manner and time when these funds will be returned to purchasers must be disclosed. The funds must be returned within five (5) days after the amendment abandoning the plan has been accepted for filing. If there are no outstanding purchase agreements the sponsor need not submit an amendment but shall submit a form RS-3 to the Office of the Attorney General which shall be served simultaneously by thte sponsor on all commercial or professional tenants , if any, in the manner specified by Section 20.1(d) (1) of this part.

If the offering plan is abandoned by sponsor, before the offering plan is declared effective, within thirty days after abandonment, all monies paid by purchasers shall be refunded to them in full, with interest earned, if any. Sponsor will then promptly file an amendment together with form RS-3 as required by Section 20,1(1) (2) of 13 NYCRR 20.3.

The Sponsor may not abandon this offering plan after effectiveness for any reason other than (i) a defect in title which cannot be cured without litigation or cannot be cured for less than one-half of one percent of the total offering amount; or (ii) substantial damage or destruction of the building by fire or other casualty which cannot be cured for less than one-half of one percent of the total offering amount; or (iii) the taking of any material portion of the property by condemnation or eminent domain. The sum of one-half of one percent of the total offering amount as the figure for the basis for abandonment after effectiveness shall exclude any attorneys fees or any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of the

plan and are either known to the sponsor or are a matter of public record.

N. TERMS OF SALE

(1) The type of deed given to unit owners shall be a Bargain and Sale Deed with Covenants against Grantor's Acts. A form of the Unit Deed is contained in Part II of this offering plan.

(2) Prior to the Effective Date of the Plan, there is no obligation or liability upon Sponsor to repair any damage from a casualty or other cause that occurs before the closing of a purchaser's unit; in such case, if a Purchaser's Unit or the Common Elements serving such Purchaser's Unit that provide access to such Unit have sustained damage due to casualty or other cause, Sponsor shall have the option, in its sole discretion to elect whether or not to repair such damage. If Sponsor elects to repair such damage, then the Purchase Agreement shall remain in effect, except that Sponsor's time for performance under the Purchase Agreement shall be extended as a result the delay occasioned because of said casualty and the time required to perform any necessary repairs. If Sponsor elects not to repair such damage, the Purchaser shall be afforded the right to rescind.

(3) A closing will take place only concurrently with the issuance of a temporary or permanent certificate of occupancy for the entire project or, issuance of a partial, temporary or permanent certificate of occupancy for the unit closed or the building in which the unit is located.

(4) Title to each unit and its appurtenant interest in the common elements will be conveyed at the closing free and clear of all liens, encumbrances and title exceptions other than those described in the offering plan and the proposed unit deed. There will be no leases, mortgages, liens or encumbrances that will affect the property after closing. The state of facts shown on a survey of the land and building and any additional state of facts a subsequent survey would show may be a title exception, provided that such state of facts does not render title unmarketable,

Title to each unit will be subject to the following title exceptions:

a) Utility Easements, if any;

b) Any other covenants, restrictions, easements, or any other encumbrance (other than for the payment of money), provided that they do not prohibit the existence and residential use of the units or, if any, as the case may be;

c) Rights, if any, to maintain vaults and chutes under the sidewalk;

d) The lien of any Common Charges, real estate taxes, water frontage and/or meter charges, sewer rents, vault charges and assessments, provided that apportionment of such items are made as provided in this Plan;

e) Any interim lease with the Purchaser of such Unit and any other leases, tenancies and occupancies permitted by the Purchase Agreement for such Unit;

f) Any lien, encumbrance or lis pendens either (i) for which the instrument required to remove said encumbrance of record is delivered at or prior to the Closing Date to the proper party or to the Purchaser's title insurance company together with the required recording or filing fee or (ii) as to which the Purchaser's title insurance company or the Preferred Title Company will insure that the lie, encumbrance or lis pendens will not be collected out of or enforced against the Unit;

g) The lien of any assessment or assessments which are or may become payable in annual installments of which any installment is then a charge or a lien, provided that apportionment thereof is made as provided below;

h) Party wall agreements, if any;

i) Judgments, bankruptcies or other returns against other persons having names the same as or similar to that of the Sponsor or any of its principals, provided Sponsor delivers to the Purchaser or the Purchaser's title insurance company or the Preferred Title Company an affidavit showing that such judgments, bankruptcies or other returns are not against the Sponsor;

J) Uniform Commercial Code financing statements or conditional bills of sale provided that (i) such statements were filed on a date more than five years prior to the Closing Date, (ii) Sponsor executes and delivers to the Condominium an affidavit setting forth that the property covered thereby is not longer in the Unit or is fully paid for, or (iii) a tenant is the debtor thereunder;

k) The printed exceptions set forth in the title insurance policy issued by a title company that is authorized to do business in the State of New York and that is a Member of the New York Board of Title Underwriters, including without limitation the following:

(l) Defects and encumbrances arising or becoming a lien after the Closing Date;

(m) Consequences of the exercise and enforcement or attempted enforcement of any governmental, war or police powers over the Unit or the Property;

(n) Any laws, regulations or ordinances (including, but not limited to zoning, building, and environmental protection) as to the use, occupancy, subdivision or improvement of the Unit or the Property, adopted or imposed by any governmental body, or the effect of any noncompliance with or any violation thereof;

(o) Judgments against the insured or estates, interests, defects, objections, liens or encumbrances created, suffered, assumed or agreed to, by or with the property of the Purchaser;

(p) Title to any property beyond the lines of the Unit or the Property, or title to areas within or rights to easements in any abutting streets, roads, avenues, lanes, ways or waterways, or the right to maintain therein vaults, tunnels, ramps or any other structure or improvement, other than the ordinary rights of access and egress belonging to abutting owners;

(q) Title to any personal property, whether the same be attached to or used in connection with the Unit or the Property or otherwise;

(r) All of the terms, easements, covenants and conditions of the Declaration and By-Laws as they are subsequently filed or recorded and the Plan and Purchase Agreement and any amendments thereto, including, without limitations, the following:

(s) Easements for the continuance of encroachments on the Unit and on the Common Elements then existing, by reason of the construction, renovation or rehabilitation of the Building, or thereafter occurring by reason of the settling or shifting of the Building, or by reason of the repair, alteration and/or restoration by Sponsor, or the Board or encroachments by such other Units or such Common Elements, 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 any Unsold Unit or the Common Elements made by Sponsor, or the Board and similar encroachments by the Unit on other Units, and/or the Common Elements, so that any such encroachments may remain as long as the Building stands;

(t) Easements in favor of the owners of other Units to use sidewalks, pipes, flues, wires, conduits, ducts, cables, storm drainage facilities, sanitary system, water, sewer, utility lines, and other Common Elements including those located in the Unit itself or elsewhere on the Property,

serving such other Units, and easements of support, subjacency and necessity in favor of each Unit and/or the Common Elements;

(u) Easements to the Sponsor, and their assigns, invitees, licensees, contractors, employees, and tenants on, in, over and across all areas of the Property for (i) construction, installation, maintenance, ingress to and
egress from and the right to use sidewalks, pipes, flues, conduits, ducts, cables, wires, storm drainage facilities, sanitary system, water, sewer, and other utility lines and other Common Elements; (ii) ingress to and egress from all areas of the Property and the use thereof (in common with Unit Owners) for construction contemplated by the Plan and for development and maintenance of the Property or any Unit; and (iii) the erection, maintenance, repair and replacement from time to time of one or more signs on the Property for the purposes of advertising the sale of Units and the leasing of space in any Unit (see also the heading "Sponsor's Right of Access" in "Rights and Obligations of Sponsor");

(v) Easements in favor of the Board, its agents, contractors and employees to have an unlimited right of access to the Unit and to the Common Elements, to inspect, maintain or repair or to make repairs to the Unit to prevent damage to the Common Elements, or any other Units;

(w) Sponsor shall have an easement without the necessity of obtaining the consent of the Condominium Board and/or Unit Owners (1) over the Property, including each Unit and the Common Elements, for access to and to construct, install, erect, inspect, maintain, repair, operate, use and replace from time to time one or more Signs (as hereinafter defined) on the Property (including, without limitation on any Common Element, exterior facade, lobby or any other public portion of the Property) for the purposes of advertising the sale of Units and the leasing of the Units or of space in any of the Units or advertising any of the services and/or facilities of such Unit Owner or the services and/or facilities of any tenant occupying such Unit Owner's Unit(s); (2) over the Property, including each Unit and the Common Elements in connection with the sales and/or leasing of Units; (3) over any portion of the Property, including each Unit and the Common Elements (including, without limitation, the stairways, walkways, elevators if any, vestibules and other public spaces within the Property) for purposes of access to and for all purposes in connection with the installation (whether on Common Elements or within its Unit), inspection, maintenance, repair, operation, improvement or use of any of the following serving their respective Units, the Service Equipment, flues and/or ducts, security systems (including, without limitation, any and all cables and electrical lines as may be desirable in connection with the installation, maintenance, repair and/or replacement of telecommunications or similar equipment on any portion of the roof that is

not a Residential Limited Common Element or part of Residential Unit) heating, air-conditioning systems and devices and exhaust and ventilation fan, systems and devices, in each case, located anywhere on the Property.

(x) Any additional declarations, covenants, restrictions, reservations, exceptions, easements and agreements which have been recorded or appear in recorded documents, or are yet to be recorded, provided they do not prevent use of each unit as a Condominium Unit.

(5) All personal property located within the unit on the date the purchase agreement is signed or located within the common elements on the date the declaration is filed, that is owned by the sponsor or the owner of the property, is included in the conveyance to a purchaser.

(6) The declaration, by-laws and floor plans for the condominium and such other documents, as required by law, will be recorded or filed prior to the first conveyance of title to a unit in accordance with the New York Condominium Act or applicable state and local law. The aforesaid documents will be recorded in the office of the City Register in the County where the Condominium is located.

(7) PURCHASER IS OBLIGATED TO PAY NEW YORK STATE AND NEW YORK CITY REAL PROPERTY TRANSFER TAXES. WHILE THE NEW YORK STATE AND NEW YORK CITY TRANSFER TAXES ARE CUSTOMARILY PAID FOR BY THE SELLER IN SINGLE FAMILY HOME TRANSACTIONS, THE BURDEN OF PAYING SUCH TAXES MAY BE MODIFIED BY CONTRACT. AS IS COMMON WITH MANY OTHER CONDOMINIUM DEVELOPMENTS IN NEW YORK STATE, THE PURCHASE AGREEMENT PROVIDES THAT THE PURCHASER OF A UNIT WILL BE REQUIRED TO PAY THESE TRANSFER TAXES AT THE CLOSING.

(8) If there are any existing mortgages or construction loans on the condominium premises which will not be satisfied at or prior to the closing of the first unit, then at the time of conveyance of the first unit, each mortgagee will either: (i) consent to the formation of a condominium and acknowledge that its lien will be limited to unsold condominium units; (ii) subordinate the lien of its mortgage to the declaration of condominium; or (iii) release its lien on the condominium unit being conveyed and its interest in the common elements.

(9) Each Purchaser will be required to execute and deliver at the closing: (i) a New York City Real Property Transfer Tax Return and New York State Real Estate Transfer Tax Return and Credit Line Mortgage Certificate, in the forms required to be filed by law; and (ii) a Unit Owner Power of Attorney substantially in the form set forth in Part II of the Plan,

O. UNIT CLOSING COSTS AND ADJUSTMENTS

1. The estimated closing costs and expenses to be incurred by each purchaser upon the purchase.

Estimated Cost Fees and Charges to be Paid by Purchaser:

(i) At the time of the closing, the purchaser will be responsible for paying the costs, fees and charges in connection with the closing of title: title insurance fee premium; title insurance mortgage premium if the purchaser obtains mortgage financing; mortgage recording tax; New York State Real Property Transfer Tax; New York City Real Property Transfer Tax; Recording fees for the recording of the deed, mortgage and unit power of attorney; contributions to the condominium's working capital fund; first month's common charges; survey fee; 421-A/ICIP tax abatement fee and sponsor's attorney's fee.

Title Insurance Fee Premium:

Fee title insurance is available from Washington Title Insurance Company, 31 Strewart Street, Floral Park, NY 11001 or from a title insurance company selected by the Purchaser. Current rates for fee title insurance in accordance with the scheduled rates set by the New York Board of Title Underwriters and filed with the New York State Insurance Department are set forth below (approximate amounts): (Sponsor does not guaranty the accuracy of the title insurance rates set forth herein).

Fee Amount		Premium
$35,000	$402 + $6.67 per thousand up to $	50,000
50,000	502 + $5.43 per thousand up to $	100,000
100,000	774 + $4.36 per thousand up to $	500,000
500,000	2,518 + $3.98 per thousand up to $	1,000,000

Title Insurance Mortgage Premium.

(2) If Purchaser elects to simultaneously obtain both fee title insurance and mortgage title insurance, the premium for the mortgage title insurance will be at a simultaneous rate. The premium for mortgage title insurance will be computed using the "Basic Rate" schedule as described below. The premium on the amount of the loan policy that does not exceed the owner's policy shall be calculated at thirty percent (30%) of the regular scheduled rate for loan policies according to the rates set forth below:

Fee Amount		Premium
$35,000	$344 + $5.00 per thousand up to $	50,000
50,000	427 + $5.00 per thousand up to $	100,000

100,000	654 + $5.00 per thousand up to $ 500,000

Cost of Survey.

Each purchaser shall also be required to pay the cost of any survey or survey inspection prepared at his request. Purchaser shall reimburse to seller the sum of 200.00 as contribution of costs of surveys and surveying serives incurred by sponsor. Prints of Sponsor's survey will be available for a nominal charge.

Cost of Recording Documents.

B. The fee charged by the new York City Register's Office fo the recording of the deed is approximately $200.00. Fee for the recording of the unit power of attorney is approximately $75.00.

Costs to Purchaser for the Payment of New York State and New York City Transfer Taxes.

C. The New York State deed documentary stamps, currently $4.00 for eachone thousand dollars ($1,000.00) or fractional portion thereof, of the purchase price plus a $5.00 service charge. The New York City Transfer Tax is 1.00% of the purchase price up to $500,000.00 and 1.425% over $500,000.00 (for example - $1,000.00 or 1,425.00 respectively per $100,000.00 of purchase price). The actual transfer taxes to be paid by Purchaser are set forth in this offering plan. Because the Purchaser is required to pay the New York State and New York City Transfer taxes, thetax is based on additional consideration amounting to 1.4% of the price of the unit.

(For example, for a unit price of less than $500,000 – if the unit price is $400,000.00, for purposes of calculating the transfer taxes, the unit price of $400,000.00 is multiplied by 1.014 for a total price for tax purposes of ($405,600.00). The transfer taxes are added as additional consideration on which the tax is calculated Therefore, the New York State Transfer Tax would be $1,622.40 instead of $1,600.00, and the New York City Transfer Tax would be $4,056.00 instead of $4,000.00.

(For example, for a unit price of moree than $500,000 – if the unit price is $580,000.00, for purposes of calculating the transfer taxes, the unit price of $580,000.00 is multiplied by 1.014 for a total price for tax purposes of ($588,120.00).

The transfer taxes are added as additional consideration on which the tax is calculated Therefore, the New York State Transfer Tax would be $2,352.50

instead of $2,320.00, and the New York City Transfer Tax would be $8,381.00 instead of $8,265.00.

The New York City Department of Finance has taken the position that when a Purchaser purchasers two or more Units, the New York City Transfer Tax may be 1.425% where the consideration is $500,000.00 or less and 2.625% where the consideration is greater than $500,000.00. Purchasers are advised to discuss this with their own attorney and/or accountant if they purchase two or more units. Under Section 1402-a of the New York Tax Law, a "Mansion Tax" of one percent (1%) of consideration is payable by the grantee (purchaser) on each conveyance of residential real property, including condominium units where the consideration for the entire conveyance is $1,000,000.00 or more. Residential real property includes a one to three family house, an individual condominium unit, and a cooperative unit that is or may be used, in whole or in part, as a personal residence.

Cost of Mortgage Recording Taxes.

In the event that a Purchaser obtains a mortgage from a lending institution, then he or she will customarily pay at the closing of tile the following additional costs: (i) mortgage recording taxes in the amount of 1.80% of the first ten thousand dollars of the amount of the mortgage executed by the Purchaser and a mortgage recording tax of 2.05% of the amount of the balance of the mortgage actually executed by Purchaser for mortgages in the amount of less than $500,000.00. The mortgage recording tax for mortgages in the amount of $500,000.00 or more is 2.175% after the $30.00 deduction on the first ten thousand dollars of mortgage amount and, (ii) in addition, the recording charges imposed by the New York City Register which are approximately $20.00 plus $5.00 per page or part thereof and a service charge of approximately $20.00 per document. All purchasers will also be required to pay all fees and charges imposed by their respective lending institutions. Purchaser will also likely pay lender's appraiser fees, origination fees, lender's attorney's fees, reserves for real estate taxes and insurance premiums. The Sponsor makes no representation as to what additional closing costs may be charged by a particular lender.

Working Capital Contribution by Purchaser.

A Working Capital Fund for the Condominium shall be established as follows: Upon the closing of the purchase of a Unit, the Purchaser will be required to pay to the Condominium an amount equal to two months' Common Charges then in effect for the Unit pursuant to the budget in accordance with Schedule A hereto, as the same may be amended from time to time ("Unit Working Capital Fund Contribution") as initial working capital. This contribution is not refundable or transferable if the Purchaser sells his or her Unit.

Cost of Purchaser's Attorney's Fees.

Purchaser shall have the sole responsibility for payment of his or her own attorneys fees and any attorneys fees or other fees required by his or her lending institution.

Late Fees.

If the Purchaser fails to close on the Closing Date for any reason, then (i) the closing adjustments shall be made as of midnight of the day preceding the date originally scheduled for the Closing Date and (ii) the Purchaser shall pay to Sponsor, as a late fee, an amount equal to .03% times the unpaid portion of the purchase price for his or her Unit for each days delay, beginning with the date originally scheduled for the Closing Date to and including the day immediately preceding the actual Closing Date. The provisions of this paragraph shall not be applicable if, through no fault of Purchaser, Sponsor postpones the Closing Date except to the extent that thereafter the Purchaser postpones the closing for any reason or is in default.

Estimated Apportioned Costs. Fees and Charges to be Paid by Purchaser:

The following costs are to be apportioned at the closings:

If units have not been separately assessed for real estate tax purposes prior to the closing of title to the first unit, sponsor may place in escrow, in the name of the board of managers, an amount equal to the unpaid real estate taxes which will be levied against the parcel for the six month period following the first closing. Alternatively, the sponsor may place in escrow, in the name of the board of managers, an amount equal to the real estate taxes attributable to the unsold units for such six month period and may collect at each unit closing the estimated amount of taxes attributable to such unit for the balance of the six month period. The board of managers will pay the real estate taxes from the escrow account when taxes are due and payable and the under of the escrow account will be entitled to reimbursement from unit owners to the extent of the actual assessment. No escrow will be required if the condominium by-laws include as part of the common expenses, real estate taxes on the property until the units are separately assessed and after assessment unit owners will be reimbursed for any overpayment of taxes or assessed for an underpayment. (ii) Numerical Examples of Closing Costs for Typical Condominium Unit 2A. The following is an example of the closing costs applicable to a purchase price of $386,100.00 and a mortgage of $308,880.00:

Unit – 2A	
Offering Price	$386,100.00
Mortgage Amount	$308,880.00

Examples are all approximations:

Title Insurance Fee Premium	$1,433.00

Title Insurance Mortgage Premium	$708.00
Mortgage Recording Tax	$6,919.80
New York State Transfer Tax	$1,236.00
New York City Real Property Transfer Tax	$3,090.00
New York State Mansion Tax	0
Recording of Deed, Mortgage, Unit Power of	$125.00
Contribution to Working Capital Fund (est.)	$299.12
First Month's common charges (est.)	$149.56
Survey Fee	$200.00
421-A/ICIP Tax Abatement Fee	$5,791.50
Basic Sponsor's attorney's fee	$1,250.00
Total estimated closing costs	$21,463.30

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(2) Credits for Mortgage Recording Taxes Paid by Sponsor.

To the extent that the Purchaser is entitled to any credit against the mortgage recording tax by reasons of any prior mortgage against the Unit or the Property, the Purchaser shall pay to the Sponsor at the closing for such Unit the amount of any such credit. The Sponsor may pay or may have paid a mortgage recording tax in connection with obtaining a construction loan mortgage for the construction of the Property. Section 339-ee(2) of the New York Real Property Law provides for a mortgage tax credit upon transfer of the Units. Because the Sponsor has obtained construction loan financing, and has paid mortgage recording taxes, the mortgage tax credit will be applicable. If the Sponsor has not yet obtained construction financing, and does so prior to conveying units, then Section 339-ee(2) of the New York Real Property Law would be applicable. The pertinent language of the statute is as follows:

> If in the event the proceeds! of a construction mortgage were applied to construction of a unit of a condominium submitted to the provisions of this article, or in the event that a unit submitted to the provisions of this act was subject to a blanket mortgage, and a mortgage tax was duly paid on such construction or blanket mortgage in accordance with article eleven of the tax law, then, as each unit is first conveyed, there shall be allowed a credit against the mortgage tax that would otherwise be payable on a purchase money mortgage, said

credit to be in the amount resulting from the product of the purchaser's pro rata percentage of interest in the common elements and the mortgage tax already paid on the construction or blanket mortgage. No credit shall be allowed under this subdivision (a) on account of the special additional mortgage recording tax imposed by subdivision one "a" of section two hundred fifty three of the tax law or (b) where the first condominium unit is sold more than two years after the construction or blanket mortgage was recorded".

The Sponsor shall receive the benefit from any credit on purchasers mortgage recording tax which may be available pursuant to the quoted statute. Accordingly, at closing, each purchaser electing mortgage financing shall pay the full amount of the mortgage recording tax chargeable on the entire amount being financed. Sponsor will be reimbursed at closing to the extent of any mortgage tax credit allowed.

(3) Mortgage financing costs.

The purchaser will be responsible for all closing costs in connection with mortgage financing if the purchaser obtains a mortgage. Bank fees are not included in obtaining mortgage financing.

(4) Costs for Sponsor's Attorney's Fees to be Paid by Purchaser.

Purchaser shall pay the fee of Sponsor's closing attorneys in the amount of $1,250.00 per unit at the time of closing. If a closing takes place, at the request of the Purchaser, at any location other than the office of Sponsor's attorney, Purchaser shall pay to Sponsor's attorney (in addition to the fee set forth above), a travel fee in the sum of $250.00, In the event that a closing is adjourned with Sponsor's consent, at the request of the Purchaser, or Purchaser's attorney within forty eight (48) hours of the scheduled time of closing, Purchaser shall also pay Sponsor's attorney an adjournment fee in the sum of $250.00.

(5) Apportioned Costs to be Paid by Purchaser.

If units have not been separately assessed for real estate tax purposes prior to the closing of title to the first unit, sponsor may place in escrow, in the name of the board of managers, an amount equal to the unpaid real estate taxes which will be levied against the parcel for the six month period following the first closing. Alternatively, the sponsor may place in escrow, in the name of the board of managers, an amount equal to the real estate taxes attributable to the unsold units for such six month period and may collect at each unit closing the estimated amount of taxes attributable to such unit for the balance of the six month period. The board of managers will pay the real estate taxes from the escrow account when taxes are due and payable and the funder of the escrow account will be entitled to reimbursement from unit owners to the extent of the actual assessment. No escrow will be required if the condominium by-laws include as part of the common expenses, real estate taxes on the property until the units are separately assessed and after assessment unit owners will be reimbursed for any overpayment of taxes or assessed for an underpayment.

P. RIGHTS AND OBLIGATIONS OF THE SPONSOR

(1) The Sponsor has no obligation to defend any suits or proceedings arising out of Sponsors acts or omissions and no obligation to indemnify the Board of Managers and Unit Owners, except for claims arising out of the acts, omissions or representations of the Sponsor, as limited in this Offering Plan.

(2) All representations under the Offering Plan, all obligations pursuant to the General Business Law, and such additional obligations under the Offering Plan which are to be performed subsequent to the closing date will survive delivery of the deed.

(3) Sponsor and its principals will remain liable notwithstanding any disclaimers or limitations of liability on the part of the sponsor or its principals for failure to perform any obligation imposed by applicable statute or regulation. This offering plan does not include any financial limitation on sponsor's liability for failure to perform its obligations under the offering plan.

(4) The sponsor agrees to pay all common charges, special assessments and real estate taxes with respect to unsold units. Sponsor represents that it has the financial resources to meet its obligations with respect to unsold units. Sponsor will fund its financial obligations to the condominium through sale of a condominium unit pursuant to this plan or through cash on hand. No bond or other security has been furnished to secure Sponsors obligations under this plan or to complete construction of the building. Because the sponsor is retaining the

unconditional right to rent rather than sell units , this plan may not result in the creation of a condominium in which a majority of the units are owned by owner-occupants or investors unrelated to the sponsor

(5) Sponsor is not obligated to repair any damage from a casualty or other cause that occurs before the closing of a purchasers unit. Sponsor will notify purchaser within 30 days from a casualty or other cause that occurs , whether the sponsor will repair damages or not. If Sponsor elects to repair or restore the unit, purchaser shall not have the right to reject title or receive a credit against or abatement in the purchase price and seller shall be entitled to a reasonable period of time within which to complete the repair or restoration. In the event that Sponsor notifies purchaser that it does not elect to repair or restore the unit or, if the Declaration has been recorded prior thereto and the Unit Owners do not resolve to make such repairs or restoration pursuant to the By-Laws, the contract of sale shall be deemed canceled and of no further force or effect and seller shall return to purchaser all sums deposited by purchaser hereunder, together with interest earned thereon, and neither party shall have any further rights, obligations or liability to or against the other. The parties shall also be released from all obligations and liability under the contract of sale and this Plan, except that if purchaser is then in default under the contract, Sponsor shall retain all sums deposited by purchaser pursuant to the contract together with interest earned thereon as and for liquidated damages.

(6) Sponsor shall procure fire and casualty insurance, as set forth in Schedule B (Part I, Section "F"), pursuant to an agreed amount replacement value policy or in an amount sufficient to avoid co-insurance as reflected in Schedule "B". Such insurance will provide that each Unit Owner is an additional insured and that there will be no cancellation without notice to the Board of Managers and Unit Owners. The insurance policies will also contain waivers of subrogation, waivers of invalidity, due to acts of the insured and Unit Owners and waivers of pro-rata reduction of liability of the insurer due to other insurance carried by individual Unit Owners.

(7) In the event of the dissolution or liquidation of the Sponsor or the transfer of ten or more units or twenty percent or more of the total number of units in the condominium, whichever is less, the principals of the sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of the Sponsor for those units under the Offering Plan, applicable laws or regulations.

(8) Sponsor has obtained construction financing at the time of submission of the offering plan to the New York State Department of Law. Sponsor will be obligated to pay off and otherwise comply with the terms of the construction loan mortgage on the entire Condominium. After the recording of the Declaration and before the closing of title to the first Unit, the construction loan mortgage, if any, will be satisfied, or released, or subdivided, extended and consolidated with the

individual permanent mortgages which will be placed on the Units of those Purchasers obtaining a purchase money mortgage. In addition, before the closing of title to the first Unit, all liens and mortgages affecting the Condominium shall be paid and satisfied or the Unit being conveyed and its appurtenant Common interest shall be released therefrom by partial release duly recorded.

(9) Sponsor shall have the obligation to build and complete the Condominium in accordance with applicable codes and the building plans and specifications identified in this Offering Plan.

(i) Sponsor shall have the right to substitute equipment or materials of equal or better quality and design as those originally specified. Sponsor shall not substitute equipment or materials of lesser quality or design.

(ii) Sponsor may modify the layout or design of the building but Sponsor may not change the size, or location of the units if such changes affect the percentage of common interests or adversely affect the value of any Unit to which title has closed or for which a Purchase Agreement has been executed and is in effect unless all affected Unit Owners and contract vendees consent in writing to such change. The sponsor's obligation to build and complete the condominium in accordance with the building plans and specifications identified in the plan and sponsor's right to substitute equipment or materials and make mo
difications of layout or design, provided however, that sponsor may not;

(i) substitute equipment or materials of lesser quality or design; or

(ii) change the size, location of buildings or units other improvements or common elements if such changes affect the percentage of common interests or adversely affect the value of any unit to which title has closed or for which a purchase agreement has been executed and is in effect unless all affected unit owners and contract vendees consent in writing to such change.

(10) Except as provided, in paragraph (11) below or by exemption granted by the Department of Law pursuant to Section 20.1(i) of this Part, Prior to closing the first unit, sponsor must obtain a permanent certificate of occupancy for the property or, alternatively, obtain a temporary or partial certificate of occupancy for the unit or the building in which the unit to be closed is located. The sponsor and its principals must obtain a permanent certificate of occupancy for the property within a projected timetable after closing the first unit. It is anticipated and expected that the permanent certificate of occupancy will be obtained within, one (1) year from the date of the first closing. Sponsor must obtain the permanent certificate of occupancy before the partial or temporary certificate of occupancy expires, unless extended.

(11) Notwithstanding paragraph (10) above, the offering plan is subject to the

provisions of GBL Section 352-ee. The common areas and public portions of the building will be completed before the closing of title to the first unit.

(12) The following applies to Units which close prior to issuance of a Pemanent Certificate of occupancy:

(i) Sponsor will maintain all deposits and funds received from purchasers in a special escrow account in accordance with Section 352-e (2-b) of the General Business Law, unless Sponsor's engineer, architect or other qualified expert certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent certificate of occupancy, in which case the sum exceeding the amount so certified by such engineer or architect may be released from the special escrow account. Alternatively, Sponsor may deposit with an escrow agent an unconditional, irrevocable letter of credit or post a surety bond in the amount so certified.

(ii) Notwithstanding subparagraph (i) above, if the offering plan is subject to the provisions of GBL, Section 352-ee, sponsor is required to maintain all deposits and funds in the special escrow account required by GBL Section 352-e(2-b) unless the sponsor's engineer or architect may be released from the special escrow account. Alternatively, , Sponsor must deposit with an escrow agent an unconditional, irrevocable letter of credit, post a surety bond in the amount so certified, or provide other collateral acceptable to the office of the attorney General.

It has been customary for units in newly constructed and gut rehab co-ops and condos to close after a TCO covering such units has been issued. Sponsor will send closing notices for units covered by TCOs and purchasers will be required to close with a TCO, rather than a permanent CO in place. TCOs are issued for 3 months at time and may be extended for upto 2 years.after which they must be succeeded by a permanent CO.

The NYC Department of Buildings advises purchases of houses and apartments, who close with only a TCO in place, to consult with their attorneys and engineers to assure that sufficient funds are escrowed or otherwise secured for sponsor to obtain a permanent or final CO. It is strongly recommended that buyers consult the "DOB Website Consumer Tips" for its recommendation when buying units in a building that does not have a Final Certificate of Occupancy.

The Sponsor Anticipates that they will have a permanent CO prior to 2 years after the closing of its first unit.

(13) All Units, Common Elements and Limited Common Elements offered pursuant to this Plan are sold as described in this Plan. Sponsor makes no

warranty whatsoever regarding materials, workmanship or any other aspect of the Units, Common Elements, Limited Common Elements or any portion thereof, except as stated in the Limited Warranty, annexed to the Purchase Agreement as Exhibit I. (See Purchase Agreement Part I, Section "EE").

(14) Upon the closing of title, Sponsor will assign to the purchaser, and to the Board of Managers upon the recording of the Declaration, all applicable warranties, if any, of manufacturers and subcontractors relating to heating, electrical work, plumbing, and appliances, as well as bonds relating to the purchasers Unit or the Common Elements, if any. Sponsor undertakes to supply warranties only to the extent that warranties are actually made by such manufacturers and subcontractors and only to the extent that such warranties and bonds are assignable. The Housing Merchant Implied Warranty Law (General Business Law, Article 36-B) does not apply to the condominium units, and a limited warranty does apply as set forth in this offering plan.

(15) Sponsor will pay the cost of all authorized and proper work involved in the construction, establishment and sale of the condominium property that Sponsor is obligated to complete under the Plan and to cause all mechanics liens filed with respect to the construction of the building to be promptly discharged or bonded.

(16) Sponsor will deliver a set of "as built" plans to the Board of Managers. Except as specifically set forth in this Plan, no bond or other security has been furnished to secure Sponsor's obligations to complete construction after closing title to the first unit and obtain a permanent certificate of occupancy and all necessary permits.

(17) Except as specifically set forth in the plan no bond or other security has been furnished to secure sponsor's obligations to complete construction after closing title tot the first unit and obtain a permanent certificate of occupancy and all necessary permits.

(18) The Sponsor is obligated to repair any damages caused by Sponsor or Sponsor's contractors to any condominium unit and the common areas as a result of the work performed in accordance with gaining access to condominium units and/or the common areas. The Sponsor may not interfere with the unit owner's use and may only gain access to sold units during normal business hours, from 8AM to 5PM, Monday through Friday.

Q. CONTROL BY SPONSOR

Sponsor's initial control of the Board of Managers of the Condominium will be subject to the following:

Board of Managers:

The Condominium By-Laws, as set forth in Part II, Section "MM" of the Plan, provide for a two (2) member Board of Managers whose members will be designated by the Sponsor. The principals of the Sponsor, Al Bokhour will serve as the first officer and members of the Board of Managers. Additionally, the Sponsor's attorneys, Alan Gerson, Esq. of Bruce Montague and Partners will serve as officers and members of the Board of Managers.

The sponsor will appoint and have voting control of all two (2) members of the Board of Managers until the first meeting of Unit Owners which will be called within 90 days after the first closing of title to a Unit.

Control of Management by Sponsor

As long as the Sponsor or its designees shall own Units representing 25% or more in common interest or for a period of five (5) years after closing of title to the first unit, whichever occurs first, the Board of Managers may not, without the prior written consent of the Sponsor or its designees, (i) make any addition, alteration or improvement to the Common Elements, Limited Common Elements or to any Unit or (ii) assess any common charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund except that Sponsor will consent to replacements to the contingency fund provided for in Schedule B to the extent that the aggregate amount of such fund does not exceed 5% of the budget expenses of the Condominium or (iii) borrow money on behalf of the Condominium (except where necessary to perform work required by law) to the extent that existing reserves are insufficient or (iv) amend the Declaration or By-Laws of the Condominium so as to in any way adversely affect Sponsor or its designees. At no time will the Board of Managers interfere with the offer and sale or leasing of Units, operation of or sales and leasing offices on the premises, or with any actions necessary for construction, renovation, repair or correction on the Property as required by Sponsor or its designee. Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required: (i) to comply with applicable laws or regulations; or (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer.

R. BOARD OF MANAGERS

I The form of the Declaration of Condominium and the By-Laws referred to in the Plan appears in Part II, Sections "LL" and "MM".
The following is a summary of certain provisions of the By-Laws and Declaration:
(1) The affairs of the Condominium will be governed by a Board of Managers consisting of two (2) members. Persons eligible to be members of the Board of Managers (other than the designees of the Sponsor) shall be Unit Owners, mortgagees of units, partners or employees of a partnership owning a unit or a mortgage covering a unit, shareholders, officers, directors or employees of corporate owners or corporate mortgagees of units, or fiduciaries or officers or

employees of fiduciaries who are owners or mortgagees of units, Members of the Board of Managers will serve as follows: one (1) member shall be elected for a term of three (3) years: one (1) member shall be elected for a term of two (2) years: until their successor is elected, whichever is later, except that a new Board of Managers will be elected at the first annual meeting after the first closing of a unit even if the current board has not served for one year. Annual meetings will be held on the first anniversary of the second meeting of Unit Owners, (or if the second is not held, on the first anniversary of the first meeting), and annually thereafter on the same day unless such day shall fall on a Saturday, Sunday or legal holiday, in which event the meeting for that year shall be held on the succeeding Monday.

The By-Laws authorize the President to call a special meeting of the Unit Owners if so directed by resolution of the Board of Managers or upon a petition signed and presented to the secretary by not less than 25% in common interest, in the aggregate, of the Unit Owners.

(2) Anticipated First Officers and Members of the Board of Managers:

The names of the anticipated first officers and members of the Board of Managers are: Al Bokhour, President and Alan Gerson.
Al Bokhour is a principal of the sponsor, is a principal of the sponsor.
Alan Gerson, esq. is not the principal of the sponsor.

(3) The board of managers may obtain an insurance policy for the condominium to include coverage for Officers and Board of Managers Liability. This would provide insurance coverage for any personal liability of the board of managers. Any person who serves as a member of a Board of Managers can be subject to an action for a perceived wrong. The insurance coverage that the board of managers may obtain would be sufficient to indemnify against all claims. However, no representation is made that the coverage will be adequate in all cases and no representation is made that the coverage will include actions outside the scope of the duties of a member of the Board of Managers or an officer of a condominium.

The Unit Owners shall indemnify and hold harmless each of the officers of the Condominium against all liability to others arising from their acts as, or by reason of the fact that such person was an officer. It is intended that officers shall have no personal liability with respect to any contract made by them on behalf of the Condominium within the scope of their authority. It is also intended that the liability of any Unit Owner arising out of any contract made by any officer or out of the aforesaid indemnity in favor of the officers shall be limited to such proportion of the total liability thereof as his interest in the common elements bears to the interests of all Unit Owners in the common elements.

Every agreement made by any officer 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 agents for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners) and that any liability of a Unit Owner thereunder shall be limited to such proportion of the total liability of a Unit Owner thereunder as his interest in the common elements bears to the interests of all Unit Owners in the common elements. Board members have a fiduciary duty to unit owners and may be charged with self dealing if they contract with sponsor, or affiliates of sponsor, or otherwise act in bad faith.

(4) All members of the Board of Managers shall serve without compensation and the Sponsor has agreed that the By-Laws will not be amended to provide otherwise while the Sponsor owns 15% or more of the units, (see Part II, Section MM, Article XII, Section 1).

(5) The officers and members of the Board may not be removed by the Board of Managers except for just cause. For the purposes of this Plan, "just cause" is defined as follows: (1) willful misconduct in following the legitimate directions of the Board of Managers, (2) theft or misapplication of condominium property or money, (3) conviction of a felony, (4) habitual drunkenness or substance abuse, (5) excessive absenteeism from Board of Managers meetings, (6) dishonesty or fraud and (7) breach of fiduciary duty,(6) Except with regard to amendment of the

(6) Declaration or By-Laws, voting rights of Unit Owners shall be on the basis of one vote per unit. In the event of deadlock, then the vote shall be computed on the basis of percentage of common interest. The percentage of common interest needed to amend the Condominium's By-Laws and to change the Declaration of Condominium after it has been filed is sixty-six and two-thirds percent (66 2/3%) in number and in common interest of all Unit Owners at a meeting of Unit Owners duly held for such purposes.

(7) Amendment of the Declaration and By-Laws.
The Declaration can be amended with the approval of at least 66 2/3% in number of all Unit Owners, in accordance with the provisions of the By-Laws, provided, however, that The common interest appurtenant to each Unit as expressed in the Declaration shall not be altered without the consent of all Unit Owners affected.

The By-Laws may be amended by approval of 66 2/3% in number and in common interest of all Unit Owners at a meeting of Unit Owners duly held for such purposes.

S. RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND THE BOARD OF MANAGERS

(1) Sale or Lease of Unit: Right of First Refusal of Board of Managers
Any Unit Owner shall have the right to sell or lease his or her Unit under the

following terms and conditions:

A. The Unit Owner shall first give the Board of Managers thirty (30) days prior written notice of the terms of any bona fide sale or lease, together with a copy of a contract of sale or lease to be executed by a prospective purchaser or tenant, which the Unit Owner desires to execute; Written notice with a copy of the contract of sale or lease shall be sent to the managing agent, if any, or to the President of the Condominium;

B. If the Board of Managers fails to act within such thirty (30) day period, it shall be deemed to have consented to the proposed transaction;

C. If the Board of Managers refuses to consent to the transaction, it shall, within the thirty (30) day period, either:

(i) produce a purchaser who will purchase or lease the unit upon the same terms as stated in the Unit Owner's notice to the Board of Managers, or

(ii) agree to purchase or lease the Unit on behalf of all other Unit Owners on the same terms stated in the contract of sale submitted to the Board of Managers.

In connection with the foregoing, the Board of Managers may not purchase or lease a Unit without the approval! of a majority of the Unit Owners (as such term "majority" is defined in the By-Laws). In the event that the Board of Managers does not have sufficient funds on hand for the purchase or lease of a Unit which has been approved by the majority of the Unit Owners, the Board of Managers may borrow such funds or may assess the Unit Owners in proportion to their respective common interests to the extent of the purchase price or lease amount. In the event that the Board of Managers does not either produce a purchaser or lessee for the Unit or agree to purchase or lease the Unit on behalf of all of the Unit Owners as set forth above within the stated thirty (30) day period, the Unit Owner shall have the right to consummate the sale on the terms submitted to the Board of Managers, as more specifically set forth in the Declaration and By-Laws.

Any lease of a Unit shall be in the form recommended for apartments by the Real Estate Board of New York, except as otherwise provided in the By-Laws. The restrictions upon the sale and lease of Units set forth in this Section shall not apply to the Sponsor, or its designee, or to a mortgagee acquiring title in foreclosure or by deed in lieu of foreclosure. The Board of Managers shall be required to cooperate in providing appropriate physical access to any such Unit and the common elements, as well as all financial information regarding same. The restrictions upon the sale and lease of Units, set forth in this Section shall not apply to the Sponsor, or its designee, or to a mortgagee (including the holder of a construction loan, if any) acquiring title in foreclosure or by deed in lieu of foreclosure: The foregoing persons shall be free to sell or lease without first notifying or obtaining the consent of the Board of Managers. The Board of Managers shall be required to cooperate in providing appropriate physical access to any such Unit and the common elements, as well as all financial information regarding same.

A Unit acquired or leased by the Board of Managers pursuant to the Right of First

Refusal described herein may be sold, leased, mortgaged or otherwise dealt with in the discretion of the Board of Managers. The proceeds of such disposition will be received by the Board of Managers on behalf of all Unit Owners in proportion to their respective common interests.

Notwithstanding the foregoing, no Unit Owner may sell or lease his Unit if he is in arrears on payment of common charges.

Unit Owners will be free, without restriction, to sell or lease their respective Units to a spouse or, any adult children, without first offering the unit for sale or lease to, or obtaining the consent of the Board of Managers. Furthermore, a Unit Owner is free, without restriction, to make a gift of his Unit to anyone during his lifetime, to devise such Unit by will or pass such Unit by intestacy. No Unit can be sold, leased or in any way transferred apart from its appurtenant interest in the Common Elements.

The Board of Managers may make further restrictions on or conditions to sale or lease of Units in the future consistent with the Condominium Declaration, By-Laws and applicable law.

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

(2) Mortgaging of Units by Unit Owners
Every Unit Owner shall have the right to mortgage his or her Unit without restriction, provided that any such mortgage shall be substantially in the form of the New York statutory form of mortgage, except any and all changes or additions as may be necessary in order to permit a particular bank, trust company, savings and loan association or other institutional lender to make the mortgage loan.

(3) Common Charges and Assessments
(i). Unit Owners shall pay common charges and assessments levied by the Board of Managers. The Board of Managers shall be required to prepare budgets at least annually. However, the Board of Managers may prepare budgets at more frequent intervals if it so desires. A copy of each budget shall be furnished to each Unit Owner. Each Unit Owner shall be required to pay common charges and expenses in accordance with his or her proportionate interests in the Common Elements in order to insure collection of sufficient funds to meet the Condominium's budget. Common charges (except those adjusted at closing) shall be billed and be payable in advance on a monthly basis. Common Charges are due on the first day of each month. Common charges not received by the Board of Managers or its designated managing agent, by the tenth day of the month are deemed late. (See Section "MM", Article V, Section 5, By-Laws for discussion as to late fees.)

(ii). The Board of Managers shall have the right to accumulate reserves for capital expenditures or otherwise by establishment of a reserve fund. The building may be used by the Board of Managers for condominium purposes in the exercise of its business judgment on how to run the affairs of a condominium. The Board of Managers shall have the sole right to determine the amount of money to be kept in the reserve fund and how to invest it provided that the investment is made according to applicable law.

(iii). Liability of a Unit Owner for common charges and assessments can only be terminated by the sale of the unit. As long as the Unit Owner has title to the Unit, the Unit Owner is responsible for the payment of common charges and assessments.

(iv). Section 339-z of the Real Property Law of the State of New York states that the Board of Managers will have a lien on each Unit for unpaid common charges assessed by the Board of Managers on behalf of the Unit Owners. The common charge lien will only be subordinate to liens for real estate taxes on the Unit and any unpaid amount due on a first mortgage of record on such Unit. A lien for unpaid common charges against the Unit becomes effective upon the filing of a notice of lien in the office of the Register of the City of New York, County of Brooklyn, Kings, Such lien shall be in effect for six (6) years from the date of filing unless all common charges secured by the lien have been fully paid with interest or unless an action for foreclosure of the lien is commenced. The Board of Managers may commence legal action to foreclose the lien on behalf of the Unit Owners in a similar manner to the foreclosure of a mortgage on real property or an action may be brought by the Board of Managers to recover unpaid common charges without foreclosing the lien.

(v). The Sponsor will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law on units in which Sponsor is more than thirty (30) days in arrears of common charges while Sponsor is in control of the Board of Managers,**(See Part II, Section MM, Article VI , Section 7).**

New York State RPL §339-kk provides the following;
For the purposes of this section, "non-occupying owner" shall mean a unit owner in a condominium association who does not occupy the dwelling unit.
If a non-occupying owner rents any dwelling unit to a rental tenant arid then fails to make payments due for common charges, assessments or late fees for such unit within sixty days of the expiration of any grace period after they are due, upon notice in accordance with subdivision (c) of this section, all rental payments from the tenant shall be directly payable to the condominium association. ,**(See Part II, Section MM, Article VI , Section 7).**

If the common charges, assessments or late fees due for any unit have not been paid in full, within sixty days after the expiration of any grace period of the earliest

due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time ad all payments for common charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers has been elected by and from among the unit owners who are in occupancy, the board may elect not to require that rental payments be made payable to the condominium association. At such time as payments for common charges, assessments and late fees from the non-occupying owner are once again current, notice of such [fact shall be given within three business days to the rental tenant and non-occupying owner.

Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which1 must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

Nothing in this section shall limit any rights of unit owners or of the board of managers existing under any other law or agreement.

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

Sponsor makes no representation or guaranty that any Unit Owner (other than Sponsor), any tenant, or the Condominium, will in fact comply with RPL §339-kk, and Sponsor shall have no liability for their failure to do so. No representation is made about the tax effects of RPL §339-kk and all prospective purchasers should review RPL §339-kk to determine its effect on their own situation.

(4) Repairs

(i). The Board of Managers will cause all maintenance, repairs and replacements necessary or required for the Common Elements and certain Limited Common Elements of the Condominium, that are located inside or outside the Units to be made and the cost thereof will be a common expense. Unit Owners will be obligated to make and perform all maintenance, repairs and replacements to their individual units and certain Limited Common Elements whether structural or nonstructural, ordinary or extraordinary, other than to the Common Elements contained in the unit, at their own cost and expense.

(ii). The Rules and Regulations of the Condominium will require carpeting or other material equally efficient for noise reduction to be placed by Unit Owners

over 50% of the floor area of each Unit. The carpeted areas shall be limited to Bedrooms, Living Rooms, Dining Rooms and Hallways. The 50% calculation is based upon the total floor area, of the unit, excluding Bathrooms and Kitchens which do not require carpeting.; (Example - If the unit contains 1,000 sq.ft., and 200 sq.ft. is Bathroom and Kitchen area, then 400 sq.ft., which is 50% of the net 800 sq. ft. shall be carpeted). See Rules and Regulations as set forth in Condominium By-Laws Schedule "A" entitled Rules and Regulations (Part II, Section "MM" of this Offering Plan.

(iii). Each Unit Owner shall be responsible to reimburse the Condominium for the cost of any repairs or replacements to the Common Elements and Limited Common Elements required as the result of the negligence or abuse of said Unit Owner.

(iv). The Board of Managers and the Managing Agent shall have the right of access to any Unit for the purpose of making any repairs or replacements to any of the Common Elements and Limited Common Elements contained in the unit or elsewhere in the building or to remedy any condition which would result in damage to any other Unit or the Common Elements or Limited Common Elements, for which would violate the provisions of any mortgage covering another Unit or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof. Such right of access shall be exercised in a manner that will not unreasonably interfere with the use of the Units, but prior notice shall not be required in the event that the Board of Managers shall determine that immediate action is necessary for the preservation or safety of the property of the Condominium, or the Units, or for the safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium. The Board of Managers will not be liable to any Unit Owner by reason of such entry, except in the event of gross negligence or willful misconduct.

(5) Additions. Alterations and Improvements

(i). Additions, alterations or improvements costing $5,000.00 or less may be made by the Board of Managers without prior approval of the Unit Owners and the cost thereof! shall constitute part of the common expenses. Additions, alterations or improvements costing more than $5,000.00 shall only be made in the event approval is! granted by the Unit Owners, at a meeting duly called for such purpose, by more than 50% in number and common interest of the Unit Owners, Sponsor or its designee if then a Unit Owner (and by the holders of first mortgages on units, if their approval is required). Upon requisite approval of such addition, alteration or improvement by the Unit Owners, the Board of Managers shall proceed with such addition, alteration or improvement and shall have the right to assess each Unit Owner with his proportionate share of the cost as part of the common expenses whether such owner voted for the addition, alteration or improvement or not.

(ii). Residential Unit Owners are prohibited from making any structural addition, alteration or improvement in their respective Units or filing any applications with any governmental authority for a permit covering any addition, alteration or

improvement to be made in the Unit without prior written approval from the Board of Managers (and, if required, from the Unit Owners mortgagee). The provisions of this paragraph shall not apply to units owned by the Sponsor or its designee until a deed to such Unit has been delivered to a purchaser of the Unit. No Unit Owner may make any changes in or to the Common Elements or Limited Common Elements without prior written approval of the Board of Managers. The approval of the Board of Managers is not required for nonstructural alterations and improvements to individual Units which do not affect the exterior of the building or the value of other Units. Purchasers should note the restriction contained in the Rules and Regulations of the Condominium regarding television aerials, use of terraces and vestibules, storage and related matters.
(iii). The Board of Managers will execute any application or other documents required to be filed with any governmental authority having or asserting jurisdiction in connection with any structural addition, alteration or improvement made by the Sponsor or its designee to any Unit, provided, however, that neither the Board of Managers nor the Unit Owners shall be subjected to any expense or liability by virtue of the execution of the application or such other document.

(6) Insurance **(see Part I, Section F, Schedule B)**
(i). The Board of Managers will be obligated to obtain and maintain, to the extent obtainable: (1) fire insurance, with extended coverage, vandalism and malicious mischief endorsements normal for a condominium of this type insuring the building in the Condominium, including all of the Units and the equipment installed therein by the Sponsor, partitions, floors and ceilings within the Units (but not including any equipment not installed by Sponsor, any wall, ceiling or floor decorations or coverings of furniture, furnishings, fixtures, or other personal property within the Unit), 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 interests may appear, in any amount equal to the full replacement value of the buildings (exclusive of the cost of excavations and foundations) without deduction for depreciation; (2) water damage legal liability insurance; and (3) such other insurance as the Board of Managers may determine.
(ii). Proceeds of all policies of physical damage insurance will be payable to the Board of Managers to be applied for the purpose of repairing, restoring or rebuilding the building unless otherwise determined by the Unit Owners as set forth below. No portion of the insurance proceeds shall be applied to the payment of the mortgage indebtedness of any Unit Owner unless 75% of the Unit Owners determine not to repair restore or rebuild.

All policies of physical damage insurance shall contain waivers of subrogation and of any defense based on coinsurance or of pro rata reduction of liability or of invalidity arising from any acts of the insured, and shall provide that such policies may not be canceled by the insurance carrier or substantially modified without at least ten days, prior written notice to all of the insured, including all mortgagees of Units. Certificates of insurance of all policies of physical damage insurance

and of all renewals thereof, together with proof of payment of premiums, shall be: delivered to all mortgagees at least ten days prior to expiration of the then current policies and each Unit Owner shall receive a certificate of such insurance.

The cost of all such insurance shall be paid by the Board of Managers and shall constitute a common expense.

The amount of fire insurance to be maintained on the buildings in the Condominium until the first meeting of the Board of Managers elected by the Unit Owners will be $3,100,000.00.

The Board of Managers shall also obtain and maintain to the extent obtainable: (1) fidelity insurance covering the managing agent and all employees and members of the Board of Managers who handle Condominium funds; (2) worker's compensation insurance for Condominium employees; (3) public liability insurance covering each member of the Board of Managers and each Unit Owner in such limits as the Board of Managers may deem proper, and covering all claims for bodily injury or property damage arising out of any occurrence in the Common Elements, the Limited Common Elements or the Units, except that such policy will not cover liability of |a Unit Owner arising from occurrences within his own Unit. The Board of Managers shall review such limits once each year. The public liability insurance will also cover cross-liability claims of one insured against another. Until the first meeting of the Board of Managers elected by the Unit Owners the public liability insurance will be in a limit of $1,000,000. For details regarding insurance coverage see Footnote to Schedule B. (Part I, Section "F" of the Plan),

Each unit owner will be an additional insured on the Condominium insurance policy. Unit Owners shall not be prohibited from carrying other insurance for their own benefit at their own expense (covering items not included or included only to a limited extent in the policy of the Board of Managers), providing 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 Unit Owner's other insurance. Examples of items not included in the policy of the Board of Managers is Additional Living Expense. Unit Owners are strongly urged to consider the advisability of obtaining insurance to cover items not included in the policy of the Board of Managers.

(7) Restriction on Occupancy and Use

Occupancy shall be limited to residential use unless permission for other use is granted by the Board of Managers and meets approvals of government agencies and authorities. No studio unit may be occupied by more than two (2) persons, no one JJ) bedroom unit may be occupied by more than three (3) persons, no two (2) bedroom units may be occupied by more than four persons, and no three (3) bedroom units maybe occupied by more than six (6) persons. Unit Owners may not lease any portion of an apartment less than the entire apartment. Unit

Owners may not lease their unit to any persons or entities without the express written consent of the sponsor while the more than sixty percent of the condominium units remain unsold by sponsor. Thereafter, Unit Owners have the right to sell or lease their unit to whom they see fit subject to the right of first refusal of the Board of Managers to acquire or lease the unit or to produce a third party to acquire or lease the unit on the same terms as were offered to the owner of such unit.

(i). Pet Restrictions.
No animals, birds, or reptiles of any kind shall be raised, bred, or kept in any unit or in the common elements or limited common elements, except that dogs, cats or other household pets, not to exceed one per unit with the maximum size of any dog shall be no more than twenty pounds, without the written consent of the Board of Managers, may be kept in units, subject to the rules and regulations adopted by the Board of [Managers, provided, that they are not kept, bred or maintained for any commercial purposes; and provided further that any such pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the property subject to these restrictions upon three (3) days written notice from the Board of Managers, In no event shall any dog be permitted in any portion of the common elements unless carried or on a leash, or in any grass or garden plot under any circumstances.
(ii). Aesthetic Controls.
In order to retain the structural integrity and aesthetic appearance of the buildings, no additional window or through-the-wall air-conditioning appliances may be installed in any unit and no radio, television aerial or awning shall be attached to or hung from the exterior of the building by the Unit Owner without consent of the Board and otherwise in accordance with applicable laws and rules. Painting of doors to the individual residential units or any portion of the property outside of the condominium unit is prohibited.
(iii). Business Restrictions.
Business or professional use is not permitted without the express written consent of the Board of Managers and must be permitted by zoning regulations. The sponsor may maintain an office on the premises while there is at least one unit unsold.
(iv). Restrictions on Occupancy of Units Owned by Corporations, Partnerships or Fiduciaries..

Corporations, Partnerships and Fiduciaries may own condominium units provided that the use is for residential purposes only, and not for any business or non-residential purpose.

(v). Restrictions on Illegal or Offensive Uses.
Apartments may not be used for illegal or offensive uses.
(vi). Restrictions on Guest Privileges.
A Unit Owner may not permit a guest to use the apartment in the absence of the Unit Owner without the express written consent of the Board of Managers.

(vii). Limitations on Utilization of Common Elements.
Common Elements may not be used for storage or loitering.

(viii). Limitations Contained in the Certificate of Occupancy and Zoning Regulations,

There are no known restrictions set forth in the Zoning Regulations to prohibit the use as contemplated for this condominium. There are no known limitations in the Certificate of Occupancy which will be sought by the Sponsor which would limit the use of the condominium property other than as set forth in this offering plan.
(ix). Window Guards
Each Unit Owner must notify the Managing Agent, or the Board of Managers if there is no Managing Agent, when a child or children ages ten (10) years and under lives or resides, permanently or temporarily in the Condominium Unit. Each Unit Owner must install at the Unit Owner's sole cost and expense the required window guards in all windows of the Unit. The Unit Owner must maintain all window guards installed in the Unit and shall not remove same until permitted by applicable law and in any event, without the written consent of the Managing Agent or the Board of Managers.

(9) Easements

Each Unit Owner will have an easement in common with all other Unit Owners for the use, maintenance and repair of all pipes, wires, conduits and public utility lines located in the Common Elements or located in other units and servicing his Unit. Further, each Unit Owner will have an easement for the continuance of any encroachment by his Unit on any adjoining unit or Common Element now existing or which may come into existence hereafter as a result of the settling of the units or repair or alteration of the Unit by the Board of Managers, after damage by fire or other casualty or as a result of condemnation or eminent domain proceeding, or by reason of an alteration made by the Board to the Common Elements so that any such encroachment may remain undisturbed so long as the Unit stands. Each Unit will be subject to such encroachments and easements in favor of all other units. The Board of Managers, its agents and employees shall have a right of access to the units and the Common Elements (irrespective of the restricted nature of such Common Element) to inspect, maintain or repair the Common Elements or to make repairs to the Unit to prevent damage to the Common Elements or any other Unit.

(10) Other Material Provisions.
There are no other material provisions in the declaration or by-laws, which significantly affect the rights and obligations of the unit owners or the board of managers.

T. REAL ESTATE TAXES

Each condominium unit will be separately assessed for tax purposes. Each unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner of each condominium unit and tax lot, will receive bills from the City of New York for their own condominium unit. Unit Owners will not be responsible for the payment of, nor will the Unit be subjected to, any lien arising from the non-payment of real estate taxes on other condominium units.

The sponsor anticipates that the condominium units will be separate assessments by the tax assessor's office, and the separate assessments should be implemented at the time of the closings or up to six months thereafter. If condominium units have not been separately assessed for real estate tax purposes prior to the closing of title to the first unit, the sponsor may place in, in the name of the board of managers, an amount equal to the unpaid real estate taxes which will be levied against the parcel for the six month period following the first closing. Alternatively, the sponsor may place in escrow, in the name of the board of managers, an amount equal to the real estate taxes attributable to the unsold units for such six month period and may collect at each unit closing the estimated amount of taxes attributable to such unit for the balance of the six month period. The board of managers will pay the real estate taxes from the escrow account when taxes are due and payable and the funder of the escrow account will be entitled to reimbursement from unit owners to the extent of the actual assessment. The sponsor may, in the alternative, pay the real estate taxes for the entire building for the tax year, and collect from each unit owner, at closing their proportionate share of the real estate taxes for the said tax year, calculated by the total tax for the building multiplied by the percentage of common interest for each particular condominium unit. In the event that a refund is due to unit owners after the tax abatement, if any, is granted and implemented, then the refund received will be distributed to each condominium unit owner based on their percentage of common interest, provided that they paid their proportionate share of the real estate taxes for the period for which the refund is issued. No escrow will be required if the condominium by-laws include as part of the common expenses, real estate taxes on the property until the units are separately assessed and after assessment unit owners will be reimbursed for any overpayment of taxes or assessed for an underpayment.

Real estate taxes will be assessed by the Real Property Assessment Bureau of the City of New York for the condominium units. The tax rate that it will be assessed at is 12.596% per $100.00 of assessed value. The real estate taxes specified in Schedule A were calculated after reviewing the tax records for the subject property maintained by the City of New York. The tax assessment for each unit may be allocated on a basis that differs from the allocation of common interests. For the purposes of the per unit calculations, the percentage of common interest multiplied by the total tax was used to determine the per unit projected real estate tax figures. The figures are estimates because actual amounts have not been calculated. The sponsor does not guaranty the actual assessed valuation and taxes that the City of New York will impose on each

condominium unit.

If the project does not receive any tax abatement benefits, then the real estate taxes for the year 2008/2009 can be expected to be approximately $3,299.40 , based on an assessed valuation of $26,194.00 pursuant to the opinion letter of Joseph Martin. It is anticipated that the assessed value of the units will be based on comparable rental units and the cost of construction of the building which are factors used by the New York City Assessor's Office.

An application for partial tax exemption benefits under Section 421-A/ICIP of the Real Property Tax Law was or will be filed with The City of New York Department of Housing Preservation & Development ("HPD"). It has not yet been acted upon. The sponsor will use its best efforts to obtain such benefits. All purchasers will pay to sponsor at closing a fee equal to 1.5% of the purchase price of their unit as reimbursement of the sponsor's cost in applying for a partial tax exemption benefits to section 421-A/ICIP of the New York State Real Property Tax Law. Sponsor will use its best efforts, but cannot guaranty that the condominium will receive the partial tax exemption, and the costs of 1.5% of the sales price will be due to Sponsor as and for sponsor's costs to apply for same.

HPD routinely conducts audits, which can result in the reduction or revocation of benefits if proper documentation is not provided. The sponsor will keep all records required by HPD and will make them available to HPD whenever requested to do so. Upon closing, the Sponsor will make all tax benefit documents available to the Board of Managers for inspection and copying for the life of the benefits, and will file ail applications and timely comply with all procedures required to properly process and maintain the tax benefits provided same are granted.

The anticipated tax benefits set forth below, indicates the percentage of real estate taxes which will be abated which amount exceeds the amount of real estate taxes which had existed prior to construction of the condominium:

Year	Exemption
1-11	100% of assessment as a result of the new construction
12	80% of assessment as a result of the new construction
13	60% of assessment as a result of the new construction
14	40% of assessment as a result of the new construction
15	20% of assessment as a result of the new construction
16	0%-thereafter 0%

The exemption percentages described above are calculated against the difference between the assessed value of the property and improvements after completion of construction and the assessed value existing prior thereto. The effect of the exemption is set forth in Part I, Section "E", Schedule A, footnote (vi). During the abatement period (year 1 through year 15, unit owners will be required to pay real estate taxes as follows: the assessed value of the property

(land and building assessment) for the year prior to the commencement of construction, multiplied by the current real estate tax rate, then multiplied by the unit owner's percentage of common interest. For example, Unit # 3A is estimated to pay real estate taxes of $138 for the tax year 2008/2009 based on the assessed valuation for the real estate taxes for the year prior to the start of construction with an assumed present tax rate of 12.596 %, The total amount of assessed valuation for Lots 1 & 4 in Block 8036 will be apportioned into condominium tax lot number upon the creation of this Condominium.

The real estate taxes with Section 421-A/ICIP tax abatement benefits are estimated for the entire project to be based on a transitional assessed valuation of $26,194.00 minus the exemption multiplied by the real estate tax rate of $12.596 per $100.00 of assessed valuation for the tax year 2008/2009 (see footnote 6 to Schedule A of this offering plan). It can be anticipated that the tax rate set by the City of New York will increase. If no tax abatement benefits will be obtained the total annual tax shall be $86,294.00.

It is anticipated that the value of each condominium unit or the building will be assessed in December 31, 2009, effective December 31, 2009, assuming construction is completed and the certificate of occupancy is issued prior to December 31, 2009.

There are no known or tentative changes in the assessed valuation or tax rates which will affect the condominium unit.

There are no tax certiorari proceedings pending.

The By-Laws and the Power of Attorney require the Unit Owners to authorize the retention of one attorney to act on behalf of the Condominium and the Unit Owner In filing any tax assessment challenge and to pursue any certiorari proceedings on behalf of the condominium.

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

A Unit Owner will own the Condominium Unit which he or she purchases and its appurtenant Common Elements in fee simple absolute and each Unit will be a separate tax lot for purposes of New York City real estate taxes and assessments. As a result, a Unit Owner may be entitled to deduct for Federal, New York State and in case of New York City residents, New York City income tax purposes, real estate taxes assessed against the Unit and paid by such owner as well as interest paid by the Unit Owner on certain mortgages made against the Unit, Generally, an individual Unit Owner may only deduct interest on debt incurred to acquire his principal residence or a designated secondary residence subject to certain limitations. See "Counsel's Tax Opinion". Bruce Montague and Partners is counsel to Sponsor and not to any purchaser under the

plan. Each Purchaser should consult with his or her own tax counsel, accountant or other financial advisor as to the tax consequences of the ownership of a condominium unit.

Tax Status of the Condominium

Ordinarily, a condominium board may elect to be exempt from federal income taxes on Common Charges collected from Unit Owners under Section 528 of the Internal Revenue Code, provided certain prerequisites are met.

In order to elect such status,

a)the Condominium must be organized and operated to provide for the acquisition, construction, management, maintenance and care of the Property;

b)60% or more of the gross income of the Condominium for the taxable year must consist solely of amounts received as membership dues, fees or assessments from owners of Units in the Condominium;

c)90% or more of the net expenditures of the Condominium for the taxable year must be for the acquisition, construction, management, maintenance and care of the Property;

d)no part of the net earnings of the Condominium may inure (other than by acquiring, constructing or providing management, maintenance and care of the Property and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any private shareholder or individual;

e)substantially all of the Units must be used by individuals as residents; Treasury Regulation 1.528-4(b) provides that substantially all of the

Units will be treated as used by individuals for residences only if at least 75% of the total square footage of all Units are used as such residences; and

f) the Condominium must make such election at such time in such manner as the Secretary of the Treasury prescribes by regulations.

Under the Treasury regulations issued pursuant to Section 528, a condominium management association must qualify annually for the election under Section 528, and additionally, it must make a separate election for each taxable year. Accordingly, the ability of the Condominium Board to elect the benefits of Section 528 will depend on the particular facts and circumstances prevailing in the taxable year at issue. It appears that the aforementioned requirements will be met for a Section 528 election for at least the first year of operation.

Each purchaser should consult with his or her own tax counsel as to the tax consequences of the offering plan and of the purchase of a condominium unit

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V-1. OPINION OF COUNSEL - Income Tax Opinion Letter

Bruce Montague and Partners
Attorneys at Law
212-45 26th Avenue, Bayside, NY 11360
TEL: 718-279-7555 FAX: 718-279-8154

September 22, 2009

Avenue K Developers, Inc.
The Avenue K Developers Condominium
8413 Avenue K, Brooklyn, NY 11236

Al Bokhour
Avenue K Developers
33 Great Neck Road
Great Neck, NY 11021

RE: Opinion Letter Regarding 421-a Real Estate Tax Exemption Benefits and Tax Liabilities

Dear Sir:

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

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

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 this instant, after the completion of construction as described above, any increase in the properties assessed valuation, resulting from the construction of

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

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

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

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

1. Based upon information received from you and your architect, a multiple dwelling building will be constructed with a total of 6 Class A residential apartments, including 4 apartments of 3.5 zoning rooms, 1 apartment of 5.5 zoning rooms and 4 parking spaces;

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 prier commencement of construction;

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

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

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

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

Based upon the foregoing information furnished to us by you and your architect, and subject to your timely completion of work and filing of all documentation pursuant to Section 421-a of the Real Property Tax Law and applicable rules and regulations as is required to obtain the benefits thereof, and assuming presently applicable Section 421-a provisions apply, it is our opinion that:
The premises, after completion of construction, will be eligible for partial real estate tax exemption under Section 421-a.

All Section 421-a partial real estate tax benefits may be revoked or reduced if the application misstates or omits to state a material fact and/or for non-payment or underpayment of taxes and for certain other reasons.
Real Estate Tax liabilities due in reference to the above mentioned structure are as follows:

The total assessed value of the property (i.e., the aggregate assessment of all units) following completion of construction, is estimated to be $ approximately. Using the foregoing estimate of assessed value, assuming a residential tax rate of 11,928% (i.e., $11.928 per $100 of assessed value, the final 2007/08 tax rates), the total real estate tax liabilities due, will be approximately as follows.
You are advised that this projection is an estimate, as it is unlikely that the post-construction assessed value or tax rate will remain constant for the 15 year Section 421-a exemption period. Thus, the actual assessment and real estate tax for each Unit may be more or less than the Unit's proportionate share of the total assessment and tax amount shown.

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

Very Yours Truly,

Alan Gerson

V-2. OPINION OF COUNSEL - Tax Abatement Opinion Letter

Bruce Montague and Partners
Attorneys at Law
212-45 26th Avenue, Bayside, NY 11360
TEL: 718-279-7555 FAX: 718-279-8154

September 22th , 2009

Al Bokhour
Avenue K Developers
33 Great Neck Road
Great Neck NY, 11021

RE: Avenue K Developers, Inc.
8413 Avenue K
Brooklyn, 11236

Re: Letter of Opinion Regarding 421-a/ICIP Real Estate Tax Exemption Benefits and Tax Liabilities. This letter is being sent to you with the expressed understanding that our firm assumes no liability for our opinions present herein. These opinion are present only for your assistance in preparation of your offering plan for the above captioned project.

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 fifteen years, with 100% exemption for eleven years followed by a

20% phase-out in each of the succeeding four years. The current assessed value is not to be exempt from real estate taxes.

All interested parties should realize that the State Legislator and Senate have voted to extend and 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.

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

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 18 residential condominiums, 12 parking spaces and 2 commercial units.

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

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

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

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

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

7. The premises do 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 $723,165.30 approximately. The assessed valuation in regard to the period which will receive the benefits of the 421-a/ICIP will be $26,194.00.

Using the foregoing estimate of assessed value, the real property tax liabilities will be divided, based on the percentages of residential and/or commercial space. As per Rules and Regulations set by the Department of Finance multiple residential Class A units would be categorized as a tax Class 2 tax with a tax rate of 12.596% and the commercial portion of the property would be categorized as a tax Class 4 with a tax rate of 10.241% (i.e., $12.596 per $100 of assessed value and $10.059 per $100 of assessed value, the Average Annual Tax Rate of 08/09).

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.

Very Yours Truly,

Alan Gerson

W. RESERVE FUND

The condominium will not have funds as a reserve for capital expenditures. Since no reserve fund is being funded by the Sponsor under this Plan, and the budget for the First Year of Condominium Operations does not provide for yearly contributions to a reserve fund for capital expenditures, Sponsor does not represent or warrant that the Condominium will have sufficient funds for any such capital expenditures within or after five years following the Closing Date should such capital expenditures be needed. However, the budget for the First Year of Condominium Operations as set forth in this Plan provides for an amount for contingencies, which the Board of Managers may elect to use to apply to some or all of the costs of any such needed capital expenditures. In addition, the Board of Managers may also elect to apply some or all of the Working Capital Fund to such costs. No representation is made by Sponsor that the Working Capital Fund or other funds of the Condominium, if any, will be adequate to cover current or future expenses, including repairs or replacements. If additional funds are required over and above the Working Capital Fund (and such other funds, if any) for the payment of items not covered by Sponsor's obligations, it may be necessary to increase Common Charges.

Neither the Sponsor, nor unit owners are required to make any contributions to a Reserve Fund.

Should monies be required by the Condominium for capital expenditures, the condominium board could vote to obtain loans for required expenditures as provided by the New York Real Property Law. Real Property Law § 339-jj states:

"To the extent authorized by the declaration or the by-laws, the board of managers, on behalf of the unit owners, may incur debt. In addition, subject to any limitations set forth in the declaration or the by-laws, the board of managers, on behalf of the unit owners, may incur debt for any of the purposes enumerated in paragraph (b) of subdivision two of section three hundred thirty-nine-v of this article, provided that (a) such debt is incurred no earlier than the fifth anniversary of the first conveyance of a unit and (b) the incurrence of such debt shall require the consent of a majority in common interest of the unit owners and 2. In connection with a debt incurred by it, the board of managers, on behalf of the unit owners, may (a) assign the rights in and to receive future income and common charges, (b) create a security interest in, assign, pledge, mortgage or otherwise encumber funds or other real or personal property that it holds, (c) agree that, to the extent of any amounts due under any of the provisions of the agreements under which the debt was incurred and subject to the provisions of subdivision two of section three hundred thirty-nine-1 of this article, all common charges received and to be received by it, and the right to receive such funds, shall constitute trust funds for the purpose of paying such debt and the same shall be

expended for such purpose before expending any part of the same for any other purpose, and (d) agree that at the lender's direction it will increase common charges to the extent necessary to pay any amount when due under any of the provisions of the agreements under which the debt was incurred. The preceding sentence shall not be construed to authorize the board of managers to create a lien on the common elements. Any such assignment may provide that, in the event of a default, the lender shall have the right of the board of managers to file liens in the lender's name on units for unpaid common charges pursuant to sections three hundred thirty-nine-z and three hundred thirty-nine-aa of this article and the right to foreclose such liens pursuant to section three hundred thirty-nine-aa of this article,"

X. WORKING CAPITAL FUND

In addition to the payment of the first month of common charges, pro-rated for the remaining number of days in the month from the date of closing, each Unit Owner will also pay an amount equal to two months' Common Charges then in effect for the Unit pursuant to the budget in accordance with Schedule A hereto, as the same may be amended from time to time at the closing of title to his or her unit for a working capital fund of the condominium.

The Working Capital Fund will depend on the timing of the closing of title to individual condominium units and any expenditure made by the Condominium Board from such fund. The contribution is not refundable or transferable if Purchaser sells his or her condominium unit.

The initial working capital will be used for working capital and to pay for insurance premiums and other items in the budget which will be payable prior to the time that sufficient monthly Common Charges and assessments have accrued to pay these items. While the Sponsor is in control of the Board of Managers of the Condominium, the working capital fund may be used to pay common expenses of the Condominium. The purpose of the working capital fund is created by each purchaser making a contribution equal to two months' Common Charges then in effect for the Unit pursuant to the budget in accordance with Schedule A hereto, as the same may be amended from time to time to provide initial funds to the condominium so that the Condominium will have funds to operate.

The Sponsor will be responsible for all of the required operating expenses of the Property prior to the date of the closing of title to the first Unit pursuant to the Plan. The Condominium shall be required to pay all of the operating expenses of the Property accruing on or after the date of the closing of title to the first Unit pursuant to the Plan.

The following items shall be apportioned between the Sponsor and the Condominium Board and further allocated by the Condominium Board as follows: a) water charges and sewer rents (unless separately assessed to units) based on

the fiscal year therefore, or, if there be water meters on the Property, the Sponsor shall furnish readings to a date not more than thirty (30) days prior to the date of the closing of title to the first Unit pursuant to the Plan and the unfixed water charges and the unfixed sewer rents, if any, based thereon for the interim shall be apportioned on the basis of such last reading; b) deposits, fees, charges or payments in connection with all permits, licenses, utilities, service and maintenance agreements which are assigned by the Sponsor to the Condominium; c) the cost of fuel on hand, if any, as estimated by the Sponsor's supplier and any other supplies on hand; d) insurance premiums for transferable policies, if any, which Sponsor.transfers to the Condominium; e) employees' wages (vacation and severance pay, pension and welfare benefits) and any other payments or obligations relative to employees, if any; f) charges for electricity for the Common Elements; and g) operating expenses and any other prepaid items (including, without limitation, charges for oil and electricity for the Building, if applicable). In addition, the Sponsor shall pay all installments for assessments due prior of closing of title to the first Unit pursuant to the Plan and the Condominium shall pay all such installments due after such date.

If the net closing adjustments are in favor of the Sponsor, then the amount of such net closing adjustments shall be paid to the Sponsor in twelve (12) equal monthly installments commencing one month after the date of closing of the first Unit, in accordance with a promissory note of the Condominium to be delivered to Sponsor on the Closing Date pursuant to the Plan. The note shall mature on the first anniversary of the date of closing of the first Unit at which time all unpaid principal shall be due and payable. The note shall not provide for interest, except that from and after the maturity, whether by acceleration or otherwise, the note shall bear interest at the lesser of (i) 18% per annum or (ii) the highest rate permitted by law. It is noted that net closing adjustments in favor of Sponsor, if any, generally represent costs for which the Condominium is responsible that have been prepared by Sponsor for a period covering part or all of the first year of Condominium operation, and as such, the amount thereof is reflected in Schedule B - Budget for First Year of Condominium Operation. The Condominium Board shall include in the Common Charges payable by the unit owners in their respective share of such Note/allocated as set forth above.

Except as expressly provided in this Section of the Plan, Sponsor shall have no obligation to establish or make any contributions to a working capital fund or reserve fund of any kind with respect to the Condominium or the Property.

So long as a majority of the members of the Board and the Sponsor's representatives, the Sponsor's representatives shall not use the Working Capital Fund to reduce or decrease the monthly Common Charges projected in Schedule A, however, the Working Capital Fund may be used for building improvements.

No representation is made by Sponsor that the Working Capital Fund will be adequate to cover current or future expenses, including repairs or replacements.

If additional funds are required over and above the Working Capital Fund for the payment of items not covered by Sponsor's obligations, it may be necessary to increase Common Charges.

Neither the Department of Law nor any other governmental agency has passed on the adequacy of the Working Capital Fund,

While the sponsor is in control of the Board of Managers, the Working Capital Fund may not be used to reduce projected common charges in the plan.

The condominium board could vote to obtain loans for required expenditures as provided by the New York Real Property Law.

Y. MANAGEMENT, AGREEMENTS, CONTRACTS AND LEASES

Management.

The budget for the first year of operations provides for the services of a management company for the Condominium. The affairs and management of the Condominium shall be managed by David A. Berk, (the "Managing Agent") pursuant to a written management agreement for a term of one year. The budget for the first year of operations includes a management fee of $1,800 per year plus expenses such as postage and disbursements which are estimated at $200 per year. The aforesaid management fees are the prevailing rates for similar condominiums. The Managing Agent will be expected to prepare budgets at least annually, cause all maintenance, repairs and replacements necessary or required for the Common Elements and certain Limited Common Elements of the Condominium, cause additions, alterations or improvements to be made to the Condominium, and obtain and maintain insurances for the Condominium. The duties of the Board of Managers with respect to management of the Condominium are set forth in Section "R" & "S" of this Offering Plan. Certain of the duties of the Board of Manager will be delegated to the Managing Agent. The Managing Agent as directed by the Board of Managers shall be responsible for hiring any appropriate repair service and to ensure that such service will make any emergency repairs to the Common Elements. The Managing Agent will supervise one superintendent and one part time porter. In the event that the Board determines that additional labor is required in the future, common charges will be increased to cover the increased or new costs of labor. (See Part I, Section "F"(ii)).

The Board of Managers and the Managing Agent as directed by the Board of Managers will be responsible for, among others:

(a) cause the Common Elements to be operated and maintained as required

by the Condominium;

(b) cause to be hired, paid and supervised, all persons needed for the proper operation and maintenance of the Common Elements;

(c) do all things necessary to comply with laws, rules and orders applicable to the Common Elements;

(d) enter into contracts for maintenance services and the purchase of supplies;

(e) effect insurance coverage required by the Condominium;
cause prompt payment by the Condominium of accounts payable, real estate and other taxes and mortgage debt service applicable to any property owned by the Condominium, etc.;

(f) maintain an operating bank account for the Condominium;

(h) upon request by the Board of Managers, sell and lease reacquired Units of the Condominium;

(i) supervise the collection of common charges and assessments from Unit Owners;

(j) consider and, when reasonable, attend to complaints of Unit Owners, tenants and subtenants, provided that if it shall deem any complaint unreasonable it shall so advise the Board of Managers and give reasons for its opinion;

(k) set up and keep in good order the minute books, records and files of the Condominium;

(l) prepare and file employee reports, forms, etc.;

(m) cooperate with the accountants and auditors engaged by the Board of Managers in regard to the preparation of all tax returns and annual statements;

(n) prepare, for consideration by the Board of Managers, proposed annual operating budgets;

(o) send all notices, reports, etc. to the Board of Managers and Unit Owners;

(p) supervise the moving in and out of Unit Owners, tenants and subtenants;

(q) submit monthly statements to the designated officers of the Condominium showing collections, disbursements and amounts necessary to reserve or withhold, if any, to meet the obligations of the Condominium;

(r) send to each Unit Owner each year a statement furnished by the accountant of the Condominium, showing tax data relevant to the Unit Owners;

(s) make all arrangements necessary for the holding of the meetings of the Unit Owners and the Board of Managers of the Condominium;

(t) at the direction of the Board of Managers carry out required procedures and give required notifications as set forth in the Condominium Declaration and By-Laws, in connection with the exercise of right of first refusal on proposed sale or lease of units; and

(u) generally, do all things reasonably deemed necessary or desirable by the Board of Managers of the Condominium for the proper management of the Property.

Contracts.

The Sponsor will bind the Condominium to a contract for management of the condominium. A contract will be executed between the sponsor and David A. Berk, located at 348 Wheatley Road, Brookville, NY 11545. David A. Berk will manage the condominium for a period of one year at an annual management fee of $1,800.00 per year plus disbursements expected to be approximately $200.00 per year. The contract for the management services may be cancelled by the management agent or the sponsor for cause.

The Condominium will only be bound by further contracts made by the Board of Managers,

Leases.

The Condominium will not be bound by any leases.

Z. IDENTITY OF PARTIES

Sponsor.

The Sponsor of the Offering Plan and the Selling Agent is, Avenue K Developers, Inc. The sponsor's address is 33 Great Neck Road, #9, Great Neck, NY 11021. The sponsor is a New York Limited Liability Company organized on March 31, 2005.

The principal of the Sponsor are:
Al Bokhour 33 Great Neck Road, #9, Great Neck, NY 11021.

The sponsor, Avenue K Developers, Inc. has no prior experience as a selling

agent of condominium units.

The sponsor's principal, Al Bokhour has been involved in the real estate, building and construction industry for over five years as developers and general contractors.

There are no other cooperatives, condominiums or homeowners associations in New York State filed within the past five years where the Sponsor or a principal of Sponsor is an owner or Principal of the owner of shares or units therein and where in the aggregate such owner owns more than 10% of the shares or units, as the case may be, in such properties except that:

The term "Principal" as used herein shall mean a "Principal" as presently defined under the regulations of the Department of Law of the State of New York". There are no other members in the Sponsor entity and only Al Bokhour has participated in the planning or consummation of the condominium plan. Only Al Bokhour is the principal pursuant to 13 NYCRR §20.1(c)(2)

Al Bokhour has not been a principal or sponsor of any other condominium projects other that set forth herein.

No principal of Sponsor has been convicted of a felony, has filed bankruptcy, has been convicted of a crime or has been subject to an injunction or judgment.

Attorneys.

Bruce Montague and Partners, 212-45 26th Avenue, Ste 7, Bayside, New York 11360 represents the Sponsor in connection with all legal matters pertaining to this Plan. Alan Gerson, Esq. completed the preparation of the Offering Plan.

Harry Zubli, 1010 Northern Blvd., Ste 310, Great Neck, NY 11021 will act as escrow agent and will represent the Sponsor in connection with the individual Unit closings.

Selling Agent.

The Jean-Paul Ho Fillmore Real Estate LTD., 9317 Avenue L, Brooklyn, NY 11236 is the Selling Agent of the Condominium Units. They are a Licensed Real Estate Broker since 1986. Past & current experience include Seaview estates condominium, Mill Harbor Condominium, MeadowWood at Gateway Condominium, Lafayette Estates Co-operative & 100 west 93 St Condominium.

Architect.

The Sponsor's Architect – David Nagan, R.A., 61-17 190th Street, Fresh Meadows, NY 11365 is the project architects. His architectural practice concentrates on residential housing. Mr. Nagan is a licensed Architect in the State of New York.

Insurance.

The estimated insurance rates have been passed upon by Insure Secure Insurance Brokerage Inc. 4707 13th Avenue, Brooklyn, NY 11219. The aforementioned estimate has been included in this Offering Plan in reliance upon the opinions of said agency and upon its authority as an expert but the Sponsor has no knowledge that this estimate is not correct.

Managing Agent.

The Sponsor will bind the Condominium to a contract for management of the condominium. A contract will be executed between the sponsor and David A. Berk, located at 348 Wheatly Road, Brookville, NY 11545, will manage the condominium for a period of one year at an annual management fee of $1,800.00 per year plus disbursements expected to be approximately $200.00 per year. The contract for the management services may be cancelled by the management agent or the sponsor for cause.

Relationships,

There is no relationship between the Sponsor or its principal and the architect and any person or firm who will provide services to the Condominium subsequent to the commencement of condominium operation other than the Selling Agent, which is also the Sponsor.

AA. REPORTS TO THE UNIT OWNERS

It is the obligation of the Board of Managers of the Condominium to give all Unit Owners annually:

(1) An annual Financial Statement of the Condominium, prepared and certified by an independent certified public accountant, shall be submitted by the Board of Managers to all Unit Owners and to all mortgagees of Units who have requested same, within two (2) months after the end of each fiscal year. The cost of such report shall be paid by the Board of Managers as Common Expenses payable by the Unit Owners.

(2) All notices required or desired to be given hereunder shall be sent by registered or certified mail (return receipt requested) to the Board of Managers c/o the managing agent, or if there be no managing agent, to the office of the Board of Managers or to such other address as the Board of Managers may hereafter designate from time to time, by notice in writing to all Unit Owners and to all mortgagees of Units. All notices to any Unit Owner shall be sent by registered or certified mail (return receipt requested) to the Property address of such Unit Owner or to such other address as may have been designated by him from time to time, in writing, to the Board of Managers. All notices to mortgagees of Units shall be sent by registered or certified mail (return receipt requested) to

their respective addresses, as designated by them from time to time, in writing, to the Board of Managers. All notices shall be deemed to have been given when mailed in a postage prepaid sealed wrapper, except notices of change of address which shall be deemed to have been given when received.

(3) A copy of the proposed annual budget of the Condominium at least thirty days prior to the date set for adoption thereof by the Board of Managers,

While the Sponsor is in control of the Board of Managers such budget shall be certified in compliance with 20.4(d) of Part 20 of Title 13 NYCRR.

BB. DOCUMENTS ON FILE

Pursuant to Section 352-e of the New York General Business Law, the Sponsor shall keep copies of the Plan, all documents referred to in the Plan and all Exhibits submitted to the Department of Law in connection with the filing of the Plan, on file and available for inspection without charge and copying at a reasonable charge at a specified location for six (6) years from the date of first closing. In addition, the Sponsor shall deliver to the Board of Managers a copy of all documents filed with the appropriate recording office at the time of the closing of the first unit.

The Declaration and the By-Laws will be recorded in the City Register's Office prior to or concurrently with the First Closing, and a copy thereof will be furnished to the Board of Managers at such time.

CC. GENERAL

Pending Litigation

There are no lawsuits, administrative proceedings or other proceedings the outcome of which may materially affect the offering, the property, sponsor's capacity to perform all of its obligations under the plan, the condominium or the operation of the condominium.

Prior Offerings

To the Sponsor's knowledge, the property has not been the subject of any prior cooperative or condominium offerings in the past five (5) years. There have been no preliminary binding agreements entered into and no money has been collected from prospective purchasers. No contracts or agreements have been entered into by the sponsor and no deposits or advances have been accepted as of the date this offering plan was accepted for filing with the Department of Law. Sponsor has tested the market pursuant to Cooperative Policy Statement No. 1.

Non-Discrimination

The Sponsor and its agents will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, sexual orientation, marital

status or other grounds prohibited by law.

Right of Rescission

A Purchaser shall have the right to rescind purchase agreements following a material adverse amendment to the Offering Plan that adversely affects the purchaser. The Purchaser shall have a reasonable period of time that is not less than fifteen (15) days after the date of presentation to exercise the right. Sponsor must return any deposit or Down Payment to purchasers who rescind. Sponsor may condition return of deposit to interim leases upon the vacating of the apartment.

No Circumstances Existing Which May Affect Use or Enjoyment of Property

There are no circumstances presently existing which may affect use or enjoyment of the property and appurtenances, such as reciprocal covenants or easements, impending adjacent high-rise construction, any usage restriction by statute, ordinance or zoning resolution such as specified occupancy percentage by certified artists, or historic district or landmark designation, unless disclosed elsewhere in the plan.

No Reservation of Air and Development Rights

The sponsor has no reservation of air and development rights.

No Contracts Entered Into For Sale of Any Unit

No contracts or agreement have been entered into and no deposits or advances of funds have been accepted as of the date of this offering plan for any condominium unit.

All Units Are Vacant

All units are vacant and not occupied by any tenants as of the date of this offering pian for any condominium unit.

Amendment of the Plan

The Sponsor reserves the right from time to time prior to the Closing Date, without obtaining the consent of Purchasers or others, to revise the terms and conditions on which the Units offered hereby are to be sold, including changes affecting the rights, obligations and liabilities of Purchasers, the Sponsor and the Condominium. All substantive or material revisions will be contained in a duly filed amendment to this Plan. If an amendment materially adversely affects the rights, obligations or liabilities of then existing Purchasers, or substantially and materially reduces the undertaking or obligations of the Sponsor, Purchasers will be given

the right to rescind their Purchase Agreements by notice personally delivered or sent by certified mail to the Sponsor within fifteen (15) days after the date of service of the amendment, and the Shore shall refund any payments made by such Purchaser pursuant to his Purchase Agreement with interest earned thereon, if any, within thirty (30) days of receipt of such notice of rescission. However, such rescission, as to Purchasers who are then tenants of the Building, shall be conditioned on the cancellation of any interim or other lease and surrender of possession of their Unit.

This Plan As Fair Summary

This Plan contains a fair summary of the material provisions of the various documents referred to herein. Statements made as to the provisions of such documents are qualified in all respects by the contents of such documents.

No person has been authorized to make any representation which is not contained herein. Information, data or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon. This Plan may not be changed or modified orally,
The documents and reports contained in Part II of this Plan are an integral part of the Plan and should be considered carefully by prospective Purchasers, Merely reviewing the summaries of documents set forth in Part I of the Plan is no substitute for a careful review of the actual documents, some of which are set forth in Part II of the Plan and others of which are available for inspection by all prospective Purchasers at the office of the Sponsor. Therefore, prospective purchasers and their attorneys and other, financial advisors should read the entire Plan, which consists of Part I and Part II, and should review all documents in connection with the Plan.

Inconsistencies

In the event of any inconsistency between the provisions of this Plan and the provisions of the Purchase Agreement, the provisions of the Plan shall govern. In the event of any inconsistencies between the provisions of the Plan and the provisions of the Declaration and/or By-Laws, the provisions of the Plan shall govern until the Closing Date, following which, the provisions of the Declaration and By-Laws shall govern.

DD. SPONSOR'S STATEMENT OF SPECIFICATIONS OF BUILDING CONDITION

Sponsor hereby adopts the description of property and building condition set forth in Part II. Section "II" of the Plan. Sponsor has no knowledge of any material defects or need for major repairs to the property except as set forth in the Description of Property and Building Condition.

Date of Offering Plan:

Brooklyn, New York
Avenue K Developers

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PART II

PURCHASE AGREEMENT

EE. PURCHASE AGREEMENT

The Avenue K Developers Condominium
8413 Avenue K
Brooklyn, NY 11236

Part A

a. The name of the Condominium is The Avenue K Developers Condominium.

b. The name of the Sponsor is Avenue K Developers, Inc. , with an address of 33 Great Neck Road, #9 a New York Corporation ("Seller").

c. The address of the Property is , 8413 Avenue K , Brooklyn, NY 11236.

.

d. The Unit covered by this Purchase Agreement is the Unit designated as Unit Number_____.

e. The Common Interest appurtenant to the Unit is_____ %

f. The Purchaser's residence address, if an individual, or business address, if an entity is:

_____

_____

_____New York_____

g. The Purchaser's telephone number is_____

h. The Purchaser's social security number or federal identification number_____

i. Purchaser's Attorney is _____with an address located at_____
Fax#_____ PHone # _____

j. The Purchase Price is: $_____

k. The Down Payment payable herewith is: $_____

l. The balance of the Purchase Price is $_____

m. The mortgage amount is: $_____ (the "Mortgage Amount")

n. The Selling Agent or Real Estate Broker is:_____

p. The closing date is on or about:_____ (tne "Closing Date").

Part B

Avenue K Developers, Inc. , with an address of 33 Great Neck Road, #9 , a New York Corporation ("Seller") has promulgated a Plan of Condominium Ownership of The Avenue K Developers Condominium ("the Plan") pursuant to which the land with appurtenances and the units ("the Units") being constructed thereon by Seller, located in the City of New York, Kings COUNTY, State of New York, will be declared to be a condominium under the provisions of Article 9-B of the Real Property Law of the State of New York on the terms and conditions more particularly set forth in the Plan.

NOW, THEREFORE, for good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, of which is hereby acknowledged, Seller and Purchaser mutually agree as follows:

1. The Plan.

1.1

PURCHASER ACKNOWLEDGES COPY OF THE OFFERING PLAN HAVING RECEIVED AND READ A FOR The Avenue K Developers Condominium AND ALL AMENDMENTS THERETO, IF ANY, FILED WITH THE DEPARTMENT OF LAW OF THE STATE OF NEW YORK AT LEAST THREE (3) FULL BUSINESS DAYS PRIOR TO EXECUTING THIS AGREEMENT. The Offering Plan, including the Schedules, the Declaration, By-Laws and Exhibits and any filed amendments are hereinafter collectively referred to as the "Plan". In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern. Purchaser also acknowledges and agrees that the Plan may be amended from time to time by the Seller and any such amendment shall neither excuse Purchaser from performing any of its obligations hereunder nor entitle Purchaser to any abatement in the Purchase Price. Any such amendments (i) may be made without Purchaser's consent or approval,) except as otherwise provided in "Changes in Prices or Units" and the other provisions of the Plan, and (ii) shall not entitle Purchaser to a right of rescission, except as set forth in the Plan. Purchaser acknowledges that Purchaser has had a full opportunity to examine all documents referred to in the Plan and investigate all statements made in the Plan Terms not defined in this Agreement shall have the meanings given them in the Plan.

1.2

Purchaser has been given an opportunity to examine the architectural plans for the above unit and for the building in which it is located.

1.2.1

The Plan, which includes the Declaration of Condominium and By-Laws, is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. Purchaser should carefully read the Plan as it contains important provisions regarding rights and obligations under this Contract. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern.

2. Definitions.

2.1

Terms used herein which are also used in the Plan shall have the same meanings herein as in the Plan unless the context otherwise requires.

3. Agreement to Purchase.

3.1

Seller agrees to sell and convey, and Purchaser agrees to purchase, the above described unit together with the above-stated Common Interest appurtenant thereto (collectively "Unit") for the Purchase Price stated above, upon and subject to the terms and conditions set forth in this Agreement.

4. Payment of the Purchase Price.

The Purchaser shall deliver herewith, to the Seller, Purchaser's check to the order of "_____" as escrow agent under the Plan for The Avenue K Developers Condominium", for the amount of the above-stated Down Payment, subject to collection. The balance of the Purchase Price shall be paid to Seller at closing.

Except for the Down Payment, which is to be paid as provided above, any payments to be made by Purchaser under this Agreement (including without limitation, the payment of the balance of the Purchase Price), whether to, on behalf of or at the request of Seller, shall be made by unendorsed certified check, or bank check, drawn in either case on a member bank of the New York Clearing House Association payable to the order of the Seller, subject to collection.

If any check for any payment to be made by Purchaser under this Agreement (including without limitation, the Down Payment) shall be dishonored for any reason whatsoever, it shall be deemed a material default by Purchaser hereunder and Seller may, in that event, cancel this Agreement and notwithstanding such cancellation, be entitled to recover the amount of such check in addition to any other sums Seller may be entitled to under this Agreement and, in such event, Purchaser shall reimburse Seller for the costs and expenses (including, but not limited to, reasonable attorneys' fees) of collection of any such check or other instrument).

At the request of Seller on closing, Purchaser shall pay balance of the Purchase Price to such payees as Seller shall direct. At Seller's option, Purchaser may be required to pay part or all of the balance of the Purchase Price by electronic transfer.

5. Closing of Title

5.1

The closing of title shall occur at the offices of Seller's attorneys or at such other place as Seller shall designate and at a time and on a date ("Closing Date") designated by Seller which is not earlier than thirty (30) days after the Plan has been declared effective provided that on or before the Closing Date there shall have been accepted for filing an amendment disclosing the basis of the effectiveness of the Plan. Seller shall give Purchaser notice of the scheduled Closing Date at least thirty (30) days in advance thereof. Seller shall have the right to adjourn the date of closing of title from time to time by written notice to Purchaser. The contract authorizes one adjournment of the closing date of up to 10 days. The contract makes the adjourned closing date "time of the essence." This means that the Purchaser must close by the adjourned date. In the event that Purchaser does not close on the adjourned date, Purchaser may risk the loss of his or her Down Payment. Closing of title shall occur only after or concurrently with compliance with the requisites to closing set forth in the Plan. Notwithstanding the foregoing, if the date of this Purchase Agreement is after the closing of the sale of the first Unit under the Plan, then the Closing Date shall be that date which is 45 days after the date of this Agreement and Seller shall not be required to give Purchaser notice of the Closing Date.

5.2

The term "Closing Date" or "closing of title" or words of similar import, whenever used herein, shall mean the date designated by Seller on which the deed to the Unit is to be delivered to Purchaser or any adjourned date fixed by Seller pursuant to subsection 5.1 hereof.

5.3

Title to the Unit will close only after or concurrently with the occurrence of the events required under the Plan.

5.4

In the event the dwelling or its environs are not complete on the date set by the Seller for closing

of title, same shall not constitute an objection to closing title, provided the Seller shall, by letter agreement to survive title closing, agree to complete any open items within a reasonable time after closing, weather and circumstances permitting.

5.5

At the closing of title the Seller will deliver the usual certificates available and it is further agreed that title will not close without Purchaser's consent until either a temporary or permanent Certificate of Occupancy has been issued covering the building in which the Unit is located. Prior to issuance of a final certificate of occupancy no structural changes shall be made to either the interior or exterior of Purchaser's unit without prior written consent from the Seller. If any changes are made, by the Purchaser and final certificate of occupancy cannot be issued because of such changes, the Seller shall make such alterations to the structure to meet the building department requirements at full cost to the Purchaser, and the Purchaser shall further be liable to the Seller for any escrow monies held for the procurement of the final certificate of occupancy.

6. Delivery of Deed and Power of Attorney to the Board.

6.1

At the closing of title on the Closing Date, upon receipt by Seller of all payments and documents required hereunder, Seller shall deliver to Purchaser a bargain and sale deed with covenant against grantor's acts conveying title to the Unit to Purchaser, substantially the form contained in Part II of the Plan, conveying the Unit to Purchaser as provided in the Plan, subject to the exceptions referred to on Schedule "A" annexed hereto, in the Declaration, By-Laws, the Plan and Exhibits thereto. The deed shall be executed and acknowledged by Seller, and shall be in form for recording.

6.2

Purchaser shall pay all New York State and New York City Real Property Transfer Taxes and the cost of recording all documents delivered or executed at the closing.

6.3

Seller and Purchaser shall duly execute and swear to a New York State Transfer Tax Return and New York City Real Property Transfer Tax return and any form then required by (aw, all of which shall be prepared by Seller.

6.4

At the closing of title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, the Purchaser shall execute and acknowledge a Power of Attorney to the Board of Managers prepared by Seller and substantially in the form set forth in Part II, Section "GG" of the Plan, and Purchaser shall pay any net adjustments in favor of Seller, Purchaser's closing costs and fees and any processing fees, as provided in the Plan, and pay to the Condominium the contributions to the Working Capital Fund required to be made by each purchaser as provided in the Plan, together with all other payments to or deposits with the Condominium as may be provided in the Plan.

6.5

The Deed and Power of Attorney to the Board of Managers shall be delivered to the representative of the title company insuring Purchaser's title (or if no such representative is present, then to Seller's attorney) for recording in the Queens COUNTY Register's Office. After being recorded, the deed shall be returned to Purchaser and the Power of Attorney shall be sent to the Board of Managers.

6.6

Anything to the contrary herein contained notwithstanding, it is specifically understood and agreed by the acceptance of the delivery of the deed at the time of closing of title hereunder shall constitute full compliance by the Seller with the terms of this Agreement and none of the terms hereof, except as otherwise herein expressly provided, shall survive the delivery and acceptance of the deed. All provisions contained in the Offering Plan shall survive delivery of the deed.

7. **State of Title**

On the Closing Date, Seller shall convey to Purchaser good and marketable title in fee simple to the Unit, free and clear of all encumbrances other than the Permitted Encumbrances set forth in the Plan. Seller shall have no obligation to cause Purchaser's title company, if any to omit any exceptions to title. Any encumbrance 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 Purchaser's title insurance company together with the recording or filing fee or (b) Purchaser's title insurance company will insure Purchaser that it will not be collected out of the Unit if it is a lien, or it will not be enforced against the Unit if it is not a lien. Title insurance will be available from Washington Title Insurance Company through its agent Peak Research LTD, 207 Sydney Avenue, Malverne, New York 11565.

8. **Closing Adjustments**

8.1

The following adjustments shall be made as midnight of the day preceding the Closing Date with respect to the Unit, except as provided in the Plan:

(a) If the Unit is separately assessed as of the Closing Date, then, real estate taxes and assessments against the Unit (if any) on the basis of the period for which assessed;

(b) If condominium units have not been separately assessed for real estate tax purposes prior to the closing of title to the first unit, the sponsor may place in, in the name of the board of managers, an amount equal to the unpaid real estate taxes which will be levied against the parcel for the six month period following the first closing. Alternatively, the sponsor may place in escrow, in the name of the board of managers, an amount equal to the real estate taxes attributable to the unsold units for such six month period and may collect at each unit closing the estimated amount of taxes attributable to such unit for the balance of the six month period. The board of managers will pay the real estate taxes from the escrow account when taxes are due and payable and the funder of the escrow account will be entitled to reimbursement from unit owners to the extent of the actual assessment. The sponsor may, in the alternative, pay the real estate taxes for the entire building for the tax year, and collect from each unit owner, at closing their proportionate share of the real estate taxes for the said tax year, calculated by the total tax for the building multiplied by the percentage of common interest for each particular condominium unit (Example, the common interest of the unit is 15% = 15% / 100. In the event that a refund is due to unit owners after the tax abatement, if any, is granted and implemented, then the refund received will be distributed to each condominium unit owner based on their percentage of common interest, provided that they paid their proportionate share of the real estate taxes for the period for which the refund is issued.

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

(d) Accrued rent and any other charges pursuant to the lease, if any, covering the Unit; and

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

(f) Other Customary Adjustments, including water charges and sewer rents, if separately assessed, on the basis of the period for which assessed.

8.2

If the closing of title occurs before the tax rate is fixed, adjustments 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 and shall not be considered a defect in title.

8.3

If Purchaser fails to close on the Closing Date for any reason, then (i) the closing adjustments shall be made as of midnight of the day preceding the Closing Date originally specified by the Seller (or the originally scheduled closing date specified in this Agreement, as the case may be) and (ii) Purchaser shall pay to Seller, as a late fee, an amount equal to 0.03%, which is 10.95% annually, times the unpaid balance of the Purchase Price for his Unit for each days delay, beginning with the date originally scheduled for the Closing Date to and including the day immediately preceding the actual Closing Date. The provisions of this paragraph shall not be applicable if, through no fault of Purchaser, Seller postpones the Closing Date except to the extent that thereafter the Purchaser postpones the closing for any reason or is in default

9. <u>Closing Costs.</u>

9.1

Purchaser will pay the closing costs and expenses referred to in the Section of the Plan (as same may be amended to date) entitled "Closing Costs and Adjustments".

9.2

To the extent that the Purchaser is entitled to any credit against the mortgage recording tax by reason of any prior mortgage against the Unit or the Property, the Purchaser shall pay to the Seller at the closing for such Unit the amount of any such credit.

9.3

Purchaser will pay legal fees of Purchaser's counsel, if any.

9.4

Purchaser will pay any net adjustments in favor of Seller, if any.

9.5

Purchaser shall be required to pay to the Seller Inspection fees, if any;

9.6

Purchaser shall be required to pay to the Seller appraisal fees, if any;

9.7

Purchaser shall be required to pay to the Seller survey and surveying services fee of $200.00;

9.8

Purchaser shall be required to pay the actual costs for title examination and policy insuring the Lender's and/or owners interest;

9.9

Purchaser shall be required to pay to the any lender's attorneys' fees for preparation of all loan documents;

9.10

Purchaser shall be required to pay to the Seller all commitment fees, points, origination fees and other fees and charges (howsoever characterized) imposed or exacted by the Lender or incurred by Seller or
Purchaser in connection with Purchaser's mortgage loan;

9.11

Purchaser shall be required to pay to the Seller Mortgage recording taxes, if any;

9.12

Purchaser shall be required to pay to the Seller governmental charges which may be assessed on account of the mortgage loan;

9.13

Purchaser shall be required to pay to the Seller or at Seller's direction to pay a title company or the State or City of New York, the New York State Real Estate Transfer Tax and New York City Real Property Transfer Tax on the conveyance; Purchaser's responsibility to pay real property transfer

taxes shall include any increases or additions to such taxes which are due by reason of the fact that Purchaser is paying such taxes instead of Seller. Seller and Purchaser shall duly execute and swear to any transfer tax return and any other form then required by law, all of which shall be prepared by Seller;

9.14

Purchaser shall be required to pay to the Seller real estate and real property transfer tax and mansion tax, if any, on the deed; Purchaser's responsibility to pay real property transfer taxes shall include any increases or additions to such taxes which are due by reason of the fact that Purchaser is paying such taxes instead of Seller. Seller and Purchaser shall duly execute and swear to any transfer tax return and any other form then required by law, all of which shall be prepared by Seller;

9.15

Purchaser shall be required to pay to the Seller all recording and filing charges payable to any public official;

9.16

Purchaser shall be required to pay to the Seller water and sewer tap and connection fees, water meter deposit, water value, water meter reading equipment and water and sewer test fees, if applicable;

9.17

Purchaser shall be required to pay to the Seller advance sewer use payments, if any;

9.18

Purchaser shall be required to pay to the Seller a sum equal to the partial mortgage tax credit to which Purchaser may be entitled under any applicable law by reason of mortgage taxes having been previously paid by Seller;

9.19

Purchaser shall be required to pay to the Seller an initial non-reimbursable working capital contribution in the sum equal to two months' Common Charges then in effect for the Unit pursuant to the budget in accordance with Schedule A hereto, as the same may be amended from time to time;

9.20

Purchaser shall be required to pay to the Seller recordation or filing of the Power of Attorney to be executed by Purchaser at Closing;

9.21

Purchaser shall be required to pay to the Seller first month's common charges to the Condominium;

9.22

Purchaser shall be required to pay to the Seller or Seller's attorneys a fee in the sum of $1,250.00 for each Unit purchased which will cover the legal and other fees and expenses of processing the sale of the Unit, at the same time as the balance of the purchase price for the Unit is due and payable hereunder;

9.23

Purchaser may adjourn the closing date which is set forth in the contract one time for an adjourned period of up to 15 days. If the Purchaser adjourns the closing as permitted herein, then the adjourned date is made "time of the essence". Purchasers shall pay to Seller's counsel the sum of $350.00 if purchaser does not close title to his or her unit on the date Stated in the notice of closing or if the purchaser's lender requires the closing to be at a place other than that indicated in the notice of closing.

9.24

Purchaser shall be required to pay to the Seller Amount equal to one and one half percent (1.5%) of the sales price of the Unit as a reimbursement of Seller's cost in obtaining partial tax exemption benefits pursuant to Section 421-A of the New York State Real Property Tax Law.

10. Federal Form 1099.

10.1 The Purchaser shall cause its attorney to execute a designation agreement designating such attorney, or such other person specified by the Seller, as the "real estate broker" who is required to file a 1099 return with respect to the sale of the Unit pursuant to Section 6045 of the Code. The Purchaser shall cause such "real estate broker" to make such 1099 return and to comply with all other requirements of Section 6045 of the Internal Revenue Code in connection with the sale of the Unit, and the Purchaser shall indemnify and hold harmless the Seller and its attorneys against any and all penalties, losses, and expenses (including, without limitation, attorneys' fees) resulting from the failure of the Purchaser or such "real estate broker" to comply with the Internal Revenue Code and the provisions of this Agreement and such designation agreement.

11 Payment; Moneys to be held in Trust

11.1

The required Down Payment pursuant to this Agreement will be 10% of the Purchase Price for the Unit set forth in the Plan, as amended, which Down Payment shall be increased by special work or materials, if any, offered by Seller and ordered by Purchaser as itemized in Addendum No. 1 of this Agreement. If there is no special work or materials to be included, then no Addendum No. 1 will be attached hereto.

11.2

The Down Payment will be placed, within five business days after the date on which such Down Payment has been unconditionally tendered in a special escrow account of _____,_____, at _____ Bank, in an account entitled "_____" at its branch located at _____ _____ in accordance with Section 71-a (3) of the Lien Law of the State of New York. Such funds will be held in trust in accordance with the escrow and trust provisions of Section 352 (h) and 352-e(2-b) of the General Business Law of the State of New York and the regulations, if any, promulgated pursuant to said Section 352-e (2-b). Such funds will be disbursed only upon signature of Harry Zubli., Seller's attorney, in accordance with the provisions of the Plan. The Bank is covered by federal bank deposit insurance generally to a maximum of $250,000 in the aggregate with respect to all funds deposited by any person in one or more deposit accounts (including, without limit, amount deposited directly by such person and Deposits held in escrow for such person by the escrow agent). If Purchaser makes a Deposit in excess of $250,000 for the purchase of a Unit, or if the amount of such Purchaser's deposits at the Bank and such Deposit exceed $250,000, the aggregate of such Deposit and all other such deposits will generally not be federally insured in excess of $250,000.

11.3

As an alternative to depositing down payments in an escrow account as set forth above, seller may post a bond or indemnity contract with a licensed surety company, in accordance with regulations adopted by the Attorney General, insuring return of such monies, a copy of which bond or contract shall be delivered to the purchaser.

11.4

Down Payments will be retained in escrow or bonded as set forth above until: (i) Seller performs under the terms of the Purchase Agreement or (ii) Purchaser rescinds (due to inability to obtain financing or otherwise) or defaults in performance, thereby excusing performance by Seller, or

(iii) release or discharge of Seller's liability to refund such Down Payment, or (iv) upon transfer of title to the Unit to the Purchaser, or by mutual consent of Seller and Purchaser.

11.5

Within ten (10) business days after tender of the deposit submitted with the subscription or purchase agreement, Escrow Agent shall notify the purchaser of the deposit of such funds in the bank-indicated in the Offering Plan, provide the account number, and disclose the initial interest rate, if any. If the purchaser does not receive notification of such deposit within thirty five {35} business days after tender of the deposit, the purchaser may cancel the purchase and rescind within ninety (90) days after tender of the deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited in accordance with these regulations and requisite notice was timely mailed to the subscriber or purchaser.

12. Binding Effect of Declaration. By-Laws and Rules and Regulations

12.1

Purchaser hereby accepts and approves the Plan including the Declaration, By-Laws and Rules and Regulations contained therein and agrees to abide by and be bound by the terms and conditions thereof.

13. Agreement Subject to Mortgage.

13.1

Purchaser agrees that all terms shall be subject and subordinate to the lien of any building loan mortgage dr development loan mortgage heretofore or hereafter made and any advances heretofore or hereafter made thereon and any payments of expenses already made or incurred or .which may hereafter be made or incurred, pursuant to the terms thereof or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the building loan schedule or Payments or accelerated there under by virtue of lender's right to make advances before they become due in accordance with the schedule of payments. Notwithstanding anything to the contrary contained in this Paragraph, however, on the Closing Date the Unit will be delivered by Seller free of any mortgage liens.

14. Mortgage Contingency. (Delete if inapplicable)

14.1

The obligations of Purchaser under this contract are subject to the issuance of a commitment letter by a bank or other institution as defined in Section 274-a of the New York Real Property Law ("Institutional Lender") to Purchaser, on or before thirty (30) days after the date of receipt by Purchaser of a fully executed copy of this Agreement, pursuant to which such Institutional Lender agreed to make a first mortgage loan, other than a VA, FHA or other governmental issued loan, to Purchaser, at Purchaser's sole cost and expense, in the amount of the Mortgage Amount set forth above or such lesser sum as Purchaser shall be willing to accept, at the prevailing fixed or adjustable rate of interest for a term of at least thirty years and on all other customary commitment terms, whether or not conditional upon any factors other than an appraisal satisfactory to the Institutional Lender.

14.2

Within three (3) days of the date of receipt by Purchaser of a fully executed copy of this Agreement, Purchaser shall apply for the loan and furnish to the Institutional Lender accurate and complete information on Purchaser and members of Purchaser's family, as required, and shall, within five (5) days of making application as required herein, advise Seller of the name and address of the institution to which such application has been made and the date upon Which it was made. Purchaser shall pay all fees, points and charges required in connection with the application

and loan, pursue such application with diligence and cooperate in good faith with such Institutional Lender to obtain such commitment.

14.3

Purchaser shall accept any commitment letter complying with the terms of subparagraph "14.1" of this Paragraph, and if issued, shall pay any application, appraisal, commitment or other fees in respect of the loan, and shall comply with the requirements of the commitment letter.

14.4

In the event that Purchaser is unable to obtain a commitment letter on or before thirty (30) days after the date of receipt by Purchaser of a fully executed copy of this Agreement, Purchaser must notify Seller of same within five (5) days of the expiration of such thirty (30) day period. Within seven (7) business days of receipt of notice by Purchaser that the commitment has not been procured within the contingency period, Seller shall elect by notice in writing to Purchaser to (i) cancel this Contract, (ii) extend the term of the contingency period unless Purchaser has theretofore delivered a written rejection from the Institutional Lender to which the original application was made, or (iii) attempt to procure or provide alternate financing (as provided below). If Seller elects to attempt to procure or provide alternate financing, Seller shall have thirty (30) days from the date of its election to either (a) secure a mortgage loan commitment far Purchaser from the same or another lending institution in the same amount and on substantially the same terms as stated in subparagraph "14.1" of this Paragraph or (b) take back a purchase money mortgage in the same amount and on substantially the same terms as set forth in subparagraph "all of this Paragraph, except that the term shall be for no more than thirty five (35) years. In the event that Seller is unable to obtain or provide alternate financing within such thirty (30) day period or any extended commitment period expires without Purchaser having obtained a mortgage commitment, and provided that Purchaser shall have fulfilled all of Purchaser's obligations under this Paragraph "14", either Seller or Purchaser shall have the right to terminate this contract on notice to the other in writing within seven (7) days of the later to occur of the expiration of the alternate financing period or extended commitment period, and this contract shall become null and void and both parties shall be released and discharged from all liability under this contract, except that the Down Payment under this contract shall be promptly refunded to Purchaser without interest.

14.5

If Purchaser fails to give notice of cancellation within the time provided above or if Purchaser shall accept a commitment that does not comply with the terms set forth above, Purchaser shall be deemed to have waived Purchaser's right to cancel this Contract and to receive a refund of the Down Payment.

14.6

Once the mortgage commitment is issued by the Institutional Lender, its withdrawal by the Institutional Lender based upon any willful change in Purchaser's circumstances shall Still obligate Purchaser to close or his Purchaser will be deemed to be in default of this Agreement. It is the obligation of Purchaser to keep the mortgage commitment in full force until the closing of title.

14.7

The failure of Purchaser to comply with the terms and conditions of the Commitment does not relieve Purchaser of his or her obligation to close title.

15. Default by Purchaser

The time for the payment of the balance of the Purchase Price and the performance of Purchaser's other obligations hereunder, is of the essence of this Agreement.

If Purchaser fails to make such payment when required as herein provided or fails to perform any of Purchaser's other obligations hereunder, Seller may give notice to Purchaser of such default. Sponsor must make written demand for payment after default at least (30) days before forfeiture of the deposit may be declared. If such default shall not be cured within fifteen (15) days thereafter, Seller may, at its option, cancel this Agreement by notice of cancellation to Purchaser. Notwithstanding the foregoing, in the event Purchaser fails to close title on the designated date and Seller does not elect to cancel this Agreement, Seller shall also have the right to approve a request from Purchaser to adjourn the Closing Date and in such event (a) the Purchaser shall pay to Sponsor, as a late fee, an amount equal to .03%, having the total annual amount of 10.95%, times the unpaid portion of the purchase price for his or her Unit for each days delay, beginning with the date originally scheduled for the Closing Date to and including the day immediately preceding the actual Closing Date, (b) all apportionments between Seller and Purchaser shall be made as of the original Closing Date and (c) Purchaser shall reimburse Seller for any additional costs incurred by Seller as a result of Purchaser's delay.

If Seller elects to cancel this Agreement on account of Purchaser's default, (i) Seller may retain all sums deposited by Purchaser hereunder, together with interest earned thereon as liquidated damages (Seller's actual damages being difficult or impossible to ascertain), and upon retaining such sum, this Agreement shall be terminated and neither party shall have any further rights, obligations or liabilities or against the other and the parties shall be released and discharged from all obligations and liability under this Agreement and the Plan and (ii) Seller may sell the Unit to any third party as though this Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale).

16. Agreement Subject to Plan Being Effective

16.1 The performance by Seller 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.

16.2 The Plan may be withdrawn or abandoned by Seller only under certain conditions and at certain times, as set forth in the Plan.

16.3 Provided Purchaser is not then in default under this Agreement beyond any applicable grace period, if title to the Unit does not close within the time set forth in this Contract for any reason other than Purchaser's default, this Agreement shall be deemed canceled and, not later than thirty (30) days thereafter, Seller shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, and upon making such payment, 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.

17 Seller's Inability to Convey the Unit

17.1 If Seller is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan, Seller 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, and in such case, if Seller notifies Purchaser of its refusal to cure such inability and if Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (i) take title to the Unit subject to such inability without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Seller for damages or otherwise or (ii) terminate this Agreement. If Purchaser so elects to terminate this Agreement, Seller shall, within thirty (30) days after receipt of notice of termination from Purchaser, return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, and 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 notice of Purchaser in writing to Seller within ten days after the giving of Seller's notice of refusal 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.

The sponsor may abandon the plan after effectiveness for any reason other than:

(i) a defect in title which cannot be cured without litigationor cannot be cured for less than a stated amount which shall not be less than one-half or one percent of the total offering amount, or
(ii) substantial damage or destruction of the building by fire or other casualty which cannot be cured for less than a state amount which shall not be less than one-half of one percent of the total offering amount or
(iii) the taking of any material portion of the property by condemnation or eminent domain. Sponsor must provide that any stated dollar amount relied upon as basis for abandonment after effectiveness must exclude any attorneys fees or any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of the plan and are either known to the sponsor or are a matter of public record.

If the offering plan is to be abandoned after filing and the sponsor has accepted purchase agreements, the sponsor shall promptly submit an amendment to the Office of the attorney General together with form RS-3 as promulgated by the Office of the Attorney General. If payments under purchase agreements have been received, the amount of such funds and the manner and time when these funds will be returned to puchasers must be disclosed. The funds must be returned within five (5) days after the amendment abandoning the plan has been accepted for filing. If there are no outstanding purchase agreements the sponsor need not submit an amendment but shall submit a form RS-3 to the Office of the Attorney General which shall be served simultaneously by the sponsor on all commercial or professional tenants, if any, in the manner specified by Section 20.1(d)(1) of this Part.

17.2

The parties hereby agree that the Seller may cancel this Agreement by forwarding its check in the full amount paid by the Purchaser, together with a notice in writing, addressed to the Purchaser at their address hereinabove set forth in the event of the occurrence of any of the following; (a) that any governmental bureau, department of subdivision thereto shall impose restrictions on the manufacture, sale, distribution and/or use of materials from its regular suppliers or from using same in the construction and/or completion of the unit; or (b) that the Seller is unable to obtain materials from its usual sources due to strikes, lockouts, war, military operations and requirements or national emergencies, or the installation of public utilities is restricted or curtailed; (c) that economic conditions are such that the Seller cannot obtain labor and or materials in quantities and/or at prices presently contemplated; (d) any occurrence, delay, accident, or act of God which limits Seller's ability to promptly perform under the terms of this Contract; or (e) that the installation of utilities is delayed, restricted or curtailed; (f) that should any zoning or building restrictions and regulations, imposed by any governmental body having jurisdiction over the construction of the residential housing and appurtenances conveyed hereunder, either presently in effect, or as enacted or promulgated in the future, create or impose requirements upon the Seller which are not presently contemplated, this Contract may be canceled with notice as hereinabove provided.

18 <u>Fixtures, Appliances and Personal Property.</u>

18.1

Seller will provide Purchaser only with the fixtures, equipment, hardware, appliances and furnishings referred to in the Plan, which are included in the purchase price of the Unit. Seller makes no representations in connection with such appliances, fixtures, furnishings and items of

personal property and Seller expressly disclaims any implied warranties of merchantability or fitness for a particular purpose. Furnishings, equipment, appliances and decorations in any model unit or sales office not referred to in the Plan are excluded from this sale.

19 Acceptance of Condition of Unit: Changes in Materials: Selection of Colors; Exterior.

19.1

Purchaser shall accept title (without abatement in or credit against the purchase price or provision for escrow) notwithstanding that construction of (i) minor details of the Unit or the Building in which it is located or (ii) other units or (iii) the landscaped areas or (iv) other portions of the common elements have not been completed. Purchaser will examine his Unit with a representative of the Seller during normal business hours prior to the Closing Date and will sign and deliver to Seller on or before the Closing Date an inspection statement acknowledging the condition in which he has received his Unit.

19.2

The Seller reserves the right to (i) make changes or substitutions of materials or construction for items as set forth in the plan, models or Building Plans, provided any such changes are of substantially equal value and quality, (ii) determine the exterior color and design, location of buildings, grading and design of all plots and dwellings to fit into the general pattern of the community and to comply with requirements of law, (iii) determine elevation and location of foundations, walks, entrances, stoops and patios to conform with topographical conditions. The Seller agrees to notify Purchaser of any material changes, specifications, deviations, additions or deletions which may materially adversely affect Purchaser and as otherwise required by the Plan. If said major change affect Common Areas or Limited Common Areas, if any, it will be disclosed by a duly filed amendment to the Plan.

19.3

It is further agreed that wherever the Purchaser has the right to make a selection of construction changes, optional extras, colors, fixtures and/or materials, he shall do so within five (5) days after demand therefore. The selections are to be made at Seller's sales and display offices or as otherwise directed by Seller. In the event the Purchaser fails to make such selection within such period, the Seller shall have the right to use its own judgment in the selection of colors, fixtures and materials and the Purchaser shall accept the same. Such written demand shall be made by ordinary mail addressed to the Purchaser at the address herein set forth.

19.4

Any extras by Purchaser shall be paid for in full at the time of the order. Money paid for extra work will only be retained by sponsor if it has been expended for such work. If for any reason the Sponsor fails to install said extras in accordance with the work order, the limit of the Sponsor's liability is a refund of the amount of the charge. Purchaser shall not be entitled to a refund of amounts paid on account of extras or changes for any reason whatsoever, including the failure of the lending institution to approve their Purchase Money Mortgage. Construction must proceed by a scheduled plan. Any items not paid for cannot be installed and construction will not be delayed for ordered items not paid for in advance. Selection of any extras also cannot hold up the Progression of any job. If delays are deemed unreasonable by Sponsor, Seller has the right to complete the job according to standard specifications, and will return to Purchaser any sums of money paid to him for extras not actually installed.

20. Damages to the Unit.

20.1

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:

20.2

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 Seller, but without any obligation or liability by Seller 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 Seller to repair or restore the Unit, this Agreement shall continue in full force or effect. Purchaser shall not have the right to reject title or receive credit against, or abatement in, the Purchase Price and Seller shall be entitled to a reasonable period of time within which to complete the repair or restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the Board and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Seller and if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Seller. The provisions of the preceding sentence shall survive the closing of title.

20.3

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

21 Seller's Right to Enter.

21.1

The Purchaser does hereby authorize and grant to the Seller the irrevocable right to enter into, upon and over and under the unit as provided in the Plan, for such purposes as may be reasonably necessary for the Seller or his agents to complete the project of which this Unit is a part. Any damages incurred shall be repaired at the cost of the Seller. Purchaser agrees to do nothing that will prevent the Seller from obtaining a certificate of occupancy for these premises. This provision shall survive delivery of the deed.

22 Restriction on Purchaser's Right to Enter

22.1

It is expressly understood and agreed that the Purchaser shall in no event take possession of the premises prior to the time of the delivery of the deed and full compliance by the Purchaser with the terms of this Agreement, and should the Purchaser violate this provision, the Purchaser consents that the Seller shall have the right to remove him from the premises as a squatter and intruder by summary proceedings. Upon the Purchaser's unauthorized possession, the Purchaser shall be deemed in default hereunder, at the option of the Seller and, upon such election, the amount paid hereunder shall belong to the Seller as liquidated damages and the contract shall be deemed canceled. It is further understood and agreed that the Seller will not be responsible for damage or loss to any property belonging to the Purchaser, whether same is delivered to the property on or after the closing of title herein.

23 No Representations

23.1

Except as specifically set forth herein or in the plan, Purchaser acknowledges that he has not relied upon any architect's plan, sales plans, selling brochures, advertisements, representations, warranties or statements of any nature, whether made by Seller, Seller's Counsel or Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the. Building or the Unit, the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the building services, the estimated common charges

and expenses allocable to the Unit or the right to any income tax deduction on account of any real estate taxes and/or mortgage interest paid by Purchaser. Purchaser agrees that Seller shall have no liability or responsibility to Purchaser if the layout or dimensions of the Unit or any part thereof or of the common elements as shown on the floor plans or on the architectural plans and specifications for the Building or site plan are not accurate or correct provided such layout or dimensions conform substantially to the floor plans and the architectural plans and Specifications for the Building and the site as modified or supplemented in accordance with the Plan.

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24

PRIOR TO THE EXECUTION OF THIS CONTRACT BY PURCHASER, PURCHASER ACKNOWLEDGES THAT SELLER HAS SUPPLIED TO PURCHASER FOR EXAMINATION AND PURCHASER HAS RECEIVED, READ AND UNDERSTOOD A WRITTEN COPY OF THE EXPRESS TERMS OF THE LIMITED WARRANTY.

24.1

THIS PARAGRAPH "24" SHALL SURVIVE DELIVERY OF THE DEED.

24.2

PURCHASER ACKNOWLEDGES THAT A WRITTEN COPY OF THE TERMS OF THE LIMITED WARRANTY WHICH IS SET FORTH IN THE OFFERING PLAN HAS BEEN PROVIDED FOR THE PURCHASER'S EXAMINATION PRIOR TO THE TIME OF THE PURCHASER'S EXECUTION OF THIS AGREEMENT.

25 Broker.

25.1

Purchaser represents to Seller that the real estate broker named above is the only broker or sales agent with whom Purchaser has dealt in connection with this transaction, and Seller agrees to pay the commission earned by said broker pursuant to separate agreement. Purchaser agrees that should any claim be made against Seller for Commissions by any broker, other than the broker named above, on account of any acts of Purchaser or Purchaser's representative, Purchaser will indemnify and hold Seller free and harmless from and against any and ail liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this article shall survive the closing of title.

26 Agreement May Not Be Assigned, Unit Is Not Restricted From Resale.

27. Binding Effect

27.1 This Agreement shall not be binding upon Purchaser or Seller until a fully executed counterpart hereof has been delivered by Purchaser and Seller. If this Agreement is not accepted by Seller within thirty (30) days from the date hereof by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and canceled and the deposit paid on the execution hereof shall be promptly returned to Purchaser.

In order to discourage purchasers from "flipping" (buying a condominium unit for the purpose of selling the unit within a short time frame and competing with the Sponsor in selling units in the condominium), if the purchaser sells his/her/their condominium unit within 12 months from the closing date that purchaser acquired the unit from Sponsor, then purchaser shall be required to pay to the Sponsor, the profit which is defined as the difference between the net sale price (gross sale price less transfer taxes and brokerage fees) that purchaser sells his /her/ their unit for less the gross price that purchaser paid to Sponsor (gross price is defined as the purchase price plus any fees or reimbursements paid by purchaser to Sponsor.

28. Notices.

28.1

Any notice to be given hereunder shall be in writing and sent by registered or certified mail postage prepaid or delivered in person or overnight mail via United States Postal Service, United Parcel Service, FedEx, or Airborne Express, with receipt acknowledged, to Purchaser at the address given above and to Seller at _____(with copy to _____ _____,_____) or such other address as either party may hereafter designate to the other in writing. Each notice mailed as provided above shall be deemed given on the third business day following the date of mailing and each notice delivered in person or by overnight mail shall be deemed given when delivered.

29. Joint Purchasers.

29.1

If two or more persons are named as Purchaser herein, any one of them is hereby made agent for the others in all matters of any kind or nature relating to this Contract and their respective obligations shall be joint and several.

30. Liability of Seller.

30.1

Seller shall not have any liability to any Purchaser with respect to any of Seller's obligations under this Agreement or the Plan or otherwise in excess of the net proceeds paid to Seller from the sale of all Unsold units after payment of, or reasonable reserve for, any liabilities of Seller arising out of the consummation of the transactions contemplated in the Plan, except as specifically set forth in the Plan provided that such limitation shall not apply to any violation of Article 23-A of the General Business Law.

Disclaimers or limitation of liability on the part of the sponsor or its principals for failure to perform any obligation imposed by applicable statute or regulation may not be included . The plan may not include any financial limitation on sponsor's liability for failure to perform it obligations under the offering plan.

30.2

The Purchaser understands and agrees that it may not under any circumstances file a notice of pendency or "lis pendens" on the condominium unit which is the basis of this Purchase Agreement and may not file a notice of pendency or "lis pendens" on any portion of the subject condominium. Purchaser's sole remedy against the Sponsor shall be to commence an action in any Court having jurisdiction over the Sponsor.

31. Further Assurances.

31.1

Each party shall, at any time and from time to time, execute, acknowledge and deliver to the other party such instruments and documents, and take such other actions, 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. This Paragraph shall survive closing.

32. Severability.

32.1

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.

33. Strict Compliance.

33.1

Any failure by Seller to insist upon the strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and Seller, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Purchaser of any and alt of the provisions of this Agreement to be Performed by Purchaser,

34. Governing Law.

34.1

The provisions of this Agreement shall be governed by and construed in accordance with the 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.

35. Waiver of Jury

35.1

The parties hereby expressly waive trial by jury in any action, proceeding or counterclaim arising out of, or connected with, or relating to this Agreement or the relationship created hereby.

36. Entire Agreement

36.1

This Agreement, together with the Plan, supersedes any and all understandings and agreements between the parties and constitutes the entire agreement between them. Purchaser acknowledges and agrees that the Plan may be amended from time to time as provided for in the Plan and that this Agreement may be amended by Seller to conform to the provisions of any such amendment by delivering a notice thereof (which notice may consist of a copy of any such amendment), subject however to any rights which Purchaser may have as provided for in the Plan, This Agreement and the Plan cannot be changed or terminated orally. Any changes or additional provisions must be set forth in writing only.

37. Gender, etc

37.1

Any singular word or term herein shall also be read as in the plural and the neuter shall include the masculine and feminine gender whenever the context of this Contract requires.

38. Captions.

38.1

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.

39. Amendment of Purchase Agreement.

39.1

Neither this Agreement nor any provision hereof may be waived, amended, altered, modified or discharged except by agreement in writing by the party sought to be charged therewith.

40. Successors and Assigns.

40.1

The provisions of this Agreement shall bind Purchaser, his or her heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Seller and its successors

and assigns.

41. Attorneys.

41.1

The parties hereby authorize their respective attorneys to agree in writing to any changes in dates and time periods provided in this Contract, The attorneys representing the Seller or any Lender represent such parties only and not the Purchaser. The Purchaser may retain independent counsel at Purchaser's own expense in order to protect Purchaser's own interest.

42. Reporting.

42.1

Seller and Purchaser shall comply with Internal Revenue Code reporting requirements, if applicable. This Paragraph shall survive closing.

43. No Third Party Beneficiaries.

43.1

This Contract is intended for the exclusive benefit of the parties hereto and, except as otherwise expressly provided herein, shall not be for the benefit of, and shall not create any rights in, or be enforceable by, any other person or entity.

44. New York State Real Property Transfer Gains Tax.

44.1

Purchaser agrees to cooperate fully with Seller and to complete, sign and deliver to Seller all forms and other documents to facilitate a pre-dosing audit or other procedure required pursuant to Article 31-B of the New York State Tax Law, if required by law. Purchaser agrees to execute the Transferee Form annexed to this Agreement and to execute any other form required by the State of New York or Seller in connection with said tax. Failure by Purchaser to comply with this Paragraph shall be deemed a default under this Agreement.

45. Acceptance by Seller.

45.1

Within twenty days after delivery by Purchaser to Seller or to Seller's agent of this Agreement as executed by Purchaser, Seller will either (a) accept this Agreement and cause it to be returned to Purchaser a fully executed counterpart thereof, or (b) reject this Agreement and refund the down payment tendered by Purchaser. THE SUBMISSION OF THIS AGREEMENT SHALL NOT BE DEEMED TO CONSTITUTE AN OFFER TO SELL, OR AN OPTION TO PURCHASE, AND THIS AGREEMENT SHALL NOT BE BINDING UPON SELLER UNLESS AND UNTIL IT IS EXECUTED AND DELIVERED BY BOTH PURCHASER AND SELLER AND, IN SUCH EVENT, SUBJECT TO ALL OF THE TERMS AND CONDITIONS HEREOF.

46. No Recordation.

46.1

This Agreement shall not be recorded by Purchaser without the express written consent of Seller. Any purported recordation thereof by Purchaser shall be void and shall constitute a material default by Purchaser hereunder.

47. Foreign Investment in Real Property Tax Act.

47.1

Pursuant to the Foreign Investment in Real Property Tax Act ("FIRPTA"), upon disposition of a

United States real property interest by a foreign person on or after January 1, 1985, the purchaser of such real property interest must deduct and withhold a tax equal to ten percent (10%) of the purchase price unless the seller furnishes a certificate that it is not a foreign entity or individual. Seller will furnish to Purchaser a non-foreign certification at closing, thereby complying with FIRPTA and relieving Purchaser from any withholding obligations. .

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48. **Rules of Construction.**

48.1

There shall be no presumption against the draftsman of this Agreement or the Offering Plan.
IN WITNESS WHEREOF, the parties have executed this Agreement the
_____Day of_____. 2009

X_____
Purchaser
Social Security #_____

X_____
Purchaser
Social Security #_____

Avenue K Developers, Inc.
Sponsor

By:_____

Title:_____S

SCHEDULE A

1. Zoning and other regulations, resolution and ordinances and any amendments thereto now or hereafter adopted provided they are not violated by the existing building and improvements erected on the property or the use thereof.

2. Any state of facts which a survey or personal inspection of the property or the Unit would show, provided such facts would not prevent the use of the Unit for dwelling purposes or render title unmarketable.

3. The terms, burdens, covenants, restrictions, conditions, easements and rules and regulations, ail as set forth in the Declaration, the By-Laws and the Rules and Regulations, the Power of Attorney from Purchaser to the Board of Managers and the floor plans, all as may be amended from time to time.

4. Consents by Seller or any former owner of the Land for the erection of any structure or structures on, under or above any street or streets on which the property may abut.

5. Any easement or right of use in favor of any utility company for construction, use or maintenance or repair of utility lines, wires, terminal boxes, mains, pipes, cables, conduits, poles and other equipment and facilities on, under and across the property and any covenant, restriction and agreement of record; provided same are not violated by the present structure and the use of the unit for dwelling purposes.

6. Revocability of licenses for vault space, if any, under the sidewalks and streets.

7. Encroachments of the structure or structures now on the Premises and of structures in the neighboring premises encroaching on the subject Premises and upon any street or highway, or adjoining premises, if any, including but not limited to shrubs, retaining walls, windows, cellar steps and/or doors, stoops, ornamental projections, trim and cornices, fences, fire escapes, if any, upon streets or highways and/or record property lines; and any variation between record property lines, and fences and/or walls and the record map.

8. The lien of any unpaid common charge, real estate tax, water charges, sewer rent or vault charge provided the same are adjusted at the closing of title and/or are not yet due and payable.

9. The lien of any unpaid assessment payable in installments (other than assessments levied by the Board), except that Seller shall pay all such assessments due prior to the Closing Date and Purchaser shall pay all assessments due from and after such date.

10. Any proposed, adopted or actual widening of any street, abutting or adjacent to the property provided same do not affect the existing structure or the use thereof as a residential dwelling.

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

12. Survey of the Premises.

13. Declaration of Zoning Lot Restriction, if any, that have been filed with regard to the subject property.

Waiver of Notice of Closing

_____being duly sworn, does hereby depose and state:

1) I am the Purchaser of Unit _____ at 8413 Avenue K,Brooklyn, NY 11236 a unit at The Avenue K Developers Condominium.

2) I hereby waive the applicable notice provision contained in the Purchase Agreement and agree to close on _____ _____, 2009 .

_____
Purchaser

_____
Purchaser

Sworn to before me this

____ day of _____, 2009

_____
Notary Public

FF. INSPECTION STATEMENT / PUNCH LIST

I am the Purchaser of Unit _____ located at The Avenue K Developers Condominium ("my Unit").

I have inspected my Unit, and the following are items which are not completed at the time of closing:

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

Dated:_____

_____
Purchaser

_____
Purchaser

UNIT POWER OF ATTORNEY

GG. RESIDENTIAL UNIT POWER OF ATTORNEY

Unit Power of Attorney

All Terms used in this Residential Unit Power of Attorney which are used in the Declaration (the "Declaration") establishing a plan for condominium ownership of the premises Known as The Avenue K Developers Condominium and by the street number 8413 Avenue K, Brooklyn, NY 11236 under Article 9-B of the Real Property Law of the State of New York, dated and recorded in the office of the Register of the County of Kings, City of New York, on _____, 2009 in ACRIS #_____or in the By-Laws of The Avenue K Developers Condominium the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meanings in the Power of Attorney as in the Declaration or the By-Laws.

The undersigned having an office / residence at 8413 Avenue K, Brooklyn, NY 11236, New York, the owner(s) of the Residential Unit (the "Unit") known as Unit No____at address 8413 Avenue K, Brooklyn, NY 11236 York in The Avenue K Developers Condominium and also designated as **Tax Lot**_____ in **Block** _____ of the Borough of Kings on the Tax Map of the Real Property Assessment Department of the City of New York and on the floor plans, do(es) hereby nominate, constitute and appoint the persons who may from time to time constitute the Board of Managers of The Avenue K Developers Condominium, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners, in accordance with such Owners respective interests in the Common Elements, subject to the provisions of the By-Laws then in effect:

(1)(a) Following due authorization by the Unit Owners, to acquire or lease any Unit, together with its Appurtenant Interests

(1)(b) Whose Owner elects to surrender the same pursuant to Article "VIP, Section "1" of the By-Laws,

1(c) To acquire any Unit, together with its Appurtenant Interests, which becomes the subject of a foreclosure or other similar sale, on such terms and at such price or rental as the case may be,

as said attorneys-in-fact shall deem proper, in the name of the Board of its designee, corporate or otherwise, on behalf of all Unit Owners, and after any such acquisition or leasing, to convey, sell, lease, sublease, mortgage or otherwise deal with (but not vote, the interest appurtenant thereto) any such Unit so acquired by them, or to sublease any Unit so leased by them without the necessity of further authorization by the Unit Owners, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in-fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present; (2) to execute, acknowledge and deliver
(a) any declaration or other instrument affecting the Condominium which the Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution or requirement of the Department of Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair or restoration of the Residential Section or (b) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Residential Section or the Common Elements which the Board deems necessary or appropriate.

The Board of Managers shall also have the authority to retain one attorney to prosecute tax protest proceedings on behalf of all Unit Owners and no Unit Owner shall have the right to file an individual protest.

The undersigned do(es) hereby nominate, constitute and appoint <SponorName> ("Sponsor") as attorney-in-fact from the undersigned, coupled with an interest, with power of substitution, to amend from time to

time the Declaration, By-Laws and the Rules and Regulations of the Condominium, or any of said documents, when such amendment (1) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the affected Unsold Units resulting therefrom made by Sponsor or its Designee in accordance with Article 12 of the Declaration or (2) shall be required by (a) an 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 (Hi) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an institutional lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) 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 acts of a majority of such persons constituting the Board shall constitute the acts of said attorneys-in-fact.

This Power of Attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has/have executed this Power of Attorney as of the____day of_____, 2009.

_____ _____

State of New York) ss:
County of_____)

On the ___day of _____in the year _____before me, the undersigned, personally appeared _____personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose names is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her /their capacity(ies), and that by his/her/their signature(s) on the instrument , the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Sworn to before me this _____day
Of_____, 2009

_____
Notary Public

State of New York) ss:
County of _____)

On the ___day of _____in the year _____before me, the undersigned, personally appeared _____personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose names is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her /their capacity(ies), and that by his/her/their signature(s) on the instrument , the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Sworn to before me this _____day
Of_____, 2009

_____
Notary Public

Unit Power of Attorney

The Avenue K Developers Condominium
8413 Avenue K
Brooklyn, NY 11236

Title No._____

Section_____

Block _____

Lot_____

Record and Return To:

Bruce Montague and Partners
Attorneys at Law
212-45 26th Avenue
Bayside, NY 11360
TEL: 718-279-7555 FAX: 718-279-8154

UNIT DEED

HH. FORM OF UNIT DEED

Unit Deed

THIS INDENTURE, made this____ day of_____ , 2009 between Avenue K Developers, Inc. , a New York Limited Liability Company, having an office at 33 Great Neck Road, #9, Great Neck, NY 11021 (the "Grantor"), and_____(the "Grantee(s)"),residing at_____.

WITNESSETH:

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Unit known as Unit No._____ (hereinafter called "the Unit") in the Building known as and by the street number 8413 Avenue K , city of New York, County of Kings , State of New York, designated and described as Unit No._____ in the Declaration establishing The Avenue K Developers Condominium (hereinafter called the "Property"), made by Avenue K Developers, Inc. under the Condominium Act of the State of New York (Article 9~B of the Real Property Law of the State of New York), dated_____, _____ and recorded in the Office of the Register of the City of New York, County of Kings, in ACRIS #_____, (hereinafter called the "Declaration") and designated also as Block No. _____, Tax Lot No____on the Floor Plans of said Building, certified by _____, and filed in the said Register's Office on_____, 2009, as Condominium Plan No._____.

TOGETHER with an undivided_____ % interest appurtenant to the apartment unit in the common elements of the Property (hereinafter called the ("Common Elements).

The property is described as follows:

SEE SCHEDULE "A"

All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or in the By-Laws of The Avenue K Developers Condominium (Said By-Laws, as the same may be amended from time to time, are hereinafter referred to as the "By-Laws");

Together with the appurtenances and all the estate and rights of the Grantor in and to the Unit; Together with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the Declaration and the By-Laws, all of which shall constitute covenants running with the Land and shall bind any person having any title, interest or estate in the Unit as though recited and stipulated at length herein;

Subject also to such other liens, agreements, covenants, easements, restrictions and other matters of record as pertain to the Unit and/or to the Property as more particularly described in the title insurance policy issued by_____; to have and to hold the same unto the Grantee, and the heirs or successors and assigns of the Grantee, forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the New York Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the New York 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 New York Condominium Act, the applicable provisions of Article 19 of the Declaration shall control.

Except as otherwise specifically permitted by the Board of provided in the Declaration or the By-Laws, the Unit is intended for residential use only.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatsoever, except as aforesaid. The Grantor, in compliance with Section "13" of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes,

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-laws) and agrees to comply with all terms and provisions thereof.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

This conveyance is made in the regular course of business actually conducted by the Grantor.

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

Avenue K Developers, Inc.
A New York Company

By:_____
(Grantor)

_____ _____
(Grantee) (Date)

_____ _____
(Grantee) (Date)

State of New York) ss:
County of _____)

On the ___day of _____in the year _____before me, the undersigned, personally appeared _____personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose names is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her /their capacity(ies), and that by his/her/their signature(s) on the instrument , the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Sworn to before me this _____day Of_____, 2009

_____
Notary Public

State of New York) ss:
County of _____)

On the ___day of _____in the year _____before me, the undersigned, personally appeared _____personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose names is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her /their capacity(ies), and that by his/her/their signature(s) on the instrument , the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Sworn to before me this _____day
Of_____, 2009

_____
Notary Public

Condominium Deed

The Avenue K Developers Condominium
8413 Avenue K
Brooklyn, NY 11236

Title No._____

Section_____

Block _____

Lot_____

Record and Return To:

_____
(Attorney for Purchaser)

_____
(Address)

_____

II. DESCRIPTION OF PROPERTY AND SPECIFICATIONS

The Avenue K Developers Condominium

LOCATION AND USE OF ASSETS

The Condominiums are located in Block: 8036, Lot 1 & 4, Brooklyn/Kings County, New York. The lot lies within the Residential Zone District R5, as per Sections 22-12 and 22-14, use Groups 2B & 4 "Residential" and "community facility" is permitted use as a matter of right.

STATUS OF CONSTRUCTION

The proposed building will comply with Section 27-278 of the New York State Building Code for Type 1-D Construction. This type of construction includes those buildings in which the walls, exit ways, shafts, structural members, floors, and roofs are constructed of non-combustible materials and in which the bearing walls and other major structural elements are generally one-hour fire-resistance rating.

The building will consist of eighteen residential units, two community facility and twelve parking spaces. The construction will be completed and a Final Certificate of Occupancy will be issued, on February 1, 2010.

SITE

The land is situated on the NORTH **side of** AVENUE K **Distant** 0 **ft.** WEST **of the corner formed by the intersection of** EAST 84 STREET **and** EAST 85 STREET The land and premises at the aforementioned point runs in West direction 100', thence North 100', thence East 100', thence South 100' to the point of beginning. The area enclosed is 10,000 SF. The square footage of the building is 24,580 gross SF. The street is owned and maintained by the City of New York. The pavement is composed of asphalt and the sidewalk and curbs are concrete. The sidewalk slopes away from the building providing positive drainage without ponding. Sanitary water will discharge into combined sewer connected to the city sewer system. Street lighting is provided by the City of New York. Street lamps are located in front of the building and provide sufficient lighting provided by the city. Incandescent lamps will be provided to illuminate the entrance stairs and foyer.

UTILITIES

Water is furnished by the City of New York Water Distribution System and is obligated the condominium owners in common. The building contains one water meter.

Natural gas service is provided by Key Span Energy Services\National Grid of New York. Natural Gas service is metered to each apartment for cooking purposes, and heating. A separate meter obligated to the condominium owners in common, services the public heat for common areas, common laundry facilities and gymnasium. Domestic hotwater to all units in the project will be provided via a Bradford White Boiler, 500,000 BTUs, BWCV0500. This boiler will heat two 200-gallon storage tanks, model M-3ST200R5A.

Electric service is provided by the Consolidated Edison Company of New York and is individually metered to each apartment unit. A separate meter obligated to the condominium owners in common, services public areas and meter room.

Telephone service is provided on an individual basis is to each apartment by Verizon.

SUBSOIL CONDITIONS

There is evidence of ground water at 7' below grade. The fema zone is X. In order to prevent infiltration

through the foundation walls or any potential damage due to the water table or from any other bodies of water. The foundation is composed of compacted sand and gravel mixture used underneath the matt foundation with 4000 PSI concrete with heavy rebar..

LANDSCAPING AND ENCLOSURES

Landscaping will consist of seeded lawn in the front yards having a top soil of six inches. The lawn and planting areas will be scaled to prevent storm water runoff. Planting will consist of seeded lawn. The building will have 12 parking spaces all in the rear of the building. The parking areas will be asphalt or concrete paved.

OCCUPANCY

The total number of units in this condominium is 18 residential units, 2 community facilities and 12 parking spaces which breaks down as follows:

CELLAR:	1 Community Facility
FIRST FLOOR:	1 Community Facility, Common area
SECOND & THIRD FLOOR:	6 Residential Units, Common area/ per floor
FOURTH & FIFTH FLOOR:	3 Residential Units, Common area/ per floor
TOTAL:	18 Residential Units & 2 Community facility

The total number of residential rooms can be calculated by using the following Zoning Resolution formula:

- LIVING ROOM = 1
- DINING ROOM = 1
- KITCHENETTE = ½
- BEDROOM = 1

UNIT BREAKDOWN

All units will consist of rooms as follows:

(13) Two Bedroom Unit (Living Room, Dining Room, Kitchen, 2 Bedroom, 2 Bath) = 4 ½
(5) One Bedroom Unit (Living Room, Dining Room, Kitchen, 2 Bedroom, 2 Bath) = 3 ½
The Total Number of Residential Rooms in this Condominium is 76

UNIT	TYPE	NUMBER OF DWELLING UNITS	NUMBER OF Z.R.
2A, 2C, 2D, 2E, 2F, 3A, 3C 3D, 3E, 3F, 4A, 4B, 4C	TWO BEDROOM		58.5 Z.R.
2B, 3B, 5A, 5B, 5C	ONE BEDROOM	TOTAL:	76Z.R.

UNIT SIZE
8413 Avenue K, Square Footage of units and Limited Common Elements:

See Next Page.....

UNIT	#BR	AREA	LCE BALCONY	LCE YARD
Com1		755 SQ FT		
Com2		3,944 SQ FT		
2A and 3A	2 BR	858 SQ.FT		
2B and 3B	1 BR	658 SQ.FT		
2C and 3C	2 BR	849 SQ.FT		
2D and 3D	2 BR	929 SQ.FT		
2E and 3E	2 BR	878 SQ.FT		
2F and 3F	2 BR	870 SQ.FT		
4A	2 BR	745 SQ.FT		
4B	2 BR	810 SQ.FT		
4C	2 BR	915 SQ.FT		
5A	1 BR	536 SQ.FT		
5B	1 BR	528 SQ.FT		
5C	1 BR	478 SQ.FT		
PS1		144 SQ FT		
PS2		144 SQ FT		
PS3		144 SQ FT		
PS4		144 SQ FT		
PS5		144 SQ FT		
PS6		144 SQ FT		
PS7		144 SQ FT		
PS8		144 SQ FT		
PS9		144 SQ FT		
PS10		144 SQ FT		
PS11		144 SQ FT		
PS12		144 SQ FT		

BUILDING SIZE

The building consists of a cellar and six stories of habitable spaces. The total number of residential units is (18) – residential apartments and (2) commercial spaces. There will be 12 outdoor parking spaces. The room count is based on the City of New York Zoning Resolution.

The total height of the building from grade to the highest part of the roof is 63'. The floor to ceiling heights are:

Cellar –	10'-4"	
First Floor –		10'-4"
Second Floor –	9'-8"	
Third Floor –		9'-8"
Fourth Floor –		9'-8"
Fifth Floor –		9'-8"
U. Roof –		9'-0"

STRUCTURAL SYSTEMS

The cellar floor is a concrete slab on well-compacted earth. Floors 1 through 5 and roof are composed of finished floor on a layer of concrete, and "C" joists. The façade exterior wall is 3-hour rated exterior wall - with 22 GA. steel studs, with r-13 insulation, layer of 5/8" type X gypsum board on the interior side, 1" air space, with effice and brick veneer finish on the exterior side.

All separations and assemblies are of non-combustible materials as specified by the Building Department requirements of the City of New York. Proposed foundation walls are poured reinforced concrete supported on spread footings. All exterior walls are insulated with 3" batt insulation having an "R" factor of 19. Local Law 10/11 does not apply to this project, it is under six stories.

COMMUNITY FACILITY (COM2)

Community facility 2 will be a medical facility having a use group equal to 4. The Occupancy Group is "E". The floor area is approximately 3,944 SF. The maximum number of people will be equal to 40. There will be two handicap accessible bathrooms consisting of sinks and toilets. The refuse will be located in the lobby. Method of accessing medical facility will be from the lobby and there will be two separate exterior entrances as well. This facility will be supplied by its own central Community units will be heated by the individual boilers. Manufacturer: Weill McClain, Model CGA-3 or equivalent. Each unit will include air handler with the heating coil. The capacity of the boiler is 70,000 BTU.

WINDOWS

All apartments windows are slider and double hung windows, All windows are argon filled, low-E coated for energy efficiency. Window hardware is standard manufacturer's hardware.

Residential units and Commercial units will have the following: horizontal sliding windows with factory glazed
insulating glass, Double hung doors with factory glazed insulating glass & Aluminum swing doors at terraces with factory glazed tempered insulating glass.

Windows will comply with structural performance, air infiltration, and water penetration requirements indicated in AAMA 101 for type, grade, and performance class of window units required. Windows will be manufactured by Crystal Windows & Door systems, LTD. Window frame will have extruded aluminum frame and will be attached with anchored clips made of nonmagnetic stainless steel. Insulated glass will have 1/4 " outer lite and ¼ " inner lite of clear float glass and ½ " dry air space which is herematic seal window grade and class
shall comply with requirements of "AAMA" Grade and Performance class HS-AW40. Community Unit will have horizontal sliding windows with factory glazed insulating glass. There will be a one year manufacturer's warranty on the windows.

PLUMBING AND DRAINAGE
Water provided by the New York City Water Supply System. Water is supplied by a single meter obligated to the owners in common. The sewage system carries both waste and sanitary sewage from each apartment unit as well as storm water from the roof. Soil and waste stacks are made of cast iron, vent stacks of galvanized iron, storm leaders are made of aluminum. Domestic hot and cool water piping is copper tubing. Hot and cold water will not be insulated. Water is carried by gravity to local city sewers. The roof storm drainage system is adequate to carry runoff. Water is disposed of by drains located in all paved areas. Storm drainage pipes are cast iron.

HEATING

All apartments are supplied with Gas Ptac Units MFR: ISLAND AIRE, EZ-16 series. The units are used for heating & cooling. The heating system will be designed to

maintain temperature of 70 degrees Fahrenheit indoor when out door temperature is 0 degrees Fahrenheit under normal conditions. Thermostat is controlled manually.

GAS SUPPLY

Key Span Energy Services / National Grid supply natural gas for cooking, the boiler, domestic hot water and the dryer. Natural gas is metered through individual meters. The meters are located in the cellar. Material will be black pipe.

AIR CONDITIONING

Each residential unit shall have individual thru wall PTAC Units manufactured by ISLAND AIRE EZ-16 series.

HANDICAP PROVISIONS

Building complies with Local Law 58/87.

ELEVATORS

There will be one elevator in this building manufactured by Hollister- Whitney Elevator or equivalent each one will consist of the following items:
a. Capacity: 2,500 pounds (approx. 8 persons).
b. Type: geared traction
c. Controls: variable voltage, variable frequency, automatic
d. Floors served: Cellar through 5.
e. Doors: automatic sliding
f. Machine room location: cellar level.

ELEVATOR CABS

Stone tile floor; stainless steel wall, door and jamb panels; suspended satin stainless steel ceiling with recessed lighting; two-way conversation multi-path central station emergency intercom system with auto connection to monitoring station. The elevator cabs are manufactured by Hollister- Whitney Elevator.

VENTILATION

Individual mechanical exhaust fans ventilate all kitchenettes and bathrooms without windows. Bathrooms ventilated by 50 CFM by Greenheck, through galvanized metal vent ducts in 2 hr. shaft and fuse link dampers.

RECREATIONAL FACILITIES

There is a recreational room (gymnasium) in this building. The recreational room in the building is located in the cellar. The recreation room has two entrances, the room enclosed with two 1 ½ hour fire protected self-closing doors. The recreation room is handicap accessible.

COMMUNITY FACILITIES

There is 2 community facilities in this building. There is one community facility on the cellar and one on the first floor.. The max people capacity in this center is 13. The community facility is handicap accessible.

ELECTRIC SYSTEM

There is a total of 400-amp service to the building. New services to individual units: 60 amp panels, 3 wire, 208/120 volts with #2 copper cables. Each apartment unit is individually metered. A separate meter obligated to the condominium owners in common services public spaces and utilities. Meters are to be located in a meter room in the cellar. The number of convenient outlets per apartment is per the New York City Electrical Code. The number of Circuits will be 42 per apartment unit.

PARAPETS

Parapets, roof 5th floor and 4th floor terrace and Balconies have 42" high wrought iron railing. The parapet is firmly secured in place and there are no problems of leakage, spalling, deterioration or mortar cracking, etc.

CHIMNEY AND CAPS

There are three 10" metal wind turbine ventilator-typ.
Vents in 2 hour masonry shaft with roof caps that extend 3'-0" above the roof located in the rear of the building.

TERRACES / BALCONIES

The building has balconies on the 3rd floor, with swinging doors leading to them. Both Balconies and terraces have 42" wrought iron safety railings.. Railings at apartment balconies will be made of 1" hollow aluminum square tubes, powder coated. Tubes will be located 5" on center. Railing will be anchored to concrete floor with anchor bolts embedded in concrete. Perimeter groves will not be provided.

EXTERIOR ENTRANCE

All exterior and vestibule frames and doors are self-closing fire-protected. The entry door to the building will be equipt with Omnicom door strike knob and lock or equivalent There are exterior stairs and railings. Mail boxes will be made of white extruded aluminum and will be approved by the US Postal Service. Mailing will be distributed by the US Postal Service. Mailboxes will be located on the interior wall of the residential Vestibule.

The lighting is located in the public hallways leading to interior stairs as required.

SERVICE ENTRANCES

The building does not contain service entrances.

ROOF AND ROOF STRUCTURES

The roof is same concrete construction as all floors. There will also be 4 conrol flow castiron drains on the roof above the 5th floor balconies and 8 conrol flow castiron drains 4th floor balconies and will drain the storm water to the city sewer. The roofing system will be "IRMA" roofing system and will have a warranty for 10 years. The roofing will be manufactured by one of following: Celotex 11: Corporation; GAF Corporation; or Manville Building Materials Corp. Roofing system will have: Primer: asphalt, cut-back primer. Ply felts: Four plies of asphalt-impregnated, glass- fitter felts. Bitumen: Roofing asphalt. Insulation under roofing will be fiberglass insurlation have an R-value of 19. The insulation will be in compliance with the energy conservation code.

Roof flashing will have a metal flashing sheet made of stainless steel ASTM A 167, AISI type 3021304, No 2D finish. Cast iron drains will be provided, which will discharge through internal leaders into the building storm systems. Cast iron drains will have double inlets for overflow.

Metal work at the roof level consists of vents and flues. All metal work is weather protected and flashed at the roof penetration. Exterior stairs leading to the roof is made of galvanized steel. There is one vertical ladder that leads from the bulkhead above the interior stairs to the roof. There is another bulkhead above the elevator. Every bulkhead will have an non-operable skylight. There will be a railing around the perimeter of the roof composed of 42" wrought galvanized iron safety railings. There will be no roof facility.

DRAINS

Water disposed of by drains located in all paved areas. Storm drainage pipes are cast iron.

FIRE ESCAPES

The building does not contain fire escapes. The building has two staicases and an elevator on each floor.

YARDS

The front, rear and side yards will be paved 3500 PSI Concrete or have seeded lawn with 6" top soil. The will be a total of three exterior stairs made of concrete/block they will have 42" wrought galvanized iron railings. At the bottom of each stair case there will be a 4" castiron drain in which all water will flow to the city storm sewer. There will be a 6' screened fence made from antirust material. Around the perimeter of the building.

PUBLIC STAIRS

There are two concrete filled metal pan non-combustible stairways enclosed in a one hour rated enclosure with 1 ½ hours fire protected self-closing doors, which serves as means of egress from the building.

INTERIOR DOORS AND FRAMES

The interior doors leading to the public stairs, boiler room, and apartment entries are made of metal with metal frames and are fire protected self-closing and exceed fire/safety standards. Apartment unit interior doors are wood, set in wood frames.

REFUSE DISPOSALS

One refuse room with chute will be on each floor. The trash room of the chute will be located in the cellar and occupied with a "Hivolex-Roll-N-Pak-Refuse Compactor" or equivalent. Building superintendent shall be responsible to move refuse to curbside. The New York City Department of Sanitation removes refuse twice a week.

TELEVISION RECEPTION FACILITIES

Television receptacles have been provided throughout each apartment unit connecting to the front of the building where the owner shall be responsible to set up their own cable/satellite service for television and high-speed cable modem internet access.

PUBLIC AREA LIGHTING

Incandescent fixtures will illuminate the exterior front entrance, each floor level and the lobby. The illumination of 5-foot candles at the floor level will be maintained continuously in the public hallways and the exits.

PARKING AREAS

Twelve (12) parking spaces are provided as per the requirements of the zoning resolution will be located at the rear of the building. There will be two lights around the parking area from manufacturer Kichler 1148, Outdoor Wall Sconce. The surface will be made of 3,500 PSI Concrete. The will have max 1:20 slope towards to drain. The surface is non-combustible.

MAIL BOXES

Mail boxes will be located in the lobby on the first floor.

FIRE PROTECTION SYSTEM

The building is complying with the department of buildings requirements for fire protection system.There are no standpipes, hose racks nozzles installed for this project.There is a total of 212 sprinkler heads on the wet system. There are 35 sprinker heads on the dry system. They are located throughout the building. There will be a flush mounted Siamese connection on the east side of the building.

WATER STORAGE TANK(S) AND ENCLOSURES

The building does not contain any Water Storage Tanks.

WATER PRESSURE AND HOW MAINTAINED

The buildings available water pressure is 56 pounds per square inch, complying with the required 15 or higher pounds per square inch. Therefore, the water pressure is adequate and doesn't have to be maintained.

INTERCOMMUNICATION AND/OR DOOR SIGNAL SYSTEMS

The intercom system is manufactured by Lee Dan is a 2-way audio system to communicate from entrance of building to each unit via apartment station, which can listen, talk, and open door via std electric door strike.

GAURANTEES AND WARRANTIES

Roof and roof materials are guaranteed by the contractor for one year. No Manufacturer's warrantees are being offered.

UNIT INFORMATION

Room	Floor	Wall/Ceiling	Bathfix	Kitchenfix
Bath	Ceramic Tile	GWB (PDT)	Kohler or equal	
Kitchen	Ceramic Tile	GWB (PDT)		American Standard or equal
Living Room	OAK-SELECT-#2	GWB (PDT)		
Bedroom	OAK-SELECT-#2	GWB (PDT)		

Kitchen Appliances / Fixtures:
Kitchen Aid or equal Stainless Steel Refrigerator, Gas Range.

Bathrooms:
Kohler or equal

FINISH SCHEDULE FOR SPACES OTHER THAN UNITS

Room	Floor	Wall	Ceiling
Entrance Lobby	Granite	GWB	GWB

UNIT DIMENSIONS

Each unit shall consist of the area enclosed horizontally by the unexposed sides of the dry walls of the exterior walls of the building and by the unexposed sides of the dry wall or the exposed face of the concrete of those walls and partitions which separate the unit from the corridors, stairs, mechanical equipment spaces, and other units, and enclosed vertically by the underside of the unit's finished flooring and the exposed painted face of the concrete ceiling or the unexposed side of the unit's drywall ceiling where applicable. The Doors and windows which open from the unit shall be deemed part of the unit. No unit owner shall be deemed to own the supporting columns, pipes, wires, conduits or other public lines running through the unit which are utilized for or serve more than one unit.

GENERAL INFORMATION

Under current "Approved Plans" smoke and carbon monoxide, detectors are provided in all apartment units. All plans and applications will be approved under New Building Application No. 310019592 by the City of New York Department of Buildings. The construction of the building is expected to be completed on or about December, 2009. It is expected the title to the first unit can be delivered on or about December, 2009.

The building and site will be constructed in accordance to the New York City Building Code, the New York City Zoning Resolution and all other applicable authority and in accordance with plans and applications on file with the Department of Buildings of the city of New York. With reference to the preparation of plans, the sponsor has retained the services of an Architect who prepared same. The sponsor represents to the best of its knowledge that the plans accurately describe the building units, common elements and completion of construction. As of the date of the first closing, the sponsor represents that it will have at least a temporary Certificate of Occupancy for the building contained therein, and deliver title without violations or liens on the premises and in accordance with the sponsor's undertakings elsewhere as set forth in this offering. It should be noted that no mechanical tests or removal of wall, ceilings or other structural elements were made in connection with this report. Based upon observations made in areas open to inspections, this report contains as accurate a description of the structure as possible. Materials and sized applications on file at the New York City Department of Buildings. To the best of my knowledge, belief and professional judgment these plans and specifications are in compliance with the Energy Conservation Construction Code of New York State, using chapter 5.

Submitted By:

David Nagan, RA, AIA

DOT APPROVAL OF DESIGN ELEMENTS

For self-certified projects only

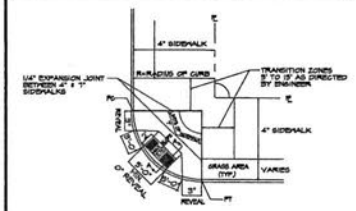
Item requiring DOT approval	Approved by	Date

LOCATION MAP
N.T.S.

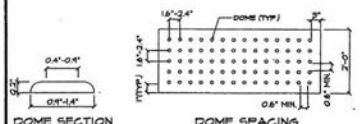


NO.	APP'D DATE	DESCRIPTION

REVISIONS

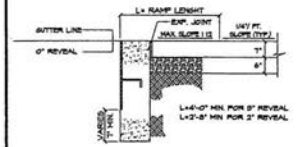


PEDESTRIAN CURB CUT

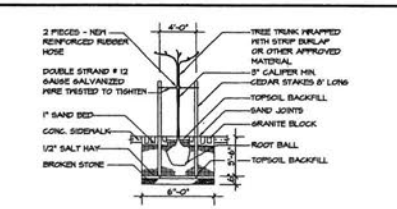


DOME SECTION DOME SPACING

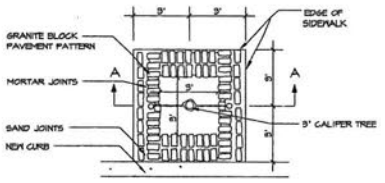
DETECTABLE WARNING SURFACE DETAILS



SECTION A-A
NOT TO SCALE



TREE PIT SECTION A-A
NTS



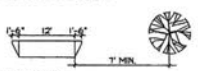
TREE PIT PLAN
NTS

GENERAL NOTES:

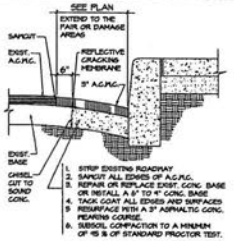
1. PROPOSED DRIVEWAYS TO BE 7" CONCRETE MINIMUM.
2. PROPOSED SIDEWALK TO BE 4" CONCRETE MINIMUM.
3. MINIMUM DISTANCE BETWEEN EDGE OF DRIVEWAY

SPLAY AND ℄ OF ↓

TREE =	7'-0"
LIGHT POLE =	7'-0"
UTILITY POLE =	7'-0"
FIRE HYDRANT =	7'-0"



3. THE PROPOSED CURB CUT IS 15'-0" WIDE INCLUDING 1'-6" SPLAYS ACCEPT AS NOTED.



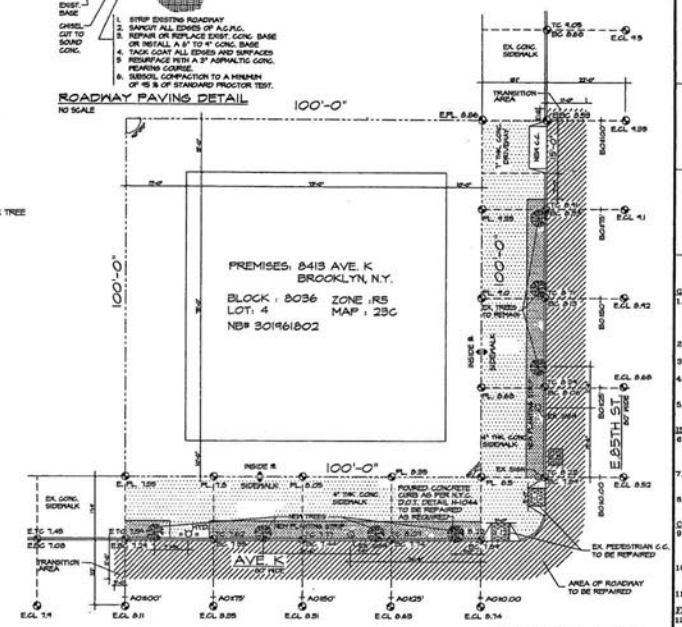
ROADWAY PAVING DETAIL
NO SCALE

ABBREVIATIONS

G.A.	GRASS AREA
D/W	DRIVEWAY
U.P.	UTILITY POLE
F.H.	FIRE HYDRANT
C.C.	CURB CUT
R.O.W.	RIGHT OF WAY
P.L.	PROPERTY LINE
L.P.	LIGHT POLE
U.V.	UTILITY VAULT
P.W.	PAVED WALKWAY

REPAVE AS DIRECTED EXIST. 2'-0" STRIP

PROVIDE FULL CORNER QUADRANT 7" THICK CONCRETE RADIUS WITH STEEL FACED



PLOT PLAN
SCALE : 1/16"=1'-0"

DESIGN PARAMETERS ALONG AVE. K

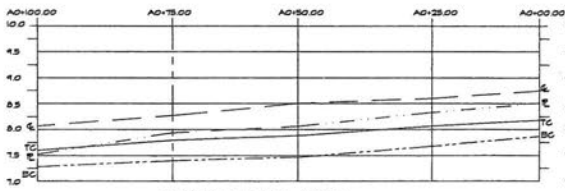
	B0100'	B0175'	B0150'	B0125'	B0100.00
ROADWAY SLOPE (%)	EXIST'G	4.3	4.3	4	2.8
CURB REVEAL (IN)	EXIST'G	4	4	4	4
SIDEWALK SLOPE (%)	EXIST'G	1.6	1.6	1.6	1.6

BC	
TC	
℄	
℄	

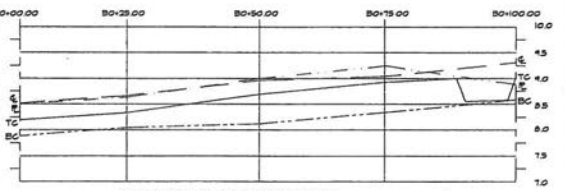
E. = EXISTING

DESIGN PARAMETERS ALONG E.85TH ST.

	A0100.00	A0125'	A0150'	A0175	A0100
ROADWAY SLOPE (%)	2.8	2.8	3.6	3.5	EXIST'G
CURB REVEAL (IN)	4	4	4	7	0
SIDEWALK SLOPE (%)	1.6	1.6	1.6	2.4	EXIST'G



PROFILE ALONG AVE.K
SCALE: VERT. : 1" = 8', HORIZ. 1" = 16'



PROFILE ALONG E.85TH ST.
SCALE: VERT. : 1" = 8', HORIZ. 1" = 16'

LIST OF ESTIMATED QUANTITIES

New Curb	200	Lin ft
New Sidewalk	3950	Sq.ft
New Roadway	2569	Sq.yds
New Trees		Each
New CBs		Each
New DIP		Lin ft.
New Manholes		Each

Borough: QUEENS	Sheet 1 of 1
DOT Ref. No.:	DOB Ref. No.

NEW YORK CITY
DEPARTMENT OF TRANSPORTATION

BUILDERS PAVEMENT PLAN

PROJECT DATA

PREMISES: 8413 AVE. K
BROOKLYN, N.Y.
BLOCK : 8036
LOT: 4
Zoning: R-5
Zoning Map No. 23c

Owner Name: - ALFRED BOKHOUR
Address: - 33 GREAT NECK RD.
- GREAT NECK, NY-11021

Plan prepared by:

Name	T.F. CUSANELLI ARCHITECTS & PLANNERS P.C.
Street Address	86-06 LONG ISLAND EXPRESSWAY
City/State/Zip	MASPETH , NY. 11378
Phone No.	718- 457-1151

Seal

Signature

WAIVERS

DOT requirement waived	As per/Date
1)	
2)	
3)	
4)	

NOTES

GENERAL REQUIREMENTS

1. ALL DESIGNS, MATERIALS, CONSTRUCTION METHODS AND WORKMANSHIP SHALL COMPLY WITH THE FOLLOWING PUBLICATIONS OF THE BUREAU OF HIGHWAYS: STANDARD SPECIFICATIONS, STANDARD DETAILS OF CONSTRUCTION; RULES OF THE BUREAU OF HIGHWAY OPERATIONS; GUIDELINES FOR THE DESIGN OF INFRASTRUCTURE COMPONENTS.
2. ALL NON STANDARD MATERIALS AND CONSTRUCTION PROCEDURES SHALL BE SPECIFICALLY APPROVED IN WRITING BY THE DOT.
3. ANY WORK NOT COMPLYING WITH THE REQUIREMENTS OF THE DOT SHALL BE REMOVED AND REPLACED.
4. THIS PLAN SHALL BE VALID FOR THE ISSUANCE OF CONSTRUCTION PERMITS FOR A PERIOD OF ONE YEAR FROM THE DATE OF APPROVAL OR SELF-CERTIFICATION, AS APPLICABLE.
5. ALL SIDEWALK AND STREET AREAS CONSTRUCTED UNDER THIS PLAN SHALL REMAIN OPEN TO THE PUBLIC AT ALL TIMES.

ISSUANCE OF PERMITS

6. NO SIDEWALK, CURB OR ROADWAY WORK SHALL BE DONE WITHOUT A PERMIT. FROM THE BOROUGH HIGHWAY SUPERINTENDANT. APPLICATION SHALL BE MADE THREE DAYS BEFORE STARTING CONSTRUCTION. THE CONTRACTOR SHALL HAVE ALL REQUIRED INSURANCE COVERAGE ON FILE.
7. NO WORK ON DRAINAGE STRUCTURES SHALL BE DONE WITHOUT A PERMIT FROM THE BOROUGH OFFICE OF THE DEPARTMENT OF ENVIRONMENTAL PROTECTION.
8. ANY VAULT WORK AT THE SITE SHALL BE DONE AS PER THE APPLICABLE RULES OF THE DOT AND THE DEPT. OF BUILDINGS.

CONSTRUCTION ACTIVITY

9. A CONSTRUCTION PLAN SHOWING MAINTENANCE AND PROTECTION OF TRAFFIC, INCLUDING PLACEMENT OF SIDEWALK BRIDGES, BARRIERS AND SIGNAGE, SHALL BE SUBMITTED TO THE BOROUGH HIGHWAY OFFICE BEFORE CONSTRUCTION BEGINS.
10. NO SIDEWALK SHALL BE CLOSED WITHOUT A PERMIT. PEDESTRIAN AND TRAFFIC SAFETY SHALL SHALL BE PROTECTED AT ALL TIMES. ROADWAY CLOSINGS SHALL BE AS DIRECTED.
11. THE SITE SHALL BE MAINTAINED IN A CLEAN AND SAFE CONDITION.

FINAL SIGN-OFF

12. PERMITS SHALL BE PRESENTED FROM ALL PUBLIC AGENCIES AND UTILITIES HAVING OWNERSHIP OF STRUCTURES RELOCATED OR REMOVED DURING CONSTRUCTION.
13. ALL PAVEMENT MARKINGS INCLUDING THERMOPLASTIC LANE DIVIDERS, REMOVED DURING CONSTRUCTION SHALL BE REPLACED IN KIND TO THE BUREAU OF TRAFFIC STDS.
14. ALL EXISTING CATCH BASINS ON SITE SHALL BE CLEANED AND MADE OPERABLE.
15. ALL DAMAGE CAUSED BY CONSTRUCTION ON THIS PROJECT OUTSIDE THE PROJECT LIMITS SHALL BE REPAIRED AS DIRECTED.
16. THE ROADWAY SHALL BE PAVED TO THE REQUIREMENTS OF THE DOT AND AS DIRECTED.

PROFESSIONAL CERTIFICATION

[Optional]

I am submitting this plan under professional certification in compliance with all applicable requirements.

Signature _____ Date ___/___/___

DOT APPROVAL NOT REQUIRED

DOT APPROVAL

Proposed and existing work shown here reviewed for compliance with all applicable rules and requirements by:

Plan Examiner _____ Date ___/___/___

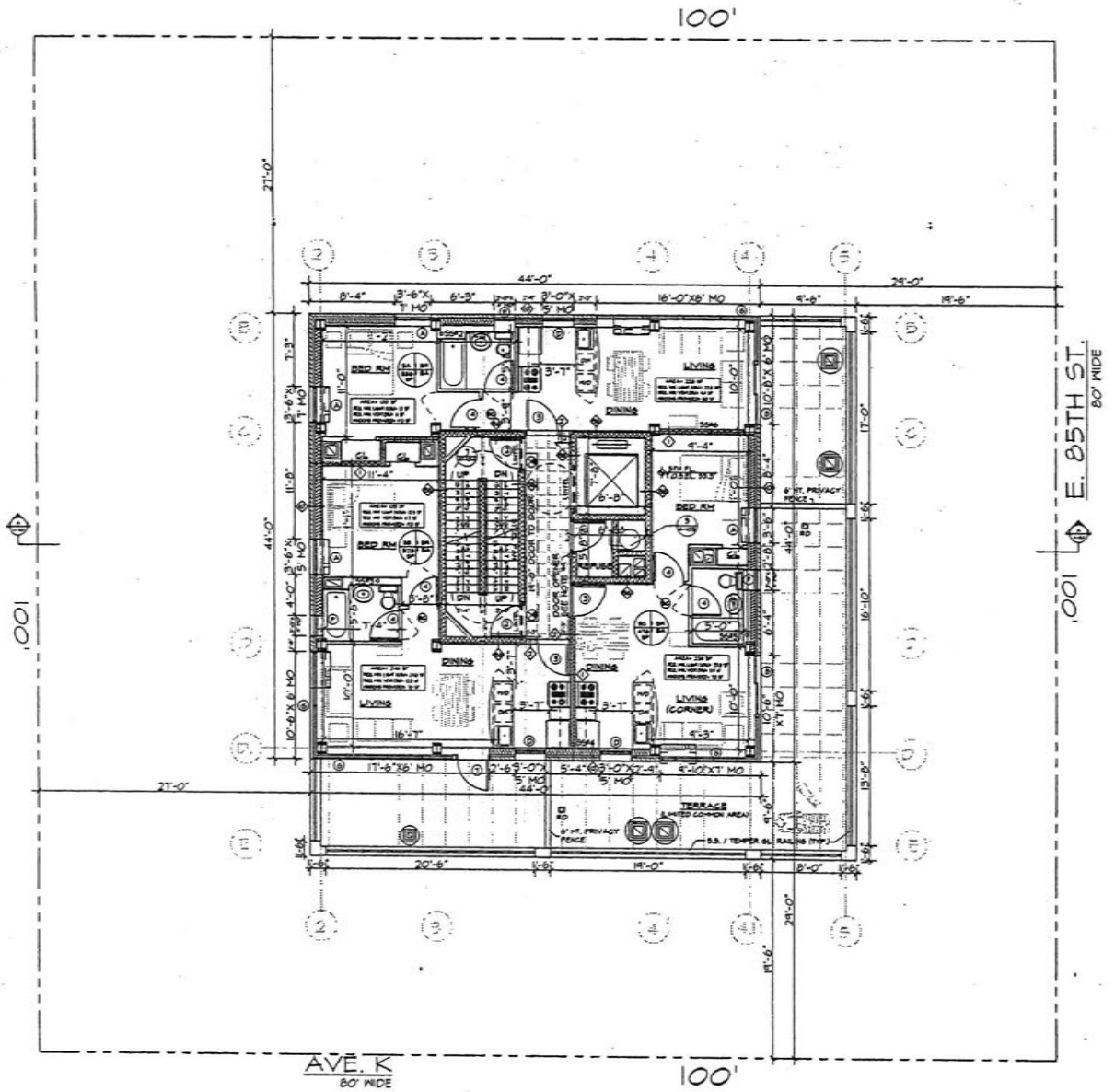
Approval for issuance of work permits granted by:

Chief / Builders Pavement Section _____ Date ___/___/___

T.S. Floor Plans

4.5

301961802
DEPARTMENT OF BUILDING



NOTE:

1 ALL SELECTION OF INTERIOR FINISH AND CLOSET/STO. DOOR TYPES ARE THE RESPONSIBILITY BETWEEN OWNER AND GEN. CONTRACTOR. CONTRACTOR SHALL SUBMIT SAMPLES FOR OWNER'S APPROVAL.

2 ALL STAIR RISERS TO BE MAX. OF 7 3/4" AND TREAD TO BE MIN. OF 9 1/2" TYPICAL @ ALL STAIRCASE

3 PROVIDE SOUND ATTENUATING BLANKET BETWEEN ALL APT. FIRE SEPARATION WALLS AND CORRIDOR WALLS.

4 PROPOSED BUILDING TO BE FULLY SPRINKLERED THROUGHOUT.

5 SEE DRAWING A-001 FOR LINTEL SCHEDULE FOR ALL MASONRY OPENING.

6 ALL DWELLING UNITS ARE HANDICAPPED ADAPTABLE

7 TYPICAL TERRACE ASSEMBLY: -24"x24"x1" CONCRETE PAVERS OVER ADJUSTABLE PEDESTAL. -SINGLE PLY ROOFING SYSTEM OVER TAPERED RIGID INSULATION. (SLOPE TO TERRACE DRAIN

8 FOR ADAPTABLE KITCHEN DETAILS SEE A-002.

9 REFUSE ROOM DOOR TO BE FIRE-RATED DOOR W/ AUTOMATIC DOOR OPENER/ OCCUPANCY SENSOR TO MAINTAIN DOOR IN OPEN POSITION WHILE ROOM IS OCCUPIED. DOOR MUST RETURN TO CLOSED POSITION IF ROOM IS NOT OCCUPIED OR IN CASE OF POWER FAILURE.

10 "HARDWIRED CARBON MONOXIDE / SMOKE DETECTORS COMBO SHALL COMPLY WITH RS 17-13 SHALL BE INSTALLED IN ACCORDANCE WITH RS 17-14."

11 PROVIDE HVAC VIBRATION ISOLATOR ABOVE ALL DWELLING UNITES

5TH FL. PLAN
3/16" = 1'-0"

THESE DRAWINGS ARE FOR THE EXPRESS USE OF T.F. CUSANELLI ARCHITECTS & PLANNERS P.C., NO REUSE OR REPRODUCTION PERMITTED BY LAW.

T.F. CUSANELLI & PARTNERS, ARCHITECTS

PROPOSED:
NEW MIXED USE BLDG.
8413 AVE. K
BROOKLYN, NY

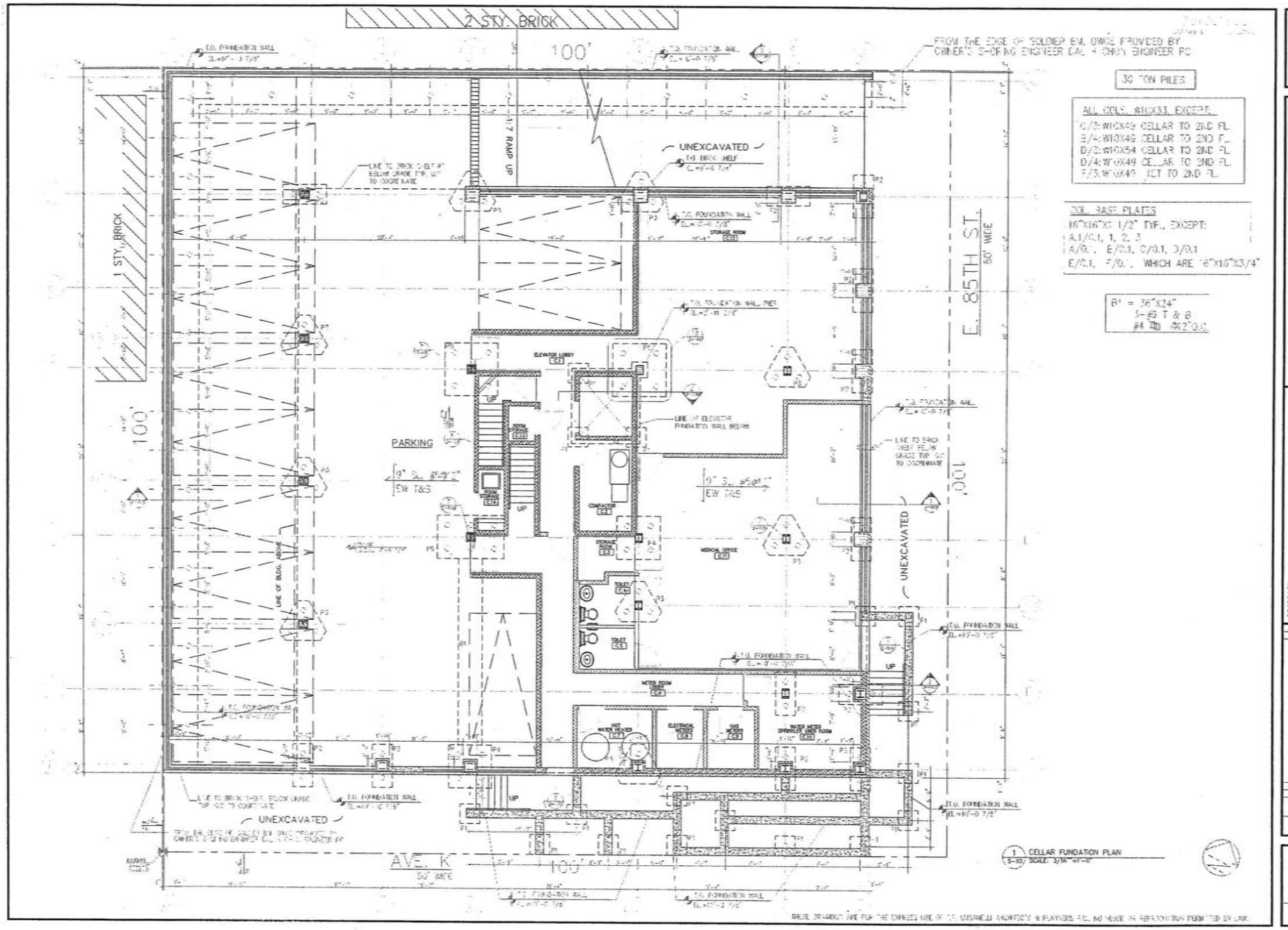
NO.	REVISION	DATE

DRAWN BY	JOB NO.
DT	0802
SCALE AS NOTED	DATE 3/2008

SHEET TITLE
5TH FL. PLAN

SHEET NO.
A-15

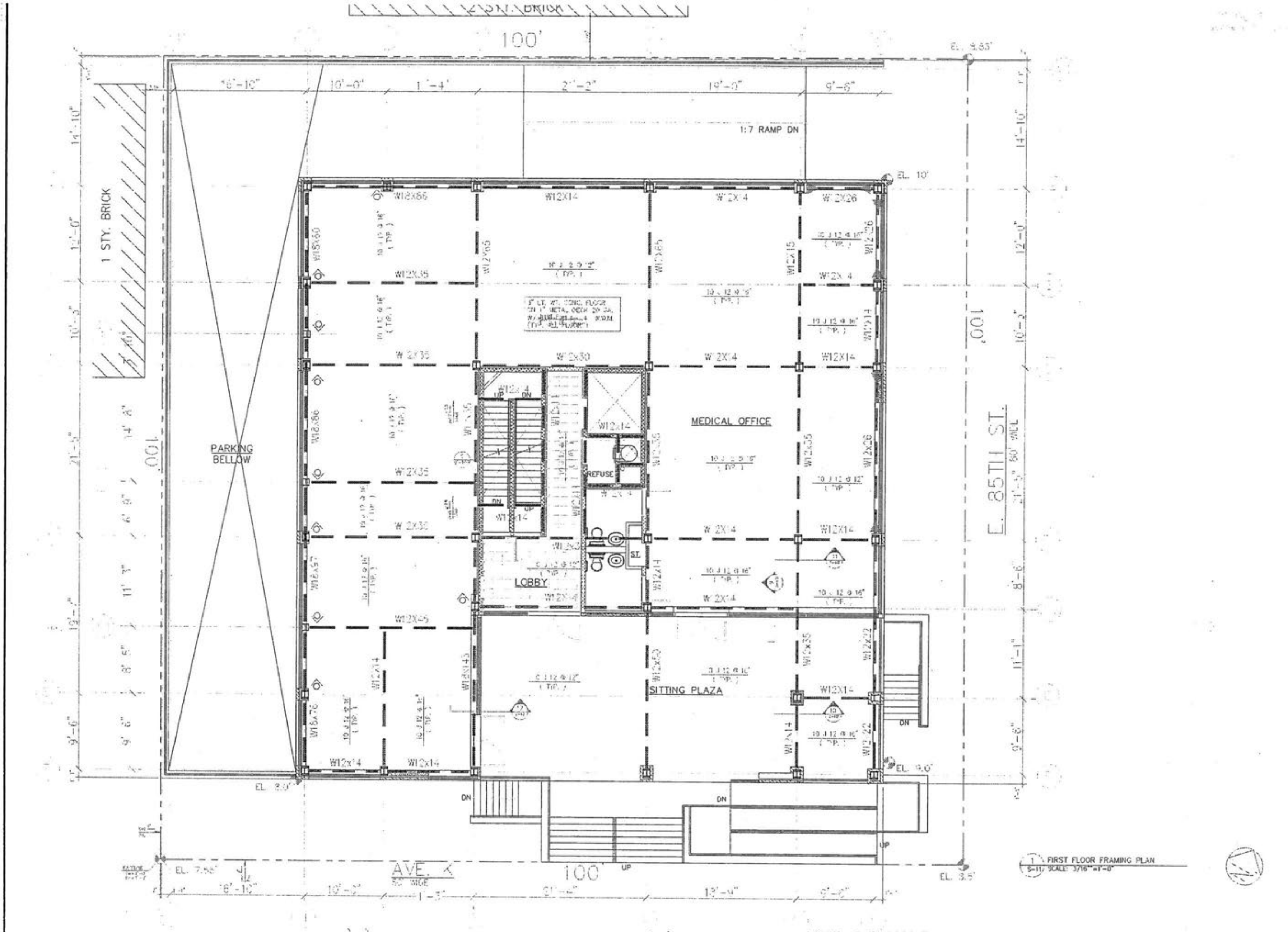
45



T.F.CUSANELLI & PARTNERS, ARCHITECTS

PROPOSED:
NEW MIXED USE BLDG.

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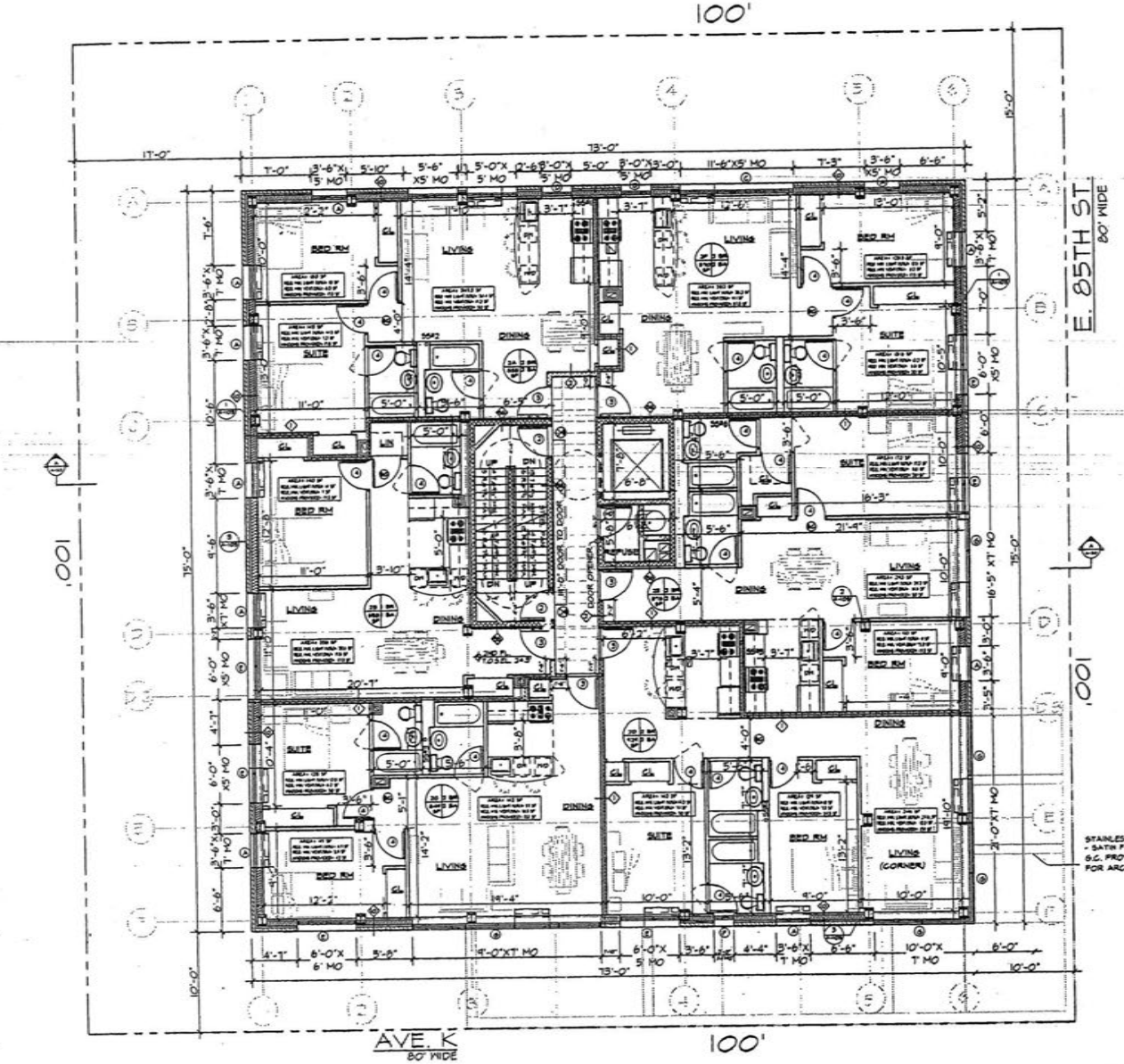
THESE DRAWINGS ARE THE EXPRESS USE OF T.F. CUSANELLI ARCHITECTS & PLANNERS P.C. NO REUSE OR REPRODUCTION PERMITTED BY LAW

T.F.CUSANELLI & PARTNERS, ARCHITECTS

PROPOSED:
NEW MIXED USE BLDG.

S-1

301961802
DEPARTMENT OF BUILDING



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8. FOR ADAPTABLE KITCHEN DETAILS SEE A-002.
9. REFUSE ROOM DOOR TO BE FIRE-RATED DOOR W/ AUTOMATIC DOOR OPENER/ OCCUPANCY SENSOR TO MAINTAIN DOOR IN OPEN POSITION WHILE ROOM IS OCCUPIED. DOOR MUST RETURN TO CLOSED POSITION IF ROOM IS NOT OCCUPIED OR IN CASE OF POWER FAILURE.
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2ND FL. PLAN
3/16" = 1'-0"

THESE DRAWINGS ARE FOR THE EXPRESS USE OF T.F. CUSANELLI ARCHITECTS & PLANNERS P.C., NO REUSE OR REPRODUCTION PERMITTED BY LAW.

T.F. CUSANELLI & PARTNERS, ARCHITECTS
[illegible]
[illegible]
TEL: (718) 437-1131
FAX: (718) 437-1132

PROPOSED:
NEW MIXED USE BLDG.
8413 AVE. K
BROOKLYN, NY

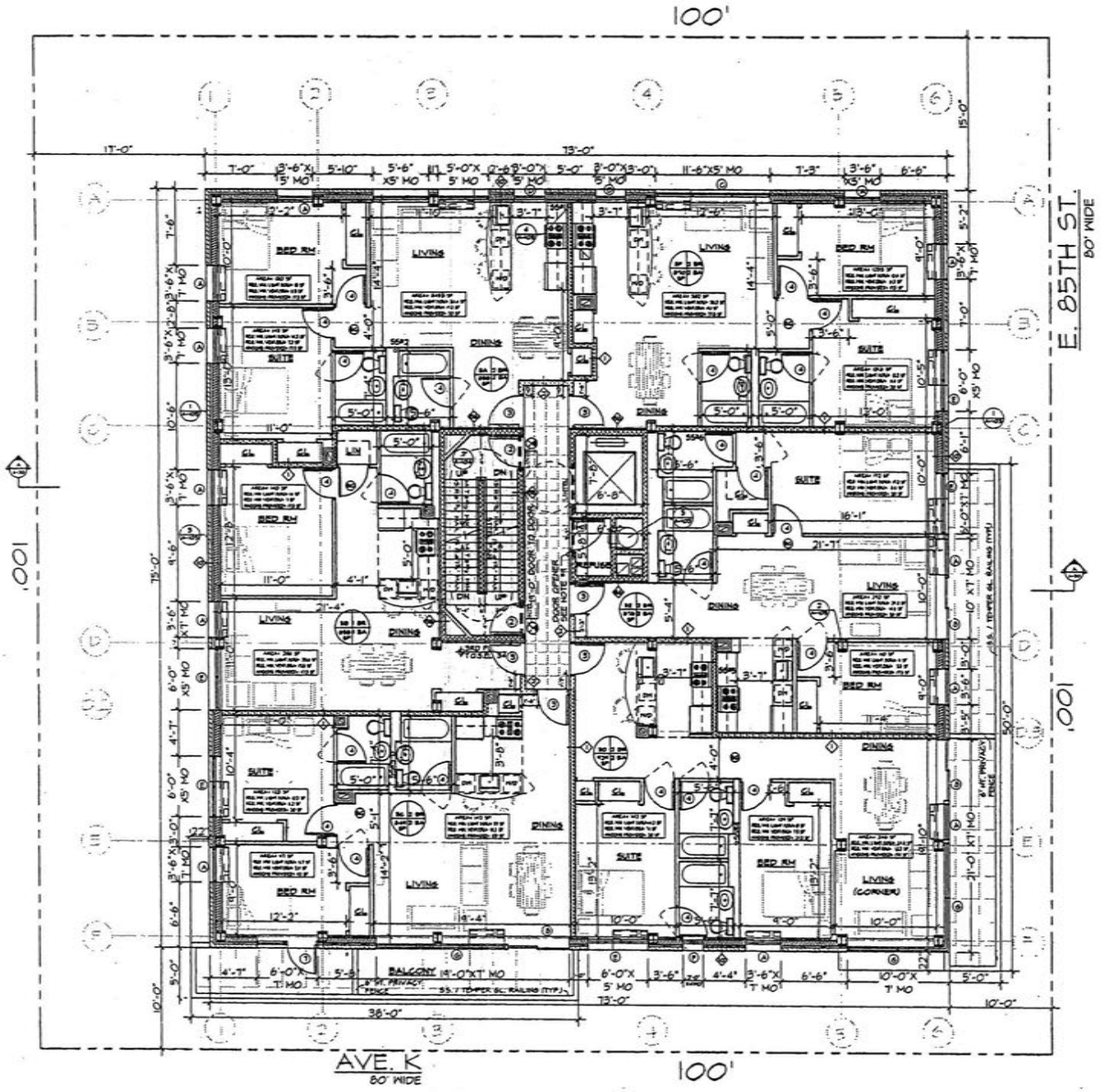
NO.	REVISIONS / DESCRIPTION	DATE

DRAWN BY	JOB NO.
DT	0902
SCALE	DATE
AS NOTED	3/2009

2ND FL. PLAN

DRWG. NO.
A-12

301961802
DEPARTMENT OF BUILDING



3RD FL. PLAN
3/16" = 1'-0"

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8 FOR ADAPTABLE KITCHEN DETAILS SEE A-002.

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10 HARDWIRED CARBON MONOXIDE / SMOKE DETECTORS COMBO SHALL COMPLY WITH RS 17-13 SHALL BE INSTALLED IN ACCORDANCE WITH RS 15-14."

11 PLANS FOR THE BUILDING COMPLY W/ THE SEISMIC REQUIREMENT OF LOCAL LAW 17/45

THESE DRAWINGS ARE FOR THE EXPRESS USE OF T.F. CUSANELLI ARCHITECTS & PLANNERS P.C., NO REUSE OR REPRODUCTION PERMITTED BY LAW.

T.F. CUSANELLI & PARTNERS, ARCHITECTS
80 LONG ISLAND EXPRESSWAY
MASPETH, NEW YORK 11378
TEL: (718) 429-1515
FAX: (718) 326-5536

PROPOSED
NEW MIXED USE BLDG.
8419 AVE. K
BROOKLYN, NY

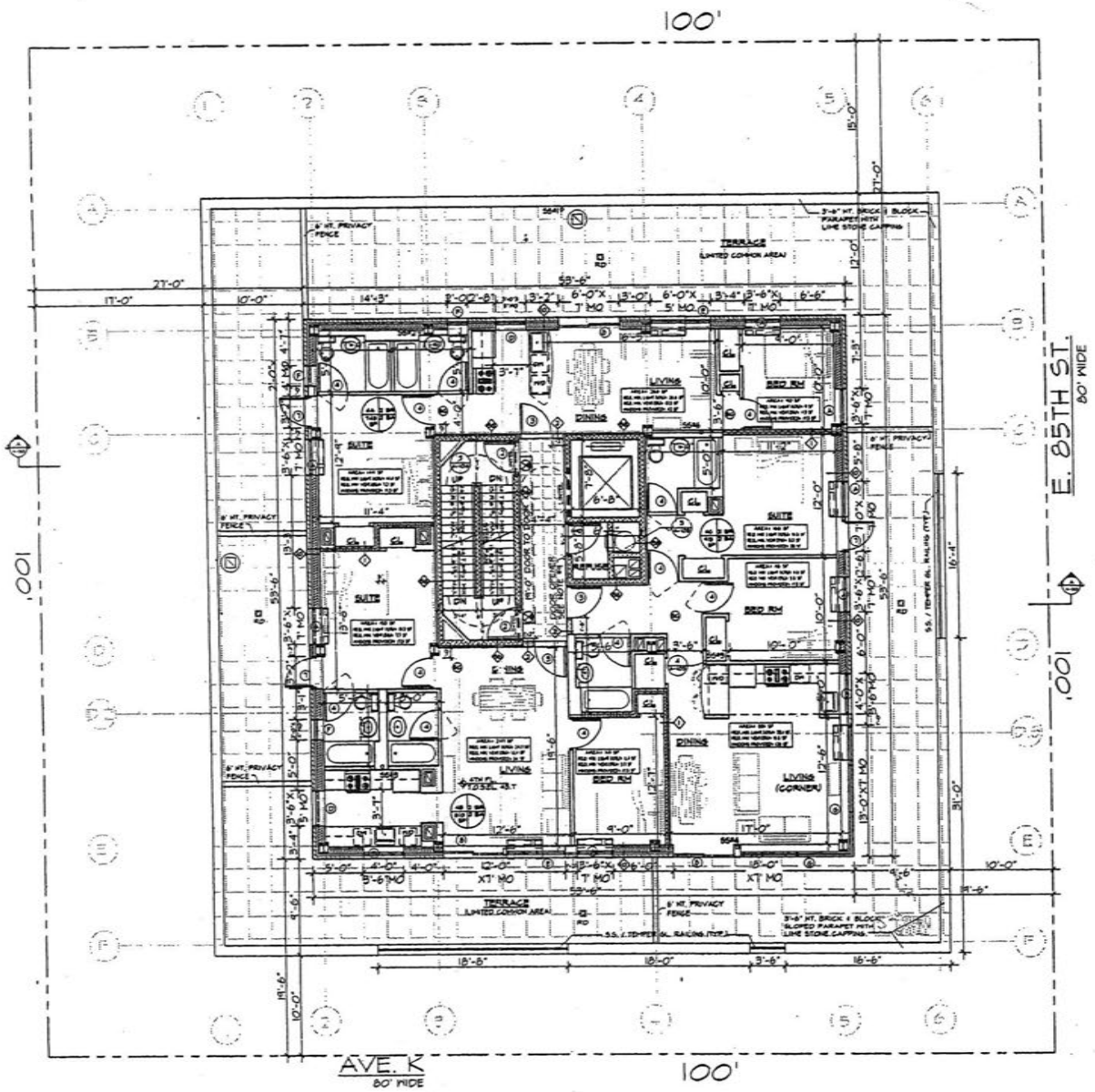
NO.	REVISIONS DESCRIPTION	DATE

DRAWN BY	JOB NO.
DY	0803
SCALE	DATE
AS NOTED	5/2008

3RD FL. PLAN

DWG. NO.
A-13

301961802
DEPARTMENT OF BUILDING



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   - SINGLE PLY ROOFING SYSTEM OVER TAPERED RIGID INSULATION. (SLOPE TO TERRACE DRAIN
8. FOR ADAPTABLE KITCHEN DETAILS SEE A-002.
9. REFUSE ROOM DOOR TO BE FIRE-RATED DOOR W/ AUTOMATIC DOOR OPENER/ OCCUPANCY SENSOR TO MAINTAIN DOOR IN OPEN POSITION WHILE ROOM IS OCCUPIED. DOOR MUST RETURN TO CLOSED POSITION IF ROOM IS NOT OCCUPIED OR IN CASE OF POWER FAILURE.
10. "HARDWIRED CARBON MONOXIDE / SMOKE DETECTORS COMBO SHALL COMPLY WITH RS (7-13) SHALL BE INSTALLED IN ACCORDANCE WITH RS (7-14."
11. PROVIDE HVAC VIBRATION ISOLATOR ABOVE ALL DWELLING UNITES

4TH FL. PLAN
3/16" = 1'-0"

THESE DRAWINGS ARE FOR THE EXPRESS USE OF T.F. CUSANELLI ARCHITECTS & PLANNERS P.C., NO REUSE OR REPRODUCTION PERMITTED BY LAW.

T.F.CUSANELLI & PARTNERS, ARCHITECTS
88 LLOYD ISLAND EXPRESSWAY
BAYSHORE, NEW YORK 11706
TEL: (516) 231-5353
FAX: (516) 231-5361

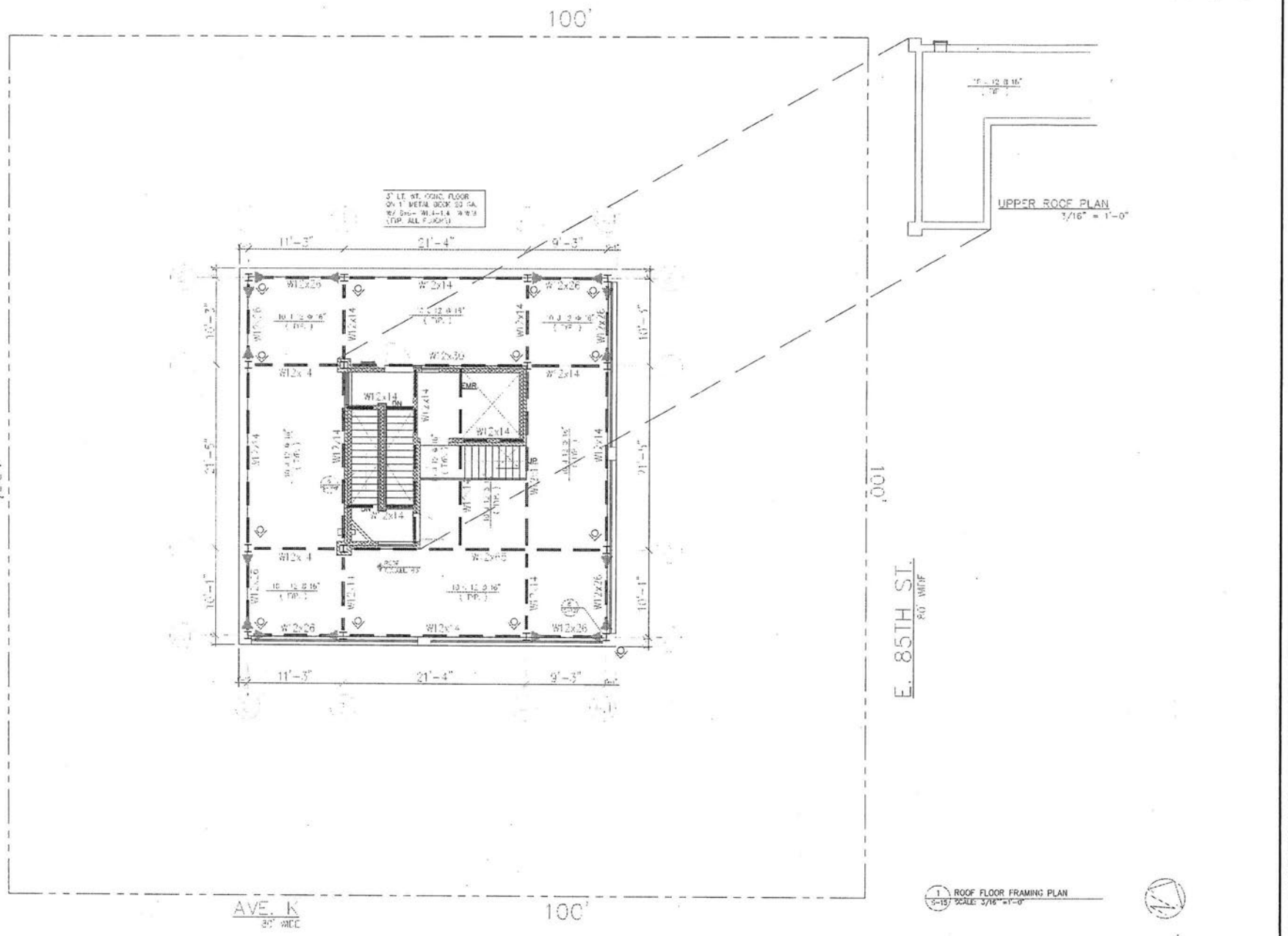
PROPOSED:
NEW MIXED USE BLDG.
8413 AVE. K
BROOKLYN, NY

NO.	REVISION DESCRIPTION	DATE

DRAWN BY	JOB NO.
DY	0902
SCALE: AS NOTED	DATE: 3/2008

DRWG. TITLE: 4TH FL. PLAN

DRWG. NO. A-14



1 ROOF FLOOR FRAMING PLAN
S-15 SCALE: 3/16" = 1'-0"

T.F.CUSANELLI & PARTNERS, ARCHITECTS

PROPOSED:
NEW MIXED USE BLDG.

THESE DRAWINGS ARE FOR THE EXPRESS USE OF T.F. CUSANELLI ARCHITECTS & PLANNERS, P.C. NO REUSE OR REPRODUCTION PERMITTED BY LAW

KK. WARRANTY CLAIM FORM

WARRANTY CLAIM FORM

The Avenue K Developers Condominium

OWNER NAME:_____
UNIT NUMBER:_____
TELEPHONE:_____
DATE:_____

DESCRIPTION OF DEFECT:

_____
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_____
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_____

MAIL TO :

Avenue K Developers, Inc.

33 Great Neck Road, #9
Great Neck, NY 11021

LL. DECLARATION

DECLARATION:
Establishing a Plan for Condominium Ownership of Premises located at
8413 Avenue K, Brooklyn, NY 11236 County of Kings , City and State of New York,
pursuant to Article 9-B of the Real Property Law of the State of New York.

NAME:
The Avenue K Developers Condominium
8413 Avenue K
Brooklyn, NY 11236.

SPONSOR:

Avenue K Developers, Inc.
33 Great Neck Road, #9
Great Neck, NY 11021

DATE OF DECLARATION: December 31, 2009

The land affected by the within instrument lies in Block 8036 ,
part of Lot 1 & 4 on the Tax Map of the
Borough and County of Kings, City and State of
New York.

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DECLARATION OF The Avenue K Developers Condominium PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY LAW OF THE STATE OF NEW YORK

Avenue K Developers, Inc.. ,a New York business with offices at 33 Great Neck Road, #9, Great Neck, NY 11021 (hereinafter referred to as the Sponsors), does hereby state and declare as follows:

1. **Submission of Property.**
By this Declaration the Sponsor hereby submits the land described in Schedule A attached hereto and made a part hereof, together with the Buildings and Improvements thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith, owned by the Sponsor in fee simple absolute (hereinafter collectively called the "Condominium"), to the provisions of Article 9-B of the Real Property Law of the State of New York (hereinafter referred to as the "New York Condominium Act").

2. **Name.**
The Condominium shall be known as The Avenue K Developers Condominium.

3. **Description of the Land and Building.**
The land (the "Land") has an area of approximately 10,000 square feet and consists of all that certain plot, piece or parcel of land, situate, lying and being in the Borough and County of Kings, City and State of New York, more particularly described in Schedule A attached hereto and made a part hereof. The Land is improved with an 6 -story, plus cellar, fireproof Class I-C building (the "Building"). The total height of the Building is approximately 63 feet, 0 inches above curb level.

4. **Units.**
(a) The Condominium shall contain 2 Commercial & 18 Residential Units Annexed hereto and made a part hereof as Schedule B is a list of all Units in the Building which contains the Unit designation and tax lot number of each Unit, and a statement of its location in the Building, approximate area, number of rooms in the case of Residential Units, Common Elements to which it has immediate access, and its Percentage Interest in Common Elements and Common Expenses. The location of each Unit is shown on the floor plans of the Building (the "Floor Plans") certified by David Nagan. and intended to be filed in the Kings County Register's Office simultaneously with the recording of this Declaration. Reference should be made to the Floor Plans for the location of each Unit.
(b) The approximate physical dimensions of each Residential Unit consists of the area measured horizontally from the outside face of the exterior walls of the building defining the Unit to (a) the outside face of the opposite exterior wall of the building, or (b) the centerline of the partitions of the interior walls separating the Unit from another Unit, or (c) the corridor side of the partitions separating the Unit from the corridor or any other spaces, if any, each Unit will consist of the volume measured vertically from the upper face of the flooring material on the lowest level of the Unit to and including the ceiling material on the highest level of the Unit. The dimensions of the Parking Space Units are reflected on the Floor Plans.

Any Common Element located within a Unit will not be considered a part of such Unit.

5. **Use of Units.**

In order to provide for congenial occupancy of the Property and for the protection of the value of the Units, the use of the Property shall be restricted to and shall be in accordance with the following provisions:

(a) The Residential Units shall be used for a single-family residence only, but not more than one family may occupy a Residential Unit at one time. A Residential Unit owned or leased by an individual, corporation, partnership, limited liability company or fiduciary, may only be occupied by said individual, or an officer, director, stockholder, or employee of such corporation, or a partner or employee of such partnership, or a member or employee of such limited liability company, or the fiduciary or beneficiary of said fiduciary, respectively, and by members of the immediate family and guests of any of the foregoing. "Members of the immediate family" or words of similar import whenever used herein shall be deemed to mean spouse, parents, parents-in-law, brothers, sisters, children and grandchildren. Notwithstanding the foregoing, the Board of Managers may consent to occupancy of a Residential Unit by persons other than those set forth above, and the Sponsor or Sponsor designee shall have the right, without charge, (i) to maintain general and sales offices in one or more Residential Units or elsewhere on the Property, to use one or more Residential 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 of the Building and to comply with its obligations.

(b) The Common Elements shall be used only for 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 nuisance, nor any immoral, improper, offensive, or unlawful use shall be allowed on the Property or any portion thereof. No portion of a Residential Unit (other than the entire Unit) may be rented. All valid laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Property, shall be complied with at the sole expense of the respective Unit Owners or the Board of Managers, whoever shall have the obligation to maintain or repair such portion of the Property. Rules and regulations concerning the use of Units may be promulgated and amended from time to time by the Board of Managers provided that copies thereof are furnished to each Unit Owner prior to the time that they become effective.

6. **Changes in Sponsor-Owned Units.**

If not prohibited by the New York Condominium Act (as the same may be amended), Sponsor shall have the right, without the vote or consent of the Board of Managers, other Unit Owners or the representatives of holders of mortgages on Units, to (i) make alterations, additions or improvements in, to and upon any Units owned by the Sponsor (hereinafter called "Sponsor-Owned Units"), whether structural or nonstructural, interior or exterior, ordinary or extraordinary; (ii) change the layout or number of rooms in any Sponsor-Owned Units; (iii) change the size and/or number of Sponsor-Owned Units by subdividing one or more Sponsor-Owned Units into two or more separate Units,

combining separate Sponsor-Owned Units (including those resulting from such subdivision or otherwise) into one or more Units, altering the boundary walls between Sponsor-Owned Units, or otherwise, and (iv) reapportion among the Sponsor-Owned Units affected by such change in size or number pursuant to the preceding Clause (iii) their appurtenant interests in the Common Elements; provided, however, that the percentage interest in the Common Elements of any Units (other than Sponsor-Owned Units) shall not be changed by reason thereof unless the owners of such Units shall consent thereto and, provided further, that Sponsor shall comply with all laws, 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. The provisions of this Section may not be added to, amended or deleted without the prior written consent of the Sponsor.

7. **Common Elements.**

The Common Elements consist of the entire Condominium Property, including all parts of the Land and Building other than the Units and including, without limitation, the following:

(a) The Land, which is more particularly described in Schedule A attached hereto.

(b) All foundations, columns, girders, beams and supports.

(c) All exterior walls of the Building; all walls and partitions separating Units from corridors, stairs, and other mechanical equipment spaces; the portions of the plaster partitions separating Units between the center lines of the plaster on each side of such partitions; and all concrete floors and concrete ceilings.

(d) Walls, stairs, stairways and entrances to and exits from the Building.

(e) All central and appurtenant installations for services such as power, light, telephone, gas, hot and cold water and heat (including all boilers, pipes, ducts, wires, cables, and conduits used in connection therewith, whether located in common areas or in Units), and all meter, mechanical and boiler rooms.

(f) All sewerage, drainage and sprinkler pipes, systems and facilities.

(g) All roofs and chimneys.

(h) Elevator and elevator shaft, pit and mechanical room.

(i) The Wheelchair Lift.

(j) The handicapped Parking Unit.

(k) All other parts of the Condominium Property and all apparatus and installations existing in the Building or on the Property for common use or necessary or convenient to the existence, maintenance, or safety of the Condominium.

8. **Limited Common Elements.**

The Limited Common Elements consist of all portions of the Land and the Building (other than the Units) that are for the use of one or more specified Units to the exclusion of all other Units, including the following:

(a) Any Balcony or Terrace from a Residential Unit shall be for the exclusive use of the Owner of such Unit.

(b) Roof Terrace on the rear portion of the first floor roof of the Building, which shall be for the exclusive use of the Residential Unit Owners.

(c) Residential Lobby and Residential Vestibule which shall be for the exclusive use of

the Residential Unit Owners.
(d) Any HVAC unit which services a particular Medical Unit shall be for the exclusive use of the Owner of that Unit.

9. **Service of Process.**
In any action which may be brought against the Condominium, service of process shall be made upon the President or Secretary of the Condominium, 8413 Avenue K, Brooklyn, NY 11236, which address is in the County and City in which the Property is located.

10. **Determination of Percentages in Common Elements.**
The percentage interest of the respective Units in the Common Elements has been determined in accordance with Section 339-(i)(l)(iv) of the New York Condominium Act and 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 for exclusive or shared use, and the overall dimensions of the particular Unit.

11. **Encroachments.**
If (a) any portion of the Common Elements encroaches upon any Unit; (b) any Unit encroaches upon any other Unit or upon any portion of the Common Elements or (c) any encroachment shall hereafter occur as a result of (i) the construction or alteration of the Building; (ii) settling or shifting of the Building; (iii) any alteration or repair to the Common Elements made by or with the consent of the Board of Managers in accordance with this Declaration or the By-Laws annexed hereto; (iv) any repair or restoration of the Building (or any portion thereof) or any Unit after damage by fire or other casualty or any taking by condemnation or eminent domain proceedings of all or any portion of any Unit or the Common Elements, then in such event, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the Building shall stand.

12. **Easements.**
(a) Each Unit shall have an easement in common with all other Units to use, maintain, repair, alter and replace all pipes, wires, ducts, vents, cables, conduits, public utility lines and all other Common Elements located on any of the other Units or elsewhere on the Property and serving such Unit. Each Unit shall be subject to an easement in favor of all Units to use, maintain, repair, alter and replace all pipes, wires, ducts, vents, cables, conduits, public utility lines and all other Common Elements located in such Unit or elsewhere on the Property and serving other Units. The Board of Managers shall have a right of access to each Unit to inspect the same, to remove violations therefrom and to maintain, repair or replace the Common Elements contained therein or elsewhere in the Property; provided such right of access shall be exercised in such a manner as will not unreasonably interfere with the permitted use of the Units. Such entry shall be permitted on not less than one day's notice, except that no notice will be necessary in the case of an emergency.
(b) Each Unit shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units, and the Common

Elements.
(c) The Sponsor and its designees, their successors, assigns, invitees, licensees, contractors, employees and tenants, shall have an easement in, on, over and across the Property for (i) construction, installation and development thereon of recreational facilities, 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 for the benefit of any recreational facilities, 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 (iii) 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.
(d) 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 and 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 and to indicate 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 for the general health or welfare of any Unit Owner, or the residents of any property adjacent to the Property, or users of the recreational 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 and the Medical Units for their allowable use. 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 of access to any Unit, to the Common Elements or the Limited Common Elements in furtherance of such easements, provided such right of access is exercised in such a manner as not unreasonably to interfere with the use of the Units. (e) Each Unit shall have an easement for the exclusive use, alone or in common with one or more other specified Units, of its Limited Common Elements.

13. **Power of Attorney to Board of Managers.**
Each Unit Owner shall grant to the persons who shall from time to time constitute the Board of Managers, jointly, an irrevocable power of attorney, coupled with an interest, to acquire title to or lease any Unit whose owner desires to surrender, sell or lease the same or which may be the subject of a foreclosure or other judicial sale, in the name of the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, and to convey, sell, lease, mortgage or otherwise deal with (but not to vote votes

appurtenant thereto) any such Unit so acquired or to sublease any Unit so leased by the Board of Managers.

14. **Covenants Running with the Land.**

(a) All provisions of this Declaration, and the By-Laws shall, unless otherwise expressly herein provided to the contrary, be perpetual and be construed to be covenants running with the land and with every part hereof and interest therein, and all of the provisions thereof shall be binding upon and inure to the benefit of the Unit Owners of all or any part thereof, or interest therein, and their respective heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public. All present and future owners, tenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration, and the By-Laws, as they may be amended from time to time. The acceptance of a deed or conveyance or the entering into a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration and the By-Laws, 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.

(b) If any provision of this Declaration or the By-Laws is found to be insufficient to submit the Building to the provisions of the New York Condominium Act, such provision shall be deemed deleted from the Declaration or the By-Laws, as the case may be, for the purpose of submitting the Building to the provisions of the New York Condominium Act but shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Building and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the land. If any provision which is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Building to the provisions of the New York Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as part of this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Building to the provisions of the New York Condominium Act.

(c) Subject to subparagraph (b) above, if this Declaration and the By-Laws are insufficient to submit the Building to the provisions of the New York Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon and inure to the benefit of the owners of the Building, and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the land and with every part thereof and interest therein under other applicable law to the extent permitted under such applicable law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a

covenant running with the land.

15. **Amendment of Declaration.**
Subject to the provisions of Section 1 of Article XII of the By-Laws, this Declaration may be amended by the vote of at least 66-2/3% in number and in 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 66-2/3% in number and in common interest of all Unit Owners, provided, however, that the common interest appurtenant to each Unit as expressed in this Declaration shall not be altered without the written consent of all Unit Owners affected. No such amendment shall be effective until recorded in the office of the Register of the City of New York, County of Kings.
If the number of rooms in a Sponsor-Owned Unit is changed, or the size and/or number of Sponsor-Owned Units is changed (whether as a result of subdivision or combination of Sponsor-Owned Units or alteration of boundary walls between Sponsor-Owned Units, or otherwise) and the appurtenant percentage interest in the Common Elements is reapportioned as a result thereof, all in accordance with this Declaration, then the Sponsor shall have the right to execute, or (on its request) to require the Board of Managers to execute, and record in the office of the Register of the City of New York, County of Kings, and elsewhere, if required by law, an amendment to this Declaration (together with such other documents as may be required to effectuate the same) reflecting such change in the number of rooms in a Sponsor-Owned Unit (whether as a result of said subdivision, combination, alteration or otherwise) and the reapportionment of the common interest resulting therefrom, all without the approval of the Board of Managers, the Unit Owners or the representative or representatives of holders of mortgages.
The provisions of this Section may not be amended or deleted, in whole or in part, without the consent of the Sponsor (so long as the Sponsor or its designee owns any Unit).

16. **Termination of Condominium.**
The Condominium shall continue until (i) terminated by casualty loss, condemnation or eminent domain as more particularly provided in the By-Laws or (ii) such time as withdrawal of the Property from the provisions of the New York Condominium Act is authorized by a vote of at least 80% in number and in common interest of the Units, (Sponsor will not vote its interest appurtenant to the Units owned by it for such withdrawal unless at least 80% in number and in common interests of all other Unit Owners so elect for such withdrawal, at which time Sponsor may choose to vote either in favor of or against withdrawal from Condominium ownership, as it sees fit). In the event said withdrawal is authorized as aforesaid, the Property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all Unit Owners in proportion to their respective common interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of his share of such net proceeds all liens on his Unit.

17. **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.

18. **Captions.**
The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration nor the intent of any provision hereof.

19. **Gender.**
The use of the masculine gender in this Declaration shall be deemed to refer to the feminine and neuter genders, and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

20. **Severability.**
If any provision of this Declaration, or any section, sentence, clause, phrase or word, or the application thereof shall in any circumstances be judicially held in conflict with the laws of the State of New York, then the said laws shall be deemed controlling and the validity, force and effect of the remainder of this Declaration and the application of any such provision, section, sentence, clause, phrase or word in other circumstances shall not be affected thereby.

IN WITNESS WHEREOF, Avenue K Developers, Inc. has caused this Declaration to be executed on this ____day of _____, 2010.

Avenue K Developers, Inc.

_____
By:

State of New York, County of _____, ss

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 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.

SCHEDULE A

DECLARATION OF
The Avenue K Developers Condominium

All that certain plot, piece or parcel of land with the buildings or improvements thereon, erected, situate, lying and being in the Third Ward, Borough and County of Brooklyn/ Kings, City and State of New York, bounded and described as follows:

Beginning at a point on the North side of Avenue K of the corner formed by the intersection of Avenue K and East 85th Street.

Running thence West 100ft..

Running thence East 100 ft.

Thence North 100ft.

Thence South 100ft.

To the point of the beginning.

Schedule B

Unit #	Tax Lot	Location	No. of Bedrooms/Bath Balcony/Terrace	Unit	Approx. floor Area in Sq Ft. Balcony/Terrace	Common Elements	% of Common Elements
2A		Second Fl	2/2/0/0	858.00		Stairs, Corridor,Elevator	4.56%
2B		Second Fl	2/1/0/0	658.00		Stairs, Corridor,Elevator	3.59%
2C		Second Fl	2/2/0/0	849.00		Stairs, Corridor,Elevator	4.52%
2D		Second Fl	2/2/0/0	929.00		Stairs, Corridor,Elevator	4.91%
2E		Second Fl	2/2/0/0	878.00		Stairs, Corridor,Elevator	4.66%
2F		Second Fl	2/2/0/0	870.00		Stairs, Corridor,Elevator	4.62%
3A		Third Fl	2/2/0/0	858.00		Stairs, Corridor,Elevator	4.56%
3B		Third Fl	1/1/0/0	658.00		Stairs, Corridor,Elevator	3.59%
3C		Third Fl	2/2/0/0	849.00		Stairs, Corridor,Elevator	4.52%
3D		Third Fl	2/2/0/0	929.00		Stairs, Corridor,Elevator	4.91%
3E		Third Fl	2/2/0/0	878.00		Stairs, Corridor,Elevator	4.66%
3F		Third Fl	2/2/0/0	870.00		Stairs, Corridor,Elevator	4.62%
4A		Fourth Fl	2/2/0/0	745.00		Stairs, Corridor,Elevator	4.01%
4B		Fourth Fl	2/2/0/0	810.00		Stairs, Corridor,Elevator	4.33%
4C		Fourth Fl	2/2/0/0	915.00		Stairs, Corridor,Elevator	4.84%
5A		Fifth Fl	1/1/0/0	536.00		Stairs, Corridor,Elevator	2.99%
5B		Fifth Fl	1/1/0/0	528.00		Stairs, Corridor,Elevator	2.95%
5C		Fifth Fl	1/1/0/0	478.00		Stairs, Corridor,Elevator	2.71%
COMM1		Cellar	Comm	755.00		Stairs, Corridor,Elevator	3.83%
COMM2		First Floor	Comm	3944.00		Stairs, Corridor,Elevator	12.22%
PS1		Outside	Parking	144.00			0.70%
PS2		Outside	Parking	144.00			0.70%
PS3		Outside	Parking	144.00			0.70%
PS4		Outside	Parking	144.00			0.70%
PS5		Outside	Parking	144.00			0.70%
PS6		Outside	Parking	144.00			0.70%
PS7		Outside	Parking	144.00			0.70%
PS8		Outside	Parking	144.00			0.70%
PS9		Outside	Parking	144.00			0.70%
PS11		Outside	Parking	144.00			0.70%
PS12		Outside	Parking	144.00			0.70%
					Total Square footage	**##**	**Total 100%**

MM. BY-LAWS

BY-LAWS

THE AVENUE K DEVELOPERS CONDOMINIUM

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ARTICLE I

GENERAL

SECTION 1. Purpose. The purpose of these By-Laws is to set forth the rules and proceduresconcerning the conduct of the affairs of The Avenue K Developers Condominium
(the "Condominium"). The Condominium consists of the property (the "Property") located at 8413 Avenue K, Brooklyn, NY 11236 , which is designated as Block 8036 , Lot(s) 1 & 4 on the Tax Maps of the Borough and County of Kings, City and State of New York, and the Building and other improvements constructed thereon (hereinafter collectively called the "Building"), including, without limitation, the Units and the Common Elements (as such terms are defined in the Declaration, defined below), all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which have been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the recording of a Declaration of Condominium (the "Declaration") in the office of the Register of the City of New York, County of Kings, simultaneously herewith. Unless otherwise provided herein, all terms used in these By-Laws shall have the same meanings as ascribed thereto in the Declaration and the offering plan ("Offering Plan") covering the Condominium.

SECTION 2. Applicability of By-Laws. These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees and occupants of Units and employees and guests of Unit Owners, as well as all other persons who may use the facilities of the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations attached hereto as Schedule A and made a part hereof as they or any of them may be amended from time to time. The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease, 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 3. Principal Office. The Principal office of the Condominium and of the Board of Managers shall be located within the Property or at such other place, reasonably convenient thereto, as may be designated from time to time by the Board of Managers.

ARTICLE II

BOARD OF MANAGERS

SECTION 1. Number, Term and Qualification. The affairs of the Condominium shall be governed by the Board of Managers. Until the earlier of (i) the transfer of title to Units, the percentage Common Interest of which, in the aggregate, equals at least fifty (50%)

percent or (ii) two (2) years after the first Unit closing, the Board of Managers shall consist of two (2) persons designated by the Sponsor. Thereafter, the Board of Managers shall be composed of two (2) persons elected by the Unit Owners, subject to the limitations hereinafter stated in this Paragraph. Subsequently the Board of Managers shall be elected at the annual meeting of the Unit Owners held by the Unit Owners on the second Tuesday of May of each year. The Managers shall hold office for a term of one year or until their successors shall have been qualified and elected. There shall be no limit on the number of successive terms a Manager may serve on the Board of Managers, if elected as herein provided. Notwithstanding anything in these By-Laws to the contrary, so long as the Sponsor or a Sponsor-affiliate shall continue to own Units representing 20% or more in Common Interest, the Sponsor or Sponsor-affiliate shall have the right to elect one of the two members of the Board of Managers.

Except for Managers elected by Sponsor, all other Managers shall be Unit Owners or spouses of Unit Owners, or mortgagees of Units or a spouse of an individual mortgagee, or, in the case of partnership Unit Owners or mortgagees, shall be members or employees (or their spouses) of such partnerships, or in the case of corporate Unit Owners or mortgagees, shall be directors, officers, stockholders or employees (or their spouses) of such corporation, or, in the case of limited liability company or association Units Owners or mortgagees, shall be members or employees (or their spouses) of such limited liability companies or associations, or, in the case of fiduciary Unit Owners or mortgagees, shall be the fiduciaries or their beneficiaries (or their spouses), or directors, officers, stockholders or employees (or their spouses) of a corporate fiduciary, or partners or employees (or their spouses) of a partnership fiduciary. Except for Managers elected by Sponsor, no manager shall continue to serve on the Board after he ceases to be a Unit Owner or an interested party in a Unit Owner as specified in the preceding sentence.

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 and may do all such acts except such acts which by law, the Declaration or these By-Laws may not be delegated to the Board of Managers by the Unit Owners. Such powers and duties of the Board of Managers shall include, without limitation (except as limited elsewhere herein) the following:

(a) Operation, care, upkeep and maintenance of the Common Elements.

(b) Determination of the Common Charges required for the affairs of the Condominium, including, without limitation, the operation and maintenance of the Property.

(c) Collection of the Common Charges from the Unit Owners.

(d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements.

(e) Adoption and amendment of the Rules and Regulations covering the details of the operation and use of the Property subject to a right of the Unit Owners to overrule the Board as hereinafter provided.

(f) Maintaining bank accounts on behalf of the Condominium and designating the signatories required therefore.

(g) Purchasing, leasing or otherwise acquiring in the name of the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, Units offered for sale or lease or surrendered by their owners to the Board of Managers.

(h) Purchasing Units at foreclosure or other judicial sales, in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners.

(i) Selling, leasing, mortgaging, or otherwise dealing with (but not voting the votes appurtenant to) Units acquired by, and subleasing Units leased by, the Board of Managers, corporate or otherwise, on behalf of all Unit Owners.

(j) Organizing corporations to act as designees of the Board of Managers in acquiring title to or leasing Units by the Board of Managers on behalf of all Unit Owners.

(k) Obtaining and reviewing insurance for the Property, including the Units, pursuant to the provisions of these By-Laws.

(1) Making repairs, additions and improvements to, or alterations of, the Property and repairs to and restoration of the Property in accordance with the other provisions of these By-Laws after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.

(m) Enforcing obligations of the Unit Owners, allocating profits and expenses and doing anything and everything else necessary and proper for the sound management of the Condominium.

(n) Levying fines against the Unit Owners for violations of the Rules and Regulations established by it to govern the conduct of the Unit Owners.

(o) Purchasing or leasing a Unit for use by a resident superintendent, if any, on behalf of all Unit Owners.

(p) Leasing of laundry room, if any, and granting of licenses for vending machines.

(q) Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep, and maintenance of the Common Elements provided, however, that (i) the consent of at least 66-2/3% in number and in Common Interest of all Unit Owners, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these By-Laws, shall be required for the borrowing of any sum in excess of $50,000 and (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interests in the Common Elements without the consent of the Owner of such Unit. If any sum borrowed by the Board of Managers on

behalf of the Condominium pursuant to the authority contained in this paragraph (q) is not repaid by the Board, a Unit Owner who pays to the creditor such proportion thereof as his interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against the Unit Owner's Unit.

(r) Adjusting and settling claims under insurance policies obtained pursuant to these By-Laws and executing and delivering releases on settlement of such claims on behalf of all Unit Owners, all holders of mortgages or other liens on the Units and all owners of any other interest in the Property.

The Board of Managers shall be responsible for carrying out the duties imposed upon it under these By-Laws and the Declaration regardless of whether a Unit is vacant or occupied by the owner thereof or a permitted lessee or other permitted occupant. Notwithstanding anything to the contrary contained in these By-Laws, so long as the Sponsor shall continue to own any Unit, the Board of Managers may not, without the Sponsor's prior written consent, (i) make any addition, alteration or improvement to any Unit (unless required by law), or (ii) assess any Common Charges for the creation of, addition to, or replacement of, all or part of a reserve, contingency or surplus fund in excess of 4% of the estimated expenses for any year of operation, or (iii) hire any employee, or (iv) enter into any service or maintenance contract, or (v) borrow money on behalf of the Condominium. In addition, so long as the Sponsor shall collectively own Units representing 50% or more in number or in interest in the Common Elements, the Board of Managers may not make any addition, alteration or improvement to the Common Elements without Sponsor's prior written consent.
Sponsor may not exercise veto power over expenses described in Schedule B of the Plan, or over expenses required: (i) to comply with applicable laws or regulations; or (ii) to remedy any notice of violations; or (iii) to remedy any work order by an insurer. Sponsor may exercise veto power over other expenses for a period ending not more than five (5) years after the closing of the first Unit or whenever the unsold Units constitute less than twenty-five (25%) percent of the Common Interest, whichever is sooner.

SECTION 3. Managing Agent and Manager. The Board of Managers may employ for the Condominium a managing agent and/or a manager at a compensation established by the Board of Managers, to perform such duties and services as the Board of Managers shall authorize, including, but not limited to, the duties listed in subdivisions (a), (c), (d), (k), (1), and (p) of Section 2 of this Article II. The Board of Managers may delegate to the manager or managing agent other powers granted to the Board of Managers by these By-Laws except the powers set forth in subdivisions (b), (e), (f), (g), (h), (i), (j), (m), (n), (o), (q), and (r) of Section 2 of this Article II. Upon the affirmative vote of a majority of the members of the Board of Managers, any managing agent and/or manager 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. First Board of Managers. The first Board of Managers shall consist of three persons designated by the Sponsor and they shall hold office and exercise all powers of the Board of Managers. Upon the earlier of (i) the transfer of title to Units, the percentage Common Interest of which, in the aggregate, equals at least fifty (50%) percent or (ii) two (2) years after the first Unit Closing, all members of the Board shall resign as Board members (such resignations to be effective on the election of their successors) and shall cause the President of the Condominium to call for a special meeting of the Unit Owners to elect a new Board of Managers as provided herein. A meeting will be held to elect new board members unrelated to the Sponsor within thirty (30) days after the expiration of the control period.

SECTION 5. Removal. Subject to the provisions of Section 1 of this Article II, at any regular or special meeting of Unit Owners, any one or more of the members of the Board of Managers may be removed with or without cause by a majority of the Unit Owners and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any member of the Board of Managers whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting.

SECTION 6. Vacancies. Vacancies in the Board of Managers caused by any reason other than the removal of a member thereof by a vote of the Unit Owners shall be filled by vote of a majority of the remaining members at a special meeting of the Board of Managers held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Board of Managers for the remainder of the term of the member creating such vacancy and until a successor shall be elected at the next annual meeting of the Unit Owners. Notwithstanding the foregoing, vacancies of Managers elected by the Sponsor shall be filled only by the Sponsor.

SECTION 7. Organization Meeting. The first meeting of the Board of Managers following each annual meeting of the Unit Owners shall be held within ten (10) days thereafter at such time and place as shall be fixed by a majority of the members of the Board of Managers, and no notice shall be necessary to the newly elected members of the Board of Managers in order to legally constitute such meeting, provided that a majority of the members of the Board of Managers shall be present at such first meeting.

SECTION 8. Regular Meetings. Regular meetings of the Board of Managers may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Managers. Notice of regular meetings of the Board of Managers shall be given to each member of the Board of Managers, by personal delivery, mail or telegram, at least five (5) business days prior to the day named for such meeting.

SECTION 9. Special Meetings. Special meetings of the Board of Managers may be called by the President by giving five (5) business days' prior notice to each member of the Board of Managers, by personal delivery, mail or telegram, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Managers shall be called by the President or Secretary in like manner and on like notice on the written request of at least three (3) members of the Board of Managers.

SECTION 10. Waiver of Notice. Any member of the Board of Managers may at any time waive notice of any meeting of the Board of Managers in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Managers at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all the members of the Board of Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

SECTION 11. Quorum of Board of Managers. At all meetings of the Board of Managers, a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the members of the Board of Managers present at a meeting at which a quorum is present shall constitute the decision of the Board of Managers. If at any meeting of the Board of Managers there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

SECTION 12. Compensation. No member of the Board of Managers shall receive any compensation from the Condominium for acting as such.

SECTION 13. 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 (including those who are members of the Board of Managers), in proportion to their respective interests in the Common Elements, 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 law, the Declaration or 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 (except as Unit Owners).
It is understood and permissible for the original Board of Managers, who may be members of (or officers of such members) or be employed by the Sponsor, to contract with the Sponsor and affiliated corporations and entities without incurring any liability for selfdealing, provided that any compensation paid in respect thereof shall be at then competitive rates. It is also intended that the liability of any Unit Owner 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 interests of all the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by its designated managing agent on behalf of the Condominium shall provide that the members of the Board of Managers, or the managing agent, as the case may be, are acting only as agent for the Unit Owners and that the same 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 interests in the Common Elements bears to the interest of all Unit Owners in the Common Elements.

SECTION 14. Executive Committee. The Board of Managers may, by resolution duly adopted, appoint an Executive Committee to consist of three (3) or more members of the Board of Managers. Such Executive Committee shall have and may exercise all the powers of the Board of Managers in the management of the business and affairs of the Condominium during the intervals between the meetings of the Board of Managers insofar as may be permitted by law, except that the Executive Committee shall not have power (a) to determine the Common Expenses required for the affairs of the Condominium, (b) to determine the Common Charges payable by the Unit Owners to meet the Common Expenses of the Condominium, (c) to adopt or amend the Rules and Regulations covering the details of the operation and use of the Property or (d) to exercise any of the powers set forth in subdivisions (g) and (q) of Section 2 in Article II above.

ARTICLE III

UNIT OWNERS

SECTION 1. Annual Meetings. Within thirty (30) days after the earlier of (i) the closing of title to Units whose aggregate Common Interest exceeds fifty (50%) percent or (ii) two (2) years from the first Unit Closing, the first annual meeting of the Unit Owners shall be held. At such meeting the incumbent Board of Managers shall resign and a new Board shall be elected by the Unit Owners as provided elsewhere herein. Thereafter, annual meetings shall be held on the second Tuesday of May of each succeeding year unless such day shall be a holiday in which event the meeting shall be held on the next succeeding business day. At such meetings, the Unit Owners shall elect Managers to serve that year as provided in Article II of these By-Laws and shall also transact such other business of the Condominium as may properly come before the meeting.

SECTION 2. Place of Meetings. Meetings of the Unit Owners shall be held at the principal office of the Condominium, or at such other suitable place convenient to the Unit Owners as may be designated by the Board of Managers.

SECTION 3. Special Meetings. It shall be the duty of the President to call a special meeting of the Unit Owners if so directed by resolution of the Board of Managers or upon a petition signed and presented to the Secretary by not less than 25% in common interest, in the aggregate, of Unit Owners. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

SECTION 4. Notice of meetings. It shall be the duty of the Secretary to give a notice of each annual or special meeting, stating the purpose thereof and the time and place where it is to be held, to each Unit Owner of record, at the address of such Unit Owner at the Property or at such other address as such Unit Owner shall have designated by notice in writing to the Secretary, at least ten (10) days prior to the giving of such notice of meeting by the Secretary. The giving of a notice in the manner provided in these By-La ws shall be considered notice properly served.

SECTION 5. Adjournment of Meetings. If any meeting of Unit Owners cannot be held because a quorum is not present, a majority of the Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time fixed for the original meeting.

SECTION 6. Order of Business. The order of business at all meetings of the Unit Owners shall be as follows:

(a) Roll call.
(b) Proof of notice of meeting.
(c) Reading of minutes of preceding meeting.
(d) Reports of Officers.
(e) Report of Board of Managers.
(f) Reports of Committees.
(g) Election of inspectors of election (when so required).
(h) Election of members of the Board of Managers (when so required).
(i) Unfinished business.
(j) New business.

SECTION 7. Title to Units. Title to Units may be taken in the name of an individual, in the names of two (2) or more persons as tenants in common, joint tenants or tenants by the entirety, in the name of a corporation, partnership, limited liability company, association, trustee or other legal entity.

SECTION 8. Voting. The Unit Owner(s) of each Unit, or a person designated by such Unit Owner(s) to act as proxy on his or their behalf and who need not be a Unit Owner, shall be entitled to cast the votes appurtenant to such Unit at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary and shall be revocable at any time by written notice to the Secretary by the Unit Owner(s) so designating. The Owner(s) of each Unit (including those owned by 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 0.0001% of interest in the Common Elements attributable to the Unit at all meetings of the 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 0.0001 % of Common Interest attributable to his Unit per member to be elected, and (ii) shall not have the right to cumulate his votes in favor of any one or more members to be elected. Where two or more persons own one Unit, each shall be entitled to cast a proportionate share of said vote. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. Any Units(s) owned by the Board of Managers or its designee on behalf of all Unit Owners shall not be entitled to vote.

When voting for members of the Board of Managers, the voting shall be by ballot and each ballot shall state the name of a Unit Owner voting and the name of the proxy if such ballot is cast by a proxy. All elections of Managers shall be determined by plurality vote and shall be balloted all at the same time, except as provided in the next paragraph.

A Unit Owner who is delinquent in the payment of common charges or assessments shall not be permitted to vote at any meeting of Unit Owners.

SECTION 9. Majority of Unit Owners. Except as may otherwise be provided by law, as used in these By-Laws the term "majority of Unit Owners" shall mean those Unit Owners having more than 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 8 of this Article III.

SECTION 10. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Unit Owners owning more than 50% of the Common Interests shall constitute a quorum at all meetings of Unit Owners.

SECTION 11. Majority Vote. The vote of a majority of Unit Owners present in person or by proxy at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except where otherwise provided by law, the Declaration or these By-Laws.

ARTICLE IV

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 an Assistant Treasurer, an Assistant Secretary and such other officers as in its judgment may be desirable. None of the officers need be Unit Owners until the Board of Managers is elected by the Unit Owners. Thereafter, all officers shall be Unit Owners (or officers, directors, shareholders, partners, members, employees or beneficiaries, or members of their family, in the case of Units owned by corporations, partnerships, limited liability companies, associations, fiduciaries or mortgagees).

SECTION 2. Election of Officers. The officers of the Condominium shall be elected annually by the Board of Managers at the organizational 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.

SECTION 3. Removal of Officers. Upon the 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 are 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 on 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, 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 Secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

SECTION 7. Treasurer. The Treasurer shall be responsible 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 necessary for the preparation of all required financial data. He shall be responsible for the deposit of all funds and other securities in the name of the Board of Managers, or the managing agent or manager, 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. Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any two (2) officers of the Condominium or by such other person or persons as may be designated by the Board of Managers.

SECTION 9. Compensation of Officers. No officer shall receive any compensation from the Condominium for acting as such.

ARTICLE V

NOTICES

SECTION 1. Notices. All notices required or desired to be given hereunder shall be sent by registered or certified mail (return receipt requested) to the Board of Managers c/o the managing agent, or if there be no managing agent, to the office of the Board of Managers or to such other address as the Board of Managers may hereafter designate from time to time, by notice in writing to all Unit Owners and to all mortgagees of Units. All notices to any Unit Owner shall be sent by registered or certified mail (return receipt requested) to the Property address of such Unit Owner or to such other address as may have been designated by him from time to time, in writing, to the Board of Managers. All notices to mortgagees of Units shall be sent by registered or certified mail (return receipt requested) to their respective addresses, as designated by them from time to time, in writing, to the

Board of Managers. All notices shall be deemed to have been given when mailed in a postage prepaid sealed wrapper, except notices of change of address which shall be deemed to have been given when received.

SECTION 2. Waiver of Service of Notice. Whenever any notice is required to be given by law, the Declaration or these By-Laws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

SECTION 3. Designation of Board of Managers for Service of Notice or Process. In the event a Unit is leased to or occupied by a person other than the Owner of such Unit in accordance with these By-Laws, said Owner of such Unit shall be deemed to have designated the Board of Managers as his agent for service of notice or process upon him by the lessee or occupant with respect only to the matters relating to the occupancy of the Unit. Upon receipt of notice or process pursuant to the preceding sentence, the Board of Managers shall forward such notice or process to the Unit Owner at his last known address pursuant to Section 1 of this Article V.

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 Condominium, determine the amount of the Common Charges payable by the Unit Owners to meet the Common Expenses of the Condominium and allocate and assess such Common Charges among the Unit Owners in proportion to their respective interests in the Common Elements. The Common Expenses shall include, without limitation, 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 Section 2 of this Article VI. The Common Expenses may also include such amounts as the Board of Managers may deem proper for the operation and maintenance of the Property, including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a capital reserve of the Condominium, and for a reserve fund for replacements and to make up any deficit in the Common Charges for any prior year. From and after the date of the filing of the Declaration, the Sponsor shall pay Common Charges with respect to all Units covered thereby and not sold and conveyed to the purchaser thereof. The Common Expenses may also include such amounts as may be required for the purchase or lease by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose owner has elected to sell or lease such Unit, and/ or any Unit which is to be sold at a foreclosure or other judicial sale, if any. The Board of Managers shall advise all Unit Owners promptly in writing of the amount of the Common Charges payable by each of them as determined by the Board of Managers as aforesaid and shall furnish copies of each budget on which such Common Charges are based to all Unit Owners and to their respective mortgagees.

A copy of the proposed annual budget of the Condominium shall be mailed or delivered

to each Unit Owner at least ten (10) days prior to the date set for adoption thereof by the Board of Managers. Such budget shall be certified while the Sponsor is in control of the Board of Managers.

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 Building (including all of the Units and any bathroom and kitchen fixtures initially installed therein by Sponsor, but not including furniture, furnishings or other personal property supplied or installed by Unit Owners or tenants of Unit Owners), together with all service machinery contained therein and covering the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation), without deduction for depreciation; each of said policies shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject however, to the loss payment provisions in favor of the Board of Managers hereinafter set forth; (2) worker's compensation insurance; (3) comprehensive general liability including water damage legal liability; (4) such other insurance as the Board of Managers may determine. The premiums for such insurance shall be a Common Expense payable by all Unit Owners. All such policies shall provide that adjustment of loss shall be made by the Board of Managers and that the net proceeds thereof shall be payable to the Board of Managers.

Where possible, all policies of physical damage insurance shall contain waivers of subrogation and waivers of any defense based on co-insurance or other insurance or of invalidity arising from any acts of the insured and of pro rata reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days' prior written notice to all of the insureds, including all mortgagees of Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of Units at least thirty (30) days prior to expiration of the then current policies. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Managers shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the Building (exclusive of foundation), including all of the Units and all of the Common Elements therein, without deduction for depreciation, for the purpose of determining the amount of fire insurance to be effected pursuant to this Section.

The Board of Managers may obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the managing agent, the manager, and each Unit Owner.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing insurance obtained by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

SECTION 3. Repair or Reconstruction After Fire or Other Casualty. In the event of damage to, or destruction of, the Building as a result of fire or other casualty (unless three-fourths or more of the Building is destroyed or substantially damaged and 75% or more in number and common interest of the Unit Owners do not duly and promptly resolve to proceed with repairs or restoration), the Board of Managers shall arrange for the prompt repair and restoration of the Building (including any damaged Units contained therein, and any bathroom and kitchen fixtures initially installed therein by the Sponsor, but not including furniture, furnishings or other personal property supplied or installed by any Unit Owner or a tenant of a Unit Owner), and the Board of Managers shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the net proceeds of insurance received by or payable to the Board of Managers shall constitute a Common Expense, and the Board of Managers shall assess all Unit Owners for such deficit as Common Expense, subject to the second immediately succeeding paragraph.

In the event of a repair or restoration pursuant to the first paragraph of this Section 3 and in the event that the net proceeds exceed the cost of such repair or restoration, then the excess of such insurance proceeds shall be paid by the Board of Managers to all Unit Owners in proportion to their respective interests in the Common Elements after first paying out of the share due each Unit Owner such amount as may be required to reduce unpaid liens on any Unit in the order of priority of such liens.

If 75% or more of the Building is substantially damaged or destroyed and if 75% in number and in common interest of all Unit Owners do not duly and promptly resolve to proceed with the repair or restoration thereof, the Property will not be repaired and shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which event, the net proceeds of insurance resulting from such damage or destruction, shall be divided among all the Unit Owners in proportion to their respective common interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of his share of such fund all liens on his Unit in the order of priority of such liens.

SECTION 4. Payment of Common Charges. All Unit Owners shall be obligated to pay Common Charges assessed by the Board of Managers pursuant to the provisions of Section 1 of this Article VI at such time or times (but not less than annually), as the Board of Managers shall determine. Unless otherwise determined by the Board of Managers, the Common Charges shall be payable monthly in advance.

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 (made in accordance with the provisions of Section 1 of Article VIII of these By-Laws) of such Unit together with the Appurtenant Interests, as defined in Section 1 of Article VIII hereof. Any Unit Owner may, subject to the terms and conditions of these By-Laws and provided that his Unit is free and clear of liens and encumbrances other than a permissible first mortgage and the statutory lien for unpaid Common Charges, convey his

Unit, together with the Appurtenant Interests, to the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, and in any such event be exempt from Common Charges thereafter accruing. A Purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him of such Unit, except that, to the extent permitted by law, a first mortgagee or other Purchaser of a Unit at a first mortgage foreclosure sale of such Unit shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges accrued prior to the foreclosure sale.

SECTION 5. Collection of Assessments. The Board of Managers shall take prompt action to collect any Common Charges due from any Unit Owner which remains unpaid for more than thirty (30) days after the due date for payment thereof.

SECTION 6. Default in Payment of Common Charges. In the event any Unit Owner shall fail to make prompt payment of his Common Charges, such Unit Owner shall be obligated to pay interest at the highest legal rate on such unpaid Common Charges computed from the due date thereof, together with all expenses, including, without limitation, attorneys' fees, paid or incurred by the Board of Managers or by the managing agent in any proceeding brought to collect such unpaid Common Charges or in an action to foreclose the lien on such Unit arising from unpaid Common Charges as provided in Section 339-z of the Real Property Law of the State of New York, in the manner provided in Section 339-aa thereof. The Board of Managers shall have the right and obligation to institute all proceedings deemed necessary or desirable by the Board of Managers to recover such unpaid Common Charges together with interest thereon computed as aforesaid, and the expenses of any such proceeding.

SECTION 7. 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 pay a reasonable rental for the use of his Unit and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Board of Managers, acting on behalf of all Unit Owners, shall have the power to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage, convey, or otherwise deal with, (but not to vote the votes appurtenant to), the same. A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing the same. In the event the net proceeds received on such foreclosure (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, then such Unit Owner shall remain liable for the deficiency.

SECTION 8. Statement of Common Charges. The Board of Managers shall promptly provide any Unit Owner so requesting the same with a written statement of all unpaid Common Charges due from such Unit Owner.

SECTION 9. Maintenance and Repairs. All maintenance, repairs, painting, decorating, and replacements of or to any Unit (other than maintenance, repairs, painting, decorating, and replacements of or to any Common Elements, unless caused by the negligence, misuse or

neglect of the Owner of such Unit), whether structural or non-structural, ordinary or extraordinary, including, without limitation, maintenance, repairs, painting, decorating, and replacement of the window panes and the entrance door and all other doors within a Unit and the electrical, plumbing, heating and air conditioning fixtures, (other than those located in or behind the walls), if any, within the Unit or belonging to the Unit Owner, shall be performed by the Owner of such Unit, at the Unit Owner's sole cost and expense, except as otherwise expressly provided to the contrary herein.

All maintenance, repairs, painting, decorating, and replacements in or to the Common Elements shall be performed by the Board of Managers and the cost and expense thereof shall be charged to all 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, his family, guests or invitees, in which case such cost and expense shall be paid by such Unit Owner.

All maintenance, repairs and replacements in or to the Limited Common Elements will be performed (a) by the Board of Managers as a Common Expense, if such Limited Common Elements is for use by all Unit Owners, or if it involves structural or extraordinary maintenance, repairs or replacements (including, but not limited to, the repair of any leaks that are not caused by the acts or omissions of the Unit Owner, having direct and exclusive access thereto), or (b) by the Unit Owner having direct and exclusive access thereto at his sole cost and expense, if involving painting, decorating, and nonstructural or ordinary maintenance, repairs or replacements or as a result of the negligence, misuse or neglect of the Unit Owner, his family, guests or invitees.

The public areas of the Building and those areas exposed to public view shall be kept in good appearance and in first class condition, in conformity with the dignity and character of the Building, by: (1) the Board of Managers with respect to the lobby, hallways and exterior walls of Units; (2) the Unit Owners with respect to the shades, Venetian or other blinds, drapes, curtains or other window decorations in their respective Units.

SECTION 10. Restrictions on Occupancy and Use of Units. In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of the Property shall be restricted to and shall be in accordance with the following provisions:

(a) The Residential Units shall be used for a single-family residence only, but not more than one family may occupy a Residential Unit at one time. A Residential Unit owned or leased by an individual, corporation, partnership, limited liability company, association, or fiduciary, may only be occupied by said individual, or an officer, director, stockholder, or employee of such corporation, or a partner or employee of such partnership, or a member or employee of such limited liability company or association, or the fiduciary or beneficiary of said fiduciary, respectively, and by members of the immediate family and guests of any of the foregoing. "Members of the immediate family" or words of similar import whenever used herein shall be deemed to mean spouse, parents, parents-in-law, brothers, sisters, children and grandchildren. Notwithstanding the foregoing, the Board of Managers may consent to occupancy of a Residential Unit by

persons other than those set forth above, and the Sponsor or Sponsor-designee shall have the right, without charge, (i) to maintain general and sales offices in one or more Residential Units or elsewhere on the Property, to use one or more Residential 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 of the Building and to comply with its obligations.

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

(b) No nuisance, nor any immoral, improper, offensive, or unlawful use shall be allowed on the Property or any portion thereof. No portion of a Residential Unit (other than the entire Unit) may be rented. All valid laws, zoning ordinances and regulations of governmental bodies having jurisdiction thereof, relating to any portion of the Property, shall be complied with at the sole expense of the respective Unit Owners or the Board of Managers, whoever shall have the obligation to maintain or repair such portion of the Property. Rules and regulations concerning the use of Units may be promulgated and amended from time to time by the Board of Managers provided that copies thereof are furnished to each Unit Owner prior to the time that they become effective.

SECTION 11. Additions, Alterations or Improvements by the Board of Managers. Whenever in the judgment of the Board of Managers the Common Elements shall require additions, alterations or improvements costing in excess of $10,000 in the aggregate in any calendar year, and the making of such additions, alterations or improvements shall have been approved by (i) a majority of the Unit Owners present and voting at a meeting at which a quorum is present and (ii) the representative or a majority of the representatives of holders of mortgages on Units appointed pursuant to Section 4 of Article VII hereof, the Board of Managers shall proceed with such additions, alterations or improvements. Any additions, alterations or improvements to the Common Elements costing in the aggregate $10,000 or less in a calendar year may be made by the Board of Managers without approval of the Unit Owners or said representative or representatives of mortgagees. The cost and expense of any such additions, alterations or improvements to the Common Elements shall constitute part of the Common Expenses and shall be assessed to the Unit Owners as Common Charges. Notwithstanding the foregoing and supplementing Section 2 of Article II, the consent of Sponsor shall be required for any said addition, alteration or improvement (regardless of the cost) to the Common Elements so long as Sponsor shall collectively own Units.

SECTION 12. Additions, Alterations or Improvements by Unit Owners. No Unit Owner shall make any structural addition, alteration or improvement in or to his Unit without the prior written consent thereto of the Board of Managers. The Board of Managers shall have the obligation to answer 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 is received, and the failure to do so within the

SECTION 13. Use of Common Elements. No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, or any other part of the Common Elements other than the areas designated as storage areas. The lobbies, vestibules, public halls, and stairways shall be used only for normal passage through them. The provisions of this Section 13 shall not apply to the Sponsor until such time as all Units have been initially sold and conveyed by the Sponsor; however, Sponsor shall not use such Common Elements in such a manner as will unreasonably interfere with the use of the other Units for their permitted purposes.

SECTION 14. Right of Access. A Unit Owner shall grant a right of access to his Unit to the Board of Managers, the managing agent, and/or any other person authorized by the Board of Managers, for the purpose of making inspections, or for the purpose of removing violations noted or issued by any governmental authority against the Common Elements, or any other part of the Property, or for the purpose of correcting any conditions originating in his Unit and threatening another unit or all or any part of the Common Elements, or for the purpose of performing installations, alterations, repairs or maintenance to the mechanical or electrical services or other portions of the Common Elements within his Unit or elsewhere in the Building, or for the purpose of reading, maintaining or replacing utility meters relating to the Common Elements in his Unit or any other Unit in the Building or to correct any condition which violates the provisions of any mortgage covering another unit, provided that requests for such entry are made not less than one (1) day in advance and that any such right shall be exercised in such a manner as will not unreasonably interfere with the permitted use of the Units. In the case of an emergency, such right of entry shall be immediate, without advance notice, whether or not the Unit Owner is present.

A Unit Owner shall grant a right of access to his Unit, and the Board of Managers shall grant a right of access to the Common Elements to the Sponsor and Sponsor's contractors, subcontractors, agents and employees, for the purposes of completing alteration of the Building in accordance with the plans and specifications thereof and to fulfill its obligations as set forth in the Offering Plan, provided that access thereto shall be exercised in such a manner as will not unreasonably interfere with the permitted use of the Unit. The Sponsor will be obligated to repair any damage to the Units or the Common Elements, or their contents, caused as a result of the negligence of the Sponsor or its agents during access to such.

SECTION 15. Rules and Regulations. Annexed hereto as Schedule A and made a part hereof are rules and regulations concerning the use of the Units, and the Common Elements. The Board of Managers may from time to time modify, amend or add to such rules and regulations except that a majority of the Unit Owners present and voting at a meeting at which a quorum is present may overrule the Board with respect to any such modification, amendment or addition. Copies of such modified, amended or additional rules and regulations shall be furnished by the Board of Managers to each Unit Owner not less than thirty (30) days prior to the effective date thereof.

SECTION 16. Water Charges and Sewer Rents. Water shall be supplied to all of the Units through one or more Building meters and unless Unit Owners are billed directly by the City of New York, the Board of Managers shall pay, as Common Expenses, all charges, 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 Unit as of the date of closing of tide to such Unit, promptly after such charges shall have been billed by the City of New York.

SECTION 17. Utilities. If any utilities are supplied by the public utility company serving the area directly to a Unit through a separate meter, the Unit Owner shall be required to pay the bills for his Unit directly to the utility company.

SECTION 18. Abatement and Enjoinment of Violations by Units Owners. The violation of any rule or regulation adopted by the Board of Managers, or the breach 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 rights set forth in these by-laws: (a) 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, and the Board of Managers shall not thereby be deemed guilty or liable in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.
The violation or breach of any of the provisions of these By-Laws, the Rules and Regulations, or the Declaration with respect to any rights, easements, privileges or licenses granted to the Sponsor, shall give to Sponsor, the right, in addition to any other rights set forth in these By-Laws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings, either in law or in equity, the continuance of any such violation or breach.

ARTICLE VII

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 conformed copy of the note and mortgage with the Board of Managers. A Unit Owner who satisfies a mortgage covering his Unit shall also notify the Board of Managers thereof and shall file a conformed copy of the Satisfaction of 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 Default and Unpaid Common Charges. Whenever so requested in writing by the mortgagee of a Unit, the Board of Managers shall promptly report to such mortgagee any default in the payment of Common Charges or any other default by the

Unit Owner of such Unit under the provisions of the Declaration or these By-Laws which may to the Board's knowledge then exist. The Board of Managers, when giving notice to a Unit Owner of any such default, shall also send a copy of such notice to each holder of a mortgage covering such Unit whose name and address has theretofore been furnished to the Board of Managers.

ARTICLE VIII

SELLING, LEASING AND MORTGAGING OF UNITS

SECTION 1. Selling and Leasing. No Unit Owner other than the Sponsor or its designee may sell or lease his Unit except by complying with the following provisions:

Any Unit Owner who receives a bona fide offer to (a) purchase his Unit together with: (i) the undivided interest in the Common Elements appurtenant thereto; (ii) the interest of such Unit Owner in any Units theretofore acquired by the Board of Managers on behalf of all Unit Owners, or his interest in the proceeds of the sale or lease of such Units, if any; and (iii) the interest of such Unit Owner in any other assets of the Condominium, (herein collectively called the "Appurtenant Interests"), or (b) lease his Unit, (such offer to purchase or lease a Unit, as the case may be, is called an "Outside Offer", the party making any such Outside Offer is called an "Outside Offerer", and the Unit Owner to whom the Outside Offer is made is called an "Offeree Unit Owner"), which he intends to accept shall give notice by certified or registered mail to the Board of Managers of the receipt of such Outside Offer. Said notice shall also state the name and address of the Outside Offerer, the terms of the proposed transaction and such other information as the Board of Managers may reasonably require. The giving of such notice to the Board of Managers shall constitute an offer by such Unit Owner to sell his Unit together with the Appurtenant Interests or to lease his Unit to the Board of Managers on behalf of all other Unit Owners, upon the same terms and conditions as contained in such Outside Offer and shall also constitute a warranty and representation by the Unit Owner who has received such Outside Offer, to the Board of Managers, on behalf of all Unit Owners, that such Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Board of Managers may reasonably have requested. Not later than thirty (30) days after receipt of such notice together with such further information as may have been requested, the Board of Managers may elect, by sending written notice to such Offeree Unit Owner, before the expiration of said thirty (30) day period, by certified or registered mail, to purchase such Unit together with the Appurtenant Interests or to lease such Unit, as the case may be, on behalf of all Unit Owners upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Unit Owner.

In the event the Board of Managers shall timely elect to purchase such Unit together with the Appurtenant Interests or to lease such Unit, title shall close or a lease shall be executed at the office of the attorneys for the Condominium, in accordance with the terms of the Outside Offer, within forty-five (45) days after the giving of notice by the Board of Managers of its election to accept such offer. If, pursuant to such Outside Offer to

purchase said Unit, the Outside Offerer was to assume or take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Board of Managers may purchase the Unit and assume or take title to the Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Unit together with the Appurtenant Interests is to be sold, shall convey the same to the Board of Managers or to its designee, on behalf of all other Unit Owners, by deed in the form required by Section 339-o of the Real Property Law of the State of New York, with all tax and/or documentary stamps affixed at the expense of such Unit Owner, who shall also pay all other taxes arising out of such sale. Real estate taxes (including water charges and sewer rents, if separately assessed), mortgage interest, if any, and Common Charges shall be apportioned between the Offeree Unit Owner and the Board of Managers as of the closing date. In the event such Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board of Managers a lease between the Offeree Unit Owner, as landlord, and the Board of Managers, as tenant, covering such Unit, for the rental and terms contained in such Outside Offer.

In the event the Board of Managers or its designee shall fail to accept such offer within thirty (30) days after receipt of notice as aforesaid, the Offeree Unit Owner shall be free to accept the Outside Offer.

Any deed to an Outside Offerer shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time.

Any lease executed in connection with the acceptance of any Outside Offer to lease a Unit shall
be consistent with these By-Laws and shall provide that it may not be modified, amended, extended or assigned, without the prior consent in writing of the Board of Managers, that the tenant shall not assign his interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board of Managers, and that the Board of Managers shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (i) a default by the tenant in the performance of its obligations under such lease or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York.

Except as hereinbefore set forth, the form of any such lease executed by the Board of Managers or an Outside Offerer shall be the then current form of lease recommended by the Real Estate Board of New York, Inc., and shall contain such other modifications as shall be approved in writing by the Board of Managers. Any lease executed by the

Board of Managers as tenant shall provide that the Board may enter into a sublease of the premises without the consent of the landlord.

Any purported sale or lease of a Unit in violation of this Section shall be voidable at the election of the Board of Managers and if the Board of Managers shall so elect, the Unit Owner shall be deemed to have authorized and empowered the Board of Managers to institute legal proceedings to evict the purported tenant (in case of an unauthorized leasing), in the name of the said Unit Owner as the purported landlord. Said Unit Owner shall reimburse the Board of Managers for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

The foregoing restrictions of Section 1 of this Article VIII shall not apply to Sponsor-owned Units. The Sponsor shall have the right to freely sell its Units or to freely lease all or any part thereof without having to first offer the same for sale or lease to the Board of Managers.

SECTION 2. Consent of Unit Owners to the Purchase or Lease of Units by Board of Managers. The Board of Managers shall not exercise any option hereinabove set forth to purchase or lease any Unit without the prior approval of a majority in Common Interest of the Unit Owners other than the Offeree Unit Owner.

SECTION 3. No Severance of Ownership. No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his Unit without including therein the Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance or other disposition of such part of the Appurtenant Interests of all Units.

SECTION 4. Release by Board of Managers of Right of First Refusal. The right of first refusal contained in Section 1 of this Article VIII may be released or waived by the Board of Managers only in the manner provided in Section 5 of this Article VIII. In the event the Board of Managers shall release or waive its right of first refusal as to any Unit, such Unit, together with the Appurtenant Interests, may be sold, conveyed or leased, free and clear of the provisions of said Section 1.

SECTION 5. Certificate of Termination of Right of First Refusal. A certificate executed and acknowledged by the Secretary of the Condominium stating that the provisions of Section 1 of this Article VIII have been met by a Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Board of Managers, and that as a result thereof the rights of the Board of Managers thereunder have terminated, shall be conclusive upon the Board of Managers and the Unit Owners in favor of all persons who rely on such certificates in good faith. The Board of Managers

shall furnish, without charge, such certificate upon request to any Unit Owner in respect to whom the provisions of such Section have, in fact, terminated.

SECTION 6. Financing of Purchase of Units by Board of Managers. The purchase of any Unit by the Board of Managers or its designee, on behalf of all Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Condominium. If the funds in such accounts are insufficient to effectuate any such purchase, the Board of Managers may levy an assessment against each Unit Owner, in proportion to his interest in the Common Elements, as a Common Charge, which assessment shall be enforceable in the same manner as provided in Sections 6 and 7 of Article VI, and/or the Board of Managers may, in its discretion, finance the acquisition of such Unit; provided; however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit to be purchased together with its Appurtenant Interests.

SECTION 7. Exceptions. The provisions of Section 1 of this Article VIII shall not apply with respect to any lease, sale or conveyance of any Unit together with its Appurtenant Interests by (a) the Sponsor, (b) the Unit Owner thereof to his spouse, adult children, parents, parents-in-law, adult siblings or to any one or more of them, (c) the Board of Managers, or (d) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure, provided, however, that each succeeding Unit Owner shall be bound by, and his Unit subject to, the provisions of this Article.

SECTION 8. Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer his Unit by gift, to devise his Unit by will or to have his Unit pass by intestacy, without restriction; provided, however, that each succeeding Unit Owner shall be bound by, and his Unit subject to, the provisions of this Article.

SECTION 9. Waiver of Right of Partition With Respect to Such Units as Are Acquired by the Board of Managers, or its Designee, on Behalf of All Unit Owner as Tenants-in-Common. In the event that any Unit shall be acquired by the Board of Managers, or its designee, on behalf of all Unit Owners as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit and the entire property as herein provided.

SECTION 10. Payment of Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease his Unit unless and until he shall have paid in full to the Board of Managers all unpaid Common Charges theretofore assessed by the Board of Managers against his Unit and until he shall have satisfied all unpaid liens against such Unit, except permitted mortgages.

SECTION 11. Mortgage of Units. Subject to the preceding Section 10, each Unit Owner shall have the right to mortgage his Unit without restriction, provided that any such mortgage shall be substantially in the form of the New York statutory form of mortgage, except for such changes or additions as may be required in order to permit a particular bank, trust company, insurance company, savings and loan association or other

institutional or noninstitutional lender to make the mortgage loan.

SECTION 12. Units Acquired or Leased by Board of Managers. The Board of Managers shall have the power to sell, lease, mortgage or otherwise deal with Units acquired by, and to sublease Units leased by, the Board of Managers on behalf of all Unit Owners. While such Units are held or leased they may be used only for such purposes as allowed by the Declaration and By-Laws. The net proceeds of the disposition of such Units may be used for working capital or held in reserve, as the Board of Managers may determine.

SECTION 13. No Discrimination. The Board of Managers may not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

ARTICLE IX

CONDEMNATION

SECTION 1. Condemnation. In the event of a taking in condemnation or by eminent domain of any part of the Common Elements the award made for such taking shall be payable to the Board of Managers. To the extent that the proceeds of the award are not utilized for the repair and restoration of such Common Elements, the Board of Managers shall distribute 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.

ARTICLE X

RECORDS

SECTION 1. Records and Audits. The Board of Managers or the managing agent shall keep detailed records of the actions of the Board of Managers, minutes of the meetings of the Board of Managers, minutes of the meetings of the Unit Owners and financial records and books of account of the Condominium, including a chronological listing of receipts and expenditures as well as a separate account for each Unit, which, among other things, shall contain the amount of each assessment of Common Charges against each Unit, the date when due, the amounts paid thereon and the balance, if any remaining unpaid.

An annual Financial Statement of the Condominium, prepared and certified by an independent certified public accountant, shall be submitted by the Board of Managers to all Unit Owners and to all mortgagees of Units who have requested same, within two (2) months after the end of each fiscal year. The cost of such report shall be paid by the Board of Managers as Common Expenses payable by the Unit Owners.

Copies of the Declaration, these By-Laws, the Rules and Regulations and floor plans of the Building and Units, as the same may be amended from time to time, shall be maintained, at the office of the Board of Managers and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

ARTICLE XI

MISCELLANEOUS

SECTION 1. Invalidity. The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Laws.

SECTION 2. 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 these By-Laws or the intent of any provision hereof.

SECTION 3. Gender. The use of the masculine gender in these By-Laws shall be deemed to include the feminine and neuter genders, and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

SECTION 4. Waiver. No restriction, condition, obligation or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

ARTICLE XII

AMENDMENTS TO BY-LAWS

SECTION. 1. Amendments to By-Laws. Except as other provided in the next paragraph and in the Declaration, these By-Laws may be modified or amended by the vote of 66-2/3% in number and in common interest of all Unit Owners at a meeting of Unit Owners duly held for such purpose. However, when said modification or amendment would adversely affect one or more of the mortgagees (if any) the consent of such mortgagee(s) must first be obtained.

For as long as Sponsor or its designee remains the owner of one or more Units, these By-Laws, the Rules and Regulations and the Declaration may not be modified, added to, amended or repealed so as to eliminate, change, or impair any rights, privileges, easements, licenses or exceptions granted therein or herein to Sponsor, or otherwise adversely affect Sponsor without Sponsor's prior written consent in each instance. Notwithstanding anything to the contrary contained herein, no provision of these By-Laws, the Rules and Regulations, or the Declaration, relating to the use of the Units or the percentage interest of a Unit in the Common Elements may be amended without the consent of every Unit Owner affected by such amendment.

ARTICLE XIII

CONFLICTS

SECTION 1. Conflicts. These By-Laws and the Rules and Regulations are intended to comply with the requirements of Article 9-B of the Real Property Law of the State of

New York and all other applicable laws. In case any of these By-Laws or any provision of the Rules and Regulations shall conflict with the provisions of said statute, the Declaration or any other applicable law, the provisions of said statute, the Declaration or such other applicable law, as the case may be, shall control.

ARTICLE XIV

REAL ESTATE TAXES

SECTION 1. Review of Assessments. The Board of Managers shall have the power to act as agent for all Unit Owners:

(a) to protest, complain or apply to the appropriate taxing authority to correct the tax assessments of the Units for any year by filing a single complaint on behalf of all such Unit Owners;

(b) to commence and prosecute a special proceeding for the review of assessments of real property as an aggrieved person under the Real Property Tax Law;

(c) to seek administrative and judicial review of the tax assessments for any year;

(d) to negotiate and settle with the taxing authority the tax assessments and any resulting proceedings and litigation;

(e) to execute and acknowledge in the name of each Unit Owner for which it is acting as agent, as such Unit Owner's attorney-in-fact, all applications, certifications, petitions, complaints settlement agreements and other documents in furtherance of the foregoing; and

(f) to retain legal counsel on behalf of the Unit Owners for which it is acting as agent to represent such Unit Owners in connection with the foregoing.

Any Unit Owner may withdraw the Condominium Board's authority to so act on his behalf in any year provided he sends written notice of such withdrawal to the Condominium Board and such notice is received before the Condominium Board has commenced the proceeding. In the event any Unit Owner seeks to have the assessed valuation of his Unit reduced by bringing a certiorari proceeding, the Condominium Board, if necessary for such proceeding, will execute any documents or other papers required for, and otherwise cooperate with such Unit Owner in, pursuing such reduction, provided that (a) such Unit Owner indemnifies the Condominium Board from all claims, costs and expenses (including, without limitation, reasonable attorneys' fees, resulting from such proceedings); (b) the Condominium Board has not already commenced such proceeding on behalf of all Unit Owners; and (c) such Unit Owner is current in the payment of all Common Charges and assessments.

SECTION 2. Collection of Real Estate Taxes. Until such time as each Unit is separately assessed for purposes of real estate taxes, same shall be collected by the Condominium

Board in addition to, and as part of, the Common Charges in proportion to the Unit Owner's Common Interest and forwarded to the appropriate taxing authority on behalf of the Unit Owners.

SCHEDULE A

RULES AND REGULATIONS

In addition to the other provisions of the By-Laws, the following house rules and regulations together with such additional rules and regulations as may hereafter be adopted by the Board of Managers shall govern the use of the Units and the conduct of all occupants thereof:

SECTION 1. Owners of a Unit, members of their families, their employees, guests, invitees and their pets shall not use or permit the use of the Units or the Property in any manner which would be illegal or disturbing or a nuisance to other Owners, or in such a way as to be injurious to the reputation of the Condominium.

SECTION 2. The Common Elements shall not be obstructed, littered, defaced or misused in any manner.

SECTION 3. Every Unit Owner shall be liable for any and all damage to the Common Elements or the Property which shall be caused by said Unit Owner or by members of his family, his employees, guests, invitees or pets, or by any other person for whose conduct he is legally responsible.

SECTION 4. Every Unit Owner must perform promptly all maintenance and repair work to his own Unit and to the Limited Common Elements appurtenant thereto which, if omitted, would affect the Condominium in its entirety or in a part belonging to other Unit Owners, or the Building, he being expressly responsible for the damages and liabilities that his failure to do so may engender. All the repairs to internal installations of the Unit located in and servicing only that Unit or its appurtenant Limited Common Elements, such as telephones and sanitary installations, shall be at the Unit Owner's expense.

SECTION 5. Each Unit Owner shall keep his Unit and its appurtenant Limited Common Elements in a good state of preservation, condition, repair and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors, or windows thereof, any dirt or other substance.

(a) No clothes, garments, rugs, laundry, or other articles of any kind shall be hung on or out of a Unit or its appurtenant Limited Common Elements or the Common Elements or shall be dried or aired on any terrace or balcony.

(b) No Common Elements shall be used for storage purposes.

(c) No exterior surfaces of the windows, walls or doors opening out of a Unit, and no balcony or terrace appurtenant to a Unit, shall be painted without the prior written consent of the Board of Managers.

(d) No television or radio antenna shall be erected on the exterior of Units or the Common Elements without the prior written consent of the Board of Managers.

(e) No landscaping in the Property shall be moved, removed or otherwise changed.

SECTION 7. No pet, bird, reptile or animal shall be permitted, kept or harbored in the Building or the Property unless the same in each instance be expressly permitted in writing by the Board of Managers and such consent, if given, shall be revocable by the Board of Managers at any time. In no event shall any pet, bird, reptile or animal be permitted in any of the public portions of the Building unless carried or on a leash.

SECTION 8. The Board of Managers or the Managing Agent shall be given a pass-key to each Unit. Upon the changing of any lock or the installation of a new lock in a Unit, a new pass-key shall immediately be given to the Board of Managers or the Managing Agent.

SECTION 9. No Unit Owner or any of his tenants, agents, servants, employees, licensees, or visitors shall at any time bring into or keep in his Unit any inflammable, combustible or explosive fluid, material, chemical or substance. Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance of the Building or contents thereof without the prior written consent of the Board of Managers. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance on the Building or which would be in violation of any law. No waste shall be committed to the Common Elements.

SECTION 10. Complaints regarding the service of the Condominium shall be made in writing to the Condominium Board.

SECTION 11. Unless expressly authorized by the Board of Managers in each instance, not less than eighty (80%) percent of the floor area of each Residential Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting, or equally effective noise-reducing material.

SECTION 12. Plantings on any terrace or balcony, if any, of a Residential Unit shall be contained in boxes of wood, lined with metal or other materials impervious to dampness and standing on supports at least two inches from the terrace or balcony surface, and, if adjoining a wall, at least three inches from such wall. Suitable weep holes shall be provided in the boxes to draw off water. The Owner of such Residential Unit shall be responsible for maintaining the containers in good condition, and shall pay the cost of any repairs rendered necessary, or damage caused, by such plantings.

SECTION 13. No Unit Owner shall engage any employee of the Condominium or the Managing Agent for any private business of the Unit Owner without the prior written consent of the Board of Managers.

SECTION 14. The agents of the Board of Managers, and any contractor or workman authorized
by them, may enter any Unit at any reasonable hour of the day for any purpose permitted under the terms of the Declaration, By-Laws, or Rules and Regulations of the

Condominium.

SECTION 15. All damage to the Building or Common Elements caused by the moving or carrying of any article therein shall be paid by the Unit Owner responsible for the presence of such article.

DECLARATION OF EASEMENTS

NN. Declaration of Easements

Covering the premises known as
The Avenue K Developers Condominium
8413 Avenue K
County of Kings, State of New York

Declarant: Avenue K Developers, Inc.
33 Great Neck Road, #9, Great Neck, NY 11021
-

Date of Declaration: , 2009

Section Number:

Block Number:

Lot Numbers:

County of Kings

Record and Return to:

Bruce Montague and Partners
Attorneys at Law
212-45 26th Avenue
Bayside, NY 11360

TEL: 718-279-7555 FAX: 718-279-8154

DECLARATION OF EASEMENTS, USE AND MAINTENANCE

Declaration of Easements, Use and Maintenance (hereinafter referred to as the "Declaration") made this____day of_____, 2009 by Avenue K Developers, Inc. , a New York Corporation with offices at 33 Great Neck Road, #9, Great Neck, NY 11021 (hereinafter referred to as the "Declarant").

WHEREAS, The Declarant is the owner of certain land and the building and improvements erected thereon known as 8413 Avenue K, Brooklyn, NY 11236 (the "premises") and more particularly described in Schedule A annexed hereto and by this reference made a part hereof; and

WHEREAS, The Declarant desires to convert a residential development to a residential condominium whereby there will be only residential units of the Premises which together will be known as The Avenue K Developers Condominium (hereinafter referred to as "the Condominium") which will have title to such portions of the common elements of the Premises and defined elsewhere herein as its "Respective Portion" of the Common Area which is more particular described in Schedule B annexed hereto and by this reference made a part here of; and

WHEREAS, The Declarant desires to provide for certain easements, hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof.

NOW THEREFORE, The Declarant, for itself, its successors and assigns, declares that the real property described in Schedule A is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions and easements (sometimes referred to as "covenants and restrictions") hereinafter set forth.

1. Ingress and Egress Easements. The Declarant does hereby establish and create to the benefit of Declarant, all owners of condominium units at the Premises ("Owners") and tenants of the Premises, their successors and assigns, their permitees, licensees, invitees and guests, non-exclusive easements over and across the portions of the Common Area described on Schedule C annexed hereto and by this reference made a part hereof, for pedestrian ingress and egress.

2. Utility Easements. The Declarant does hereby establish and create for the benefit of Declarant, Owners and Tenants at the Premises, their successors and assigns non-exclusive easements on and across the portions of the Common Area described on Schedule D annexed hereto and by this reference made a part hereof for utility services; including without limitation, water, sewer, sprinkler systems, electric, gas, telephone, cable television, garbage disposal, air conditioning, and heating; including without limitation the right to connect with, maintained, repair and replace utility lines, ducts, chutes and equipment. Owners, tenants and all other persons shall do nothing, which interferes with or impairs utility services using such easements.

3. Support Easements. The Declarant does hereby establish and create for the benefit of Declarant, Own and Tenants at the Premises, their successors and assigns nonexclusive easement$ on and across the portions of the Common Area described on Schedule E annexed hereto and by this reference made a part hereof, for support of buildings and improvements.

4. Roof Easement. Declarant shall have right of access to the roof through the stairwell of the premises, and shall have the right to use the roof and parapet walls for commercial purposes, such as, including and not limited to installation of cellular telephone antennas, other types of antennas, satellite dishes or transmitters, provided that same is permitted by local zoning codes and governmental authority. The area of the roof in which the Sponsor may install or lease space for the installation of antennas and/or cellular telephone transmission equipment is limited to ten percent (10%) of the roof surface area and the parapet walls.

5.Binding Effect. The Premises are and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, charges and liens set forth herein and the same shall be binding upon Declarant, the Condominium, their successors and assigns, as well as upon all persons claiming under them and each

and all subsequent owners their heirs, personal representatives, successors or assigns of any interest in the Premises.

6. Waiver. The failure by Declarant or the Condominium, their successors or assigns, to enforce any easement, covenant, restriction, charge or lien in, or created by, this Declaration shall not be deemed a waiver of the right to enforce the same thereafter as to the same breach, nor as to one occurring prior or subsequent thereto. Any waiver made by any party subject to this Declaration must be duly made in writing in order to be considered a waiver, and the waiver of one provision shall not be considered a waiver of any other provision unless specifically made in writing as aforementioned.

7. Amendment and Modification. This Declaration may be amended, or modified, in whole or in part, only by written instrument, in record able form, executed by Declarant and the Condominium or their successors and assigns. If any portion of the Premises subject to this Declaration is subject to the condominium form of ownership, any such amendment or modification shall not require the approval or consent of the condominium unit owners. The consent of the board of managers of any condominium shall sufficient. If any portion of the Premises subject to this Declaration is to be subject to the condominium form of ownership, prior to any conveyance of condominium units, the prospective unit owner must deliver to the board of managers an irrevocable power of attorney granting the board complete authority to act on behalf of the unit owner under this Declaration,

8. Invalidity. The invalidity, in whole or in part, of any covenant or restriction, or any section, subsection or other provision of this Declaration, as the same may be amended from time to time, shall not affect the validity of the remaining portions thereof.

9. Interpretation. Whenever the context so requires, the use of any gender shall be deemed to include all genders, and the use of plural shall include the singular, and the singular shall include the plural. Provisions of this Declaration shall be liberally construed to effectuate its purposes.

10. Captions. Captions used in this Declaration are inserted solely as a matter of convenience, and shall not be relied upon and/or used in construing the effect or meaning of the text of this Declaration.

11.Definitions. For purposes of this Declaration, the following terms shall have the meanings indicated below:
(a) "Premises" shall mean the land with a building and improvements erected thereon known as 8413 Avenue K, Brooklyn, NY 11236,

12. Communications. All notices, demands, requests or other communications which may be or are required to be given, served or sent under this Declaration shall be in writing and shall be deemed to have been properly given or sent (a) if personally served upon Declarant, the Condominium or any other party subject to this Agreement (or an officer, director, general partner or a member of the board of managers thereof) or (b) if mailed by registered or certified mail with postage prepaid, return receipt requested, addressed to the other party at the following address:

(i) Declarant:
(ii) The Condominium: The Avenue K Developers Condominium, 8413 Avenue K, Brooklyn, NY 11236.
Either party, their successors or assigns or any other party subject to this Declaration may designate by notice or writing as aforesaid a new address to which any notice, demand, request or communication should thereafter be so given, served or sent. Each notice, demand, request or communication which shall be mailed to the other party in the manner provided in this Paragraph shall be deemed sufficiently given, served or sent for all purposes hereunder on the earlier of: (i) receipt or (ii) five (5) days after the mailing

thereof by certified registered mail in any Post Office or branch Post Office regularly maintained by the United States Postal Service in the continental United States.

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

By:_____
Al Bokhour, President

STATE OF NEW YORK)
) ss.:

COUNTY OF _____

0n the_____day of_____ 2009 before me, the undersigned, a notary public in and for the state, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or person upon behalf of which the individual(s) acted, executed the instrument.

_____
NOTARY PUBLIC

SCHEDULE A

ALL THAT CERTAIN plot, piece or parcel of land with the buildings or improvements thereon, erected, situate, lying and being in the Third Ward, Borough and County of Kings, City and State of New York, bounded and described as follows:

Beginning at a point on the North side of Avenue K of the corner formed by the intersection of Avenue K and East 85th Street.

Running thence West 100ft..

Running thence East 100 ft.

Thence North 100ft.

Thence South 100ft.

To the point of the beginning.

SCHEDULE B

Common Area to the condominium

BULKHEAD

PARAPET WALLS

HALLWAYS

Part of ROOF

STAIRWAYS

UTILITY LINES

METERS

PIPES

CONDUITS

SCHEDULE C

Easements for Ingress and Egress.

SHAFTSWAYS

STAIRWAYS

PART OF CELLAR

METER AND PUMP ROOMS

PART OF ROOF

AREA FROM THE STREET TO THE ENTRANCE.

SCHEDULE D

Utility Easements

UTILITY LINES

METERS

PIPES

CONDUITS

CLOSETS

SHAFTS

SCHEDULE E

Easements of Support

Building superstructure.

OO-1. CERTIFICATION BY SPONSOR

CERTIFICATION BY SPONSOR
PURSUANT TO 13 NYCRR 20.4(b)

July 15, 2009

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

Re: The Avenue K Developers Condominium

Gentlemen:

We are the Sponsor and principals of the 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 Attorney General in Part 20 and such other laws and regulations as may be applicable.

We have read the entire Offering Plan. We have investigated the facts set forth in the Offering Plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the Offering Plan does, and that documents submitted hereafter by us which amend or supplement the Offering Plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

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

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

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

(vii) not contain any representation or statement which is false, where We: (a) knew the truth, (b) with reasonable effort could have known the truth, (c) made no reasonable effort to ascertain the truth, or (d) did not have knowledge concerning the representation or statement made.

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

Very truly yours,

Avenue K Developers, Inc.,

BY: _____
Al Bokhour, SPONSOR

_____
Al Bokhour, PRINCIPAL

Sworn to before me this
15th day of July, 2009

NOTARY PUBLIC

(A1)

OO-2. CERTIFICATION BY ENGINEER

SPONSOR'S ENGINEER OR ARCHITECT CERTIFICATION
PURSUANT TO 13 NYCRR 20.4 (c)

Date: July 15, 2009

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

RE: The Avenue K Developers Condominium
Gentlepeople:

The sponsor of the offering plan to convert the captioned property to condominium ownership retained me/our firm to prepare a report describing the construction of the property (the "Report"). I/We examined the building plans and specifications that were prepared by David Nagan dated July 15, 2009 and I/we prepared the Report dated July 15, 2009, a copy of which is intended to be incorporated into the offering plan so that prospective purchasers may rely on the Report.

I am/We are a registered architect/licensed engineer in the State in which the property is located.

I/We understand that I/we am/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 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 judgement concerning the description of the property as it will exist upon completion of construction, provided that construction is

in accordance with the plans and specifications that was 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: (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/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.

Very truly yours,



Signature of Individual or Name of Firm

By:

Signature of Individual if prepared by Firm

Title or Position if prepared by Firm

Sworn to before me this
15th day of July, 2009

Notary Public

Isaac N. Zeitner
Notary Public, State of New York
Qualified in Queens County
No. 01ZE6193425
My Commission Expires September 15, 2012

99-5. CERTIFICATION BY SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET

David A. Berk
Lic. Realty Broker, Property Manager, Buiding Consultant

348 Wheatley Road
Brookville, NY 11545
Tel: 212-920-5010 Fax: 516-626-2737

February 10, 2010

State of New York
Department of Law
120 Broadway
New York, NY 10271

Re:

The Avenue K Developers Condominium
8413 Avenue K
Brooklyn, NY 11236

The sponsor of the condominium offering plan for the captioned property retained me firm to review or prepare Schedule(s) B and B-1, containing projections of income and expenses for the first year of condominium operation. My experience in this field includes;

Over eight years of experience in the real estate field. Services that I provide are sales, leasing, , renting, and porperty management. I've sold over $200 Million in residential properties in NYC, Brooklyn, Queens, Bronx and Nassau. I am Currently managing over 6 buildings in NYC, Queens & Brooklyn. I handle all aspects of property management; qualifying tenants, credit checks, evictions, utilities, maintenance, repairs, etc.

I understand that I am 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 Schedule(s) B and B-1.

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 Schedules B and B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

I certify that the Schedule(s):

(i) sets forth in detail the projected income and expenses for the first year

of condominium operation;

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

(iii) does not omit any material fact;

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

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

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

(vii) does not contain any representation or statement which is false, where 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 are 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.

Very truly yours,

X _____

David A. Berk, Property Manager

Sworn to before me this
11 day of FEB, 2010.

_____
Notary

Ali Yildirim
Notary Public, State of New York
Reg. # 01YI6196600
My Comm. Exp. 11/17/2012

00-3. CERTIFICATION BY SPONSOR'S EXPERT CONCERNING ADEQUACY OF BUDGET PAYABLE BY COMMERCIAL UNITS

David A. Berk
Lic. Realty Broker, Property Manager, Building Consultant

348 Wheatley Road
Brookville, NY 11545
Tel: 212-920-5010 Fax: 516-626-2737

February 10, 2010

State of New York
Department of Law
120 Broadway
New York, NY 10271

Re: Common Charges Payable by Commercial Units
The Avenue K Developers Condominium
8413 Avenue K
Brooklyn, NY 11236

The sponsor of the condominium offering plan for the captioned property retained me/our firm to review or prepare Schedule(s) B which includes projections of common charges payable by the owners of the commercial unit(s). My/our experience in this field includes:

Over eight years of experience in the real estate field. I am certified as Property Manager from NYU. Services that I provide are sales, leasing, renting, and property management. I've sold over $200 Million in residential properties in NYC, Brooklyn, Queens, Bronx and Nassau. I am currently managing over 6 buildings in NYC, Queens & Brooklyn. Amongst them are the Prospect & Homes Condominium, 233 Monitor Street, and 234-236 Hawthorne St in the borough of Brooklyn, and various condo units throughout Manhattan. I handle all aspects of property management; qualifying tenants, credit checks, evictions, utilities, maintenance, repairs, etc.

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 commercial unit(s) listed in Schedule B.

I/We have reviewed the Schedule as it impacts upon the commercial unit(s) and investigated the facts underlying it with due diligence in order to form a basis for this certification, I/We also have relied on my/our experience in managing residential buildings.

I/We certify that the projections in Schedules B for common charges payable by the owners of commercial unit(s) appear reasonable and adequate under existing circumstances, to meet the anticipated operating expenses fairly attributable to such commercial unit(s) for the projected first year of condominium and that the allocation of common charges attributable to the commercial units also reflects special or exclusive use or availability or exclusive control of particular common areas.

I/We certify that the estimates in the Schedule B for the common charges payable by the owners of the commercial unit(s):

(i) sets forth in detail the projected common charges for the commercial unit(s) 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 common charges payable by the owners of the commercial unit(s);

(iii) do not omit any material fact;

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

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

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

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

a) knew the truth;

b) with reasonable effort could have known the truth;

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

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

I/We further certify that I/We am are not owned or controlled by the sponsor. I/We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the common charges fairly attributable to the commercial unit(s) 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.

Very truly yours,

X _____

David A. Berk, Property Manager

Sworn to before me this
11 day of Feb, 2010.

_____
Notary

Ali Yildirim
Notary Public, State of New York
Reg. # 01YI6196600
My Comm. Exp. 11/17/2012

PP. ESCROW AGREEMENT

ETF-3

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

AGREEMENT made this_____ day of_____ , 2009 , between

(?SPONSOR?) Avenue K Developers, Inc. as sponsor of the offering plan and

(? ESCROW AGENT?) Alan Gerson as escrow agent.

WHEREAS,Avenue K Developers, Inc. is the sponsor of an offering plan to

convert to cooperative/condominium ownership the premises located _

8413 Avenue K, Brooklyn, NY 11236 at which premises are known

As The Avenue K Developers Condominium ; and

WHEREAS, Alan Gerson is authorized to act as an escrow

agent hereunder in accordance with General Business Law (?GBL?) Section 352-e(2-b)

and the Attorney General's regulations promulgated thereunder; and

WHEREAS, SPONSOR desires that ESCROW AGENT act as escrow agent for deposits

and payments by purchasers and subscribers, pursuant to the terms of this agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein

and other good and valuable consideration, the parties hereby agree as follows:

1 ESTABLISHMENT OF THE ESCROW ACCOUNT

1.1 SPONSOR AND ESCROW AGENT hereby establish an escrow account with

ESCROW AGENT for the purpose of holding deposits or payments made by

purchasers or subscribers. The escrow account has been opened with

Norfork Bank at its branch located at 211-47 26th Avenue, Bayside, New York 11360 . The

depository bank address 211-47 26th Avenue, Bayside, New York 11360 .

account number is _____.

1.2 The name of the account is The IOLA Trust Account Bruce Montague & Partners Escrow Account.

1.3 ESCROW AGENT is the sole signatory on the account.

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

1.5 The escrow account is/is not an IOLA established pursuant to Judiciary Law § 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT

2.1 All funds received from prospective purchasers or subscribers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited in the escrow account. All instruments to be deposited into the escrow account shall be made payable to, or endorsed by the purchaser or subscriber to the order of_____ as escrow agent for The Avenue K Developers Condominium offering plan. Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such escrow account, shall be returned to the prospective purchaser or subscriber promptly, but in no event more than five business days following receipt of such instrument by ESCROW AGENT. In the event of such return of funds, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 Within ten (10) business days after tender of the deposit submitted with the subscription or purchase agreement, ESCROW AGENT shall notify the purchaser of the deposit of such funds in the bank indicated in the offering plan, provide the account number, and disclose the initial interest rate. If the purchaser does not received notification of such deposit within fifteen (15) business days after tender of the deposit, the purchaser may cancel the purchase and rescind within ninety (90) days after tender of the deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited in accordance with these regulations and requisite notice was timely mailed to the subscriber or purchaser.

3. RELEASE OF FUNDS

3.1 ESCROW AGENT shall not release the escrowed funds of a defaulting purchaser until after consummation of the plan as defined in the Attorney General's regulations. Consummation of the plan shall not relieve SPONSOR of its fiduciary obligations pursuant to GBL Section 352-h.

3.2 ESCROW AGENT shall contained to hold the funds in escrow until otherwise directed in (a) a writing signed by both sponsor and purchaser or (b) a determination of the Attorney General or (c) a judgment or order of a court of competent jurisdiction or until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.

3.3 SPONSOR shall not object to the release of the escrowed funds to (a) a purchaser who timely rescinds in accordance with an offer of rescission contained in the plan or an amendment to the plan or (b) all purchasers after an amendment abandoning the plan is accepted for filing by the Department of Law.

3.4 If there is no written agreement between the parties to release the escrowed funds, ESCROW AGENT shall not pay the funds to SPONSOR until ESCROW AGENT has given the purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to SPONSOR unless the purchaser has made application to the Department of Law pursuant to the dispute resolution provisions contained in the Attorney General's regulations and has so notified ESCROW AGENT in accordance with such provisions.

4 RECORDKEEPING

4.1 ESCROW AGENT shall maintain all records concerning the escrow account for seven years after release of the funds.

4.2 Upon the dissolution of a law firm which was ESCROW AGENT, the former partners of members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners of members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

4.3 ESCROW AGENT shall make available to the Attorney General, upon his request,

all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT

5.1 ESCROW AGENT shall maintain the accounts called for in this Agreement under the direct supervision and control of ESCROW AGENT.

5.2 A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary obligations.

6. RESPONSIBILITIES OF SPONSOR

6.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall immediately deliver all deposits and payments received by them prior to closing of an individual transaction to ESCROW AGENT.

6.2 SPONSOR agrees that it shall not interfere with ESCROW AGENT's performance of its fiduciary duties and compliance with the Attorney General's regulations.

7. TERMINATION OF AGREEMENT

7.1 This Agreement shall remain in effect unless and until it is cancelled, by either:

(a) Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or

(b) The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign, which resignation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or

(c) All shares or units offered pursuant to the plan have been sold and all sales transactions have been consummated.

7.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 7.1 above, ESCROW AGENT shall deliver any and all funds held by it in escrow and any and all contracts or documents maintained by ESCROW AGENT to the new escrow

agent.

8. SUCCESSORS AND ASSIGNS

8.1 This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their successors and assigns.

9. GOVERNING LAW

9.1 This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. ESCROW AGENT'S COMPENSATION

10.1 SPONSOR agrees that ESCROW AGENT's compensation shall not be paid from escrowed principal nor from any interest accruing thereon and that compensation to ESCROW AGENT, if any, shall not be deducted from escrowed funds by any financial institution under any circumstance.

11. SEVERABILITIY

11.1 If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. ENTIRE AGREEMENT

12.1 This Agreement, read together with GBL Section 352-e(2-b) and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as to the day and year first written above.

ESCROW AGENT

By:_____

Alan Gerson

SPONSOR

Avenue K Developers, Inc.

By:_____

Al Bokhour

QQ. DISPOSITION OF DOWNPAYMENTS

ETF-1

**APPLICATION TO THE ATTORNEY GENERAL
FOR A DETERMINATION ON THE
DISPOSITION OF DOWNPAYMENTS**

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

Re: The Avenue K Developers Condominium
Address of Building or Name of Project

File Number: _____

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

1. Name of Applicant _____

2. Address of Applicant _____

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

4. This is an application for

[ ] return of downpayment.
[ ] forfeiture of downpayment.
[ ] other:

5. The project is

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

6. The project is structured as

[ ] a cooperative.
[X] a condominium.
[ ] a homeowners association.
[ ] a timeshare.
[ ] other:

7. Name and Address of Sponsor:
_____

8. Name and Address of Escrow Agent:
_____

9. If downpayments are maintained in an escrow account:

(a) Name of account _____

(b) Name and address of bank _____

(c) Account number (if known)_____

(d) Initial interest rate (if known)_____

10. If downpayments have been secured by bonds:

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

_____

(b) Copy of bond included in this application. (DO NOT SEND ORIGINAL BOND).

If not included, explain:_____

_____

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

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

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

12. Plan information:

(a) Date of filing of plan:_____

(b) Plan

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

(c) If effective, the plan

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

(d) Downpayments are secured by

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

13. Contract information:

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

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

(c) Date(s) of downpayment(s):_____

(d) Total amount of downpayment(s):_____

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

_____

_____

14. State the basis for your claim. Please be as specific as possible. You may add additional sheets.

Attach copies of any relevant documents.

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

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

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

Signature:_____ Date:_____

Name (Printed):_____

Telephone: (Home)_____ (Business)_____

Mailing Address:_____

RR. Housing Implied Warranty Act

HOUSING MERCHANT IMPLIED WARRANTY LAW

ARTICLE 36-B

WARRANTIES ON SALE OF NEW HOMES

Section 777. Definitions.
777-a. Housing Merchant Implied Warranty
778-b. Exclusion or Modification of Warranties

Section 777. Definitions. As used in this article, the following terms shall have the following meanings:

1. "Builder" means any person, corporation, partnership or other entity contracting with an owner for the construction or sale of a new home.
2. "Building Code" means the uniform fire prevention and building code promulgated under section three hundred seventy-seven of the executive law, local building code standards approved by the uniform fire prevention and building code council under section three hundred seventy-nine of the executive law, and the building code of the city of New York, as defined in titled twenty-seven of the administrative code of the city of New York.
3 "Constructed in a skillful manner" means that workmanship and materials meet or exceed the specific standards of the applicable building code, When the applicable building code does not provide a relevant specific standard, such term means that workmanship and materials meet or exceed the standards of locally accepted building practices.
4. "Material defect" means actual physical damage to the following load-bearing portions of the home caused by failure of such load-bearing portions which affects their toad-bearing functions to the extent that the home becomes unsafe, unsanitary or
5. "New home" or "home" means any single family house or for-sale unit in a multi- unit residential structure of five stories or less in which title to the individual units is transferred to owners under a condominium or cooperative regime. Such terms do not include dwellings constructed solely far lease, mobile homes as defined in section seven hundred twenty-one of this chapter, or any house or unit which the builder has resided in or leased continuously for three years or more following the date of completion of construction, as evidenced by the certificate of occupancy.
6. "Owner" means the first person to whom the home is sold and, during the unexpired portion of the warranty period, each successor in title to the home and any mortgagee in possession. Owner does not include the builder of the home or any firm under common control of the builder.
7. "Plumbing, electrical, heating, cooling, and ventilation systems" shall mean:
a. in the case of plumbing systems: gas supply lines and fittings; water supply, waste and vent pipes and their fittings; water supply waste and vent pipes and their fittings: septic tanks and their drain fields: water, gas and sewer service piping, and their extensions to the tie-in of a public utility connection, or n-site well and sewage disposal system;
b. in the case of electrical systems: all wiring, electrical boxes, switches, outlets and connections up to the public utility connection, and
c. in the case of heating, cooling and ventilation systems, all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers.
8. "Warranty date" means the date of the passing of title to the first owner for occupancy by such owner or such owners family as a residence, or the date of first occupancy of the home as a residence, whichever first occurs.
1. Notwithstanding the provisions of section two hundred fifty-one of the real properly law, a housing merchant implied warranty is implied in the contract or agreement for the sale of a new home and shall survive the passing of title. A housing merchant implied warranty shall mean that:
a. one year from and after the warranty date the home will be free from defects due to a failure to have been constructed in a skillful manner

b. two years from and after the warranty date the plumbing, electrical, heating, cooling and ventilation systems of the home will be free from defects due to a failure by the builder to have installed such systems in a skillful manner; and
c. six years from and after the warranty date the home will be free from material defects.
2. Unless the contract or agreement by its terms clearly evidences a different intention of the seller, a housing merchant implied warranty does not extend to;
a. any defect that does not constitute (1) defective workmanship by the builder or by an agent, employee or subcontractor of the builder, (ii) defective materials supplied by the builder or by an agent, employee or subcontractor of the builder, or (iii) defective design provided by a design professional retained exclusively by the builder; or
b. any patent defect Which an examination ought in the circumstances to have revealed, when the buyer before taking title or accepting construction as complete has examined the home as fully as the buyer desired, or has refused to examine the home
3. In the case of goods sold incidentally with or included in the sale of the new home, such as stoves, refrigerators, freezers, room air conditioners, dishwashers, clothes washers and dryers, a housing merchant implied warranty shall moan that such goods shall be free from defects due to failure by the builder or any agent, employee or subcontractor of the builder to have installed such systems in a skillful manner. Merchantability, fitness and all other implied warranties with respect to goods shall be governed by part three of article two of the uniform commercial code and other applicable statutes.
4
a. Written notice of a warranty claim for breach of a housing merchant implied warranty must be received by the builder prior to the commencement of any action under paragraph b of this subdivision and no later than thirty days after the expiration of the applicable warranty period, as described in subdivision one of this section, The Owner and occupant of the home shall afford the builder reasonable opportunity to inspect, test and repair the portion of the home to which the warranty claim relates.
b An action for damages or other relief caused by the breach of a housing merchant implied warranty may be commenced prior to the expiration of one year after the applicable warranty period, as described in subdivision one of this section, or within four years after the warranty date, whichever is later. In addition to the foregoing, if the builder makes repairs in response to a warranty claim under paragraph a of this subdivision, an action with respect to such claim may be commenced within one year after the last date on which such repairs are
c. The language of the contract or agreement for sale of the home must conspicuously mention the housing merchant implied warranty and provide that the limited warranty excludes or modifies the implied warranty. Language to exclude all implied warranties is sufficient if it states, for example, that 7hare are no warranties which extend beyond the face hereof,
d. The limited warranty shall meet or exceed the standards provided in subdivisions four and five of this section.
4. A limited warranty sufficient to exclude or modify a housing merchant implied warranty must be written in plain English and must clearly disclose:
a. that the warranty is a limited warranty which limits implied warranties on the sale of the home; the words 9imited warranty must be clearly and conspicuously captioned at the beginning of the warranty document;
b. the identification of the names and addresses of all warrantors;
c. the identification of the party or parties to whom the warranty is extended and whether it is extended to subsequent owners; the 1irnted warranty must be extended to the first owner of the home and survive the passing of title but may exclude any or all subsequent owners;
d a statement of the products or parts covered by the limited warranty;
e. the clear and conspicuous identification of any parts or portions of the home or premises that are excepted or excluded from warranty coverage, and the standards that will be used to determine whether a defect has occurred; provided, however, that:
i. any exception, exclusion or standard which does not meet or exceed a relevant specific standard of the applicable building code, or n the absence of such relevant specific standard a locally accepted building practice, shall be void as contrary to public policy and shall be deemed to establish the applicable building code standard or locally accepted building practice as the warranty standard; and
ii. any exception, exclusion or standard that fails to ensure that the home is habitable, by permitting conditions to exist which render the home unsafe, shall be void as contrary to public policy.
f what the builder and any other warrantor will do when a detect covered by the warranty does arise, and

the time within which the buIder and any other warrantor will act;
g. the tern-i of the warranty coverage and when the term begins, provided, however, that such term shall be equal to or exceed the warranty periods of a housing merchant implied warranty, as defined in subdivision one of section seven hundred seventy-seven-a of this article:
h. step-by-step claims procedures required to be undertaken by the owner, if any, including directions for notification of the builder arid any other warrantor; an owner shall not be required to submit to binding arbitration or to pay any fee or charge for participation in nonbinding arbitration or and mediation process
i. any limitation on or exclusion of consequential or incidental damages, and any limitations on the builders and other warrantors total liability, conspicuously expressed on the first page of the warranty
Notwithstanding the foregoing, a limited warranty shall not be construed to permit any limitation on or exclusion of property damage to the home proximately caused by a breach of the limited warranty, where the court finds that such limitation or exclusion would cause the limited warranty to fail of its essential purpose, except that such property damage may be limited by an express limitation on the builder's or other warrantor's total liability in accordance with the provisions of this paragraph.
a. This article shall not be construed to authorize or validate any covenant, promise, agreement or understanding which is void and unenforceable under Section 5-3221 of the general obligations law
b. This article shall preempt any local law inconsistent with the provisions of this article. This article shall not preempt any builder subject to its provisions from complying with any local law with respect to the regulation of hone builders except as expressly provided herein.
c. Nothing in this article shall be construed to repeal, invalidate, supersede or restrict any right, liability or remedy provided by any ether statute of the state, except where such construction would, as a matter of law, be unreasonable.
performed. The measure of damages shall be the reasonable cost of repair or replacement and property damage to the home proximately caused by the breach of warranty, not to exceed the replacement cost of the home exclusive of the value of the land, unless the court finds that, under the circumstances, the diminution in value of the home caused by the defect is a mare equitable measure of damages.
d. In addition to any other period for the commencement of an action permitted by law, an action for contribution or indemnification may be commenced at any time prior to the expiration of one year after the entry of judgment of an action for damages under paragraph b of this subdivision.
5. Except as otherwise provided in section seven hundred seventy-seven-b of this article, any provision of a contract or agreement for the sale of a new home which excludes or modifies a housing merchant implied warranty shall be void as contrary to public policy.
6. Except as otherwise provided in section seven hundred seventy-seven-b of this article, other implied warranties may arise from the terms of the contract or agreement or from course of dealing or usage of trade.
777b. Exclusion Modification of Warranties.
1. Except in the case of a housing merchant implied warranty, the builder or seller of a new home may exclude or modify all warranties by any clear and conspicuous terms contained in the written contract or agreement of sale which call the buyers attention to the exclusion or modification of warranties and make the exclusion or modification plain.
2. Except in the case of a housing merchant implied warranty, the builder or seller of a new home may exclude or modify warranties with respect to particular defects by any clear and conspicuous terms contained in the written contract or agreement of sale which identify such defects, call the buyers attention to the exclusion or modification of warranties and make the exclusion or modification plain.
3. A housing merchant implied warranty may be excluded or modified by the builder or seller of a new home only if the buyer is offered a limited warranty in accordance with the provisions of this subdivision.
a. A copy of the express terms of the limited warranty shall be provided in writing to the buyer for examination prior to the time of the buyer4s execution of the contract or agreement to purchase the home,
b. A copy of the express terms of the limited warranty shall be included in, or annexed to and incorporated in, the contract or agreement.

SS.

PARKING SPACE DEED

THIS INDENTURE, made this____ day of_____,2010 between Avenue K Developers, Inc., a New York Corporation, having an office at 8413 Avenue K, Brooklyn, NY 11236 (the "Grantor"), and _____ _____ the "(Grantee(s)")residing at_____._____.

W I T N E S S E T H :

That the Grantor, in consideration of Ten and 00/100 ($10.00) Dollars and other good and valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee, forever:

The Space known as **Parking** _____ hereinafter called "the Unit") appurtenant to the building known as and by the street number 8413 Avenue K, Brooklyn, NY 11236, County of Brooklyn, State of New York, designated and described as Parking or Storage Space_____. in the Declaration establishing THE AVENUE K DEVELOPERS CONDOMINIUM (hereinafter called the "Property"), made by Avenue K Developers, Inc. under the Condominium Act of the State of New York (Article 9-B of the Real Property Law of the State of New York), dated_____,and recorded in the Office of the Register of the City of New York, County of Queens, in ACRIS #_____, (hereinafter called the "Declaration") and designated also as Block No. _____, Tax Lot No._____on the Floor Plans of said Building, certified by , and filed in the said Register's Office on , 2010, as Condominium Plan No._____

TOGETHER with an undivided _____ % interest appurtenant to the apartment unit in the common elements of the Property (hereinafter called the ("Common Elements).

The property is described as follows:

SEE SCHEDULE "A"

All capitalized terms herein which are not separately defined herein shall have the meanings given to those terms in the Declaration or in the By-Laws of THE AVENUE K DEVELOPERS CONDOMINIUM (Said By-Laws, as the same may be amended from time to time, are hereinafter referred to as the "By-Laws");

Together with the appurtenances and all the estate and rights of the Grantor in and to the Unit; Together with, and subject to, the rights, obligations, easements, restrictions and other provisions set forth in the

Declaration and the By-Laws, all of which shall constitute covenants running with the Land and shall bind any person having any title, interest or estate in the Unit as though recited and stipulated at length herein;

Subject also to such other liens, agreements, covenants, easements, restrictions and other matters of record as pertain to the Unit and/or to the Property as more particularly described in the title insurance policy issued by_____, to have and to hold the same unto the Grantee, and the heirs or successors and assigns of the Grantee, forever.

If any provision of the Declaration or the By-Laws is invalid under, or would cause the Declaration or the By-Laws to be insufficient to submit the Property to, the provisions of the New York Condominium Act, or if any provision which is necessary to cause the Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the New York 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 New York Condominium Act, the applicable provisions of Article 19 of the Declaration shall control.

Except as otherwise specifically permitted by the Board of provided in the Declaration or the By-Laws, the Unit is intended for residential use only.

The Grantor covenants that the Grantor has not done or suffered anything whereby the Unit has been encumbered in any way whatsoever, except as aforesaid.

The Grantor, in compliance with Section "13" of the Lien Law of the State of New York, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the same for any other purposes.

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any Rules and Regulations adopted under the By-laws) and agrees to comply with all terms and provisions thereof.

The term "Grantee" shall be read as "Grantees" whenever the sense of this indenture so requires.

This conveyance is made in the regular course of business actually conducted by the Grantor.

IN WITNESS WHEREOF, the Grantor and the Grantee have duly executed this Indenture as of the day and year first above written.

Avenue K Developers, Inc.
A New York Corporation

_____
(Grantor) (Date)

_____
(Grantor) (Date)

State of New York, County of _____ ss:

On the ___day of _____in the year 2010 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 names is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her /their capacity(ies), and that by his/her/their signature(s) on the instrument , the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.
Sworn to before me this _____day
Of_____, 2010

_____
Notary Public

_____
(Grantee) (Date)

_____
(Grantee) (Date)

State of New York, County of _____ ss:

On the ___day of _____in the year 2010 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 names is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her /their capacity(ies), and that by his/her/their signature(s) on the instrument , the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.
Sworn to before me this _____day
Of_____, 2010

_____
Notary Public