

CONDOMINIUM OFFERING PLAN

for

**THE 292 7TH STREET
CONDOMINIUM**

292 7th Street
Brooklyn, New York 11215

Four (4) Residential Condominium Units

TOTAL OFFERING PRICE FOR 3 RESIDENTIAL UNITS: \$2,207,000.00

WORKING CAPITAL FUND: TWO (2) MONTHS ESTIMATED COMMON CHARGES (See Page 69)

The Condominium will have 4 Units. 3 Units are being offered for sale hereby.

SPONSOR

292 Seventh Street LLC
306 2nd Street, Suite 2A
Brooklyn, NY 11215

SELLING AGENT

Corcoran Group Real Estate
125 Seventh Avenue
Brooklyn, NY 11215

Date of Acceptance for Filing:

The term of the initial offering of this Plan commenced on April 6, 2010 and expires on April 15, 2011, unless the said date is extended in a duly filed amendment.

SEE PAGE iii FOR SPECIAL RISKS TO PURCHASERS.

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

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

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PART I

SPECIAL RISKS

The Special Risks summarized below are explained more fully in other Sections of this Plan. Prospective Purchasers should therefore read the entire Plan to completely understand these and other material aspects of this offering. See the Section of the Plan entitled "Definitions" for the meaning of capitalized words used in the Section and not defined herein.

1. The Offered Units

The Condominium will have four (4) residential Units. Unit A is not being offered for sale, as said unit shall be retained by Sponsor, or an affiliate of Sponsor. Sponsor reserves the right to offer Unit A for sale in the future pursuant to the terms of a duly filed amendment to this Condominium Offering Plan.

2. Purchaser's Defaults.

At the time a Purchase Agreement is executed, a Purchaser is required to make a Down Payment in an amount equal to at least ten (10%) percent of the purchase price. In the event a Purchaser defaults under the Purchase Agreement, and does not cure such default within thirty (30) days after Sponsor gives written notice to the Purchaser of such default, with time being of the essence as to Purchaser's obligation to perform at such time, Sponsor may cancel such Purchase Agreement and retain the Down Payment made by the Purchaser, together with interest earned thereon, if any.

In addition, if a Purchaser fails to close title to a Unit on the originally scheduled "Closing Date" (defined in the Purchase Agreement as the time and date for the Closing to occur) and Sponsor elects not to cancel the Purchase Agreement, (a) the closing apportionments will be calculated as of midnight of the day preceding the originally scheduled Closing Date, not the actual Closing Date, and (b) Purchaser shall reimburse Sponsor for loss of earnings on the Purchase Price, as a result of the Purchaser's delay, in amount equal to .05% times the Purchase Price of the Unit for each day's delay, starting with the day originally scheduled for closing and including the day immediately prior to the actual closing date. Additionally, the granting of such adjournment shall be upon the condition that all adjustments shall be made as of the date originally fixed for the closing of title.

A Purchaser shall also be obligated to reimburse Sponsor for any legal fees and disbursements incurred in defending or enforcing Sponsor's rights, or otherwise enforcing Purchaser's obligations under the Purchase Agreement in any legal proceedings in which Sponsor prevails. See Section entitled "Procedure to Purchase" and the form of Purchase Agreement contained in its entirety at Part II of this Plan for further details.

3. Down Payment – Extra Custom Work.

All funds received by Sponsor for upgrades or extras must initially be placed in the escrow account with the Escrow Agent. However, Purchasers should note that such funds may be released from the escrow account by the Escrow Agent as long as Sponsor uses the funds for such

upgrades or extras. As a result, in the event a Purchaser is entitled to rescission, Purchaser will not receive a refund of any funds for upgrades or extras.

4. **Down Payment Insurance.**

Down Payments in excess of \$100,000 placed in the escrow account will not be federally insured for any amount in excess of \$100,000. In addition, while the Down Payment is in the non-interest bearing checking portion of the Master Escrow Account, the Down Payment may not be fully federally insured even if the Down Payment does not exceed \$100,000.

5. **Working Capital Fund.**

The Condominium's Working Capital Fund is projected to total \$2,822.16 and is to be funded by Purchasers as and when they close title to their respective Units. At Closing, Purchaser will pay a sum equal to two (2) month's projected Common Charges in the amount set forth in Schedule A to the Plan for each Unit being purchased toward the Working Capital Fund. If the projected monthly common charges are revised in an amendment to the Plan filed prior to the first closing, the amount to be contributed to the Working Capital Fund will equal such revised amount and the total of the Working Capital Fund will correspondingly change. The Working Capital Fund will be fully funded only if and when all Units are sold and conveyed to Purchasers. See Section entitled "Working Capital Fund" for further details.

6. **Prohibition against Assignment.**

The Purchase Agreement prohibits a Purchaser from assigning the Purchase Agreement or from advertising, offering, promoting or publicizing the availability of the Unit for sale or lease prior to acquiring title to the Unit without the prior written consent of the Sponsor, which consent may be withheld in the Sponsor's sole and absolute discretion. See the Purchase Agreement form at Part II of this Plan.

7. **Penalty For Adjourned Closings.**

If, through no fault of Sponsor, a Purchaser fails to close for any reason on the date originally scheduled for closing of title to the Unit, then the Purchaser shall reimburse Sponsor for loss of earnings on the Purchase Price, as a result of the Purchaser's delay, in amount equal to .05% times the Purchase Price of the Unit for each day's delay, starting with the day originally scheduled for closing and including the day immediately prior to the actual closing date. For example, if the Purchase Price is \$449,000.00 and the Purchaser fails to close for a period of five (5) days, the penalty at closing will be \$1,122.50. Additionally, the granting of such adjournment shall be upon the condition that all adjustments shall be made as of the date originally fixed for the closing of title

8. **Real Estate Taxes.**

The real estate tax estimate for each Unit was calculated on the assumption that the real estate taxes will be allocated in proportion to each Unit's percentage interest in the Common Elements set forth on Schedule A. The New York City tax authorities may, instead, allocate taxes among the Units in proportion to each Unit's purchase price, if so, Units having the same percentage interest may initially pay different real estate taxes and those actual taxes may differ from

those projected taxes set forth on Schedule A. The real estate tax estimate for each Unit was calculated on the assumption that the real estate taxes will be allocated in proportion to each Unit's percentage interest in the Common Elements set forth on Schedule A. Sponsor, at its sole cost and expense, intends to apply for a partial exemption from real estate taxes with respect to the Building pursuant to Section 421-a of the New York State Real Property Law. There is no guaranty or assurance that the criteria for continued availability of Section 421-a benefits for the Units will be satisfied or that a Final Certificate of Eligibility will be issued by the New York City Department of Housing Preservation and Development ("HPD"). If, for any reason, Sponsor's application for a Final Certificate of Eligibility is not approved, the Units will be subject to full taxation and will receive no benefits under Section 421-a. The fact that Section 421-a benefits are ultimately not received shall not be a basis for a Purchaser to rescind a Purchase Agreement or otherwise fail to close title to a Unit. See the Section entitled "Real Estate Taxes" for further details.

The Units might not be separately assessed for real estate tax purposes, as separate tax lots, at the time of the first closing under this Plan. Accordingly, until such time as each Unit becomes separately assessed as a separate tax lot, there will be a single tax bill for the entire Condominium and the portion of the monthly common charges allocable to real estate taxes will be put into escrow with the Board of Managers. The Board of Managers will be responsible to pay the taxes to the extent collected from the Unit Owners, including the Sponsor as the holder of unsold Units. As with other Common Charges, the Condominium will have a priority lien against each Unit for real estate taxes until paid, and failure to pay real estate taxes could result in a foreclosure against the Unit whose owner fails to pay taxes. Further, non-payment by any Unit Owner(s) can result in the other Unit Owners having to fund the deficiency to avoid foreclosure against their Units since there is a single tax lot for all Units constituting the Condominium. See the Section entitled "Real Estate Taxes" for further details.

To provide for the possibility that Units may still not be separately assessed for real estate tax purposes at the end of the six (6) month period referred to above, Purchasers shall be required at closing to enter into an agreement with Sponsor whereby they will agree to deliver to Sponsor within ten (10) days after request therefor, a check payable to the appropriate taxing authority in the amount necessary to cover the Purchaser's percentage of taxes due after the six (6) month period and prior to separate assessment. Sponsor's request shall contain a copy of the relevant tax bill, and the calculation of the Purchaser's portion. In the event the Purchaser is obtaining a mortgage loan to finance the purchase of his/her Unit and the mortgage provides for an escrow to cover real estate taxes, then the Purchaser must execute at closing an authorization to the mortgagee, and the mortgagee must enter into an agreement with Sponsor at closing, obligating such mortgagee to make the tax payments described above, if necessary, until Units are separately assessed.

9. Sponsor's Common Charges.

No bond or other security has been posted by Sponsor to secure its obligation to pay Common Charges, special assessments and real estate taxes with respect to unsold Units. Sponsor represents that it has the financial resources to meet such obligations.

During its period of control of the Board of Managers, Sponsor may postpone commencement of the collection of monthly Common Charges to a date during such first year of operations subsequent to the first closing of title to a Unit; however, if Sponsor postpones the

collection of Common Charges, Sponsor will pay all expenses for the operation of the Condominium and any delay in the commencement of the collection of Common Charges will be declared in an amendment. Furthermore, any such delay in the collection of Common Charges: (i) shall not affect Sponsor's obligations to file an amendment to the Plan and update the budget for the Condominium for any material changes in the operating expenses of the Condominium; and (ii) increases the likelihood that special assessments may be imposed, if at the time the Board commences the collection of the Common Charges, the sums collected are not sufficient to pay expenses.

Sponsor shall keep all documentation (i.e. invoices and marked-paid receipts) on file with the Board of Managers evidencing payment of condominium expenses.

10. Transfer Taxes.

Purchasers shall be obligated to pay the NYC Real Property Transfer Tax and NYS Real Property Transfer Tax (Deed Stamps) which by law are the primary obligation of the seller. For purposes of calculating the taxes payable, the amounts of such taxes will be included in the consideration subject to such tax. See Section entitled "Unit Closing Costs and Adjustments" for further details. If the purchase price of the Unit is \$1,000,000 or more, Purchaser shall also be obligated to pay New York State Additional Tax pursuant to Article 31 of the Tax Law, commonly referred to as the "Mansion Tax" currently one (1%) percent of the purchase price, which by law is the primary obligation of the Purchaser.

11. Legal Fees.

All legal costs, fees and expenses charged by the Purchaser's attorney shall be the sole responsibility of each Purchaser. In addition, Purchaser shall also be responsible for payment of the following fees to Sponsor's closing attorneys, Richard Eng, Esq., in connection with the closing of title to Purchaser's Unit: (i) the sum of \$1,750.00 to reimburse Sponsor for its legal fees, where the Purchaser does not obtain bank financing, (ii) an additional fee of \$250 if the Purchaser obtains bank financing, and (iii) if the Purchaser requests the Closing to occur other than at 100 Lafayette Street, Suite, 403, New York, NY 10013 or such other place as Sponsor may designate in its closing notice and Sponsor consents to such change, an attendance fee of \$500 for each Closing held within New York County and \$700 for each Closing held in any borough outside Manhattan, (iv) See Section entitled "Unit Closing Costs and Adjustments" for further details.

12. Limited Common Elements.

The storage units (collectively, the "Storage Unit") and the laundry room located in the basement of the Building, as described in the floor plans, will be specifically allocated to Unit A in accordance with the schedule contained as Schedule A as a Limited Common Element. The Unit Owners of Unit A shall be responsible for all normal maintenance, repairs and replacement thereto. However, the costs and expenses of any structural repairs to the Storage Units unless caused by its Unit Owner shall be charged to all Unit Owners as a Common Expense. Portions of the roof of the Building and balconies appurtenant to certain Units, as described in Schedule A and the Floor Plans set forth in Part II of the Plan, will be Limited Common Elements available for the exclusive use of the Unit Owners of such Units. A Unit Owner who has access to the roof of the Building or to a

balcony appurtenant to his Unit shall have the exclusive use of same, subject to the right of the Board of Managers to regulate its use. Such Unit Owner shall be responsible for all normal maintenance, repairs and replacements thereto. However, the costs and expenses of any structural repairs or repairs or replacements caused by the need for such structural repairs to the roof of the Building or balconies, which are Limited Common Elements (unless caused by its Unit Owner) shall be charged to all Unit Owners as a Common Expense. Sponsor makes no representation as to the level of noise or odors resulting from other occupants of the Building, including other Unit Owners, or the Units or degree of privacy afforded to Unit Owners on their terraces or balconies. The balconies/terraces may not be used for any type of occupancy, including but not limited to dining, sleeping, living room, office, etc. To do so may result in a violation against the Condominium.

Storage areas may not be used as dwelling space, may not be used for the storage of combustible items as that term is defined in the New York City Building Code. Storage of combustible items or uses of dwelling space may result in a violations places against the Building which will be the obligation of the individual unit owner to remove.

In addition, there is a rear garden dedicated to Unit A as set forth on the floor plans contained in Part II of this Plan. The garden will become Limited Common Elements to this Unit. The rear garden appurtenant to Unit A as described in Schedule A and the floor plans set forth in Part II of the Plan, will be a Limited Common Element for the exclusive use of the Unit Owner of Unit A. The Unit Owner of Unit A who has access to the rear garden of the Building shall have exclusive use of same, subject to the rights of the Board of Managers to regulate its use. Such Unit Owner shall be responsible for all normal maintenance, repairs and replacement thereto. The rear gardens are subject to an easement for emergency egress from the rear fire escapes in favor of the other Unit Owners.

13. Common Elements.

There are no available air rights or development rights for the building. Cooling towers and other mechanical equipment necessary for the maintenance and operation of the Building and the Units will be located on the roof. That portion of the Property constituting a Common Element may be used by Sponsor for any lawful purposes including, but not limited to, the purposes of installing, utilizing, operating, maintaining, repairing, altering, rebuilding, restoring and replacing satellite dishes and other communication equipment on the roof and facade of the Building and elsewhere on the Common Elements and the conduit and other facilities relating thereto.

14. Sponsor's Unconditional Right to Rent Units.

Although Sponsor will endeavor in good faith to sell each of the Units offered for sale in accordance with the terms of this Plan, Sponsor has reserved the right to rent rather than sell the Units. As a result, there is no commitment on the part of Sponsor to sell more than the fifteen (15%) percent necessary to declare the Plan effective and, therefore, Unit Owners may never gain effective control and management of the Condominium. See Section entitled "Effective Date of Offering Plan" for further details.

15. Sponsor's Control of the Board of Managers.

Sponsor, as owner of unsold Units, will have voting control of the Board of Managers until the earlier to occur of five (5) years from the date of the first closing of title to a Unit, or after the sale of three (3) Units representing, in the aggregate, seventy five (75%) percent of the Common Interests. Accordingly, during such period, Sponsor will be able to control all actions and decisions of the Board of Managers, which actions and decisions may affect, but not limited to, fiscal matters and the day-to-day operation of the Condominium. Following the expiration of such period, Sponsor will no longer be entitled to designate a majority of the members of the Board.

16. Interim Leases.

Sponsor has reserved the right to rent or lease any Unit prior to closing the sale thereof to the Purchaser thereof or any other party. Residents of the Condominium may be comprised of both Unit Owners and tenants leasing from Sponsor or other Unit Owners. Individuals leasing Units from Sponsor after presentation of this Plan will not have, except as may be expressly provided in such leases, 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 unless Sponsor and the Purchaser agree otherwise. Any interim lease for a Unit entered into with a Purchaser will provide, among other things, that an uncured default by the Purchaser under the Purchase Agreement will constitute a default under the lease, entitling Sponsor, at its sole option, to terminate such lease in accordance with applicable law. In addition, each Purchase Agreement may provide that an uncured default by the Purchaser under any interim lease will constitute a default under the Purchase Agreement entitling Sponsor, at its sole option, to terminate such Purchase Agreement. In either such event, the Purchaser may lose the right to occupy and/or purchase the Unit and may forfeit the Down Payment.

Purchasers or any other persons entering into a lease or use and occupancy agreement for a Residential Unit shall be required to pay the legal fees of Sponsor's counsel in connection therewith upon execution of the lease or use and occupancy agreement. All other charges or other fees due under a use and occupancy agreement shall be adjusted as of the Closing to the Unit. Notwithstanding any of the foregoing, Sponsor shall be under no obligation to enter into any use and occupancy agreement. (See the Section entitled "Rights and Obligations of Sponsor").

17. Management.

The building will be self-managed. In the future, if the Board elects to employ a managing agent of its own choice, the cost thereof shall be added to the annual budget and become part of the Common Charges assessed against all of the Unit Owners. No representation is made by Sponsor as to the cost, terms or availability of such management services. At this time, Unit Owners will not be required to provide any Building services. The Board of Managers may, at a future time, require Unit Owners to provide certain services

18. Construction.

Construction is a complicated process requiring the coordination of numerous tasks, contractors and suppliers and the balancing of complex mechanical and architectural systems. No assurance can be given with regard to the accuracy of any projected completion dates set forth herein. During the first year of Condominium operations, construction workers and related personnel will be at the Property from time to time making adjustments and performing various tasks related to the completion of construction. Various systems, including but not limited to water supply, air conditioning, heating, cooling and ventilating, may require more than a year after any Unit closing to complete and may need to be shut down temporarily. Various other adjustments, to windows and other systems, may require eighteen (18) months or more after the first Unit closing to complete. Sponsor may not fully complete the decoration of the corridors in the Building, including but not limited to installing light fixtures, hanging wall coverings or laying carpeting, until that particular floor is fully occupied by Unit Owners. The Board of Managers may refuse to permit a Unit Owner to perform alterations in a Unit until such times as the Building has been completed and a Permanent Certificate, as hereinafter defined, has been obtained therefore. In addition, certain services, such as cable, computer, and other similar services may be provided by outside suppliers and delays in these services will not be the responsibility of Sponsor. In addition, such suppliers may not provide these services until occupancy in the Condominium has reached certain levels.

19. Certificate of Occupancy.

Sponsor is obligated at its own cost and expense to obtain a permanent certificate of occupancy (the "Permanent Certificate") for the residential use of the Residential Units. Sponsor may, at its sole option, obtain a temporary certificate of occupancy (the "Temporary Certificate") for the Residential Unit being closed which shall be renewed until the Permanent Certificate is obtained. Sponsor shall thereafter perform all the work necessary to obtain the Permanent Certificate. The Purchaser of a Unit for which a Temporary Certificate is issued shall be obligated to close and may not delay or adjourn the closing because the Permanent Certificate has not been issued. A Permanent Certificate is required for the permanent residential use of the Unit. The Temporary Certificate may only be renewed for a total period of two (2) years from the date of its original issuance, and if it should expire prior to the issuance of the Permanent Certificate, occupancy of a Residential Unit will be in violation of the Multiple Dwelling Law of the City of New York (the "MDL"), subjecting occupants and the Condominium and the Board of Managers to penalties under the MDL, including, but not limited to, eviction. The Sponsor will be responsible for the payment of any fines or penalties that result from the failure to obtain the Permanent Certificate.

20. Financing Contingency.

The rights and obligations of each Purchaser under a Purchase Agreement are conditioned upon such Purchaser obtaining a commitment for financing in an amount equal to eighty (80%) percent of the Purchase Price (or such lesser as such Purchaser may approve), but only under the terms and conditions more particularly set forth in the "Procedure to Purchase" section of the Plan.

Sponsor cannot and does not represent, assure or guarantee that any Purchaser will be able to obtain mortgage financing or the terms of such financing.

Purchasers should note that the current real estate market, banks and other lenders may be imposing various restrictions on loans. Such restrictions include requiring that a certain percentage (70% 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 a building undergoes conversion, lenders may still impose minimum sales requirements before granting a loan. It then may be difficult for a Purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to such minimum sales requirements. Purchasers should further note that pursuant to existing Law and regulation, Sponsor may declare the Plan effective upon selling a minimum of fifteen (15%) percent of the Units offered for sale in the Building. Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to submit the Property to a condominium regime and convey Units with fewer than the minimum number of sales if purchasers counted towards effectiveness do not ultimately purchase a Unit. Please refer to the Section entitled "Effective Date" in Part I of the Plan for further details.

21. Window Guards.

It is the responsibility of each Unit Owner to notify the Board of Managers in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. It is the responsibility of each Unit Owner to install, at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable law and in any event, without full knowledge of the Board of Managers. Sponsor makes no representations whether Unit Owners will comply with the foregoing obligations. See "Rights and Obligations of Unit Owners and the Board of Managers" for further details.

22. Carbon Monoxide Detectors.

New York City Local Law 7 of 2004 requires the installation of carbon monoxide detectors by owners of multiple dwellings, including owners of units in residential condominiums. Sponsor intends to provide carbon monoxide detectors in each Unit in accordance with New York City Local Law 7 of 2004. Each Unit Owner will be responsible to keep and maintain the carbon monoxide detectors in good repair and to replace any carbon monoxide detectors which have been stolen, removed, found missing or rendered inoperable. Sponsor makes no representations whether Unit Owners will comply with the foregoing obligations. For further details, see Part I of the Plan under the Section "Rights and Obligations of Sponsor."

23. Square Footage of Units.

Floor plans for Units are set forth in Part II of the Plan. Any floor plan or sketch shown to a prospective Purchaser is only an approximation of the Unit. The approximate indoor floor area of each Unit has been measured from the exterior side of the façade or exterior Building walls or glass windows at the Building line and/or Property line enclosing the Unit, or from the midpoint of the interior party walls separating the Unit from another Unit, or from the public side

of the interior party walls separating the Unit from the public corridors or public stairs, or from the mechanical space side of interior party walls separating the Unit from mechanical equipment space or any other Common Elements. Columns and mechanical pipes and chases (whether along the perimeter or within the Unit) are not deducted from the square foot area of the Unit. The floor area occupied by any Common Elements bordering or within a Unit (such as the Building's façade or exterior walls, vents, chase walls or areas, conduits, ducts, shafts or pipes) have been included in the computation of the floor area of the Unit, but such Common Elements are not part of the Unit. The configuration, fenestration and dimensions (collectively, "Unit Layout") are approximate within reasonable tolerances. The square footages and dimensions are estimates based on an extrapolation of the square footage of overall Unit dimensions in accordance with the customary practice in New York City. The square footage shown is taken from points behind the walls enclosing the Unit and thus exceed the Unit's usable floor area. Room dimensions are taken from the exposed surface of the walls enclosing the room. The Sponsor states that minor inaccuracies between a floor plan and the actual square footage, and inaccuracies in the Unit layout or room dimension, will not excuse a Purchaser from completing the purchase of a Unit without abatement in price and without recourse against the Sponsor. As is customary in New York, these square foot areas exceed the usable floor area of each Unit.

24. No Warranty.

Sponsor shall not be obligated to correct, repair, or replace any or all defects relating to the combination and construction of the Units, the Common Elements, or to the installation or operation of any appliances, fixtures, or equipment therein, except as expressly provided in this Plan. However, Sponsor is obligated, regardless of any limitations and disclaimers in this Plan, to combine and construct the Units in accordance with applicable codes and filed plans and specifications for the Building. If there is any conflict between any such limitations and disclaimers and such obligations to combine and construct in accordance with applicable codes and filed plans and specifications, such obligations shall prevail. Sponsor will not warrant the materials or workmanship of any Unit or any of the Common Elements pursuant to the Housing Merchant Implied Warranty Law (General Business Law Article 36-B) is not applicable to this offering.

If, as of the first closing, only a temporary Certificate of Occupancy has been issued for the Building, Sponsor will use all reasonable diligence to cause the Department of Building to continuously renew the temporary Certificate of Occupancy until a permanent Certificate of Occupancy for all of the Units has been issued. Sponsor will, at its sole expense, do and perform, or cause to be done and performed, all such work (subject to events and circumstances beyond Sponsor's reasonable control, e.g., casualty, strikes, governmental restrictions, acts of god, etc.), and will supply, or cause to be supplied, all such materials, and will submit or cause to be submitted all such documentation, and shall pay all applicable fees required by the Department of Building that shall be necessary in order to cause the temporary Certificate of Occupancy to be continuously renewed until a permanent Certificate of Occupancy for the Building has been issued, as well as to obtain any requisite certificates or permits relative to the electrical work, plumbing, heating and air-conditioning facilities and elevators to the Building. Prospective Purchasers are advised that permanent Certificates of Occupancy may be renewed only for a total of two years from the first date of issuance.

25. Recreation Room

In accordance with the applicable law, the below grade recreation room located in the Cellar, dedicated to Unit A exclusively, may not be used as a bedroom and violation of such usage could result in violations imposed against the Condominium.

26. The Building must contain permanent signs stating "Vestibule doors (located adjacent to the stairs) are not permitted to be locked"

27. The costs of operating, maintaining and (if required) repairing or replacing the heating/air conditioning units located in a Unit will be the responsibility of the owner of such Unit.

28. Plants maintained on any terrace, balcony or roof surface shall be contained in boxes of wood lined with metal or other material impervious to dampness and standing on supports of at least two inches from the terrace, balcony or roof surface, and if the adjoining the wall at least three inches from such wall. Suitable weep holes will be provided in the boxes to draw off water. In special locations, such as a corner abutting a parapet wall, plants may be contained in masonry or hallow tile walls which will be at least three inches from the parapet and flashing, with the floor of drainage tiles and suitable weep holes at the sides to draw off water. It will be the responsibility of the Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holds in operating condition.

29. There is no elevator in this four (4) story plus penthouse Building, as a result, this is not a handicap accessible Building.

30. The Sponsor reserves the right to substitute manufactures, materials, appliances, fixtures, fittings, finishes and equipment of equal or better quality than those set forth in the Architects Report.

31. Purchasers should review the Rules and Regulations contained in the By-laws found in Part II of this Plan.

32. The Board of Managers reserves the right to restrict the number of pets that any unit owner may harbor in their Unit.

THE 292 7TH STREET CONDOMINIUM

LUXURY CONDOMINIUMS

PLAN OF CONDOMINIUM OWNERSHIP

INTRODUCTION

292 Seventh Street LLC, a New York limited liability company (the "Sponsor"), with an office at 306 2nd Street, Suite 2A, Brooklyn, NY 11215, presents this Offering Plan (the "Plan") for the establishment of Condominium ownership of the building located at 292 7th Street, Brooklyn, New York 11215 (the "Building") and the land upon which the Building stands (the "Land"). The Land and Building are owned by Sponsor. Sponsor acquired the Land and Building by deed dated July 2, 2007 and recorded as CRFN 200700356076 in the Kings County office of the Register of the City of New York. The Land, Building and appurtenances are hereinafter sometimes referred to as the "Property" and/or the "Condominium".

The purpose of this Plan is to set forth all the material terms of the offer. The Plan may be amended from time to time by amendment duly filed with the New York State Department of Law and served on all Purchasers and on Unit Owners unless the Department of Law consents to service on a specified class of Offerees.

The Plan, including all Schedules and Exhibits thereto constitute the entire offer of Sponsor. Copies of the Plan and the Exhibits will be available for inspection by prospective Purchasers without charge and for copying at a reasonable charge at the office of Sponsor during normal business hours. In addition, copies of the Plan and Exhibits will be available for inspection and copying at a reasonable charge at the offices of the Department of Law.

The Condominium is planned to comprise of one (1) building currently known as and located at 292 7th Street, Brooklyn, New York 11215 and containing a total of four (4) residential Units. Sponsor will be offering for sale pursuant to this Plan three (3) Units, comprising the second through the fourth floor. The Storage Units are not offered for sale and will instead be specifically allocated to Unit A in accordance with Schedule A as a Limited Common Element. There will be no additional consideration due for the Storage Units.

The site currently consists of one (1) building which will be newly constructed. All of the Units to be constructed are not occupied at this time.

The Building is four (4) construction levels and a penthouse and consists of four (4) above-grade levels, a cellar, penthouse, roof and bulkhead.

The cellar of the Building contains mechanical spaces, storage units, and laundry room.

The first (1st) floor consists of Unit A.

The second (2nd) through fourth (4th) floor consists of Units B, C and D.

Each Residential Unit is heated by gas fired hot water boilers.

There are no on-site parking facilities.

There is a garden off the first floor for the exclusive use of Unit A.

The entire Building will be subjected to the Condominium Act (Article 9-B of the Real Property Law of The State of New York). The four (4) Units will be separate Condominium Units. No contracts or agreements, whether written or oral, have been entered into for the sale or transfer of the Units offered hereunder and no deposits or advances of funds have been taken by or on behalf of the Sponsor in connection with the reservation, sale or transfer of the Units of the date the Plan was accepted for filing. The Storage Units will be specifically allocated to Unit A in accordance with Schedule A. Such Storage Units will become Limited Common Elements to Unit A. There is no additional consideration due for the Storage Units. The laundry room located in the cellar is for the exclusive use of Unit A. The rear garden appurtenant to Unit A will be dedicated to the Unit Owner of Unit A and used exclusively by Unit A. The rear garden will become Limited Common Elements to Unit A as the case may be.

A general description of the Units is set forth in Part I of the Plan. Legal descriptions of the Units and the Common Elements may be found in the Declaration contained in Part II. The floor plans showing the approximate layout and dimensions of the Units are also set forth in Part II of this Plan.

The Units are being sold in accordance with the schedule of sales prices contained herein as Schedule A. These prices have been set by Sponsor and are not subject to review or approval by the Department of Law or any other governmental agency.

Although Sponsor will endeavor in good faith to sell each of the Units offered for sale in accordance with the terms of this Plan, Sponsor has reserved the right to rent rather than sell the Units. As a result, there is no commitment on the part of Sponsor to sell more than the fifteen (15%) percent necessary to declare the Plan effective and, therefore, Unit Owners may never gain effective control and management of the Condominium. See Section entitled "Effective Date of Offering Plan" for further details. If Sponsor makes a bulk sale of all or some of its unsold Units, the transferee successor sponsor will be bound by the Sponsor's representation that it will endeavor in good faith to sell each of the Units offered for sale in accordance with the terms of this Plan.

After the Effective Date of this Offering Plan as hereinafter described, Sponsor shall, by Declaration of Condominium recorded in the Kings County office of the Register of the City of New York, subject the Property to Article 9-B of the Real Property Law of the State of New York, as amended (the "Condominium Act"). The proposed Declaration is set forth in Part II of this Plan. After such recording, the Condominium will be subject to and will comply with the Condominium Act.

Sponsor has obtained financing from Oritani Savings Bank.

Features of Condominium Ownership

A Condominium Unit owner owns his/her Unit similar to the manner in which a private home owner owns a home. He/she owns the Unit outright, in fee, and is entitled to the exclusive possession thereof. The Unit Owner is also the owner, in common with the owners of all the other Units, of all parts of the Property other than the Units themselves (the "Common Elements"). Certain of the Common Elements, however, are not enjoyed by all Unit Owners and are known as Limited Common Elements. The definitions of Common Elements and Limited Common Elements are found in Article 6 of the Declaration, Part II of the Plan.

The owner of a Unit can sell or lease the Unit to anyone, without restriction or limitation, subject only to a right of first refusal in favor of the Board of Managers of the Condominium. The right of first refusal must be exercised by the Board of Managers at the same price the Unit Owner has been offered, and is hereinafter described in the subsection of the Plan entitled "Sale or Lease of Units by Unit Owners".

A Unit Owner is privileged to decorate the interior of the Unit in any way that he or she desires and is obligated to pay the cost of interior decoration and repair after closing. Each Unit Owner is also responsible for maintenance and repairs to the Unit and to electrical and plumbing installations and fixtures, except that the Board of Managers is responsible for electrical and plumbing pipes, wires and lines to the extent they are located in Common Elements and serve one or more Units. Unit Owners are responsible for repair or replacement of individually controlled heating, ventilating air conditioning servicing the Unit, and are also generally responsible for the maintenance of Limited Common Elements which are appurtenant to their Units.

Each Unit Owner shall be permitted to mortgage the Unit in any amount. The Unit will not be subject to the lien of any mortgages placed by other owners on their Units.

Although the Board of Managers will carry fire insurance covering the Building and public liability insurance, Unit Owners are encouraged to carry insurance covering the insides of their Units, their furniture and furnishings and personal property. The Owners of Units shall be responsible for any increase in insurance costs to the Condominium resulting from their use of such Units.

Each Unit will be taxed as a separate tax lot for real estate tax purposes just like a private home, and a Unit Owner will not be responsible for taxes on other Units. In the opinion of Sponsor's counsel, which opinion is set forth in full in this Plan, under present tax laws a Unit Owner may deduct for income tax purposes, the real estate taxes assessed against the Unit and, in the case of a primary or secondary residence, the interest paid on the mortgage encumbering the Unit. Based on a report from Jerome Mazursky, a tax expert hired by the Sponsor, after year one of ownership, it is estimated that there will be a fourteen year tax abatement from increases in the assessed value attributable to the renovation of the units.

The affairs of the Condominium shall be the responsibility of the Board of Managers. Subject to the rights of Sponsor described in this Plan, the members of the Board of Managers are

elected by the Unit Owners. The Board of Managers of the Property will assess against each Unit Owner, in proportion to his/her respective interest in the Common Elements, charges (hereinafter called "Common Charges") for the maintenance of the Common Elements and for the operating costs of the Property (hereinafter called "Common Expenses"). A budget containing estimates of Common Expenses for the first year of condominium operations is incorporated herein as Schedule B. Unit Owners are obligated to pay their Common Charges in accordance with Sections 339(i) and 339(m) of the New York Condominium Act. For the estimated Common Charges payable by each Unit Owner, see Schedule A to the Plan. For further details with respect to assessment and payment of Common Charges, see the section of the Plan entitled "Rights and Obligations of Unit Owners and the Board of Managers".

Unit Owners will pay for all electricity and gas used for cooking consumed within the Units, as measured by their separate electric and gas meters. They will also pay the costs of operating separate air-conditioning equipment contained within their Units. See Schedule B-1 for estimates of such costs. In addition, effective as of November 5 2004, owners of Class A multiple dwellings in New York City, which involve condominiums, must install carbon monoxide detectors. Sponsor will install all such detectors, but individual Unit Owners will be required, in accordance with the law, to maintain the detectors.

The Board of Managers will pay the electric charges and other utilities for the Common Elements as part of the Common Expenses, and each Unit Owner will pay his/her proportionate share as part of the Common Charges. See Schedule B for estimates of common electric costs.

Legal Documents

The agreement to purchase a Unit is called a "Purchase Agreement". The form Purchase Agreement for the Units is set forth in full in Part II of this Plan as Exhibit A.

The Declaration and By-Laws which shall govern the operation of the Condominium are set forth in Part II as Exhibits E and F respectively. They are summarized in Part I in the section entitled "Rights and Obligations of Unit Owners and the Board of Managers".

Copy of the Plan

To accommodate prospective Purchasers who desire to purchase a Unit, a prospective Purchaser may request a copy of the Plan, all documents referred to in the Plan and all Exhibits from the Selling Agent. Such person shall tender a check made payable to the Selling Agent in the amount of \$100. The deposit assures the return to such Selling Agent of the copy of the Plan in good condition. If within thirty (30) days after accepting the deposit, a prospective Purchaser enters into a Purchase Agreement or returns such copy of the Plan in good condition to the Selling Agent, the deposit will be refunded. Any such deposit will be treated as non-interest bearing trust funds pursuant to applicable law until the expiration of such thirty (30) day period. After the expiration of such thirty (30) day period, if the copy of the Plan is not returned in good condition or Purchaser has not entered into a Purchase Agreement, then the deposit will be released to Sponsor to keep.

THE PURCHASE OF A CONDOMINIUM UNIT HAS MANY SIGNIFICANT LEGAL AND FINANCIAL CONSEQUENCES AND MAY BE ONE OF THE MOST IMPORTANT FINANCIAL TRANSACTIONS OF YOUR LIFE. THE ATTORNEY

GENERAL STRONGLY URGES YOU TO READ THIS OFFERING PLAN CAREFULLY AND TO CONSULT WITH AN ATTORNEY BEFORE SIGNING A PURCHASE AGREEMENT.

DEFINITIONS

Certain words used in this Plan have special meanings for Unit Owners. They are used in accordance with their definitions found in Section 339-e of the New York Condominium Act, with occasional modifications necessary to conform to this Plan. They include the following:

(a) Board of Managers: Subject to the rights of Sponsor as described in the Plan, the Unit Owners elect the Board of Managers, which is responsible for: (1) the affairs of the Condominium, including operation, upkeep, repair and maintenance of the Common Elements and Limited Common Elements; (2) adopting the operating budget and determining the Common Charges; (3) adopting rules and regulations covering activities at the Property; (4) opening bank accounts; and (5) purchasing, leasing or otherwise acquiring Units and selling or mortgaging Units owned by the Board of Managers. The rules governing the size of the Board of Managers, terms of members and election procedures are summarized in the section of the Plan entitled "Board of Managers" and are set forth in full in the By-Laws in Part II of this Plan.

(b) Building: The building known as 292 7th Street, Brooklyn, New York 11215 which will contain the Units and the Common Elements.

(c) Common Charges: Each Unit's proportionate share of the Common Expenses assessed by the Board of Managers in accordance with the allocations of the Common Interest to each Unit. For the estimated Common Charges payable by each Unit Owner, see Schedule A to the Plan. For further details with respect to assessment and payment of Common Charges, see the section of the Plan entitled "Rights and Obligations of Unit Owners and the Board of Managers".

(d) Common Elements: All parts of the Property other than the Units themselves, including the land upon which the Building is located, the sidewalks, halls, lobbies, cellar, stairways, electric, telephone and meter rooms, installations for services such as electricity, gas, cold water, and the exterior walls and roofs. Unit Owners have a right to the use and enjoyment of the Common Elements other than Limited Common Elements jointly with all other Unit Owners in accordance with the Declaration, By-Laws and Rules and Regulations of the Condominium. Limited Common Elements are hereinafter described in subsection (l). For a more detailed description of Common Elements, see the Declaration set forth as Exhibit E in Part II of this Plan.

(e) Common Expenses: The operating costs of the Condominium, including, but not limited to, the cost for electricity for lighting of public areas and the costs of maintaining the Common Elements. The Common Expenses are paid by Unit Owners in the form of Common Charges. See the Budget for the First Year of Condominium Operations, Schedule B to the Plan, for the details of Common Expenses.

(f) Common Interest: The proportionate undivided fee simple interest of the Unit Owners in the Common Elements, as expressed in the Declaration. In this Plan, Sponsor has allocated Common Interests on the basis of method (iv) contained in Section 339-i of the New York Condominium Act, that is, 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.

(g) Condominium: The Building and underlying Land comprising the Property, which will be submitted to the Condominium Act by the recording of the Declaration and By-Laws and filing of Floor Plans.

(h) Declaration: The instrument which Sponsor will record in the Kings County office of the Register of the City of New York prior to the first conveyance of title to a Unit, to submit the Property to the Condominium Act and legally declare the Property a Condominium, together with duly recorded amendments thereto. A copy of the proposed Declaration is set forth in Part II of this Plan as Exhibit E.

(i) Down Payment: The money that a person desiring to purchase a Unit must deliver at the time such person delivers an executed Purchase Agreement to Sponsor or the Selling Agent.

(j) Family-Members: The spouse, children (natural and adopted), stepchildren, grandchildren, siblings, parents, parents-in-law, grandparents, great-grandparents and aunts and uncles of a Unit Owner who reside in such Unit Owner's Unit.

(k) Land: The tract, plot, piece, and parcel of land situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, on which the Building is located.

(l) Limited Common Elements: Common Elements which are appurtenant to particular Unit(s) and are reserved for the exclusive use of the Owner(s) of those Units. The respective responsibilities of such Unit Owners and the Board of Managers for repair and maintenance of such Limited Common Elements are set forth in the Declaration and By-Laws.

(m) Offering Plan: The document, as may be amended from time to time, filed with the New York State Department of Law which describes the Property and the Condominium pursuant to which individual Units are offered for sale.

(n) Person: A natural person, corporation, partnership, association, trustee or other legal entity.

(o) Plans and Specifications: The plans and specifications for the Building which (to the extent required by law) are filed with, and approved by, the Department of Buildings of the City of New York, which plans and specifications may, from time to time, have been amended or changed, or may hereafter amended or changed in accordance with the provisions of the Plan.

(p) Property: The Land, the Building and all other improvements thereon owned by Sponsor, and all easements, rights and appurtenances belonging thereto, and all other property, personal or mixed, intended for use in connection therewith, which shall be submitted to condominium ownership.

(q) Purchase Agreement: The contract of purchase and sale for a Unit in the Condominium.

(r) Purchaser: Any Person who enters into a Purchase Agreement, which agreement is accepted by Sponsor.

(s) Purchase Price: The agreed-upon price for the Unit payable pursuant to a Purchase Agreement.

(t) Residential Unit: Any of the four (4) residential apartments being offered for sale under the Plan and designated as such in the Declaration, together with its appurtenant Common Interest.

(u) Selling Agent: The entity which will, on behalf of Sponsor, supervise sales of Units. The Selling Agent is Corcoran Group Real Estate.

(v) Storage Unit: There will be two (2) Storage Units located in the cellar which will be Limited Common Elements to Unit A.

(w) Unavoidable Delays: Delays due to strike, lockout, or other labor or industrial disturbance (whether or not on the part of employees or contractors of Sponsor), civil disturbance, future order of any government, court or regulatory body claiming jurisdiction, war, act of the public enemy, acts of international and/or national terrorism, riot, sabotage, blockade, embargo, shortage of or failure or inability to secure materials or labor by reason of priority or similar regulation or order of any government or regulatory body or lightning, earthquake, fire, storm, hurricane, flood, explosion, act of God or any cause similar to any of the causes hereinabove stated; provided, however, that for purposes of this definition, lack of funds or inability to obtain financing shall not be deemed to be a cause similar to the causes stated above.

(x) Unit: A residential Unit, together with its appurtenant Storage Unit. For the technical description of the Units, see the Declaration set forth as Exhibit E in Part II of this Plan.

(y) Unit Owner: The fee simple owner of a Unit in the Condominium. Unit Owners may be one or more individuals over 18 years old, owning as tenants in common, joint tenants or tenants by the entirety, partnerships, limited liability companies, corporations, trusts, estates, fiduciaries, unincorporated associations, syndicates, joint ventures, governments or any department or agency thereof, or any other legal entity permitted to own real property in the State of New York.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The Property

The Property is located at 292 7th Street in the Park Slope section of Brooklyn. The site has 28.17' frontage on the southerly side of 7th street and extends 100' in depth. It is rectangular-shaped and contains 2,817 square feet of ground area. The Property is identified on the tax map of the City of New York as Block 998, Lot 24.

Construction of the Condominium

The Units and the Building will conform to all applicable rules, regulations, laws and other requirements of all governmental authorities having jurisdiction thereof, including those governing zoning and construction. These authorities are the New York State Building Code as applied and interpreted by the New York State Code Commission and the Building Department of the City of New York, the Board of Fire Underwriters and the Board of Health. Sponsor and all other persons engaged by Sponsor in connection with this Plan have complied and will comply with all applicable laws, rules, regulations and other governmental requirements pertaining thereto. If there is a variation between the plans and specifications and the applicable rules, regulations, laws and other requirements including those governing zoning and construction, said applicable rules, regulations, laws and other requirements of governmental authorities having jurisdiction shall govern and control over the plans and specifications, and the plans and specifications shall be amended accordingly.

The Building, including the individual Units therein, will be substantially completed in accordance with the Plans and Specifications. Following completion of the Building, copies of the Plans and Specifications will be filed with the Department of Buildings of the City of New York.

Under the present construction schedule it is anticipated that, except for finishing work to stairways, hallways and other areas of the Condominium which are not intended for the exclusive use of any particular Unit Owner and work, if any, which Sponsor agrees to perform in individual Units at the request of Purchasers or Unit Owners, the Units will be substantially completed by October 1, 2009, and a first Temporary Certificate with respect to portions of the Condominium will be obtained prior thereto subject to unavoidable default. Sponsor does not, however, warrant or guarantee the foregoing completion or occupancy dates for the Condominium, or any of the constituent Building. The first Temporary Certificate may be issued for some but not all the Units. Sponsor may complete construction on certain Units before others.

Sponsor has engaged Kutnicki Bernstein Architects PLLC ("Sponsor's Architect") having an office at 434 Broadway, 4th Floor, New York, NY 10013, as the architects responsible for production of the architects report. Sponsor's Architect prepared the Building Plans and submitted the Plans to the City of New York. Klein Levin Associates Inc. ("Sponsor's Engineer") having an address at 1839 Ocean Parkway, Brooklyn, NY 11223, as structural engineer of the Building. Construction of the Building is being financed by Oritani Savings Bank, which financing is secured, among other things, by a first mortgage lien upon the Property.

Sponsor reserves the right to amend or modify the Plans and Specifications in any way not material to this offering or in a manner disclosed in this offering, including, without limitation, changing materials, appliances, equipment, fixtures and other construction and design details set

forth therein or in the "Description of Property" set forth in Part II of the Plan and to substitute in their place similar materials, appliances, equipment and/or fixtures of substantially equal or better quality, provided that any necessary approval of any governmental authority having jurisdiction thereof is timely obtained. Any or all of the foregoing shall give rise to no right of rescission on the part of any Purchaser and may be made without prior notice or amendment to the Plan.

The Building

The Building will consist of four (4) Units located on the cellar through the fourth floor. Three (3) Units are being offered for sale hereby. The Storage Unit located in the cellar will be specifically allocated to Unit A in accordance with Schedule A and will become a Limited Common Element to that Unit. The Building contains approximately 2,821 aggregate square feet of space.

The Units

The Units will consist of four (4) luxury Units.

The Units and the Building will conform to all applicable rules, regulations, laws and other requirements of all governmental authorities having jurisdiction thereof, including those governing zoning and construction. These are the New York State Building Code as applied and interpreted by the New York State Code Commission and the Buildings Department of the City of New York, the Board of Fire Underwriters and the Board of Health. Sponsor and all other persons engaged by Sponsor in connection with this Plan have complied and will comply with all applicable laws, rules, regulations and other governmental requirements pertaining thereto.

Schedule A "Prices of Units and Related Information" describes each Unit in accordance with its layout and number of rooms as constructed and does not reflect the unauthorized reconfigurations and layouts.

Part II sets forth a description of the Building and Units, including the equipment supplied by Sponsor that is included in the Purchase Price. Purchasers should review the general description and outline of the specifications for the Building and the Units which appears in Part II as Exhibit D, "Description of Property and Building Condition".

Building Services and Facilities

Staffing: At this time, the Building will not be staffed.

Telephone Services: Sponsor will provide each Unit with telephone outlets in kitchen, living room and each bedroom which will permit Unit Owners, at their option, to install a telephone. Unit Owners will contract individually with private companies to install and provide such service.

Cable: Cable service will be available for all Units. All charges for cable television service will be paid by each Unit Owner, who subscribes directly to the cable TV company. In each Unit, a cable TV outlet will be provided in living room and each bedroom.

Trash Removal: Unit Owners' trash will be picked up on a scheduled basis from a reserved space in front of the building, inside the iron fence.

Mailboxes: The mailboxes for the Units will be located in the lobby of the Building. A U.S. Postal Service employee will deliver incoming mail.

Storage Units: There will be two (2) Storage Units located in the cellar that will become Limited Common Elements to Unit A.

Fire Protection and Security: Smoke detectors will be provided in each Unit in accordance with applicable code.

Washer & Dryer: Each Unit has a washer and dryer. Unit C washer and dryer will be self venting.

Intercom and Door Monitoring System:

Roof Terrace: Units C and D shall have exclusive access to the portions of the roof as set forth in Schedule A and the floor plans set forth in Part II of the Plan which will be Limited Common Elements to said Units.

Garden: The rear garden of the Building will be reserved for the exclusive use of the Unit Owner of Unit A.

LOCATION AND AREA INFORMATION

Location

The Condominium is located within the Park Slope area of Brooklyn, New York. This neighborhood is considered part of the "Brownstone Belt" of Brooklyn which includes: Brooklyn Heights, Cobble Hill, Carroll Gardens, Cobble Hill and Boreum Hill. Park Slope is known for the beautiful architecture of its brownstones and townhouses many of which have front gardens. The area is roughly bounded by Flatbush Avenue to the north, 17th Street to the south, Prospect Park South to the east and 4th Avenue to the west.

The extended surrounding area, like a large percentage of Brooklyn, is almost entirely residential in character. The blocks surrounding the subject are built up with brownstones, townhouses and low-to-mid-rise apartment buildings. Most of this construction is 75 to 100 years of age. The condition of these buildings varies; however, a good percentage is in very good condition. Since the mid-1970's, Park Slope's housing has been undergoing renovations as people purchase the townhouses and convert them from multi-units back to 1-3 family units. There has been minimal new construction in the area given the lack of development sites. Most of the construction has involved renovation of existing product. However, new construction has occurred on the site immediately west and adjacent to the subject property where two, 3-unit condominium townhouses were constructed.

Education and Health Care

The neighborhood has many private and parochial schools. The Condominium is also located within the P.S. 39 school district. Health care is one of the richest resources Brooklyn has to offer. There are approximately 42 hospitals with 14,000 beds. Major hospitals include; Kings County Hospital, the Lutheran Medical Center, and Methodist Hospital.

Retail

The main retail thoroughfares within Park Slope are 7th Avenue and 5th Avenue. 7th Avenue is home to numerous local shops and restaurants and 5th Avenue has become known City-wide as one of the City's "hottest" restaurant rows. In addition, new large-scale retail development is located nearby at the Atlantic Terminal at Atlantic Avenue and Flatbush. It is anchored by a consumer retailer, Target and includes such tenants as Chuck E. Cheeses, the Gap, Children's Place and Bath & Body Works.

Cultural and Recreation

For recreation, residents can take advantage of over 6,000 acres of parkland throughout Brooklyn, New York, including the world-famous Prospect Park. Other recreational areas include many acres of beaches, the amusement area of Coney Island, and the Brooklyn Botanical Gardens. Additionally, there are several small parks and playgrounds with ball fields, basketball, handball and tennis courts. In addition, the Forest City Ratner Companies, or an affiliate thereof, has planned a development that will, upon receipt of all necessary approvals, bring the New Jersey Nets team to Brooklyn, New York, and is anticipated to be approved over the next 1-2 years.

For cultural activities the people of Brooklyn can enjoy concerts and live performances at the Brooklyn Academy of Music (BAM), view artwork at the Brooklyn Museum, or enjoy special events at dozens of local community centers. The summer long Brooklyn festival held in Prospect Park attracts many residents and tourists each year.

Transportation

The subject location has good access to public transportation. Cross-town buses travel along 4th Avenue, 5th Avenue, 6th Avenue and 7th Avenue. Subway service is provided by the F train at 9th Street and 4th Avenue. In addition, the R and M trains are all located within walking distance at Union Street.

Zoning

The Property is located in an R6-B zone which permits residential uses. Please refer to the Description of Property in Part II of the Plan for further details.

OFFERING PRICES AND RELATED INFORMATION, SCHEDULE A

Schedule A Estimated First Year of Condominium Operation January 1, 2010 through December 31, 2010 Schedule A - Offering Prices And Related Information																	
292 7th Street Condominium 292 7th Street, Brooklyn NY 11215																	
Unit	Beds/B aths	Indoor Space (SF)	Storage Space (SF)	Outdoor Space (SF)	Total Space (SF)	Offering Price (3)	Percent Common Interest (100%) (2)	Estimated Common Charges (4)		Estimated Real Estate Charges w/o 421-a Benefits (5)		Total Carrying Charges w/o 421-a Benefits (4) + (5)		Estimated Real Estate Charges w/ 421-a Benefits (6)		Total Carrying Charges w/ 421-a benefits (4) + (6)	
								Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly
A	4/5	3044	288	1408	4740	N/A	46.5%	\$7,873.85	\$656.15	\$14,407.10	\$1,200.59	\$22,280.94	\$1,866.76	\$265.05	\$22.09	\$8,138.90	\$678.24
B	3/2	1282	0	65	1347	\$929,000	22.5%	\$3,809.93	\$317.49	\$6,971.18	\$580.93	\$10,781.10	\$898.43	\$128.25	\$10.69	\$3,938.18	\$328.18
C	2/2	1030	0	661	1691	\$829,000	20.5%	\$3,471.27	\$289.27	\$6,351.52	\$529.29	\$9,822.78	\$818.57	\$116.85	\$9.74	\$3,588.12	\$299.01
D	1/1	594	0	277	871	\$449,000	10.5%	\$1,777.97	\$148.16	\$3,253.22	\$271.10	\$5,031.18	\$419.27	\$59.85	\$4.99	\$1,837.82	\$153.15
Totals		5950	288	2241	8649	2207000	100%	16933.00	1411.08	30983.00	2681.92	47816.00	3983.00	570.00	47.50	17503.00	1458.56

FOOTNOTES TO SCHEDULE A

THE 292 7TH Street CONDOMINIUM

- (1) Floor plans for Units are set forth in Part II of the Plan. Any floor plan or sketch shown to a prospective Purchaser is only an approximation of the dimensions of the Unit.

The approximate indoor floor area of each Unit has been measured from the exterior side of the façade or exterior Building walls or glass windows at the Building line and/or Property line enclosing the Unit, or from the midpoint of the interior party walls separating the Unit from another Unit, or from the public side of the interior party walls separating the Unit from the public corridors or public stairs, or from the mechanical space side of interior party walls separating the Unit from mechanical equipment space or any other Common Elements. Columns and mechanical pipes and chases (whether along the perimeter or within the Unit) are not deducted from the square foot area of the Unit. The floor area occupied by any Common Elements bordering or within a Unit (such as the Building's façade or exterior walls, vents, chase walls or areas, conduits, ducts, shafts or pipes) have been included in the computation of the floor area of the Unit, but such Common Elements are not part of the Unit. The configuration, fenestration and dimensions (collectively, "Unit Layout") are approximate within reasonable tolerances. The square footages and dimensions are estimates based on an extrapolation of the square footage of overall Unit dimensions in accordance with the customary practice in New York City. The square footage shown is taken from points behind the walls enclosing the Unit and thus exceed the Unit's usable floor area. Room dimensions are taken from the exposed surface of the walls enclosing the room. The Sponsor states that minor inaccuracies between a floor plan and the actual square footage, and inaccuracies in the Unit layout or room dimension, will not excuse a Purchaser from completing the purchase of a Unit without abatement in price and without recourse against the Sponsor. As is customary in New York, these square foot areas exceed the usable floor area of each Unit.

- (2) The allocation of Common Interests is based upon method (iv) contained in Section 339-i(1) of the New York Condominium Act, that is, 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.
- (3) These offering prices have been set by Sponsor. Prices are not subject to the approval of any governmental agencies. For an explanation of conditions affecting these prices, see the section of the Plan entitled "Changes in Prices and Units". For closing costs payable by Purchasers (in addition to the Purchase Price) and adjustments at closing, see the section of the Offering Plan entitled "Unit Closing Costs and Adjustments".
- (4) The Projected Common Charges are based upon the "Budget For the First Year of Condominium Operations" contained herein as Schedule B. The figures shown do not include the cost of

electricity and gas consumed within the Units for air conditioning, lighting and appliances, the cost of telephone or cable television service or the costs to maintain the interior of the Unit. See Schedule B-1 for projected individual utility costs. A Unit Owner who obtains a mortgage loan to purchase a Unit will also pay principal and interest costs on that mortgage.

- (5) The approximate date of construction completion is October 1, 2009. The first year of condominium operation is estimated for January 1, 2010. Assuming the Property does not receive any abatement from real estate taxes, it is estimated that the aggregate real estate taxes attributable to all Unit Owners during the first year of condominium operation will total approximately \$30,983.00, based on an opinion prepared by Jerome Mazursky dated July 10, 2009, which assumes a projected assessed valuation of \$49,845.00 for the period of January 1, 2010 – June 30, 2010 at a tax rate of \$13.05 per \$100 of assessed valuation multiplied by 0.3 representing the partial tax year plus a projected assessed valuation of \$425,000.00 for the portion of the tax period representing July 1, 2010 – December 31, 2010 at tax rate of \$13.05 per \$100 of assessed valuation multiplied by 0.5 representing the remainder of the year. Mr. Mazursky estimates that the taxes in the second year of condominium operation will increase to \$57,681.00. Such estimate assumes a projected valuation of \$425,000.00 for the period of January 1, 2011 – June 30, 2011 at a tax rate of \$13.05 per one hundred multiplied by 0.5 representing the one-half plus a projected valuation of \$459,000.00 for the period of July 1, 2011 – December 31, 2011 at a tax rate of \$13.05 per one hundred multiplied by 0.5 representing the remainder of the year. SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED.

Sponsor will adjust taxes with Unit Owners based upon the actual taxes assessed by the City of New York.

- (6) Sponsor is seeking 421-a real estate tax exemption benefit. There may be up to a 100% exemption of building value during the construction period (not to exceed three years) and the first eleven years of operation. In the twelfth year, the exemption decreases to 80%, in the thirteenth year, it is reduced to 60% and to 40% in the fourteenth year and in the fifteenth year the exemption is further reduced to 20%, after which the Property will be fully taxed.

It is estimated based on the Mazursky letter, with 421-a exemption benefit, taxes will be \$570. The calculations are as follows:

First Year Operation:	January 1, 2010 – December 31, 2010
Assessed Value:	\$4,365.00
Tax Rate:	\$13.05 per \$100.00
Tax:	\$570.00

The real estate tax estimates for each Unit were calculated on the assumption that the real estate taxes for the residential portion of the Building payable with respect to each Unit for the first year of Condominium operation will be allocated in proportion to each Unit's Common Interests as set forth on Schedule A. Upon determination of individual tax lots and individual Unit assessments, the New York City tax authorities may allocate taxes between the Units in proportion to each Unit's purchase price rather than its Common Interest, and, if so, Units having the same or similar percentage interest may pay different real estate taxes and taxes may differ from those set forth on Schedule A. After the Condominium is divided into individual tax lots and separately assessed,

each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit Owner will not be responsible for the payment of nor will the Unit be subject to, any lien arising from the non-payment of taxes on other Units. Until the Units are separately assessed, the Board of Managers will pay all real estate taxes with respect to the property and will allocate the cost thereof among all Unit Owners in proportion to each Unit's Common Interest. See the Section of the Plan entitled "Real Estate Taxes" for further discussion.

PURCHASERS ARE ADVISED THAT THE FOREGOING INFORMATION IS NOT A GUARANTEE OR WARRANTY (i) regarding the method to be employed by the New York City tax assessor in allocating individual Unit assessments; (ii) of the assessed values of the individual Units during the first year of Condominium operation, (iii) of the tax rates for the first year of Condominium operation, or (iv) that the Building will qualify for or receive benefits under the 421-a Program.

See the Section entitled "Income Tax Deductions to Unit Owners and Tax Status of Condominium" and the Attorney's Income Tax Opinion in Part I of the Plan for a discussion concerning the deductibility of real estate taxes paid with respect to a Unit.

Schedule B

292 7th Street Condominium

Projected Budget for First Year of Condominium Operation

January 1, 2010 to December 31, 2010

Projected Income	Annual	Monthly
Common Charges	\$16,933	\$1,411

Notes	Projected Expenses		
1	Cleaning	\$1,440	\$120
2	Utility (Electricity)	\$2,911	\$243
3	Water/Sewer	\$3,229	\$269
4	Repairs & Maintenance	\$500	\$42
5	Supplies	\$400	\$33
6	Service Contracts	\$600	\$50
7	Insurance	\$5,860	\$488
8	Accounting	\$1,500	\$125
9	Contingency Fund	\$493	\$41
	Total Expenses	\$16,933	\$1,411

Notes to Schedule B

The estimated Common Charges to be collected from Unit Owners during the first year of Condominium operation are based upon the assumption that the first year of Condominium operation will be the months commencing January 1, 2010. The actual first year of operation may be earlier or later.

In the event the projected commencement date of the first year of Condominium operations is to be delayed more than six (6) months from the anticipated date of the First Closing, the Plan will be amended to include a revised budget disclosing the then current budget projections.

If the Common Charges in the revised budget project exceed the earlier budget projections by 25% or more, the Sponsor will offer all purchasers the right to rescind their Purchase Agreements and have their Deposits refunded to them, whether or not the Sponsor offers to guarantee the earlier budget projections.

(1) **Cleaning** (Budget-\$1,440)

The Board of Manager shall cause to hire outside labor which consist of one part-time, non-resident, non-union, porter/ handy person at the monthly rate of \$120 based on comparable properties in the area. Such hired individual shall be considered self-employed.

(2) **Utility- Electricity** (Budget-\$2,911)

The electricity consumption for the first year of the Condominium operation for common areas was estimated by Klein, Levin Associates, 1839 Ocean Parkway, Brooklyn, NY 11223, dated July 13, 2009. Common areas electric will include the costs to power the intercom, public lighting (inside and outside lights), sewer ejector, sump pump and electric heaters.

Each unit will be individually metered and sub-metered for consumption of electricity within their units. Each unit owner will be responsible for electricity to his/her own unit. The Board of Managers will be responsible only for payment of the electric meter(s) covering the Common Elements each month.

Lighting Cost (KW)

4,000kw/yr @ \$0.25/kw = \$1,000.00 per year

Sewage Ejector (KW)

(one) 1.5HP sewage ejector

1.1 kw x 3hrs x 30days x .75 x 12months = 891kw/year

891kw/yr x \$0.25/kw = \$223.00 per year

Sump Pump

(one) 0.5HP sump pump

.375kw x 3hrs x 30days x .75 x 12 months = 304kw/year

304kw/yr x \$0.25/kw = \$76.00 per year

Electric Heaters

(four) 2kw x 5hrs/day x 30days x 5months = 6,000kw/year

6,000kw x \$0.25/kw = \$1,500.00 per year

TOTAL ELECTRICAL USAGE: \$2,799.00

Sales Tax @ 4.00%: \$ 111.96

TOTAL ANNUAL USAGE: \$2,910.96 or \$243.00 per month

It is believed that the projected figure should be sufficient to cover any reasonable increase in the cost of providing heat during the first year of operations. Fuel shortages and other factors may raise the cost of electricity higher than current rates. It is believed that the projected figure should be sufficient to cover any reasonable increase in the cost of electricity during the first year of operations. No warranty is made that the projection for heating will be in accordance with the actual cost of the same during the first year of Condominium operations. No warranty is made that the projection for electricity will be in accordance with the actual cost of the same during the first year of Condominium operations.

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

(3) Water & Sewer Charges (Budget-\$3,229)

The Building will have a single main water meter, which will measure actual water usage, servicing the entire building. Based upon a letter from a third party, independent engineer, Klein, Levin Associates, 1839 Ocean Parkway, Brooklyn, NY 11223, dated July 13, 2009, estimated water and sewer charges are based upon a current combined charge of \$5.51 per 100 cu. ft. Estimates may vary from actual usage due to variables involved, such as user's habits, etc. The cost may also be different due to rate changes. The anticipated annual cost for water and sewer charges during the first year of condominium operation is estimated at \$3,229.

(4) Repairs and Maintenance (Budget-\$500)

Since the Building is newly constructed, it has no operating history upon which to project future costs of repairs and maintenance. No major capital repairs are included in the first's year budget since all major construction and mechanical systems will be new.

The budgeted figure for these items includes the cost of normal maintenance and repairs to the Common Elements of the Building that are the responsibility of the Condominium. Each unit owner will be responsible for the cost of the interior maintenance, repairs, decoration and painting of the respective units, including the appliances, incremental heating/ air conditioning units and appurtenant Common Elements, repairs and maintenance have conditioning units and any appurtenant Common Elements.

(5) Supplies (Budget-\$400)

The budgeted amount includes the cost of cleaning equipment and miscellaneous supplies for Common Elements. The budgeted amount is based on the Managing Agent's experience in operating buildings of comparable size.

(6) Service Contracts (Budget-\$600)

The budgeted amount includes the following costs.

i. Sprinkler/ Standpipe Test (\$600)

All of the mechanical systems within the Building will be new, and some will be under a full service maintenance contract for the first year of Condominium operation from the contractor who will install the system. No maintenance or service contracts have been entered into as of the date of the Plan. The budgeted amounts are based upon the experience of the Sponsor's budget expert in operating similar buildings.

Said service contracts will become effective after the first unit closing. It is currently contemplated that each contract will be for a term of one (1) year. Service and maintenance contract will be entered into, and be binding upon, the Condominium after the first closing of title to a unit. No warranty is made that the actual costs for these services or other services will be in accordance with this projection during the first year of Condominium operations.

(7) Insurance (Budget- \$5,860)

Insurance costs are projected on the information provided in a letter by The Trayner Group Ltd., 66 Bowman Avenue, Rye Brook, NY 10573, dated July 27, 2009. The package policies which consists of the following coverages:

Property & Liability - \$1,440,000 & \$1 Million per Occurrence/ \$2 Million Aggregate
Directors and Officers - \$1 Million
Umbrella - \$5 Million

The terms of the fire, casualty and general liability insurance will provide (a) that each unit owner is an additional insured party, (b) that there will be no cancellation without prior notice to the Board of Managers, (c) a waiver of subrogation, (d) a waiver of invalidity because of the acts of the insured and unit owners and (e) a waiver of pro-rata reduction of unit owners obtain additional coverage.

The insurance figures provided are adequate and acceptable to insurance carrier in order to provide the Agreed Amount Clause which meets the co-insurance requirement.

Unit Owners are advised to obtain insurance at their own cost to cover such risks as fire and casualty losses to unit contents, replacement, additions, upgraded fixtures and improvements, and liability coverage for occurrences within unit.

(8) Accounting Fees (Budget- \$1,500)

All Condominium unit owners are entitled to receive annually from the Condominium at the Condominium's expense an annual audited financial statement prepared by an independent certified public accountant, the cost of which is included as an accounting expense. The amount set aside for this service is based on an estimate provided in a letter by Stern Associates CPA, 2550 Victory Boulevard, Suite 300, Staten Island, NY 10314, dated April 27, 2009.

(9) Contingency Fund (Budget- \$493)

Contingency fund, if any, is intended to provide for unanticipated expenses or unanticipated increases in projected expenses in Residential Common Expenses and General Common Expenses before or after the first closing or to cover expenses not included in this budget.

SCHEDULE B-1

**292 7th STREET CONDOMINIUM
BROOKLYN, NY
PROJECTED ENERGY CONSUMPTION COSTS
FOR INDIVIDUAL UNITS
(Individually Metered)**

Unit No.	Est. Annual Electric Consumption	Est. Annual Electrical Cost	Est. Annual Gas Consumption	Est. Annual Gas Cost	Total Cost
A	14,430kw	\$3,995	2,862therms	\$5,804	\$9,799
B	8,460kw	\$2,328	1,440therms	\$2,920	\$5,248
C	7,710kw	\$2,117	1,235therms	\$2,505	\$4,622
D	5,850kw	\$1,599	804therms	\$1,631	\$3,230

FOOTNOTES TO SCHEDULE B-1

The forgoing is an estimate of annual energy costs for the Units provided by Sponsor's Energy Consultant, Klein, Levin Associates, 1839 Ocean Parkway, Brooklyn, NY 11223, in a letter dated, July 13, 2009.

These estimates are based upon the cost of electricity at \$0.25 per kilowatt hour on average, and gas at \$1.95 per therm, including taxes and adjustments but without any inflation factor. The projected rates are not guaranteed and it must be expected that these rates will increase with the passage of time and may be affected by many factors which are beyond the control of the Sponsor. Purchasers are advised that the projections are only estimates and actual consumption will be metered and will vary based on the individual needs of Unit Owners and weather conditions.

In view of the facts that these estimates include the use of energy by persons of varying needs with different standards of comfort, or with families of different sizes, the amount of energy used by a purchaser may vary substantially from the estimates herein provided.

In addition, the effect of inflation, fuel adjustment charges and other factors may raise the costs of electricity and gas substantially higher than the current or project rated. Although the Sponsor is under the obligation to provide accurate information to prospective purchasers, factors beyond its control may substantially affect the cost of heating and cooling after the purchase of a unit or in subsequent years. The Sponsor represents, however, that it will follow the plans and specifications provided by the manufacturer of appliances together with the recommendations of the experts to enable these items of equipment to operate at optimum efficiency at the lower cost.

NO REPRESENTATION OF ANY KIND IS MADE BY THE ENGINEER OR THE SPONSOR OR ANY OTHER PERSON OR ENTITY AS TO WHAT ELECTRICAL CONSUMPTION OR COST MAY ACTUALLY BE.

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

August 10th, 2009

RE: 292 7th Street Condominium

To Whom It May Concern:

Corcoran is a licensed Real Estate broker That has been in business for over 25 years specializing in residential sales in the New York metropolitan area. We have been retained as selling agent and/or consultants for condominium and cooperative offerings. The firm will act as selling agent of the property. We have no beneficial interest in the Sponsor or the profits of this offering plan, with the exception of a fee for our services as selling agent.

It is our opinion that the allocation of Percentages of Common Interest allocated to the individual units as set forth in the Schedule A of the Plan of Condominium Ownership are in compliance with the regulations issued pursuant of Real Property Law Article 9-B, Section 339-I.

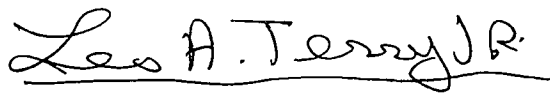
We have determined that the sponsor has used the method contained in Section 339-I (1) (IV) of the New York Condominium Act, that is based upon floor space subject to relative value to the other space in the Condominium, the uniqueness of the unit, the availability of the common elements for exclusive or shared use, and the overall dimensions of each unit.

Very truly yours,



Frank Percesepe
Regional Vice President
Brooklyn

LEO A. TERRY JR.
Notary Public, State of New York
No. 01TE6175338
Qualified in Kings County
Commission Expires Oct. 9, 2011


NOTARY PUBLIC

CHANGES IN PRICES AND UNITS

The prices for these Condominium Units may be changed from those set forth in this Offering Plan so that Purchasers may pay different prices for similar Units. However, no price change will be made except pursuant to a duly filed amendment to this Plan if such change constitutes:

- (a) an across-the-board change in price or affects one or more lines or types of Units;
- (b) an advertised price change;
- (c) a price increase.

Sponsor will abide by any regulations concerning price changes promulgated by the Department of Law. Sponsor also reserves the right to negotiate with Purchasers all aspects of the price of each Unit, including but not limited to: (i) renovations or improvements to the Unit or the fixtures or equipment contained therein or credits or allowances therefore; (ii) reduced Down Payments towards the Purchase Price; (iii) amounts of financing, terms of loans and lenders to which applications are made; (iv) payment of all or part of the Purchaser's closing costs such as attorneys, fees, transfer taxes, financing costs, origination fees and/or commitment fees; (v) extensions of time periods provided for in the Plan and (vi) any and all other costs related to the costs of acquiring title to the Unit. Furthermore, Sponsor reserves the right to amend the Plan from time to time to add and/or delete negotiable terms.

Notwithstanding the foregoing, Sponsor is not obligated to offer for sale any Unit irrespective of whether such Unit is listed on Schedule A, nor is Sponsor obligated to change the current use of any Unit.

Sponsor reserves the right to (i) change the layout of or number of rooms in any Unit, (ii) change the number of Unit types, (iii) reverse the layout of a Unit from that shown on the Floor Plans and (iv) change the size and/or number of Units, including subdividing one or more Units into separate Units (and creating additional Common Elements if necessary), combining separate Units into one or more Units or altering the boundary walls of Units (provided, in each case, that the approval of all governmental authorities having jurisdiction is first obtained). In such event, Sponsor shall have the right to reapportion among the Units affected by such change, subdivision, combination or alteration, their appurtenant interest in the Common Elements, provided that unless the affected Purchaser consents, no material change will be made in the Unit size, layout or percentage of Common Interest allocated to any Unit for which a Purchase Agreement has been accepted. Unless all Purchasers consent, no material change will be made in the size and no materially adverse change will be made in the quality of Common Elements without the consent of all affected Purchasers. Provided Purchaser's consent is not required, a Purchaser will not be excused from purchasing his Unit and will not have a claim against Sponsor as a result of any such change and will not affect a Purchaser's obligations under the Purchase Agreement or the Plan. If a Purchaser's consent is required as a result of such change and Purchaser refuses to consent, then in such event, Purchasers not otherwise in default will have the right to rescind the Purchase Agreement within fifteen (15) days after the date of the right to rescind. Sponsor's sole obligation shall be to refund to Purchaser the deposit it made under the Purchase Agreement and any interest earned thereon. Any of the above changes (other than the alteration of interior partitions) shall be reflected by a duly filed amendment to this Plan, and, if applicable, by a duly recorded amendment to the Declaration with the consent of all Unit Owners directly affected if the Declaration was recorded prior to such change.

Sponsor reserves the right to make changes in any and all architectural, structural, mechanical or electrical plans and specifications provided that prior approval is first obtained from the municipal agencies having jurisdiction, and further provided that any such changes are made with the approval of an architect or professional engineer, and are reflected by a duly filed amendment to this Plan. Again, unless the Purchaser consents, no such change shall be made with respect to any Unit for which a Purchase Agreement has been accepted. Notwithstanding the above, the dimensions of the Units shown on the Floor Plans are approximate and may vary slightly from the actual measurements.

INTERIM LEASES

Sponsor reserves the right to rent or lease Units in the Building. The leases ("Interim Leases") will be for such rent and upon such other terms as may be mutually agreed upon by Sponsor and the leasing parties. No portion of the rent paid under such Interim Leases will be credited towards the Purchase Price of the Unit. The Interim Leases shall be prepared on a form which will be available for inspection at the office of Sponsor. The term of each such Interim Lease shall expire on the earlier to occur of (i) the Closing Date of the Unit (assuming the tenant under the Interim Lease is the Purchaser of the Unit); (ii) the date of closing under such tenant's Purchase Agreement (if the tenant under the Interim Lease is the Purchaser of the Unit); (iii) the date fixed on the Interim Lease for the expiration of its term; (iv) the date upon which the Interim Lease is terminated at the option of Sponsor by reason of a default by Tenant under the Interim Lease or a casualty or condemnation affecting the Unit; and (v) the date upon which the Interim Lease is terminated by tenant as provided below. Except as provided below, the tenant shall be required to vacate the Unit within thirty (30) days after the date of termination of the Interim Lease. If the tenant under the Interim Lease described herein, has entered into a Purchase Agreement under the Plan and if the Plan is abandoned by Sponsor, the tenant may, at its option, terminate the Interim Lease at any time thereafter as of the last day of any month during the term of the Interim Lease, upon not less than thirty (30) days prior written notice, personally delivered or mail by certified mail, return receipt requested to Sponsor. The tenant shall be required to deliver to Sponsor possession of the Unit on the date of termination of the Interim Lease in vacant, broom clean condition. If a tenant under an Interim Lease has entered into a Purchase Agreement under the Plan and the tenant exercises any rights to rescind the Purchase Agreement as provided in the Plan then, as a condition of such rescission, the tenant's Interim Lease shall be terminated and the tenant shall deliver possession of the Unit to Sponsor in vacant, broom clean condition. It shall be a default under the Interim Lease if the tenant fails to comply with all his/her obligations under the Purchase Agreement or other Interim Leases. Before the Sponsor may utilize a default under an Interim Lease to declare a default under the Purchase Agreement, either (a) the Sponsor must obtain an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the tenant or (b) the tenant must have vacated the Unit. If Sponsor cancels a Purchase Agreement, Sponsor may retain any money paid thereunder (but not exceeding the sum of ten (10%) percent of the Purchase Price, plus all costs for any special work ordered by Purchaser) together with interest earned thereon, if any, without prejudice to any other rights or remedies at law, or in equity or under the Interim Lease, which Sponsor, the Condominium or any other party may have by reason of such default.

MORTGAGE FINANCING ARRANGED BY SPONSOR

Sponsor is obligated to satisfy or release each Unit from any building loan or other mortgage encumbering the Property before the closing of title to such Unit.

Sponsor has not secured a commitment from any lending institution for the permanent financing of any Unit. Any Purchaser of a Unit who requires financing, must make his/her own arrangements with a lender of his/her own choosing to finance the purchase of such Unit. All expenses and costs in obtaining such financing are to be borne by the Purchaser and are not included in the Purchase Price of the Unit.

The rights and obligations of each Purchaser under a Purchase Agreement are conditioned upon such Purchaser obtaining a commitment for financing in an amount equal to eighty (80%) percent of the Purchase Price (or such lesser as such Purchaser may approve), but only under the terms and conditions more particularly set forth in the "Procedure to Purchase" section of the Plan and the mortgage contingency shall be effective.

Sponsor cannot and does not represent, assure or guarantee that any Purchaser will be able to obtain mortgage financing or the terms of such financing.

NO REPRESENTATION IS MADE BY SPONSOR AS TO THE AVAILABILITY OR COST OF SUCH FINANCING. SPONSOR SHALL HAVE NO LIABILITY OR RESPONSIBILITY TO ANY APPLICANT IF HIS/HER APPLICATION FOR FINANCING IS NOT ACCEPTED.

Purchasers should note that in the current real estate market, banks and other lenders may be imposing various restrictions on loans. Such restrictions include requiring that a certain percentage (70% 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 a building undergoes conversion, lenders may still impose minimum sales requirements before granting a loan. It then may be difficult for a Purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to such minimum sales requirements. Purchasers should further note that pursuant to existing Law and regulation, Sponsor may declare the Plan effective upon selling a minimum of fifteen (15%) percent of the Units offered for sale in the Building. Even if the Plan is declared effective with a minimum number of sales, it is possible that Sponsor may be able to submit the Property to a condominium regime and convey Units with fewer than the minimum number of sales if purchasers counted towards effectiveness do not ultimately purchase a Unit. Please refer to the Section entitled "Effective Date" in Part I of the Plan for further details.

PROCEDURE TO PURCHASE

A person desiring to purchase a Unit will be required to execute in triplicate the Purchase Agreement in the form set forth in Part II of this Plan, and to return it to the Selling Agent at their office together with a check for the required down payment drawn on a New York City bank to the order of "Richard Eng, Esq., as Escrow Agent." The down payment must be in an amount equal to ten (10%) of the Purchase Price of the Unit. When accepted in writing by Sponsor, the Purchase Agreement will be binding upon Sponsor, subject to Sponsor's rights to abandon this Offering Plan, as set forth in the

section of this Plan entitled "Effective Date of this Offering Plan." Sponsor shall have fifteen (15) days within which to accept or reject such Purchase Agreement, at which time Sponsor will either return to Purchaser a fully executed counterpart of the Purchase Agreement or a refund of the down payment previously tendered, without interest. Failure by Sponsor to act within this fifteen (15) day period shall be deemed a rejection of the Purchase Agreement.

Purchasers must have received the Offering Plan and all filed amendments at least three (3) business days before executing a Purchase Agreement, or alternatively, they may rescind their Purchase Agreements at any time during the seven (7) day period following the delivery of an executed Purchase Agreement to the Selling Agent. A Purchaser who wishes to rescind must personally deliver a written notice of rescission to the Selling Agent during such seven (7) day period, or mail the notice of rescission to the Selling Agent during such seven (7) day period and Sponsor will, within ten (10) days after receipt of such notice, refund any monies paid by such person pursuant to the Purchase Agreement, without interest. Upon the refund of these monies, all rights and obligations under the Purchase Agreement shall terminate.

Any notice or other communication required or permitted to be given under the Purchase Agreement shall be in writing and shall be deemed to have been given if delivered personally or sent by certified or registered mail, return receipt required. All such notices and communications shall be deemed to have been received on the date of personal delivery or on the fifth (5th) day after mailing.

The rights and obligations of each Purchaser under a Purchase Agreement are conditioned upon such Purchaser obtaining a commitment for financing in an amount equal to eighty (80%) percent of the Purchase Price (or such lesser as such Purchaser may approve) and the mortgage contingency shall be effective IF AND ONLY IF Purchasers apply for financing through the Approved Mortgage Banker and then only with respect to such application. The Purchaser is obligated to submit a complete, good faith mortgage application to the Approved Mortgage Banker, including applicable documentation, within five (5) business days after Sponsor accepts and delivers the fully executed Purchase Agreement to Purchaser's attorney. If within thirty (30) days after the Sponsor accepts and delivers the fully executed Purchase Agreement to Purchaser's attorney a Purchaser is unable to obtain a commitment for a mortgage in an amount not to exceed eighty (80%) percent of the Purchase Price for a term of thirty (30) years at the then prevailing rate of interest, Purchaser shall have the option to waive the mortgage contingency or send Sponsor a written notice of cancellation within five (5) days after the expiration of the thirty (30) day application period. If Purchaser fails to send a notice of cancellation, the mortgage contingency shall be deemed waived and Purchaser shall be obligated to proceed with the purchase. If a timely notice of cancellation is sent by Purchaser, the Purchase Agreement shall be cancelled and Sponsor shall promptly return to Purchaser the Down Payment and any interest accrued thereon within ten (10) days.

See Exhibit A of Part II for further details regarding the limited financing contingency. Purchaser, at Purchaser's option, may apply for a loan to other lenders directly or through a mortgage broker other than through The Approved Mortgage Banker however, this will not entitle Purchaser to a mortgage contingency and Purchaser's failure to obtain financing through such other lender or mortgage broker will not relieve the Purchaser from any obligations under this Agreement, including Purchaser's obligation to pay the full amount of the Purchase Price at Closing.

Upon the closing of title, the Purchaser will be required to (i) pay the balance of the cash portion of the Purchase Price of the Unit and (ii) execute a power of attorney in favor of the Board of Managers in the form contained in Part II of the Plan (the "Power of Attorney"). The Purchaser will then receive a deed in the form set forth in Part II. At closing, or at such earlier time as Purchaser enters into possession

of the Unit pursuant to written agreement with Sponsor, risk of loss from fire or other casualty will pass from Sponsor to the Purchaser. Sponsor is under no obligation to allow a Purchaser to take possession prior to closing.

If the Purchaser (i) does not pay the balance of the Purchase Price when due or execute the Power of Attorney to the Board of Managers or (ii) fails to perform any other obligation under the Purchase Agreement, and if, within thirty (30) days after written notice to the Purchaser, any such default is not remedied, Sponsor may (but shall not be obligated to) elect to cancel the Purchase Agreement. In such event, the down payment with interest, if any, shall be paid over to Sponsor as and for liquidated damages and thereafter the Purchase Agreement shall become null and void.

After the acceptance for filing of the amendment to this Plan disclosing the declaration of the Plan's effectiveness, Sponsor or the Selling Agent will send written notices to all Purchasers stating the date of the first Unit closing and fixing their closing dates, which shall be at least thirty (30) days thereafter unless such period is waived in writing by the Purchaser. The notice of closing date may also state when Common Charges will begin to be due and payable. Sponsor may adjourn and reset a closing date upon ten (10) days prior written notice.

Neither Sponsor nor the Selling Agent shall have any liability or responsibility to Purchasers, nor will any Purchaser be relieved of its obligations under a Purchase Agreement, by reason of any minor inaccuracy or error in the floor plans for or square footage of the Units. Each Purchase Agreement contains an acknowledgment by the Purchaser that the sizes, dimensions and layout of Units set forth in this Plan and the floor plans are approximations within reasonable tolerances, and that he or she is purchasing the Unit without relying upon any warranties or representations as to its size, dimensions or other physical characteristics.

The Purchase Agreement will also provide that the Purchaser is purchasing the Unit without relying upon any warranties or representations as to financial data or estimated income tax deductions, except as specifically represented in this Offering Plan and the Exhibits hereto.

After the Plan has been declared effective, Sponsor will fix dates for closing title to all Units for which Purchase Agreements have been executed. Sponsor will serve notice to Purchaser stating the date of the first closing and setting such Purchaser's closing date. Such notice shall be served upon each Purchaser not less than thirty (30) days before the date set for the Closing of such unit.

Sponsor expects the first closing of a unit to occur on or about January 1, 2010. If such is delayed by twelve (12) months or more, Purchaser will be offered a right to rescind his/her contract.

The risk of loss or damage to a Unit by fire or any other cause shall remain with Sponsor until the earlier of: a) the delivery of the deed to Purchaser or b) the time Purchaser takes possession of the unit pursuant to an Interim Lease or other written agreement.

Purchasers should also note that even if the first closing occurs on or before January 1, 2010 (or such other date projected as the date of commencement of operation at the time the Purchase Agreement was entered into) or within the twelve (12) month period thereafter, the closing of subsequent units may be substantially delayed beyond such dates if a temporary certificate of occupancy has not been issued for such units or for the floor on which such units are located. In such case, provided that the Sponsor is diligently pursuing completion of construction and issuance of a certificate occupancy and is otherwise in

compliance with its obligations under the Plan, a Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of such delays and will not be excused from paying the full purchase price for the Unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY Consider THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. In the event, however, Sponsor cannot convey title to the Unit on or before twelve (12) months from the date of the Purchase Agreement, affected Purchasers will be offered a right of rescission.

Finally, the Purchase Agreement provides that if after the effective date of this Plan, as hereinafter described, title to a Unit has not been conveyed to a Purchaser within one (1) year after the closing date which Sponsor sets forth in the closing notice as set forth above (except where such failure is due to the default of Purchaser) or any adjourned date which has been agreed upon by both Sponsor and Purchaser, then the Purchaser shall have the right, for a period of thirty (30) days from the expiration of the aforementioned one (1) year period or the adjourned date, to cancel the Purchase Agreement. A Purchaser desiring to so cancel must tender during that thirty (30) day period, thirty (30) days written notice to Sponsor, and the Purchase Agreement will be deemed canceled at the end of the notice period (unless Sponsor is ready, willing and able to close title within such thirty (30) day period). Upon such cancellation, Sponsor shall return any monies paid under the terms of the Purchase Agreement, with interest if earned. (See the Section of the Plan entitled "Escrow Funds").

Sponsor has reserved the right for itself and its designee, without prior notice or amendment to the Plan, to use any unsold Units as sales offices and/or model Units. In the event Sponsor or its designee thereafter elects to sell any such unsold Units, Sponsor or its designee may require the Purchaser thereof to purchase all or any of the furnishings, equipment or decorations therein and pay an additional charge for such items which shall be set forth in a Rider to the Purchase Agreement. In no event shall the presence of any furniture, furnishings, equipment or decorations in any model Unit imply or represent that any Unit will contain such furniture, furnishings, equipment or decorations upon delivery except pursuant to a separate agreement with Sponsor.

The Offering Plan will be incorporated by reference in the Purchase Agreement. Any inconsistency between the Purchase Agreement and this Offering Plan shall be resolved in favor of the Offering Plan.

Neither the Plan nor the Purchase Agreement shall contain or be modified to contain any provision waiving Purchaser's rights, other than the ability of Purchaser to waive his/her right to thirty (30) days written notice prior to closing of title to the Unit, or abrogating Sponsor's obligations under the offering Plan or under Article 23-A of the New York General Business Law.

Purchaser shall return four (4) executed counterparts of the Purchase Agreement to Sponsor. Within ten (10) days after delivery to Sponsor by Purchaser of the said executed counterparts of the Purchase Agreement along with the requisite downpayment, Sponsor will either (i) accept the Agreement and cause to be returned to Purchaser a fully executed counterpart thereof; or (ii) reject the Agreement and refund the downpayment tendered by Purchaser.

If Sponsor has not returned the fully executed Agreement or refunded the downpayment within said thirty-day period, Purchaser shall have the right to terminate the Agreement and be released of all obligations thereunder.

ESCROW FUNDS

All funds received by Sponsor as deposits, downpayments or advances under the Purchase Agreements will be handled in accordance with the provisions of Section 352-h and 352-e(2)(b) of the General Business Law and Section 2.03(o)(2) of the Title 13 NYCRR. Said monies must be deposited by Sponsor within five (5) business days after receipt of such funds along with the fully executed Purchase Agreements in triplicate.

Funds will be deposited in subaccounts for each Purchaser in an account entitled 292 7th Street Condominium Escrow Account maintained at Citibank, N.A. having an address at 100 Mott Street, New York, New York (the "Escrow Account"). Said subaccounts shall be interest bearing with interest credited to the Purchaser either (1) unless the Purchaser defaults and the Plan is consummated or (2) until Sponsor elects to place the funds in a noninterest bearing "Interest On Lawyers Account" ("IOLA") pursuant to Judiciary Law Section 497. The interest earned will be the prevailing rate for such accounts which rate is currently approximately 0.5%. Neither Sponsor nor Escrow Agent makes any representation as to the amount of interest that will be earned on such accounts. No fees of any kind will be deducted from the account principal or any interest earned on such deposits. Sponsor shall bear the administrative cost of maintaining such accounts.

All funds received from Purchasers, whether in the form of checks, drafts, money orders, wire transfers or other instruments shall be made payable to the order of "Richard Eng, Esq, as Escrow Agent". The signatory on such accounts will be Richard Eng. Neither Sponsor nor any principal of Sponsor will be a signatory on the account. Sponsor and Escrow Agent will enter into a written escrow agreement, a copy of which is attached hereto as an Exhibit to the Plan. The escrow agreement provides for the obligations discussed above and contains an indemnification of Escrow Agent by Sponsor for costs incurred by Escrow Agent in carrying out its obligations under the Agreement. In addition, the Agreement provides for Escrow Agent's discharge from liability upon the disbursements of funds and interest in accordance with applicable law. Escrow Agent reserves the right to represent Sponsor in any lawsuit or dispute regarding the Plan or any other matter.

Within ten (10) business days after tender of a downpayment submitted with the Purchase Agreement in triplicate, Escrow Agent will notify the Purchaser that such funds have been deposited in the bank disclosed in the Offering Plan and shall provide the Purchaser with the account number and the initial interest rate on the date of such deposit. If the Purchaser does not receive such notice of deposit within fifteen (15) business days after the tender of the deposit, he/she may cancel the purchase and rescind the Purchase Agreement within ninety (90) days after the tender of the deposit or may apply to the Attorney General for relief. Rescission may not be afforded to a Purchaser where proof satisfactory to the Attorney General is provided by Escrow Agent establishing that the escrow funds were timely deposited and requisite notice was timely made. Escrow funds will not be transferred to a new account, nor shall Escrow Agent be replaced unless and until an amendment is filed containing the name and address of the new account and/or the new Escrow Agent.

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.

Release Of Funds

Under no circumstances will Sponsor apply for the release of escrowed funds of a defaulting Purchaser until after consummation of the Plan. Such consummation does not however relieve Sponsor of his obligations pursuant to Section 352-h of the General Business Law.

Escrow Agent shall be obligated to hold all funds received in escrow until otherwise directed: (a) in writing signed by both Sponsor and the Purchaser; (b) by a determination of the Attorney General; (c) by a Judgment or Order of a court of competent jurisdiction, or (d) if there is no written agreement between the parties to release the escrowed funds, Escrow Agent shall not pay the funds to Sponsor until Escrow Agent has given the Purchaser written notice of not fewer than ten (10) business days. Thereafter the funds may be paid to Sponsor unless Purchaser has already made application to the Department of Law pursuant to the Attorney General's dispute resolution procedures and has so notified Escrow Agent or Purchaser has commenced a lawsuit.

Sponsor shall not object to the release of 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.

Escrow Disputes

In the event there is a dispute over escrowed funds, either the Purchaser or Sponsor may apply to the Attorney General for a determination of the disposition of the downpayment and any interest earned thereon; however, Sponsor has an obligation to apply to the Attorney General for a determination. Form applications for this purpose are available from the Department of Law. The party applying shall contemporaneously send to all other parties a copy of such application.

Pending the determination of the Attorney General of such application, Sponsor, the Purchaser and Escrow Agent shall abide by any interim directive by the Attorney General. If an application permitting a release of the funds is granted, the deposit and any interest earned thereon shall be disbursed in accordance with the determination of the Attorney General, subject to any court action in which preliminary relief may be granted. The Attorney General is required to act on any application within thirty (30) days after its submission to the Department of Law. If the application seeking release of funds is denied, Escrow Agent shall continue to hold the deposit and any interest earned thereon until: (a) both Sponsor and the Purchaser direct payment in accordance with a written direction signed by both parties; or (b) a Judgment or Order of a court of competent jurisdiction is served upon Escrow Agent.

In no event will Escrow Agent release funds in dispute other than toward the payment of such funds into court until such dispute is finally resolved either by the determination of the Attorney General or by Order or Judgment of a court of competent jurisdiction or by written agreement between Sponsor and the Purchaser.

Escrow Agent will maintain all records concerning the Escrow Account for seven (7) days after the release of funds.

Prior to the transfer of any funds 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 originally provided herein.

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 the trust funds is absolutely void.

ASSIGNMENT OF PURCHASE AGREEMENTS

Purchase Agreements are not assignable by Purchasers without the prior written consent of Sponsor, which may be granted or withheld in Sponsor's sole discretion for any or no reason.

EFFECTIVE DATE OF THIS OFFERING PLAN

All Purchase Agreements are contingent upon the Plan being declared effective in compliance with the time periods and conditions set forth herein.

This Offering Plan will become effective at Sponsor's option, but in no event prior to the date upon which there are valid and binding Purchase Agreements, bona fide purchasers, including investors for fifteen (15%) percent in number of the Residential Units. Sponsor must, however, declare this Plan effective at such time as Sponsor shall have entered into valid and binding Purchase Agreements for eighty (80%) percent in number of the Units to be included in the Condominium. For purposes of this Offering Plan, a Purchase Agreement shall be valid and binding if executed by both Purchaser and Sponsor. Although Sponsor will endeavor in good faith to sell each of the Units offered for sale in accordance with the terms of this Plan, Sponsor has reserved the right to rent rather than sell the Units. As a result, there is no commitment on the part of Sponsor to sell more than the fifteen (15%) percent necessary to declare the Plan effective and, therefore, Unit Owners may never gain effective control and management of the Condominium.

For purposes of effectiveness, Purchase Agreements will not be included in the count if they were (i) signed by Purchasers who have been granted a right of rescission that has not yet expired or been waived; (ii) signed by any Purchasers not afforded at least three (3) business days to the Plan and all filed amendments as required by Section 20.3(o)(15) of the Attorney General's Regulations; or (iii) signed by Purchasers who are the Sponsor, the Selling Agent or a principal of any of them, or are related to Sponsor, the Selling Agent or to a principal of any of them by blood, marriage or adoption or as a business associate, employee, shareholder or partner. In addition, Storage Units will not be counted for the purposes of effectiveness. Notwithstanding the foregoing, such a Purchaser other than Sponsor or a principal of Sponsor may be included if Sponsor has submitted proof satisfactory to the Department of Law establishing that the Purchaser is a bona fide purchaser.

The Offering Plan will be declared effective by the mailing or personal delivery of written notice to all Purchasers, which notice shall state the effectiveness date, the percentage used to declare the Plan effective and a list of Units being counted to meet the minimum percentage required to declare the Plan effective. Within five (5) business days after such notice is given, an amendment to the Offering Plan will be submitted by Sponsor or Sponsor's designee stating that the Offering Plan has been declared effective. No closings shall occur until the Plan is declared effective and the amendment confirming the effectiveness has been accepted for filing by the Department of Law.

This Offering Plan may be abandoned by Sponsor at any time prior to either being declared effective or obtaining valid and binding Purchase Agreements for eighty (80%) percent of the Units. If the Plan is abandoned, all Purchasers will be promptly notified, and within twenty (20) days thereafter all monies paid by them under their respective Purchase Agreements will be returned to them, with interest if earned. Sponsor shall then promptly submit to the Department of Law an amendment confirming such abandonment and file a notice of abandonment on form RS-3 or such other form as the Department of Law may require, explaining the reason for the abandonment and the disposition of all funds received.

If requested by the Department of Law, Sponsor will submit to the Department of Law copies of all Purchase Agreements and any amendments or modifications thereto, within five (5) business days after the request is made.

Sponsor may not abandon the Plan for any judgments or liens against the Property resulting from acts of the Sponsor or any of its principals or which are known to Sponsor on the date of this Plan.

Sponsor may not abandon the Offering Plan after it has been declared effective for any reason other than (i) a defect in title which cannot be cured without litigation or which cannot be cured for less than one-half of one (.5%) percent of the total amount of the offering; (ii) substantial damage or destruction of any portion of the Building by fire or other casualty which cannot be repaired for less than one-half of one (.5%) percent of the total amount of the offering; or (iii) the taking of any material portion of the Property by condemnation or eminent domain. Any stated dollar amount relied upon as a basis for abandonment after the Plan has been declared effective must exclude any attorney fees or any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of this Plan and are either known to the Sponsor or are a matter of public record.

TERMS OF SALE

The closing of title to each Unit will take place only after or concurrently with the following events:

1. Declaration of the Plan's effectiveness by notice to all Purchasers;
2. Amendment of the Plan by Sponsor incorporating the notice of effectiveness and confirming that the Units have been and are being constructed in accordance with applicable plans and specifications as more fully described in the Section of the Plan entitled "Description of Property and Improvements";
3. Recording of the Declaration and the By-Laws in the Kings County office of the Register of the City of New York;
4. Release of the Unit to be closed and its undivided Common Interest as required by Section 339-r of the New York Condominium Act from the liens of all mortgages except the Purchaser's mortgage, if any, and free and clear of all other liens and encumbrances except those described in this Plan and in the proposed Unit deed;
5. Service on Purchaser of written notice of the closing date no less than thirty (30) days in advance of closing (unless such time period is waived by Purchaser), giving Purchaser the opportunity to

inspect the Unit and the Common Elements prior to closing, provided that Purchaser shall be obligated to make an inspection appointment with the Selling Agent and shall be accompanied at all times by a representative of Sponsor or the Selling Agent;

6. Delivery to Purchaser of a Bargain and Sale Deed with Covenants against Grantor's Acts, in proper form for recording and containing the provisions set forth in subdivision 5 of Section 13 of the Lien Law;

7. Assignment to Purchaser of any manufacturer's warranties with respect to equipment and appliances installed in the Unit, if any, and assignment to the Board of Managers of any warranties with respect to equipment and appliances installed in Common Elements;

8. The execution by the Purchaser of a Power of Attorney in the form contained in Part II, designating the Board of Managers as his/her attorneys-in-fact, coupled with an interest, for the purposes of: a) managing, selling, mortgaging, leasing, voting or otherwise dealing with any Units acquired by the Board of Managers on behalf of all Unit owners; b) authorizing the Board of Managers to apply for a reduction in the assessed valuation of the Unit as part of a single application on behalf of all Unit Owners; and c) prosecuting and settling any action relating to the Condominium.

9. The closing of the Purchaser's mortgage loan, if any.

In the event that all or a substantial part of the Unit is damaged or destroyed by fire or other casualty prior to the closing date, Sponsor may elect to terminate the Purchase Agreement and refund the down payment to the Purchaser, with interest if any has been earned. If Sponsor does not elect to terminate the Purchase Agreement, or if less than a substantial part of the Unit is damaged or destroyed, the Purchase Agreement will remain in full force and effect and Sponsor shall restore the Unit to its condition existing immediately before such damage or destruction.

Except as otherwise provided herein or in the Purchase Agreement and except for personal property used in connection with Sponsor's offer and sale of the Units, all personal property owned by Sponsor which is located within a Unit on the date a Purchase Agreement is accepted by Sponsor will be included in the conveyance of the Unit, and all personal property owned by Sponsor which is affixed to or located within the Common Elements on the date the Declaration of Condominium is recorded will become the property of the Condominium upon the recording of the Declaration.

At or prior to the first conveyance of a Unit, each holder of a mortgage on the Property will either: (a) consent to the formation of the Condominium and acknowledge that its lien will be limited to unsold Units; (b) subordinate the lien of its mortgage to the Declaration of Condominium; or (c) release its lien on the Unit being conveyed.

The Purchaser's obligation for payment of the Common Charges and expenses applicable to his/her Unit will begin to accrue on the date on which title is closed.

STATUS OF TITLE AT CLOSING

The deed conveying ownership of the Unit to the Purchaser will contain the provisions set forth in subdivision 5 of Section 13 of the Lien Law and will convey title free and clear of all liens and encumbrances other than:

1. the state of facts which an accurate survey would show provided such additional facts do not prohibit the use of the Units and common elements as described herein or render title unmarketable;
2. zoning and building ordinances, resolutions, restrictions and regulations of municipal authorities having jurisdiction and any amendments thereto, now or hereafter adopted, providing same will not be violated by the Building;
3. the Declaration, By-Laws, Maps and Floor Plans to be recorded and filed in the Kings County office of the Register of the City of New York, as the same may be amended from time to time and the terms, covenants and conditions of this Offering Plan and amendments thereto;
4. an easement in favor of adjoining Units and of the Common Elements for the continuance of all encroachments of such adjoining Units or Common Elements on the Unit, existing as a result of construction of the Building, or which may come into existence as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building or any adjoining Unit or the Common Elements made by or with the consent of the Board of Managers after damage or destruction by fire or other casualty or after a taking in condemnation or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements, made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand;
5. easements in favor of the Board of Managers, its agents, contractors or employees to have a 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, to make repairs to the Common Elements, including without limitations to any wires, pipes, conduits or telecommunication system servicing any of the Units or to make repairs to any other Unit;
6. easements in favor of those Units having restricted use to portions of the Common Elements;
7. easements for the continuance of encroachments on the Unit and on the common Elements by other Unit or portions of the Common Elements, now existing by reason of the construction of the Units, or hereafter occurring by reason of the settling or shifting of the Units, or by reason of the repair and/or restoration by the Board of Managers of the Units or 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 to the Common Elements made by the Board of Managers, so that any such encroachments may remain as long as the Units stand;
8. any easement or covenant or right of use created in favor of any public utility company for electricity, steam, gas, telephone, water or other service, cable television service, and the right to use,

maintain and repair wires, cables, terminal boxes, lines, service connections, poles, mains, facilities and the like upon, under and across the Property;

9. standard printed exceptions to the NYBTU and ATLA policies of title insurance;
10. covenants, conditions, easements, leases, agreements of record; and
11. franchise taxes, if any, provided the title company issuing a policy of title insurance to the Purchaser will insure that such taxes cannot be collected from the Unit.

The Title Company will affirmatively insure that none of the aforementioned easements or agreements will interfere with the projected use of the premises as a condominium.

UNIT CLOSING COSTS AND ADJUSTMENTS

Estimated Closing Costs

The estimated closing costs to be borne by each Purchaser of a Unit are set forth below. Recording charges, title costs and taxes are based on rates in effect on the date of the Plan and are subject to change without notice:

(a) The premium for fee title insurance if ordered from First American Title Insurance Company of New York (the "Title Company") will be based on the New York State Title Insurance Rates, effective November 5, 2001.

Based on these rates, examples of the fee title insurance are as follows:

<u>Fee Amount</u>	<u>Premium</u>
\$ 63,000	\$ 573
\$ 100,000	\$ 774
\$ 500,000	\$2,518

If policy is above \$500,000.00:

	<u>Fee</u>	<u>Mortgage</u>
Minimum Insurance	\$402	\$3,444.00
For each \$1,000.00 or part thereof		
35,001-50,000	\$6.67	\$5.55
50,001-100,000	\$5.43	\$4.54
100,001-500,000	\$4.36	\$3.64
500,000-1,000,000	\$3.98	\$3.31
1,000,001-5,000,000	\$3.66	\$3.05
5,000,001-10,000,000	\$3.25	\$2.71
10,000,000-15,000,000	\$3.07	\$2.55
Over \$15,000	\$2.76	\$2.31

(b) The Premium on the amount of the loan policy is also based on the New York State Title Insurance Rates effective November 5, 2001, examples of these rates are as follows and see above if policy is above \$500,000:

<u>Loan Amount</u>	<u>Premium</u>
\$35,000.00	\$344.00
\$50,000.00	\$427.00
\$100,000.00	\$654.00
\$500,000.00	\$2,110.00

The fee title and mortgage title policy premiums and the recording charges set forth above are those in effect as of the date of this Offering Plan. If said premium, charges, rates, or taxes are subsequently revised by the Title Company, the State, or Municipality, each Purchaser shall be required to pay the title policy premiums, recording charges and taxes in effect as of the date of the closing of title to his/her Unit.

The Title Company is most familiar with title to the Property, and therefore best able to facilitate Purchaser's closing. Purchaser is not required to obtain a title report or insurance (if Purchaser elects to obtain a title report or insurance) from the Title Company. Purchaser may choose any title company that Purchaser may prefer. However, Sponsor strongly recommends that Purchasers choose Title Company.

(c) Recording fee for recording the deed, power of attorney, mortgage and other documents of \$37.00 for each instrument plus \$5.00 per page, and a service charge to the Title Company of approximately \$10.00 per instrument.

(d) New York State Transfer Tax, which is currently .4% of the Purchase Price, but when paid by the Purchaser is increased to approximately .4016% since the shifting of the obligation from Sponsor as a seller of real property to the Purchaser is deemed additional consideration to Sponsor.

(e) New York City Real Property Transfer Tax, which is currently at the rate of 1% of the Purchase Price where the Purchase Price is \$500,000 or less, but when paid by the Purchaser is increased to approximately 1.01% since the shifting of the obligation from Sponsor as a seller of real property to the Purchaser is deemed additional consideration to Sponsor. The rate is 1.425% of the Purchase Price where the Purchase Price is more than \$500,000 (1.445% when paid by Purchaser), plus a filing fee to the City of \$50.00.

(f) New York State Mansion Tax, which is applicable where a Purchase Price exceeds \$1,000,000, and is equal to 1% of said Purchase Price, as increased by the New York State and New York City transfer taxes payable by the Purchaser.

(g) In the event a Purchaser obtains a mortgage, the Purchaser shall pay all costs in connection with the mortgage. Such mortgage costs may include, but may not be limited to, the following:

- (1) Loan origination fee or "points";
 - (2) Charge for appraisal service and credit check;
 - (3) Legal fees of lender's attorney;
 - (4) Mortgage title policy, the rates for which are as indicated in subsection (b) above if the Purchaser elects to obtain fee title and mortgage title insurance simultaneously from the Title Company;
 - (5) Mortgage recording tax, currently at the rate of 2.05% of the mortgage amount for those mortgages of less than \$500,000, 2.175% percent of the mortgage amount for the mortgages equal to or greater than \$500,000 for a Unit, in each case, less \$30. Sponsor shall be entitled to receive the benefits of any mortgage tax credit allowable under Section 339-ee of the Real Property Law by check payable by the Purchaser to Sponsor at closing;
 - (6) Recording charges to record mortgage;
 - (7) Private mortgage insurance premium, if required by the lender; and
 - (8) The mortgage on the Unit may provide that the mortgagor shall deposit monthly with the mortgagee one-twelfth (1/12th) of the estimated annual real estate taxes assessed or to be assessed against the Unit, and at the closing of title Purchaser may be required to deposit with the mortgagee a portion of the annual real estate taxes assessed against the Unit for the forthcoming period. It must be noted, however, that as per a privately commissioned third-party investigation by Jerome Mazursky (contained within), after year one of ownership, it is estimated that real estate tax abatements will reduce property taxes to zero for the following fourteen years.
- (h) The following closing fees of Richard Eng, attorney for Sponsor:
- (1) Basic fee for closing of sale without bank financing = \$1,750.00
 - (2) Additional fee for sale with bank financing = \$250.
 - (3) Additional attendance fee in the event that closing does not occur at the offices of Richard Eng = \$500.
 - (4) Additional attendance fee in the event that the closing occurs outside the Borough of Manhattan = \$700.
 - (5) Additional fee if closing is adjourned for any reason other than at Seller's request = \$500.

The costs described above are cumulative to the extent applicable to an individual closing. If any of the costs in (a) through (h) above are advanced by Sponsor, the Purchaser will reimburse Sponsor for same at the closing.

(i) At the closing of title, each Purchaser will be required to pay to the Board of Managers a sum equal to two (2) months Common Charges as an initial, non-reimbursable contribution to the Working Capital Fund of the Condominium. Said payment shall be in addition to and not in lieu of monthly payments of Common Charges required to be made by Purchaser on the Closing Date.

(j) At the closing of title, each Purchaser will be required to deposit with the managing agent the sum of \$500.00 as a refundable deposit to be used to repair any damage resulting from said Purchaser taking occupancy of the Unit being purchased.

(k) Each Purchaser of a Unit will be responsible for the fees and expenses of his/her own attorney, if any.

The following table illustrates the projected closing costs (based on current rates) for the purchase of Unit C at a Purchase Price of \$829,000.00 assuming such Purchaser finances seventy (70%) percent (i.e., \$580,300.00 of the Purchase Price:

Fee Title Insurance	\$ 2,278.00
Fee for recording Unit Deed (7 pages) and Unit Owner's Power of Attorney (5 pages)	\$ 72.00
	\$ 52.00
Mortgage Loan Closing Costs	
- recording mortgage (assuming 20 pages)	\$ 137.00
- mortgage recording tax	\$ 11,140.78
- mortgage title insurance	\$ 499.00
- other bank charges (assuming "points" of 1% of mortgage amount, and appraisal fee of \$275 and legal fees of \$550 and assuming further that the lender does not require Purchaser to deposit funds to establish a real estate tax escrow)	\$ 6,628.00
New York City Real Property Transfer Tax (plus \$50.00 filing fee) and New York State Deed Stamps	\$ 15,405.36
Working Capital Payment (approximate)	\$ 578.54
Refundable Move In Deposit	\$ 500.00
Sponsor's Legal Fee (assuming the closing occurs at the offices of Sponsor's counsel)	\$ 1,750.00
Total	<u>\$ 39,040.68</u>

The projected closing costs referred to above are approximate and are not guaranteed. Purchasers are advised that they are responsible for all mortgage loan closing costs which vary widely among different lenders and also will vary depending on the loan program chosen.

Estimated Adjustments

Purchasers will be required to pay to the Board of Managers Common Charges allocable to their Units monthly in advance. Common Charges assessed during the month in which title closes shall be adjusted with Sponsor as of the closing date.

Real estate taxes for each Unit for the tax year in which title closes will be apportioned between Sponsor and the Purchaser as of the date of closing of title. In the event that Units have not been separately assessed for real estate tax purposes prior to the first closing of title to a Unit, Sponsor will (i) place in escrow in the name of the Board of Managers an amount equal to the estimated real estate taxes for the six (6) month period following the first closing of title, (ii) pay the real estate taxes from this escrow account when they become due and payable, and (iii) receive reimbursement from Purchasers at closing of title based upon the assessment for the Land and the Building comprising the Condominium and the percentage of the Common Elements appurtenant to the Unit. It must be noted, however, that as per a privately commissioned third-party investigation by Jerome Mazursky (contained within), the property may receive a 14 year tax exemption from increases in the assessed value attributable to renovation of the units and there would be a full exemption for such increases for 10 years, after which the exemption would decline at the rate of 20% per year for the next year.

Each Purchaser will be required to reimburse Sponsor, at closing, such Purchaser's pro rata share of the Condominium's insurance policy (as described in the footnotes to Schedule B) for the first year of operations of the Condominium, the premium for which will be prepaid by Sponsor during the first year of operation prior to the first closing of title to a Unit. The amount of reimbursement will vary depending on the Unit's percentage interest in the Common Elements and the date of closing of title to the Unit. The actual reimbursement will be determined by multiplying the amount of prepaid premium by the Unit's percentage interest in Common Elements, and then multiplying the resulting per diem rate by the number of days remaining in the relevant covered period.

Rent or Interim Leases if any will be adjusted at Closing.

Penalty for Adjourned Closings

If, through no fault of Sponsor, a Purchaser fails to close for any reason on the date originally scheduled for closing of title to the Unit, then the Purchaser shall reimburse Sponsor for loss of earnings on the Purchase Price, as a result of the Purchaser's delay, in amount equal to .05% times the Purchase Price of the Unit for each day's delay, starting with the day originally scheduled for closing and including the day immediately prior to the actual closing date. Additionally, the granting of such adjournment shall be upon the condition that all adjustments shall be made as of the date originally fixed for the closing of title.

RIGHTS AND OBLIGATIONS OF SPONSOR

1. Subject to the terms and conditions of the Plan, Sponsor shall have the following rights and obligations and all Purchasers upon execution of their respective Purchase Agreements will be deemed to have accepted, approved and agreed to abide and be bound by the following:

(a) Sponsor will diligently, expeditiously and at its sole cost and expense, perform or cause to be performed such work, and will supply or cause to be supplied all materials, necessary to complete renovation and construction of the Building substantially in accordance with the Plans and Specifications. Sponsor shall not be obligated to correct and will not be liable to any Purchaser as a result of any insubstantial variations from the Plans and Specifications or the description of the Building or a Unit set forth in the Plan. Sponsor reserves the right to amend or modify, in any way, the Plans and Specifications (including, without limitation, changing materials, appliances, equipment, fixtures and other construction details), provided, however, that:

- (i) any materials, appliances, equipment and fixtures which Sponsor may substitute shall be similar products of substantially equal or better quality or design; and
- (ii) Sponsor shall not materially change the size or location of the Units or Common Elements or adversely affect the value of any Unit to which title has closed or for which a Purchase Agreement is in effect, except as more specifically provided in the Section entitled "Changes in Prices and Units".

Under the present construction schedule, it is anticipated that, except for finishing work to stairways, hallways and other areas of the Building which are not intended for the exclusive use of any one Unit Owner and specified work, if any, which Sponsor agrees to perform in individual Units at the request of Unit Owners, the Units will be substantially completed by January 1, 2010 subject to Unavoidable Delays. Sponsor, however, makes no warranty or representation as to the date of substantial completion.

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

(c) Sponsor will pay or cause to be paid all contractors, subcontractors and materialmen and all others involved in the construction and equipping of the Building in accordance with the New York Lien Law, for the authorized and proper work performed and fixtures, material and equipment supplied or installed during construction thereof and will cause any and all mechanics' liens arising out of such construction and equipping, if any, to be discharged by bonding, or otherwise, promptly after the filing of any such liens.

(d) Following the recording of the Declaration, Sponsor will deliver, assign or otherwise grant to Board of Managers, on behalf of all Unit Owners, the right to proceed under any assignable warranties and other undertakings received by Sponsor from contractors, materialmen or others in connection with the construction and equipping of the Building, except that warranties and undertakings received by Sponsor which relate to appliances, equipment or fixtures located in the Unit of a Purchaser shall be assigned to such Purchaser on the date of closing of title to the Unit. Purchasers should be aware that warranties vary in length, depending partly on when the appliances, equipment and fixtures covered by such warranties are first installed. Sponsor makes no representation as to which, if any, of the warranties will continue to remain in force upon the Closing Date of any particular Unit.

Sponsor and its contractors, subcontracts, agents and employees will have a right of access to each Unit and to all of the Common Elements for the purpose of fulfilling Sponsor's obligations under the Plan and performing certain alterations and repairs in or about the unsold Units. Sponsor will use reasonable efforts in order to exercise such access in such a manner as will not unreasonably interfere with the use of any Unit for its permitted purposes. If reasonable care under the circumstances is exercised to safeguard the Unit Owner's property, such entry shall not render Sponsor or its authorized agents liable for any damage to the Unit or to the personalty or fixtures contained therein.

Sponsor has obtained construction financing for the project as more fully set forth in the Section of the Plan entitled "Description of Property and Improvements".

2. Sponsor will defend any suits or proceedings against the Condominium arising out of Sponsor's acts or omissions, or representations made by Sponsor in this Offering Plan, and it will indemnify the Board of Managers and the Unit Owners against liability imposed as a result of such suits or proceedings, acts, omissions or representations.

3. All representations by Sponsor under this Plan, obligations of Sponsor under this Plan which are to be performed subsequent to the closing of title to a Unit and all other Sponsor obligations under the General Business Law, shall survive delivery of the deed.

4. Pending the first closing after the filing of the declaration of effectiveness of this Plan, Sponsor will pay the indebtedness secured by any mortgage on the Property and will comply with all of the other terms and provisions of such mortgage and the note which is secured thereby. Prior to or simultaneously with the closing of title to each Unit, the Unit to which title is being conveyed and its appurtenant interest in the Common Elements shall be released from the lien of said mortgage. Prior to or simultaneously with the closing of title to the first Unit, Sponsor will obtain from such mortgagee an agreement subordinating such mortgage to the Declaration of Condominium. In addition, before closing of title to the first Unit, all liens affecting the Property shall be paid, bonded or satisfied or, prior to or simultaneously with the closing of title to, the Unit being conveyed and its appurtenant Common Interest shall be released therefrom by a partial release in recordable form.

5. Sponsor reserves the right to make modifications of layout or design, as more fully set forth in the section entitled "Changes in Prices and Units," provided, however, that Sponsor may not change the size or layout of Units, other improvements or Common Elements if such changes affect the percentage of Common Interest or adversely affect the value of any Unit to which title has closed or for which a Purchase Agreement has been executed and is in effect, unless all affected Unit Owners consent in writing to such change. In addition, if Sponsor elects to subdivide any Units, the Sponsor will construct

a common hallway or vestibule providing access to all Units on the same floor. In such event said common hallway or vestibule will become a Common Element without reducing the aggregate Common Interest attributable to said Units.

6. The Condominium and not Sponsor is required to maintain and manage the Building, to keep the Common Elements therein clean and properly lighted, to keep structural and mechanical equipment in good working order, and to repair those portions of the Building which are not required to be maintained by the Unit Owners.

7. After completion of construction and prior to the transfer of control of the Board of Managers to the Unit Owners, Sponsor shall provide to the Board of Managers a copy of such "as built" architectural plans.

8. Sponsor will pay all Common Charges, real estate taxes, special assessments and other expenses allocable to any Units owned by Sponsor, so long as Sponsor shall continue to own the same. Sponsor has the financial resources to meet its obligations with respect to unsold Units. In the first instance, these obligations will be funded from projected sales proceeds. However, no bond or other security has been furnished to secure the performance of Sponsor's obligations. The ability of Sponsor to perform its obligations will depend upon its financial condition at the time it is called upon to perform. No representation can be made as to its financial ability to perform any such obligations. Sponsor reserves the right to sell Units to investors who intend to rent and not occupy their Units personally.

9. Sponsor is retaining the unconditional right to rent rather than sell Units. In order to declare the Plan effective, Sponsor must have accepted Purchase Agreements from at least fifteen (15%) percent of the Units on the date the Plan is declared effective. The Condominium By-Laws provide that after the expiration of the Initial Control Period, a majority of the members of the Board of Managers must be owner occupants or members of the household of an owner occupant. It is not a requirement that each Purchaser delivering a Purchase Agreement which is counted toward the fifteen (15%) percent actually close on his or her purchase. Accordingly, Purchasers may, for an indeterminate period of time, be living in a building occupied by an indeterminate number of tenants of other Unit Owners (including Sponsor), which tenants can be expected to remain in occupancy for shorter periods on average than owner-occupants, thereby creating or perpetuating a transient population in the Building. This situation could also have an adverse effect on the ability of Unit Owners to refinance due to owner occupancy underwriting requirements of lenders.

Because the Plan may be declared effective based on sales of fifteen (15%) percent of the Units on the date the Plan is declared effective, Purchasers may be living in a mixed/owner-occupied building for an indeterminate period of time and owner-occupants may not control the Condominium Board or the operation of the Property until the expiration of the Initial Control Period. Further, the existence of tenants with a right of continued occupancy may slow the process of the sale of the Units. There may be inherent conflicts on how the Condominium should be managed because of the different interests of Unit Owners who purchase for their own occupancy and those who purchase (or retain) Units as an investment.

10. Sponsor shall initially procure, on behalf of the Condominium, fire and casualty insurance pursuant to an agreed amount replacement value policy or in an amount sufficient to avoid co-insurance. The cost of such insurance shall be a Common Expense. See the Budget for the First Year of Condominium Operations, Schedule B to the Offering Plan, and the footnote relating to insurance.

11. Pursuant to Section 352-e(9) of the General Business Law, copies of this Offering Plan and all Exhibits or documents referred to herein and all Exhibits submitted to the Department of Law in connection with the filing of the Plan are and will be kept on file at the office of Sponsor, which is set forth on the cover page hereof for six (6) years from the first closing of title to a Unit for examination without charge and copying at a reasonable charge, during normal business hours, upon reasonable notice, by prospective Purchasers and any person who has purchased a Condominium interest offered by this Plan or otherwise has participated in this offering.

Copies of the specifications and of the architect's plans are also on file in Sponsor's office and will be available for examination by any prospective Purchaser.

12. Sponsor may dissolve or liquidate itself, or its principals may transfer their ownership interest at any time, provided, however, that in the event of the dissolution or liquidation of Sponsor, Sponsor will provide a financially responsible entity or entities or individuals (the "Substitute Sponsor"), which will assume the status and all of the obligations of Sponsor for those Units under the Offering Plan, applicable laws and regulations.

13. Sponsor has obtained financing from Oritani Savings Bank, a New Jersey banking corporation having its principal place of business at 370 Pascack Road, Township of Washington, NJ 07676. Oritani Savings Bank shall partially release the mortgage upon receipt of release consideration in the amount of (i) the greater of 85% of the Unit's sale price of \$382,500.00 for the one-bedroom Unit, \$637,500.00 for the two-bedroom Unit and \$786,250.00 for the three-bedroom Unit or (ii) the greater of 50% of the Unit's sale price or \$1,000,000.00 for the five-bedroom Unit.

14. If any work still remains to be done to complete the Condominium, including the Units and Common Elements, Sponsor shall be obligated to repair any damages caused by it or its employees, contractors or subcontractors in the process of such completion of construction. During such time, Sponsor shall use its best efforts not to unreasonably interfere with the use of the Property by the Unit Owners.

15. Other than in the case of a Unit subject to an Interim Lease, in the event that all or a substantial part of a Unit is damaged or destroyed by fire or other casualty prior to the closing date, Sponsor may elect to terminate the Purchase Agreement and refund the down payment to the Purchaser, with interest, if earned. If Sponsor does not elect to terminate the Purchase Agreement, or if less than a substantial part of the Unit is damaged or destroyed, the Purchase Agreement will remain in full force and effect and Sponsor shall restore the Unit to its condition existing immediately before such damage or destruction.

16. Sponsor agrees to warrant the material and/or workmanship of each Unit and Limited Common Elements as set forth in Housing Merchant Implied Warranty Law (Section 777-a) and the New York General Business Law.

Sponsor makes no representations or warranties except as provided in this Offering Plan and none should be implied nor will any survive delivery of the deed, which states, in part, 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 Unit 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 Unit 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 Unit will be free from material defects.

A copy of the Housing Merchant Implied Warranty Law is included in Part II of the Plan.

17. (A) Unit Owners and/or the Board of Managers must adhere to the following for general common elements defects: the Board must notify Sponsor of same within one (1) year from the later of issuance of the certificate of occupancy or computation of that portion of the Common Elements that is deemed defective. Sponsor will remedy same within a reasonable time after such notification. The Sponsor's requirements cannot be below those requirements of applicable law, codes or if there is no code, those of customary construction practices.

(B) Unit Owners and/or the Board of Managers must adhere to the following: (a) for patent defects within the Unit or patent defects in the Common Elements affecting the Unit, the Owner or Board, as the case may be, must notify the Sponsor of same within six (6) months from the date of closing; (b) for latent defects within the Unit, or latent defects in the Common Elements affecting the Unit, the Owner or Board, as applicable, must notify the Sponsor of same within one (1) years from the date of closing; and (c) for general Common Elements defects, the Board must notify the Sponsor of same within one (1) year from the later of the issuance of the certificate of occupancy or completion of that portion of the Common Elements which is claimed to be defective. Sponsor will remedy same within a reasonable period of time after such notification. The Sponsor's requirements cannot be below those requirements of applicable law, codes or if there is no code, those of customary construction practices.

18. When completed, Sponsor agrees to deliver a set of "as-built" plans to the Board of Managers.

Each of the obligations of Sponsor contained in this Offering Plan shall be enforceable by any Unit Owner as to his Unit or the Board of Managers on behalf of the Unit Owners as to Common Elements. Sponsor has no obligation to make any repair to the Units or Common Elements except as set forth in this Plan and as required by law.

No bond or other security will be posted to ensure performance of Sponsor's obligations under this Section. The representations contained in this Section shall survive delivery of the deed.

CONTROL BY SPONSOR

Title to each unsold Unit will remain with Sponsor until such Unit is sold and a deed is delivered to a Purchaser. Such sales do not require the approval of, or a first offer to, the Board of Managers. No fee or cost of any kind may be imposed by the Condominium upon Sponsor or the Purchaser in connection with such sale.

Sponsor, as owner of unsold Units, will have voting control of the Board of Managers, except that Sponsor may not control the Board of Managers for more than five (5) years from the date of the first closing of title to a Unit, or after the sale of Units representing, in the aggregate, seventy five (75%) of the Common Interest, whichever occurs first. While in control of the Board of Managers, Sponsor shall designate one (1) member to the Board. The first annual meeting of Unit Owners will be held within thirty (30) days following the first anniversary of the conveyance of title to the first Unit. In accordance with the terms of the By-Laws of the Condominium, except for members designated by the Sponsor or its designee, all other members shall be Unit Owners or spouses of Unit Owners, or, in the case of partnership owners, shall be members or employees of such partnership, or in the case of corporate owners, shall be officers, directors, stockholders or employees of such corporations, or in the case of fiduciary owners or mortgagees, shall be the fiduciaries or officers or employees of such fiduciaries or mortgagees.

While Sponsor is in control of the Board, the Board of Managers may not enforce (as a result of Sponsor's control thereof) the obligations of Sponsor under the Plan or as otherwise required by law and in such case, the Unit Owners may have to undertake, at their expense, enforcement of the obligations of Sponsor.

Notwithstanding anything to the contrary contained in this Plan, a special meeting of Unit Owners shall be held, shall be held on fifteen (15) days notice, within thirty (30) days of either the fifth (5th) anniversary of the date of the first closing of title to a Unit, or the sale of Units representing, in the aggregate, seventy-five (75%) percent or more of the Common Interest, whichever first occurs. At such meeting, all the members of the Board of Managers shall resign and a new Board of Managers shall be elected by the Unit Owners.

After Sponsor has turned over control of the Board of Managers to the Unit Owners, and assuming a three (3) member Board of Managers, so long as Sponsor or its designee owns one (1) or more Units, Sponsor or its designee shall be entitled to designate one (1) member of the Board of Managers. If at any time it is determined to increase or decrease the size of the Board of Managers, the representation of Sponsor shall be changed proportionately.

During its period of control, Sponsor will have control of maintenance, facilities and services to be provided, and will determine the Common Charges to be paid by all Unit Owners, including Sponsor.

Notwithstanding anything in this Plan to the contrary, so long as Sponsor or its designee shall own Units representing at least twenty five (25%) percent of the Common Interest, but not longer than fifteen (15) years from the first closing of title to a Unit, the Board of Managers may not, without Sponsor's or such designee's prior written consent: (i) make any addition, alteration or capital improvement to the Common Elements or to any Unit costing cumulatively more than \$5,000 except those required by law; (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 5% of the estimated expenses for the projected year of operations; (iii) hire any employees in addition to or enter into any service or maintenance contract for work not required by law or contemplated by the Budget For the First Year of Condominium Operations set forth in the Plan; (iv) borrow money on behalf of the Condominium; or (v) amend the Declaration or By-Laws of the Condominium, except as specifically permitted by such document. However, Sponsor may not veto expenses described in Schedule B or any expenses required to comply with applicable laws or regulations, to remedy any notice of violation or to remedy any work order of an insurer or any repair or replacement necessary for the preservation or safety of the Building or the safety of its occupants.

BOARD OF MANAGERS

Under the By-Laws of the Condominium, the affairs of the Condominium will be managed by a Board of Managers consisting of three (3) persons except while Sponsor is in control of the Board. Other than members designated by Sponsor or its designee, all members of the Board of Managers must be Unit Owners, spouses of Unit Owners or officers, directors or principals of a Unit Owner.

The first Board of Managers will consist of the following person designated by Sponsor:

Jong Yung Kim - Designee of Sponsor

The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium, including but not limited to: (a) determining the Common Charges; (b) adopting rules and regulations covering the details of the Property; (c) borrowing funds; (d) opening bank accounts; (e) purchasing, leasing or otherwise acquiring Units; (f) selling or mortgaging Units owned by the Board of Managers; (g) applying to the Tax Commission of the City of New York for a reduction in the assessed valuation of Units; and (h) and applying, as necessary, for construction, alteration or other approvals to any and all municipal authorities having jurisdiction over the Property.

The Unit Owners shall hold annual meetings at each of which they shall elect members of the Board of Managers. The first annual meeting will be held within thirty (30) days following the first anniversary of the conveyance of title to the first Unit. Each Unit Owner (including Sponsor) shall be entitled to cast one vote for each 1% of the Common Interest attributable to the Unit or Units owned by him/her on all matters put to a vote at all meetings of the Unit Owners. The presence, in person or by proxy, of a majority of Unit Owners shall constitute a quorum at all meetings of Unit Owners and unless otherwise provided, the vote of a majority of Unit Owners at a meeting at which a quorum shall be present shall be binding upon all Unit Owners. If Units are owned by more than one person as joint tenants, tenants by the entirety or as tenants in common, the persons owning said Unit shall agree among themselves to cast the votes for their Units as a block. For a discussion of the votes required to amend the Declaration and By-Laws, see the subsection entitled "Amendments to Condominium Documents" in the section entitled "Rights and Obligations of the Unit Owners and the Board of Managers".

In accordance with the terms of the By-Laws of the Condominium, except for members designated by the Sponsor or its designee, a majority of the Board of Managers must be Unit Owners or Members of a Unit Owner's household who are unrelated to the Sponsor or its principals, after the end of the initial Sponsor control period.

Special meetings of Unit Owners will be called by the President if directed by resolution of the Board of Managers or upon petition by Unit Owners representing a majority of the Common Interests, in each case upon at least five (5) days notice.

Starting with the first meeting of Unit Owners after the Sponsor has relinquished control of the Board of Managers, the Board of Managers will consist of three (3) members. The terms of the members shall be two (2) years. At the expiration of the initial term of office of each member of the Board of Managers, his/her successor shall be elected to serve for a term of two (2) years.

Members of the Board of Managers shall serve without compensation, and Sponsor has agreed that the By-Laws will not be amended to provide otherwise while Sponsor is in control of the Board of Managers.

Members of the Board of Managers may be removed for cause at any time by the Unit Owners. Members of the Board of Managers who are not designated by Sponsor may also be removed without cause by the Unit Owners. Successors may be elected at any regular meeting of the Board of Managers or any special meeting called for such purpose, provided that successors to members designated by Sponsor may not be removed without cause except by Sponsor or its designee.

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 necessary. All officers shall serve without compensation from the Condominium.

Liability of Board of Managers and Unit Owners

In order to limit the liability of Unit Owners, members of the Board of Managers and managing agents, any contract or other commitment made by the Board of Managers, or a managing agent shall state that it is made by the Board of Managers or the managing agent, as the case may be, only as agent for the Unit Owners, and that the members of the Board of Managers or the managing agent, as the case may be, shall have no personal liability on any such contract or commitment (except in their capacity as a Unit Owners), and that the liability of any Unit Owner on any such contract or commitment shall be limited to such proportionate share of the total liability thereunder as the common interest of such Unit Owner bears to the aggregate Common Interest of all Unit Owners.

As provided in the By-Laws, no member of the Board of Managers or officer of the Condominium shall have any personal liability to the Condominium or to any Unit Owner for damages for any breach of duty in his/her capacity as a member or officer of the Board of Managers, provided that this provision does not eliminate or limit the liability of a member of the Board of Managers or officer if a judgment or other final adjudication adverse to him/her establishes (a) that his/her acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law, or (b) that he/she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled.

The Condominium shall indemnify to the fullest extent permitted by law any Unit Owner or any member or officer of the Board of Managers serving in any capacity at the request of the Condominium, who is made a party to any action or proceeding by reason of the fact that he was a member or officer of the Board of Managers provided that no indemnification may be made to or on behalf of any member of the Board of Managers or officer if a judgment or other final adjudication adverse to the member of the Board of Managers or officer establishes that his/her acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled. The liability of each indemnifying Unit Owner on account of the indemnification described in this paragraph shall be limited to such proportionate share thereof as the Common Interest of such Unit Owner bears to the aggregate Common Interest of all Unit Owners.

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

Sale or Lease of Units by Unit Owners

Subject to the right of first refusal hereinafter described and more fully set forth in Article VIII Section 1 of the By-Laws, each Unit Owner is free to sell or lease his/her Unit to anyone, without restriction or limitation. Any Purchaser or lessee of a Unit shall be bound by, and his/her Unit shall be subject to, the Declaration and By-Laws, including the foregoing restrictions.

With respect to the right of first refusal, the By-Laws of the Condominium require that, with certain exceptions, a Unit Owner desiring to sell or lease a Unit must first give the Board of Managers, on behalf of all Unit Owners, an opportunity to purchase or lease such Unit at the same price or rental and on the same terms (including financing provisions, if applicable) as offered by the proposed purchaser or lessee. The Board of Managers will have the right to request information from and interview the proposed purchaser or lessee.

Upon receipt of a notice from a Unit Owner regarding a proposed sale or lease, the Board of Managers will initially request an application and accompanying information from the proposed purchaser or lessee. Within twenty (20) days after receipt of a completed application and information package, the Board of Managers may request an interview and/or further information. Any interview will be scheduled within fifteen (15) days of the request therefor. Within ten (10) days after the interview or receipt of the additional information requested, whichever is later, the Board of Managers must notify the Unit Owner whether it elects to exercise the right of first refusal. If the Board of Managers (i) waives its right of first refusal; (ii) does not respond within the ten (10) day period following the interview and receipt of additional information; or (iii) takes no further action within the twenty (20) day period following receipt of the initial completed application and information package the Unit Owner will be free to sell or lease the Unit to the proposed purchaser or lessee within sixty (60) days of the Board of Managers' waiver or the end of the aforesaid ten (10) or twenty (20) day period, as the case may be, on terms and conditions no more favorable to the proposed purchaser or lessee than those set forth in the Unit Owner's original notice. The Board of Managers must purchase or lease the Unit within forty-five (45) days after the giving of a notice by such Board of Managers of its election to exercise its right of first refusal.

The right of first refusal with respect to sales or leases of Units, as described above, is not applicable to sales or leases of Units by or to Sponsor or its designee, or sales of such Units at foreclosure sales. A Unit Owner may sell or lease his unit to his spouse or to any of his children or his parent or parents or to his brothers or sisters, or to any one or more of them, without first offering to sell or lease such Unit to the Board of Managers.

Funds for the acquisition of Units by the Board of Managers, or its designee, on behalf of all Unit Owners, may be derived from the working capital and/or Common Charges in the hands of the Board of Managers, or if such funds are insufficient, the Board of Managers may levy an assessment against each Unit Owner, as a Common Charge, and/or the Board of Managers, in its discretion, may borrow money to finance the acquisition of such Unit, provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the Unit to be acquired by the Board of Managers, together with the appurtenant interest of such Unit in the Common Elements.

All Units acquired or leased by the Board of Managers or its designee, corporate or otherwise, will be held by it on behalf of all Unit Owners in proportion to the interest in the Common Elements appurtenant to their Units. No such Units held by the Board of Managers will carry voting rights. In the event that any Unit is acquired by the Board of Managers, or its designee, on behalf of all Unit Owners as tenants in common, all such Unit Owners will be deemed to have waived all rights of partition with respect to such Unit. The proceeds from the sale of any Unit acquired by the Board of Managers will be disposed of at the discretion of the Board of Managers.

The Board of Managers may establish reasonable fees for the processing of sale or lease applications from Unit Owners, which shall be payable by the selling or leasing Unit Owner, as the case may be, to the managing agent.

The Board of Managers may not discriminate against any person on the basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status or other grounds prohibited by law, in its sale or lease of any Unit which it acquires.

Each Unit Owner, on the closing of title to his/her Unit, shall be required to execute a Power of Attorney in the form contained in Part II of this Plan constituting the Board of Managers and their successors, his/her attorneys in fact, coupled with an interest, for the purpose of 1) managing, selling, conveying, mortgaging, leasing, subleasing (but not voting the votes of) or otherwise dealing with Units acquired by the Board of Managers or its designee, on behalf of all Unit Owners, 2) authorizing the Board of Managers to apply for a reduction in the assessed valuation of the Unit as part of a single application on behalf of all Unit Owners, 3) prosecute and settle any such action and 4) otherwise acting in accordance with the Condominium's Declaration and By-Laws.

Each conveyance of a Unit by a Unit Owner shall include as part of the property to be conveyed, his/her undivided interest in the Common Elements, together with his/her interest in any Unit or Units acquired by the Board of Managers from Unit Owners electing to sell or lease such Unit or at a foreclosure or other judicial sale involving such Unit or Units, in accordance with the provisions of the By-Laws.

Mortgaging of Units by Unit Owners

Each Unit Owner is free to mortgage his/her Unit, provided that the Unit Owner notifies the Board of Managers. Prior to or simultaneously with the closing of any such mortgage, the Unit Owner must satisfy all arrearages of unpaid Common Charges and discharge any liens therefor. If a Unit Owner wishes to sell the Unit, he or she may take back a purchase money mortgage.

Common Charges and Assessments

The Board of Managers shall, from time to time but at least once a year, prepare a budget for the Condominium. The budget may provide for the accumulation of reserves for capital expenditure, but the size of reserves is subject to the veto of Sponsor, as described in the section entitled "Control by Sponsor". Copies of such budget shall be furnished to the Unit Owners and, if requested, to their mortgagees. The Common Charges to be paid monthly by each Unit Owner in accordance with his/her Unit's Common Interest shall be based upon such budget. Until all Units are constructed and title thereto has been conveyed, the Board of Managers may reduce the amount of Common Charges allocated to the Units and payable by Unit Owners (including Sponsor as owner of unsold Units). Any such reduction shall be in proportion to each Unit Owner's Common Interest. During its period of control of the Board of

Managers, Sponsor may postpone commencement of the collection of monthly Common Charges to a date during such first year of operations subsequent to the first closing of title to a Unit; however, if Sponsor postpones the collection of Common Charges, Sponsor will pay all expenses for the operation of the Condominium and any delay in the commencement of the collection of Common Charges will be declared in an amendment. Furthermore, any such delay in the collection of Common Charges: (i) shall not affect Sponsor's obligations to file an amendment to the Plan and update the budget for the Condominium for any material changes in the operating expenses of the Condominium; and (ii) increases the likelihood that special assessments may be imposed, if at the time the Board commences the collection of the Common Charges, the sums collected are not sufficient to pay expenses.

Sponsor shall keep all documentation (i.e. invoices and marked-paid receipts) on file with the Board of Managers evidencing payment of condominium expenses.

Each of the financial estimates appearing in Schedule B to this Plan has been prepared by Sponsor based upon historical expenses at the Property and its experience in construction, management and operation of residential properties or in reliance upon the opinions of experts. Sponsor believes these estimates to be dependable, but because actual expenditures may differ from the estimated expenditures and because of possible changes in the future income and expenses of the Property, such expenses are not intended nor should they be considered as representations, guarantees or warranties of any kind whatsoever.

Sponsor believes that subject to the foregoing contingencies and assumptions, the projected Common Charges are adequate to meet the estimated normal operating expenses enumerated on Schedule B for the first year of operations of the Condominium.

The Board of Managers shall be authorized to impose a reasonable late charge for late payment of Common Charges, which shall be added to the applicable Unit Owner's Common Charges due on the first day of the following month, and which shall be a lien upon such Unit Owner's Unit if not paid.

The Declaration and By-Laws of the Condominium authorize the Board of Managers to specifically allocate expenses or specific expense items and apportion Common Charges between and among the Units resulting from changes in use or from changed circumstances.

Liens for Nonpayment of Common Charges

Under the provisions of Section 339-z of the Real Property Law of the State of New York, the Board of Managers, on behalf of the Unit Owners, shall have a lien on each Unit for unpaid Common Charges assessed against such Unit by the Board of Managers. Such lien, however, shall be subordinate to liens for taxes on the Units and any sums unpaid on a first mortgage of record on such Units. Any lien for unpaid Common Charges against a Unit shall become effective from and after the filing of a notice thereof in the Kings County office of the Register of the City of New York and shall remain effective until all sums secured thereby with interest at the highest legal rate thereon shall have been fully paid or until six (6) years from the date of filing (unless foreclosure of such lien is started within such six (6) year period,) whichever shall be sooner. Such lien may be foreclosed by a suit brought in the name of the Board of Managers, acting on behalf of the Unit Owners, in like manner as a mortgage on real property, as provided in Section 339-aa of the Real Property Law. Unit Owners against whom proceedings are brought to collect unpaid Common Charges with interest thereon, shall also be responsible for the expenses of the proceeding, including attorneys' fees.

While Sponsor is in control of the Board of Managers, it will cause the Board of Managers to file a lien as provided for in Section 339-aa of the Real Property Law against Units with respect to which Sponsor or its designee is in arrears of Common Charges by more than thirty (30) days.

Repairs and Maintenance

All maintenance of and repairs to any Unit, ordinary or extraordinary (but not to Unit entrance doors and windows), to individual equipment providing heat, ventilation and air conditioning within the Unit, to kitchen appliances, and to electrical and plumbing installations and fixtures within the Unit or belonging to the Unit Owner shall be at the Unit Owner's expense, except as otherwise specifically provided in the By-Laws. Unit Owners are also generally responsible for the maintenance of Limited Common Elements which are appurtenant to their Units.

All normal maintenance, repair and replacements of any terrace or balcony appurtenant to a particular Unit, shall be made by the Unit Owner having access to same, at such Unit Owner's own cost and expense, but any structural repairs to such terrace, or balcony (including any leaks which are not caused by the negligence or misconduct of the Unit Owner having access to same) will be made by the Board of Managers and the cost thereof will be charged to all Unit Owners. Any Unit having access to a terrace or balcony shall keep it free of snow, ice and accumulation of water. In accordance with the By-Laws, no Unit Owner shall install any plantings or any objects, including, but not limited to, radio or television antenna or satellite dish or other similar device on any terrace or balcony without the prior written approval of the Board of Managers.

All maintenance, repairs and replacements to the Common Elements of the Property as defined in the Declaration, including but not limited to exterior walls, stairs, sidewalks adjacent to the Building's entrances (including removal of snow and ice therefrom), roof and roof members, as well as all maintenance, repairs and replacements of Unit entrance doors and windows, of any pipes, wires, risers, conduits and public utility lines, any portion of which is located in one Unit and serves another Unit or more than one Unit or so much of any pipes, wires, risers, conduits and public utility lines as are located in the Common Elements but serve one or more Units, will be made by the Board of Managers, and the cost thereof shall be charged to all Unit Owners as a Common Expense. However, maintenance, repairs and replacements to all such items shall be charged to a Unit owner if it can be established that such expense was necessitated by the negligence, misuse or neglect of such Unit Owner or his lessees, invitees, licensees or agents.

The Board of Managers and/or the managing agent, and persons acting at their direction, shall have a right of access to any Unit for the purpose of making any repairs or replacements to any of the Common Elements contained in such Unit or elsewhere in the Building, or to remedy any condition which would result in damage to any other Unit or to the Common Elements, or which would violate the reasonable 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.

In the event of damage to or destruction of the Building as a result of fire or other casualty, unless seventy-five (75%) percent or more of the Building is destroyed or substantially damaged and seventy-five (75%) percent or more in number and in Common Interest of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration, the Board of Managers shall arrange for the prompt repair and restoration of the Building (including any damaged Units, and any kitchen or bathroom fixtures, but

not including any wall, ceiling, or floor decorations or coverings or other furniture, furnishings, fixtures or other personal property or equipment installed in the Units by the Unit Owners or a tenant of a Unit Owner), and the Board of Managers shall disburse the proceeds of all insurance policies in appropriate progress payments to the contractors engaged in such repairs and restoration. Any cost of such repair and restoration in excess of the net insurance proceeds shall constitute a Common Expense and the Board of Managers shall assess all the Unit Owners for such deficit as part of the Common Charges.

If seventy-five (75%) percent or more of the Building is destroyed or substantially damaged and seventy-five (75%) percent or more in number and in Common Interest of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration, the Building will not be repaired and shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common, in which event the net proceeds of sale, together with the net proceeds of insurance policies shall be divided by the Board of Managers among all the Unit Owners in proportion to their respective Common Interests, after first paying out of the share of each Unit Owner the amount of any unpaid liens on his Unit, in the order of the priority of such liens.

Additions, Alterations and Improvements

Except to the extent prohibited by law, Unit Owners shall have the right, without the requirements of consent of the Board of Managers, the other Unit Owners or anyone else to make non-structural alterations, additions, improvements whether interior or exterior, ordinary or extraordinary, to and upon the Units or any Limited Common Elements appurtenant thereto provided (i) that the nature and location of such installation does not interfere materially with the use then being made of any other Unit or any Common Element and (ii) that the then Owner of the Unit shall comply with zoning requirements and all other laws, ordinances and regulations of all governmental authorities having jurisdiction.

No Unit owner shall make any structural addition, alteration or improvement in or to his/her Unit or any Limited Common Element without the prior written approval of the Board of Managers. The Board of Managers shall be required to answer any written request by a Unit Owner for approval of such proposed structural additions, alterations and improvements within thirty (30) days after a) receipt of a complete set of documents and information as to the proposed addition, alteration or improvement, and b) independent architectural or engineering review, if deemed necessary by the Board of Managers in its sole discretion. Failure by the Board of Managers to respond within the stipulated time shall constitute a denial by the Board of Managers to the proposed addition, alteration or improvement.

No Unit Owner shall make any structural addition, alteration or improvement in or to any Unit or any Limited Common Element without first (1) obtaining and maintaining during the course of such work such insurance as the Board of Managers may reasonably prescribe and providing the Board of Managers with a certificate of insurance prior to the commencement of the work, (2) executing and delivering to the Board of Managers an agreement, in form and substance reasonably satisfactory to the Board of Managers, setting forth the reasonable terms and conditions under which such alteration, addition or improvement may be made, including, without limitation, the days and hours during which any such work may be done and (3) executing and delivering to the Board of Managers an agreement indemnifying and holding harmless the Board of Managers, its members and officers, the managing agent and all Unit Owners from and against any liability, cost, damage or expense arising out of or connected to such work. In the event the Board of Managers chooses to have the proposed addition, alteration or improvement reviewed by an independent architect or engineer, the Unit Owner shall pay the charges of such architect or engineer.

The Unit Owner shall also bear the cost of any increased taxes or insurance premiums resulting from his/her alterations, additions and improvements.

The Board of Managers may establish reasonable fees for the processing of applications by Unit Owners for consent to alterations, which fees shall be payable to the managing agent.

Any application to any department of the City of New York or to any other governmental authority for a permit to make an addition, alteration or improvement in or to any Unit shall be completed by the Unit owner and executed by the Board of Managers. By its execution of such application, neither the Board of Managers nor the Condominium shall be deemed to be liable to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom.

These provisions shall not apply to Units owned by Sponsor or its designee until such Units shall have been initially sold by Sponsor or such designee to a third party.

All additions, alterations or improvements in or to any Common Elements shall be made by the Board of Managers and the cost and expense thereof shall be charged to all Unit Owners as a Common Expense.

Whenever, in the judgment of the Board of Managers, the Common Elements shall require additions, alterations or improvements costing in excess of \$150,000 in the aggregate in any calendar year, the making of such additions, alterations or improvements and source of funds therefore must be approved by a majority of the Unit Owners present and voting at a meeting of which a quorum is present. When and if the required approvals of the Unit Owners and mortgagees are received, the Board of Managers may with such additions, alterations or improvements and shall assess all Unit Owners for the cost thereof as a Common Expense.

Any additions, alterations or improvements costing in the aggregate \$150,000 or less in any calendar year may be made by the Board of Managers without approval of the Unit Owners or mortgagees and the cost thereof shall constitute part of the Common Expenses.

Insurance

The Board of Managers shall obtain, and maintain to the extent obtainable, fire insurance with extended coverage normal for a condominium of this type, vandalism and malicious mischief endorsements, insuring the Building including all of the Units and the equipment installed therein on the date of recordation of the Declaration or installed thereafter by Sponsor or replacements thereof, partitions, floors and ceilings within the Unit, together with all service and other machinery contained therein (but not including wall, ceiling or floor decorations or coverings or furniture, furnishings or other personal property supplied or installed by Unit Owners or tenants of Unit Owners,) and covering the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interest may appear, in an amount equal to the agreed upon replacement value of the Building or such other amount as shall be adequate to prevent the Condominium from becoming a co-insurer in the event of casualty loss (exclusive of the cost of excavations and foundations) without deduction for depreciation.

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 to be applied for the purpose of

repairing, restoring or rebuilding the Building unless otherwise determined by the Unit Owners. No portion of the insurance proceeds shall be applied to the payment of the mortgage indebtedness of any Unit Owner unless the Unit Owners decide not to repair, restore or rebuild the Building.

All policies of physical damage insurance shall contain waivers of subrogation and of any defense based on co-insurance and of pro-rata reduction of liability of the insurer as a result of any insurance carried by Unit Owners or of the invalidity arising from any acts of the insured or any Unit Owners, and shall provide that such policies may not be canceled or substantially modified without at least ten (10) days prior written notice to all of the insureds, including all mortgagees of Units. The standard mortgagee loss payable clause shall be attached to all policies.

The Board of Managers shall also be required to obtain, and maintain to the extent obtainable, public liability insurance covering each member of the Board of Managers, any managing agent 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 one occurrence in the Common Elements. Until the first meeting of the Board of Managers following the first annual meeting of the Unit Owners, such public liability insurance carried by the Board of Managers shall be at least \$2,000,000.00 in aggregate. The public liability insurance shall cover cross liability claims of one insured against another but said policy does not cover the liability of a Unit Owner arising from occurrences within his/her own Unit.

The cost of all such insurance shall be paid by the Board of Managers and shall constitute a Common Expense. However, if the cost of insurance on the Building is increased because of the particular use of a Unit, then such insurance cost increase shall be repaid to the Condominium by the Unit Owner whose use has caused the increase. Within thirty (30) days after the increased cost has been determined by the Board of Managers, written notice shall be given by the Board of Managers to the Unit Owner whose use has caused the increase, who shall pay same as an additional Common Expense with ten (10) days after such notice.

The Board of Managers shall review all insurance carried by the Condominium once each year.

Unit Owners are encouraged to carry other insurance for their own benefit, provided that all such policies 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 Unit Owners. It is advisable for insurance obtained by Unit Owners to cover such risks as fire and casualty losses to Unit contents, replacements, additions, fixtures and improvements and Unit Owners' liability coverage for occurrences within the Unit, and, where applicable, on Limited Common Elements.

Restrictions on Occupancy and Use

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 Units shall be used only as residences, with not more than two (2) adults or one family occupying a Unit at one time, except that any Unit may be used for any lawful home occupation (as such term is defined in the New York City Zoning Resolution), provided (i) such use does not violate zoning regulations or the Certificate of Occupancy, for the Building, and (ii) the prior consent of the Board of

Managers is obtained or, in the case of initial Purchasers from Sponsor or its designee, written notice of such use is given to the managing agent.

The Storage Units may be used only by Unit Owners for the storage purposes, provided such use is in compliance with all laws, zoning ordinances, and regulations of all governmental bodies having jurisdiction thereto.

Notwithstanding the foregoing or anything else contained in this Plan, Sponsor or its designee may, without the permission of the Board of Managers or anyone else, retain ownership of one or more Units for use as models, and sales, leasing, business or administration offices and may place signage of any size and in any location on the Property as it may determine in its sole discretion in connection with the sale and/or rental of Units in the Condominium.

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

(c) No nuisances shall be allowed on the Property nor shall any use or practice be allowed which is a source of annoyance to its residents or occupants or which interferes with the peaceful possession or proper use of the Property by its residents or occupants.

(d) No immoral, improper, offensive, or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be remedied, by and at the sole expense of Unit Owners or the Condominium, whichever shall have the obligation to maintain or repair such portion of the Property.

(e) No portion of a Unit (other than the entire Unit) may be rented, and no transient tenants may be accommodated therein.

(f) Dogs, cats or other common household pets, not to exceed two (2) per Unit, may be kept in Units, subject to the rules and regulations adopted by the Board of Managers, including any which may pertain to the size of a pet and the permitted level of noise. In no event shall any dog be permitted in any portion of the Common Elements unless carried or on a leash.

Compliance with Declaration, By-Laws, Rules and Regulations

Pursuant to Section 339-j of the New York Condominium Act, each Unit Owner shall be required to comply with and abide by the Declaration, the By-Laws and the Rules and Regulations of the Condominium made in accordance therewith and to pay the Common Charges levied by the Board of Managers. Failure to comply is grounds for an action for damages or injunctive relief or both. The obligation to pay Common Charges shall also be enforceable by the Board of Managers by suit to collect the same, or by foreclosure of its statutory lien against the Unit for the amount of any such unpaid Common Charges. The violation of any rule or regulation adopted by the Board of Managers, or the breach of any By-Law or any provision of the Declaration, shall give the Board of Managers the right to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such violation breach. A Unit Owner may also be fined for such violations or breaches. Failure to comply with the Declaration, By-Laws and Rules and Regulations of the Condominium issued thereunder or to

pay the Common Charges levied by the Board of Managers may be an event of default under the terms of the Unit Owner's mortgage.

Amendments to Condominium Documents

The Declaration or By-Laws may be modified or amended by the vote of 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 by written amendment, provided that: (i) any amendment which alters the allocation of Common Interest appurtenant to any Unit shall only be made with the consent of the affected Unit Owner; (ii) no amendment which shall adversely affect the lien of any mortgage may be made without the written consent of the affected mortgagee; and (iii) no amendment may be made which adversely affects Sponsor or its designee so long as Sponsor or such designee owns any Units.

Notwithstanding the preceding paragraph, Sponsor hereby reserves the right to record, and (on request of Sponsor or its designee) to require the Board of Managers to duly execute and record, in the Kings County office of the City of New York, an amendment to the Declaration at any time without the requirement of a vote and without the approval or consent of any Unit Owner or mortgagee for the purposes of (i) changing the designation, the approximate square foot area and the number of rooms in an unsold Unit and (ii) making insubstantial changes to the Declaration.

No Partition of Common Elements

As provided in Section 339-i(3) of the Real Property Law, the Common Elements shall remain undivided and no right shall exist to partition or divide any portion thereof except as otherwise provided therein and in this Plan, in the event of condemnation, destruction of more than seventy-five (75%) percent of the Building, or termination of the Condominium.

Termination of Condominium

The Condominium shall continue (unless terminated by casualty loss or by condemnation) until such time as the Property shall be withdrawn from the provisions of Article 9-B of the Real Property Law of the State of New York as a result of the vote to do so at least eighty (80%) percent in number and in Common Interest of the Unit Owners. In such event, the Property shall be subject to an action for partition by any Unit Owner or any lienor. The net proceeds of the partition sale shall be divided among all Unit Owners in proportion to their respective Common Interests, after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on his/her Unit, in order of the priority of such liens. Sponsor shall not vote its interest to terminate the Condominium unless seventy-five (75%) percent of Unit Owners other than Sponsor so vote.

REAL ESTATE TAXES

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

The value of a property for real estate tax purposes is determined annually by the Property Division of the Department of Finance of The City of New York. Each year the Property Division fixes

the "actual" assessment of a property based upon its market value. Under Article 18 of the Real Property Assessment Tax Law, changes in a property's actual assessed value from one year to another attributable to changes in its market value other than those due to new construction or alteration are phased in over five (5) years in equal annual increments or decrements of twenty (20%) percent per year, resulting in a "transitional" assessment for the property which is also determined each year. For any given year, taxes are based on the lower of the "actual" or "transitional" assessed value.

The approximate date of construction completion is October 1, 2009 while the first year of condominium operation is estimated for January 1, 2010. Assuming the Property does not receive any abatement from real estate taxes, it is estimated that the aggregate real estate taxes attributable to all Unit Owners during the first year of condominium operation will total approximately \$30,983.00, based on an opinion prepared by Jerome Mazursky dated July 10, 2009, which assumes a projected assessed valuation of \$49,845.00 for the period of January 1, 2010 – June 30, 2010 at a tax rate of \$13.05 per \$100 of assessed valuation multiplied by 0.3 representing the partial tax year plus a projected assessed valuation of \$425,000.00 for the portion of the tax period representing July 1, 2010 – December 31, 2010 at tax rate of \$13.05 per \$100 of assessed valuation multiplied by 0.5 representing the remainder of the year. Mr. Mazursky estimates that the taxes in the second year of condominium operation will increase to \$57,681.00. Such estimate assumes a projected valuation of \$425,000.00 for the period of January 1, 2011 – June 30, 2011 at a tax rate of \$13.05 per one hundred multiplied by 0.5 representing the one-half plus a projected valuation of \$459,000.00 for the period of July 1, 2011 – December 31, 2011 at a tax rate of \$13.05 per one hundred multiplied by 0.5 representing the remainder of the year. SPONSOR MAKES NO REPRESENTATION THAT THE ASSESSED VALUE OF THE PROPERTY, THE ESTIMATED ALLOCATIONS OR THE TAX RATE WILL NOT BE CHANGED.

Schedule A allocates the projected real estate taxes payable by Unit Owners according to each Unit's percentage of Common Interest. However, it is possible that the tax assessor of the City of New York may allocate assessments on a basis that differs from the allocation of interests in the Common Interest.

Separate Assessment of Units

It is intended that Units will be separately assessed on their closing date. In the event that Units have not been separately assessed for real estate tax purposes prior to the first closing of title to a Unit, Sponsor will place in escrow in the name of the Board of Managers an amount equal to the unpaid real estate taxes which it is estimated will be levied against the Property for the six (6) month period following the first closing of title or until the Units are separately assessed, whichever is shorter. The Board of Managers shall pay the real estate taxes from this escrow account when they become due and payable, and Sponsor shall receive reimbursement from Unit Owners at closing of title, until the Units are separately assessed. Such reimbursement shall include the amount remaining in the escrow fund which is allocable to the particular Unit's Common Interest.

To provide for the possibility that Units may still not be separately assessed for real estate tax purposes at the end of the six (6) month period referred to above, Purchasers shall be required at closing to enter into an agreement with Sponsor whereby they will agree to deliver to Sponsor within ten (10) days after request therefor, a check payable to the appropriate taxing authority in the amount necessary to cover the Purchaser's percentage of taxes due after the six (6) month period and prior to separate assessment. Sponsor's request shall contain a copy of the relevant tax bill, and the calculation of the Purchaser's

portion. In the event the Purchaser is obtaining a mortgage loan to finance the purchase of his/her Unit and the mortgage provides for an escrow to cover real estate taxes, then the Purchaser must execute at closing an authorization to the mortgagee, and the mortgagee must enter into an agreement with Sponsor at closing, obligating such mortgagee to make the tax payments described above, if necessary, until Units are separately assessed.

The review of real estate tax assessments will be the responsibility of the Board of Managers of the Condominium.

421-a Benefits

Section 421-a Real Estate Tax Benefits

Sponsor intends to apply to HPD, for partial exemption from real estate taxes with respect to the Building pursuant to Section 421-a of the New York State Real Property Tax Law.

There is no guaranty or assurance that the criteria for continued availability of Section 421-a benefits for the Units will be satisfied or that a Final Certificate of Eligibility will be issued by HPD. If, for any reason, Sponsor's application for a Final Certificate of Eligibility is not approved, the Units will be subject to full taxation and will receive no benefits under Section 421-a. See Schedule A for projected monthly real estate taxes for each Unit with and without benefits under Section 421-a.

Prospective purchasers should note that increases in a property's assessed valuation resulting from changes in its market value (other than changes resulting from new construction or alteration of an existing improvement) are phased in over five fiscal tax years in annual increments of twenty percent each. Any further increase in assessed valuation during such five-year period resulting from a still higher market value is similarly phased in over an additional five-year period from the date of such increase. The full increased assessed valuation targeted to be in effect after the end of the five-year period is called the "actual" assessed valuation, and the amount of the incremental assessed valuation upon which taxes are actually computed for each fiscal tax year during such five-year period is called the "transitional" assessed valuation.

Prospective purchasers should note that the real estate taxes that will be payable by the Unit Owners for future years will vary in accordance with the amounts of the Unit's assessed valuation (transitional and actual) and of the real estate tax rate. In this regard, prospective purchasers should note that, assuming the partial exemption from real estate taxes pursuant to Section 421-a is maintained, the real estate taxes payable by the Unit Owners will in any event increase periodically over the twenty-five (25) years of condominium ownership as an integral part of the Section 421-a program. There may be up to a 100% exemption of building value during the construction period (not to exceed three years) and the first eleven years of operation. In the twelfth year, the exemption decreases to 80%, in the thirteenth year, it is reduced to 60% and to 40% in the fourteenth year and in the fifteenth year the exemption is further reduced to 20%, after which the Property will be fully taxed.

Sponsor will keep all records required by HPD and will make them available to HPD whenever requested to do so. HPD routinely conducts audits which can result in the reduction or revocation of benefits if proper documentation is not provided. Upon recording of the Condominium Declaration, Sponsor will make all tax benefit documents available to the Board of Managers for inspection and copying for the life of the benefits and Sponsor will file all applications and timely comply with all

procedures required to properly process and maintain the tax benefits. Please refer to the opinion of Mazursky for further details regarding the real estate tax assessment for the Property.

TAXES DEDUCTIONS TO UNIT OWNERS AND TAX STATUS OF THE CONDOMINIUM

Sponsor has been advised by Meister Seelig & Fein LLP that each Unit Owner who itemizes deductions will be entitled under present law to deduct for Federal and New York State income tax purposes the real estate taxes assessed against his/her Unit and paid by him/her, and the amount paid by the Unit Owner on account of interest on any mortgage indebtedness covering the Unit, if the Unit is his/her primary or secondary residence. The deductions are subject to certain exceptions and limitations which are more particularly discussed in the Opinion of Counsel which follows.

With respect to the taxability of the Condominium, Section 528 of the Internal Revenue Code provides that condominiums are taxable in a manner similar to corporations except to the extent that their income is received as membership dues, fees or assessments from the Owners of the Units and provided that substantially all of the expenditures are for management, maintenance and care of the condominium property. Since the Condominium would qualify under said section of the Internal Revenue Code, if it elects to be covered thereby, only income from the sale or lease of Units owned by the Condominium or its designee on behalf of all Unit Owners and income from sources which do not qualify as membership dues, fees or assessments will be subject to tax. If the Condominium is required to pay taxes, the amount thereof will be additional Common Expenses, assessed to all Unit Owners as part of the Common Charges.

Schedule A contains estimates of the amount of real estate taxes that may be assessed against a Unit. A Unit Owner may be entitled to deduct some or all of such taxes actually paid for Federal and New York State income tax purposes under present law. In calculating individual tax deductions, each Purchaser should add if applicable, the interest portion of his/her monthly mortgage payment. It must be noted, however, that as per a privately commissioned third-party investigation by Jerome Mazursky (contained within), after year one of ownership, it is estimated that real estate tax abatements will reduce property taxes to zero for the following fourteen years.

No warranties are made that either the Internal Revenue Service or the New York State Department of Taxation and Finance will continue to allow the aforementioned deductions for real estate taxes and/or mortgage interest to Unit Owners. Sponsor and Meister Seelig & Fein LLP shall in no event be liable if it shall be held that the Unit Owners are no longer entitled to such income tax deductions for real estate taxes and/or mortgage interest, as aforesaid, by reason of changes in fact, statutory or decisional law or amendment to any law which could not be foreseen or expected to be foreseen. The opinion of Meister Seelig & Fein LLP is limited to the state of the law existing on the date this Plan was filed with the Department of Law.

REAL ESTATE TAX OPINION OF JEROME MAZURSKY

**ATTORNEY'S INCOME TAX OPINION OF
MEISTER SEELIG & FEIN LLP**

July 10, 2009

292 Seventh Street LLC
306 2nd Street, 2A
Brooklyn, N.Y. 11215

Re: 292 7th Street, Brooklyn

I, JEROME MAZURSKY, CERTIFY:

THAT I am a real estate appraiser and have many years of experience in the assessment of real estate for tax purposes both as an Assessor in the Borough of Manhattan and as the Department of Finance's Assistant Commissioner of the Real Property Assessment Division;

THAT I have been retained by the sponsor, to estimate for inclusion in an Offering Plan to be submitted to the Attorney General, the assessed valuation and real estate taxes of the above-captioned property after completion of construction of a 5-story condominium;

THAT in estimating the assessed valuation of the property, I am aware of the construction costs, rental values and offering prices of the units;

THAT I have consulted with personnel in the Property Division of the Department of Finance regarding the current practice in assessing newly constructed condominiums. Specifically, discussions centered around appropriate land and building factors and income projections for properties similar to the subject in type and location.

I have discovered the following:

- 1) The subject property is located at 292 7th Street in the Park Slope section of the borough of Brooklyn. The sponsor is in the process of constructing a new 5-story condominium that will contain four (4) residential units.

The site has 28.17' frontage on the southerly side of 7th Street and extends 100' in depth. It is rectangularly-shaped and contains 2,817 square feet of ground area. The property is identified on the city's tax records as Block 998 Lot 24.

- 2) Construction is scheduled to be completed in September 2009. It will contain the following approximate net square foot areas and uses:

<u>FLOORS</u>	<u>AREA</u>	<u>USE</u>
Cellar	650	Part of Triplex Apartment
1	1,120	1-4BR Triplex Apartment
2	1,274	Upper-level of Triplex Apartment
3	1,282	1-3BR Apartment
4	1,274	1-2BR Duplex, 1-1BR Apartment
5	350	Upper-level of Duplex Apartment

- 3) The property is currently assessed in Tax Class 2A. After completion of construction and the establishment of a condominium, the units will be assessed in Tax Class 2C under the classification system adopted by the State Legislature in its revision of the Real Property Tax Law (Section 305, Article 1802, and Section 581, applicable to the assessment of cooperative apartments and condominiums).

Tax Class 2A is comprised of primarily residential rental properties containing four to six units. Tax Class 2C consists of residential cooperatives or condominiums with no more than ten units. The City's assessment ratio policy for both tax classes is to assess at 45% of market value based upon the value as an income-producing property. Increased values for Tax Class 2A and 2C properties, other than for physical reasons, are limited to 8% per year or 30% over a five year period. Increases for renovations are limited to 15% of the normal renovation cost.

3) continued

The 2008/09 average Class 2A and 2C rates are \$12.596 per \$100. I estimate the tax rates for the 2009/10, 2010/11 and 2011/12 tax years at \$13.05 per \$100.

4) The recent history of assessed valuations of 292 7th Street is as follows:

<u>2006/07</u>	<u>Land</u>	<u>Total</u>
Actual:	\$ 3,959	\$4,365
Market Value:		\$269,000

<u>2007/08</u>	<u>Land</u>	<u>Total</u>
Actual:	\$ 4,347	\$4,626
Market Value:		\$415,000

<u>2008/09</u>	<u>Land</u>	<u>Total</u>
Actual:	\$ 4,472	\$4,663
Market Value:		\$610,000

<u>2009/10</u>	<u>Land</u>	<u>Total</u>
Actual:	\$ 37,384	\$49,845
Market Value:		\$400,000

5) Construction is scheduled to be completed in September 2009. I estimate the assessed value, after completion, as follows:

<u>2010/11</u>	<u>Land</u>	<u>Total</u>
Actual:	\$ 40,000	\$ 425,000
Market Value:		\$2,500,000

<u>2011/12</u>	<u>Land</u>	<u>Total</u>
Actual:	\$ 6,000	\$ 459,000
Market Value:		\$2,500,000

- 6) The tax liability during the first year of operation is estimated at \$30,983. During the second year, it is estimated at \$57,681. The calculations are as follows:

First Year of Operation without 421a Tax Exemption Benefits

$$\begin{array}{l} \text{1/1/10- 6/30/10} \\ \$49,845^1 \times .1305^2 \times .5^3 = \$ 3,252 \\ \text{7/1/10 - 12/31/10} \\ \$ 425,000^4 \times .1305^2 \times .5^3 = 27,731 \\ \text{Total: } \$ 30,983 \end{array}$$

Second Year of Operation without 421a Tax Exemption Benefits

$$\begin{array}{l} \text{1/1/11- 6/30/11} \\ \$ 425,000^4 \times .1305^2 \times .5^3 = \$ 27,731 \\ \text{7/1/11 - 12/31/11} \\ \$ 459,000^5 \times .1305^2 \times .5^3 = 29,950 \\ \text{Total: } \$ 57,681 \end{array}$$

- 7) It is my understanding that the sponsor is seeking 421-a real estate tax exemption benefits. If granted, the benefits provide a varied exemption of increases in assessed value over the 2006/07 base tax year. There may be up to a 100% exemption of building value during the construction period (not to exceed three years) and the first eleven years of operation. In the twelfth year, the exemption decreases to 80%, in the thirteenth year it is reduced to 60% and to 40% in the fourteenth and fifteenth years the exemption is further reduced to 20%, after which the property will be fully taxed.

In the first year of operation, I have estimated the tax, with 421a exemption benefits, at \$570. The calculations are as follows:

$$\begin{array}{l} \text{1/1/10 - 12/31/10} \\ \$4,365^6 \times .1305^2 = \$ 570 \end{array}$$

1. 2009/10 Taxable Assessed Value
2. Estimated 2009/10, 2010/11 and 2011/12 Class 2A and 2C Tax Rates
3. One-half year
4. Estimated 2010/11 Taxable Assessed Value
5. Estimated 2011/12 Taxable Assessed Value
6. 2006/07 Base Year taxable assessed value used to calculate the "mini-tax."

- 8) The co-op/condominium real estate tax abatement law, that over the past few years has had a favorable effect on the real estate tax burden of residential co-op and condominium unit owners, is scheduled to expire June 30, 2012. The Legislature indicated its intention in passing this law was to address the disparity between the tax burden of one to three family homeowners and that of residential co-op and condominium unit owners. If the abatement law is extended and granted to this condominium, the law will allow up to a 17.5% abatement of the real estate tax bill of a unit owner who will own fewer than four units on the city's taxable status date of January 5, 2010. Excluded from receiving the abatement benefits are co-ops and condominiums that receive tax exemption or abatement benefits.
- 9) This estimate of the assessed valuation has been prepared for inclusion in the Offering Plan, and I consent to its use for this purpose. Although the aforesaid estimate of the Actual Assessed Valuation is a good-faith estimate, it is not possible to estimate same with any degree of certainty. Assessed valuations, when actually made, may be lesser or greater based on our interpretation of the administrative code and the applicable rules and regulations of the City of New York. Although I believe my opinions are well-founded, they are not intended, and should not be construed as warranties as to future assessed valuations of the property under discussion.

In no event will this firm, the Sponsor, the Sponsor's counsel or any other person be liable if the assessed valuation, when actually made, is lesser or greater than that estimated above, or if the administrative code and the applicable rules and regulations of the City of New York are changed in the future, or if the facts as represented prove to be untrue.


Jerome Mazursky, MAI, CAE



2 Grand Central Tower
140 East 45th Street, 19th Floor
New York, NY 10017
Telephone (212) 655-3500
Facsimile (212) 655-3535

_____, 2010

292 Seventh Street LLC

Re: Condominium Offering Plan (the "Plan")
The 292 7th Street Condominium ("Condominium")

Ladies and Gentlemen:

We are counsel to Sponsor for the proposed Condominium. You have requested our opinion concerning (i) deductibility for Federal, New York State and New York City income tax purpose of real estate taxes and interest on loans secured by mortgages paid by purchasers of Units in said Condominium; and (ii) the qualification of the Condominium as a "homeowners association" under Section 528 of the Internal Revenue Code of 1986, as amended to date (the "Code") and the treatment of the receipt by the Condominium of membership dues, fees and assessments from Unit Owners (as defined in the Plan). Except where otherwise indicated, the terms used in this opinion have the same meaning as in the Plan.

This opinion does not address the tax consequences of the ownership of Units by corporations, other entities or foreign persons. Furthermore, this opinion does not address the tax consequences of (i) ownership of the Unsold Units, any Unit that is used for commercial or mixed residential/commercial purposes or any Units other than the Units, (ii) any rebates or other payments that may be made, or benefits provided, to owners of Units, or (iii) ownership of any rights with respect to any storage bins, vault space, or any other storage space in or appurtenant to the Condominium.

In connection with rendering this opinion, we have reviewed the Plan and the documents set forth therein, including the Declaration of Condominium. We have also reviewed the relevant sections of the Code, the New York State Tax Law, the New York City Administrative Code, the regulations promulgated thereunder and such other materials as we deemed relevant. In rendering this opinion, we have assumed that: (a) the Plan is the document pursuant to which Unit Owners will acquire their Units; (b) such Unit Owners will use such Units exclusively for residential purposes; and (c) the relevant facts are as set forth in the Plan.

Pursuant to the Plan, the purchaser of a Unit will receive legal title in fee simple to his or her Unit, coupled with ownership of an undivided interest in the appurtenant Common Elements held in common with other Unit Owners. Such purchaser will have the right to place an individual mortgage on his or her separate Unit and will be liable to the local tax authority for the tax assessment with respect to his or her interest in the Property. Under these circumstances, the Internal Revenue Service (the "IRS") has ruled

that the owner of a residential condominium unit may deduct interest paid on his or her mortgage indebtedness and the real estate taxes assessed and paid on his or her interest in the property. Rev. Rul. 64-31, 1964-1 (Part I) C.B. 300.

Accordingly, based upon the foregoing assumptions and assuming the Condominium is validly created pursuant to Article 9-B of the Real Property Law of the State of New York, we are of the opinion that under present law, each Unit Owner of the Condominium who itemizes deductions on his/her income tax return and who uses his or her Unit as a personal residence may deduct for both Federal and New York State Income Tax purposes all real estate taxes assessed against a Unit and paid by him/her in the year in which such taxes are paid and may likewise deduct all "qualified residence interest" paid by him/her on any mortgage indebtedness covering the Unit in the year in which such interest is paid. (Revenue Ruling 64-31, 1964-1 C.B. 300). The authority for the deduction for Federal income tax purposes for interest paid with respect to a principal and one secondary residence (a "qualified residence") is found in Code Section 163(h)(3). Such deduction is limited to the interest attributable to indebtedness which is secured by a qualified residence and which is (i) incurred in acquiring, constructing or substantially improving the qualified residence (or which constitutes a refinancing thereof, to the extent that such indebtedness does not exceed the amount of the refinanced debt) ("acquisition indebtedness"), up to a maximum of \$1,000,000 for any period (\$500,000 in the case of a married individual filing a separate return), or (ii) any indebtedness other than acquisition indebtedness, up to the excess of the fair market value of any one qualified residence over the amount of acquisition indebtedness with respect to such residence ("home equity indebtedness"), but not to exceed \$100,000 (\$50,000 in the case of a married individual filing a separate return) in the aggregate for all qualified residences of the taxpayer in any period. Accordingly, an owner of a Unit who itemizes deductions and uses his or her Unit as a qualified residence will be entitled, under current law, to deduct from his or her gross income for Federal income tax purposes (subject to an overall limitation on itemized deductions as set forth in Section 68 of the Code), interest paid or accrued by him or her on (i) acquisition indebtedness incurred with respect to his or her Unit to the extent that such indebtedness, when added to the amount of acquisition indebtedness incurred with respect to a second qualified residence (if any), does not exceed \$1,000,000 (\$500,000 in the case of a married individual filing a separate return) and (ii) home equity indebtedness with respect to his or her Unit to the extent that such indebtedness, when added to the amount of home equity indebtedness incurred with respect to a second qualified residence (if any), does not exceed \$100,000 (\$50,000 in the case of a married individual filing a separate return). Since the rules and limitations regarding the deductibility of home mortgage interest are complex, purchasers are urged to consult their tax advisers regarding the application of such rules and limitations to them, as well as regards the deductibility of interest with respect to their Units for Federal alternative minimum tax purposes (which, as more fully described below, is presently subject to rules different than those described above for regular income tax purposes). In addition, owners of Units should consult their tax advisers regarding potential limitations on the deductibility of points and prepaid interest, if any, on their mortgage loans and on the overall limitation on the allowance of itemized deductions.

Each owner of a Unit who uses his or her Unit as a residence will generally be entitled to the same deduction for mortgage interest and real estate taxes paid or accrued with respect to his or her Unit for New York State and New York City income tax purposes as is allowed for Federal (regular) income tax purposes. However, under New York State and New York City income tax law, itemized deductions, such as interest and real estate tax deductions, are subject to reduction by as much as 50% in the case of individuals having income exceeding certain prescribed levels. Furthermore, purchasers should consult their tax advisers to determine the application, if any, of the New York State and New York City minimum taxes to the deduction for mortgage interest and real estate taxes with respect to their Units.

It should be noted that under Section 55 of the Code, a non-corporate taxpayer (including individuals) may be subject to an alternative minimum tax on his/her alternative minimum taxable income (AMTI) in lieu of the regular income tax. AMTI means the taxpayer's adjusted gross income for the taxable year, plus tax preference items described in Section 57 of the Code, minus certain specified deductions including, but not limited to, qualified housing interest (incurred to buy, build or rehabilitate the taxpayer's principal residence or a qualified dwelling used by the taxpayer or any member of his family.) Certain deductions allowed with respect to the regular income tax, such as real estate taxes, are not deductible for purposes of determining the alternative minimum tax. New York State also imposes a minimum tax based on certain Federal tax preference items, including "adjusted itemized deductions." See Sections 601-A and 622 of the Tax Law of the State of New York.

Section 528 of the Code provides that a Condominium Management Association ("Association") may elect to be treated as a "homeowners association" and therefore be exempt from Federal income tax on amounts received as membership fees, dues or assessments collected from Unit owners if it meets the following requirements:

1. The Association must be organized and operated to provide for the acquisition, construction, management, maintenance and care of Association property, which includes property held by the Association and property commonly held by the members of the Association;
2. 60% or more of the Association's gross income must consist of assessments from Unit Owners ("exempt function income");
3. 90% of the Association's expenditures must be for the acquisition, construction, management, maintenance and care of the Association property;
4. No part of the net earnings can inure to the benefit of private individuals;
5. The Association must elect to be treated as a homeowners association; and
6. Substantially all units (defined as at least 85% of the total square footage of all units) must be used as residences.

See Treasury Regulation §1.528-4(b). The qualification of an organization under the provisions of Section 528 is to be determined annually at the close of each taxable year and it is possible, therefore, that if the Condominium does not qualify in one year, it may nevertheless qualify in one or more subsequent taxable years.

In order for a Condominium Management Association meeting the above requirements to obtain the aforementioned tax benefits provided by Section 528 of the Code, it must elect to have said Section apply for the taxable year of the Association. The election may be made by filing Form 1120-H, U.S. Income Tax Return for Homeowners Associations, within the time provided for filing Federal income tax returns for the year for which the election is made, including any extensions. A condominium meeting the requirements of Section 528 of the Code and electing to be exempt from Federal income tax on exempt function income would be taxable at corporate rates, with some minor modifications, on the amount by which its non-exempt function income exceeds the amount of allowable deductions which are directly connected with the production of such income. Any tax paid on non-exempt function income would be a

common expense of the Condominium.

Based on the information contained in the Plan, including Schedule A to the Plan, indicating that more than 85% of the total square footage of all units in the Condominium will be used for residential purposes and assuming that (i) the income and expenditures of the Association are as projected in Schedule B to the Plan, (ii) the Association makes a timely and proper election to be treated as a homeowners association under Section 528 of the Code, and (iii) the Condominium otherwise operates in accordance with the terms of the Plan and the Plan Documents, and (iv) there are no changes in the facts and/or relevant provisions of current law, it is our opinion that The 292 7th Street Condominium will qualify as a "Condominium Management Association" under Code Section 528I(2) and that the receipts from the Unit Owners which qualify as dues and assessments will be "exempt function income" for the taxable year for such Association. However, we are unable to express an opinion as to whether the Association will qualify as a "homeowners association" under Section 528 in any subsequent taxable year as that qualification will inevitably be dependent upon facts and circumstances only determinable in the future.

Absent the application of Code Section 528, the present state of Federal law is unclear as to the precise tax status of the Condominium. An entity classification regime was adopted in regulations issued by the United States Treasury Department on December 17, 1996 and there is no authority addressing the application of those entity classification regulations to condominiums. Because the By-Laws of the Condominium provide that the Board of Managers will each act as the agent of the Unit Owners represented by each such Board, the Board of Managers may take the position that the Condominium is not a separate entity and accordingly is not subject to the classification regime. In such case, the Unit Owners would, in the aggregate, include in their gross income and be taxed on all income earned by the Condominium (which income may include interest or similar income earned from interim investments of the amounts assessed and collected from the Unit Owners), reduced by the expenses incurred in earning such income. For this purpose, the Common Charges would not be considered income earned by the Condominium through the Board of Managers collecting such charges. If, however, the Condominium is considered a separate entity it is unclear whether the Condominium would be taxable as a corporation or treated as a partnership for Federal income tax purposes. If the Condominium is taxable as a corporation, it would be considered a separate taxpayer with respect to income and deductions and return filing requirements and would be subject to Federal corporate income tax. If the Condominium is treated as a partnership, the partnership would not be subject to an entity level tax, the items of income and deduction of the partnership would generally be passed through to the Unit Owners in accordance with the provisions of Subchapter K of the Code, and the partnership would be required to file information returns.

The precise tax status of the Condominium for New York State and New York City tax purposes is also unclear. The relevant New York State and New York City laws incorporate by reference federal entity classification provisions which, as discussed above, do not specifically address the treatment of condominiums. If the Condominium is properly treated as a separate entity that is an association taxable as a corporation for Federal income tax purposes, it appears likely that the Condominium would be subject to the New York State Corporation Franchise Tax and the New York City General Corporation Tax. If the Condominium does not constitute an association that is taxable as a corporation for Federal income tax purposes, it is still possible, although not certain, that the Condominium might be subject to the New York State Corporation Franchise Tax. Further, in such event, it likely would be subject to the New York City Unincorporated Business Tax, unless the Condominium were eligible for and elected treatment under Code Section 528 as a homeowners association.

No warranties are made that either the IRS or the New York State Department of Taxation and Finance will allow the aforementioned deductions for real estate taxes and/or mortgage interest to Unit Owners or that the tax laws, regulations and rulings upon which this opinion is based will not change. Moreover, this opinion is not binding on the IRS, any other taxing authority or any court. In no event will Meister Seelig & Fein LLP, the Sponsor, the Selling Agent or any other party be liable if it shall be determined that the Condominium does not meet, or at any future time ceases to meet, the requirements of the Code or the New York State Tax Law, or any amendment of either thereof, by reason of changes in (i) the facts relied upon in order to render this opinion or (ii) statutory or decisional laws, IRS rulings or regulations relied upon in order to render this opinion. Moreover, no opinion is expressed nor is any representation or warranty made with respect to the tax consequences of the Plan or any other matter (including, without limitation, the tax consequences of ownership of Units offered under the Plan) except as herein expressly set forth.

We hereby consent to the inclusion of this opinion letter and references to our name in the Plan.

Very truly yours,



Meister Seelig & Fein LLP

339-i OPINION OF MEISTER SEELIG & FEIN LLP



2 Grand Central Tower
140 East 45th Street, 19th Floor
New York, NY 10017
Telephone (212) 655-3500
Facsimile (212) 655-3535

_____, 2010

292 Seventh Street LLC

Re: **Condominium Offering Plan (the "Plan")**
The 292 7th Street Condominium ("Condominium")

Ladies and Gentlemen:

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

In connection with rendering this opinion we have reviewed the allocation of Common Interests as shown on the Schedule A of the Plan and the Declaration establishing the Condominium. We have also considered the relevant sections of Article 9-B and Section 339-i of the Real Property Law of the State of New York, as amended and such other materials as we deemed relevant. Our opinion relies, and is based, upon the factual determinations made by Corcoran Group Real Estate, as set forth in its opinion contained in the Plan as required by NYCRR Section 20.3(i) and the calculation of Common Interests provided to us by you. We have made no independent investigation of the truth or accuracy of the factual determinations of Corcoran Group Real Estate nor have we verified the accuracy of your calculation of Common Interests.

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

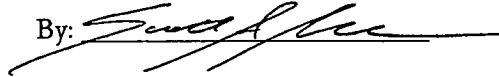
Accordingly, based on the foregoing, it is our opinion that the assignment of Common Interests to the Units complies with Real Property Law Section 339-i. This opinion, while based upon existing rules of law applied to the facts and documents referred to above, is not a guarantee to purchasers. In no event will the Sponsor, Meister Seelig & Fein LLP, the Selling Agent or the Board of Managers be liable if there are changes in the facts on which we have relied in issuing this opinion or if there are changes in RPL Section 339 or other applicable law.

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

We hereby authorize the use of this opinion and references to our name in the Plan.

Very truly yours,

Meister Seelig & Fein LLP

By: 

RESERVE FUND FOR CAPITAL EXPENDITURES

There are no restrictions on the Board of Managers' right to accumulate available funds for reserves, however, any such reserves shall not be created or funded by Sponsor. Common Charges may also be assessed for this purpose, provided, however, that so long as Sponsor or its designee shall own any Units, Sponsor's prior consent is necessary in order to assess Common Charges to create, add to or replace a reserve, emergency or surplus fund in excess of 5% of the estimated expenses for any projected year of operations.

Any such reserve fund shall not be used to reduce projected Common Charges during the time that Sponsor or its designee controls the Board of Managers, nor shall it be used to cover closing adjustments with the Condominium.

NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENTAL AGENCY HAS PASSED OR IS REQUIRED TO PASS UPON THE ADEQUACY OF SUCH RESERVE FUND FOR CAPITAL EXPENDITURES.

The reserve fund may only be used for capital expenditures.

WORKING CAPITAL FUND

At each closing the Purchaser of the Unit shall be required to pay to the Board of Managers a non-refundable sum in an amount equal to two (2) months estimated Common Charges as set forth in Schedule A. These funds (the "Working Capital Fund") will be accumulated to provide the Condominium with working capital for capital items and/or repairs, emergencies and other appropriate purposes as determined by the Board of Managers. Except for emergency and capital expenditures, it is anticipated that the balance of the fund will be turned over intact by Sponsor or its designee to the first Board of Managers controlled by Unit Owners, to be used as said Board of Managers shall determine.

So long as Sponsor controls the Board of Managers, the Working Capital Fund may not be used to reduce Common Charges of the Condominium.

The Working Capital Fund shall not be used to cover closing costs and adjustments with the Condominium. Individual closing adjustments, consisting of real estate taxes, interim rent, if any, and insurance premiums, are payable by Purchasers as more fully set forth in the section of the Plan entitled "Unit Closing Costs and Adjustments".

The Working Capital Fund is to be distinguished from the contingency fund provided for in the Budget for the First Year of Condominium Operations, (Schedule B) to the Offering Plan, and which may in fact be used during the period of Sponsor's control of the Board of Managers.

NEITHER THE DEPARTMENT OF LAW NOR ANY OTHER GOVERNMENTAL AGENCY HAS PASSED OR IS REQUIRED TO PASS UPON THE ADEQUACY OF THE WORKING CAPITAL FUND.

MANAGEMENT AGREEMENT, CONTRACTS AND LEASES

The Condominium will be self-managed.

Insurance

Prior to the first closing of title to a Unit, Sponsor will obtain on behalf of the Condominium the insurance coverage described in the footnotes to Schedule B.

Service Contracts

There are presently no service and maintenance contracts that will be binding on the Condominium after the first closing of title to a Unit for a period of one (1) year.

IDENTITY OF THE PARTIES

Sponsor

Sponsor is 292 Seventh Street LLC, with an office at 306 2nd Street, #2A, Brooklyn, New York.

The sole principal of Sponsor is S and J Partners, LLC, of which Mr. Jong Yun Kim is the principal.

S and J Partners, LLC have been in the real estate business in New York and New Jersey since 2004. They are currently developing two (2) residential condominium properties in Brooklyn, New York, including 292 7th Street and 701 Union Street. The project for 701 Union Street has not been filed yet. Mr. Jong Yun Kim primarily handles the day-to-day business and finance side of the development projects. Sponsor's principals have not participated as a principal in initial offerings of cooperatives, condominiums, planned unit development homes or time shares located in the State of New York.

Except as set forth herein, Mr. Kim is not a principals of sponsors or holders of unsold shares or units which currently own or hold 10 percent or more of the unsold shares or units at cooperatives or condominiums located in the State of New York.

There have been no prior felony convictions of Sponsor or the principals of Sponsor; and no prior convictions, injunctions and judgments against Sponsor or the principal of Sponsor that may be material to the Plan or offering of securities generally, that occurred within fifteen (15) years prior to the submission of this Plan.

The Selling Agent

Corcoran Group Real Estate with offices at 125 Seventh Avenue, Brooklyn, New York 11215 is the Selling Agent retained by Sponsor in connection with the offering of Units. Corcoran Group Real Estate has been specializing in the sale, rental, and management of Co-ops, Condos, Lofts, and Townhouses in Brooklyn for over 10 years. The firm has no financial relationship, past or present, to Sponsor except as the Selling Agent.

Attorneys for Sponsor

Sponsor has retained the law firm of Meister Seelig & Fein LLP, 2 Grand Central Tower, 140 East 45th Street, 19th Floor, New York, NY 10017 to represent it in connection with the preparation of this Offering Plan and in connection with the sale of the Units. Emily B. Wolf, Esq. of Meister Seelig & Fein LLP prepared this Plan, the Declaration, By-Laws, the form of Purchase Agreement, Deed and the related Exhibits referred to herein. Meister Seelig & Fein LLP has not undertaken any responsibility for the business or financial terms of this Plan.

Architects

Sponsor has retained the services of Kutnicki Bernstein Architects, a multi-disciplined architectural firm for the preparation of Architects Report and for preparation of the Building Plans. Kutnicki Bernstein is a full-service professional practices staffed by directors with expertise in architecture, construction, management, interior design, planning and property management.

REPORTS TO UNIT OWNERS

All Unit Owners will be entitled to receive annually from the Condominium, at the expense of the Condominium, copies of the following:

- (a) annual financial statements of the Condominium, prepared and certified by independent certified public accountants, to be received within four and one-half (4-1/2) months after the end of the fiscal year;
- (b) notices of the holding of the annual meetings of the Unit Owners, to be sent not less than ten (10) nor more than forty (40) days in advance of the meeting, stating the purpose of the meeting as well as the time and place where it is to be held; and
- (c) each year's proposed annual budget of the Condominium, to be received not less than ten (10) days prior to the date set for adoption thereof by the Board of Managers. While Sponsor is in control of the Condominium, the budget will be certified in accordance with Section 20.4(d) of the Attorney General's Regulations.

DOCUMENTS ON FILE

The Declaration and the By-Laws will be recorded in the Kings County office of the Register of the City of New York prior to the conveyance of title to the first Unit. In addition, a set of floor plans for the Building showing the layout, location and approximate dimensions of the Units and the Unit designations, certified by the Real Property Assessment Department of the City of New York as conforming to the official tax lot number for each such Unit, and an Architect's statement required by Section 339-p of Article 9-B of the Real Property Law of the State of New York certifying that the floor plans fully and fairly depict the layout, location, Unit designations and approximate dimensions of the particular Unit or Units as built, will be filed in said City Register's office.

Pursuant to Section 352-e(9) of the General Business Law, copies of this Offering Plan, all exhibits or documents referred to herein and all exhibits submitted to the Department of Law in connection with the filing of the Plan are and will be kept on file at the office of Sponsor set forth on the cover page hereof for six (6) years from the first closing of title to a Unit, for examination without charge, and for copying at a reasonable charge, during normal business hours and upon reasonable notice, by prospective purchasers and any person who has purchased a Condominium interest offered by this Plan or who has otherwise participated in this offering.

Sponsor will deliver to the Board of Managers at the first closing of title to a Unit a copy of all documents filed with the City Register.

GENERAL

A. There are no lawsuits, administrative proceedings or other legal proceedings now pending, the outcome of which could materially affect this offering, the Purchasers of Units, the Property, Sponsor's capacity to perform all of its obligations under the Plan, the Condominium or the operation thereof.

B. The Property is not and since Sponsor became the Owner of the Property on July 2, 2007 has not been the subject of any prior offerings. As of the date of the Plan, neither Sponsor nor any representative or agent thereof has raised funds from, made any preliminary offering to or made any binding agreement with prospective purchasers with respect to Condominium Units.

C. It is hereby represented that Sponsor, the Condominium, the Board of Managers and the Selling Agent will not discriminate against any person or persons on the basis of race, creed, sex, color, disability, marital status, age or national origin or other grounds prohibited by law.

D. Sponsor reserves the right, from time to time, without obtaining the consent of Purchasers or others, to substantially revise the terms and conditions upon which the Units are sold, including changes affecting the rights, obligations and liabilities of the Condominium, Purchasers and/or prospective Purchasers under this Plan. All substantive or material revisions will be contained in a duly filed amendment to this Plan. In the event of a material revision adversely affecting the rights, or increasing the obligations or liabilities, of then existing Purchasers or the Condominium, or reducing the undertakings or obligations of Sponsor, such Purchasers will be given the right, for fifteen (15) days after the presentation date of the amendment, to rescind their Purchase Agreements and have all monies paid thereunder (with interest earned on their Down Payment) refunded, provided such persons comply in all respects with any procedure for rescission set forth in an amendment to this Plan.

E. This Plan contains an accurate summary of the pertinent provisions of the various documents referred to herein and copies thereof are on file with Sponsor for inspection purposes. Any information, data, or representation not referred to in this Plan and not contained in the various documents mentioned herein, must not be relied upon. This Plan does not intentionally omit any material fact or contain any untrue statement of a material fact. No person has been authorized by Sponsor to make any representation which is not expressly contained herein.

F. No binding obligation between Sponsor and a Purchaser shall arise unless and until a Purchase Agreement, executed by both the Purchaser and Sponsor, has been exchanged.

G. This Plan may not be changed or modified orally.

SPONSOR'S STATEMENT OF BUILDING CONDITION

Sponsor adopts the Description of Property and Specifications (the "Report") prepared by Kutnicki Bernstein Architects PLLC, which is set forth in Part II of this Plan, and has relied solely on this Report. Sponsor represents that it does not know of any material defect or need for major repairs except as set forth in the Report.

Dated: New York, New York

SPONSOR:
292 Seventh Street LLC

PART II

EXHIBIT "A"

PURCHASE AGREEMENT

**PURCHASE AGREEMENT
FOR
UNIT NUMBER ____
AND STORAGE UNIT ____**

AT

**THE 292 7th Street Condominium
292 7th Street
Brooklyn, New York**

(To be executed by Purchaser in triplicate)

AGREEMENT made as of _____, 200__, by and between 292 Seventh Street LLC a New York limited liability company having an office at 306 2nd Street, Suite 2A, Brooklyn, NY 11215 ("Seller" or "Sponsor")

and:

_____ having an address at _____
_____ ("Purchaser")

WITNESSETH:

1. **Plan.** Purchaser acknowledges having received, at least three (3) days prior to the date hereof, and read or waived the reading of, a copy of the Offering Plan for The 292 7th Street Condominium and amendments thereto filed with the Department of Law of the State of New York prior to the date hereof (hereinafter collectively referred to as the "Plan"). Purchaser hereby accepts and approves the Plan including without limitation, the proposed Declaration of Condominium, By-Laws and other documents contained in Part II of the Plan (the "Condominium Documents") and agrees to abide by and be bound by the terms and conditions thereof, as well as all amendments to the Plan duly filed by Seller (including, without limitation, amendments involving any changes, modifications, or updating of the projected Common Charges, the projected real estate taxes to be paid by Purchaser, or Schedule B-"Projected Budget for the First Year of Operation of the Condominium". Amendments to the Plan shall neither excuse Purchaser from performing Purchaser's obligations hereunder nor entitle Purchaser to any offset or credit against the Purchase Price and may be made by Seller without Purchaser's consent or approval. In the event of a material adverse amendment, Purchaser shall be given the right to rescind this Agreement. The Plan is incorporated into this Agreement by reference and made a part hereof with the same force and effect as if set forth herein at length. In the event of any inconsistency or conflict between the provisions of this Agreement and those contained in the Plan, the provisions of the Plan shall govern. Purchaser acknowledges having had full opportunity to examine all relevant documents, and to investigate all statements made herein and in the Plan. Terms used in this Agreement will have the meanings ascribed to them in the Plan unless the context thereof otherwise requires.

2. **The Unit.** Purchaser agrees to purchase from Seller, and Seller agrees to sell to Purchaser, the Unit designated as _____ ("Unit") as same are designated in the

Declaration, together with a _____% undivided interest in the Common Elements appurtenant to the Unit (the "Common Interest"), located on the land more particularly described on Exhibit A annexed hereto and made a part hereof, upon and subject to, the terms and conditions set forth herein.

3. Purchase Price.

A. The Purchase price (the "Purchase Price") is \$ _____, payable as follows:

- (i) \$_____ (the "Down Payment") on the signing of this Agreement by check, (subject to collection) receipt of which is hereby acknowledged. All checks for the Down Payment shall be unendorsed and made payable to "RICHARD ENG"; and
- (ii) \$_____ (the "Balance"), constituting the balance of the Purchase Price, at the closing, by Purchaser's unendorsed certified check, or an official bank check, drawn on or issued by a bank or trust company that is a member of the New York Clearing House Association. All checks for the Balance shall be unendorsed and made payable to the direct order of "292 Seventh Street LLC", unless otherwise directed by Seller.

If any check is returned for insufficient funds or any other reason, said return shall be deemed to be a default by Purchaser under this Agreement and shall entitle the Seller to exercise any of the remedies set forth in Article 13 hereof.

B. Purchaser's payment of the Balance and acceptance of a deed to the Unit shall constitute Purchaser's acknowledgment that Seller has satisfactorily performed all of the obligations stated in the Plan and this Agreement to be performed by Seller prior to closing. However, nothing herein contained shall excuse Seller from performing the obligations (if any) expressly stated herein or in the Plan to be performed subsequent to the closing, and nothing herein shall be in derogation of the rights of Purchasers under Article 23-A of the General Business Law, the Plan or Part 20 of the Regulations issued by the Department of Law of the State of New York.

C. Purchaser shall not be obligated to pay the Balance of the Purchase Price or accept title to the Unit unless all of the events set forth under "Closing of Title to Units" in Part I of the Plan are met simultaneously with the closing or prior thereto.

4. Funds to be Held in Trust.

A. Seller will hold in trust any and all funds received by it directly or through its agents or employees until the Unit is transferred to Purchaser or the Purchase Agreement is cancelled in accordance with its terms. All funds received hereunder will be deposited with Richard Eng, Esq. in their Escrow Account at Citibank, N.A. 100 Mott Street, New York, New York. Interest earned on the Down Payment shall be 1% less than the rate in effect, from time to time, on money market accounts on deposit with Citibank, N.A. and said 1% shall be payable to Seller to offset administrative costs. In no event shall interest accrue or be deemed to be earned on any

payment made for additional work or modifications. The funds so deposited will be disbursed only in accordance with the provisions of this Agreement and the Plan. The signature of Richard Eng will be required before any funds held in trust may be released.

B. In the event the Plan is abandoned or withdrawn, or the Purchase Agreement is canceled pursuant to its terms through no fault of the Purchaser, all funds held in trust will be returned to Purchaser with interest, if any, earned and collected thereon, within thirty (30) days after the date of the abandonment or withdrawal, except as otherwise provided herein. If at the time the Plan is abandoned or withdrawn the Purchaser shall be in default hereunder and shall have failed to cure said default within the applicable grace period, if any, or if this Agreement had been previously cancelled due to Purchaser's uncured default, then Seller shall retain as and for liquidated damages, the Down Payment plus any additional costs or expenses incurred by Seller on account of any special work in the Unit ordered by Purchaser, together with any interest earned and collected thereon, (herein collectively called the "Liquidated Sum") and any sums in excess thereof, together with any interest earned and collected thereon, shall be returned to Purchaser within thirty (30) days after the date of the abandonment or withdrawal.

C. Upon the payment of the Balance and performance by Purchaser of all of Purchaser's obligations hereunder and the transfer to Purchaser of title to the Unit, Seller will instruct the depository to pay to Purchaser any and all interest earned and collected on the funds deposited hereunder less that portion of the interest payable to Seller to offset administrative costs. The Seller and Selling Agents will not be liable to Purchaser for the amount of said interest or the payment thereof, except to the extent of any amount received from the depository. All funds due to Seller and received under this Purchase Agreement will be handled in accordance with Sections 352-e(2-b) and 352-h of the New York General Business Law and with Section 71-a(3) of the Lien Law. In lieu of depositing the Down Payment into an Attorney Escrow Account, Seller reserves the right to post a bond issued by a licensed bonding company securing repayment of the aforementioned funds together with interest earned and collected thereon, in the event a Purchaser is entitled to repayment of same. If Seller elects to post a bond, it will submit the form of the bond to the Department of Law for its approval and will notify all affected Purchasers by filing an amendment to the Plan.

5. Agreement Subject to Plan Being Declared Effective.

A. Seller's obligations hereunder are contingent upon the Plan being declared effective in accordance with the terms and conditions of the Plan, as same may be amended from time to time. Purchaser understands and agrees that the Seller shall have the right to abandon the Plan at any time prior to its being declared effective or thereafter, in certain limited cases as provided in the Plan. The Plan will be abandoned or deemed abandoned unless declared effective within the time limits prescribed in the Plan. The Seller shall notify Purchaser in writing when the Plan becomes effective or by a duly filed amendment if abandoned.

B. If the Plan is abandoned, or if, after being declared effective the Plan shall not be consummated for any reason, this Agreement shall be deemed canceled and, provided that Purchaser is not then in default beyond the end of any applicable grace period, all sums paid by Purchaser hereunder, together with any interest earned and collected thereon, shall be disbursed in accordance with the provisions of Article 4 above. After disbursement of the funds, Purchaser and

Seller shall have no claim against each other or the Selling Agent, if any, in connection with this Agreement or the Plan, and the parties hereto and their agents shall be released and discharged from all liabilities and obligations hereunder and under the Plan.

6. Closing of Title.

A. The closing of title shall be held on the date and at the time and place in the City and State of New York as Seller may designate to Purchaser upon not less than thirty (30) days prior written notice. Seller shall have the right, from time to time, to adjourn the date and time for closing on written notice to Purchaser. If adjourned, Seller shall fix a new date and time for title closing and shall give Purchaser not less than ten (10) days prior written notice of the new scheduled date and time for closing

B. The closing of title shall occur only after or upon compliance with all of the events set forth under "Closing of Title to Units" in Part I of the Plan.

C. Purchasers should also note that even if the first closing occurs on or before January 1, 2010 (or such other date projected as the date of commencement of operation at the time the Purchase Agreement was entered into) or within the twelve (12) month period thereafter, the closing of subsequent units may be substantially delayed beyond such dates if a temporary certificate of occupancy has not been issued for such units or for the floor on which such units are located. In such case, provided that the Sponsor is diligently pursuing completion of construction and issuance of a certificate occupancy and is otherwise in compliance with its obligations under the Plan, a Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of such delays and will not be excused from paying the full purchase price for the Unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY Consider THE POSSIBILITY OF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. In the event, however, Sponsor cannot convey title to the Unit on or before twelve (12) months from the date of the Purchase Agreement, affected Purchasers will be offered a right of rescission.

7. **Deed.** At the closing of title, Seller shall deliver to Purchaser a Bargain and Sale Deed with covenants against grantor's acts conveying title to the Unit to Purchaser free and clear of all encumbrances other than those set forth on Exhibit B annexed hereto and made a part hereof (the "Permitted Exceptions"). The deed shall be prepared by Seller and shall be substantially in the form described in Part II of the Plan and shall be executed and acknowledged by Seller and Purchaser in form for recording. The deed shall be delivered to the representative of the title company insuring Purchaser's title (or, if no title company representative is present, then to Purchaser's attorney) for recording in the Office of the City Register of Kings County. After being recorded, the deed shall be returned to Purchaser.

8. **Marketable Title.** At the closing of title, except as otherwise set forth in Article 9 below, Seller shall convey to Purchaser good and marketable title in fee simple to the Unit subject only to the Permitted Exceptions. Any encumbrances to which title is not to be subject shall not be objections to title if: (a) the instrument required to remove it of record is delivered to the proper party or Purchaser's title insurance company at or prior to closing together with the requisite recording or filing fees; or (b) Purchaser's title insurance company will insure Purchaser against its collection or enforcement out of the Unit.

9. **Seller's Inability to Convey Title.** In the event that Seller is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan, Seller will 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 said inability. If Seller notifies Purchaser of its refusal to cure the defect in title and if Purchaser is not then in default hereunder, Purchaser shall have the option to either: (a) take title to the Unit subject to the title defect (without abatement in or credit to the Purchase Price, or claim or right of action against Seller for damages or otherwise); or (b) cancel this Agreement by notifying the Seller in writing of Purchaser's election to cancel within fifteen (15) days after Seller notified Purchaser of Seller's refusal to cure the title defect. If Purchaser elects to cancel this Agreement, Seller shall refund to Purchaser, within thirty (30) days after receipt of Purchaser's cancellation notice, all sums deposited hereunder, with the interest (if any) earned and collected thereon less that portion of the interest payable to the Seller. Upon making said refund, this Agreement shall be null and void and neither party shall have any further rights, obligations, or liabilities with respect to the other hereunder or under the Plan. The foregoing option must be exercised by notice of Purchaser in writing sent to Seller within fifteen (15) days after the giving of Seller's notice of refusal to cure the title defect, failing which, it shall be conclusively deemed that Purchaser elected the first option above (i.e., to acquire title subject to the title defect).

10. **Power of Attorney to Condominium Board and Seller.** At the closing of title, Purchaser shall execute, acknowledge and deliver to the title insurance company insuring Purchaser's title to the Unit or to Seller's attorney for recording in the Office of the City Register Kings County, a Power of Attorney in favor of the Board of Managers relative to purchasing or leasing of Units and in favor of Seller relative to amending the Condominium Documents to the extent permitted in the Power of Attorney. The Power of Attorney shall be substantially in the form described in Part II of the Plan. After being recorded, the Power of Attorney shall be sent to the Board of Managers.

11. **Closing Adjustments.**

A. At the closing of title, Seller and Purchaser shall apportion, as of midnight of the day preceding the closing:

- (i) real estate taxes and assessments, if any, including water charges and sewer rents for the Unit on the basis of the period assessed;
- (ii) Utility charges;
- (iii) Common Charges for the month in which title closes; and
- (iv) rent and other charges, if any, pursuant to an interim lease or tenancy of the Unit.

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

C. Any errors or omissions in computing apportionments at the closing shall be

corrected and payment made to the proper party promptly after discovery. This provision shall survive the closing for a period of one (1) year.

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

12. **Purchaser's Closing Costs.** At the closing of title, Purchaser shall be required to pay those costs more particularly described in the Section of the Plan entitled "Closing Costs and Adjustments"; in addition to any legal fees of Purchaser's counsel and the amount of any net credit in favor of Seller resulting from the closing adjustments described in the preceding Article 12.

Metropolitan Abstract Corporation is most familiar with title to the Property, and therefore best able to facilitate Purchaser's closing. Purchaser is not required to obtain a title report or insurance and (if Purchaser elects to obtain a title report or insurance) Purchaser need not obtain it from Metropolitan Abstract Corporation. Purchaser may choose any title insurance company that Purchaser may prefer.

13. **Events of Default.**

A. The following shall constitute "Events of Default" hereunder:

If any check delivered to Seller hereunder is returned for insufficient funds or for any other reason, or Purchaser's failure to pay the Balance on the Closing Date designated by Seller pursuant to Article 6 herein;

Purchaser's failure to duly sign, notarize and deliver at the times specified the Power of Attorney pursuant to Article 10 herein,

The failure to pay, perform, or observe any of Purchaser's other obligations hereunder, that is not cured within thirty (30) days after the mailing of written notice specifying the nature of the default.

B. Upon the occurrence of an Event of Default, Seller may, at its option, shall elect to cancel this Agreement by sending Purchaser thirty (30) days' prior written notice of its intention to do so. If Seller elects to cancel, Purchaser shall have thirty (30) days from the date of mailing of the cancellation notice within which Purchaser must cure the specified default. TIME IS OF THE ESSENCE TO CURE THE DEFAULT WITHIN SAID THIRTY (30) DAY PERIOD. If the default is not timely cured, then the Agreement shall be deemed cancelled and Seller shall have the right to retain, as and for liquidated damages, the Down Payment plus the cost incurred by Seller on account of any special work in the Unit ordered by Purchaser, together with any interest earned and collected thereon (the "Liquidated Sum"), and any sums in excess thereof together with any interest earned and collected thereon shall be returned to Purchaser within thirty (30) days after cancellation of the Agreement. Upon cancellation of this Agreement and making any refund to Purchaser, Purchaser, Seller and Selling Agent will be released and discharged of all further liability and obligations hereunder and under the Plan. Thereafter, the Unit may be sold as though this Agreement had never been made, and without accounting to Purchaser for any portion of the proceeds of any sale.

C. Notwithstanding the occurrence of an Event of Default, Seller may, in its sole discretion, keep this Agreement in effect and proceed to close title without prejudice to Seller's right to recover from Purchaser damages, losses, costs, expenses and any and all other lawful sums to which Seller is entitled, including, but not limited to, reasonable legal fees and costs of collection.

D. If Purchaser becomes a tenant or occupant of a Unit and Purchaser fails to pay rent or additional rent or to otherwise comply with Purchaser's lease or tenancy or occupancy obligations, or if Purchaser shall have vacated or abandoned the Unit, then said default, vacating or abandonment shall constitute a default hereunder entitling Seller, at its sole option, to cancel this Agreement and retain the Liquidated Sum. Upon any cancellation, Seller shall refund to Purchaser any sums deposited hereunder in excess of the Liquidated Sum together with any interest earned and collected thereon. Upon the refund being made, Seller and Purchaser will be released and discharged of all further liability and obligations under this Agreement and the Plan. However, in no event shall Purchaser be released or excused from paying and performing Purchaser's tenancy or occupancy obligations.

14. Fixtures, Appliances and Equipment.

A. Only those fixtures, appliances, equipment and items of personal property that are described in "Description of Property and Building Condition" in Part II of the Plan as being part of the Unit are included in the sale of the Unit pursuant to the provisions of this Agreement.

B. Except as otherwise indicated in Part II, all cabinets, countertops, flooring and vanities will be of a design and color selected by Seller. Purchaser acknowledges and agrees that Seller has the right to substitute other fixtures, appliances, equipment and cabinetry in place of those listed in the Plan provided only that the substitutions are of substantially equal or better quality and design. The Unit is being sold unfurnished, without window blinds or shades and will contain only the appliances and equipment described in the Plan. Furniture, wall coverings, furnishings, decorations and the like in or about any model Unit are for display purposes only and are not included in this sale. Units will be offered in their "as-is" condition subject to the minor modifications described in Part II of the Plan. Purchaser will be responsible for any repainting and touch-ups necessitated from moving in. Any floor plans or sketches shown to Purchaser (including those contained in the Plan) are only approximations of the Unit's dimensions and arrangement, and Seller shall not be liable for minor variations from any floor plans or sketches.

C. There will be no modifications or extras added to the Units unless agreed to in writing by the parties. All modifications and alterations must be approved by Seller in writing and, if approved, shall be performed by Seller at Purchaser's expense payable in the manner to be set forth in an addendum to this Agreement or separate agreement.

15. Completion of Construction.

A. The construction of the Unit, including the materials, equipment and fixtures to be installed therein, shall be substantially in accordance with the Plan and the architectural plans and specifications (defined in the Plan), subject to the right reserved by Seller to modify and amend the Plan and the plans and specifications in order to substitute materials, equipment or fixtures of substantially equal or better quality and design.

a. Any special work ordered or changes ordered by Purchaser shall be memorialized in a signed writing by the Purchaser and must be paid for in full within seven (7) days after the order. If for any reason the Sponsor fails to install said special work in accordance with the work order, the limit of the Sponsor's liability is a refund of the amount of the charge for such special work.

b. The corrections of any defects in construction to the extent required under the Plan are the sole responsibility of the Seller. Purchaser acknowledges and agrees that Seller will not be liable for, and will have no obligation to correct, certain insubstantial variations from the Plan and plans and specifications and will only be responsible to correct any construction defects to the extent and on the terms and conditions, as set forth in the section of the Plan entitled "Rights and Obligations of the Sponsor".

16. **Inspection of Unit.** At least one (1) week before the Balance is to be paid, the Sponsor or the Selling Agent shall notify Purchaser that the Unit is ready for inspection. Upon receipt of the notice, Purchaser shall promptly arrange an appointment with the Sponsor or Selling Agent to inspect the Unit. Purchaser or an agent authorized by Purchaser in writing shall attend the inspection and shall complete, date and sign an inspection report and deliver same to the Sponsor at the conclusion of the inspection. Failure of Purchaser either to arrange an appointment or to inspect the Unit prior to one (1) week before the Closing Date or to sign and deliver the completed inspection report, shall not excuse Purchaser from paying the Balance when due and shall constitute Purchaser's full acceptance of the Unit. However, nothing herein shall relieve Seller of its obligations as set forth in the section of the Plan entitled "Rights and Obligations of the Sponsor".

17. **Limited One Year Warranty.** At the closing of title, the Seller will deliver to Purchaser or to the Condominium, as the case may be, the manufacturers' warranties, guaranties or other certificates obtained by the Seller incident to the construction of the Units and the installation of any original appliances and equipment. Seller's liability pursuant to the manufacturers' warranties covering heating, air conditioning systems, appliances, electricity, plumbing and roofing are limited solely to the extent that such warranties are delivered to Seller and are transferable to the Purchaser or to the Condominium and then only as against such manufacturer. In addition, however, Seller or Seller's contractors will promptly correct any defects in the construction of a Unit or the Building containing such Unit or in the installation or operation of any mechanical equipment therein due to materials or improper workmanship substantially at variance with the plans and specifications, provided only that it is notified of such defects in writing by certified mail within one (1) year from the date of closing of title to the Unit in which the alleged defect exists. Seller shall not be responsible for any work or material ordered by Purchasers directly from Seller's contractors or suppliers. Seller will not be liable for incidental or consequential damages caused by any defect. These warranties are extended only to the original Purchasers and are not extended to any subsequent Purchaser, lessee or mortgage lender who takes possession of the Unit. Seller makes no warranties as to appliances except that it will deliver to each Purchaser the manufacturers' warranties thereon. In no event shall the Seller be responsible for damage to sidewalks or other concrete areas caused by the application of salt or deicers, nail pops, normal settlement or any consequential damage resulting therefrom, normal plumbing and heating noises or carpet stretching, normal settlement cracks leaks resulting from extraordinary acts of God (roof leaks), scuffing on kitchen cabinet or vanity surfaces, variations of wood grain or staining of kitchen cabinets or vanities, minor chips (nicks) to formica tops, cultured marble tops and tubs, edges and surfaces, shading variations

of the exterior siding (on the face surface or grooves), variations in cultured marble colors, and shading variations on fascias. Subsequent to the conveyance of title to a Unit, the Seller shall not be responsible for paint touchups, repair of dented appliances, porcelain or formica chips and scratches in tubs, vanities or countertops. The provisions of this Paragraph shall survive the closing of title and the delivery of the deed.

18. Risk of Loss; Possession.

A. Purchaser shall not be entitled to possession of the Unit until the Deed is delivered to Purchaser at closing; however, Seller may, in its sole discretion, grant Purchaser possession of the Unit prior to the closing under an interim lease or other written agreement.

B. If Purchaser is granted possession of the Unit prior to the closing under an interim lease or otherwise, then Purchaser shall be solely responsible for any damage to, or loss or other condition in, the Unit or its contents resulting from Purchaser's use or occupancy, and Seller shall not be obligated to make any repairs to the Unit or its contents. However, until the closing, Seller will remain responsible to make those repairs required of it as landlord under any interim lease and, after the closing, the Board of Managers will be responsible for making those repairs required of it under the Declaration and By-Laws.

C. If during Purchaser's occupancy, the Unit or its contents are damaged by casualty or otherwise, then Purchaser shall assume the risk of loss and the obligation to repair the damage, unless the cause thereof originated outside the Unit and did not result from the acts of Purchaser, of other occupants of the Unit or of Purchaser's guests, invitees, or workmen. If Purchaser is obligated to repair the damage, then Purchaser's failure to repair the damage shall not excuse Purchaser from paying the Balance and accepting delivery of the Deed.

D. Except as provided in the preceding subparagraph C, all other risk of loss prior to the closing has been assumed by Seller, but without any obligation or liability of Seller to repair the damage or restore the Unit or its contents. Seller shall notify Purchaser within fifteen (15) days of such damage whether it elects to make such repairs or not. If Seller or (in the event the Declaration is filed) the Board of Managers elect to repair or replace the loss or damage, this Agreement shall continue in full force and effect, and Purchaser shall not have the right to reject title to the Unit or to receive a credit against, or abatement in, the Purchase Price and Seller shall be entitled to a reasonable period of time to complete or to permit the Board of Managers to complete said repairs or replacements. Purchaser shall not be required to pay the Balance unless and until: (i) the Unit has been substantially repaired as near as is reasonably possible to its condition immediately prior to the casualty; (ii) its essential services (such as gas, electricity, and heat) and a reasonable means of ingress and egress to the street have been restored; and (iii) any condition in the Unit for which a violation (if any) is noted or issued has been corrected, other than those that are the obligations of any tenant to cure or that are caused by the act or omission of the tenant. Seller will endeavor in good faith, and with reasonable diligence, to remove subsequent to the closing all violations of record it is obligated to correct. Any proceeds received from insurance, or in satisfaction of any claim or action in connection with any loss, shall belong entirely to Seller (subject to the rights, if any, of the Board of Managers or of other Unit Owners). If any insurance proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Seller. The provisions of subparagraph D shall survive the closing.

E. In the event that Seller notifies Purchaser that it does not elect to repair or restore the Unit or if the Board of Managers do not resolve to make the repairs or restoration pursuant to the Condominium's By-Laws, this Agreement shall be deemed cancelled and of no further force or effect, and Seller shall return to Purchaser all sums deposited hereunder, together with interest, if any, earned and collected thereon, whereupon the parties shall be released and discharged from all obligations and liability hereunder and under the Plan, except that, if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Seller may retain the Liquidated Sum pursuant to Article 13 above.

19. **No Representations.** Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Seller, Selling Agent or others, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners or the projected Common Charges and projected real estate taxes allocable to the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any other data, except as may be specifically represented herein or in the Plan; Purchaser having relied on Purchaser's own examination and investigation thereof. No person has been authorized to make any representations on behalf of Seller except as specifically set forth herein or in the Plan. No oral representations or statements shall be considered a part of this Agreement. Purchaser agrees: (a) to purchase the Unit, without offset or any claim against, or liability of, Seller, whether or not any layout or dimension of the Unit or any part thereof, or of the Common Elements, as shown on the Floor Plans is accurate or correct, provided the layouts and dimensions conform substantially to the Floor Plans and (b) that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any minor inaccuracy or error. The provisions of this Article shall survive the closing of title.

20. **Notices.** All notices, elections, consents, demands and communications (collectively called "notices" or individually called "notice") shall be delivered personally or given in writing by certified mail, return receipt requested, postage prepaid and, if sent to Purchaser, addressed to Purchaser at Purchaser's address given in the preamble to this Agreement and, if sent to Seller, addressed to Seller at the address written above. Either party may, by written notice to the other, change the address to which notices are to be sent. Unless otherwise provided herein, all notices shall be deemed given when personal delivery is affected or when deposited in any branch, station or depository maintained by the U.S. Postal Service in the State of New York, in a certified, prepaid wrapper, addressed as aforesaid, except that a notice of a change of address shall be deemed given when actually received.

21. **Brokerage.** Purchaser represents to Seller that Corcoran Realty and _____ are the only broker(s) or sales agent(s) with whom Purchaser has dealt in connection with this transaction. Seller agrees to pay the commission earned by said broker(s) pursuant to separate agreement. Purchaser agrees that should any claim be made against Seller for commissions by any broker, other than the aforesaid broker(s) or sales agent(s) on account of any acts of Purchaser or of Purchaser's representatives, Purchaser will indemnify and hold Seller free and harmless from any and all liabilities and expenses in connection therewith, including without limitation reasonable legal fees and disbursements. The provisions of this Paragraph shall survive the closing of title.

22. No Lien, Agreement Subordinate to Mortgage.

A. No lien or encumbrance shall arise against the Property or the Unit as a result of this Agreement or any sums deposited hereunder. This Agreement shall not be recorded and any purported recordation hereof by Purchaser shall constitute an Event of Default, subject to the remedies set forth in Article 13 hereof.

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

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

24. Advertising. Prior to the closing of title, Purchaser shall not advertise or otherwise offer, promote or publicize the availability of the Unit for sale or lease.

25. Prohibition Against Assignment. Purchaser does not have the right to assign this Agreement without the prior written consent of Seller. Any purported assignment by Purchaser in violation of this Agreement shall be voidable at the option of Seller and shall constitute an Event of Default by Purchaser subject to the remedies set forth in Article 13 hereof. Seller's refusal to consent to an assignment shall not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Seller. Seller may assign this Agreement in accordance with the Plan without the consent of Purchaser.

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

27. Liability of Seller.

A. Seller shall not have any liability to Purchaser or others 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 reserve for, any liabilities, costs,

or expenses of Seller arising out of the promulgation of the Plan, the offering of the Units for sale and the consummation of the transactions contemplated in the Plan, except as specifically set forth in the Plan. Nothing contained herein shall be construed to violate existing statutes or regulations.

B. Seller shall be excused from performing any obligation or undertaking provided for in this Agreement for so long as its performance is prevented, delayed, or hindered by an act of God, fire, flood, explosion, war, terrorism, riot, sabotage, inability to procure or, general shortage of, energy, labor, equipment, facilities, materials, or supplies in the open market, failure of transportation, strike, lock-out, action of labor unions or any other cause (whether similar or dissimilar to the foregoing) not within the reasonable control of Seller. Seller's time to perform an obligation or undertaking shall be tolled for the length of the period during which said performance was excused.

C. No provision of this Purchase Agreement shall survive the delivery of the deed, except those obligations expressly stated herein or in the Plan to so survive or to be performed subsequent to the closing. Acceptance by the Purchaser of the deed will constitute the Purchaser's acceptance and acknowledgment of the full performance by Seller of, and the discharge of Seller from, all obligations under this Purchase Agreement, except those obligations expressly stated to survive or to be performed subsequent to delivery of the deed. Nothing contained herein will be in derogation of the rights of Purchasers under Article 23-A of the General Business Law, the Plan or Part 20 of the Regulations issued by the Department of Law, and nothing herein will relieve Seller of liability for misrepresentations (if any) under the Plan.

28. **Further Assurances.** Either party shall execute, acknowledge and deliver to the other party any instruments and take any other actions, in addition to the instruments and actions specifically provided for herein, as the 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 transaction hereunder.

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

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

31. **Governing Law.** The provisions of this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of New York.

32. **Waiver of Jury Trial.** Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, connected with, or relating to this Agreement or the relationship created hereby. With respect to any matter for which a jury trial cannot be waived, the parties agree not to assert any claim as a counterclaim in, nor move to

consolidate said claim with, any action or proceeding in which a jury trial is waived.

33. **Gender.** A reference in this Agreement to any one gender, masculine, feminine, or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires.

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

35. **Successors and Assigns.** Subject to the provisions of Paragraph 25 hereof, the provisions of this Agreement shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Seller and its successors and assigns.

36. **Acceptance of Purchase Agreement.**

A. Upon signing this Agreement, Purchaser agrees, if requested, to provide the Sponsor with written information concerning Purchaser's employment, financial and history of rental/ownership of any real or personal property. Purchaser hereby expressly authorizes Sponsor or any Sales Agent to perform a credit search. Said information shall be used to determine Purchaser's qualification to purchase and own the Unit.

B. The submission of: (i) written information, if requested; or (ii) this Purchase Agreement to Seller does not constitute a reservation or binding obligation on either Purchaser or Seller. No binding obligation shall arise until this Purchase Agreement is executed by, and delivered to, both Purchaser and Seller (or Seller's duly authorized agent). In the event Sponsor takes no action within the fifteen (15) days, this Purchase Agreement shall be deemed cancelled. If the Purchase Agreement is not accepted, all sums paid by Purchaser shall be promptly refunded, without interest. Upon said refund being made, neither party shall have any further rights, obligations or liabilities hereunder with respect to the other. Seller has the right, without incurring any liability, to reject this Agreement without cause or explanation to Purchaser. This Agreement may not be rejected due to Purchaser's race, color religion, age, sex, disability, marital status, national origin, ancestry, or other ground proscribed by law.

37. **No Oral Changes.** This Agreement cannot be modified or any provision herein waived or modified orally. ANY CHANGES OR ADDITIONAL PROVISIONS OR WAIVERS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES.

38. **No Recordation.** Seller and Purchaser hereby acknowledge that neither this Agreement nor any memorandum or affidavit thereof shall be recorded. Should Purchaser ever record or attempt to record this Purchase Agreement, or a memorandum or affidavit thereof, or any other similar document, then, notwithstanding anything herein to the contrary, said recordation or attempt at recordation shall constitute a default by Purchaser hereunder, and, in addition to the other remedies provided for herein, Seller shall have the express right to terminate this Agreement by filing a notice of said termination in the county in which the Land is located.

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

SELLER:

292 Seventh Street LLC

By: _____

PURCHASER:

Sign: _____
Print: _____

Social Security Number

Sign: _____
Print: _____

Social Security Number

**EXHIBIT A
TO PURCHASE AGREEMENT**

LEGAL DESCRIPTION

ALL that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, known and designated as and by Lot No. 24 in Block 998 on the Tax Map of the City of New York for the Borough of Brooklyn, which said lot is more particularly bounded and described as follows:

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

EXHIBIT B
TO PURCHASE AGREEMENT

PERMITTED EXCEPTIONS

1. The state of facts which an accurate survey would show provided such additional facts do not prohibit the use of the Units and Common Elements or render title unmarketable;
2. Zoning and building ordinances, resolutions, restrictions and regulations of municipal authorities having jurisdiction and any amendments thereto, now or hereafter adopted, providing same will not be violated by the Building;
3. The Declaration, By-Laws, Maps and Floor Plans to be recorded and filed in the Kings County office of the Register of the City of New York, as the same may be amended from time to time and the terms, covenants and conditions of this Offering Plan and amendments thereto;
4. An easement in favor of adjoining Units and of the Common Elements for the continuance of all encroachments of such adjoining Units or Common Elements on the Unit, existing as a result of construction of the Building, or which may come into existence as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building or any adjoining Unit or the Common Elements made by or with the consent of the Board of Managers after damage or destruction by fire or other casualty or after a taking in condemnation or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements, made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand;
5. Easements in favor of the Board of Managers, its agents, contractors or employees to have a 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, to make repairs to the Common Elements, including without limitations to any wires, pipes, conduits or telecommunications system servicing any of the Units or to make repairs to any other Unit;
6. Easements in favor of those Units having restricted use to portions of the Common Elements;
7. Easements for the continuance of encroachments on the Unit and on the Common Elements by other Units or portions of the Common Elements, now existing by reason of the construction of the Units, or hereafter occurring by reason of the settling or shifting of the Units, or by reason of the repair and/or restoration by the Board of Managers of the Units or 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 to the Common Elements made by the Board of Managers, so that any such encroachments may remain as long as the Units stand;
8. Any easement or right of use created in favor of any public utility company for electricity, steam, gas, telephone, water or other service, cable television service, and the right to use,

maintain and repair wires, cables, terminal boxes, lines, service connections, poles, mains, facilities and the like upon, under and across the Property;

9. Standard printed exceptions to the NYBTU and ATLA policies of tile insurance; and

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

EXHIBIT "B"

POWER OF ATTORNEY

POWER OF ATTORNEY

The undersigned, _____, residing at _____, the owner of Unit _____ in the Condominium known as The 292 7th Street Condominium, located at 292 7th Street, Brooklyn, New York, consisting of the property submitted to the provisions of Article 9-B of the Real Property Law of the State of New York pursuant to Declaration dated _____, 200__, and recorded in the Kings County office of the Register of the City of New York, on _____, 200__ in Liber _____ of Conveyances at Page _____ and on the Floor Plans on file in said office as Map No. _____,

does hereby nominate, constitute and appoint the persons who may from time to time constitute the Board of Managers of The 292 7th Street Condominium jointly, true and lawful Attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, (i) to do all acts and things on behalf of the Condominium except those which by law, by the Declaration or the By-Laws may not be delegated to the Board of Managers by the Unit Owners, including but not limited to the powers and duties specifically enumerated in said Declaration and By-Laws; (ii) to apply on behalf of the undersigned to the Tax Commission of the City of New York, institute proceedings in the New York Supreme Court and prosecute or settle the same relating to reduction in the assessed valuation of the undersigned's Unit as part of a single application on behalf of all Unit Owners, and in connection therewith to pay all costs incurred in such proceedings; and (iii) to acquire in their own name, as members of the Board of Managers, or in the name of their designee, corporate or otherwise, on behalf of all owners of Units in said property, in accordance with their common interests, any Unit whose owner desires to abandon or sell the same, the undivided interest in the common elements appurtenant thereto, the interest of such Unit Owner in any other Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, or in the proceeds of sale or lease thereof, if any and the rights and privileges appurtenant thereto, and the interest of such Unit Owner in all other assets of the Condominium (hereinafter collectively called the "Appurtenant Interests") or any Unit, together with the Appurtenant Interests, which shall be the subject of a foreclosure or other judicial sale, or to lease any Unit whose owner desires to rent the same, at such price or at such rental, as the case may be, and on such terms as were offered by a bona fide proposed purchaser or lessee (except in the case of a sale or lease of Units by the Sponsor, Sponsor's designee or a mortgagee acquiring title in foreclosure or by deed in lieu of foreclosure) and thereafter to convey, sell, lease or mortgage (but not to vote the votes appurtenant thereto) or otherwise deal with any such Units so acquired by them, or to sublease any Unit so leased by them on such terms as said attorneys-in-fact may determine, granting to such attorneys-in-fact the power to do all things in the said premises which the undersigned could do if the undersigned were personally present.

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

This power of attorney shall be irrevocable.

IN WITNESS WHEREOF, the undersigned has executed this Power of Attorney this day
____ day of _____ 200__.

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

On the ____ day of _____ in the year 200__ before me, the undersigned, a Notary Public in and for said State, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual or person upon behalf of which the individual acted, executed the instrument.

Notary Public

EXHIBIT "C"

DEED

DEED

THIS INDENTURE made the ____ day of _____ 200__, between 292 Seventh Street LLC, a New York limited liability company, having an office at 306 2nd Street, Suite 2A, Brooklyn, NY 11215 ("Grantor"), and _____ residing at _____ ("Grantee"),

WITNESSETH:

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

The Unit known as _____ in the Declaration establishing the condominium known as The 292 7th Street Condominium, located in the City of New York, County of Kings and State of New York, (hereinafter called the "Property") made by the Grantor under the Condominium Act of the State of New York (Article 9-B of the Real Property Law of the State of New York), dated _____, 200__, and recorded in the Kings County office of the Register of the City of New York, on the ____ day of ____ 200__, in Liber _____ of Conveyances at Page ____ (hereinafter called the "Declaration"), which Unit is also designated as Tax Lot No. 24 in Block 998 of the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of the City of New York, and on the floor plans of the building, certified by _____, and filed with the Real Property Assessment Department of the City of New York on as Condominium Plan No. _____, and also filed in the Kings County office of the Register of the City of New York on _____, 200__ as Condominium Map No. _____ (hereinafter collectively referred to as the "Unit") The land area of the Property is described as follows:

ALL that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, known and designated as and by Lot No. 24 in Block 998 on the Tax Map of the City of New York for the Borough of Brooklyn, which said lot is more particularly bounded and described as follows:

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

LEGAL DESCRIPTION

PREMISES known as 292 7th Street, Brooklyn, New York and designated as Block 998 Lot 24 as shown on the Tax Map.

TOGETHER with an undivided _____ % interest appurtenant to the Unit in the common elements of the Property described in said Declaration (hereinafter referred to as the "Common Elements");

TOGETHER with an easement for the continuance of all encroachments by the Unit on any adjoining Units or Common Elements now existing as a result of construction of the Building, or which may come into existence hereafter as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building or the Unit after damage or destruction by fire or other casualty, or after a taking in condemnation or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand;

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

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

TOGETHER with a right of way through the Common Elements to the public streets;

TOGETHER with and SUBJECT to all easements of necessity in favor of the Unit or in favor of other Units or the Common Elements;

SUBJECT to easements in favor of adjoining Units and in favor of the Common Elements for the continuance of all encroachments of such adjoining Units or Common Elements on the Unit, now existing as a result of construction of the Building, or which may come into existence hereafter as a result of settling or shifting of the Building, or as a result of repair or restoration of the Building or of any adjoining Unit or of the Common Elements, after damage or destruction by fire or other casualty, or after a taking in condemnation or eminent domain proceedings, or by reason of an alteration or repair to the Common Elements made by or with the consent of the Board of Managers, so that any such encroachments may remain so long as the Building shall stand;

SUBJECT also to an easement in favor of the other Units to use the pipes, wires, ducts, conduits, cables, public utility lines and other Common Elements located in the Unit or elsewhere on the Property and serving such other Units;

SUBJECT also to the rights of other Units through the Common Elements to the public streets;

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

SUBJECT to the condition that the Grantee's ownership interests in the Unit and Storage Unit may not be severed and that the transfer Unit must also include the transfer of Grantee's right, title in and to the Storage Unit. This restriction to run with the land of Grantee's right, title and interest.

TO HAVE AND TO HOLD the same unto the Grantee, and the heirs or successors and assigns of the Grantee, forever.

The Grantor, in compliance with Section 13 of the Lien Law, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund for the purpose of paying the cost of the improvements and will apply the same first to the payment of the cost of the improvements before using any part of the same for any other purpose.

The Grantor covenants that the Grantor has not done or suffered anything whereby the premises have been encumbered in any way whatever, except as aforesaid.

This conveyance is made in the regular course of business actually conducted by the Grantor.

[SIGNATURE PAGE TO FOLLOW]

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

Grantor:
292 Seventh Street LLC

By:
Its:

Grantee:

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

On the ____ day of _____ in the year 200__ before me, the undersigned, a Notary Public in and for said State, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual or person upon behalf of which the individual acted, executed the instrument.

Notary Public

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

On the ____ day of _____ in the year 200__ before me, the undersigned, a Notary Public in and for said State, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual or person upon behalf of which the individual acted, executed the instrument.

Notary Public

STATE OF NEW YORK)
)
COUNTY OF _____)

ss.:

On the ____ day of _____ in the year 200__ before me, the undersigned, a Notary Public in and for said State, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual or person upon behalf of which the individual acted, executed the instrument.

Notary Public

EXHIBIT "D"

DESCRIPTION OF PROPERTY AND BUILDING CONDITION

292 7th Street Brooklyn, NY 11215

Architects report prepared by Kutnicki Bernstein Architects PLLC Dated July 6, 2009 and amended October 12, 2009 by Kutnicki Bernstein Architects.

A. Location and Use of the Property:

1. Address: 292 7th Street
Brooklyn, NY 11215
2. Block Number: 998
Lot Number: 24
3. Zoning: R6B
4. Use: Residential
5. This development does not have a landmark status.

B. Status of Construction:

1. The building is entirely new construction. It is anticipated that it will be substantially completed on or about October 1, 2009, substantially in accordance with the New York City Department of Buildings approved plans and specifications, unless delayed by weather, strikes, lockouts, acts of God, shortages of or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire or the elements or any other cause over which the Developer has no control.
2. Class of Construction: The building will be classified as Class 1-C (Non-Combustible) and will conform to all applicable regulations of the Building Code of the City of New York ("Building Code"). The Plans were filed and approved under the number with the Department of Buildings and the Construction Permit was issued.
3. The building will be built in compliance with LL 58/87.
4. Certificate of Occupancy: After completion of construction, and prior to closing the Sponsor will obtain a Temporary Certificate of Occupancy for the Building from the Department of Buildings of the City of New York ("Department of Buildings"). Upon completion of the project the Sponsor will obtain a permanent Certificate of Occupancy.

C. Site:

1. The total site area is approximately 2,821 S.F.
2. This building is not located in a FEMA flood Zone.
3. Upon completion there will be one 4 Story plus Penthouse Building and Cellar.
4. The site contains 28.21' frontage on 7th Street.
 - i. The New York City streets adjacent to the site are paved with asphalt topping and are in good condition.

- ii. The existing curbs will be replaced at the building frontage on 7th Street with new metal faced concrete curbs.
 - iii. The street is presently pitched to drain through existing cast iron catch basins into the New York City Sewer System.
 - iv. The City of New York provides the street lighting.
 - v. These items conform to all local fire district and New York City Department of Transportation Codes.
5. Drives, Sidewalks and Ramps:
- i. The sidewalks on 7th Street will be scored poured-in-place concrete.
 - ii. These items conform to all local fire district and New York City Department of Transportation Codes.

D. Utilities

1. Electricity:
- i. Consolidated Edison Company, a regulated utility company, will provide electricity to the Building.
 - ii. Each residential owner shall be separately metered and pay actual usage charges directly to Con Edison on the basis of approved Utility Electric rates then in effect.
 - iii. Con Edison will separately meter the electricity consumed in the Residential Common Elements of the building and the cost of the same will be borne by the Residential Section Unit Owners as a Residential Common Expense.
2. Gas: National Grid will provide Gas for cooking, heating and domestic hot water. Each residential owner will be billed separately for the above services.
3. The City of New York will provide Water and Sewer services. The charges for water and sewer services provided to the building will be levied on the basis of a master city meter and borne by the Residential Section Unit Owners as a Residential Common Expense.
4. Telephone: Each Unit Owner will be required to pay the telephone charges with respect to his or her unit directly to telephone company providing such service. The telephone charges with respect to the public areas of the building (such as the Concierge's Desk, the Superintendent's Office, etc.) will be borne by the Residential Section Unit owners as a Residential Common Expense.
5. Cable Television: Cable Television service will be available for all units. All charges for cable television service (including subscription charges) will be paid by each unit/owner, who subscribes for the same directory to the cable TV company. In each unit, a cable TV outlet will be provided in living room and each bedroom or as indicated on the drawings.

6. Heat: Heat will be provided by individual air handling units with hot water coils for each residential unit. The unit "A" located in the cellar, 1st and 2nd floors will have radiant hydronic heat supplied by the boiler. Cost of gas consumed will be metered separately by each individual residential unit.
7. Washers & Dryers:
 - i. Each unit has a washer and dryer with the exception of Unit D which has hook ups for washer and gas dryer. All units have hookups for external venting. Unit C washer and dryer will be self venting.
 - ii. There will be one laundry room at cellar for the exclusive use by Unit A. Ventilation is provided through a 5" in diameter dryer vent.
8. Air Conditioning:
 - i. Air conditioning will be provided to the Residential Units by an electrically operated air handling unit located in each apartment. These units will be controlled by thermostats, located in the apartments. The costs of operating, maintaining and (if required) repairing or replacing the heating/air conditioning units located in a Residential Unit will be the responsibility of the Owner of such unit. Each Unit Owner will be responsible for paying the cost of the electricity required to operate the heating/air conditioning units located within their unit.
9. All utility services are being provided as needed to meet the requirements of all mechanical, electrical and other equipment:

E. Sub-Soil Conditions:

1. The boring indicates that the subsurface conditions were silty sand and gravel with a 3 ½ ton capacity per square foot.

F. Landscaping and Enclosures:

1. Grass Cover: No
2. Rear Yard: Used for private recreational space by unit A.
3. Street trees: There will be (1) tree total planted along 7th Street. The species will be Zelkova or equivalent.
4. Fencing: Yes, Rear yard
5. Main Roof: will be used for private terrace for Unit C and Unit D. 1 dedicated roof terrace for Unit D and 2 dedicated roof terraces for Unit C

G. Building Size:

1. Total Height: The total height of the building from the average curb elevation of 38.46' feet to the top of the Penthouse roof slab is 50.0' above average curb elevation.
2. Crawl Spaces: None
3. Cellars: One

4. Cellar height is 8'-0"±
5. There are 4 floors and Penthouse.
Floor to Ceiling Height:
1 – 9'- 0" ±
2 – 9'- 0" ±
3 – 9'- 0" ±
4 – 9'- 0" ±
Penthouse – 9'- 0" ±
6. Equipment Rooms: Gas and water room, electrical room, and boiler room located at cellar.
7. Parapet height from top roof finish to top of parapet coping will be 3'-6". At all conditions the height of the parapet/railing will be a minimum of 3'-6".

H. Occupancy:

1. There will be 4 residential dwelling units in the building.
 - Triplex at unit A
 - Duplex at unit C

2. Unit Description

A	Cellar:
3,044 sf	Recreation rooms, storages, one(1) ½ Bath
	1 st Floor:
	One (1) bedroom, one (1) Bath, one (1) ½ Bath
	2 nd Floor:
	Three (3) bedroom, two (2) Bath
B	Three (3) Bedroom, Two (2) Bathroom, Balcony
1,282 sf	
C	4th Floor:
1030 sf	One (1) Bedroom, One (1) Bathroom
	Penthouse:
	One (1) Bedroom, One (1) Bathroom, Private Roof Terrace (2)
D	One (1) Bedroom, One (1) Bathroom, Balcony, Private Roof
594 sf	Terrace (1)

3 Building Amenities

There will be tenant storages located in the cellar for the exclusive use by Unit A. There will also be an outdoor recreation space for the exclusive use by owner of unit A.

I. Structural System:

The building structure will consist of steel framing with 1½" metal deck with 2½" concrete topping as the structural floor.

1. The Exterior of the Building:
 - i. Walls:

- a) The north exterior wall will be brick consisting of 4" brick, 2" air space, waterproofing, 5/8" Densglass Gold sheathing, 6" metal stud, R – 19 batt insulation and 2 layers 5/8" gypsum wallboard finish. The brick will be supported with adjustable anchors and secured to 6" metal studs.
 - b) The south exterior will be EIFS. Consisting of exterior finish on insulation board, drainage mat, waterproofing, 5/8" Densglass Gold Sheathing, 6" metal stud, R-19 Batt Insulation, and 2 layers 5/8" gypsum wall board. 'Control joints provided as per architectural drawings.
 - c) The East wall will be EIFS on 8" CMU, 2"1/2", metal studs, R-19 Batt Insulation and 2 layers 5/8" Gypsum wallboard finish. West wall will be stucco on 8" CMU, 2"1/2" metal studs, R-19 Batt Insulation and 2 layers of 5/8" Gypsum wall board finish.
- ii. Windows: The windows will be fixed, casement, sliders, and double hung type aluminum with clear anodized finish and glazed with insulating glass. A three-year warranty on labor and materials will be given by the window contractor, and a ten-year materials warranty on the insulating glass units by the manufacturer. The U value of the glass will be .55 summer and 0.45 winter: the shading coefficient will be .81 or less.
 - a) There are no lot line windows on this project.
- 2. Parapets and Copings: The parapets will be composed of 8" concrete block with Brick or EIFS facing. The parapet copings shall be pre-cast concrete or aluminum.
- 3. Chimneys and Caps: There will be (1) direct exhaust vent flue for each boiler from the roof to the boiler room. The chimney will be type B vent.
- 4. Balconies and Terraces:
 - i. Balconies will be concrete on metal deck.
 - ii. Railings at the balconies and terraces and roofs shall be glass or metal.
 - iii. Railings at roofs (terraces) shall be glass.
 - iv. Copings at the terrace and roofs shall be aluminum.
 - v. Doors to all the balconies and terraces will be aluminum and insulated glass swing doors, with finish and warranty equivalent to windows.
- 5. Exterior Entrances:
 - i. Exterior Doors and Fixtures: The main entrance to the residential lobby will be metal and tempered glass doors with deadbolt thrown or retracted by key from outside or inside by turn unit.
 - ii. Exterior Exits: Exit door from the cellar will be a hollow metal door. All other public exterior doors will be hollow metal with the exception of the front entrance door which will be a glass.
 - iii. Railings: Railings will be glass, aluminum and/or stainless steel.

- iv. **Mail Boxes:** Mailboxes are located in the First Floor Lobby and will be Bommer or approved equal.
 - v. **Lighting:** There will be sufficient lighting at the Lobby entrance to provide an appropriate level of illumination.
6. **Service Entrances:** None
7. **Roof and Roof Structures:**
- i. **Type Roof for all Areas:**
 - a) **Materials:** The roof comprised of the following system will be installed on the concrete on metal deck and a modified Bitumen roofing membrane on top of extruded polystyrene board insulation.
 - b) **Insulation:** 3-1/2 rigid insulation with an R-value of 19.
 - c) **Surface Finish:** The surface finish will be pre-cast concrete pavers.
 - d) **Warranty:** The roofing system shall have a two (2) year workman's guarantee at the completion of this work plus a 15-year, "No Dollar Limit", manufacturer's warranty, from GAF. (Flashing Materials: There will be metal cap flashing and fabric base flashing.)
 - ii. **Drains:**
 - a) There will be a sufficient number of cast iron roof drains for each area requiring drainage.

Type	Manufacturer	Capacity and Function
FLOOR DRAIN - MECH. RMS.	JAY R. SMITH 2110-G-B-U	W/TRAP PRIMER #2699A1
FLOOR DRAIN	JAY R. SMITH 2005-NB	W/TRAP PRIMER #2699A1
TERRACED ROOF DRAIN	JAY R. SMITH FIG 1410-G-R-U-PB	
EXTERIOR AREAWAY	JAY R. SMITH FIG 2210-G-D-U	

 - b) Leaders will be service weight cast iron below the slab on grade and no hub cast iron above the slab on grade.
 - iii. **Skylights:** There will be one skylight at the roof of the stair bulkheads each 20 sf.
 - iv. **Bulkheads:**
 - a) **Stairs:** The stair enclosure will be part of the roof bulkhead, which will consist of an 8" CMU with EIFS system on the exterior and 2 layer 5/8 Fire Code X GWB at interior.

- b) Elevator: None
 - c) Other: None
- v. Metal Work at Roof Levels:
 - a) Exterior Steel Ladders: Two steel ladders shall be provided for access to the upper roof (stair bulkhead).
 - b) Railings: A guard rail will be provided around roof where mechanical equipment is located.
 - c) Hatches to Roof: None.
- vi. Rooftop Facilities:
 - a) Mechanical equipment only; no public usage.
 - b) All mechanical equipments installed on the roof of the building are MEA approved and therefore there is no need for additional noise level measurements.
- 8. Fire Escape: None
- 9. Yards and Courts: There will be one rear yard utilized for private recreational space for Unit A, two private terraces for Unit C, and 1 private terrace for Unit D.
- 10. Interior Stairs:
 - i. Number of Stairs of Each Type: There will be 1 steel exit stairs, which extends from 1st floor up to Main Roof.
 - ii. Enclosure: Egress stair will be enclosed with 2 hour rated walls of either CMU or gypsum board. All surfaces will be painted.
 - iii. Stringers: Steel.
 - iv. Treads: Steel.
 - v. Risers: Steel.
 - vi. Guard Rails: There shall be a steel pipe handrail in each stair.
 - vii. Balustrade: None.
- 11. Interior Doors and Frames:
 - i. Unit Entrance and Interior Doors and Frames: The apartment entrance shall be hollow metal and meet the New York City Building Code Requirements. The apartment interior doors shall be flush solid core wood with wood frames.
 - ii. Corridor Doors and Frames: All doors shall be hollow metal, with hollow metal frames and will meet New York City Code Requirements

- iii. Stair and Service Hall Doors and Frames: All doors and frames shall be hollow metal with vision panel and will meet the New York City Code Requirements.
 - iv. Roof Doors, Basement Doors and Frames: These doors and frames shall be hollow metal and will meet the New York City Code Requirements.
12. Building Insulation: Is in compliance with ECC of New York State.

J. Auxiliary Facilities:

1. Laundry Room: There will be one Laundry Room at cellar for the exclusive use by Unit A.

K. Plumbing and Drainage:

- 1 All plumbing is to be new. Water piping shall be "L" copper piping with wrought copper fittings. Joints shall be made with 95/5 tin antimony solder.
- 2. All plumbing fixtures to be water conservation type.
- 3 Domestic Supply: Domestic supply is 1½" from a new 3" combined domestic/sprinkler service provided by the NYC Water Main.
- 4 Fire Protection System: Sprinkler System is provided throughout the building. Sprinkler system is supplied from a 3" combined domestic/sprinkler service.
 - i. Sprinkler heads shall be concealed in finish spaces; either recessed or sidewall.
 - ii. Pendant type heads shall be used in unfinished spaces.
- 5 Sanitary Sewage System: All sanitary drainage is connected to public street sewer on 7th Street. A duplex sewage ejector 50 GPM against 33 THD is provided for sanitary fixtures below sewer level. Waste lines and vent stacks will be no hub cast iron.
- 6 Permits required: Approval has been obtained from the NYC-DEP for one (1) 6 inch combined storm and sanitary sewer, one (1) 3 inch combined domestic/sprinkler water service.
- 7 Storm Drainage: All storm drainage is connected to public street sewer above the sewer invert level.
- 8. Water Storage: There is no water storage tank.
- 9. Siamese Connection: It is flush mounted in front of the building.

L. Heating:

- 1. Heating ventilating and air conditioning systems will be provided for all areas of the building in accordance with New York City Building Codes and Applicable standards of the American Society of Heating, Refrigeration, and Air Conditioning Engineers.
- 2. Design Conditions:

Summer: Outdoor 92°F DB
74°F DB

Indoor 75°F DB
50°F RH

Winter: Outdoor 5°F DB

72°F DB<RH uncontrolled

Ventilation: Operable windows for residential apartments.

3. Cellar, 1st, 2nd, 3rd, 4th and Penthouse

- a) Heating System: Heat will be provided via air handling units with hot water coils by York, Model N1AH. Heating capacity 50,000 -80,000 BTUH input.

M. Gas Supply:

The building is provided with gas service for heating, domestic hot water and gas cooking. Gas is individually metered. Piping material is black iron Schedule 40 pipe with millable fittings.

N. Air Conditioning:

Air conditioning systems are designed to meet all requirements of NY State Energy Code. Each unit is cooled by a 'Split System' A/C consisting of an A/C condenser unit located on the roof bulkhead of the building and the A/C handler unit is located in closets at or in the proximity to the floor cooled by the unit, and a separate package HVAC unit is provided for unit C (penthouse).

AIR HANDLING UNIT SCHEDULE						
UNIT	MARK	MANUFACTURER	MODEL #	CFM	BTU	MEA#
(CELLAR)	AH-C	York	N1AHB0806	800	24,000	148-94-E
(1 st FL.)	AH-1	York	N1AHB1206	1200	36,000	148-94-E
(2 nd FL.)	AH-2	York	N1AHD2006	2000	60,000	148-94-E
(3 rd FL.)	AH-3	York	N1AHD2006	2000	60,000	148-94-E
(4 th FL.)	AH-4.1	York	N1AHB1206	1200	36,000	148-94-E
(4 th FL.)	AH-4.2	York	N1AHB1206	1200	36,000	148-94-E

CONDENSING UNIT SCHEDULE					
UNIT	MARK	MANUFACTURER	MODEL #	BTU	MEA#

(CELLAR)	CU-C	York	H2RD024S06	24,000	
(1 st FL.)	CU-1	York	H2RD036S06	36,000	
(2 nd FL.)	CU-2	York	H2RD060S06	60,000	
(3 rd FL.)	CU-3	York	H2RD060S06	60,000	
(4 th FL.)	CU-4.1	York	H2RD036S06	36,000	
(4 th FL.)	CU-4.2	York	H2RD036S06	36,000	

UNIT HEATING DEVICES					
UNIT	MARK	MANUFACTURER	MODEL #	A/C	HEATING
(PENTHOUSE)	AC-P	York	D1NA024N05606	24,000	56,000

O. Ventilation:

1. Baths are ventilated mechanically in accordance with New York City Building Code.
2. Laundry room is ventilated mechanically in accordance with New York City Building Code.

P. Electrical System:

1. Electrical service is individually metered to all Residential Units with common metering for Public Areas and Facilities. Service is provided by Con Edison from 7th Street and is rated 208V/120V 3 Phase, 4 Wire to electric switchboard room terminating in one (1) 400 ampere bus and distributed to owners distribution panels and residential apartment meter banks.
2. Individual feeders are to run from meter banks to Residential Units from Cellars to each Residential Unit. Unit A will be provided with 200 amp service. All other units will be provided with 100 amp service.
3. Switched lighting fixtures are provided in bathrooms, foyers and kitchens. Fixtures are incandescent types. Switched receptacles are provided in all rooms, as required to meet NYC City Electrical Code. Ground fault receptacles are provided in all bathrooms; Ground fault receptacles with weather resistant enclosure are provided at Residential Unit Balconies and terraces where indicated.

Q. Telephones, Intercom and Security Systems:

1. Telephone services will enter the building from 7th Street and be fed to a telephone room located on Cellar level. It will then be distributed throughout the building through risers and sleeves. Each Residential Unit will receive telephone service to a closet within the unit.

2. Wiring will be installed in each Residential Unit to enable the Unit Owner to obtain telephone and cable television service at the Unit Owner's Expense.
3. The building will not be equipped with a Master Television Antenna System.

R. Public Area Lighting: Fluorescent and/or incandescent down lights and/or wall sconces will be provided in the lobby, fluorescent fixtures in the stairs, and fluorescent and/or incandescent fixtures in the corridors and other public spaces all public spaces are provided with a minimum of 5 foot candles of light per New York City code requirements.

S. Garages and Parking Areas: None.

T. Swimming Pool(s): None

U. Permits and Certificates:

1. The building is being constructed under the Department of Buildings Permit No. 310024737, 310058629, 310063329, 310063338, 310073899, 310134538
2. All necessary permits will be obtained and all required inspections will be completed prior to obtaining a Certificate of Occupancy.
3. Quality assurance and quality control to be completed by Solomon Rosenzweig PE (718) 975 – 9557, 1414 Avenue N, Brooklyn, NY 11230

V. Finish Schedule for Typical Apartment

<u>Space</u>	<u>Floor</u>	<u>Walls</u>	<u>Base</u>	<u>Ceiling</u>	<u>Counter</u>
Living	WD	P.GWB	WD	P. GWB	
Bath	CT/MT/ST	CT/MT/ST	CT/MT/ST	P. GWB	
Kitchen	WD/CT	P.GWB	WD	P. GWB	SL
Bedroom	WD	P.GWB	WD	P. GWB	

1. Appliance Schedule

TAG #	TYPE	LOCATION	MANUFACTURER	MODEL #	FINISH
UNIT A					
AP-1	FRIDGE	KITCHEN	SUB-ZERO	642/S SIDE-BYSIDE	SS
AP-2	COOKTOP	KITCHEN	VIKING	DGCU1054BSB	SS / BLACK
AP-3	WALL OVEN	KITCHEN	THERMADOR	MEMC301ES	SS
AP-4	WALL MICROWAVE	KITCHEN	THERMADOR	MEMC301ES	SS
AP-5	DISHWASHER	KITCHEN	BOSCH	SHX98M09UC	SS
AP-6	VENT HOOD	KITCHEN	ELECTROLUX	E36PC75GSS	SS/ ISLAND MT.
AP-7	VENT FLU EXTENSION	KITCHEN	ELECTROLUX	EXPC75GS	SS
AP-8	WASHER	KITCHEN	BOSCH	WPMC5301UC	WHITE
AP-9	DRYER	KITCHEN	BOSCH	WPMC5301UC	WHITE
UNIT B					
TAG #	TYPE	LOCATION	MANUFACTURER	MODEL #	FINISH

AP-10	FRIDGE	KITCHEN	BOSCH	B20CS50SNS	SS
AP-11	COOKTOP	KITCHEN	BOSCH	NGP745UC	SS
AP-12	OVEN	KITCHEN	BOSCH	HBL3450UC	SS
AP-13	MICROWAVE / VENT	KITCHEN	BOSCH	HMV9305	SS
AP-14	DISHWASHER	KITCHEN	BOSCH	SHX33M05UC	SS
AP-15	WASHER	KITCHEN	LG	WM2016CW	WHITE
AP-16	DRYER	KITCHEN	LG	DLG2526W	WHITE

UNIT C

TAG #	TYPE	LOCATION	MANUFACTURER	MODEL #	FINISH
AP-10	FRIDGE	KITCHEN	BOSCH	B20CS50SNS	SS
AP-11	COOKTOP	KITCHEN	BOSCH	NGP745UC	SS
AP-12	OVEN	KITCHEN	BOSCH	HBL3450UC	SS
AP-13	MICROWAVE / VENT	KITCHEN	BOSCH	HMV9305	SS
AP-14	DISHWASHER	KITCHEN	BOSCH	SHX33M05UC	SS
AP-17	WASHER / DRYER	KITCHEN	LG	WM3988HWA	WHITE

UNIT D

TAG #	TYPE	LOCATION	MANUFACTURER	MODEL #	FINISH
AP-18	FRIDGE	KITCHEN	FISHER & PAYKEL	E522BLXFDU	SS
AP-19	COOKTOP	KITCHEN	BOSCH	PCK755UC	SS
AP-20	OVEN	KITCHEN	BOSCH	HBL3350UC	SS
AP-13	MICROWAVE / VENT	KITCHEN	BOSCH	HMV9305	SS
AP-21	DISHWASHER	KITCHEN	BOSCH	SHE43M05UC	SS
AP-22	WASHER / DRYER	KITCHEN	N/A	N/A	

W. Further Development

1. No further development is anticipated.

X. Finish Schedule of Spaces Other Than Units:**Typical Floors**

<u>Space</u>	<u>Floor</u>	<u>Walls</u>	<u>Ceiling</u>	<u>Remarks</u>
Lobby	CT	CT/PLWD	P-GWB	P.GWB
Cellar	CT	P.GWB	P	P.GWB
Corridor	CT	P.GWB	P-GWB	P.GWB

ABBREVIATION FOR FINISHES

AT	ACCOUSTICAL TILE
CT	CERAMIC TILE
CPT	CARPET
CONC	CONCRETE
DP	DUSTPROOFING AND HARDNER
DE	DECK ENAMEL
GT	GRANITE
GWB	GYPSUM WALLBOARD
HC	HUNG CEILING

LWP	LIQUID WATERPROOFING
MT	MARBLE TILE
MP	METAL PAN
P	PAINT
SL	STONE SLAB
QT	QUARRY TILE
SP	SPRAY PAINT
ST	STONE TILE
V	VINLY
VCT	VINLY COMPOSITION TILE
VWC	VINYL WALL COVERING
GRG	GYPSUM RESISTANT GYPSUM
WB	WALLBOARD
WD	WOOD

Y. Safety and Warning Devices:

1. Apartment Smoke Detection System:
 - i. Each apartment will contain a smoke/carbon monoxide detector located in the vicinity of the bedrooms. The detector is wired to a 120-volt local power supply and is self contained with its own sounding device.
2. Common Area Fire Detection System:
 - i. A sprinkler alarm system will be provided connected to a central monitoring station.

Z. Special Risks:

1. Window Guards
 - i. It is the responsibility of each Unit Owner to notify the Board in writing when a child or children under the age of eleven (11) years lives or resides (even temporarily) in the Unit. It is the responsibility of each Unit Owner to install, at such Unit Owner's expense, the required window guards in all windows of the Unit. The Unit Owner shall maintain all window guards installed in the Unit and shall not remove same until permitted by applicable law and in any event, without full knowledge of the Board. Sponsor makes no representations whether Unit Owners will comply with the foregoing obligations. See "Rights and Obligations of Unit Owners and the Board of Managers" on page 54 in Part I of the Plan for further details.
2. Recreation Room
 - i. In accordance with the applicable law, the below grade recreation room located in the Cellar, dedicated to Unit A exclusively, may not be used as a bedroom and violation of such usage could result in violations imposed against the Condominium.

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 8.

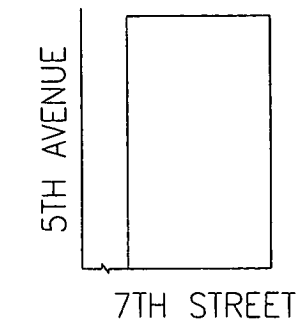
Kutnicki Bernstein Architects, PLLC

By: _____
Larry Kutnicki, Partner

Sworn to me on this _____ day of _____.

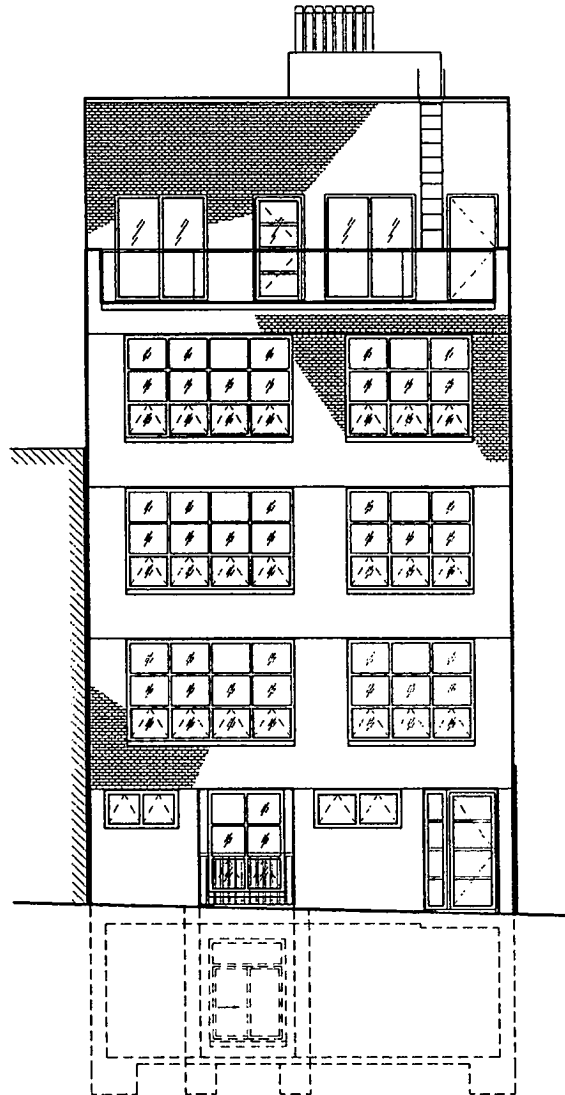
By: _____
Notary Public

292 7th STREET BROOKLYN, NY



LOCATION PLAN

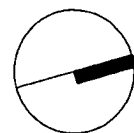
-  UNIT LOCATION
-  LIMITED COMMON ELEMENT EXCLUSIVE TO THE USE OF THE SPECIFIC UNIT



ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NOMINAL CONSTRUCTION VARIANCE AND TOLERANCE. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS.

WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORSEEN CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.

0 2 5 10 15



292 7th STREET BROOKLYN, NY

5TH AVENUE

HOUSE #: 292
BLOCK: 998
LOT: 24

100'-0"

297.87'

28.21'

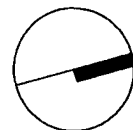
7TH STREET

PLOT PLAN

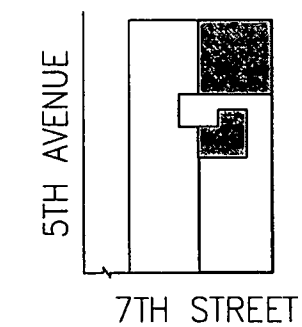
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT
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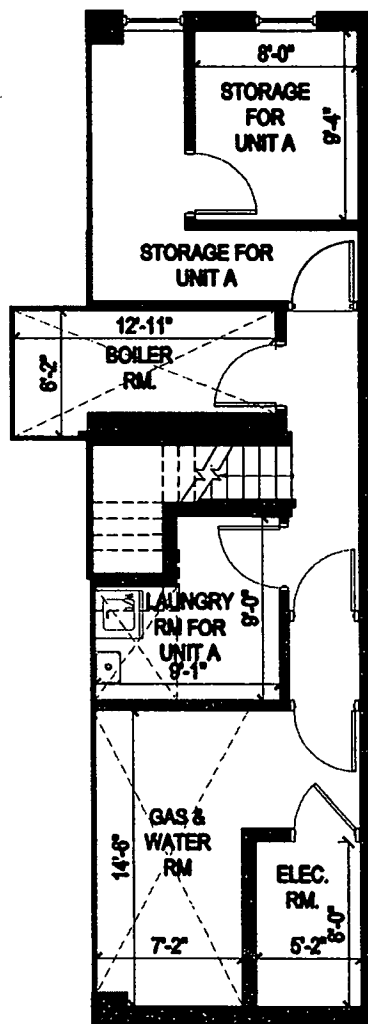


292 7th STREET BROOKLYN, NY



LOCATION PLAN

-  UNIT LOCATION
-  LIMITED COMMON ELEMENT EXCLUSIVE TO THE USE OF THE SPECIFIC UNIT



CELLAR: 741 SF

CELLAR PLAN

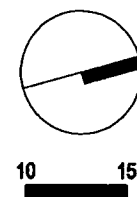
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WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORSEEN CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.

CELLAR

TOTAL UNIT AREA:
741 S.F.

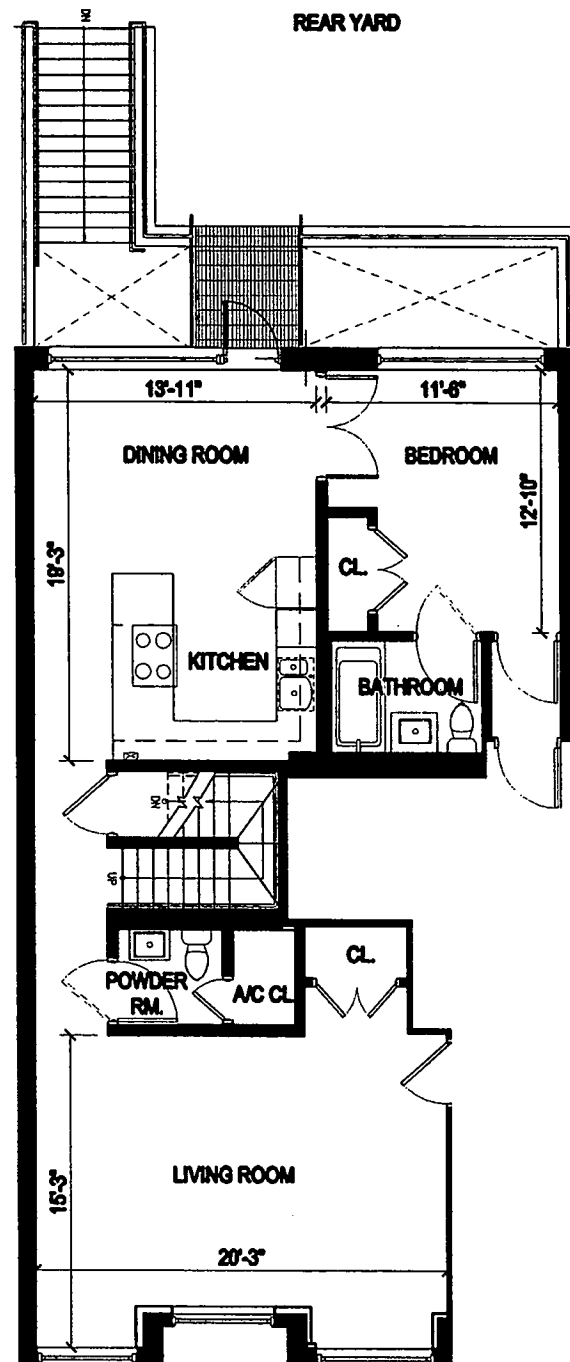
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292 7th STREET BROOKLYN, NY



-  UNIT LOCATION
-  LIMITED COMMON ELEMENT EXCLUSIVE TO THE USE OF THE SPECIFIC UNIT



1st FLOOR: 1120 SF

UNIT A PLANS (1st FLOOR)

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NOMINAL CONSTRUCTION VARIANCE AND TOLERANCE. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS.

WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.

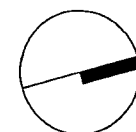
UNIT A

CELLAR, 1st & 2nd FLOOR

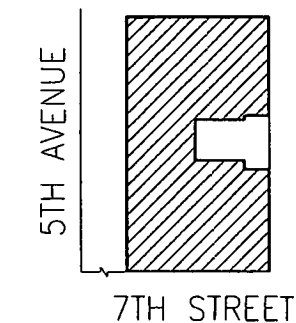
UNIT AREA: 3044 S.F.

0 1 2 3 5

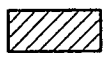
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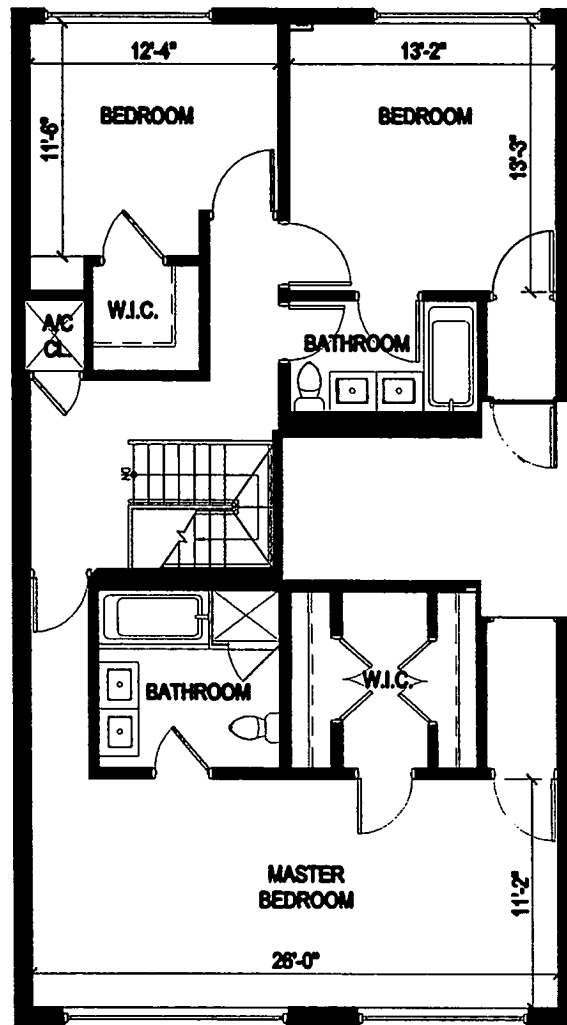


292 7th STREET BROOKLYN, NY



LOCATION PLAN

-  UNIT LOCATION
-  LIMITED COMMON ELEMENT EXCLUSIVE TO THE USE OF THE SPECIFIC UNIT



2nd FLOOR: 1274 SF

UNIT A PLANS (2nd FLOOR)

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NOMINAL CONSTRUCTION VARIANCE AND TOLERANCE. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS.

WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORESEEN CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.

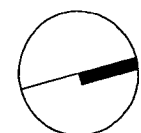
UNIT A

CELLAR, 1st & 2nd FLOOR

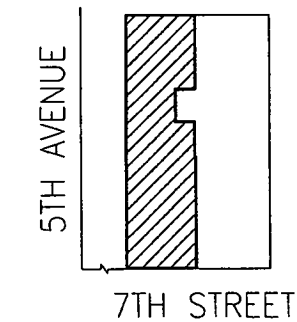
TOTAL UNIT AREA:
3044 S.F.

0 1 2 3 5
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10 15
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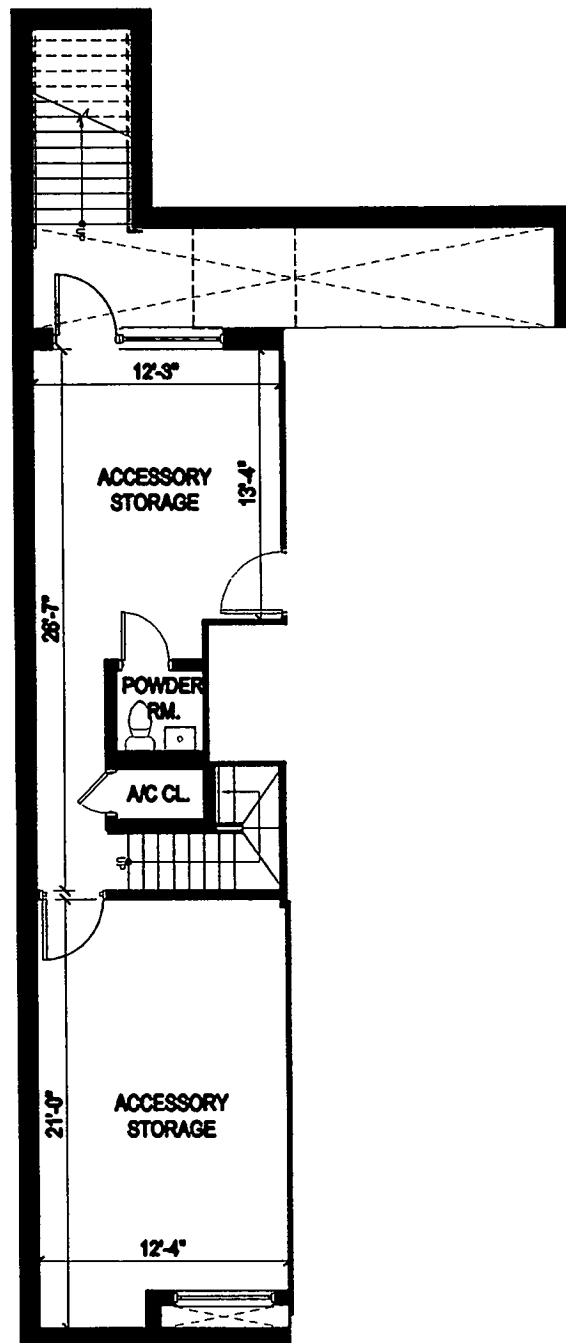


292 7th STREET BROOKLYN, NY



LOCATION PLAN

-  UNIT LOCATION
-  LIMITED COMMON ELEMENT EXCLUSIVE TO THE USE OF THE SPECIFIC UNIT



CELLAR: 650 SF

UNIT A PLANS (CELLAR)

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NOMINAL CONSTRUCTION VARIANCE AND TOLERANCE. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS.

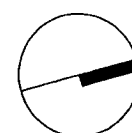
WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORSEEN CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.

UNIT A

CELLAR, 1st & 2nd FLOOR

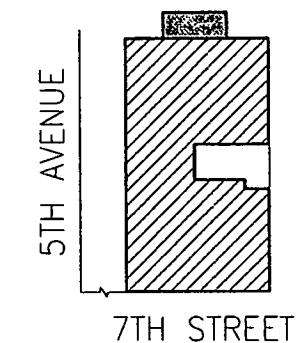
TOTAL UNIT AREA:
3044 S.F.

0 1 2 3 5

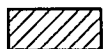


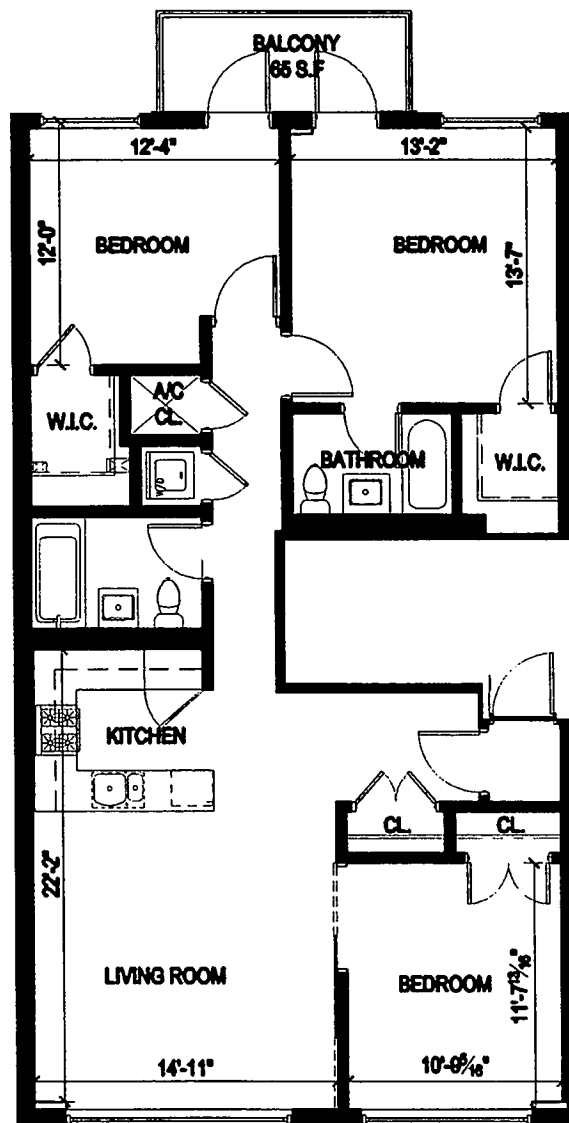
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292 7th STREET BROOKLYN, NY



LOCATION PLAN

-  UNIT LOCATION
-  LIMITED COMMON ELEMENT EXCLUSIVE TO THE USE OF THE SPECIFIC UNIT



3rd FLOOR: 1282 SF

UNIT B PLANS (3rd FLOOR)

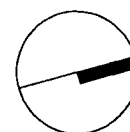
ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NOMINAL CONSTRUCTION VARIANCE AND TOLERANCE. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS.

WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORSEEN CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.

UNIT B

3rd FLOOR

TOTAL UNIT AREA:
1282 S.F.



0 1 2 3 5
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292 7th STREET BROOKLYN, NY



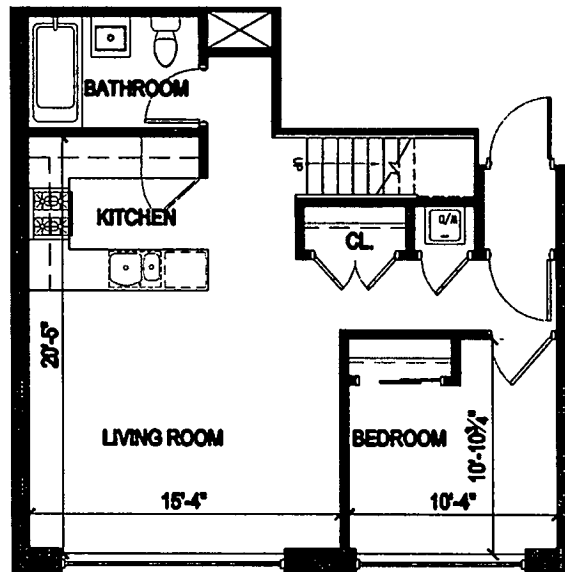
LOCATION PLAN



UNIT LOCATION



LIMITED COMMON
ELEMENT EXCLUSIVE TO
THE USE OF THE
SPECIFIC UNIT



4th FLOOR: 680 SF

UNIT C PLANS (4th FLOOR)

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT
TO NOMINAL CONSTRUCTION VARIANCE AND
TOLERANCE. DIMENSIONS ARE MAXIMUM OVERALL,
SUBTRACT CUTOUTS.

WE RESERVE THE RIGHT TO MAKE CHANGES DUE
TO UNFORSEEN CONDITIONS IN ACCORDANCE WITH
THE OFFERING PLAN.

UNIT C (LOWER)

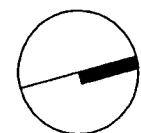
4th FLOOR + PENTHOUSE

TOTAL UNIT AREA:

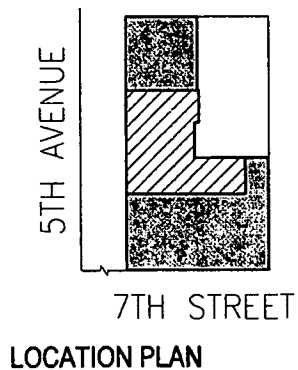
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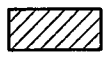
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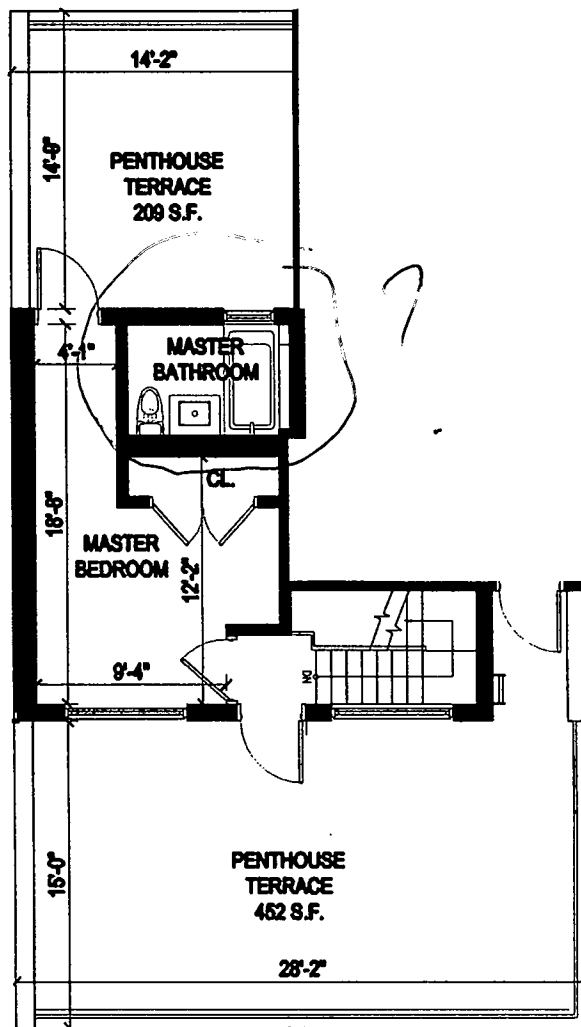
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292 7th STREET BROOKLYN, NY



-  UNIT LOCATION
-  LIMITED COMMON ELEMENT EXCLUSIVE TO THE USE OF THE SPECIFIC UNIT



PENTHOUSE: 350 SF

UNIT C PLANS (PENTHOUSE)

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NOMINAL CONSTRUCTION VARIANCE AND TOLERANCE. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS.

WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORSEEN CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.

UNIT C (UPPER)

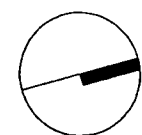
4th FLOOR + PENTHOUSE

TOTAL UNIT AREA:

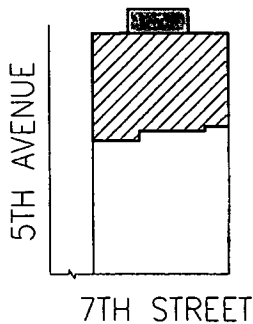
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0 1 2 3 5

10 15

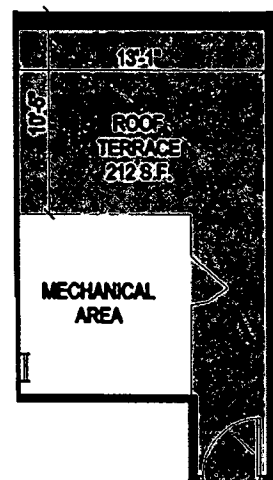
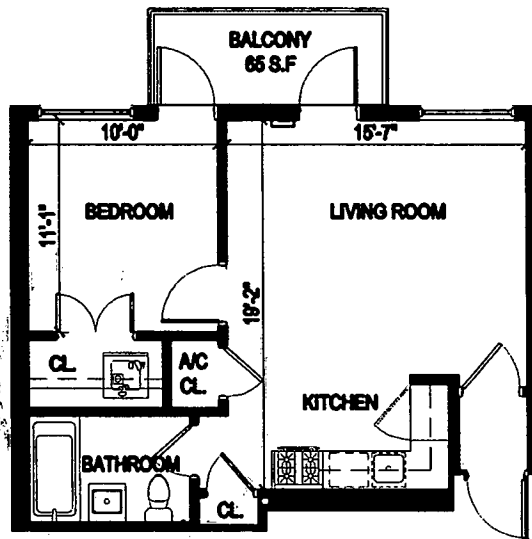


292 7th STREET BROOKLYN, NY



LOCATION PLAN

-  UNIT LOCATION
-  LIMITED COMMON ELEMENT EXCLUSIVE TO THE USE OF THE SPECIFIC UNIT



ROOF TERRACE

UNIT D PLANS (4th FLOOR)

ALL DIMENSIONS ARE APPROXIMATE AND SUBJECT TO NOMINAL CONSTRUCTION VARIANCE AND TOLERANCE. DIMENSIONS ARE MAXIMUM OVERALL, SUBTRACT CUTOUTS.

WE RESERVE THE RIGHT TO MAKE CHANGES DUE TO UNFORSEEN CONDITIONS IN ACCORDANCE WITH THE OFFERING PLAN.

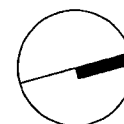
UNIT D

4th FLOOR + ROOF TERRACE

TOTAL UNIT AREA:

594 S.F.

0 1 2 3 5
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EXHIBIT "E"

DECLARATION OF CONDOMINIUM

DECLARATION OF CONDOMINIUM
OF

The 292 7th Street Condominium

Establishing a Plan for Condominium Ownership of Premises located at 292 7th Street, in the Borough of Brooklyn, City and State of New York and shown as, Block 998, Lot 24 on the Tax Map of the Borough of Brooklyn, City of New York, pursuant to Article 9-B of the Real Property Law of the State of New York.

Name: THE 292 7th Street Condominium
292 7th Street
Brooklyn, New York

Sponsor: 292 Seventh Street LLC
306 2nd Street, Suite 2A
Brooklyn, NY 11215

Block: 998
Lot: 24

Date of Declaration: _____, 2007

Record and Return to:
Meister Seelig & Fein LLP
2 Grand Central Tower
140 East 45th Floor, 19th Floor
New York, NY 10017
Attn: Emily B. Wolf, Esq.

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**DECLARATION OF CONDOMINIUM
of
THE 292 7TH STREET CONDOMINIUM**

(Pursuant to Article 9-B of the Real Property
Law of the State of New York)

292 Seventh Street LLC, a New York limited liability company, maintaining an office at 306 2nd Street, Suite 2A, Brooklyn, NY 11215 (hereinafter sometimes referred to as "Declarant" or "Sponsor"), is the owner of the land located at 292 7th Street, Brooklyn, New York (the "Land"), and the owner of the building constructed thereon (the "Building"). Declarant desires to submit its interest in the Land and Building to the New York Condominium Act (as hereinafter defined) in order to create a Condominium consisting of four (4) Units (the "Units"). Immediately upon the recording of this Declaration, Declarant will be the owner of all the Units and their respective interests in the Common Elements (as hereinafter defined). Declarant therefore, does hereby declare:

**ARTICLE I
SUBMISSION OF PROPERTY**

1.1 Declarant hereby submits the Land, together with the Building and other improvements erected and to be erected thereon (the "Property") to the provisions of Article 9-B of the Real Property Law of the State of New York (the "New York Condominium Act"), and pursuant thereto does hereby establish a Condominium to be known as The 292 7th Street Condominium (the "Condominium"). The Condominium will be known by the street address 292 7th Street, Brooklyn, New York.

1.2 Immediately upon the recording of this Declaration, the Condominium will be established consisting of four (4) Units subject to the terms and conditions of this Declaration.

1.3 Attached to this Declaration and made a part hereof are the by-laws of the Condominium which set forth detailed provisions governing the operation, use and occupancy of the Condominium (said by-laws, as they may be amended from time to time are hereinafter referred to as the "By-Laws").

**ARTICLE 2
THE LAND**

The Land consists of the parcels of land designated as Block 998, Lot 24 on the Tax Map of the Borough of Brooklyn, City of New York, and more particularly described as all that certain tract, plot, piece and parcel of land with the improvements and building thereon erected, situate, lying and being in the City of New York, State of New York as set forth on Schedule A annexed hereto and made a part hereof. The Land is owned by the Sponsor in fee simple absolute.

ARTICLE 3 THE BUILDING

The Building is located at 292 7th Street, Brooklyn, New York on the east side of Henry Street. The Building is constructed of cut-stone and brick foundations. It contains a cellar, basement and four (4) stories above grade. The Building and Units are currently vacant.

ARTICLE 4 THE UNITS

Schedule B annexed hereto and made a part hereof sets forth the following data with respect to the Units, respectively, necessary for the proper identification thereof: Unit designation; tax lot number; approximate square foot area; number of rooms (for residential areas); location; the portions of the Common Elements (as hereinafter defined) to which the Unit has immediate access or the right to exclusive use; and the percentage of interest in the Common Elements. The locations of the Units are shown on the Floor Plans of the Building (the "Floor Plans"), certified by the Architects, and filed in the City Register's Office simultaneously with the recording of the Declaration. The Units will be individually referred to as Units A, B, C and D. The Storage Units located in the Cellar of the Building, as described in the floor plans, will be specifically allocated as a Limited Common Element to Unit A. There is no additional fee for the Storage Units. In addition, there will be a laundry room in the Cellar that will be specifically allocated as a Limited Common Element to Unit A. Furthermore, the rear garden of the Building will be a Limited Common Element specifically allocated to Unit A.

ARTICLE 5 DIMENSIONS OF UNITS

The approximate indoor floor area of each Unit has been measured from the exterior side of the façade or exterior Building walls or glass windows at the Building line and/or Property line enclosing the Unit, or from the midpoint of the interior party walls separating the Unit from another Unit, or from the public side of the interior party walls separating the Unit from the public corridors or public stairs, or from the mechanical space side of interior party walls separating the Unit from mechanical equipment space or any other Common Elements. Columns and mechanical pipes and chases (whether along the perimeter or within the Unit) are not deducted from the square foot area of the Unit. The floor area occupied by any Common Elements bordering or within a Unit (such as the Building's façade or exterior walls, vents, chase walls or areas, conduits, ducts, shafts or pipes) have been included in the computation of the floor area of the Unit, but such Common Elements are not part of the Unit. The configuration, fenestration and dimensions (collectively, "Unit Layout") are approximate within reasonable tolerances. The square footages and dimensions are estimates based on an extrapolation of the square footage of overall Unit dimensions in accordance with the customary practice in New York City. The square footage shown is taken from points behind the walls enclosing the Unit and thus exceed the Unit's usable floor area. Room dimensions are taken from the exposed surface of the walls enclosing the room. The Sponsor states that minor inaccuracies between a floor plan and the actual square footage, and inaccuracies in the Unit layout or room dimension, will not excuse a Purchaser from completing the purchase of a Unit without abatement in price and without recourse against the Sponsor. As is customary in New York, these square foot areas exceed the usable floor area of each Unit.

Each Unit shall also include (i) the interior walls, partitions and floor coverings affixed, attached or appurtenant to the Unit and (ii) any and all equipment, fixtures and appliances (including, without limitation, heating and cooling units, plumbing facilities, sinks, bathtubs, toilets, refrigerators, ovens, ranges, dishwashers, and other appliances) affixed, attached or appurtenant to such Unit.

ARTICLE 6 COMMON ELEMENTS

6.1 The Common Elements of the Condominium (the "Common Elements") consist of the entire Property described in Article 2 of this Declaration and that portion of the Building not incorporated in the Units and which do not exclusively service any one Unit and will include, without limitation, the following:

(a) the Land, including without limitation, the portions of the Land on which the Building are erected, the sidewalks and all other improved and unimproved areas not within the Units together with all easements, rights and privileges appurtenant thereto;

(b) all foundations, columns, girders, beams, joints, supports, bearing walls, subfloors and roof; those portions of the exterior walls beyond the outside face of the wallboard; those portions of the walls and partitions dividing the Units from corridors and stairs located beyond the unexposed face of the wallboard enclosing the Unit, those portions of the walls and partitions dividing Units located between the unexposed faces of both wallboard walls enclosing the Units;

(c) the entrances to and exits from the Building, and doors and windows which open from a Unit;

(d) all corridors, stairs and stairways, including all fire stairs;

(e) all central and appurtenant installations for services such as heat, air conditioning, power, light, telephone, television, video remote entry system and water, as hereinafter described in more detail;

(f) all gas, water, sewer and drainage pipes, risers, valves, fittings and appurtenances thereto;

(g) steam piping, including valves, traps, strainers, gauges, thermometers, fittings, risers, mains, condensate returns;

(h) sprinkler system including fittings, valves, sprinkler heads and piping;

(i) the water service and meter room, the electric room, the telephone room, the steam room and the fire pump room, all of which service more than one Unit;

(j) the building storage and/or mechanical rooms;

(k) the exhaust fans and for bathrooms and washer/dryer compartments and the roof top air cooled condensing unit;

(l) all other apparatus and installations existing in the Building for the common use or necessary or convenient to the existence, maintenance or safety of the Building;

6.2 The Limited Common Elements consist of the following:

(a) The Storage Units located in the basement of the Building, as described in the floor plans, will be specifically allocated to Unit A in accordance with the schedule contained as Schedule A. The Unit Owners shall be responsible for all normal maintenance, repairs and replacements thereto. However, the costs and expenses of any structural repairs to the Storage Units unless caused by its Unit Owner shall be charged to all Unit Owners as a Common Expense.

(b) The rear gardens are dedicated Unit A. The garden will become Limited Common Elements to Unit A. The rear garden appurtenant to Unit A will be for the exclusive use of the Unit Owner of Unit A. The Unit Owner of Unit A who has access to the rear garden of the Building shall have exclusive use of same, subject to the rights of the Board of Managers to regulate its use. Such Unit Owners shall be responsible for all normal maintenance, repairs and replacement thereto.

(c) Exclusive balconies and portions of the roof allocated to B, C and D respectively as set forth on Schedule B. The exclusive balconies will constitute Limited Common Elements for the exclusive use of the Owners of such Units. The respective Unit Owner will be responsible for complying with this Declaration and the By-Laws. The Unit Owners shall be responsible for all normal maintenance, repairs and replacements thereto. However, the costs and expenses of any structural repairs to the same, unless caused by its Unit Owner, shall be charged to all Unit Owners as a Common Expense.

ARTICLE 7 DETERMINATION OF PERCENTAGES IN COMMON ELEMENTS

The percentages of interest of the respective Units in the Common Elements are as set forth on Schedule B.

Such percentages are based upon method (iv) contained in Section 339-i(1) of the New York Condominium Act, that is, 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.

ARTICLE 8 USE OF UNITS

The Units may be used only as a residence with not more than two (2) adults or one (1) family occupying a Unit at one time, except that any Unit may in addition be used for any lawful home occupation (as such term is defined in the New York City Zoning Resolution,) provided (i) that such use does not violate zoning regulations or the Certificate of Occupancy for the Building, and (ii) the prior consent of the Board of Managers is obtained or, in the case of initial Purchasers from the Sponsor or its designee, written notice of such use is given to the managing agent.

Notwithstanding the foregoing, the Sponsor or its designee may, without the permission of the Board of Managers, retain ownership of one or more Units for use as models, or sales, business or administration offices and may place signage of any size and in any location on the Property, in connection with the sale or rental of the Units until such time as all such Units have been conveyed to Purchasers thereof.

Further restrictions on the use of the Units are set forth in the By-Laws.

ARTICLE 9 SUBDIVISION, COMBINATION AND ALTERATION OF UNITS

9.1 Subject to any applicable building code, fire code, zoning or other requirements of governmental authorities, the Sponsor or its designee shall have the right, at its sole cost and expense and without the requirement of consent of the Board of Managers, the other Unit Owners or anyone else, to change the layout and/or size and/or number of rooms in any Unit or number of Units by subdividing one or more Units into separate Units, combining separate Units into one or more Units or altering the boundary walls of Units, and in connection therewith to reapportion among the Units affected by any such change, subdivision, combination or alteration, their appurtenant interest in the Common Elements. Any such subdivision or combination may result in the creation or deletion of common hallways and other elements serving more than one Unit which shall, as the case may be, become or cease being a Common Element(s) however Sponsor shall not make any modifications that will materially adverse affect any existing Unit Owners. Any such change by the Sponsor or its designee will be reflected in a duly recorded amendment to the Declaration, Floor Plans and other documents as may be necessary to effectuate the change, prepared by the Sponsor or its designee and meeting the requirements of Article 9-B of the New York Real Property Law. The amendment to the Declaration and other documents shall be executed by The Condominium Board of Managers, but the recording thereof and the filing of revised Floor Plans and all costs in connection therewith shall be the obligation of the Sponsor or its designee.

Any amendment made pursuant to this Section 9.1 shall in no event (i) change the Common Interest of any other Unit not then owned by Sponsor or such transferee Unit Owner (as the case may be) or materially adversely affect any Unit Owner's interest in the Unit or right to use the Common Elements, (ii) require a physical modification of any other Unit not then owned by Sponsor or such transferee Unit Owner (as the case may be) or (iii) adversely affect the priority of validity of the lien of any mortgage encumbering an affected Unit unless the Unit Owner (in the event described in subparagraph (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subparagraph (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment.

9.2 Except to the extent prohibited by law, Unit Owners shall have the right, without the requirement of consent of the Board of Managers, the other Unit Owners or anyone else to make nonstructural alterations, additions and improvements, whether interior or exterior, ordinary or extraordinary in, to and upon its Unit or any Limited Common Elements appurtenant thereto provided (i) that the nature and location of such installation does not interfere materially with the use then being made of any other Unit or any Common Element and (ii) that the then owner of the Unit shall comply with zoning requirements and all other laws, ordinances and regulations of all governmental authorities having jurisdiction.

9.3 No Unit Owner shall make any structural addition, alteration, or improvement in or to any Unit, to any Common Element, without first (i) obtaining the prior written approval of the Board of Managers with respect to any structural addition, alteration or improvement only; (ii) maintaining during the course of such work such insurance as the Board of Managers may reasonably prescribe, (iii) executing and delivering to the Board of Managers an agreement, in form and substance reasonably satisfactory to the Board, setting forth the reasonable terms and conditions under which such alteration, addition or improvement may be made, including, without limitation, the days and hours during which any such work may be done, and (iv) executing and delivering to the Board of Managers an agreement indemnifying and holding harmless the Board, its members and officers, and all Unit Owners from and against any liability, cost or expense arising out of or connected to such work. The provision this paragraph 9.3 shall not be binding on the Sponsor or its designees.

Any application to any department of the City of New York or to any other governmental authority for a permit to make an addition, alteration or improvement in or to any Unit or any Limited Common Element will be executed by the Board of Managers without, however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom.

All responsibility with respect to any such addition, alteration or improvement shall remain with the Unit Owner until conveyance of the Unit, at which time such responsibility shall pass to and be assumed by the transferee and the successors and assigns of such transferee.

9.4 The provisions of this Article as they relate to the Sponsor or its designee may not be amended, modified or deleted without the prior written consent of the Sponsor or its designee, as the case may be.

9.5 Unless all affected Unit Owners consent, no material change will be made in the size and no materially adverse change will be made in the quality of Common Elements.

ARTICLE 10

PERSON TO RECEIVE SERVICE

The Secretary of State of the State of New York (the "Secretary of State") is hereby designated to receive service of process in any action which may be brought against the

Condominium or the Board. The Condominium and the Board shall each notify the Secretary of State of the address to which a copy of any process received should be mailed.

ARTICLE 11 ENCROACHMENTS

If any portion of the Common Elements now encroaches upon any Unit, or if any Unit now encroaches upon any other Unit or upon any portion of the Common Elements as a result of construction of the Building, or if any encroachment shall occur hereafter as a result of (a) settling or shifting of the Building, or (b) alteration or repair to the Common Elements made by or with the consent (when required by the By-Laws) of the Board of Managers or made by a Unit Owner in accordance with this Declaration or the By-Laws, or (c) repair or restoration of the Building (or any portion thereof) or a Unit or of the Common Elements after damage or destruction by fire or other casualty, or (d) condemnation or eminent domain proceedings of all or any portion of the Building or a Unit or the Common Elements, then in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same so long as the Building shall stand, provided that the creation of such encroachment was not intentional and that it does not materially impair the utilization of the portion of the Building encroached upon for its intended and assigned purpose.

ARTICLE 12 EASEMENTS

12.1 Each Unit Owner shall have an easement in common with the Owners of other Units to inspect, use, maintain, repair, alter and replace all Common Elements wherever on the Property they may be located. Each Unit shall be subject to an easement in favor of all other Units to use, maintain, repair, alter, restore, rebuild or replace any and all Common Elements serving such other Units and located in such Unit. 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 Building, provided that such right of access shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of the owners of the Units or with the use of any Unit for its permitted purposes. Such entry shall be permitted on not less than one (1) days notice, except that no notice will be necessary in the case of an emergency. The Common Elements of the Condominium shall be repaired and maintained by and at the cost and expense of the Condominium.

12.2 The Unit Owners shall each have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of each other and the Common Elements. They shall each have an easement in common with the others for the benefit of themselves, their licensees and invitees, for ingress and egress through all Units and all Common Elements as required in an emergency. They shall further each have easements over the Common Elements as are reasonably necessary to allow use of said Units for the purposes set forth herein.

12.3 The Board shall have the right to grant such additional electric, gas, steam or other utility easements or relocate any existing utility easements in any portion of the Property as the Board shall deem necessary or desirable for the proper operation and maintenance of the Building, or any portion thereof, provided that such additional utilities or the relocation of existing utilities will

not prevent or unreasonably interfere with the normal conduct of the owners of the Units or with the use of any Unit for its permitted purposes. Any utility company and its employees and agents shall have the right of access to any Unit or the Common Elements in furtherance of such easements, provided such right of access shall be exercised in such a manner as shall not unreasonably interfere with the use of any Unit for its permitted purposes by its owner, tenants or occupants.

12.4 Each Unit Owner whose Unit has one or more appurtenant Limited Common Elements shall have an easement of access through the Common Elements and an exclusive easement or easement for use in common (as appropriate) for the enjoyment thereof.

12.5 Each Unit Owner shall have an easement for emergency egress from the rear fire escapes over the rear gardens which are Limited Common Elements appurtenant to Units 1A and 1B.

12.6 Intentionally Omitted.

12.7 For so long as it is in control of the Board of Managers of the Condominium, the Sponsor shall have an easement over, under and through the Common Elements and Limited Common Elements to install equipment relating to the heating ventilating and hot water system in the Building, including the right to store materials in said Common Elements and Limited Common Elements and the right to enclose any pipes, ducts, etc., within walls.

12.8 The Sponsor and its designee shall have an easement (i) to maintain a sales office and/or model Units, (ii) to erect, maintain, repair and replace from time to time one or more freestanding and other selling, directional and informational signs on the Property as it deems necessary for the purposes of advertising the sale or lease of Units and (iii) for access to Units and Common Elements consistent with the purposes of the Offering Plan, 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, together with their interest in the Common Elements, until such time as all such Units have been conveyed to Purchasers thereof.

12.9 The user of any easement granted by this Article 12 shall have the responsibility of repairing any damage resulting therefrom. No fee or charge may be imposed by the Board of Managers for any easement granted herein.

ARTICLE 13 COVENANT OF FURTHER ASSURANCES

13.1 Any party subject to the terms of this Declaration, whether such party is a Unit Owner, a lessee or sublessee of a Unit Owner, or the occupant of a portion of a Unit, a member of the Board of Managers, an officer of the Condominium, or otherwise, shall, at the expense of any such other party requesting the same, execute, acknowledge and deliver to such other party such instruments, in addition to those specifically provided for herein, and take such other action as such other party may reasonably request to effectuate the provisions of this Declaration or of any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

13.2 If any Unit Owner or any other party subject to the terms of this Declaration fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action which the Unit Owner or such other party is required to take pursuant to this Declaration, then the Board of Managers is hereby authorized as attorney-in-fact for such Unit Owner or other party, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other party, and such document or action shall be binding on such Unit Owner or other party.

13.3 If any Unit Owner or the Board of Managers or any other party who is subject to the terms of this Declaration fails or refuses to execute, acknowledge or deliver any instrument, or fails or refuses within ten (10) days after request therefor, to take any action that the Board of Managers, any Unit Owner, or other party is required to take pursuant to this Declaration at the request of Sponsor or Sponsor's designee, then Sponsor or Sponsor's designee, as the case may be, is hereby authorized as attorney-in-fact for the Board of Managers, such Unit Owner, or other party, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of the Board of Managers, such Unit Owner, or other party, and such document or action shall be binding on the Board of Managers, such Unit Owner, or other party, as the case may be.

13.4 Nothing contained in this Article 13 shall be in derogation of Section 339(i) of the Condominium Act.

ARTICLE 14 UNITS SUBJECT TO DECLARATION, BY-LAWS AND RULES AND REGULATIONS

14.1 All provisions of this Declaration, the By-Laws and the Rules and Regulations annexed thereto, shall to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the Land and every part thereof and interest therein, and all of the provisions thereof shall be binding upon and inure to the benefit of the owner of all or any part thereof, or interest therein, and his heirs, executors, administrators, successors and assigns, but the same are not intended to create nor shall they be construed as creating any rights in or for the benefit of the general public. All present and future owners, tenants and occupants of Units shall be subject to, and shall comply with, the provisions of this Declaration, the By-Laws and the Rules and Regulations as they may be amended from time to time. The acceptance of a deed of conveyance or the entering into of a lease or the entering into occupancy of a Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws, and Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant or occupant, and all of such provisions shall be deemed and taken to be covenants running with the Land and shall bind any person having at any time any interest or estate in such Unit, as though such provisions were stipulated at length in each and every deed and conveyance and lease thereof.

14.2 Unit Owners shall comply with all orders, codes, regulations and requirements of applicable governmental agencies concerning the closure of window openings in the event that such closure is required by law. In such event, the Board of Managers shall seal and close windows and

repair and repaint the walls (but not any other decoration) damaged by such work with one coat of light-colored paint in a color chosen by the Unit Owner. The costs and expenses incurred by the Condominium in connection therewith shall be a Common Expense.

ARTICLE 15

POWERS OF ATTORNEY TO BOARD OF MANAGERS

Each Unit Owner shall grant to the persons who shall from time to time constitute the Board of Managers, an irrevocable power of attorney, coupled with an interest; (i) to take all actions on behalf of the Condominium as authorized by this Declaration and by the By-Laws; (ii) to apply for a reduction in the assessed valuation of the Unit as part of a single application on behalf of all Unit Owners, prosecute and settle any such action; and (iii) 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 (but not to vote the votes appurtenant thereto) or otherwise deal with any such Units so acquired or to sublease any Unit so leased by the Board of Managers.

ARTICLE 16

ACQUISITION OF UNITS BY BOARD OF MANAGERS

In the event any Unit Owner shall surrender his Unit, together with: (i) the undivided interest in the Common Elements appurtenant thereto; (ii) the interest of such Unit Owner in any other Units acquired by the Board of Managers or its designee on behalf of all Unit Owners or the proceeds of the sale or lease thereof, if any; and (iii) the interest of such Unit Owner in any other assets of the Condominium (hereinafter collectively called the "Appurtenant Interests"), pursuant to the provisions Section 339-x of the Real Property Law of the State of New York, or in the event the Board of Managers shall purchase from any Unit Owner who has elected to sell the same, a Unit, together with the Appurtenant Interests, pursuant to Section 1 of Article VIII of the By-Laws, or in the event the Board of Managers shall purchase at a foreclosure or other judicial sale, a Unit, together with the Appurtenant Interests, title to any such Units together with the Appurtenant Interests shall be held by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests. The lease covering any Unit leased by the Board of Managers, or its designee, corporate or otherwise, shall be held by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective common interests.

ARTICLE 17

AMENDMENTS TO DECLARATION

17.1 Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions, including those affecting Sponsor and its designees and unsold Units, any provision of this Declaration may be amended, modified, added to, or deleted by a vote of at least sixty-six and two-thirds (66-2/3%) percent in number and in common interest of all Unit Owners taken in accordance with the provisions of the By-Laws, or in

lieu of a meeting, any amendment may be approved in writing by sixty-six and two thirds (66-2/3%) percent in number and in common interest of all Unit Owners.

Notwithstanding anything herein to the contrary, in the event that the interest of the Sponsor or its designee or any Unit Owner is adversely affected by any such proposed amendment, deletion or modification, or any of the rights, powers, easements, privileges or benefits reserved to the Sponsor or its designee or to a Unit Owner are eliminated, changed or impaired thereby, then this Declaration shall not be amended without the written consent of the Sponsor, its designee or the affected Unit Owner. In the event the allocation of Common Interest appurtenant to a Unit Owner's Unit is altered, then this Declaration shall not be amended without the written consent of the affected Unit Owner. In addition, no amendment which adversely affects the lien of any mortgage on a Unit may be made without the written consent of the affected mortgagee.

17.2 The Sponsor hereby reserves the right to amend or (on request of Sponsor or its designee) to require the Board of Managers to duly execute and record, in the Kings County office of the Register of the City of New York, an amendment to this Declaration, at any time, without the requirement of a vote and without the approval or consent of any Unit Owners or mortgagees, for the purposes of (i) filing the Floor Plans required by New York Real Property Law Section 339-p for the portion or portions of the Building and appurtenances which are incomplete at the time the Declaration is recorded and the filing along with said amendment to the Declaration and the Floor Plans the verified statement of a registered architect or licensed commercial engineer certifying that the plans being filed simultaneously with such amendment fully and fairly depict the layout, location, unit designations and approximate dimensions of the particular Unit or Units as built, as provided in said Section 339-p; (ii) changing the designation, the approximate square foot area and the number of rooms in an unsold Unit and (iii) making insubstantial changes to this Declaration.

No such amendment shall be effective until recorded in Kings County office of the Register of the City of New York.

The provisions of this Article may not be amended or deleted in whole or in part without the consent of the Sponsor or its designee so long as the Sponsor or such designee owns any Unit.

ARTICLE 18 TERMINATION OF CONDOMINIUM

The Condominium shall continue until:

(a) terminated by casualty, loss, condemnation, or eminent domain as provided in the By-Laws;

(b) terminated by withdrawal of the Property from the provisions of the New York Condominium Act by a vote of at least eighty (80%) percent of all Unit Owners both in number and in common interest. The Sponsor shall not vote its interest to terminate the Condominium unless eighty (80%) percent of Unit Owners other than the Sponsor so vote, but even then, the Sponsor shall not be required to vote.

In the event said withdrawal is authorized, the Property shall be subject to an action for partition by any Unit Owner or its lienor as if owned in common, in which event the net proceeds of sale shall be divided among the Unit Owners in proportion to their respective Common Interests, provided that no payment shall be made to a Unit Owner until there has first been paid out of such share of the net proceeds all liens on said Unit, in order of priority of such liens.

ARTICLE 19 SEVERABILITY

The invalidity of any provision of this Declaration or the unenforceability of any provision as against any person or under certain circumstances shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration and, in such event, all of the other provisions of this Declaration shall continue in full force and effect as if such invalid provisions had never been included herein, and shall be valid and enforced to the fullest extent permitted by law.

ARTICLE 20 WAIVER

No provision contained in this Declaration shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

ARTICLE 21 CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration nor the intent of any provision thereof.

ARTICLE 22 GENDER

The use of the masculine gender in this Declaration shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

ARTICLE 23
SUCCESSORS AND ASSIGNS

The rights and/or obligations of a Unit Owner set forth herein shall inure to the benefit of, and be binding upon, any successor or assign of such Unit Owner, and any Unit Owner shall have the right, at any time in its sole discretion to assign, transfer or encumber its respective interests herein, whether by merger, consolidation, lease, assignment or otherwise.

IN WITNESS WHEREOF, the Sponsor has caused this Declaration to be duly executed
this ____ day of _____, 200__.

Sponsor:

292 Seventh Street LLC

By: _____

STATE OF NEW YORK)
)
COUNTY OF _____)

ss.:

On the ____ day of _____ in the year 200__ before me, the undersigned, a Notary Public in and for said State, personally appeared _____ personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual or person upon behalf of which the individual acted, executed the instrument.

Notary Public

SCHEDULE A

DESCRIPTION OF LAND

ALL that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, known and designated as and by Lot No. 24 in Block 998 on the Tax Map of the City of New York for the Borough of Brooklyn, which said lot is more particularly bounded and described as follows:

ALL that certain plot, piece or parcel of land, situate, lying and being in the Borough of Brooklyn, County of Kings, City and State of New York, bounded and described as follows:

**SCHEDULE "B" TO THE CONDOMINIUM DELCARATION
TO BE COMPLETED PRIOR TO RECORDATION OF CONDOMINIUM DELCARATION**

The 292 7th Street Condominium				
Unit Designation	Tax Lot Number	Number of Bedrooms/Bathrooms	Square Footage	Percentage of Interest in the Common Elements
A				
B				
C				
D				

EXHIBIT "F"

BY-LAWS OF CONDOMINIUM

BY-LAWS
OF
The 292 7th Street Condominium

This document prepared by:

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BY-LAWS
of
THE 292 7th Street Condominium

292 7th Street
Brooklyn, New York 11215

ARTICLE I
GENERAL

Section 1. Unit Ownership. The property located at 292 7th Street, Borough of Brooklyn, City of New York, State of New York more particularly described on Schedule A to the Declaration recorded in the office of the Register of the City of New York, Kings County, simultaneously herewith, and the building (the "Building") constructed on said land (hereinafter called the "Property") have been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the Declaration recorded in the office of the Register of the City of New York, Kings County, simultaneously herewith. The Condominium thereby created shall hereinafter be known as The 292 7th Street Condominium (hereinafter called the "Condominium"). The eight (8) Units are more fully described in the Declaration and are hereinafter referred to as the "Unit(s)". Unless otherwise provided herein, all terms used in these By-Laws shall have the same meaning as ascribed thereto in the Declaration.

Section 2. Applicability of By-Laws. The provisions of these By-Laws are applicable to the Property of the Condominium and to the use and occupancy thereof. The term "Property" as used herein shall include the land, the Building and all other improvements thereon (including the Units and the Common Elements), 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, all of which are intended to be submitted to the provisions of said Article 9-B of the Real Property Law of the State of New York.

Section 3. Application. All present and future owners, mortgagees, lessees and occupants of Units and their employees, and any other persons who may use the facilities of the Property in any manner are subject to these By-Laws, the Declaration and the Rules and Regulations attached hereto as Schedule A, each as amended from time to time.

The acceptance of a deed of conveyance or the entering into 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 4. Office. The office of the Condominium and of the Condominium Board of Managers shall be located at 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 CONDOMINIUM BOARD OF MANAGERS

Section 1. Number and Term. The affairs of the Condominium shall be governed by the Condominium Board of Managers. The Board of Managers shall be constituted by three (3) members. Until succeeded by the Managers elected at the first annual meeting of Unit Owners, the Board of Managers shall consist of one (1) persons appointed by the Sponsor, none of whom must be a Unit Owner. Thereafter, all Managers shall be Unit Owners or spouses of Unit Owners or officers, directors or principals of Unit Owners which are not natural persons, except that Members of the Board of Managers appointed by the Sponsor or its designee need not be Unit Owners.

Starting with the first annual meeting of Unit Owners after the Sponsor has relinquished control of the Board of Managers, the Board will consist of three (3) Members. The terms of the Members shall be two (2) years. At the expiration of the initial term of office of each respective Manager, his or her successor shall be elected to serve a term of two (2) years. The Managers shall hold office until their successors have been elected and hold their first meeting. But, in any event, at least one-third of the terms of the Members of the Board of Managers shall expire annually.

Except for members designated by the Sponsor or its designee, all other Members shall be Unit Owners or spouses of Unit Owners, or, in the case of partnership owners, shall be members or employees of such partnership, or in the case of corporate owners, shall be officers, directors, stockholders or employees of such corporations, or in the case of fiduciary owners or mortgagees, shall be the fiduciaries or officers or employees of such fiduciaries or mortgagees. In the case of Sponsor, Members shall be designees of the Sponsor. No Member shall continue to serve on the Board after he or she ceases to qualify as herein provided.

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 acts and things on behalf of the Condominium except those which by law or by the Declaration or by these By-Laws may not be delegated to the Board of Managers by the Unit Owners. The powers and duties of the Board of Managers shall include, but shall not be limited to, the following:

- (a) Operation, care, upkeep and maintenance of the Common Elements.
- (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 common charges and assessments from the Unit Owners, and imposition and collection of reasonable late charges for late payment thereof.
- (d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements.
- (e) Adoption and amendment of Rules and Regulations covering the details of the operation and use of the Property.

(f) Opening and maintaining bank accounts on behalf of the Condominium and designating the signatories required therefore. The Condominium may authorize a manager or managing agent to be the signatory on such accounts.

(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 Units surrendered by their owners to the Board of Managers.

(h) Purchasing of Units at 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.

(i) Selling, leasing, mortgaging (but not voting the votes appurtenant to,) or otherwise dealing with Units acquired by, and subleasing Units leased by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners.

(j) Organizing corporations to act as designees of the Board of Managers in acquiring title to or leasing of Units on behalf of all Unit Owners.

(k) Obtaining and reviewing of insurance for the Property, including the Units, pursuant to the provisions of Article VI, Section 2 hereof.

(l) Adjusting and settling claims under insurance policies obtained pursuant to Article VI Section 2 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.

(m) Representing the Unit Owners in any proceedings, negotiations, settlements or agreements relating to losses or proceeds from condemnation, destruction or liquidation of all or part of the Condominium or from termination of the Condominium, and making of 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.

(n) 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.

(o) Borrowing money on behalf of the Condominium when required in connection with the operation, care and upkeep of the Common Elements, provided, however, that no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interest in the Common Elements without the consent of the Unit Owner, and further provided that the borrowing of a sum in excess of \$250,000.00 for any one purpose must be approved by a majority of the Unit Owners present and voting at a meeting at which a quorum is present.

If any sum borrowed by the Board of Managers on behalf of the Condominium pursuant to the authority contained in this paragraph is not repaid by the Board, a Unit Owner who pays to the creditor such proportion thereof as its interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from a creditor a release of

any judgment or other lien which said creditor shall have the right to file against the Unit Owner's Unit. The other Unit Owners shall cooperate in all ways necessary in order to obtain such release.

(p) Provided the prior consent of at least 66-2/3% in number and common interest of all Unit Owners is obtained at a meeting duly called and held for such purpose in accordance with the provisions of these By-Laws, the Board of Managers shall have the power to: (i) convert general Common Elements to Limited Common Elements or to convert Limited Common Elements to general Common Elements, and (ii) lease Common Elements, general or limited.

(q) Entering Units when necessary, provided that an effort is made to minimize inconvenience to the Unit Owner, in connection with the maintenance, care and preservation of the Property.

(r) Purchasing supplies and equipment, entering into contracts and generally having the powers of a manager in connection with the operation of the Property.

(s) Bringing and defending actions pertinent to the operation of the Property.

(t) Applying to the Tax Commission of the City of New York for a reduction in the assessed valuation of Units, prosecuting and settling as it may deem advisable any such action, including payment of any costs which may be incurred in such proceedings, on behalf of all Unit Owners as part of a single application.

(u) Applying, as necessary, for construction, alteration or other approvals, to any and all municipal authorities having jurisdiction over the Condominium.

(v) Establishing a reserve fund to be used only for capital expenditures.

(w) Levying fines against the Unit Owners for violations of the Rules and Regulations established by it to govern the conduct of the Unit Owners as provided in Article VI Section 19 of these By-Laws, and such fines may be collected as if they were additional common charges owed by the Unit Owner against whom such fines were levied.

Establishing reasonable fees for the processing of sale, lease or lease renewal applications, applications for consent to alterations by Unit Owners, Certificates of Termination of the Right of First Refusal and for other services agreed to by the Board of Managers.

Notwithstanding the foregoing, neither the Board of Managers nor the Unit Owners shall take any of the following actions so long as the Sponsor or its designee owns Units representing at least 25% of the common interest, but not longer than five (5) years from the first closing of title to a Unit: (i) make any additions, alterations or improvements to the Common Elements or any Unit, except those required by law; (ii) assess Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund in excess of 5% of the estimated expenses for the projected year of operation; (iii) hire any employee in addition to any employee referred to in the Condominium budget in the Offering Plan establishing the Condominium; (iv) enter into any service or maintenance contract for work not required by law or contemplated by said budget; (v) borrow money on behalf of the Condominium; or (vi) amend the Declaration or these By-Laws except as specifically permitted by such document.

Notwithstanding anything set forth above, the Board of Managers must undertake any of the aforesaid actions and the expenditure of any amounts reasonably necessary to comply with applicable laws and regulations, to remedy any notice of violation or to remedy any work order of any insurer or to effectuate any repair or replacement necessary for the preservation or safety of the Building or the occupants of the Building.

Any action of the Board of Managers which exclusively benefits one or more Unit Owners shall be taken at the sole expense of said affected Unit Owners. The Board of Managers may not, without the written consent of a Unit Owner, take any action which materially and adversely affects such Unit Owner unless the By-Laws specifically permit the taking of such action.

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), (m), (q) and I of Section 2 of this Article II. The Board of Managers may delegate to the manager or managing agent, all of the powers granted to the Board of Managers by these By-Laws other than the powers set forth in subdivisions (b), (e), (f), (g), (h), (i), (j), (l), (n), (o), (p), (s), (t), (u), (v), (w) and (x) of Section 2 of this Article II.

The compensation for the managing agent and/or manager will be at a competitive rate. Any agreement with a manager or managing agent shall be for a term not to exceed three (3) years. Any agreement with a manager or managing agent shall provide that the books and records of the Condominium shall be returned to the Board of Managers by the manager or managing agent upon demand.

Section 4. First Board of Managers and Sponsor's Representation. The first Board of Managers shall consist of one (1) person designated by the Sponsor. This one (1) person Board shall hold office and exercise all powers of the Board of Managers until the first annual meeting of Unit Owners after the Sponsor has relinquished control of the Board of Managers. The first annual meeting of Unit Owners shall be held within thirty (30) days after the first anniversary of the conveyance of title to the first Unit.

Notwithstanding anything to the contrary contained herein, a special meeting of Unit Owners shall be held on fifteen (15) days notice, within thirty (30) days after either the fifth anniversary of the date of the first closing of title to a Unit or the sale of Units representing, in the aggregate, 75% or more of the common interest, whichever first occurs. At such meeting, all the Members of the Board of Managers shall resign and a new Board shall be elected by the Unit Owners.

After the Sponsor has turned over control of the Board to the Unit Owners, and assuming a three (3) member Board of Managers, so long as the Sponsor or its designee owns one (1) or more Units, the Sponsor or its designee shall be entitled to designate one (1) of the Members of the Board of Managers. If at any time it is determined to increase or decrease the size of the Board, the representation of the Sponsor shall be changed proportionately. Any or all of the Members of the Board of Managers shall be subject to replacement in the event of resignation or death in the manner set forth in Section 6 of this Article.

Section 5. Removal. Subject to the provisions of Section 1 of this Article II, at any regular or special meeting of Unit Owners, any Member of the Board of Managers may be removed with cause by an affirmative vote of a majority of Unit Owners. A Member of the Board who has not been designated by the Sponsor or its designee may also be removed without cause by affirmative vote of a majority of Unit Owners. Whether removal is with cause or without cause, a successor shall then or thereafter be elected to fill the vacancy, provided, however, that the vacancies of Members designated by the Sponsor or its designee shall be filled only by the Sponsor or its designee. Any Member of the Board of Managers whose removal with cause 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 as provided for in Article III Section 4 hereof or the removal of a Member thereof by a vote of the Unit Owners, shall be filled by a 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. Each person so elected shall be a Member of the Board of Managers until a successor shall be elected at the next annual meeting of the Unit Owners. Notwithstanding the foregoing, vacancies of Managers designated by the Sponsor, while the Sponsor is able to designate a Board member, shall be filled only by the Sponsor or its designee.

Section 7. Organization Meetings. The first meeting of the Board of Managers following the 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 legally to constitute such meeting, provided that a majority of the whole Board of Managers shall be present thereat.

Section 8. Regular Meetings. Regular meetings of the Board of Managers may be held at such time and place as shall be determined from time to time by a majority of the Members of the Board of Managers, but at least four such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Managers shall be given to each Member of the Board of Managers, by personal delivery, mail, facsimile or overnight delivery service, at least three (3) business days prior to the day named for such meeting. Regular meetings are open meetings which may be attended by Unit Owners.

Section 9. Special Meetings. Special meetings of the Board of Managers may be called by the President or Secretary or written request of any Member of the Board of Managers on three (3) business days, notice to each Member of the Board of Managers, given by personal delivery, mail, facsimile or overnight delivery service, which notice shall state the time, place and purpose of the meeting. Special meetings are closed meetings which may not be attended by Unit Owners unless otherwise specifically provided.

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. Any one or more Members of the Board of Managers or any committee thereof may participate in a

meeting of the Board or committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting. If all the Members of the Board of Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 11. Quorum of 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 subject to the provisions of Section 2 of this Article II, the votes of a majority of the Members of the Board of Managers 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. Any action required or permitted to be taken by the Board of Managers may be taken without a meeting if all Members of the Board consent in writing to the adoption of a resolution authorizing such action, and the writing or writings are filed with the proceedings of the Board.

Section 12. Intentionally Deleted

Section 13. Compensation. No member of the Board of Managers shall receive any compensation from the Condominium for acting as such.

Section 14. Liability of the Board of Managers. No Member of the Board of Managers or officer of the Condominium shall have any personal liability to the Condominium or to any Unit Owner for damages for any breach of duty in his or her capacity as Member of the Board or officer, provided that this provision does not eliminate or limit the liability of a Member of the Board or officer if a judgment or other final adjudication adverse to him or her establishes (a) that his or her acts or omissions were in bad faith or involved intentional misconduct or a knowing violation of law, or (b) that he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled.

The Condominium, through the Unit Owners, shall indemnify to the fullest extent permitted by law any person made, or threatened to be made, a party to an action or proceeding, whether civil or criminal, including an action by or in the right of the Condominium to procure a judgment in its favor or an action other than one by or in the right of the Condominium and including an action by or in the right of any corporation of any type or kind, domestic or foreign, or any partnership, joint venture, trust, employee benefit plan or other enterprise, which any Member of the Board or officer of the Condominium served in any capacity at the request of the Condominium, by reason of the fact that he, his testator or intestate, was a Member of the Board or officer of the Condominium or served such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise in any capacity; provided that no indemnification may be made to or on behalf of any Member of the Board or officer if a judgment establishes that his or her acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled.

The Unit Owners shall indemnify and hold harmless each of the Members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or of these By-Laws. It is intended that the Members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium (except as Unit Owners). It is understood and permissible for the original Board of Managers, who may be members of or be employed by the Sponsor, to contract with the Sponsor and affiliated corporations and entities without incurring any liability for self-dealing, provided that (i) the connection is disclosed to, or known by, the Board or a majority of members thereof or noted in the minutes thereof and the Board shall authorize, approve or ratify such contract or transaction in good faith by a vote of a majority of the Board, excluding such Member, and (ii) the contract or transaction is upon commercially reasonable terms and condition at the time that the same is authorized, approved, ratified, executed or otherwise consummated. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers or out of the aforesaid indemnity in favor of the Members of the Board of Managers shall be limited to such proportion of the total liability thereunder as his or her interest in the Common Elements bears to the interests of all the Unit Owners in the Common Elements. Every agreement made by the Board of Managers or by the managing agent or by the manager on behalf of the Condominium shall provide that the Members of the Board of Managers, or the managing agent, or the manager, as the case may be, are acting only as agent for the Unit Owners and shall have no personal liability thereunder (except as Unit Owners.)

Each Unit Owner's liability pursuant to this Section 14 shall be limited to such proportion of the total liability thereunder as his or her interest in the Common Elements bears and to the extent not prohibited by law, to the interest of all Unit Owners in the appurtenant Common Elements.

Section 15. Committees. The Board of Managers may, by resolution duly adopted, create such committees as it shall deem appropriate and such committees shall have such powers and authority as the Condominium Board of Managers shall vest therein. The members of any such committee, at least one of whom shall be designated by Sponsor or its designee so long as Sponsor or its designee has the right to designate a member of the Board of Managers, and at least one of whom shall be designated by non-Sponsor members, shall be appointed by the President of the Board of Managers.

ARTICLE III UNIT OWNERS

Section 1. Annual Meetings. Within thirty (30) days after the first anniversary of the first closing of title to a Unit, or at such earlier time as the Sponsor deems in the best interests of the parties, the Sponsor shall call the first annual Unit Owners' meeting. The Sponsor shall only be obligated to turn over control of the Board within thirty (30) days after either the fifth anniversary of the date of the first closing of title to a Unit or a sale of Units representing, in the aggregate, 75% or more of the common interest, whichever first occurs. Annual meetings shall be held on or about the anniversary of such date each succeeding year. The Unit Owners may also transact such other business of the Condominium as may properly come before them.

Prior to the actual meeting at which the Unit Owners elect the Board of Managers as herein provided, the Sponsor may call, at its discretion, meetings of the Unit Owners so that the Board of Managers designated by the Sponsor can report to the Unit Owners, or for such other purpose as the Board determines. After the Sponsor has turned over control of the Board, a new Board will be elect by ballots of the Units owners in accordance with the By-Laws.

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 by Unit Owners representing a majority of the common interest, upon at least five (5) days notice. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Unit Owner of record at the Property or at such other address as such Unit Owner shall have designated by notice in writing to the Secretary, at least ten (10) but not more than forty (40) days prior to such meeting. If the purpose of any meeting shall be to act upon a proposed amendment to the Declaration or these By-Laws, the notice of meeting shall be mailed at least twenty (20) days prior to such meeting. The mailing of a notice in the manner provided in' these By-Laws shall be considered notice served.

Section 5 Adjournment of Meetings. If any meeting of Unit Owners cannot be held because a quorum has not attended, 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 the original meeting was called. Proxies remain in effect for any such adjourned 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, or in the name of a corporation, partnership, limited liability company or in the name of a fiduciary.

Section 8 Voting. The Owner or Owners of each Unit (including Sponsor and its designee(s), or some person designated by such owner or owners to act as proxy on his, her or their behalf and who need not be an Owner, shall be entitled to cast one (1) vote for each .19% of interest in the Common Elements attributable to the Unit or Units owned by him or her in all matters put to a vote 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 Owner or Owners so designating. Any or all of such owners may be present at any meeting of the Unit Owners and (those constituting a group acting unanimously), may vote or take any other action as a Unit Owner either in person or by proxy. A fiduciary shall be the voting member with respect to any Unit in a fiduciary capacity. Any Unit or Units owned by the Board of Managers or its designee shall not be entitled to a vote.

Section 9. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of a majority of Unit Owners shall constitute a quorum at all meetings of the Unit Owners.

Section 10. Majority of Unit Owners. As used in these By-Laws, the term "Majority of Unit Owners" shall mean those Unit Owners having greater 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 at which a quorum is present, determined in accordance with the provisions of Section 8 of this Article III.

Section 11. Action by Unit Owners. Subject to the provisions contained in the last two paragraphs of Article II Section 2 of these By-Laws regarding authorization by Sponsor or its designee for certain actions of the Board of Directors, the vote of a majority of Unit Owners shall be required to take any action at any meeting of Unit Owners, except where in the Declaration or these By-Laws or by law, a higher percentage vote is required. Notwithstanding the foregoing, any action which restricts the use of any Unit or any portion of the Common Elements, or materially and adversely affects any Unit Owner, must be authorized by the affected Unit Owner unless the By-Laws specifically permit the taking of such action.

Section 12. Action Without Meeting. Any action required or permitted to be taken by the Unit Owners may be taken without a meeting if Unit Owners sufficient in number and in Common Interest to approve such an action at a duly constituted meeting of the Unit Owners pursuant to the Declaration or these By-Laws consent in writing to the adoption of a resolution authorizing such action and writing is filed with the records of the Condominium.

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 necessary. The President and Vice

President, but no other officers, must be Members of the Board of Managers. Except for Members of the Board of Managers appointed by the Sponsor or its designee, all officers must be Unit Owners, or spouses of Unit Owners, or officers, directors or principals of Unit Owners which are not natural persons.

Section 2. Election of Officers. The officers of the Condominium shall be elected annually by vote of the Board of Managers at the organization meeting of each new Board of Managers and shall hold office at the pleasure of the Board of Managers.

Section 3. Removal of Officers. Upon the affirmative vote of 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, provided notice of the proposed removal was given to the officer and in the notice of the meeting. Any officer whose removal has been proposed shall be given an opportunity to be heard at the meeting.

Section 4. President. The President shall be the chief executive officer of the Condominium. He shall preside at all meetings of the Unit Owners and of the Board of Managers. He shall have all of the general powers and duties which are incident to the office of president of a stock corporation organized under the Business Corporation Law of the State of New York, including but not limited to the power to appoint committees from among the Unit Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Condominium. The President shall be an ex-officio member of all committees of the Board of Managers.

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, and shall have such other powers and duties as are usually vested in the office of vice president of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Board of Managers; he shall have charge of such books and papers as the Board of Managers may direct; and he shall in general perform all the duties incident to the office of secretary of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 7. Treasurer. The Treasurer shall have the responsibility for Condominium funds and securities and shall be responsible for keeping or supervising the keeping of 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, 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. He shall disburse Condominium

funds in the manner directed by the Board of Managers, making proper vouchers for all disbursements. He shall submit to the President and Board of Managers, at regular meetings of the Board of Managers or whenever they may require it, an account of all of his transactions as Treasurer, as well as the financial condition of the Condominium.

Section 8. Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any one (1) officer 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 (except of notices of regular annual or special meetings of the Unit Owners and except all meetings of the Condominium Board) shall be sent by registered or certified mail return receipt requested, postage prepaid, addressed: (i) if to the Board of Managers, in care of the managing agent, or if there be no managing agent, to the principal office of the Board of Managers or to such other address as the Board of Managers may hereafter designate from time to time; (ii) if to a Unit Owner, other than the Sponsor, 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; (iii) if to the Sponsor, at c/o Ultimate Realty, 28 East 14th Street, Unit 2B, New York, New York 10003. 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 or under the provisions of the Declaration, or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE VI OPERATION OF THE PROPERTY

Section 1. Determination of Common Expenses and Fixing of Common Charges. The Board of Managers shall from time to time, 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 and expenses among the Unit Owners according to their respective common interests or such different method of allocation as is set forth in the "Budget for the First Year of Condominium Operation", Schedule B to the Offering Plan (the "Condominium Budget") or determined by the Board of Managers to reflect exclusive use or the availability or control of particular Common Elements or

services provided by the Condominium. 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, and the fees and disbursements of the Insurance Trustee, if any. 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, electric costs for the common areas, water and sewer charges for service to the Units and the Common Elements, steam costs for heating and hot water in Units and common areas, gas costs for the Units, an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for replacements, any real estate taxes that exist prior to the subdivision of the tax lots, real estate taxes prior to the assessment of the Building as a Condominium, and to make up any deficit in the common expenses for any prior year. The common expenses may also include such amounts as the Board of Managers may deem necessary for customary or extraordinary legal expenses incurred with respect to the Condominium Property. The Board of Managers is authorized to specifically allocate expenses or specific expense items and apportion common charges of the Units resulting from changes in use or from changed circumstances. In addition, 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, on behalf of all Unit Owners, of any Unit whose owner has elected to sell or lease such Unit or of any Unit which is to be sold at foreclosure or other judicial sale.

The Board of Managers shall advise all Unit Owners promptly, in writing, of the amount of common charges payable by each of them as determined by the Board of Managers as aforesaid and shall furnish copies of such budget on which such common charges are based, to all Unit Owners. All costs and expenses which are allocable solely to the repair, maintenance and operation of a particular Unit or Units, as the case may be, shall be borne solely by the owner(s) of such Unit(s). Notwithstanding this section, the power of the Board is subject to the restrictions contained in Section 2 of Article II.

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 normal for a condominium of this type, vandalism and malicious mischief endorsements insuring the Building, including each Unit and the equipment installed therein on the date of recordation of the Declaration or installed thereafter by the Sponsor, or replacements thereof, partitions, floors, and ceilings within the Units, together with all service and other machinery contained therein (but not including wall, ceiling or floor decorations or coverings or fixtures, appliances, furniture, furnishings or other personal property supplied or installed by Unit Owners or tenants of Unit Owners) 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 agreed upon replacement value of the Building or such other amount as shall be adequate to prevent the Condominium from becoming a coinsurer in the event of casualty loss (exclusive of the costs of excavation and foundations,) without deduction for depreciation, as determined by the Board of Managers. Each of said policies shall contain a Condominium Property Endorsement and 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 or the Insurance Trustee, if any, as herein provided; (2) boiler and machinery insurance; (3) comprehensive general liability insurance covering each Member and officer of the Board of Managers, each Unit Owner, in such limits as the Board of Managers may deem proper, covering all claims for bodily injury or

property damage arising out of an occurrence in the Common Elements and covering cross liability claims of one insured against another (but not covering the liability of a Unit Owner arising from occurrences within his own Unit); (4) legal liability; and (5) such other insurance as the Board of Managers may determine. The premiums for such insurance shall be a common expense.

All such policies shall provide that adjustments shall be made by the Board of Managers and that the net proceeds shall 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.

All policies of physical damage insurance shall contain waivers (a) of subrogation, (b) of any defense based on coinsurance, (c) of any reduction of pro-rata liability of the insurer as a result of any insurance carried by Unit Owners, and (d) of invalidity arising from any acts of the insured or any Unit Owners, 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. The standard mortgagee loss payable clause shall be attached to all policies. Duplicate originals or certificates of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of Units who have requested same in writing, at least ten (10) 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 may obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the Building (exclusive of the cost of excavation and foundations) 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 2.

Unit Owners are advised to carry other insurance for their own benefit, provided that all such policies shall contain waivers of subrogation against the Condominium and the Board of Managers and further provide 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. Such policies shall be so endorsed as to state that they will in no way conflict with any insurance carried by the Board of Managers.

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 75% 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 repair or restoration, the Board of Managers shall arrange for the prompt repair and restoration of the Building (including any damaged Units, but not including any wall, ceiling or floor decorations or coverings or other furniture, furnishings, fixtures or other personal property or equipment of the Unit Owners or a tenant of a Unit Owner), and the Board of Managers shall disburse the proceeds of all insurance policies in appropriate progress payments to the contractors engaged in such repairs and restoration. Any cost of such repair and restoration in excess of the net insurance proceeds shall constitute a common expense and the Board of Managers shall assess all the Unit Owners for such deficit as part of the common charges.

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 of insurance received by or payable to the Board of Managers shall exceed the cost of such repair or restoration, then the excess of such insurance proceeds shall be paid by the Board of Managers to the Unit Owners in proportion to their respective interests in the

Common Elements after first paying out of the share due each Unit Owner such amounts 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 destroyed or substantially damaged and 75% or more in number and in common interest of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration, the Property will not be repaired and shall be subject to an action for partition at the suit of any Unit Owner or lienor, as if owned in common, in which event the net proceeds of sale, together with the net proceeds of insurance policies shall be divided by the Board of Managers among the Unit Owners in proportion to their respective common interests, after first paying out of the share of each Unit Owner the amount of any unpaid liens on his Unit, in the order of the priority of such liens.

Whenever in this Section the words "promptly repair" are used it shall mean repairs are to begin not more than sixty (60) days from the date the Board of Managers notifies the Unit Owner or Unit Owners that it holds proceeds of insurance on account of such damage or destruction sufficient to pay the estimated costs of such work, or not more than ninety (90) days from the date the Board of Managers notifies the Unit Owner or Owners that such proceeds of insurance are insufficient to pay said estimated costs of such work or, in the event the proceeds of insurance are payable to the Board of Managers, not more than sixty (60) days from the date of receipt by the Board of Managers of proceeds of insurance on account of such damage or destruction, whether or not sufficient to pay the estimated costs of such work. Whenever the words "promptly resolve" are used it shall also mean not more than sixty (60) days from the date the Board of Managers notifies the Unit Owners that it holds proceeds of insurance on account of such damage or destruction and that such proceeds are or are not sufficient to pay the estimated costs of the work (as the case may be).

Section 4. Payment of Common Charges. Each Unit Owner shall be obligated to pay the common charges assessed by the Board of Managers pursuant to the provisions of Section 1 of this Article VI at such time or times as the Board of Managers shall determine. The Board of Managers may also impose a reasonable late charge for late payment of common charges, which shall be added to the Unit Owner's common charges due on the first day of the following month, and which shall be a lien upon the Unit Owner's Unit if not paid. Assessments for common charges are the personal obligation of the person owning the Unit at the time the assessment becomes due.

No Unit Owner shall be liable for the payment of any part of the common charges assessed against its Unit subsequent to a sale, transfer or other conveyance (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. A purchaser of a Unit shall be liable for the payment of common charges assessed and unpaid against such Unit prior to the acquisition of such Unit, except that, to the extent permitted by law, a mortgagee or other purchaser of a Unit at a foreclosure sale of such Unit shall not be liable for, and such Unit shall not be subject to a lien for, the payment of common charges assessed prior to the foreclosure sale. In the event of a foreclosure sale of a Unit by a mortgagee, the owner of such Unit prior to the foreclosure sale shall remain liable for the payment of all unpaid common charges accrued prior to such sale.

In addition, any Unit Owner may, subject to the terms and conditions specified in these By-Laws, provided that its Unit is free and clear of liens and encumbrances other than a permissible mortgage and the statutory lien for unpaid common charges, convey his or her Unit, together with

the Appurtenant Interests, to the Condominium Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners, and in such event be exempt from common charges thereafter accruing.

Section 5. Assessment Roll and Collection of Assessments. The Board of Managers shall assess common charges against the Unit Owners from time to time and at least annually. An assessment roll relating to common charges and other assessments shall be maintained in a set of accounting books duly approved by a certified public accountant in which there shall be an account for each Unit.

The Board of Managers shall take prompt action to collect any common charge 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 its common charges or any assessment as determined by the Board of Managers, 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, in addition to any late charge which may have been imposed pursuant to Section 4 of this Article VI, together with all expenses, including attorneys' fees, paid or incurred by the Board of Managers or the Managing Agent in any proceeding brought to collect such unpaid common charges or assessments or in an action to foreclose the lien on such Unit arising from said unpaid common charges or assessments. The Board of Managers shall have the right and obligation to attempt to recover such common charges or assessments, together with interest thereon, and the expenses of the proceeding, including attorneys' fees, in an action to recover the same brought against such Unit Owner, or by foreclosure of the lien on such Unit granted by Section 339-z of the Real Property Law of the State of New York, in the manner provided in Section 339-aa thereof. While the Sponsor or its designee is in control of the Board of Managers, it will cause the Board to file a lien as provided for in Section 339-aa of the Real Property Law against Units with respect to which the Sponsor or such designee is in arrears of common charges by more than thirty (30) days.

A lien for non-payment of common charges granted pursuant to Section 339-z has priority over all other liens except (i) liens for taxes on the Unit in favor of any assessing unit, school district, special district, county or other taxing unit, and (ii) all sums unpaid on a first mortgage of record.

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 its 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 power to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage, cast the votes appurtenant to (other than for the election of Members to the Board of Managers), convey or otherwise deal with 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 obligation to the Condominium, then such Unit Owner shall remain liable for the deficit.

Section 8. Statement of Common Charges. The Board of Managers (or managing agent on its behalf) shall promptly provide any Unit Owner so requesting the same in writing, with a written statement of all unpaid common charges due from such Unit Owner.

Section 9. Maintenance and Repairs.

(a) All maintenance, repairs and replacements in and to a Unit, ordinary or extraordinary (including entrance doors and windows), to units providing individually controlled heat and air conditioning within the Unit, if any, to kitchen appliances, and to electrical and plumbing installations and fixtures within a Unit or belonging to the Unit Owner shall be at the Unit Owner's expense, except as otherwise specifically provided herein. The Board of Managers is responsible for electrical and plumbing pipes, wires and lines to the extent they are located in Common Elements and serve one or more Units.

Each Unit Owner shall perform promptly all maintenance and repair work to his own Unit, which if omitted would affect the Condominium in its entirety or in a part belonging to other Unit Owners (including the Sponsor or its designee,) such Unit Owner being expressly responsible for any damages and liabilities which may result from his failure to do so. Each Unit Owner shall, at his sole expense, maintain the interior of the Unit, its furniture, furnishings, appliances, and appurtenances in good order and condition, and shall do all redecorating and other work which may at any time be necessary to maintain the good condition of the Unit.

(b) All maintenance, repairs and replacements to the Common Elements as defined in the Declaration, including but not limited to exterior walls, stairs, sidewalks adjacent to the Building's entrances (including removal of snow and ice therefrom), roof and roof members, as well as all maintenance, repairs and replacements of any pipes, wires, conduits and public utility lines, any portion of which is located in one Unit and serves another Unit or more than one Unit or so much of any pipes, wires, conduits and public utility lines as are located in the Common Elements but serve one or more Units, shall be made by the Board of Managers and be charged to all the Unit Owners as a common expense, except to the extent that the same are necessitated by the negligence, misuse or neglect of a Unit Owner or his invitees, licensees or agents, in which case such expense shall be charged to such Unit Owner. Notwithstanding this subdivision (b), Limited Common Elements shall be maintained by the Owners of the Units to which they are appurtenant.

Section 10. Restrictions on Use of Units. In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of the Property shall be restricted to and shall be in accordance with the following provisions:

(a) Units may be used only as a residence with not more than two (2) adults or one (1) family occupying a Unit at one time, except that any Unit may, in addition, be used for any lawful home occupation (as such term is defined in the New York City Zoning Resolution), provided (i) that such use does not violate zoning regulations, and (ii) the prior consent of the Board of Managers is obtained or, in the case of initial Purchasers from the Sponsor or its designee, written notice of such use is given to the managing agent.

The Storage Units may be used only by respective Unit Owners only for storage purposes, provided such use is in compliance with all laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereto.

Notwithstanding the foregoing or anything else contained in the Plan, the Sponsor or its designees may, without the permission of the Board of Managers or anyone else, retain ownership of one or more Units for use as models, or sales, or business or administration offices and may place signage of any size and in any location on the Property, in its sole discretion, in connection with the sale or rentals of Units in the Condominium.

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

(c) No nuisances shall be allowed on the Property nor shall any use or practice be allowed which is a source of annoyance to its residents or occupants or which interferes with the peaceful possession or proper use of the Property by its residents or occupants.

(d) No immoral, improper, offensive, or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be complied with, by and at the sole expense of the Unit Owners, or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property.

(e) No portion of a Unit (other than the entire Unit) may be rented, and no transient tenants may be accommodated therein.

(f) Dogs, cats or other common household pets, not to exceed two (2) per Unit, may be kept in Units, subject to the rules and regulations adopted by the Board of Managers, including those pertaining to the size of a pet and the permitted level of noise. In no event will any dog be permitted in any portion of the Common Elements unless carried or on a leash.

Section 11. Additions, Alterations or Improvements by Board of Managers. All alterations, additions or improvements in or to any Common Elements shall be made either by the Board of Managers or Unit Owner required to maintain such Common Element and the cost and expense thereof shall be charged either to all Unit Owners as a common expense or to the Unit Owner responsible ☐ therefore, as the case may be. Whenever in the judgment of the Board of Managers the Common Elements shall require additions, alterations or improvements costing in excess of \$250,000.00 in the aggregate in any calendar year, and the making of such additions, alterations or improvements shall have been approved by a majority of the Unit Owners present and voting at a meeting at which a quorum is present (including Sponsor as owner of Unsold Units,) the Board of Managers shall proceed with such additions, alterations or improvements and shall assess all Unit Owners for the cost thereof as a common charge. Any additions, alterations or improvements costing in the aggregate \$250,000.00 or less in any calendar year may be made by the Board of Managers without approval of the Unit Owners, and the cost thereof shall constitute part of the common expenses.

Notwithstanding the foregoing, for so long as the Sponsor or its designee shall own Units representing at least 25% of the common interest, but not more than five (5) years from the date of the first closing of title to a Unit, no additions, alterations or improvements shall be made to the Common Elements, regardless of the cost thereof, unless the consent of Sponsor or its designee is first obtained pursuant to Article II Section 2 of these By-Laws, or such action is required by law.

Section 12. Additions, Alterations or Improvements by Unit Owners. No Unit Owner shall make any structural addition, alteration or improvement in or to his or her Unit or any Limited Common Element appurtenant thereto. The Board of Managers is required 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 receipt of a complete set of documents and information as to the proposed addition, alteration or improvement, and independent architectural review, if necessary, and failure to do so within the stipulated time shall constitute a denial by the Board of Managers to the proposed addition, alteration or improvement. The Unit Owner can make any non-structural alterations or improvements to the Unit he desires without obtaining the consent of the Board of Managers, so long as the alterations or improvements do not affect the Building or any Common Element, jeopardize the soundness or safety of the Property, reduce the value thereof or impair any easement therein.

No Unit Owner shall make any structural addition, alteration or improvement in or to a Unit or Limited Common Element without first (1) obtaining and maintaining during the course of such work such insurance as the Board of Managers may reasonably prescribe, and (2) executing and delivering to the Board of Managers an agreement, in form and substance reasonably satisfactory to the Board, setting forth the reasonable terms and conditions under which such alteration, addition or improvement may be made, including, without limitation, the days and hours during which any such work may be done, and (3) executing and delivering to the Board of Managers an agreement indemnifying and holding harmless the Board, its members and officers, and all Unit Owners from and against any liability, cost or expense arising out of or connected to such work. The Unit Owner shall also bear the cost of any increased taxes or insurance premiums resulting from his or her alterations, additions or improvements. Unit Owners shall be responsible for paying to the managing agent a reasonable fee, as established by the Board of Managers, for the processing of applications for consent to alterations.

Any application to any department of the City of New York or to any other governmental authority for a permit to make an addition, alteration or improvement in or to any Unit or Limited Common Element will be executed by the Board of Managers without, however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor or materialman on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. All responsibility with respect to any such addition, alteration or improvement shall remain with the Unit Owner until conveyance of the Unit, at which time such responsibility shall pass to and be assumed by the transferee and the successors and assigns of such transferee.

The provisions of this Section 12 shall not apply to Units owned by the Sponsor or its designee until such Units shall have been initially sold and conveyed.

Section 13. Use of Common Elements. No furniture, packages or objects of any kind shall be placed on the grounds, walks, common entrances, common terrace, lobbies, public halls, service corridors or other public areas, or any other part of the Common Elements, other than areas which may be designated as storage areas. The lobbies, public halls, service corridors and other public areas shall be used only for the purposes established by the Board of Managers from time to time. The provisions of this Section 13 shall not apply to the Sponsor or its designee until such time as all Units have been initially sold and conveyed by the Sponsor or its designee. However, the Sponsor or its designee shall not use the 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. Each Unit Owner shall grant a right of access to his or her Unit to the Board of Managers, the manager and/or the managing agent and/or any other person authorized by the Board of Managers, for the purpose of making inspections to determine if there exist conditions threatening another Unit or a Common Element, or violations of the By-Laws or Rules and Regulations of the Condominium or any State or Municipal ordinances, or for the purpose of correcting any conditions originating in the Unit and threatening another Unit or a Common Element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other Common Elements in his or her Unit or elsewhere 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 in advance and that any such entry is at a time reasonably convenient to the Unit Owner, and further provided that such right shall be exercised in such manner as will not unreasonably interfere with the normal use of the Units. In case of an emergency, such right of entry shall be immediate, whether the Unit Owner is present at the time or not. In the event of the exercise of the right of access provided in this Section 14, any costs for repairs shall be borne in accordance with the provisions of Section 9 of this Article VI.

Section 15. Rules and Regulations. Rules and regulations concerning the use of the Units and the Common Elements may be promulgated and amended by the Board of Managers. Copies of such rules and regulations shall be furnished by the Board of Managers to each Unit Owner prior to time when the same shall become effective. Initial rules and regulations, which shall be effective until amended by the Board of Managers, are annexed hereto and made a part hereof as Schedule A.

Section 16. Electricity and Gas. (a) Electricity for lighting, air conditioning and appliances within the Units shall be supplied by the public utility company to the individual Unit and will be metered to the individual Units. Electricity charges for each Storage Unit will be tied into the corresponding distribution meter for the Unit Owner's Unit. Electricity charges for lighting and air conditioning in the Common Elements shall be billed to the Board of Managers, and the cost shall be included in the common charges.

Gas for cooking and individual heating in the Units, will be separately metered.

Section 17. Heat and Hot Water. Each Unit Owner shall pay the cost of providing heat to his/her respective Units. The Board of Managers shall pay the cost of providing heat to the Common Elements by inclusion of the cost in the common charges.

Section 18. Water Charges and Sewer Rents. The Condominium Board shall pay, as common expenses, all water charges for the Units and the Common Elements and facilities,

together with all related sewer rents arising therefrom promptly after the bills for the same shall have been rendered.

Section 19. Abatement and Enjoinment of Violations by Unit Owners. (a) 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: (i) upon reasonable notice to the Unit Owner to enter the Unit in which, or as to which, such violation or breach exists, and to summarily abate and remove at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provision hereof (provided, however, that judicial proceedings must be instituted before any item of construction can be altered or diminished, and provided further that no prior notice shall be required in the event that the Board of Managers shall determine that action is immediately necessary for the preservation or safety of the Property or for the safety of the residents of the Condominium or other persons or required to avoid the suspension of any necessary service to the Condominium), and/or (ii) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach, and/or (iii) to impose against such Unit Owner a onetime fine of one hundred (\$250.00) dollars for any such violation.

(b) The violation or breach of any of the provision of these By-Laws, the Rules and Regulations, or the Declaration with respect to any rights, easements, privileges or licenses granted to the Sponsor or its designee shall give to the Sponsor or its designee, as the case may be, 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.

(c) 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 any Unit Owner shall give to the aggrieved Unit Owner a right of action for damages or the right to enjoin, abate or remedy by appropriate legal proceedings, either in law or in equity, the continuance of any such violation or breach.

(d) The expenses of any proceeding brought under this Section 19 and all other costs and expenses, including reasonable attorneys, fees, incurred hereunder by the Board, the Sponsor or a Unit Owner, as the case may be, together with interest thereon at the highest legal rate from the date of expenditure, shall immediately be payable by the defaulting Unit Owner to (i) the Board in the event set forth in (a) above, (ii) the Sponsor in the event set forth in (b) above and (iii) the aggrieved Unit Owner in the event set forth in (c) above. All sums payable under this Section 19 shall constitute common charges payable by the Unit Owner.

(e) Unit Owners shall have similar rights of action against the Board of Managers for failure to comply with the terms of the Condominium Documents, subject to the limitations on liability of Board Members contained in these By-Laws.

Section 20. No Right of Partition. As provided in Section 339-i(3) of the Real Property Law, the Common Elements shall remain undivided and no right shall exist to partition or divide any thereof, except as otherwise specifically provided therein (and described in this Article VI or in

Article IX), as in the event of condemnation, destruction of more than 75% of the Building or termination of the Condominium.

ARTICLE VII MORTGAGES

Section 1. Notice to Board of Managers. A Unit Owner who mortgages his or her Unit shall notify the Board of Managers of the name and address of his or her mortgagee and shall file a conformed copy of the note and mortgage with the Board of Managers. A conformed copy of the Satisfaction of any such mortgage shall also be filed with the Board of Managers. The Board of Managers shall maintain such information in a book entitled "Mortgages of Units."

Section 2. Notice of Unpaid Common Charges. The Board of Managers, when so requested in writing by a mortgagee of a Unit, shall promptly notify any mortgagee of a Unit of such Unit Owner's non-payment of common charges, or other default in the obligations of such Unit Owner under the Declaration, By-Laws, Rules and Regulations, as the same are amended from time to time, or in any order of the Board of Managers issued with respect thereto.

Section 3. Notice of Default. The Board of Managers, when giving notice to a Unit Owner of a default in paying common charges or other default, shall send a copy of such notice to each holder of a mortgage covering such Unit whose name and address has previously been furnished to the Board of Managers.

Section 4. Examination of Books. Each Unit Owner and each mortgagee of a Unit shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, on three (3) days prior written notice, but not more often than once a month.

ARTICLE VIII SALES, LEASES AND MORTGAGES OF UNITS

Section 1. Sales and Leases. No Unit Owner, other than the Sponsor or its designee, may sell or lease a Unit or any interest therein except by complying with the following provisions:

Any Unit Owner who receives a bona fide offer for (a) the sale of his or her Unit together with: (i) the undivided interest in the Common Elements appurtenant thereto; (ii) the interest of such Unit Owner in any Units theretofore acquired by the Board of Managers, or its designee, on behalf of all Unit Owners, or the proceeds of the sale or lease thereof, if any; and (iii) the interest of such Unit Owner in any other assets of the Condominium, (hereinafter collectively called the "Appurtenant Interests"), or (b) a lease of his or her Unit, (hereinafter called an "Outside Offer"), which he or she intends to accept, shall give notice by certified or registered mail to the Board of Managers of such offer and of such intention, the name and address of the proposed purchaser or lessee, the terms of the proposed transaction and such other information as the Board of Managers may reasonably require, and shall offer to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, to the Board of Managers, or its designee, corporate or otherwise, on behalf of the owners of all other Units, on the same terms and conditions as contained in such Outside Offer. The giving of such notice shall constitute a warranty and representation by the Unit Owner who has

received such offer, to the Board of Managers on behalf of the other Unit Owners, that such Unit Owner believes the Outside Offer to be bona fide in all respects. The Board of Managers will have the right to request information from and interview the proposed purchaser or lessee. The Unit Owner shall be responsible for paying to the managing agent a reasonable fee, as established by the Board of Managers, for processing a sale or lease application.

Upon receipt of the notice from the Unit Owner, the Board will initially request an application and accompanying information from the proposed purchaser or lessee. Within twenty (20) days after receipt of a completed information package, the Board may request an interview and/or further information. Any interview will be scheduled within fifteen (15) days of the request ☐ therefore. Within ten (10) days after the date of interview or receipt of additional information requested, whichever is later, or, if the Board waives its right to such interview, within twenty (20) days after the date of receipt of the initial completed application and information package, the Board of Managers may elect, by notice to such Unit Owner, by certified or registered mail, to purchase such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all other Unit Owners, on the same terms and conditions as contained in the Outside Offer and as stated in the notice from the offering Unit Owner. In the event the Board of Managers shall elect to purchase such Unit, together with the Appurtenant Interests, or to lease such Unit, or to cause the same to be purchased or leased by its designee, corporate or otherwise, title shall close or lease shall be executed at the office of the attorneys for the Condominium, in accordance with the terms of such offer, within forty-five (45) days after the giving of notice by the Board of Managers of its election to accept such offer. If the selling Unit Owner's existing mortgage is not satisfied, the Board of Managers may purchase the Unit and assume or take subject to said existing mortgage, if possible. At the closing, the 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 transfer stamps affixed, and shall pay all other taxes arising out of such sale. In the event such Unit is to be leased, the offering Unit Owner shall execute and deliver to the Board of Managers, or to its designee, a lease between the offering Unit Owner, as landlord, and the Board of Managers, or its designee, as tenant, covering such Unit, for the rental and term contained in such outside offer.

In the event the Board of Managers or its designee shall (i) waive the right of first refusal, or (ii) fail to accept such offer within ten (10) days after the interview or receipt of additional information requested, whichever is later, or (iii) fail to take any action within twenty (20) days after receipt of the initial completed application and information package, the offering Unit Owner shall be free to contract to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be, within sixty (60) days after the expiration of the period in which the Board of Managers or its designee might have accepted such offer, to the Outside Offeror, on the terms and conditions set forth in the notice from the offering Unit Owner to the Board of Managers of such Outside Offer. Any such deed to an Outside Offeror 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 such lease shall be consistent with these By-Laws and shall provide that it may not be modified, amended, extended or assigned, without the prior consent in writing of the Board of Managers, that the tenant shall not sublet the demised premises, or any part thereof, without the prior consent in writing of the Board of Managers, which consent shall not be unreasonably withheld, and that the Board of Managers

shall have power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of default by the tenant in the performance of such lease. Except as hereinbefore set forth, the form of any such lease shall be the then current form of lease recommended by the Real Estate Board of New York, Inc., with such modifications as shall be approved in writing or required by the Board of Managers. In the event the offering Unit Owner shall not, within such sixty (60) day period, contract to sell such Unit together with the Appurtenant Interests, or to lease such Unit, as the case may be, to the outside Offeror on the terms and conditions contained in the Outside Offer, or if the Unit Owner shall so contract to sell or lease his Unit within such sixty (60) day period, but such sale or lease shall not be consummated pursuant to the terms of such contract, then should such offering Unit Owner thereafter elect to sell such Unit, together with the Appurtenant Interests, or to lease such Unit, as the case may be, to the same or another outside Offeror on the same or other terms and conditions, the offering Unit Owner shall be required to again comply with all of the terms and provisions of this Section 1 of this Article VIII.

The time limits contained in the above two paragraphs with respect to Board action may be extended in the sole discretion of the Board of Managers.

Any purported sale or lease of a Unit in violation of this section shall be voidable at the election of the Board of Managers. The restrictions of Section 1 of this Article VIII shall not apply to Units owned by the Sponsor or its designee. The Sponsor or its designee with shall have the right to freely sell such Units or to freely lease all or any of them without having to first offer the same for sale or lease to the Board of Managers.

Section 2. Consent of Unit Owners to 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 of the Unit Owners.

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 Storage Unit of the respective 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, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the Unit to which such interest or interests are appurtenant, or as part of a sale, transfer 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, in which event the Unit, together with the Appurtenant Interests, may be sold, conveyed, or leased, free and clear of the provisions of such section.

Section 5. Certificate of Termination of Right of First Refusal. A certificate, executed and acknowledged by the Secretary or other officer of the Condominium, stating that the provisions of Section 1 of this Article VIII have been met by a Unit Owner, or have been duly waived by the Board of Managers, and 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 thereon in good faith. Such certificate shall be furnished to any Unit Owner who has in fact complied with the provisions of Section 1 of this Article VIII or in respect to whom the provisions of such section have been waived, upon request, at a reasonable fee payable to the managing agent.

Section 6. Financing of Purchase of Units by Board of Managers. Acquisition of Units by the Board of Managers, or its designee, on behalf of all Unit Owners, may be made from the working capital and common charges in the hands of the Board of Managers, or if such funds are insufficient, the Board of Managers may levy an assessment against each Unit Owner in proportion to his or her interest in the Common Elements, as a common charge, which assessment shall be enforceable in the same manner as provided in Section 6 and 7 of Article VI, and/or the Board of Managers, in its discretion, may borrow money to finance the acquisition of such Unit, provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the Unit, together with the Appurtenant Interests, so to be acquired by the Board of Managers.

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 the Appurtenant Interests, by (a) the Unit Owner thereof to his spouse or to any of his children or to his parent or parents, or to his brothers or sisters, or any one or more of them, (b) the Sponsor or its designee, (c) the Board of Managers, (d) a party conveying a Unit in connection with the foreclosure of a mortgage or other lien covering the Unit or delivering a deed in lieu of foreclosure, or (e) a mortgagee authorized herein who shall acquire title to such Unit by foreclosure of a mortgage or by a deed in lieu of such foreclosure; provided, however, that any purchaser of such Unit from such mortgagee 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 or to devise his Unit by will, or to pass the same by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and his Unit shall be subject to the provisions of this Article.

Section 9. Waiver of Right of Partition for Acquired by the Board of Managers. 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 Unit.

Section 10. Transfer Fees and Other Charges. The Board of Managers shall have authority to fix by resolution, the amount of, and to collect before the conveyance of any Unit, a transfer fee or flip tax in connection with such proposed transfer.

The Board of Managers shall also have the right and authority to fix by resolution and collect an application fee payable to the managing agent in connection with any proposed sale or lease of a Unit, and any fee due an attorney retained by the Board with respect to any such sale or lease.

No such transfer fee, flip tax or other fee shall be applicable to: (i) sales by the Sponsor or its designee, or (ii) gifts and devises as described in Section 8 of this Article VIII.

Section 11. Payment of Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate, sell 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 12. Mortgaging of Units. Subject to the preceding Section 11, 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 non-institutional lender to make the mortgage loan.

ARTICLE IX CONDEMNATION

Section 1. Condemnation. In the event of a taking in condemnation or by eminent domain of part or all of the Common Elements, the award for such taking shall be payable to the Board of Managers. If 75% or more in number and in common interest of the Unit Owners duly and promptly approve the repair and restoration of such Common Elements, the Board of Managers shall arrange for the repair and restoration of such Common Elements, and the Board of Managers shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that 75% or more in number and in common interest of Unit Owners do not duly and promptly approve the repair and restoration of such Common Elements, the Board of Managers shall disburse the net proceeds of such award in the same manner as they are required to distribute insurance proceeds where there is no repair or restoration of the damage, as provided in Section 3 of Article VI of these By-Laws. As used in this Section, the words "promptly approve" shall mean not more than sixty (60) days from the date of such taking.

In the event of a taking in condemnation or by eminent domain of part or all of the Common Elements and the loss to the Common Elements is in excess of \$500,000, then the Board of Managers shall promptly notify all mortgagees of Units of such taking and loss.

ARTICLE X RECORDS AND AUDITS

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 and the managing agent, 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. A copy of each proposed annual budget of the Condominium shall be submitted by the Board of Managers to all Unit Owners, to be received not less than ten (10) days prior to the date set for adoption thereof by the Board. While

the Sponsor controls the Board, such budgets will be certified in accordance with Section 20.4(d) of the Department of Law of the State of New York.

An annual report of the receipts and expenditures of the Condominium, certified by an independent certified public accountant, shall be submitted by the Board of Managers to all Unit Owners within four and one-half (4-1/2) months after the end of each fiscal year. The cost of such report shall be paid by the Board of Managers as a common expense.

The books and records of the Condominium, including copies of the Declaration and these By-Laws, shall be subject to inspection by Unit Owners and by mortgagees of Units at reasonable times, during business hours, upon three (3) days prior written notice.

ARTICLE XI AMENDMENTS TO BY-LAWS

Section 1. Amendments to By-Laws. Except as otherwise provided herein and in the Declaration, these By-Laws may be modified or amended by the vote of at least 66-2/3% of all Unit Owners in number and in common interest, 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, by written amendment as provided in the By-Laws.

For so long as the 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 or amended so as to eliminate, change, or impair any rights, privileges, easements, licenses or exemptions granted therein or herein to the Sponsor or said designee, or otherwise adversely affect the Sponsor or such designee without the Sponsor's or such designee's prior written consent.

No amendment which adversely affects the lien of any mortgage on a Unit may be made without the written consent of the affected mortgagee.

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 each Unit Owner affected by such amendment. Further, these By-Laws, the Rules and Regulations and the Declaration may not be modified, added to or amended so as to eliminate, change or impair any rights granted to any Unit Owner, or so as to adversely affect such Unit Owner, without the prior written consent of such Unit Owner.

ARTICLE XII 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 gender and the use of the singular shall be deemed to include the plural, 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 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 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.

SCHEDULE A
RULES AND REGULATIONS FOR
THE 292 7TH STREET CONDOMINIUM

1. Units shall be used for residences only, with not more than two (2) adults or one family occupying a Unit at one time, except that any Unit may, in addition, be used for any lawful home occupation (as such term is defined in the New York City Zoning Resolution), provided (i) that such use does not violate zoning regulations, and (ii) the prior consent of the Board of Managers is obtained or, in the case of initial Purchasers from the Sponsor or its designee, written notice of such use is given to the managing agent. Notwithstanding the foregoing, the Sponsor (or its designee) may, without the permission of the Board of Managers or anyone else, retain ownership of one or more Units for use as models, sales, or business or administration offices and may place signage of any size in any location on the Property, as determined in the sole discretion of the Sponsor (or such designee), in connection with the sale, management or rental of Units in the Condominium.

2. Nothing shall be done or kept in any Unit or the Common Elements which will increase the rate of insurance on the Building, or contents thereof, without the prior written consent of the Board of Managers. If the cost of insurance on the Building is increased because of the use of a Unit, then such insurance cost increase shall be repaid to the Condominium by the Unit Owner whose use has caused the increase, within thirty (30) days after the increased cost has been demanded of the Condominium and written notice has been given by the Board to the Unit Owner. No Unit Owner shall permit anything to be done or kept in his or her Unit or in the Common Elements which will result in the cancellation of insurance on the Building, or contents thereof, or which would be in violation of any law. No Unit Owner or occupant or any of its agents, servants, employees, licensees or visitors shall at any time bring into or keep in its Unit or in the Common Elements any flammable, combustible or explosive fluid, material, chemical or substance. No waste shall be committed in the Common Elements.

3. All radio, television or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in such Unit.

4. No radio or television aerial or other similar device shall be erected on the roof or exterior walls of the Building without obtaining in each instance the written consent of the Board of Managers. Any aerial so installed without such required consent shall be subject to removal without notice at any time.

5. Nothing shall be done in any Unit or in, on or to the Common Elements which will impair the structural integrity of the Building or which would structurally change the Building without the prior written consent of the Board of Managers.

a. Nothing shall be altered or constructed in or removed from the Common Elements, except upon the written consent of the Board of Managers.

b. No noxious or offensive activity shall be carried on in any Unit or in the Common Elements nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other Unit Owners or occupants. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be complied with by and at the sole expense of the Unit Owners or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property.

c. No swill, brine, offensive animal matter, noxious liquid, or other filthy matter of any kind, shall be allowed by any person to fall upon or run into any street, or Common Element or be taken to or put therein.

d. There shall be no obstruction of the Common Elements. The entrances, passages, public halls, elevators, vestibules, corridors, stairways and other areas within the Common Elements shall not be used for any other purpose than that for which they are intended. Nothing shall be stored in the Common Elements without the prior consent of the Board of Managers, except as hereinafter expressly provided.

e. Except in storage areas, if any, designated as such by the Board of Managers, there shall be no playing, lounging, or parking of baby carriages or playpens, bicycles, wagons, toys, vehicles, benches or chairs on any part of the Common Elements. Storage by Unit Owners in areas designated by the Board of Managers shall be at the Unit Owner's risk.

f. No clothes, sheets, blankets, laundry or any kind or other articles shall be hung out of a Unit or exposed on any part of the Common Elements or Limited Common Elements. The Common Elements and Limited Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials. No rugs or mops shall be shaken or hung from or on any of the windows or doors. No Unit Owner shall sweep or throw or permit to be swept or thrown therefrom any dirt or other substance.

g. Each Unit Owner shall keep his or her Unit in a good state of preservation and cleanliness and each Unit Owner shall be obligated to maintain and keep in good order and repair the Unit in accordance with the provisions of the By-Laws.

h. The agents of the Board of Managers or the managing agent, and any contractor or worker authorized by the Board of Managers or the managing agent, may enter any Unit at any reasonable hour of the day for the purpose of inspecting such Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests, provided that such right will be exercised in such a manner as will not unreasonably interfere with the normal use of the Units.

i. If any key or keys are entrusted by a Unit Owner or occupant or by his or her agent, servant, employees, licensee or visitor to any employee of the Board of Managers, whether for such Unit or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner or occupant, and the Board of Managers shall not be liable for injury, loss or damage of any nature whatsoever directly or indirectly resulting therefrom or connected therewith.

j. Except to the extent expressly authorized herein or in the By-Laws, no industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise, designed for profit, altruism, or otherwise, shall be conducted, maintained or permitted on any part of the Property, nor shall any "For Sale", "For Rent" or "For Lease" signs or other window displays or advertising be maintained or permitted on any part of the Property or in any Unit therein nor shall any Unit be used or rented for transient, hotel or motel purposes. However, the Sponsor (or its designee) shall have the right to place, "For Sale", "For Rent" or "For Lease" signs on the Condominium Property and on any unsold or unoccupied Units, and to maintain such freestanding and other selling and informational signs as are deemed necessary to sell or lease any Units.

k. Dogs, cats or other common household pets, not to exceed two (2) per Unit, may be kept in Units, subject to the rules and regulations adopted by the Board of Managers, including those pertaining to the size of a pet and the permitted level of noise. In no event will any dog be permitted in any portion of the Common Elements unless carried or on a leash.

l. The Board of Managers may retain a pass-key to each Unit. The Unit Owner shall not alter any lock on any door leading to his or her Unit without the written consent of the Board of Managers or the Managing Agent. If such consent is given, the Board of Managers or the Managing Agent shall be provided with a key.

m. Residents shall not make or permit any disturbing noises in the Building that unreasonably interfere with the rights, comfort or convenience of other residents. In particular, but without limiting the general force of the preceding sentence, no musical instrument, stereo, television, or exercise equipment shall be used, nor shall a resident vocalize, between the hours of 10:00 PM and 8:00 AM at a level that might reasonably be expected to annoy other residents. No construction or repair work or other installation involving noise shall be conducted in any Unit except on weekdays (other than holidays) between the hours of 9:00 AM and 4:00 PM.

n. No Unit Owner shall install any plantings or any other objects on any terrace or roof without prior written approval of the Board of Managers of the Condominium. Plantings shall be contained in boxes constructed of rot resistant wood species, plastic, or other durable lightweight materials. Nonferrous fasteners shall be used. The planter shall have suitable weep holes to draw off water and be filled with a mix of perlite and topsoil and not weigh more than 50 pounds per cubic foot saturated. It shall be the responsibility of the Unit Owner to maintain the containers in good condition, and the drainage tiles and weep holes in operating condition. Planters shall be placed so as not to create weight in excess of 30 pounds per square foot over any area of 30 square feet or more. No planter shall rest directly on the terrace or roof surface and shall be placed on bearing blocks of stone or concrete. Planters shall be constructed so as to be self-supporting and shall not be placed closer than 10" to any wall or parapet or to each other. No planter shall block access or egress from or to any area of roof or terrace. Planters shall not be placed on or hung from any raised structure, penthouse, wall, roof, railing, or parapet. The use of a surface on top of the permanent paving, such as indoor-outdoor carpeting or mats, impedes the flow of water to the terrace drains and is not permitted. Sheds and other temporary or permanent structures are not permitted on the roofs, balconies, or terraces. The weight of furnishings or decorative items shall not exceed 65 pounds per square foot of base area. Any damage caused to the Building or any portion thereof as a result of the placement of the planter shall be repaired at the sole cost and expense of the Unit Owner.

o. Unit Owners shall, at their sole cost and expense, comply with all present and future laws, orders and regulations of all state, federal, municipal and local governments, departments, commissions and boards regarding the collection, sorting, separation, recycling and disposal of waste products, garbage refuse and trash (including, without limitation, medical, regulated or other hazardous waste). Unit Owners shall sort and separate such waste products, garbage, refuse and trash into such categories as provided by law, and in accordance with the rules and regulations adopted by the Board of Managers of the Condominium for the sorting and separating of such designated recyclable materials. Unit Owners shall comply with the requirement to rinse recyclable bottles and containers before placing them in the designated receptacles, in accordance with all applicable law and regulations. The Board reserves the right, where permitted by law, to refuse to collect or accept from Unit Owners any waste products, garbage, refuse or trash which is not separated and sorted as required by law. Unit Owners shall pay all costs, expenses, fines, penalties or damages which may be imposed on the Board of Managers, the Sponsor or any Unit Owner by reason of the Unit Owner's failure to comply with these provisions and, at the Unit Owner's sole cost and expense, the Unit Owner shall indemnify, defend and hold harmless the Board of Managers, the Sponsor and the other Unit Owners (including legal fees and disbursements) from and against any actions, claims and suits arising from the Unit Owner's noncompliance, utilizing counsel reasonably satisfactory to the Board or the Sponsor, as the case may be, if said party so elects. The Unit Owner shall be liable to the Board of Managers for any costs, expenses or disbursements, including legal fees, which may be incurred by the Board in the commencement and/or prosecution of any action or proceedings by the Board against the Unit Owner, predicated upon the Unit Owner's breach of this paragraph. Unit Owners are advised that local regulations governing recycling make Unit Owners liable for non-compliance.

p. Unit Owners will faithfully observe the procedures established from time to time by the Board of Managers or the Managing Agent with respect to services provided and management of the Building.

q. Any consent or approval given under these Rules and Regulations may be added to, amended or repealed at any time by resolution of the Board of Managers.

EXHIBIT "G"

ASBESTOS CERTIFICATION



ASBESTOS EXEMPTION CERTIFICATION LETTER

Application No. 310024737

Block 998

Lot 24

Address 292 7th Street, Brooklyn, NY

A / K / A _____

State proposed work covered by above application in detail with location(s):

The building is entirely new construction, upon completion the building will be
four stories plus penthouse and a cellar.

As the duly authorized agent for the above premises, I hereby certify that the work filed for the above address is exempt from the asbestos requirement as defined in section 1-23 (A) of regulations promulgated by the New York City Department of Environmental Protection.

Applicant Signature

Affix Seal of Registered Architect, Professional Engineer,
Licensed Plumber, Licensed Oil Burner Installer*

Date August 11 2009



Warning: Any person who shall knowingly make a False Statement or who shall knowingly allow this statement to be falsified shall be guilty of a misdemeanor under section 26-124 (643A--10.0**) of the Administrative Code, and shall be punished by a fine of not more than \$500.00 or by imprisonment of not more than 6 months, or both.

Note: Form must be filed in duplicate

*If applicant is not an R.A., P.E., Licensed Plumber, or Licensed Oil Burner Installer, the Borough Commissioner must approve.

** Previous section number

EXHIBIT "H"

**CERTIFICATE OF FORMATION
OF
292 SEVENTH STREET LLC**

EXHIBIT "T"

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

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

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

Re: The 292 7th Street Condominium
 292 7th Street, Brooklyn, New York

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] condominium.
 [] homeowners association.
 [] timeshare.
 [] other:
7. Name and Address of Sponsor: 292 Seventh Street LLC
 306 2nd Street, Suite 2A
 Brooklyn, NY 11215
8. Name and Address of Escrow Agent: Richard Eng, Esq.
 100 Lafayette Street, Suite 403
 New York, NY 10013

9. If down payments are maintained in an escrow account:
- (a) Name of account:
 - (b) Name and address of bank:
 - (c) Account number (if known):
 - (d) Initial interest rate (if known):
10. If 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 is not my private attorney, but represents the public in enforcing laws designed to protect the public from unlawful business practices. I also understand that if I have any questions concerning my legal rights or responsibilities I may contact a private attorney. The above application is true and accurate to the best of my knowledge. False statements made herein are punishable as a Class A Misdemeanor under Section 175.30 and/or Section 210.45 of the Penal Law.

Signature:

Date:

Name (Printed):

Telephone: (Home)

(Business)

Mailing Address:

EXHIBIT "J"

ESCROW AGREEMENT

ESCROW AGREEMENT

THE 292 7th Street Condominium

AGREEMENT (the "Agreement") made this _____ day of _____ 200__, between 292 Seventh Street LLC ("SPONSOR") as Sponsor of the Offering Plan (the "Plan") for the premises located at 292 7th Street, Brooklyn, New York 11215, and Richard Eng, Esq. "ESCROW AGENT") as Escrow Agent.

WHEREAS, Sponsor is the sponsor of an offering plan to convert to condominium ownership the premises located at 292 7th Street, Brooklyn, New York which premises are to be known as The 292 7th Street Condominium; and

WHEREAS, ESCROW AGENT 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, 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 subscribing. The escrow account has been opened with CitiBank, at its branch located _____. The account number is _____

1.2 The name of the account is Richard Eng. as Escrow Agent.

1.3 The signatories on the account are members of the firm of escrow agent.

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

1.5 The escrow account is not an IOLA established pursuant to Judiciary Law Section 497.

2. DEPOSITS INTO THE ESCROW ACCOUNT.

2.1 All funds received from prospective purchasers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited in the escrow account within five (5) business days after the purchase agreement is signed by all necessary parties. All instruments to be deposited into the escrow account shall be made payable to, or endorsed by the purchaser to the order of "Meister Seelig & Fein LLP, as Escrow Agent." Any instrument payable or endorsed other than as required hereby, and which can not be deposited into such escrow account, shall be returned to the prospective purchaser promptly, but in no event more than five (5) business days following receipt of such instrument by ESCROW AGENT. In the event of such return of funds, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

2.2 Within ten (10) business days after tender of the deposit submitted with the purchase agreement, ESCROW AGENT shall notify the purchaser of the deposit of such funds in the bank indicated in the offering plan, provide the account number, and disclose the initial interest rate. If the purchaser does not receive notification of such deposit within fifteen (15) business days after tender of the deposit, the purchaser may cancel the purchase and rescind the purchase agreement 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 the Attorney General's regulations and requisite notice was timely mailed to the purchaser.

3. RELEASE OF FUNDS.

3.1 ESCROW AGENT shall not release the escrowed funds of a defaulting purchaser until after consummation of the 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 continue to hold the funds in escrow until closing under the purchase agreement or unless 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 (d) 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 (a) to a purchaser who timely rescinds in accordance with an offer of rescission contained in the Plan or an amendment to the Plan or (b) to all purchasers after an amendment abandoning the Plan is accepted for filing by the Department of Law.

3.4 If funds are to be released from escrow not in connection with the closing and 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 (7) years after release of the funds.

4.2 Upon the dissolution of a law firm which was ESCROW AGENT, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

4.3 ESCROW AGENT shall make available to the Attorney General, upon his request, all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT.

5.1 ESCROW AGENT shall maintain the accounts called for in this Agreement under the direct supervision and control of ESCROW AGENT.

5.2 A fiduciary relationship shall exist between ESCROW AGENT and purchasers, and ESCROW AGENT acknowledges its fiduciary obligations.

5.3 ESCROW AGENT shall be permitted to represent Sponsor in all matters notwithstanding the obligations in subsection 5.2 above.

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. RESPONSIBILITIES OF ESCROW AGENT

7.1 ESCROW AGENT is acting as an accommodation to the SPONSOR, and shall not be liable for any action taken or omitted hereunder except for its gross negligence or willful misconduct. It shall incur no liability with respect to any action taken or suffered by it in

reliance upon any notice, direction, instruction, consent, statement or other paper or document reasonably believed by it to be genuine.

7.2 ESCROW AGENT shall not be bound by any modification, cancellation or rescission of this Agreement unless in writing and signed by both parties and delivered to it.

7.3 The SPONSOR agrees to indemnify and hold ESCROW AGENT harmless from any liability, obligation, damage, claim, cost and expense (including reasonable attorneys fees and disbursements) incurred by it by reason of this Agreement and the actions contemplated herein, except for ESCROW AGENT'S gross negligence or willful misconduct.

7.4 ESCROW AGENT shall not be liable or responsible for the collection of any check deposited into an account under its supervision as ESCROW AGENT.

7.5 ESCROW AGENT may act only upon instructions from either party to this Agreement or their attorney, or in the event of a dispute, upon the instructions of the Attorney General.

7.6 Except for such obligations imposed by Section 352-e(2)(b) and 352(h) of the General Business Law of the State of New York, ESCROW AGENT is acting as a stakeholder only with respect to the escrowed funds. Upon payment of funds in accordance with the terms of this agreement, the ESCROW AGENT will be discharged from liability by the SPONSOR and will be discharged by the purchaser as to compliance with requirements under the Attorney General's regulations.

7.7 In the event there is a dispute as to the disposition of the escrowed funds and in the event the application to the Attorney General seeking the release of funds is denied, the ESCROW AGENT may bring an appropriate action or proceeding for leave to deposit the escrowed funds into a court of competent jurisdiction. ESCROW AGENT shall be reimbursed by the SPONSOR for all costs and expenses of such action or proceeding including, without limitation, reasonable attorneys' fees and disbursements. ESCROW AGENT shall have no further liability to any party if the funds are delivered in the manner provided for in this paragraph.

8. TERMINATION OF AGREEMENT.

8.1 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 to the Plan 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 to the Plan with the Department of Law providing for a successor ESCROW AGENT; or

(c) All units offered pursuant to the Plan have been sold and all sales transactions have been consummated.

8.2 Upon termination of the duties of ESCROW AGENT as described in paragraph 8.1 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.

9. SUCCESSORS AND ASSIGNS.

9.1 This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their successors and assigns.

10. GOVERNING LAW.

10.1 This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

11. ESCROW AGENT'S COMPENSATION.

11.1 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.

12. SEVERABILITY.

12.1 If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

13. ENTIRE AGREEMENT.

13.1 This Agreement, read together with GBL Section 352-e(2-b) and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

SPONSOR:
292 Seventh Street LLC

ESCROW AGENT:

By:

Richard Eng

EXHIBIT "K"

GENERAL BUSINESS LAW SECTION 352-eeee

Supreme Court Center | US Laws | Blawgs.FM | BlawgSearch.com | Justia -
Justia> Law> New York Law> New York Code> General
Business> Fraudulent Practices In Respect To Stocks, Bonds
And Other Securities> Conversions To Cooperative Or Condominium Ownership In The City Of New York

New York Conversions To Cooperative Or Condominium Ownership In The City Of New York.

Search ☒ New York Code ☐ All US State Codes

* § 352-eeee. Conversions to cooperative or condominium ownership in the city of New York. 1. As used in this section, the following words and terms shall have the following meanings:

(a) "Plan". Every offering statement or prospectus submitted to the department of law pursuant to section three hundred fifty-two-e of this article for the conversion of a building or group of buildings or development from residential rental status to cooperative or condominium ownership or other form of cooperative interest in realty, other than an offering statement or prospectus for such conversion pursuant to article two, eight or eleven of the private housing finance law.

(b) "Non-eviction plan". A plan which may not be declared effective until written purchase agreements have been executed and delivered for at least fifteen percent of all dwelling units in the building or group of buildings or development by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family intend to occupy the unit when it becomes vacant. As to tenants who were in occupancy on the date a letter was issued by the attorney general accepting the plan for filing, the purchase agreement shall be executed and delivered pursuant to an offering made in good faith without fraud and discriminatory repurchase agreements or other discriminatory inducements.

(c) "Eviction plan". A plan which, pursuant to the provisions of this section, can result in the eviction of a non-purchasing tenant by reason of the tenant failing to purchase pursuant thereto, and which may not be declared effective until at least fifty-one percent of the bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the attorney general (excluding, for the purposes of determining the number of bona fide tenants in occupancy on such date, eligible senior citizens and eligible disabled persons) shall have executed and delivered written agreements to purchase under the plan pursuant to an offering made in good faith without fraud and with no discriminatory repurchase agreements or other discriminatory inducements.

(d) "Purchaser under the plan". A person who owns the shares allocated to a dwelling unit or who owns such dwelling unit itself.

(e) "Non-purchasing tenant". A person who has not purchased under the plan and who is a tenant entitled to possession at the time the plan is declared effective or a person to whom a dwelling unit is rented subsequent to the effective date. A person who sublets a dwelling unit

from a purchaser under the plan shall not be deemed a non-purchasing tenant.

(f) "Eligible senior citizens". Non-purchasing tenants who are sixty-two years of age or older on the date the attorney general has accepted the plan for filing, and the spouses of any such tenants on such date, and who have elected, within sixty days of the date the attorney general has accepted the plan for filing, on forms promulgated by the attorney general and presented to such tenants by the offeror, to become non-purchasing tenants under the provisions of this section; provided that such election shall not preclude any such tenant from subsequently purchasing the dwelling unit on the terms then offered to tenants in occupancy.

(g) "Eligible disabled persons". Non-purchasing tenants who have an impairment which results from anatomical, physiological or psychological conditions, other than addiction to alcohol, gambling, or any controlled substance, which are demonstrable by medically acceptable clinical and laboratory diagnostic techniques, and which are expected to be permanent and which prevent the tenant from engaging in any substantial gainful employment on the date the attorney general has accepted the plan for filing, and the spouses of any such tenants on such date, and who have elected, within sixty days of the date the attorney general has accepted the plan for filing, on forms promulgated by the attorney general and presented to such tenants by the offeror, to become non-purchasing tenants under the provisions of this section; provided, however, that if the disability first occurs after acceptance of the plan for filing, then such election may be made within sixty days following the onset of such disability unless during the period subsequent to sixty days following the acceptance of the plan for filing but prior to such election, the offeror accepts a written agreement to purchase the apartment from a bona fide purchaser; and provided further that such election shall not preclude any such tenant from subsequently purchasing the dwelling unit or the shares allocated thereto on the terms then offered to tenants in occupancy.

2. The attorney general shall refuse to issue a letter stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this chapter has been filed whenever it appears that the offering statement or prospectus offers for sale residential cooperative apartments or condominium units pursuant to a plan unless:

(a) The plan provides that it will be deemed abandoned, void and of no effect if it does not become effective within fifteen months from the date of issue of the letter of the attorney general stating that the offering statement or prospectus has been accepted for filing and, in the event of such abandonment, no new plan for the conversion of such building or group of buildings or development shall be submitted to the attorney general for at least twelve months after such abandonment.

(b) The plan provides either that it is an eviction plan or that it is a non-eviction plan.

(c) The plan provides, if it is a non-eviction plan, as follows:

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

discriminatory inducements.

(ii) No eviction proceedings will be commenced at any time against non-purchasing tenants for failure to purchase or any other reason applicable to expiration of tenancy; provided that such proceedings may be commenced for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the non-purchasing tenant of his obligations to the owner of the dwelling unit or the shares allocated thereto; and provided further that an owner of a unit or of the shares allocated thereto may not commence an action to recover possession of a dwelling unit from a non-purchasing tenant on the grounds that he seeks the dwelling unit for the use and occupancy of himself or his family.

(iii) Non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to the conversion of the building or group of buildings or development to cooperative or condominium ownership shall continue to be subject thereto.

(iv) The rentals of non-purchasing tenants who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and non-purchasing tenants who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the plan has been accepted for filing by the attorney general shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy. In determining comparability, consideration shall be given to such factors as building services, level of maintenance and operating expenses.

(v) The plan may not be amended at any time to provide that it shall be an eviction plan.

(vi) The rights granted under the plan to purchasers under the plan and to non-purchasing tenants may not be abrogated or reduced notwithstanding any expiration of, or amendment to, this section.

(vii) After the issuance of the letter from the attorney general stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this article has been filed, the offeror shall, on the thirtieth, sixtieth, eighty-eighth and ninetieth day after such date and at least once every thirty days until the plan is declared effective or is abandoned, as the case may be, and on the second day before the expiration of any exclusive purchase period provided in a substantial amendment to the plan, (1) file with the attorney general a written statement, under oath, setting forth the percentage of the dwelling units in the building or group of buildings or development subscribed for by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family occupy the dwelling unit when it becomes vacant as of the date of such statement and, (2) before noon on the day such statement is filed post a copy of such statement in a prominent place accessible to all tenants in each building covered by the plan.

(d) The plan provides, if it is an eviction plan, as follows:

(i) The plan may not be declared effective unless at least fifty-one percent of the bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the attorney general (excluding, for the purposes of determining the number of bona fide tenants in occupancy on such date, eligible senior citizens and eligible disabled persons) shall have executed and delivered written agreements to purchase under the plan pursuant to an offering made in good faith without fraud and with no discriminatory repurchase

agreements or other discriminatory inducements.

(ii) No eviction proceedings will be commenced against a non-purchasing tenant for failure to purchase or any other reason applicable to expiration of tenancy until the later to occur of (1) the date which is the expiration date provided in such non-purchasing tenant's lease or rental agreement, and (2) the date which is three years after the date on which the plan is declared effective. Non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to conversion shall continue to be subject thereto during the period of occupancy provided in this paragraph. Thereafter, if a tenant has not purchased, he may be removed by the owner of the dwelling unit or the shares allocated to such dwelling unit.

(iii) No eviction proceedings will be commenced, except as hereinafter provided, at any time against either eligible senior citizens or eligible disabled persons. The rentals of eligible senior citizens and eligible disabled persons who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and eligible senior citizens and eligible disabled persons who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the plan has been accepted for filing shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy considering, in determining comparability, such factors as building services, level of maintenance and operating expenses; provided that such proceedings may be commenced against such tenants for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the tenant of his obligations to the owner of the dwelling unit or the shares allocated thereto.

(iv) Eligible senior citizens and eligible disabled persons who reside in dwelling units subject to government regulation as to rentals and continued occupancy shall continue to be subject thereto.

(v) The rights granted under the plan to eligible senior citizens and eligible disabled persons may not be abrogated or reduced notwithstanding any expiration of, or amendment to, this section.

(vi) Any offeror who disputes the election by a person to be an eligible senior citizen or an eligible disabled person must apply to the attorney general within thirty days of the receipt of the election forms for a determination by the attorney general of such person's eligibility. The attorney general shall, within thirty days thereafter, issue his determination of eligibility. The foregoing shall, in the absence of fraud, be the sole method for determining a dispute as to whether a person is an eligible senior citizen or an eligible disabled person. The determination of the attorney general shall be reviewable only through a proceeding under article seventy-eight of the civil practice law and rules, which proceeding must be commenced within thirty days after such determination by the attorney general becomes final.

(vii) After the issuance of the letter from the attorney general stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this article has been accepted for filing, the offeror shall, on the thirtieth, sixtieth, eighty-eighth and ninetieth days after such date and at least once every thirty days until the plan is declared effective or abandoned, as the case may be, and on the second day before the expiration of any exclusive purchase period provided in a substantial amendment to the plan, (1) file with the attorney general a written statement, under oath, setting forth the percentage of bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development

on the date the offering statement or prospectus was accepted for filing by the attorney general who have executed and delivered written agreements to purchase under the plan as of the date of such statement, and (2) before noon on the day such statement is filed post a copy of such statement in a prominent place accessible to all tenants in each building covered by the plan.

(viii) If the plan is amended before it is declared effective to provide that it shall be a non-eviction plan, any person who has agreed to purchase under the plan prior to such amendment shall have a period of thirty days after receiving written notice of such amendment to revoke his agreement to purchase under the plan.

(ix) The tenants in occupancy on the date the attorney general accepts the plan for filing shall have the exclusive right to purchase their dwelling units or the shares allocated thereto for ninety days after the plan is accepted for filing by the attorney general, during which time a tenant's dwelling unit shall not be shown to a third party unless he has, in writing, waived his right to purchase; subsequent to the expiration of such ninety day period, a tenant in occupancy of a dwelling unit who has not purchased shall be given the exclusive right for an additional period of six months from said expiration date to purchase said dwelling unit or the shares allocated thereto on the same terms and conditions as are contained in an executed contract to purchase said dwelling unit or shares entered into by a bona fide purchaser, such exclusive right to be exercisable within fifteen days from the date of mailing by registered mail of notice of the execution of a contract of sale together with a copy of said executed contract to said tenant.

(e) The attorney general finds that an excessive number of long-term vacancies did not exist on the date that the offering statement or prospectus was first submitted to the department of law. "Long-term vacancies" shall mean dwelling units not leased or occupied by bona fide tenants for more than five months prior to the date of such submission to the department of law. "Excessive" shall mean a vacancy rate in excess of the greater of (i) ten percent and (ii) a percentage that is double the normal average vacancy rate for the building or group of buildings or development for two years prior to the January preceding the date the offering statement or prospectus was first submitted to the department of law.

(f) The attorney general finds that, following the submission of the offering statement or prospectus to the department of law, each tenant in the building or group of buildings or development was provided with a written notice stating that such offering statement or prospectus has been submitted to the department of law for filing. Such notice shall be accompanied by a copy of the offering statement or prospectus and a statement that the statements submitted pursuant to subparagraph (vii) of paragraph (c) or subparagraph (vii) of paragraph (d) of this subdivision, whichever is applicable, will be available for inspection and copying at the office of the department of law where the submission was made and at the office of the offeror or a selling agent of the offeror. Such notice shall also be accompanied by a statement that tenants or their representatives may physically inspect the premises at any time subsequent to the submission of the plan to the department of law, during normal business hours, upon written request made by them to the offeror, provided such representatives are registered architects or professional engineers licensed to practice in the state of New York. Such notice shall be sent to each tenant in occupancy on the date the plan is first submitted to the department of law.

3. All dwelling units occupied by non-purchasing tenants shall be managed by the same managing agent who manages all other dwelling units

in the building or group of buildings or development. Such managing agent shall provide to non-purchasing tenants all services and facilities required by law on a non-discriminatory basis. The offeror shall guarantee the obligation of the managing agent to provide all such services and facilities until such time as the offeror surrenders control to the board of directors or board of managers, at which time the cooperative corporation or the condominium association shall assume responsibility for the provision of all services and facilities required by law on a non-discriminatory basis.

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

5. Any local legislative body may adopt local laws and any agency, officer or public body may prescribe rules and regulations with respect to the continued occupancy by tenants of dwelling units which are subject to regulation as to rentals and continued occupancy pursuant to law, provided that in the event that any such local law, rule or regulation shall be inconsistent with the provisions of this section, the provisions of this section shall control.

6. Any provision of a lease or other rental agreement which purports to waive a tenant's rights under this section or rules and regulations promulgated pursuant hereto shall be void as contrary to public policy.

7. The provisions of this section shall only be applicable in the city of New York.

* NB Expires June 15, 2011

EXHIBIT "L"

**CERTIFICATION OF SPONSOR AND SPONSOR'S
PRINCIPALS PURSUANT TO PART 20
OF THE REGULATIONS ISSUED PURSUANT TO
GENERAL BUSINESS LAW, ARTICLE 23-A, AS AMENDED**

CERTIFICATION OF SPONSOR AND SPONSOR'S
PRINCIPALS PURSUANT TO PART 20
OF THE REGULATIONS ISSUED PURSUANT TO
GENERAL BUSINESS LAW, ARTICLE 23-A,
AS AMENDED.

Date: August 14,

2009
New York State Department of Law
120 Broadway - 23rd Floor
New York, New York 10271
Attn: Real Estate Financing Bureau

Re: 292 7th Street, Brooklyn, New York

We are the Sponsor and the principals of Sponsor of the condominium Offering Plan for the above captioned property.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the New York Condominium Act, the regulations promulgated by the 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 making this certification. We jointly and severally certify that the offering Plan does, and that all documents submitted hereafter by us which amend or supplement the Offering Plan will:

- (1) set forth the detailed terms of the transaction and be complete, current and accurate;
- (2) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;
- (3) not omit any material fact;
- (4) not contain any untrue statement of a material fact;
- (5) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

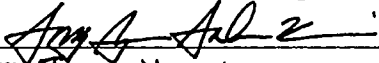
(6) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(7) not contain any representation or statement which is false, where we:
(i) knew the truth; (ii) with reasonable effort could have known the truth; (iii) made no reasonable effort to ascertain the truth, or (iv) did not have knowledge concerning the representations or statement made.

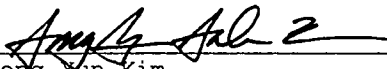
This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

SPONSOR:

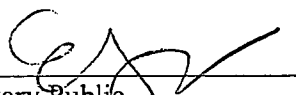
292 Seventh Street LLC
BY: S T J Partners, LLC


By: Jong Yun Kim
Its: manager

SPONSORS PRINCIPALS:


Jong Yun Kim

Sworn to before me on this
14 day of August, 2009


Notary Public

EMILY B. WOLF
Notary Public, State of New York
No. 02W06099102
Qualified in New York County
Commission Expires 09/22/2011

EXHIBIT "M"

**CERTIFICATION OF SPONSOR'S ARCHITECT
PURSUANT TO SECTION 20.4(C) OF THE REGULATIONS
ISSUED PURSUANT TO GENERAL BUSINESS LAW,
ARTICLE 23-A, AS AMENDED**

Certification of Sponsor's Architect Pursuant to
Section 20.4(c) of the Regulations Issued
Pursuant to General Business Law,
Article 23-A as Amended

Date: August 6, 2009

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

Re: 292 Seventh Street Condominium
292 7th Street, Brooklyn, New York

The Sponsor of the captioned property retained our firm to prepare a report disclosing the construction and/or renovation of the project (the "Report").

We prepared the architectural plans and specifications dated 04/29/08, and prepared the Report dated 07/06/09, a copy of which is intended to be incorporated into the Offering Plan so that prospective purchasers may rely on the Report.

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

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

I have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

I certify the Report does:

- (1) set forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of construction and/or renovation, provided construction and/or renovation is in accordance with the plans and specifications that I prepared;
- (2) in my professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description of the property as it will exist upon completion

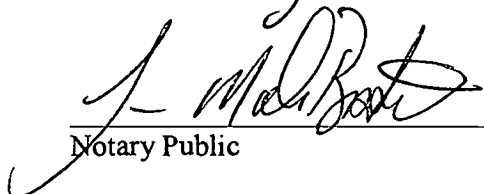
of construction and/or renovation provided that construction and/or renovation is in accordance with the plans and specifications that I prepared;

- (3) not omit any material fact;
- (4) not contain any untrue statement of material fact;
- (5) not contain any fraud, deception, concealment, or suppression;
- (6) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (7) not contain any representation or statement which is false, where I: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representations or statement made.

I further certify that I am not owned or controlled by and have no beneficial interest in the Sponsor and that my compensation for preparing this Report is not contingent on the conversion of the property to condominium ownership or the profitability of price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property.


Name: Lawrence Kutnicki
Title: Partner

Sworn to before me this
17th day of Aug 2009


Notary Public

JANINNE M. DEBARTOLO
Notary Public, State of New York
No. 01DE6141932
Qualified in New York County
Commission Expires Feb. 27, 2010

JANINNE M. DEBARTOLO
Notary Public, State of New York
No. 01DE6141932
Qualified in New York County
Commission Expires Feb. 27, 2010

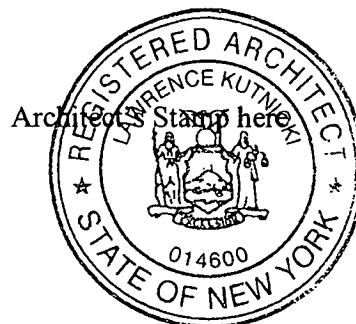
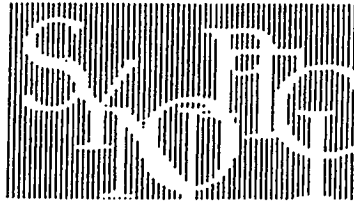


EXHIBIT "N"

**CERTIFICATION OF ADEQUACY OF
BUDGET PURSUANT TO SECTION 20 OF THE
REGULATIONS ISSUED PURSUANT TO GENERAL
BUSINESS LAW, ARTICLE 23-A, AS AMENDED**



SYNOPTIC MANAGEMENT CORP.
PROPERTIES INVESTMENT CONSULTING
LICENSED REAL ESTATE BROKERS

August 10, 2009

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

Re: Condominium Offering Plan
292 7th Street Condominium
292 7th Street, Brooklyn, NY

The sponsor of the condominium offering plan for the captioned condominium property retained our firm to prepare Schedule B and B-1 ("the Schedules") containing projections of income and expenses for the first year of condominium operation. Synoptic Management Corp. has been engaged in the management of residential real estate for the past 30 years, manages approximately 25 cooperative and condominium buildings and is licensed as a real estate broker in the State of New York.

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

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

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

We certify that the Schedules:

- (i) set forth in detail the projected income and expenses for the first year of condominium operation;
- (ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

- (iii) do not omit any material fact;
- (iv) do not contain any untrue statement of a material fact;
- (v) do not contain any fraud, deception, concealment or suppression;
- (vi) do not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) do not contain any representation or statement which is false, where we:
 - (a) knew the truth;
 - (b) with reasonable effort could have known the truth;
 - (c) made no reasonable effort to ascertain the truth; or
 - (d) did not have knowledge concerning the representation or statement made.

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

SYNOPTIC MANAGEMENT CORP.

By: _____

Name: _____

Title: _____

Sworn to me this
day of August 10, 2009

Rafael Sowinangoen
Notary Public

RAFAEL SOWINANGOEN
Notary Public - State of New York
No. 01SO6118309
Qualified in Queens County
My Commission Expires November 8, 2012

EXHIBIT "O"

HOUSING MERCHANT IMPLIED WARRANTY LAW

§ 777-A - Housing merchant implied warranty

§ 777-a. Housing merchant implied warranty. 1. Notwithstanding the provisions of section two hundred fifty-one of the real property 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 (i) 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 mean 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 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 more equitable measure of damages.

c. 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 in 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.

§ 777-b. Exclusion or 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 buyer's 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 buyer's 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 buyer's 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.

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 "There 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 "limited 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 limited 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 in 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 defect covered by the warranty does arise, and the time within which the builder and any other warrantor will act;

g. the term 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 and 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 any mediation process;

i. any limitations on or exclusions of consequential or incidental damages, and any limitations on the builder's and other warrantor's 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.

5. a. This article shall not be construed to authorize or validate any covenant, promise, agreement or understanding which is void and unenforceable under section 5-322.1 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 home 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 other statute of the state, except where such construction would, as a matter of law, be unreasonable.