
CONDOMINIUM OFFERING PLAN

For

**THE 254 NORTH 6TH STREET CONDOMINIUM
254 NORTH 6TH STREET
BROOKLYN, NEW YORK 11211**

Total Purchase Price of 3 Units Offered For Sale.....\$2,830,000

**SPONSOR AND SELLING AGENT:
254 NORTH 6 LLC
108 WITHERS STREET
BROOKLYN, NEW YORK 11211**

Date of Acceptance for Filing: May 11, 2010

This Offering Plan May Not Be Used After May 10, 2011 Unless Extended By Amendment.

SEE PAGE 1 FOR SPECIAL RISKS TO PURCHASERS

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

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

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



STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL

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254 North 6th LLC
c/o Fridman Saks, LLP
Attention: Eduard Fridman, Esq.
1795 Coney Island Avenue
Brooklyn, NY 11230

RE: 254 North 6th Street Condominium
File Number: CD100069 Amount Offering \$2,830,000.00
Filing Fee: \$5,660.00 Receipt Number: 104670
Acceptance Date: 05/11/2010

Dear Sponsor:

The offering literature submitted for the subject premises is hereby accepted and filed. Unless extended by duly filed amendment, the effectiveness of the filing shall expire twelve months from this date. All advertising and solicitation material must be consistent with the contents of the filed offering literature. Any material change of facts or circumstances affecting the property or the offering requires an immediate amendment.

Any misstatement or concealment of material fact in the literature filed renders this filing void ab initio. This office has relied on the truth of the certification of sponsor, sponsor's principals and sponsor's experts, as well as the transmittal letter of sponsor's attorney.

The issuance of this letter is conditioned upon the faithful performance of all of the obligations of the sponsor, its agents and instrumentalities, which are required by law or set forth in the offering literature. If there is a failure or neglect to perform any such obligations when required, the effectiveness of this letter shall be suspended, and all offering and sales shall cease, pending further action by this office. Issuance of this letter is further conditioned on the collection of all fees imposed by law. This letter is your receipt for the above filing fee.

The filing of the offering literature shall not in any way be construed as approval of the contents or terms thereof by the Attorney General of the State of New York. Nor does it waive or limit the Attorney General's authority to take enforcement action for violation of Article 23-A of the General Business Law or other applicable provisions of law.

Very truly yours,

Deborah Daniels
Assistant Attorney General

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SPECIAL RISKS

1. Sponsor shall provide the following kitchen fixtures and equipment: (a) Caesar Stone-Quartz countertops and Caesar Italian – Yellow Pine cabinets; (b) Broan Range Hood; (c) Miele Dishwasher; (d) Bosch Counter Cook Top; (e) Miele Oven; and (f) Miele Refrigerator. Additional kitchen appliances will be the responsibility of the Unit Owners at an additional cost. Please see the "Description of Property and Building Condition" included in Part II of this Plan.

2. No managing agent is provided for in the budget. It is expected that the Condominium will be self-managed. Should the Board of Managers at any time elect to employ a managing agent it will be an additional cost to the Condominium resulting in an increase in Common Charges.

Activities that the Unit Owners will need to perform if there is no managing agent include maintenance of bank accounts, collection and payment of Common Charges, processing individual Unit sales, supervision of Condominium employees (if any), day-to-day operation of the Condominium, compliance with governmental laws, filing of tax returns, enforcement of Condominium rules, seizure and sale of delinquent Units and response to Unit Owner complaints, questions or issues.

Please see Schedule B in Part I of this Plan.

3. All deposits/downpayments will be placed in an IOLA account. Deposits in excess of \$100,000 will not be federally insured in excess of \$100,000. FDIC deposit insurance has temporarily increased from one hundred thousand dollars (\$100,000.00) to two hundred and fifty thousand dollars (\$250,000.00). This is only a temporary increase which shall, unless extended by Congress, expire on December 31, 2013. Interest earned on an IOLA account does not accrue to the benefit of the Purchaser or the Sponsor but is paid over to New York State. Please see the section entitled "Procedure to Purchase" in Part I of this Plan.

4. If Purchaser defaults under the Purchase Agreement, Sponsor shall notify Purchaser in writing of such default and advise Purchaser that he or she has thirty (30) days after Sponsor gives written notice to such Purchaser to cure such default.

TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THE PURCHASE AGREEMENT WITHIN THE APPLICABLE PERIOD.

"Time is of the essence" means that if such default is not cured within thirty (30) days after Sponsor gives written notice to the Purchaser, Sponsor may (but shall not be obligated to) elect to cancel the Purchase Agreement. In such event the Down Payment, together with accrued interest, if any, and any other monies held in the Escrow Account shall be paid over to Sponsor as and for liquidated damages, the Purchase Agreement shall become null and void and Sponsor shall have the right to immediately offer for sale the Unit which was the subject of such Purchase Agreement. Alternatively, but not by way of an election of remedies, Sponsor may institute a

legal proceeding to compel the Purchaser to perform his or her obligations under the Purchase Agreement.

Please see the section entitled "Procedure to Purchase" in Part I of this Plan and the "Purchase Agreement" included in Part II of this Plan.

5. The risk of loss from fire or other casualty with respect to each Unit shall remain with Sponsor until the closing of title for the particular Unit. Notwithstanding the above, in the event that Purchaser, or one claiming by or through Purchaser, enters into possession of a Unit prior to the closing of title, then Purchaser shall bear the risk of loss or other casualty with respect to that Unit. Accordingly, any Purchaser, or one claiming by or through Purchaser who takes possession of a Unit prior to the closing of title should obtain insurance coverage for the Unit prior to taking possession, since, despite any loss, such Purchaser will remain obligated to purchase such Unit under the terms of the Purchase Agreement. Please see the section entitled "Procedure to Purchase" in Part I of this Plan and the "Purchase Agreement" included in Part II of this Plan.

6. The Purchase Agreement is not contingent upon the Purchaser's ability to secure financing. Failure by a Purchaser to obtain financing will not relieve a Purchaser from his obligations under the Purchase Agreement. A Purchaser who desires to finance his purchase, but who does not obtain a mortgage will still have the obligation to pay the balance of the Purchase Price when due, and failure to pay such balance will be a default under the Purchase Agreement which could result in the loss of the Purchaser's Down Payment with interest earned thereon, plus the actual cost of any special work ordered. However, the Sponsor reserves the right to negotiate with prospective Purchasers all aspects of the Purchase Agreement, including, but not limited to, conditioning the Purchase Agreement upon financing. Please see the section entitled "Procedure to Purchase" in Part I of this Plan and the "Purchase Agreement" included in Part II of this Plan.

7. The Offering Plan and the Purchase Agreement transfer the statutory obligation to pay the New York State Real Property Transfer Tax and the New York City Real Property Transfer Tax from the Sponsor to the Purchaser. Please see the section entitled "Unit Closing Costs and Adjustments" in Part I of this Plan.

8. No bond or other security has been furnished to secure performance of Sponsor's obligations to pay all Common Charges, special assessments and real estate taxes with respect to Unsold Units. Please see the section entitled "Rights and Obligations of the Sponsor" in Part I of this Plan.

9. No bond or other security has been furnished to secure performance of Sponsor's obligations to complete construction of the Condominium. Please see the section entitled "Rights and Obligations of the Sponsor" in Part I of this Plan.

10. No reserve fund is being established by the Sponsor. In the event there is a need for

major capital expenditures, the Condominium will assess a charge to each Unit in accordance with its percentage of Common Interest resulting in an additional expense to Unit Owners.

11. The Sponsor is retaining the unconditional right to rent rather than sell Units. As a result, this Plan may not result in the creation of a Condominium in which a majority of the Units are owned by the owner-occupants or investors unrelated to the Sponsor. In addition, because Sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more units than the fifteen (15%) percent necessary to declare the plan effective and owner-occupants may never gain effective control and management of the Condominium.

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

13. Closing will not take place, and no individual Condominium Unit will be sold until a permanent or temporary Certificate of Occupancy has been obtained for the premises. In the event a Closing occurs after the issuance of a temporary Certificate of Occupancy, but prior to the issuance of a permanent Certificate of Occupancy, then it will remain the obligation of the Sponsor, at its own cost and expense, to obtain such permanent Certificate and the Certificate must be obtained within two (2) years from date of Closing.

14. Plants maintained on Unit's B & C private roof terraces shall be contained in boxes of wood lined with metal or other material impervious to dampness and standing on supports at least two (2") inches from the terrace surface, and if adjoining the wall at least three (3") inches from such wall. Suitable weep holes must 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 hollow tile walls which will be at least three (3") 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 holes in operating condition.

15. There will be no elevator serving this building.

16. Storage area at Cellar level may not be used as dwelling space, nor may it 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 use as a dwelling space may result in violations being placed against the building which will be the obligation of the individual unit owner to remove.

17. Unit sizes are calculated from the exterior face of exterior walls adjacent to the unit to the centerline of the demising wall between Units, Corridors and Stairs.

18. A wet sprinkler system will only be supplied through the public corridor and stair from bulkhead to the cellar.

19. Each Unit Owner shall notify the Condominium Board or the Managing Agent, if any, in writing when a child, or children, under the age of eleven (11) years lives or resides (even temporarily) in the Unit. Each Unit Owner shall install, at such Unit Owner's expense, the required window guards (or safety "stops" in lieu of window guards, designed specifically to prevent a child from falling out of the window) in all windows of the Unit in compliance with all applicable New York City Administrative Code requirements. The Unit Owner should maintain all window guards (or stops) installed in the Unit and shall not remove same until permitted by applicable law and in any event, without prior written notice to the Managing Agent.

20. The unit owners should place refuse and recyclables at the curb not earlier than the night before the collection day. The unit owners shall not accumulate any waste matter in his or her dwelling unit so as to create a condition which is unsanitary or a fire hazard in the judgment of regulatory agencies.

21. Neither washing machines nor dryers will be provided by the Sponsor. The laundry standpipes have been supplied for future hookup.

A. INTRODUCTION

This is an Offering Plan (the "Plan") for the sale of Condominium Units to be known as the 254 North 6th Street Condominium (the "Condominium") located at 254 North 6th Street , Brooklyn, New York 11211

The purpose of this Plan is to set forth all the material terms of the offer. The Plan delivered to prospective purchasers contains all of the material terms of the transaction. The Plan may be amended from time to time by an amendment filed with the New York State Office of the Attorney General. Amendments will be served on all Unit Owners and Purchasers. A copy of the Plan, all documents referred to in the Plan and all exhibits submitted to the Office of the Attorney General in connection with the filing of the Plan will be available for inspection without charge and for copying at a reasonable charge to prospective purchasers and their attorneys at the site whenever the on site sales office is open and at the office of the selling agent or Sponsor.

The Sponsor of the Plan is 254 North 6 LLC, a New York limited liability company, having an office at 108 Withers Street, Brooklyn, New York 11211. The Sponsor acquired title to the property on October 7, 2005.

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

The sponsor will be offering three (3) units (the "Units") for sale. Refer to Schedule A for a schedule of sales prices. Sale prices are not subject to approval by the Office of the Attorney General or any other government agency.

Basic Aspects of Condominium Ownership

Each Purchaser of a Unit owns their respective Unit outright and is entitled to exclusive possession of that Unit together with an interest in and right to use the Common Elements. The Common Elements consist of all parts of the Condominium other than the Units themselves. The Common Elements are owned in common by all of the Units Owners, each having an undivided interest therein and the non-exclusive right to use them. Please refer to the "Definitions" section for a more detailed explanation of the Common Elements.

A Unit Owner can sell or lease his Unit to anyone, without restriction or limitation, subject only to the right of first refusal by the Board of Managers to purchase the Unit at the same price offered by a third party.

The Board of Managers has the authority to manage the Condominium. The rights and responsibilities of the Board of Managers include, the maintenance and repair of the Common

Elements, collection of Common Charges from the Unit Owners, promulgating Rules and Regulations, obtaining insurance, and all other duties that may be required in connection with the operation of the Condominium. Each Unit Owner will have the right to vote for the members of the Board of Managers. Unit Owners will have one vote for each Unit that they own. Each Unit Owner must pay common charges in accordance with the New York Condominium Act, RPL Sections 339(i) and (m) and must comply with the Declaration, By-Laws, Rules and Regulations and any other requirements of the Board of Managers.

Each Unit will be taxed as a separate tax lot for real estate tax purposes, and a Unit Owner will not be liable for the payment of any other Unit's taxes. Each Unit may be separately mortgaged. No Unit is subject to the lien of any mortgage placed on any other Unit in the Condominium.

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

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 interior of their Units and any personal property therein. Additionally, Unit Owners will be responsible for the repair and maintenance of the interior of their respective Units. The Board of Managers will be responsible for the maintenance and repair of all Common Elements.

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

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

B. DEFINITIONS

The following terms shall be defined for the purposes of this Plan as follows:

Board of Managers: The Board of Managers of the Condominium, as created by the By-Laws to govern and manage the affairs of the Condominium.

By-Laws: The by-laws governing the operation of the Condominium. The By-Laws are included in this Plan in Part II, Exhibit G.

City Register's Office: The Kings County Office of the Register of the City of New York.

Common Charges: Each unit's proportionate share of the Common Expenses in accordance with its Common Interest.

Common Elements:

- (a) The land on which the building is located;
- (b) The foundations, columns, girders, beams, supports, main walls, roofs, halls, corridors, lobbies, stairs, stairways, fire escapes, and entrances and exits of the building;
- (c) The basements, cellars, yards, gardens, recreational or community facilities, parking areas and storage spaces;
- (d) The premises for the lodging or use of janitors and other persons employed for the operation of the property;
- (e) Central and appurtenant installations for services such as power, light, gas, hot and cold water, heating, refrigeration, air conditioning and incinerating;
- (f) The elevators, escalators, tanks, pumps, motors, fans, compressors, ducts and in general all apparatus and installations existing for common use;
- (g) Such facilities as may be designated as common elements in the Declaration; and
- (h) All other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

Common Expenses: Expenses of operation of the Condominium and all sums designated As Common expense by or pursuant to the provisions of the Condominium Act, the Declaration or the By-Laws.

Common Interest: The proportionate, undivided interest in fee simple absolute appurtenant to each Unit of the Condominium

Condominium: The 254 North 6th Street Condominium.

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

Declaration: The instrument by which the Property is submitted to the provisions of the Condominium Act and such instrument as from time to time amended, consistent with the Condominium Act and the By-Laws.

Property: The land, the buildings and all other improvements located at 254 North 6th Street, Brooklyn, New York 11211.

Purchase Agreement: The agreement to purchase a Unit pursuant to the Plan, the general form of which is set forth in Part II of the Plan as Exhibit A.

Purchaser: A purchaser of a Unit under a Purchase Agreement.

Sponsor: 254 North 6 LLC, a New York limited liability company, having an office at 108 Withers Street, Brooklyn, New York 11211.

Unit(s): Any unit in the Building designated as such in the Declaration.

Unit Owner(s): An owner of any Unit.

All other capitalized terms used in Part I of the Plan which are not separately defined in Part I shall have the meanings ascribed to them in the Condominium Act, By-Laws or in the Declaration, as the case may be.

C. DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The Building is located at 254 North 6th Street, Brooklyn, New York 11211. The Building are located on a plot of land that has an area of approximately 2,016 square feet and is located on Maspeth Avenue between Havemeyer Street and Roebling Street. The property is located in an R6B Zoning Use District as established by the City of New York, which zoning district, according to the Sponsor's architect, Philip Toscano, permits the construction and use of the Property as a building consisting of three (3) residential units, as herein contemplated.

The building will have no parking or recreational facilities.

The Building, once construction is completed, will consist of a three (3) story residential building with a penthouse and mezzanine containing three (3) Residential Units. All three units are duplexes. For more information see the Floor Plans included in this plan as Part II, Exhibit E.

The Building Plans are available for inspection at the Sponsor's Office.

The Units, the Building containing them and all other improvements will comply with all applicable rules, regulations, laws and other requirements of all governmental authorities having jurisdiction thereof including those governing zoning and construction, and the sponsor and all other persons engaged by the sponsor in connection with this plan have complied and will comply with all applicable laws, rules, regulations and other governmental requirements pertaining thereto including but not limited to the City of New York. The Sponsor must obtain a certificate of occupancy prior to the closing of title to a Unit.

This offering covers newly constructed buildings. The Building will be constructed substantially in the manner set forth in the Building Plans filed with the City of New York, which Plans will not be changed so as to adversely affect the Unit Owners.

Sponsor shall provide the following kitchen fixtures and equipment: (a) Caesar Stone-Quartz countertops and Caesar Italian - Yellow Pine cabinets; (b) Broan Range Hood; (c) Miele Dishwasher; (d) Bosch Counter Cook Top; (e) Miele Oven; and (f) Miele Refrigerator. Additional kitchen appliances will be the responsibility of the Unit Owners at an additional cost.

For a detailed description of such data, see the Description of Property in part II of the plan. Construction of the Building commenced on or about May 6, 2008, and substantial completion of the construction of the Building except for extra work ordered by a Unit Owner is expected by approximately June 15, 2010, barring any strikes, material shortages, acts of God or other unforeseen delays beyond the control of the Sponsor.

D. LOCATION AND AREA INFORMATION

The Condominium is located at 254 North 6th Street, Brooklyn, New York 11211, between Havemeyer Street and Roebling Street. The property is located in the Williamsburg section of Brooklyn, which provides a diversity of cultural, religious, educational and shopping facilities. In addition, the property affords easy access to all forms of public transportation.

Water supply, sanitary sewers, and storm sewers servicing the Building are provided by the City of New York and will be billed as a Common Charge.

Natural gas will be provided by the Keyspan Energy Delivery Company and will be used for cooking and heating. Each Unit will be separately metered and billed directly.

Electricity will be provided by the Consolidated Edison Company. Each Unit will be separately metered and billed directly.

Heating of each Unit will be provided by gas fired, boilers located in the mechanical closet within each Unit. Heat will be delivered to the spaces within each unit via baseboard radiators, which will provide radiant heat. There shall be at least one radiator within each space.

Telephone service will be provided by the Verizon Company, and each Unit will be billed directly.

Refuse disposal will be provided by the New York City Sanitation Department.

New York City requires the installation of carbon monoxide detectors by owners of multiple dwellings.

The Property is located within an R6B zoning district, which according to Sponsor's architect, Philip Toscano, permits the use of the Property as a building consisting of three (3) residential units, as herein contemplated.

E. SCHEDULE A
OFFERING PRICES AND PROJECTED MONTHLY CHARGES
FOR THE FIRST YEAR OF OPERATION AT
THE 254 NORTH 6TH STREET CONDOMINIUM
COMMENCING OCTOBER 1, 2010

Unit	(1) Number of Bedrooms & Baths	Approximate Square Footage	(2) Offering Plan Prices	(3) % of Common Elements	(4) Projected Monthly Common Charges	(5) 1st Year Projected R.E. Taxes		(6) (7) Total Monthly Carrying Charges
						1st Year Projected R.E. Taxes	1st Year Proj. Monthly R.E. Taxes	
A	1/1	*1,596	\$815,000	37.59%	\$375.90	\$3,786.44	\$315.54	\$691.44
B	2/2	1,378	\$1,150,000	32.45%	\$324.50	\$3,268.69	\$272.39	\$596.89
C	2/1.5	1,272	\$865,000	29.96%	\$299.60	\$3,017.87	\$251.49	\$551.09
Total	5/4.5	4,246	\$2,830,000	100%	\$1,000.00	\$10,073.00	\$839.42	\$1,839.42

*Includes approximately 638 square foot accessory storage room in Cellar. The storage room is part of Unit A and is not a common element (limited or otherwise).

FOOTNOTES TO SCHEDULE A

1. The number of rooms listed for each Unit equals the number of "rooms" to be counted for a particular apartment for lot area requirements according to the Zoning Restriction of the City of New York. This basis of calculation is commonly known as the "zoning law" room count. Floor Plans are included in Part II of the Plan.
2. These prices have been set by the Sponsor. Prices are not subject to the approval of any governmental agencies. Sponsor's right to make changes in Offering Prices is set forth in the section of the Plan entitled "Changes in Prices and Units." For closing costs payable by Purchasers (in addition to the prices), and adjustments at closing, see the section of the Plan entitled "Unit Closing Costs and Adjustments".
3. The common interest of each Unit has been 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 pursuant to Sec. 339-i of the Real Property Law of the State of New York.
4. Common charges have been estimated by the Sponsor and include insurance, electricity for the common areas and maintenance and operation of the Common Elements. If a purchaser obtains financing, the purchaser's debt service payments will be an additional expense. Common Charges exclude repair and decoration to the inside of a Unit, utilities for each Unit and insurance for personal belongings. See Schedule B-1 for estimated individual energy costs during the first year of operation.
5. The projected real estate are based upon a projected post-construction (i) taxable assessed valuation of \$60,000 and (ii) tax rate of 16.787%, which valuation and tax rate have been estimated by Fridman Saks LLP, the Sponsor's real estate consultant.

Each Unit will be taxed as a separate tax lot for real estate purposes. A Unit Owner will not be responsible for the payment of real estate taxes assessed against other Units, nor will a Unit be subject to a lien arising out of the nonpayment of real estate taxes assessed against other Units. See the section of the Plan entitled "Real Estate Taxes."

6. The Sponsor is not offering and has not procured mortgage financing. As a result, the projected monthly carrying charges for financing have not been included in Schedule A. In the event a Purchaser obtains a mortgage, his monthly carrying charge will increase.

Any Purchaser who applies for a mortgage from a lending institution should check with that institution as to the monthly mortgage costs as well as any closing costs that the Purchaser will be obligated to pay the lending institution. Carrying charges exclude repair and decoration to the inside of a Unit, utilities for each Unit and insurance for personal belongings.

7. For income tax purposes, Owners who itemize their deductions should be entitled to an annual deduction for real estate taxes as well as mortgage interest paid, if any, with respect to their Units. The deductible amount may vary due to changes in assessed valuations of Units, in tax rates or in the method of assessing real property which may result in a change in real property taxes, or such other changes as may reasonably be expected to affect tax deductions. The interest portion of monthly mortgage payments made by Owners who obtain mortgage financing for their Units, and designate same as primary or secondary qualifying residence is also deductible for tax purposes by persons who itemize deductions. The portion of the debt service deductible for income tax purposes may vary in subsequent years due to financing related changes such as changes in the interest rate on an owner's mortgage, if any, the interest rate on a refinanced mortgage, or the allocation of constant debt service payments between interest and principal.

F. SCHEDULE B

BUDGET FOR FIRST YEAR OF CONDOMINIUM OPERATION BEGINNING OCTOBER 1, 2010

PROJECTED INCOME

Common Charges	<u>\$50,000</u>
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PROJECTED EXPENSES

Labor (1)	\$-0-
Cooking, Heating & Hot Water (2)	\$-0-
Electricity (3)	\$1,110
Water & Sewer (4)	\$1,490
Repairs, Maintenance & Supplies (5)	\$1,500
Insurance (6)	\$2,100
Management Fees (7)	\$-0-
Legal Fees & Audit Fees (8)	\$4,500
Contingency (9)	<u>\$1,300</u>
TOTAL:	<u>\$12,000</u>

In the event the actual or anticipated date of commencement of condominium operation differs from the budget year projected herein by more than six (6) months, this Plan will be amended to include a revised budget. If such amended budget exceeds this budget by at least 25%, the Sponsor will offer all Purchasers the right to rescind their Purchase Agreement in a reasonable period of time that is not less than fifteen (15) days after the date of presentation of the amended budget, whether or not the Sponsor offers to guarantee this budget. Sponsor will return any deposit to Purchasers who rescind within a reasonable period of time.

FOOTNOTES TO SCHEDULE B

1. Labor

It is expected that no staff will be employed by the Condominium. Should the Board of Managers at any time elect to employ any staff it will be an additional cost to the Condominium resulting in an increase in Common Charges.

2. Cooking, Heating & Hot Water

The figures for cooking, heating & hot water are based on the projections of Sol Schwartz, P.E. Please see Schedule B-1.

3. Electricity

The figures for electricity are based on the projections of Sol Schwartz, P.E. Please see Schedule B-1.

4. Water and Sewer

The figures for water & sewer are based on the projections of Sol Schwartz, P.E. Please see Schedule B-1.

5. Repairs, Maintenance & Supplies

This estimate is an allowance for general maintenance, repair and supplies to the Common Elements of the Condominium including plumbing, electrical and miscellaneous items. The estimated figure is based on the cost of maintenance, repairs and supplies for comparable buildings in the area, adjusted to take into account all relevant factors.

6. Insurance

The insurance figure is based on an estimate by Ernest Schischa Agency Ltd. for the following coverage:

Building Coverage	\$1,500,000 – Special Form, Replacement Cost
Extra Expense	\$100,000 – Special Form, Replacement Cost
Liability	\$1,000,000 per occurrence / \$2,000,000 aggregate

The foregoing insurance will be adequate to replace the Building in the event of total loss and will eliminate the standard co-insurance requirement. Public liability insurance will be in effect at the time of closing. Insurance coverage meets the requirements of any mortgage lender procured by the Sponsor. The policy will provide:

- (a) that each Unit Owner is an additional insured party;
- (b) that there will be no cancellation without notice to the Board of Managers;
- (c) will waive subrogation;
- (d) will waive invalidity because of the acts of the insured and Unit Owners; and
- (e) will waive pro-rata reduction if Unit Owners obtain additional coverage.

The following items are not included but may be available at extra cost: officers' and directors' liability, rent insurance, water damage, elevator collision, excess liability, auto liability, fidelity bond and garage keeper's liability.

Purchasers are advised of the desirability of obtaining additional insurance at their own cost to cover such risks as fire and casualty losses to Unit contents, replacements, additions, fixtures and improvements, and liability coverage for occurrences within the Unit or Limited Common Elements.

7. Management Fees

It is expected that the Condominium will be self-managed. Should the Board of Managers at any time elect to employ a managing agent it will be an additional cost to the Condominium resulting in an increase in Common Charges.

Activities that the Unit Owners will need to perform if there is no managing agent include maintenance of bank accounts, collection and payment of Common Charges, processing individual Unit sales, supervision of Condominium employees (if any), day-to-day operation of the Condominium, compliance with governmental laws, filing of tax returns, enforcement of Condominium rules, seizure and sale of delinquent Units and response to Unit Owner complaints, questions or issues.

8. Legal Fees & Audit Fees

The budget includes an allowance of \$1,000 for miscellaneous, but not major, legal fees.

The budget includes an allowance of \$3,500 for audit fees. This fee entails the preparation of the Condominium's first year's audited financial statements and the preparation and filing of all required tax returns. Such fee is based on a quote from Czarnowski & Beer LLP, CPAs.

9. Contingency

This amount is provided for any unanticipated expenses or unanticipated increases in the projected expenses.

The contingency does not include a reserve for capital expenditures, however, the Board of Managers may decide to use it as such.

Sol Schwartz, PE Consulting Engineer

688 Heritage Hills Unit B
Somers, NY 10589-1973
Tel: 914-276-1374

G. SCHEDULE B1-
BUDGET FOR INDIVIDUAL
ENERGY COSTS

June 30, 2009

Fridman Saks LLP
1795 Coney Island Avenue
Brooklyn, NY 11230

Attention: Eduard Fridman

Subject: 254 North 6th Street Condominium
254 North 6th Street
Brooklyn, New York

Dear Mr. Fridman:

At your request I have estimated the average monthly cost for electricity and cost of heating, hot water and cooking gas for the individual apartments as indicated below. In addition, I have estimated the building's prorated shared charges for electricity and water & sewer for each of the units and listed them below.

The estimated monthly cost of electric is based on the average charge of the base kwhr rate and the higher kwhr charge by Con Edison for electric usage during the period June 1 to September 30. The estimated costs of gas for heating, cooking and hot water are based on the National Grid US charge for gas delivery plus adjustment factors. The electric and gas charges shown in the table below were based on an average electric rate of \$0.19 per kwhr. The average gas rate was \$1.95 per therm including taxes. These charges will vary month to month depending on the cost of electric and fuel gas purchased (market supply price and market adjustment price) from the suppliers by Con Edison for electric and National Grid US for gas. Water and sewer charges are \$7.00 per 1,000 gallons (7.48 gal./cu. Ft.) as supplied by New York Water Board.

APARTMENT NUMBER	ELECTRIC USAGE	GAS FOR COOKING, HEATING & HOT WATER	COMMON CHARGES FOR WATER & SEWER	COMMON CHARGES FOR ELECTRIC
Apartment A	\$111.76	\$59.24	\$46.57	\$34.71
Apartment B	\$96.50	\$68.25	\$40.20	\$29.96
Apartment C	\$89.10	\$66.20	\$37.11	\$27.67

The above estimated costs are based on the construction of the building complying with the latest NYS Energy Code. The common charge for electric is for lighting for common areas of Cellar, stairways and exterior lights. Heating cost was based on an indoor temperature of 70 degree F. and an outdoor temperature of 5 degree F with a coincident wind velocity of 15 mph. Gas for cooking, heating and hot water is individually metered and electric usage is also individually metered.

It should be noted that there are a number of variables that will affect the above estimated costs. The cost of electricity and gas for the unit owner will vary depending on the temperature settings of the thermostats

242 North 6th Street Condominium
Brooklyn, New York

for heating and air conditioning plus the number of electric appliances and the hours of usage by the occupants of the air conditioners and the appliances. The estimated costs for electricity assumes utilization of air conditioning equipment by the unit owners at a reasonable number of operating hours. The cost figures noted above are estimates and are not intended as guarantees.

In view of the fact 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 economic inflation, fuel adjustment charges and other factors may raise the costs of electricity and gas substantially higher than the current or projected rate.

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.

Sincerely,



Sol Schwartz, PE



M. SCHEDULE C -

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

D & D MANAGEMENT SERVICES CORP.

6725 13th Avenue

Brooklyn, NY 11219

August 27, 2009

254 North 6th Street Condominium
254 North 6th Street
Brooklyn, New York

Re: 254 North 6th Street Condominium

Dear Sirs:

The undersigned has reviewed the allocation of percentage of common interest for each unit, contained in the schedule entitled "Schedule A - Offering Prices and Projected Monthly Charges" and "Schedule B-1" for inclusion in The Offering Plan. The allocation of percentage interest for each unit is based on its floor space subject to the location of such space and the additional factors of relative value to other space in the Condominium, the uniqueness of the Unit, the availability of Common Elements for exclusive or shared use, and the overall dimensions of the particular unit.

In my opinion, based upon the foregoing, the method selected for calculating the percentage of common interest in the condominium is in compliance with Real Property Law of the State of New York Section 339-i, Subsection (1) (iv).

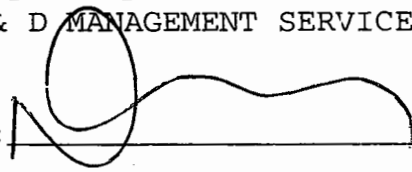
The undersigned is a licensed Real Estate Broker and has been engaged in the business of real estate brokerage and the management of cooperative and condominium units for more than 10 years.

The undersigned has no beneficial interest in the Sponsor under the Offering Plan or in the profitability of the project.

You have advised the undersigned of your intention to reproduce this letter in the Plan and we hereby consent to such use.

Very truly yours,

D & D MANAGEMENT SERVICES CORP.

By: 

I. CHANGES IN PRICES AND UNITS

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

Prices and all other terms of sale are negotiable and the Sponsor may enter into an agreement with an individual purchaser to sell one or more Units at prices lower than those set forth in Schedule A without filing an amendment.

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

Unless an affected Purchaser consents, no material change will be made in Unit size, layout, or percentage of Common Interest if a Purchase Agreement has been executed and delivered to the Sponsor for that Unit and the Purchaser is not in default.

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

J. PROCEDURE TO PURCHASE

Purchase Agreement; Down Payment

A person desiring to purchase a Unit in the Condominium, or the authorized parties thereof if the person is other than a natural person, shall be required to execute in duplicate a contract to purchase ("Purchase Agreement"), in the form of Exhibit A in Part II, and return it to the Selling Agent, together with a check in the amount of ten percent (10%) of the purchase price ("Down Payment"), drawn to the order of "Carlinsky, Dunn & Pasquariello, PLLC as attorney." All checks delivered in payment of the Down Payment shall be subject to collection and if any check is returned for insufficient funds or any other reason, Sponsor shall have the right, but not the obligation, to cancel the Purchase Agreement. Within thirty (30) days of receiving two copies of a Purchase Agreement, both executed by Purchaser, together with the required Down Payment, Sponsor must either accept the Purchase Agreement by returning to Purchaser a fully executed copy of the Purchase Agreement or reject the Purchase Agreement by returning to Purchaser the Down Payment tendered. If Sponsor takes no action within said thirty (30) day period, the Purchase Agreement shall be deemed null and void and Sponsor shall return the Down Payment to Purchaser.

Escrow/Trust Funds

The Sponsor will comply with the escrow and trust fund requirements of General Business Law Sections 352-e(2-b) and 352-h and the Attorney General's Regulations, and all funds paid by Purchaser shall be handled in accordance with said statutes and regulations.

All deposits, Down Payments, or advances made by Purchasers prior to closing of a Unit whether received before or after the date of consummation of the Plan, will be placed within five (5) business days after the Purchase Agreement is signed by all necessary parties into a special segregated escrow account of Carlinsky, Dunn & Pasquariello, PLLC (the "Escrow Agent").

The partners of Carlinsky, Dunn & Pasquariello, PLLC are the sole signatories on this account authorized to withdraw funds.

The name of the account is entitled "Carlinsky, Dunn & Pasquariello, PLLC IOLA Account ("Escrow Account"), and has been opened with Citinank, NA at its branch located at Sunnyside Blvd., Plainview, NY 11803. This bank is covered by federal bank deposit insurance to a maximum of \$100,000 per individual deposit. FDIC deposit insurance has temporarily increased from one hundred thousand dollars (\$100,000.00) to two hundred and fifty thousand dollars (\$250,000.00). This is only a temporary increase which shall, unless extended by Congress, expire on December 31, 2013.

The account is an IOLA account with no interest accrued to the benefit of either a Purchaser or the Sponsor. An IOLA is a special segregated escrow account maintained by an attorney. Interest on an IOLA account is paid to the State of New York.

All instruments shall be made payable to or endorsed to the order of "Carlinsky, Dunn & Pasquariello, PLLC."

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

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

The Escrow Agent will not release the funds from the escrow account until otherwise directed in:

- (i) a writing signed by both Sponsor and Purchaser;
- (ii) a determination of the Attorney General pursuant to the dispute resolution procedures contained in the Attorney General's regulations; or
- (iii) a judgment or order of a court of competent jurisdiction.

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

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

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

In the event of a dispute, Sponsor shall apply and Purchasers or the Escrow Agent may apply to the Attorney General for a determination on the disposition of the down payment and

any interest thereon. A form for this purpose is attached as Exhibit G of Part II hereof and is also available from the Office of the Attorney General. The party applying for a determination shall contemporaneously send all other parties a copy of the application.

Pending the determination of the Attorney General to grant or deny the application, the Sponsor, the Purchaser and the Escrow Agent shall abide by any interim directive issued by the Attorney General.

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

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

If the application seeking release of funds is denied, the Escrow Agent shall continue to hold the deposit and any interest earned thereon until:

- (i) both the Sponsor and Purchaser direct payment to a specified party in accordance with a written direction signed by both the Sponsor and Purchaser; or
- (ii) a judgment or order of a court of competent jurisdiction is served on the Escrow Agent; or
- (iii) the Escrow Agent deposits the disputed amount into court.

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

In the event that a dispute does arise as to the disposition of all or any portion of the escrowed funds, the Escrow Agent will not be obligated to withdraw as the Sponsor's attorneys due to any conflict of interest between the Escrow Agent's role as attorneys for the Sponsor and as the Escrow Agent. The Escrow Agent shall be entitled to consult with counsel and be reimbursed for all expenses of such consultation with respect to its duties as the Escrow Agent and shall be further entitled to all reasonable out-of-pocket expenses incurred in connection with such activities. All such expenses shall be paid by the Sponsor.

A copy of the escrow agreement which incorporates the terms of the Attorney General's regulations is attached as Exhibit F of Part II hereof.

The Escrow Agent will maintain all records concerning the escrow account for seven

years after the release of funds.

Time of the Essence

TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THE PURCHASE AGREEMENT WITHIN THE APPLICABLE PERIOD.

"Time is of the essence" means that if such default is not cured within thirty (30) days after Sponsor gives written notice to the Purchaser, Sponsor may (but shall not be obligated to) elect to cancel the Purchase Agreement. In such event the Down Payment, together with accrued interest, if any, and any other monies held in the Escrow Account shall be paid over to Sponsor as and for liquidated damages, the Purchase Agreement shall become null and void and Sponsor shall have the right to immediately offer for sale the Unit which was the subject of such Purchase Agreement. Alternatively, but not by way of an election of remedies, Sponsor may institute a legal proceeding to compel the Purchaser to perform his or her obligations under the Purchase Agreement.

Notice of Closing of Title; Balance of Purchase Price

After the Plan had been declared effective the Sponsor will fix dates for closing title to all Units for which Purchase Agreements have been executed by serving notice on each purchaser stating the date of the first closing and setting such Purchaser's closing date. Such notice will be served in compliance with the service provisions contained in the Attorney General's regulations no less than thirty (30) days before the date set for the closing of the Units. This notice period may be waived by Purchasers. The notice shall provide that the balance of the purchase price shall be due at closing of title. The notice to Purchaser shall also specify when Common Charges will be due and payable. All closings will take place at the Sponsor's office.

AT THE CLOSING OF TITLE, THE BALANCE OF THE PURCHASE PRICE MUST BE PAID BY (i) UNENDORSED CERTIFIED, TELLER'S OR CASHIER'S CHECK PAYABLE AT THE DIRECTION OF SPONSOR.

All checks must be drawn on a bank or trust company which is a member of the New York Clearinghouse Association or any successor organization.

Date of First Closing

Sponsor expects the first closing of a Unit to occur on or about October 1, 2010. If such date is delayed twelve (12) months or more, the Plan will be amended to offer Purchasers the right to rescind within twenty (20) days following the expiration of such twelve (12) month period (provided, however, that if the Plan has been declared effective, a Purchaser who is in default under his Purchase Agreement beyond the expiration of any applicable grace period will not be offered such right to rescind).

Default

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

Power of Attorney

Simultaneously with the closing of title to a Unit, Purchaser will be required to sign a Power of Attorney to the Board of Managers of the Condominium.

A copy of the Power of Attorney is attached as Exhibit C.

Right of Rescission

Purchasers who have not had an opportunity to review the Offering Plan and any filed amendments for at least three (3) business days prior to their executing a Purchase Agreement shall be given seven (7) days, after delivering an executed Purchase Agreement, together with the required Down Payment, to rescind the Purchase Agreement and have the full Down Payment refunded promptly. Such rescission must be in writing, addressed and sent to Sponsor, and be postmarked or hand delivered by midnight of the seventh (7th) day subsequent to Purchaser's executing and delivering such Purchase Agreement. Purchasers who execute a Purchase Agreement after having had an opportunity to review the Offering Plan and any filed amendments for not less than three (3) business days prior to their executing a Purchase Agreement shall not be permitted the aforementioned time period to rescind for any reason.

Risk of Loss

The risk of loss from fire or other casualty with respect to each Unit shall remain with Sponsor until the closing of title for the particular Unit. Notwithstanding the above, in the event that Purchaser, or one claiming by or through Purchaser, enters into possession of a Unit prior to the closing of title, then Purchaser shall bear the risk of loss or other casualty with respect to that Unit. Accordingly, any Purchaser, or one claiming by or through Purchaser who takes possession of a Unit prior to the closing of title should obtain insurance coverage for the Unit prior to taking possession, since, despite any loss, such Purchaser will remain obligated to purchase such Unit under the terms of the Purchase Agreement.

PURCHASER SHOULD CONSULT WITH AN ATTORNEY AND/OR AN INSURANCE AGENT AS TO PURCHASER'S INSURANCE NEEDS.

Entry Prior to Closing

Prior to the closing of title to a Unit, no Purchaser shall be permitted to enter the Unit without the prior consent of Sponsor or the Selling Agent. Purchaser shall have the right to enter and inspect such Unit prior to the closing of title but shall be obligated to make an inspection appointment

with Sponsor or the Selling Agent. Under no circumstances shall Purchaser perform or cause to be performed any work in such Unit prior to the closing of title thereto.

Mortgage Financing Contingency

The Purchase Agreement is not contingent upon the purchaser's ability to secure financing. However, the Sponsor reserves the right to negotiate with prospective Purchasers all aspects of the Purchase Agreement, including, but not limited to, conditioning the Purchase Agreement upon financing.

Conflict Between Plan and Purchase Agreement

Any conflict between this Offering Plan and the Purchase Agreement will be resolved in favor of the Offering Plan.

No Waiver of Purchaser's Rights

The Purchase Agreement and Offering Plan may not contain, or be modified to contain, a provision waiving Purchaser's rights or abrogating Sponsor's obligations under Article 22-A of the General Business Law

Assignment

Purchase Agreements are not assignable without Sponsor's prior written consent.

A complete copy of the Purchase Agreement is attached as Exhibit A.

K. EFFECTIVE DATE

The sponsor's offer to sell is contingent upon the Plan being declared effective and upon compliance with the relevant conditions and time periods described in the Plan.

The Plan shall be declared effective by personal service of a notice on each Purchaser or by commencement of service by mail stating that the plan was declared effective on a particular date, the percentage used to declare the plan effective, and a list of units being counted to meet the minimum percentage under the terms of the Plan to declare it effective.

The Plan may not be declared effective unless bona fide purchasers, including investors, have signed Purchase Agreements for at least fifteen percent (15%) of the Units offered under the Plan (i.e., one (1) Unit).

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

- (i) signed by purchasers who have been granted a right of rescission that has not yet expired or been waived; or
- (ii) if the Purchaser was not afforded not fewer than three (3) business days to review the Plan and all filed amendments prior to executing the Purchase Agreement; or
- (iii) with any Purchaser who is the Sponsor, the selling agent, or the managing agent or is a principal of the Sponsor, the selling agent, or the managing agent or is related to the Sponsor, the selling agent, or the managing agent or to any principal of the Sponsor or the selling agent or the managing agent by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner; except that such a Purchaser other than the Sponsor or a principal of the Sponsor may be included if the Sponsor has submitted proof satisfactory to the Office of the Attorney general establishing that the Purchaser is bona fide.

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

If the Plan has not been declared effective, the Sponsor has the option to abandon the Plan for any reason whatsoever. If Sponsor opts to abandon the Plan it shall file an amendment with form RS-3, and will refund all monies paid by Purchasers, with interest earned, if any, in full, within twenty (20) days of the acceptance of filing of the amendment.

Sponsor may not abandon the Plan after effectiveness for any reason other than:

- (i) a defect in title which cannot be cured without litigation or cannot be

cured for less than one-half of one percent of the total offering amount, or

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

(iii) the taking of any material portion of the Property by condemnation or eminent domain.

The amounts stated in subdivisions (i) and (ii) above exclude any attorneys' fees or any such title defects or determinations of any authority or regulatory associatin which exist on the date of presentation of the Plan and are either known to the sponsor or are a matter of public record.

L. TERMS OF SALE

At closing of title, good and marketable title to the Unit and its appurtenant interest in the Common Elements will be conveyed by the Sponsor to the Purchaser by Bargain and Sale Deed with Covenants against Grantor's Acts, in the form set forth in Part II of this Plan.

The risk of loss for fire or other casualty with respect to each Unit will remain with Sponsor until the closing of title for the particular Unit.

Anything herein to the contrary notwithstanding, closings of Units will take place only concurrently with the issuance of a temporary or permanent certificate of occupancy for the entire project or issuance of a partial, temporary or permanent certificate of occupancy for the Unit closed or the Building in which the Unit is located.

Title to each Unit and its appurtenant interest in the Common Elements will be conveyed at closing free and clear of all liens, encumbrances, and title exceptions other than those described in the Plan and the proposed Unit deed except the following:

1. Any statement of facts which an accurate survey might show provided that they do not render title unmarketable.
2. Any sewer, water, gas, electric, drainage, telephone, cable television or utility easements granted or to be granted hereafter.
3. All of the terms, covenants and conditions of the Declaration, the By-Laws and the Building Plans as they are subsequently filed or recorded and the Offering Plan and any amendment thereto.
4. All easements set forth in the By-Laws and Declaration as they are subsequently recorded and in the Offering Plan and Purchase Agreement including:
 - (a) Easements in favor of the Owners of other Units to use the wires, conduits, cable television, and public utility lines located in the Common Elements or in the Unit itself servicing such other Units and/or the Common Elements;
 - (b) Easements in favor of the Board of Managers, its agents, contractors or employees to have a right of access to the Unit and to all 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, to any wires, pipes, conduits or cable television system servicing any of the Units or to make repairs to any other Unit;
 - (c) Easements in favor of those Units having restricted use to portions of the

Common Elements;

- (d) Easements for the continuance of encroachments on the Unit and on the Common Elements by other Units or portions of the Common Elements, now or hereafter existing by reason of the rehabilitation 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;
- (e) Easements in favor of the Residential Unit Owners for access through the basement to the meter room and any other machinery that services the entire Building or the Residential Units.
- (f) The rights reserved in the Declaration to establish, grant and create additional utility easements in, under and through the Property, to relocate existing easements in any portion of the Property and to dedicate any or all of such facilities to any governmental body, public benefit corporation or utility company;
- (g) Easements for ingress and egress and for construction, installation, operation and maintenance of municipal and private service facilities and utilities;
- (h) Right of access of other Unit Owners through the Common Elements to the public streets; and
- (i) Easements to the Sponsor and any Sponsor affiliate and their successors, assigns, invitees, licensees, contractors and employees, on, in, over and across the Property in connection with the development, maintenance and/or operation by it or its designees of the Condominium or any projects in the vicinity of the Property or any adjoining properties for (1) the construction installation, maintenance, ingress to and egress from the right to use (in common with Unit Owners) all lines, poles, pipes, flues, chutes, conduits, ducts, cables, wires, sewer and storm drainage facilities, water, sewer, electric, plumbing, heating, gas telephone, cable television and other utility lines servicing or located on the Property, supports, enclosures, fire walls, roofings, footings, floorings, foundations, underpinnings, bearing walls, vents, flues or the like; provided such use does not materially interfere with the use of same by the Condominium; (2) ingress to and egress from all land areas of the Condominium, and the use thereof (in common with Unit Owners) for any lawful purpose; (3) the purpose of exhibiting any model Units and the common properties to prospective purchasers or tenants in any other property in the vicinity of the Property which may be developed by the Sponsor or

its affiliate, and (4) the erection, maintenance, repair and replacement from time to time of one or more signs on the site for the purposes of advertising the sale of Units in the Condominium and the leasing of space in any Unit in the Condominium.

5. The lien of unpaid real estate taxes, water charges or sewer rents, provided same are adjusted at the closing of title.

6. Easements and rights of others, including utility companies, to operate and maintain any underground utility lines and the overhead lines and utility poles.

7. Encroachments of walls, watertables, stoops, areas, cellar, steps, trim, coping foundations fences cornices and similar projections, if any, on, over and under the Property or the streets of sidewalks abutting the Property and the right of governmental authorities to require the removal of any such projections, and variations between record lines of the Property and retaining walls, if any.

8. All matters set forth in Stewart Title Insurance Company's Title No. MAK3409 a copy of which is contained in Part II of this Plan.

9. Standard printed exceptions contained in the form of title insurance policy then issued by the title insurance company insuring Purchaser's title to his/her Unit.

In the event any existing mortgages or construction loans will not be satisfied at or prior to the closing of the first unit, each such mortgagee shall at the time of conveyance of the first unit:

- (i) consent to the formation of a condominium and acknowledge that its lien will be limited to unsold condominium units; or
- (ii) subordinate the lien of its mortgage to the Declaration of Condominium;
- (ii) release its lien on the condominium Unit being conveyed and its interest in the Common Elements.

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

The Declaration, By-Laws and floor plans for the Condominium and such other documents, as required by law, will be recorded or filed in the City Register's office prior to the first conveyance of title to a Unit in accordance with The New York Condominium Act.

M. UNIT CLOSING COSTS AND ADJUSTMENTS

The estimated closing costs and expenses to be borne by each Purchaser are as follows:

A. Fee title insurance is available from Stewart Title Insurance Company at the estimated rates of \$402.00 for the first \$35,000.00 or fraction thereof of fee title insurance, approximately \$6.67 for each additional \$1,000 of insurance up to \$50,000 or fraction thereof, approximately \$5.43 for each additional \$1,000 of insurance up to \$100,000 or a fraction thereof, approximately \$4.36 for each additional \$1,000 of insurance up to \$500,000 or fraction thereof, approximately \$3.98 for each additional \$1,000 of insurance up to \$1,000,000 or fraction thereof, and approximately \$3.66 for each additional \$1,000 of insurance up to \$5,000,000 or fraction thereof.

B. If Purchaser obtains a mortgage from a lending institution, Purchaser can expect to incur the following costs:

1. Legal fees of the lending institution's attorney;
2. Mortgage title insurance policy costs for a mortgage title insurance policy naming the lending institution as the insured. Mortgage title insurance rates as quoted by Advanced Land Abstract Inc. effective as of the date of this Plan as follows (please note that the following premium rates are discounted based upon the simultaneous purchase of a fee and mortgage title insurance policies): \$103.20 for the first \$35,000 or fraction thereof of insurance, approximately \$1.66 for each additional \$1,000 of insurance up to \$50,000 or fraction thereof, approximately \$1.36 for each additional \$1,000 of insurance up to \$100,000 or fraction thereof, approximately \$1.09 for each additional \$1,000 of insurance up to \$500,000 or fraction thereof and approximately \$0.99 for each additional \$1,000 of insurance up to \$1,000,000 or fraction thereof, and approximately \$0.92 for each additional \$1,000 or insurance up to \$5,000,000 or fraction thereof;
3. Mortgage recording tax rates for individual residential condominium units as follows:
 - (i) 2.05% of the principal debt if under \$500,000.00; and
 - (ii) 2.175% of the principal debt if \$500,000.00 or more.

In either case, .25% thereof paid by the mortgage lender, less a \$30.00 credit. The mortgage tax credit, if any, received pursuant to Section 339-ee of the Real Property Law will inure to the benefit of Sponsor;

4. Recording fee for recording of the mortgage is \$15.00 per document and \$3.00 per page;
5. Commitment fee or origination fee, appraisal fee, application fee, credit fee, if any, charged by the lending institution;

Each Purchaser will be free to obtain title and/or mortgage insurance from a title company other than Stewart Title Insurance Company, Sponsor, however, makes no representation or warranty as to cost, terms or availability of such other title and/or mortgage insurance.

C. Fees for the recording of the deed and power of attorney are approximately \$15.00 per document and \$3.00 per page.

D. New York State transfer tax of \$4.00 per \$1,000 of the Purchase Price; and New York City Real Property Transfer Taxes which is calculated as follows for residential units:

1. 1% of the Purchase Price if the Purchase Price is \$500,000.00 or less; and
2. 1.425% of the Purchase Price if the Purchase price exceeds \$500,000.00.

The fee for filing the New York City Real Property Transfer Tax Return is \$50.00, and the fee for filing the New York State Real Property Transfer Tax Return (TP-584) is \$8.00.

These taxes are normally an expense of the Seller; however, by contractual agreement they will be paid by Purchaser. As a result, when a Purchaser assumes the obligation to pay these taxes, the amount of such tax will be included in the consideration subject to tax. Purchasers should refer to the footnotes to Schedule A at page 11 to ascertain the cost and procedure to follow regarding these taxes.

E. In the case of a Unit whose purchase price is \$1,000,000.00 or more, each Purchaser shall pay at the Closing the Additional Tax Due on the Conveyance of Residential Real Property of \$1,000,000 or more, the 1% so-called "Mansion Tax."

F. \$200 for the Condominium's working capital fund.

G. Each Purchaser shall pay \$1,500.00 to Sponsor's attorney representing a fee for services in connection with preparing the Unit Deed, the Unit Owner's Power of Attorney, all the transfer documents and for coordinating and attending the closing. In addition, Purchaser shall pay a travel fee in the amount of \$500.00 to Sponsor's attorney in the event the closing of title is held at an office other than the office designated by Sponsor.

H. If the Units have not been separately assessed for real estate tax purposes prior to closing of title to the first Unit, Sponsor shall place in escrow, in the name of the Board of Managers an amount equal to the unpaid real estate taxes which will be levied against the parcel for the six month period following the first closing or until the Units are separately assessed, whichever is shorter. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable and shall receive reimbursement from Unit Owners at closing of title.

In addition, should the Purchaser elect to obtain a purchase money mortgage, he may be

required by the lending institution to deposit monthly with the lending institution commencing with the closing date a reserve for the payment of real estate taxes. The amount of the deposit will be a multiple of the estimated monthly real estate taxes and will vary in accordance with the date of closing of title to a particular Unit.

I. Each Purchaser shall be responsible for the payment of fees of his own attorney.

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 premiums, charges or rates are subsequently revised by the title company the State or Municipality, each Purchaser shall be required to pay the policy premiums and recording charges in effect as of the date of closing title to his Unit.

The Sponsor anticipates that the only items which will be apportioned at the closing of title to Units will be real estate taxes, water and sewer charges, if any, and Common Charges, if they have been declared due and payable by the Board of Managers of the Condominium. The adjustments will be made as of midnight preceding the date of closing of title. In the event there are any other items which are to be apportioned at closing, said items will be adjusted at closing.

Example of Closing Costs:

A numerical example for the costs set forth in this section of the Offering Plan for a typical apartment (Unit B) with a purchase price of \$865,000 and a mortgage of \$692,000 are estimated as set forth below. Taxes, insurance and recording rates are subject to change.

- a. Title insurance for fee and mortgage, including the simultaneous fee discount: \$4,200.00;
- b. Recording costs for deed and power of attorneys: \$300.00;
- c. Mortgage recording tax (including any payment to Sponsor pertaining to mortgage tax credit): \$13,291.00;
- d. Recording cost of mortgage approximately: \$250.00;
- e. New York City Real Property Transfer Tax: \$12,552.00;
- f. New York State Real Estate Transfer Taxes (deed stamps): \$3,524.00;
- g. Legal fee of Sponsor's attorney (assuming the closing takes place at Sponsor's attorney's office, no assignment and no unauthorized delay in closing by Purchaser): \$1,500.00; and
- h. Contribution to the working capital fund: \$200.00.

Total	\$35,817.00
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Other fees which cannot be estimated because they pertain to events outside of Sponsor's control and/or statutory requirement include Purchaser's attorney's fee, lender's attorney's fee, possible commitment fee or loan origination fee, appraisal fee, application fee, credit check fee and monthly Common Charges prospectively from the closing date.

N. RIGHTS AND OBLIGATIONS OF THE SPONSOR

1. The Sponsor shall be obligated to defend any suits or proceedings arising out of Sponsor's acts or omissions and to indemnify the Board of Mangers and the Unit Owners.
2. All representations under the Plan, all obligations pursuant to the General Business Law and such additional obligations under the Plan which are to be performed subsequent to the Closing Date will survive delivery of the deed.
3. Sponsor agrees to pay all common charges, special assessments and real estate taxes with respect to unsold Unit(s) owned by Sponsor. The Sponsor represents that it has the financial resources to meet its obligations with respect to unsold Units. Sponsor's obligations will be paid for from projected sales and Sponsor's assets which combined are adequate to meet Sponsor's obligations on an ongoing basis. No bond or other security has been posted to secure Sponsor's obligations.
4. Except as set forth below, the risk of loss from fire or other casualty with respect to the Unit shall remain with the Sponsor until the closing of title for the Unit. The Sponsor, at its sole discretion, reserves the right to either repair or restore such Unit, whereupon Purchaser shall be obligated to close without abatement in the Purchase Price, or not repair or restore and grant Purchaser the right to rescind the Purchase Agreement. Subsequent to the filing of an amendment substantiating effectiveness of the Plan, Sponsor may be required to repair or restore as set forth below. Notwithstanding the above, in the event that Purchaser, or one claiming by or through Purchaser, enters into possession of the Unit prior to the closing of title, then Purchaser shall bear the risk of loss or other casualty with respect to the Unit. Additionally, Purchaser shall be solely responsible for any damage to, or loss or other condition in, the Unit and Sponsor shall not be obligated to repair any damages to the Unit or his appliances, fixtures and equipment. However, Purchaser does not assume the risk of loss to the Unit if the cause of such loss originated outside this Unit and did not result from the acts of Purchaser or the other occupants of the Unit or Purchaser's guests, invitees or workmen. If the Purchaser is obligated to repair the damage in accordance with the foregoing, then his failure to repair the damage shall not excuse him from paying the balance due under the Purchase Agreement and accepting title to the Unit.

With respect to all risk of loss after an amendment substantiating effectiveness of the Plan has been filed but prior to closing, Sponsor is not obligated or liable to repair the damage or restore the Unit other than to repair damage or destruction from fire or other casualty to the Property to the extent of an amount equaling one half of one percent of the Total Purchase Price set forth on the front cover of the Plan (minus certain amounts which Sponsor is required to spend to cure or comply with any work order from an insurer or to cure or comply with a defect in title or hazardous or dangerous condition against the Property which did not exist on the date of acceptance of the Plan). If Sponsor or (in the event the Declaration is filed) the Unit Owners elect to repair or replace the loss or damage which Sponsor is not required to repair or replace, the Purchase Agreement shall continue in full force and effect, Purchaser will not have the right to reject title to the Unit or to receive a credit against, or abatement of, the Purchase Price, and

Sponsor will be entitled to a reasonable period of time to complete (or to permit the Condominium Board to complete) such repairs or replacements. Purchaser will not be required to repay the balance of the Purchase Price unless and until (i) the Unit has been substantially repaired to as near as reasonably possible to its condition immediately prior to the casualty and (ii) its essential services (such as gas, electricity and heat) and a reasonable means of ingress and egress to the street have been restored. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss will belong entirely to Sponsor (subject to the rights, if any, of the Condominium Board or other Unit Owners) and if such proceeds are paid to Purchaser, Purchaser will promptly, upon receipt, turn them over to Sponsor. The provisions of the preceding sentence will survive the closing.

In the event Sponsor is not obligated to restore or repair as set forth above and notifies Purchaser that it does not elect to repair or restore the Unit or if the Unit Owners do not resolve to make such repairs or restoration pursuant to the Condominium's By-Laws, the Purchase Agreement will be deemed cancelled and of no further force or effect and Sponsor will instruct its attorneys to return to Purchaser all sums deposited hereunder (with interest, if any) whereupon the parties will be released and discharged from all obligations and liability hereunder except that if Purchaser is then in default hereunder (beyond the applicable grace period, if any), Sponsor will retain the sums as liquidated damages.

5. Sponsor shall procure fire and casualty insurance pursuant to an agreed amount replacement value policy or in an amount sufficient to avoid co-insurance, as reflected in Schedule B.

6. In the event of a dissolution or liquidation of the Sponsor or the transfer of twenty percent (20%) or more of the total number of Units in the Condominium, the principals of the Sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of the Sponsor for those Units under the Offering Plan, applicable laws or regulations.

7. There is no construction financing firmly committed or anticipated at this time.

8. The Sponsor will diligently, expeditiously and at its own cost, build and complete the Condominium substantially in accordance with the building plans and specifications identified in this Plan.

Although the Sponsor intends to use the materials, fixtures, appliances and equipment described herein and in the building plans, the Sponsor reserves the right to substitute materials, fixtures, appliances and equipment of equal or better quality or design for any of those set forth. The Sponsor may not substitute equipment or materials of lesser quality or design.

Sponsor reserves the right to change the size, location of Building or Units and other improvements or Common Elements provided such changes do not affect the percentage of Common Interests or adversely affect the value of any Unit to which title has closed or for which

a Purchase Agreement has been executed and is in effect unless all affected Unit Owners and contract vendees consent in writing to such change.

9. Prior to the closing of the first Unit, the sponsor must obtain a permanent certificate of occupancy for the property or, alternatively, obtain a temporary or partial certificate of occupancy for the Unit or the Building in which the Unit to be closed is located. The sponsor must obtain the permanent certificate of occupancy before the partial or temporary certificate of occupancy expires, unless extended.

10. A Permanent Certificate of Occupancy for the Building may not be issued prior to closing the first Unit. In such event, the Sponsor is required to maintain all deposits and funds in a special escrow account required by GBL Section 352-e(2-b) unless the Sponsor's engineer, architect or other qualified expert certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent certificate of occupancy, in which case the sum exceeding the amount so certified by the Sponsor's engineer, architect, or other qualified expert may be released from the special escrow account.

11. The Housing Merchant Implied Warranty Law (GBL Article 36-B) applies to this offering. In summary the law provides that the builder of a new dwelling consisting of five stories or less implies a warranty to the Purchaser as follows:

(i) for one year, the home will be free from defects due to a failure to have been constructed in a skillful manner;

(ii) for two years, the plumbing, electrical, heating, cooling and ventilation systems will be free from defects due to a failure by the builder to have installed such systems in a skillful manner; and

(iii) for six years, the home will be free from material defects.

Please see a full copy of the statute in Part II of the plan.

12. At or prior to the closing of a Unit, Sponsor will assign any manufacturer's warranties with respect to equipment and appliances installed in the Unit to the Unit Owner and assign any warranties with respect to equipment and appliances installed in the Common Elements to the Board of Managers.

13. The Sponsor agrees to pay for the authorized and proper work involved in the construction and establishment and sale of the Condominium that Sponsor is obligated to complete under the Plan and will cause all mechanics' liens with respect to such construction to be promptly discharged or bonded.

14. The Sponsor agrees to deliver a set of "as-built" plans to the Board of Managers.

15. No bond or other security has been furnished to secure performance of any of the obligations contained in this Section M, including Sponsor's obligations to complete construction of the Condominium.

16. The Sponsor reserves the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across the Common Elements of the Condominium for the purpose of completing its construction and sale of the Building and Units and facilities in the Condominium and towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over and across the Common Elements for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television, and other utilities and for any other materials or services necessary for the completion of the work. Sponsor also reserves the right to connect with and make use of the utility lines, wires, pipes, conduits, cable television, sewers and drainage lines which may from time to time be in or along any of the Common Elements. Sponsor will be obligated to pay for the cost of any utilities it uses as a result of its use of the easements, licenses, rights and privileges of a right-of-way. The Sponsor reserves the right to continue to use the Common Elements, in its efforts to market Units in the Condominium. Sponsor will be obligated to repair any damages to the Common Elements caused as a result of its use of the easements, licenses, rights and privileges of a right-of-way to complete the Condominium.

17. The Sponsor will be obligated to pay off and otherwise comply with the terms of any building loan mortgage on the entire Property. In the event there is a building loan mortgage after the recording of the Declaration and before or simultaneously with the closing of title to the first Unit, the Unit to which title is being conveyed and its appurtenant interest in the Common Elements shall be released from the lien of the mortgage on the Property. In addition, before the closing of title to the first Unit, all liens and mortgages affecting the Property shall be paid, bonded or satisfied or the Unit being conveyed and its appurtenant Common Interest shall be released therefrom by partial release duly recorded.

18. Pursuant to Section 352-e (9) of the General Business Law, copies of all documents mentioned in this Offering Plan, including without limitation the following, are and will be kept on file at the office of Sponsor set forth on the cover page of this Offering Plan for six years from the date of first closing: this Offering Plan; the proposed Declaration and By-Laws of the Condominium; public liability, fire and casualty policy; and Exhibits submitted to the Department of Law in conjunction with this Plan. A copy of the form of Unit Owner's Purchase Agreement is submitted with this Offering Plan.

19. The Sponsor reserves the right to lease any unsold Units before or after the Declaration has been recorded. In such an event, Purchasers of any such Units will be purchasing Units that have been previously occupied. Such previously rented Units will be delivered in their "as is" condition.

20. Sponsor, including any Sponsor-designee, has reserved the right to lease Units in the Condominium. If Sponsor or any Sponsor-designee, elects to do so, depending on the number of

Units in the Condominium being leased, this may adversely effect the ability of Purchasers to obtain financing or refinancing for his or her Unit. In addition, a Purchaser may be purchasing a previously occupied Unit, which first will be disclosed to a Purchaser. Sponsor will endeavor in good faith to sell, in a reasonably timely manner, all Units to Purchasers for personal occupancy by themselves or their families.

O. CONTROL BY THE SPONSOR

The Sponsor, as owner of unsold Units, will have voting control of the Board of Managers for two (2) years from the date of conveyance of title to the first Unit or whenever the unsold Units constitute less than fifty percent (50%) of the Common Interests, whichever is sooner. The Sponsor, during this indeterminate period, thus 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 the Sponsor, and the enforcement of the Sponsor's obligations. However, during such control period, the Sponsor will not exercise veto power over expenses described in Schedule B, or over expenses required: (i) to comply with applicable laws or regulations; or (ii) to remedy any notice of violation; or (iii) to remedy any work order by an insurer. At all times thereafter a majority of the Board of Managers shall be owner-occupants of the Condominium or members of an owner-occupant household who are unrelated to the Sponsor and its principals.

For a period ending not more than five (5) years after the closing of the first Unit or whenever the unsold Units constitute less than twenty-five percent (25%) in number, whichever is sooner, the Sponsor's prior written consent shall be required in order to amend either the Declaration or the By-Laws and to (i) make an addition, alteration or improvement to the Common Elements or to any Unit, costing cumulatively more than \$2,500, the foregoing not to include necessary repairs and maintenance work, or (ii) assess any Common Charges for the creation of, addition to, or replacement of all or part of a reserve, contingency or surplus fund, or (iii) hire any employee in addition to the employees referred to in this offering Plan, if any, or (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date the Plan is declared effective, or (v) borrow money on behalf of the Condominium, or (vi) amend the Declaration or the By-Laws.

The first Board of Managers of the Condominium will consist of individuals who are designated by the Sponsor. Within sixty (60) days of the closing of title to the first Unit, a Unit Owner who is independent of the Sponsor will be elected to the Board of Managers by a majority of the then Unit Owners other than the Sponsor to serve on the Board until the first Board of Managers resigns. Within thirty (30) days of the expiration of the voting control period as set forth herein, the Sponsor will call the first annual meeting of the Unit Owners at which time a new Board of Managers unrelated to the Sponsor will be elected. Upon the election of the new Board, the members of the first Board will resign.

The detailed provisions for the management of the Condominium are set forth in the By-Laws, found in Part II of the Plan. The By-Laws contain provisions dealing with the election of the Board of Managers, and Condominium officers, powers of the Board of Managers, voting rights of Unit Owners, assessment of Common Charges, foreclosure of liens for non-payment of Common Charges, management of the Condominium and the use of the Units. The By-Laws provide that the Condominium shall be governed by the Board of Managers, but that the Board of Managers shall have the right to legislate a managing agent to carry out such function. Members of the Board of Managers, as such, shall receive no compensation for their services.

P. BOARD OF MANAGERS

The form of the By-Laws and the Declaration of Condominium referred to in the Plan appear in Part II.

The following is a summary of important sections of the By-Laws and Declaration.

The affairs of the Condominium shall be governed by a Board of Managers. The first Board of Managers shall consist of three (3) Managers designated by the Sponsor who shall hold office and exercise all powers of the Board of Managers until the first annual meeting of the Unit Owners. Until succeeded by the Managers elected at the first annual meeting of Unit Owners, Managers need not be Unit Owners; thereafter, all Managers other than designees or nominees of the Sponsor shall be Unit Owners. At the first annual meeting of Unit Owners, a maximum of three (3) Managers shall be elected by the Unit Owners. The term of office of each Manager shall be fixed at one (1) year. Separate ballots shall be conducted for each of the three terms of office. Each Unit Owner shall be entitled to cast one vote on each ballot for each Unit he owns. The one (1) nominee of each of the ballots receiving the highest number of votes on their ballot shall constitute the duly elected Board of Managers. At the expiration of the initial term of office of each respective Manager, his successor shall be elected to serve a term of one (1) year. The Managers shall hold office until their successors have been elected and hold their first meeting. Notwithstanding the foregoing, the Sponsor shall have the right to designate a majority of the Board of Managers until two (2) years from the date of conveyance of title to the first Unit or until the unsold Units constitute less than fifty (50%) percent of the common interest. Thereafter the Sponsor shall have the right to designate one (1) member of the Board of Managers so long as it continues to own at least one Unit.

The By-Laws do not include a provision that, after an initial Sponsor voting control period, a majority of the Board of Managers must be owner-occupants or members of an owner-occupant's household who are unrelated to the Sponsor and its principals.

Within thirty (30) days after title to the last Unit is conveyed by the Sponsor, but in no event later than the earlier of (i) two (2) years after the closing of title to the first Unit or (ii) whenever the unsold Units constitute less than (50%) percent of the Common Interests, the Sponsor shall call the first annual Unit Owners' meeting. At such meeting, a new Board of Managers shall be elected by the Unit Owners and the former members of the Board shall thereupon resign. Thereafter, annual meetings shall be held on the anniversary of such date in each succeeding year. At such meetings there shall be elected by ballot of the Unit Owners a Board of Managers in accordance with the requirements of Article III of these By-Laws.

Special meetings of the Board may be called by the President on two (2) days notice to each Manager either personally or by telephone, mail or telegram. Special meetings shall be called by the President or Secretary in a like manner and on like notice on the written request of at least three (3) Managers.

The first officers and members of the Board of Managers will be Robert Paciullo, Phyllis

Paciullo and Santiago Montoya. They are all principals of the Sponsor.

In order to limit the liability of the Unit Owners, any contract, agreement or commitment made by the Board of Managers or Officers of the Condominium shall state that it is made by the Board of Managers as agent for the Unit Owners as a group only and that no member of the Board of Managers or Officers of the Condominium nor individual Unit Owner shall be liable for such contract, agreement or commitment except that every Unit Owner shall be liable to the extent that his proportionate interest in the Common Elements bears to the total liability under such commitment. The Board of Managers and Officers of the Condominium shall have no liability to the Unit Owners in the management of the Condominium except for willful misconduct or bad faith and the Unit Owners shall severally indemnify all members of the Board of Managers against any liabilities or claims arising from acts taken by a member of the Board of Managers in accordance with his duties except acts of willful misconduct or acts made in bad faith. Such several liability of the Unit Owners shall, however, be limited to the extent that his proportionate interest in the Common Elements bears to the total liability of the member of the Board of Managers.

Officers and Members of the Board of Managers shall serve without compensation.

Managers, other than Sponsor designees, may be removed for cause by an affirmative vote of a majority of the Unit Owners. No Manager, other than a member of the First Board of Managers or a Manager elected or designated by the Sponsor, shall continue to serve on the Board if, during his term of office, he shall cease to be a Unit Owner. Such member shall be deemed to have resigned effective as of the date such ownership ceased. A Manager designated by the Sponsor or its designee may only be removed by the Sponsor or its designee and only they shall have the right to designate a replacement.

Any officer elected or appointed by the Board of Managers may be removed with or without cause, at any time, by the affirmative vote of a majority of the whole Board of Managers.

The Declaration may be amended upon a vote of 80% of the Unit Owners in number and common interest held at a duly called meeting of the Unit owners, provided however, that:

- (i) No amendment shall change any condominium parcel, nor a Unit Owner's proportionate share of the Common Charges, nor the voting rights appurtenant to any unit, unless all of the record owner(s) in number and Common Interest thereof and the first mortgagees, if any, of each of these same units agree to such change by recorded instrument;
- (ii) No amendment shall be passed which shall impair or prejudice the rights and priorities of mortgagees; and
- (iii) No amendment will be effective against the Sponsor or its assignees unless the Sponsor consents thereto in writing.

The By-Laws may be amended upon a vote of 80% of the Unit Owners in number and common interest held at a duly called meeting of the Unit owners, provided however, that:

- (i) The notice of the meeting shall contain a full statement of the proposed amendment;
- (ii) Said amendment shall be set forth in a duly recorded amendment to the Declaration; and
- (iii) No amendment will affect or impair the validity or priority of the Unit Owners' interest and the interests of holders of a mortgage encumbering a Unit or Units to be effective against the Sponsor, its designees or owner of an Unsold Unit unless such Unit Owner, mortgagee or Sponsor shall consent thereto in writing.

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

Sale or Lease of Units by Unit Owners

Each Unit Owner has the right to sell or lease his Unit, provided that he is not in arrears on the payment of Common Charges (except where the payment of such unpaid Common Charges is paid by the Grantee or provided for out of the proceeds of the sale) and provided further that such sale or lease is first offered to the Condominium under the same terms and conditions as the prospective purchasers or lessee has offered to purchase or lease the Unit. See the By-Laws in Part II of the Plan as to the procedure to follow in case of a sale or lease.

Any Unit Owner who wishes to enter into a lease for his Unit shall be required to provide the Board of Managers with a copy of the proposed lease prior to its execution. Any lease entered into must contain a provision that the Lessee is subject to the Declaration, By-Laws and Rules and Regulations of the Condominium. Failure to comply with the above shall be deemed an automatic violation of the By-Laws of the Condominium. See Article VIII Section 10 of the By-Laws regarding other leasing restrictions. A purchaser is free to make a gift of his Unit to anyone during his lifetime or to devise his Residential Unit by wills or to have it pass by intestacy without any restriction, provided, however, that such new Unit Owner shall be bound by and his Residential Unit shall be subject to the foregoing restrictions. No Unit can be sold without a simultaneous sale of the undivided interest in the Common Elements.

The Sponsor or any mortgagee acquiring title to a Unit in a foreclosure can sell or lease a Unit free of any of the foregoing restrictions. Further, the Sponsor may rent a Unit to a purchaser of said Unit if the purchaser so desires, prior to the conveyance of title to said Unit.

The Board of Managers has a right of first refusal with respect to the sale or lease of any Unit, except as set forth in Article VIII of the By-Laws. The Board will notify the Unit owner of its intention to exercise such right within twenty (20) days from the date of receipt of notice from the Unit Owner to the Board of the intended sale or lease. If the Board exercised such right, the closing will occur within forty-five (45) days from the date the Board gives notice to the Unit Owner of its election to accept such offer.

In the event the Board does exercise its right of first refusal, the acquisition or lease of the Unit may be made from the funds deposited in the capital and or expense account of the Condominium or, if such funds are insufficient, the Board may assess each Unit Owner, other than the offering Unit Owner, in proportion to each Unit Owner's interest in the Common Elements, as a common charge, or may borrow money to finance such acquisition. The sole security which may be given for any funds so borrowed is the Unit to be acquired. The Board may also assess each Unit Owner, as provided above, for maintenance of such Unit. In the event any Units are acquired or leased by the Board the title or lease will be held by the Board or its designees on behalf of all Unit Owners in proportion to their interest in the Common Elements and any sale or lease of such Unit will be made by the Board or its designees on behalf of all Unit owners in proportion to their interests in the Common Elements. Such Units, while owned

or leased by the Board or its designees, may be used for any purpose for which it could be used by an individual Unit Owner. In no event, however, may the Board or its designees at any meeting of Unit Owners vote the votes appurtenant thereto in any election of members of the Board. In any sale or lease of such Unit by the Board of Managers the Board or its designees may not discriminate against any person on the basis of race, creed, color, national origin, sex, disability, age, marital status or other grounds prohibited by law.

Mortgaging of Units by Unit Owners

Each Unit Owner has the right to mortgage his Unit at any time after he acquires title to the Unit in whatever amount and under whatever terms he can obtain, provided that the mortgage can only be taken from a bank, savings and loan association, mortgage company, life insurance company, pension fund, trust company or other institutional lender. Any Unit Owner may, however, upon the resale of his Unit, grant a purchase money mortgage to a purchaser of his Unit. A Unit Owner may mortgage his Unit only if all arrears for common charges, if any, are provided for at the closing of the mortgage.

Common Charges and Assessments

The Board of Managers will prepare and furnish its budget to the Unit Owners and their mortgagees, if requested, annually. Based upon such budget, and any modification thereof, approved by the Board of Managers, all the Unit Owners will be charged for the cost of the operation of the Common Elements of the Condominium in accordance with their interest in the Common Elements as well as submetering, contract allocations and usage. The charges assessed by the Board of Managers ("Common Charges"), in addition to the cost of repairing and maintaining the Common Elements, assessments and other normal operational costs, may include, in the discretion of the Board of Managers, reserves, working capital and other sums necessary to carry on the affairs of the Condominium. In addition, Common Charges may have to be increased as a result of Unit Owners not paying their maintenance charges.

The Condominium has the right to accumulate reserves for capital replacements or other general repairs of the Condominium. However, the Condominium will be taxed on any excess of income over expenses from unrelated sources. An example of unrelated source income includes interest earned on reserve or other invested funds.

Pursuant to Section 339-z of the Real Property Law, the Board of Managers on behalf of the Unit Owners will have a lien on each Unit for unpaid Common Charges assessed by the Board of Managers and legal interest thereon prior to all other liens except liens for the payment of taxes and all sums unpaid on a first mortgage of record. The lien shall continue in force even after resale of a Unit except that the Board shall, in accordance with the Declaration, release the lien and right to collect unpaid Common Charges against any purchaser of a Unit where such purchase arises out of a foreclosure of a first institutional mortgage when the Board of Managers has been made a party to the foreclosure action.

The Board of Managers may foreclose the lien in the same manner as a mortgage on real property and in doing so shall be entitled to recover all costs incurred including reasonable attorney's fees. The liability of each Unit Owner for the payment of Common Charges thereafter assessed against his Unit shall terminate upon a sale, transfer or conveyance of such Unit in accordance with the provisions of the Condominium Declaration and By-Laws. Further, any Unit Owner may convey his Unit to the Board of Managers or its nominee, on behalf of all other Unit Owners, without any compensation and in accordance with the Declaration and By-Laws and in such event he shall be exempt from any Common Charges thereafter assessed, but not relieved of his obligation to pay his mortgage. However a Unit Owner may not exempt himself from liability for his Common Charges by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his Unit.

Upon a resale, the purchaser of a Unit shall be liable for the payment of unpaid Common Charges assessed against such Unit prior to the acquisition of such Unit by the purchaser except that a mortgagee who acquires title to a Unit or a purchaser at a foreclosure sale shall not be liable and the Unit shall not be subject to a lien for the payment of Common Charges assessed prior to the acquisition of title to such Unit by the mortgagee or purchaser at a foreclosure sale. In such event and in the event of a foreclosure by the Board of Managers of its lien of any Unit for unpaid Common Charges where the proceeds of the foreclosure sale are not sufficient for the payment of such unpaid Common Charges, the unpaid balance shall be charged to all Unit Owners as a common expense.

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

The Sponsor shall be liable for the Common Charges and real estate taxes of all Units to which title has not been transferred to a purchaser commencing when Common Charges are first collected by the Board of Managers. Once title has passed to a purchaser, the purchaser shall be solely responsible for all costs associated with the Unit including but not limited to Common Charges, real estate taxes, any special assessments and all individual utility costs.

Repairs

The cost of repairs to the Common Elements shall be a common expense of the Unit Owners. All maintenance (including electrical repairs and plumbing stoppages in the Units, painting and decorating of the Units), repairs and replacements to the Units including doors abutting a Unit (except painting or maintenance of the exterior surface of windows and doors which open from a Unit which are performed by the Board of Managers) and repairs to pipes, wires and conduits located in and servicing a particular Unit other than as set forth in the Plan shall be made by the respective Unit Owners at their own expense.

In the event that the Unit Owner fails to make any repair or creates any condition which effects the Building in which his Unit is located, the Common Elements, or any other Unit, the

Board of Managers, may, upon notice given in accordance with the provisions of the By-Laws make such repair or correct such condition and charge the Unit for the cost of such service.

In the event it becomes necessary for the Board of Managers to bring any lawsuit or other proceeding to enforce its right to make such repair or correct such condition or to collect any sum due on account thereof, the Board of Managers shall also be entitled to collect reasonable attorney's fees in connection with such suit or proceeding.

The Board of Managers and its agents, employees and contractors shall have a right of access to any Unit and to all portions of the Common Elements for the purpose of carrying out any of its obligations under the Declaration and By-Laws.

All maintenance, repairs and replacements to the Common Elements of the Property including but not limited to exterior walls of the Building, windows, roof and roof members, as well as all maintenance, repairs and replacements to any pipes, wires, conduits and public utility lines, any portion of which is located in one Unit and services 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 the cost thereof shall be a common expense by all Unit Owners. The Board of Managers shall repair all plumbing stoppages and electrical repairs occurring in the Common Elements. All maintenance, repairs and replacements to a Unit, whether structural or nonstructural, ordinary or extraordinary, other than to the Common Elements contained therein, will be made by the respective Unit Owners at their expense.

The Board of Managers shall have the right of access to any Unit for the purpose of making any repairs or replacements to any of the Common Elements contained therein or elsewhere in the Building or to remedy any condition which would result in damage to any other Unit or the Common Elements, or which would violate the provisions of any mortgage covering another Unit or for the purpose of complying with any laws, orders, rules or regulations of any governmental body having jurisdiction thereof or for the purpose of carrying out any of its obligations under this Offering Plan, the By-Laws or the Declaration of the Condominium. Such right of access shall be exercised in such manner as will not unreasonably interfere with the use of the Units but no prior notice shall be required in the event the Board of Managers shall determine that action is immediately necessary for the preservation or safety of Condominium residents or other persons, or required to avoid the suspension of any necessary service to the Condominium.

Additions, Alterations and Improvements

A Unit Owner can make any interior alterations or improvements to the Unit he desires without obtaining the consent of the Condominium so long as such alterations or improvements do not affect the Building or any other common element. Non-structural alterations and improvements to Units that do not affect the exterior of the Building or the value of other Units, and non-structural alterations to roof terraces which are designated as Irrevocably Restricted

Areas, may be made without the prior approval of the Board of Managers. In the event such alterations or improvements affect the structural soundness of the Building the Unit Owner must first obtain the written consent of the Board of Managers.

All work done by a Unit Owner must be done in accordance with all applicable rules regulations, permits and zoning ordinances of any governmental agencies having jurisdiction thereof.

The Sponsor shall have the right, without the consent of the Board of Managers, other Unit Owners or the holders of mortgages on Units to make alterations, additions or improvements structural and nonstructural, interior and exterior, ordinary and extraordinary, in, to and upon their Units, provided, however, that in each instance the Unit Owner shall comply with all laws, ordinances and regulations of all governmental authorities having jurisdiction and shall agree to hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom.

The Board of Managers will sign any application or other document required to be filed with any governmental authority having or asserting jurisdiction in connection with any such structural addition, alteration or improvement made by the Sponsor or his designee to any Unit, provided, however, that the Board of Managers shall not be subjected to any expense or liability by virtue of the signing of the application or other document furnished to the Board of Managers.

Insurance

The Board of Managers shall obtain and maintain, to the extent obtainable, fire and casualty insurance with extended coverage, water damage, vandalism and malicious mischief endorsements insuring the Building, including all of the Units and the bathroom, kitchen and laundry equipment initially installed therein by the Sponsor, together with all heating, any air conditioning equipment and other service machinery contained therein, covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as such interest may appear, in an amount equal to the full replacement value of the Building. Each of such policies shall contain a New York Standard Mortgagee clause in favor of each mortgagee or 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 and the Insurance Trustee hereinafter set forth; and such other insurance as the Board of Managers may determine.

In addition to the insurance set herein, a Unit Owner may desire to insure his personal effects and the interior of the Unit itself for fire and liability. Such insurance, if taken by the Unit owner, will be payable by the unit Owner directly.

The proceeds of all policies of physical damage insurance carried by the Board shall be payable to the insurance Trustee if the loss shall amount to more than \$25,000 to be applied for

the purpose of repairing, restoring or rebuilding the Building unless otherwise determined by the Unit owners, as hereinafter set forth.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro-rata liability of the insurer as a result of any insurance carried by the 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. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums shall be delivered to all mortgagees of a Unit at least ten (10) days prior to expiration of the then current policies.

The amount of fire insurance to be maintained on the Building upon the transfer of title to the first Unit and until the first meeting of the Board of Managers following the first annual meeting of the Unit Owners will be in the amount of replacement cost (agreed upon amount) for the entire Building. The Board of Managers shall review the amount of fire insurance annually.

A New York Bank or Trust Company shall be the Insurance Trustee unless or until replaced by another bank or trust company in the State of New York, designated by the Board of Managers. In the event that the Insurance Trustee shall resign or not qualify, the new Insurance Trustee shall also be a bank or trust company in the State of New York designated by the Board of Managers. The Insurance Trustee shall hold all proceeds of insurance policies in accordance with Section 254.4 of the Real Property Law.

The cost of all such insurance and the fees and expenses of the Insurance Trustee shall be paid by the Board of Managers and shall constitute a Common Expense. The Board of Managers shall also obtain and maintain, to the extent obtainable: (1) fidelity insurance covering all employees of the Condominium who handle Condominium funds; and (2) in order to limit the liability of Unit Owners for personal injury and tort, public liability insurance covering each member of the Board of Managers and except arising out of occurrences within his own Unit, each Unit Owner, in such limits as the Board of Managers may deem proper. The Board of Managers shall review such limits once each year.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit provided such policies contain waivers of subrogation and further provided that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any Unit Owner's other insurance.

THE CONDOMINIUM INSURANCE COVERAGE DOES NOT COVER FIRE AND LIABILITY INSURANCE FOR THE PURCHASER'S PERSONAL EFFECTS AND INTERIOR OF THE UNIT. PURCHASERS ARE ADVISED TO SECURE SUCH COVERAGE.

Where a Unit is damaged by casualty and the proceeds of insurance are not sufficient to

cover the repair of the damage, the amount necessary to restore the Unit over and above the proceeds from any fire insurance on the Units will be a Common Charge to all Unit Owners. In order to protect the Unit Owner against the possibility of such common charges, the Board of Managers determines the amount of blanket casualty insurance covering all Units (the cost of such insurance is part of the Common Charges) and reviews the amount of such coverage annually. In the event of damage to or destruction of the Building as a result of fire or other casualty, the Board of Managers shall arrange for the prompt repair and restoration of the Building and the Board of Managers or the Insurance Trustee shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a common expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges. In the event of a casualty loss, the Unit Owners will continue to pay the Common Charges on their Units.

If 75% or more of the Units are destroyed or substantially damaged and 75% or more of the Unit Owners do not resolve to proceed with repair or restoration, the property comprising the Condominium 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 proceed of insurance policies shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, 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.

Although there is no requirement for annual appraisals to ascertain whether the insurance coverage is adequate, such appraisals are required prior to renewal of any fire policy.

Refer to Schedule B for details of the estimated insurance costs of the Condominium.

Restrictions on Occupancy and Use

There is no restriction upon ownership of a Unit. Occupancy of a Unit, however, may only be for residential purposes in accordance with the applicable zoning regulations of the municipality having jurisdiction over the Condominium. Notwithstanding the foregoing, the Sponsor may, without permission of the Board of Managers, retain ownership of one or more Units for use as models or sales and/or promotional offices in connection with the sale or rental of Units.

The By-Laws of the Condominium contain the following use restrictions: No immoral, improper, offensive or unlawful use shall be made of the Condominium nor any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Unit Owners, their families, employees, guests and any permitted pets shall not use or permit the use of the Units and Common Elements in any manner that would be illegal, disturbing or a nuisance to other Unit Owners. Except for the Sponsor, no Unit Owner shall put any advertisement, poster or for sale signs of any kind in or on the Condominium

without the consent of the Board of Managers. It is prohibited to hang garments, rugs, etc. from the windows or from the Building or to string clothes lines on or over the Common Elements or to use any of the Common Elements, other than those specifically designated, for storage. No Unit Owner shall paint the exterior surfaces of the windows walls or doors opening out of his Unit.

NO DOG, CAT, BIRD, REPTILE OR ANY OTHER ANIMAL SHALL BE KEPT OR HARBORED IN THE BUILDING UNLESS EXPRESSLY PERMITTED IN WRITING BY THE BOARD OF MANAGERS, WHICH CONSENT, SHALL BE REVOCABLE BY THE BOARD. THIS PROVISION SHALL NOT APPLY TO ANY SALE OF A UNIT BY THE SPONSOR.

Other Material Provisions of the Declaration or By-Laws

Ownership of a Unit in the Condominium subjects the Unit Owner to compliance with the provisions of the Declaration and By-Laws as well as any rules and regulations contained in the Declaration or By-Laws or established by the Condominium in accordance therewith. The rules and regulations set forth in the By-Laws and Declaration can be found in Part II of the Plan. The Board of Managers can institute legal actions to enforce compliance with the provisions of the Declaration and By-Laws as well as the rules and regulations established therewith.

Please refer to the By-Laws and Declaration in Part II of this Plan.

R. REAL ESTATE TAXES

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

If the Units have not been separately assessed for real estate tax purposes prior to closing of title to the first Unit, Sponsor shall place in escrow, in the name of the Board of Managers, an amount equal to the unpaid real estate taxes which will be levied against the parcel for the six-month period following the first closing or until the Units are separately assessed, whichever is shorter. The Board of Managers will pay the real estate taxes from the escrow account when taxes are due and payable and shall receive reimbursement from Unit Owners at closing of title.

Until Units are separately assessed, real estate taxes and thus the partial tax exemption will be allocated among the Units based on their respective percentages of Common Interest. However, once Units are separately assessed, there is no assurance that the New York City taxing authority will allocate taxes and the tax exemption among the Units in accordance with their percentages of Common Interest.

Real Estate Taxes Without Benefit of Section 421-a

The estimated monthly costs and charges to be incurred by the owner of each Unit in the first year in which the property will be fully subject to real estate taxes are set forth on Schedule A. The estimate of real estate taxes for the projected first year of operation is based upon the following as determined by Fridman Saks LLP, the Sponsor's real estate tax consultant. Such estimates are also based upon valuation amounts and tax rates following completion of the construction of the Building. The estimates are (i) a taxable assessed valuation estimate in the amount of \$60,000, and (ii) a projected tax rate of 16.787%.

The actual taxes for the Property for the 2009/10 tax year is \$1,723 based on a taxable assessed valuation of \$10,080 and a tax rate of 17.088% which valuation and tax rate are based upon the condition of the Property as of January 5, 2009. The assessing authority that determines the tax rate and the assessed valuation is the New York City Department of Finance.

The foregoing estimates were based on existing tax rates, current City of New York assessing policies and the Sponsor's description of the Building to be constructed on the Property. However, no guaranty or warranty is given that the projected amounts, including assessed values and rates, will approximate the actual amounts, that the New York City Real Estate Tax Assessment Bureau will allocate the assessed value by percentage of interest in the Common Elements, or that the assumptions upon which the tax calculations were based will remain valid.

The Sponsor anticipates that the real estate tax rate will increase in future years rather than remain constant. The estimates of projected real estate taxes in this Offering Plan have been

prepared by the Sponsor and cannot be construed as an assurance of the final tax costs, but are merely estimates based upon information available to the Sponsor at this time. Actual assessments may vary depending on such factors as changes in tax rates, method of assessment, etc. In no event will the Sponsor, Sponsor's counsel or Sponsor's consultant be liable to any purchaser under this Plan, nor will any purchaser have the right to rescind his Purchase Agreement, in the event the amount of the taxes and assessed valuation differ from those projected nor if the method of allocating taxes is done in a manner different from that indicated in Schedule A of the Plan.

There are no open tax certiorari proceedings pending with respect to the Property. Each Unit Owner shall designate the Board of Managers as his attorney-in-fact, which power shall be deemed coupled with an interest to act as agent for such Unit Owner in accordance with Section 339-y of the Real Property Law to complain or apply to the board of assessment review of the assessing agency by filing a single complaint on behalf of all such Unit Owners, to commence and prosecute a special proceeding and to seek administrative and judicial review of assessments. The Board of Managers may retain legal counsel on behalf of all Unit Owners for which it is acting as agent and to charge all such Unit Owners a pro rata share of expenses, disbursements and legal fees, for which charges the Board of Managers shall have a lien pursuant to Section 339(z) of the Real Property Law.

Each Unit Owner shall at the closing of title to his Unit execute an instrument substantially in the form included in Part II, authorizing the Board of Managers and the Sponsor to act on such Unit Owner's behalf.

S. OPINION OF COUNSEL

FRIDMAN SAKS_{LLP}
COUNSELORS AT LAW

Boris Saks
Eduard Fridman

1795 Coney Island Avenue
Brooklyn, New York 11230

Phone: (718)-998-1800
Fax: (718)-998-1881
www.fridmansaks.com

August 3, 2009

254 North 6 LLC
108 Withers Street
Brooklyn, NY 11211

Re: The 254 North 6th Street Condominium

Dear Sirs/Madam:

We note that the Offering Plan for the above-captioned Condominium states that it is believed that the monthly payments of interest on any mortgage which becomes a lien on a Condominium Unit by a Unit Owner who uses his Unit as his principal residence or the one other residence that he selects pursuant to Section 163(h) (5) (A) (ii) (II) of the Internal Revenue Code of 1986 (the "Code") and the real estate taxes payable by a Unit Owner which are assessed against his Unit by any governmental taxing authority, are a proper deduction in connection with Federal and New York City and State Income Taxes payable by the owner of such Condominium Unit.

We have given this matter careful study and it is our opinion that, pursuant to the provisions of the Internal Revenue Code (See Revenue Ruling 64-31, C.B. 1964-300) and the corresponding provision of the New York State Law (See Section 615 of the Tax Law), such interest payments and the aforesaid real estate payments are proper deductions by the owner of a Condominium Unit, in connection with his Federal and New York City and State income taxes. In addition, certain Unit Owners who are veterans of the United States Armed Forces may be entitled to deductions covering part of the real estate taxes applicable to their Units.

Section 528 of the Code affords certain Condominiums, substantially all of whose Units are used for residences, the opportunity to elect to be treated as tax exempt organizations. In order to qualify, sixty percent (60%) or more of the gross income of each must consist of amounts received as membership dues, fees or assessments from the Unit Owners and ninety percent (90%) or more of the expenditures of each must be for the acquisition, construction, management, maintenance and care of the Condominium Properties, which properties, as defined in Section 528 of the Code, include property held by the Condominium commonly held by the members of the Condominium, or property within the Condominium held by the members of the Condominium. Based upon our examination of the Offering Plan and subject to the

Condominium actually satisfying the minimum percentage income and expenditure criteria set forth above, it is our opinion that the Condominium will be eligible to be treated as a tax-exempt organization under Section 528 of the Code.

Such an election will exempt from Federal and New York City and State Income Taxation all amounts received by the Condominium from the homeowners as membership dues, fees or assessments. The Condominium will be taxed however, on any excess of income over expenses from unrelated sources. Examples of unrelated source income include interest earned on reserve funds, income from concessions and income from dues or fees received from persons other than the Unit Owners. In the event either the Condominium fails to qualify for and elect Section 528 taxation status in any year, it may, to the extent it has any income from unrelated sources or from accumulated revenues received by virtue of dues, fees and assessments received from Unit Owners not expended in any taxable year, be subject to Federal and New York City and State Income Taxation (See Rev. Ruling 74-99, 1974-1 C.B. 131).

We have considered the relevant cases and rulings on the tax status of the Condominium, including Revenue Rulings 74-17, 74-991 73-370 and 75-371. These rulings, under certain circumstances, permit assessments for capital replacements and new or replacement equipment to be excluded from the Condominium's income and be treated for tax purposes as additional capital contributions. In such case, each Unit Owner's assessment for such purposes would add to his tax basis. Although the Condominium described in the Plan may be deemed a taxable entity under such rulings, assuming that assessments for capital purposes, including reserves, are properly designated and accounted for, and that certain other special purpose assessments are properly treated as trust funds, the Condominium should not realize any significant amount of taxable income, other than with respect to incidental investment income, such as interest earned on reserve funds deposited in bank accounts.

Based upon the determination of D&D Management Services, licensed real estate brokers, it is our opinion that Sponsor has complied with Real Property Law Section 339(i) in assigning the percentage of Common Interest to each Unit. The Common Interest of each Unit has been 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 pursuant to Section 339-i(l)(iv) of the Real Property Law of the State of New York.

No warranty or representation can be made that the United States Treasury Department, the Department of Taxation and Finance of the State of New York or the Department of Finance of the City of New York, will allow the income tax deductions referred to herein if the tax laws or the regulations issued thereunder or any judicial interpretation to thereof change. Under no circumstances will the Sponsor or counsel to the Sponsor or any person be liable if the United States Treasury Department, Department of Taxation and Finance of the State of New York or the Department of Finance of the City of New York fail to allow the income tax deductions by future changes of fact or law including statutes, regulations, rulings and judicial determinations.

In our opinion, the Condominium will be eligible for tax-exempt status, if it elects such status, and Unit Owners will be entitled to income tax deductions. However, this opinion is not a guarantee; it is based on existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which counsel base this opinion will not change. In no event will the Sponsor, the Sponsor's Counsel, the Board of Managers of the Condominium, the selling agent, or any other person be liable if there are changes in the facts on which counsel relied in issuing this opinion or if there are changes in the applicable statutes,

regulations, decisional law or Internal Revenue Service rulings on which counsel relied which cause the Condominium to cease to meet the requirements of Section 528 of the Internal Revenue Code of 1986, as amended, or the New York State Tax Law, as amended, and cause the Unit Owners not to be entitled to income tax deductions.

It is our understanding that this letter will be made a part of the Offering Plan of the 254 North 6th Street Condominium.

Very truly yours,

Fridman Saks LLP

By: 
Eduard Fridman, Partner

T. RESERVE FUND

No reserve fund is being established by the Sponsor. In the event there is a need for major capital expenditures, the Condominium will assess a charge to each Unit in accordance with its percentage of Common Interest.

U. WORKING CAPITAL FUND

At each Unit closing the Sponsor shall collect \$200.00 from each Purchaser to be paid to the Board of Managers for its working capital ("Working Capital Fund") which shall be used to pay any net closing adjustment owed to the Sponsor by the Condominium Board or for such other appropriate purposes permitted under the Declaration and the By-Laws as well as determined by the Board of Managers in its sole discretion. Adjustments for prepaid expenses between the Sponsor and the board of Mangers may be deducted only from the Working Capital Fund.

While the Sponsor is in control of the Board of Managers, the Working Capital Fund may not be used to reduce projected Common Charges in the Plan.

NO REPRESENTATION IS MADE THAT THE INTIAL WORKING CAPITAL FUND WILL BE ADEQUATE TO COVER CURRENT OR FUTURE EXPENSES, INCLUDING REPAIRS OR REPLACEMENTS

NEITHER THE OFFICE OF THE ATTORNEY GENERAL NOR ANY OTHER GOVERNMENTAL AGENCY HAS PASSED UPON THE ADEQUACY OF THE WORKING CAPITAL FUND.

V. IDENTITY OF PARTIES

Sponsor/Principals of Sponsor

The Sponsor is 254 North 6 LLC, a New York limited liability company with offices at 108 Withers Street, Brooklyn, New York 11211. The principals of the Sponsor are Robert Paciullo, having an address at 108 Withers St., Brooklyn, NY 11211, Phyllis Paciullo, having an address at 108 Withers St., Brooklyn, NY 11211, Santiago Montoya, having an address at 113 Withers St., Brooklyn, NY 11211, and Jessica Paciullo, having an address at 108 Withers St., Brooklyn, NY 11211. None of the principals of the Sponsor have any prior business experience. Neither the Sponsor nor any of its principals have any prior felony convictions. Neither the Sponsor nor any of its principals have any prior convictions, injunctions or judgments that may be material to the offering plan or an offering of securities generally, that occurred within 15 years prior to the submission of the offering plan. Neither the Sponsor nor any of its principals have made any prior offerings of either condominium or cooperative units.

Attorneys

The Sponsor has retained the law firm of Fridman Saks LLP, 1795 Coney Island Avenue, Brooklyn, New York 11230 to prepare the Offering Plan. Eduard Fridman, Esq., member of Fridman Saks LLP, prepared the Offering Plan.

Architect

Sponsor's architect is Philip Toscano, 418 Graham Avenue, Brooklyn, NY 11211. Mr. Toscano has extensive experience in residential development. He has been a Registered Architect for twenty (20) years. The office deals with a variety of projects, ranging from new construction to interior renovations and facade inspections.

Selling Agent

The Sponsor is the Selling Agent for the Plan. The Sponsor has no previous experiences as a selling agent for any offerings of condominium or cooperative interests in real property.

W. REPORTS TO UNIT OWNERS

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

1. A financial statement of the Condominium prepared by a certified public accountant or public accountant within three (3) months of the end of each fiscal year; such statement shall be certified while the Sponsor is in control of the Board of Managers;
2. Prior notice of the annual Unit Owners' Meeting; and
3. A copy of the proposed annual budget of the Condominium within thirty (30) days prior to the date set for adoption thereof by the Board of Managers; while the Sponsor is in control of the Board of Managers, such budget shall be certified.

X. DOCUMENTS ON FILE

The Sponsor shall keep copies of the Plan, all documents referred to in the Plan and all Exhibits submitted to the Office of the Attorney General in connection with the filing of the Plan, on file and available for inspection without charge and copying at a reasonable charge at the office of the Sponsor for six (6) years from the date of first closing. The Sponsor shall deliver to the Board of Managers a copy of all documents filed with the appropriate recording office at the time of the closing of the first Unit.

Y. GENERAL

There are no lawsuits, administrative proceedings, or other proceedings the outcome of which may materially affect the Offering, the Property, Sponsor's capacity to perform all of its obligations under the Plan, the Condominium or the operation of the Condominium.

The Property has not been the subject of any prior cooperative or condominium offerings. No preliminary binding agreements have been entered into and no money has been collected from prospective purchasers. There have been no market tests pursuant to Cooperative Policy Statement No. 1.

No contracts or written agreements, written or oral, have been entered into for the sale of transfer of any of the units offered in the Plan and no deposits or advances of funds have been taken by or on behalf of Sponsor in connection with the reservation, sale or transfer of such units, prior to the submission of the Plan to the Department of Law

Sponsor and its agents will not discriminate against any person on the basis of race, creed, color, national origin, sex, age, disability, marital status or other grounds prohibited by law.

If there is a material amendment to the Offering Plan that adversely affects the Purchasers, Sponsor will grant Purchasers a right of rescission within fifteen (15) days after the date of presentation of the material amendment. The Sponsor will return any deposit or down payment to Purchasers who rescind.

Z. SPONSOR'S STATEMENT OF SPECIFICATIONS OF BUILDING CONDITIONS

Sponsor adopts the Description of Property and Building Condition set forth in Part II of the Plan, and represents that it has no knowledge of any material defects or need for major repairs to the Property except as set forth in the Description of Property and Building Condition.

254 North 6 LLC

Dated: Brooklyn, New York
_____, 20____

PART II

EXHIBIT "A"

**PURCHASE AGREEMENT ("Agreement")
254 NORTH 6TH STREET CONDOMINIUM ("Condominium")
(TO BE EXECUTED IN TRIPLICATE)**

Purchaser(s): _____

Address: _____

Telephone No.: _____

Social Security No.: _____

Attorney: _____

Attorney's Address: _____

Attorney's Phone No.: _____

Dated as of: _____

Unit No.: _____ Common Interest: _____%

Total Purchase Price: \$ _____

Down Payment
(10% of Purchase Price) \$ _____

Balance Due at Closing \$ _____

1. Agreement to Purchase. Purchaser agrees to purchase from 254 North 6 LLC ("Seller") Unit No. _____ and a _____% undivided appurtenant interest in the Common Elements of the Condominium upon the terms set forth herein, for the Total Purchase Price shown above. Purchaser is delivering to Seller a check for the Down Payment shown above to the order of "Carlinsky, Dunn & Pasquariello, PLLC as attorney", which Seller acknowledges receiving. If the Down Payment check is not collectible for any reason, this Agreement shall, at Seller's option, be null and void. When Seller delivers the deed for the Unit, Purchaser will give Seller or anyone Seller designates Purchaser's personal certified check or an official bank check payable as per the instructions of Seller, for the Balance Due at Closing shown on the first page, drawn on a New York City bank which is a member of the New York Clearing House Association. Purchaser understands, however, that this Agreement will not have any legal effect,

until Seller has signed a copy of this Agreement and forwarded it to Purchaser, and that Seller has no obligation whatsoever to do so.

2. Definitions. All of the capitalized terms used in this Agreement shall have the same meanings as they do in the Condominium Offering Plan for 254 North 6th Street Condominium (the "Plan"), unless the context requires otherwise. The term "Purchaser" shall be read "Purchasers" if more than one person is a Purchaser, in which case the obligations of each Party signing this Agreement shall be joint and several.

3. Closing of Title. The closing of title shall take place on no less than thirty (30) days' prior written notice to Purchaser at such place as Seller may designate, at an hour and on a date (the "Closing Date") to be specified by Seller. Such date shall be no earlier than ten (10) days after the date of which written notice is given to Purchaser that the Plan has been declared effective (unless Purchaser and Seller shall agree on an earlier Closing Date). Seller shall have the right, from time to time, to adjourn the Closing Date on written notice to Purchaser. If adjourned, Seller shall fix a new date and time for the closing of title to the Unit and shall give Purchaser not less than five (5) days written notice of the newly scheduled Closing Date. Purchaser shall be entitled to one reasonable adjournment of up to fifteen (15) days, on five (5) days written notice to Seller. In addition to any other rights Seller may have by reason of Purchaser's failure to timely close title when requested, Seller shall be reimbursed by Purchaser for the cost of any real estate taxes and Common Charges which Seller would not otherwise have had to pay if there had been no unauthorized delay in closing of title by Purchaser.

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

Simultaneously with the delivery of the deed, Purchaser shall cause the proceeds of any mortgage loan to be transferred to the Seller on account of the Total Purchase Price and shall execute and deliver to the mortgagee the note and mortgage, and any other documents required by the mortgagee, as well as any documents required by Seller.

4. Power of Attorney. At the closing of title and simultaneously with the delivery to Purchaser of the deed conveying the Unit, Purchaser shall execute and acknowledge the power of attorney to the Board of Managers in the form contained in Part II of the Plan. Purchaser agrees to deliver such power of attorney to Seller or as directed by Seller at the closing of title for recording and to pay the recording fee thereof.

5. Binding Effect of Declaration, By-Laws, Plan, Rules and Regulations. Purchaser has been afforded at least three (3) full business days to review the Plan, as amended, prior to the signing of this Agreement.

Purchaser hereby agrees to be bound by the Plan, the Declaration, the By-Laws, and the

Rules and Regulations.

6. Condition of Title. Seller agrees to convey to Purchaser title in fee simple to the Unit free and clear of all liens and encumbrances other than those set forth in the Plan, specifically in Part I in the section titled "Terms of Sale," and the Exhibits submitted in connection therewith.

Notwithstanding the above, the existence of unpaid taxes or liens of any kind at the time of title closing shall not constitute an objection to title, provided that a reputable title insurance company licensed to do business in the State of New York shall be willing to insure against collection of same from the Unit herein described. The parties agree that the Seller may pay and discharge any liens and encumbrances upon the Property, not provided for in the Plan or this Agreement, out of the monies to be paid by the Purchaser at the time of closing title.

7. Expenses of Closing and Closing Adjustments. Purchaser will pay the closing costs and expenses referred to in the Section of the Plan entitled "Unit Closing Costs and Adjustments," including, but not limited to, the amount of any credit for mortgage recording tax as set forth in such Section, payment for title insurance, if Purchaser elects or is required by lender to obtain same, recording fees for recording the Deed and Power of Attorney, New York City Real Property Transfer Tax, New York State Transfer Tax, Additional Tax Due on the Conveyance of Residential Real Property of \$1,000,000 or more (the 1% so-called "Mansion Tax", if applicable), Seller's attorney's fees for closing the Unit, and costs associated with obtaining a mortgage loan. The legal fees of Seller's attorneys in the amount of \$1,500.00, plus disbursements, will be payable by Purchaser to Carlinsky, Dunn & Pasquariello, PLLC. A further fee \$350.00 shall be payable by Purchaser to Seller's attorneys for the work involved for each assignment and/or cancellation of a purchase agreement or contract. Purchaser shall have no right to assign this Agreement without Seller's prior written consent. Any purported assignment of this Agreement in violation thereof shall be voidable at the option of Seller. A legal fee of \$500.00 shall be payable for work involved as a result of any adjournment by a Purchaser beyond that permitted under any right of adjournment set forth herein. In addition, Purchaser shall also pay at the closing \$200.00 to Sponsor for the Condominium's working capital fund. Except as otherwise provided in this agreement or in the Plan, real estate taxes and Common Charges and expenses shall be adjusted between Seller and Purchaser as of midnight preceding the Closing Date in accordance with the provisions of the Plan. Any such expenses or adjustments payable to Seller in excess of \$500.00 will be paid by certified check or bank check drawn on a bank or trust company which is a member of the New York Clearing House Association.

8. Agreement Subject to Mortgages. Purchaser agrees that all terms and provisions of this Agreement are and shall be subject and subordinate to the lien of any building loan mortgage heretofore or hereafter made and any advances heretofore and hereafter made thereon and any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by Purchaser. This

subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the building loan schedule of payments or accelerated thereunder by virtue of lender's right to make advances before they become due in accordance with the schedule of payments.

9. Default by Purchaser. If Purchaser shall fail to pay any portion of the Purchase Price when due, fail to close title on the date, hour and place specified by Seller pursuant to Paragraph 3 hereof or fail to perform any of Purchaser's other obligations hereunder, such failure shall constitute a default by Purchaser and Seller may send notice to Purchaser of Seller's intention to cancel this Agreement if such default shall not be cured within twenty (20) days from the mailing date of such notice or fifteen (15) days after personal delivery of such notice within which to cure such default. TIME IS OF THE ESSENCE FOR PURCHASER TO CURE ANY DEFAULT UNDER THE PURCHASE AGREEMENT WITHIN THE APPLICABLE PERIOD. "Time is of the essence" means that if such default is not cured within thirty (30) days of such written notice, Sponsor may (but shall not be obligated to) elect to cancel the Purchase Agreement by notice of cancellation to Purchaser sent after the cure period has expired. In the event that Seller shall elect so to cancel this Agreement, Seller shall certify to its attorneys, Carlinsky, Dunn & Pasquariello, PLLC, that title has not closed because of Purchaser's default and that Seller has elected to cancel this Agreement by reason thereof, and Carlinsky, Dunn & Pasquariello, PLLC shall thereupon pursuant to Paragraph 15 hereunder, cause to have paid over to Seller as liquidated damages the Down Payment, and upon such payment being made each of the parties hereto shall be relieved of any further liabilities or obligations hereunder. If this Agreement shall be cancelled by Seller pursuant to the provisions of this Paragraph 9, Seller may sell the Unit to any third party and shall be under no obligation to account to Purchaser for any part of the proceeds of such sale. Carlinsky, Dunn & Pasquariello, PLLC may rely upon the truth and accuracy of the facts contained in Seller's certification and authority of the person or persons executing the same and shall have no liability as a result of such reliance.

Notwithstanding the above, the Escrow Agent will not release the funds from the escrow account until otherwise directed in:

- (i) a writing signed by both Sponsor and Purchaser;
- (ii) a determination of the Attorney General pursuant to the dispute resolution procedures contained in the Attorney General's regulations; or
- (iii) a judgment or order of a court of competent jurisdiction.

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

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

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

In the event of a dispute, Sponsor shall apply and Purchasers or the Escrow Agent may apply to the Attorney General for a determination on the disposition of the down payment and any interest thereon. A form for this purpose is attached as Exhibit G of Part II of the Plan and is also available from the Office of the Attorney General. The party applying for a determination shall contemporaneously send all other parties a copy of the application.

10. Notices. Any notice to be given hereunder shall be in writing and sent by registered or certified mail or personal delivery to Purchaser at the address given above and to Seller c/o Robert Paciullo, 108 Withers Street, Brooklyn, New York 11211 with copy to Carlinsky, Dunn & Pasquariello, PLLC, 334 Leonard Street, Brooklyn, New York 11211 or at such other address as either party may hereafter designate to the other in writing. The date of mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address.

11. No Representation. Except as specifically set forth herein or in the Plan, Purchaser acknowledges that he has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties or statement of any nature, whether made by Seller, Seller's counsel or otherwise, including, but not limited to, any relating to the description or physical condition of the Building or the Unit, the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the building services, the estimated Common Charges and expenses allocable to the Unit or the right to any income tax deduction on account of any real estate taxes and/or mortgage interest paid by Purchaser. Purchaser agrees that Seller shall have no liability or responsibility to Purchaser if the layout or dimensions of the Unit or any part thereof or of the Common Elements as shown on the floor plans or on the architectural plans and specifications for the Building is not accurate or correct, provided such layout or dimensions conform substantially to the floor plans and the architectural plans and specification for the Building and the site as modified or supplemented in accordance with the Plan and that Purchaser will not be relieved from its obligations hereunder by reason of any minor inaccuracy or error.

12. Recording of Deed and Power of Attorney. At the closing of title, Purchaser will deliver the executed deed received from Seller and executed and acknowledged power of attorney to the representative of the title company, if any, or to Seller for recording in the Office of the Register of the City of New York, County of Kings. Such deed and power of attorney will be in the form set forth in the Plan.

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

14. Agreement Subject to Plan Becoming Effective; Seller's Right to Cancel. This Purchase Agreement is contingent upon the Plan being declared effective. The Plan may be abandoned by Seller at any time prior to its being declared effective, provided Purchase Agreements for Units totaling not more than 80% of the Common Interest of the Condominium have been executed and accepted. If the Plan is abandoned or does not become effective this Agreement shall be deemed cancelled, and the Plan terminated and Purchaser is to receive back, not later than twenty (20) days thereafter, in full, all monies paid by him hereunder, and upon such repayment no party shall have any claim against any other party, person or entity, and all parties shall be released from all obligations hereunder and under the Plan. If, after the Plan is declared effective, title to the Unit shall not close within the time set forth in the Plan for any reason other than Purchaser's default, then, at Purchaser's option, upon prior written notice sent by Purchaser to Seller within fifteen (15) days subsequent to the end of the scheduled closing date, after permitted adjournments, this Agreement shall be deemed cancelled. If this Agreement is cancelled pursuant to the provisions of this paragraph, then not later than twenty (20) days thereafter, Purchaser shall receive a refund in full, of all monies paid by Purchaser hereunder. Upon such repayment, neither party shall have any claim against the other and both shall be released from all obligations.

15. Monies to be Held in Trust; Liquidated Damages. The required Down Payment pursuant to this Agreement will be ten percent (10%) of the Purchase Price for the Unit. All monies, including all deposits, down payments or advances, received by Seller through its agents or employees pursuant to this Agreement will be deposited with Citibank NA, in an IOLA account titled "Carlinsky, Dunn & Pasquariello, PLLC IOLA Account" or similar name, at its branch located at Sunnyside Blvd., Plainview, New York 11803.

In the event of an uncured default by Purchaser in its obligations under the Purchase Agreement, no more than ten percent (10%) of the Purchase Price plus any interest earned thereon, may be retained as liquidated damages.

16. Equipment and Furnishings. Seller will provide Purchaser only with the fixtures, equipment, hardware, appliances and furnishings referred to in the Plan, which are included in the Purchase Price of the Unit.

17. Acceptance of Condition of Unit. The signing of a Purchase Agreement shall constitute acceptance of the Unit "As Is" by Purchaser, except for those matters which are the responsibility of the Sponsor as stated in the Plan.

18. Risk of Loss. The risk of loss from fire or other casualty with respect to each Unit shall remain with Sponsor until the closing of title for the Unit. Notwithstanding the above, in the event that Purchaser, or one claiming by or through Purchaser, enters into possession of a Unit prior to the closing of title, then Purchaser shall bear the risk of loss or other casualty with respect to the Unit. Accordingly, any Purchaser, or one claiming by or through Purchaser who takes possession of the Unit prior to the closing of title should obtain insurance coverage for the Unit prior to taking possession, since, despite any loss, such Purchaser will remain obligated to purchase such Unit under the terms of the Agreement.

19. Entry of Unit Prior to Closing. Prior to the closing of title to a Unit, no Purchaser shall be permitted to enter the Unit without the prior consent of Sponsor or the Selling Agent. Purchaser shall have the right to enter and inspect such Unit prior to the closing of title but shall be obligated to make an inspection appointment with Sponsor or the Selling Agent. Under no circumstances shall Purchaser perform or cause to be performed any work in such Unit prior to the closing of title thereto.

20. Limitation of Sponsor's Liability. The Sponsor's liability under this Agreement for failure to complete and/or deliver or have delivered title for any reasons whatsoever shall be limited to the return of the money deposited hereunder and upon the return of said money, this Agreement shall be null and void and the parties hereto released from any and all liability hereunder. In any event, the Sponsor shall not be required to bring any action or proceeding to render the title to the Unit marketable or to cure any objection to title.

21. Gender. The use of the masculine gender in this Agreement shall be deemed to refer to the feminine gender or to an entity whenever the context so requires.

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

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

24. Brokerage. Purchaser represents and warrants to Seller that Purchaser did not negotiate with any broker for the purchase of the Unit other than _____. Purchaser hereby agrees to indemnify, defend and hold Seller harmless from any claims by any broker that alleges that he has dealt with Purchaser in connection with the purchase of the Unit.

25. Governing Law. The Agreement shall be governed by and construed in accordance with the laws of the State of New York.

26. Jury Waiver. Purchaser hereby waives trial by jury in any action, proceeding, or counterclaim involving any matter whatsoever arising out of, or in any way connected with this

Agreement or the relationship of the parties as Purchaser and Seller, or the right of Purchaser to any statutory relief or remedy.

27. Acceptance by Seller. Within thirty (30) days after delivery to Seller or its agent by Purchaser of this Agreement, executed by Purchaser, Seller will either:

- (a) accept this Agreement and cause to be returned to Purchaser a fully executed counterpart thereof; or
- (b) reject this Agreement offer and refund the downpayment tendered by Purchaser.

28. Survival. The closing of title to the Unit and the delivery of the deed thereto shall be deemed full compliance by Seller with each and every term of this Purchase Agreement, except as to any item specifically listed and excepted therefrom.

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

30. 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.

Dated: _____

_____, New York

PURCHASER

Accepted:

254 North 6 LLC

By: _____

Escrow Received in Accordance
With the Terms Hereof:

Carlinsky, Dunn & Pasquariello, PLLC

By: _____

EXHIBIT "B"

DEED

THIS INDENTURE made the _____ day of _____, 20____, between 254 North 6 LLC, with an address of 108 Withers Street, Brooklyn, New York 11211 ("Grantor"), and _____ ("Grantee");

WITNESSETH:

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

ALL that certain piece or parcel of real property described in Schedule A attached hereto, known as Unit # _____ in the 254 North 6th Street Condominium, 254 North 6th Street, Brooklyn, New York 11211;

TOGETHER WITH a _____% undivided interest in the Common Elements of the Condominium;

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 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 any taking in condemnation or eminent domain proceedings, or by 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 AND SUBJECT to the terms conditions covenants, easements and provisions of the Declaration and of the By-Laws of the Condominium recorded simultaneously with and as part of the Declaration, as the same may be amended or modified in accordance therewith, from time to time by instruments recorded in the City of New York, Kings County, which terms, conditions, covenants, reservations and 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 FURTHER to all exceptions to title set forth in the Offering Plan;

TO HAVE AND TO HOLD the premises herein granted unto the Grantee, and the heirs or successors and assigns of the Grantee, forever;

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

AND the Grantor, in compliance with Section 13 of the Lien Law of the State of New York, covenants that the Grantor will receive the Consideration for this conveyance and will hold the right to receive such Consideration as a trust fund for the purpose of paying the cost of

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;

AND the Grantee accepts and ratifies the Declaration and the By-Laws and the Rules and Regulations of the Condominium recorded simultaneously with and as part of the Declaration and agrees to comply with all the terms and provisions thereof, as the same may be amended from time to time by instruments recorded in the Office of the Register of the City of New York, Kings County.

The use for which the Unit is intended is that of a one family residence subject to the applicable governmental regulations and the restrictions contained in the Declaration.

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

Grantor

Grantee

State of New York)
) ss.:
County of _____)

On the _____ day of _____ in the year 20____, 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(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

State of New York)
) ss.:
County of _____)

On the _____ day of _____ in the year 20____, 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(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

EXHIBIT "C"

POWER OF ATTORNEY

THE UNDERSIGNED, the Owner(s) of Condominium Unit No. _____ in the Condominium known as 254 North 6th Street Condominium covering the property located in Kings County, City and State of New York, do hereby nominate, constitute and appoint the members of the Board of Managers of the Condominium and their successors jointly, my true and lawful attorneys-in-fact coupled with an interest and with the power of substitution, in my name and on my behalf to (1) acquire, in their own name or in the name of their designee by deed on behalf of all owners of Condominium Units in said property, any Condominium Unit whose owner desires to sell or abandon the same, or which shall be the subject of a foreclosure sale or a deed in lieu of a foreclosure sale, at such price and on such terms as my said attorneys-in-fact shall, in their sole discretion, deem proper and thereafter to convey, sell, lease, sublease, mortgage, vote or otherwise deal in such Condominium Unit so acquired, at such terms as my attorneys-in-fact may in their sole discretion determine, granting to my said attorneys-in-fact the power to do all things in the said premises which I could do if I were personally present; and (2) to execute, acknowledge and deliver (a) any declaration or other instrument affecting the Condominium that the Condominium Board deems necessary or appropriate to comply with any law, ordinance, regulation, zoning resolution, or requirement of the Department of Building, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the Condominium or (b) any consent, covenant, restriction, easement, or declaration, or any amendment thereto, affecting the Condominium or the Common Elements that the Condominium Board deems necessary or appropriate.

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

I(We) do, hereby further irrevocably nominate, constitute and appoint 254 North 6 LLC, and its successors, my true and lawful attorneys-in-fact coupled with an interest, with power of substitution, in my name and on my behalf to vote at any Unit Owners meeting for, and to file an amendment to the Declaration of 254 North 6th Street Condominium, the By-Laws and the Rules and Regulations of the said Condominium or any of said documents when such amendment (1) shall be required to fully and fairly depict the Units as built or to carry out any of the provisions of the Offering Plan, or to create any utility easement, or (2) shall be required to reflect any changes in Unsold Units and/or the reapportionment of the Common Interests of the affected Unsold Units resulting therefrom made by Sponsor or its designee in accordance with the Declaration or (3) shall be required by (a) an institutional lender designated by Sponsor to make a mortgage loan secured by a mortgage on any Unit, (b) any governmental agency having regulatory jurisdiction over the Condominium or (c) any title insurance company selected by Sponsor to insure title to any Unit, provided however, that any amendment made pursuant to the terms of subdivision (1), (2) or (3) of this paragraph shall not change the Common Interest of the undersigned's Unit, (ii) require a material, physical modification to the undersigned's Unit, or

(iii) adversely affect the priority or validity of the lien of any purchase money mortgage held by an institutional lender covering the undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) or the holder of such mortgage (in the event described in subdivision (iii) of this paragraph) shall consent thereto by joining in the execution of such amendment. The terms covenants and conditions contained in, and the powers granted pursuant to, this paragraph shall remain in full force and effect until such time as Sponsor shall cease to own any Unit in the 254 North 6th Street Condominium.

This power of attorney shall be irrevocable.

IN WITNESS WHEREOF, I(We) have hereunto set my (our) hand(s) and seal(s) this day of _____, 20____.

State of New York)
) ss.:
County of _____)

On the _____ day of _____ in the year 20____, 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(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Notary Public

Exhibit "D"

254 North 6th, LLC

113 Withers Street, Brooklyn, NY 11211

April 20th, 2010

A. General

1. The property described herein will contain a three (3) story building with mezzanine, penthouse and cellar

B. Location of Property

1. Address: 254 North 6 Street, Brooklyn, NY 11211
2. Block: 2338
3. Lot: 14
4. Zoning District: R-6B
5. Permitted Uses: Use Groups 1, 2, 3 & 4
6. Use group: 2
7. Landmark Status: None

C. Status of Construction:

1. The construction of the New Building, pursuant to permit #302344844, as of April 20th, 2010 is substantially complete.
2. Certificate of Occupancy: After completion of construction, the Sponsor will apply for a Certificate of Occupancy for the Building from the Department of the Buildings of the City of New York ("Department Buildings"). The Sponsor makes no representation as to the exact time of the delivery of the Certificate of Occupancy. The Sponsor will obtain a Permanent Certificate of Occupancy within two (2) years of the first unit closing.
3. Class of Construction: The Building will be classified as Class IC (Non-Combustible) and will conform to all applicable regulations of the Building code of the City of New York ("Building Code") The Building plans have been filed with the New York City Department of Buildings, job #302344844 and approved November 5, 2007

D. Site:

1. The total site area is 2,016 square feet.
2. Residential Building:
 - The majority of the site will be occupied by a three (3) story residential building with a penthouse and mezzanine level in conjunction with apartments below.
 - a) The floors will be designated as C, 1, 2, and 3.

- b) The Cellar shall be used for accessory storage in conjunction with apartments above as well as a sprinkler and meter room.
 - c) The first floor contains the residential entry and one (1) dwelling unit in conjunction with an accessory storage room below.
 - d) The second floor is occupied by a dwelling unit in conjunction with the mezzanine above.
 - e) The third floor also contains a single dwelling unit in conjunction with penthouse above.
3. The site has frontage on one (1) street:
- Approximately a 20'-2" frontage on North 6th Street
4. Adjacent Streets:
- Adjacent to the site are paved with asphalt topping and are in good condition.
 - The existing curbs will be replaced.
 - The streets are presently pitched to drain via catch basin into New York City combined sewer water drainage system.
 - The street lighting is provided by the City of New York.
 - The building conforms to local fire district and municipal codes.
5. Sidewalks:
- The existing sidewalk and curb on North 6 Street will be replaced.
 - The existing curbs will be replaced.
 - The sidewalk will pitch to the street
 - The streets are presently pitched to drain via catch basin into New York City combined sewer water drainage system.
 - The street lighting is provided by the City of New York.
 - The building conforms to local fire district and municipal codes.

E. Distribution:

1. The proposed building shall be subdivided into two (2) separate parts.
 - Three (3) story residence.
 - Cellar accessory storage and meter room.

F. Utilities:

1. Water supply and combined sewer servicing the building units will be provided by the City of New York. Water will be master metered. Gas and electrical services will be provided by National Grid.
2. Telephone service will be provided by a telephone company to be selected by each unit owner. Telephone lines will also be used for intercom service to each residential unit.

G. Sub-soil Conditions:

1. A new poured concrete foundation shall be constructed under the entire building from Northwest to Southeast lot lines. New perimeter foundation walls up to grade level shall be poured concrete.
2. There is no apparent danger of damage to the building from natural flooding, soil erosion or mud slides

H. Landscaping & Enclosure:

1. Grass cover: rear yard.
2. Plantings: none
3. Trees: sidewalk
4. Fencing: none
5. Gates or Handrails: first and second floor rear terraces, third floor rear roof and rear yard retaining wall.
6. Retaining wall: There will be retaining walls at the rear yard.
7. Display Pools & Fountains: none
8. Space & Sitting areas: none
9. Unit A shall have access to private rear yard space as well as individual rear yard terrace. Units B & C shall have private roof terraces.

I. Building Heights:

1. The building street curb elevations around the building vary from a high point of approximately el.+14.85' at the NW side to a low point of el.+14.61' on the SE side of North 6th Street
2. The building height will be approximately 50.0' above average street elevation on North 6th Street, measured up to level of the main roof.
3. There are three (3) floors plus a cellar.
 - a) First Floors: 8'-8"
 - b) Second Floors: 8'-8" & 18'-2"
 - c) Third Floor: 8'-8"
 - d) Cellar: 8'-0"
4. Roof structure height from main roof to top of penthouse and bulkhead is 9'-6".
5. Parapets: Height from top of roof finish to top of parapet coping or railings will be a minimum of 3'-6".

J. Occupancy:

1. Residential Units: there will be three (3) Class-A residential units in the project.
 - The number of units are in compliance with the requirements of the New York Zoning Resolution.

K. Building Systems:

1. The new foundation wall will be reinforced concrete supported on concrete footings. The building structure will be post and beam with reinforced concrete masonry unit walls and steel beams supporting corrugated decking and poured concrete slab.
2. The building is a new building. There is no Landmark district or individual designation.
3. Walls:
 - The Northeast exterior wall is brick veneer backup, light gauge metal studs with batt insulation and ½" gypsum wall board finish. Walls have insulation as required by the NYS Energy Code.
 - Walls abutting existing adjacent buildings consist of two (2) hour fire rated wall assembly.
4. Windows:
 - The windows at all floors will be of new aluminum casement with a standard manufacturer's warranty on labor and materials. The warranty period will start from the end date of completion of the window installation.
5. Parapet and Coping:
 - The roofs and terrace will be solid masonry walls with vertical steel dowels embedded into the concrete slab and non-combustible handrails. The parapet coping will be precast concrete. The interior face of the parapet walls will be masonry.
6. Flashing:
 - Exposed exterior flashing for the building shall be stainless steel or aluminum.
7. Chimneys & Flues:
 - By-products from gas combustion items, hot water heaters and furnaces are vented through flues at roofs per NYC DOB standards.
8. Terraces:
 - Deck finish: Quarry tiles at terraces.
 - Railings: metal railings at terraces and rear roof
 - Copings: Precast coping at all parapets
 - Doors to terraces: Aluminum and glass doors thermal glass double glazed.
9. Exterior Entrances and Ground Floor Public Areas
 - Exterior Doors and frames:
 - a) The main Residential entrance is to be aluminum with transparent glass panels.
 - b) Vestibules and entrance doors will be clear tempered glass and frames shall be aluminum.

10. Mail Boxes:

- Mailboxes are located in the Entrance Vestibule on the First Floor and will be front loaded, finished metal, and U.S. Government approved.

11. Storage Room:

- Provided at Cellar for storage of general house hold items accessory to the building.

12. Lighting:

- Exterior Lighting at all building entrances provided. Lighting will be provided in the Entrance Vestibule, corridors, and public stairs. Rear yard illumination shall be provided and charged to Owners Association

13. Roof and roof Structure

- Roof material:
 - a) The roofing system will be EPDM roofing membrane over tapered ridged insulation sloped to drains with quarry tiles for roof portions that are Terraces.
 - b) Insulation: Insulation shall be as per roofing manufacturer's recommendation with an "R" value as required to meet the NYS Energy Codes.
 - c) Surface Finish: The surface finish will be roofing or brick pavers as described above.
 - d) Expected Useful Life: The roofing system should have a minimum life of up to 10 years.
 - e) Bond or Warranty: The roofing system should have a two (2) year minimum manufacturer's warranty.
 - f) Flashing Material: There will be stainless steel or aluminum counter flashing and membrane base flashing as required and will be compatible with the roofing manufacturer's recommendations.
 - g) Roof Drains: Cast Iron Drains
 - h) Scuppers and Leaders: at rear roof, Penthouse and bulkhead made of galvanized metal materials

14. Skylight: none

15. Core Bulkhead and fire stairs:

- Stair bulkhead
 - a) Exterior enclosure: light gauge metal stud and 8" concrete masonry units

- b) Vertical ladders: One exterior, vertical ladder shall be provided to gain access to the upper roof level (above penthouse).
- c) Railings: metal railings at terraces, rear and upper roof.

16. Roof Top Facilities: The roof Terraces are private and will be for use by the penthouse unit

17. Other: HVAC units will be located on the rear portion of the roof.

18. Private Terraces: The sponsor's sale of roof to the condominium unit owner is restricted as follows:

- No floor area may be added.
- No construction can be performed without a permit from the Department of Buildings and approval by the Board of Managers of the Condominiums. All drawings and calculations submitted must be signed and sealed by a Registered Architect or Professional Engineer.
- If any proposed construction cannot be built as of right and require a variance from the Board of Standards and Appeals, the applicant must disclose the need for the variance. If the Board of Managers of the Condominium opposes the application for a variance it may be denied.
- The condominium shall have unlimited access to all area of the roof for the purposes of making inspections or repairs.
- Repairs or replacement of the roof, roof accessories or common elements in or passing through the unit is financial responsibility of the condominium unless the damage is by the condominium unit owner.
- In the event the condominium unit owner wishes to construct on the roof subject to the conditions stated above, the Board of Managers of the Condominiums should regulate the following aspects of construction:
 - a) Time periods during which work is permitted.
 - b) The manner in which construction debris will be handled.
 - c) Measures that must be taken to prevent compromising the security of the building during construction.
 - d) The interruption of services during construction.

19. Fire Escapes:

- There are no fire escapes. Fire escapes are not permitted by the building code, of the City of New York for new construction

20. Yards: Quarry tiles and landscaped rear yard.

21. Interior Public Stairs:

- Number of Stairs: There is one (1) stair core in the building, containing two (2) separate stairs. One (1) stair enclosure which will extent from first floor to cellar level. The other stair extends from the first floor to the main roof level. Fire stairs provide egress from cellar, upper floors and roof.
- Enclosure: The stairs will be enclosed with a minimum two (2) hour fire rated wall construction.
- Stair Construction: All the stairs will be metal pan and cast in place concrete construction.
- Stringers: Metal channel.
- Treads: concrete with metal underside at nosing.
- Risers: Metal.
- Handrails: There shall be non-combustible metal handrail in each stair in accordance with the NYC Building Code.
- Balustrade: Non-combustible metal pipe as required.

22. Interior Door and Frames:

- Unit Entrances: The residential units shall be accessed from the public stair. The door shall be 1 ½ hour fired, class "B", self closing metal door and shall have a hollow metal frame to meet the New York City Building Code. The apartment interior doors shall be solid core wood doors without frames.
- Roof , Cellar Enclosure Doors and Frames: all shall be 1 ½ hour fired, class "B", self closing metal door and shall have a hollow metal frame to meet the New York City Building Code. The accessory storage, in conjunction with the dwelling unit above, shall contain solid core wood doors without frames.

L. Finishes /Appliances:

1. General:

- The Residential apartments and facilities will be as specified below;

2. Residential Entrance Vestibule:

- The floor shall be finished with porcelain tile size as specified by owner(TBD)
- Walls shall be finished with gypsum wallboard finish with painted wood baseboards.
- The main Residential entrance is to be aluminum frame with transparent glass panels.
- Ceiling lighting shall be recessed incandescent fixtures as specified by owner.

3. Interior of Residential Units, General Requirements (equal or better as certified by architect of record):

Items	Manufacturer	Model#
Ceiling	Painted Gypsum Wallboard	NA
Walls	Painted Gypsum Wallboard	NA
Floors	Wood	NA
Refrigerator	Miele	KF28X1V(30") (2)-KD19VI(36")
Speed oven	Miele	(3)-H4080BM(24")
Wall oven		(3)-H4882BP(30")
Counter Cook top	Bosch	(1)-NGM8034UC(30") (2)-NGM8054UC(30")
Range Hood	Broan	(3)-153004
Wine Cooler	GE Monogram	(2)-ZDWC240WBS
Dishwasher	Miele	(3)- G1472SCVI(24)
Kitchen sink (TBD)		
Kitchen faucet (TBD)		
Kitchen cabinet	Caesar Italian - Yellow Pine	
Counter top	Caesar Stone - Quartz	
Washer & Dryer (stack)	N/A	
Gas Fireplace	Heat & Glo	

4. Toilet: accessory storage, 2nd & 3rd floors (equal or better as certified by architect of record):

Lavatory		
Lavatory faucet	La Cava	
Toilet	Toto	ECO SUPREME MS864114E-01
Floors		

5. Bathroom (equal or better as certified by architect of record):

Bathtub	Neptune soaking tub	(2)-ZB3260S-W
Tub drain		BDWUN22/CPB
Shower basin		
Shower Head		3-3771-PC
Lavatory		
Lavatory faucet	La Cava single hole faucet	
Double lavatory	Aquamedia double sink	5064-1
Faucet (double lavatory)		
Toilet	Toto Eco Supreme	MS864114E-01
Floors	Ceramic tile	

M. Unit Description:

Unit Designation	Unit Type	Gross F.A.	Exterior Terraces
Cellar	Accessory Storage	560.2SQ.FT.	
Cellar (in conjunction with 1 st floor)	Accessory Storage	638.2SQ.FT.	298.2SQ.FT.
1 st Floor Residence	One (1) Bedroom	958.28SQ.FT.	580.84SQ.FT.
2 nd Floor & Mezzanine Residence	Two (2) Bedroom	1378.61SQ.FT.	180.0SQ.FT
3 rd Floor & Penthouse Residence	Two (2) Bedroom	1272.9SQ.FT.	300.0SQ.FT
Total		47868.19SQ.FT.	

(Unit sizes are calculated from the exterior face of exterior walls adjacent to the unit to the centerline of the demising wall between Units, Corridors and Stairs)

N. Plumbing and Drainage:

1. Water Supply:

- A 2 1/2" metered cold water service connected to the street water main on North 6 Street. The service line is extended to the cellar's Meter Room.
- The metered cold water supply will be extended to a single check valve assembly located in the cellar with one take off for 2" sprinkler riser.
- Cold-water distribution will be supplied from cellar via pressure supplied from city water main.
- The hot water piping parallels the cold water as an up feed supply. The end of each hot water riser is provided with a hot water circulation riser and extends to the individual circulation distribution main in the each apartment.
- The domestic hot water temperature to all fixtures will be 120deg F. and controlled by a mixing valve at the water heater. Domestic water heating will be provided by indirect type water heaters and distributed to all residential units. Separate heaters will be provided in each residential unit.
- Flow conservation devices will be provided on all water supplies to all showers.
- Vacuum Breakers will be provided as required to protect the domestic water supply.
- Air chambers are provided at the top of all risers and throughout the piping systems to prevent water hammer.

- The cold, hot and hot water circulation piping 2" and less is copper Type "L" with 95-5 solder joints. Piping (2)1/2" and larger is copper type "L" with 95/5 solder joints.
 - The cold water service pipes shall be ductile material.
 - All water risers will be provided with control valves.
 - Expansion compensators and loops will be provided on hot and hot water circulation piping systems.
 - The water pressure in the cold and hot water systems to fixtures will be limited to 75 psig by means of pressure reducing valves.
 - Water conservation plumbing devices will be provided.
2. Fire Protection System:
- The 2 1/2" domestic water service from North 6 Street will provide the metered cold water supply which will be extended to a single check valve assembly located in the cellar with one (1) take off of 2" for a sprinkler riser.
 - The building will be supplied by a sprinkled riser located in the public stair. The riser will serve branches limited to the public corridor and stair. The pipe material is black steel pipe.
 - A wet sprinkler system will only be supplied through the public corridor and stair from bulkhead to the cellar. The sprinkler system is supplied from 2 1/2" domestic water service.
 - Flush type heads will be provided throughout with concealed heads and plates.
3. Water storage tank: None provided
4. Water pressure: Domestic water pressure is ample as supplied from city water main on North 6 Street
5. Sanitary Sewage System:
- A complete sanitary drainage system will convey all soil and waste from plumbing fixtures and drains. The sanitary system is designed for gravity flow through vented branches, stacks and building drains.
 - Sanitary piping above ground shall be cast iron piping with no-hub fitting. Piping below grade is cast iron service weight pipe with Bell and Sogot fittings and neoprene gasket joints.
 - The sanitary drainage flows to the city public sewer at North 6th Street.
6. Permits and approval to be delivered on closing by the developer for:
- (a) General construction: approval: 11/05/07 permitted: 03/06/08
 - (b) Plumbing: approval: 11/05/07 permitted:
7. Storm Drainage System:

- A complete storm water drainage system designed for gravity flow will convey storm water drainage from the buildings roofs. Drainage from the rear yard and rear terraces will drain into drywell and discharge into the surrounding soil.
- Drainage below grade level will discharge to the public sewer system.
- A storm house sewer will connect and combine with the sanitary house sewer at the foundation wall and will flow into a combined street sewer on North 6th Street.
- The piping material above floor will be cast iron with no-hub joints. Piping below the cellar slab will be cast iron.

O. Heating:

1. Method

- The heating source for all buildings apartments will be individual gas furnaces (air handlers) containing heating coils. The heating system is designed to comply with the NYS Energy Code.

2. The gas furnaces for the residential units are manufactured by GMC.

3. Residential Space heating:

- The heating system will be designed to maintain a temperature of 72deg.F. inside when the outside temperature is 15deg.F. under normal conditions.
 - a) Occupants shall be able to modify the temperature through individual thermostat controls subject to building systems operations.

4. Type of Controls:

- The hot water system will be a variable temperature system. An outdoor air thermostat will control hot water supply temperature. The furnace terminal heating coils will be fitted with self-contained thermostatic control valves for occupant regulation.

5. Piping Insulation:

- Foam insulation shall be provided for plumbing pipes in areas requiring thermal protection

6. Fuel:

- Natural gas
- Natural gas at 700,000 BTU.

7. Oil Tank: not applicable

8. Gas Supply:

- Gas is supplied by National Grid and utilized for cooking, heating furnaces, clothes dryers and domestic hot water heaters.
 - a) Type: natural gas
 - b) Meter: the Gas service will be individual meters of each dwelling unit.
 - c) Piping: black steel schedule 40.

9. Air Conditioning:

- Air conditioning in each apartment will be provided through independent gas furnace (air handler) with cooling coils. The split system unit will contain a condensing unit set on steel dunnage on the rear roof. Copper tubing will supply R134A from the condenser to air handler.
- The air will serve each space through enclosed sheet metal ductwork attached to diffusers located in each room.
- The capacity of each unit will vary according to the room served.
- The furnaces will be manufactured by GMC and the condensing units by Goodman..

P. Ventilation

1. Corridor ventilation air will be provided by fixed metal Louvers installed in the bulkhead.
2. Each apartment will be provided with exhaust from toilets via a common toilet exhaust.
3. Each apartment Kitchenette will be provided with common exhaust.

Q. Electrical

1. National Grid will provide electrical service to the residential units at 120/208V, 1 phase, 3 wire to electric service switchboard and distribution panels throughout the building. The service is as follows:
 - 7600 amp for Residential units electrical requirements.
 - Typical apartment unit:
 - a) 100 amp/208V/1ph/30 circuit panel
 - b) Units shall be individually metered and charged.
2. Residential Units
 - The service to each residential unit will be single phase, wire, 60Hz. 120/208V AC.
 - Electrical service will be supplied to each residential unit via tenet meter bank at cellar Meter Room.

- The main service equipment shall be fusible switches as required by code: 1200 or larger ampere switches shall be bolted pressure switches for service use. Main fuses vary in rating. The size of fuses shall be to suit the loads served.
 - All residential units are designed with the proper number of wall receptacles, switches, appliance receptacles, etc. as required by NYC Electrical Code.
 - Switches lighting fixtures are provided in bathrooms, toilets, walk-in closets, utility rooms and kitchenettes. Switched receptacles are provided in bedrooms. Fixtures are incandescent type in halls, walk-in closets, living rooms, bedrooms, kitchenettes, utility rooms, bathrooms, and toilets.
 - 20 amp, 120V circuits have been provided to handle lighting and general purpose receptacles.
 - 20amp, 120V circuits have been provided in the kitchenette for 120V kitchen appliances. Each appliance outlet is on separate circuits.
 - 20amp/208 single phase for each air-cooled condenser for Cellar and 1st, 2nd and Mezzanine, and 3rd and Penthouse.
 - Receptacles are provided in all rooms. Ground fault circuits are provided in bathrooms, toilets and utility rooms.
3. Audio Intercom and Buzzer Service:
 - The building will be equipped with an intercom system, talk/listen connected from the outside of the building's entrance door to an area near the inside of the apartment entry door.
 4. TV Reception Facilities and Telephone Services:
 - Time Warner Cable television services will be available to each tenant on an individual subscription basis (separate charge).
 - Location of outlets: Living room and in each bedroom.
 - The Building will be pre-wired for telephone services. A jack will be located in the living room, bedroom and each kitchenette.
 5. Public Area Lighting
 - All lighting in public areas except the Entrance Vestibule will be ceiling and/or wall mounted fixtures. Lighting for Entrance Vestibule will be recessed ceiling mounted fixtures.
 - Lighting in Meter and Accessory Storage Rooms will be fluorescent.
 6. Photoelectric type smoke detectors, hard wired, 120 volts will be provided within 15'-0" of each bedroom.
 7. Carbon monoxide detectors will be installed to meet requirements of the New York City Building Code and Local Law 7.

R. Inspections

- Conducted concurrently with construction and final sign-off at the issuance of the Certificate of Occupancy.
 - a) NYC Department of Buildings
 - i. Plumbing
 - ii. Electrical
 - iii. Construction

S. Violations

- Any Building Code Violation will be corrected prior to the issuance of the Final Certificate of Occupancy.
- No asbestos will be used in the construction of the building.

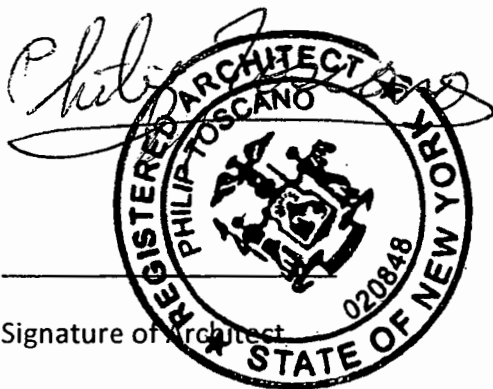
T. Auxiliary Facilities

- Neither the washing machines nor dryers will be provided by the sponsors. The laundry standpipes have been supplied for future hook up.

U. Additional Information

- 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 4.

Seal



PLOT PLAN

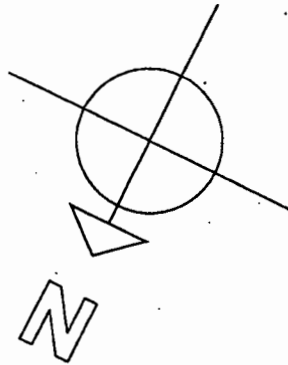
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LOT: 14

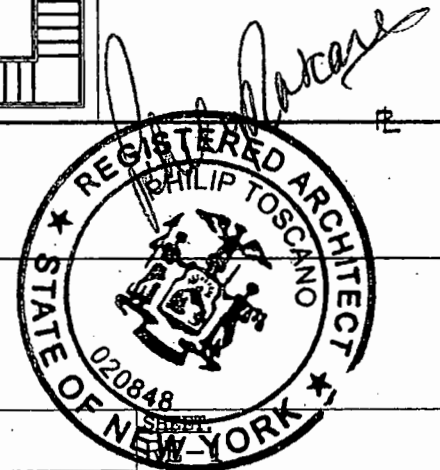
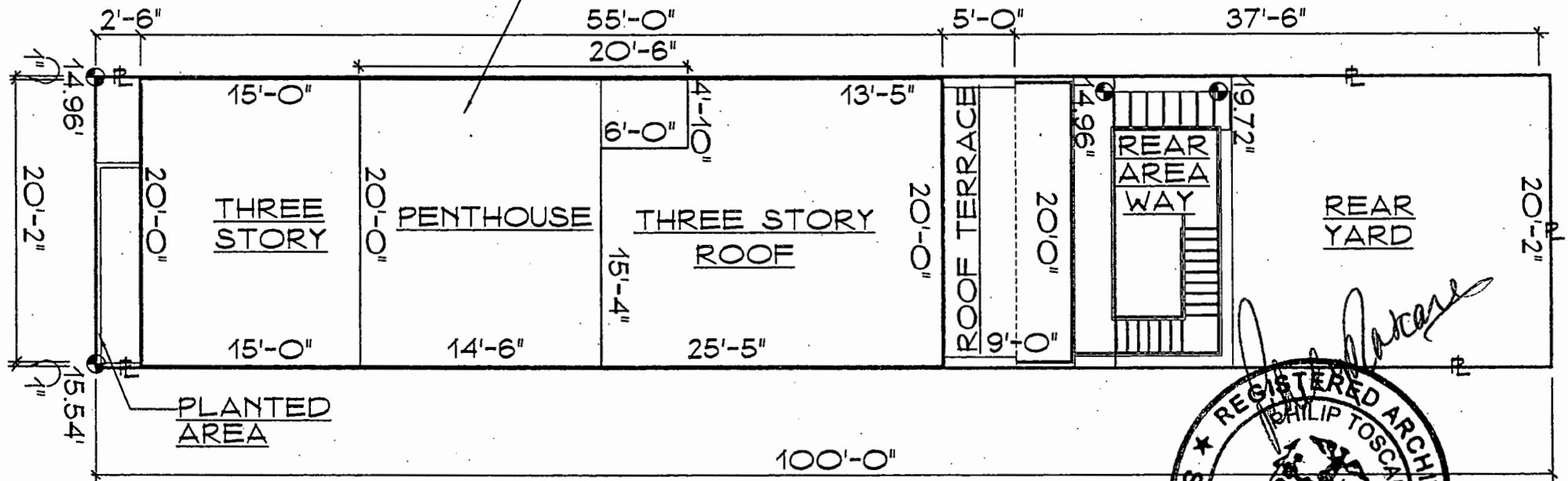
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MAP: 13B



3 FAMILY - 3 STORY,
MEZZANINE, PENTHOUSE
AND CELLAR
CONST. CLASS IC
MULTIPLE DWELLING
LAW CLASSIFICATION:
"HEREAFTER ERECTED
CLASS A"

EXHIBIT "E"



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PROJECT ADDRESS:
254 N. 6th STREET
BROOKLYN, N.Y. 11211

PROJECT TITLE:
NEW BUILDING

SHEET TITLE:
PLOT PLAN

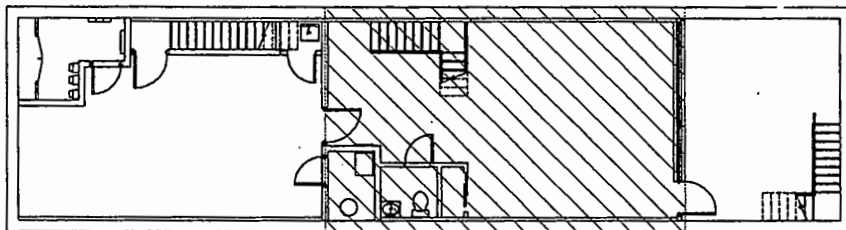
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VCB/DT

CHECK BY:
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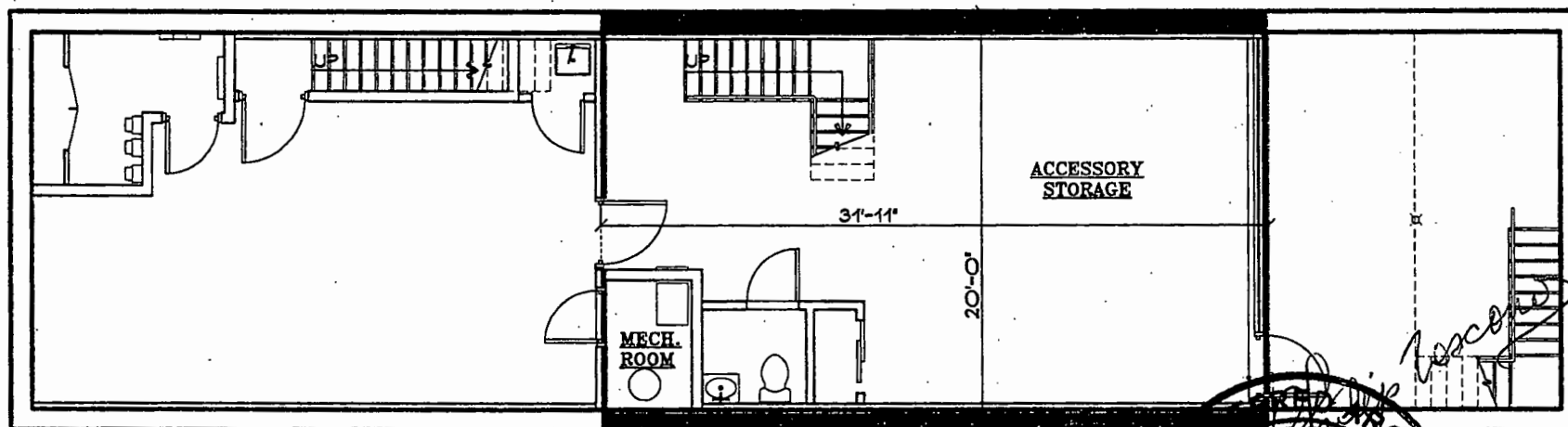
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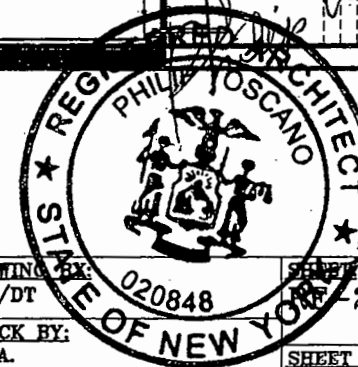
KEY CELLAR PLAN

SCALE:NTS



CELLAR PLAN

SCALE:1/8"=1'-0"



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254 N. 6th STREET
BROOKLYN, N.Y. 11211

PROJECT TITLE:
NEW BUILDING

SHEET TITLE:
CELLAR PLAN

SCALE:
AS SHOWN

DATE:
3/31/2009

DRAWING BY:
VCB/DT

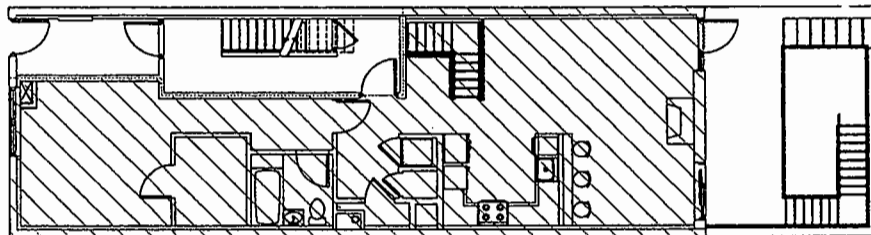
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SHEET
14-2

SHEET IN SET:

2 OF 14



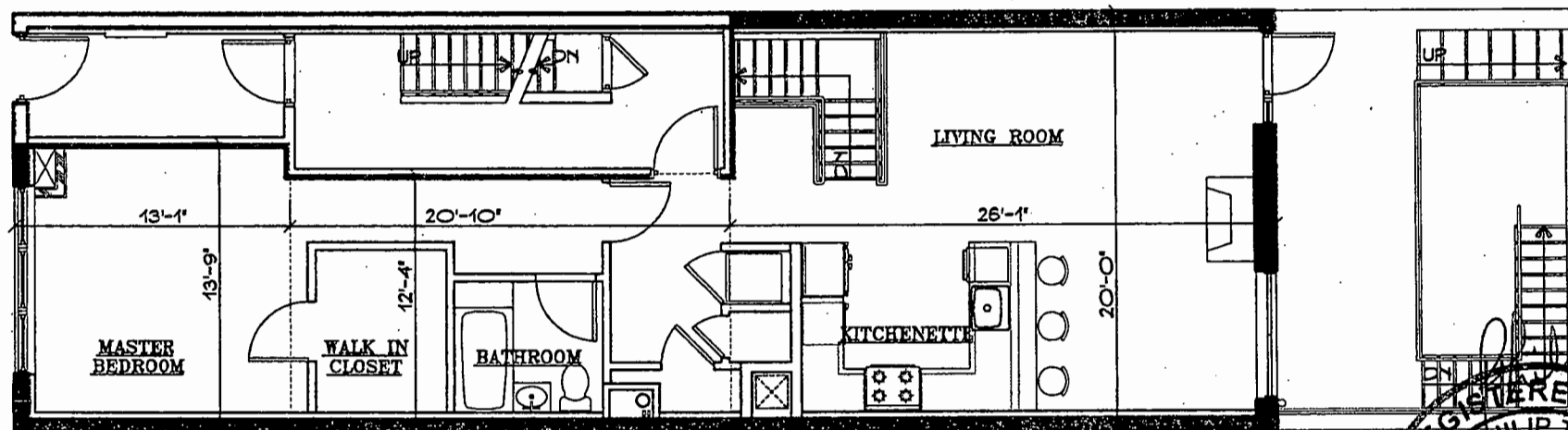
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 26.08'x20.0'=521.60SQ.FT
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SUBTOTAL =958.28SQ.FT.
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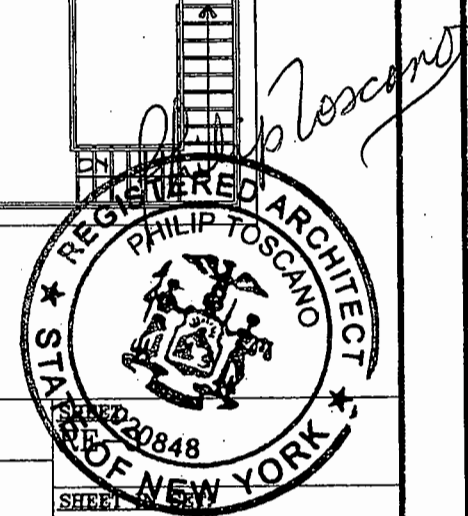
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FIRST FLOOR PLAN

SCALE:1/8"=1'-0"



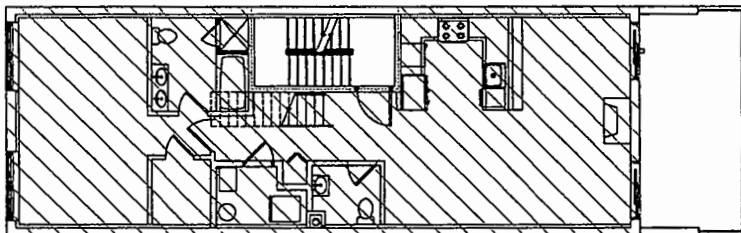
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PROJECT ADDRESS:
 254 N. 8th STREET
 BROOKLYN, N.Y. 11211
PROJECT TITLE:
 NEW BUILDING

SHEET TITLE:
 FIRST FLOOR PLAN
SCALE:
 AS SHOWN
DATE:
 3/31/2009

DRAWING BY:
 VCB/DT
CHECK BY:
 P.T.A.
PROJECT AREA CALCULATIONS:
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3 OF 14

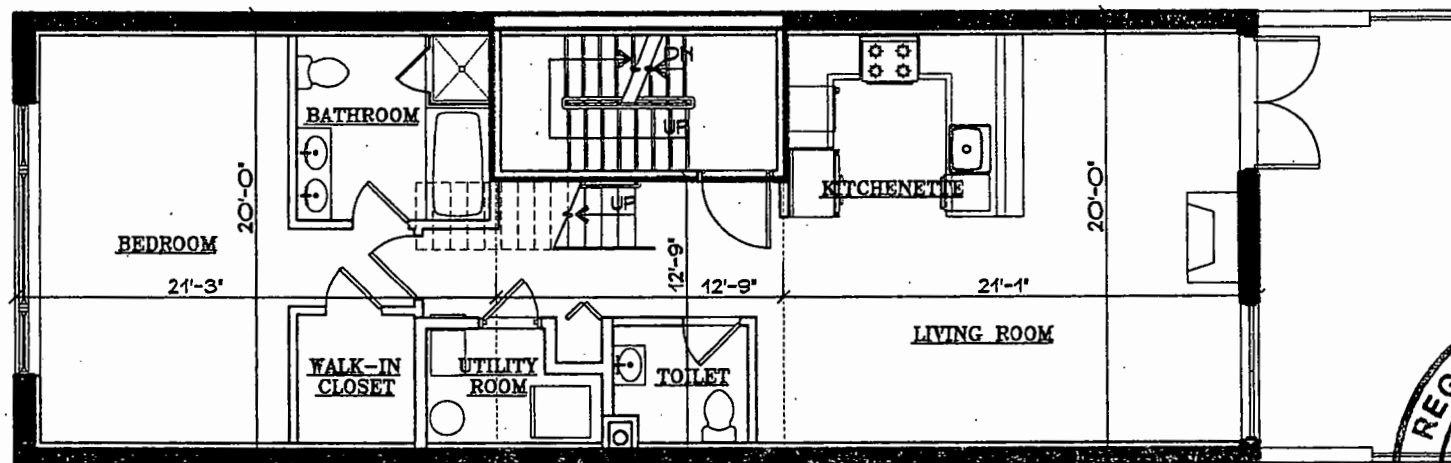


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 12.75'x12.75'=162.56SQ.FT
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SUBTOTAL =999.16SQ.FT.
 SUBTOTAL =379.45SQ.FT.
 TOTAL APT.B=1378.61SQ.FT.

KEY CELLAR PLAN

SCALE:NTS



SECOND FLOOR PLAN

SCALE:1/8"=1'-0"



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PROJECT ADDRESS:
 254 N. 6th STREET
 BROOKLYN, N.Y. 11211

PROJECT TITLE:
 NEW BUILDING

SHEET TITLE:
 SECOND FLOOR PLAN

SCALE:
 AS SHOWN

DATE:
 3/31/2009

DRAWING BY:
 VCB/DT

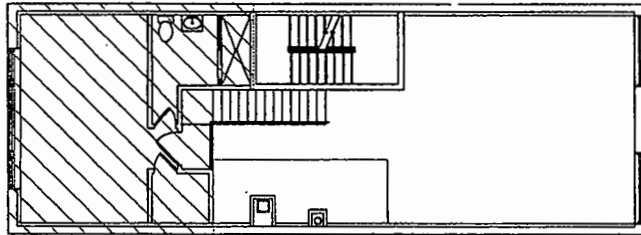
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PROJECT AREA CALCULATIONS:
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SHEET:
 RE-4

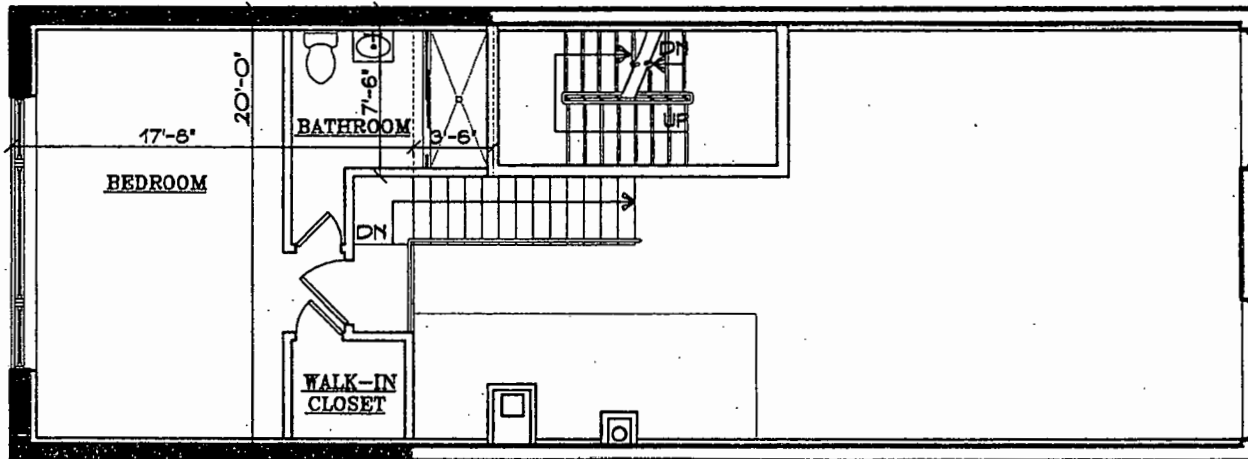
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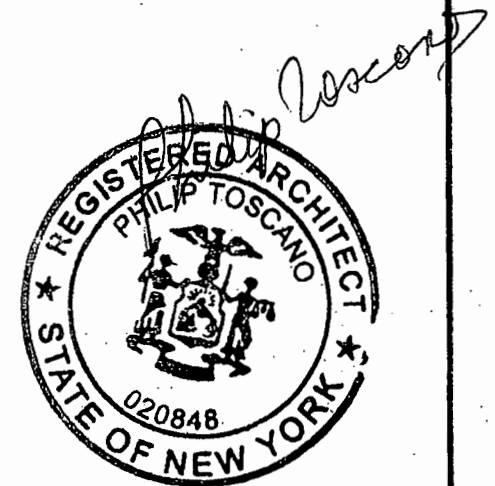


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 3.5' x 7.5' = 26.25 SQ. FT.
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KEY CELLAR PLAN
 SCALE: NTS



MEZZANINE PLAN
 SCALE: 1/8" = 1'-0"



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PROJECT ADDRESS:
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 BROOKLYN, N.Y. 11211

PROJECT TITLE:
 NEW BUILDING

SHEET TITLE:
 MEZZANINE PLAN

SCALE:
 AS SHOWN

DATE:
 3/31/2009

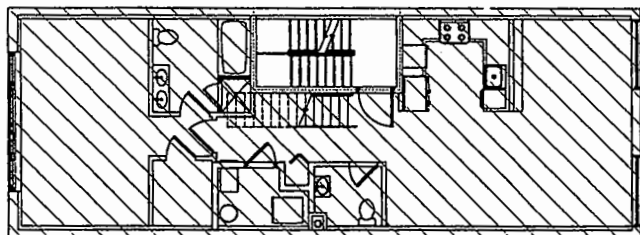
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 VCB/DT

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 5 OF 14

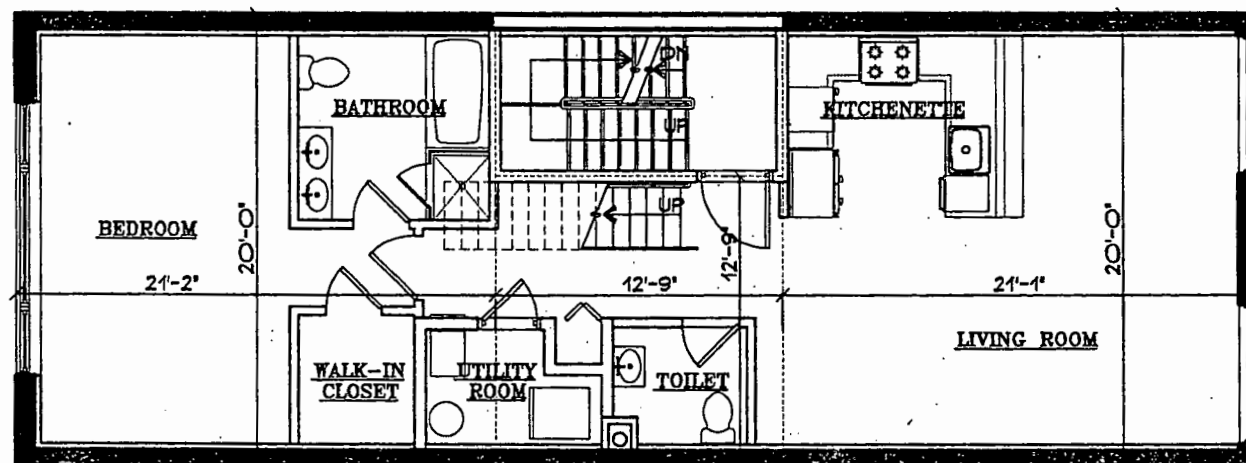


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SUBTOTAL = 1007.36SQ.FT.
 SUBTOTAL = 265.54SQ.FT.
 TOTAL APT.C = 1272.9SQ.FT.

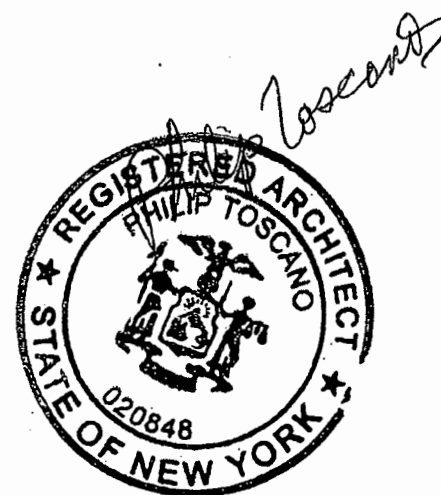
KEY CELLAR PLAN

SCALE: NTS



THIRD FLOOR PLAN

SCALE: 1/8" = 1'-0"



PHILIP TOSCANO
 ARCHITECT
 ARCHITECTURE PLANNING
 418 GRAHAM AVENUE
 BROOKLYN, N.Y. 11211
 TEL(718)349-3350 FAX(718)349-3470

PROJECT ADDRESS:
 254 N. 8th STREET
 BROOKLYN, N.Y. 11211

PROJECT TITLE:
 NEW BUILDING

SHEET TITLE:
 THIRD FLOOR PLAN

SCALE:
 AS SHOWN

DATE:
 3/31/2009

DRAWING BY:
 VCB/DT

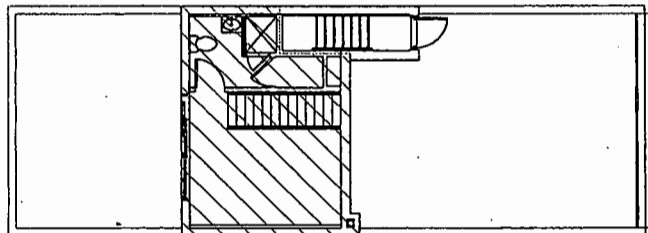
CHECK BY:
 P.T.A.

PROJECT AREA CALCULATIONS:
 1272.9SQ.FT.

SHEET:
 RE-6

SHEET IN SET:

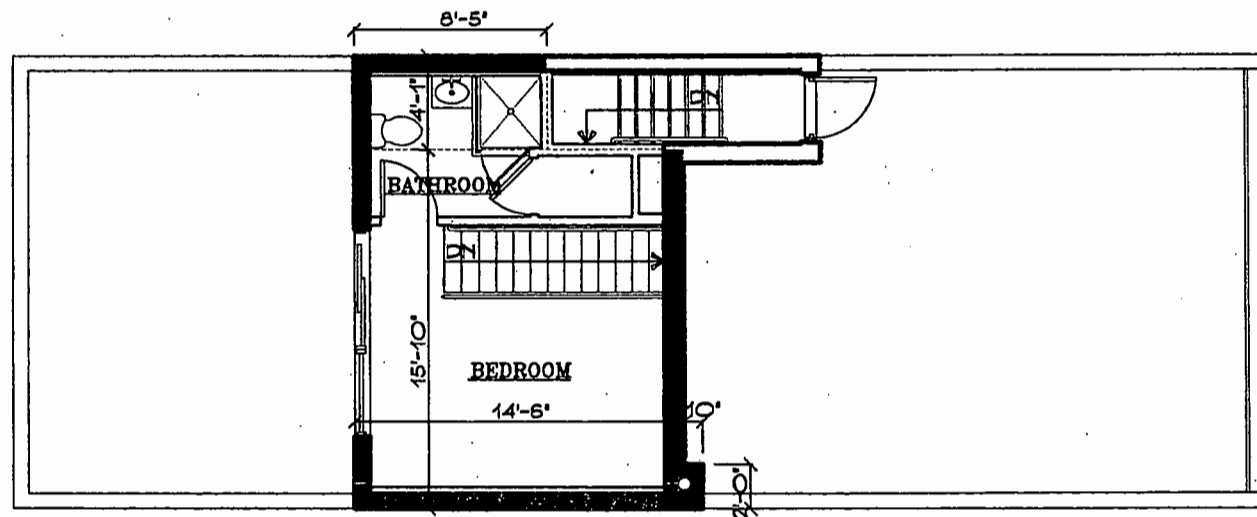
6 OF 14



APARTMENT C
 14.50'x15.83'=229.53SQ.FT
 8.42'x4.08'=34.35SQ.FT
 0.83'x 2.0'= 1.66SQ.FT
 SUBTOTAL=265.54SQ.FT.

KEY CELLAR PLAN

SCALE:NTS



PENTHOUSE PLAN

SCALE:1/8"=1'-0"



PHILIP TOSCANO
 ARCHITECT

ARCHITECTURE PLANNING
 418 GRAHAM AVENUE
 BROOKLYN, N.Y. 11211
 TEL(718)349-3350 FAX(718)349-3479

PROJECT ADDRESS:
 254 N. 8th STREET
 BROOKLYN, N.Y. 11211

PROJECT TITLE:
 NEW BUILDING

SHEET TITLE:
 PENTHOUSE PLAN

SCALE:
 AS SHOWN

DATE:
 3/31/2009

DRAWING BY:
 VCB/DT

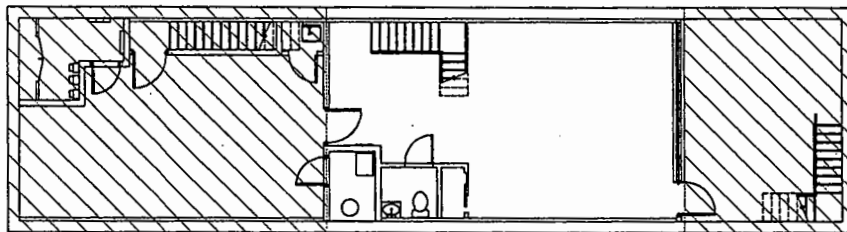
CHECK BY:
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PROJECT AREA CALCULATIONS:
 265.54SQ.FT.

SHEET:
 RE-7

SHEET IN SET:

7 OF 14

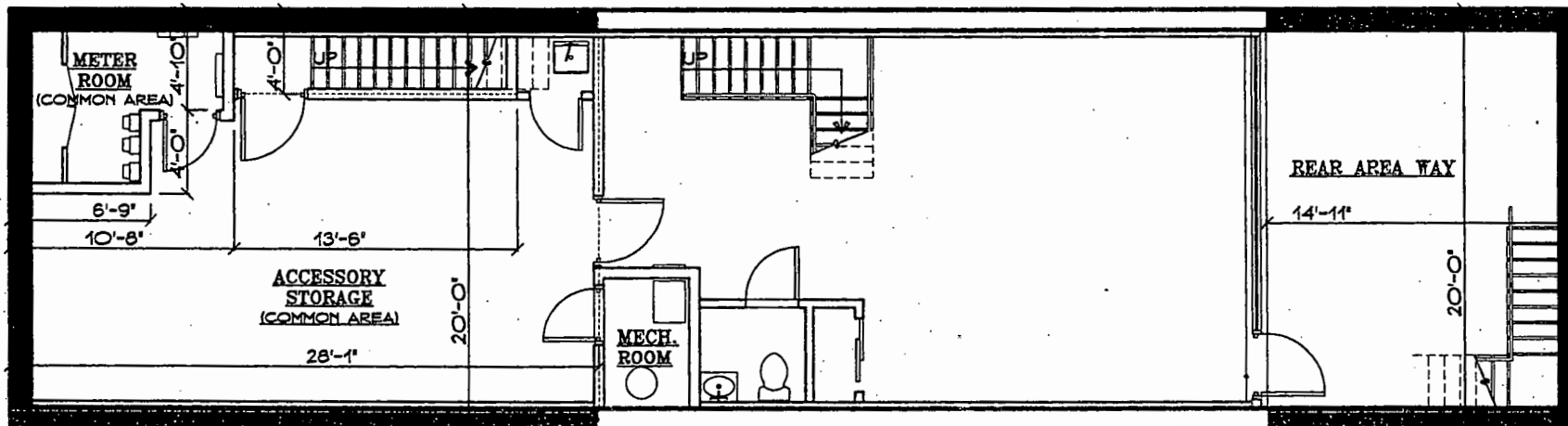


APARTMENT A
(OPEN AREA)
14.91'x20.0'=298.2SQ.FT

COMMON AREA
28.08'x20.0'=560.2SQ.FT

KEY CELLAR PLAN

SCALE:NTS



CELLAR PLAN

SCALE:1/8"=1'-0"



PHILIP TOSCANO
ARCHITECT
ARCHITECTURE PLANNING
418 GRAHAM AVENUE
BROOKLYN, N.Y. 11211
TEL(718)349-3350 FAX(718)349-3479

PROJECT ADDRESS:
254 N. 8th STREET
BROOKLYN, N.Y. 11211

PROJECT TITLE:
NEW BUILDING

SHEET TITLE:
CELLAR PLAN

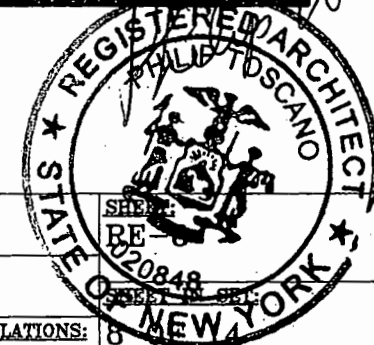
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AS SHOWN

DATE:
3/31/2009

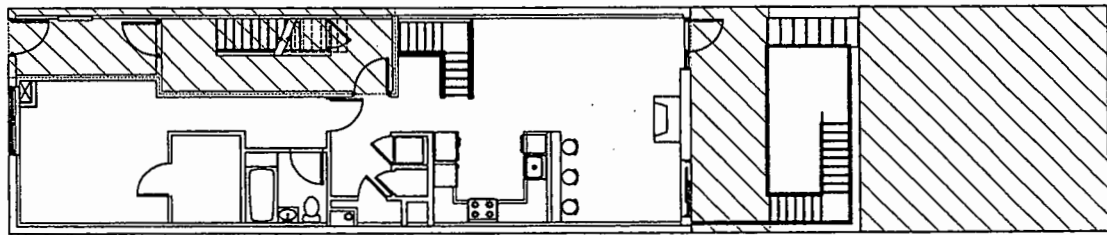
DRAWING BY:
VCB/DT

CHECK BY:
P.T.A.

PROJECT AREA CALCULATIONS:
858.4SQ.FT.



b-3



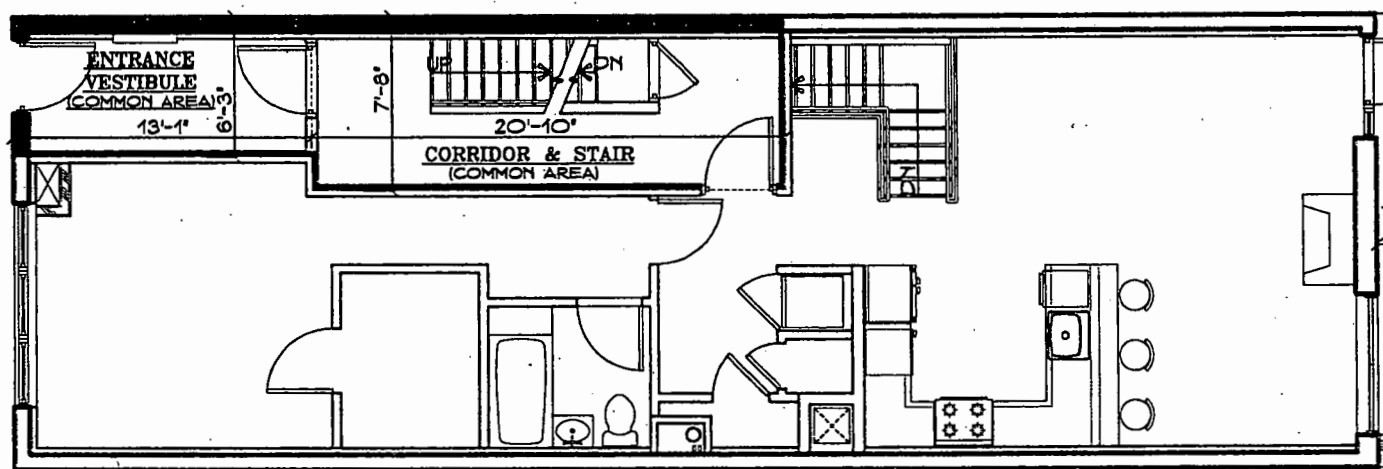
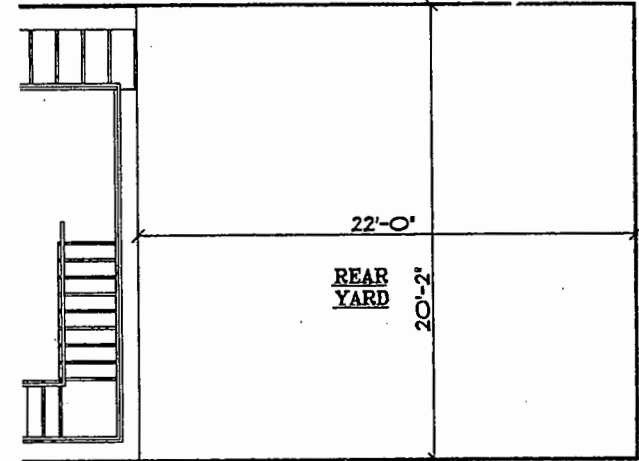
KEY CELLAR PLAN

SCALE:NTS

APARTMENT A
(ROOF TERRACE)
6.91'x20.0'=138.2SQ.FT

COMMON AREA
20.83'x7.66'=164.14SQ.FT

APARTMENT A
(REAR YARD)
22.0'x20.12'=442.64SQ.FT



FIRST FLOOR PLAN

SCALE:1/8"=1'-0"



PHILIP TOSCANO
ARCHITECT
ARCHITECTURE PLANNING
418 GRAHAM AVENUE
BROOKLYN, N.Y. 11211
TEL(718)349-3350 FAX(718)349-3478

PROJECT ADDRESS:
254 N. 6th STREET
BROOKLYN, N.Y. 11211

PROJECT TITLE:
NEW BUILDING

SHEET TITLE:
FIRST FLOOR PLAN

SCALE:
AS SHOWN

DATE:
3/31/2009

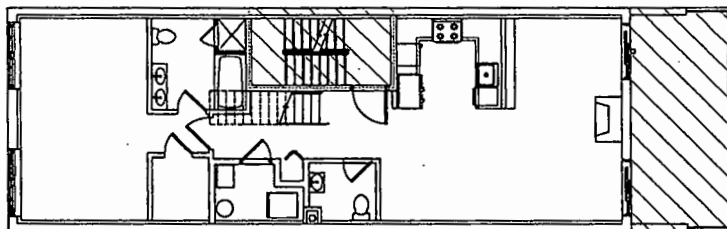
DRAWING BY:
VCB/DT

CHECK BY:
P.T.A.

PROJECT AREA CALCULATIONS:
744.98SQ.FT.

SHEET IN SET:
RE-9

9 OF 14

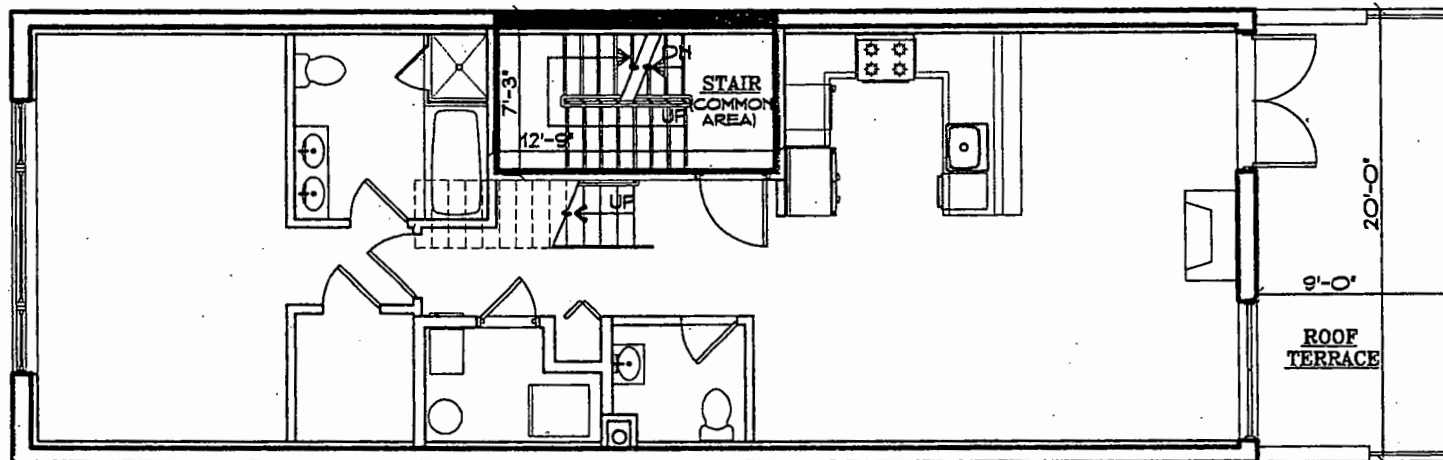


APARTMENT B
(ROOF TERRACE)
9.0'x20.0'=180.0SQ.FT

COMMON AREA
12.75'x7.25'=92.43SQ.FT

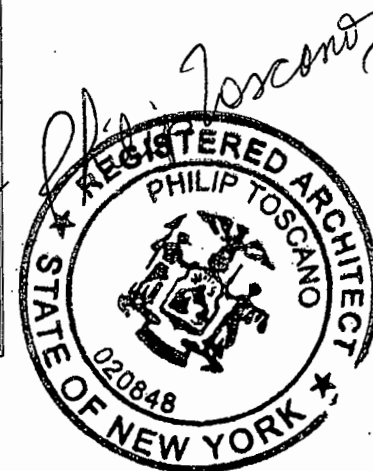
KEY CELLAR PLAN

SCALE:NTS



SECOND FLOOR PLAN

SCALE:1/8"=1'-0"



PHILIP TOSCANO
ARCHITECT
ARCHITECTURE PLANNING
418 GRAHAM AVENUE
BROOKLYN, N.Y. 11211
TEL(718)349-3350 FAX(718)349-3479

PROJECT ADDRESS:
254 N. 6th STREET
BROOKLYN, N.Y. 11211

PROJECT TITLE:
NEW BUILDING

SHEET TITLE:
SECOND FLOOR PLAN

SCALE:
AS SHOWN

DATE:
3/31/2009

DRAWING BY:
VCB/DT

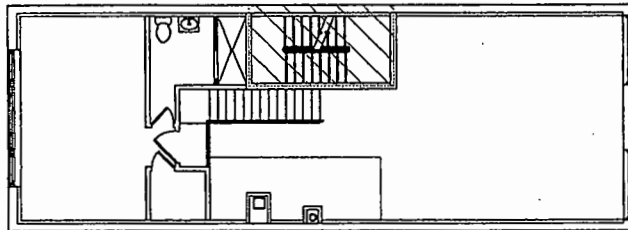
CHECK BY:
P.T.A.

PROJECT AREA CALCULATIONS:
272.43SQ.FT.

SHEET:
RE-10

SHEET IN SET:

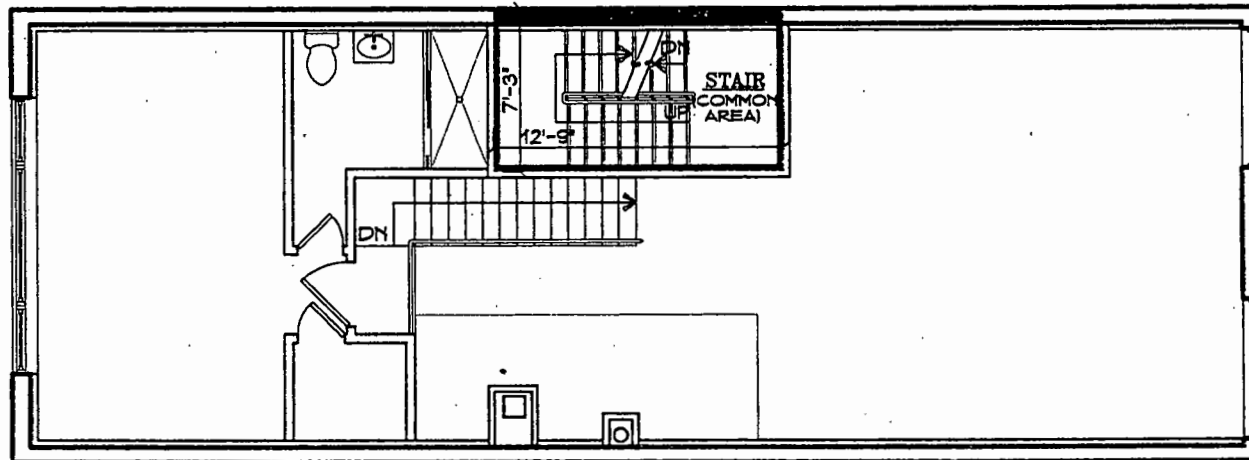
10 OF 14



COMMON AREA
12.75'x7.25'=92.43SQ.FT

KEY CELLAR PLAN

SCALE:NTS



MEZZANINE PLAN

SCALE:1/8"=1'-0"



PHILIP TOSCANO
ARCHITECT
ARCHITECTURE PLANNING
418 GRAHAM AVENUE
BROOKLYN, N.Y. 11211
TEL(718)349-3350 FAX(718)349-3478

PROJECT ADDRESS:
254 N. 6th STREET
BROOKLYN, N.Y. 11211

PROJECT TITLE:
NEW BUILDING

SHEET TITLE:
MEZZANINE PLAN

SCALE:
AS SHOWN

DATE:
3/31/2009

DRAWING BY:
VCB/DT

CHECK BY:
P.T.A.

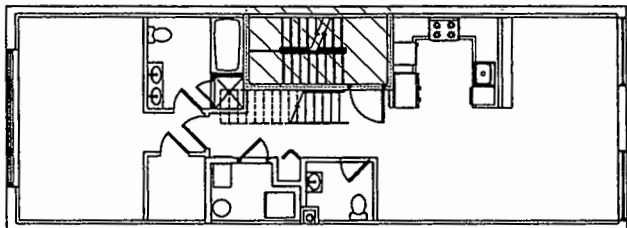
PROJECT AREA CALCULATIONS:
92.43SQ.FT.

SHEET:
RE-11

SHEET IN SET:

11 OF 14

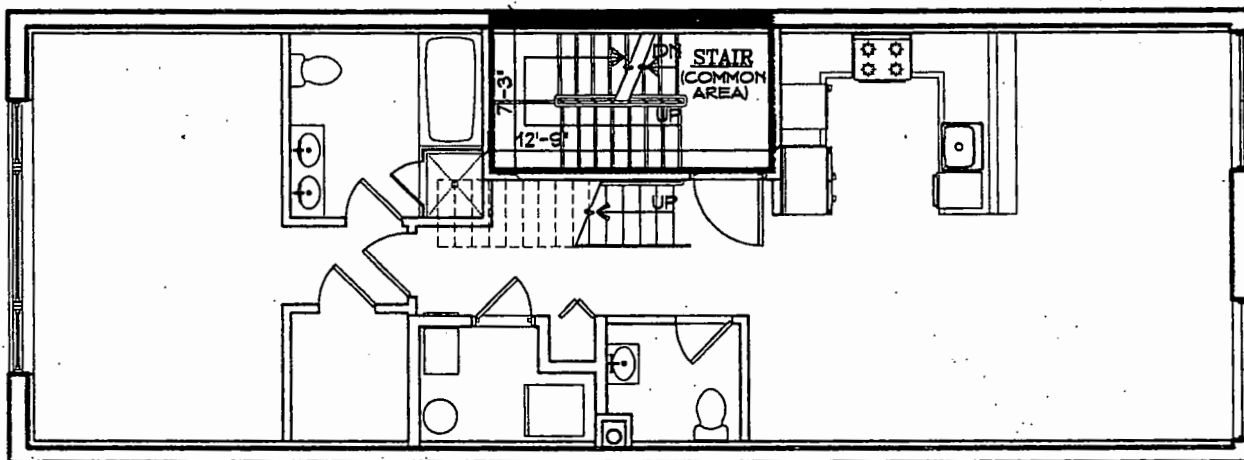
21-3



COMMON AREA
12.75'x7.25'=92.43SQ.FT

KEY CELLAR PLAN

SCALE:NTS



THIRD FLOOR PLAN

SCALE:1/8"=1'-0"



PHILIP TOSCANO
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418 GRAHAM AVENUE
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PROJECT ADDRESS:
254 N. 6th STREET
BROOKLYN, N.Y. 11211

PROJECT TITLE:
NEW BUILDING

SHEET TITLE:
THIRD FLOOR PLAN

SCALE:
AS SHOWN

DATE:
3/31/2009

DRAWING BY:
VCB/DT

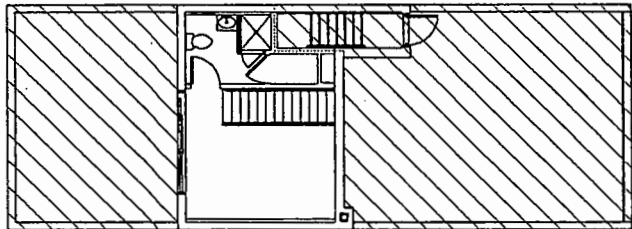
CHECK BY:
P.T.A.

PROJECT AREA CALCULATIONS:
92.43SQ.FT.

SHEET:
RE-12

SHEET IN SET:

12 OF 14

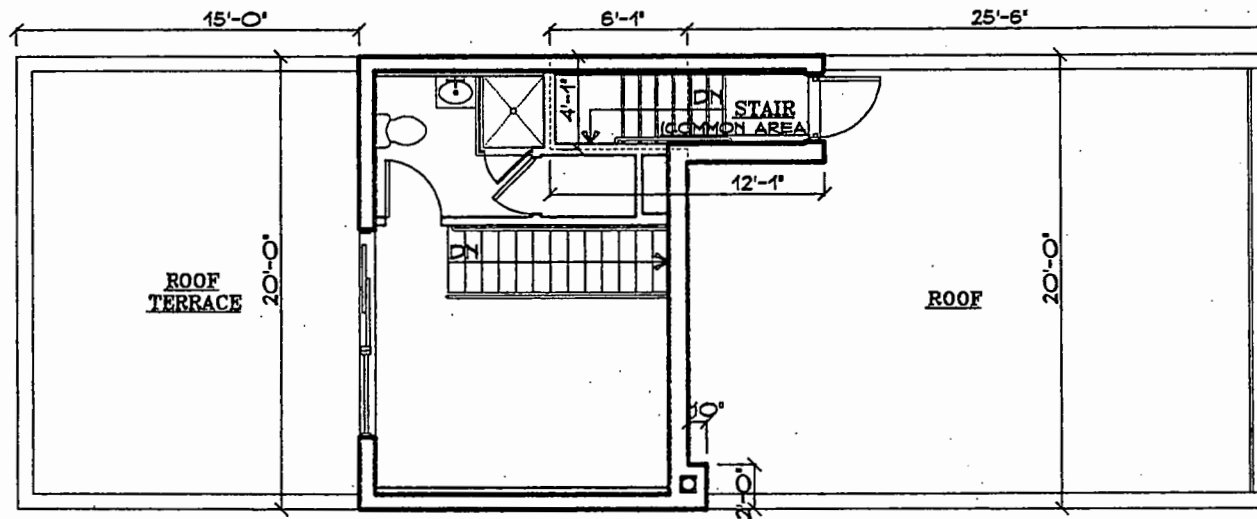


APARTMENT C
(ROOF TERRACE)
15.0'x20.0'=300.0SQ.FT

COMMON AREA
6.08'x4.08' = 24.80SQ.FT
25.5'x20.0' = 508.4SQ.FT
-0.83'x2.0' = 1.66SQ.FT
6.08'x4.08' = 534.86SQ.FT

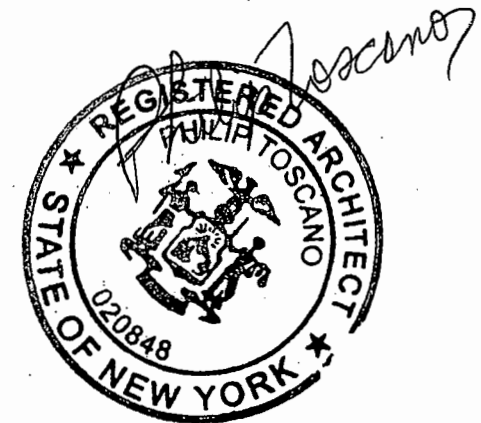
KEY CELLAR PLAN

SCALE:NTS



PENTHOUSE PLAN

SCALE:1/8"=1'-0"



PHILIP TOSCANO
ARCHITECT
ARCHITECTURE PLANNING
418 GRAHAM AVENUE
BROOKLYN, N.Y. 11211
TEL(718)349-3350 FAX(718)349-3479

PROJECT ADDRESS:
254 N. 6th STREET
BROOKLYN, N.Y. 11211

PROJECT TITLE:

NEW BUILDING

SHEET TITLE:
PENTHOUSE PLAN

SCALE:
AS SHOWN

DATE:
3/31/2009

DRAWING BY:
VCB/DT

CHECK BY:
P.T.A.

PROJECT AREA CALCULATIONS:
834.86SQ.FT.

SHEET:
RE-13

SHEET IN SET:

13 OF 14

<u>COMMON AREA</u>	
<u>CORRIDOR & STAIR</u>	544.71
<u>COMMON AREA</u> METER ROOM	481.72
ACCESSORY STORAGE	78.48
<u>ROOF</u>	534.86

<u>TOTAL AREA FOR EACH APARTMENT</u>				
<u>APARTMENT</u>	<u>AREA OF APARTMENT</u>	<u>OPEN AREA</u>	<u>ROOF TERRACE</u>	<u>TOTAL AREA FOR EACH APARTMENT</u>
<u>APARTMENT A</u>	1596.48	442.64 + 298.2 = 740.84	138.2	2475.52
<u>APARTMENT B</u>	1378.61		180.0	1558.61
<u>APARTMENT C</u>	1272.9		300.0	
<u>TOTAL</u>	4247.99	740.84	618.2	



PHILIP TOSCANO
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BROOKLYN, N.Y. 11211
TEL(718)349-3350 FAX(718)349-3479

PROJECT ADDRESS:
254 N. 6th STREET
BROOKLYN, N.Y. 11211

PROJECT TITLE:
NEW BUILDING

SHEET TITLE:
PENTHOUSE PLAN

SCALE:
AS SHOWN

DATE:
3/31/2009

DRAWING BY:
VCB/DT

CHECK BY:
P.T.A.

PROJECT AREA CALCULATIONS:
7248.8SQ.FT.

SHEET
RE-1

SHEET IN SET:

14 OF 14

ESCROW AGREEMENT

Agreement made this 23rd day of June, 2009, between 254 North 6 LLC ("Sponsor"), as sponsor of the offering plan, and Carlinsky, Dunn & Pasquariello, PLLC ("Escrow Agent"), as escrow agent.

WHEREAS, 254 North 6 LLC is the sponsor of an offering plan to convert to condominium ownership the premises located 254 North 6th Street, NY 11211; and

WHEREAS Carlinsky, Dunn & Pasquariello, PLLC is authorized to act as an escrow agent hereunder in accordance with General Business Law ("GBL") Section 352-e(2-b) and the Attorney General's regulations promulgated thereunder; and

WHEREAS, Sponsor desires that Escrow Agent act as escrow agent for deposits and payments by purchasers and subscribers, pursuant to the terms of this agreement.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein and other good and valuable consideration the parties hereby agree as follows:

1. **ESTABLISHMENT OF THE ESCROW ACCOUNT**

- 1.1 Sponsor and Escrow Agent hereby establish an escrow account with Escrow Agent for the purpose of holding deposits or payments made by purchasers or subscribers. The escrow account has been opened with Citibank, NA at its branch located at Sunnyside Blvd., Plainview, NY 11803. The account number is [REDACTED]
- 1.2 The name of the account is Carlinsky, Dunn & Pasquariello, PLLC IOLA Account.
- 1.3 The partners of Carlinsky, Dunn & Pasquariello, PLLC are the sole signatories on the account.
- 1.4 The escrow account shall be a non interest-bearing account as disclosed in the offering plan.
- 1.5 The escrow account is an IOLA established pursuant to Judiciary Law § 497.

2. **DEPOSITS INTO THE ESCROW ACCOUNT**

- 2.1 All funds received from prospective purchasers or subscribers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited in the escrow account.

All instruments to be deposited into the escrow account shall be made payable to, or endorsed by the purchaser or subscriber to the order of Carlinsky, Dunn & Pasquariello, PLLC as escrow agent for the 254 North 6th Street Condominium offering plan. Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such escrow account, shall be returned to the prospective purchaser or subscriber promptly, but in no event more than five (5) business days following receipt of such instrument by Escrow Agent. In the event of such return of funds, the instrument shall be deemed not to have been delivered to Escrow Agent pursuant to the terms of this Agreement.

- 2.2 Within ten (10) business days after tender of the deposit submitted with the subscription or purchase agreement, Escrow Agent shall notify the purchaser of the deposit of such funds in the bank indicated in the offering plan, provide the account number, and disclose the initial interest rate. If the purchaser does not receive notification of such deposit within fifteen (15) business days after tender of the deposit, the purchaser may cancel the purchase and rescind within ninety (90) days after tender of the deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited in accordance with these regulations and requisite notice was timely mailed to the subscriber or purchaser.

3. **RELEASE OF FUNDS**

- 3.1 Escrow Agent shall not release the escrowed funds of a defaulting purchaser until after consummation of the plan as defined in the Attorney General's regulations. Consummation of the plan shall not relieve Sponsor of its fiduciary obligations pursuant to GBL Section 352-h.
- 3.2 Escrow Agent shall continue to hold the funds in escrow until otherwise directed in (a) a writing signed by both sponsor and purchaser or (b) a determination of the Attorney General or (c) a judgment or order of a court of competent jurisdiction or until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.
- 3.3 Sponsor shall not object to the release of the escrowed funds to (a) a purchaser who timely rescinds in accordance with an offer of rescission contained in the plan or an amendment to the plan or (b) all purchasers after an amendment abandoning the plan is accepted for filing by the Department of Law.
- 3.4 If there is no written agreement between the parties to release the escrowed funds, Escrow Agent shall not pay the funds to Sponsor until Escrow Agent has given the purchaser written notice of not fewer than ten (10) business days. Thereafter, the

funds may be paid to Sponsor unless the purchaser has made application to the Department of Law pursuant to the dispute resolution provisions contained in the Attorney General's regulations and has so notified Escrow Agent in accordance with such provisions.

4. **RECORDKEEPING**

- 4.1 Escrow Agent shall maintain all records concerning the escrow account for seven years after release of the funds.
- 4.2 Upon the dissolution of a law firm which was Escrow Agent, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.
- 4.3 Escrow Agent shall make available to the Attorney General, upon his request, all books and records of Escrow Agent relating to the funds deposited and disbursed hereunder.

5. **GENERAL OBLIGATIONS OF ESCROW AGENT**

- 5.1 Escrow Agent shall maintain the accounts called for in this Agreement under the direct supervision and control of Escrow Agent.
- 5.2 A fiduciary relationship shall exist between Escrow Agent and Purchasers, and Escrow Agent acknowledges its fiduciary obligations.

6. **RESPONSIBILITIES OF SPONSOR**

- 6.1 Sponsor agrees that Sponsor and its agents, including any selling agents, shall immediately deliver all deposits and payments received by them prior to closing of an individual transaction to Escrow Agent.
- 6.2 Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and compliance with the Attorney General's regulations.

7. **TERMINATION OF AGREEMENT**

- 7.1 This Agreement shall remain in effect unless and until it is cancelled, by either:
 - (a) Written notice given by Sponsor to Escrow Agent of cancellation of designation of Escrow Agent to act in said capacity, which cancellation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor Escrow Agent; or

(b) The resignation of Escrow Agent upon giving notice to Sponsor of its desire to so resign, which resignation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor Escrow Agent; or

(c) All shares or units offered pursuant to the plan have been sold and all sales transactions have been consummated.

7.2 Upon termination of the duties of Escrow Agent as described in paragraph 7.1 above, Escrow Agent shall deliver any and all funds held by it in escrow and any and all contracts or documents maintained by Escrow Agent to the new escrow agent.

8. **SUCCESSORS AND ASSIGNS**

8.1 This Agreement shall be binding upon Sponsor and Escrow Agent and their successors and assigns.

9. **GOVERNING LAW**

9.1 This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

10. **ESCROW AGENT'S COMPENSATION**

10.1 Sponsor agrees that Escrow Agent's compensation shall not be paid from escrowed principal nor from any interest accruing thereon and that compensation to Escrow Agent, if any, shall not be deducted from escrowed funds by any financial institution under any circumstance.

11. **SEVERABILITY**

11.1 If any provision of this Agreement or the application thereof to any person or circumstance is determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of such provision to other persons or to other circumstances shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

12. **ENTIRE AGREEMENT**

12.1 This Agreement, read together with GBL Section 352-e(2-b) and the Attorney General's regulations, constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

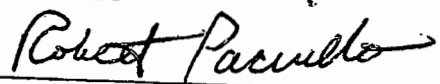
ESCROW AGENT

Carlisle Dalm & Proquillo PLLC

By:  Anton Proquillo, esc

SPONSOR

254 North 6 LLC

By: 
Robert Paciullo, Member

**APPLICATION TO THE ATTORNEY GENERAL
FOR A DETERMINATION ON THE
DISPOSITION OF DOWNPAYMENTS**

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

Re: _____
Address of Building or Name of Project

File Number: _____

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

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

4. This is an application for

☐	return of downpayment.
☐	forfeiture of downpayment.
☐	other: _____
5. The project is

☐	a conversion of occupied premises.
☐	newly constructed or rehabilitated.
☐	vacant (as is).
6. The project is structured as

☐	a cooperative.
☐	a condominium.
☐	a homeowners association.
☐	a timeshare.
☐	other: _____

2/6/92

7. Name and Address of Sponsor: _____

8. Name and Address of Escrow Agent: _____

9. If downpayments are maintained in an escrow account:
- (a) Name of account _____
 - (b) Name and address of bank _____
 - (c) Account number (if known) _____
 - (d) Initial interest rate (if known) _____
10. If downpayments have been secured by bonds:
- (a) Name and address of bond issuer or surety: _____

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

11. If downpayments have been secured by a letter of credit:
- (a) Name and address of bank which issued the letter of credit: _____

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

12. Plan information:
- (a) Date of filing of plan: _____

(b) Plan

- ☐ has been declared effective. Approximate date: _____
☐ has not been declared effective.

(c) If effective, the plan

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

(d) Downpayments are secured by

- ☐ escrow account.
☐ bonds.
☐ letter of credit.

13. Contract information:

- (a) Copy of contract and of all riders or modification letters are attached. (DO NOT SEND ORIGINALS.)
(b) Date on which subscription or purchase agreement was signed: _____
(c) Date(s) of downpayment(s): _____
(d) Total amount of downpayment(s): _____
(e) Names and addresses of subscribers or purchasers affected by this application:

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

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

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

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

Signature: _____

Date: _____

Name (Printed): _____

Telephone: (Home) _____

(Business) _____

Mailing Address: _____

2/6/92

EXHIBIT "H"

DECLARATION

Establishing a Plan of Condominium Ownership of the Premises Located at
254 North 6th Street, Brooklyn, New York 11211
Pursuant to Article 9-B of the Real Property Law of the State of New York

Name: 254 NORTH 6TH STREET CONDOMINIUM

Sponsor: 254 North 6 LLC
108 Withers Street
Brooklyn, New York 11211

Date of Declaration: _____, 2010

The land affected by the within instrument lies in Block 2338, Lot ____, on the Tax Map of the Borough of Brooklyn, County of Kings, and State of New York.

Record & Return To:

Eduard Fridman, Esq.
Fridman Saks LLP
1795 Coney Island Avenue
Brooklyn, New York 11230

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DECLARATION
OF
254 NORTH 6TH STREET CONDOMINIUM

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

254 North 6 LLC, a New York Limited Liability Company having an office at 108 Withers Street, Brooklyn, New York 11211 ("Sponsor"), hereby declares as follows:

ARTICLE 1
SUBMISSION OF THE PROPERTY

The Sponsor hereby submits the Land and Building (each hereinafter defined), and all other improvements erected thereon and to be erected thereon, all easements, rights and appurtenances belonging thereto and all other property, real, personal or mixed, intended for use in connection therewith (collectively, the "Property"), to the provisions of Article 9-B of the Real Property Law of the State of New York (the "Condominium Act").

ARTICLE 2
DESCRIPTION OF THE LAND

The Land consists of all that certain tract, plot and parcel of land situate, lying sand being in the County of Kings and State of New York, bounded and described in Schedule A annexed hereto and made a part hereof.

ARTICLE 3
DESCRIPTION OF THE BUILDINGS

The Building contains three (3) residential units (the "Units") in a building consisting of three (3) stories, a cellar, a mezzanine and a penthouse.

The principal materials of which the Building isconstructed are concrete, block, brick, wood and steel.

ARTICLE 4
THE UNITS

Schedule B annexed hereto and made a part of hereof sets forth the following data with respect to each Unit necessary for the proper identification thereof: the Unit designation, tax lot number, location, approximate area, number of rooms, common elements to which it has immediate access and the percentage of common interest appurtenant thereto.

ARTICLE 5

DESCRIPTION OF THE COMMON ELEMENTS

The Common Elements consist of all portions of the Property other than the Units, including, without limitation, the following:

- (a) The land on which the Building are located;
- (b) The foundations, columns, girders, beams, supports, main walls, roofs, halls, corridors, lobbies, stairs, stairways, fire escapes, exterior walls and entrances and exits of the Building;
- (c) Central and appurtenant installations for services such as power, light, gas, hot and cold water, heating, refrigeration, air conditioning and incinerating;
- (d) The elevators, escalators, tanks, pumps, motors, fans, compressors, ducts and in general all apparatus and installations existing for common use; and
- (e) All other parts of the property necessary or convenient to its existence, maintenance and safety, or normally in common use.

Certain portions of the Common Elements are irrevocably restricted in use to specified Unit Owners, subject to the right of the Board of Managers to enter upon any restricted area for maintenance, repair or improvement of a Unit or Common Element and subject to the rules of the Board of Managers. Any portion of the Common Elements which are not restricted in use may be used by any Unit Owner and are referred to as General Common Elements.

Roof terraces shall be limited in use to the Unit Owner who has direct access to such roof terrace for his Unit.

The Common Elements shall remain undivided and no Unit Owner shall bring any action for partition or division unless otherwise provided by law.

The undivided interest in the Common Elements shall not be separated from the Unit to which it appertains and shall be deemed conveyed or encumbered with the Unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

ARTICLE 6

COMMON INTERESTS

Schedule B annexed hereto and made a part of hereof sets forth the percentage of Common Interest appurtenant to each Unit. In accordance with the Condominium Act, the Common Interests of each Unit have been allocated 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.

ARTICLE 7
USE OF BUILDING AND UNITS

Each of the Units in the Building may be used only as a residence. No more than one family may occupy a single Unit at one time.

ARTICLE 8
SERVICE OF PROCESS

The Secretary of State is designated as agent of the Board of Managers upon whom process against it may be served. The post office address to which the Secretary of State shall mail a copy of any process against the Board of Managers served upon him is 66 Maspeth Avenue, Brooklyn, New York 11211. The Board of Managers shall update said address as necessary.

ARTICLE 9
AMENDMENTS TO THE DECLARATION

Subject to the provisions contained herein or in the By-Laws, any provision of this Declaration may be amended, modified, added to, or deleted by the vote of at least 66 2/3 % in number and in Common Interest of all Unit Owners, taken in accordance with the provisions of the By-Laws.

Notwithstanding the foregoing, no amendment shall be effective:

- (a) That restricts the rights of mortgagees;
- (b) Which changes the Common Interest of any Unit Owner, without the consent of the Unit Owner whose Common Interest would be affected thereby;
- (c) That affects the Limited Common Elements appurtenant to a Unit, without the consent of the Unit Owner affected thereby;
- (d) Which adversely affects the Sponsor, without Sponsor's consent; or
- (e) Until it is recorded in the Kings County Register's Office.

ARTICLE 10
POWER OF ATTORNEY TO BOARD OF MANAGERS

Each Unit Owner, by acceptance of a deed or otherwise succeeding to title to a Unit, shall be deemed to have irrevocably nominated, constituted and appointed as such Unit Owner's attorney-in-fact, coupled with an interest and with power of substitution the persons who shall from time to time constitute the Board of Managers, jointly to:

- (a) acquire or lease any Unit, together with its Common Interest, appurtenant thereto, (i) whose Unit Owner desires to sell, convey, transfer, assign, lease or surrender such Unit, or (ii) that becomes the subject of a foreclosure or other similar sale, in the name of the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners;

(b) convey, sell, lease, mortgage or otherwise deal with (but not to vote the interest appurtenant to) any Unit so acquired or to sublease any Unit so leased; and

(c) execute, acknowledge and deliver, (i) any declaration or other instrument affecting the Condominium that the Board of Managers deems necessary or appropriate to comply with any applicable law in respect of the maintenance, demolition, construction, alternation, repair, restoration or other work in or to the Condominium, or (ii) any consent, covenant, restriction, easement or declaration, or any amendment thereto, affecting the Condominium or the Common Elements that the Board of Managers deems necessary or appropriate.

In confirmation of the foregoing power of attorney, each Unit Owner, upon the request of the Board of Managers, shall duly execute, acknowledge and deliver to the requesting party, for recording in the Register's Office, a Unit Owner's Power of Attorney in the form set forth in Exhibit C of the Offering Plan.

ARTICLE 11

ACQUISITION OF UNITS BY THE BOARD OF MANAGERS

In the event any Unit Owner shall convey his Unit to the Board of Managers in accordance with Section 339-x of the Condominium Act or in the event the Board of Managers shall purchase, acquire or lease any Unit, title to such Unit or the rights to the lease of such Unit shall be held by the Board of Managers or its designee on behalf of all of the other Unit Owners, in proportion to their respective Common Interests.

ARTICLE 12

ALTERATIONS

To the extent permitted by law, with respect to Units owned by the Sponsor, the Sponsor or its successor shall have the right, without the vote or consent of the Board of Managers, other Unit Owners, or mortgagees of record, if any, to perform work, whether structural or non-structural, interior or exterior, ordinary or extraordinary, in, to, and upon the Units, change the layout of or number of rooms in any Unit, change the size and/or number of Units by subdividing one or more Units into two or more separate Units, combining two or more separate Units into one or more Units altering the boundary walls of any Units, or otherwise, and if appropriate, reapportion among such Units affected by such change their respective Common Interests, provided that the Sponsor shall comply with all applicable laws, agrees to hold the Board of Managers and all other Unit Owners harmless from any claims arising therefrom, and such alteration shall not jeopardize the structural integrity of the Building or the safety of any Unit Owner, tenant or other persons at the Property. No physical modification, or change in the Common Interests or dimensions of a Unit not owned by the Sponsor shall be made, without the consent of the Owner of the Unit affected.

No reapportionment of the Common Interests shall be made without a duly filed amendment to the Offering Plan.

ARTICLE 13 ENCROACHMENTS

If any portion of a Unit or the Common Elements encroaches upon another Unit or on the Common Elements as a result of original construction or settling of the Building, a valid easement for the encroachment and the maintenance of the same, so long as it stands, shall and does exist. In the event the Building are partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings and are rebuilt the Unit Owners agree that encroachments of any portion of the Unit or the Common Elements as aforescribed due to construction, shall be permitted, and that a valid easement for said encroachment and the maintenance thereof shall exist so long as the Building or reconstructed Building shall stand.

ARTICLE 14 EASEMENTS

Each Unit Owner shall have, in common with all other Unit Owners, an easement, for the use of the Common Elements.

Any portion of such pipes, wires, conduits and public utility lines located in the Common Elements will be owned in common by the Unit Owners. Every Unit Owner shall have an easement in common with the owners of other Units to maintain and use all pipes, wires, conduits and public utility lines located in other Units and servicing such Unit Owner's Unit. Each Unit shall be subject to an easement in favor of the Unit Owners of other Units to maintain and use the pipes, wires, conduits and public utility lines servicing such other Units and located in such Unit. The Board of Managers shall have a right of access to each Unit for maintenance, repair or improvements to any pipes, wires, conduits and public utility lines located in any Unit and any other Unit. The cost of such repairs shall be a common expense.

The Board of Managers shall have a right of access to all Common Elements for maintenance, repair or improvement whether such common elements are restricted or not.

The Board of Managers and Owner(s) of a Unit shall have an easement to maintain and use all pipes, wires, conduits, meters and public utility lines located in the other Unit(s) and servicing such Unit Owner's portion of the Building.

The Sponsor, its successors, assigns, and purchasers, reserves the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across the Common Elements of the Condominium for the purpose of completing any rehabilitation or renovation to the Building and for sale of Units and facilities in the Condominium and, towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over and across the Common Elements for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television and other utilities and for any other materials or services necessary for the completion of the work. The Sponsor, its successors, assigns, and purchasers, also reserve the right to connect with and make use of any utility lines, wires, pipes, conduits, cable television,

sewers and drainage lines which may from time to time be in or along any of the Common Elements. This paragraph shall not be amended without the consent of the Sponsor.

Each Unit and the Common Elements shall have an easement of support and of necessity and shall be subject to an easement of support and necessity in favor of all other Units and the Common Elements.

ARTICLE 15

COVENANTS RUNNING WITH THE LAND

All provisions of this Declaration, the By-Laws and the Rules and Regulations, including, without limitation, the provisions of this Article 15 shall, to the extent applicable and unless otherwise expressly herein or therein provided to the contrary, be perpetual and be construed to be covenants running with the land and with every part thereof and interest therein, and all of the provisions thereof shall be binding upon, and shall inure to the benefit of, the owner of all or any part thereof, or interest therein, and his heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create nor shall they be construed as creating, any rights in, or for the benefit of, the general public.

All present and future Unit Owners, tenants and occupants of Units shall be subject to and shall comply with the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or entering into a lease or the entering into occupancy of any Unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time, are accepted and ratified by such owner, tenant, or occupant, and all of such provisions shall be deemed and taken to be covenants running with the land and shall bind any person having at any time interest or estate in such Unit as though such provisions were recited and stipulated at length in each and every deed or conveyance or lease thereof.

ARTICLE 16

COVENANT OF FURTHER ASSURANCES

Any Person subject to terms of this Declaration, the By-Laws and the Rules and Regulations, whether such Person is a Unit Owner, a tenant or subtenant of a Unit Owner, an occupant of a Unit, a member of the Board of Managers, an officer of the condominium, or otherwise, shall, at the expense of any other person so requesting, execute, acknowledge and deliver to such other person such instruments, in addition to those specifically provided for in the Declaration, the By-Laws and the Rules and Regulations, and take such other action as such other person may reasonably request in order either to effectuate the provisions of the Declaration, the By-Laws and the Rules and Regulations or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

If any Unit Owner or other person subject to the terms of the Declaration, the By-Laws and the Rules and Regulations fails to execute, acknowledge or deliver any instrument, or fails or refuses, within ten (10) days after request therefor, to take any action that such Unit owner or person

is required to execute, acknowledge and deliver or to take pursuant to the Declaration, the By-Laws and the Rules and Regulations, then the Board of Managers is hereby authorized, as attorney-in-fact for such Unit Owner or other person, coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such other action, in the name of such Unit Owner or other person, and such document or action shall be binding on such Unit Owner or other person.

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

ARTICLE 17 WITHDRAWAL

If withdrawal of the property from the provisions of the Condominium Act is authorized by at least eighty per cent in number and in Common Interest of the Units, then the property shall be subject to an action for partition by any Unit Owner or lienor as if owned in common, in which event the net proceeds of sale shall be divided among all the Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of his share of such net proceeds all liens on his Unit.

ARTICLE 18 SUCCESSORS AND ASSIGNS

The rights and obligations of Sponsor as set forth herein and in the By-Laws shall inure to the benefit of and be binding upon any successor, assign or designee of Sponsor or, with Sponsor's consent any transferee of all their Unsold Units. Subject to the foregoing, Sponsor may at any time assign or transfer its interests herein, whether by merger, consolidation, lease, assignment or otherwise.

ARTICLE 19 SEVERABILITY

The invalidity or unenforceability of any of the covenants, limitations or provisions of the Declaration, the By-Laws or the Rules and Regulations shall in no way affect any of the remaining parts thereof, and the same shall continue to be in full force and effect.

**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 or the intent of any provision hereof.

**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 gender shall be deemed to refer to the plural, and vice versa, whenever the context so requires.

IN WITNESS WHEREOF, Sponsor has caused this Declaration to be executed as of the
____ day of _____, 20____.

254 North 6 LLC

By: _____

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

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

Notary Public

SCHEDULE A
TO THE DECLARATION OF CONDOMINIUM
OF 254 NORTH 6TH STREET CONDOMINIUM
DESCRIPTION OF THE LAND

(TO BE COMPLETED PRIOR TO RECORDING OF DECLARATION)

**SCHEDULE B
TO THE DECLARATION OF CONDOMINIUM
OF 254 NORTH 6TH STREET CONDOMINIUM**

(TO BE COMPLETED PRIOR TO RECORDING OF DECLARATION)

EXHIBIT "I"

BY-LAWS

OF

254 NORTH 6TH STREET CONDOMINIUM

EDUARD FRIDMAN, ESQ.

Fridman Saks, LLP

Attorneys for the Sponsor

1795 Coney Island Avenue

Brooklyn, New York 11230

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**BY-LAWS OF
254 NORTH 6TH STREET CONDOMINIUM**

**ARTICLE I
PLAN OF CONDOMINIUM OWNERSHIP**

Section 1: Condominium Unit Ownership

The property located in the Borough of Brooklyn and County of Kings and City and State of New York, as specifically set forth in the Declaration of Condominium (the "Declaration") executed by 254 North 6 LLC (the "Sponsor"), and more commonly known as the 254 North 6th Street Condominium, has been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York.

Section 2: By-Laws Applicability

The provisions of these By-Laws are applicable to the Condominium. The term "Condominium" as used herein shall include the land and buildings and improvements thereon including the Condominium Units (hereinafter referred to as "Units"), and the Common Elements and the use and occupancy thereof. The term "Building" as hereinafter used shall be defined as the exterior walls, roof of a Unit or number of Units all of which are constructed under a continuous roof or the entire interior and exterior of any Building or structure which shall form a portion of the Condominium but which does not contain any of the Units. The definitions contained in the Declaration of Condominium shall be applicable to these By-Laws unless otherwise stated.

Section 3: Personal Application

All present or future Unit Owners, mortgagees and lessees, or their employees, guests or any other person that might use the facilities of the Condominium in any manner are subject to these By-Laws, the Declaration and any Rules and Regulations established by the Board of Managers. The mere acquisition, occupancy or rental of any of the Units will signify that these By-Laws, the Declaration and the Rules and Regulations are accepted, ratified, and will be complied with.

**ARTICLE II
BOARD OF MANAGERS**

Section 1: Nomination and Election

The first Board of Managers (the "Board") shall consist of three (3) Managers designated by the Sponsor who shall hold office and exercise all powers of the Board until the first annual meeting of the Unit Owners. Until succeeded by the Managers elected at the first annual meeting of Unit Owners, Managers need not be Unit Owners; thereafter, all Managers other than designees or nominees of the Sponsor shall be Unit Owners. At the first annual meeting of Unit Owners a

maximum of six (6) Managers shall be elected by the Unit Owners. The term of office of each Manager shall be fixed at one (1) year. Separate ballots shall be conducted for each of the five terms of office. Each Unit Owner shall be entitled to cast one vote on each ballot for each Unit he owns. At the expiration of the initial term of office of each respective Manager, his successor shall be elected to serve a term of one (1) year. The Managers shall hold office until their successors have been elected and hold their first meeting. Notwithstanding the foregoing, the Sponsor shall have the right to designate a majority of the Board until two (2) years from the date of conveyance of title to the first Unit or until the unsold Units constitute less than fifty (50%) percent of the common interest. Thereafter the Sponsor shall have the right to designate one (1) member of the Board so long as it continues to own at least one Unit. This Section may not be amended without the written consent of the Sponsor.

Section 2: Powers and Duties

The property and business of the Condominium shall be managed by the Board, which may exercise all such powers of the Condominium and do all such lawful acts and things as are not by statute or by the Declaration or by these By-Laws directed or required to be exercised or done by the Unit Owners personally. These powers shall specifically include, but not be limited to, the following items:

1. To determine and levy monthly assessments ("Common Charges") to cover the cost of Common Expenses, payable in advance. The Board may increase the monthly assessments or vote a special assessment in excess of that amount, if required, to meet any additional necessary expenses, but said increases can only be assessed among the Unit Owners in accordance with these By-Laws;
2. To collect, use and expend the assessments collected to maintain, care for and preserve the Building, Units and the Common Elements;
3. To make repairs, restore or alter any Units or the Common Elements after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings within the limitations of these By-Laws;
4. To enter into and upon the Units, when necessary, with notice to the Unit Owners thereof whenever possible and practical and at as little inconvenience to the Unit Owner as possible in connection with the maintenance, care and preservation of the Property;
5. To open bank accounts on behalf of the Condominium and to designate the signatories to such accounts;
6. To insure and keep insured the Common Elements and Units in accordance with these By-Laws;
7. To make reasonable rules and regulations as permitted by applicable law, statute, the

Declaration or these By-Laws applicable to the Units and Unit Owners, and to amend the same from time to time, and such rules and regulations and amendments shall be binding upon the Unit Owners when the Board has approved them in writing. A copy of such rules and all amendments shall be delivered to each Unit;

8. To collect delinquent assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from the Unit Owners of the Property for violations of the Rules and Regulations;
9. To employ and terminate the employment of employees and independent contractors and to purchase supplies and equipment, to enter into contracts, and generally to have the power of manager in connection with the matters hereinabove set forth;
10. To bring and defend actions by or against more than one Unit Owner and pertinent to the operation of the Condominium. The Board, in its discretion, may fund the cost of any such litigation out of the common charge assessments or levy special assessments. The Board shall also have the right to engage in any litigation it deems necessary to carry out the provisions of the Declaration and these By-Laws and may fund the cost of any such litigation out of the common charge assessments or levy special assessments. Without limiting the foregoing, the Board may engage in litigation pertaining to the maintenance and operation of the Common Elements;
11. To purchase or otherwise acquire Units in foreclosure, as a result of abandonment or pursuant to the right of first refusal of the Condominium on behalf of all Unit Owners, and to take any and all steps necessary to repair or renovate any Unit so acquired, offer such Unit for sale or lease or take any other steps regarding such Unit as shall be deemed proper by the Board;
12. To grant utility, cable television or other easements as may, at any time, be required for the benefit of the Condominium and Unit Owners without the necessity of the consent thereto, or joinder therein, by the Unit Owners or any mortgagee (except that if the granting of such easement impairs the ability of one or more Unit Owners who have the right to use such Common Elements to the exclusion of any other Unit Owners, the consent of all such affected Unit Owners shall be required in writing before such easement shall be granted);
13. To make additions, alterations, or improvements to the Common Elements, the cost of which addition, alteration or improvement does not exceed \$2,500. The Board may make additions, alteration or improvements to the Common Elements costing in excess of \$2,500 only with the approval of a majority of the Unit Owners. While the Sponsor is in control of the Board, the Board may make additions, alterations or improvements to the Common Elements costing in excess of \$2,500 or enter into service or maintenance contracts the duration of which will extend more than one year after the Sponsor loses control of the Board, only with the approval of a majority of the Unit Owners, excluding the Sponsor, voting at a duly held meeting of

the Unit Owners. In addition, the Sponsor must give its written approval. Notwithstanding the above, nothing in this section shall impair the Board of Managers obligation to make necessary repairs and replacements.

14. To borrow money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the Common Elements, provided, however, that (i) the consent of at least 66-2/3% in number of all Unit Owners obtained at a meeting duly called and held for such purpose in accordance with the provisions of these By-Laws, shall be required for the borrowing of any sum in excess of \$2,500 and (ii) 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 written consent of the Owner of said Unit.
15. To act as an agent for one or more Unit Owners to file a single complaint and bring a special proceeding on behalf of Unit Owners who wish to contest the real estate tax assessment of their Unit pursuant to Section 339-y(4) of the New York Real Property Law. In such event, the Board could retain counsel on behalf of such Unit Owners and charge such Unit Owner(s) for whom it is acting a pro-rata share of expenses, disbursements and legal fees, the payment for which would be secured by a lien on each Unit. The Board is not obligated to perform such services and it is necessary to obtain the written authorization of the Unit Owner(s) it will perform such service for.

Notwithstanding anything to the contrary contained in these By-Laws, so long as the Sponsor or its designee shall continue to own Units representing twenty-five (25%) percent in number but in no event later than five (5) years from the date of the closing of title to the first Unit, the Board may not, without the Sponsor's prior written consent: (i) make an addition, alteration or improvement to the Common Elements or to any Unit, costing cumulatively more than \$2,500, the foregoing not to include necessary repairs and maintenance work, or (ii) assess any common charges for the creation of, addition to, or replacement of all or part of a reserve, contingency or surplus fund, or (iii) hire any employee in addition to the employees referred to in the Offering Plan, or (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the first closing of title to a Unit, or (v) borrow money on behalf of the Condominium or (vi) amend the Declaration or these By-Laws. Except as hereinafter provided, all maintenance, painting, repair and replacement of the General Common Elements and Residential Limited Common Elements including but not limited to exterior walls, roof and roof members of the Building, as well as painting, repair and/or maintenance of the exterior surfaces, roof, windows and doors which open from the Building, as well as all maintenance, repairs and replacements of foyers and stairways of the Building, and of any pipes, wires, conduits and utility lines, or any portion of which is located in one Unit and services another Unit or more than one Unit or so much of any pipes, wires, conduits and utility lines as are located in the General Common Elements or Residential Limited Common Elements but serve one or more Units shall be contracted for by the Board of Managers and the cost thereof shall be a General Common Expense for the General Common Elements and a Residential Common Expense for the Residential Limited Common Elements except if such maintenance, painting, repair or replacement is necessitated because of the

negligence, misuse or neglect of the Unit Owner or the prior alteration of the Unit by the Unit Owner, in which event the cost thereof shall be assessed to and paid by the Unit Owner.

Except as hereinafter provided, all repairs and replacement of windows, irrevocably restricted areas and snow removal from the Common Elements shall be contracted for by the Board and the cost thereof shall be a Common Expense except that the cost of any maintenance or repairs necessitated because of the negligence, misuse or neglect of a Unit owner or prior alteration of a Unit shall be assessed to and paid by the Unit Owner.

The Board shall repair all windows, plumbing stoppages and electrical repairs occurring in the Common Elements.

The Board and its agents, employees and contractors shall have a reasonable right of access to any Unit and to all portions of the Common Elements for the purpose of carrying out any of its obligations under these By-Laws or the Declaration of the Condominium. Whenever possible and practical, notice of such access or intent to gain access shall be given to the Unit Owner by the Board.

All repairs, painting or maintenance, whether made by the Unit Owner or the Board of, to the doors, windows, or the exterior surface of the Building or to any generally visible portion of the Common Elements shall be carried out in such a manner so as to conform to the materials, style and color initially provided by the Sponsor, unless varied by the Board.

In the event that a Unit Owner fails to make any maintenance or repair, which maintenance or repair is necessary to protect any of the Common Elements, that may affect other portions of the Building or any other Unit, the Board shall have the right to make such maintenance or repair (after the failure of said Unit Owner to do so after ten (10) days written notice, or written or oral notice of a shorter duration in the event of an emergency situation) and to charge said Unit Owner for the cost of all such repairs and/or maintenance. In the event that the Board charges a Unit Owner for repairs or maintenance to his Unit or for repairs to any Common Elements restricted in use to such Unit Owner, and the Unit Owner fails to make prompt payment, the Board shall be entitled to bring suit thereon and, in such event, the Unit Owner shall be liable for the reasonable attorneys' fees and cost of such suit or proceeding together with interest on all sums due.

Section 3: Compensation

Managers and officers shall receive no compensation for their services as such.

Section 4: Removal

Managers, other than Sponsor designees, may be removed for cause by an affirmative vote of a majority of the Unit Owners. No Manager, other than a member of the First Board of Managers or a Manager elected or designated by the Sponsor, shall continue to serve on the Board if, during his term of office, he shall cease to be a Unit Owner. Such member shall be deemed to have resigned effective as of the date such ownership ceased. A Manager designated by the

Sponsor or its designee may only be removed by the Sponsor or its designee and only they shall have the right to designate a replacement.

Section 5: Managing Agent:

The Board may employ for the Condominium a managing agent or manager under a term contract or otherwise at a compensation established by the Board, to perform such duties and services as the Board shall authorize including, but not limited to, all of the delegable duties of the Board. While Sponsor is in control of the Board, it will not enter into contracts which bind the Condominium for a period of more than five (5) years (except Cable Television agreements) after the closing of the first Unit unless the contract provides that it may be canceled by the Condominium upon ninety (90) days notice.

ARTICLE III
UNIT OWNERS

Section 1: 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 least ten (10) but not more than thirty (30) days prior to such meeting. The mailing of a notice in the manner provided in these By-Laws shall be considered notice served.

Section 2: Quorum

So many Unit Owners, present in person or represented by written proxy, as shall represent at least fifty-one (51%) percent of the total authorized votes of all Unit Owners shall constitute a quorum at all meetings of the Unit Owners for the transaction of business, except as otherwise provided by statute, by the Declaration or by these By-Laws. If, however, such quorum shall not be present or represented at any meeting of the Unit Owners, the Unit Owners entitled to vote thereafter present in person or represented by written proxy, shall have power to adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting originally called.

Section 3: Adoption of Binding Decisions

When a quorum is present at any meeting, the vote of a majority of the Unit Owners present in person or represented by written proxy shall decide any question brought before such meeting and such vote shall be binding upon all Unit Owners, unless the question is one upon which, by express provisions of the Declaration statute, or of these By-Laws, a different vote is required, in which case such express provisions shall govern and control the decision of such question

ARTICLE IV ELECTION OF OFFICERS

Section 1: President

The Board at its first meeting after each annual Unit Owners' Meeting shall elect a President from among the Board, who shall preside over the meetings of the Board and of the Unit Owners.

Section 2: Secretary

The Board at its first meeting after each annual Unit Owners' Meeting shall elect a Secretary, who shall keep a record wherein actions of the board and of Unit Owners' Meetings shall be recorded.

Section 3: Treasurer

The Board at its first meeting after each annual Unit Owners Meeting shall elect a Treasurer, who shall keep the financial records and books of account.

ARTICLE V OPERATION OF THE PROPERTY

Section 1: Determination of Common Charges

The Board shall from time to time, and at least annually, prepare a budget for the operation of the Common Elements, determine the amount of the Common Charges payable by the Unit Owners to meet the Common Expenses of the Common Elements, and allocate and assess such Common Charges and Expenses among the Unit Owners in proportion to their respective Common Interests.

The Common Charges of the Condominium shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board. The Common Expenses may also include such amounts as the Board may deem proper for the operation and maintenance of the Common Elements, including, without limitation an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the Common Expenses for any prior year. The Common Expenses may also include such amounts as may be required for the purchase or lease by the Board or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose Owner has elected to sell or lease such Unit or of any Unit which is to be sold at a foreclosure or other judicial sale.

Section 2: Payment of Common Expenses

The Board shall advise all Unit Owners promptly, in writing, of the amount of Common Charges and Expenses payable by each of them, respectively, as determined by the Board, as aforesaid, and shall furnish copies of each budget on which such Common Charges and Expenses are based to all Unit Owners.

The Sponsor or its designee shall be responsible for the Common Charges assessed against each Unit owned by it until such Unit is sold to a bona fide purchaser.

Section 3: Managing Agent

The Board may employ a managing agent under a term contract or at a compensation established by the Board to perform any and all duties the Board shall authorize. The Board shall have the right to terminate the use of a managing agent as it deems fit.

ARTICLE VI
USE OF THE PROPERTY

Section 1: Use of the Units

Owners of a Unit, members of their families, their employees, invitees, guests and their pets, if permitted, shall not use or permit the use of the premises in any manner which would be illegal, immoral, improper or disturbing or a nuisance to other Owners, or in such a way as to be injurious to the reputation of the Condominium. All valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Notices of violations of laws, order, 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 such portion of the Property.

Section 2: Use of the Common Elements

The Common Elements shall not be obstructed, littered, defaced or misused in any manner.

Every Unit Owner shall be liable for any and all damage to the Common Elements and the property of the Condominium, which shall be caused by said Unit Owner or such other person for whose conduct he is legally responsible.

Section 3: Maintenance of the Units

Every Unit Owner must perform promptly all maintenance and repair work to his Unit which, if omitted would affect the Condominium in its entirety or in a part belonging to other Unit Owners, or the Building of which his Unit forms a part, he being expressly responsible for the

damages and liabilities that his failure to do so may engender.

All the repairs to internal installations of the Unit located in and servicing only that Unit, such as telephones and sanitary installations shall be at the Unit Owner's expense.

Each Unit Owner shall keep his Unit and its appurtenant irrevocable restricted areas in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

Section 4: Alterations to the Units

A Unit Owner may not make any alterations or modifications, including painting, to the exterior of the Unit, or any part of the Common Elements, without the written consent of the Board of Managers. A Unit Owner shall not make structural or mechanical modifications to the Unit or other alterations which would impair the structural soundness of the Unit or Building without the written consent of the Board of Managers or its designated managing agent. Consent may be requested by mailing a letter, certified mail, return receipt requested to the managing agent, if any or to the President of the Board of Managers, if no managing agent is employed. The Board of Managers shall have the obligation to answer within sixty (60) days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alterations. All work done pursuant to this Section must be done in accordance with all applicable rules, regulations, permits and zoning ordinances of any governmental agencies having jurisdiction thereof. All necessary approvals must be obtained and submitted to the Board of Managers upon submission of the written request for consent to do the work to the Board of Managers. Any interior alterations or improvements made to a Unit shall be made in accordance with all applicable rules, regulations and zoning ordinances of any governmental agencies having jurisdiction thereof. This paragraph shall not apply to Sponsor.

The Sponsor or its designees shall have the right, without the consent of the Board of Managers other Unit Owners or their mortgagees, to (i) make alterations, additions or improvements structural and non-structural, ordinary and extraordinary, interior and exterior, in, to, and upon any Units owned by it; (ii) change the layout or number of rooms in the Units; (iii) change the size and/or number of Units by subdividing a Unit, combining separate Units (including those resulting from such subdivision or otherwise) into one or more Units or altering the boundary walls between Units or otherwise; (iv) reapportion among the Units affected by such change their appurtenant interest in the Common Elements; provided, however, that in each instance such alterations or changes do not impair the structural soundness of the Unit or the Building and the Sponsor or its designee complies with all laws ordinances and regulations of all governmental authorities having jurisdiction and shall hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom. The provisions of this subparagraph (b) may not be amended or modified without the written consent of the Sponsor.

The Board of Managers will execute any application or other document required to be filed with any governmental authority having or asserting jurisdiction in connection with any such installation or structural addition, alteration or improvement made by the Sponsor or his designee to

any Unit, provided, however, that neither the Board of Managers nor the other Unit Owners shall be subjected to any expense or liability by virtue of the execution of the application or such other document.

Section 5: Rules and Regulations

A. In addition to other provisions of the By-Laws, the following Rules and Regulations together with such additional rules and regulations as may hereafter be adopted by the Board shall govern the Condominium and the conduct of all Unit Owners, residents and/or occupants:

B. No Unit Owner shall post any advertisement or posters of any kind in or on the Condominium except as authorized by the Board of Managers.

C. It is prohibited to hang garments, rugs, etc. from the windows, or from the Building or to string clothes lines on or over the Common Elements or to use any of the Common Elements for storage purposes except for storage areas that may be assigned to a Unit Owner as a Limited Common Element. No storage of flammable liquids or other flammable material or any valuables shall be stored in any storage-areas. All provisions for safety shall be the sole responsibility of the Unit Owner and the Unit Owner should have their own insurance covering the storage area.

D. No Unit Owner shall paint the exterior surfaces of the windows, walls, or doors opening out of his Unit.

E. No television or radio antenna or any other type of receiving or transmitting antenna or structure shall be erected on the exterior of the Building without the prior written consent of the Board of Managers.

F. The sidewalks, entrances, passages, public halls, vestibules, corridors and stairways of or appurtenant to the Building shall not be obstructed or used for any purpose other than ingress to and egress from the Units. No vehicle belonging to a Unit Owner, to a family member or a Unit Owner, or to a guest, tenant, subtenant, licensee, invitee, employee, or agent of a Unit Owner shall be parked in such a manner as to impede or prevent ready access to any entrance to, or exit from the Building.

G. No baby carriages, bicycles, scooters, or similar vehicles shall be allowed to stand in the public halls, passageways, or other public areas of the Building.

H. No article (including, but not limited to, garbage cans, bottles or mats) shall be placed or stored in any of the halls or on any of the staircases of the Building, nor shall any fire exit thereof be obstructed in any manner.

I. Nothing shall be hung or shaken from any doors, windows, or placed upon the exterior window sills, of the Building, and no Unit Owner shall sweep or throw, or permit to be swept or thrown, any dirt, debris or other substance therefrom.

J. There shall be no playing or lounging in the entrances, passages, public halls, vestibules, corridors, or stairways, of the Building, except in designated recreational areas, if any, or other areas designated as such in the Declaration or by the Board.

K. The Board or the Managing Agent may, from time to time, curtail or relocate any portion of the Common Elements devoted to storage, recreation, or service purposes in the Building.

L. Nothing shall be done or kept in any Unit or in the Common Areas that will increase the rate of insurance of the Building or the contents thereof, without the prior written consent of the Board. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Areas, that will result in the cancellation of insurance on the Building, or the contents thereof, or that would be in violation of any Law. No Unit Owner or any of his family members, agents, servants, employees, licenses, or visitors shall, at any time, bring into or keep in his Unit or Common Areas any inflammable, combustible, or explosive fluid, material, chemical or substance, except as shall be necessary and appropriate for the permitted uses of such Unit or Common Areas.

M. No Unit owner shall make, cause, or permit any unusual, disturbing, or objectionable noises or odors to be produced upon or to emanate from his Unit or its appurtenant Common Elements or permit anything to be done therein that will interfere with the rights, comforts, or conveniences of the other Unit Owners. No Unit Owner shall play upon or suffer to be played upon any musical instrument, or shall operate or permit to be operated a phonograph, radio, television set, or other loudspeaker in such Unit Owner's Unit between midnight and the following 8:00 A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall any Unit Owner practice or suffer to be practiced either vocal or instrumental music between the hours of 10:00 P.M. and the following 9:00 A.M. No construction, repair work, or other installation involving noise shall be conducted in any Unit except on weekdays (not including legal holidays) and only between the hours of 8:00 A.M. and 5:00 P.M., unless such construction or repair work is necessitated by an emergency.

N. No bird, reptile, or animal shall be permitted, raised, bred, kept, or harbored in a Unit unless, in each instance, the same shall have been expressly permitted in writing by the Board or the Managing Agent. Any such consent, if given, shall be revocable at any time by the Board or the Managing Agent in their sole discretion. In no event shall any bird, reptile, or animal be permitted in any of the public portions of the Building unless carried or on leash. No pigeons or other birds or animals shall be fed from the window sills, or other public portions of the Building, or on the sidewalk or street adjacent to the Building.

O. No Unit Owner shall install any planting in the Common Areas without the prior written approval of the Board. It shall be the responsibility of the Unit Owner to maintain all plantings in the Units to prevent any damage to floors and walls. Unit Owners shall pay the cost of any repairs rendered necessary, or damage caused, by such plantings.

P. In the event that any Unit shall be used for home occupation or professional purposes in conformance with the Declaration and the By-Laws, no patients, clients, or other invitees shall be permitted to wait in any lobby, public hallway, or vestibule.

Q. No window guards or other window decorations shall be used in or about any Unit, except such as shall have been approved in writing by the Board or the Managing Agent, which approval shall not be unreasonably withheld or delayed. In no event, however, shall any exterior glass surface of any windows at the Property be colored or painted.

R. No ventilator or air conditioning device shall be installed in any Unit without the prior written approval of the Board, which approval may be granted or refused in the sole discretion of the Board.

S. No radio or television aerial shall be attached to or hung from the exterior of the Building, and no sign, notice, advertisement, or illumination shall be inscribed or exposed on or at any window or other part of the Building, except such as are permitted pursuant to the terms of Declaration and/or By-Laws or shall have been approved in writing by the Board or the Managing Agent. Nothing shall be projected from any window of a Unit without similar approval.

T. 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.

U. Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, and no sweepings, rubbish, rags or any other article shall be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the Owner of such Unit.

V. Each Unit Owner shall keep his Unit and its appurtenant irrevocably restricted areas in a good state of preservation, condition, repair and cleanliness in accordance with the terms of the By-Laws.

W. The agents of the Board or the Managing Agent, and any contractor or workman authorized by the Board or the Managing Agent, may enter any room in a Unit at any reasonable hour of the day, on at least one day's prior notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects, or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the use of such Unit for its permitted purposes.

X. The Board or the Managing Agent may retain a pass-key to each Unit. If any lock is altered or a new lock is installed, the Board or the Managing Agent shall be provided with a key thereto immediately upon such alteration or installation. If the Unit Owner is not personally present to open and permit an entry to his Unit at any time when any entry therein is necessary or permissible under these Rules and Regulations or under the By-Laws, and has not furnished a key to the Board or the Managing Agent, then the Board or Managing Agent or their agents (but, except in

an emergency, only when specifically authorized by an officer of the Condominium or an officer of the Managing Agent) may forcibly enter such Unit without liability for damages or trespass by reason thereof (if, during such entry, reasonable care is given to such Unit Owner's property).

Y. Complaints regarding the service of the Condominium shall be made in writing to the Board or to the Managing Agent.

Upon receipt by the President of the Board of Managers or by the Managing Agent, of a signed written complaint alleging violation of any of the provisions of the By-Laws as herein established or hereafter established or adopted by the Board of Managers, the President of the Board, or in his absence, the Vice President together with a minimum of two (2) other members of the Board, without a formal meeting of the Board, shall make a determination as to the validity of the complaint. Any Unit Owner accused of a violation of the provisions of the By-Laws shall be entitled to receive written notice by registered mail of such accusation. The written notice shall contain the following statements:

i) A copy of the rule or regulation the Unit Owner has allegedly violated and a description of a manner in which the Unit Owner allegedly violated the rule or regulation.

ii) A time and place at which the Unit Owner shall be given the opportunity to present a defense before final action is taken.

If, after said notice and hearing it is determined that the complaint is valid and justified the Managing Agent shall be directed to send written notice to the violator. If the violation is not corrected or eliminated within a period of three (3) days from the date of receipt of such notice, another notice will be sent levying a fine of up to \$50.00 upon the violator; such fine is to be considered as an additional Common Charge to the account of the violator and shall be treated as such regarding late penalties and a lien upon the violator's Unit as elsewhere provided for in the Declaration of Condominium or By-Laws. If after imposition of a fine the violation is not corrected or eliminated, the Board of Managers may assess additional fines of up to \$50.00 each after serving written notice upon the violator as provided for above. If the violation results in loss of or damage to property classified as Common Area, the Board of Managers shall itself or direct the Managing Agent, if employed, to have said loss or damage repaired or replaced and the actual cost of said repair or replacement shall be assessed to the violator as an additional Common Charge.

The provisions set forth above shall not be applicable to the Sponsor. The Sponsor, its nominees and agents, shall have the right and privilege to maintain general and local sale offices in and about the Condominium, including any model Units located within the Building, and shall have the right and privilege to have their representatives, employees and agents present on the Condominium premises to show the Units to prospective purchasers, to utilize the Common Elements, and, without limitation, to do any and all things necessary and incident to the sale of the Units, without charge or contribution other than in the form of Common Charge payments as otherwise provided for herein.

The Sponsor shall have the right to continue to employ signs of its choice upon the

Condominium premises in its efforts to renovate and sell the Units. Incident to the rights and privileges provided for herein, the officers, employees, agents, contractors, guests and invitees of the Sponsor, its successors and assigns, shall have the right of ingress and egress to and throughout the Common Elements of the Condominium. The last two paragraphs of this Article may not be modified or amended without the written consent of the Sponsor so long as the Sponsor continues to own one or more unsold Units.

ARTICLE VII AMENDMENTS

These By-Laws may be altered, amended or added to at any duly called Unit Owners' meeting; provided: (1) that the notice of the meeting shall contain a full statement of the proposed amendment; (2) that the amendment shall be approved by eighty (80%) percent of the Unit Owners in number and common interest; and (3) said amendment shall be set forth in a duly recorded amendment to the Declaration. However, no amendment shall affect or impair the validity or priority of the Unit Owner's interests and the interest of holders of a mortgage encumbering a Unit or Units.

Any amendment, modification, addition, or deletion of or to any of the provisions of these By-Laws that, pursuant to the terms of the Declaration or these By-Laws, may be effected by the Sponsor or its designee without the consent of the Board or the Unit Owners shall be embodied in an instrument executed and recorded in the Register's office by the Sponsor or such designee as attorney-in-fact of both the Board and all Unit Owners, which power-of-attorney shall be deemed to be irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Certification by the Sponsor or such designee, certifying that the amendment, modification, addition, or deletion set forth therein was effectuated by the Sponsor or such designee pursuant to the terms of the Declaration and/or these By-Laws. No such amendment, modification, addition, or deletion shall be effective unless and until such instrument shall be duly recorded in the Register's Office.

Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of or to these By-Laws, including the Rules and Regulations, will be effective in any respect against the Sponsor or its designee, or the holder of any present or future mortgage, pledge, lien or security agreement covering any Unsold Unit unless and until the Sponsor, such designee, and/or such mortgagee(s) (as the case may be) consents thereto in writing.

ARTICLE VIII SELLING AND LEASING OF UNITS

Section I: Right of First Refusal

No Unit Owner, other than Sponsor or its designee, may sell or lease his Unit except by complying with the following provisions:

Any Unit Owner who receives a bona fide offer to (a) purchase his Unit together with (i) the undivided interest in the Common Elements appurtenant thereto, and (ii) the interest of such Unit Owner in any Unit theretofore acquired by the Board of Managers or its designee on behalf of all Unit Owners, or his interest in the proceeds of sale or resale of such Unit, if any, or (b) lease his Unit (such an offer to purchase or lease a Unit, as the case may be, is called an "Outside Offer", the party making any such Outside Offer is called an "Outside Offeror" and the Unit Owner to whom the Outside Offer is made is called the "Offeree Unit Owner"), which he intends to accept, shall give notice by certified or registered mail to the Board of Managers of the receipt of such Outside Offer. Said notice shall state the name and address of the Outside Offeror, the terms of the proposed transaction and such other information as the Board of Managers may reasonably require. The giving of such notice to the Board of Managers shall constitute an offer by such Unit Owner to sell his Unit or Lease his Unit to the Board of Managers its designee, corporate or otherwise on behalf of all other Unit Owners, upon the same terms and conditions as contained in such Outside Offer and shall also constitute a warranty and representation by the Offeree Unit Owner who has received such Outside Offer to the Board of Managers, on behalf of all Unit Owners, that such Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Board of Managers may reasonably request. Not later than twenty (20) days after the later of the receipt of such notice or such further information as may have been requested by the Board of Managers, the Board of Managers may elect, by sending written notice to such Offeree Unit Owner before the expiration of said twenty (20) day period, by certified or registered mail, return receipt requested, to purchase such Unit 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 Unit Owners on the same terms and conditions as contained in the Outside Offer and stated in the notice from the Offeree Unit Owner.

In the event the Board of Managers shall timely elect to purchase any such Unit 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 the Outside Offer, within forty-five (45) day after the giving of notice by the Board of Managers of its election to accept such offer. If, pursuant to such Outside Offer to purchase such Unit, the Outside Offeror was to assume or take title to the Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Board of Managers may purchase the Unit and assume to take title to the Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Unit 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 of the Real Property Law of the State of New York, with all tax and other documents and/or documentary stamps affixed at the expense of such Unit Owner, who shall also pay all the taxes arising out of such sale. Real estate taxes (including water charges and sewer rents if separately assessed), mortgage interests, if any and the Common Charges shall be apportioned between the Offeree Unit owner and the Board of Managers, or its designee (corporate or otherwise), as of the closing date. In the event such Unit is to be leased, the Offeree Unit Owner shall execute and deliver to the Board of Managers, or to its designee (corporate or otherwise), a lease between the Offeree Unit Owner, as Landlord, and the Board of Managers, or its designee (corporate or otherwise), as Tenant, covering such Unit for the rental and terms contained in such Outside Offer.

In the event the Board of Managers or its designee shall fail to accept such offer within twenty (20) days after receipt of such notice, as aforesaid, or in the event the Board of Managers shall, prior thereto, waive such right of first refusal in accordance with Section 4 of this Article, the Offeree Unit Owner shall be free to accept the Outside Offer within a sixty (60) day period after (i) notice of refusal is sent or (ii) the expiration of the period in which the Board of Managers or its designee might have accepted such offer, as the case may be.

Any 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 lease executed in connection with the acceptance of an Outside Offer shall be consistent with these By-Laws and shall provide that it may not be modified, amended, extended, or assigned without the prior written consent of the Board of Managers; the tenant shall not assign his interest in such Lease or sublet the demised premises or any part thereof without the prior written consent of the Board of Managers; and the Board of Managers shall have the power to terminate such lease and/or to bring summary proceedings in the event of a default by the tenant to (i) perform its obligations under such lease or (ii) a foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York.

Except as hereinabove set forth, the form of any such lease executed by the Board of Managers, or an Outside Offeror, shall be the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and shall contain such other modifications as shall be approved in writing by the Board of Managers. Any lease executed by the Board of Managers as tenant, shall provide that the Board may enter into a sublease of the premises without the consent of the landlord.

Any purported sale or lease of a Unit in violation of this section shall be voidable at the election of the Board of Managers and, if the Board of Managers shall so elect, the Unit Owner shall be deemed to have authorized and empowered the Board of Managers to commence legal proceedings to evict the purported tenant (in the case of an unauthorized leasing) in the name of the said Unit Owner as the purported landlord. Said Unit Owner shall reimburse the Board of Managers for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

The foregoing restrictions of Section 1 of this Article shall not apply to Sponsor-owned Units or any mortgagee acquiring title to a Unit, in a foreclosure or otherwise. The Sponsor or its designee shall have the right to freely sell their Unit or to freely lease all or any part thereof without first having to offer the same for sale or lease to the Board of Managers.

Section 2: Consent of Unit Owners

Section 2: Consent of Unit Owners

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 present and voting in a meeting at which a quorum is present.

Section 3: Release by Board of Managers

The right of first refusal contained in Section 1 of this Article may be released or waived by the Board of Managers only in the manner provided in Section 4 of this Article. In the event the Board of Managers shall release or waive its right of first refusal as to any Unit, such Unit may be sold, conveyed or leased free and clear of the provisions of said Section 1 and all other restrictions, except that no Unit Owner shall convey, mortgage, pledge, hypothecate, sell or lease his Unit unless and until all unpaid Common Charges assessed against his Unit shall have been paid to the Board of Managers. However, such unpaid Common Charges can be paid out of the proceeds from the sale of a Unit or by the grantee. Further, a Unit Owner may convey his Unit and his Common Interest appurtenant thereto to the Board of Managers on behalf of all Unit Owners free of any cost to the Board or the Unit Owners, and upon such conveyance such Unit Owner shall not be liable for any Common Charges thereafter accruing against such Unit. Any sale or lease of any Unit in violation of this section shall be voidable at the election of the Board of Managers.

Section 4: Certificate of Termination

A certificate executed and acknowledged by the Secretary of the Condominium, stating that the provisions of Section 1 of this Article have been met by a Unit Owner or stating that the Right of First Refusal contained therein has been duly released or waived by the Board of Managers, and that as a result thereof the rights of the Board of Managers thereunder shall terminate, shall be conclusive upon the Board of Managers and the Unit Owners in favor of all persons who rely upon such certificate in good faith. The Board of Managers shall furnish, without charge, such certificate upon request to any Unit owner with respect to whom the provisions of such section have, in fact, terminated.

Section 5: Financing of Purchase of Unit by Board of Managers

The purchase of a Unit by the Board of Managers or its designee, on behalf of all Unit Owners, may be made from funds deposited in the capital and or expense account of the Condominium. If the funds in such accounts are insufficient to effectuate any such purchase, the Board of Managers may levy an assessment against each Unit owner, in proportion to his interest in the Common Elements, as a Common Charge, and/or the Board of Managers may in its discretion finance the acquisition of the Unit; provided, however, that no such financing may be secured by an encumbrance, or a hypothecation of any portion of the Property other than the Unit to be purchased.

Section 6: Exceptions

Section 6: Exceptions

The provisions of Section 1 of this Article shall not apply with respect to any lease, sale or conveyance of a Unit by (a) the Unit Owner thereof to his spouse, adult children, parents, parents-in-law, adult siblings or any one or more of them, (b) the Sponsor or its designee, (c) the Board of Managers, or (d) any proper officer conducting the sale of the Unit in connection with the foreclosure of a mortgage or other lien covering such Unit, or delivering a deed in lieu of such foreclosure; provided, however, that the new Unit Owner shall be bound by, and his Unit subject to, the provisions of this Article.

Section 7: Waiver of Partition Rights

The Unit Owners waive all of their voting rights concerning partition respecting any Unit acquired by the Board of Managers in accordance with this Article.

Section 8: Mortgaging of Unit

No Unit Owner shall mortgage his Unit except by a mortgage loan granted by a federal or state savings and loan association, savings or commercial bank, mortgage company, life insurance company, union pension fund, agency of the United States Government or agency of the State of New York or a purchase money mortgage loan granted by the Seller or in participation with one of the above institutions.

Section 9: Gifts, etc.

Any Unit Owner may convey or transfer his Unit by gift during his lifetime or devise his Unit by will or pass the same by intestacy, without restriction.

Section 10: Leasing Restrictions

(a) Except as noted in Section 10(c), every lease on every Unit in the Condominium is subject to the following rules and regulations, regardless of whether in the lease:

- (i) the lease must be in writing;
- (ii) the lease must be for the entire Unit;
- (iii) the lease must be for a minimum period of not less than 12 months.
- (iv) the use of the premises is subject to the Declaration, the By-Laws and the Rules and Regulations of the Condominium;
- (v) within 30 days of occupancy by the tenant, the name and telephone number of the tenant, together with a clear and complete copy of the lease, must be furnished to the management company or to an officer or manager of the Condominium;

(vi) the Unit cannot be used as a motel or hotel or otherwise for transient tenants;

(vii) if any Unit Owner ("Landlord") or tenant is in violation of any of the provisions of the Declaration or By-Laws, or both, including Rules and Regulations, subject to the 30 day notice to cure as set forth below, the Board of Managers on behalf of the Condominium may bring an action in its own name or in the name of the Landlord, or both, to have the tenant evicted or to recover damages, or both. If the court finds that the tenant is or has violated any of the provisions of the Declaration, the By-Laws of the Condominium or the Rules and Regulations, the court may find the tenant guilty of forcible detainer despite the facts that the Landlord is not a party to the action and/or that the tenant is not otherwise in violation of tenant's lease or other rental agreements with the Landlord. For purposes of granting the forcible detainer against the tenant, the court may consider the Landlord a person in whose name a contract (the lease or rental agreement) was made for the benefit of another (the Condominium). The remedy provided by this subsection is not exclusive, and is in addition to any other remedy or remedies available to the Condominium. If permitted by present or future law, the Condominium may recover all of its cost, including court costs and reasonable attorneys' fees, and these costs shall be a continuing lien on the Unit that shall bind the Unit in the hands of the then Unit Owner and the Unit Owner's successors and assigns. The Condominium shall give the tenant and the Unit Owner written notice of the nature of the violation of the rules, and 30 days from the mailing of the notice in which to cure the violation before the Condominium may file for eviction.

(b) By becoming a tenant, each tenant agrees to be bound by the Declaration, the By-Laws and other Rules and Regulations of the Condominium, and recognizes and accepts the right and the power of the Condominium to evict the tenant for any violation by the tenant of the Declaration, the By-Laws and the other Rules and Regulations of the Condominium.

(c) Only subsections (iv) and (v) of Section 10(a) apply to a first mortgage lender who has title to the Unit through (a) foreclosure of its first mortgage on the Unit; or (b) a deed in lieu of foreclosure of its first mortgage on the Unit. Any subsequent purchaser from the first mortgage lender is subject to all of the provisions of this Article.

(d) The provisions of this Section do not apply to the Sponsor.

ARTICLE IX ARBITRATION

Section 1: Procedure

Any matter required or permitted to be determined by arbitration pursuant to the terms of the Condominium Documents shall be submitted for resolution by a single arbitrator in a proceeding held in New York City, New York in accordance with the then existing rules of the American Arbitration Association or any successor organization thereto. In the event that the American

Arbitration Association shall not then be in existence and has no successor organization, any such arbitration shall be held in New York City, New York before one arbitrator appointed, upon the application of any party by the Real Estate Board of New York.

Section 2: Variation by Agreement

The parties to any dispute required or permitted to be resolved by arbitration pursuant to the terms of the Condominium Documents may, by written agreement, vary any of the terms of Section 1 hereof with respect to the arbitration of such dispute or may agree to resolve their dispute in any manner, including, without limitation, the manner set forth in Section 3031 of the New York Civil Practice Law and Rules and known as "New York Simplified Procedure for Court Determination of Disputes".

Section 3: Binding Effect

The decision in any arbitration conducted pursuant to the terms of Section 1 and 2 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

Section 4: Costs and Expenses

The fees costs and expenses of the arbitrator shall be borne by the losing party in the arbitration or, if the position of neither party to the dispute shall be substantially upheld by the arbitrator, such fees, costs and expenses shall be borne equally by the disputants. Each disputant shall also bear the fees and expenses of his counsel and expert witnesses.

All costs and expenses paid or incurred by the Condominium Board in connection with any arbitration held hereunder, including, without limitation, the fees and expenses of counsel and expert witnesses shall constitute Common Expenses.

ARTICLE X
INSURANCE AND INSURANCE TRUSTEE

Section 1: Insurance to be Carried by the Board

The Board of Managers shall obtain and maintain to the extent obtainable the following insurance: fire insurance with extended coverage water damage, vandalism and malicious mischief endorsements, insuring all of the Units in the Building in the Condominium and the bathrooms and kitchens fixtures initially installed therein by the Sponsor (but not including wall, ceiling or floor decorations or coverings furniture, furnishings, fixtures or other personal property supplied or installed by Unit Owners), together with all heating, air conditioning and other service machinery contained therein, covering the interest of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their interests may appear, in an amount equal to the replacement value of the Building (exclusive of the cost of excavations, footings and foundation). Each of such

policies shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee hereinafter set forth; and such other insurance as the Board of Managers may determine to be necessary. All such policies shall provide that adjustment of loss shall be made by the Board of Managers with the approval of the Insurance Trustee, and that the net proceeds thereof, if \$25,000 or less, shall be payable to the Board of Managers, and if more than \$25,000, shall be payable to the Insurance Trustee to be applied for the purpose of repairing, restoring or rebuilding the Building unless otherwise determined by the Unit Owners. The Board of Managers is hereby irrevocably appointed agent for each Unit Owner and for each owner of a mortgage or other lien upon a Unit and for each owner of any other interest in the Condominium property to adjust all claims arising under insurance policies purchased by the Board of Managers and to execute and deliver releases upon the payment of claims.

The fire insurance will commence with the closing of title to the first Unit in an amount as required by the mortgagee of such Unit and such amount will be increased upon the closing of title to all Units and until the first meeting of the Board of Managers following the first Unit Owners' meeting.

All policies of physical damage insurance shall contain waivers of subrogation and of any reduction of pro rata liability of the insurer as a result of any insurance carried by Unit Owners or of the invalidity arising from any acts of the insureds 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. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of Units at least ten (10) days prior to expiration of the then current policies. The Board of Managers shall review the limits of each insurance policy, as well as the amount of any deductible thereunder, prior to obtaining a renewal of any policy of insurance. In the event a Unit Owner shall dispute the amount of coverage purchased by the Board of Managers, the Board shall duly consider an appraisal obtained by and at the expense of the Unit Owner from a fire insurance company or otherwise of the full replacement value of the Building, including all of the Common Elements appurtenant thereto, for the purpose of determining the amount of casualty insurance to be effected pursuant to this Section. The decision of the Board thereon shall be deemed conclusive for all purposes.

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the managing agent and, except arising out of occurrences within his own Unit, each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit provided that such policies contain waivers of subrogation and further provided that the liability of the carriers issuing insurance procured by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

Section 2: The Insurance Trustee

The Insurance Trustee shall be a bank or trust company located in the State of New York and designated by the Board of Managers. All fees and disbursements of the Insurance Trustee shall be paid by the Board of Managers and shall constitute a Common Expense of the Condominium. In the event the Insurance Trustee resigns, fails to qualify, or is replaced by the Board of Managers, the Board of Managers shall designate a new Insurance Trustee which shall be a bank or trust company located in the State of New York.

Section 3: Restoration 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 (i) seventy-five (75%) percent or more of the Units are destroyed or substantially damaged, and (ii) seventy-five (75%) percent or more 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 kitchen or bathroom fixtures initially installed therein by the Sponsor, any heating, air conditioning or other service machinery which is covered by insurance, but not including any wall, ceiling or door decorations or coverings or other furnishings, fixtures or equipment installed by Unit Owners in the Units), and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a Common Expense and the Board of Managers may assess all the Unit Owners for such deficit as part of the Common Charges.

If seventy-five (75%) percent or more of the Units are destroyed or substantially damaged and seventy-five (75%) percent or more of the Unit Owners do not duly and promptly resolve to proceed with repair or restoration, the Property 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 (or if there shall have been a repair or restoration pursuant to the first paragraph of this Section, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration) then the excess of such insurance proceeds shall be divided by the Board of Managers or the Insurance Trustee, as the case may be, among all the Unit Owners in proportion to their respective Common Interests, after 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.

In the event that the damage resulting from a casualty loss shall (i) render one or more Units wholly or partially unusable for the purposes permitted herein and in the Declaration or (ii) destroy the means of access to one or more Units, the installments of Common Charges otherwise payable by the Owner of any Unit so affected thereby shall proportionately abate until such Unit shall again be rendered usable for such purposes and/or until the means of access thereto shall be restored, as the case may be. Notwithstanding the foregoing, however, if such casualty loss shall be caused by the act, the omission to act, or the negligence of the Owner of a Unit so affected thereby, or by a tenant or other occupant of such Unit, such installments of Common Charges shall abate only to the

extent of any proceeds of rent insurance actually collected by the Condominium Board with respect to such Unit.

ARTICLE XI CONDEMNATION

In the event all or part of the common elements are taken in condemnation or eminent domain proceedings, the award from such proceedings shall be paid to the Insurance Trustee if the award is more than \$25,000 and to the Board of Managers if the award is \$25,000 or less, to be distributed in accordance with Section 3 of Article IX but in the following amounts:

(a) so much of the award as is applicable to unrestricted Common Elements, to the Unit Owners pro rata according to the respective Common Interests appurtenant to the Units owned by such Unit Owners.

(b) so much of the award as is applicable to irrevocably restricted Common Elements, to the Unit Owner having general use of such Common Element.

In such eminent domain or condemnation proceeding the Board shall request that the award shall set forth the amount allocated to unrestricted Common Elements and to each irrevocably restricted Common Element. In the event the award does not set forth such allocation, then the question of such allocation shall be submitted to arbitration in accordance with the Arbitration Statutes of the State of New York.

If a portion of irrevocably restricted Common Elements is taken in condemnation or eminent domain proceedings as aforesaid, the Common Interest appurtenant to the Unit thereby affected shall be adjusted accordingly and reflected in an Amendment to the Declaration duly executed and acknowledged by the Condominium Board and the Unit Owners together with the holders of record of all liens.

EXHIBIT "J"

ARTICLE 36-B

WARRANTIES ON SALES OF NEW HOMES

Section 777. Definitions.

777-a. Housing merchant implied warranty.

777-b. Exclusion or modification of warranties.

§ 777. Definitions. As used in this article, the following terms shall have the following meanings:

1. "Builder" means any person, corporation, partnership or other entity contracting with an owner for the construction or sale of a new home.

2. "Building code" means the uniform fire prevention and building code promulgated under section three hundred seventy-seven of the executive law, local building code standards approved by the uniform fire prevention and building code council under section three hundred seventy-nine of the executive law, and the building code of the city of New York, as defined in title twenty-seven of the administrative code of the city of New York.

3. "Constructed in a skillful manner" means that workmanship and materials meet or exceed the specific standards of the applicable building code. When the applicable building code does not provide a relevant specific standard, such term means that workmanship and materials meet or exceed the standards of locally accepted building practices.

4. "Material defect" means actual physical damage to the following load-bearing portions of the home caused by failure of such load-bearing portions which affects their load-bearing functions to the extent that the home becomes unsafe, unsanitary or otherwise unliveable: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems.

5. "New home" or "home" means any single family house or for-sale unit in a multi-unit residential structure of five stories or less in which title to the individual units is transferred to owners under a condominium or cooperative regime. Such terms do not include dwellings constructed solely for lease, mobile homes as defined in section seven hundred twenty-one of this chapter, or any house or unit in which the builder has resided or leased continuously for three years or more following the date of completion of construction, as evidenced by a certificate of occupancy.

6. "Owner" means the first person to whom the home is sold and, during the unexpired portion of the warranty period, each successor in title to the home and any mortgagee in possession. Owner does not include the builder of the home or any firm under common control of the builder.

7. "Plumbing, electrical, heating, cooling and ventilation systems" shall mean:

a. in the case of plumbing systems: gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; water, gas and sewer service piping, and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system;

b. in the case of electrical systems: all wiring, electrical boxes, switches, outlets and connections up to the public utility connection; and

c. in the case of heating, cooling and ventilation systems: all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers.

8. "Warranty date" means the date of the passing of title to the first owner for occupancy by such owner or such owner's family as a residence, or the date of first occupancy of the home as a residence, whichever first occurs.

§ 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.

EXHIBIT "K"

CERTIFICATION BY SPONSOR
AND SPONSOR'S PRINCIPALS
PURSUANT TO 13 NYCRR 20.4 (b)

Dated: JUNE 24, 2009

State of New York
Department of Law
120 Broadway - 23rd Floor
New York, N.Y. 10271

Re: The 254 North 6th Street Condominium
254 North 6th Street
Brooklyn, New York 11211

We are the Sponsor and the principal(s) of the Sponsor of the Condominium Offering Plan for the captioned property. We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Office of 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 this certification. We jointly and severally certify that the Offering Plan does, and that documents submitted hereafter by us which amend or supplement the Offering Plan will:

- (i) set forth the detailed terms of, the transaction and be complete, current and accurate;
- (ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;
- (iii) not omit any material fact;
- (iv) not contain any untrue statement of a material fact;
- (v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;
- (vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

- (vii) not contain any representation or statement which is false, where we:
- (a) knew the truth;
 - (b) with reasonable effort could have known the truth;
 - (c) made no reasonable effort to ascertain the truth; or
 - (d) did not have knowledge concerning the 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.

254 North 6 LLC

By: Robert Paciullo

Robert Paciullo, Member

Robert Paciullo
Robert Paciullo

Phyllis Paciullo
Phyllis Paciullo

Santiago Montoya
Santiago Montoya

Jessica Paciullo
Jessica Paciullo

Severally sworn to before me
this 24 day of June, 2009

[Signature]
Notary Public

ANTONIO PASQUARIELLO
Notary Public, State of New York
No. 02PA6045906
Qualified in Kings County
Commission Expires August 21, 2010

PHILIP TOSCANO, ARCHITECT

418 GRAHAM AVENUE BROOKLYN, NEW YORK 11211

718-349-3350 Fax # 718 - 349-3479

The sponsor of the offering plan to convert the captioned property to condominium ownership retained me to prepare a report describing the construction of the property. I visually inspected on 12/16/08, and I examined the building plans and specifications that were prepared by Philip Toscano, Architect dated 11/07/07 and prepared the Report dated 1/05/09. 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 Department of Law in Part 20 insofar as they are applicable to this Report.

I have read the entire Report and investigated the facts set forth in the Report and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made.

I certify that the Report:

- (i) sets forth in narrative form the description and physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that I examined;
- (ii) in my professional opinion affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and physical condition of the property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications that I examined;
- (iii) does not omit any material fact;
- (iv) does not contain any untrue statement of a material fact;
- (v) does not contain any fraud, deception, concealment, or suppression;
- (vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (vii) does not contain any representation or statement which is false, where I/we:

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

I further certify that I am not owned or controlled by and have no beneficial interest in the sponsor and that my compensation for preparing this Report is not contingent on the conversion of the property to a condominium or on the profitability or price of the offering. This statement is not intended as a guarantee or warranty of the physical condition of the property."

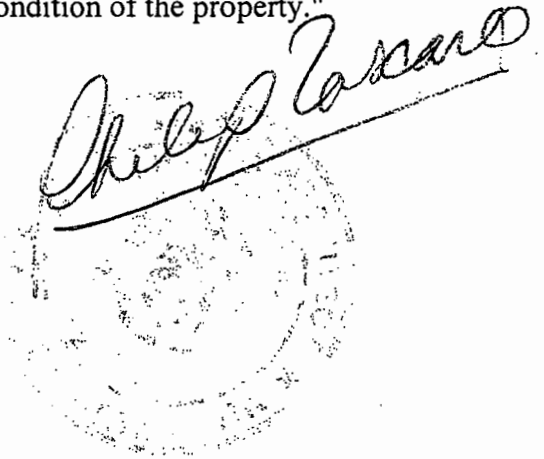
The block contains a handwritten signature, "Philip Zoscaro", written in cursive. The signature is positioned over a circular notary seal. The seal is partially obscured by the signature and contains some illegible text and a star.

EXHIBIT "M"

CERTIFICATION BY EXPERT ON ADEQUACY OF BUDGET
PURSUANT TO 13 NYCRR 20.4 (d)

D & D Management Services Corp.
6725 13th Avenue
Brooklyn, NY 11219

Dated: August 27, 2009

State of New York
Department of Law
120 Broadway - 23rd Floor
New York, N.Y. 10271

Re: 254 North 6th Street Condominium
Brooklyn, New York

Gentlemen:

The Sponsor of the condominium offering plan for the above property retained our firm to review the Schedule B ("Budget") containing projections of income and expenses for the first year of condominium operation.

Our experience in this field includes over ten years and the current management of twenty buildings and the sale of numerous condominium and rental properties. We are familiar with prices, practices and procedures in the area of this condominium.

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 Schedule B.

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

We certify that the projection in Schedule B appear reasonable and adequate under existing circumstances and the projected income and energy costs 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;

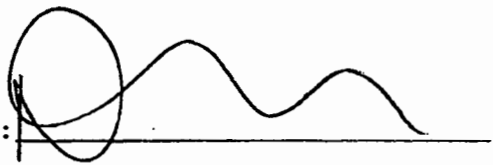
- (ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of Condominium operation;
- (iii) do not omit any material fact;
- (iv) do not contain any untrue statement of a material fact;
- (v) do not contain any fraud, 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 representations 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 this Offering Plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of Condominium operation.

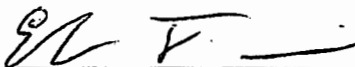
This Certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

Very truly yours,

D & D Management Services Corp.

By: 

Sworn to before me this
27th day of August, 2009



Notary Public

Eduard Fridman
Notary Public, State of N.Y.
NO. 02FR6125202
Qualified in Kings County
Commission Expires April 11, 2013

EXHIBIT "N"

**STEWART TITLE
INSURANCE COMPANY**

Title No: MAK3409

Effective Date: 8/14/2009

Redated:

Proposed Insured:

Purchaser: 254 North 6 LLC

Mortgagee: TBD

Amount of Insurance:

Fee

Mortgage TBD

THIS COMPANY CERTIFIES that a good and marketable title to the premises described in Schedule A, Description subject to the liens, encumbrances and other matters, if any, set forth in this certificate may be conveyed and/or mortgaged by:

TITLE VESTED IN:

254 North 6, LLC

Title acquired by a Deed dated February 2, 2008, and recorded February 21, 2008 as CRFN 2008000072932 on page, made by:

Jessica Paciullo, Santiago Montoya, as joint tenants with right of survivorship as to a 50% interest, Robert M. Paciullo and Phyllis Paciullo, as husband and wife, as to a 50% interest

Premises described herein are known as: 254 North 6th St.

County: Kings
Town/City: Brooklyn
Municipality: Brooklyn
District:
Section:
Block: 2338
Lot: 14

RE 000/000

STEWART TITLE INSURANCE COMPANY

Title No: MAK3409

Schedule A Description

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

BEGINNING at a point on the Southerly side of North 6th Street distant 162 feet Easterly from the corner formed by the intersection of the Southerly side of North 6th Street and the Easterly side of Roebling Street;

RUNNING THENCE Southerly parallel with Roebling Street 100 feet;

THENCE Northerly parallel with Roebling Street through the center of a party wall 100 feet to the Southerly side of North 6th Street;

THENCE Westerly along the Southerly side of North 6th Street 20 feet 2 inches to the point or place of BEGINNING.

STEWART TITLE INSURANCE COMPANY

Title No: MAK3409

Schedule B

Hereinafter set forth are additional matters which will appear in the policy as exceptions from coverage, unless disposed of to our satisfaction prior to the closing or delivery of the policy.

DISPOSITION

1. Rights of tenants or parties in possession, if any.
2. Taxes, tax liens, tax sales, water rates, sewer rents and assessments set forth in schedule herein.
3. Any state of facts an accurate survey and/or survey inspection of the premises would show.
4. Mortgage(s) held by: SEE ATTACHED SCHEDULE "MORTGAGES" (1)
5. Covenants, conditions, easements, leases, agreements of record as follows:
 - a) Zoning Lot description under CRFN 2007000389320
6. Due to problems with returned or dishonored checks, no uncertified checks for \$500.00 or more will be accepted without advanced approval by counsel or manager. Under no circumstances will third party or seller's checks be accepted in any amount at closing without advanced approval. **TITLE CLOSERS ARE NOT AUTHORIZED TO MAKE SUCH APPROVALS. ATTORNEY ESCROW CHECKS ARE ACCEPTABLE.**
7. All parties will be required to provide two forms of identification one being photo identification, to the company's representative at closing.
8. Policy will except water and sewer rent not entered and/or water and sewer rent entered subsequent to date of last reading. **NOTE: COMPANY REQUIRES SPECIAL METER READING TO DATE OF CLOSING, OR COMPANY WILL HOLD ESCROW UNTIL WE RECEIVE A FINAL READING TO DATE OF CLOSING.**
9. If the conveyance or mortgage herein is to be made under Power of Attorney, proof is required that same has never been revoked and is still in full force and effect and that the donor thereof was living at the time of execution and delivery of instruments thereunder. **NOTE: COMPANY REQUIRES POWER OF ATTORNEY TO BE DATED WITHIN THREE MONTHS OF CLOSING. IDENTIFICATION OF DONORS REQUIRED AT CLOSING. PLEASE CONTACT THIS COMPANY IF THE ABOVE REQUIREMENTS CAN NOT BE MET.**

STEWART TITLE INSURANCE COMPANY

10. Company requires original documents for recording at closing. Faxed documents or documents that are not legible will not be accepted for recording. Please contact this company if the above requirement can not be met.
11. The proposed mortgagor(s) 254 North 6 LLC has/have been run for judgments and liens. Nothing has been found of record.
12. In the absence of a survey Company will not certify as to the location or dimensions of within described premises on all sides, and will except any state of facts an accurate survey may show.
13. New York City vault of charges, if any.
14. Emergency Repair notices, if any, filed pursuant to Chapter 57, Section D 26-57.01 of the Administrative Code of the City of New York.
15. The assessed valuation of the premises herein is shown to be partially exempt from full taxation at the present time, but, may be subject to the discontinuance of such exemption and the reimposition of taxes upon the death of or transfer of title or possession of the exempt owner.
16. In order for this company to produce accurate bankruptcy searches, we require social security numbers for all parties. If social security numbers are not provided, this company can not guarantee the accuracy of searches.
17. Proof is required as to the date of formation of 254 North 6, LLC and that it has not been dissolved.
18. An LLC or LLP must publish once a week for six (6) successive weeks in the county where it intends to be located. The publication must be in one daily paper and one weekly paper. If there is no paper in the county that fits the requirement, then publication must be in the closest county.
19. The publication must be within 120 days after formation. A certificate of publication and affidavits of publication must be filed with the Department of State within the 120-day period.
20. The publication must contain the names of the 10 persons with the most valuable interest.
21. FAILURE TO PUBLISH SHALL SUSPEND THE AUTHORITY OF THE LLC/LLP TO DO BUSINESS IN NEW YORK STATE.
22. Note: The prior law did not suspend authority to do business for failure to publish.
23. Proof of publication and proof of filing of a certificate of publication and affidavits of publication in two papers once a week for six weeks.

STEWART TITLE INSURANCE COMPANY

24. Proof is required that the transaction to be insured has been authorized in accordance with the Articles of Organization and the Operating Agreement of the Limited Liability Company.
25. A copy of the Articles of Organization and the Operating Agreement must be delivered to this Company prior to closing for review. Title is subject to such additional exceptions as a review discloses.
26. Proof is required that there has been no change in the composition of the Limited Liability Company, be either adding or dropping members since its formation.
27. Proof is required that 254 North 6, LLC, a Limited Liability Company, is treated, for federal income tax purposes, as a partnership or, in the alternative, if 254 North 6, LLC is treated by the IRS as a corporation, proof of payment of New York State corporation franchise taxes through date of closing is required.
28. An affidavit in the form attached must be executed and provided by the manager or authorized member of the Limited Liability Company.
29. Proof of payment of the annual fee to the State of New York and, if applicable, of the annual fee and unincorporated business tax to the City of New York must be provided.

**STEWART TITLE
INSURANCE COMPANY**

Title No: **MAK3409**

MORTGAGES

Mortgagor: **Santiago Montoya and Jessica Paciullo, Robert Paciullo and Phyllis Paciullo**

Mortgagee: **"MERS", Inc. as nominee for GreenPoint Mortgage Funding, Inc.**

Amount: **\$667,500.00**

Dated: **4/2/07**

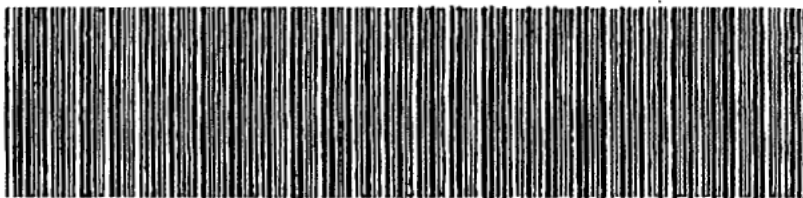
Recorded: **4/26/07**

CRFN: **200700218022**

This title report does not show all the terms and provisions of the mortgage(s) set forth herein. Interested parties should contact the holder(s) thereof to ascertain the terms, covenants and conditions contained therein, and to determine if there are any unrecorded amendments or modifications thereto.

**NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER**

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2007060800244001002E51FF

RECORDING AND ENDORSEMENT COVER PAGE

PAGE 1 OF 6

Document ID: 2007060800244001

Document Date: 05-31-2007

Preparation Date: 07-13-2007

Document Type: ZONING LOT DESCRIPTION

Document Page Count: 4

PRESENTER:

ULTIMATE ABSTRACT SERVICES PICKUP
-GAIL
STEWART TITLE INS. CO. UCRFC5612K-LI.
121 WEST OAK STREET
AMITYVILLE, NY 11701
631-598-0474

RETURN TO:

JOHN A SERVIDER ESQ
65-12 69TH PLACE
MIDDLE VILLAGE, NY 11379

		PROPERTY DATA	
Borough	Block Lot	Unit	Address
BROOKLYN	2338 14 Entire Lot		254 NORTH 6TH STREET
Property Type: RESIDENTIAL VACANT LAND			

CROSS REFERENCE DATA

CRFN _____ or Document ID _____ or _____ Year _____ Reel _____ Page _____ or File Number _____

PARTIES

PARTY ONE:

JESSICA PACIULLO

x Additional Parties Listed on Continuation Page

FEES AND TAXES

Mortgage		Filing Fee:	
Mortgage Amount:	\$ 0.00	\$	0.00
Taxable Mortgage Amount:	\$ 0.00	NYC Real Property Transfer Tax:	
Exemption:		\$	0.00
TAXES: County (Basic):	\$ 0.00	NYS Real Estate Transfer Tax:	
City (Additional):	\$ 0.00	\$	0.00
Spec (Additional):	\$ 0.00		
TASF:	\$ 0.00		
MTA:	\$ 0.00		
NYCTA:	\$ 0.00		
Additional MRT:	\$ 0.00		
TOTAL:	\$ 0.00		
Recording Fee:	\$ 57.00		
Affidavit Fee:	\$ 0.00		



**RECORDED OR FILED IN THE OFFICE
OF THE CITY REGISTER OF THE
CITY OF NEW YORK**

Recorded/Filed 07-30-2007 10:37
City Register File No. (CRFN):
2007000389320

G. M. Hill

City Register Official Signature

NB.# 302269239

EXHIBIT "TIP"

**ZONING LOT DESCRIPTION AND OWNERSHIP STATEMENT BY
BUILDING DEPARTMENT PERMIT APPLICANT
(TO BE RECORDED IN THE COUNTY'S CLERK OR REGISTER'S OFFICE)**

JESSICA PACIULLO, SANTIAGO MONTOYA, ROBERT PACIULLO

AND PHYLLIS PACIULLO residing at [REDACTED]

an applicant/record owners for present or future permits pursuant to the Zoning Resolution of the City of New York, effective as of December 15, 1961, and subsequently amended, state that the zoning lot to which the aforementioned permit or permits pertain as shown on the Tax Map of the City of New York, County of Kings, as Block 2338 Lot: 14 known as 254 North 6th Street, Brooklyn, New York (the Premises) more particularly bounded as follows:

SEE SCHEDULE ANNEXED HERETO

The premises are shown on the following diagram:

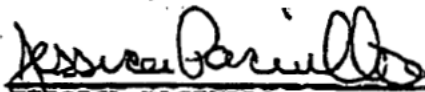
1. Show distance from corner
2. Show Block & Lot Numbers and dimensions of each lot.

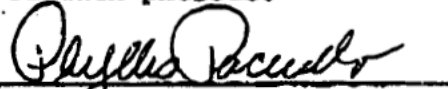
The above described zoning lot is presently owned by: **JESSICA PACIULLO, SANTIAGO MONTOYA, ROBERT PACIULLO AND PHYLLIS PACIULLO** residing at [REDACTED]

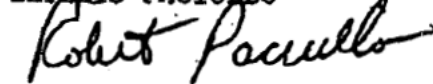
IN WITNESS WHEREOF the applicant for permit has executed this instrument

this 31 day of MAY, 2007.


SANTIAGO MONTOYA


JESSICA PACIULLO


PHYLLIS PACIULLO


ROBERT PACIULLO

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:

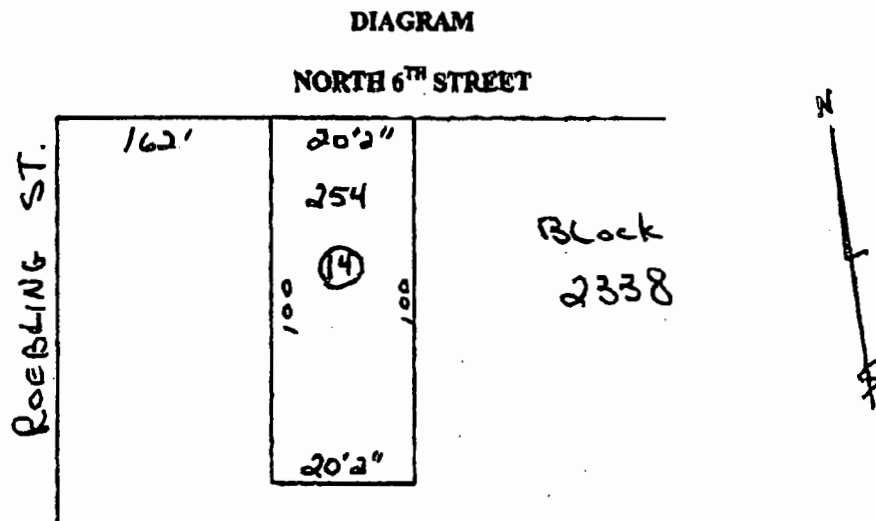
BEGINNING AT A POINT ON THE SOUTHERLY SIDE OF NORTH 6TH STREET DISTANT 162 FEET EASTERLY FROM THE CORNER FORMED BY THE INTERSECTION OF THE SOUTHERLY SIDE OF NORTH 6TH STREET WITH THE EASTERLY SIDE OF ROEBLING STREET;

RUNNING THENCE SOUTHERLY PARALLEL WITH ROEBLING STREET, 100 FEET;

THENCE EASTERLY PARALLEL WITH NORTH 6TH STREET, 20 FEET 2 INCHES;

THENCE NORTHERLY PARALLEL WITH ROEBLING STREET THROUGH THE CENTER OF A PARTY WALL 100 FEET TO THE SOUTHERLY SIDE OF NORTH 6TH STREET;

THENCE WESTERLY ALONG THE SOUTHERLY SIDE OF NORTH 6TH STREET, 20 FEET 2 INCHES TO THE POINT OR PLACE OF BEGINNING.



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:

BEGINNING AT A POINT ON THE SOUTHERLY SIDE OF NORTH 6TH STREET DISTANT 162 FEET EASTERLY FROM THE CORNER FORMED BY THE INTERSECTION OF THE SOUTHERLY SIDE OF NORTH 6TH STREET WITH THE EASTERLY SIDE OF ROEBLING STREET;

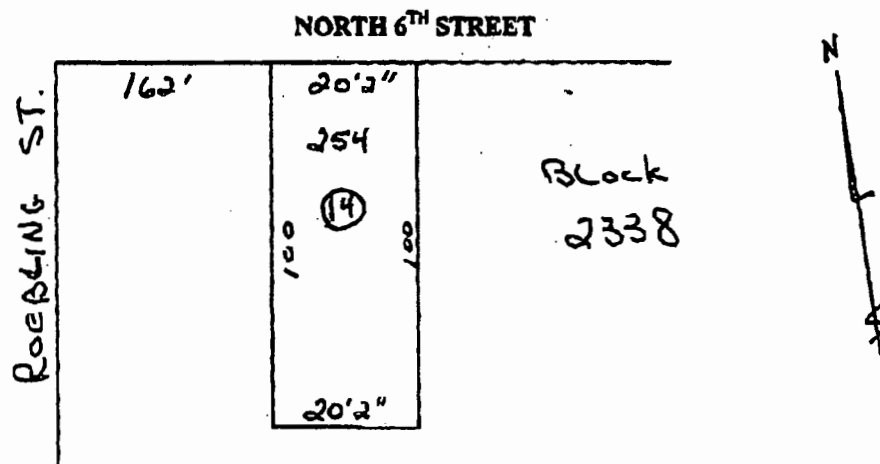
RUNNING THENCE SOUTHERLY PARALLEL WITH ROEBLING STREET, 100 FEET;

THENCE EASTERLY PARALLEL WITH NORTH 6TH STREET, 20 FEET 2 INCHES;

THENCE NORTHERLY PARALLEL WITH ROEBLING STREET THROUGH THE CENTER OF A PARTY WALL 100 FEET TO THE SOUTHERLY SIDE OF NORTH 6TH STREET;

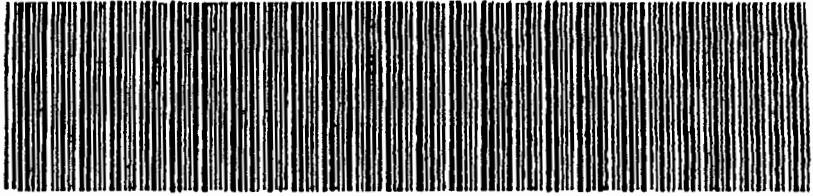
THENCE WESTERLY ALONG THE SOUTHERLY SIDE OF NORTH 6TH STREET, 20 FEET 2 INCHES TO THE POINT OR PLACE OF BEGINNING.

DIAGRAM



**NYC DEPARTMENT OF FINANCE
OFFICE OF THE CITY REGISTER**

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2007060800244002001EA1BB

RECORDING AND ENDORSEMENT COVER PAGE

PAGE 1 OF 5

Document ID: 2007060800244002

Document Date: 06-07-2007

Preparation Date: 06-08-2007

Document Type: CERTIFICATE

Document Page Count: 4

PRESENTER:

ULTIMATE ABSTRACT SERVICES PICKUP
-GAIL
STEWART TITLE INS. CO. UCRC5612K-LL
121 WEST OAK STREET
AMITYVILLE, NY 11701
631-598-0474

RETURN TO:

JOHN A SERVIDER ESQ
65-12 69TH PLACE
MIDDLE VILLAGE, NY 11379

PROPERTY DATA

Borough	Block	Lot	Unit	Address
BROOKLYN	2338	14	Entire Lot	254 NORTH 6TH STREET
Property Type: RESIDENTIAL VACANT LAND				

CROSS REFERENCE DATA

CRFN _____ or Document ID _____ or _____ Year _____ Reel _____ Page _____ or File Number _____

PARTIES

PARTY 1:

ULTIMATE ABSTRACT SERVICES, INC
121 W OAK STREET
AMITYVILLE, NY 11701

FEES AND TAXES

Mortgage		Filing Fee:	
Mortgage Amount:	\$	0.00	\$ 0.00
Taxable Mortgage Amount:	\$	0.00	NYC Real Property Transfer Tax:
Exemption:			\$ 0.00
TAXES: County (Basic):	\$	0.00	NYS Real Estate Transfer Tax:
City (Additional):	\$	0.00	\$ 0.00
Spec (Additional):	\$	0.00	
TASF:	\$	0.00	
MTA:	\$	0.00	
NYCTA:	\$	0.00	
Additional MRT:	\$	0.00	
TOTAL:	\$	0.00	
Recording Fee:	\$	57.00	
Affidavit Fee:	\$	0.00	

**RECORDED OR FILED IN THE OFFICE
OF THE CITY REGISTER OF THE
CITY OF NEW YORK**

Recorded/Filed 07-30-2007 10:37

City Register File No. (CRFN):

2007000389321



Janette McMill

City Register Official Signature

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UCLREC561216-n

NB#302269239

EXHIBIT "T"

**CERTIFICATION PURSUANT TO ZONING LOT SUBDIVISION C OF
SECTION 12-10 OF THE ZONING RESOLUTION OF DECEMBER 15, 1961 OF THE
CITY OF NEW YORK, AS AMENDED, EFFECTIVE AUGUST 18, 1977**

**ULTIMATE ABSTRACT SERVICES, INC., AN AGENT FOR STEWART TITLE
INSURANCE COMPANY LICENSED TO DO BUSINESS IN THE STATE OF NEW
YORK, WITH OFFICES AT 121 W. OAK STREET, NEW YORK 11701, HEREBY
CERTIFIES THAT AS TO THE LAND HEREINAFTER DESCRIBED BEING A TRACT
OF LAND EITHER UNSUBDIVIDED OR CONSISTING OF TWO OR MORE LOTS OF
RECORD, CONTIGUOUS FOR MINIMUM OF TEN LINEAR FEET, LOCATED
WITHIN A SINGLE BLOCK IN THE SINGLE OWNERSHIP OF JESSICA PACIULLO,
SANTIAGO MONTOYA, ROBERT PACIULLO AND PHYLLIS PACIULLO THAT ALL
THE PARTIES IN INTEREST CONSTITUTING A "PARTY IN INTEREST" AS
DEFINED IN SECTION 12-10, SUBDIVISION (C) OF THE ZONING RESOLUTION
OF THE CITY OF NEW YORK, EFFECTIVE DECEMBER 15, 1961, AND AS
AMENDED, ARE THE FOLLOWING:**

<u>NAME</u>	<u>ADDRESS</u>	<u>NATURE OF INTEREST</u>
JESSICA PACIULLO, SANTIAGO MONTOYA, ROBERT PACIULLO AND PHYLLIS PACIULLO	254 NORTH 6 TH STREET BROOKLYN, N.Y. 11211	FEE OWNER
GREENPOINT MORTGAGE FUNDING, INC.	100 WOOD HOLLOW RD. NOVATO, CA 94945	MORTGAGEE

THE SUBJECT TRACT OF LAND WITH RESPECT TO WHICH THE FOREGOING PARTY IS THE PARTY IN INTEREST AS AFORESAID, IS KNOWN AS TAX LOT 14 IN BLOCK 2338 ON THE TAX MAP OF THE CITY OF NEW YORK, KINGS COUNTY, AND MORE PARTICULARLY BOUNDED AND DESCRIBED AS FOLLOW IN SCHEDULE A HEREWITH.

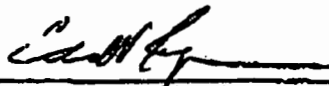
THAT THE SAID PREMISES ARE KNOWN AS AND BY STREET ADDRESS 254 NORTH 6TH STREET, BROOKLYN, NEW YORK, AS SHOWN ON THE FOLLOWING DIAGRAM:

SEE ATTACHED DIAGRAM

THIS CERTIFICATE IS MADE FOR AN ACCEPTED BY THE APPLICANT UPON THE EXPRESS UNDERSTANDING THAT LIABILITY HEREUNDER IS LIMITED TO ONE THOUSAND (\$1,000.00) DOLLARS.

ULTIMATE ABSTRACT SERVICES, INC

BY:



EDWARD V. REGAN
TITLE OFFICER

6

**BARGAIN AND SALE DEED WITH COVENANT AGAINST
GRANTOR'S ACTS (INDIVIDUAL OR CORPORATION)**

FORM 8002 (short version), FORM 8007 (long version)

CAUTION: THIS AGREEMENT SHOULD BE PREPARED BY AN ATTORNEY AND REVIEWED BY ATTORNEYS FOR
SELLER AND PURCHASER BEFORE SIGNING.

THIS INDENTURE, made the 2nd day of Feb., 2008,

between

Jessica Paciullo, Santiago Montoya, as Joint Tenants with a Right of Survivorship as to a 50% Interest, Robert M. Paciullo and Phyllis Paciullo, as Husband and Wife as to a 50% Interest, all of 108 Withers Street, Brooklyn, New York 11211,

party of the first part, and

254 NORTH 6 LLC of 113 Withers Street, Brooklyn, New York 11211,

party of the second part;

WITNESSETH, that the party of the first part, in consideration of Ten Dollars and No Cents (\$10.00), lawful money of the United States, paid by the party of the second part, does hereby grant and release unto the party of the second part, the heirs or successors and assigns of the party of the second part forever,

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

BEGINNING at a point on the southerly side of North 6th Street distant 162 feet easterly from the corner formed by the intersection of the southerly side of North 6th Street and the easterly side of Roebling Street;

RUNNING THENCE southerly parallel with Roebling Street 100 feet;

THENCE easterly parallel with North 6th Street 20 feet 2 inches;

THENCE northerly parallel with Roebling Street through the center of a party wall 100 feet to the southerly side of North 6th Street;

THENCE westerly along the southerly side of North 6th Street 20 feet 2 inches to the point or place of beginning.

The premises herein described are and are intended to be the same as those described in deed dated October 7, 2005 and recorded on October 27, 2005 in the Office of the City Register of the City of New York; State of New York File No. 2005000601843.

Said premises known as 254 North 6th Street, Brooklyn, New York.



S.J. CARROLL JR., INC.

Researching the Records of NYC Agencies

Quality & Service
for over **30** years

TAX SEARCH

COMPANY: MASTERS ABSTRACT

DATE : 08/18/2009

TITLE #: MAK3409

TAX MAP ATTACHED

COUNTY: KINGS BLOCK: 2338 LOT: 14

SJC REF: 428007

PREMISES : 254 NORTH 6 STREET

2009/2010 A.V. TAX CLASS: 1 TAX RATE: 16.787 BUILDING CLASS: CO

(TRANS.) LAND: 10,080 TOTAL: 10,080 EX. 0 EX. 0

(ACTUAL) LAND: 10,080 TOTAL: 10,080 EX. 0 EX. 0

REASON FOR EXEMPTION: NO EXEMPTION A.O.: 254 NORTH 6 LLC

COUNTY: KINGS SEC/VOL: 804 BLOCK: 2338 LOT: 14

WATER & SEWER RENT CHARGES ISSUED BY THE DEPARTMENT OF ENVIRONMENTAL PROTECTION MAY BE PENDING. (SEE SEPARATE WATER DEPARTMENT SEARCH.)

2009/2010 TAX 1 1/4 DUE 07/01/09 423.03 PAID 07/02/09
UNOFFICIAL

2 1/4 DUE 10/01/09 423.03 OPEN

3 1/4 DUE 01/01/10 423.03 OPEN

4 1/4 DUE 04/01/10 423.03 OPEN

VAULT TAX CHARGES: NONE

SUBJECT TO CONTINUATION PRIOR TO CLOSING.
NOTHING ELSE FOUND.

IMPORTANT NOTICE ABOUT SEARCH INFORMATION

The items returned herein may have been paid but payment not officially posted. Receipts of such items should be produced on closing. The commitment includes such unpaid taxes, water and charges and other matters relating to taxes which are indexed, as of the date of this commitment, against the above block & lot on the official records of the Department of Finance, Office of the City Collector. No responsibility is assumed for any error or omission in the record nor any taxes levied after the date of this commitment. If a tax exemption is noted above, same may terminate on the day when premises are conveyed by the verified owner, and the full tax rate thereupon be reinstated. Our tax search does not cover any part of the street on which the premises to be insured abut.

Page 1 of 1

388 Atlantic Avenue, Brooklyn, New York 11217 • 718-852-0051 • 212-727-0708 • Fax 718-852-0533 • www.sjcarroll.com

010/ 800 2 1362#

TTCARROLL

8850298877 15:11 6002'81'00N

N-16

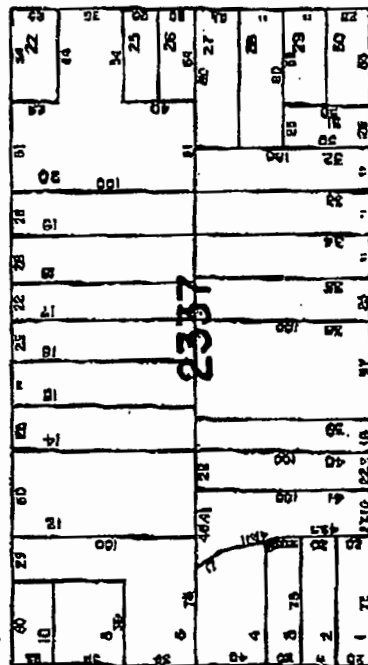
BL. LOT NEW DROP

13

SEE PAGE 19

6TH

N.



ST.

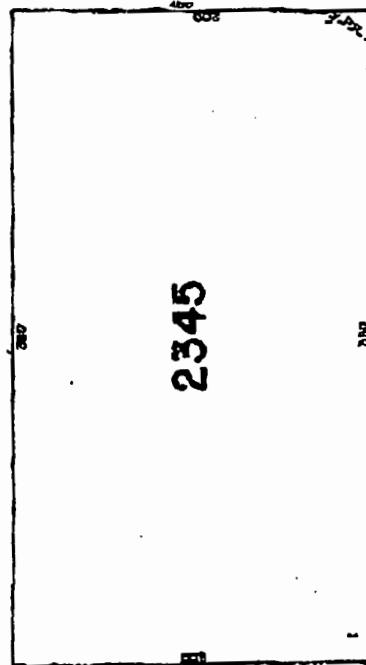
ST.

HAVEMEYER ST.

SEE PAGE 21

5TH

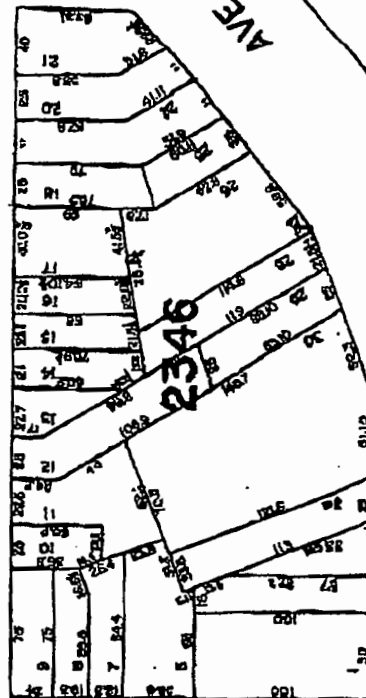
N.



ROEBLING

DRIGGS

ST.



4TH

N.

METROPOLITAN

ST.

HAVEMEYER ST.

SEE VOL. 5

20

COMBING SU.

SEE PAGE 25

20

SEE PAGE 19



S.J. CARROLL JR., INC.

Researching the Records of NYC Agencies

Quality & Service
for over **30** years

WATER DEPARTMENT SEARCH

COMPANY: MASTERS ABSTRACT

DATE : 08/18/2009

STATE #: MAK3409

COUNTY: KINGS

PREMISES : 254 NORTH 6 STREET

BLOCK: 2338

LOT: 14

SJC REF: 428007

ACCOUNT #	1001030942001	DUE 09/07/09	\$114.81	OPEN
-----------	---------------	--------------	----------	------

THE ABOVE ACCOUNT BALANCE(S) REFLECT THE TOTAL OWED TO THE DEPARTMENT OF ENVIRONMENTAL PROTECTION.

THE BELOW CHARGES ARE FOR ADJUSTMENT PURPOSES ONLY AND ARE ALREADY INCLUDED IN THE ABOVE ACCOUNT BALANCE. THEY ARE NOT OWED IN ADDITION TO THE ACCOUNT BALANCE.

DATE	FROM	TO	WATER/SEWER	ENTERED	
9816	03/06/09	07/27/09	114.81	08/10/09	ACTUAL
1997	NO CONSUMPTION-FIRE METER				

(A SPECIAL READING SHOULD BE OBTAINED ON ALL ACCOUNTS.)

IMPORTANT NOTICE ABOUT SEARCH INFORMATION

S.J. CARROLL JR., INC. DOES HEREBY STATE THAT THE RECORDS OF THE ABOVE CITY AGENCY WAS EXAMINED AND THAT THE INFORMATION REPORTED ABOVE IS TRUE AND ACCURATE. THE INFORMATION CONTAINED THEREIN ON THE ABOVE NOTED DATE. THIS REPORT IS FOR INFORMATION PURPOSES ONLY. NO LIABILITY IS ASSUMED HEREUNDER.

Page 1 of 1

388 Atlantic Avenue, Brooklyn, New York 11217 • 718-852-0051 • 212-727-0709 • Fax 718-852-0533 • www.sjcarroll.com

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08/18/2009 11:11 6002 81 50



S.J. CARROLL JR., INC.

Researching the Records of NYC Agencies

Quality & Service

for over

30 years

STREET REPORT SEARCH

COMPANY: MASTERS ABSTRACT

DATE : 08/18/2009

TITLE #: MAK3409

COUNTY: KINGS

PREMISES : 254 NORTH 6 STREET

BLOCK: 2338

LOT: 14

SJC REF: 428007

FRONT STREET: NORTH 6 STREET

WIDTH: MAPPED AT 60' BY THE CITY OF NEW YORK

DEDICATED: OLD ROAD OR SPECIAL PROCEEDING 1834

OTHER INFO:

CROSS STREET: ROEBLING STREET

WIDTH: MAPPED AT 80' BY THE CITY OF NEW YORK

DEDICATED: LEGALLY OPENED 10/17/1859 AND 04/21/1909

OTHER INFO:

CROSS STREET:

WIDTH:

DEDICATED:

OTHER INFO:

IMPORTANT NOTICE ABOUT SEARCH INFORMATION

SJC JR. INC. DOES HEREBY STATE THAT THE RECORDS OF THE ABOVE CITY AGENCY WAS EXAMINED AND THAT THE INFORMATION REPORTED ABOVE IS TRUE AND ACCURATE
ACT OF THE INFORMATION CONTAINED THEREIN ON THE ABOVE NOTED DATE THIS REPORT IS FOR INFORMATION PURPOSES ONLY NO LIABILITY IS ASSUMED (NEW YORK)

Page 1 of 1



S.J. CARROLL JR., INC.

Researching the Records of NYC Agencies

Quality & Service
for over **30** years

CERTIFICATE OF OCCUPANCY

COMPANY: MASTERS ABSTRACT

DATE : 08/18/2009

TITLE #: MAK3409

COUNTY: KINGS

PREMISES : 254 NORTH 6 STREET

BLOCK: 2338 LOT: 14

SJC REF: 428007

No certificate of occupancy issued according to the Building Department Index Records. The following information has been found.

DEMO # 302341482

COMPLETED 11/09/2007

TWO STORY BUILDING.

302344844

APPROVED 08/14/2009

NOT SIGNED OFF

THREE STORY BUILDING; THREE APARTMENTS.

EFFECTIVE 09/18/01 RESTRICTIONS ON ACCESS TO CERTAIN RECORDS HAVE BEEN PUT IN PLACE BY THE INVESTIGATIONS & DISCIPLINE UNIT OF THE DEPARTMENT OF BUILDINGS. THESE RECORDS ARE NOW BEING SEARCHED BY CITY PERSONNEL AND WE CANNOT ASSURE THE ACCURACY OF THAT RESEARCH.

IMPORTANT NOTICE ABOUT SEARCH INFORMATION

S.J. CARROLL JR. INC. DOES HEREBY STATE THAT THE RECORDS OF THE ABOVE CITY AGENCY WAS EXAMINED AND THAT THE INFORMATION REPORTED ABOVE IS TRUE AND ACCURATE ABSTRACT OF THE INFORMATION CONTAINED THEREIN ON THE ABOVE NOTED DATE. THIS REPORT IS FOR INFORMATION PURPOSES ONLY. NO LIABILITY IS ASSUMED HEREUNDER.

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S.J. CARROLL JR., INC.
Researching the Records of NYC Agencies
Quality & Service
for over **30** *years*

EMERGENCY REPAIR SEARCH

COMPANY: MASTERS ABSTRACT

DATE : 08/18/2009

TITLE #: MAK3409

COUNTY: KINGS

PREMISES : 254 NORTH 6 STREET

SJC REF: 428007

 DATE OF LAST PRINTED LIEN BOOK: 04/24/2009

RECOUPMENT UNIT:

 *TOTAL MONEY DUE: 0.00

WORK IN PROGRESS:

XXX

 NO EMERGENCY REPAIRS HAVE BEEN GIVEN OUT SUBSEQUENT
 TO THE LAST LIEN BOOK.

 THE ATTACHED EMERGENCY REPAIRS HAVE BEEN GIVEN OUT
 AT THE ABOVE ADDRESS.

*NOTE: THE DEPARTMENT OF HPD HAS ADVISED US THAT CERTAIN RECORDS OF THEIR OFFICE
 MAY BE INACCURATE. A PAYOFF LETTER MUST BE OBTAINED ON ALL PROPERTIES WHERE THERE
 IS MONEY OWED TO THE RECOUPMENT UNIT. HPD HAS CONFIRMED THAT PROPERTIES THAT
 REFLECT A ZERO BALANCE ARE ACCURATE AND THAT A PAYOFF LETTER IS NOT REQUIRED.

IMPORTANT NOTICE ABOUT SEARCH INFORMATION

S.J. CARROLL JR., INC. DOES HEREBY STATE THAT THE RECORDS OF THE ABOVE CITY AGENCY WERE EXAMINED AND THAT THE INFORMATION REPORTED ABOVE IS TRUE AND ACCURATE.
 AN ABSTRACT OF THE INFORMATION CONTAINED THEREIN ON THE ABOVE NOTED DATE. THIS REPORT IS FOR INFORMATION PURPOSES ONLY. NO LIABILITY IS ASSUMED THEREUNDER.

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S.J. CARROLL JR., INC.
Researching the Records of NYC Agencies
Quality & Service **30** *for over* *years*

HOUSING & BUILDING SEARCH

COMPANY: MASTERS ABSTRACT

DATE : 08/18/2009

TITLE #: MAK3409

COUNTY: KINGS

PREMISES : 254 NORTH 6 STREET

SJC REF: 428007

A SEARCH OF THE RECORDS OF THE DEPARTMENT OF BUILDINGS, AND THE RENT AND HOUSING MAINTENANCE DEPARTMENT OF THE CITY OF NEW YORK WAS MADE ON THE ABOVE DATE. THE FOLLOWING VIOLATIONS WERE REPORTED PENDING. THIS DATA IS AS OF 05/13/09:

BUILDING DEPARTMENT: NO VIOLATIONS

RENT & HOUSING MAINTENANCE: NO VIOLATIONS

CLASSIFICATION

MULTIPLE DWELLING: XX

NOT A MULTIPLE DWELLING:

IMPORTANT NOTICE ABOUT SEARCH INFORMATION

S.J. CARROLL JR., INC. DOES HEREBY STATE THAT THE RECORDS OF THE ABOVE CITY AGENCY WAS EXAMINED AND THAT THE INFORMATION REPORTED ABOVE IS TRUE AND ACCURATE ABSTRACT OF THE INFORMATION CONTAINED THEREIN ON THE ABOVE NOTED DATE. THIS REPORT IS FOR INFORMATION PURPOSES ONLY. NO LIABILITY IS ASSUMED THEREUNDER.

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S.J. CARROLL JR., INC.
Quality & Service
for over
30 years

Researching the Records of NYC Agencies

BANKRUPTCY SEARCH

COMPANY: MASTERS ABSTRACT

DATE : 08/18/2009

TITLE #: MAK3409

COUNTY: KINGS

NAMES : 1)254 NORTH 6 LLC.

SJC REF: 428007

A SEARCH OF THE UNITED STATES BANKRUPTCY COURT, FOR THE ABOVE COUNTY, HAS BEEN MADE AS FOLLOWS:

FOR THE COUNTIES OF KINGS, QUEENS & RICHMOND - THE EASTERN DISTRICT

FOR THE COUNTIES OF NEW YORK & THE BRONX - THE SOUTHERN DISTRICT

XXX THERE IS NO RECORD OF A BANKRUPTCY FILING FOR THE ABOVE MENTIONED INDIVIDUAL, CORPORATION OR BUSINESS.

THE BELOW INFORMATION IS ON FILE FOR THE ABOVE MENTIONED INDIVIDUAL, CORPORATION OR BUSINESS.

IMPORTANT NOTICE ABOUT SEARCH INFORMATION

S.J. CARROLL JR., INC. DOES HEREBY STATE THAT THE RECORDS OF THE ABOVE GOVERNMENTAL AGENCY WERE EXAMINED AND THAT THE INFORMATION REPORTED ABOVE IS TRUE AND ACCURATE ABSTRACT OF THE INFORMATION CONTAINED THEREIN. THIS REPORT IS FOR INFORMATION PURPOSES ONLY. LIABILITY IS LIMITED TO ERRORS AND OMISSIONS OF INFORMATION. NOT BE INDEXED, FILED AND RETURNED WITH THE ABOVE GOVERNMENTAL AGENCY. THE LIABILITY UNDER THIS SEARCH SHALL NOT EXCEED \$1,000.00 AND SHALL BE CONFINED TO THE APPLICANT FOR WHOM THE SEARCH WAS MADE. THIS SEARCH DOES NOT INCLUDE FILINGS IN AREAS OTHER THAN THE MICROFILMS OR INDEX OF THE UNITED STATES BANKRUPTCY CLERK'S OFFICE.

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S.J. CARROLL JR., INC.
Researching the Records of NYC Agencies
Quality & Service
for over **30** years

PATRIOT NAME SEARCH

COMPANY: MASTERS ABSTRACT
DATE : 08/18/2009
TITLE #: MAK3409
SJC REF: 428007
NAMES : 1) 254 NORTH 6 LLC.

A SEARCH OF THE OFFICE OF FOREIGN ASSET CONTROL OF THE US DEPARTMENT OF TREASURY HAS BEEN MADE WITH THE FOLLOWING RESULTS: THIS INFORMATION IS AS OF 04/01/09.

XXX

THERE IS NO RECORD FOR THE ABOVE MENTIONED INDIVIDUAL, CORPORATION OR BUSINESS IN THE DATABASE OF SPECIALLY DESIGNATED NATIONALS AND BLOCKED PERSONS (SDN LIST).

THE BELOW NAME (S) ARE LISTED IN THE DATABASE OF SPECIALLY DESIGNATED NATIONALS AND BLOCKED PERSONS (SDN LIST). SEE INFORMATION ATTACHED.

IMPORTANT NOTICE ABOUT SEARCH INFORMATION

S.J. CARROLL JR., INC. DOES HEREBY STATE THAT THE RECORDS OF THE ABOVE GOVERNMENTAL AGENCY WERE EXAMINED AND THAT THE INFORMATION REPORTED ABOVE IS TRUE AND ACCURATE ABSTRACT OF THE INFORMATION CONTAINED THEREIN. THIS REPORT IS FOR INFORMATION PURPOSES ONLY. NO LIABILITY IS ASSUMED. FURTHERMORE, THIS SEARCH DOES NOT INCLUDE FILINGS IN AREAS OTHER THAN THE OFFICE OF FOREIGN ASSETS CONTROL, AND DOES NOT INCLUDE ANY VARIATION OF THE NAMES LISTED.

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EXHIBIT 1

Stewart Title Guaranty Company, Stewart Title Insurance Company, Stewart Title Insurance Company of Oregon, National Land Title Insurance Company, Arkansas Title Insurance Company, Charter Land Title Insurance Company,

Privacy Policy Notice

PURPOSE OF THIS NOTICE

Title V of the Gramm-Leach-Bliley Act (GLBA) generally prohibits any financial Institution, directly or through its affiliates, from sharing nonpublic personal information about you with a nonaffiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of persons or entities to whom it may be disclosed. In compliance with the GLBA, we are providing you with this document, which notifies you of the privacy policies and practices of Stewart Title Guaranty Company, Stewart Title Insurance Company, Stewart Title Insurance Company of Oregon, National Land Title Insurance Company, Arkansas Title Insurance Company, Charter Land Title Insurance Company,.

We may collect nonpublic personal information about you from the following sources:

- Information we receive from you, such as on applications or other forms.
- Information about your transactions we secure from our files, or from our affiliates or others.
- Information we receive from a consumer reporting agency.
- Information that we receive from others involved in your transaction, such as the real estate agent or lender.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you.

We may disclose any of the above information that we collect about our customers or former customers to our affiliates or to nonaffiliated third parties as permitted by law.

We also may disclose this information about our customers or former customers to the following types of nonaffiliated companies that perform marketing services on our behalf or with whom we have joint marketing agreements:

- Financial service providers such as companies engaged in banking, consumer finance, securities and insurance.
- Non-financial companies such as envelope stuffers and other fulfillment service providers.

WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW.

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

EXHIBIT 2

Privacy Policy Notice

PURPOSE OF THIS NOTICE

Title V of the Gramm-Leach-Bliley Act (GLBA) generally prohibits any financial institution, directly or through its affiliates, from sharing nonpublic personal information about you with a nonaffiliated third party unless the institution provides you with a notice of its privacy policies and practices, such as the type of information that it collects about you and the categories of persons or entities to whom it may be disclosed. In compliance with the GLBA, we are providing you with this document which notifies you of the privacy and practices of

We may collect nonpublic personal information about you from the following sources:

- Information we receive from you, such as on applications or other forms.
- Information about your transactions we secure from our files, or from our affiliates or others.
- Information we receive from a consumer reporting agency.
- Information that we receive from others involved in your transaction, such as the real estate agent or lender.

Unless it is specifically stated otherwise in an amended Privacy Policy Notice, no additional nonpublic personal information will be collected about you.

We may disclose any of the above information that we collect about our customers or former customers to our affiliates or to nonaffiliated third parties as permitted by law.

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WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PURPOSE THAT IS NOT SPECIFICALLY PERMITTED BY LAW.

We restrict access to nonpublic personal information about you to those employees who need to know that information in order to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

HEREIN CALLED THE COMPANY

NOTICE OF AVAILABILITY OF OWNER'S TITLE INSURANCE

DATE:

TO: 254 North 6 LLC

Purchasing property located at 254 North 6th St.
Brooklyn, New York

A Mortgagee's Title Insurance Policy insuring the title to the property you are buying is being issued to your mortgage lender, but that policy does not provide title insurance coverage to you.

You may obtain an Owner's Title Insurance Policy which will provide Title Insurance coverage to you. The additional cost to you for an Owner's Policy of Title Insurance in the amount of is if you request it at this time.

If you are uncertain as to whether you should obtain an Owner's Policy of Title Insurance, you are urged to seek independent advice.

254 North 6 LLC -Borrower

-Borrower

-Borrower

-Borrower

- ☐ I/We do request an Owner's Policy of Title Insurance.
- ☐ I/We do not request an Owner's Policy of Title Insurance.

File Number: MAK3409

OWNER/SELLER'S AFFIDAVIT

STATE OF NEW YORK
County of
NAK3409

AFFIDAVIT

I, **254 North 6 LLC**, being duly sworn, deposes and say as follows:

1. I am the owner of premises known as **254 North 6th St. Brooklyn New York**.
 2. I have owned and occupied the premises for _____ years, peaceably and undisturbed. To my knowledge, the title thereto has never been questioned. I know of no reason any other person might claim any right, title or interest in or to any portion of the premises.
 3. There are no unpaid taxes, assessments, water charges or sewer rents against the premises now due and owing.
 4. There have been no buildings or exterior improvements constructed on the premises within the last two years, except _____.
 5. The premises are used solely for residential purposes. There are no tenants, lessees or other persons in possession of any portion of the premises except _____.
- (If applicable:) Such tenants are month-to-month or pursuant to written lease for terms not in excess of _____ months without the right to renew. No lease contains an option to purchase.
6. I have allowed no one to encroach on the premises, to have any easements therein (other than ordinary utility easements), or to use any portion thereof for any purpose. There are no rights of way or common driveways running along or through the premises. I have not encroached on any adjoining premises. I have no knowledge of any violation of any covenants, restrictions or agreements affecting the premises.
 7. (If applicable:) A survey dated _____ made by _____ shows the premises as they exist today, except _____.
 8. I have been known by no other name within the last ten years, except _____. There are no unsatisfied judgments or liens against me anywhere. I have never been the subject of a bankruptcy proceeding.
 9. (If applicable:) I have read the list of judgments and liens contained in the Commitment. They are not against me, but are against another person with the same or a similar name. I have never resided or conducted business at any of the address shown for the judgment debtors.
 10. If this company is forwarding payment to the holder of an existing mortgage in satisfaction of my indebtedness, I agree to pay any additional sums which may be required by such holder to obtain a discharge of such mortgage.
 11. If this company is picking up or taking escrow for estimated taxes and/or current tax bills, I agree to pay any additional sums which may be required to satisfy the taxing authority.
 12. I am about to sell, lease or mortgage the premises, I make this affidavit to induce to issue its policies of title insurance thereon. I know that it is relying on the truth of what is contained herein.
 13. If this affidavit is made by more than one person, the word "I" shall be construed as "we" wherever it appears; but each of us is separately swearing to the truth hereof.

254 North 6 LLC

Subscribed and sworn to
before me this _____

Notary Public

STEWART TITLE

REPORT OF CLOSING

Title closed at office of _____ on _____ 19 _____ by _____

By delivery of the following instruments:

DEED (Designate Kind)

G.I.-F.H.A.-CONVENTIONAL
MORTGAGE (Designate Kind)

By _____

By _____

To _____

To _____

Dated _____

Dated _____

Insure for \$ _____

Amount, \$ _____ payable in _____

Insure for \$ _____

DEED (Designate Kind)

MORTGAGE (Designate Kind)

By _____

By _____

To _____

To _____

Dated _____

Dated _____

Insure for \$ _____

Amount, \$ _____ payable in _____

Insure for \$ _____

ASSIGNMENT OF MORTGAGE

By _____

By _____

To _____

To _____

Dated _____

Dated _____

Assigns Mortgage Recorded in L. _____ Mp. _____ Sec. _____

Cons. \$ _____

Insure for \$ _____

Assigns Mortgage Recorded in L. _____ Mp. _____ Sec. _____

Insure for \$ _____

SATISFACTION OF MORTGAGE

By _____

By _____

Dated _____

Dated _____

Satisfies Mortgage Recorded in L. _____ Mp. _____

Satisfies Mortgage Recorded in L. _____ Mp. _____

OTHER CLOSING INSTRUMENTS

Parties Present At Closing

Attorney for Seller _____ Address _____ Tel. _____

Attorney for Purchaser _____

Attorney for Lender _____

Fee Policy to be sent to: _____ Address _____

Mortgage Policy to be sent to: _____ Address _____

Masters Abstract, LLC

8 Duffy Ave
Hicksville, NY 11801
(516) 349-5900 FAX (516) 349-7062

April 28, 2010

Att: Edward Friedman
Sent via Email

RE: Premises: 254 North 6th St., Brooklyn, New York
Title No.: MAK3409

To whom it may concern:

Our company has completed a continuation search on the above mentioned title, the
Following has been found:

- Nothing new has been found of record.

There are no further changes as per continuation as of 4/10/2010.

Sincerely,

Karla Herrera
For the company