THIS PLAN HAS BEEN AMENDED - SEE INSIDE FRONT COVER

CONDOMINIUM OFFERING PLAN

FOR

KINGS CONDOMINIUM
2113 KINGS HIGHWAY
BROOKLYN, NEW YORK 11229

TWELVE (12) RESIDENTIAL CONDOMINIUM UNITS:	**$3,025,000**
TOTAL OFFERING PRICE:	**$3,025,000**

SPONSOR AND SELLING AGENT:

2113 Kings Highway, LLC
3845 Bedford Avenue
Brooklyn, New York 11229

Date of Acceptance for Filing: July 30, 2010

The term of this initial offering is twelve (12) months from the date the Plan is accepted for filing by the Department of Law, and thereafter may not be used unless extended by a duly filed amendment.

SEE PAGE 1 FOR SPECIAL RISKS TO PURCHASERS.

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

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

PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE BOARD OF MANAGERS OF THIS PLAN.

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PART 1
CONDOMINIUM OFFERING PLAN

FOR

KINGS CONDOMINIUM

SPECIAL RISKS

This Offering Plan is subject to a number of special risks, which should be carefully considered by every prospective purchaser. Prospective purchasers are further urged to visit the premises of Kings Condominium and to consult with their attorneys and financial advisors before executing a Purchase Agreement. The special factors are as follows:

1. Right of First Refusal - All Units, which are being offered for sale and which will be sold pursuant to this Plan, will be sold subject to a right of First Refusal in favor of the Board of Managers of the Condominium incorporated in the Deed to each Unit (Exhibit "C" to Part II of this Plan) which is discussed in Part I of this Plan under the heading "Rights and Obligations of Unit Owners".

Unconditional Right to Rent - Sponsor is retaining the unconditional right to rent rather than sell Units, therefore there is no commitment to sell more than fifteen percent (15%) necessary to declare the plan effective and owner-occupants (purchasers for their own occupancy) may never gain effective control of the Board of Managers of the condominium. Sponsor is not limiting the conditions under which it will rent, rather than sell Units, although Sponsor will make every effort to sell all of the Units.

Bylaws - The Bylaws provide that after the initial sponsor voting control period, a majority of the Board of Managers must be owner-occupants, members of owner-occupant's households, or non-resident unit owners who are unrelated to the Sponsor and its principals. In addition, owner-occupants and non-resident unit 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 an investment). See section entitled "Board of Managers" contained in Part I of the Plan. Owner-occupants may also never gain effective control and management of the Condominium.

2. Purchaser's failure to strictly adhere to all time periods set forth in the purchase agreement or to pay the balance on the Closing Date designated by Sponsor is an event of default which entitles the Sponsor to cancel the Purchase Agreement by sending Purchaser thirty (30) days prior written notice of its intention to do so. After that time forfeiture of the down payment may be declared. See section entitled "Procedure to Purchase" contained in Part I of the Plan and paragraph eight (8) of the Purchase Agreement contained in Part II of the Plan. TIME IS OF THE ESSENCE TO REMEDY SUCH DEFAULT WITHIN SAID PERIOD.

Purchasers should also be aware that Purchasers obligation to purchase a unit is not conditional or contingent upon Purchaser obtaining a mortgage or other financing, nor is any financing being offered by the Sponsor. Accordingly, if a Purchaser cannot obtain a mortgage or financing, once they have

entered into a contract, they will still be obligated to close, and if they cannot close they will be in a position to forfeit their down payment. See section entitled "Procedure to Purchase" contained in Part I of the Plan.

3. Inasmuch as the Units are presently not as yet complete, prospective purchasers will be required to execute binding Purchase Agreements without having an opportunity to inspect the Unit prior to its completion, unless the Building has been completed at such time. See paragraph entitled Unit Information and section entitled "Procedure to Purchase" contained in Part I of the Plan. It is anticipated that the building will be completed by the end of the year.

4. The Sponsor will retain control of the Board of Managers in the following manner:

(i) So long as Sponsor owns Units representing 50% or more in Common Interest, the Sponsor shall have the right to designate two (2) of the three (3) members of the Board of Managers.

(ii) So long as Sponsor owns Units representing 30% in Common Interest, the Sponsor shall have the right to designate one (1) of the three (3) members of the Board of Managers.

(iii) In no event shall the Sponsor retain voting control after two years from the date of closing of title to the first Unit or when Sponsor's ownership of the Units constitutes less than 25%, whichever is earlier. Sponsor, after designating its representatives, may cast the remaining votes for unit owners

of its choice.

Sponsor may not at any time exercise veto power over expenses described in Schedule B or over expenses required to (a) comply with applicable laws or regulations; or (b) remedy any notice of violation; or (c) remedy any work order by an insurer.

(iv) So long as the Sponsor or its designee shall continue to own Units representing 25% or more in Common Interest the Board of Managers may not: (a) increase the number or change the type of employees from that described in Schedule B, (b) provide for new or additional services from those indicated on Schedule B, (c) impose any assessment or charges against Unit Owners for improvement or additions unless required by Law, (d) establish any reserves for contingencies, repairs, improvements or replacements. See section entitled "Control by the Sponsor" contained in Part I of the Plan.

5. Residential Unit Owners will be responsible for the cost of gas and electric consumed in their Unit, which will be separately metered and invoiced directly to the Unit Owners. See Schedule "B-1" contained in Part I of the Plan, which estimates individual unit energy costs.

6. The Sponsor may declare the plan effective by entering into a valid contract for sale for a minimum of fifteen percent (15%) of the units in the building, or two (2) units. It should be noted however, that even though the plan may be declared effective, that not all those who enter into the purchase agreements may be able to obtain financing to purchase, thereby resulting in a Sponsor controlled condominium. See section

entitled "Effective Date" contained in Part I of the Plan.

Purchasers should note that in the current real estate market, bank and other lenders are imposing various restrictions on loans. Such restrictions include requiring that a certain percentage (50% or more) of the Units in the building be sold before the lender will consider making the loan. Thus it may be possible for a purchaser to experience difficulty obtaining a loan in a building where the percentage of units purchased is lower than a lender's particular sales minimum.

Even once a building undergoes conversion, lenders may still impose minimum sales requirements before granting a loan. It then may be difficult for a purchaser to resell an apartment if prospective buyers are unable to obtain a loan due to such minimum sales requirements. See section entitled "Procedure to Purchase" contained in Part I of the Plan.

7. No bond or other security has been furnished to secure the performance of the Sponsor's obligations under this plan. See section entitled "Rights and Obligations of the Sponsor" contained in Part I of the Plan.

8. Although the Sponsor has obtained a Certificate of Eligibility for 421A real estate tax abatement benefits for all of the Units, Purchasers must note that there is no guarantee that the building will obtain tax abatement benefits. See Schedule "A" and the section entitled "Real Estate Taxes" both contained in Part I of the Plan. Purchasers should also note that the benefits may be reduced if the New York State legislature passes changes analogous to those passed to Article

11 of the Administrative Code of the City of New York which became effective on January 8, 2008. This will result in increased real estate tax liability to all Purchasers. The foundation for the subject property was fully constructed prior to June 30, 2008.

9. All funds received by the Sponsor for upgrades or extras must initially be placed in the escrow account. Purchasers should note that such funds may be released from the escrow account by the escrow agent as long as the Sponsor uses the funds for such upgrades or extras. As a result, in the event a purchaser is entitled to rescission, the purchaser will not receive a refund on any funds used for upgrades or extras. See section entitled "Procedure to Purchase" contained in Part I of the Plan.

10. Purchasers are required to pay the New York City and State Real Property Transfer Taxes, currently assessed at 1% and .4% respectively, of the purchase price of the Unit, for conveyances up to $500,000, which taxes are statutorily the primary obligation of a Seller of real property. These transfer taxes are considered additional consideration in the calculation of these taxes. See section entitled "Unit Closing Costs and Adjustments" contained in Part I of the Plan.

11. Pursuant to the terms of paragraph 6 of the Purchase Agreement contained in Part II of the Plan, and the section entitled Unit Closing Costs and Adjustments contained in Part I of the Plan, the purchaser shall be obligated to pay to the Sponsor a $750 condominium map fee, $1,000 for legal and filing

fees in connection with securing tax exemption benefits, attorney's fees in the amount of $1,500 for closings at the offices of Sponsors attorney, (an additional $300 fee will be charged for closing outside of the office), attorneys' fees for the preparation of the documents necessary for any mortgage loan, New York City and New York State Transfer Taxes noted above, recording charges for the deed in the amount of $125 plus $5.00 for every page recorded, power of attorney in favor of the Board of Managers, and any mortgage documents, in the amount of $125 plus $5.00 for every page recorded, and mortgage recording taxes assessed at 1.8% for mortgages up to $500,000. In addition, each purchaser shall be responsible for the payment of fees to his own attorney, a $1,000 fee for the formation of the condominium, a $650 fee for the New York City Water Meter installation and connection, and an Automated City Register Information System fee, "ACRIS fee", of real property record information, which will be about $200. The estimated closing costs included are not limited to mortgage and fee title policy premiums and the recording charges and the mortgage and transfer tax rates set forth above are based on the rates, premiums, charges and taxes in effect as of the date of this Offer Plan. If said premiums, charges, rates or taxes subsequently revised by the title company, the State, or Municipality, each purchaser shall be required to pay the title policy premiums, recording charges and mortgage and transfer taxes in effect as of the date of the closing of title to the Unit. See section entitled "Unit Closing Costs and Adjustments" contained in Part I of the Plan.

12. Under no circumstances shall any below grade room, balcony and/or terrace, recreation room or offices, if any, be used for any type of occupancy, including but not limited to, dining, sleeping, living room, nor recreations room or office, unless specified as such. To do so may result in a violation against the building being issued by the Building Department. In addition, if applicable, storage rooms may only be used for non-combustible items as defined by the building code. No storage of clothing, furniture, books, papers, or any other combustibles are allowed See Section entitled "Rights and Obligations of the Unit Owners and the Board of Managers - Sale and Leasing of Units" contained in Part I of the Plan

13. On October 3, 2008, FDIC deposit insurance was increased from $100,000 to $250,000. This was only a temporary increase through the end of the year 2009. However, on May 20, 2009, Congress extended this coverage to expire on December 31, 2013. Purchasers should be aware that any deposits for the purchase of a Unit in excess of the current $250,000 are not federally insured. See section entitled "Procedure to Purchase" contained in Part I of the Plan.

14. Sponsor represents since this is new construction that all of the units offered in the Plan will be vacant. Therefore no option to postpone a closing will be necessary for the initial offering of the newly constructed vacant units as Sponsor makes every effort to sell all of the units in the condominium. Over time, however, if the Sponsor is unable to sell any of the units the Sponsor has reserved the right to rent the vacant units. A

Purchaser should then be aware if they enter into a purchase agreement for a tenant occupied unit that the tenant may not vacate the unit upon the expiration or termination of their lease to such unit. In this case, the closing will be postponed until such unit is vacated and the Purchaser will not be penalized in any way for postponing the closing under these circumstances. If the tenant fails to vacate as required, the Sponsor will be responsible for obtaining possession of the unit at Sponsor's expense. The Purchaser should also be aware that they are also purchasing the unit in "as is" condition.

Sponsor represents that no contracts or agreements have been entered into for the sale or transfer of any of the units nor have any deposits or advances of funds been taken. Sponsor further represents that no sales efforts will be extended prior to the acceptance of filing of the Condominium Plan by the Department of Law. See section entitled "Introduction" contained in Part I of the Plan.

15. The Sponsor will not permit the assignment or transfer of a Purchase Agreement without Sponsor's written consent in each instance in Sponsor's sole discretion. See section entitled "Procedure to Purchase" contained in Part I of the Plan.

16. Sponsor shall not permit the maintenance, keeping, boarding or raising of animals of any kind, excluding domestic pets, within the units. See section entitled "Rights and Obligations of the Unit Owners" contained in Part I of the Plan.

17. Each Unit's square footage, within reasonable tolerances, is calculated from the interior side of the wall

studs. Square footage as calculated may substantially exceed usable floor space. Purchasers should note that dimensions based on measurements from exterior walls do not accurately represent the interior usable area of the unit, which may be significantly less.

18. Sponsor will not be providing hookups for laundry appliances in the units, but will be providing a laundry closet with hookups for a one washer and one dryer (side by side) at the cellar level for the use of all of the unit owners. The Sponsor will not provide these appliances and the unit owners will have to purchase same. The cost for these units could be as high as $2,500. Unit owners can decide at a meeting how the funds can be raised, or they can request from the Board of Managers that working capital funds be used. See sections entitled "Unit Information" contained in Part I of the Plan and Architect's Description contained in Part II of the Plan.

19. All residential unit owners' must notify the Managing Agent in writing when a child under the age of eleven (11) years lives or resides (even temporarily) in the Unit. Each unit owner will then be required to install at their own expense, window guards in all of the windows of the Unit. The guards shall not be removed until permitted by applicable law, in any event, without the full knowledge of the Managing Agent.

20. A closing will only take place after the issuance of a temporary or permanent certificate of occupancy for the building is obtained or the issuance of a partial, temporary or permanent certificate of occupancy for the unit closing is obtained. The

Department of Buildings strongly recommends that a buyer negotiate a closing based on a final certificate of occupancy and not a temporary certificate. Purchasers can consult, at their own cost and expense, a licensed architect or engineer to determine what work has to be done in order for the building to receive a final certificate of occupancy. Purchasers can also obtain written assurances and sufficient escrow from the sponsor to ensure that any outstanding construction work will be completed so that the final certificate of occupancy will be obtained in a timely manner. If a temporary certificate of occupancy expires and is not renewed, a purchaser may find it difficult to renew homeowners' insurance policies or to sell or refinance the unit.

It has been customary for units in newly constructed condominiums to close after a temporary certificate of occupancy covering such unit has been issued. Sponsor will send closing notices for units covered by temporary certificates of occupancy and purchasers will be required to close with a temporary certificate of occupancy, rather than a permanent certificate of occupancy in place. Temporary certificates of occupancy are issued for three months at a time.

The New York City Department of Building's advises purchasers of houses and apartments, who close with only a temporary certificate of occupancy in place, to consult with their attorneys and engineers to assure that sufficient funds are escrowed or otherwise secured for Sponsor to obtain a permanent of final certificate of occupancy. It is strongly recommended

that buyers consult the "Department of Buildings website Consumer Tips" for its recommendation when buying units in a building that does not have a final certificate of occupancy.

21. For the first year of condominium operation, or until such time that their services are no longer needed, the Sponsor will act as managing agent in managing all of the affairs of the condominium at no charge to the unit owners. Over time the Sponsor may engage the services of an outside firm. If engaged, costs thereof will be shared by all of the unit owners as a common expense, and the operating budget may be increased up to fifteen (15%) percent. If at the first meeting of unit owners the Sponsor still is in control of the Board of Managers, the Sponsor will make the decision with regard to the managing agent on behalf of the unit owners.

22. Under the section entitled Rights and Obligations of the Sponsor, it is disclosed that a Limited Warranty will be granted to all buyers of a unit. The purpose of the Limited Warranty is to identify the Seller's responsibilities for construction defects occurring during the first six years after construction. A full text of the law appears in Exhibit E contained in Part II of this Offering Plan.

INTRODUCTION

2113 Kings Highway, LLC, herein called "Sponsor", presents this Offering Plan ("Plan") for the establishment of condominium ownership of a parcel of land, situated on the northerly side of Kings Highway and the westerly side of East 22nd Street, in the Borough of Brooklyn, County of Kings and State of New York. The Sponsor acquired the land, which will constitute the condominium on June 9, 2009. This Plan is to establish a condominium, which will be known as Kings Condominium.

The purpose of the Plan is to set forth all the material terms of the offer. The Plan is presented in two parts (in one volume) which together constitute the entire Plan. Part I sets forth a general description of the Plan and Part II contains the basic documents necessary to create the Condominium and otherwise effectuate the provisions of the Plan. Also included in Part II is a detailed physical description of the property, which will be included in the Condominium, legal opinions and certifications as to certain matters discussed in the Plan. Amendments to the Plan will be served on all offerees, i.e., purchasers who have executed and delivered purchase agreements to the Sponsor or selling agent and are not in default, unit owners, and any other person entitled to service pursuant to local law or regulation. All of these documents are important and should be carefully read by a prospective purchaser. PURCHASERS ARE ADVISED TO CONSULT WITH THEIR OWN ATTORNEYS AND OR OTHER ADVISORS AND PROVIDE THEM WITH A COPY OF THIS PLAN BEFORE AGREEING TO PURCHASE.

The Condominium

Kings Condominium is located at 2113 Kings Highway, Brooklyn, New York. The Condominium will consist of a seven (7) story masonry building with cellar containing twelve (12) residential units.

Features of Condominium Ownership

The ownership of a Unit is similar in many respects to the ownership of a private home. Each Unit Owner owns fee title to the Unit and is entitled to the exclusive possession thereof. The Unit Owner also owns, in common with the owners of all other Units, an undivided fee interest in the Common Elements and Limited Common Elements which, as more particularly set forth herein and in the Declaration, include all parts of the Property other than the Units themselves, such as the land and the roofs, foundations and supports of the Building.

Subject to certain conditions contained in the By-Laws, each Unit Owner has the right, in his own discretion, to mortgage his Unit on such terms and conditions as he desires. However, the Board of Managers of the Condominium has certain rights of first refusal as set forth in the Unit Deeds and the By-Laws.

Primary responsibility for operating the Condominium rests with the Board of Managers who are elected by the Unit Owners. The Board of Managers of the Condominium (hereinafter more particularly described) will assess against each Unit Owner, in proportion to his respective interests in the Common Elements, charges (hereinafter called Common Charges) for the maintenance of the Common Elements and for the operating costs of the

Condominium (hereinafter called Common Expenses). These must be paid in accordance with the New York Condominium Act, Sections 339(i) and (m).

In addition to the payment of Common Charges, each Unit Owner will be responsible for the payment of the real estate taxes, which will be separately assessed against his Unit, and charges for electricity and gas consumed in his Unit. Water charges and sewer rents, unless separately assessed to Unit Owners by the City of New York, and the costs and expenses of electricity and gas with respect to the Common Elements, will be paid by the Unit Owners and will be a Common Charge. See "Schedule B - Projected Budget for First Year of Condominium Operation" in Part I of this Plan, for a more detailed discussion of Common Charges. See also "Rights and Obligations of Unit Owners" in Part I of this Plan. Each Unit Owner, upon obtaining title, will automatically have a right to vote at the first annual meeting of Unit Owners, and at all meetings thereafter, for the election of the Board of Managers. Each Unit Owner is also obligated to comply with the Declaration, the By-Laws, rules and regulations and other requirements of the Board of Managers.

A Unit Owner may decorate the interior of his Unit as he chooses, subject to compliance with the By-Laws (and any Rules and Regulations promulgated in accordance therewith), and will be solely responsible for the cost of maintenance and interior repairs and for casualty and liability insurance for the Unit after closing. The Unit will be taxed as a separate tax lot for real estate tax purposes, and no Unit owner will be responsible

for the payments of, nor will his Unit be subject to any lien arising from the non-payment of taxes on other Units. In the opinion of S. Seth Yavne, Esq., counsel to Sponsor, under present income tax laws, a Unit Owner, similarly to a homeowner, may deduct from his income, for Federal, New York State and New York City income tax purposes, the real estate taxes and the interest paid on the mortgage of his Unit, if any, subject to the normal limitations contained in the applicable statutes. See "Income Tax Deductions to Unit Owners and Tax Status of the Condominium", in Part I of this Plan. In accordance with applicable laws and regulations, there are no restrictions on the use, resale and leasing of Units.

The statute concerning condominiums in effect in the State of New York pursuant to which the Condominium will be organized is Article 9-B of the New York Real Property Law, as amended, commonly known as and hereinafter called the "Condominium Act". The Condominium will be subject to and will comply with the provisions of the Condominium Act. The Sponsor will record the Declaration of Condominium, the By-Laws and a Declaration of Easements, Covenants and Restrictions in the Office of the City Register, Kings County, at the time the Plan is declared effective. From and after the date of recording the Declaration and By-Laws, the Sponsor will be the owner of all Units until they are sold and conveyed to the Purchasers thereof.

The prices for the Units offered for sale under this Plan are listed in Schedule A entitled "Offering Prices and Related Information" in Part I of this Plan. Such prices have been set

by the Sponsor alone, and are subject to review by the Department of law, although they are not subject to approval by any governmental agency.

The estimated Common Charges for each Unit for the first year of operation of the Property as a condominium are also set forth in Schedule A. THESE PRICES HAVE BEEN SET BY THE SPONSOR AND ARE SUBJECT TO APPROVAL BY THE DEPARTMENT OF LAW OF THE STATE OF NEW YORK OR ANY OTHER GOVERNMENTAL AGENCY.

The Plan, including all Schedules and Exhibits, constitutes the entire offer by the Sponsor and contains all of the material terms of the transaction. Copies of this Plan, all documents referred to in the Plan, and all Exhibits submitted to the Department of Law in connection with the filing of this 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 Plan will also be available for inspection and copying at a reasonable fee from the Department of Law. The Plan may be amended from time to time upon filing an amendment with the New York State Department of Law and service of such an amendment upon Purchasers and Unit Owners.

Purchasers should note that effective November 5, 2004, owners of Class A multiple dwellings in New York City, which include condominium units, must install carbon monoxide detectors. The law requires the owners of the residential condominium units to maintain the detectors.

The Sponsor has not knowingly omitted any material facts and this Plan does not contain any untrue statement of any material fact. The documents reprinted in Part II are exact copies of the originals.

As noted in the Special Risk section the Sponsor will endeavor in good faith to sell, in a reasonable timely manner, all residential units to Purchasers for personal occupancy by themselves or their families, however the Sponsor is retaining the unconditional right to rent rather than sell units. In addition if the Sponsor makes a bulk sale of fifty (50%) percent or more of its unsold units, the transferee successor sponsor is bound by Sponsor's representation regarding its commitment to sell units. The Condominium Board does not have the right to approve or disapprove purchasers, therefore owners may purchase for investment rather that for personal occupancy, and that residential unit owners should be aware that a substantial percentage of owners may always be non-residents.

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.

Sponsor represents that it has the financial resources to meet its obligations with respect to unsold units. The source of funding will be from personal assets of the Sponsor.

DEFINITIONS

For convenience of presentation, general definitions of certain of the terms used in Part I of the Plan are set forth below, which definitions are subject to the more particular definitions of such terms set forth in the Declaration and Bylaws included in Part II of the Plan:

Sponsor: 2113 Kings Highway, LLC, 3845 Bedford Avenue, Brooklyn, New York 11229.

Land: The land referred to above and more particularly described in the Declaration.

Building: The building, known as Kings Condominium, is being constructed on the Land on which will be located the Units of the Condominium.

Property: The Land, the Building and the appurtenances thereto.

Unit; Units: Any space designated as a Unit in the Declaration, consisting of a specific apartment in the Building, and an appurtenant undivided fee interest in the Common Elements. All of such units are collectively referred to as "Units".

Common Elements: The Land and all parts of the Building other than the Units, including the foundations, windows, roofs and supports of the Building and all areas or facilities therein for the common use of the Units and the Unit Owners.

Limited Common Elements: Those Common Elements which serve or benefit a single Unit.

General Common Elements: All of the Common Elements, which

are not Limited Common Elements.

Unit Owner; Unit Owners: Any owner of any Unit. All of such owners are collectively called "Unit Owners".

Common Interest: The proportionate interest of each Unit Owner expressed as a numerical percentage in the Common Elements as determined in accordance with the Declaration. The total of all Common Interest percentages of all Unit Owners equals 100%. The Common Interests are the bases of determining, among other things, a Units Owner's: (a) voting power, (b) liability for a share of the Common Expenses, and (c) share of any distributions upon a termination of the Condominium.

Common Expenses: The cost and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the Common Elements.

Common Charges: Assessments payable to the Board of Managers for the purpose of meeting Common Expenses.

Consummation of the Plan: The filing of the declaration of the condominium and the first transfer of title to a condominium unit to at least one purchaser under the plan following a declaration of effectiveness by the Sponsor and acceptance of the amendment by the Department of Law confirming or declaring the plan effective.

Filing: The issuance of a letter from the Attorney General stating that an offering plan or amendment has been accepted for filing.

Board of Managers: The executive and administrative entity designated to act for the Unit Owners in governing the Condominium.

Bylaws: The Bylaws governing the operation of the Condominium, the form of which is set forth in Part II hereof.

Declaration of Condominium: The instrument creating the Condominium, the form of which is set forth in Part II hereof.

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

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

All other capitalized terms used in Part I of the Plan which are not separately defined in Part I shall have the meanings ascribed thereto in the Bylaws or in the Declaration, as the case may be.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

This description is intended to outline generally the nature of the work, materials and equipment and to indicate the contemplated character of the Building, but shall not be interpreted as enlarging in any manner, directly or by reference, the obligations or liability of the Sponsor as set forth in this Plan. A more detailed description and floor plans are set forth in the "Description of Property and Specifications", Exhibit D contained in Part II of the Plan.

Kings Condominium, which is located at 2113 Kings Highway, Brooklyn, New York, occupies lot 50 of tax block 6768 on the New York City Tax Map. It is located in a R7-A zoning district.

The Building, which is new construction, is classified as a Class 1-D (non-combustible/fireproof construction) multiple dwelling and will be constructed in accordance with all applicable zoning and building laws and will conform to all applicable regulations of the Building Code of the City of New York, and all other regulations and codes that shall apply. All units being offered in the plan are vacant. The Sponsor has not entered into any contracts or agreements, nor will it accept any deposits or funds for any unit until after the plan is accepted for filing by the Department of Law.

The streets near to the Building are paved with asphalt topping and are publicly owned. The sidewalks of 4" concrete will be new at the time construction is complete. The streets are pitched to drain through cast iron catch basins which are part of the New York City storm water drainage system. The

Streets are lighted by the City of New York.

Water supply, sanitary sewers and storm sewers servicing the Building are provided by the City of New York. Gas, for cooking and heating is provided by National Grid Company, electric is provided by the Consolidated Edison Company and telephone service is provided by Verizon. All three are billed directly to the unit owners on an individual basis.

Building:

The Condominium will consist of one seven (7) story building with cellar containing twelve (12) residential units. Floor plans for each Unit are contained in Part II of the Plan, Exhibit D.

Parking:

There will be no parking on the premises.

Common Elements:

The Common Elements of the Condominium consist of the entire Property including the Land and all other parts of the Building and improvement therein other than the Units. Generally, the Common Elements consist of those parts of the Building and all apparatus, installations, systems, equipment and facilities therein for the common use of the Units and the Unit Owners or which are necessary or convenient for the existence and maintenance of the Property.

The Common Elements include among other things, all roofs, columns, girders, beams, trusses, joists, supports, exterior walls and interior load bearing walls, windows, entry vestibules, public halls, public stair, meter rooms, if any, lawns, if any,

walkways, exterior stairs, ramps, and trash storage areas, if any. The Common Elements are divided into Limited Common Elements and General Common Elements.

The Limited Common Elements include the areas designated as Limited Common Elements in the Declaration and Exhibit D in Part II of this Plan. These include any terrace or balcony which is provided exclusively for the use of a particular Unit to which access is gained from the Unit. A Limited Common Element is designated by the Declaration to be for the exclusive use of the Owner of the Unit to which such Limited Common Element is appurtenant.

The General Common Elements for the use of all of the Unit Owners consist of all Common Elements other than Limited Common Elements and include among other things, a small recreation room, located at the cellar level, which will be a general common element for the use of all of the unit owners, the Land, all foundations, footings, columns, girders, beams, supports, interior load bearing walls, those portion of the exterior walls of the Building beyond the Unit side and all other parts of the building and the apparatus, installations, systems, equipment and facilities therein which serve or benefit or are necessary or convenient for the existence, maintenance or safety of the Condominium including all installations outside the Units for services such as gas, power, light, telephone and water; all sewer pipes and drainage pipes outside units; the boiler room and meter areas, and janitors closet(s), if any, as shown and delineated on the floor plans. A detailed description of the

General Common Elements is set forth in the Declaration and in Exhibit D in Part II of the Plan.

General Features

Each Residential Unit shall be heated by a gas fired radiant heating system (Weatherking) and cooled by a split HVAC system manufactured by Carrier. Electric outlets will be installed as required by the Building Code. The service for the building is triple phase 120/208 volts, and each Unit will be provided with 100 amps of electric service. There will be meters installed for each Residential Unit and the common area electric. There is an elevator in the Building. There is no central television antenna in the Building. There will be a laundry closet located in the cellar with hookups provided for a washer and dryer.

Unit Information

The Units are finished in the same manner described herein. Kitchens will have tile floors and sheetrock walls and ceilings. All living/dining rooms and bedrooms have wood floors and sheet rock walls and ceilings. When finished, they will be painted. Thereafter, the tenants may decorate by finishing with flooring, carpeting, wallpaper, paneling, mirrors, etc.

Bathrooms are equipped with a ceramic tile floors and walls (up to 5' high), a washbasin, water closet, and a bathtub. All plumbing fixtures are new fixtures.

The Public halls will be finished with painted sheetrock on the walls and ceilings.

Water will be supplied by the City of New York through underground pipes. Water supply piping in the building will be

copper.

Trash and garbage will be collected by the New York City Department of Sanitation.

All sewage from the units will be conveyed through underground conduit to City Sewers.

Under the present construction schedule it is anticipated that the Building is expected to be substantially completed during the month of December 2010, unless delayed by weather, strikes, lockouts, acts of God, shortages of, or inability to obtain materials, equipment or labor, governmental restrictions or preemption, damage by fire or the elements, or any other cause over which Sponsor has no control. The Building will be completed by Sponsor in compliance with all applicable Building Codes and Zoning regulations and in accordance with approved building plans, which are included in Part II of the offering plan. See section entitled Description of Property and Specifications, Exhibit D, contained in Part II of the plan.

The Sponsor reserves the right to amend or modify in any way such plans and specifications (including changing materials, appliances, equipment, fixtures and other construction details) and substitute in place of any materials, appliances, equipment and fixtures set forth herein or in Exhibit D to Part II of this Plan, materials, appliances, equipment and fixtures of substantially similar or better quality; provided only that any necessary approval of any governmental authority having jurisdiction thereover is first obtained. All of the foregoing amendments or changes may be made without prior notice or

amendment to the Plan. All references in this Plan to "Plans and Specifications" shall mean the aforesaid plans and specifications for the Building prepared by the Sponsor's Architect and Engineers as the same may have, from time to time, been amended or changed, or may, from time to time, hereafter be amended or changed in accordance with the provisions of this paragraph.

LOCATION AND AREA INFORMATION

The Condominium is being constructed on land, which is situated on the northerly side of Kings Highway with the westerly side of East 22nd Street located in the borough of Brooklyn, County of Kings, City and State of New York. The Building will be one seven (7) story structure with cellar, consisting of seven stories above grade. The Building will contain twelve (12) residential units. The community is well served by public transportation, including the New York subway system, several municipal bus routes as well as express bus routes to the other boroughs. There are public schools, yeshivas and parochial schools in the area. There are numerous churches and synagogues in the community. There is a police station and a fire station, located close to the property, as well as branches of the Brooklyn Public Library. There are a number of hospitals and clinics in the community. Numerous small stores are located on neighboring Streets including many grocery stores. Complete shopping needs are also available. Major shopping can be found along Kings Highway. There are playgrounds and day care centers in the neighborhood. The surrounding neighborhood has a variety of housing types, including apartment houses of brick and steel construction. The area is an established and conveniently located community, with a significant residential component and commercial/retail districts along the main thoroughfares. Police, fire, water, sanitation, street snow removal and road maintenance services are provided by the City of New York. The land is zoned R7-A (Residential Use as of right). The adjoining

properties are fully developed. This development does not have landmark status.

KINGS CONDOMINIUM
OFFERING PRICES AND RELATED INFORMATION
SCHEDULE A

Unit	(A) Description	Approximate Area Of Each Unit in Square Feet	(B) Offering Price	(C) Percentage of Interest in Common Charges	(D) Monthly Estimated Common Charges	(E) Estimated Monthly Real Estate Taxes with 421a Exemption	(E) Estimated Annual Real Estate Taxes with 421a Exemption	(E) Estimated Monthly Real Estate Taxes without 421a Exemption	(E) Estimated Annual Real Estate Taxes without 421a Exemption	Projected Monthly Carrying Charges with 421a Exemption	Projected Monthly Carrying Charges without 421a Exemption
1A	1 bedroom, 2 baths, living/dining, kitchenette, storage rm	667	$ 250,000	9.3%	$ 221.71	$ 18.67	$ 224.06	$ 478.72	$ 5,744.60	$ 240.38	$ 700.42
2A	1 bedroom, 2 baths, living/dining, kitchenette, storage rm	653	$ 265,000	9.1%	$ 217.05	$ 18.28	$ 219.36	$ 468.67	$ 5,624.02	$ 235.33	$ 685.72
2B	1 bedroom, 1 bath, living/dining, kitchenette	442	$ 200,000	6.1%	$ 146.92	$ 12.37	$ 148.48	$ 317.23	$ 3,806.76	$ 159.29	$ 464.15
3A	1 bedroom, 2 baths, living/dining, kitchenette, storage rm	653	$ 265,000	9.1%	$ 217.05	$ 18.28	$ 219.36	$ 468.67	$ 5,624.02	$ 235.33	$ 685.72
3B	1 bedroom, 1 bath, living/dining, kitchenette	443	$ 200,000	6.2%	$ 147.25	$ 12.40	$ 148.82	$ 317.95	$ 3,815.38	$ 159.65	$ 465.20
4A	1 bedroom, 2 baths, living/dining, kitchenette, storage rm	653	$ 265,000	9.1%	$ 217.05	$ 18.28	$ 219.36	$ 468.67	$ 5,624.02	$ 235.33	$ 685.72
4B	1 bedroom, 1 bath, living/dining, kitchenette	443	$ 200,000	6.2%	$ 147.25	$ 12.40	$ 148.82	$ 317.95	$ 3,815.38	$ 159.65	$ 465.20
5A	1 bedroom, 2 baths, living/dining, kitchenette, storage rm	653	$ 265,000	9.1%	$ 217.05	$ 18.28	$ 219.36	$ 468.67	$ 5,624.02	$ 235.33	$ 685.72
5B	1 bedroom, 1 bath, living/dining, kitchenette	443	$ 200,000	6.2%	$ 147.25	$ 12.40	$ 148.82	$ 317.95	$ 3,815.38	$ 159.65	$ 465.20
6A	1 bedroom, 2 baths, living/dining, kitchenette, storage rm	653	$ 265,000	9.1%	$ 217.05	$ 18.28	$ 219.36	$ 468.67	$ 5,624.02	$ 235.33	$ 685.72
6B	1 bedroom, 1 bath, living/dining, kitchenette	443	$ 200,000	6.2%	$ 147.25	$ 12.40	$ 148.82	$ 317.95	$ 3,815.38	$ 159.65	$ 465.20
7A	1 bedroom, 2 baths, living/dining, kitchen, roof balcony	1056	$ 450,000	14.7%	$ 351.01	$ 29.56	$ 354.74	$ 757.91	$ 9,094.89	$ 380.57	$ 1,108.92
	Total Square Feet:	7,202	$ 3,025,000	100%	$ 2,393.92	$ 201.61	$ 2,419.34	$ 5,168.99	$ 62,027.85	$ 2,595.53	$ 7,562.90

For the first year of condominium operation commencing January 1, 2011 and ending December 31, 2011.

All of the "A" units - floors 3 to 6 have balconies (80 sq ft.). All "B" units - floors 3 to 6 have balconies (41 sq. ft). The 7th floor roof balcony is 351 sq. ft.

At the closing of each unit the Sponsor will collect an "Initial Capital Payment" equal to twice the estimated monthly common charges for the unit. See section entitled "Reserve Fund/Working Capital Fund contained in Part I of the Plan.

FOOTNOTES TO SCHEDULE A

A. The number of rooms in all of the Residential Units were calculated by counting each bedroom as one room, the living/dining kitchenette area as one room, and the bathroom as 1/2 a room. There are balconies (a limited common element) for all of the units located on floors three through six. The seventh floor unit has a roof terrace. Each Unit's square footage, within reasonable tolerances, is calculated from the outside of the building exterior walls and the middle interior dividing walls. Dimensions based on measurements from exterior walls do not accurately represent the interior usable area of the unit, which may be significantly smaller. Floor plans for the Units are included in the Architect's Description contained in Part II of Plan.

B. The prices and terms of sale for these Condominium Units may be changed so that purchasers may pay different prices for similar interests. The prices are negotiable. The effect of this is set forth at Changes in Prices of Units contained in Part I. The Purchaser shall also have to pay closing costs and adjustments in an amount which is dependent on the amount of Purchaser's purchase money mortgage, if any, and the purchase price of the unit. Each Purchaser will be responsible for the New York State transfer tax currently assessed at .4% of the purchase price, and the New York City Real Property Transfer Tax, currently assessed at 1% of the purchase price, imposed on the transfer of the Unit, currently assessed at a small percentage (in the aggregate) of the purchase price for the Unit. All closing costs that a Purchaser will be responsible for are set forth in the section entitled Units Closing Costs and Adjustments contained in Part I of this Plan, which includes a payment of an additional two months common charges, which will be placed in a working capital fund for the building.

C. The percentage of interest in the Common Elements applicable to each Unit was determined by Sponsor 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 the common elements for exclusive or shared use, and the overall dimensions of the particular unit pursuant to Real Property Law Section 339-i (1) (iv).

D. Based upon Estimate of Receipts and Expenses for first year of operation prepared by Sponsor and included in the Plan as Schedule B. If the Purchaser obtains financing in order to purchase a unit, debt services on such financing will be an additional monthly expense.

The projected Common Charges do not include housing costs for which the Unit Owner is generally responsible such as

repairs to the interior of the Unit and separately metered electricity. See Schedule B-1 for the estimated consumption and costs of these items.

E. The Sponsor has received a Preliminary Certificate of Eligibility for partial real estate tax exemption benefits under Section 11-243 of the Administrative Code of the City of New York ("421A Tax Abatement Program") from the Department of Housing Preservation and Development. Sponsor's expert has issued an opinion letter indicating that all of the Units will be eligible to receive tax abatement benefits based on certain assumptions and conditions set forth therein. This opinion letter is reproduced in full in Part I of the Plan. Purchasers should also note that the benefits may be reduced if the New York State legislature passes changes analogous to those passed to Article 11 of the Administrative Code of the City of New York which became effective on January 8, 2008, which will result in increased real estate tax liability for the unit owners.

If tax abatement benefits are granted, the real estate tax assessment increase, payable by Unit Owners with respect to their Units during the first fifteen (15) years of Condominium operation will, in essence, be exempt. Reference should be made to the "Special Risk" section and "Real Estate Tax Exemption Benefits" section, for a full discussion of the effects of tax abatement benefits upon the real estate taxes payable by the Unit Owners.

No warranty is made as to whether a Final Certificate of Eligibility will be issued by HPD for tax abatement benefits or as to the amount of any tax exemption that will actually be received. In addition, no representation or warranty is made that the actual assessed valuation or the assessed valuation for the Property if tax abatement benefits are granted will be as projected above, that the projected tax rate will be in effect for all or any portion of the Property during the first year of Condominium operation or that real estate taxes will be allocated among Units in proportion to their appurtenant Common Interest. In no event will Sponsor, Sponsor's Counsel, the Selling Agent or any offeror hereunder be liable to any Purchaser under this Plan, nor will any Purchaser have the right to rescind his Purchase Agreement, in the event tax exemption benefits are not granted or, if granted, in the event the amount of such exemption and the resulting taxes differ from those projected.

The projected amount herein only consists of real estate taxes for the Units. However, if Purchaser obtains financing in order to purchase a Unit, interest paid on the sum financed is tax deductible as well. Thus, the projected amount deductible for income tax purposes may vary in subsequent years due to changes in the interest rate on the unit owners mortgage or financing obtained by purchasers, if any, refinancing the mortgage, the allocation of constant debt service payments

between interest and principal or due to changes in real property taxes, resulting from the expiration of real estate tax benefits, or from changes in the assessed valuation, the tax rate, or in the method of assessing real property which result in a change in real property taxes, or such other changes as may reasonably be expected to affect deductions. Information concerning the deductibility of Real Estate Taxes for income tax purposes is fully disclosed in this Part of the plan under the section entitled "Real Estate Taxes" and in counsel's tax opinion letter.

F. If for any reason the aforesaid tax exemption under 421A is not granted, after completion of construction, anticipated to by December 2010, and prior to a 2010/2011 and 2011/2012 reassessment, it is estimated that the aggregate real estate taxes payable, with respect to all Units, for the first year of Condominium operation will total approximately $62,027.85 based on an aggregate assessed valuation for the condominium of $475,200 at a tax rate of 13.053% per $100.00 of assessed valuation. In such event and based upon such assumptions, the monthly real estate taxes for a Unit will be based on the estimated assessed valuations and prorated using each units percentage of Common Elements. These assumptions were prepared by Yehuda Moseson of Moseson & Associates, a firm specializing in obtaining 421a tax abatement benefits, with offices at 769 Empire Avenue, Brooklyn, New York.

G. For the projected real estate taxes after the condominium is divided into individual tax lots, each unit will be taxed as a separate tax lot for real estate tax purposes and a unit owner will not be responsible for the payment of, nor will their unit be subject to, any lien arising from the non-payment of taxes on other units. The Sponsor will not pay any real estate taxes of any unit not owned or in control of the Sponsor and said payment will be the responsibility of the current unit owner. In addition the Sponsor will not pay any real estate taxes of any owned unit for the first year of condominium operation, if tax exemption benefits are not granted, and up to the date the exemption is granted, and the individual unit owners will be responsible for the full tax assessed against their unit. Accordingly, the Sponsor will be responsible for all taxes assessed on any unsold unit or unit owned or controlled by the Sponsor.

SCHEDULE B

PROJECTED BUDGET FOR THE FIRST YEAR OF CONDOMINIUM OPERATION

JANUARY 1, 2011 THROUGH DECEMBER 31, 2011

Income:	
Common Charges (1)	$ 28,727.00
Expenses:	
Salaries and Wages (2)	$ 5,000.00
Electric/Gas (common areas only (3)	$ 11,510.00
Water/Sewer (4)	$ 6,027.00
Repairs & Maintenance (5)	$ 500.00
Insurance (6)	$ 3,690.00
Management Fees (7)	$ 0
Legal and Audit Fees (8)	$ 1,000.00
Supplies and Services (9)	$ 500.00
Contingency (10)	$ 500.00
Total:	$ 28,727.00

FOOTNOTES TO SCHEDULE B

1. Common Charges:

The estimate of Annual Common Charges to be collected during the first year of condominium operation is based upon a projection of the total amount of common charges that will be levied against the individual units. The budget is based on a twelve (12) month period, reflecting a reasonable projection of when condominium operation may begin. If the actual or anticipated date of commencement of condominium operation is to be delayed more than six months from the budget year projected in the offering plan, the plan will be amended to include a revised budget disclosing current projections. If such amended projections exceed the original projections by twenty five percent (25%) or more, the Sponsor will offer all purchasers the right to rescind and a reasonable period of time that is not less than fifteen (15) days after the date of presentation to exercise the right, whether or not Sponsor offers to guarantee the previous budget projection. Sponsor must return any deposit or down payment to purchasers who rescind within a reasonable period of time. Sponsor may not declare the plan effective where there are any material changes to the budget if these changes have not been disclosed by a duly filed amendment to the offering plan.

2. Salaries and Wages:

Estimates provide for one non-union, part-time, non-resident porter, to service the Condominium. The porter's salary with benefits and taxes will be approximately $15 per hour. The porter will be on site as needed (a few hours a week). An additional small contingency amount allows for any other needed repairs and services, which will be done by outside contractors, and snow removal services. Such staffing will comply with all applicable housing and labor laws. Some of the porter's duties include the cleaning of the sidewalk, front entrance, common area hallways, stairway, and the removal of rubbish. The budget complies with all minimum wage requirements and the wage meets all State minimum wage laws.

3. Electricity/Gas:

Based on the opinion of Andrew Katz, Engineer, with offices at 3452 Bedford Avenue, Brooklyn, New York 11210, the projected yearly usage for common area electric and the elevator is 42,000 KWH. The budget assumes a rate (on average) of $.23 per KWH, and includes taxes but no inflation factor. Gas for the common area lobby and recreation space is projected at $1,850 annually based on an estimated usage of 150,000 btuh (max day) at and average of about $2.00 per therm, including taxes but no inflation factor. These estimates are for the cost of the electricity and gas in the common area only, and do not include costs for each

residential unit, which shall be individually metered and billed directly to each unit owner. The estimates for both electric and gas, consumed in the individual units, is estimated in schedule B-1 following this section.

4. Water/Sewer:

Water: Based on the opinion of Andrew Katz, Engineer, water and sewer costs are estimated at a combined rate of $4.10 per 100 cubic feet of water for an annually cost of $6,027.

5. Repairs and Maintenance:

Inasmuch as the Building is new construction, it is estimated that this sum will be sufficient for expenses in connection with the general repairs and maintenance needed to maintain the public areas for the first year of condominium operation, with the only foreseen expenses at this time being for touch-up and or repaint of the common area walls and/or ceiling, if needed, after a unit owner moves in and for an annual common area floor wax and polish. The budget does not have provisions for any major capital expenditures. Although such expenditures are not expected because the building is newly constructed, each Unit Owner will be obligated to pay his or her own pro-rata share of such expenditures in the event that any such expenditures are required. Each Unit Owner will be responsible for maintaining the common area immediately in front of their Unit. The Board shall be responsible for all other routine maintenance.

6. Insurance:

Insurance coverage is estimated based upon a projection from the State Farm Insurance Company, through the Mark D'Angelo Agency, Inc., located in Flushing, New York, providing for the following coverage:

Building Limit:	$1,500,000	
Deductible:	$ 5,000	
Liability:	$2,000,000	Per Occurrence
	$4,000,000	General Aggregate
	$4,000,000	Completer Operations Aggregate
Annual Premium:	$ 3,689.92	

The premium has been estimated for the complete and occupied condominium based on Standard New York Policy and forms. The policy will provide that each unit owner is an additional insured; there will be no cancellations without notice to the Board of Managers and unit owners; waive subrogation; waive invalidity because of the acts of the insured and unit owners, and waive pro-rata reductions if additional unit owners obtain coverage. Any items not included may be available at extra cost

(i.e., rent insurance, water damage, elevator collision, excess liability, auto liability, fidelity bond).

It is recommended that the Unit Owners obtain additional insurance, at their own individual cost, to cover such risks as:

1. fire and casualty losses to the unit contents;
2. replacements;
3. additions;
4. upgraded fixtures and improvement;
5. unit owner's liability coverage for occurrences within the unit or common areas.

7. Management Fees:

For the first year of condominium operation the Sponsor will act as managing agent in managing all of the affairs of the condominium. Over time the Sponsor may engage the services of an outside firm. If engaged costs thereof will be shared by all of the unit owners as a common expense and may increase the operating budget by 15%. At the first meeting of the Unit Owners it will be decided if Sponsor should continue as Managing Agent.

8. Legal and Audit Fees:

The budget provides for the preparation of annual financial statement and the filing of the tax return, which will be prepared for the first year of condominium operation by Gennady Pomeranets, CPA, of Universal Accounting Systems, Inc., with offices at 328 Neptune Avenue, Brooklyn, New York 11378, for the sum of $500.00 annually. A $500.00 contingency has been budgeted for the performance of legal services.

9. Services and Supplies:

The budgeted figure for these items includes the cost of cleaning supplies and materials, bulbs, fixtures, miscellaneous hardware and rubbish bags. No service contracts have been entered into as of the date of this plan. Service for both the elevator and sprinkler system will be provided free for the first year of condominium operation. However, Sponsor reserves the right, prior to the first closing, to enter into contracts which will be binding on the Condominium Board, provided that such contracts do not materially increase the estimated common charges for the first year of condominium operation.

10. Contingency:

This amount is to provide for any unanticipated expenses. It is the sponsor's opinion that the contingency fund will provide sufficient capital repairs and/or replacement likely to be needed. This budget does not include a reserve for capital repair and/or replacement.

IN THE OPINION OF THE REAL ESTATE EXPERT, THE PROJECTED RECEIPTS ARE ADEQUATE TO MEET THE ESTIMATED EXPENSE FOR THE BOARD OF MANAGERS' FIRST YEAR OF OPERATION, ASSUMING SUCH FIRST YEAR TO BE THE FISCAL YEAR COMMENCING JANUARY 1 2011. THE FOREGOING SCHEDULE, HOWEVER, IS NOT INTENDED AND SHOULD NOT BE TAKEN AS A GUARANTEE BY ANYONE THAT THE ANNUAL COMMON CHARGES OR EXPENSES FOR THE FIRST YEAR OR ANY SUBSEQUENT YEAR OF OPERATION OF THE BUILDING BY THE BOARD OF MANAGERS WILL BE AS SET FORTH IN SAID SCHEDULE AND IT IS LIKELY THAT THE ACTUAL ANNUAL COMMON CHARGES OR EXPENSES WILL VARY FROM THE ACTUAL AMOUNTS SHOWN IN THE SCHEDULE.

THE SPONSOR HAS RESERVED THE RIGHT TO MODIFY, RENEW AND REPLACE EXISTING SERVICE, MAINTENANCE, EMPLOYMENT CONCESSIONAIRE AND OTHER AGREEMENTS AND INSURANCE POLICIES, AND TO ENTER INTO NEW AGREEMENT AND POLICIES THAT WILL BE BINDING ON THE BOARD OF MANAGERS ON THE CLOSING DATE. ANY SUCH NEW AGREEMENT WHICH HAS THE EFFECT OF MATERIALLY INCREASING COMMON CHARGES OR IS BINDING ON THE BOARD OF MANAGERS FOR MORE THAN TWO YEARS WILL BE DISCLOSED BY A DULY FILED AMENDMENT TO THIS PLAN.

SCHEDULE B-1

Proposed Electric & Gas Consumption
for Individual Units
for the First Year of Operation

Unit(s)	Electric Cost Annually:	Gas
	========	======
Unit 1A	$750	$950
Unit 2A	$850	$1050
Unit 2B	$850	$1050
Unit 3A	$850	$1050
Unit 3B	$850	$1050
Unit 4A	$850	$1050
Unit 4B	$850	$1050
Unit 5A	$850	$1050
Unit 5B	$850	$1050
Unit 6A	$850	$1050
Unit 6B	$850	$1050
Unit 7A	$1000	$1200

The above estimates of the cost of electricity and gas for general consumption, has been passed upon by Andrew Katz, Engineer, based on estimates in a letter dated March 11, 2010. The estimates for electricity is made on the basis of average estimated use multiplied by the estimated cost of approximately $0.23 per KWH including taxes and adjustments, and for gas a cost of an average of $2.00 per therm plus taxes and adjustments. It must be expected that these rates may increase with the passage of time.

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

Although the Sponsor is under obligation to provide accurate information to prospective purchasers, factors beyond its control may substantially affect the cost of electricity and/or gas after the purchase of the unit or in subsequent years. Sponsor represents however, that it has followed the plans and specifications provided by the manufacturer of the appliances together with the recommendation of the manufacturer and other experts to enable these items of equipment to operate at optimum efficiency at the lowest cost. Further, that it has not been induced to select the appliances etc., described herein on the basis of any financial inducement other than the cooperative

advertising and price of the system made to it by the manufacturer or distributor of the system or by the supplier of energy to be used, in connection therewith, or by any of their agents or employees.

S. Seth Yavne, Esquire
3407 Avenue K
Brooklyn, New York 11210
(718) 253-9181

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339-i

April 21, 2010

Real Estate Financing Bureau
Department of Law
120 Broadway
New York, New York

Re: Kings Condominium

Dear Sirs:

I am the attorney representing the Sponsor of this offering plan. I am neither the selling agent nor managing agent for this property.

I have been involved in Real Estate Law and the preparation and filing of Offering Plans in the State of New York for the last seventeen years.

The method selected for calculating the percentage of common interests in the condominium pursuant to Real Property Law Section 339-i is subparagraph (1), (iv), which provides:

"(i) the interest of each of the units shall 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 Real Property Law Section 339 (i) (1) (iv)."

Accordingly, the common interests in this condominium have been allocated based on the above, and in my opinion complies with the above law.

I certify that I am not owned or controlled by and have no beneficial interest in the sponsor and that my compensation for preparing this letter is not contingent on the conversion of the property to a condominium or on the profitability of the offering.

I am an attorney duly admitted to practice law in the State of New York.

Very truly yours,

S. Seth Yavne

CHANGES IN PRICES AND UNITS

The prices set forth in Schedule A herein may only be changed by a duly filed amendment to the Plan when a change in prices is an across the board increase or decrease affecting one or more lines of Unit or Unit models, is to be advertised or is a price increase for an individual purchaser. However, prices are negotiable and Sponsor may enter into any agreements with any prospective purchaser to sell one or more Units at prices lower than those set forth in Schedule A without filing an amendment.

No changes will be made in the size or number of Units, and/or their respective percentages of Common Interest, or material change in the size or quality of the Common Element, except by duly filed amendment to the Plan and, when applicable, to the Declaration of Condominium. Unless an effected purchaser consents, no material change will be made in the Unit size, layout, or percentage of Common Interest, if a Purchase Agreement has been executed and delivered to the Sponsor for the Unit and the Purchaser is not in default under such agreement.

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

Under no circumstances can Sponsor modify any plans or specifications if such changes affect the percentage of common interest or adversely affect the value of any unit to which title has closed, or which a Purchase Agreement is in effect, unless all affected Unit Owners or Purchasers consent in writing to such change.

INTERIM LEASES

Occupancy of Some Residential Units by Renters

The Sponsor is reserving the unilateral right to rent its unsold units.

In the event that the Sponsor does rent a unit prior to closing, such leases shall not be subject to the Rent Stabilization Laws or any other rental protection laws. In the event that the plan is abandoned, the building may become subject to the Rent Stabilization Laws.

An uncured default under the Purchase Agreement shall be considered an event of default under the lease agreement. Likewise an uncured default under the lease agreement shall be considered a default under the Purchase Agreement. However, the Sponsor may not declare the Purchase Agreement in default unless it has either (i) obtained an order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee; or (ii) unless the lessee has vacated the unit.

In the event that an event of default has occurred under the Purchase Agreement, or if the Sponsor rescinds the Purchase Agreement, the lessee must vacate the premises within thirty (30) days.

PROCEDURE TO PURCHASE

A person desiring to purchase a Unit will be required to execute a Purchase Agreement. A Sample Purchase Agreement is contained in Exhibit A to Part II of this Plan. Purchase Agreements will not be binding upon the Sponsor until approved and accepted by the Sponsor. The Purchaser is required to make a down payment in the amount of 10% of the purchase price at the time he executes the Purchase Agreement, by check drawn to the order of "Kings Condominium - Escrow Account". The Sponsor shall not be bound to make any modifications or changes, perform any special work, provide any different or additional appliances, equipment, furnishings or decoration, unless agreed to by the Sponsor in a written instrument which is incorporated as an addendum to the Purchase Agreement.

THE PURCHASE AGREEMENT SET FORTH IN EXHIBIT A TO PART II OF THE PLAN SETS FORTH IN DETAIL THE TERMS OF SALE WITH RESPECT TO EACH UNIT AND SHOULD BE REVIEWED CAREFULLY BY EACH PROSPECTIVE PURCHASER AND HIS COUNSEL. ANY CONFLICT BETWEEN THE PLAN AND THE PURCHASE AGREEMENT WILL BE RESOLVED ACCORDING TO THE TERMS OF THE PLAN.

The down payments received upon the execution of the Purchase Agreements shall be placed promptly in a specially segregated special attorney's escrow I.O.L.A. account of Sponsor's attorney, S. Seth Yavne, Attorney at Law, 3407 Avenue K, Brooklyn, New York, to be known as the "Kings Condominium Escrow Account", and will be maintained at Capital One Bank, 404

5th Avenue, New York, New York. The phone number of the escrow agent is (718) 253-9181. The signor on the account and the escrow agent will be S. Seth Yavne. The escrow deposits will be released only at closing, or if Purchaser rescinds or defaults, or if the plan is abandoned, by signature of counsel for the Sponsor. The Sponsor is responsible for complying with the escrow and trust fund provisions of Section 352-h and 352-e (2) (b) of the New York General Business Law. Sponsor shall comply with all escrow requirements of Section 71-a(3) of the Lien Law requiring the down payment to be held in interest bearing escrow accounts, which interest is currently at 1%. Recently the FDIC granted temporary unlimited deposit insurance coverage to IOLA accounts through December 31, 2013. After that date coverage will revert to $100,000.

Escrow Trust Fund

All deposits, down payments, or advances made by a purchaser prior to the closing of each individual transaction, whether received before or after the date of consummation of the plan, must be placed within five (5) business days after the agreement is signed by all necessary parties, in an attorney's segregated special escrow account in a bank doing business in the State of New York which account is covered by federal bank deposit insurance. Purchasers shall be aware that deposits in excess of $250,000 will not be federally insured. Neither the Sponsor nor any principal of the Sponsor may be a signatory on the account. Funds will be placed in an interest bearing I.O.L.A. account, with all interest credited to the I.O.L.A fund. The interest

rate to be earned on the account will be the prevailing rate for such accounts. No fees of any kind may be deducted from the account principal or any interest earned thereon. Sponsor shall bear any administrative cost for the maintenance of the account. All funds received from purchasers whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be made payable to or endorsed by the purchaser to the order of the attorney as escrow agent.

The escrow agent is an attorney admitted to practice in the State of New York and shall be the only signatory on the account and the only attorney authorized to release funds. The attorney is independent of Sponsor and has no interest in the condominium under this offering.

The material terms of the escrow agreement are disclosed herein, and a copy of the escrow agreement is included in Part II of the Plan. The Sponsor will indemnify, without limitation, the escrow agent and provide for discharge of the escrow agents obligations upon the payment of the deposit and interest in accordance with the Attorney General's regulations.

Any right of the escrow agent to represent the sponsor in any lawsuit, any compensation by the sponsor to the depository bank, any provision for payments by the sponsor under an indemnity in favor of the escrow agent, will be compensated for by the Sponsor.

Within ten (10) business days after tender of the deposit submitted with the purchase agreement, the escrow agent shall notify the purchaser that such funds have been deposited, and

shall provide the account number and the initial interest rate.

If the purchaser does not receive notice of such deposit within fifteen (15) business days after tender of the deposit, he 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 the requisite notice was mailed timely to the Purchaser. Before any funds can be transferred to a new escrow account, or if the escrow agent is to be replaced, the Plan must be amended to provide full disclosure with respect to the new account, the escrow and the escrow agreements as originally provided.

Under no circumstances shall sponsor apply for release of the escrowed funds of the defaulting purchaser until after consummation of the plan. Consummation of the plan does not relieve the sponsor of its obligations pursuant to GBL section 352-h. The escrow agent shall hold the funds in escrow unless otherwise directed in: a writing signed by both sponsor and purchaser, a determination of the Attorney General pursuant to a dispute settled by the Attorney General, a judgment or order of a court of competent jurisdiction, or after a determination made by the Attorney General in the settlement of a dispute discussed below.

The Sponsor shall not object to the release of the escrowed funds to a purchaser who timely rescinds in accordance with the

offer of rescission contained in the plan or an amendment to the plan or, to all purchasers after an amendment abandoning the plan is accepted for filing by the Department of Law.

If there is no written agreement between the parties to release the escrowed funds, the escrow agent shall not pay the funds to the Sponsor until the escrow agent has given the purchaser written notice of not fewer the 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 contained in the Attorney General's regulations and has so notified the escrow agent in accordance with such provisions.

In the event of a dispute, the Sponsor shall apply and the purchaser or the escrow agent holding the down payment in escrow may apply to the Attorney General for a determination on the disposition of the down payment and any interest earned thereon. Forms for this purpose are furnished under Exhibit "L" contained in Part II of the Plan. The party applying shall contemporaneously send to all other parties a copy of such 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 the 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 thirty (30) days after its submission to the Department of Law, by either making a determination or notifying the parties that an extension of time in which to do so is necessary. If the application seeking release of funds is denied, the escrow agent shall continue to hold the deposit and any interest earned thereon until both the sponsor and the purchaser direct payment to a specified party in accordance with a written direction signed by both the sponsor and purchaser, or a judgment or order of the court of competent jurisdiction is served on the escrow agent, or 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.

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

The Department of Law may perform random reviews and audits of any records involving escrow accounts to determine compliance

with statute and regulation.

Any provision of any contract or agreement whether oral or in writing, by which a purchaser purports to waive or indemnify any obligation of the escrow agent holding trust fund is absolutely void.

The provisions of this section of the Attorney General's regulations shall prevail over any conflicting or inconsistent provision in the offering plan or in a purchase agreement.

Nothing contained herein shall diminish or impair the Sponsor's statutory obligation to each purchaser pursuant to GBL Section 352-h to hold in trust all deposits, advances or payments made in connection with the offer until consummation of the transaction with such purchaser.

Consummation of the Plan does not relieve the sponsor of its obligations pursuant to GBL Section 352-h. Funds from the escrow account remain the property of the purchaser until employed in connection with the consummation of the transaction. Such funds shall not be a part of the estate of the sponsor or the escrow agent upon any bankruptcy, incapacity or death.

All funds required to be held pursuant to GBL sections 352-e(2-b) and 352-h on the effective date of this section shall be transferred into escrow accounts in compliance with this regulation within fifteen (15) days.

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

such funds in accordance with Attorney General Regulations. Sponsor may submit an affidavit which contains full information as to the proposed usage of such funds, the sponsor's financing of construction or rehabilitation work, expected completion date, the terms and conditions of the proposed surety bonds or letter of credit, and required undertakings and covenants.

If Purchaser fails to perform any of Purchaser's obligations thereunder, the Sponsor will make a written demand for payment after said default at least thirty (30) days before forfeiture of the deposit will be declared. Said demand will be sent by certified mail, return receipt requested, to Purchaser and will disclose Sponsor's intention to cancel the Purchase Agreement. If Purchaser fails to cure such default after the thirty (30) day period, the Sponsor may, at its option, cancel the Purchase Agreement. If Sponsor so elects to cancel the Purchase Agreement, all amounts paid pursuant to the contract, together with any interest thereon, shall all belong to Sponsor and the rights, obligations and liabilities of both parties under the agreement and the Plan shall cease and terminate, provided that liquidated damages shall in no event exceed 10% percent of the offering price plus the actual cost of work specially performed by Sponsor for the Purchaser. THE TIME FOR PERFORMANCE OF THE PURCHASER'S OBLIGATIONS, INCLUDING ATTENDANCE AT CLOSING AND DELIVERY OF THE BALANCE OF THE PURCHASE PRICE, IS OF THE ESSENCE IN THE PURCHASE AGREEMENT. This means that all deadlines and time periods must be strictly adhered to by the Purchaser.

Sponsor expects the first closing of a unit to occur by

approximately January 1, 2011. If such date is delayed twelve (12) months or more, purchasers will be offered a fifteen (15) day right of rescission. Furthermore, if within six (6) months of this date there is a 25% change in the budget for first year of condominium operation purchasers will likewise be offered a fifteen (15) day right of rescission.

The purchaser is required to sign a power of attorney to the board of managers of the condominium, which power of attorney must be signed, acknowledged and returned to the Sponsor within fifteen (15) days. Failure to so return the power of attorney may result in a default under the purchase agreement. The power of attorney provides that you nominate and appoint the Board of Managers to act as your attorney in fact to acquire any abandoned units or to execute any instrument which the Board of Managers deems necessary to comply with governing laws and regulations.

Sponsor will not permit the assignment or transfer of purchase agreements, without Sponsor's written consent in each instance, in Sponsor's sole discretion.

Purchaser will be afforded at least three (3) business days to review the Plan and all filed Amendments thereto prior to executing a Purchase Agreement.

Sponsor will, within twenty (20) days after receipt of a fully executed copy of the Purchase Agreement and the required deposit, either accept such Purchase Agreement and return a fully executed counterpart to the Purchaser, or reject the Purchase Agreement and refund the full deposit previously tendered. If the Sponsor fails to act within such twenty-day period, the

Purchaser will have the option, by written notice within ten (10) days thereafter, to withdraw his offer and receive a refund of the full deposit tendered.

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

All risks of loss to the Unit by fire or other casualty prior to the conveyance of legal title to the Unit to the Purchaser are assumed by the Sponsor, without any liability or obligation by the Sponsor to repair or restore the Unit, unless and until a purchaser takes actual possession of a Unit pursuant to a written agreement with Sponsor. In such event, such purchaser is advised to obtain insurance covering any such casualty.

The agreement of any Purchaser to purchase will not be conditional or contingent upon the obtaining of a mortgage or other financing by such Purchaser, nor is any financing being offered by the Sponsor.

The Purchase Agreement shall not be amended to waive any of Purchaser's rights or abrogate any of Sponsor's obligations under the offering plan or under Article 23-A of the General Business Law.

After the plan has been declared effective, the Sponsor will fix dates for closing title to all units for which purchase agreements have been executed by serving notice on all purchasers stating the date of the first closing and setting each closing date. Such notice will be served in compliance with applicable regulations no less than thirty (30) days before the date set for

the closing of the units. Sponsor is waiving the thirty (30) day notification for unit closings in this plan.

If the Purchase Agreement is conditional upon Purchaser obtaining mortgage financing, Purchasers will agree to make all necessary applications for such financing and furnish all information that said institution may require within ten (10) days of the signing of the Purchase Agreement. If the application is approved, Purchaser will forward within five days of receipt of a written mortgage commitment a copy of the commitment to the Sponsor. If Purchaser is unable to obtain a mortgage within forty-five (45) days, written notice, by certified mail return receipt requested, must be sent to Sponsor of Purchaser's inability to obtain the required commitment. In the event that written notice is not received this provision shall be deemed waived and Purchaser shall be obligated to complete the transaction. Sponsor reserves the right but not the obligation to designate another lender within fifteen (15) days of Purchasers notice. If a designated alternative lender is not provided, the down payment paid herein, with interest, if any, will be returned and the Purchaser shall be released from any liability hereunder. In the event that an alternative lender is provided, the Purchaser will be obligated to file the mortgage application with the designated alternative lender within ten (10) days upon receipt of such designation from the Sponsor. If the Purchaser does not receive mortgage commitment within an additional forty-five (45) days, then the agreement will be deemed canceled and all monies will be refunded. In the event that a mortgage

application is approved by the alternative lender, Purchaser will send a copy of the commitment within forty-five (45) days from the date of the receipt to the Sponsor.

EFFECTIVE DATE

The offer to sell is contingent upon this Plan being declared effective and upon compliance with the relevant conditions and time periods described in this Plan. This Plan will be declared effective upon the date upon which there are valid and binding Purchase Agreements for 80% of the Units under the Plan, or, at the option of Sponsor, upon execution of a valid and binding Purchase Agreements for at least 15% of the units offered under the plan which have been executed by bona fide purchasers including investors. Units of a primarily ancillary nature may not be counted toward effectiveness. For the purpose of this Plan, a Purchase Agreement shall be valid and binding if executed by both Purchaser and Sponsor. This Plan shall be declared effective by written notice to the Purchasers, served in accordance with the regulations, to be followed by duly filed amendment disclosing such fact, which amendment will be submitted to the Attorney General within five (5) days thereafter, confirming that the Plan was declared effective on a specified date. When giving notice of effectiveness to Purchasers, the percentage used to declare the plan effective and a list of units counted to meet the minimum percentages needed, will be provided. The closing of title to the first unit shall not occur until the Plan is declared effective and such effectiveness amendment is accepted for filing by the Attorney General.

This Plan will not be declared effective based on purchase agreements: (i) signed by purchasers who have been granted a right of rescission that has not yet expired or been waived; or

(ii) if the purchaser was not afforded the three business days to review the offering plan and all filed amendments prior to the execution of a 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 Department of Law establishing the purchaser is bona fide.

This Plan may be abandoned by the Sponsor at any time prior to being declared effective by filing an amendment to abandon this Plan with the Department of Law. If payments under purchase agreements have been received, purchaser's down payment money will be refunded within five days after the amendment abandoning the plan has been accepted for filing. At Sponsor's option, if this Plan is not declared effective within twelve (12) months following its date of acceptance for filing with the Department of Law, due to Sponsor's inability to sell the units, then at the expiration of such twelve months, the Plan shall be abandoned by amendment filed with the Department of Law regardless of whether there are any outstanding Purchase Agreements. If this Plan is abandoned and there are outstanding Purchase Agreements, all purchasers will be promptly notified and all monies paid under

the respective Purchase Agreements will be returned to them within five (5) days after abandonment with interest, if any. In either case, Sponsor will promptly file an abandonment amendment to the Department of Law, regardless of whether there are any outstanding Purchase Agreements, confirming such abandonment. Sponsor will file a notice of abandonment on form RS-3 or such other form as the Department may require and explain the reason for such abandonment and the disposition of all funds received.

Once the Plan has been declared effective, it may not thereafter be withdrawn or abandoned, except that prior to conveying title to the first Unit, the Plan may, at the option of the Sponsor, be withdrawn in the event of (i) the existence of one or more defects in title affecting any one or more Units that cured without litigation or cannot be cured for less than $15,125; or (ii) substantial damage to or destruction of the Building or any portion thereof by fire or other casualty which cannot be cured for less than $15,125; or (iii) the taking of any material portion of the Property in condemnation proceedings or by eminent domain.

The foregoing dollar amounts shall exclude attorney's fees, or any such title defects or determination of any authority or regulatory association which exist on the date of presentation of the Plan and are either known to the Sponsor or are a matter of public record.

TERMS OF SALE

Title to each Unit and its interest in the Common Elements will be conveyed by the Sponsor at the closing thereof by bargain and sale deed with covenants against grantor's acts, free and clear of all liens, encumbrances and other title exceptions other than the exceptions set forth in the Plan and in Schedule A to the Purchase Agreement. The deed will be substantially in the form set forth in Exhibit C contained in Part II of the Plan.

All risks of loss to the Unit by fire or other casualty prior to the conveyance of legal title of the Unit to the Purchaser is assumed by the Sponsor, without any liability or obligation by the Sponsor to repair or restore the Unit, unless and until a purchaser takes actual possession of a Unit pursuant to a written agreement with Sponsor. In such event, such purchaser is advised to obtain insurance covering any such casualty.

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 Plan.

A closing will only take place if concurrently with such closing the issuance of a temporary or permanent certificate of occupancy for the building is obtained or the issuance of a partial, temporary or permanent certificate of occupancy for the unit closing is obtained.

The declaration, by-laws and floor plans for the Condominium

and such other documents, as required by law, will be recorded prior to or contemporaneously with the first conveyance of title to a unit in accordance with the New York Condominium Act in the Offices of the City Register, County of New York. All Transfer Taxes shall be paid at closing by the Purchaser of the Unit.

If existing mortgages or construction loans are not satisfied at or prior to the closing of the first unit, at the time of conveyance of the first unit, each mortgagee will either: (a) consent to the formation of a condominium and acknowledge that its lien will be limited to unsold condominium units; (b) subordinate the lien of its mortgage to the declaration of condominium; or (c) release its lien on the condominium Unit being conveyed and its interest in the Common Elements.

If the Declaration is not recorded within eighteen (18) months of the date of the Offering Plan, unless extended, all monies advanced by the Purchaser shall be returned promptly thereafter together with interest, if any, earned.

UNIT CLOSING COSTS AND ADJUSTMENTS

The estimated closing costs, expenses and adjustments to be borne by each Purchaser of the Unit and to be paid at closing are set forth in Exhibit A contained in Part II of the Plan. Fees include but are not limited to: (a) fees and expenses of Purchaser's attorney, if any); (b) mortgage recording taxes (2.05% of purchaser's mortgage, if any); (c) premiums for mortgage and/or owner's title insurance. If the Purchaser elects to obtain fee title insurance, he or she will pay a premium therefore to his or her title insurance company, which will vary depending upon the amount of insurance requested. The premium for fee title insurance should be $675.64 for the first $100,000 of fee insurance plus $3.80 for each $1,000 or fraction thereof of additional fee insurance. Each Purchaser is free to obtain title insurance from any title insurance company. The Sponsor makes no representation or warranty as to the cost, terms, or availability of such title insurance; (d) all charges of Purchaser's Lender, if any, including, without limitation, origination and appraisal fees, charges for a credit report and attorney fees (which attorney fees generally do not exceed $1,000) for the Lender; (e) Fees for recording the Deed, Mortgage (if any), Unit Power of Attorney, or other documents (approximately $150.00); (f) Real Estate Taxes and Assessments, if any, including water charges and sewer rents if separately assessed, apportioned as of date of closing; (g) Common Charges for the month in which title closes (there will be no adjustment for such charges if the Unit is conveyed on the date of recording of the Declaration); (h) an

amount equal to twice the estimated monthly common charges for the Purchaser's Unit, if any, (see "Working Capital Fund" and "Reserve Fund" below); (i) usual and ordinary adjustments for utilities and fuel, if any; and (j) New York State and New York City Real Property Transfer Taxes (currently aggregating approximately 1.4% of purchase price for conveyances up to $500,000 or 1.429% for conveyances exceeding $500,000) which transfer taxes are statutorily the primary obligation of a Seller. (k) in addition each purchaser shall be required to pay a $750.00 condominium map fee, $1,500.00 for Sponsor's attorney's fees, $1,000.00 for legal and filing fees in connection with the application to secure 421-A tax exemption benefits, a $1,000 fee for the formation of the condominium, a $650 fee for the New York City Water Meter connection, and an ACRIS fee in an amount of approximately $200. Any mortgage tax credit received pursuant to Section 339-ee of the Real property Law or Section 225 of the Tax Law will inure to the benefit of the Sponsor. The above amounts are good faith estimates based on information currently available to the Sponsor. At the closing, Purchasers will normally be required to advance to the Purchaser's Lender, if any, escrow for the reserves for taxes, assessments, water and sewer charges and insurance premiums.

An example of the foregoing estimates is a Unit having a purchase price of $400,000.00, with respect to which the Purchaser has obtained a typical institutional mortgage in the principal sum of $320,000.00:

Purchaser's attorney fee.....$1,000.00

Mortgage recording tax - 2.05%..... 6,560.00

Title Insurance:

Fee policy..... 1,816.00

Mortgage policy..... 181.00

Searches..... 250.00

Bank fees:

Attorney..... 1,000.00

Appraisal & application etc.... 1,000.00

Origination fee..... 3,000.00

Recording fee..... 150.00

Common charge capital payment.....[2x monthly charge]

New York City Property Transfer Tax. 4,000.00

New York State Property Transfer Tax.1,600.00

Condominium Map Fee..... 750.00

Fee to secure tax abatement benefits.....1,000.00

Legal fees to Sponsor's attorney.....1,500.00

Fee for the Condominium Formation....1,000.00

NYC Water Meter installation fee... 650.00

ACRIS Fee (estimated)..... 200.00

The total (excluding the common charge capital payment) is $25,657. Purchasers of Units in an amount of $200,000 can expect to pay estimated fees of about $18,675 excluding the common charge capital payment.

From and after the closing of title to each Unit, the Purchaser will be obligated for the payment of Common Charges, real estate taxes and assessments, and all other expenses with

respect to his Unit whether or not he has taken possession of the Unit, and whether or not all work required to be performed by the Sponsor or anyone else in or to his Unit or to the Building has been completed.

If Units have not been separately assessed for real estate tax purposes prior to the closing of title to the first Unit, Sponsor will 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 Condominium for the six-month period following the closing of title to the first Unit or until Units are separately assessed, whichever is shorter. Sponsor will pay the real estate taxes from the escrow account when such taxes are due and payable and shall be entitled to reimbursement from Unit Owners to the extent of the actual assessment. All adjustments for taxes and other adjustable items shall be apportioned as of midnight of the day prior to the date of closing.

RIGHTS AND OBLIGATIONS OF THE SPONSOR

Subject to the terms and conditions of this Plan, the Sponsor has the following obligations the performance for which no bond or other security will be furnished:

1. Sponsor will endeavor in good faith to sell, in a reasonable timely manner, all residential units to Purchasers for personal occupancy by themselves or their families, however the Sponsor is retaining the unconditional right to rent rather than sell units.

2. The Sponsor will, at its sole cost and expense and with reasonable diligence, perform or cause to be performed such work, and will supply or cause to be supplied all materials, necessary to complete construction of the Building, substantially in accordance with the Plans and Specifications. The Sponsor reserves the right to substitute equipment or materials and make modifications of layout or design, provided, however, that Sponsor shall not (1) substitute equipment or materials of lesser quality or design; or (2) change the size or location of Building, Units, other improvements, or Common Elements if such changes affect the percentage of Common Interests or adversely affect the value of any Unit to which title has closed or for which a Purchase Agreement has been executed and is in effect unless all affected Unit Owners consent in writing to such change and all affected contract vendees are given the right to rescind and receive any deposit or down payment.

3. If a final Certificate of Occupancy and/or any other certificate or authorization required to permit the occupancy of a Unit shall not have been issued at the date of closing of title

to such Unit, the Sponsor will obtain prior to the closing of the first Unit 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 secure a permanent Certificate of Occupancy for the Building as expeditiously as possible after the closing of title, (within an estimated 120 days but before expiration of any temporary Certificate of Occupancy, unless extended), and will, at its sole cost and expense, do and perform or cause to be done and performed all work and will supply or cause to be supplied all materials necessary therefore. The Sponsor anticipates that he will obtain the final certificate of occupancy within the first year after completion of construction.

4. If the first closing on a Unit takes place prior to the issuance of a permanent Certificate of Occupancy for the Building, Sponsor shall (1) maintain all deposits and funds in a specially segregated escrow account pursuant to Section 352-e (2)(b) of the General Business Law of the State of New York, unless the Sponsor's architect certifies that a lesser amount will be reasonably necessary to complete the work needed to obtain a permanent Certificate of Occupancy, in which case the sum so certified may be released from the special escrow account; or (2) deposit with an escrow agent an unconditional, irrevocable letter of credit or post a surety bond in the amount so certified, and file an Amendment to this offering Plan in connection therewith. .

5. Limited Warranty: The Sponsor is providing a Limited Warranty to the Purchaser of a unit. A full text of the law

appears in Exhibit E contained in Part II of this Offering Plan.

A. Coverage:

(a) For one year, the Unit must be free from defects caused by workmanship or materials that do not meet the standards of the applicable building code; for items not covered, the construction must be in accordance with locally accepted building practices.

(b) For two years, the plumbing, electrical, heating, cooling, and ventilation systems must be free from defects caused by unskillful installation.

(c) For six years, the home must be free from physical defects in the structural elements (foundation, floors, walls, roof framing) which make it unsafe or unlivable.

C. Not Covered:

(a) A defect not caused by defective workmanship, materials or design.

(b) A patent defect which was obvious or would have been obvious upon inspection.

(c) Defects in items sold with the home, such as stoves, refrigerators, air conditioners, etc. There are implied warranties from the manufacturers of such goods which are described in other laws.

D. Notice:

Buyers must give notice of defects in their home in writing no later than 30 days after the end of the warranty period.

E. Limitation of the Warranty:

The limited warranty cannot permit construction

which is below code or below locally accepted building practice, and the limited warranty time periods cannot be shorter than those described above.

6. The Sponsor will deliver to the Board of Managers on behalf of Unit Owners an assignment of all assignable warranties and other undertakings received by the Sponsor from contractors, materialmen or others in connection with the construction and equipping of the Building. At or prior to the closing of a unit the Sponsor will assign any manufacturers warranties with respect to equipment and appliances installed in the unit to the unit owners and assign any warranties with respect to equipment installed in the common elements to the Board of Managers. All such warranties and will be delivered or assigned by the Sponsor promptly upon receipt by the Sponsor, if received after closing.

7. The Sponsor will pay or cause to be paid all contractors and materialmen and all others involved in the construction and equipping of the Building, for work performed and fixtures, material and equipment supplied or installed in the construction thereof and will cause any and all mechanics' liens arising out of such construction and equipping to be discharged by bonding or otherwise promptly after the filing of any such liens.

8. After the issuance of a final Certificate of Occupancy covering the Building, the Sponsor will deliver to the Board of Managers a complete set of "as built" drawings for the Condominium and a signed copy of the statement of the Sponsor's architect referred to below.

9. The Sponsor will bear all costs and expenses incurred by the

Sponsor in connection with the creation of the Condominium and the preparation of this Plan and all selling expenses and compensation payable for sales or other personnel of the Sponsor. Each Purchaser will be responsible for the commission of any broker with whom such Purchaser may have dealt unless the Sponsor otherwise agrees in writing.

10. Until title to all Units is passed to bona fide purchasers, the Sponsor will pay such common charges and special assessments and real estate taxes as are assessed by the Board of Managers on Units to which title has not passed, whether built or unbuilt, once a Declaration has been recorded. Sponsor states that it has the financial resources to meet its obligations with respect to any unsold Units. The source of such funding is personal assets. The financing for the construction of the condominium, which is firmly committed, will be provided by Valley National Bank. The construction loan does not contain any terms which apply to Sponsor's obligation to market the units. No Bond or other security has been posted to secure Sponsor's obligations.

11. Sponsor will initially procure the following coverage: (a) fire insurance with all risk extended coverage for the value of the building; (b) comprehensive general liability. The cost of such policies are to be reimbursed by the Board of Managers.

12. In the event of dissolution or liquidation of the Sponsor or the transfer of twenty percent 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.

13. Sponsor will keep copies of the Plan, Exhibits and documents referred to in the Plan on file at Sponsor's office or at another designated place for six years from the date the Declaration is recorded.

14. The Sponsor and its contractors, subcontractors, agents and employees will have the right of access to each Unit and to all of the Common Elements for purposes of completing construction of the Building and fulfilling the Sponsor's obligations hereunder, provided that requests for entry, except in emergencies, shall be made in advance and that any such entry will be at a time reasonably convenient to the Unit Owner. In case of an emergency, such right of entry shall be immediate, whether or not the Unit Owner is present at the time. The Sponsor may require that each Unit Owner shall deliver to the Managing Agent a duplicate key to each exterior lock on such Owner's Unit and provide penalties for each Unit Owner's failure to do so. The Sponsor will be responsible for all damages to any Unit or to the Common Elements resulting from the exercise of such right of access. All repairs and replacements performed by the Sponsor as a result of any such damages will be substantially similar to the original construction and installation and will be of first-class quality. In addition the Sponsor is obligated to repair any damage from a casualty or other cause that occurs prior to the closing of the Purchaser's unit. The Sponsor is also responsible for the cost and replacement of windows.

The foregoing undertakings set forth the entire obligations of the Sponsor hereunder and none other shall be implied, except that nothing contained herein shall be deemed to limit the rights of Unit Owners under their Purchase Agreements. All representations under the offering plan, all obligations pursuant to the General Business Law, and any additional obligations under the offering plan which are to be performed subsequent to the closing date shall survive delivery of the deed. The Sponsor shall not be liable for or obligated to defend any suits or claims with respect to any Unit arising out of any occurrence taking place on or after the date of the closing of title to such Unit or, with respect to the Common Elements, arising out of any occurrence taking place on or after the date of the recording of the Declaration, except suits or claims arising out of acts of the Sponsor or representations made by the Sponsor in this Plan. Disclaimers or limitations of liability on the part of the Sponsor or its principals for failure to perform any obligation imposed by applicable statute or regulation may not be included. This plan may also not include any financial limitation on Sponsor's liability for failure to perform its obligations under the offering plan.

For all purposes under this Plan, the issuance of (a) a final Certificate of Occupancy for the entire Building by the Department of Buildings of the City of New York, and (b) a statement by the Sponsor's Architect to the Sponsor that the Building has been completed substantially in accordance with the Plans and Specifications except for (i) such work in the public

portions of the Building and within Units as is customarily or necessarily left incomplete until after occupancy (which work will be completed with reasonable expedition) and (ii) special work in any Units to be done by or for the account of Purchasers or tenants thereof, shall be deemed and considered presumptive evidence that the Building has been fully completed in accordance with the Plans and Specifications. Such presumption, however, shall be without prejudice to any rights which the Board of Managers may have with respect to the Sponsor's obligation to cause defects in construction or materials to be corrected, as set forth in paragraph (4) four above. Such statement by the Sponsor's Architect shall neither constitute a representation by him to the Unit Owners or to the Board of Managers nor give rise to any claim by any Unit Owner or by the Board of Managers against the Sponsor's Architect with respect to completion of construction or defects therein.

Obligations of the Sponsor hereunder with respect to the Units or Limited Common Elements shall be enforceable only by the Board of Managers on behalf of the Unit Owners affected, and with respect to the General Common Elements, only by the Board of Managers on behalf of all Unit Owners.

Sponsor and their agents will not discriminate against any person because of race, creed, color, sex, sexual orientation, disability, marital status or national origin.

GENERAL

Sponsor agrees to pay Common Charges, special assessments and real estate taxes, and to perform other duties as stated

above as a Unit Owner with respect to any unsold unit (for so long as Sponsor owns same). The foregoing sets forth the entire extent of the obligations of Sponsor under this Plan and none other shall be implied, except that nothing contained herein shall be deemed to limit the rights of purchasers relative to their units under their respective Purchase Agreements. Sponsor makes no warranties other than as set forth in this section. The obligations of Sponsor under this section shall survive the delivery of the deeds to the respective units, and Sponsor represents that it has the financial resources to meet its obligations with respect to unsold units. The source of funding will be from personal assets of the Sponsor. Sponsor shall not be liable for or obligated to defend any suits or claims with respect to any Unit arising out of any occurrence taking place on or after the date of the closing of title to such unit or the leasing thereof to any purchaser or, with respect to the General Common Elements of Limited Common Elements, arising out of any occurrence taking place on or after the date of the first closing, except suits or claims arising out of the acts or omissions of Sponsor or the representations made by Sponsor in this Plan.

Sponsor agrees to indemnify the Condominium Board and Unit Owners and hold them harmless from, and defend on their behalf, any suits or claims arising out of the acts or omissions of Sponsor or the representations made by Sponsor in this Plan (i) with respect to the General Common Elements or Limited Common Elements (prior to the first closing) and (ii) with respect to

any Unit (prior to the closing date for such Unit).

Obligations of the Sponsor under this section with respect to the Condominium, the General Common Elements or Limited Common Elements shall be enforceable only by the Condominium Board on behalf of all Unit Owners.

NO BOND OR OTHER SECURITY HAS BEEN FURNISHED TO SECURE THE PERFORMANCE OF THE SPONSOR'S OBLIGATIONS SET FORTH HEREIN. THE ABILITY OF SPONSOR TO PERFORM ITS OBLIGATIONS WILL DEPEND UPON ITS FINANCIAL CONDITION, WHEN AND IF IT IS CALLED UPON TO PERFORM.

CONTROL BY THE SPONSOR

The Sponsor's Control of the Board of Managers of the Condominium will be subject to the following:

(i) So long as Sponsor owns Units representing 50% or more in Common Interest, the Sponsor shall have the right to designate two (2) of the three (3) members of the Board of Managers.

(ii) So long as Sponsor owns Units representing 30% in Common Interest, the Sponsor shall have the right to designate one (1) of the three (3) members of the Board of Managers.

(iii) In no event shall the Sponsor retain voting control after two years from the date of closing of title to the first Unit or when Sponsor's ownership of Units constitutes less than 25%. Sponsor, after designating its representative, may cast the remaining votes for Unit owners of its choice.

Sponsor may not at any time exercise veto power over expenses described in Schedule B or over expenses required to (a) comply with applicable laws or regulations; or (b) remedy any notice of violation; or (c) remedy any work order by an insurer.

(iv) So long as the Sponsor or its designee shall continue to own Units representing 25% or more in Common Interest the Board of Managers may not: (a) increase the number or change the type of employees from that described in Schedule B, (b) provide for new or additional services from those indicated on Schedule B, (c) impose any assessment or charges against Unit Owners for improvement or additions unless required by Law, (d) establish any reserves for contingencies, repairs, improvements

or replacements.

Subject to the provisions for control by Sponsor set forth herein, from and after the holding of the first annual meeting of Unit Owners, the Board of Managers shall consist of three persons elected by Unit Owners. After such time the Sponsor will designate as members each Purchaser as and when the title to each Unit closes. Within ninety (90) calendar days after the date on which closing of title to the first Unit, the Sponsor shall call the first annual meeting of the Unit Owners for the purpose of electing the Board of Managers. Except for Board Members initially designated by the Sponsor as the first Board of Managers, all subsequent members of the Board of Managers must be Unit Owners.

Because Sponsor is not limiting the conditions under which it will rent rather than sell Units, Although Sponsor will make every effort to sell all of the Units, there is no commitment to sell more than fifteen percent (15%) necessary to declare the plan effective and owner-occupants (purchasers for their own occupancy) may never gain effective control of the Board of Manages of the condominium.

All Board members shall serve without compensation. No officer who is also a member of the Board of Managers shall receive any compensation for acting as an officer. Sponsor will not retain voting control over the Board of Managers or veto power over expenditures described in Schedule B, or expenditures required to comply with applicable laws or regulations, or to remedy any notice of violation or to remedy any work order by an

insurer for more than two years after closing of the first Unit or after sale of two Units, whichever is sooner.

BOARD OF MANAGERS

Board of Managers

The affairs of each Condominium shall be governed by a Board of Managers. The first members of the Board of Managers will be Yaacov Azrad, the principal of Sponsor, his wife, Chagid Azrad, and David Dary, an associate of the Sponsor. Such control shall be retained by the first Board of Managers until the first annual meeting of the Unit Owners. Within one year after the date of conveyance of the first Unit, the Sponsor (or Unit Owners) shall call the first annual meeting of the Unit Owners for the purpose of electing the three members of the Board of Managers. The Bylaws include a provision that after the initial sponsor voting control period, the Board of Managers will be comprised of owner-occupants, members of owner-occupant's households, or non-resident unit owners who are unrelated to the Sponsor and its principals. Owner-occupants and non-residential owners, including Sponsor, may have inherent conflicts on how the condominium should be managed because of their different reasons for purchasing (i.e., purchasing as a home as opposed to an investment). Owner-occupants may also never gain effective control and management of the condominium. All Board members shall serve without compensation.

Any one or more of the members of the Board of Managers may be removed with or without cause by a Majority of the Unit Owners.

Upon the affirmative vote of a majority of all the members of the Board of Managers, any officer may be removed, either with

or without cause, and a successor may be elected or appointed, as the case may be, at any regular meeting of the Board of Managers or at any special meeting of the Board of Managers called for such purpose.

Powers and Duties of Board of Managers

The Board of Managers has the powers and duties necessary for and incidental to the administration of the affairs of the Condominium. Such powers and duties include the operation, care and maintenance of the Common Elements, the preparation of an annual budget for the Condominium and the assessment of Common Charges. The powers and duties of the Board of Managers are more fully discussed in Article 2 of the Bylaws.

Meetings and Votes of Unit Owners.

Within thirty (30) calendar days after the date on which closing of title to all Units shall have taken place or within one year after the date of conveyance of the first Unit, whichever shall first occur, the Sponsor (or Unit Owners) shall call the first meeting of the Unit Owners. Thereafter annual meetings of the Unit Owners shall be held on such other date as the Board of Managers shall designate. At such meetings, the Unit Owners shall elect the Board of Managers. In addition, special meetings may be held from time to time and will be call in accordance with section 4.2 of the Condominium By-Laws contained in Part II of the Plan. At all meetings of the Unit Owners, the presence in person or by proxy of all the Unit Owners shall constitute a quorum and, except as noted below or as otherwise provided in the By-laws or Declaration a majority of the votes

cast at any such meeting at which a quorum is present shall be binding upon all Unit Owners.

At all meetings each Unit owner (or his proxy) entitled to vote thereat (including the Sponsor with respect to Units owned by the Sponsor) shall be entitled to cast one vote. Cumulative voting shall not be permitted.

Officers. The principal officers of the Condominium shall be a President, Secretary and Treasurer, all of whom shall be elected by the Board of Managers. All of the officers shall be Unit Owners. No officer who is also a member of the Board of Managers shall receive any compensation for acting as an officer. The anticipated first officers and members of the Board shall be the principal of Sponsor.

The duties of the principal officers are as follows:

President. The President shall be the chief executive officer of the Condominium, preside at all meetings of the Unit Owners and of the Board of Managers.

Secretary. The Secretary shall keep the minutes of all meetings of the Unit owners and of the Board of Managers, shall have charge of such books and papers as the Board of Manager may direct, and shall act as President in the absence of the President.

Treasurer. The Treasurer shall be responsible for Condominium funds and securities, for keeping full and accurate financial records and books of account showing all receipts and disbursements.

Insurance. The Condominium Board is required to obtain

and maintain to the extent obtainable, (a) fire insurance with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the entire Building (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit or supplied or installed by the Unit Owner), together with all service machinery contained therein and covering the interests of the Condominium, the Board of Managers and all Unit Owners and certain of their mortgagees, as their respective interests may appear; (b) Workmen's Compensation and New York State disability benefits insurance, if and to the extent necessary to meet the requirements of law;

All policies of physical damage insurance shall contain, to the extent obtainable, waivers of subrogation and waivers of any defense based on co-insurance or other insurance or of invalidity arising from any acts of the insured and of pro rata reduction of liability, and shall provide that such policies may not be canceled or substantially modified without at least thirty (30) calendar days prior written notice to all of the insured, including all Mortgagees and the Board of Managers. Duplicate originals or certificates of insurance of all policies of physical damage insurance and all renewal thereof, together with proof of payment of premiums, shall be delivered to all Unit Owners and to any Mortgagee so requesting at least thirty (30) calendar days prior to expiration of the then current policies.

The Board of Managers shall also be required to obtain and maintain public liability insurance in such limits as such Board

may from time to time determine, covering the Board of Managers, the Managing Agent, all employees of the Condominium and each Unit Owner and covering all liability to the public or to the Unit Owners (and their invitees, agents and employees) arising out of or incident to the ownership or use of the Common Elements. Each insurance shall be issued on a comprehensive liability basis and shall cover cross-liability claims of one insured against another. The Condominium Board shall review such limits once each year.

Any insurance maintained by the Board of Managers may provide for such deductible amounts as the Board determines. The premiums for all insurance referred to above shall be a Common Expense.

Unit Owners may and are advised to carry other insurance for their own benefit, provided that no Unit Owner shall be permitted to exercise the right to obtain additional insurance so as to decrease the amount which the Board of Managers, on behalf of all the Unit Owners, may realize under any insurance policy or to cause any insurance coverage maintained by the Board to be brought into contribution with such additional insurance coverage obtained by a Unit Owner. The Board may, in addition, elect to obtain other insurance in addition to that set forth herein, and in the By Laws.

Repairs of Common Elements.

The Board of Managers shall be responsible for the operation, maintenance, repair and replacement of all of the Common Elements, whether located inside or outside of the Units,

the cost of which shall be charged to all Unit owners as a Common Expense; provided that each Unit owner shall perform normal maintenance on and replacement of the Limited Common Elements appurtenant only to such Owner's Unit, including keeping the same in clean and sanitary condition, free and clear of snow, ice, and any accumulation of water and shall also make all repairs thereto caused or permitted by such Owner's negligence, misuse, neglect, or otherwise except to the extent covered by insurance.

Repair or Reconstruction after Fire or Other Casualty

In the event that the Building or any part thereof is damaged or destroyed by fire or other casualty, the Board of Managers will, except as set forth below, arrange for the prompt repair and restoration thereof (including each Unit, but excluding fixtures, furniture, furnishings or other personal property not constituting a part of such Unit or supplied or installed by the Units Owner). In such event Unit Owners may be assessed for deficits, if any, in insurance proceeds.

If three-fourths or more of the Building is destroyed or substantially damaged and if the Unit Owners do not duly and promptly resolve to proceed with repair or restoration, the Property shall become subject to an action for partition at the suit of any Unit Owner or Mortgagee pursuant to Section 339-cc of the Condominium Act, in which event the Property will not be repaired and net assets of the Condominium, together with the net proceeds of insurance policies, if any, shall be divided among all Unit Owners in proportion to their respective Common Interests, provided, however, that no payment shall be made to a

Unit Owner until there has first been paid out of his share of such fund, such amounts as may be necessary to discharge all unpaid liens on his Unit in the order of the priority of such liens.

Liability of Board of Managers and Unit Owners

Every contract made by the Board of Managers or by any Managing Agent shall state that (a) it is made only as agent for all Unit Owners and such Board members or Managing Agent shall have no personal liability thereon (except in their capacities as Unit Owners) and (b) the liability of any Unit Owner with respect to such contract shall be limited to (i) such proportionate share of the total liability as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners, and (ii) except as otherwise determined by the Board of Managers in its sole and absolute discretion, such Unit Owner's interests in his Unit. Board members and officers shall have no liability to Unit Owners for errors of judgment, negligence or otherwise except that a Board member or officer shall be liable for his own bad faith or willful misconduct. All Unit Owners shall severally, to the extent of their respective interests in their Units, indemnify each Condominium Board member or officer against any liability or claim except those arising out of his own bad faith or willful misconduct. The Board of Managers may contract or effect any other transactions with any Board member, any officer, any Unit Owner or the Sponsor or any affiliate of any of them without, except in case of bad faith or willful misconduct, incurring any liability for self dealing.

Reports to Unit Owners

An annual itemized accounting of the receipts and expenditures of the Condominium Board shall be submitted by the Board of Managers to all Unit Owners within sixty (60) calendar days after the end of each fiscal year. Detailed books and records of receipts and expenditures affecting the Property and Administration of the Condominium shall be available for examination by the Unit Owners and by their respective duly authorized agents or attorneys in the office of the Managing Agent, if any, or of the Condominium during general business hours on working days at the times and in the manner set and announced by the Board of Managers for the general knowledge of the Unit Owners.

Amendments to Condominium Documents

The Declaration may be amended by the vote of at least 80% in Common Interest of all Unit Owners, cast in person or by proxy at a meeting duly held in accordance with the provisions of the Bylaws, with the following exceptions: (1) the Limited Common Interest appurtenant to each Unit shall not be altered without the approval in writing of every Unit Owner affected and their respective Mortgagees; (2) altering the use of the Building and Units for any use other than residential use only requires the approval in writing of the Unit Owner of every Unit and their respective Mortgagees.

The By-laws may be amended by the vote of 80% in Common Interest of all Unit Owners, cast in person or by proxy at a

meeting duly held for such purpose, except that (1) Article 8 of the By-laws, which pertains to rights of Mortgagees, may not be amended without the written consent of each Mortgagee.

Termination of Condominium

The Condominium shall continue (unless terminated by casualty loss, condemnation or eminent domain as provided in the Bylaws) until such time as the Property shall be withdrawn from the provisions of the New York Condominium Act as a result of the vote to do so of all Unit Owners. In addition, the written consent of each Mortgagee shall be required before such vote is effective. In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all Unit Owners in proportion to their respective Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any liens on his Unit in the order of priority of such liens.

Procedures to Review Real Estate Tax Assessments

Unit Owners will be assessed and taxed on their Units and their share of the Common Elements, because, pursuant to Section 339-y of the Real Property Law, each Unit and its Common Interest is deemed to be a parcel for all types of assessment and taxation. Therefore, each Unit Owner will be responsible for initiating any review of his Unit's real estate tax assessment.

Partition of Common Elements

The Common Elements cannot be divided or partitioned except

as provided in the Condominium Act.

Accumulation of Reserves for Capital Replacements

The Board of Managers is authorized to adopt a budget for the Unit Owners including allocating those amounts necessary to pay the cost of maintenance, management, operation, repair, and replacement of the Common Elements and those parts of the Units which the Board of Managers is obligated to maintain, repair and replace. Such budget shall include such reasonable amounts as the Board of Managers considers necessary to provide working capital, a general operating reserve, and reserves for contingencies and replacements. Any amount accumulated in excess of the amount required for actual expenses and reserves shall, if deemed advisable to the Board of Managers, be either distributed to the Unit Owners in accordance with their Common Interests or credited to the Unit Owners' next monthly installments due, until exhausted. If reserves shall be inadequate for any reason the Board of Managers may at any time levy a further assessment, as provided in Section 6 of the By-laws.

PROSPECTIVE PURCHASERS AND THEIR COUNSEL ARE ADVISED TO REVIEW CAREFULLY THE COPIES OF THE DECLARATION (EXHIBIT F contained in of Part II of the Plan) AND the BY-LAWS (EXHIBIT G also contained in Part II of the Plan).

RIGHTS AND OBLIGATIONS OF THE UNIT OWNERS

AND THE BOARD OF MANAGERS

SALE AND LEASING OF UNITS

Normally a Unit Owner may sell, lease or mortgage his Unit without restriction except as set forth in Article 8 Section 8.2 of the Bylaws contained in Part II of the Plan. It must be noted, however, that under this plan all Units will be subject to a Right of First Refusal in favor of the Board of Managers.

Such Right of First Refusal generally allows the Board of Managers the first option to purchase or lease a Unit upon the same terms and conditions as may be offered by a third party. The Right of First Refusal is set forth at length at Article 7.2 through 7.5 of the Bylaws.

Pursuant to the By Laws, the Board of Managers will notify a Unit Owner within twenty (20) business days of the date the Unit Owner gave notice to the Board of Managers must exercise its right of first refusal within said twenty (20) business days, otherwise the Unit Owner may proceed with the intended sale within 120 days of the date of either the Board's refusal or the expiration of the twenty (20) business days. Funds raised for the acquisition and maintenance of a unit by the Board of Managers will be done through obtaining a mortgage, or through investors interested in the purchase of the unit for lease or ownership. The unit will be sold in the manner set forth above and the proceeds thereof will be returned to the investors or used to pay off the mortgage on the Unit. In exercising its right the Board may not discriminate against any person on the

basis of race, creed, color, national origin, sex, sexual orientation, age, disability, marital status or any other ground prohibited by law.

Restrictions on Use of Units and Common Elements; Rules and Regulations

(a) Each Unit and the Common Elements shall be occupied and used as follows:

(1) Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance for the Property or any part thereof without the prior written consent of the Board of Managers. No Unit Owners shall permit anything to be done or kept in such Owner's Unit or in the Common Elements which will result in the cancellation of insurance on the Property or any part thereof or which would be in violation of any law, regulation or administrative ruling. No waste shall be committed in the Common Elements.

(2) No immoral, improper, offensive or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental agencies having jurisdiction thereof shall be observed. All laws, orders, rules regulations or requirements of any governmental agency having jurisdiction thereof relating to any portion or use of the Property shall be complied with by and at the sole expense of the Unit Owner or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property, and, if the latter, then the cost of such compliance shall be a Common Expense.

(3) Nothing shall be altered or constructed or removed from the Common Elements by a Unit Owner (other than a Unit Owner's personal property) except upon prior written consent of the Board of Managers.

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

(5) No Condominium Unit shall be rented or leased for transient or hotel purposes or in any event for any period less than six months. No portion less than 100% of a Condominium Unit shall be leased for any period. No Unit Owner shall lease a Condominium Unit other than on a standard form of lease approved by the Board of Managers and pay a $250.00 registration fee, which standard lease shall provide that any failure of the lessee to comply with the Declaration or the Bylaws shall be a default under such lease. Each Unit Owner shall, promptly following the execution of any such lease, forward a conformed copy thereof to the Board of Managers in accordance with Article 7.2 of the Bylaws. The foregoing provisions of this subparagraph shall not apply to the Sponsor or to a Mortgagee in possession as a result of a foreclosure or other judicial sale or as a result of any proceeding or transfer in lieu of foreclosure, during the period of such Mortgagee's possession.

(6) No junk or derelict vehicle or other vehicle on which current registration plates are not displayed shall be kept upon any of the Common Elements.

(7) The maintenance, keeping, boarding or raising of animals, livestock, poultry or reptiles of any kind, excluding orderly domestic pets, shall be and is prohibited within any Unit or upon the Common Elements.

(8) Nothing shall be affixed to the exterior of any Building, including without limitation window air conditioners, window guards or security gates, television or radio antennas or other electrical apparatus, except in such manner as may be approved or prescribed in writing by the Board of Managers.

(9) No Unit Owner shall place or cause or permit to be placed on or in the public halls, stairways or other Common Elements (other than in the areas designated as storage areas) any signs, bicycles, furniture, packages or objects of any kind. The halls and stairways shall be used for no purpose other than for normal transit.

(10) No Residential Unit shall be used other than for residential purposes for which the Property was designed. No incidental business activities which cater to the public or which will materially increase the number of visitors to the Condominium, may be conducted in any Unit or in the Common Elements.

Each Unit and the Common Elements shall be occupied and used in compliance with the Rules and Regulations which may be promulgated and amended by the Board of Managers. Copies of the Rules and Regulations shall be furnished by the Board of Managers to each Unit Owner. Amendments to the Rules and Regulations shall be conspicuously posted prior to the time when the same

shall become effective and copies thereof shall be furnished to each Unit Owner upon request.

Under no circumstances can below grade rooms be used as a bedroom. To do so would be in violation of the building code.

Common Charges: Determination and Assessment

Common Expenses will be determined by the Board of Managers and will be borne solely by Unit Owners in accordance with their percentage of interest in common elements. Common Expenses include, among other things, all costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to Common Elements (excepting, however, costs and expenses in connection with normal maintenance of the Limited Common Elements) and may include amounts for certain other items as the Board of Managers may deem proper, such as management, legal and audit fees and amounts for reserves. Common Expenses are allocated to Unit Owners in accordance with their respective Common Interests.

At least annually the Condominium Board will prepare a budget for Common Expenses and allocate, as aforesaid, and assess Common Charges to the Unit Owners to meet such expenses. The Board of Managers shall have the right to accumulate reserves for capital expenditures and include such items in the budget. The Board of Managers will furnish copies of each budget, on which common charges are based to all Unit Owners, and advise such Owners of the amount of Common Charges payable by them. Unless otherwise determined by the Board of Managers, Common Charges

will be payable monthly in advance on the first day of each month. The Sponsor has established common charges as set forth in Schedule B contained in this Plan and has divided such charges according to each Unit Owner's percentage of interest in the building. Assessments to Unit Owners will also be established based on each Unit Owner's percentage of interest set forth in Schedule A.

Common Charges: Collection and Lien for Non-Payment

No Unit Owner may exempt himself from liability for Common Charges by waiving use of any of the Common Elements or by abandonment of his Unit. No Unit Owner, however, will be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to a permissible sale, transfer or other conveyance of such Unit.

On a resale of a Unit the Purchaser will be liable for the payment of Common Charges, accrued and unpaid against such Unit prior to his acquisition, except that, to the extent permitted by law, the holder of a mortgage or the purchaser of a Unit at a Mortgage foreclosure sale will not be liable for, and such Unit will not be subject to, a lien for the payment of such charges accrued prior to the foreclosure sale. In the event of a foreclosure by the Board of Managers of its lien on any Unit for unpaid Common Charges, if the net proceeds of the foreclosure sale shall be insufficient for the payment of such unpaid charges or if a Unit is acquired by a mortgagee or purchaser in foreclosure, the Unit Owner will remain liable for the unpaid balance. The Board of Managers will have the right to assess

such unpaid balance as a Common Charge among all Unit Owners.

Under the provisions of Sections 339-z and 339-aa of the New York Condominium Act and Article 6.4 of the By-laws, the Board of Managers on behalf of all Unit Owners will have a lien on each Unit for unpaid Common Charges, together with interest thereon, assessed against such Unit. All such liens, however, to the extent permitted by applicable law, will be subordinate to liens for real estate taxes on the Unit and any sums unpaid on Mortgages of record on such Unit. Any lien for unpaid Common Charges against a Unit will be effective from and after filing of a verified notice thereof in the Office of the City Register of Kings County, New York and until all sums secured thereby with the interest accrued thereon shall have been fully paid or until six years from the date of filing (unless foreclosure of such lien is started within such six-year period), whichever shall be sooner. Such liens may be foreclosed by a suit brought in the name of the Board of Managers (acting on behalf of all Unit Owners) in like manner as the foreclosure of a mortgage on real property or and action may be brought on the Board of Managers to recover the unpaid Common Charges without foreclosing the lien. In addition 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 the Sponsor is more than thirty (30) days in arrears of common charges while it is in control of the Board of Managers.

Real Property Law Section 339-kk

Under the provisions of Real Property Law Section 339-kk, if

a non-occupying owner rents any dwelling unit to a rental tenant and then fails to make payments due for common charges, assessments or late fees for such unit within sixty (60) days of the expiration of any grace period after they are due, the Board of Managers shall provide a written notice to the tenant and the non-occupying owner that rental payments from the tenant be paid directly to the condominium board. Such notice shall provide that commencing immediately and until such time that all such sums are made current, all rental payments due subsequent to the issuance of such notice are to be made to the Board of Managers. When such payments from the non-occupying owner become current, written notice shall be given within three business days to the rental tenant and non-occupying owner, and thereafter, all rental payments shall again be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the Board's claim to rental payment pursuant to Section 339-kk shall be entitled to present facts supporting such position at the next scheduled meeting of the Board of Managers if the Board receives prior notice that such owner seeks to dispute such claim. Payment by a rental tenant to the Board of Managers made in connection with Section 339-kk shall relieve that rental tenant from the obligation to pay such rent to the non-occupying owner and shall be an absolute defense in any non-payment proceeding commenced by such non-occupying owner against such tenant for rent.

Repairs to and Maintenance of Units and Common Elements

Generally, all painting, decorating, maintenance, repairs

and replacements, whether structural or non-structural, ordinary or extraordinary, (a) in or to any Unit (other than to the Common Elements included therein) and the interior side of entrance doors thereto will be made by the Owner of such Unit at such Unit Owner's sole cost and expense, and (b) in or to the Common Elements will be made by the Condominium Board of Managers and the cost and expense thereof will be charged to the Unit Owners as a Common Expense. Normal maintenance of any Limited Common Elements will, however, be the responsibility and the expense of the Unit Owner of the Unit to which the Limited Common Elements are appurtenant. Normal maintenance includes keeping the Limited Common Elements free and clear of snow, ice and any accumulation of water.

The Bylaws provide that each Unit and its Common Elements shall be kept in first class condition (and with respect to any terrace, roof or other part of the Property exposed to the elements, free of snow, ice and accumulation of water) by the Unit Owner or Board of Managers, whichever is responsible for the maintenance thereof. In the event that any Unit Owner fails to keep his Unit or appurtenant Limited Common Elements in such condition the Board of Managers may, at the expense of the Unit Owner, enter his Unit or such Limited Common Elements and perform such acts as are necessary to cure such default (see "Rights of Access" at Section 5.9 of the Bylaws).

In addition, such Unit Owner shall be responsible for all damage to any other Units or to the Common Elements resulting from such Owner's failure to make any required repairs, or from

such Owner's negligence or abuse.

Alterations and Improvements of Units and Common Elements

No Unit Owner may make any structural alteration, addition, improvement or repair in or to his Unit without the prior written approval of the Board of Managers. This provision does not apply to the Sponsor or its designee until a deed to the Unit affected has been delivered to the Purchaser thereof.

Generally, all alterations, additions or improvements in or to any Common Element will be made by the Board of Managers and the cost and expense thereof will be charges to all Unit Owners as a Common Expense.

Insurance Coverage

Article 5.4 of the Bylaws sets forth in full details concerning Insurance. Generally, the Board of Managers shall obtain and maintain the following insurance:

(1) A policy in an amount sufficient to avoid the effects of co-insurance covering "all risk" perils, including fire insurance with extended coverage, vandalism and malicious mischief endorsements. Such insurance shall include all of the Units created or to be created and the floor coverings and bathroom and kitchen fixtures and appliances initially conveyed with the Units by the Sponsor, but shall not include furniture, furnishings or other personal property or improvements supplied or installed by Unit Owners. Amounts of coverage shall be determined annually by the Board of Managers with the assistance of the insurance company affording such coverage;

(2) Workmen's Compensation insurance and New York State

disability benefits insurance, if and to the extent necessary to meet the requirements of law; and

(3) Such other insurance as the Board of Managers may determine or as may be requested from time to time by a majority of the Unit Owners.

The Board of Managers shall obtain and maintain, to the extent obtainable, public liability insurance for bodily injury and property damage (including, with regard to the Board of Managers and the Managing Agent, if any, libel, slander, false arrest, wrongful eviction and invasion of privacy coverage) covering the Board of Managers, the Managing Agent, if any, and each Unit Owner. All such insurance shall be carried in such limits as the Board of Managers may from time to time determine, insuring, as appropriate, each member of the Board of Managers, each officer, the Managing Agent, if any, all employees of the Condominium and each Unit Owner against any liability to the public or to the Unit Owners (and their invitees, agents, and employees) arising out of or incident to the ownership or use of the Common Elements. Such insurance shall be issued on a comprehensive liability basis and shall contain: a cross liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to any action against another named insured and a "severability of interest" endorsement which shall preclude the insurer from denying liability to a Unit Owner because of negligent acts of another Unit Owner. The Board of Managers shall review policies and limits once each year.

Each of the policies shall contain a New York Standard Mortgage Clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder, that the insurance proceeds shall be payable to the Board of Managers to be distributed to such mortgagee as its interest may appear, subject however, to the loss payment provisions in favor of the Board of Managers in the event casualty or condemnation.

If required by any governmental or quasi-governmental agency, the Board of Managers shall obtain flood insurance in accordance with the then applicable regulations of such agency.

The cost of all insurance purchased by the Board of Managers pursuant to Section 5.4 of the Bylaws shall be a Common Expense to be payable by the Unit Owners and included in the monthly maintenance.

Neither the Board of Managers nor the Unit Owners shall be required to obtain any coverage required by the Bylaws or be liable for any loss or damage resulting from any failure to obtain such coverage if such failure is due to the unavailability of such coverage from reputable insurance companies, or if such coverage are so available only at demonstrably unreasonable cost. Insurance coverage for contents of a Unit and Directors and officers insurance are not currently offered by Sponsor, nor are automobile or excess liability coverage offered. These, however, are available, and may be purchased by the Board of Managers, or Unit Owners, as appropriate for various types of coverage.

Separate Insurance

Each Unit Owner shall have the right, at such Owner's

expense, to obtain casualty and liability insurance coverage upon personal property, and for personal liability and theft; provided that no Unit Owner shall be entitled to exercise such right so as to decrease the amount which the Board of Managers, on behalf of all Unit Owners, may realize under any insurance policy on the Property or to cause any insurance coverage maintained by the Board of Managers to be brought into contribution with such additional insurance coverage obtained by a Unit Owner.

Rights of Access

As more fully set forth in Article 5.9 of the Bylaws, the Board of Managers, any Managing Agent and other persons authorized by the Board of Managers will have a right of access to any Unit for the purposes, among other things, of making inspections of, or removing, violations of governmental laws or regulations and of curing defaults by the Owner of such Unit under the Declaration, Bylaws or Rules and Regulations enacted in accordance therewith or of correcting any conditions originating in any Unit and threatening another Unit or any Common Element.

The Sponsor and its contractors, subcontractors, agents and employees will have a right of access to each Unit and to all of the Common Elements for purposes of completing construction of the Building and fulfilling the Sponsor's obligations hereunder.

Compliance with Terms of Declaration, Bylaws and Rules and Regulations Made in Accordance Therewith

Each Unit Owner must strictly comply with the provisions of the Declaration, Bylaws and the Rules and Regulations made in accordance therewith. Failure to comply is grounds for an action

for damages or injunctive relief, or both. The Bylaws will be recorded with the Declaration in the Office of the City Register, Kings County.

REAL ESTATE TAXES AND TAX STATUS OF THE CONDOMINIUM

The following discussion of the income tax consequences of purchasing and owning a Unit pursuant to the Plan was prepared by the Sponsor with the advice of its counsel, S. Seth Yavne. It is intended for the general information of prospective Purchasers only. It is the opinion of counsel that, based on the information contained in the Plan and current federal, state, and local laws, the discussion below is accurate. However, prospective Purchasers should be aware that Sponsor's Counsel is acting as counsel to the Sponsor and not to the Unit Owners. Thus, prospective Purchasers may wish to consult their own tax advisers as to the matters described below.

The Sponsor has been advised by its counsel that the Condominium will be taxed on any excess of income over expenses from unrelated sources. Examples of unrelated source income include interest earned on reserve and other invested funds, income from concessions and income from dues or fees received from persons other than the Unit Owners. If the Condominium is required to pay taxes, the amount thereof will be levied as an additional common charge.

Deductibility of Real Estate Taxes and Interest.

As described in the section of the Plan entitled "Introduction", real estate taxes will be assessed separately against each Unit. A Unit Owner who itemizes deductions for federal income tax purposes will be entitled to deduct real

estate taxes paid by him or her with respect to such assessment. Furthermore, a Unit Owner who itemizes deductions for federal purposes will also be entitled to a deduction for interest paid on any indebtedness incurred to acquire his or her Unit.

A Unit Owner who is a resident of New York State and who itemizes deductions for federal income tax purposes may choose also to itemize deductions for New York State (and, if applicable, New York City) income tax purposes. In that case, the real estate taxes and interest described in the preceding paragraph will also be deductible for New York State or City income tax purposes. Under no circumstances will any Unit Owner be responsible for payment of, or be subject to, any lien arising from non-payment of taxes assessed against any other unit.

Tax Treatment of the Condominium.

The Condominium may be subject to federal income taxes, as a separate entity, on its taxable income (if any) unless it is eligible for and elects tax exempt status under Section 528 of the Internal Revenue Code. Such an election would exempt the Condominium from federal income tax on certain types of income. Whether or not the Condominium will be eligible to make the election under Section 528 depends on various factors, including the purposes for which it is formed, the sources of its income and the uses to which that income is put. Based upon the information provided by Sponsor, Sponsor's counsel is of the opinion that the Condominium will so qualify as an exempt homeowner's association.

Tax Exemption and Abatement Benefits

The Sponsor has applied for tax exemption under Sections 421A of the New York State Real Property Tax Law to the City of New York Department of Housing, Preservation and Development, and has received a Preliminary Certificate of Eligibility from same on April 13, 2010. This exemption provides for a fifteen year partial tax exemption program applicable to multiple dwellings constructed in New York City under certain limited conditions for developments where construction commences after July 25, 1978. If required, a final exemption will be applied for by the Sponsor at least sixty (60) days prior to initial occupancy of a Unit. The Sponsor will in any event file all necessary papers to secure final approval and Sponsor will exercise its best efforts to obtain the tax abatement benefits. The real property tax for the first year of Condominium operation assuming exemption under Section 421-a has been calculated, based upon the New York City Department of Finance's recommendation, by taking a tax rate of 10.997% on the assessed value of the property. The estimated amount of real estate tax for the entire condominium for the 2010/2011 tax year is $2,419.34 per year. The monthly amount ($201.61) is then multiplied by each Unit's percentage of common interest in the Condominium Property, as reflected in Schedule A. If tax exemption benefits are not received, the monthly taxes assuming no abatement will be $62,028 annually ($5,173.17 monthly, using a $13.053 tax rate per 100% of assessed value), and are also set forth in Schedule A. The actual assessed

valuation will be completed using tax rates of 2006/2007. Prior to declaring the Plan effective, Sponsor will obtain an opinion letter from the Department of Housing, Preservation and Development ("HPD") indicating that the condominium is eligible to receive tax abatement benefits. All documents and information required by the "HPD", in connection with securing tax abatement benefits will be made available whenever requested.

HPD which administers the tax abatement benefits program, routinely conducts audits of applicants which may result in either the revocation or reduction of benefits if proper documentation is not provided. Accordingly, Sponsor will maintain all relevant records required by HPD. Upon closing, Sponsor will make all documentation available to the Condominium Board for inspection and copying for the life of the benefits and will timely comply with all procedures to properly process and maintain tax exemption benefits. In the event tax exemption benefits are terminated, the Condominium will be required to pay the full amount of real estate taxes assessed on the property.

The Sponsor anticipates, but does not guarantee, that the Condominium will be approved for partial Real Estate Tax Exemption under this program. In the event the partial exemption is not granted or is revoked, the Unit Owners will be responsible for the entire real estate taxes assessed against their respective Units and the Sponsor shall not be liable for any portion thereof, except to the extent that it is the Owner of any unsold Unit.

The tax exemption program provides that while the taxes on the property may not be less than those assessed in prior years, real estate taxes on newly constructed buildings are exempted for the first fifteen (15) years (plus the period of construction). After the end of the fifteen (15) year period, the Units will be subject to regular real estate taxes in accordance with the rates then in effect in the City of New York.

The estimate of real estate taxes set forth in Schedule A is based upon the yearly taxes on the entire property as divided by the percentage of common interest each Unit has in the Condominium. The estimate assumes that 100% of the value of the improvements to the Condominium will be exempt from taxation under Section 421A the Real Property Law. Accordingly, this estimated reduction of the full tax abatement has been equally apportioned to all the units in the condominium.

Although in the Sponsor's opinion this method of calculating the real estate taxes applicable to each Unit is reasonable, there can be no assurance that final exemption will be granted or that this method of calculation or real estate taxes applicable to each Unit will be the final method used by the New York City taxing authorities in establishing the real estate tax assessment for each Unit. If for any reason a different method of calculation is used or a different assessment placed upon any of the Units by such authorities, real estate taxes may increase or decrease, depending upon the final decision of such taxing authorities.

Since the New York State Condominium Act provides that real estate taxes will be separately assessed against each individual Unit Owner, the result of the tax exemption program will be to give each individual Unit Owner the full benefit of the tax exemption program. The Sponsor will obtain individual tax lots for each Residential Unit, the Commercial Unit and the Community Facility space. 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 subjected to any lien arising from non-payment of taxes on other units. If the units have not been separately assessed for real estate tax purposes prior to the closing of title to the first unit, the sponsor will prepay the tax bill to the City of New York for the entire condominium property until the end of the tax year, and collect each unit's proportionate share from the unit owner at the time of the closing. Each Unit's proportionate share will be calculated based on the percentage of common interest allocated to the Unit.

The Sponsor anticipates that the real estate tax rate will increase in future years rather than remain constant as assumed in the example set forth below based on the current abated tax amount set forth in Schedule A. In addition, prospective purchasers are advised that the City of New York has not yet actually assessed the Units in the Condominium. 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. In no event will the Sponsor or the Sponsor's Counsel be liable if the actual taxes assessed differ from the example provided.

Example: Current annual taxes assuming abatement are estimated at $2,419.34. This will be the tax on the property for the first eleven (11) years of Condominium Operation. After this period the taxes will increase by twenty percent over the remaining four (4) years. Annual taxes will be as follows:

Year	Tax Amount
12th year	$2,903.20
13th year	$3,483.84
14th year	$4,180.60
15th year	$5,016.72

Currently there are no tax certiorari proceedings pending.

S. SETH YAVNE
ATTORNEY AT LAW
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Phone: (718) 253-9181
Fax: (718) 253-9176

April 26, 2010

2113 Kings Highway, LLC
3845 Bedford Avenue
Brooklyn, New York 11229

RE: KINGS CONDOMINIUM, Brooklyn, New York

Dear Sir:

We have prepared the Offering Plan, the proposed Declaration, the By-Laws and Rules and Regulations of the Condominium. We have also reviewed all of the schedules, attachments and supporting documents attached thereto and incorporated therein.

Accordingly, you have requested our opinion, based on our preparation and review of the foregoing and assuming that the Plan becomes effective and is consummated in accordance with its terms, as to: (1) the availability of certain deductions for Federal, New York State and New York City income tax purposes to persons who purchase Residential Units for residential use ("Residential Unit Owners") under the Plan; (2) the treatment for such income tax purposes of the receipt by the Board of Managers (the "Board") of Common Charges that are paid and/or are obligations of Residential Unit Owners and (3) Eligibility for Partial Tax Abatement. Except where otherwise noted, all capitalized terms used in this opinion letter shall have the same meaning ascribed to them in the Plan.

1. Deductibility of Mortgage Interest and Real Estate Taxes

Assuming the Condominium is validly created under Article 9-B of the Real property Law of the State of New York, the Condominium will be considered a condominium for tax purposes. A condominium is defined as an interest in real property consisting of undivided interest in common in a portion of a parcel of real property together with a separate interest in space in a building located on such property.

In general, a condominium unit owner is treated, for tax purposes, in the same manner as the owner of any other real property. Therefore, each condominium unit owner will be entitled, under present law, to deduct for Federal, New York State and New York City income tax purposes, the full amount paid by him or her for real estate taxes assessed against his or her unit. In addition, he or she will be entitled to deduct the amount of interest (if any) paid on any mortgage indebtedness covering his or her unit. These deductions are only available if the

unit owner chooses to otherwise itemize deductions in a given tax year, and provided further that the interest is considered QUALIFIED RESIDENCE INTEREST. Qualified Residence Interest is defined as interest paid or accrued by a qualified residence of the taxpayer. The term qualified residence means the taxpayer's principal residence plus one other residence selected by the taxpayer.

2. Common Charges

Under the terms of the Plan the Board will from time to time assess Common Charges on all unit owners in proportion to their respective percentage interests in the Common Elements.

The Common Charges will be used to pay the costs and expenses of operating, repairing and maintaining the Common Elements of the Condominium.

Under Section 528 of the Code, the Board may elect to be exempt from federal income tax on certain Common Charges collected from Unit Owners if it meets certain tests, including, but not limited to, the requirements that (i) at least 60% of its gross income must consist of exempt function income, (ii) at least 90% of its expenditures for the taxable year must be for the acquisition, construction, maintenance and care of the Condominium, (iii) no distribution of funds are made to the Home Owners other than the rebate of excess Common Charges, and (iv) substantially all of the Units must be used by individuals for residences.

It should be noted, however, that neither New York State nor the New York City has legislation comparable to Section 528 of the Code. In addition, under Section 528(d) of the Code, any income of the Board, other than the exempt Common Charges, would be taxable.

It is therefore our opinion that based on the projected schedule of income and expense for the first year of operation, the Board of Managers of the Condominium will be entitled to avail itself of the election provided under Section 528 of the Internal Revenue Code, and will qualify as an exempt homeowners association.

3. Eligibility for Partial Tax Abatement

As stated in the Offering Plan, the Sponsor has applied for benefits under Section 421(a) of the Real Property Tax Law, and has received a Preliminary Certificate of Eligibility from the Department of Housing, Preservation and Development on June 11, 2009. I have reviewed the opinion letter of Sponsor's expert, a firm that specializes in obtaining 421a Tax Abatement Benefits, and assuming all facts and representations stated therein to be accurate, it is my opinion that the Condominium should qualify for certification of eligibility for partial real property tax exemption under Section 421(a) of the Real Property Tax Law.

However, no warranties or representations are or can be made that the United States Department of Treasury, the New York State Department of Taxation and Finance or the New York City Department will allow the deductions or exemptions from tax herein referred to; or that the tax laws and regulations referred to or the current interpretation or application thereof will not change so as to disallow the deductions or exemptions in whole or in part; or with

respect to the tax consequences of the Plan or the tax consequences of ownership of any units offered under the plan. The undersigned also assumes no liability and will not be liable if any of the facts represented to be true by the Sponsor and others, and upon which the undersigned has based this opinion, should prove to be false or mistaken.

In our opinion, the condominium will be eligible for tax-exempt status, if it elects such status, and unit owners will be entitled to tax deductions and real estate tax benefits described above. 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 based 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 by 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 caused 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, or which cause unit owners not to be or cease to be entitled to the benefits of the level or duration of benefits described above, if any.

The undersigned also assumes no liability and will not be liable if any of the facts represented to be true by the Sponsor and others, and upon which the undersigned has based this opinion, should prove to be false or mistaken.

We are aware of your intention to reproduce this opinion for inclusion in the Offering Plan, and we consent to such reproduction and inclusion.

Very truly yours,

S. Seth Yavne
Attorney at Law

RESERVE FUND

There will be no reserve fund established by the Sponsor.

WORKING CAPITAL FUND

The Sponsor, as agent of the Board of Managers, will collect from each original Purchaser at the time of closing, an initial payment equal to twice the estimated monthly Common Charges for each Unit. The Sponsor will deliver the funds so collected to the Board of Managers to provide the necessary working capital for the Condominium and such initial payment will be used as a working capital fund. Such funds may be used for certain prepaid items, organizational equipment and supply costs, and for such other purposes as the Board of Managers may determine. NO REPRESENTATION IS MADE THAT THE INITIAL CAPITAL FUND WILL BE ADEQUATE TO COVER CURRENT OR FUTURE EXPENSES, INCLUDING REPAIRS OR REPLACEMENTS OF BUILDING COMPONENTS OR SYSTEMS OR TO REMEDY MAJOR BUILDING DEFECTS. IF ADDITIONAL FUNDS ARE REQUIRED OVER AND ABOVE THE INITIAL CAPITAL FUND, IT MAY BE NECESSARY FOR THE BOARD OF MANAGERS TO INCREASE THE CHARGES PAYABLE BY UNIT OWNERS OR TO ASSESS THE UNIT OWNERS WITH A SPECIAL ASSESSMENT.

The Board of Managers shall not use these funds to reduce the cost of common charges for any Unit under the control of Sponsor. Also while Sponsor is in control of the Board of Managers the working capital fund may not be used to reduce projected common charges.

NEITHER THE ATTORNEY GENERAL NOR ANY OTHER GOVERNMENT AGENCY HAS PASSED UPON THE ADEQUACY OF THE INITIAL CAPITAL FUND.

MANAGEMENT AGREEMENT

Initially, no Management Agreement will be entered into for the condominium, as the affairs of the condominium will be handled by the Sponsor, who will act as the managing agent, at no cost to the unit owners. The duties to be performed by the managing agent include all aspects of condominium operation including the supervision of building personnel and building operations. At any time the Sponsor may engage the services of an outside firm. If engaged, costs thereof will be shared by all of the unit owners as a common expense. At the first meeting of the Condominium Unit Owners, it will be decided if Sponsor, for a fee, should continue as managing agent. If not, an agreement will then be entered into between the Condominium and a managing agent, or the unit owners may decide to manage the condominium themselves. The Board of Managers reserves the right to cancel and agreement with the Managing Agent with or without cause on at least sixty (60) days notice. The management agreement cannot be assigned by the Managing Agent.

The Sponsor will initially act as Managing Agent for the building. The Sponsor acting as Managing Agent, or a new agent employed by the Sponsor will hire and supervise all employees; arrange for the maintenance, repair and up-keep of the building; comply with all ordinances and regulations. It will negotiate all contracts for utilities,. fuel, security, if any, etc.; purchase all needed supplies and equipment; recommend proper

insurance coverage; check all bills and work orders; bill and collect common charges and other charges; attend to complaints; cooperate with the Board of Managers' accountant; and in general do all things necessary for the proper management of the building. The Managing Agent will also retain a certified public accountant to maintain the Condominium's books and records and to prepare annual financial reports and tax statements for the Condominium, said statements to be furnished to Unit Owners by the Board of Managers.

IDENTITY OF PARTIES

Sponsor: Neither Sponsor, 2113 Kings Highway, LLC, a New York Corporation, formed under the laws of the State of New York, with offices at 3845 Bedford Avenue, Brooklyn, New York, nor its principal, Yaacov Azrad, have ever taken part in any public offerings of real estate or other offerings in the State of New York. In addition, neither Sponsor, nor it's principal, own or have 10% ownership of units in other buildings. Yaacov Azrad does not have any prior experience in the field of real estate. He is a principal of Nero Bianco, a retail leather goods store in Brooklyn.

Sponsor's Attorneys: The Sponsor is represented by the law firm of S. Seth Yavne, Attorney at Law, 3407 Avenue K, Brooklyn, New York 11210, who prepared the Offering Plan, and is responsible for all legal matters pertaining to the filing of this Plan, and in all matters relating to the purchase and sale of units under this Plan.

Selling Agent: Sponsor, 2113 Kings Highway, LLC is acting as Selling Agent through the principal of Sponsor. This is Sponsor's first offering and first time acting as Selling Agent. The principal has no prior convictions of any type.

Managing Agent: Sponsor, 2113 Kings Highway, LLC through the principal of Sponsor, will act as Managing Agent for the first year of condominium operation. The principal has no prior convictions of any type.

Architect and Engineer: The Sponsor's architect is

Bricolage Designs, a architectural firm with offices at 6321 New Utrecht Avenue, Brooklyn, New York 11219. Bricolage Designs has completed a full range of residential, institutional and commercial projects from rehab to new buildings throughout the tri-state. The Sponsor's engineer is Steven Schneider, P.E. of Schneider Associates, P.E., with offices at 866 Johnston Drive, Watchung, New Jersey 07069.

Sponsor, the Selling Agent and Managing Agent are the same entity. Sponsor's relationship with the attorney and architect listed above is strictly professional. In addition, Sponsor's relationship with any other person of firm, who will, or has provided services for the condominium, subsequent to the commencement of condominium operation, is also, or will be, one of a professional relationship.

REPORTS TO UNIT OWNERS

It is the obligation of the board of managers of the condominium to give all unit owners annually: a financial statement of the condominium prepared by a certified public accountant or public accountant by a specified date; such statement shall be certified while the sponsor is in control of the board of managers, prior notice of the annual unit owners' meeting; and a copy of the proposed annual budget of the condominium by a specified number of days prior to the date set for adoption thereof by the board of managers; while the sponsor is in control of the board of managers such budget shall be certified in compliance with the applicable regulations.

DOCUMENTS ON FILE

The Sponsor shall keep copies of the plan, all documents referred to in the plan and all Exhibits submitted to the Department of Law in connection with the filing of the plan, on file and available for inspection without charge and copying at a reasonable charge at a specified location for six 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.

GENERAL

1) In order to facilitate the operation and maintenance of the Building and the sale of Units therein, each of the Units will be subject to certain easements. These easements are set forth in detail in the "Declaration of Condominium" annexed as

Exhibit D-1 to Part II of the Plan. All easements are standard.

2) Generally, subject to certain exceptions including, among others, exceptions concerning mortgagees, any provisions of the Declaration or Bylaws may be amended, modified, added to or deleted by affirmative vote of at least 80% in number and in Common Interest of all Unit Owners.

3) Under the provisions of the New York "Condominium Act", no lien of any nature may arise or be created against the Common Elements except with the unanimous consent of all Unit Owners. Liens may arise or be created against only the several Units and their respective Common Interests. Labor performed on, or materials supplied to, a Unit may not be the basis for a mechanic's lien against the Unit of a Unit Owner not expressly consenting to or requesting such work, except in the case of emergency repairs. No labor performed on, or materials furnished to, the Common Elements shall be the basis for a lien thereon but all Common Charges received by the Board of Managers shall constitute trust funds for the purpose of paying the cost of labor performed or materials furnished at the request or with the consent of the Board of Managers or the Managing Agent.

4) The Condominium shall continue (unless terminated by casualty loss, condemnation or eminent domain as provided in the Bylaws) or until such time as the Property shall be withdrawn from the provisions of the New York Condominium Act as a result of the vote to do so of at least 67% in number and in Common Interest of all Unit Owners. In addition, the written consent of

each Mortgagee shall be required before such vote is effective. In the event of withdrawal, the Property shall be subject to an action for partition by any Unit Owner or any lienor as if owned in common, in which event the net proceeds of the sale shall be divided among all the Owners in proportion to their respective Common Interests after first applying the share of the net proceeds of such sale otherwise payable to any Unit Owner to the payment of any lien on his Unit in the order of priority of such liens.

The Plan does not knowingly omit any material fact or knowingly contain any untrue statement of any material fact. The Sponsor believes that the Plan contains a fair summary of the material provisions of the documents referred to in the Plan, other than those documents contained in Part II of the Plan. Exact copies are contained in Part II of the Plan, of the Declaration, By-laws, form of Purchase Agreement, form of Unit Deed, and certain legal opinions and other documents. Statements made in Part I of the Plan as to the provisions of such documents or any other document referred to herein, copies of which are on file with the Sponsor, are necessarily not complete. Each such statement is qualified in all respects by the contents of such documents and, in the case of any such documents executed by or with the written consent of a Purchaser pursuant to this Plan, any rider or separate agreement changing or adding provisions to such document.

There are no lawsuits or other legal proceedings now

pending, or any judgments outstanding, which would materially affect this offering, the Purchasers of Unit, the Property, the condominium or the operation thereof.

In accordance with the provisions of the law of the State of New York, neither the Sponsor nor any selling agent engaged by the Sponsor will discriminate against any person because of his race, creed, color, national origin, sex, sexual orientation, age, marital status, disability or ancestry in the sale of Units offered by the Plan or in the Leasing of any such Unit.

The Sponsor reserves the right to amend the Plan at any time (a) before the Plan is declared effective provided that, if the amendment effects any material change in the Plan and is not made solely for the purpose of declaring it effective, anyone who has theretofore executed a Purchase Agreement shall be given not less than fifteen (15) calendar days in which to elect to cancel the Purchase Agreement and to obtain a refund, in full, of the down payment made therewith, or (b) after the Plan is declared effective, subject to the rights of persons who have theretofore executed Purchase Agreements unless, at the election of the Sponsor, anyone who has theretofore executed a Purchase Agreement is given an election to cancel his Purchase Agreement and obtain a refund, all as and in the manner provided in clause (a) of this sentence.

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

neuter, includes the other two.

Except as set forth in the next sentence, as of the date of first presentation of the Plan, neither the Sponsor nor any representative or agent thereof, has raised funds or made any preliminary offering or binding agreement of sale to or with anyone with respect to the Units. No person has been authorized to make any statement or representation or furnish any information not expressly contained herein. Any information, data, or representations not contained herein or in the documents and exhibits referred to herein must not be relied upon. The Plan may not be changed or modified orally. As this is new construction, this is the first condominium to be built on the property and the property was never the subject of any prior cooperative or condominium offerings.

SPONSOR'S STATEMENT OF SPECIFICATIONS OR BUILDING CONDITIONS

The Sponsor adopts the descriptions of Property and Specifications or Building Conditions as set forth as Exhibit "D" to Part II of the Plan. Sponsor represents that Sponsor has no knowledge of material defects or need of major repairs to the property as set forth in such description of building or property reports.

Dated: Brooklyn, New York

PART II

EXHIBIT A

PURCHASE AGREEMENT
FOR
KINGS CONDOMINIUM

Agreement dated _____, 200__, between 2113 Kings Highway LLC, 3845 Bedford Avenue, Brooklyn, New York 11229, referred to in this Agreement as the Seller or the Sponsor, and_____ residing at _____ referred to in this Agreement as the Purchaser.

Unit Number .

(i) Down Payment - % _____

(ii) Balance due at Closing _____

(iii) Total Purchase Price _____

(iv) Mortgage Amount _____

1. Receipt of Documents. You have delivered to me, at least three (3) full business days prior to my signing this Agreement, and I have read the Offering Plan of the Condominium and I agree to be bound by the proposed Declaration of Condominium (the "Declaration"), By-Laws and Rules and Regulations contained in the Offering Plan of the Condominium (collectively, the "Offering Plan" or the "Plan"), all of which are made part of this Agreement as if they were set forth in full in this Agreement. I acknowledge that I am purchasing a Unit in a Condominium to be formed, and that except as stated in this Agreement (and as set forth in the Declaration, By-Laws, and the Offering Plan), I have not relied on any representations or other statements of any kind or nature made by you or other persons, including but not limited to any representations relating to the description, size or dimensions of the Unit or rooms, and the estimated Common Charges or other expenses of the Condominium.

2. Agreement to Purchase. As Purchaser I agree to purchase from you and as Seller you agree to sell to me the Condominium Unit together with undivided interest in the common elements designated above in The Condominium in the borough of Brooklyn, County of Kings, City and State of New York for the Total Purchase Price shown above. This check is accepted by you subject to collection. When you deliver to me the deed for my Unit, I shall give you or anyone you designate my certified check or official bank check for the Balance Due at Closing shown above drawn on a

New York bank which is a member of the New York Clearing House Association. Such check shall be payable directly to you without endorsement.

3. Delivery of the Deed. The Closing of Title shall take place at the offices of your attorney, or at another place you select if you shall write me at least thirty (30) days in advance to tell me the exact time and place at which you shall deliver to me the deed to my Unit. You shall be entitled to a reasonable adjournment in the Closing of Title as set forth in paragraph 21 of this Agreement. If I am not ready to close title at the date and time fixed by you, any adjournment exceeding fifteen (15) days granted at my request shall be upon the condition that all adjustments, including interest on the entire Purchase Price at the rate of 16% per annum, shall be made as of the date originally fixed for the closing of title. Nothing contained in this Agreement shall require you to grant any adjournment not reasonable in duration. Any request for an adjournment exceeding 30 days shall be considered unreasonable. The deed delivered to me shall be a standard type of deed known as a bargain and sale deed with covenant against grantor's acts. I shall pay the New York City and New York State transfer taxes on such deed. When you deliver the deed, I shall sign the power of attorney in favor of the Board of Managers of the Condominium in the form set forth in Part II of the Plan.

4. Marketable Title. You shall convey to me good and marketable title (subject to the terms of the Declaration and By-Laws as filed and of the Offering Plan), free and clear of all liens and encumbrances except the lien of the mortgage applied for by me and except as set forth in the Offering Plan; and such title as prepared by _____, and insure for mortgagee and/or fee title insurance. I may order title insurance from any other insurance company at my own cost and expense.

5. Contract Subject to My Receiving Mortgage Commitment. This Purchase Agreement is conditional upon my obtaining mortgage financing in the amount set forth herein. I agree to make all necessary applications for such financing and represent that I shall furnish all information that said institution may require within ten (10) days of the signing of this Agreement. I agree that if the application is approved, I will forward within five days of receipt of a written mortgage commitment a copy of the commitment to the Sponsor, and I will execute at title closing all papers, statements or instruments, which may be necessary to consummate the mortgage loan transaction. Failure to comply shall be deemed a material breach of this Agreement. If I am unable to obtain a mortgage commitment in the amount set forth herein above within

forty-five (45) days of the date of this Agreement, and I have sent you written notice, by certified mail return receipt requested, of my inability to obtain a commitment within this forty-five (45) day period then this Agreement shall be deemed canceled and we shall be released from any liability hereunder except that I shall provide you with a copy of my mortgage application and denial letter from the lending institution. Upon your review of that information, you reserve the right but not the obligation to designate another lending institution or to grant the mortgage loan yourself on the same terms and conditions. Within ten (10) days of such notice, the down payments paid herein by me shall be returned to me with interest, if any, unless you designate another lending institution as above. In the event that written notice is not received by you of my inability to obtain such financing within the said forty-five (45) day period or the Agreed upon Application Period at the then prevailing terms, this provision shall be deemed waived by me and I shall be obligated to complete this transaction whether or not I obtain financing. I agree to furnish to you at your request with a copy of my mortgage application and the name and address of the institution to which said application has been made and a copy of the commitment when received. If such other lending institution or you do not approve me within an additional thirty (30) days, then this Agreement will be deemed canceled and all monies paid by me will be refunded with interest, if any. In addition this contract may not be assigned without the prior approval of the Sponsor. In addition Sponsor reserves the right to install all appliances in the Unit purchased by me up to forty-eight (48) hours after closing to which I agree to provide access to the Unit.

6. Closing Expenses and Adjustment. I further agree to pay at the closing of title, the actual cost of title examination and insurance, the $750 condominium map fee, $1,000 for legal and filing fees in connection with securing tax exemption benefits, provided however, that you have properly filed for benefits by the time of closing, Sponsor's attorney's fees in the amount of $1,500 for closing at Sponsor's attorney's office, with an additional fee of $300 for closing outside of Sponsor's attorney's office, fees for preparation of the documents necessary for any mortgage loan, New York City and New York State Transfer Taxes, recording charges for the deed, power of attorney in favor of the Board of Managers, and any mortgage documents and mortgage recording taxes. In addition I will pay a fee of $1,000 for the formation of the condominium, $650 for the connection charge for the New York City water meter installation and an ACRIS fee of about $200. I shall adjust with you as of 11:59 P.M. on the date proceeding the day of Closing of Title all real estate taxes, insurance premium for the building, and any common charges assessed during the month in which title closes or established as a reserve based upon the last bill received.

7. Escrow or Bonding of Down Payment. You shall hold all Down Payment monies you receive from me, directly or through your agents or employees, in a segregated special escrow account until actually employed in consummation of the transaction. At your sole discretion, however, you may secure a bond in my favor in an amount equal to the full Down Payment monies received. If you post such a bond, you will file an amendment to the Plan with the New York State Attorney General before releasing any of my Down Payment monies from such escrow account.

If no bond is posted, such Down Payment monies shall be held as trust funds pursuant to Sections 352-3(2)(b) and 352-h of the General Business Law, in a segregated special escrow account entitled Kings Condominium - Special Account at Capital One Bank, the signature of S. Seth Yavne shall be required to withdraw any of such funds other than in consummation of this transaction. Such funds shall be payable to you upon the closing of title to the Unit covered by this Purchase Agreement or upon the posting of a bond in my favor as described above. Interest, if any, earned on such funds shall be turned over or assigned to you at the closing and shall not be a credit against the Purchase Price.

In the event of my default under this Purchase Agreement, which default continues for fifteen (15) days after notice of such default from you to me, all such funds, including interest, if any, earned thereon, shall be released to you from such account as liquidated damages and thereafter neither you nor I shall have any rights or obligations against or to the other. In no event shall such liquidated damages exceed ten (10%) percent of the total Purchase Price of the Unit, plus the cost of optional extras, if any, together with interest if any, earned on such sums.

8. Your Rights If I Fail to Keep My Promises and Agreements. All sums I pay to you on account of this Agreement and the reasonable cost of the examination of title to the Unit shall constitute liens on the Unit. Such liens shall not continue, however, after default by me under this Agreement. You shall have the right to keep my Down Payment and all interest earned on it if (a) I do not pay the Total Purchase Price of my Unit when due or (b) if when you offer to deliver to me the deed to my Unit I do not then sign any of the documents referred to in the Plan which I am required to sign or (c) if I fail to keep any other promise contained in this Agreement. Your rights shall apply whether or not construction of my Unit has begun.

However, before you shall have the right to keep my Down Payment and the interest earned on it, you must first send me a written notice stating that you intend to cancel this Agreement and describing each promise which you think I did not keep under this

Agreement. If I do not cause each of these promises to be kept within fifteen (15) days after your notice is sent, and time shall be of the essence as to such date, you may keep my Down Payment and all interest earned on it. After that, neither you nor I shall have any further obligations under this Agreement; this Agreement shall be considered canceled without any further action by either of us; and you shall have the right to sell my Unit to any other person.

9. Recording of Condominium Declaration. I understand that the Declaration and By-Laws establishing the Condominium shall be recorded by you in the Office of the Register of the City and County of New York, prior to the Closing of Title to the first Unit as set forth in the Offering Plan. You shall file with the Declaration when it is recorded or shall amend the Declaration prior to the closing date and file at such time a verified statement of a registered architect or licensed professional engineer certifying that the plans previously filed or being filed simultaneously with such amendment fully and fairly depict the layout, location, Unit designation and approximate dimensions of my Unit as built. The Declaration and By-Laws, when recorded by you shall be substantially in the form of the Declaration and By-Laws set forth in the Offering Plan and any changes in such documents shall not have a material adverse effect upon me. You shall not record the Declaration until you have accepted purchase agreements for at least fifteen (15%) percent in number and common Interest of all of the Units. If you do not record the Declaration within eighteen (18) months of the date of the Offering Plan, all monies advanced by me shall be returned promptly thereafter together with interest, if any, earned thereon.

10. Seller's Inability to Deliver Deed - Cancellation of Purchase Agreement. It is understood and agreed that in the event you are unable to deliver to me a deed to the Unit in accordance with this Agreement because of your inability to complete the construction of the Building or my Unit, or file an amendment declaring this Plan effective in accordance with the Offering Plan and any amendments to the Plan, then you shall immediately notify me in writing and this Agreement will terminate. In such case, the sole liability between us shall be the return to me of the Down Payment together with interest, if any, earned thereon.

It is also understood that if this Plan is abandoned by the Sponsor at any time prior to being declared effective, by Sponsor's filing of an amendment to the Department of Law to abandon the Plan, then any payments I have made under the purchase agreement will be refunded to me within five days after the amendment abandoning the plan has been accepted for filing.

11. Agreement Subject to Your Mortgage(s). I understand that you may borrow money to construct the Condominium and give to your lender a construction or development loan mortgage. I recognize and agree that all terms and provisions of this Purchase Agreement are and shall be subject and subordinate to the lien of any building loan mortgage on the condominium property heretofore or hereafter made and any advances already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, to the full extent thereof without the execution of any further legal documents by me. 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 the lender's right to make advances before they become due in accordance schedule of payments. You shall satisfy all at or prior to the closing of title.

12. Construction of Unit by Seller. You agree, at your own cost and expense to erect and complete my Unit in accordance with the requirements as to materials and workmanship of the Buildings Department and you further agree that when it is completed it shall be in substantial accordance with the plans as filed with the Buildings Department. In the event my Unit is substantially completed and provided a temporary or final Certificate of Occupancy is issued, I agree to close title to my Unit and accept a letter agreement from you in which you promise to complete all unfinished items within sixty (60) days of the closing of title, weather permitting.

If a temporary Certificate of Occupancy is obtained, you agree to perform all work necessary and obtain a final Certificate of Occupancy within two (2) years of the closing of title or prior to the expiration of the temporary Certificate of Occupancy, or any extension thereof, whichever is sooner.

13. Personal Property Included in Sale: Excluded Items. All articles of personal property, fixtures and equipment described in the Offering Plan for the Condominium Unit being purchased by me are included in this sale, and they shall be delivered free and clear of all liens and encumbrances except the lien of the mortgage, if any, applied for by me. The decorative lighting fixtures, paints, carpeting, built-ins, wallpapers, furniture, furnishings and the burglar alarm system exhibited in any Model Units, except as otherwise specifically set forth in this Agreement or in the Offering Plan, are for display purposes only and are not included in this sale.

14. Seller's Right to Make Changes. I understand that you have the right: (a) to make changes or substitutions of

materials or construction for items as set forth in the Offering Plan or building plans, provided any such changes are of comparable value and quality; (b) to determine the grading, elevation and design of the Building, Units, and Common Elements to fit into the general pattern of the Condominium; and (c) to determine elevation and location of foundations, walkways and streets to conform with topographical conditions.

15. Limited One-Year Warranty. At the closing of title you will deliver any certificates and warranties delivered to you and transferable to me or to the Condominium, and it is further agreed that title will not close without my consent until either a temporary or final Certificate of Occupancy has been issued for the Unit. Your liability pursuant to the manufacturers' warranties covering heating, appliances, electricity, plumbing and roofing are subject to the provisions of Article 36B of the General Business Law. In addition, however, you will promptly correct any defects in the construction of the condominium Unit or the building containing such Unit or in the installation or operation of any mechanical equipment therein due to materials or improper workmanship substantially at variance with the plans and specifications, as provided in said section.

Where failure to give timely notice results in further damage, such further damage will not be covered by these warranties. If a defect occurs in an item, which is covered by your warranties, you will (a) repair, or (b) replace the defective item. The choice of repair or replacement is yours.

I AM FULLY AWARE THAT:

a. No steps taken by you to correct a defect shall act to extend the warranty period.

b. You accept no responsibility for any warranty obligation for incidental or consequential damage caused by any defect.

c. These warranties give me specific legal rights. I may have other rights under State Law.

d. These warranties are extended to me as Purchaser and are not extended to any subsequent Purchaser and mortgage lender who takes possession of the Unit.

e. These warranties shall be void if I misuse, abuse or otherwise interfere with or change your original construction or installations.

f. You are not responsible for any work or material ordered directly by me from your contractors or suppliers nor shall you be responsible for any incidental or consequential damages caused by any defects.

g. In no event shall you be responsible for the partial or total death of any trees, shrubs, bushes or other landscape improvements; damage to walkways or other concrete areas caused by the application of salt or deicers; nail pops; raised butt joints; ridging; normal lumber shrinkage; normal settlement or any consequential damage resulting therefrom; normal plumbing and heating noises or carpet stretching; normal settlement cracks on concrete foundations, patios, sidewalks and other flat work; basement leaks resulting from acts of God, or alteration of landscaping or grading; leakage resulting from "ice dams" forming on roofs; spalling or flaking of concrete surfaces if ice melting compounds have been used; scuffing on kitchen cabinets or vanities; minor chips (nicks) to formica tops, cultured marble floors, tops, tubs and showers, edges and surfaces; shading variations of the exterior siding staining (on the face surface or grooves); shading variations on fascias from staining; doors and windows sticking because of weather; door warpage less than 1/2 inch; adjustment of bi-fold doors; bath tile grouting; slight separation in joints of flooring; slight separation between base and floor in all rooms (including bathrooms); repair of chips, scratches, mars, breaks, or other blemishes in windows, sliding doors, screens, electric fixtures and globes, painted surfaces, sinks, tubs, basins, kitchen cabinets and countertops, vanity tops and cabinets, medicine cabinets, ceramic tile, saddles, resilient flooring, appliances, woodwork and doors. Subsequent to the conveyance of title to a Unit, you shall not be responsible for paint touch-ups, repair of dented appliances, porcelain or formica chips and scratches in tubs, vanities or countertops, broken windows or screens which windows or screens break subsequent to closing.

h. These warranties are specifically in lieu of any other guarantee or warranty, express or implied including any warranty of merchantability.

The provisions of this Paragraph shall survive the delivery of the deed.

16. Lack of Labor/Materials: Seller's Right to Cancel. I understand that you may cancel this Agreement by forwarding your good check in the full amount paid by me, together with interest, if any, earned thereon and a notice in writing, addressed to me, at my address set forth at Page One of this Agreement, in the event of the occurrence of either of the following: (1) that any governmental bureau, department or subdivision impose restrictions

on the manufacture, sale, distribution and/or use of materials necessary in the construction of the Condominium or any part thereof due to strikes, lockouts, war, military operations and requirements, national emergencies, or restriction or curtailment with respect to the installation of public utilities, or any other reason beyond your reasonable control.

17. Risk of Loss. The risk of loss or damage to the Unit by fire or any other cause until the delivery of the deed or until I sooner take possession of the Unit is assumed by you.

18. Existence of Liens - No Objection to Title. The existence of unpaid taxes or liens of any kind at the time of title closing shall not constitute an objection to title, provided you shall deposit a sufficient amount of money with a title company so that said company shall be willing to insure against collection of same from my property. I agree that you may pay and discharge any liens and encumbrances upon the property, not provided for in this Agreement, out of the monies to be paid by me at the time of Closing of Title.

19. Possession Prior to Closing. It is understood and agreed that I may not take possession of my Unit prior to the time of the delivery of the deed and full compliance by me with the terms of this Agreement unless you expressly authorize me to take such possession by interim Lease or other written document signed by you. I understand that if I violate this provision you shall have the right to remove me from the premises as a squatter and intruder by summary proceedings. Upon my unauthorized possession, I shall be deemed in default of this Agreement. At your option and upon such election, all monies paid by me shall belong to you as liquidated damages. It is further understood and agreed that you shall not be responsible for damage or loss to any property belonging to me whether same is delivered to the property on or after the closing of title.

20. Execution of Required Documents. etc. I agree to sign and deliver to you all documents and to perform all acts required by you to carry out the provisions of the Offering Plan, establish the Condominium and conform to the provisions of all applicable laws and regulations, including any Transferee Questionnaire required by the New York State Department of Taxation and Finance with respect to the New York State Real Property Transfer Gains Tax.

The provisions of this paragraph shall survive delivery of the deed.

21. Delay in Closing: Option to Cancel. In the event you shall be unable to convey title to my Condominium Unit on or before nine (9) months after the date of delivery of title set forth in Paragraph 3 of this Agreement and except for delays due to strikes, acts of God, wars, lockouts, military operations, national emergencies, installation of public utilities, governmental restrictions preventing you from obtaining necessary supplies and/or materials, in which event the period shall be extended to twelve (12) months, except for my default, I shall have the option to cancel this Agreement and to have the Down Payment advanced by me returned together with interest, if any, earned thereon. You have the option not to close title to my Unit if less than eighty (80%) percent of all of the Units in number and Common Interest to be constructed as part of the Condominium are sold and so long as title to any Unit has not been conveyed and the Declaration has not been recorded at such time. If you exercise such option, you shall promptly return my Down Payment, together with interest, if any, earned thereon. In addition if the first closing of a residential unit does not occur by approximately January 1, 2011, I will be offered a fifteen (15) day right of rescission. As Purchaser I am responsible for maintaining the mortgage commitment, and I shall be responsible for any and all extension fees, reappraisal fees, or any fees necessary to keep the commitment valid.

22. Options Ordered. Any extras or changes ordered by me must be signed for by me and must be paid for in full at the time of such order. If for any reason you fail to install such extras in accordance with the work order, your sole responsibility to me is to return the monies paid by me for such extras. Attached hereto is a rider that indicates any extras or changes ordered by me with color choices for carpet, paint, appliances, and tile in the kitchen.

23. Binding Nature of Purchase Agreement, Assignability; Notice. I agree that this Agreement is binding upon us, our respective heirs, executors, administrators and/or assigns. I agree that I will not record, give, sell or assign my rights in this Agreement without your prior written consent. Unless another method is provided for in this Agreement, any notice to be given to each other shall be in writing and sent by certified mail to the address shown on Page One of this Agreement or to such address as either of us may later designate to the other in writing.

24. Broker. You and I agree that no broker other than _____ brought about this sale and I agree to indemnify you against any claim brought by any other broker for brokerage commission based upon my acts.

25. Definitions. The term "I" shall be read as "we" if more than one person is a purchaser in which case our obligations shall be considered joint and several. All capitalized terms, which are not separately defined in this Agreement, shall have the same meanings given to those terms in the Plan.

26. Entire Agreement. This Agreement states the entire understanding between us and we shall not be bound by any oral representations and/or agreements.

27. Jury Waiver. I waive my right to trial by jury in any action, proceeding or counterclaim in any way connected with this Agreement or Plan.

28. Survival of Seller's Obligations. You shall have no obligations under this Agreement or the Plan after you deliver to me the deed to my Unit unless this Agreement or the Plan specifically gives you an obligation after that time.

_____L.S.
Purchaser

_____L.S.
Purchaser

_____
Address

_____
Address

Telephone: _____
Home

_____
Business

Unit: _____

Accepted
By: _____
Its Duly Authorized Agent

KINGS CONDOMINIUM

Rider to Purchase Agreement for Unit _____

Additional Work: Price:

_____
Purchaser

_____
Purchaser

Agreed
By:_____

EXHIBIT B

UNIT OWNER'S POWER OF ATTORNEY (NON-STATUTORY)

CAUTION TO THE PRINCIPAL: Your Power of Attorney is an important document. As the "principal," you give the person whom you choose (your "agent") authority to spend your money and sell or dispose of your property during your lifetime without telling you. You do not lose your authority to act even though you have given your agent similar authority.

When your agent exercises this authority, he or she must act according to any instructions you have provided or, where there are no specific instructions, in your best interest. "Important Information for the Agent" at the end of this document describes your agent's responsibilities.

Your agent can act on your behalf only after signing the Power of Attorney before a notary public.

You can request information from your agent at any time. If you are revoking a prior Power of Attorney by executing this Power of Attorney, you should provide written notice of the revocation to your prior agent(s) and to the financial institutions where your accounts are located.

You can revoke or terminate your Power of Attorney at any time for any reason as long as you are of sound mind. If you are no longer of sound mind, a court can remove an agent for acting improperly.

Your agent cannot make health care decisions for you. You may execute a "Health Care Proxy" to do this.

The law governing Powers of Attorney is contained in the New York General Obligations Law, Article 5, Title 15. This law is available at a law library, or online through the New York State Senate or Assembly websites, www.senate.state.ny.us or www.assembly.state. ny.us.

If there is anything about this document that you do not understand, you should ask a lawyer of your own choosing to explain it to you.

1. [TYPICAL POWER OF ATTORNEY PROVISIONS OMITTED].

2. _____ [Principal's Initials] Each Agent named herein is authorized to act SEPARATELY.

3. To the extent permitted by law, should there be any conflict between the provisions of the sections of this Power of Attorney entitled "Caution to Principal" and/or "Important Information for Agent" and any provision ("Controlling Provision") contained in the balance of this Power of Attorney, each such Controlling Provision shall control and be binding upon the Undersigned and the agent(s). To the extent that giving effect to the foregoing provisions of this Section 16 shall violate law, then the Undersigned confirms that in no event shall such violation limit, restrict or adversely affect the powers or rights of any agent granted in this Power of Attorney that would apply in the absence of the foregoing provisions of this Section 16.

4. _____.[Principal's Initials] The Undersigned hereby gives full and unqualified authority to each Agent named herein to delegate any of the foregoing powers granted to such Agent to any person or persons whom such Agent may select.

5. This power of attorney shall not be revoked by any subsequent power of attorney that the Undersigned may execute unless such subsequent power specifically provides that it revokes this power by referring to the date of execution by the Undersigned of this document

6. The invalidity of any portion of this Unit Owner's Power of Attorney (Non-Statutory) shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the other provisions of this Unit Owner's Power of Attorney (Non-Statutory) and in such event, all other provisions of this Unit Owner's Power of Attorney (Non-Statutory) shall continue to be in full force and effect as if such invalid provision had never been included herein.

IN WITNESS WHEREOF, the Undersigned has executed this Unit Owner's Power of Attorney as of the _____ day _____, 200__.

Name of Principal:

By: _____
Name:
Title:

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

On the __ day of _____, 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 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

IMPORTANT INFORMATION FOR THE AGENT:

When you accept the authority granted under this Power of Attorney, a special legal relationship is created between you and the principal. This relationship imposes on you legal responsibilities that continue until you resign or the Power of Attorney is terminated or revoked. You must:

1. act according to any instructions from the principal, or, where there are no instructions, in the principal's best interest;

2. avoid conflicts that would impair your ability to act in the principal's best interest; keep the principal's property separate and distinct from any assets you own or control unless otherwise permitted by law;

3. keep a record or all receipts, payments, and transactions conducted for the principal; and

4. disclose your identity as an agent whenever you act for the principal by writing or printing the principal's name and signing your own name as "agent" in either of the following manner: (Principal's Name) by (Your Signature) as Agent, or (Your Signature) as Agent for (Principal's Name).

You may not use the principal's assets to benefit yourself or give major gifts to yourself or anyone else unless the principal has specifically granted you that authority in this Power of Attorney or in a Statutory Major Gifts Rider attached to this Power of Attorney. If you have that authority, you must act according to any instructions of the principal or, where there are no such instructions, in the principal's best interest. You may resign by giving written notice to the principal and to any co-agent, successor agent, monitor if one has been named in this document, or the principal's guardian if one has been appointed. If there is anything about this document or your responsibilities that you do not understand, you should seek legal advice.

Liability of agent:

The meaning of the authority given to you is defined in New York's General Obligations Law, Article 5, Title 15. If it is found that you have violated the law or acted outside the authority granted to you in the Power of Attorney, you may be liable under the law for your violation.

AGENT'S SIGNATURE AND ACKNOWLEDGMENT OF APPOINTMENT: It is not required that the principal and the agent(s) sign at the same time, nor that multiple agents sign at the same time.

I/we, _____ by _____, _____ , have read the foregoing Power of Attorney. I am/we are the person(s) identified therein as agent(s) for the principal named therein. I/we acknowledge my/our legal responsibilities.

Agent(s) sign(s) here:

_____

By:_____

AGENT'S SIGNATURE AND ACKNOWLEDGMENT OF APPOINTMENT: It is not required that the principal and the agent(s) sign at the same time, nor that multiple agents sign at the same time.

I/we, Board of Managers of _____ Condominium, by _____, (Vice) President have read the foregoing Power of Attorney. I am/we are the person(s) identified therein as agent(s) for the principal named therein. I/we acknowledge my/our legal responsibilities.

Agent(s) sign(s) here:

Board of Managers of _____ Condominium

_____

By: _____, (Vice) President

SCHEDULE A

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

SIGNATURES OF WITNESSES:

By signing as a witness, I acknowledge that the principal signed the Power of Attorney in my presence and the presence of the other witness, or that the principal acknowledged to me that the principal's signature was affixed by him or her or at his or her direction. I also acknowledge that the principal has stated that this Power of Attorney reflects his or her wishes and that he or she has signed it voluntarily. I am not named herein as a permissible recipient of major gifts.

_____
Signature of witness 1

_____
Date

_____
Print name

_____
Address

_____
City, State or Zip code

_____
Signature of witness 2

_____
Date

_____
Print name

_____
Address

_____
City, State or Zip code

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

On the _____ day of _____ in the year_____ before me, the Undersigned, personally appeared _____ and _____, 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.

_____
Signature and Office of individual taking acknowledgment

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

On the _____ day of _____ in the year_____ before me, the Undersigned, personally appeared _____ and _____, 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.

_____
Signature and Office of individual taking acknowledgment

This document prepared by: _____

EXHIBIT C

FORM OF UNIT DEED

THIS INDENTURE, made the ____ day of _____, 200_, between 2113 Kings Highway, LLC, 3845 Bedford Avenue, Brooklyn, New York 11229, and _____ residing at _____ ("Grantee").

WITNESSETH, that the Grantor, in consideration of ten dollars and other valuable consideration paid by the Grantee, does hereby grant and release unto the Grantee, the heirs or successors and assigns of the Grantee forever,

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, known and designated as Unit ___ in the Declaration made by 2113 Kings Highway, LLC under Article 9-B of the New York Real Property Law, dated _____, 200_, and recorded in the Office of the City Register, Kings County, on _____, 200_, in CRFN#_____ covering the property therein described, (hereinafter called the "Declaration") establishing a plan for condominium ownership of the land and building comprising the Kings Condominium (hereinafter called the "Property") which Unit is also designated as Lot No.____ on the

floor plan of the building prepared and certified by a Registered Architect, dated _____, 200_, and filed in the Office of the City Register, Kings County on the ___ day of _____, 200_, as Map No.____(hereinafter called the "Unit").

Together with an undivided ____ percent interest in the common elements of the property described in said Declaration (hereinafter called the "Common Elements");

SAID Unit being known and designated as Section ____ Block _____ Lot _____ on the Tax Map of the Borough of Brooklyn, County of Kings, City of New York, and being a Unit in the land area of the Property as follows:

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

BEGINNING 101 feet, 0 and ¾ inches from the corner formed by the intersection of the northerly side of Kings Highway with the easterly side of East 21st Street.

RUNNING THENCE northerly parallel with the easterly side of East 21st Street, 61 feet, 11 and 3/8 inches;

THENCE, easterly at right angles to the last mentioned course, 40 feet, 0 inches;

THENCE, southerly parallel with the easterly side of East 21st Street, 56 feet land 1/8 inches; and

THENCE westerly along the northerly side of parallel with the

easterly side of Kings Highway, 40 feet, 5 and 1/8 inches to the point or place of BEGINNING.

Said premises being known as and by street address 2113 Kings Highway, Brooklyn, New York.

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

SUBJECT to the provisions of the Declaration, Bylaws, site plan or floor plan of the Condominium recorded or filed simultaneously with and as part of the Declaration, as the same may be amended from time to time by instruments recorded or filed in the Office of the City Register, Kings County.

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

Elements.

SUBJECT to the Right of First Refusal set forth in the Declaration, which shall run with the land.

TOGETHER with all the right, title and interest, if any, of the party of the first part in and to any street and roads abutting the above described premises to the centerlines thereof.

TOGETHER with the appurtenances and all the estate and rights of the party of the first part in and to said premises; TO HAVE AND TO HOLD the premises herein granted unto the party of the second part, the heirs and successors and assigns of the party of the second part forever.

AND the Grantor covenants that it 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, covenants that the Grantor will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose.

This conveyance is made with the unanimous consent of Grantor's shareholders.

The word "Grantee" shall be construed as if it is read

"Grantees" whenever the sense of this indenture so requires.

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

2113 Kings Highway, LLC

By:_____

STATE OF)
) ss:
COUNTY OF)

On the ____ day of _____, in the year 200_, before me, the undersigned, a notary public in and for the 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

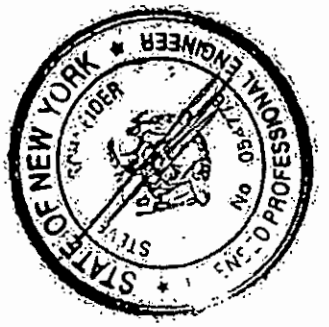
EXHIBIT D

ENGINEER'S REPORT

KINGS CONDOMINIUM

Prepared By:
SCHNEIDER ASSOCIATES
Steven I. Schneider, P.E.
866 Johnston Drive
Watchung, N.J. 07069
Phone No: 908-755-0059

June 22nd, 2010



SECTION 20.7: DESCRIPTION OF PROPERTY AND SPECIFICATIONS

(a) LOCATION AND USE OF PROPERTY

(1) Address:

The building will be located at 2113 Kings Highway in the Ocean Parkway Section of the Borough of Brooklyn, County of Kings, City and State of New York in zip code 11229.

(2) Block and lot number:

The site will be located on Tax Lot number 50 in Tax Block number 6768.

(3) Zoning:

The site is located in an R7-A Zone as designated on Map number 23b of the 1961 Zoning Resolution.

(4) Permissible Use:

The Zone permits Residential use as of right.

(b) **STATUS OF CONSTRUCTION**

(1) Year built:

The building is a proposed new building and is currently under construction. The estimated completion date is October 4th, 2010.

(2) Class of construction:

The Class of Construction will be I D as described by Table 3-4 of the New York City Building Code. The structural support members will consist of non-combustible materials with a minimum fire protection rating of two hour. Structural floor / ceiling and roof / ceiling assemblies shall also be of non-combustible materials with a minimum rating of one hour.

(3) Certificate of Occupancy, type and number:

The building is currently under construction and a Certificate of Occupancy will be issued when the work is completed to the satisfaction of the New York City, Department of Buildings.

The Sponsor shall obtain at least a temporary Certificate of Occupancy prior to the first closing.

(4) Permit numbers and description of work done:

The building is being constructed as per plans which were filed with and approved by the Brooklyn Office of the N.Y. City Department of Buildings. The building plans have been assigned Department of Buildings application number 310111704.

A permit number 310111704-01-NB has been issued by the N.Y. City Department of Buildings for the construction of the new building.

(c) **SITE**

(1) Size:

The site is located on the Northerly side of Kings Highway distance 60'-7 5/8" Westerly from the corner formed by the Northerly side of Kings Highway and the Westerly side of East 22nd Street. The site has a frontage of 40'-5 1/8" along Kings Highway. The site extends to a depth varying from 56'-1 1/8" to 61'-11 3/8" from the Kings Highway property line. The site is an irregular shaped lot and has an area of approximately 2,360 square feet.

(2) Number of buildings and use:

There will be one building constructed with Residential Units and accessory uses.

(3) Streets owned or maintained by the project:

(i) Paving (material and condition);

The streets beyond the lot lines are existing, New York City sidewalks, curbs and roadways. Kings Highway is an existing eighty feet (80'-0") wide two-way street. There is an existing concrete sidewalk fronting the property. The existing concrete sidewalk will be replaced with a new concrete sidewalk and curb, as is required for all new buildings, when construction is near completion. The existing sidewalk will be replaced as directed by the N.Y. City Department of Transportation.

(ii) Curbing (material and condition);

There is an existing concrete curb fronting the property. The existing concrete curb fronting the property will be replaced with a new concrete curb, as is required for all new buildings, when construction is near completion. The existing curb will be replaced as directed by the N.Y. City Department of Transportation.

(iii) Catch Basins (location and condition);

The roadway is asphalt paved. The roadway fronting the property will be repaired as directed by the N.Y. City Department of Transportation when construction is near completion. Existing catch basins are located in the roadway to drain the storm water run-off, into the existing New York City Sewer System. The existing catch basins are in good condition and are constructed of concrete with steel grating covers and are located along Kings Highway. The existing catch basins have been installed by the N.Y. City Department of Transportation.

(iv) Street lighting (material, type, location and condition);

Existing street lighting is provided by the City of New York, and consists of vertical metal, stanchions surmounted with mercury arc lamps in metal enclosures. The existing street lights are located, at the sidewalk close to the curb, on both sides of the roadway along Kings Highway. The existing street lights are in good condition.

(v) Conformity with Municipal Codes;

The sidewalk paving, curb, catch basins and street lighting will be designed to conform to the standards of the N.Y. City Department of Transportation and the N.Y. City Department of Buildings and to the N.Y. City Building Code. The new side walk and curb will be subject to approval and inspection by the N.Y. City Department of Transportation.

(4) Drives, sidewalks and ramps:

(i) Paving (material and condition);

There will be no paved driveway on the property.

(ii) Curbing (material and condition);

There will be no curbs on the property.

(iii) Catch Basins drainage (location and condition);

There will be no catch basins on the property. There will be a concrete drywell in the yard area at the front of the building which will dissipate some of the storm water runoff from the site.

(iv) Street lighting (material, type, location and condition);

There will be no street lighting on the property.

(v) Conformity with municipal codes;

All paving and drainage devices will be designed to conform to the standards of the N.Y. City Department of Buildings and the N.Y. City Building Code and will be subject to approval and inspection by the Department of Buildings.

(d) UTILITIES

Water, will be provided by the City of New York, and water consumption will be a common charge.

Natural **Gas,** will be provided by the National Grid Company, for cooking and heating; and each unit will be separately metered and billed directly.

Electricity, will be provided by the Consolidated Edison Company, and each unit will be separately metered and billed directly.

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

The entire **Sanitary** waste, will be carried from the building into the existing New York City Sewer System.

The **Storm** water runoff will be partially transported to the existing N.Y. City Sewer System and partially dissipated by means of a drywell.

(e) **SUB-SOIL CONDITIONS**

The soil at the bottom of the footings is Type 8-65 soil, as per a subsurface Test Boring which was performed by Big Apple Testing, Inc., 151-18 6th Road, Whitestone, N.Y., 11357. The soil has an allowable bearing capacity of approximately two to four tons per square foot as per the N.Y. City Building Code. Ground water was encountered at approximately twenty feet below the normal grade level of the site.

(1) There is no apparent evidence of uneven foundation movement, settling, cracking, mortar joint decay, etc.

(2) There is no apparent evidence of moisture, seepage or ground water infiltration.

(3) There is no apparent danger from flooding due to a water table or overflow from other bodies of water. The site and surrounding properties are relatively flat and there is no apparent potential for mudslides or erosion from the surrounding properties.

(f) **LANDSCAPING AND ENCLOSURES**

(1) There will be grass landscaping cover at the front yard area of the property.

(2) There will be no plantings other than trees at the sidewalk in front of the property as required by the N.Y. City Zoning Resolution as indicated in item (3) below.

(3) There will be two (2) trees with a minimum caliper of three inches planted at the sidewalk area in front of the property, as required by the N.Y. City Zoning Resolution. The trees shall be of a species to be determined by the N.Y. City Department of Parks and Recreation.

(4) There will be no perimeter iron fencing on the property. There is an existing iron fence, approximately three feet in height, at the easterly side lot line on the existing adjacent property.

(5) There will be no gates at the exterior of the property.

(6) There will be no garden walls at open yard areas.

(7) There will be no concrete retaining walls constructed on the property or on the adjacent properties.

(8) There will be no display pools or fountains at open yard areas.

(g) **BUILDING SIZE**

(1) The building will be a total height of approximately seventy two feet and ten inches, measured from the adjacent grade to the finished roof above the seventh floor level.

(2) There will be no crawl spaces in the building.

(3) There will be a cellar level below the first floor level of the building.

(4) The building will consist of a cellar and seven stories.

(5) There will be a sprinkler equipment room, meter rooms, a mechanical room and an elevator mechanical room located at the cellar floor level of the building and mechanical rooms at the first through seventh floor levels as well as the roof above the seventh floor.

(6) There will be masonry parapets, with a minimum height of three feet and six inches above the finished roof level, at the roof above the sixth and seventh floor levels of the building.

(h) **STRUCTURAL SYSTEM**

The structural system for the building will be a bearing wall type system and will consist of perimeter, load bearing masonry walls and interior steel columns and girders which will support steel joists.

The foundations will consist of poured, reinforced concrete footings for support of the foundation walls at the cellar level. The foundation walls shall also be of poured, reinforced concrete.

The interior floor at the cellar level shall be a poured, reinforced concrete slab on grade.

The interior floor assembly at the upper floors shall be a poured, reinforced concrete slab on corrugated steel decking, supported by steel joists. The steel joists will be supported by the intermediate steel girders and the perimeter, masonry bearing walls.

The flat roof areas above the sixth and seventh floor levels shall be a poured, reinforced, concrete slab on corrugated steel decking; supported by steel channel joists which in turn will be supported by the bearing walls and steel girders.

The construction class of the building shall be noncombustible Construction Class I D as per Table 3-4 of the N.Y. City Building Code.

(1) Exterior of Building:

(i) Walls;

The exterior walls shall be mainly of a load-bearing, masonry blocks with a brick veneer, exterior finish. The interior finish shall be of gypsum wallboards on steel furring channels at the inside surfaces of the load-bearing, masonry walls. The spaces between the metal furring channels shall be fitted with fiberglass, batt insulation with a minimum R value of 11. The exterior wall composition shall have a maximum thermal performance value (Uo) which complies with Chapter 8 of the New York State Energy Conservation Construction Code.

The building will be greater than six stories in height and will therefore be required to comply with the facade inspection requirements of Local Law 11 of 1968 once the building has been completed.

(ii) Windows;

Windows are to be double-glazed and of the casement type, as manufactured by Andersen. Glazing shall be set in wood frames with a rigid, vinyl clad exterior finish. The perimeter of window openings shall be fitted with a latex-based caulking compound at interior and exterior surfaces. Air infiltration rate of windows shall not exceed 0.3 cfm per square foot and shall comply with Chapter 8 of the New York State Energy Conservation Construction Code.

The manufacturer guarantees one year, parts and hardware and five years glazing.

The Sponsor reserves the right to provide windows by different manufacturers which are equal to or better than noted above.

Window sills shall be constructed of masonry. Lintels above window openings shall be of corrosion resistant steel fabrication.

Window guards shall be installed as necessary by the Sponsor.

There will be lot line windows located at the first through sixth floor levels of the building. Lot line windows shall be of the type approved by N.Y. City, M.E.A or B.S.A and shall be of the fireproof, self closing type with a fire resistance rating of at least ¾ hours.

(iii) Landmark Status;

The building will not be located in a Landmark area nor will the building be designated Landmark Status.

(2) Parapets and Copings:

Parapets shall be constructed of load bearing masonry walls with horizontal, steel wire, truss reinforcement with a brick veneer finish at the exterior surfaces. Brick veneer shall be anchored to the load bearing masonry walls with approved type, galvanized steel ties. The parapet walls shall be capped with pre cast concrete coping which shall be anchored to the load bearing walls with corrosion resistant steel dowels.

The parapet walls shall be a minimum height of three feet and six inches above the adjacent, finished roof level.

(3) Chimneys and Caps:

There will be stainless steel flues and caps provided, for the ventilation of the mechanical room equipment located at the cellar through seventh floor levels. The stainless steel flues will terminate at the roof above the seventh floor level. The flues shall be as manufactured by Amerivent and shall have a B.S.A. approval number (294-56 SM).

The Sponsor reserves the right to provide flues by different manufacturers which are equal to or better than noted above.

(4) Balconies and Terraces:

(i) Deck Finish;

The finished surfaces of the cantilevered balconies shall be a concrete finish. The finished surfaces of the terraces, located at the roof above the sixth and seventh floor levels shall be a rubberoid roofing finish as manufactured by Firestone.

Balcony surfaces shall be pitched away from the face of the building. The balconies shall also be equipped with perimeter edge drip grooves.

There will be a fifteen year manufacturer's warranty for the rubberoid roofing finish.

(ii) Balustrade;

The perimeter of the roof terraces and the roof area above the seventh floor shall be protected with a solid masonry parapet wall with a minimum height of three feet and six inches above the finished roof level.

(iii) Railings;

Balconies shall be protected at the perimeter with wrought iron guard rails with a minimum height of three feet, six inches (3'-6") above the finished balcony level. The maximum spacing between vertical mullions of the railings shall be approximately four inches (4") as required by the N.Y. City Building Code.

(iv) Coping;

The coping at the parapet walls shall be of pre cast concrete anchored to the load bearing masonry with non corrosive steel dowels.

(v) Soffits;

The soffit areas of cantilevered balconies shall be finished with stucco.

(vi) Doors to balconies and terraces;

The doors to balconies shall be sliding glass doors and hinged glass doors as manufactured by Andersen. The doors shall be equipped with double paned glass, set in wood framing which shall be finished with a rigid, vinyl cladding. Balcony doors shall be equipped with an entry type lockset.

The Sponsor reserves the right to provide doors to balcony areas by different manufacturers which are equal to or better than noted above.

(5) Exterior entrances:

(i) Exterior Doors and Frames;

There will be three exterior entrances; one located at the cellar floor level and two located at the first floor level of the building.

The entrance at the cellar floor level will provide access to the common areas of the building.

One of the entrances at the first floor level will provide direct access to the unit located at that level. The other entrance, the main entrance, will provide access to an entrance vestibule which will then lead to the lobby and common areas of the building.

The exterior entrance doors shall be self closing, hinged, double glazed glass doors set in extruded aluminum framing. The doors shall be equipped with entry type locksets.

(ii) Vestibule doors and frames;

There will be one entrance vestibule door leading to the common area at the first floor level. The vestibule door shall be a hinged, glass door set in aluminum frames. The vestibule door will be equipped with a passage type lockset.

(iii) Exterior Stairs;

There will be one exterior stair to the front of the building which will provide access from grade to the cellar floor level. The exterior stair shall be of poured reinforced concrete construction. The perimeter of the stairwell shall be protected by wrought iron railing with a minimum height of three feet, six inches (3'-6") above the adjacent grade level. The maximum spacing between the vertical mullions of the railings shall be approximately four inches (4") as required by the N.Y. City Building Code. The stairwell shall be equipped with an area drain connected to the building's storm drainage system at the lowest point.

(iv) Railings;

There will be no railings adjacent to the exterior entrance to the building.

(v) Mailboxes;

U.S.P.S. approved type mailboxes will be provided for each residential unit within the residential entrance lobby at the first floor level. Mailboxes shall be, wall mounted, cluster box units and shall be of aluminum construction.

(vi) Lighting;

There will be wall mounted, lighting fixtures provided adjacent to the entrances at the front of the building. The lighting fixture shall be capable of providing an aggregate illumination of one hundred and fifty (150) watts incandescent illumination, or its equivalent.

Lighting requirements shall be in compliance with the New York City Housing Maintenance Code and Multiple Dwelling Laws.

All lighting fixtures shall be installed by N.Y. State licensed electricians and shall comply with the New York City Electrical Code

(6) Service entrances:

There will be no separate service entrance to the building therefore the following sub sections will not be applicable to this Report:

(i) Exterior Doors and Frames;

(ii) Vestibule doors and frames;

(iii) Exterior Stairs;

(iv) Railings;

(7) Roof and Roof Structures:

(i) Types:

There will be flat roof areas above the sixth and seventh floor levels of the building. There will also be flat roof areas above the common stair and elevator bulkheads located at the roof above the seventh floor level.

(i) (a) Material;

The flat roof areas above the sixth and seventh floor levels shall be finished with a rubberoid type, built-up roofing membrane, as manufactured by Firestone, on rigid insulation and will be supported by a reinforced concrete slab on corrugated metal decking and steel joist and girders.

The flat roof area above the stair and elevator bulkheads shall be finished with a rubberoid, built-up roofing membrane, as manufactured by Firestone, on rigid insulation and an exterior grade gypsum wallboard and will be supported by steel joists.

(i) (b) Insulation;

The spaces between the steel joist rafters shall be fitted with fiberglass, batt insulation with a minimum R value of 19.

(i) (c) Surface finish;

The roof surfaces shall be finished with a rubberoid, built-up, roofing membrane as manufactured by Firestone.

The Sponsor reserves the right to provide a roof finish by a different manufacturer which is equal to or better than noted above.

(i) (d) Bond or guarantee;

The expected life span of the roof type is fifteen (15) years. There will be a no dollar limit manufacturer's warranty for roof materials and labor. There will be a fifteen (15) year manufacturer's warranty on all construction materials and workmanship.

(i) (e) Flashing materials including counter flashing;

The perimeter of the roof areas at parapet walls shall be fitted with copper fabric flashing and counter flashing.

Penetration of ducts, pipes, skylights, etc. shall be properly flashed and waterproofed with galvanized steel or stainless steel base and cap flashing.

(ii) Drains:

(ii) (a) There will be controlled flow, cast iron, roof drains connected to vertical, cast iron leaders located at the roof terraces at the sixth floor level and at the roof area above the seventh floor level. The roof drains and leaders will be connected to the building's storm drainage system.

(ii) (b) Vertical, aluminum leaders will drain the storm water runoff from the roof areas above the stair and elevator bulkhead. The runoff from the bulkhead roof areas will then be transported to the roof drains at the roof above the seventh floor level.

(iii) Skylights:

There will be two skylights located at the roof above the common exit stairs. Skylights shall be constructed of plain, double glazed glass, set in aluminum frames. Each skylight shall be a minimum of twenty square feet in area and shall be equipped with a welded steel, wire mesh screen above and below the glass area and shall also be equipped with a one hundred and forty four square inch ridge vent.

(iv) Bulkheads:

(iv) (a) Stair material;

The exterior walls of the stair bulkhead shall be partially of load bearing masonry with a brick veneer finish at the exterior and partially of load bearing steel studs with exterior grade gypsum wallboards and wire lath and stucco exterior finish. The spaces between the steel studs and the furring channels at the masonry walls shall be fitted with fiberglass batt insulation. The interior surfaces shall be finished with gypsum wallboards.

The roof area shall be finished with a rubberoid roofing finish on rigid insulation and exterior grade gypsum wallboards supported by steel joist rafters. The spaces between the steel joist rafters shall be fitted with fiberglass batt insulation and the interior surfaces shall be finished with gypsum wallboards.

(iv) (b) Elevator material;

The exterior walls of the elevator bulkhead shall be of load bearing masonry with a brick veneer finish at the exterior. The interior surface shall be finished with gypsum wallboards.

The roof area shall be finished with a rubberoid roofing finish on rigid insulation supported by a poured, reinforced concrete slab.

(iv) (c) Other;

There will be no other bulkheads.

(v) Metal work at roof levels:

(v) (a) Exterior metal stairs;

There will be no exterior stairs at the roof areas.

(v) (b) Vertical ladders, including gooseneck;

There will be no vertical ladders including gooseneck ladders at the roof areas.

(v) (c) Railings;

There will be no railings at the roof areas.

(v) (d) Hatches to roof;

There will be no hatches to the roof areas.

(v) (e) Other;

There will be no other structures at the roof areas.

(vi) Rooftop Facilities:

There will be no roof top facilities.

(8) Fire Escapes:

There will be no fire escapes at the exterior of the building as fire escapes are not permitted on new buildings. The following sub sections will not be applicable to this Report:

(i) Location;

(ii) Floors covered;

(iii) Drop ladder;

(iv) Type;

(v) Materials;

(9) Yards and Courts:

There will be a front yard area and a rear yard area. The front yard area has a depth varying from approximately 15'-10" to 20'-2" to the Kings Highway property line. The rear yard area has a depth of approximately ten inches from the rear façade of the building. The front yard area will be accessible from Kings Highway.

(i) Paving;

The front yard area will be partially paved with decorative blocks and partially covered with compacted earth seeded with grass.

(ii) Drainage;

The front yard area will be equipped with cast iron area drains which will be connected to a concrete drywell with cast iron drainage piping and will be part of the building's storm drainage system.

(iii) Railings;

There will be a wrought iron railing around the perimeter of the stairwell opening.

(iv) Stairs;

There will be a concrete stair providing access to the cellar floor level from the front yard area of the property.

(v) Fencing;

There will be steel chain link fencing on concrete curb, separating the property from the adjacent properties at the side property lines of the building.

(vi) Walls;

There will be no walls constructed at the yard areas of the property.

(10) Interior Stairs:

(i) Number and type;

There will be three common interior stairs, one will provide access to the cellar floor level from the first floor level and the other two interior scissor type stairs will provide access to the units located at the first through seventh floor levels as well as to the cellar and roof areas.

(ii) Enclosure;

The walls of the common interior, stair enclosure shall be constructed of steel studs with two layers of one hour rated gypsum wallboards on each side. Ceiling areas, below landings shall also be finished with gypsum wallboards which will be primed and painted.

(iii) Stair construction;

The common interior stair shall be of steel pan construction with concrete treads.

(iv) Stringers;

The stringers at the common interior stairs shall be steel channel stringers.

(v) Treads;

The treads at the common interior stairs shall be of poured concrete.

(vi) Risers;

The risers at the common interior stairs shall be of steel plate construction.

(vii) Guardrails;

The perimeter of stair landings at the common stairs shall be protected with wrought iron guardrails, with a minimum height of three feet and six inches (3'-6") above the level of the landings. The maximum spacing between the vertical mullions of the railings shall be approximately four inches (4") as required by the N.Y. City Building Code.

(viii) Balustrade;

There will be no balustrades at the perimeter of stair landings.

(11) Interior Doors and Frames:

(i) Unit Entrance and Interior Doors and Frames;

The entrance doors to the units shall be hollow metal, steel covered, fireproof, self closing doors with a minimum fire rating of one and one half hours. Unit entrance doors shall be mounted on steel frames. Unit entrance doors shall also be equipped with an entry type lockset and interview peephole with a minimum of five square feet of glass area.

Interior doors within the units shall be, hollow core, wood doors, set in steel frames. Doors within the units shall be equipped with a passage type lockset.

(ii) Corridor doors and frames;

Corridor doors and frames, located at the cellar floor level shall be hollow metal, steel covered, fireproof, self closing doors with a minimum fire rating of one and one half hours and shall be mounted on steel frames.

(iii) Stair hall doors and frames;

The stair hall entrance doors to the units shall be hollow metal, steel covered, fireproof, self closing doors with a minimum fire rating of one and one half hours. Stair hall doors shall be mounted on steel frames and shall also be equipped with an entry type lockset.

(iv) Roof Doors, Cellar Doors and frames;

The roof doors to the common stair shall be a one and one half hour rated fireproof self closing door mounted on a steel frame.

Doors at the cellar floor level providing access to elevator machine room, meter rooms and sprinkler room shall be one and one half hour rated fireproof self closing doors mounted on a steel frames.

(12) Elevators:

(i) Number;

There will be one passenger elevator located in the building.

(ii) Manufacturer & capacity;

The passenger elevator shall be manufactured by Hollister-Whitney Elevator Corp. and shall have a capacity of approximately 2000 pounds. The elevator will also be capable of accommodating approximately six persons at a time.

(iii) Type of Operation;

The elevator will be an overhead, traction type elevator.

(iv) Automatic (Type of controls);

The elevator will be fully automatic. The elevator car shall be equipped with a self leveling feature that will automatically bring the car to floor landings independent of the operable part and shall correct for over travel and under travel.

(v) Floors served;

The elevator will serve the cellar through the seventh floor levels of the building.

(vi) Type (hydraulic, gearless)

The elevator will be of a geared traction type.

(vii) Doors (sliding, swinging, manual, automatic);

The elevator will be equipped with a single speed, automatic sliding door.

(viii) Location of machine rooms;

The passenger elevator's machine room will be located at the cellar floor level.

(ix) DC motor (manufacturer);

There will be no DC motor.

(x) AC motor generator set (manufacturer);

The passenger elevator will be powered by a 12.5 H.P. motor and will be provided with a 208 volt triple phase electrical supply.

The sponsor reserves the right to provide elevator equipment and alternate interior finishes by a different manufacturer which are equal to or better than noted above.

(13) Elevator Cabs:

(i) Kind (manufacturer);

The elevator cab will be manufactured by Hollister-Whitney.

(ii) Floor (Material);

The floor shall be of vinyl composition tiles.

(iii) Walls (Material);

The walls shall be finished with plastic laminate.

(iv) Ceiling (Material);

The ceiling shall be a suspended ceiling with a stainless steel finish.

(iv) Lighting;

The elevator cab will have recessed lighting fixtures each with approximately sixty watts of incandescent illumination or its equivalent.

(vi) Alarm, Safety system;

The elevator cab will be equipped with an emergency alarm and light and communication system.

The sponsor reserves the right to install elevator equipment, finishes and alarm systems by a different manufacturer which are equal to or better than noted above.

(i) **AUXILIARY FACILITIES**

(1) Laundry rooms:

(i) Location and number;

There will be a common laundry closet provided at the cellar floor level of the building. The laundry closet will be provided with hookups for a side by side washer and dryer unit.

Laundry equipment to be installed shall be U.L. approved or N.Y. City M.E.A. or B.S. and A. approved if necessary.

(ii) Clothes Washers;

There will be no clothes washers provided by the Sponsor.

(iii) Clothes Dryer;

There will be no clothes dryers provided by the Sponsor.

(iv) Room Ventilation;

There will be no mechanical exhaust ventilation provided for the laundry closets.

(v) Dryer Ventilation

There will be a vertical, metal exhaust ventilation duct provided in the laundry closet for the dryer. The exhaust vent duct will terminate at the roof above the seventh floor level.

(2) Refuse Disposal:

Refuse disposal rooms will be located at the cellar through seventh floor levels.

(i) Incinerators;

There will be no incinerators in the building.

(ii) Compactors;

There will be no garbage compactors in the building

(iii) Approvals by Authority having jurisdiction;

There will be no approvals required. Garbage will be removed by the N.Y. City Department of Sanitation.

(iv) Storage Location;

Refuse disposal will be the responsibility of each residential unit's occupant. They will take their own garbage to the refuse disposal rooms located at the cellar through seventh floor. Garbage will be removed from the refuse rooms and taken to the outside, adjacent to the curb in front of the building, by a janitorial service where it will be collected by the New York City Sanitation Department on days designated for garbage removal.

(v) Pick-up Schedule;

The schedule for garbage removal at the location of the site is Mondays and Thursdays as per N.Y. City Department of Sanitation website.

(j) **PLUMBING AND DRAINAGE**

(1) Water Supply:

Water will be supplied to the units through connections to the building, from the New York City Water Distribution System. There will be a minimum 2" copper water main conveying the water into the building. Each residential unit is to be supplied with cold water from a minimum ½" copper piping. Each residential unit will have its own hot water boiler, located in the mechanical closets at the first through seventh floor levels. There will be a domestic water booster pump system located in the sprinkler mechanical room at the cellar floor level towards the front of the building.

The hot and cold water piping throughout the building shall be insulated as per the N.Y. State Energy Code Requirements. All hot and cold water supply piping shall be fitted with a minimum ½" polyethylene, thermal insulation.

(2) Fire Protection System:

(i) Standpipes;

There will be a minimum 2" diameter, steel, standpipe riser located in the common stair hallway.

(ii) Hose racks, hoses and nozzle;

Hose racks, hoses and nozzles shall be mounted in the common exit stairwell on each floor if necessary.

(iii) Sprinkler heads;

Sprinkler heads shall be concealed type sprinkler heads which will be located throughout the entire building. Sprinkler heads will be omitted in bathrooms and closets less than 75 square feet.

(iv) Siamese Connection;

There will be a 3" x 3" x 6" flush mounted siamese connection located adjacent to the entrance to the building at the first floor level 18" above grade.

There shall be a separate sprinkler application filed with and approved by the N.Y. City Department of Buildings, by a N.Y. State licensed Mechanical Engineer and the required permits shall be secured prior to the installation of the sprinkler system.

(3) Water storage tanks and enclosures:

There will be no water storage tanks at the roof of the building. The following sub sections will not be applicable to this Report:

(i) Number, type, location;

(ii) Material (Interior, exterior and roof);

(iii) Access to tank;

(iv) Capacity (total gallons);

(v) Capacity (fire reserve);

(4) Water pressure;

The building will rely on normal N.Y. City water pressure to raise the water to the seventh floor level of the building. The water pressure at the site will be approximately 54 psi. There will also be a domestic booster pump located at the cellar floor level which will be specified by the Mechanical Engineer preparing the Sprinkler plans.

(5) Sanitary Sewage System:

(i) Sewage piping (materials);

Sanitary sewage piping shall be of extra hard cast iron.

(ii) Sewage pumps;

There will be no sanitary sewage pumps.

(iii) Sewage disposal;

The sanitary waste will be conveyed to the New York City sewer system via new, extra heavy cast iron, sewer pipes located in the building, which will lead to a house trap of extra heavy cast iron. The house trap will be located in the cellar area towards the front of building. Beyond the house trap there will be a new 6", extra heavy cast iron, sanitary drain pipe which will be connected to the existing 8" sanitary sewer located in the roadway beneath Kings Highway.

(6) Permits required:

A permit for the installation of plumbing fixtures shall be obtained from the Department of Buildings prior to the installation of all plumbing work within the building and on the site.

A Site Connection permit shall be obtained from the Department of Environmental Protection prior to connecting to the existing New York City sewer system.

All plumbing work shall be done by a N.Y. State licensed Plumber.

(7) Storm Drainage System:

The on site, storm drainage system will consist of; roof drains connected to vertical, internal, cast iron leaders; exterior area drains and below grade horizontal cast iron drains.

The run-off from the roof and yard areas will be conveyed to a new 6" extra heavy, cast iron, horizontal, storm drain. The 6" storm drain will be tied into a new combined 6" site connection to the existing 24" storm sewer, located in the roadway beneath Kings Highway.

The storm drainage system has been approved by the N.Y. City Department of Environmental Protection, prior to approval of the building plans by the N.Y. City Department of Buildings.

(i) Catch Basins;

Catch basins are located in the public roadway along Kings Highway. Catch basins are constructed of concrete with steel grating covers and have been designed and installed by the N.Y. City Department of Transportation. The catch basins comply with the standards of the N.Y. City Department of Buildings and the N.Y. City Building Code.

(ii) Yard and Roof drains;

There will be roof drains located at the roof above the sixth and seventh floor levels as well as the bulkheads. Area drains will be located at grade level in the front of the building.

Roof drains and internal leaders shall be of cast iron.

(iii) Piping;

Interior, vertical, drain pipes shall be of cast iron.

(iv) Ejector or Sump pumps;

There will be one sump pump in the building located in the elevator pit. The sump pump detail shall be specified by the Mechanical Engineer.

(k) **HEATING (SPACE HEATING AND DOMESTIC HOT WATER)**

(1) Heating and Distribution of Domestic hot water & Heating System Capability:

Domestic hot water shall be provided for each residential unit by a gas fired hot water heater which will be located within the mechanical rooms located at the cellar and at the second through seventh floor levels. The mechanical room at each floor will contain the hot water heater for the residential units located at that particular floor.

The hot water heating system shall be designed to be capable of providing peak required services to each residential unit.

Heating of each residential unit will be achieved by a gas fired, radiant heating system. There will be baseboard radiators within each habitable room, kitchen and bathroom area which will provide radiant heat to the spaces.

The space heating system will be designed to maintain a minimum inside temperature of 70 degrees Fahrenheit, when the outside temperature is 15 degrees Fahrenheit with a 15 mph wind (in accordance with ASFRAE, 2001 Fundamentals Handbook, Climatic Design Information, Table 1A, for New York City, JFK Airport).

All exterior metals, including fasteners, are to be of corrosion resistant steel.

(2) Number of boilers and description:

There will be fourteen, new, gas fired, hot water heaters provided in the mechanical rooms at the cellar and second through seventh floor levels. One will be provided for each unit.

There will be eight, new, gas fired, furnaces located within the mechanical rooms at the cellar through seventh floor levels which will generate the heat energy for the baseboard radiators. The furnace for each residential unit will be located in the mechanical room located on the floor at which the unit is located.

(3) Manufacturer (model, capacity):

Each hot water heater for the residential units shall be model number **PGC 50**, as manufactured by **A.O. SMITH**, with a N.Y. City MEA approval number (**180-78-E**) and an input rating of approximately 44,000 BTUs per hour. Each boiler will operate with an efficiency rating of approximately eighty (80 %) percent.

The Sponsor reserves the right to provide hot water heaters by different manufacturers which are equal to or better than noted above.

Each furnace for the residential units shall be model number **80PJ07EBR01**, as manufactured by **WEATHERKING**, with a N.Y. City approval number (**M.E.A #104-01-E**). The units have an input rating of approximately 75,000 BTUs per hour. Each furnace will operate with an efficiency rating of approximately eighty (80 %) percent.

The Sponsor reserves the right to provide furnaces by different manufacturers which are equal to or better than noted above.

(4) Manufacturer and age of burners (model, capacity):

Hot water heater burners will be new and will be as manufactured by **A.O. SMITH.**

Furnace burners will be new and will be as manufactured by **WEATHERKING.**

The Sponsor reserves the right to provide burners by different manufacturers which are equal to or better than noted above.

(5) Type of Controls:

Hot water heaters and furnaces shall be equipped with thermostats.

(6) Radiators, piping, etc.:

Baseboard radiators shall be fitted with cast iron piping.

(7) Fuel (supply system):

Gas service will be provided by, the National Grid Company. The gas will be used for domestic cooking, and for heating and will be distributed by black iron piping.

(8) Location of oil tank:

There will be no oil tanks in the building.

(9) Capacity of oil tank:

There will be no oil tanks in the building.

(l) **GAS SUPPLY**

(1) Type;

Gas service will be provided by, the National Grid Company to each residential unit. The gas will be used for domestic cooking, and for heating.

(2) Meters;

There will be thirteen, new, gas meters provided in a meter room at the cellar floor level.

(3) Piping;

Gas piping throughout the building shall be of black iron.

(m) **AIR CONDITIONING**

The cooling systems will be designed to provide sufficient cooling to maintain inside conditions of 78 degrees Fahrenheit and 50% relative humidity when the outside conditions are 88 degrees Fahrenheit dry bulb and 72 degrees wet bulb (in accordance with ASFRAE, 2001 Fundamentals Handbook, Climatic Design Information, Table 1B, for New York City, JFK Airport). Indoor design temperatures will be in accordance with the New York State Energy Conservation Construction Code.

(1) Type of system,

Cooling of each residential unit shall be provided by the cooling cycle of the split H.V.A.C. systems.

(2) Central System (manufacturer, model, capacity):

Cooling of each unit shall be achieved by supplying cool air (via metal ducts and wall registers) to the different spaces within the unit. The condenser units, which will generate the energy required for cooling will be located on the roof above the seventh floor level.

The condenser units shall be model number **24ACR330A003** as manufactured by **CARRIER**. Each condenser unit has a N.Y. City M.E.A. approved number (**69-06-E**) and will have a capacity of approximately 2.5 tons. Each unit will operate at an efficiency rate of approximately eighty (80%) percent.

The Sponsor reserves the right to provide condensers by different manufacturers which are equal to or better than those noted above.

(3) Cooling towers or Condensers (number, location, description):
There will be six stackable cooling condensers located at the roof above the seventh floor level.
The condenser units shall be model number **24ACR330A003** as manufactured by **CARRIER**. Each condenser unit has a N.Y. City M.E.A. approved number **(69-06-E)** and will have a capacity of approximately 2.5 tons.

(4) Individual units covered by the offer (window / sleeve- number, location, description);
There will be no individual air conditioning units or A.C sleeves provided at the exterior of the building.

(n) VENTILATION

The spaces that require mechanical ventilation within the units are the interior bathrooms, toilet rooms and kitchens. These spaces within the residential units shall be equipped with vertical ducts with a fan, which terminates to the outside air. The minimum rate of exhaust ventilation shall be 50 cfm; for bathroom areas as required by the New York City Building Code.
The laundry closet shall also be provided with an exhaust ventilation duct for dryer. Exhaust equipment shall be New York City M.E.A. or B.S.A. approved.

(o) ELECTRICAL SYSTEM

(1) Service from main service switchgear;
The electrical service to the building will be brought in from the terminal point of the Consolidated Edison Co. The service supplied to the building, shall be a 1000 Amp, triple phase, three wire, service.
The electrical service will be transported throughout the building via, insulated, three wire cables

(2) Service to the individual units;
There will be a separate meter for each residential unit. There will be 100 Amps of service to each residential unit.

(3) Compartment switchgear;

The sectional meter boards and transformers supplying power to the meter boards will be located in an electrical meter room at the cellar floor level towards the front of the building.

(4) Unit service;

Each residential unit will be equipped with 100 Amp fuses and circuit breakers.
The electrical system will be adequate to handle modern usage and appliances such as air conditioners, dishwashers and electric dryers.

(5) Adequacy;

(i) Service;

There will be approximately six circuits with circuit breakers provided for each unit. The circuits will have the capacity to handle modern appliances such as air conditioners, dishwashers and electric dryers.

(ii) Lighting and Fixtures;

There shall be at least one centrally located, overhead, incandescent, lighting fixture, provided in each bedroom, living room, kitchen and bathroom within each residential unit. There shall also be an overhead fixture provided in hallways within the units. Each lighting fixture shall be capable of providing at least 60 watts of incandescent illumination.
Lighting fixtures and electrical outlets; shall be installed by a licensed Electrician, and shall be in compliance with the N.Y. City Electrical Code and the N.Y. City Building Code.

(iii) Convenience outlets & appliance outlets;

There will be convenience outlets and appliance outlets provided in each bedroom, living room, kitchen, bathroom, toilet room etc. within each unit. Convenience outlets and appliance outlets shall be installed by a licensed Electrician and shall be in compliance with the N.Y. City Electrical Code and the N.Y. City Building Code.
Arc-fault circuit interrupters (AFCI) and Ground-fault circuit interrupters (GFCI) shall be installed as required by the N.Y. City Electrical Code.

(p) **INTERCOMMUNICATION SYSTEM**

Each residential unit will be equipped with an intercom at the main entrance door, which will permit voice contact between the inside of the residential units and the main entrance at the first floor level. The intercom shall be equipped with a buzzer to allow access to the lobby from the entrance vestibule. The intercom shall be Model LAF 3 as manufactured by Aiphone.

The building will be wired for cable. Each unit's owner will be responsible for securing their own cable service provider at their own cost.

The Sponsor reserves the right to provide equipment by a different manufacturer which is equal to or better than noted above.

(q) **PUBLIC AREA LIGHTING**

Lighting fixtures shall be provided in the common residential stairways and hallways. Fixtures shall be capable of providing illumination of at least ten (10) watts per twenty five (25) square feet of floor area. Each lighting fixture shall be provided with one or more lights, of a total of not less than sixty (60) watts incandescent illumination.

A wall mounted, lighting fixture shall be provided adjacent to the main entrance at the front of the building; providing an aggregate illumination of one hundred and fifty (150) watts incandescent illumination, or its equivalent.

There shall also be provided, at the front yard area, lighting fixtures of at least forty (40) watts incandescent lighting.

The public area lighting will be adequate and shall be in compliance with the New York City Housing Maintenance Code and Multiple Dwelling Laws.

All lighting fixtures shall be installed by a N.Y. State licensed Electrician and shall comply with the New York City Electrical Code.

(r) **GARAGES AND PARKING AREAS**

There will be no garages or parking areas in or at the exterior of the building. The following sections will not be applicable to this Report:

(1) Location of garages;

(2) Location of parking areas;

(3) Surfaces;

(4) Parking (attended or unattended);

(5) Garage ventilation (method and equipment);

(6) Garage fire protection (method and equipment);

(7) Drainage;

(s) **SWIMMING POOLS**

There will be no swimming pools in or at the exterior of the building. The following sections will not be applicable to this Report:

(1) Type (concrete, material composition) and Location;

(2) Size (length, width, depth, capacity);

(3) Enclosure (material including roof);

(4) Pumping and filter system;

(5) Water heating equipment;

(6) Structural support system (roof location);

(t) **TENNIS COURTS, PLAYGROUNDS AND RECREATION FACILITIES**

There will be no tennis courts or playgrounds provided in the building. There will be a recreational area located at the cellar floor level. The following sections (t) (1) and (t) (2) will not be applicable to this Report:

(1) Tennis Courts:

- (i) Type (clay, macadam, turf);
- (ii) Number and Size;
- (iii) Lighting (number and type);
- (iv) Fencing and enclosure;

(2) Playgrounds (size and location);

(3) Other Recreation facilities;

There will be a recreational area provided at the cellar floor level. The recreational area shall be used for passive recreational activities.

(u) **PERMITS AND CERTIFICATES**

All required permits and sign-offs required and a Certificate of Occupancy are to be obtained by the Sponsor.

The following permits will be obtained by the Sponsor:

PERMIT TYPE	AGENCY
Demolition	Department of Buildings
Underpinning	Department of Buildings
Fence	Department of Building
Sidewalk Shed	Department of Building
General Construction	Department of Buildings
Plumbing	Department of Buildings
Electrical	Department of Buildings
Site Connection	Department of Environmental Protection
Builders Pavement (Construct new sidewalk)	Department of Transportation

Permits issued by the New York City, Department of Buildings are valid for a minimum of one year from the date of issue or on the expiration date of the contractor's insurance policy whichever comes first. All work types for permits issued by the Department of Buildings are subject to inspection and signoff by the Department of Buildings prior to the issuance of a Certificate of Occupancy.

Site connection permits will be valid for two years from the date of issue.

All permits issued by the New York City Department of Transportation expire on December 31st of each year and are required to be renewed.

(v) **VIOLATIONS**

There are currently four active violations listed for the property as per the N.Y. City Department of Buildings, Building Information System website. The violations have been issued by the N.Y. City Department of Buildings and will be corrected by the Sponsor's contractor prior to the completion of the building. A final Certificate of Occupancy will not be issued until all violations are corrected.

(w) **UNIT INFORMATION**

The condominium will have a total of twelve residential units.

The residential units will be located at the first through seventh floor levels.

Units 1A, 2A, 3A, 4A, 5A and 6A will each consist of:

One (1) bedroom, Two (2) bathrooms, living / dining area, kitchenette and storage room;

Units 2B, 3B, 4B, 5B and 6B will each consist of:

One (1) bedroom, One (1) bathroom, living / dining area and kitchenette;

Units 7A will consist of:

One (1) bedroom, Two (2) bathrooms, lining / dining room and kitchen;

UNIT SIZES:

The dimensions indicated are approximate and are located: horizontally; approximately to the outside face of the masonry work at the exterior walls of the building and approximately to the unit side of the walls and partitions (dividing the units from corridors, stairs and mechanical spaces). Dimensions shall be to the centerline when a partition divides two units.

The approximate square footages for each unit are as follows:

Unit 1A	First Floor	= 667 square feet
Unit 2A	Second Floor	= 653 square feet
Unit 2B	Second Floor	= 442 square feet
Unit 3A	Third Floor	= 653 square feet
Unit 3B	Third Floor	= 443 square feet
Unit 4A	Fourth Floor	= 653 square feet
Unit 4B	Fourth Floor	= 443 square feet
Unit 5A	Fifth Floor	= 653 square feet
Unit 5B	Fifth Floor	= 443 square feet
Unit 6A	Sixth Floor	= 653 square feet
Unit 6B	Sixth Floor	= 443 square feet
Unit 7A	Seventh Floor	= 1,056 square feet

(1) **UNIT FINISHES;**

The units will be finished as described herein.

The finished floor of the living, dining and bedroom areas of the residential units shall be of ¾" thick x 2 ¼" wide select grade, hardwood, oak strips on ¾"plywood subflooring.

The Sponsor reserves the right to provide hardwood flooring of a different species or grade which is equal to or better than noted above.

Thereafter unit owners may finish with carpeting or another material of their own choice and at their own expense.

The walls and ceilings of residential units shall be of gypsum wallboard. When finished the walls and ceilings shall be primed and painted. Thereafter the unit owners may decorate by finishing with paint, wallpaper, paneling, etc. of their own choice.

Residential kitchens shall have ceramic tile covering the floors and gypsum wallboard walls and ceilings.

Full, residential bathrooms shall be equipped with a washbasin, medicine cabinet, water closet and a combination bathtub/shower. Bathrooms shall have ceramic tile floors. Tile around the bathtubs and showers shall extend to the ceiling. All other bathroom walls shall be of tile and moisture resistant, gypsum wallboard.

There shall be no Chinese Drywall material used in the construction of the building.

When completed, the following interior finishes will be installed.

	Location	Floors	Base	Walls	Ceilings
1.	Living/Dining Room	Wood	Wood	G.W.B. Painted	G.W.B. Painted
2.	Bedroom	Wood	Wood	G.W.B. Painted	G.W.B. Painted
3.	Kitchen	Ceramic Tile	Tile	G.W.B. Painted	G.W.B. Painted
4.	Bathroom	Ceramic Tile	Ceramic Tile	Tile/G.W.B. Painted	G.W.B. Painted
5.	Storage	Wood	Wood	G.W.B. Painted	G.W.B. Painted

Note:
G.W.B : Denotes Gypsum Wallboard
Mas. : Denotes Masonry

(2) **BATHROOM FIXTURE SCHEDULE:**

A. Water Closets: shall be of vitreous china and shall be floor mounted and equipped with siphon flushing action. Water closets are also to be equipped with vacuum breakers and shall meet water saving performance standards as per New York City Local Law 29/89.

B. Countertop lavatory: shall be of vitreous china with faucet, set in a plastic laminate finished, particle board vanity countertop.

C. Bathtubs: shall be enameled exterior, with flow outlet, and shower head and trim.

The Sponsor reserves the right to provide fixtures by different manufacturers which are equal to or better than noted above.

(3) **KITCHEN EQUIPMENT SCHEDULE:**

The kitchen areas will generally be provided with the following fixtures, appliances and equipment:

1. Formica or wood laminate, wall and base cabinets and formica or wood laminate countertops.
2. Stainless steel sinks by Crane, with faucet by Delta model number 400.
3. One, four burner gas range by Frigidare, model # FGF 368.
4. One Refrigerator by Frigidare, model # 18 TBX 18 IAD.

Note:

Additional kitchen appliances and fixtures including additional gas ranges will be the responsibility of the unit owners.

The sponsor reserves the right to provide fixtures by different manufacturers, which are equal to or better than noted above.

(x) **FINISH SCHEDULE (SPACES OTHER THAN UNITS)**

The following interior finishes will be installed at the locations as indicated.

	Location	Floors	Base	Walls	Ceilings
1.	Mechanical Rooms	Concrete	Mas./G.W.B.	Mas./ G.W.B.	G.W.B. Painted
2.	Meter Rooms	Concrete	Mas./G.W.B.	Mas./ G.W.B.	G.W.B. Painted
3.	Laundry Room	Concrete	Mas./G.W.B.	Mas./ G.W.B.	G.W.B. Painted
4.	Recreation Room	Concrete	Mas./G.W.B.	Mas./ G.W.B.	G.W.B. Painted
5.	Stair & Hallway	Concrete	Metal	G.W.B. Painted	G.W.B. Painted

Note:
G.W.B : Denotes Gypsum Wallboard
Mas. : Denotes Masonry

(y) **SAFETY AND WARNING DEVICES**

There will be a hardwired, combined smoke and carbon monoxide detector provided in each residential unit at a maximum distance of fifteen feet from any bedroom door within the unit as required by the N.Y. City Building Code.

The smoke and carbon monoxide detectors are the fire and smoke safety devices required by the N.Y. City Building Code.

(bb) **FURTHER DEVELOPMENT**

There is no further development anticipated for this project.

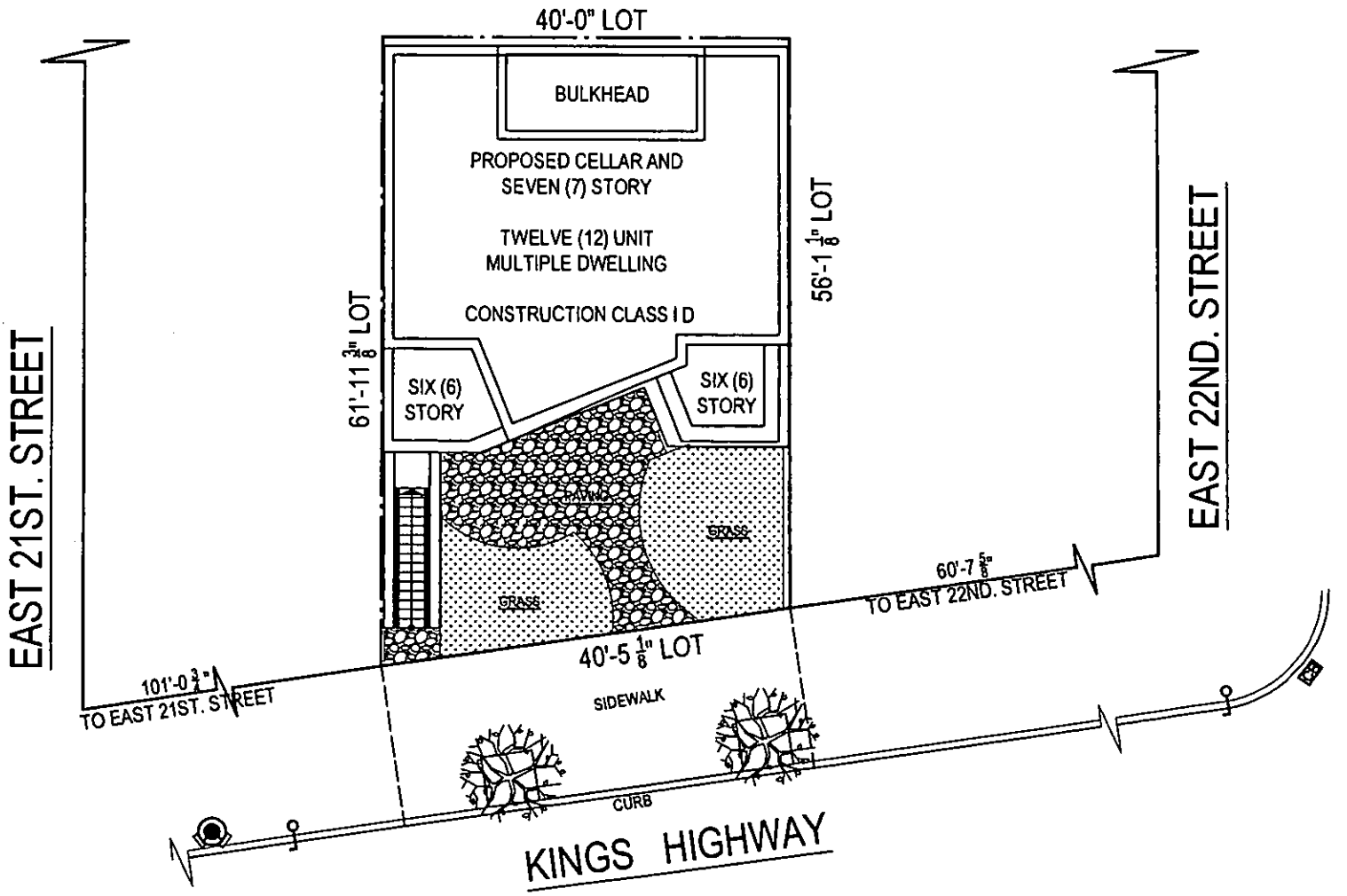
SCHEDULE B TO THE DECLARATION OF
THE 2113 KINGS HIGHWAY CONDOMINIUM

2113 Kings Highway
Brooklyn, New York

Tax Block Number 6768
Tax Lot Number to be F/K/A 50

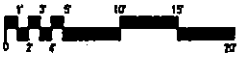
UNIT	TAX LOT	PERCENTAGE OF COMMON INTEREST	LOCATION	SQ.FT.	BEDROOMS/BATHS	LIMITED COMMON AREAS: SQ.FT.
1 A			First Floor	667	1/2	
2 A			Second Floor	653	1/2	
2 B			Second Floor	442	1/1	
3 A			Third Floor	653	1/2	b: 80
3 B			Third Floor	443	1/1	b: 41
4 A			Fourth Floor	653	1/2	b: 80
4 B			Fourth Floor	443	1/1	b: 41
5 A			Fifth Floor	653	1/2	b: 80
5 B			Fifth Floor	443	1/1	b: 41
6 A			Sixth Floor	653	1/2	b: 80
6 B			Sixth Floor	443	1/1	b: 41
7 A			Seventh Floor	1,056	1/2	r: 351

NOTE:
b: DENOTES BALCONY AREAS.
r: DENOTES ROOF TERRACE AREA.



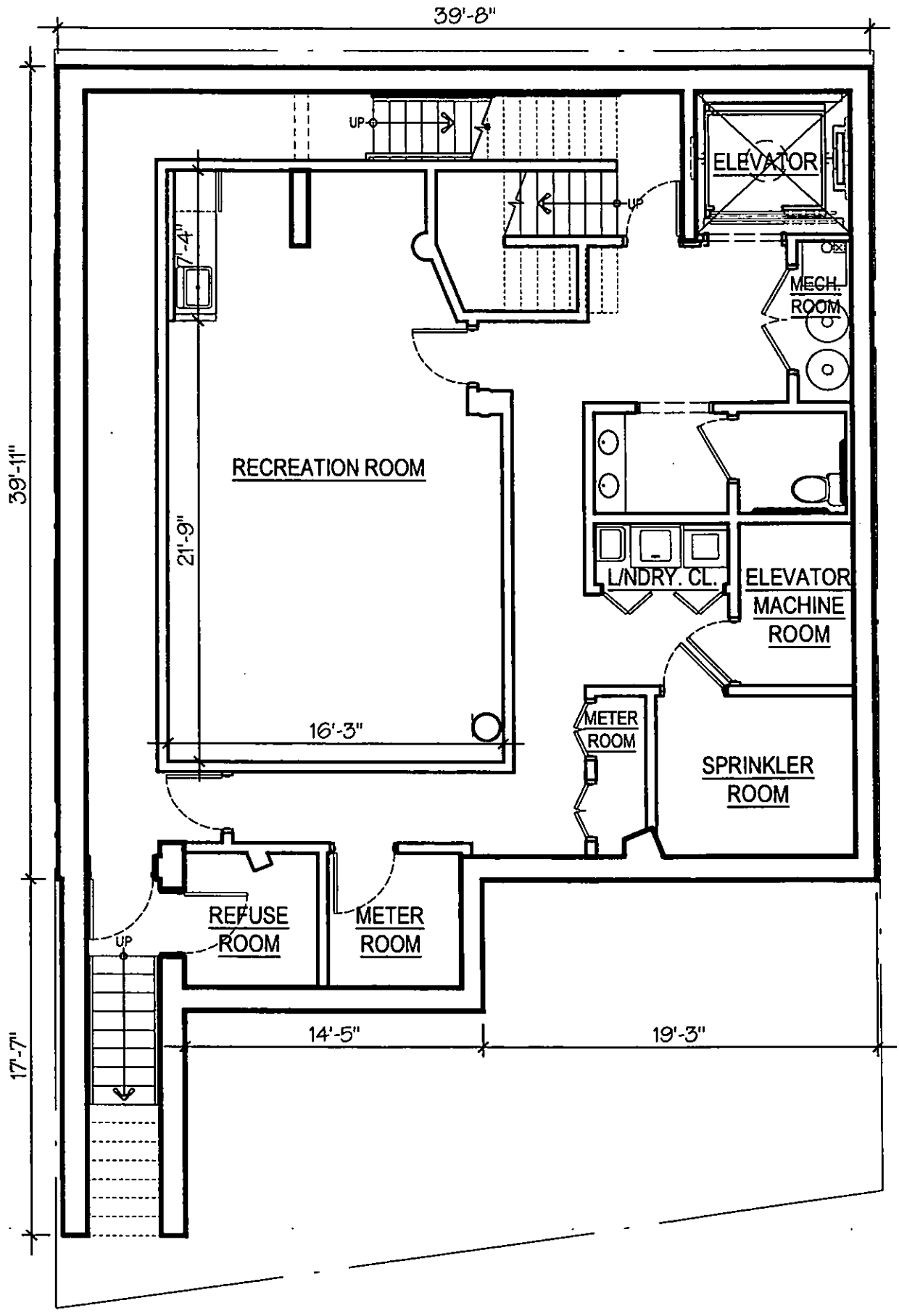
PLOT PLAN



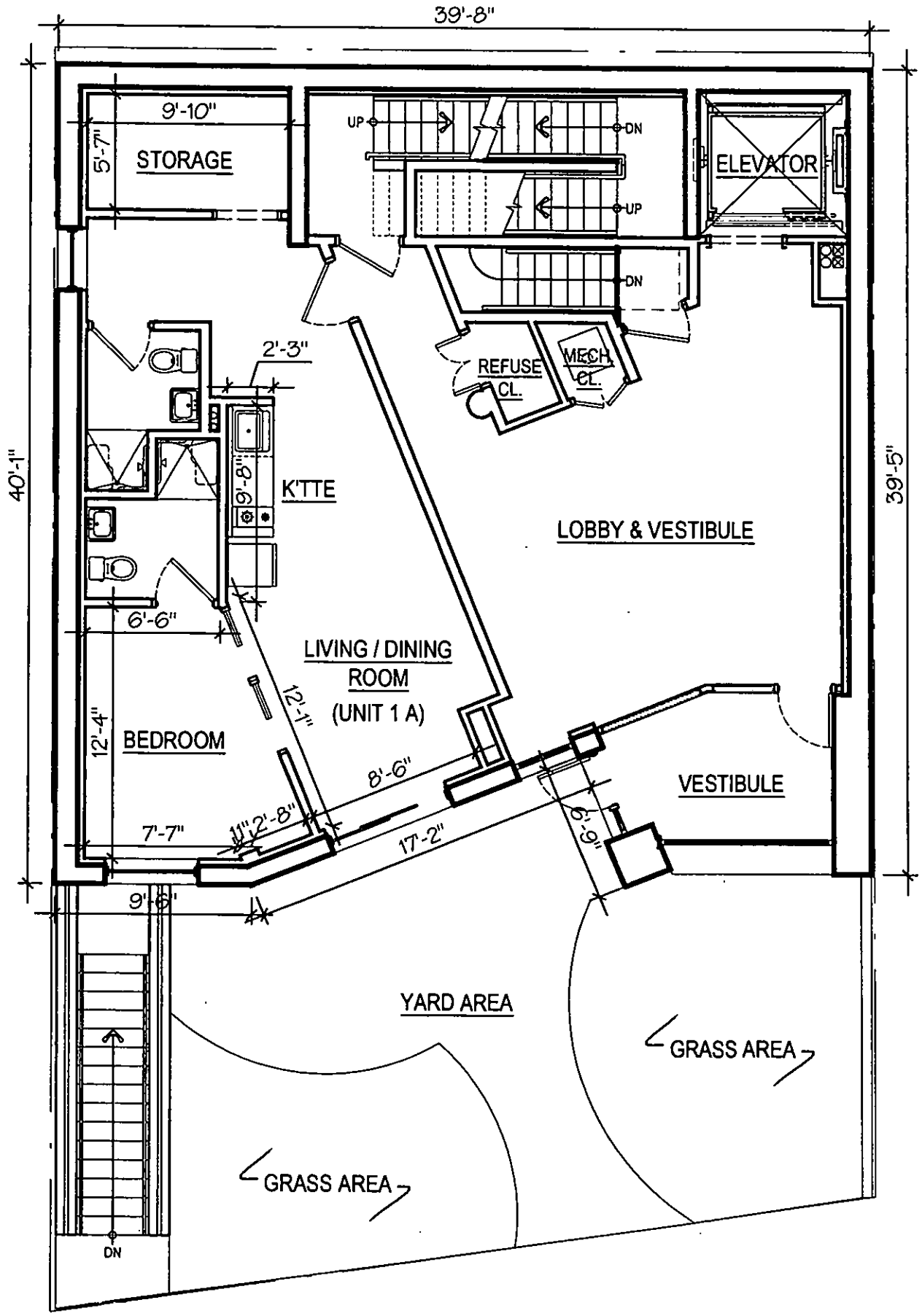


2113 KINGS HIGHWAY, BROOKLYN, N.Y., 11229

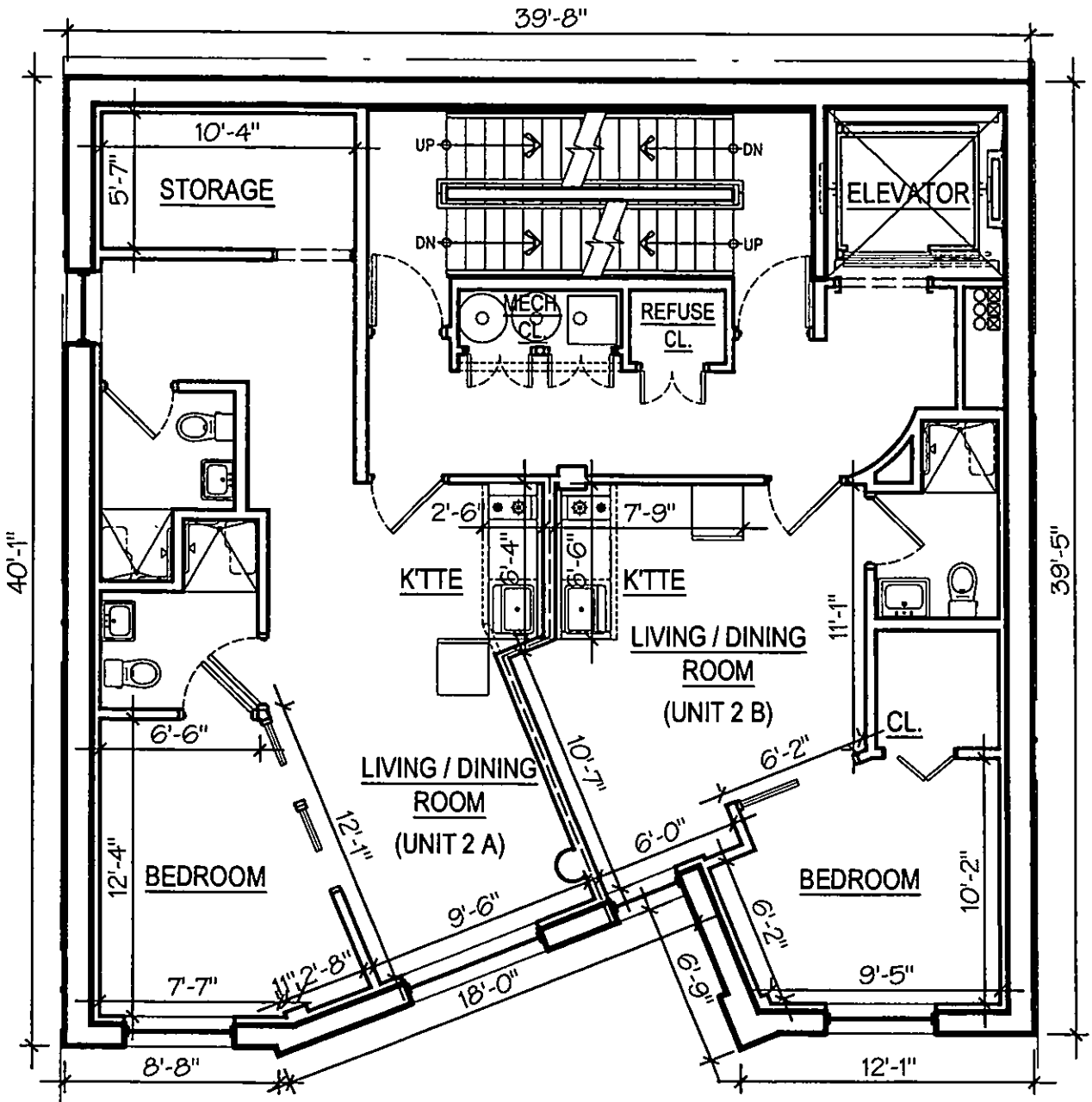
BLOCK	:	6768
LOT	:	50



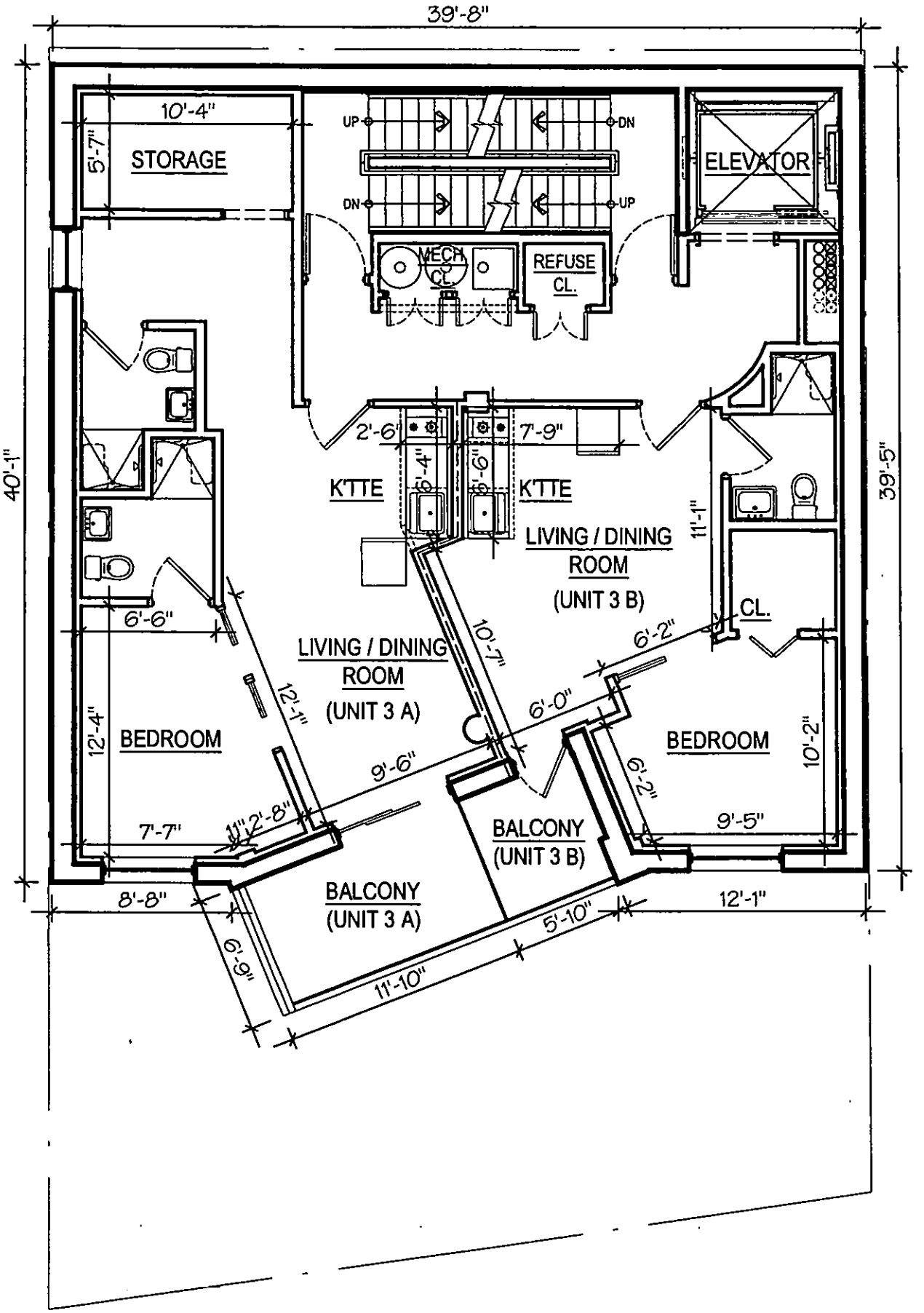
CELLAR FLOOR PLAN



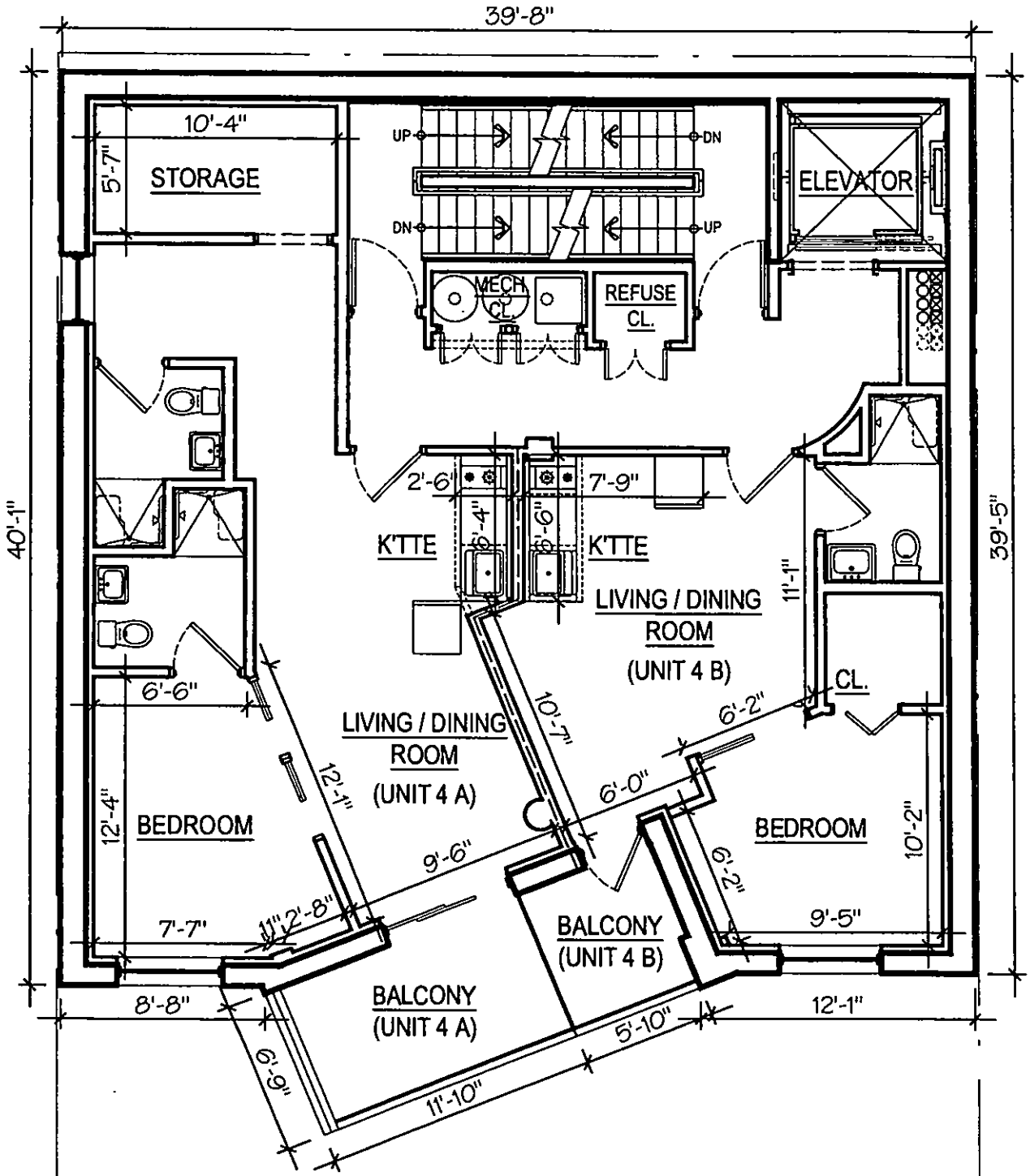
FIRST FLOOR PLAN



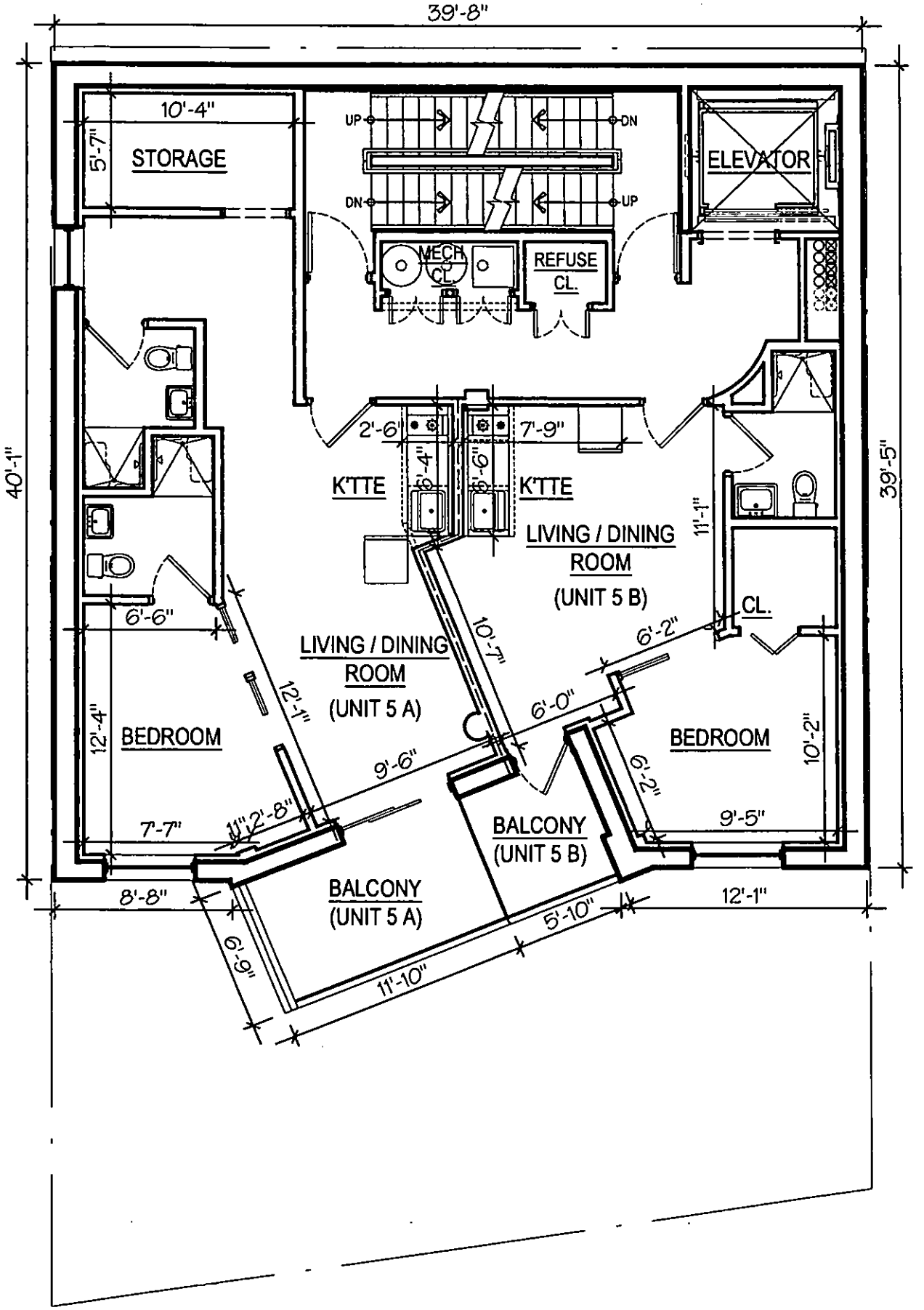
SECOND FLOOR PLAN



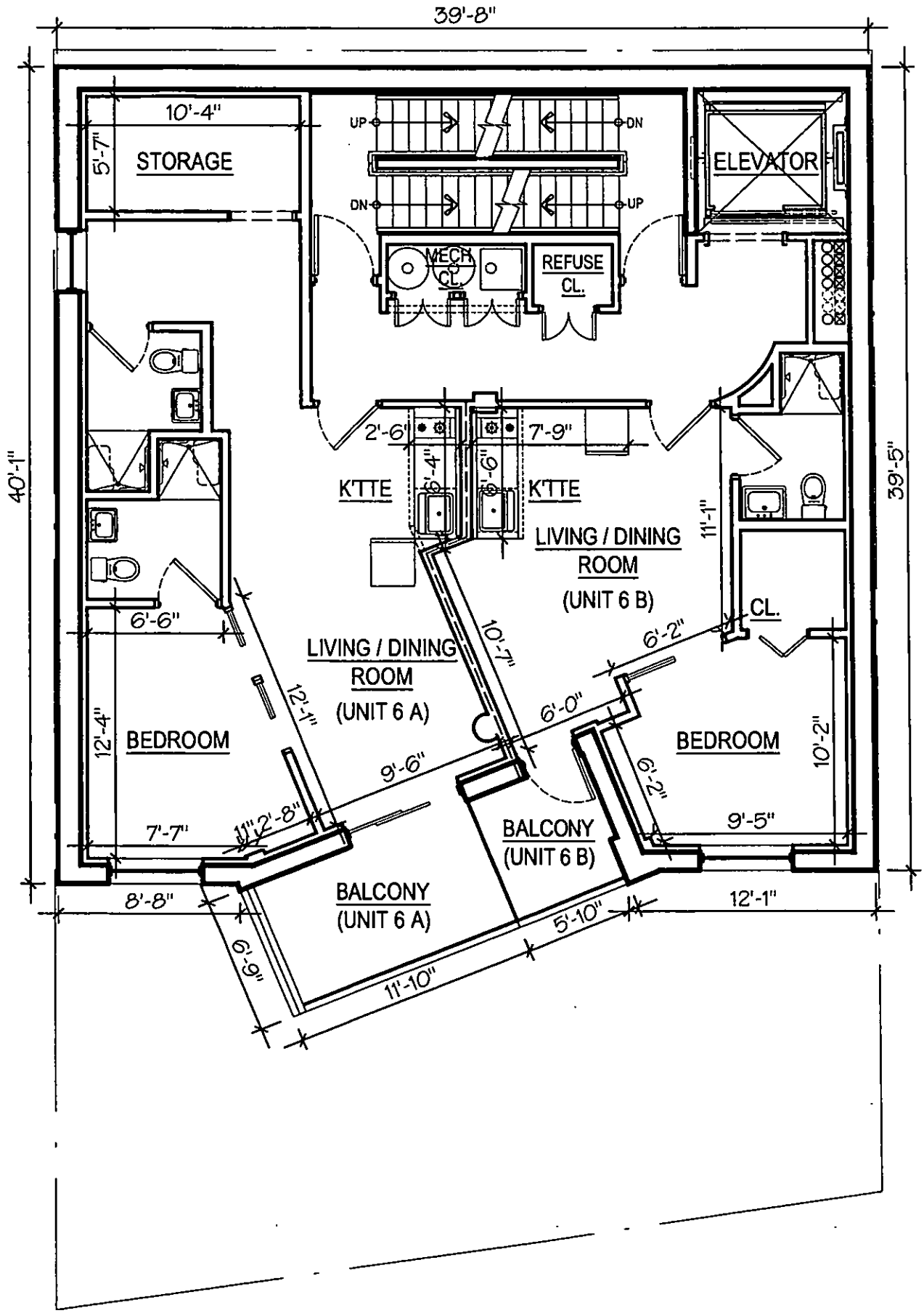
THIRD FLOOR PLAN



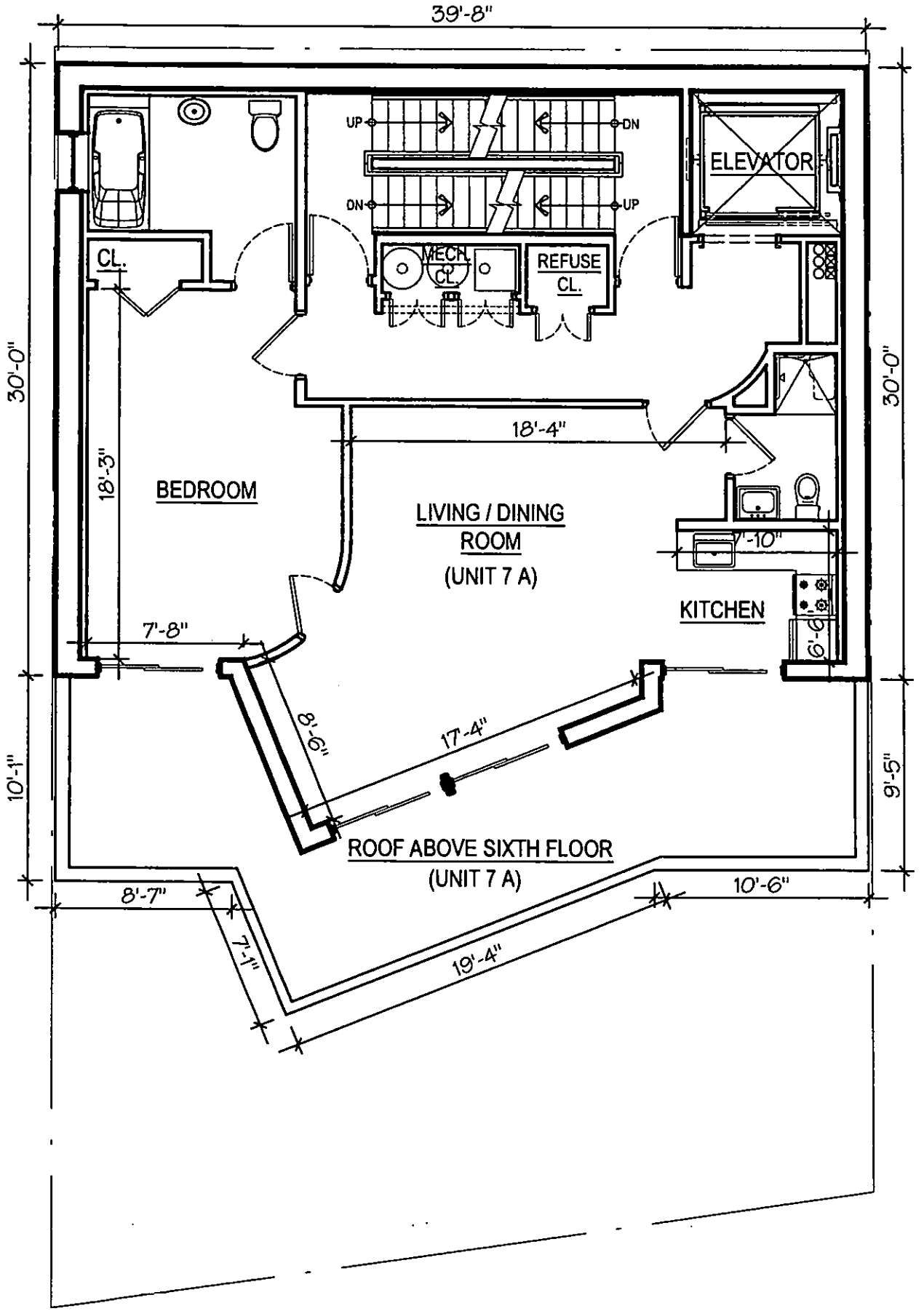
FOURTH FLOOR PLAN



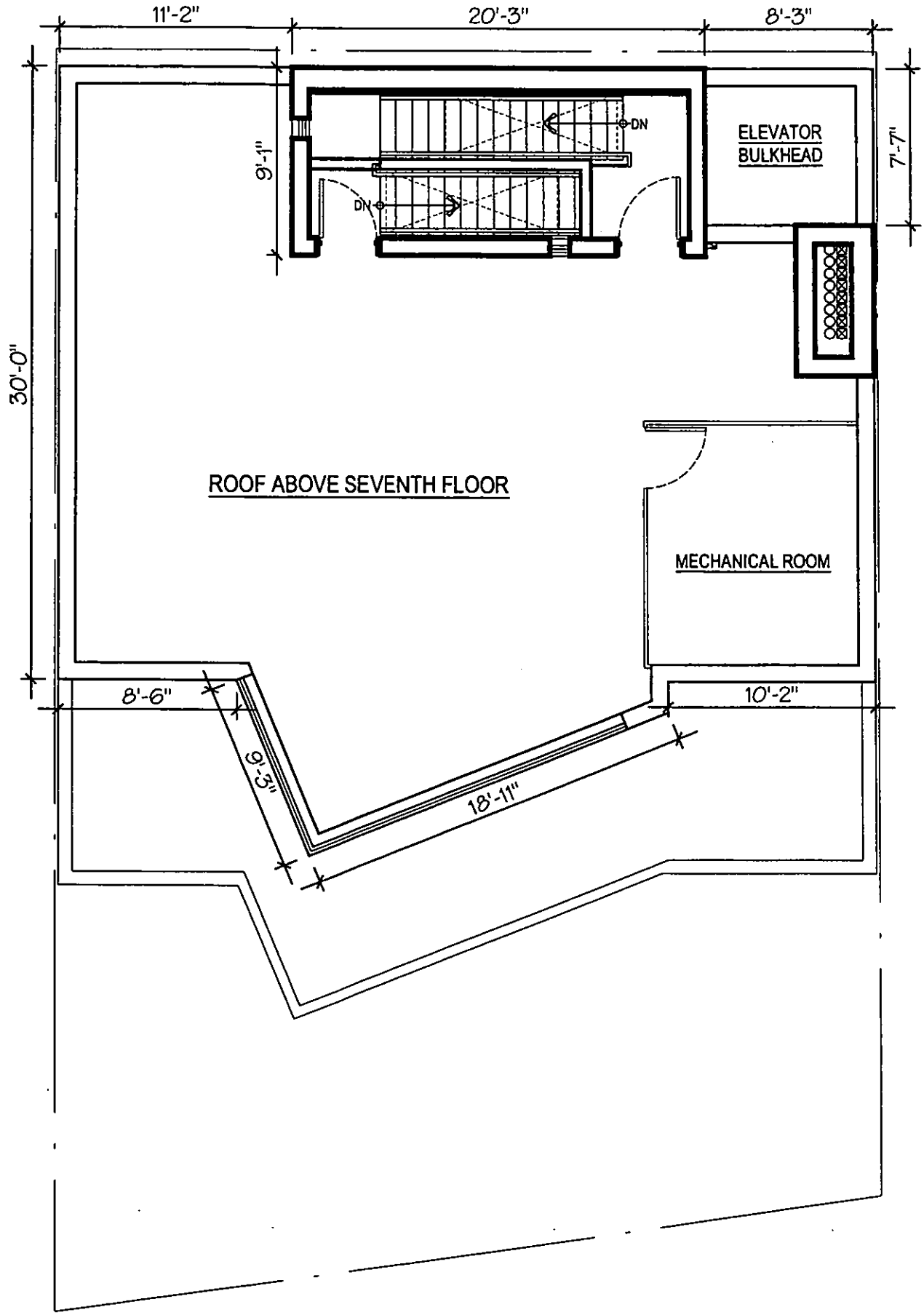
FIFTH FLOOR PLAN



SIXTH FLOOR PLAN



SEVENTH FLOOR PLAN


11'-2"
20'-3"
8'-3"
9'-1"
DN
DN
ELEVATOR
BULKHEAD
7'-7"
30'-0"
ROOF ABOVE SEVENTH FLOOR
MECHANICAL ROOM
8'-6"
10'-2"
9'-3"
18'-11"

ROOF PLAN

EXHIBIT E

LIMITED WARRANTY

NAME OF PURCHASER(S): _____
ADDRESS OF PURCHASER: _____
ADDRESS OF HOME WARRANTED: _____
NAME OF SELLER: _____
ADDRESS OF SELLER: _____
WARRANTY DATE: _____

The date that Purchaser or its family shall first occupy the Home Warranted or the date of delivery of the deed to such Home to Purchaser, whichever occurs first.

SELLER'S LIMIT OF TOTAL LIABILITY: Sixty (60%) percent of the purchase price of the Home set forth in the Purchase Agreement to which this Warranty is annexed as a rider less any insurance proceeds received by Purchaser.

THIS LIMITED WARRANTY EXCLUDES AND PRECLUDES ALL CONSEQUENTIAL, INCIDENTAL, SPECIAL AND INDIRECT DAMAGES.

THIS LIMITED WARRANTY IS IN LIEU OF AND REPLACES ALL OTHER WARRANTIES ON THE CONSTRUCTION AND SALE OF THE HOME AND ITS COMPONENTS, BOTH EXPRESS AND IMPLIED (INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE). THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE FACE HEREOF. THE PURPOSE OF THIS LIMITED WARRANTY IS TO IDENTIFY THE SELLER'S RESPONSIBILITIES FOR CONSTRUCTION DEFECTS OF A LATENT OR HIDDEN NATURE THAT COULD NOT HAVE BEEN FOUND OR DISCLOSED ON FINAL INSPECTION OF THE HOME.

1. To Whom Given. This Limited Warranty is extended to the purchaser, , while the Purchaser owns the Home. It does not extend to subsequent owners of the Home tenants, mortgagees in possession, or other persons.

2. By Whom Made. This Limited Warranty is made exclusively by the Seller.

3. Final Inspection of the Home. Before the Purchaser moves into the Home or accepts the deed, the Seller will set up an appointment for final inspection of the Home with the Purchaser. The purpose of this final inspection is to discover any defects or flaws of a visible or obvious nature, or any unfinished work.

All defects or flaws found on final inspection of the Home will be itemized on a Final Inspection Sheet. The Final Inspection Sheet will be signed by the Purchaser and the Seller before occupancy of the Home or transfer of the deed.

When the Purchaser moves into the Home or accepts the deed, the Seller's responsibility is limited to:
(a) completion of items shown on the Final Inspection Sheet, as provided in the Final Inspection Sheet, and
(b) performance of warranty obligations under the provisions of this Limited Warranty, as listed below. The purpose of the Limited Warranty is to identify the Seller's responsibilities for construction defects of a latent or hidden kind that would not have been found or disclosed on final inspection of the Home.

4. Limited Warranty. This Limited Warranty excludes all other warranties on the construction and sale of the Home and its components, both express and implied. There are no warranties which extend beyond the face hereof.

5. Warranty Coverage and Periods. The Warranty Period for all coverage begins on the Warranty Date shown on Page 1. It ends at the expiration of the coverage shown below:

FIRST YEAR BASIC COVERAGE: For one year from the Warranty Date, the Home will be free from latent defects that constitute:

(a) defective workmanship performed by the Seller, an agent of the Seller or subcontractor of the Seller;
(b) defective materials provided by the Seller, an agent of the Seller or subcontractor of the Seller;
(c) defective design, provided by an architect, landscape architect, engineer, surveyor, or other design professional engaged solely by the Seller; or
(d) defective installation of appliances sold as part of the Home by the Seller or an agent, employee or subcontractor of the Seller.

Workmanship, materials and design will be considered to be defective if they fail to meet or exceed the relevant standards and specifications of the Building Code of the City of New York or if they fail to meet the Accepted Standards which are attached to this Limited Warranty.

Seller under this coverage is not responsible for any defects in any work or materials ordered directly by Purchaser from Seller's subcontractors or suppliers or other outside suppliers or subcontractors or for incidental or consequential damages resulting from such work or materials.

TWO YEAR MAJOR SYSTEM COVERAGE: for two years from the Warranty Date, the plumbing, electrical, heating, cooling and ventilation systems of the Home which have been installed by the Seller are warranted to be free from latent defects that constitute defective installation by the Seller.

Installation will be considered to be defective if the Seller's workmanship upon the installation fails to meet or exceed the relevant standards and specifications of the Building Code of the City of New York and the Accepted Standards which are attached to this Limited Warranty.

The plumbing system means: gas supply lines and fittings; water supply, waste and vest 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.

The electrical system means: all wiring, electrical boxes, switches, outlets and connections up to the public utility connection.

The heating, cooling and ventilation system means: all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers. All systems are exclusive of appliances, fixtures and items of equipment.

Seller under this coverage is not responsible for any defects in any work or materials ordered directly by Purchaser from Seller's subcontractors or suppliers or other outside suppliers or subcontractors or for incidental or consequential damages resulting from such work or materials.

SIX YEAR MAJOR STRUCTURAL DEFECT COVERAGE: for six years from the Warranty Date, the Home will be free from latent defects that are major Structural Defects, as defined below, and that constitute:

(a) defective workmanship performed by the Seller, an agent of the Seller or subcontractor of the Seller;
(b) defective materials provided by the Seller, an agent of the Seller or subcontractor of the Seller or;
(c) defective design, provided by an architect, landscape architect, engineer, surveyor, or other design professional engaged solely by the Seller.

Workmanship, materials, and design will be considered to be defective if they fail to meet or exceed the relevant standards and specifications of the Building Code of the City of New York or if they fail to meet the Accepted Standards which are attached to this Limited Warranty.

A Major Structural Defect is a defect resulting in 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 unlivable, foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems.

Damage to the following non-load bearing portions of the Home do not constitute a Material Defect for the Major Structural Defect coverage: roofing and sheathing; drywall and plaster; exterior siding; brick, stone and stucco veneer; floor covering material; wall title and other wall coverings; non-load bearing walls and partitions; concrete floors in attached garages and basements that are built separately fro foundations walls or other structural elements of the Home; electrical, plumbing, heating, cooling and ventilation systems; appliances, fixtures and items of equipment; paint; doors and windows; trim; hardware; insulation.

Seller under this coverage is not responsible for any defects in any work or materials ordered directly by Purchaser from Seller's subcontractors or suppliers or other outside suppliers or subcontractors or for incidental or consequential damages resulting from such work or materials.

ALL TIME PERIODS FOR THESE COVERAGE ARE OF THE ESSENCE AND WILL NOT BE EXTENDED.

8. Exclusions from All Coverage. The following are excluded from the Basic Coverage, Major System Coverage, and Major Structural Defect Coverage:

(a) Loss or damage caused by workmanship performed by any person other than (i) the Seller, (ii) an agent of the Seller, or (iii) a subcontractor of the Seller.

(b) Loss or damage caused by defective materials supplied by any person other than (i) the Seller, (ii) and agent of the Seller, or (iii) a subcontractor of the Seller.

(c) Loss or damage caused by defective design provided by any person other than a design professional retained exclusively by the Seller.

(d) Patent defects including defects shown on the Final Inspection Sheet and defects which an examination of the Home prior to acceptance of the deed or occupancy of the Home ought to have revealed.

(e) Defects in outbuildings including but not limited to detached garages and detached carports (except outbuildings which contain the plumbing, electrical, heating, cooling or ventilation systems serving the Home); site located swimming pools and other recreational facilities; driveways; walkways; patios; boundary walls, retaining walls, bulkheads; fences; landscaping (including sodding, seeding, shrubs, trees and plantings); off-site improvements or any other improvements not a part of the Home itself.

(f) After the first year Basic Coverage, concrete floors of basements and concrete floor of attached garages that are built separately from foundation walls or other structural elements of the Home.

(g) Raised butt joints; ridging, scuffing on kitchen cabinet or vanity surfaces; variations of wood grain or staining of kitchen cabinets or vanities; shading variations of the exterior siding staining (on the face surface or grooves), and on facias from staining; doors and windows sticking because of weather; adjustment of bi-fold doors; chips, scratches, marks, breaks or other blemishes in windows, sliding doors, screens, electrical fixtures and globes, woodwork and doors; dented appliances; broken screens; and minor chips (nicks) to cultured marble floors and countertops;

(h) Any damage to the extent that it is caused or made worse by:

(1) negligence, improper maintenance, or improper operation by anyone other than the Seller, its employees, agents, or subcontractors; or

(2) failure by the Purchaser or anyone other than the Seller, its employees, agents or subcontractors, to comply with the warranty requirements of manufacturers or suppliers of appliances, fixtures or items of equipment; or

(3) failure of Purchaser to give notice to Seller of any defects or damage within a reasonable time; or

(4) changes in the grading by anyone other than the Seller, its employees, agents or subcontractors; or

(5) changes, alterations or additions made to the Home by anyone after the Warranty Date shown on Page 1; or

(6) dampness or condensation due to failure of the Purchaser or occupant to maintain adequate ventilation.

(i) Any condition which does not result in actual physical damage to the Home.

(j) Loss or damage caused by or resulting from accidents, riot and civil commotion, fire, explosion, smoke, water escape, falling objects, aircraft, vehicles, Acts of God, lighting, windstorm, hail, flood, mudslide, earthquake, volcanic eruption, wind-driven water, and not reasonably foreseeable

changes in the underground water table.

(k) Loss and damage caused by seepage of water unless such loss or damage is the direct result of a construction defect.

(l) Any damage caused by soil movement for which compensation is provided by legislation or which is covered by other insurance.

(m) Any damage which the Home Owner has not taken timely action to minimize.

(n) Normal wear and tear and normal deterioration.

(o) Insect damage, vermin and/ or rodent damage, or infestation or damage caused by animals or pets.

(p) Bodily injury or damage to personal property.

(q) Failure of the Seller to complete construction of the Home.

(r) Loss or damage which arises while the Home is being used primarily for nonresidential purposes.

(s) Loss or damage due to abnormal loading on floors by the Home Owner which exceeds design loads as mandated by the Building Code.

(t) Costs of shelter, transportation, food, moving, storage or other incidental expense related to relocation during repair.

(u) Consequential, incidental, special and indirect damages.

(v) Any claim not filed in a manner set forth below in Paragraph 8, "Step-by-Step Claims Procedures".

7. Warranty. Of a defect occurs in an item covered by this Limited Warranty, the Seller will repair, replace or pay the Purchaser the reasonable cost of repairing or replacing the defective items(s) within a reasonable time after the Seller's inspection or testing discloses the problem. The choice among repair, replacement or payment is solely that of the Seller.

In no event will the Seller's total liability for deficiencies under this Limited Warranty exceed the Seller's Limit of Total Liability, shown on Page 1.

Repair, replacement or payment of payment of reasonable cost for any Major Structural Defect is further limited to (1) the repair of damage to the load-bearing portions of the Home themselves which is necessary to restore their load-bearing function; and (2) the repair of those items of the Home damaged by the Major Structural Defect which made the Home unsafe, insanitary or otherwise unlivable.

When the Seller finishes repairing or replacing the defect or pays the reasonable cost of doing so, a full release of all legal obligations with respect to the defect must signed and delivered to the Seller.

8. Step-by-Step /Claims Procedure. (a) Written notice of any warranty claim must be made on the attached "Notice of Warranty Claim Form" and must be received by the Seller no later than the first business day after warranty coverage on that item expires. If this Notice of Warranty Claim Form is not properly completed and received by the Seller by that deadline, the Seller will have no duty to respond to any complaint or demand, and any or all claims may be rejected.

NOTICE OF WARRANTY CLAIM IS NECESSARY TO PROTECT RIGHTS TO WARRANTY PERFORMANCE UNDER THIS LIMITED WARRANTY.

(b) No steps taken by the Seller, Purchaser or any other person to inspect, test or correct defects will extend any time period under this Limited Warranty. The Seller's response to any complaint or request, other than a timely or properly completed Notice of Warranty Claim, will not impair, prejudice or otherwise affect any right of the Seller, including but not limited to the Seller's right to receive a timely and properly completed Notice of Warranty Claim.

(c) In response to a Notice of Warranty Claim, or any other complaint or request of the Purchaser, the Seller and the Seller's agents will have the right to inspect and test the portion of the Home to which the claim, complaint or request relates. The Purchaser and occupants of the Home must provide reasonable access to the Seller and the Seller's agents during normal business hours to complete inspection, testing and repair replacement.

(d) The Seller will complete inspection and testing within a reasonable time under the circumstances, not to exceed thirty (30) days after receipt of a timely and properly completed Notice of Warranty Claim Form. Upon completion of inspection and testing, the Seller will determine whether to accept or reject the claim. If the Seller rejects the claim the Seller will give written notice of that decision to the claimant at the address shown on Notice of

Claim Form. If the Seller accepts the claim, the Seller will take corrective action within a reasonable time under circumstances and, upon completion, will give written notice of completion to the claimant at the address shown on the Notice of Claim Form. The Seller will use good faith efforts to process and handle claims in a timely manner, but all time periods for repair or replacement of defects necessarily are subject to weather conditions, Acts of God, availability of materials, and other events beyond the Seller's control.

9. Legal Actions. (a) No claim or cause of action under this Limited Warranty may be commenced or asserted in any suit, action, or other legal proceeding against the Seller in any Court or forum unless notice of the claim or cause of action has been received by the Builder in a timely and properly completed Notice of Warranty Claim From as provided in paragraph 8 above.

10. General Provisions. (a) This Limited Warranty may not be changed or amended in any way.

(b) This Limited Warranty is to be binding upon the Seller and the Purchaser, their heirs, executives, administrators, successors, and assigns.

(c) Should any provision of the Limited Warranty be deemed unenforceable by a Court of a competent jurisdiction, the determination will not affect the enforceability of the remaining provisions.

(d) Use of one gender in this Limited Warranty includes the other gender, and use of the plural includes the singular, as may be appropriate.

(e) This Limited Warranty is to be governed in accordance with the Laws of the State of New York.

(f) To the extent any coverage under this Warranty applies to common elements of a condominium, such coverage shall be deemed given to the Board of Managers of the condominium.

(g) Reference herein to the "Home" shall be synonymous with "Unit" as such term is used in the Offering Plan.

NOTICE OF WARRANTY CLAIM FORM

Dear Home Owner:

To ask the Seller to correct a defect in your Home which you think is covered by the Limited Warranty, you must complete this form and deliver it to the Seller. This is necessary to protect your rights to warranty performance under the Limited Warranty. Even if you believe that the Seller is aware of the problem, fill out this form and deliver it to the Seller.

The information you will need to fill out the form will be on Page 1 of the Limited Warranty. However, if you do not know the answers to any questions, write "Don't Know". Please do not leave any item blank.

Your Name:_____ Mailing Address:_____ Phone:_____

Limited Warranty No.: _____ Warranty Date: _____

Describe the defect(s) which you think are covered by the Limited Warranty. be sure to include when each defect first occurred or when you first noticed it. Use additional sheets, as necessary, to fully describe the problem.

_____ _____
(signature) (date)

_____ _____
(signature) (date)

ACCEPTED STANDARDS

The Performance Standards list specific items (defects) within each separate area of coverage. The first section covers Workmanship and Materials; the second sections covers Systems. The standards are expressed in terms of performance criteria. For easy comprehension, the format is designed as follows:

1. Possible Deficiency	a brief statement, in simple terms, of problems that may be encountered.
2. Performance Standard	performance standard relating to a specific deficiency.
3. Responsibility	a statement of the corrective action required of the Builder to repair the deficiency or statement of the Home Owner's maintenance responsibilities.

Workmanship and Materials, First Year Only

1. Site Work
2. Concrete
3. Masonry
4. Wood and Plastic
5. Thermal and Moisture Protection
6. Doors and Windows
7. Finishes
8. Specialties
9. Equipment
10. Plumbing
11. Heating and Cooling
12. Ventilation
13. Electrical Systems, First and Second Year
14. Plumbing System
15. Ventilation System
16. Electrical System

PERFORMANCE STANDARDS

1. SITE, WORK, COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Site Grading

Deficiency:	Setting of ground around foundation, utility trenches or other areas.
Standard:	Setting of ground around foundation walls, utility trenches or other filled areas shall not interfere with water drainage away from the Home.
Responsibility:	If the Builder has provided final grading: upon request by the Home Owner, Builder shall fill settled areas affecting proper drainage, one time only, during the first year of the Limited Warranty period. Home Owner shall be responsible for removal and replacement of shrubs or other landscaping affected by placement of such fill.

B. Site Drainage

Deficiency:	Improper drainage of the site.
Standard:	The necessary grades and swales shall have been established by the Builder to insure proper drainage away from the Home. Standing or ponding water shall not remain for extended periods in the immediate area after a rain (generally no more than 24 hours), except that in swales which drain other areas, or in areas where sump pumps discharge, a longer period can be anticipated (generally no more than 48 hours). The possibility of standing water after an unusually heavy rainfall should be anticipated. No grading determination shall be made while there is frost or snow on the ground, or while the ground is saturated.
Responsibility:	The Builder is responsible only for initially establishing the proper grades and swales. The Home Owner is responsible for maintaining such grades and swales once they have been properly established.

2. CONCRETE COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Expansion and Contraction Joints

Deficiency:	Basement or foundation wall cracks.
Standard:	Shrinkage cracks are not unusual in concrete foundation walls. Such cracks greater than 1/8 inch in width shall be repaired.
Responsibility:	Builder will repair cracks in excess of 1/8 inch wide.
Deficiency:	Cracking of basement floor.
Standard:	Minor cracks in basement floors are normal. Cracks exceeding 3/16 inch in width or 1/8 inch in verticle displacement shall be repaired .

Responsibility:	Builder will repair cracks exceeding maximum tolerances by surface patching or other methods.
Deficiency:	Cracking of slab in attached garage.
Standard:	Cracks in garage slabs in excess of 1/4 inch in width or 1/4 inch in vertical displacement shall be required.
Responsibility:	Builder will repair cracks exceeding maximum tolerances by surface patching or other methods as required.
Deficiency:	Uneven concrete floors/slabs.
Standard:	Except for basement floors or where a floor or portion of floor has been designed for specific drainage purposes, concrete floors in rooms designed for habitability shall not have pits, depressions, or areas of unevenness exceeding 1/4 inch in 32 inches.
Responsibility:	Builder will correct or repair to meet the Performance Standard.
Deficiency:	Cracks in concrete slab-on-grade floors with finish flooring.
Standard:	Cracks which rupture the finish flooring material shall be repaired.
Responsibility:	Builder will repair cracks, as necessary, so as not to be readily apparent when the finish flooring material is in place. (See also Performance Standard 7, "Finishes".)
Deficiency:	Pitting, scaling or spalling of concrete work covered by this Limited Warranty.
Standard:	Concrete surfaces shall not disintegrate to the extent that the aggregate is exposed and loosened under normal conditions of weathering and use.
Responsibility.	Builder will take whatever corrective action necessary to repair defective concrete surfaces. Builder isn't responsible for deterioration caused by salt, chemicals, mechanical implements & other factors beyond its control.
Deficiency:	Settling, heaving or separating of stoops, steps or garage floors.
Standard:	Stoops, steps or garage floors shall not settle, heave or separate in excess of 1 inch from the house structures.
Responsibility:	Builder will take whatever corrective action is required to meet the Performance Standard.
Deficiency:	Standing water on stoops.
Standard:	Water should drain from outdoor stoops and steps. The possibility of minor water standing on stoops for a short period after rain can be anticipated.
Responsibility:	Builder shall take corrective action to assure drainage of steps and stoops.

3. MASONRY COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Unit Masonry

Deficiency:	Basement or foundation wall cracks.
Standard:	Small crack not affecting structural stability are not unusual in mortar joints of masonry foundation walls. Cracks greater than 1/8 inch in width shall be repaired.
Responsibility:	Builder will repair cracks in excess of 1/8 inch by pointing or patching. These deficiencies shall be reported and repairs made during the first year of the Limited Warranty period.
Deficiency:	Cracks in masonry wall or veneer.
Standard:	Small hairline cracks due to shrinkage are common in mortar joints in masonry construction. Cracks greater than 3/8 inch in width are considered excessive.
Responsibility.	Builder will repair cracks in excess of Performance Standard by pointing or patching. These repairs shall be made during the first year of the Limited Warranty period. Builder will not be responsible for color variation between old and new mortar.

4. WOOD AND PLASTIC COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Rough Carpentry

Deficiency:	Floors squeak or subfloor appears loose.
Standard:	Floor squeaks and loose subfloor are often temporary conditions common to new construction, and a squeak-proof floor cannot be guaranteed.
Responsibility:	Builder will correct the problem only if caused by underlying construction defect.
Deficiency:	Uneven wood floors.
Standard:	Floors shall not have more than 1/4 inch ridge or depression within any 32 inch measurement when measured parallel to the joists. Allowable floor and ceiling joist deflections are governed by the applicable building code.
Responsibility:	Builder will correct or repair to meet Performance Standard.
Deficiency:	Bowed walls.
Standard:	All interior and exterior walls have slight variances on their finished surfaces. Bowing of walls should not detract from or blemish the wall's finished surface. Walls should not bow more than 1/4 inch out of line within any 32 inch horizontal or vertical measurement.
Responsibility:	Builder will repair to meet Performance Standard.
Deficiency:	Out-of-plumb walls.
Standard:	Walls should not be more than 1/4 inch out of plumb for any 32 inch vertical measurement.
Responsibility:	Builder will repair to meet Performance Standard.

B. Finish Carpentry (Interior)

Deficiency:	Poor quality of interior trim workmanship.
Standard:	Joints in moldings or joint between moldings and adjacent surface shall not result in open joints exceeding 3/8 inch in width.
Responsibility:	Builder will repair defective joints, as defined. Caulking is acceptable.

C. Finish Carpentry (Exterior)

Deficiency:	Poor quality of exterior trim workmanship.
Standard:	Joints between exterior trim elements, including siding and masonry, shall not result in open joints in excess of 3/8 inch. In all cases the exterior trim, masonry and siding shall be capable of performing its function to exclude the elements.
Responsibility:	Builder will repair open joints, as defined. Caulking is acceptable.

5. THERMAL AND MOISTURE COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Waterproofing

Deficiency:	Leaks in basement.
Standard:	Leaks resulting in actual trickling of water shall be repaired. Leaks caused by improper landscaping or failure to maintain proper grades are not covered by this Limited Warranty. Dampness or seepage of the walls or floors may occur in new construction and is not considered a deficiency.
Responsibility.	Builder will take such action as necessary to correct basement leaks except where the cause is determined to result from Home Owner action or negligence.

B. Insulation

Deficiency:	Insufficient insulation.
Standard:	Insulation shall be installed in accordance with applicable energy and building code requirements.
Responsibility:	Builder will install insulation in sufficient amounts to meet Performance Standard.

C. Louvers and Vents

Deficiency:	Leaks due to snow or rain driven into the attic through louvers or vents.
Standard:	Attic vents and/or louvers must be provided for proper ventilation of the attic space of the structure.
Responsibility:	None.

D. Roofing and Siding

Deficiency:	Iced build-up on roof.
Standard:	During prolonged cold spells, ice build-up is likely to occur at the eaves of a roof. This condition occurs when snow and ice accumulate and gutters and down spouts freeze up.
Responsibility:	Prevention of ice build-up on the roof is a Home Owner maintenance item.
Deficiency:	Roof or flashing leaks.
Standard:	Roofs or flashing shall not leak under normally anticipated conditions, except where cause is determined to result from ice build-up or Home Owner action or negligence.
Responsibility:	Builder will repair any verified roof or flashing leaks not caused by ice build-up or Home Owner action negligence.
Deficiency:	Standing water on flat roof.
Standard:	Water shall drain fro flat roof except for minor ponding immediately following rainfall or when the roof is specifically designed for water retention.
Responsibility:	Builder will take corrective action assure proper drainage of roof.
Deficiency:	Delamination of veneer siding or joint separation.
Standard:	All siding shall be installed according to the manufacturer's and industry's accepted standards. Separation and delaminations shall be repaired or replaced.
Responsibility:	Builder will repair or replace siding as needed unless caused by Home Owner's neglect to maintain siding properly. Repaired area may not match in color and/or texture. For surfaces requiring paint, Builder will paint only the new materials. The Home Owner can expect that the newly painted surface may not match original surface in color.

E. Sheet Metal

Deficiency:	Gutters and/or down spouts leak.
Standard:	Gutter and down spouts shall not leak but gutters may overflow during heavy rain.
Responsibility:	Builder will repair leaks. It is Home Owner responsibility to keep gutters and down spouts free of leaves and debris which could cause overflow.

Deficiency: Water standing in gutters.
Standard: When gutter is unobstructed by debris, the water level shall not exceed one (1) inch in depth. Industry practice is to install gutters approximately level. Consequently, it is entirely possible that small amounts of water will stand in certain sections of gutter immediately after a rain.
Responsibility: Builder will correct to meet Performance Standard.

F. Sealants
Deficiency: Leaks in exterior wall due to inadequate caulking.
Standard: Joints and cracks in exterior wall surfaces and around openings shall be properly caulked to exclude the entry of water.
Responsibility: Builder will repair and/or caulk joints or cracks in exterior wall surfaces as required to correct deficiencies once, during the first year of the Limited Warranty period. Even properly installed caulking will shrink and must be maintained during life of the Home.

6. DOORS AND WINDOWS: COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Wood and Plastic Doors
Deficiency: Warpage of exterior doors.
Standard: Exterior doors will warp to some degree due to temperature differential on inside and outside surfaces. However, they shall not warp to the extent that they become inoperable or cease to be weather resistant or exceed National Woodwork Manufacturers Association Standards (1/4 inch, measured diagonally from corner to corner).
Responsibility: Builder will correct or replace and refinish defective doors, during the first year of the Limited Warranty period.
Deficiency: Warpage of interior passage and closet doors.
Standard: Interior doors (full openings) shall not warp in excess of National Woodwork Manufacturers Association Standards. (1/4 inch measured diagonally from corner to corner).
Responsibility: Builder will correct or replace and refinish defective doors to match existing doors as nearly as possible, during the first year of the Limited Warranty period.
Deficiency: Shrinkage of insert panels show raw wood edges.
Standard: Panels will shrink and expand and may expose unpainted surface.
Responsibility: None.
Deficiency: Split in door panel.
Standard: Split panels shall not allow light to be visible through the door.
Responsibility: Builder will, if light is visible, fill split and match paint or stain as closely as possible, one time in first year of Limited Warranty period.

B. Glass
Deficiency: Broken glass
Standard: None
Responsibility: Broken glass not reported to Builder prior to closing is the Home Owner's responsibility.

C. Garage Doors on Attached Garages
Deficiency: Garage doors fail to operate properly, under normal use.
Standard: Garage doors shall operate properly.
Responsibility: Builder will correct or adjust garage doors as required, except where the cause is determined to result from Home Owner action or negligence.
Deficiency: Garage doors allow entrance of snow or water.
Standard: Garage doors shall be installed as recommended by the manufacturer. Some entrance of the elements can be expected under abnormal conditions.
Responsibility: Builder will adjust or correct garage doors to meet manufacturer's recommendations.

D. Wood, Plastic and Metal Windows
Deficiency: Malfunction of windows.
Standard: Windows shall operate with reasonable ease, as designed.
Responsibility: Builder will correct or repair as required.
Deficiency: Condensation and/or frost on windows.
Standard: Windows will collect condensation on interior surfaces when extreme temperature differences and high humidity levels are present. Condensation is usually the result of climatic/humidity conditions, created by the Home Owner.
Responsibility. Unless directly attributed to faulty installation, window condensation is a result of conditions beyond the Builder's control. No corrective action required.

E. Weatherstripping and Seals

Deficiency:	Air infiltration around doors and windows.
Standard:	Some infiltration is normally noticeable around doors and windows, especially during high winds. Poorly fitted weatherstripping shall be adjusted or replaced. It may be necessary for the Home Owner to have storm doors and windows installed to provide satisfactory solutions in high wind areas.
Responsibility:	Builder will adjust or correct poorly fitted doors, windows and poorly fitted weatherstripping.

7. FINISHES: COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Lath and Plaster

Deficiency:	Cracks in interior wall and ceiling surfaces.
Standard:	Hairline cracks are not unusual in interior wall and ceiling surfaces. Cracks greater than 1/8 inch in width shall be repaired.
Responsibility:	Builder will repair cracks exceeding 1/8 inch in width as required one time only, during the first year of the Limited Warranty period. (See also Performance Standard 7.f "Painting.")

B. Gypsum Wallboard

Deficiency:	Defects which appear during firs year of Limited Warranty such as nail pops, blisters in tape or other blemishes.
Standard:	Slight "imperfections" such as nail pops, seam lines and cracks not exceeding 1/8 inch in width are common in gypsum wallboard installations and are considered acceptable.
Responsibility:	Builder will repair only cracks exceeding 1/8 inch in width, one time only, during the first year of the Limited Warranty period. (See also Performance Standard 7.F "Painting".)

C. Ceramic Tile

Deficiency:	Ceramic tile cracks or becomes loose.
Standard:	Ceramic tile shall not crack or become loose.
Responsibility:	Builder will replace cracked tiles and re-secure loose tiles unless the defects were caused by the Home Owner action or negligence. Builder will not be responsible for discontinued patters for color variations in ceramic tile.
Deficiency:	Cracks appear in grouting of ceramic tile joints or at junctions with other materials such as a bathtub.
Standard:	Cracks in grouting of ceramic tile joints are commonly due to normal shrinkage conditions.
Responsibility:	Builder will repair grouting in necessary one time only, during the first year of the Limited Warranty period. Builder will not be responsible for color variations or discontinued colored grout. Regrouting of these cracks is a maintenance responsibility of the Home Owner within the life of the Home.

D. Finished Wood Flooring

Deficiency:	Cracks developing between floor boards.
Standard:	Cracks in excess of 1/8" wide shall be corrected.
Responsibility:	Builder will repair cracks in excess of 1/8 inch in width within the first year of the Limited Warranty period, by filling, or replacing, at Builder's option.

E. Resilient Flooring

Deficiency:	Nail pops appear on the surface of resilient flooring.
Standard:	Readily apparent nail pops shall be repaired.
Responsibility:	Builder will correct nail pops which have broken the surface. Builder will repair or replace, at Builder's sole option, resilient floor covering in the affected area with similar material. Builder will not be responsible for discontinued patterns or color variations in the floor covering.
Deficiency:	Depressions or ridges appear in the resilient flooring due to subfloor irregularities.
Standard:	Readily apparent depressions or ridges exceeding 1/8 inch shall be repaired. The ridge or depression measurement is taken as the gap created at one end of a six-inch straightedge placed over the depression or ridge with three inches of the straightedge on one side of the defect, held tightly to the floor.
Responsibility:	Builder will take corrective action as necessary, to bring the defect within acceptable tolerance so that the affected area is not readily visible. Builder will not be responsible for discontinued patters or variations in floor covering.
Deficiency:	Resilient flooring loses adhesion.
Standard:	Resilient flooring shall not lift, bubble or become unglued.
Responsibility:	Builder will repair or replace, at Builder's sole option, the affected resilient flooring as required. Builder will not be responsible for discontinued patterns or color variation of floor covering, or for problems caused by Home Owner neglect or abuse.

F. Painting

Deficiency:	Exterior paint or satin peels, deteriorates or fades.
Standard:	Exterior paints or stains should not fail during the first year of the Limited Warranty period. However, fading is normal and the degree is dependent on climatic conditions.
Responsibility:	If paint or stain is defective, Builder will properly prepare and refinish affected areas, matching color as close as possible. Where finish deterioration affects the majority of the wall area, the whole area will be refinished.
Deficiency:	Painting required as corollary repair because of other work.
Standard:	Repairs required under this Limited Warranty shall be finished to match surrounding areas as closely as practicable.
Responsibility:	Builder will finish repair areas as indicated.
Deficiency:	Deterioration of varnish or lacquer.
Standard:	Natural finishes on interior woodwork shall not deteriorate during the first year of the Limited Warranty period. However, varnish type finishes used on the exterior will deteriorate rapidly and are not covered by the Limited Warranty.
Responsibility:	Builder will retouch affected areas of natural finish interior woodwork, matching the color as closely as possible.
Deficiency:	Mildew or fungus on painted surfaces.
Standard:	Mildew or fungus will form on a painted surface if the structure is subject to abnormal exposures (i.e., rainfall, ocean, lake or river front.)
Responsibility:	Mildew or fungus formation is a condition the Builder cannot control and is a Home Owner maintenance item unless it is a result of noncompliance with other sections of the Performance Standard.

G. Wall Covering

Deficiency:	Peeling of wall covering.
Standard:	Peeling of wall covering shall not occur.
Responsibility:	Builder will repair or replace defective wall covering applications.
Deficiency:	Edge mismatching in patter of wall covering.
Standard:	None
Responsibility:	None

H. Carpeting

Deficiency:	Open carpet seams.
Standard:	Carpet seams will show. However, no visible gap is acceptable.
Responsibility:	Builder will correct.
Deficiency	Carpeting becomes loose, seams separate or stretching occurs.
Standard:	Wall to wall carpeting, installed as the primary floor covering, when stretched and secured properly shall not come up, become loose, or separate form its point of attachment.
Responsibility:	Builder will re-stretch or re-secure carpeting as needed, if original installation was performed by Builder.
Deficiency:	Spots on carpet, minor fading.
Standard:	Exposure to light may cause spots on carpet and/or minor fading.
Responsibility:	None

I. Special Coatings

Deficiency:	Cracks in exterior stucco wall surfaces.
Standard:	Cracks are not unusual in exterior stucco wall surfaces. Cracks greater than 1/8 inch in width shall be repaired.
Responsibility:	Builder will repair cracks exceeding 1/8 inch in width, one time only, during the first year of the Limited Warranty period.

8. SPECIALTIES: COVERAGES 1ST YEAR ONLY, WORKMANSHIP & MATERIALS

A. Louvers and Vents

Deficiency:	Inadequate ventilation of attics and crawl spaces.
Standard:	Attic and crawl spaces shall be ventilated as required by the approved building codes.
Responsibility:	The Builder shall provide for adequate ventilation. Builder will not be responsible for alterations to the original system.

B. Fireplaces

Deficiency:	Fireplace and chimney does not draw properly.
Standard:	A properly designed and constructed fireplace and chimney shall function properly. It is normal to expect that high winds can cause temporary negative draft situations. Similar negative draft situations can also be caused by obstructions such as large branches of trees too close to the chimney. Some homes may need to have a

	window opened slightly to create an effective draft, if they have been insulated and weatherproofed to meet high energy conservation criteria.
Responsibility:	Builder will determine the cause of malfunction and correct, if the problem is one of design or construction of the fireplace.
Deficiency:	Chimney separation form structure to which it is attached.
Standard:	Newly built fireplaces will often incur slight amounts of separation. Separation shall not exceed ½ inch from the main structure in any 10 foot vertical measurement.
Responsibility:	Builder will determine the cause of separation and correct if standard is not met. Caulking is acceptable.
Deficiency:	Firebox paint changed by fire.
Standard:	None.
Responsibility:	None. Heat and flames from "roaring" fires will cause cracking.

9. EQUIPMENT: COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Residential Equipment

Deficiency:	Surface cracks, point delaminations and chips in high pressure laminates on vanity and kitchen cabinet countertops.
Standard:	Countertops fabricated with high pressure laminate coverings shall not delaminate.
Responsibility:	Builder will replace delaminated coverings to meet specific criteria. Builder will not be responsible for chips and cracks noted following first occupancy.
Deficiency:	Kitchen cabinet malfunctions.
Standard:	Warpage not to exceed 1/4 inch as measured from face frame to point of furthermost warpage with door or drawer front closed position.
Responsibility:	Builder will correct or replace doors or drawer fronts.
Deficiency:	Gaps between cabinets, ceiling or walls.
Standard:	Acceptable tolerance 1/4 inch in width.
Responsibility:	Builder will correct to meet Performance Standard.

10. PLUMBING: COVERAGE: 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Water Supply System

Deficiency:	Plumbing pipes freeze and burst.
Standard:	Drain, waste and vent, and water pipes shall be adequately protected, as required by applicable code, during normally anticipated cold weather, and as defined in accordance with ASHREA design temperatures, to prevent freezing.
Responsibility:	Builder will correct situations not meeting the code. It is the Home Owner's responsibility to drain or otherwise protect lines and exterior faucets exposed to freezing temperatures.

B. Plumbing System

Deficiency:	Faucet or valve leak.
Standard:	No valve or faucet shall leak due to defects in workmanship and materials.
Responsibility:	Builder will repair or replace the leaking faucet or valve.
Deficiency:	Defective plumbing fixtures, appliances or trim fittings.
Standard:	Fixtures, appliances or fittings shall comply with their manufacturer's standards.
Responsibility:	Builder will replace any defective fixture or fitting which does not meet acceptable standards, as defined by manufacturer.
Deficiency:	Noisy water pipes.
Standard:	There will be some noise emitting from the water pipe system, due to the flow of water. However, water hammer shall be eliminated.
Responsibility:	Builder cannot remove all noises due to water flow and pipe expansion. Builder will correct to eliminate "water hammer".
Deficiency:	Cracking or chipping of porcelain or fiberglass surfaces.
Standard:	Chips and cracks on surfaces of bathtubs and kitchen sinks can occur when surface is hit with sharp or heavy objects.
Responsibility:	Builder will not be responsible for repairs unless damage has been reported to Builder prior to first occupancy.

11. HEATING AND COOLING: COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Heating

Deficiency: Inadequate heating.

Standard: Heating system shall be capable of producing and inside temperature of 70 degrees F, as measured in the center of each room at a height of 5 feet above the floor, under local outdoor winter design conditions as specified in ASHREA handbook. Federal, state or local energy codes shall supersede this standard where such codes have been locally adopted.

Responsibility: Builder will correct heating system to provide the required temperatures. However, the Home Owner shall be responsible for balancing dampers, registers and other minor adjustments.

B. Refrigeration

Deficiency: Inadequate cooling.

Standard: Where air-conditioning is provided, the cooling system shall be capable of maintaining a temperature of 78 degrees F, as measured in the center of each room at a height of 5 feet above the floor, under local outdoor summer design conditions as specified in ASHRAE handbook. In case of outside temperature exceeding 95 degrees F, a differential of 15 degrees F fro the outside temperature will be maintained. Federal, state or local energy codes shall supersede this standard where such codes have been adopted.

Responsibility: Builder will correct cooling system to meet temperature conditions, in accordance with specifications.

C. Condensation Lines

Deficiency: Condensation lines clog up.

Standard: None.

Responsibility. Condensation lines will clog eventually under normal use. This is a Home Owner maintenance item. Builder shall provide unobstructed condensation lines at time of first occupancy.

D. Evaporating Cooling

Deficiency: Improper mechanical operation.

Standard: Equipment shall function properly at temperature standard set.

Responsibility: Builder will correct and adjust so that blower and water system operate as designed.

12. VENTILATION: COVERAGE 1ST YEAR, WORKMANSHIP AND MATERIALS

A. Air Distribution

Deficiency: Noisy ductwork.

Standard: When metal is heated it expands and when cooled it contracts. The result is "tickling" or "cracking" which is generally to be expected.

Responsibility: None.

Deficiency: Oilcanning.

Standard: The stiffening of the ductwork and the gauge of the metal used shall be such that ducts do not "oilcan". The booming noise caused by "oilcanning" is not acceptable.

Responsibility: Builder will correct to eliminate this sound.

13. ELECTRICAL: COVERAGE 1ST YEAR ONLY, WORKMANSHIP AND MATERIALS

A. Electrical Conductors, Fuses, and Circuit Breakers

Deficiency: Fuses blow or circuit breakers (excluding ground fault interruptors) "kick out".

Standard: Fuses and circuit breakers shall not activate under normal usage.

Responsibility. Builder will check wiring circuits for conformity with local, state or approved national electrical code requirements. Builder will correct circuitry not conforming to code specifications.

B. Outlets, Switches and Fixtures

Deficiency: Drafts from electrical outlets.

Standard: Electrical junction boxes on exterior wall may produce air flow whereby the cold air can be drawn through the outlet into a room. The problem is normal in new home construction.

Responsibility: None.

Deficiency: Malfunction of electrical outlets, switches or fixtures.

Standard: All switches, fixtures and outlets shall operate as intended.

Responsibility: Builder will repair or replace defective switches, fixtures and outlets.

C. Service and Distribution

Deficiency: Ground fault interrupter trips frequently.

Standard: Ground fault interrupters are sensitive safety devices installed into the electrical system to provide protection against electrical shock. These sensitive devices can be tripped very easily.

Responsibility: Builder shall install ground fault interrupter in accordance with approved electrical code. Tripping is to be expected and is not covered, unless due to a construction defect.

SYSTEMS: FIRST AND SECOND YEARS

14. PLUMBING SYSTEM: COVERAGE 1ST AND 2ND YEARS, SYSTEMS

A. Water Supply

Deficiency: Water system fails to deliver water.

Standard: All non-site service connections to municipal water main and private water supply shall be the Builder's responsibility. Private systems shall be designed and installed in accordance with all approved building, plumbing and health codes.

Responsibility: Builder will repair if failure is the result of defective workmanship or materials. If conditions beyond Builder's control disrupt or eliminate the sources of the supply, the Builder has no responsibility.

B. Septic Tank System

Deficiency: Septic system fails to operate properly.

Standard: Septic system shall function adequately during all seasons, under climatic conditions normal or reasonable anticipated (based on local records) for the location of the home. Septic system shall be designed and installed to comply with applicable, approved Code requirements.

Responsibility: Builder will repair, or otherwise correct, a malfunctioning or non operating system, if failure is caused by inadequate design, faulty installation, or other cause relating to actions of the builder or contractors or subcontractors under the builder's control. Builder will not be responsible for system malfunction or damage which is caused by owner negligence, lack of system maintenance, or other causes attributable to actions of the owner or owner's contractors, not under the control of the builder, including, but not necessarily limited to: the addition of fixtures, items of equipment, appliances or other sources of waste or water to the plumbing system served by the septic system; and damage, or changes, to the septic system installation or surrounding soil conditions critical to system's functioning.

C. Piping

Deficiency: Leakage from any pipe.

Standard: No leaks of any kind shall exist in any soil, waste, vent, or water pipe. Condensation on piping does not constitute leakage, and is not covered.

Responsibility: Builder will make repairs to eliminate leakage.

Deficiency: Stopped up sewers, fixtures and drains.

Standard: Sewers, fixtures and drains shall operate properly.

Responsibility: Builder will not be responsible for sewers, fixtures and drains which are clogged through the Home Owner negligence. If a problem occurs, the Home owner should consult Builder for a proper course of action. Where defective construction is shown to be the cause, Builder will assume the cost of the repair; where Home Owner negligence is shown to be the cause, the Home Owner shall assume all repair costs.

Deficiency: Refrigerant lines leak.

Standard: Refrigerant lines shall not develop leaks during normal operation.

Responsibility: Builder will repair leaking refrigerant lines and re-charge unit, unless damage was caused by the Home Owner.

15. VENTILATION SYSTEM: COVERAGE 1ST AND 2ND YEAR, SYSTEMS

A. Air Distribution

Deficiency: Ductwork separates or becomes unattached.

Standard: Ductwork shall remain intact and securely fastened.

Responsibility: Reattach & resecure separated/unattached ductwork.

16. ELECTRICAL SYSTEM: COVERAGE 1ST AND 2ND YEAR, SYSTEMS

A. Wiring

Deficiency: Failure of wiring to carry is designed load.

Standard: Wiring should be capable of carrying the designed load for normal residential use.

Responsibility: Builder will check wiring for conformity with local, state, or approved national electrical code requirements. Builder will repair wiring not conforming to code specifications.

EXHIBIT F

DECLARATION

Establishing a Plan for Condominium Ownership of Kings Condominium at the premises known as 2113 Kings Highway, Brooklyn, New York, 11229, Pursuant to Article 9-B of the Real Property Law of the State of New York

SPONSOR:

2113 Kings Highway LLC
3845 Bedford Avenue
Brooklyn, New York 11229

Date of Declaration: , 2010

Prepared by:

S. SETH YAVNE

Attorney for Sponsor
3407 Avenue K
Brooklyn, New York 11210

The land affected by the within instrument lies in Block 6768, Lot 50 on the Tax Map of the County of Kings, City and State of New York.

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DECLARATION OF CONDOMINIUM
FOR KINGS CONDOMINIUM
THE PREMISES KNOWN AS 2113 KINGS HIGHWAY
BROOKLYN, NEW YORK 11229
(Pursuant to Article 9-B of the Real Property Law of the State of New York)

2113 Kings Highway LLC with offices at 3845 Bedford Avenue, Brooklyn, New York, 11229 (hereinafter referred to as "Sponsor"), hereby declares as follows:

PART 1

ARTICLE 1

Definitions

All capitalized terms used in this Declaration that are not otherwise defined in the Articles hereof shall have the meanings set forth in Exhibit C annexed hereto, unless the context in which the same are used shall otherwise require. All capitalized terms used in this Declaration that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of said capitalized terms shall be applicable to singular and to plural nouns, as well as to verbs of any tense.

Article 2

Submission of the Property

Sponsor hereby submits the Property to the provisions of the Condominium Act and, pursuant thereto, does hereby establish a regime for condominium ownership of the property as more particularly set forth herein and in the By-Laws.

Article 3

The Land

The Land, which is located in the Borough of Brooklyn, County of Kings, City and State of New York, and is more particularly described in Exhibit A annexed hereto, is owned by the Sponsor in fee simple absolute.

Article 4

The Building

The Condominium shall consist of twelve (12) Residential Units. The building shall have five (7) stories and roof. The Building is classified as 1-D construction pursuant to the Building Code of the City of New York, in which the walls, exit ways, shafts, structural members, floors and roofs are constructed of noncombustible materials and assemblies affording a fire resistant rating of at least one hour, with Class A occupancy. The principle material of which it is constructed is concrete, masonry, bricks, cinder blocks, with steel beams.

Article 5

The Units

(a) Exhibit B annexed hereto sets forth the following data with respect to each Unit necessary for the proper identification thereof: (i) its unit designation number and location; (ii) its tax lot number; (iii) its approximate area; (iv) the number of rooms contained therein; (v) the portions of the Common Elements to which such Unit has immediate access; and (vi) the Common Interest appurtenant to such Unit.

(b) The boundaries of the Units consist of the area measured horizontally between the surface of the gypsum wall boards enclosing each such Unit and the area measured vertically from the top of the floor to the underside of the gypsum wall board ceiling. However, any Common Elements located within a Unit shall not be considered a part of such Unit.

(c) The Units include the following areas in or bounding each such Unit; (i) the front entrance door and any other entrance doors to such Unit; (ii) the interior walls, partitions and floor coverings and gypsum wall board ceilings affixed, attached, or appurtenant to such Unit; (iii) all windows (including, without limitation, their panes, casements and frames) located within, or opening from, such Unit; (iv) any and all equipment, fixtures and appliances (including, without limitation, heating and cooling equipment, plumbing facilities, sinks, bathtubs, water closets, ranges, dishwashers and any other appliances) affixed, attached, or appurtenant to such Unit; and (v) all other Unit Facilities affixed, attached, or appurtenant to such Unit and benefiting only that Unit.

(d) Notwithstanding anything contained in this Article 5 to

the contrary, each Unit Owner shall have the right, exercisable at any time and from time to time, to install, at such Unit Owners sole cost and expense, such decorations, fixtures and coverings (including, without limitation, painting, finishing, wall papering, carpeting, pictures, mirrors, shelving and lighting fixtures) on the surfaces of the walls, ceilings and floors that face the interior of such Unit Owner's Unit, as shall be appropriate and desirable to such Unit Owner, provided that no such installation shall impair the structural integrity of such Unit or of the Building in which such Unit is located nor of any adjacent Unit.

Article 6

The Common Elements

(a) The Common Elements are comprised of (i) the General Common Elements, which are described in paragraph (b) of this Article 6 and (ii) the Limited Common Elements, which are described in paragraph (c) of this Article 6.

(b) The General Common Elements consist of the Land and those rooms, areas, corridors and other portions of the Building (other than the Units), as well as those Unit Facilities therein, either currently or hereafter existing for the common use of the Units or of the Unit Owners or necessary for, or convenient to, the existence maintenance, management, operation, or safety of the Property. Without intention to limit the generality of the foregoing in any respect, the General Common Elements include:

(i) the Land;

(ii) all foundations, columns, beams, supports, girders, exterior walls, interior walls, partitions, floors, roofs, and ceilings in, on, or under the Buildings, to the extent that the same are not expressly included as a part of a Unit pursuant to the terms of Article 5 hereof or as part of a Limited Common Element pursuant to the terms of paragraph (c) of this Article 6;

(iii) all hallways, corridors, lobbies, if any, vestibules, mail boxes, stairs, stairways, mechanical equipment spaces and entrances to, and exits from, the Building;

(iv) all central and appurtenant installations and Unit Facilities for services such as power, light, telephone, intercom, gas, sewer, plumbing, drainage, hot and cold water distribution, heat, garbage disposal, cable television and other mechanical and electrical systems to the extent that the same are not expressly included as a part of a Unit pursuant to the terms

of Article 5 hereof;

(v) the mechanical room located in the Building; and

(vi) all other parts of the Property, and all apparatus and installations now existing or hereafter constructed in the Building or on the Property, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property.

(c) The Limited Common Elements consist of all portions of the Land and the Building (other than the Units) that are for the use of one Unit to the exclusion of all other Units. The Limited Common Elements include without limitation any balcony to which there is direct and exclusive access from the interior of a Unit (which shall be for the exclusive use of such Unit).

(d) The Common Elements shall remain undivided, and no Unit Owner or any other Person shall bring, or shall have the right to bring, any action for partition or division thereof, except as is expressly permitted pursuant to the terms of Article 14 hereof and Section 5.5 of the By-Laws.

Article 7

Determination of Common Interests

The Common Interest of each Unit has been determined, pursuant to Section 339-i (1) (iv) of the Condominium Act, as set forth on Exhibit "B" to this Declaration.

Article 8

Use

(a) Except as set forth in the next sentence, each Unit may be used only as a residence. However,

(i) Sponsor shall have the right to use any one or more of its Unsold Units as model apartments and offices for selling, renting, management, operation, and promotion of the Unsold Units owned by it, subject only to compliance with the Law; and

(ii) Upon the consent of the Condominium Board, a Unit may be used as a professional or business office or for any other purpose provided that the nature and manner of such use complies with the Law and does not violate the then existing Certificate of Occupancy covering such Unit.

(b) (i) Any of the Units (other than Unsold Units) owned or leased by an individual, corporation, partnership, fiduciary or any other entity may be occupied only by such individual, or by a designated officer, director, stockholder or employee of such partnership, or by such fiduciary (including a designated director, officer, stockholder or employee of a corporate fiduciary and a designated partner or employee of a partnership fiduciary), or by the beneficiary of such fiduciary, or by a principal or designated employee of such other entity, respectively, or by Family Members or guests of any of the foregoing. Nothing contained herein shall prohibit the exclusive occupancy of the Unit in question by such Family Members. However, guests are permitted to occupy a unit only when the owner of such Unit or such Owners designee or its or his Family Members are present. Under no circumstances may more than one family occupy a Unit at one time.

(ii) Within 30 days after a Person, other than a natural person, becomes the owner of a Unit, such non-individual owner shall notify the Condominium Board or Managing Agent if any has been appointed, in writing, of the name of the officer, director, stockholder, partner or employee designated by such owner to occupy its Unit. The non-individual owner may change such designee from time to time by similar written notice to the Condominium Board or Managing Agent if any has been appointed. All designees must be bona fide officers, directors, stockholders, partners or employees of such owner.

(iii) The foregoing restrictions in this paragraph (b) do not apply to Unsold Units; they may be leased to any Persons (whether individuals, corporations, partnerships, fiduciaries or other entities) and, in the case of Unsold Units, occupied by any Person authorized by such lessee and approved by the owner of such Unsold Units, who is not required to comply with the designation notice requirement set forth in the preceding paragraph (b)(ii).

Article 9

Easements for the Enjoyment of Common Elements

(a) Subject to the terms of the By-Laws and the Rules and Regulations, the Unit Owner (including Sponsor, as long as it owns any Unit), all other permitted tenants and occupants of the Buildings, the Managing Agent (if any has been appointed), the Condominium Board and all officers, partners, employees, agents, guests, invitees and licensees of the foregoing shall have in common with all of the others, an easement for ingress and egress through, as well as for the use and enjoyment of, all of the

General Common Elements, and the General Common Elements shall be subject to such easement. Notwithstanding the foregoing, however, no person shall use or enjoy the General Common Elements except in accordance with the reasonable purpose for which they are intended and without encroaching upon the rights of other Permitted Persons to do so.

(b) Each Unit Owner whose Unit has one or more appurtenant Limited Common Elements shall have an exclusive easement for the use thereof.

(c) Notwithstanding anything to the contrary contained in paragraph (a) hereof, Sponsor and its successors, assignees, invitees, licensees, contractors, employees, agents and tenants shall have an easement in, over, under, through and upon the General Common Elements to use the same, without being subject to any fee or charge, for all purposes and activities in connection with the sale or renting of Unsold Units. In addition, Sponsor shall have the right, to the extent not prohibited by Law, to use one or more portions of the Common Elements, as designated by Sponsor, in its sole discretion, for sales, rental, or display purposes, which right shall include, without limitation, the right to place "for sale", "for rent" and other signs and promotional materials, of such size and content as Sponsor shall determine, in, on, about and adjacent to the Buildings (including on the exterior walls and adjacent sidewalk thereof) and the Property.

Article 10

Other Easements

(a) Subject to the terms of the By-Laws and to the Rules and Regulations, each Unit Owner shall have, in common with all other Unit Owners, an easement to use any of the Common Elements, and all pipes, wires, ducts, cables, conduits, public utility lines, and all other utility distribution systems, whether or not Common Elements, located in, over, under, through, adjacent to, or upon any other Unit or the Common Elements to the extent that such Common Elements and utility distribution system serves, or is necessary to the service of, such Unit Owners Unit and all of the Common Elements shall be subject to such easement. In addition, the Condominium Board shall have an easement and a right of access to each Unit and to the Common Elements to inspect the same, to remove violations there from and to install, operate, maintain, repair, alter, rebuild, restore and replace any of the Common Elements located in, over, under, through, adjacent to, or upon the same, and each Unit and the Common Elements shall be subject to such easement and right of access. The easements and the rights of access granted in this paragraph

shall be exercised in such a manner as will not unreasonably interfere with the use of the Units for their permitted purposes. Such entry shall be permitted on not less than one days notice, except that no such notice shall be necessary in the event of repairs or replacements immediately necessary or required for the preservation or safety of the Building, for the safety of the occupants of the Building or other persons, or to avoid the suspension of any necessary service in the Building.

(b) Sponsor (for so long as it owns any Unit) reserves for itself and to the Condominium Board, on behalf of all Unit Owners, the right to grant such additional electric, gas, steam, cable television, telephone, water, storm drainage, sewer and other utility easements in, or to relocate any existing utility easements to, any portion of the Property as Sponsor or the Condominium Board, as the case may be, shall deem necessary or desirable for the proper operation and maintenance of the Building or any portion thereof or for the general health or welfare of the owners, tenants and occupants of the appropriate Units, provided, however, that the grant of such additional utility easements, or the relocation of existing utility easements, shall not unreasonably interfere with the use of the Units for their permitted purposes. Any utility company, as well as its officers, employees and agents, shall have a right of access to each Unit and to the Common Elements in furtherance of such easement. However, such right to access shall be exercised in such manner as will not unreasonably interfere with the use of the Units for their permitted purposes.

(c) Each Unit and the Common Elements shall have easements of subjacent support and necessity, and the same shall be subject to such easements in favor of all of the other Units and the Common Elements.

(d) If (i) any portion of the Common Elements now encroaches upon any Unit or upon any other portion of the Common Elements, (ii) any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, or (iii) any such encroachment shall hereinafter occur as a result of (x) the settling of the Building, (y) any repair or alteration made to the Common Elements in accordance with the terms of this Declaration and the By-Laws by, or with the consent of, the Condominium Board, by Sponsor or Sponsor's designee, or (z) any repair or restoration made to the Building or any portion thereof, to any Unit, or to the Common Elements in accordance with the terms of this Declaration and the By-Laws after damage by fire or other casualty or after any taking by condemnation or eminent domain proceedings, then, in any such event, a valid easement shall exist for such encroachment and for the maintenance of the same for so long as the Building or the

affected Unit or Common Elements shall stand.

(e) In addition to the specific easements set forth in this Article 10 and in Article 9 hereof, the Property and every portion thereof shall be subject to all easements and rights of access prescribed in the Condominium Act.

Article 11

Changes in Unit

(a) Sponsor or its designee shall have the right, to the extent not prohibited by Law, without obtaining the consent or approval of the Condominium Board, or Mortgage Representative (if any), to subdivide any Unsold Unit into separate Units, provided and on condition that:

(i) Such subdivision into separate Units shall be appropriately reflected in (A) an Amendment to this Declaration recorded in the Registers Office and (B) an Amendment to the Floor Plans filed with the Registers Office, each such Amendment to set forth all information required by the Condominium Act;

(ii) The Common Interest of each newly established Unit shall be in equal percentages as of the date of the filing of this Declaration; however, (A) the Common Interests of all newly established Units shall equal the Common Interest of the original Unit being so subdivided, and (B) the Common Interests of all Units shall equal 100%;

(iii) Sponsor or its designee (as the case may be) shall comply with the Law;

(b) Subsequent to the subdivision of any Unsold Unit into separate Units in accordance with the preceding paragraph (a), Sponsor or its designee (as the case may be) shall have the right, to the extent not prohibited by Law, without obtaining the consent or approval of the Condominium Board, other Unit Owners or Mortgage Representatives (if any):

(i) To make alterations, additions and/or improvements (whether structural or nonstructural, interior or exterior, ordinary or extraordinary) in, to and upon Unsold Units, provided and on condition that:

(A) No physical modification shall be made to any other units and the Common Interests and interior dimensions of any other Units shall not be changed by reason thereof, unless the owner or purchaser (if a purchase agreement has been executed and the purchaser is not in default thereunder) of any such other

affected Unit shall consent thereto;

(B) Sponsor or its designee (as the case may be) shall comply with the Law;

(C) Such alteration, addition or improvement shall not jeopardize the soundness or structural integrity of any part of the Building or the safety of any tenant or other persons at the Property;

(ii) To change the layout of, or number of rooms in, any Unsold Units, provided and on condition that the Sponsor or its designee (as the case may be) shall comply with the Law; and

(iii) To change the size and/or number of Unsold Units by (w) further subdividing one or more Unsold Units into two or more Units, (x) combining two or more separate Unsold Units (including, without limitation, those resulting from such subdivision or otherwise) into one or more Units, (y) altering the boundary walls of any Unsold Unit, or (z) otherwise, provided and on condition that:

(A) The Common Interest of any Unit affected by such change in size or number shall be appropriately reapportioned in accordance with the factors, conditions and restrictions set forth in paragraph (a) of this Article 11;

(B) The Declaration and Floor Plans shall be appropriately amended to reflect the changes made to such affected Units and the reapportionment of the Common Interest for each, all in accordance with the Condominium Act;

(C) Sponsor or its designee (as the case may be) shall comply with the Law.

(c) In the event that one or more Unit is subdivided into two or more units in accordance with the foregoing provisions of this Article 11, all newly established Units as well as the Owners, tenants and occupants thereof, shall be subject to, bound by 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.

(d) The provisions of this Article 11 may not be added to, amended, modified, or deleted without the prior written consent of Sponsor.

Article 12

Acquisitions of Units by the Condominium Board

If (i) any Unit Owner surrenders his Unit, together with its Appurtenant Interests, to the Condominium Board pursuant to the terms of the By-Laws or of Section 339-X of the Condominium Act or (ii) the Condominium Board, pursuant to the terms of the By-Laws or otherwise, either (x) acquires or leases a Unit, together with its Appurtenant Interests, or (y) purchases a Unit, together with its Appurtenant Interests, at a foreclosure or other similar sale, then, in any such event, title or the leasehold estate, as the case may be, in and to such Unit and such Appurtenant Interests shall be held by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests. Any lease or sublease of any Unit leased or subleased by the Condominium Board or its designees shall be held by the Condominium Board or such designee, corporate or otherwise, on behalf of all Unit Owners, in proportion to their respective Common Interests.

Article 13

Power of Attorney to Sponsor and the Condominium Board

(a) 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 Owners attorney-in-fact, coupled with an interest and with power (i) Sponsor, to amend the Condominium Documents pursuant to the terms of Article 17 hereof and (ii) the Persons who shall from time to time constitute the Condominium Board, jointly, to:

(x) acquire or lease any Unit, together with its Appurtenant Interests, (1) whose owner desires to sell, convey, transfer, assign, lease, or surrender the same or (2) that becomes the subject of a foreclosure or other similar sale, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners;

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

(z) execute, acknowledge and deliver (1) any declaration or other instrument affecting the Condominium that the Condominium Board deems necessary or appropriate to comply with any Law applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the

Condominium or (2) 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.

(b) In confirmation of the foregoing power of attorney, each Unit Owner, upon the request of either Sponsor or the Condominium Board, shall duly execute, acknowledge and deliver to the requesting party, for recording in the Registers Office, a Unit Owners Power of Attorney in the form set forth as Exhibit D to this Declaration.

Article 14

Termination of Condominium

The Condominium shall continue until terminated by (i) casualty loss, condemnation, or eminent domain, as more particularly provided in the By-Laws or (ii) withdrawal of the Property from the provisions of the Condominium Act in accordance with the provisions of Section 339-t of the Condominium Act.

Article 15

Covenant of Further Assurances

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

(b) Subject to paragraph (c) below, if any Unit Owner or any other Person who is subject to the terms of this Declaration fails or refuses to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten days after request therefore, to take any action that such Unit Owner or Person is required to take pursuant to this Declaration, then the Condominium Board is hereby authorized as attorney-in-fact for

such Unit Owner or other Person, which power shall be deemed to be coupled with an interest, to execute, acknowledge and deliver such instrument, or to take such action, in the name of such Unit Owner or other Person, and such document or action shall be binding on such Unit Owner or other Person.

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

Article 16

Covenants to Run With the Land

(a) All provisions of this Declaration, the By-Laws and the Rules and Regulations, including, without limitation, the provisions of this Article 16, 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 or her heirs, executors, administrators, legal representatives, successors and assigns, but the same are not intended to create, nor shall they be construed as creating any rights in, or for the benefit of, the general public. All present and future owners, tenants and occupants of Units shall be subject to, and shall comply with, the provisions of this Declaration, the By-Laws and the Rules and Regulations, as they may be amended from time to time. The acceptance of a deed or conveyance or the succeeding to title, the 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, any interest or estate in such Unit, as though such provisions were recited and

stipulated at length in each and every deed, conveyance, or lease.

(b) If any provision of this Declaration or of the By-Laws is invalid under, or would cause this Declaration and the By-Laws is invalid under, or would cause this Declaration and the By-Laws to be insufficient to submit the Property to the provisions of the Condominium Act, such provision shall be deemed deleted from this Declaration or the By-Laws, as the case may be, for the purpose of submitting the Property to the provisions of the Condominium Act, but shall nevertheless be valid and binding upon, and shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal, representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land. If any provision that is necessary to cause this Declaration and the By-Laws to be sufficient to submit the Property to the provisions of the Condominium Act is missing from this Declaration or the By-Laws, then such provision shall be deemed included as a part of this Declaration or the By-Laws, as the case may be, for the purposes of submitting the Property to the provisions of the Condominium Act.

(c) Subject to the terms of paragraph (b) of this Article 16, if this Declaration and the By-Laws are insufficient to submit the Property to the provisions of the Condominium Act, the provisions of this Declaration and the By-Laws shall nevertheless be valid and binding upon, and shall inure to the benefit of, the owners of the Property and their heirs, executors, administrators, legal representatives, successors and assigns, as covenants running with the Land and with every part thereof and interest therein under other applicable Law to the extent permitted under such applicable Law with the same force and effect as if, immediately after the recording of this Declaration and the By-Laws, all Unit Owners had signed and recorded an instrument agreeing to each such provision as a covenant running with the Land.

Article 17

Amendments to This Declaration

(a) Subject to the provisions contained herein or in the By-Laws with respect to amendments, modifications, additions or deletions affecting Sponsor or its designee, any provision of

this Declaration may be amended, modified, added to, or deleted by the vote of all Unit Owners, both in number and in aggregate Common Interests, taken in accordance with the provisions of the By-Laws. However, no amendment, modification, addition, or deletion pursuant to the preceding sentence shall be effective without the written consent of the Mortgage Representatives (if required by the terms of the applicable mortgage), if any, which consent shall not be unreasonably withheld or delayed. In addition, such amendment, modification, addition, or deletion: (i) shall not be effective until recorded in the Register's Office and (ii) shall be executed by the Condominium Board as attorney-in-fact for the Unit Owners, which power shall be deemed to be coupled with an interest, and the Condominium Board is hereby authorized by the Unit Owners so to act as their attorney-in-fact. No amendment may be made which will in any way effect the rights of the Sponsor unless the Sponsor shall consent to such amendment.

(b) Sponsor or its designee shall have the right, at its sole cost and expense and without the vote or consent of any other Unit Owners, the Condominium Board, or the Mortgage Representatives (if any), to execute, acknowledge and record (or, at the Sponsor's or such designee's sole option, to require the Condominium Board or any other Unit owners to execute, acknowledge and record) in the Register's Office and elsewhere, if required by Law, one or more amendments to this Declaration (including, without limitation, to Exhibit B hereto), together with such documents, plans and maps as the Sponsor or such designee deems appropriate to effectuate the same:

(i) to reflect any changes in the Unsold Units, including any reapportionment of the Common Interest resulting therefrom made by the Sponsor in accordance with the terms of Article 11 hereof; or

(ii) required by an Institutional Lender, any governmental agency having regulatory over the Condominium, or any title insurance company selected by Sponsor to insure title to any Units; provided, however, that any amendment made pursuant to the terms of subparagraph (i) or (ii) of this paragraph shall not (1) change the Common Interest of any Unit not then owned by Sponsor, (2) require a material, physical modification of any Unit not then owned by Sponsor or of the Common Elements, or (3) adversely affect the priority or validity of the lien of any mortgage held by an institutional lender unless the owner of the affected Unit (in the event described in subparagraph (1) or (2) of this paragraph) or the holder of such mortgage (in the event described in subparagraph (3) of this paragraph) shall consent thereto by joining in the execution of such amendment.

(c) Any amendment to this Declaration may be executed; (i) if on behalf of Sponsor pursuant to the terms of paragraph (b) hereof, by any officer of Sponsor or (ii) if on behalf of the Unit Owners or by the Condominium Board, by the President or Vice President and the Secretary or an Assistant Secretary of the Condominium. If the amendment requires the approval of a specified percentage of Unit Owners pursuant to the terms of this Declaration or the By-Laws, then there shall be attached to such amendment an original executed Secretary's Certification, certifying that the requisite number and percentage of Unit Owners approved the amendment at a duly constituted meeting or (when permitted in this Declaration or the By-Laws) in writing without a meeting, in which Certification shall be described the number and percentage of Unit Owners so consenting and, if voted upon at a meeting, the date and time of the meeting.

(d) Notwithstanding anything contained in the Condominium Documents to the contrary, but subject to any limitation imposed by the Condominium Act, no Amendment to the Condominium Documents shall be adopted which would:

(i) (A) unreasonably interfere with the sale, lease or other disposition of an Unsold Unit;

(B) abridge, modify, suspend, eliminate or otherwise affect any right, power, easement, privilege or benefit to Sponsor or its designee; or

(C) impose any discriminatory charge or fee against Sponsor or its designee, unless Sponsor or such designee shall consent thereto, by joining in the execution of such Amendment; or

(ii) change the permitted use of any Unit or such Unit's Common Interest, unless the owner of such affected Unit shall consent thereto by joining in the execution of such Amendment.

Article 18

Consents of Sponsor

Wherever, the consent, approval, satisfaction, or permission of Sponsor or its designee, is required under this Declaration or the By-Laws, such consent, approval, satisfaction, or permission shall not be required when Sponsor or such designee no longer owns any Units.

Article 19

Person to Receive Service

S. Seth Yavne, 3407 Avenue K, Brooklyn, New York 11210, is hereby designated to receive service of process in any action that may be brought against the Condominium relating to the Common Elements or more than one Unit.

Article 20

Incorporation by Reference

The terms, covenant, conditions, descriptions and other information contained in (i) the property description annexed hereto as Exhibit A; (ii) the description of the Units annexed hereto as Exhibit B; (iii) the table of definitions annexed hereto as Exhibit C; (iv) the By-Laws annexed hereto as Exhibit D; (v) the Unit Owners Power of Attorney annexed hereto as Exhibit E; and (vi) the Floor Plans are, by this reference, each incorporated herein and made a part of this Declaration as if the same were set forth at length in the text hereof.

Article 21

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, regardless of the number of violations or breaches that may occur.

Article 22

Severability

Subject to the provisions of paragraph (b) and (c) of Article 16 hereof, if any provision of the Condominium Documents is invalid or unenforceable as against any Person or under certain circumstances, the remainder of the Condominium Documents and the applicability of such provision to other Persons or circumstances shall not be affected thereby. Each provision of the Condominium Documents shall, except as otherwise provided herein, be valid and enforced to the fullest extent permitted by Law. Any conflict between any provision of the Condominium Documents and the Condominium Act, or any questions regarding the interpretation of any of the Condominium Documents, shall be governed by the Condominium Act.

Article 23

Successors and Assigns

The right and/or obligations of, and limitations imposed on, Sponsor as set forth herein shall inure to the benefit of, and shall be binding upon, its successors and assignees as well as any designated transferee of its Units. Subject to the foregoing, Sponsor shall have the right, at any time, in its sole discretion, to assign or otherwise transfer its interest herein, whether by merger, consolidation, lease, assignment, or otherwise.

Article 24

Gender

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

Article 25

Captions

The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of this Declaration or the intent of any provision hereof.

IN WITNESS WHEREOF, Sponsor has caused this Declaration to be executed as of the day of , 2010.

By:_____
2113 Kings Highway LLC

STATE OF)
ss:
COUNTY OF)

On the ____ day of _____, in the year 200_, before me, the undersigned, a notary public in and for the 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 A TO THE DECLARATION
OF KINGS CONDOMINIUM
THE PREMISES KNOWN AS

2113 KINGS HIGHWAY, BROOKLYN, NEW YORK 11229
DESCRIPTION OF THE LAND

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 101 feet, 0 and ¾ inches from the corner formed by the intersection of the northerly side of Kings Highway with the easterly side of East 21st Street.

RUNNING THENCE northerly parallel with the easterly side of East 21st Street, 61 feet, 11 and 3/8 inches;

THENCE, easterly at right angles to the last mentioned course, 40 feet, 0 inches;

THENCE, southerly parallel with the easterly side of East 21st Street, 56 feet land 1/8 inches; and

THENCE westerly along the northerly side of parallel with the easterly side of Kings Highway, 40 feet, 5 and 1/8 inches to the point or place of BEGINNING.

Said premises being known as and by 2113 Kings Highway, Brooklyn, New York.

EXHIBIT B TO THE DECLARATION OF KINGS CONDOMINIUM

THE PREMISES KNOWN AS 2113 KINGS HIGHWAY, BROOKLYN, NEW YORK 11229

DESCRIPTION OF UNITS

Unit Designation and Location	Tax Lot No.	Approx. Area in Square Feet	Number of Rooms	Percentage of Common Interest

EXHIBIT C TO THE DECLARATION OF KINGS CONDOMINIUM

THE PREMISES KNOWN AS 2113 KINGS HIGHWAY, BROOKLYN, NEW YORK 11229

DEFINITIONS

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

(2) **"Building"** shall mean the building at 2113 Kings Highway, Brooklyn, New York 11229.

(3) **"By-Laws"** shall mean the By-Laws of the Condominium, which are annexed as Exhibit G, as the same may be amended from time to time pursuant to the terms thereof.

(4) **"Common Elements"** shall mean, collectively, the Limited Common Elements and the General Common Elements, and shall consist of all parts of the Property other than the Units.

(5) **"Common Charges"** shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the By-Laws), to meet the Common Expenses.

(6) **"Common Expenses"** shall mean all costs and expenses to be incurred generally by the Unit Owners pursuant to this Declaration and/or the By-Laws in connection with: (i) the repair, maintenance, replacement, restoration and operation of, and any alteration, addition, or improvement to, the Common Elements; (ii) the establishment and/or maintenance of a general operating reserve or a reserve fund for working capital, for replacements with respect to the Common Elements, or to make up any deficit in the Common Charges for any prior year(s); (iii) the purchase, lease, or sublease by the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose owner has elected to sell, lease, transfer, or convey the same or that is to be sold at a foreclosure or other sale; and (iv) generally, the

conduct of the affairs of the Condominium.

(7) **"Common Interest"** shall mean the undivided percentage interest of each Unit in the Common Elements.

(8) **"Condominium"** shall mean Kings Condominium, established pursuant to the terms of this Declaration and which is to be governed pursuant to the terms of the By-Laws.

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

(10) **"Condominium Board"** shall mean the governing body of the Condominium, whose members shall be selected pursuant to the terms of Article 2 and 4 of the By-Laws.

(11) **"Condominium Documents"** shall mean this Declaration, the By-Laws and the Rules and Regulations.

(12) **"Declaration"** shall mean this Declaration as executed by Sponsor for the purposes of submitting the Property to the provisions of the Condominium Act and establishing a regime for the condominium ownership thereof.

(13) **"Family Members"** shall mean the spouse, children (natural and adopted), siblings, parents, parents-in-law, grandparents, great grandparents and aunts and uncles of a Unit Owner who reside in such Unit Owners Unit.

(14) **"First Closing"** shall mean the first date upon which title to a Unit is conveyed to a purchaser.

(15) **"Floor Plans"** shall mean the floor plans of the Unit filed in the Registers office simultaneously with the recording of this Declaration, together with any supplemental floor plans thereto.

(16) **"General Common Elements"** shall mean those certain portions of the Land and the Building (other than the Units), as well as those Unit Facilities therein, either existing for the common use of the Units or the Unit Owners or necessary for, or convenient to, the existence, maintenance, or safety of the Property, as more particularly described in paragraph (b) of Article 6 of this Declaration.

(17) **"Initial Control Period"** shall mean the period ending on the earlier of: (i) the closing of title with purchasers

under the Plan to Units having more than 50 percent of the aggregate Common Interests appertaining to all Units or (ii) two years after the First Closing.

(18) **"Institutional Lender"** shall mean (i) a savings bank, savings and loan association, bank or trust company, insurance company, real estate investment trust, or mortgage trust or (ii) a federal, state, municipal, teachers or union employee, welfare, pension or retirement fund or system.

(19) **"Institutional Mortgage"** shall mean any first mortgage covering one or more Units that is a permitted mortgage and the initial holder of which is either Sponsor or its designee or an Institutional Lender.

(20) **"Land"** shall mean the land more particularly described in Exhibit A to this Declaration.

(21) **"Limited Common Elements"** shall mean those certain portions of the Land and the Building (other than the Units) that are to be used by the owners of one or more specified Units to the exclusion of all other Unit Owners, as more particularly described in paragraph (c) of Article 6 of this Declaration.

(22) **"Managing Agent"** shall mean a Person employed by the Condominium Board, if any, pursuant to Section 2.4 of the By-Laws.

(23) **"Majority of Unit Owners"** shall mean those Unit Owners having more than 50% of the total authorized votes of all Unit Owners (determined in accordance with the terms of Section 4.7 of the By-Laws) who are present, in person or by proxy, and voting at any duly constituted meeting of the Unit Owners at which a quorum is present.

(24) **"Mortgage Representatives"** shall mean the representatives of the holders of all Permitted Mortgages encumbering Units.

(25) **"Permitted First Mortgage"** shall mean a Permitted Mortgage that is a first mortgage lien against a Unit.

(26) **"Permitted First Mortgagee"** shall mean any holder of a Permitted First Mortgage.

(27) **"Permitted Mortgage"** shall mean any mortgage covering one or more Units that is placed thereon in compliance with the terms contained in Article 8 of the By-Laws.

(28) **"Permitted Mortgagee"** shall mean any holder of a Permitted Mortgage at the time in question.

(29) **"Person"** shall mean any natural person, partnership, corporation, trust, estate, fiduciary, unincorporated association, syndicate, joint venture, organization, government or any department or agency thereof, or any other entity.

(30) **"Plan"** shall mean the offering plan, if any, to convert the property to condominium ownership filed with the Department of Law of the State of New York pursuant to Section 352-e of the General Business Law of the State of New York.

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

(32) **"Rules and Regulations"** shall mean the rules and regulations of the Condominium, which are annexed as an addendum to the By-Laws, as any of the same may be amended, modified, added to, or deleted from time to time pursuant to the terms of the By-Laws, provided that they are not in conflict with the terms of the Condominium Act, the Declaration, or the By-Laws.

(33) **"Special Assessments"** shall mean the charges allocated and assessed by the Condominium Board to the Unit Owners, pro-rata in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in the (By-Laws), in accordance with paragraph (C) of Section 6.1 of the By-Laws.

(34) **"Sponsor"** shall mean 2113 Kings Highway LLC.

(35) **"Unit"** shall mean one of the residential apartments or the commercial units, if any, and their appurtenances located throughout the Condominium. If a Unit is subdivided into two or more Units in accordance with Article 11 of the Declaration the term "Unit" shall refer to any of the Units established as a result of such subdivision, each of which will be more particularly identified in an Amendment to the Declaration and Floor Plans. In such case, the term "Unit" shall mean more than one or all of such Units.

(36) **"Unit Facilities"** shall mean all personal property and fixtures now or hereafter existing in, on, or under the Land or the Building and either existing for the common use of the Units or the Unit Owners or necessary or convenient for the existence,

maintenance, or safety of the Property.

(37) **"Unit Owner"** shall mean any Person who holds fee title, of record, to a Unit at the time in question.

(38) **"Units"** shall mean more than one Unit.

(39) **"Unsold Unit"** shall mean any Unit owned by Sponsor or its designee at the time in question.

(40) **"Unsold Units"** shall mean more than one Unsold Unit.

UNIT OWNER'S POWER OF ATTORNEY
EXHIBIT D TO THE DECLARATION OF THE
KINGS CONDOMINIUM

All terms used in this Unit Owner's Power of Attorney that are used (a) in the Declaration establishing a plan for condominium ownership of Kings Condominium (the "Condominium") under Article 9-B of the Real Property Law of the State of New York, dated _____, 2010, and recorded in the Kings County office of the Register of the City of New York on _____,2010, in Reel _____, Page _____(hereinafter referred to as "Declaration"), or (b) in the By-Laws of the Condominium (hereinafter referred to as the "By-Laws") attached to, and recorded together with, the Declaration, shall have the same meaning in this Unit Owner's Power of Attorney as in the Declaration or the By-Laws.

The undersigned, _____ the owners of the Condominium Unit (hereinafter referred to as the "Undersigned's Unit") being described as the _____ floor Unit and also designated as Tax Lot ____ in Block _____ of the Borough of Brooklyn on the Tax Map of the Real Property Assessment Department of the City of New York and on the Floor Plans (does) (do) hereby irrevocably nominate, constitute and appoint the persons who may from time to time constitute the Condominium Board, true and lawful attorneys-in-fact for the undersigned, coupled with an interest, with power of substitution, in their own names, as members of the Condominium Board or in the name of their designee (corporate or otherwise), on behalf of all Unit Owners in accordance with the Unit Owners' respective Common Interests, subject to the provisions of the By-Laws then in effect, (1)(a) to acquire or lease any Unit, together with its Appurtenant Interests, from any Unit Owner desiring to sell, convey, transfer, assign, or lease the same, (b) to acquire any Unit, together with its Appurtenant Interests, whose owner elects to surrender the same pursuant to the terms of paragraph (C) of Section 6.2 of the By-Laws, (c) to subject to a foreclosure or other similar sale, on such terms and (with respect to any transfer pursuant to the terms of sub-division (a) or (c) of this paragraph) at such price or at such rental as the case may be, as said attorneys-in-fact shall deem proper, and thereafter to convey, sell, lease, mortgage, or otherwise deal with (but not vote the interest appurtenant to) any such Unit so acquired by them, or to sublease any Unit so leased by them, on such terms as said attorneys-in-fact may determine, granting to said attorneys-in fact the power to do all things in said premises that the undersigned could do if the undersigned 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 Buildings, the City Planning Commission, the Board of Standards and Appeals, or any other public authority, applicable to the maintenance, demolition, construction, alteration, repair, or restoration of the 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.

The undersigned (does) (do) hereby irrevocably nominate, constitute and appoint _____ (hereinafter referred to as "Sponsor") as attorney-in-fact for the undersigned, coupled with an interest, with power of substitution, to amend from time to time said Declaration, By-Laws and the Rules and Regulations of the said Condominium, or any of said documents, when such amendment (1) shall be required to reflect any changes in Unsold Units and/or the reapportionments of the Common Interests of the affected Unsold Units resulting therefrom made by Sponsor or its designee in accordance with Article 11 of the Declaration or (2) shall be required by (a) an Institutional Lender, (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) or (2) of this paragraph shall not (i) change the Common Interests of the Undersigned's Unit, (ii) require a material, physical modification to the Undersigned's Unit, or to the Common Elements or (iii) adversely affect the priority or validity of the lien of any purchase money mortgage or any mortgage held by an Institutional Lender covering the Undersigned's Unit unless the undersigned (in the event described in subdivision (i) or (ii) of this paragraph) 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 the Sponsor or its designees shall cease to own any of the Units in the Condominium.

IN WITNESS WHEREOF, the undersigned (has) (have) executed this Unit Owner's Power of Attorney as of the _____ day of _____, 2010.

_____

_____

STATE OF NEW YORK)
) SS:
COUNTY OF)

On the ____ day of _____, in the year 200_, before me, the undersigned, a notary public in and for the 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 G

BY LAWS
OF
KINGS CONDOMINIUM, BROOKLYN, NEW YORK 11229

THE PREMISES KNOWN AS
2113 Kings Highway, Brooklyn, New York 11229

County of Kings, City and State of New York

, 2010

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BY-LAWS OF
Kings Condominium, Brooklyn, New York 11229

THE PREMISES KNOWN AS
2113 Kings Highway, Brooklyn, New York 11229

ARTICLE 1

GENERAL

Section 1.1 Purpose. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of the Condominium.

Section 1.2 Definitions. All capitalized terms used in these By-Laws that are not otherwise defined in any of the Articles hereof shall have the meanings set forth in Exhibit C to the Declaration, unless the context in which the same are used shall otherwise require. All capitalized terms used in these By-Laws that are defined in any of the Articles hereof shall have the meanings ascribed to them in such Articles, unless the context in which the same are used shall otherwise require. Each of the aforedescribed capitalized terms shall be applicable to singular and to plural nouns, as well as to the verbs of any tense.

Section 1.3 Applicability of By-Laws. These By-Laws are applicable to the Property and to the use and occupancy thereof.

Section 1.4 Application of By-Laws. All present and future Unit Owners, mortgagees, lessees, sublessees and occupants of Units, and employees and guests of Unit Owners, as well as all other Persons who may use the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations, as each of the same may be amended from time to time. The acceptance of a deed or other instrument of conveyance, or the succeeding to title to, or the execution of a lease or sublease for, or the act of occupancy of, a Unit shall constitute an agreement that the provisions of the Declaration, these By-Laws and the Rules and Regulations, as each of the same may be amended from time to time, are accepted, ratified and will be complied with.

Section 1.5 Principal Office of the Condominium. The principal office of the Condominium shall be located either at the Property or at such other place reasonably convenient thereto as may be designated from time to time by the Condominium Board.

ARTICLE 2

BOARD OF MANAGERS

Section 2.1 General. The affairs of the Condominium shall be governed by the Condominium Board. The Condominium Board will be comprised of owner-occupants or members of an owner-occupant's households who are unrelated to the Sponsor and its principals. Owner occupants and non-resident unit owners, including Sponsor, may have inherent conflicts on how the condominium should be managed because of their different reasons for purchasing (i.e. purchase of a home as opposed to an investment).

Section 2.2 Powers and Duties of the Condominium Board. (A) The Condominium Board shall have all the powers and duties necessary for, or incidental to, the administration of the affairs of the Condominium, provided, however, that the Condominium Board shall not have such powers and duties that by Law, or pursuant to the terms of the Declaration and these By-Laws, may not be delegated to the Condominium Board by the Unit Owners. Without intention to limit the generality of the foregoing in any respect, the Condominium Board shall have the following specific powers and duties:

(i) to operate, maintain, repair, restore, add to, improve, alter and replace the Common Elements and/or any other portions of the Property for which the Condominium Board is responsible pursuant to the Declaration and the By-Laws, including, without limitation, as the Condominium Board shall deem necessary or proper in connection therewith: (a) the purchase and leasing of supplies, equipment and material, and (b) the employment, compensation and dismissal of personnel;

(ii) to acquire, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of the Unit Owners, all rights, titles and interests in real and personal property deemed necessary or proper by the Condominium Board for use in connection with the ownership and operation of the Property as a residential condominium;

(iii) to maintain complete and accurate books and records with respect to the finances and the operation of the Condominium;

(iv) to prepare and adopt a budget for the Condominium for each fiscal year thereof;

(v) to determine the amount and establish the means and methods of payment of, and to collect, the Common

Charges and Special Assessments from the Unit Owners;

(vi) to borrow money on behalf of the Condominium when required in connection with the operation, maintenance, repair, restoration, improvement, alteration and replacement of the Common Elements;

(vii) to open and maintain bank accounts on behalf of the Condominium and to designate the signatories required therefore;

(viii) to use the Common Charges and Special Assessments collected from Unit owners, as well as all other funds held by the Condominium Board or received in connection with the operation of the Property, for the Administration of the Condominium, including, without limitation: (a) the payment of Common Expenses and (b) the making of restorations, additions, alterations and improvements to the Common Elements;

(ix) to obtain insurance for the Property, including the Units, pursuant to the terms of Section 5.4 hereof;

(x) to adjust and settle claims under insurance policies obtained pursuant to the terms of Section 5.4 hereof, and to execute and deliver releases upon such adjustment and settlement on behalf of: (a) all Unit owners; (b) all holders of mortgages and other liens on Units; and (c) all holders of any other interest in the Property;

(xi) to make, or to contract with others for the making of repairs, maintenance, additions and improvements to, and alterations, restorations and replacements of, the Property (whether after damage or destruction by fire or other casualty, or as a result of destruction by fire or other casualty, or as a result of eminent domain proceedings or otherwise), all in accordance with the terms of these By-Laws;

(xii) to accept the surrender of any Unit pursuant to the terms of paragraph (C) of Section 6.2 hereof, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit Owners;

(xiii) to purchase, lease, or otherwise acquire Units offered for sale or lease by their owners, in the name of the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners;

(xiv) to purchase Units at foreclosure or other judicial sales, in the name of the Condominium Board or its designee, corporate or otherwise, and on behalf of all Unit

Owners;

(xv) to sell, lease, mortgage and otherwise deal with Units acquired by, and to sublease Units leased by, the Condominium Board or its designee, corporate or otherwise, on behalf of all Unit Owners, provided, however, that the Condominium Board or its designees shall in no event be entitled to vote the votes appurtenant to any such Unit;

(xvi) to adopt and amend the Rules and Regulations and to levy and collect fines against Unit owners for Violations of the same;

(xvii) to enforce by legal means the terms, covenants and conditions contained in the Condominium Documents and to bring or defend against any proceedings that may be instituted on behalf of, or against, the Unit Owners;

(xviii) to incorporate, to the extent and in the manner provided in the Condominium Act;

(xix) to carry out any other duties imposed upon the Condominium Board pursuant to the Declaration and these By-Laws.

(B) The Condominium Board shall be responsible for carrying out the duties imposed upon it under the Condominium Documents regardless of whether a Unit is vacant or occupied by the owner thereof or by a Permitted Lessee or other permitted occupant.

Section 2.3 Certain Limitations on the Powers of the Condominium Board. Notwithstanding anything to the contrary contained in these By-Laws, the Condominium Board shall not take any of the following actions unless a certain percentage of all members thereof shall approve the same in writing or by vote at a duly constituted meeting called for such purpose:

(i) increase the number, or change the type, of employees from those hired at the time of recording the Declaration;

(ii) provide for new or additional services from those being provided at the time of recording the Declaration;

(iii) impose any Common Charge or Special Assessment for the purpose of making any capital or major improvement, alteration, or addition to the Common Elements or to any Unit, unless required by Law; or

(iv) establish any reserves, including, without limitation, a reserve for contingencies, repairs, improvements, or replacements, other than a twelve-month reserve for contingencies not exceeding five percent of the budgeted operating expenses for the ensuing 12 months of operation.

Section 2.4 Exercise and Delegation of Powers and Duties. (A) Any act within the power of the Condominium Board to perform, and deemed necessary or desirable to be performed by the Condominium Board, shall be performed by the Condominium Board or shall be performed on its behalf and at its direction by the agents, employees, or designees of the Condominium Board.

(B) The Condominium Board may, by 80% vote of the Unit Owners, employ a Managing Agent to serve at a compensation to be established by the Condominium Board and to perform such duties and services as the Condominium Board shall direct. The Condominium Board may delegate to the Managing Agent any of the powers granted to the Condominium Board in these By-Laws.

Section 2.5 Number, Election and Qualification of Members. Until the first annual meeting of the Unit Owners held pursuant to the terms of Section 4.1 hereof, the Condominium Board shall consist of three individuals to be designated from time to time by Sponsor. From and after the first annual meeting of the Unit Owners, the Condominium Board shall consist of three individuals to be elected by the Unit Owners or designated by Sponsor or its designee pursuant to the terms of Section 4.8 hereof. Except for members designated by Sponsor or its designee pursuant to the terms of this Section 2.5 or of Section 2.8 or 4.8 hereof, all members of the Condominium Board shall be either: (i) individual Unit Owners; (ii) individual Permitted Mortgagees; (iii) officers, directors, shareholders, partners, principals, employees, or beneficiaries of corporations, partnerships, fiduciaries, or any other entities that are Unit Owners or Permitted Mortgagees; or (iv) adult Family Members of any of the foregoing.

Section 2.6 Term of Office Members. The term of office of the three members of the Condominium Board designated by Sponsor prior to the first annual meeting of the Unit Owners shall expire when the three individuals to be elected or designated at such meeting are so elected or designated and qualified. The term of office of each of the three individuals elected or designated and qualified at the first annual meeting of the Unit Owners and at all subsequent annual meetings shall be one year. Notwithstanding anything to the contrary contained in this Section 2.6, however, each member of the Condominium Board shall serve until his successor shall be elected or designated and qualified. There shall be no limit on the number of terms of

office, successive or otherwise, that a member of the Condominium Board may serve.

Section 2.7 Removal and Resignation of Members. (A) Any member of the Condominium Board who was elected thereto by the Unit owners may be removed from office by a 80% vote of Unit Owners. Any member of the Condominium Board who was designated as such by Sponsor or its designee, pursuant to the terms of Section 2.5, 2.8, or 4.8 hereof, may be removed, with or without cause, only by Sponsor or said designee, by giving written notice thereof to the Condominium Board. Any member of the Condominium Board whose proposed removal is to be acted upon at a meeting of the Unit Owners shall be given prior written notice thereof and an opportunity to be present and heard thereat.

(B) Any member of the Condominium Board may resign his membership at any time by giving written notice thereof to the Condominium Board and, with respect to members of the Condominium Board designated as such by Sponsor or its designee, to Sponsor or such designee. In addition, any member of the Condominium Board who shall cease to be qualified for membership pursuant to the terms of Section 2.5 hereof shall be deemed to have resigned his membership effective as of the date upon which such qualifications shall cease.

Section 2.8 Vacancies. (A) Upon the occurrence of a vacancy on the Condominium Board that is caused by the removal, resignation, or death of a member who was elected thereto by the Unit owners, the terms of all other members of the Condominium Board elected by the Unit Owners shall promptly be held for the purpose of electing a new Condominium Board.

(B) Any vacancy on the Condominium Board that is caused by the removal, resignation, or death of a member who was designated as such by Sponsor or its designee shall be filled by an individual designated by Sponsor or such designee.

Section 2.9 Regular Meetings of the Condominium Board. Regular meetings of the Condominium Board may be held at such time and place in Borough of Brooklyn as shall be determined from time to time by a majority of the members thereof, provided that at least four such meetings shall be held during each fiscal year. Written notice of all regular meetings of the Condominium Board shall be given to each member thereof by personal delivery, mail, or telegram at least five business days prior to the day named for such meeting.

Section 2.10 Special Meetings of the Condominium Board. Any member may call a special meeting of the Condominium Board whenever he deems the same to be necessary or desirable. Written

notice of all special meetings shall be given to each member thereof by personal delivery, mail or telegram at least five business days prior to the day named for such meeting, which notice shall state the time, place (in the Borough of Brooklyn) and purpose of the meeting.

Section 2.11 Waiver of Notices of Meeting. Any member of the Condominium Board may, at any time, waive notice of any meeting thereof in writing, and such waiver shall be deemed equivalent to the giving of notice. Attendance by a member of the Condominium Board at any meeting shall constitute a waiver by him of notice of the time and place thereof. If all of the members of the Condominium Board are present at any meeting thereof, no notice of such meeting shall be required and any business may be transacted at such meeting.

Section 2.12 Quorum of the Condominium Board. For purposes of all meetings of the Condominium Board, a majority of the members thereof shall constitute a quorum for the transaction of business. In connection therewith, one or more members of the Condominium Board may participate in any meeting thereof by means of a conference telephone or similar communications equipment permitting all individuals participating in the meeting to hear each other at the same time, and such participation shall constitute presence at such a meeting for all purposes. If, at any meeting of the Condominium Board, there shall be less than a quorum present, a majority of the members of the Condominium Board in attendance may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business that might have been transacted at the meeting originally called but for lack of a quorum may be transacted without further notice.

Section 2.13 Conduct of Meetings. The President shall preside at all meetings of the Condominium Board, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Condominium Board and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure from time to time acceptable to a majority of the Condominium Board, shall govern the conduct of the meetings of the Condominium Board unless the same is in conflict with the terms of the Declaration, these By-Laws or the Condominium Act.

Section 2.14 Decisions of the Condominium Board. Except as otherwise expressly provided in the Declaration or these By-Laws, the vote of a majority of the members of the Condominium Board present at a meeting thereof at which a quorum is present shall constitute the decision of the Condominium

Board. Alternatively, any decision that is required or permitted to be made by the Condominium Board may be made without a meeting thereof if all of the members of the Condominium Board shall individually or collectively consent in writing to such decision, and all such written consents shall be duly filed by the Secretary of the Condominium in the minutes of the Condominium Board.

Section 2.15 Compensation of Members. No member of the Condominium Board shall receive any compensation from the Condominium for acting as such.

Section 2.16 Liability of the Condominium Board. (A) All members of the Condominium Board shall have no liability to the Unit Owners for errors of judgment, negligence, or otherwise, except that each member of the Condominium Board shall be liable thereto for his own bad faith or willful misconduct.

(B) Every contract made, and other document executed, by or on behalf of the Condominium Board, any committee thereof, or the Managing Agent shall expressly provide (if such provision is reasonably obtainable and in addition to the limitation of liability of the officers of the Condominium and the Unit Owners pursuant to the terms of Section 3.9 and 4.11 hereof, respectively) that the same is made or executed by or on behalf of the Condominium Board, such committee, or the Managing Agent solely as agent for the Unit Owners and that the members of the Condominium Board or such committee or the Managing Agent shall have no liability thereon, except to the extent of their liability, if any, as Unit Owners pursuant to the terms of Section 4.11 hereof.

(C) The Unit Owners shall jointly and severally indemnify and hold each member of the Condominium Board harmless from and against any claim or liability to others arising from such member's acts or omissions as, or by reason of the fact that such individual is or was, a member of the Condominium Board, except, however, to the extent that such claim or liability shall be due to, or shall arise out of, the bad faith or willful misconduct of such member.

ARTICLE 3

OFFICERS

Section 3.1 General. The principal officers of the Condominium shall be the President, the Secretary and the Treasurer. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed, upon the direction of the Condominium Board, by any two officers of the

Condominium or by such lesser number of officers or by such other Person or Persons as may be designated from time to time by the Condominium Board.

Section 3.2 President. The President shall be the chief executive officer of the Condominium and shall preside at all meetings of the Unit Owners and of the Condominium Board.

Section 3.3 Secretary. The Secretary shall keep a record wherein the actions of the Condominium Board and the meetings of the Unit Owners shall be recorded and shall act as President in the absence of the President.

Section 3.4 Treasurer. The Treasurer shall keep the financial records and books of account of the Condominium.

Section 3.5 Election, Term of Office and Qualifications of Officers. Each of the officers of the Condominium Board shall be elected annually by a majority vote of the Condominium Board taken at the organizational meeting of each new Condominium Board, and shall serve at the pleasure of the Condominium Board. The President, Secretary and Treasurer shall be elected from amongst the members of the Condominium Board. No person shall hold more than one office.

Section 3.6 Removal and Resignation of Officers. Any officer of the Condominium may be removed from office, with or without cause, by an affirmative vote of a majority of the members of the Condominium Board. In addition, any officer may resign at any time by giving written notice to the President of the Condominium Board. Finally, if the President, Secretary, or Treasurer shall cease to be a member of the Condominium Board during his term of office, such officer shall be deemed to have resigned his office effective upon the date which his membership shall cease.

Section 3.7 Vacancies. Any vacancy in an office shall be filled by a majority vote of the Condominium Board at any regular meeting of the Condominium Board or at a special meeting thereof called for such purpose.

Section 3.8 Compensation of Officers. No officer of the Condominium shall receive any compensation from the Condominium for acting as such.

Section 3.9 Liability of the Officers of the Condominium. (A) The officers of the Condominium shall have no liability to the Unit Owners for errors of judgment, negligence, or otherwise, except that each officer of the Condominium shall be liable to Unit Owners for his or her own bad faith or willful

misconduct.

(B) The Unit Owners shall jointly and severally indemnify and hold each officer of the Condominium harmless from and against any claim or liability to others arising from his acts or omissions as, or by reason of the fact that such individual is or was, an officer of the Condominium except, however, to the extent that such claim or liability shall be due to, or shall arise out of, the bad faith or willful misconduct of such officer.

ARTICLE 4

UNIT OWNERS

Section 4.1 Annual meeting of the Unit Owners. The first annual meeting of the Unit Owners shall be held immediately after the Initial Control Period.

Section 4.2 Special Meetings of the Unit Owners. Any member of the Condominium Board may call a special meeting of the Unit Owners by setting forth, in reasonable detail, the purpose for calling such a meeting, and no business shall be transacted at such special meeting except business reasonably related to such stated purposes. In addition, a special meeting shall take place promptly after the occurrence of a vacancy in the Condominium Board for the purpose of electing new members of the Board pursuant to Section 2.8 (A) of these By-Laws.

Section 4.3 Place of Meetings. Meetings of the Unit Owners shall be held at the Condominium or at such other location within the Borough of Brooklyn as may be designated by the Condominium Board.

Section 4.4 Notice of Meetings. (A) The Secretary or person calling the meeting shall give notice of each annual or special meeting of the Unit Owners to all Unit Owners then of record entitled to vote or designate members of the Condominium Board at such meeting, which notice shall set forth the purpose, time and place of such meeting. Such notice may be given to any Unit Owner by personal delivery, mail or telegram not later than 10 business days prior to the day fixed for the meeting; however, the mailing for such notice to any Unit Owner, addressed to his or her address at the Property, at least 15 days prior to the day fixed for the meeting shall be conclusively deemed the giving of notice to such Unit Owner of such meeting. Any Unit Owner may designate an address for the giving of notice other than such Unit Owner's address at the Property by giving written notice thereof to the Secretary of the Condominium not less than 15 days prior to the giving of notice of the applicable meeting.

(B) If the business to be conducted at any meeting of the Unit Owners shall include the consideration of a proposed amendment to the Declaration or to these By-Laws, the notice of such meeting shall be mailed to all Unit Owners at least 30 days prior to the day fixed for such meeting and shall be accompanied by a copy of the text of such proposed amendment.

Section 4.5 Quorum of the Unit Owners. Except as otherwise provided in these By-Laws, the presence, in person or by proxy, of Unit Owners owning Units to which 50% or more of the aggregate Common Interests appertain shall constitute a quorum at all meetings of the Unit Owners. If, at any meeting of the Unit Owners, there shall be less than a quorum present, a majority of the Unit Owners present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than 48 hours from the time fixed for the original meeting.

Section 4.6 Conduct of Meetings. The President shall preside at all meetings of the Unit Owners, and the Secretary shall faithfully record the minutes thereof, which minutes shall include the full text of all resolutions duly adopted by the Unit Owners and a record of all transactions and proceedings occurring thereat. The then current edition of Robert's Rules of Order, or any other rules of procedure acceptable to a majority of the Unit Owners present at any meeting, in person or by proxy, shall govern the conduct of the meetings of the Unit Owners, unless the same shall be in conflict with the terms of the Declaration, these By-Laws, or the Condominium Act. All votes of the Unit Owners shall be tallied by the persons appointed by the presiding officer of the meeting.

Section 4.7 (A) Voting. Subject to the terms of Section 4.8 hereof, each Unit Owner (including Sponsor or its designee, for so long as Sponsor or such designee shall own one or more Unsold Units) shall be entitled to cast one vote at all meetings of the Unit Owners for each Unit owned.

(B) A fiduciary shall be the voting member with respect to a Unit owned in a fiduciary capacity. In addition, if two or more Persons own a Unit, they shall designate one Person amongst them to vote the Common Interest appurtenant to their Unit in a writing given to the Secretary of the Condominium, and the vote of such designee shall be binding upon all of such Persons. Failing such a designation, all of such Persons shall mutually vote such Common Interest under one ballot without division, and the concurrence of all such Persons shall be conclusively presumed if any one of them purports to vote such Common Interest without protest being contemporaneously made to the individual presiding over the meeting at which such vote is taken. If protest is made, the Common Interest appurtenant to such Unit

shall be counted solely for the purpose of determining whether a quorum is present for such voting.

(C) The owner(s) of any Unit may designate any Person to act as a proxy on his or her behalf. The designation of any such proxy shall be made in a writing both signed and dated by the designor and delivered to the Secretary of the Condominium at or before the appointed time for the meeting(s) during which the same is to be effective. Any such designation shall be revocable at any time upon written notice given to the Secretary of the Condominium; however, no revocation of such a resignation shall be effective with respect to any votes cast by such proxy prior to the receipt of such revocation notice by the Secretary of the Condominium or, if such revocation is made at a meeting of the Unit Owners during which the Secretary of the Condominium is not in attendance, by the individual acting as the Secretary of such meeting. Except with respect to the designation of a Permitted Mortgagee to act as the proxy of its mortgagor(s), no designation to act as a proxy shall be effective for a period in excess of six months after the date thereof.

(D) Except when otherwise required by law or otherwise provided in the Declaration or in these By-Laws, the affirmative vote of a Majority of Unit Owners shall be binding upon all Unit Owners for all purposes.

Section 4.8 Election of Members of Condominium Board.

(A) During the Initial Control Period, Sponsor or its designee shall have the right to designate the following number of members of the Condominium Board: (a) three members, for so long as the Common Interests attributable to any Units owned by Sponsor or its designee equals, in the aggregate, 50% or more of the Common Interests of all Units, and (b) two members, for so long as the Common Interests attributable to any Units owned by Sponsor or its designee equals, in the aggregate, less than 50% but 30% or more of the Common Interests of all Units.

(B) After the Initial Control Period, Sponsor or its designee shall not have voting control over the Condominium Board or veto power over expenditures and shall have the right to designate one member on the Condominium Board for so long as Sponsor or its designee owns at least four Unsold Units.

(C) Sponsor shall have the right to vote the Common Interests attributable to Units owned by Sponsor for members of the Condominium Board so long as Sponsor or its designee designates one or more members of the Board. From and after the time when Sponsor or its designee does not designate at least one member of the Board, Sponsor or its designee shall have the right to vote the Common Interests attributable to Units owned by

Sponsor for members of the Board.

(D) Each Unit Owner entitled to vote for members of the Condominium Board pursuant to this Section 4.8 shall be entitled to cast 1 vote for each Unit owned. A Unit owner who is entitled to more than one vote may divide his votes among different candidates, or vote them all for one candidate on a cumulative basis.

(E) The three persons receiving the highest number of votes shall be elected to the Condominium Board.

Section 4.9 Action Without a Meeting. Any action required or permitted to be taken by the Unit Owners at a duly constituted meeting may be taken without such a meeting if Unit Owners, sufficient in number (both in absolute number and in Aggregate Common Interests) to approve such an action at a duly constituted meeting of the Unit Owners pursuant to the Declaration or to these By-Laws consent in writing to the adoption of a resolution approving such action. All written consents given by Unit owners pursuant to this Section 4.9 shall be retained in the records of the Condominium together with a true copy of the resolutions to which they relate.

Section 4.10 Title to Units. Title to any Unit may be taken by any Person or by any two or more Persons as joint tenants, tenants in common, or tenants by the entirety, as may be appropriate, but not as owners in severalty.

Section 4.11 Contractual Liability of Unit Owners. Every contract made by the Condominium Board, by any officer of the Condominium, or by any Managing Agent shall provide (if such provision is reasonably obtainable and in addition to the limitation of liability of the members of the Condominium Board and the officer of the Condominium pursuant to the terms of Section 2.16 and 3.9 hereof, respectively) that the liability of any Unit Owner with respect thereof shall be limited to: (i) such proportionate shares of the total liability thereunder as the Common Interest of such Unit Owner bears to the aggregate Common Interests of all Unit Owners and (ii) such Unit Owner's Interest in his Unit and its Appurtenant Interests, unless otherwise provided by Law.

ARTICLE 5

OPERATION OF THE PROPERTY

Section 5.1 Maintenance and Repairs. (A) Except as otherwise provided in the Declaration or in these By-Laws, all painting, decorating, maintenance, repairs and replacements,

whether structural or non-structural, ordinary or extraordinary:

(i) in or to any Unit and all portions thereof (including, but not limited to, kitchen, bathroom fixtures and appliances, windows and their frames, sills and sashes, all doors (entrance and balcony, if any) and their frames and saddles, exposed plumbing, gas and heating, fixtures and equipment, air conditioning units, lighting and electrical fixtures and any General Common Elements incorporated therein shall be performed by the owner of such Unit at such Unit Owner's cost and expense; and

(ii) in or to the General Common Elements shall be performed by the Condominium Board as a Common Expense; and

(iii) in or to the Limited Common Elements shall be performed (a) by the Condominium Board as a Common Expense, if involving structural or extraordinary maintenance, repairs, or replacements (including, but not limited to, the repair of any leaks that are not caused by the acts or omissions of the Unit Owner having direct and exclusive access thereto) or (b) by the Unit Owner having direct and exclusive access thereto at his sole cost and expense, if involving non-structural ordinary maintenance, repairs, or replacements (including, without limitation, individual heating and hot water equipment).

Promptly upon obtaining knowledge thereof, each Unit Owner shall report to the Condominium Board or to the Managing Agent any defect or need for repairs for which the Condominium Board is responsible pursuant to the terms hereof. All painting, decorating, maintenance, repairs and replacements performed hereunder or otherwise, whether by or at the behest of the Unit Owner of the Condominium Board, shall be performed in such a manner as shall not unreasonably disturb or interfere with any Unit Owners or the tenants and occupants of any Units.

(B) Notwithstanding anything to the contrary provided in paragraph (A) of this Section 5.1, however, the exterior glass surfaces of all windows of each Unit are to be washed and cleaned by the Owner of such Unit at such Unit Owner's sole cost and expense. In addition, if any painting, decorating, maintenance, repairs or replacements of the Property or any part thereof, whether structural or non-structural, ordinary or extraordinary, is necessitated by the negligence, misuse or abuse of (i) any Unit Owner, the entire cost and expense thereof shall be borne by such Unit Owner, or (ii) the Condominium Board, the entire cost and expense thereof shall be borne by the Condominium Board as a Common Expense, except, in all events, to the extent that such cost and expense is covered by the proceeds of any insurance maintained pursuant to the terms of these By-Laws. Similarly,

each Unit Owner shall be responsible for any and all damage to any Unit or to the Common Elements resulting from such Unit Owner's failure to maintain, repair, or replace his or her Unit or any portion thereof as required herein.

(C) Each Unit and all portions of the Common Elements shall be kept in first-class condition, order and repair (and free of snow, ice and accumulation of water with respect to any balcony, roof, or other part of the Property exposed to the elements) by the Unit Owner or the Condominium Board, whichever is responsible for the maintenance thereof as set forth herein, and such Unit Owner or the Condominium Board, as the case may be, shall promptly make or perform, or cause to be made or performed, all maintenance work (including, without limitation, painting, repairs and replacements) that is necessary in connection therewith. In addition, the public areas of the Building and the Land and those areas exposed to public view shall be kept in good appearance, in conformity with the dignity and character of the Building, by (i) the Condominium Board, with respect to such parts of the Building required to be maintained by it, and (ii) each Unit Owner, with respect to the interior and exterior surfaces of balconies, windows and shades, venetian or other blinds, drapes, curtains or other window decorations in or appurtenant to his or her Unit.

Section 5.2 Alterations, Additions, or Improvements to the General Common Elements. Except as otherwise provided in the Declaration or in these By-Laws, all necessary or desirable alterations, additions or improvements in or to any of the Common Elements shall be made by the Condominium Board, and the cost and expense thereof shall constitute a Common Expense except that any improvements or additions shall only be made after unanimous consent of the board is obtained.

Section 5.3 Alterations, Additions, Improvements, or Repairs in or to the Units and Limited Common Elements. (A) Subject to the terms of paragraph (B) of this Section 5.3 no Unit Owner shall make any structural alteration, addition, improvement, or repair in or to his Unit or its appurtenant Limited Common Elements without the prior written approval of the Condominium Board. This includes the installation of any security gates on doors and/or windows. The Condominium Board shall grant its approval provided that prior to, and as a condition of, the granting of any such approval, the Unit Owner procures and agrees to maintain during the course of such work such insurance as the Condominium Board may reasonably prescribe and executes an agreement, in form and substance satisfactory to the Condominium Board, setting forth the terms and conditions under which such alteration, addition, improvement, or repair may be made, including, without limitation, the indemnity referred to

in paragraph (D) hereof and the days and hours during which any such work may be done, and further provided that the alteration does not impair the structural integrity of the building or any Unit or otherwise interfere with the use of any other Units.

(B) Notwithstanding anything to the contrary contained in paragraph (A) of this Section 5.3 however, Sponsor or its designee shall have the right pursuant to the terms of Article 11 of the Declaration, without the approval of the Condominium Board to (i) make any alterations, additions, improvements, or repairs in or to any Unsold Units whether structural or non-structural, interior or exterior, ordinary or extraordinary, and (ii) subdivide, combine and change the boundary walls of Unsold Units.

(C) All alterations, additions, improvements and repairs by Unit Owners shall be made in compliance with Law. In connection therewith, the Condominium Board shall execute applications to any departments of the City of New York, or to any other governmental agencies having jurisdiction thereof, for any and all permits required in connection with the making of alterations, additions, improvements, or repairs in or to a Unit or its appurtenant Limited Common Elements, provided that, with respect to all such work of a structural nature (but other than that of the nature described in paragraph (B) hereof), the same was approved by the Condominium Board pursuant to the terms of paragraph (A) hereof.

(D) Neither the Condominium Board nor any Unit Owner (other than the Unit Owner(s) making any alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his, her or their Unit(s) and appurtenant Limited Common Elements) shall incur any liability, cost, or expense either (i) in connection with the preparation, execution, or submission of the applications referred to in paragraph (C) hereof; (ii) to any contractor, subcontractor, materialman, architect, or engineer on account of any alterations, improvements, additions, or repairs made or caused to be made by any Unit Owner; or (ii) to any Person asserting any claim for personal injury or property damage, arising therefrom. Any Unit Owner(s) making alterations, improvements, additions, or repairs, or causing any of the same to be made, in or to his, her or their Unit(s) and appurtenant Limited Common Elements shall agree (in a writing executed and delivered to the Condominium Board, if the Condominium Board shall request), and shall be deemed to agree (in the absence of such writing), to indemnify and hold the Condominium Board, the members of the Condominium Board, the officers of the Condominium, the Managing Agent and all other Unit Owners harmless from and against any such liability, cost and expense.

Section 5.4 Insurance. (A) If the same shall be obtainable, the Condominium Board shall obtain, and shall maintain in full force and effect, fire insurance policies with all risk extended coverage, vandalism and malicious mischief endorsements, insuring the Building (including all Units and the bathroom and kitchen fixtures installed therein on the date of recording the Declaration and all service machinery contained therein, but not including appliances or any furniture, furnishings, decorations, belongings, or other personal property supplied or installed by Unit Owners or the tenants of Unit Owners) and covering the interests of the Condominium, the Condominium Board, all of the Unit Owners and all Permitted Mortgagees, as their interests may appear. Each of the said policies shall contain:

(i) waivers of (a) subrogation, (b) any defense based upon co-insurance, or other insurance, (c) invalidity arising out of any acts of the insured and (d) pro-rata reduction of liability;

(ii) a provision that any adjustment of loss will be made by the Condominium Board and that all proceeds thereof shall be paid to the Condominium Board, as provided in Section 5.5 hereof;

(iii) a New York standard mortgage clause in favor of each Mortgagee, which shall provide that the proceeds thereof shall be paid to such Permitted Mortgagee as its interests may appear, subject, however, to the loss payment provisions in favor of the Condominium Board;

(iv) a provision that such policy may not be either canceled or substantially modified except upon at least 30 days prior written notice to all of the insured, including all Permitted Mortgagees.

Duplicate originals or certificates of all such policies and of all renewals thereof, together with proof of payment of premiums, shall be sent to all Unit Owners and Permitted Mortgagees at least 30 days prior to the expiration of the then current policies.

(B) The Condominium Board shall also obtain and maintain, to the extent practicable:

(i) comprehensive general liability insurance, covering all claims for personal injury or property damage arising out of any occurrence on the Property and listing as co-insured (a) the Condominium Board and each member thereof, (b) the Managing Agent if any), (c) each officer of the Condominium and (d) each Unit

Owner (except, however, that such insurance shall not cover any liability of a Unit Owner arising from occurrences within his own Unit or its balcony);

(ii) water damage legal liability insurance; and

(iii) such other insurance as the Condominium Board shall from time to time determine. Each of the aforementioned policies of insurance shall also cover cross-liability claims of one insured against another.

(C) All policies of insurance to be maintained by the Condominium Board shall contain such limits as the Condominium Board shall from time to time determine, provided, however, that:

(i) with respect to insurance policies maintained by the Condominium Board pursuant to paragraph (A) hereof, the coverage shall be in an amount sufficient to avoid the effects of co-insurance (and, until the first regular meeting of the first three-member Condominium Board elected by the Unit Owners, such coverage shall be at least in the amount of $350,000.00); and

(ii) with respect to insurance policies maintained by the Condominium Board pursuant to subparagraph (i) of paragraph (B) hereof, such policies shall contain single limits of not less than $300,000 in the aggregate until the first regular meeting of the first three-member Condominium Board elected by the Unit Owners.

Any insurance policies maintained by the Condominium Board may also provide for such deductible amounts as the Condominium Board shall determine. The Condominium Board shall review the limits of each insurance policy, as well as the amount of any deductible sum thereunder, at least once a year.

(D) The cost of all insurance maintained by the Condominium Board pursuant to this Section 5.4 shall be borne by the Condominium Board as a Common Expense.

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

Section 5.5 Casualty or Condemnation. (A) In the event that either (i) the Building or any part thereof is damaged or destroyed by fire or other casualty (hereinafter referred to as a

"Casualty Loss") or (ii) the General Common Elements or any part thereof is taken in condemnation or by eminent domain (hereinafter referred to as a "Taking"), the net insurance proceeds payable under the insurance policies maintained by the Condominium Board pursuant to the terms of Section 5.4 hereof by reason of such Casualty Loss or the net condemnation awards receivable by reason of such Taking, as the case may be, shall be payable to the Condominium Board. All such monies actually received (hereinafter referred to as the "Trust Funds") shall be held in trust for the benefit of all Unit Owners and their Permitted Mortgagees and shall be disbursed pursuant to the terms of this Section 5.5. Notwithstanding anything to the contrary contained either in this paragraph (A) or elsewhere in this Section 5.5, however, no Unit Owner whose Unit, its appurtenant Limited Common Elements, or any portion thereof are taken in condemnation or by eminent domain (whether or not all or a part of the Common Elements other than balconies are contemporaneously taken) shall be deemed to have waived whatever rights that he or she may have to pursue a separate claim against the condemning authority by reason thereof.

(B) Subject to the terms of paragraph (D) hereof, the Condominium Board shall arrange for the prompt repair or restoration (hereinafter referred to as the "Work") of the damage covered by the insurance.

(C) If either 75% or more of the Building is destroyed or substantially damaged by fire or other casualty or 75% or more of the General Common Elements are taken in a Taking, the Work shall not be performed unless 75% or more of all Unit Owners (including Sponsor or its designee, if Sponsor or such designee shall then own any Units), both in number and in aggregate Common Interests, shall promptly resolve to proceed with the same. In the event that a sufficient number of Unit Owners shall so resolve, the Work shall be performed pursuant to the terms of paragraphs (B) and (C) hereof. Conversely, in the event that a sufficient number of Unit Owners shall either fail or refuse to so resolve, the Work shall not be performed and the Property shall not be subject to an action for partition by any Unit Owner or lienor, as if owned in common, in which event the net proceeds and the resulting sale, together with any Trust Funds, shall be paid to all Unit Owners in proportion to their respective Common Interests, except that no payment shall be made to a Unit Owner until there first has been paid, out of such Unit Owner's share of such funds, such amounts as may be necessary to reduce unpaid liens on the Unit Owner's Unit (other than mortgages that are not Permitted Mortgages) in the order of priority of such liens.

Section 5.6 Use of the Property. (A) No nuisance shall be allowed on the Property. No immoral, improper, offensive, or

unlawful use shall be made of the Property or any portion thereof, and all valid laws relating to any portion of the Property shall be complied with at the full cost and expense of the respective Unit Owners or the Condominium Board, whoever shall have the obligation to maintain or repair such part of the Property.

(B) Nothing shall be done or kept in any Unit or in any of the Common Elements that would increase the rate of insurance for the Property, except upon the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in a Unit or in the Common Elements that will result in the cancellation of insurance on the Property or the contents thereof, or that would be in violation of any Law. No waste shall be committed in the Common Elements.

(C) Nothing shall be done in any Unit or in, on, or to the Common Elements that will impair the structural integrity of the Property or that will structurally change the Building, except as is otherwise provided in the Declaration or in these By-Laws. In no event shall interior partitions contributing to the support of any Unit or the Common elements be altered or removed.

Section 5.7 Use of the Units. (A) In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of Units shall be restricted to, and shall be in accordance with, the terms contained in the balance of this Section 5.7.

(B) Each Unit shall be used only as a residence. Notwithstanding the foregoing, however, during the Initial Control Period upon the written consent of Sponsor (or after the Initial Control Period upon the prior written consent of the Condominium Board) a Unit may be used as a professional or business office or for any other purpose other than that set forth in this paragraph (B) provided that the nature and manner of such use complies with Law and does not violate the then existing Certificate of Occupancy covering such Unit.

(C) A Unit owned or leased by an individual, corporation, partnership, fiduciary, or any other entity may be occupied only by said individual, or by an officer, director, stockholder, or employee of such corporation, or by a partner or employee of such partnership, or by said fiduciary (including directors, officers, stockholders, or employees of corporate fiduciaries and partners or employees of partnership fiduciaries), or by the beneficiary of said fiduciary, or by a principal or employee of such other entity, respectively, or by Family Members or guests of any of the foregoing. Additionally, in no event shall a portion of a Unit (as opposed to the entire Unit) be sold, conveyed, leased,

or subleased, and no transient occupant (other than a guest permitted under this paragraph (C) may be accommodated therein.

(D) Notwithstanding anything to the contrary contained in this Section 5.7, Sponsor may, without the consent of either the Condominium Board of the Unit Owners:

(i) grant permission for the use of any Unsold Unit as a professional or business office or for any other purpose, provided that the nature and manner of such use complies with Law and does not violate the then existing Certificate of Occupancy covering such Unsold Unit; and

(ii) use any one or more Unsold Units as model units and offices for the sales, promotions, rental, management and operation of the unsold Units or for any other purpose, subject only to compliance with Law.

(E) Under no circumstances may more than one family occupy a Unit at one time.

Section 5.8 Use of the Common Elements. (A) Subject to the terms of paragraph (B) of this Section 5.8, the Common Elements (including without limitation, the electrical, heating, gas, plumbing and other mechanical systems and equipment of the Building and the Unit Facilities) may be used only for the furnishing of the services and facilities, and for the other uses, for which they are reasonably suited and capable. In addition, no furniture, packages, or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, or any other part of the Common Elements (except for those areas designated as storage areas, if any) without the prior written consent of the Condominium Board. The lobbies, vestibules, public halls and stairways shall be used only for normal passage through them.

(B) Notwithstanding the terms of paragraph (A) of this Section 5.8, Sponsor or its designee shall have the right, without charge or limitation so long as there are any Unsold Units, to: (i) erect and maintain signs, of any size or content determined by Sponsor or such designee, on or about any portion of the General Common Elements chosen by Sponsor or such designee, including, without limitation, on the exterior walls of the Building or adjacent to the main entrances thereof; (ii) have its employees, contractors, subcontractors and sales agents present on the Property; and (iii) do all things necessary or appropriate, including the use of the General Common Elements, to sell, lease, manage, or operate Unsold Units, to complete any work or repairs to the Building expressly undertaken by Sponsor and to comply with Sponsor's obligations. In no event, however,

shall Sponsor or such designee be entitled to use any Common Elements in such a manner as will unreasonably interfere with the use of any Unit for its permitted purposes.

Section 5.9 Right of Access. (A) Subject to the rights of existing tenants and other occupants of Unsold Units, each Unit Owner shall grant to the Condominium Board, to the Managing Agent or manager (if any), and/or to any other Person authorized by any of the foregoing a right of access to his Unit and its appurtenant Limited Common Elements for the purposes of:

(i) making inspections of, or removing violations noted or issued by any governmental authority against, the Common Elements or any other part of the Property,

(ii) curing defaults hereunder or under the Declaration or violations of the Rules and Regulations committed by such Unit Owner or correcting any conditions originating in his or her Unit and threatening another Unit or all or a portion of the Common Elements;

(iii) performing maintenance, installations, alterations, repairs, or replacements to the mechanical or electrical services, or other portions of the Common Elements located within his Unit or elsewhere in the Building;

(iv) reading, maintaining, or replacing utility meters relating to the Common Elements, to his or her Unit, or to any other Unit; or

(v) correcting any condition that violates the provisions of any Permitted Mortgage encumbering another Unit.

Except in cases of emergency (that is, a condition requiring repairs or replacements immediately necessary for the preservation or safety of the Building or for the safety of the occupants of the Building or other individuals, or required to avoid the suspension of any necessary service in the Building), the foregoing rights of access shall be exercised only upon not less than one day's advance notice and only in such a manner as will not unreasonably interfere with the use of the Units and their appurtenant Limited Common Elements for their permitted purposes. In cases of emergency, however, such rights of access may be exercised immediately, without advance notice and whether or not the Unit Owner is present.

(B) Each Unit Owner shall grant a right of access to his Unit and its appurtenant Limited Common Elements, and the Condominium Board shall grant rights of access to the General Common Elements, to Sponsor and its contractors, subcontractors, agents and employees for the purpose of fulfilling Sponsor's

obligations, provided that access thereto shall not be exercised, with respect to any Unit and its appurtenant Limited Common Elements, in such a manner as will unreasonably interfere with the use of such Unit and Limited Common Elements for their permitted purposes.

Section 5.10 Modification of the Rules and Regulations. The Condominium Board shall have the right to amend, modify, add to, or delete any of the Rules and Regulations from time to time, provided, however, that any such amendment, modification, addition, or deletion may be overruled by a vote of a majority of Unit Owners. Copies of the text of any amendments, modifications, additions or deletions to the rules and Regulations shall be furnished to all Unit Owners not less than thirty days prior to the effective date thereof.

Section 5.11 Real Estate Taxes, Water Charges and Sewer Rents. Water for the Building shall be supplied by the City of New York. Unless and until real estate taxes, water charges and sewer rents are billed directly to Unit Owners by the city collector, such taxes, charges and rents shall be payable by the Condominium Board.

The Condominium Board may act as an agent of each Unit Owner who has given his written authorization to complain or apply to the board of assessment review of the assessing agency by filing a single complaint on behalf of all such Unit Owners and to commence and prosecute a special proceeding for the review of assessments of real estate property as an aggrieved person. The Condominium Board may retain legal counsel on behalf of all Unit Owners for which it is acting as agent and may charge all such Unit Owners a pro rata share of expenses, disbursements and legal fees, for which charges the Condominium Board shall have a lien pursuant to the terms of these By-Laws.

Section 5.12 Gas. Gas shall be supplied to each Unit through a common meter for such Unit, and each Unit Owner shall be required to pay all charges for gas consumed or used in his or her Unit directly to the utility company servicing the Building as and when billed therefore.

Section 5.13 Electricity. Electricity shall be supplied to each Unit through a separate meter for such Unit, and each Unit Owner shall be required to pay all charges for electricity consumed or used in his or her Unit directly to the utility company servicing the Building as and when billed therefore.

Section 5.14 Utilities Serving the General Common Elements. The cost and expense of water, steam and electricity serving or benefiting any Common Element other than balconies

shall be (i) considered part of the expense of maintaining such Common element, (ii) determined by the Board and (iii) charged to the Unit Owners as a Common Expense.

Section 5.15 Records and Audits. (A) The Treasurer of the Condominium, or the Managing Agent under the supervision of such Treasurer, shall keep full, detailed and accurate records and books of account with respect to the financial affairs of the Condominium, which records and books of accounts shall include, without limitation, (i) a listing of all receipts of and expenditures by the Condominium Board and the Managing Agent and (ii) a separate listing for each Unit, setting forth, among other things, the amount of each assessment of Common Charges and Special Assessments levied against such Unit, the dates when due, the amounts paid thereon and the balance, if any, remaining unpaid.

(B) Within four months after the end of each fiscal year of the Condominium, the Condominium Board shall submit to each Unit Owner, and, if so requested, to any Permitted Mortgagee, an annual report of the receipts and expenditures of the Condominium prepared and certified by an independent certified public accountant. The cost of preparing and distributing each such report shall be borne by the Condominium Board as a Common Expense.

ARTICLE 6

COMMON CHARGES

Section 6.1 Determination of Common Expenses and Fixing of Common Charges. (A) From time to time, but not less frequently than once a year, the Condominium Board shall: (i) prepare and adopt a budget for the Condominium, subject to the restrictions set forth in Section 2.3 hereof; (ii) determine the aggregate amount of Common Charges necessary to be charged to the Unit Owners in order to meet the Common Expenses; and (iii) allocate and assess such Common Charges among the Unit Owners pro-rata, in accordance with their respective Common Interests (except as otherwise provided in the Declaration or in these By-Laws). The Condominium Board may, as its sole discretion, from time to time increase or decrease the amount of Common Charges allocated to the Units and payable by the Unit Owners and may modify its prior determination of the Common Expenses for any fiscal year so as to increase or decrease the amount of Common Charges payable for such fiscal year or portion thereof; however, no such revised determination of Common Expenses shall have a retroactive effect on the amount of Common Charges payable by Unit Owners for any period prior to the date of such new determination.

(B) The failure or delay of the Condominium Board to prepare or adopt a budget or to determine the Common Expenses for any fiscal year or portion thereof shall not be deemed a waiver or modification in any respect of the covenants and provisions hereof or a release of any Unit Owner from the obligation to pay Common Charges.

(C) In addition to the foregoing duty to determine the amount of and assess Common Charges, the Condominium Board shall have the right, subject, in all respects, to any restrictions contained herein, to levy Special Assessments to meet the Common Expenses.

Section 6.2 Payment of Common Charges. (A) All Unit Owners, including Sponsor or its designee with respect to Unsold Units, for so long as the same are owned thereby, and including non-occupying unit owners in accordance with Section 339-kk of the Condominium Act, shall be obligated to pay Common Charges and Special Assessments assessed by the Condominium Board pursuant to the terms of Section 6.1 hereof at such time or times (but not less than annually) as the Condominium Board shall determine. Unless otherwise determined by the Condominium Board, Common Charges shall be payable in installments on the first day of every month in advance. To the extent permitted by Law, the Condominium Board shall have a lien on each Unit, on behalf of all Unit Owners, for unpaid Common Charges and Special Assessments assessed against such Unit. Such lien, however, shall be subordinate, to the extent required by Law, to any liens for real estate taxes assessed against such Unit.

(B) No Unit Owner shall be liable for the payment of any part of the Common Charges and any Special Assessments assessed against his Unit for the period subsequent to a sale, with its Appurtenant Interests, made in compliance with the terms of Article 7 hereof. A purchaser or other successor-in-title to the owner of a Unit shall be liable for the payment of all Common Charges and any Special Assessments accrued and unpaid against such Unit prior to his acquisition thereof, except that, to the extent permitted by Law, a Permitted First Mortgagee acquiring title to a mortgaged Unit or a purchaser at a mortgage foreclosure sale held with respect to a Permitted First Mortgage shall not be liable, and such mortgaged Unit shall not be subject to a lien, for the payment of any Common Charges and Special Assessments assessed subsequent to the recording of such Permitted First Mortgage and prior to the acquisition of title to such Unit by the Permitted First Mortgagee or by such purchaser. However, in the event of a foreclosure of a Permitted First Mortgagee (whether by sale, deed in lieu of foreclosure, or otherwise), the defaulting Unit Owner shall remain fully liable

for the payment of all unpaid Common Charges and Special Assessments that accrued prior to such foreclosure. Any unpaid Common Charges and Special Assessments that are not collected from such defaulting Unit Owner shall be deemed a Common Expense, collectible from all those who are Unit owners at the time that the same is levied.

(C) Subject to the terms and conditions contained in these By-Laws, any Unit Owner may convey his Unit, together with its Appurtenant Interests, to the Condominium Board or to its designee, corporate or otherwise, on behalf of all Unit Owners, without being compensated therefore, and in such event, be exempt from the payment of Common Charges and Special Assessments thereafter accruing, provided, however, that: (i) all Common Charges and any Special Assessments then due and payable with respect to such Unit have been paid; (ii) such Unit is free and clear of all liens and encumbrances other than a Permitted First Mortgage and the Statutory lien for unpaid Common Charges and Special Assessments; (iii) no violation of any provision of the Condominium Documents then exists with respect to such Unit and (iv) at the time of conveyance, and in the event that the Unit is encumbered by a Permitted Mortgage, the Unit Owner shall deposit with the Condominium Board an amount equal to the product of the then currently monthly debt service on the Permitted Mortgage multiplied by 24. However, in no event shall Sponsor or its designee be permitted to convey any Unsold Unit to the Condominium Board and thereby exempt itself from Common Charges and any Special Assessments attributable to such Unit thereafter accruing.

(D) No Unit Owner shall be exempted from liability for the payment of Common Charges or Special Charges by waiving the use or enjoyment of any or all of the Common Elements or by abandoning his or her Unit (except with respect to a conveyance of the same to the Condominium Board, without compensation, pursuant to the terms of paragraph (C) hereof). No Unit Owner shall be entitled to a diminution or abatement in the Common Charges or Special Assessments payable thereby for any inconvenience or discomfort arising from: (i) the failure or interruption of any utility or other services; (ii) the making of repairs or improvements to the Common Elements or any Unit (including, without limitation, such Unit Owner's Unit) pursuant to the terms of Section 5.1, 5.2, or 5.3 hereof; or (iii) any action taken by the Condominium Board or the officers of the Condominium to comply with the Law.

Section 6.3 Statement of Common Charges. The Condominium Board shall promptly provide a written statement of all unpaid Common Charges due from any Unit Owner upon its receipt of a written request therefore from such Unit Owner. In

addition, each Unit Owner shall be permitted to examine the books of account of the Condominium at reasonable times on weekdays.

Section 6.4 Default in Payment of Common Charges. (A) The Condominium Board shall take prompt action to collect any Common Charges due to the Condominium Board that remains unpaid for more than 30 days after the due date for the payment thereof. In connection therewith, the Condominium Board shall have the right and obligation, and cooperation of the Sponsor, to cause liens for all sums due and owing to the Condominium Board to be filed in the Register's Office pursuant to the terms of Section 339-z of the Condominium Act, to cause such liens to be foreclosed in the manner provided in Section 339-aa of the Condominium Act and/or to institute all other proceedings deemed necessary or desirable by the Condominium Board to recover all such unpaid Common Charges, together with all additional sums of money collectible by the Condominium Board by reason of such nonpayment pursuant to the terms of paragraph (B) hereof. A suit to recover a money judgment for unpaid Common Charges, however, shall be maintainable without foreclosing or waiving the lien securing such Common Charges. In addition any Unit Owner in default of two months payment of common charges will lose all voting rights after a receipt from the Condominium Board of a ten-day notice to cure.

(B) In the event that any Unit Owner shall fail to make prompt payment of Common Charges, such Unit Owner shall be obligated to pay all costs and expenses paid or incurred by the Condominium Board, the Managing Agent, (if any) in connection with collecting such unpaid Common Charges and/or in foreclosing the aforementioned lien, including, without limitation, reasonable attorney's fees and disbursements and court costs. In addition, if the Condominium Board shall bring an action to foreclose the aforementioned lien, the defaulting Unit Owner will be required to pay a reasonable rental for the use of his Unit, and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same.

(C) In any action brought by the Condominium Board to foreclose a lien on a unit because of unpaid Common Charges, the Condominium Board shall have, on behalf of all Unit Owners, the power to purchase such Unit at the foreclosure sale thereof and to acquire, hold, lease, mortgage, convey, or otherwise deal with such Unit (but not to vote the votes appurtenant to the same). In the event that the net proceeds received on such foreclosure (after deduction of all legal fees and disbursements, advertising costs, brokerage commissions, court costs and other costs and expenses paid or incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, such Unit Owner shall remain liable for the

deficit. Any surplus on such foreclosure sale shall be paid to the defaulting Unit Owner after first paying all liens on such Unit Owner's Unit in the order of priority of such liens.

ARTICLE 7

SELLING AND LEASING OF UNITS

SECTION 7.1 General. Subject to the terms of Section 7.5 hereof, no Unit Owner may sell or lease his Unit except in compliance with the applicable provisions of this Article 7. Any purported sale or lease consummated in default of the applicable terms hereof shall be voidable at the sole election of the Condominium Board, and, if the Condominium Board shall so elect, the selling or leasing Unit Owner shall be deemed to have authorized and empowered the Condominium Board to institute legal proceedings to eject the purported purchaser (in the event of an unauthorized sale) or to evict the purported tenant (in the event of an unauthorized leasing) in the name of the said Unit Owner as the owner, or landlord, as the case may be. The said Unit Owner shall reimburse the Condominium Board for all costs and expenses paid or incurred in connection with such proceedings, including, without limitation, reasonable attorney's fees, disbursements and court costs.

Section 7.2 Right of First Refusal. (A) Subject to the terms of Sections 7.5 hereof, any contract to sell a Unit together with its Appurtenant Interests and any lease of a Unit (hereinafter collectively referred to as a "Sale or Lease Agreement") shall contain the following language: "THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER ARE HEREBY MADE EXPRESSLY SUBJECT TO THE RIGHTS, IF ANY, OF THE BOARD OF MANAGERS OF THE CONDOMINIUM WITH RESPECT TO THE TRANSACTION EMBODIED HEREIN PURSUANT TO THE TERMS OF SECTION 7.2 AND 7.3 OF THE BY-LAWS OF THE SAID CONDOMINIUM, AS THE SAME MAY HAVE BEEN AMENDED." Promptly after any such contract of sale or lease shall be fully executed, the Unit Owner executing the same (hereinafter referred to as the "Offeree Unit Owner") shall send written notice thereof to the Condominium Board by certified or registered mail, return receipt requested, which notice shall be accompanied by a fully executed, original counterpart of the contract of sale or the lease, as the case may be, containing all of the terms offered in good faith by the prospective purchaser or tenant (hereinafter referred as the "Outside Offeror").

(B) The sending of the notice referred to in paragraph (A) of this Section 7.2 shall constitute an offer by the Offeree Unit Owner to sell his Unit, together with its Appurtenant Interests, or to lease his Unit, as the case may be, to the Condominium Board or to its designee, corporate or otherwise, on behalf of

all Unit Owners, upon the same terms and conditions as are outlined in such Sale or Lease Agreement, subject, however, to any variance therefrom provided in Section 7.3 hereof. The giving of such notice shall further constitute a representation and warranty by the Offeree Unit Owner to the Condominium Board, on behalf of all Unit Owners, that such Offeree Unit Owner believes the Sale or Lease Agreement to be bona fide in all respects. Thereafter, upon the written demand of the Condominium Board, the Offeree Unit Owner shall submit to the Condominium Board, in writing, such further information with respect to the Outside Offeror and the Sale or Lease Agreement as the Condominium Board may reasonably request.

(C) The Condominium Board may elect, by sending written notice thereof to the Offeree Unit Owner by certified or registered mail not later than 20 business days after receipt of the notice referred to in paragraph (A) (provided that if further information had been requested pursuant to the terms of paragraph (B) hereof, such 20 day period shall commence on the receipt of such information), to purchase such Unit together with its Appurtenant Interests or to lease such Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise) on behalf of all Unit Owners upon the same terms and conditions as were contained in the Sale or Lease Agreement and stated in the response(s) by the Offeree Unit Owner to any requests for additional information pursuant to the terms of paragraph (B) hereof. Notwithstanding anything to the contrary contained herein, however, the Condominium Board shall not exercise any option set forth in this Section 7.2 to purchase or lease any Unit without the prior approval of a Majority of Unit Owners.

Section 7.3 Acceptance of Offer. (A) In the event that the Condominium Board shall elect, within the time and in the manner provided in Section 7.2 hereof, to purchase a Unit together with its Appurtenant Interests, to lease such Unit, or to cause the same to be purchased or leased, a lease or contract shall be executed in either event in accordance with the terms of the Sale or Lease Agreement, at the office of the attorneys for the Condominium within 45 days after the day upon which the Condominium Board shall give notice of its election to accept such offer.

(B) In the event that such Unit is to be leased by the Condominium Board or its designee on behalf of all Unit Owners, the Offeree Unit Owner shall execute and deliver to the Condominium Board or such designee a lease covering such Unit by and between the Offeree Unit Owner, as landlord, and the Condominium Board of such designee, as tenant. Such lease shall be in the then current form of apartment lease recommended by the

Real Estate Board of New York, Inc., and shall contain all of the terms and conditions of the Lease Agreement not in conflict with such form or lease, including without limitation, the rental and term provided for therein. Notwithstanding anything to the contrary set forth hereinabove or in the Lease Agreement, however, such lease shall expressly provide that the Condominium Board or such designee may enter into a sublease of the premises thereunder without consent of the landlord.

Section 7.4 Failure to Accept Offer. (A) In the event that the Condominium Board shall fail to accept an offer made pursuant to the terms of Section 7.2 hereof within the time set forth in paragraph (C) thereof, the Offeree Unit Owner shall be free to consummate the transaction embodied in the Sale or Lease Agreement within 120 days after (i) notice of refusal is sent to the Offeree Unit owner by the Condominium Board or (ii) the expiration of the period within which the Condominium Board or its designee might have accepted such offer, as the case may be. If the Offeree Unit Owner shall fail to consummate the transaction embodied in the Sale or Lease Agreement within such 120-day period, then, should the Offeree Unit Owner thereafter elect to sell such Unit together with its Appurtenant Interests or to lease such Unit, the Offeree Unit Owner shall be required again to comply with all of the terms and provisions of Sections 7.2, 7.3, and 7.4 hereof.

(B) Any deed of a Unit and its Appurtenant Interests to an Outside Offeror shall expressly provide that the acceptance thereof by the grantee shall constitute an assumption of all of the terms of the Condominium Documents, and, in the absence of such express language, the same shall be conclusively deemed to have been included therein.

(C) Each lease of a Unit to an Outside Offeror shall be in the then current form of apartment lease recommended by the Real Estate Board of New York, Inc. subject to such modifications as may be approved in writing by the Condominium Board. Notwithstanding the foregoing, however, each such lease shall be consistent with the Condominium Documents and shall expressly provide that:

(i) such lease shall be for a term of not less than six months and shall not be for less than an entire Unit.

(ii) such lease may not be amended, modified, or extended without the prior written consent of the Condominium Board in each instance;

(iii) the tenant thereunder shall not assign his interest in such lease or sublet the premises demised thereunder

or any part thereof without the prior written consent of the Condominium Board in each instance; and

(iv) the Condominium Board shall have the power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder in the event of (a) a default by the tenant in the performance of its obligations under such lease or (b) a foreclosure of the lien granted by Section 339-z of the Condominium Act.

Section 7.5 Termination of, and Exceptions to, the Right of First Refusal. (A) A certificate executed and acknowledged by the Secretary of the Condominium or the Managing Agent, stating that the provisions of Section 7.2 hereof have been met by a Unit Owner or that the right of first refusal therein has been duly released or waived by the Condominium Board and that, as a result thereof, the rights of the Condominium Board thereunder have terminated, shall be conclusive upon the Condominium Board and all Unit Owners in favor of all persons who rely upon such certificate in good faith. After the due issuance of such a certificate, the Unit to which the same shall relate, together with its Appurtenant Interests, may be sold, conveyed, or leased free and clear of the terms and conditions contained in Section 7.2 hereof. The Condominium Board shall furnish or cause the Managing Agent to furnish, without unreasonable charge, such certificate upon written request of any Unit Owner in respect to whom the provisions of Section 7.2 hereof have, in fact, been terminated. In no event, however, shall the Right of First Refusal described in Section 7.2 hereof be deemed released or waived by the Condominium Board (as opposed to satisfied pursuant to the express terms of Section 7.2, 7.3, and 7.4 hereof) in the absence of a certificate that has been duly executed, acknowledged and issued by the Condominium Board or the Managing Agent, (if any) as aforesaid.

(B) The terms and conditions contained in Sections 7.2, 7.3 and 7.4 hereof shall not apply with respect to any sale, lease, or conveyance of a Unit, together with its Appurtenant by:

(i) the owner of such Unit to any of his or her adult Family Members, to any combination of the same, or to a trust for the benefit of any of them or, with respect to a Unit Owner that is not an individual, to any entity or individual that owns more than 50 percent of the legal and beneficial interest of such Unit Owner or entity with respect to which such Unit Owner (individual or otherwise) owns more than 50 percent of the legal and beneficial interest thereof;

(ii) Sponsor or its designee, with respect to the Unsold Units;

(iii) the Condominium Board;

(iv) any proper officer conducting the sale of a Unit in connection with the foreclosure of a mortgage or other lien covering such Unit or delivering a deed in lieu of such foreclosure; or

(v) any Permitted Mortgagee or his nominee, who has acquired title to any Unit at any foreclosure sale of his or her Permitted Mortgage or by deed in lieu thereof delivered in a bona fide transaction; Provided, However, that each succeeding Unit Owner shall be bound by, and his Unit shall continue to be subject to, all of the terms and conditions of this Article 7.

Section 7.6 No Severance of Ownership. No Unit Owner shall execute any deed or other instrument conveying title to his or her Unit without including therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any deed or other instrument purporting to affect one or more such interests shall be taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Unit may be sold, conveyed, or otherwise disposed of, except as part of a sale, conveyance, or other disposition of the Unit to which such interests are appurtenant or as part of a sale, conveyance, or other disposition of such part of the Appurtenant Interests of all Units. Nothing contained in this Section 7.6 however, shall prohibit the lease of any Unit without the simultaneous lease of its Appurtenant Interests.

Section 7.7 Payment of Common Charges. No Unit Owner shall be permitted to convey or lease his Unit unless he shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, other than that of Permitted Mortgages, levied against such Unit provided that if a Unit Owner shall convey his Unit without having paid in full all such payments, the purchaser of such Unit shall be responsible for all such payments.

Section 7.8 Power of Attorney. At the time of acquiring title to a Unit and as a condition thereof, the new Unit Owner shall duly execute, acknowledge and deliver to the representative of his or her title insurance company (or, if no such representative is present, to Sponsor or its designee, or, if Sponsor or its designee is not then the owner of any Unsold Unit, to the Condominium Board) for recording in the Register's Office, the Unit Owner's Power of Attorney required in Article 14

of the Declaration, in the form set forth as on Exhibit to the Declaration and the new Unit Owner shall bear the cost of recording the Unit Owner's Power of Attorney.

Section 7.9 Devises, Etc. Any Unit Owner shall be free to devise his Unit together with its Appurtenant Interests by will or to have the same pass by intestacy, without restriction, provided, however, that each succeeding Unit Owner shall be bound by, and his or her Unit shall be subject to, the provisions of this Article 7.

ARTICLE 8

MORTGAGING OF UNITS

SECTION 8.1 General. Each Unit Owner shall have the right to mortgage his Unit, subject only to the terms and conditions contained in Section 8.2 hereof. Any Unit Owner who mortgages his or her Unit, or the holder of such mortgage, shall supply the Condominium Board with the name and address of his or her mortgagee and shall file a conformed copy of the note and mortgage with the Condominium Board. Any Unit Owner who satisfies a mortgage covering his Unit shall so notify the Condominium Board and shall file a conformed copy of the satisfaction of mortgage with the Condominium Board. The Secretary of the Condominium shall maintain such information in a book entitled "Mortgages of Units."

Section 8.2 Restrictions on Mortgaging. (A) No Unit Owner shall be permitted to mortgage, pledge, or hypothecate his Unit unless and until he shall have paid in full to the Condominium Board all unpaid Common Charges and Special Assessments theretofore assessed against such Unit and shall have satisfied all unpaid liens, except the liens of Permitted Mortgages levied against such Unit.

(B) Any mortgage or other document mortgaging, pledging, or hypothecating title to a Unit shall include therein its Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or descried therein.

(C) Any mortgage covering a Unit shall be substantially in the form of the New York statutory form of mortgage, except for such changes or additions thereto as may be reasonably required in order to permit a particular bank, trust company, insurance company, savings and loan association, or other institutional or

noninstitutional lender to make the mortgage loan.

Section 8.3 Notice of Unpaid Common Charges and Default. Whenever requested in writing by a Permitted Mortgagee, the Condominium Board shall promptly report to such Permitted Mortgagee any default by his or her mortgagor(s) in the payment of Common Charges or Special Assessments or in the observance or performance of any of the provisions of the Condominium Documents as to which the Condominium Board has knowledge then exists. The Condominium Board shall, when giving notice to a Unit Owner of any such default, also send a copy of such notice to his Permitted Mortgagee, if so requested. However, the Condominium Board shall have no liability for any failure, through oversight or negligence, in notifying a Permitted Mortgagee of any default by his or her mortgagor under the Condominium Documents, provided that (i) the Condominium Board shall advise such Permitted Mortgagee of the default promptly after discovering such failure and (ii) if the Condominium Board shall foreclose a lien on such Mortgagor's Unit pursuant to the terms of Section 6.4 hereof by reason of such default, the Condominium Board shall pay to such Permitted Mortgagee any net proceeds of any foreclosure sale of such Unit (after retaining all sums due and owing to the Condominium Board pursuant to the Condominium Documents) or such lesser sum as shall be due and owing to such permitted Mortgagee.

Section 8.4 Performance by Permitted Mortgagees. Any sum of money to be paid or any act to be performed by a Unit Owner pursuant to the terms of the Condominium Documents may be paid or performed by his Permitted Mortgagee, and the Condominium Board shall accept such Permitted Mortgagee's payment or performance with the same force and effect as if the same were paid or performed by such Unit Owner.

ARTICLE 9

ARBITRATION

Section 9.1 Procedure. Any dispute between the Unit Owners, members of the Condominium Board, or Officers of the Condominium shall be submitted to binding arbitration in accordance with the rules of the American Arbitration Association then obtaining.

Section 9.2 Binding Effect. The decision in any arbitration conducted pursuant to the terms of Section 9.1 hereof shall be binding upon all of the parties thereto and may be entered in any court of appropriate jurisdiction.

ARTICLE 10

NOTICES

Section 10.1 General. All notices required or desired to be given hereunder shall be sent by registered or certified mail, return receipt requested, postage prepaid addressed:

(i) if to the Condominium Board, to all members thereof at their home address.

(ii) if to a Unit Owner other than Sponsor or its designee, to such Unit Owner at his or her address at the Property;

(iii) if to a Permitted Mortgagee at its latest address designated in writing to the Condominium Board.

Any of the foregoing parties may change the address to which notices are to be sent, or may designate additional addresses for the giving of notice, by sending written notice to the other parties as aforesaid. All notices sent pursuant to the terms of this Section 10.1 shall be deemed given when deposited in a United States Postal Service depository located in the State of New York enclosed in a sealed, postage prepaid wrapper, provided, however, that notices of change of address, notices designating additional addresses and notices deposited in a United States Postal Service depository located outside of the State of New York shall be deemed to have been given when received.

Section 10.2 Waiver of Service. Whenever any notice is required to be given by Law or pursuant to the terms of the Condominium Documents, a waiver thereof in writing, signed by the Person or Persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE 11

AMENDMENTS TO BY-LAWS

Section 11.1 General. (A) Subject to the terms of paragraph (B) hereof and subject, further, to any provisions contained in the Declaration or these By-Laws with respect to any amendments (hereinafter referred to as "Special Amendments") affecting or in favor of Sponsor or its designee, any Unsold Unit(s), and/or any permitted Mortgagee, any provision of these By-Laws may be amended, modified, added to, or deleted by the affirmative vote of not less than 80% in number and the aggregate

Common Interests of all Unit Owners either taken at a duly constituted meeting thereof or given in writing without a meeting as provided in Section 4.9 hereof. Each duly adopted amendment, modification, addition, or deletion hereof or hereto shall be effectuated in an instrument executed and recorded in the Register's Office by or on behalf of the Condominium Board as attorney-in-fact of all Unit Owners, which power-of-attorney shall be deemed irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Secretary's Certification, certifying that the requisite number and percentage of Unit Owners approved the amendment, modification, addition, or deletion set forth therein either at a duly constituted meeting of Unit Owners or in writing without a meeting pursuant to the terms of Section 4.9 hereof, in which Secretary's Certification there shall be described the number and percentage of Unit Owners approving the same and, if voted at a meeting, the date, time and place of such meeting. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

(B) Notwithstanding anything to the contrary contained in paragraph (A) hereof, but still subject to any provision contained in the Declaration of these By-Laws with respect to Special Amendment:

(i) the Common Interest appurtenant to any Unit, as set forth in the Declaration, shall not be altered without the consent of the Unit Owner thereof; and

(ii) no amendment, modification, addition, or deletion agreed to pursuant to the terms of paragraph (A) hereof shall be effective without the prior written consent of the Mortgage Representatives, if any, provided, however, that no such consent shall be unreasonably withheld or delayed.

Section 11.2 Special Amendments. (A) Any amendments, 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 Sponsor or its designee without the consent of the Condominium Board or the Unit Owners shall be embodied in an instrument executed and recorded in the Register's Office by Sponsor or such designee as attorney-in-fact of both the Condominium Board and all Unit Owners, which power-in-attorney shall be deemed to be irrevocable and coupled with an interest. Attached to each such instrument shall be an original, executed Certification by Sponsor of such designee, certifying that the amendment, modification, addition, or deletion set forth therein was effectuated by Sponsor or such designee pursuant to the terms of the Declaration and/or these

By-Laws, in which Certification there shall be set forth the Article and/or Section of the Declaration or these By-Laws pursuant to which the same was effectuated. No such amendment, modification, addition, or deletion shall be effective unless and until such an instrument shall be duly recorded in the Register's Office.

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

(C) Notwithstanding any provision contained herein to the contrary, no amendment, modification, addition or deletion of or to Section 5.4 or 5.5, paragraph (B) of Section 6.2, or subparagraph (iv) or (v) of paragraph (B) of Section 7.5, hereof shall be effective with respect to the holder of any Permitted Mortgage theretofore made unless and until such Permitted Mortgagee shall have given its written consent thereto.

ARTICLE 12

FURTHER ASSURANCES

Section 12.1 General. Any Person that is subject to the terms of these By-Laws, whether such Person is a Unit Owner, a lessee or sublessee of a Unit Owner, an occupant of a Unit, a member of the Condominium Board, an officer of the Condominium, or otherwise, shall, at the expense of any other Person requesting the same, execute, acknowledge and deliver to such other Person such instruments, in addition to those specifically provided for herein, and take such other action as such other Person may reasonably request in order either to effectuate the provisions of these By-Laws or any transaction contemplated herein or to confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

Section 12.2 Failure to Deliver or Act. (A) Subject to the provisions of (B) below, if any Unit Owner or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge and deliver or to take action required to be taken pursuant to these By-Laws, then the Condominium Board 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 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.

(B) If the Condominium Board, any Unit Owner, or other Person that is subject to the terms of these By-Laws fails to execute, acknowledge, or deliver any instrument, or fails or refuses, within ten days after request therefore, to take any action that the Condominium Board, such Unit Owner, or Person is required to execute, acknowledge and deliver or to take pursuant to these By-Laws at the request of Sponsor, then Sponsor is hereby authorized, as attorney-in-fact for the Condominium Board, 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 Condominium Board, such Unit Owner, or other Person, and such document or action shall be binding on the Condominium Board, such Unit Owner, or other Person.

ARTICLE 13

MISCELLANEOUS

Section 13.1 Inspection of Documents. Copies of the Declaration, these By-Laws, and Rules and Regulations and the Floor Plans, as the same may be amended from time to time, shall be maintained at the office of the condominium Board and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

Section 13.2 Waiver. No provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches that may occur.

Section 13.3 Conflicts. In the event that any provision of these By-Laws or of the Rules and Regulations shall be construed to be inconsistent with any provision of the Declaration of the Condominium Act, the provision contained in the Declaration or in the Condominium Act shall control.

Section 13.4 Severability. If any provision of these By-Laws is invalid or unenforceable as against any Person or under certain circumstances, the remainder of these By-Laws and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of these By-Laws shall, except as otherwise provided herein, be valid and enforceable to the fullest extent provided by Law.

Section 13.5 Successors and Assigns. The rights and/or obligations of Sponsor as set forth herein shall inure to the benefit of, and shall be binding upon, any successor or assignees of Sponsor or, with the consent of Sponsor, any transferee of all the then Unsold Units.

Section 13.6 Gender. A reference in these By-Laws to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice-versa, unless the context otherwise requires.

Section 13.7 Captions. The index hereof and the captions herein inserted are included only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws or the intent of any provision hereof.

Addendum to the By-Laws of the
KINGS CONDOMINIUM, BROOKLYN, NEW YORK 11229

THE PREMISES KNOWN AS
2113 Kings Highway, Brooklyn, New York 11229

RULES AND REGULATIONS

1. 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 of 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.

2. No refuse from the Units shall be deposited or kept in the cellars of the Building, except at such times and in such manner as the Condominium Board or the Managing Agent may direct. Nothing shall be hung or shaken from any doors, windows or open balconies, or placed upon the 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.

3. Nothing shall be done or kept in any Unit or in the Common Elements that will increase the rate of insurance of the Building, or the contents thereof, without the prior written consent of the Condominium Board. No Unit Owner shall permit anything to be done or kept in his or her Unit or in the Common Elements 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 or her Family Members, agents, servants, employees, licensees, or visitors shall, at any time, bring into or keep in his or her Unit or Limited Common Elements 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 Limited Common Elements.

4. 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 or her Unit that will interfere with the rights of the other Unit Owners. No Unit Owner shall play 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 occupants of other Units, 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.

5. Unless otherwise authorized by the Condominium Board in each instance, not less than 80 percent of the floor area of each Unit (excepting only kitchens, pantries, bathrooms, closets and foyers) must be covered with rugs, carpeting, or equally effective noise-reducing material.

6. 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.

7. 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.

8. Each Unit Owner shall keep his or her Unit and its appurtenant balcony (if any) in a good state of preservation, condition, repair, and cleanliness in accordance with the terms of the By-Laws.

9. The agents of the Condominium Board or the Managing Agent, and any contractor or workman authorized by the Condominium Board or the Managing Agent, may enter any room or 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.

EXHIBIT H

2113 KINGS HIGHWAY LLC
3845 Bedford Avenue
Brooklyn, New York 11229
(646) 436-8000

CERTIFICATION BY SPONSOR

October 1, 2009

Real Estate Financing Bureau
120 Broadway, 23rd floor
New York, New York 10271

Re: Kings Condominium
2113 Kings Highway, Brooklyn, New York

Dear Sirs:

I represent the sponsor and am a principal of sponsor of the condominium offering plan for the captioned property.

I understand that I have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, the regulations promulgated by the Department of Law in Part 20 and such other laws and regulations as may be applicable.

I have read the entire offering plan. I have investigated the facts set forth in the offering plan and the underlying facts. I have exercised due diligence to form a basis for this certification.

I certify that the offering plan does, and that documents submitted hereafter by me which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where we:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth; or

(d) did not have knowledge concerning the representation or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made.

I understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

2113 Kings Highway, LLC

By: _____
Yaacov Azrad, Member and Principal of Sponsor

_____
Yaacov Azrad, Principal of Sponsor

Sworn to before me this
9 day of December, 2009.

_____
Notary Public

SOLOMON SETH YAVNE
Notary Public, State of New York
No. 24-4829690
Qualified in Kings County
Commission Exp. Nov 30, 2013

EXHIBIT I

SCHNEIDER ASSOCIATES

866 Johnston Drive
Watchung, N.J. 07069
Phone : (908) 755-0059

CERTIFICATION BY SPONSOR'S ENGINEER
PURSUANT TO PART 20.4 OF THE REGULATIONS
ISSUED PURSUANT TO GENERAL BUSINESS LAW,
ARTICLE 23-A, AS AMENDED

Department of Law of
The State of New York
120 Broadway, 23rd Floor
New York, New York 10271
Attention: Real Estate Financing Bureau

Re: 2113 Kings Highway
Brooklyn, New York, 11229

The Sponsor of the Offering Plan to convert the captioned property to condominium ownership has retained our firm to prepare a report describing the construction and/or renovation of the property (hereinafter "the Report"). I examined the building plans and specifications, prepared by Bricolage Designs, 6321 New Utrecht Avenue, Brooklyn, N.Y. 11219; dated July 23rd, 2008, and prepared the amended Report dated, June 22nd, 2010, a copy of which is intended to be incorporated into the Offering Plan, so that prospective purchasers may rely thereupon. I am a licensed Engineer, registered 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 therein 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 does:

(i) set forth in narrative form the description and/or physical condition of the entire property as it will exist upon completion of construction, provided that construction is in accordance with the plans and specifications which I examined.

(ii) in our professional opinion, afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the description and/or physical condition of the property as it will exist upon completion of construction provided that construction is in accord with the plans and specifications which I examined.

(iii) not omit any material fact;

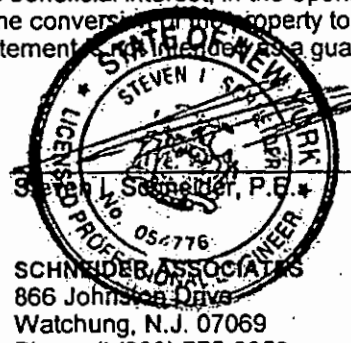
(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, or suppression;

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

I further certify that I am not owned or controlled by, and have no beneficial interest, in the Sponsors, and that my compensation for preparing the Report is not contingent on the conversion of the property to condominium ownership, 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.



Steven I. Schneider, P.E.
SCHNEIDER ASSOCIATES
866 Johnston Drive
Watchung, N.J. 07069
Phone # (908) 775-0059

Sworn to before me this

24TH day of JUNE, 2010

Notary Public

THERESA WEISSMULLER
Notary Public - State of New York
NO. 01WE6136355
Qualified in Nassau County
My Commission Expires 11/7/13

EXHIBIT J

Wilk Real Estate I, LLC.
626 Avenue U
Brooklyn, NY 11223
(718) 376-0606
Fax: (718) 376-0073

CERTIFICATION BY SPONSOR'S EXPERT ON THE ADEQUACY OF THE BUDGET FOR THE FIRST YEAR OF CONDOMINIUM OPERATION

October 15, 2009

Real Estate Financing Bureau
Department of Law
120 Broadway
New York, New York

Re: Kings Condominium
2113 Kings Highway, Brooklyn, NY

Dear Sirs:

The Sponsor of the condominium offering plan for the captioned property retained me to review the Schedule B and B-1, containing projections of income and expenses for the first year of condominium operation.

The undersigned Albert Wilk is a duly Licensed Real Estate Broker, for the past 23 years doing business as Wilk Real Estate, LLC., Located at 626 Ave U, Brooklyn NY 11223. My experience in Real Estate includes real estate investments, brokerage and real estate management of rental properties, cooperatives and condominiums totaling approximately 60 units. My real estate broker's license number is 49WI1127028.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 20 insofar as they are applicable to Schedule B and B-1.

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

I certify that the projections in the Schedule B and B-1 appear reasonable and adequate under existing circumstances, and the projected income appears to be sufficient to meet the anticipated operating expenses for the projected first year of condominium operation.

I certify that the Schedules:

i. sets forth in detail the projected income and expenses for the first year of condominium operation;

ii. affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

iii. does not omit any material fact;

iv. does not contain any untrue statement of a material fact;

v. does not contain any fraud, deception, concealment or suppression;

vi. does not contain any promise or representation as to the future which is beyond reasonable expectations or unwarranted by existing circumstances;

vii. does not contain any representation or statement which is false, where I:

(a) knew the truth;

(b) with reasonable effort could have known the truth;

(c) made no reasonable effort to ascertain the truth, or

(d) did not have knowledge concerning the representation or statement made.

I further certify that I am not owned or controlled by the Sponsor. I understand that a copy of the Certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income and expenses for the first year of condominium operation.

This certification is made under the penalty of perjury for the benefit of all persons to whom this offer is made. I understand that violations are subject to the civil and criminal penalties of the General Business and Penal Law.

OWNER OF WILK REAL ESTATE LL

By: ALBERT WILK

Name:

Title: OWNER

Sworn to before me this
28 day of OCTOBER, 2009.

Notary Public

SUBSCRIBED & SWORN TO BEFORE ME
On OCTOBER 28, 2009

Daniella A. Kirfeld
Notary Public, State of New York
No 01KI5068297
Qualified in Kings County
My Commission Expires 10/28/2010

EXHIBIT K

ETF-3

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

AGREEMENT made this 23rd day of April, 2010, between ("SPONSOR") as sponsor of the offering plan and S. Seth Yavne ("ESCROW AGENT") as escrow agent.

WHEREAS, 2113 Kings Highway, LLC is the sponsor of an offering plan to convert to cooperative/condominium ownership the premises located at 2113 Kings Highway Brooklyn, NY which premises are known as 2113 Kings Highway Condominium, and

WHEREAS, S. Seth Yavne 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 Capital One Bank at its branch located at 404 5th Avenue New York NY. The depository bank address account number is [redacted].

1.2 The name of the account is Kings Highway Condominium Escrow Account.

1.3 ESCROW AGENT is the sole signatory on the account.

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

1.5 The escrow account is/is not an IOLA established pursuant to Judiciary Law § 497.

2. **DEPOSITS INTO THE ESCROW ACCOUNT**

2.1 All funds received from prospective purchasers or subscribers prior to closing, whether in the form of checks, drafts, money orders, wire transfers, or other instruments which identify the payor, shall be deposited in the escrow account. All instruments to be deposited into the escrow account shall be made payable to, or endorsed by the purchaser or subscriber to the order of S. Seth Yavne as escrow agent for Kings Highway Condominium offering plan. Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such escrow account, shall be returned to the prospective purchaser or subscriber promptly, but in no event more than five business days following receipt of such

instrument by ESCROW AGENT. In the event of such return of funds, the instrument shall be deemed not to have been delivered to ESCROW AGENT pursuant to the terms of this Agreement.

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

3. <u>RELEASE OF FUNDS</u>

3.1 ESCROW AGENT shall not release the escrowed funds of a defaulting purchaser until after consummation of the plan as defined in the Attorney General's regulations. Consummation of the plan shall not relieve SPONSOR of its fiduciary obligations pursuant to GBL Section 352-h.

3.2 ESCROW AGENT shall contained to hold the funds in escrow until otherwise directed in (a) a writing signed by both sponsor and purchaser or (b) a determination of the Attorney General or (c) a judgment or order of a court of competent

juridscition or until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.

3.3 SPONSOR shall not object to the release of the escrowed funds to (a) a purchaser who timely rescinds in accordance with an offer of rescission contained in the plan or an amendment to the plan or (b) all purchasers after an amendment abandoning the plan is accepted for filing by the Department of Law.

3.4 If there is no written agreement between the parties to release the escrowed funds, ESCROW AGENT shall not pay the funds to SPONSOR until ESCROW AGENT has given the purchaser written notice of not fewer than ten (10) business days. Thereafter, the funds may be paid to SPONSOR unless the purchaser has made application to the Department of Law pursuant to the dispute resolution provisions contained in the Attorney General's regulations and has so notified ESCROW AGENT in accordance with such provisions.

4 RECORDKEEPING

4.1 ESCROW AGENT shall maintain all records concerning the escrow account for seven years after release of the funds.

4.2 Upon the dissolution of a law firm which was ESCROW AGENT, the former partners of members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners of members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

4.3 ESCROW AGENT shall make available to the Attorney General, upon his request,

all books and records of ESCROW AGENT relating to the funds deposited and disbursed hereunder.

5. GENERAL OBLIGATIONS OF ESCROW AGENT

5.1 ESCROW AGENT shall maintain the accounts called for in this Agreement under the direct supervision and control of ESCROW AGENT.

5.2 A fiduciary relationship shall exist between ESCROW AGENT and Purchasers, and ESCROW AGENT acknowledges its fiduciary obligations.

6. RESPONSIBILITIES OF SPONSOR

6.1 SPONSOR agrees that SPONSOR and its agents, including any selling agents, shall immediately deliver all deposits and payments received by them prior to closing of an individual transaction to ESCROW AGENT.

6.2 SPONSOR agrees that it shall not interfere with ESCROW AGENT's performance of its fiduciary duties and compliance with the Attorney General's regulations.

7. TERMINATION OF AGREEMENT

7.1 This Agreement shall remain in effect unless and until it is cancelled, by either:

(a) Written notice given by SPONSOR to ESCROW AGENT of cancellation of designation of ESCROW AGENT to act in said capacity, which cancellation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor ESCROW AGENT; or

(b) The resignation of ESCROW AGENT upon giving notice to SPONSOR of its desire to so resign, which resignation shall take effect only upon the filing of an amendment with the Department of Law providing for a successor

ESCROW AGENT; or

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

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

8. SUCCESSORS AND ASSIGNS

8.1 This Agreement shall be binding upon SPONSOR and ESCROW AGENT and their successors and assigns.

9. GOVERNING LAW

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

10. ESCROW AGENT'S COMPENSATION

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

11. 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 the day and year first written above.

ESCROW AGENT

By: Seth S. Yavne, Attorney at Law

SPONSOR: 2113 Kings Highway LLC

By: Yaacov Azrad, Member and
Principal of Sponsor

☒ Corporation ☐ Partnership
☐ Unincorporated ☐ Non-Profit
☐ Public Agency ☐ LLC ☐ LLP

Account Number [redacted] Account Type 015

Business Title and Address
1. S SETH YAVNE
2.
3. IOLA ACCOUNT
4. 3407 AVENUE K
5. BROOKLYN, NY 11210-4144
6.

Tax Identification # [redacted] BR No. 270
Home Phone # Business Phone # (646)865-1541
Opened By: 270 Date Opened 03/30/2005
Name: Avril Conway
Source Cash Dep. Amt. $0.01

The Bank may recognize any 1 signature(s) written below in payment of funds or the transaction of any business for this account.

Special Signature Restrictions (if any)

1. Signature S Seth Yavne Title
Name S SETH YAVNE ID.

2. Signature Title
Name ID.

3. Signature Title
Name ID.

4. Signature Title
Name ID.

5. Signature Title
Name ID.

Tax Identification # [redacted] A/C No. [redacted] BR No. 270
Business Title THE IOLA FUND OF THE STATE OF

The Bank may recognize any 1 signature(s) written below in payment of funds or the transaction of any business for this account.

Special Signature Restrictions (if any)

SPECIMEN SIGNATURES (Account Signatures)

Signature S Seth Yavne

Signature

Signature

Signature

Signature

Please Detach & Forward to Check Files (Mail Code 60100)

Please Turn over and Sign.

TAXPAYER CERTIFICATION

Under penalties of perjury, I/we certify that:

1. The number shown on this form is my/our correct taxpayer identification number (or I am/we are waiting for a number to be issued to me/us), and
2. I am/We are not subject to backup withholding because: (a) I am/We are exempt from backup withholding, or (b) I/We have not been notified by the Internal Revenue Service (IRS) that I am/we are subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me/us that I am/we are no longer subject to backup withholding.

Certification Instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN.

1. _____ 2. _____
Authorized Signature — Authorized Signature

I/We have received and read today copies of all applicable rules, regulations, agreements, schedules and disclosure statements pertaining to this account and agree they will govern all business between the Bank and me/us.

1. _____ 2. _____
Authorized Signature — Authorized Signature

Tax ID Flag G

SIC/NAICS Code Legislative Bodies

Orig. Mat. Date _____ Interest Rate 0.20000

Term: Days _____ Months _____ Years _____ Variable _____

Plan No. _____

Int. Disposition _____ Payment Period _____

Payment Freq. _____

Transfer Account # _____

Mgmt Approval

EXHIBIT L

ETF-1

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

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

Re: _____
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: _____

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 shee 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