THIS PLAN HAS BEEN AMENDED. SEE INSIDE

THIS IS A NON-EVICTION PLAN. NO NON-PURCHSING TENANT WILL BE EVICTED BY REASON OF CONVERSION TO CONDOMINIUM OWNERSHIP.

CONDOMINIUM OFFERING PLAN
1549 WEST 3RD STREET CONDOMINIUM
CD10-0203

LOCATION:

1549 WEST 3RD STREET, BROOKLYN, N.Y.

NUMBER OF UNITS	AMOUNT OF OFFERING
10 Residential Units.....	$ 3,720,000
5 Parking Units	30,000
Total	$ 3,750,000

Sponsor and Selling Agent

WEST 3RD STREET DEVELOPMENT, LLC
5312 New Utrecht Avenue
BROOKLYN, N.Y. 11215

DATE OF ACCEPTANCE FOR FILING JUNE 2, 2011
THIS OFFERING PLAN MAY NOT BE USED AFTER JUNE 1, 2012
UNLESS EXTENDED BY AMENDMENT

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

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

SEE PAGE (i) FOR SPECIAL RISKS TO PURCHASERS

THIS IS A PROPOSED OFFERING PLAN ("RED HERRING") TO CONVERT THIS BUILDING TO A CONDOMINIUM. IT HAS BEEN SUBMITTED TO THE NEW YORK STATE DEPARTMENT OF LAW, REAL ESTATE FINANCING BUREAU. CONDOMINIUM UNITS MAY NOT BE SOLD OR OFFERED FOR SALE UNTIL THE OFFERING PLAN IS FILED WITH THE DEPARTMENT OF LAW

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.

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SPECIAL RISKS

1. THERE IS NO MANAGING AGENT OR SUPERINTENDENT PROVIDED FOR IN THE PROJECTED BUDGET. THE CONDOMINIUM WILL THEREFORE NOT HAVE A MANAGER WHILE THE SPONSOR IS IN CONTROL. IF THE CONDOMINIUM DECIDES TO ENGAGE A MANAGEMENT COMPANY AND/OR A SUPERINTENDENT THIS WILL ENTAIL AN ADDITIONAL EXPENSE NOT INCLUDED IN THE BUDGET AS IT NOW APPEARS.THE COMMON CHARGES WOULD THEREFORE INCREASE. IT IS ESTIMATED THAT RETAINING A MANAGEMENT COMPANY WILL INCREASE THE BUDGET BY 20%. Refer to Schedule B Projected Budget at page 13

THE PROJECTED BUDGET DOES PROVIDE FOR A PART TIME HANDYMAN WHO WILL PERFORM MAINTENANCE TASKS. THESE FUNCTIONS WOULD INCLUDE GENERAL CLEANING AND MAINTENANCE OF THE COMMON AREAS, LANDSCAPING, GARBAGE REMOVAL AND PAINTING WHEN NECESSARY. Refer to budget footnotes at page 14.

2. SPONSORS HAVE COMPLETED THE ENTIRE DEVELOPMENT INCLUDING THE COMMON ELEMENTS. A FINAL CERTIFICATE OF OCCUPANCY WAS ISSUED FOR THE ENTIRE DEVELOPMENT ON JULY 30, 2009.

3. THE PURCHASER SHALL BE RESPONSIBLE FOR THE PAYMENT OF THE NEW YORK CITY REAL PROPERTY TRANSFER TAX AND THE New York STATE DOCUMENTARY STAMP TAX. THESE TAXES WHEN COMBINED ARE EQUAL TO 1.4% OF THE PURCHASE PRICE. THESE TRANSFER TAXES ARE CUSTOMARILY PAID BY THE SPONSOR. SINCE THE TAXES ARE BEING PAID BY THE PURCHASER THEY ARE CONSIDERED ADDITIONAL CONSIDERATION ON WHICH THE TRANSFER TAX IS COMPUTED. Refer to Unit Costs and Adjustments at Page 31

4. THE VOTING RIGHTS OF AN UNIT OWNER MAY BE SUSPENDED IN THE EVENT A MEMBER BREAKS THE RULES OF THE CONDOMINIUM. VOTING RIGHTS CANNOT BE SUSPENDED SOLELY FOR ARREARS IN ASSESSMENTS. IN NO EVENT MAY THE MEMBER BE DENIED USE OF THE COMMON ELEMENTS. Refer to Rights and Obligations of Unit Owners and Board at Page 40

5. THE CONTRACT OF SALE REQUIRES THAT ANY EXTRAS ORDERED ARE PAID FOR AT THE TIME OF SUCH ORDER. ALL FUNDS RECEIVED BY THE SPONSOR FOR UPGRADES OR EXTRAS MUST INITIALLY BE PLACED IN THE ESCROW ACCOUNT. HOWEVER, PURCHASERS SHOULD NOTE AS A SPECIAL RISK THAT SUCH FUNDS MAY BE RELEASED FROM THE ESCROW ACCOUNT BY THE ESCROW AGENT AS LONG AS THE SPONSOR USES THE FUNDS FOR SUCH UPGRADES OR EXTRAS. AS A RESULT, IN THE EVENT A PURCHASER IS ENTITLED TO RESCISSION, THE PURCHASER WILL NOT RECEIVE A REFUND OF ANY FUNDS USED FOR UPGRADES OR EXTRAS. Refer to Procedure to Purchase at page 22.

6. THE DOWNPAYMENT RECEIVED AT THE TIME A CONTRACT OF PURCHASE IS EXECUTED WILL BE PLACED IN AN ATTORNEY IOLA ACCOUNT. SUCH ACCOUNT WILL BE LOCATED IN A FEDERALLY INSURED BANK. IOLA ACCOUNTS WILL HAVE STANDARD MAXIMUM FEDERAL INSURANCE COVERAGE OF $250,000 PER DEPOSITOR, PER DEPOSITORY INSTITUTION FOR EACH ACCOUNT OWNERSHIP CATEGORY. THE AGGREGATE AMOUNT OF THE DOWN PAYMENT AND OTHER DEPOSITS THAT EXCEED THE MAXIMUM AMOUNT WILL NOT BE INSURED. INTEREST ON AN IOLA ACCOUNT IS PAID TO NEW YORK STATE. Refer to Procedure to Purchase at Page 22.

7. THE OFFERING PLAN DOES NOT PROVIDE FOR A RESERVE FUND SINCE THE SPONSOR FINISHED THE CONSTRUCTION AND RECEIVED THE FINAL CERTIFICATE OF OCCUPANCY ON JULY 30, 2009. THE BUILDING IS RELATIVELY NEW CONSTRUCTION AND NO CAPITAL WORK WILL BE REQUIRED FOR A NUMBER OF YEARS. IT IS ANTICIPATED THAT THE CHARGES PAID BY THE UNIT OWNERS WILL PAY FOR ALL NECESSARY MAINTENANCE AND REPAIR TO THE COMMON ELEMENTS Refer to Working Capital and Reserve Fund at Page 53

8. THE SPONSOR HAS APPLIED FOR A 421(A) TAX ABATEMENT AND RECEIVED THE PRELIMINARY CERTIFICATE OF ELIGIBILITY ON MAY 09, 2007. THE ABATEMENT IS IN EFFECT BEGINNING THE FISCAL YEAR 2009 AND 2010. THE CURRENT ABATEMENT APPEARS ON SCHEDULE A.

THE 421(A) TAX ABATEMENT ABATES THE REAL ESTATE TAXES ON NEW CONSTRUCTION. AS EXPLAINED IN DETAIL IN THE PLAN, A CONDOMINIUM UNIT WILL RECEIVE A REAL ESTATE TAX REDUCTION FOR A PERIOD OF FIFTEEN YEARS. THE FIRST ELEVEN YEARS REDUCES THE TAXES TO AN AMOUNT WHICH WOULD BE PAYABLE ON VACANT LAND. Refer to Tax Exemption Benefits at Page 49.

THE DIFFERENCE BETWEEN THE PROJECTED REAL ESTATE TAXES WITH AND WITHOUT THE ABATEMENT ARE REFLECTED IN SCHEDULE A AT PAGE 7 IN COLUMNS 8 & 9 UNABATED AND 11 & 12 ABATED.

9. BALCONIES AND THE CELLAR MAY NOT BE USED FOR BEDROOM, DINING ROOM OR ANY OTHER USE CONSIDERED BEING A HABITABLE SPACE AS DEFINED BY THE NEW YORK CITY BUILDING CODE. ANY OTHER USE AS LIVING AND SLEEPING MAY RESULT IN A VIOLATION AGAINST THE BUILDING BEING ISSUED BY THE NEW YORK CITY BUILDING DEPARTMENT AND A FINE IMPOSED.

10. UNIT OWNERS MUST NOTIFIY THE MANAGING AGENT (IF ANY) IN WRITING WHEN A CHILD OR CHILDREN TEN (10) YEARS OF AGE OR UNDER LIVES OR RESIDES (EVEN TEMPORARILY) IN THE UNIT. EACH RESIDENTIAL UNIT OWNER MUST INSTALL AT THE RESIDENT'S OWN EXPENSE, THE REQUIRED WINDOW GUARDS IN ALL WINDOWS OF THE UNIT AND SHALL NOT REMOVE THEM UNTIL PERMITED BY LAW. NOT WITHOUT THE FULL KNOWLEDGE OF THE MANAGING AGENT. THIS INSTALLATION IS REQUIRED BY LAW. PLEASE REFER TO THE NEW YORK CITY DEPARTMENT OF HEALTH WEBSITE FOR INFORMATION REGARDING THE INSTALLATION OF WINDOW GUARDS.

11. SPONSOR IS RESERVING THE UNILATERAL RIGHT TO RENT RATHER THAN SELL UNSOLD UNITS. BECAUSE SPONSOR IS NOT LIMITING THE CONDITIONS UNDER WHICH IT WILL RENT RATHER THAN SELL UNITS, THERE IS NO COMMITMENT TO SELL MORE UNITS THAN THE 15 PERCENT (TWO RESIDENTIAL UNITS) NECESSARY TO DECLARE THE PLAN EFFECTIVE AND THE OWNER-OCCUPANTS MAY NEVER GAIN EFFECTIVE CONTROL AND MANAGEMENT OF THE CONDOMINIUM Refer to Introduction at page 1

12. PURCHASERS SHOULD NOTE THAT IN THE CURRENT REAL ESTATE MARKET, BANKS AND OTHER LENDERS MAY IMPOSE VARIOUS RESTRICTIONS ON LOANS. SUCH RESTRICTIONS MAY INCLUDE REQUIRING THAT A CERTAIN PERCENTAGE (SUCH AS 50% OR MORE) OF THE UNITS IN THE CONDOMINIUM BE SOLD BEFORE THE LENDER WILL CONSIDER MAKING A LOAN. THUS IT MAY BE POSSIBLE FOR A PURCHASER TO EXPERIENCE DIFFICULTY OBTAINING A LOAN IN A CONDOMINIUM WHERE THE PERCENTAGE OF UNITS PURCHASED IS LOWER THAN A LENDER'S PARTICULAR SALES MINIMUM.

EVEN ONCE A BUILDING UNDERGOES CONVERSION, LENDERS STILL MAY IMPOSE MINIMUM SALES REQUIREMENTS BEFORE GRANTING A LOAN. IT THEN MAY BE DIFFICULT FOR A PURCHASER TO RESELL A UNIT IF PROSPECTIVE BUYERS ARE UNABLE TO OBTAIN A LOAN DUE TO SUCH MINIMUM SALES REQUIREMENTS. See effective Date of Plan section at page 26.

13. BALCONIES MAY NOT BE ENCLOSED WITHOUT FIRST GETTING (IF POSSIBLE) THE PRIOR AUTHORIZATION OF THE NEW YORK CITY DEPARTMENT OF BUILDINGS. PRIOR BOARD APPROVAL IS REQUIRED BEFORE THE UNIT OWNER APPLIES TO THE CITY OF NEW YORK FOR AUTHORIZATION. THERE ARE NO PRESENT GUIDELINES AS TO THE TYPE OF ENCLOSIRE PERMITTED.

14. THE CONDOMINIUM BOARD DOES NOT HAVE THE RIGHT TO APPROVE OR DISAPPROVE PURCHASERS, THERE IS NO LIMIT ON THE NUMBER OF OWNERS WHO MAY PURCHASE FOR INVESTMENT RATHER THAN FOR PERSONAL OCCUPANCY AND THERE MAY ALWAYS BE A SUBSTANTIAL PERCENTAGE OF OWNERS WHO ARE NON-RESIDENT. See Introduction section page 3.

THE CONDOMINIUM UNITS MAY BE PURCHASED BY NON-RESIDENT OWNERS. THE OWNER-OCCUPANTS AND NON-RESIDENT OWNERS, INCLUDING SPONSOR, MAY HAVE INHERENT CONFLICTS ON HOW THE CONDOMINIUM SHOULD BE MANAGED BECAUSE OF THEIR DIFFERENT REASONS FOR PURCHASING, I.E. PURCHASE AS A HOME AS OPPOSED TO AS AN INVESTMENT. See Board of Managers section page 37.

15. THE USABLE FLOOR AREA OF THE UNITS MAY BE SIGNIFICANTLY LESS THAN THE SQUARE FOOTAGE CALCULATED ON SCHEDULE A OR THE ARCHITECTS NARRATIVE IN PART II OF THIS PLAN. See Footnotes to Schedule A page 9.

16. THE PURCHASER SHALL REIMBURSE THE SPONSOR AT CLOSING AN AMOUNT EQUAL TO ½ OF 1% OF THE PURCHASE PRICE FOR THE COSTS AND FEES INCURRED IN APPLYING FOR A PARTIAL REAL ESTATE TAX ABATEMENT UNDER SECTION 421(A) OF THE REAL PROPERTY LAW.

17. SINCE THE BY-LAWS DO NOT INCLUDE A PROVISION THAT AFTER AN INITIAL VOTING CONTROL PERIOD A MAJORITY OF THE BOARD OF MANAGERS MUST BE OWNER-OCCUPANTS OR MEMBER'S OF AN OWNER-OCCUPANT'S HOUSEHOLD WHO ARE UNRELATED TO THE SPONSOR AND ITS PRINCIPALS, PURCHASERS FOR THEIR OWN OCCUPANCY MAY NEVER GAIN CONTROL OF THE BOARD OF MANAGERS UNDER THE TERMS OF THIS PLAN. OWNER-OCCUPANT'S AND NON-RESIDENT OWNERS, INCLUDING SPONSOR, MAY HAVE INHERENT CONFLICTS ON HOW THE CONDOMINIUM SHOULD BE MANAGED. Refer to page 1, introduction.

18. THE HOUSING MERCHANT IMPLIED WARRANTY APPLIES TO THIS DEVELOPMENT. HOWEVER, THE SPONSOR HAS LIMITED THE SCOPE OF THE WARRANTY. THE WARRANTY COVERS NO MORE THAN 75% OF THE PURCHASE PRICE AND DOES NOT COVER CONSEQUENTIAL, INCIDENTIAL SPECIAL AND INDIRECT DAMAGES EXCEPT AS REQUIRED BY LAW. THE LIMITED WARRANTY IS SUBJECT TO ALL APPLICABLE LAWS. Please refer to the "Rights and Obligations of Sponsor" on page 40 and the Purchase Agreement in Part II Section A for a more detailed discussion of the warranty limitations.

19. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THE BY-LAWS IN PART II, FOR A PERIOD OF TWO YEARS AFTER THE FILING OF THE CONDOMINIUM DECLARATION SO LONG AS SPONSOR OR ITS DESIGNEE SHALL CONTINUE TO OWN UNITS REPRESENTING 5% OR MORE IN COMMON INTEREST, THE BOARD OF MANAGERS MAY NOT, WITHOUT THE SPONSORS WRITTEN CONSENT (i) MAKE ANY ADDITION, ALTERATION OR IMPROVEMENTS TO THE COMMON ELEMENTS OR TO ANY UNITS; (ii) ASSESS ANY COMMON CHARGES FOR THE CREATION OF, OR ADDITION TO OR REPLACEMENT OF ALL OR PART OF A RESERVE FOR CONTINGENCIES PROVIDED IN THE ESTIMATE OF RECEIPTS AND EXPENSES FOR THE FIRST YEAR OF OPERATION SET FORTH IN SCHEDULE B OF THE PLAN OF CONDOMINIUM OWNERSHIP; OR (iii) HIRE ANY EMPLOYEE IN ADDITION TO THE EMPLOYEES REFERRED TO IN THE PLAN OF CONDOMINIUM OWNERSHIP; OR (iv) ENTER INTO ANY SERVICE OR MAINTENANCE CONTRACT FOR WORK NOT COVERED BY CONTRACTS IN EXISTANCE ON THE DATE OF THE FIRST CLOSING OF TITLE TO A UNIT; OR (v) BORROW MONEY ON BEHALF OF THE CONDOMINIUM. Please refer to By-Laws in Part II Section F of the Offering Plan.

THE SPONSOR MAY NOT, EXERCISE VETO POWER OVER EXPENSES DESCRIBED IN SCHEDULE B OR OVER EXPENSES REQUIRED; (i) TO COMPLY WITH APPLICABLE LAW OR REGULATIONS; OR (ii) TO REMEDY ANY NOTICE OF VIOLATION; OR (iii) TO REMEDY ANY WORK ORDER BY AN INSURER; OR (iv) OR FOR ANY REPAIR OR REPLACEMENT NECESSARY FOR THE PRESERVATION OR SAFETY OF THE BUILDING OR FOR THE SAFETY OF OCCUPANTS OF THE BUILDING OR REQUIRED TO AVOID THE SUSPENSION OF ANY NECESSARY SERVICES TO THE BUILDING.

THE 1549 WEST 3RD STREET
CONDOMINIUM PLAN

INTRODUCTION

A. The purpose of the offering plan is to set forth all the material terms of the offer. The plan may be amended from time to time when an amendment is filed with the New York State Department of Law and served on one residential tenant per unit, purchasers who have executed and delivered purchase agreements to the sponsor or selling agent and whose purchase agreements are in effect, unit owners and any other person entitled to service pursuant to local law or regulation. Amended literature will be served on those entitled thereto under Article 23-A of the General Business Law.

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

B. West 3rd Street Development, LLC with offices at 85 New Dorp Lane, Staten Island, N.Y. 10306, the record owner of the realty, is the sponsor (hereinafter "Sponsor") under this offering plan (hereinafter "Offering Plan"), and hereby offers to sell ten (10) residential condominium units to the public, which have been constructed on approximately 4,000 square feet of land located at 1549 West 3rd Street, Brooklyn, New York. The Sponsor acquired the property comprising the condominium development on March 31, 2005.

The condominium development is composed of ten (10) units located in one cellar and five story building with one enclosed parking space located in the first floor of the building and four parking spaces in the rear yard. The Final Certificate of Occupancy was issued on July 30, 2009.

The Sponsor retains the unconditional right to rent rather than sell units after they become vacant. There is no commitment to sell more than the 15 percent necessary to declare the plan effective and owner-occupants may never gain effective control and management of the condominium.

In addition, since the By-laws do not include a provision that, after an initial voting control period a majority of the board of managers must be owner-occupants or member's of an owner-occupant's household who are unrelated to the sponsor and its principals, purchasers for their own occupancy may never gain control of the board of managers under the terms of this plan. Owner-occupants and non-resident owners, including sponsor, may have inherent conflicts on how the condominium should be managed because of their different reasons for purchasing, i.e., purchaser as a home as opposed to as an investment.

If the Sponsor makes a bulk sale of all or some of its unsold units, the transferee successor sponsor is bound by sponsor's representations regarding its commitment to sell units.

The common elements consist of all areas and components of the development excluding the Units and the limited common elements. Schedule A, at page ten lists the limited common elements of each unit. The common elements include the hallways leading to the units, the lobby, the elevator, the cellar where the utility rooms are located, a paved sidewalk, and the yards at the front and rear of the building and the exterior structure of the building including the roof. There is one enclosed parking space at the first floor and four outdoor parking spaces at the rear of the building. One of the outdoor parking spaces is designated handicap.

There are four outdoor parking spaces located at the rear of the building and one parking garage located in the front of the building. The parking garage and parking spaces designated PS1 through PS4 will be sold to the first purchasers who request parking spaces on a first come first serve basis with purchasers selecting his space from those still available at the time the purchaser enters into contract. The sponsor will charge $5,000 for each parking space sold to a purchaser and $10,000 for the garage. The handicap parking space #5 will be retained by the condominium and used only by a handicap owner or tenant if one is present in the building. This space will be rented to the handicap owner/tenant as long as such individual remains in occupancy. At the end of such occupancy the parking space shall become a common parking space available for all occupants until such time as another handicap owner/tenant enters into occupancy.

Once a space is sold to a particular purchaser that space shall become a limited common element adhering to the condominium unit purchased. The parking space or garage shall be noted on the deed to the unit and shall be transferable only in conjunction with the transfer of the unit. The space cannot be transferred separately from the unit to which it is a limited common element.

The cellar contains the elevator room, the utility rooms, a storage room, and a refuse collection center.

The condominium has a sanitary and storm sewer connected to the City system.

The development obtained a Final Certificate of Occupancy on July 30, 2009.

The development is composed of one five story building with a cellar. There are two residential units on the each of the five floors. Units on the third, fourth and fifth floors have balconies off of the living rooms. Please refer to the Floor Plans located in Part II Section D.

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

The plan, including all Schedules and Parts A, B, and C of the Exhibits constitute the entire offer of sponsor. Copies of the plan, all documents referred to in the plan and all exhibits submitted to the Department of Law in connection with the filing of the plan will be available for inspection without charge and for copying at a reasonable charge to prospective purchasers and their attorneys

at the site whenever the on site sales office is open and at the office of the selling agent or sponsor. Copies of the plan and exhibits will also be available for inspection and copying at a reasonable fee at the Department of Law.

c. Basic Aspects of Condominium Ownership

A Declaration submitting the property to Article 9-B of the Real Property Law of the State of New York (hereinafter referred to as the "Condominium Act") and By-Laws will be recorded prior to conveyance of title to the first unit by the Sponsor. The Declaration and By-Laws will be substantially similar to those set forth in this Offering Plan, and will not be changed so as to have a material adverse effect on the purchaser.

Each purchaser owns his or her unit outright and is entitled to exclusive possession of that unit together with an interest in and right to use the common elements, and the exclusive right to use their limited common element, if applicable.

In addition, each unit owner will be responsible for the maintenance of his Unit, and may decorate the interior as he desires. His Unit will be taxed as a separate tax lot for real estate tax purposes. Under present Federal and New York State income tax laws, his real estate taxes and the interest paid on the mortgage on his Unit may be deducted from his income.

In addition thereto, a Unit Owner will own, in common with the owners of all other Units, an undivided interest in all parts of the Property other than the Units (the "common elements") and the exclusive right to use limited common elements, as applicable. As a Unit Owner, he will have the right to vote annually for the election of members of the Board of Managers, who will supervise the Property and manage the affairs of the Condominium under the authority of the Declaration, By-Laws and applicable statutes.

The Board of Managers will assess against every Unit Owner, in proportion to his interest in the common elements, charges for the maintenance of the common elements and for the operating costs of the Property (herein referred to as "common charges" or "common expenses") which Unit Owners must pay pursuant the New York Condominium Act, Real Property Law Section 339(i) and (m).

Electricity for each Unit will be separately metered by Consolidated Edison, and each Unit Owners will pay the utility directly for the electricity which he uses for air conditioning, lighting and appliances. Gas for cooking and heating will be provided for each Unit by National Grid and also be separately metered and paid for separately by each unit owner. The individual unit owners will each have the obligation to pay for all other utilities, and the upkeep of the interior of the units, as well as insurance on the interior of their units and contents and their own casualty and liability insurance as distinguished from the obligation of the Board of Managers.

The common charges will include electricity for common area lighting, insurance for the building, elevator maintenance, yearly general maintenance as well as City water and sewer charges

and miscellaneous common expenses.

Each unit owner is obligated to comply with the declaration, the by-laws, rules and regulations and any other requirements of the board of managers.

Under the New York State Condominium Act, a condominium unit may be owned by an individual, a corporation, a partnership, or a fiduciary. There is no restriction as to who may purchase, except for those considered unqualified pursuant to any applicable statute. There are no restrictions on the use, resale, leasing or mortgaging of a unit.

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

There will be a transition phase of the conversion process from a rental building to a condominium. Because the plan can be declared effective based upon the sale of 15 percent of the units to tenants or bona fide purchasers for their own occupancy, purchasers may be living in a mixed rental/owner-occupied building for an indeterminate period of time and owner-occupants may not control the board or operation of the property during such transition, if ever.

The existence of rent regulated, non-purchasing, tenants, who have a right to continued occupancy, may affect the speed of the conversion process.

There will be varied interests and perhaps conflicts among the groups living in a mixed rental/ownership building. The owners and renters may have different interests and priorities and the Sponsor will have a continuing role in the building for some time.

Schedule A of the offering plan located at page 10 contains price information on the units. There is a 90 day exclusivity purchase period, during which there will be no increase in prices to tenants. Sponsor will not accept purchase agreements from non-tenant purchasers for occupied units during any exclusive purchaser period.

No non-purchasing tenant may be evicted by application of the provisions of GBL Section 352-eeee. Please refer to the section entitled Rights of Existing Tenants at page of this offering plan.

The prices are not subject to approval by the Department of Law or any other government agency.

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.

DEFINITIONS

For convenience of presentation, general definitions of certain terms which are used in the Plan are set forth below. Such definitions are subject in some cases to the more specific meanings as set forth in the Declaration and By-Laws.

BY-LAWS: The document governing the operation of the Condominium, pursuant to which the Board of Managers is elected and governs, including provisions for calling meetings of unit owners, election of officers, assessments and restrictions.

COMMON CHARGES: Assessments payable to the condominium by the unit owner for the purpose of meeting common expenses on a monthly basis.

COMMON ELEMENTS: The land, all parts of the building other than the units, including the foundations, roofs and supports of the buildings, and all areas or facilities for the common use of certain or all unit owners.

COMMON EXPENSES: The costs and expenses in connection with the repair, maintenance, replacement, restoration and operation of, and any alteration, addition or improvement to, the common elements.

COMMON INTEREST: The proportionate interest of each unit owner in the common elements, expressed as a percentage determined in accordance with the declaration. The total percentage of Common Interests of all unit owners equals 100%. The common interests are the basis of determining the liability for a share of common expenses and share of any distributions upon termination of the condominium.

DECLARATION: The instrument, as amended from time to time, by which the property is submitted to the provisions of the New York Condominium Act. The declaration is set forth in Part II of this plan.

FLOOR PLANS: Floor plans of the building will be filed with the Kings County Registrar's Office simultaneously with the recording of the declaration.

LIMITED COMMON ELEMENT: Those portions of the common elements which are for the exclusive use of one or more units but less than all of the units, including balconies and parking spaces, if applicable.

PROPERTY: The land, the buildings and the appurtenances thereto of the condominium.

PURCHASE AGREEMENT: The contract to purchase a unit pursuant to the plan, the general form of which is set forth in Part II of this plan.

PURCHASER: A purchaser of a unit under a Purchase Agreement.

UNIT, UNITS: Any space designated and defined as a unit in the declaration, consisting generally, of either a specific unit or unit located in the building. All of such units are collectively referred to as the "Units".

UNIT OWNER: An owner of a condominium unit, also known as a Home Owner.

UNSOLD UNITS: Any units owned by sponsor or its designee unless used for personal residence by sponsor.

DESCRIPTION OF PROPERTY AND IMPROVEMENTS

The property, upon which the Condominium was constructed, is situated in the Borough of Brooklyn, City of New York, lying at 1549 West 3rd Street, Brooklyn. Zoning for the property is R6. This zone permits residential use as of right. The area surrounding the development site is residential predominantly one and two family houses.

The 1549 West 3rd Street Condominium, Inc. consists of ten residential condominium units and five parking spaces on approximately 4,000 square feet of land. The building has one elevator and one indoor parking space.

Each unit has a laundry closet with hookups for a washer and dryer. The sponsor will not supply washer dryer units.

There will be five parking spaces; one indoor on the first floor and the four remaining spaces in the rear yard designated PS1 through PS4. These spaces will be sold to the purchasers who request parking spaces on a first come first serve basis with the purchaser selecting his space from those still available at the time the purchaser enters into contract. They will become limited common elements of the unit to which a space is sold. Space #5 in the rear yard is designated as handicapped and will be retained by the condominium and used only by a handicap owner or tenant if one is present in the building. This space will be rented to the handicap owner/tenant as long as such individual remains in occupancy. At the end of such occupancy the parking space shall become a common parking space available for all occupants until such time as another handicap owner/tenant enters into occupancy.

Ownership of a space shall be designated on the deed given to the purchaser and shall run with the deed to all subsequent purchasers. The space shall not be transferable without the transfer of the unit deed. In other words, once a designated parking space is purchased along with a unit, it shall no linger be separable from that unit.

Each dwelling unit has a separate gas-fired furnace and a gas fired hot water heater in located in a mechanical closet. The combination heating/air conditioning unit will be manufactured by Endurance model number EDP-110, MEA number 141-99-E or equal. The specifications are further described in the Architects narrative description in Part Two of the Plan.

The Sponsor will provide hard-wired combination smoke and carbon monoxide detectors for each unit.

Please refer to Special Risk 10 on page (ii) for owners obligation to install window guards in units in which children 10 years of age and under are in occupancy.

No optional extra features are offered. However, purchasers may initiate negotiations for options or extras based upon their own ideas as to what sponsor may be able to provide.

The units and the Building containing them, and all other improvements comply with all applicable rules, regulations, laws, and other requirements of all governmental authorities having jurisdiction thereof including those governing zoning and construction. The Sponsor, in connection with this plan, has complied and will comply with all applicable rules, laws, regulations and other governmental requirements pertaining thereto, including the Building Code of the City of New York and the Zoning Law, and any other law or regulation that may be determined to apply. The construction was in accordance with the description and specifications described in Part II of the Plan.

Each unit and the common elements have been constructed in the manner set forth in the Building plans filed with the City of New York and any amendments thereto, which amendments will in all instances be filed with the City of New York. Such plans will no be changed so as to materially adversely affect the unit owner, but in any event may be changed at the request of the purchasers. For a detailed description of such data see Part II.

Each Unit Owner will have an easement in common with all other Unit Owners for the use, maintenance and repair of all pipes, wires, conduits, cables, and public utility lines located in the common elements or located in other units and servicing his unit. Further, each Unit Owner, will have an easement for the continuance of any encroachment by his Unit on any adjoining Unit or common element now existing or which may come into existence hereafter as a result of repair or alteration of the Units by the Board of Managers, after damage by fire or other casualty or as a result of condemnation or eminent domain proceedings, or by reason of any alteration made by the Board of Managers to the common elements so that any such encroachment may remain undisturbed so long as a unit stands. Each unit will be subjected to such encroachments and easements in favor of all other units.

The Board of Managers, its agents and employees shall have a right of access to the Units, limited common elements and to the common elements (irrespective of the restricted nature of such common elements) to inspect, maintain or repair the common elements or to make repairs to the Unit to prevent damage to the common elements or any other Unit. Other easements which will affect the Condominium may be found in the Declaration and By-Laws.

All units from the second through the fifth floors contain balconies off of their living rooms. These are considered limited common elements of the specific unit to which they are attached.

The use and enjoyment of all limited common element by the unit owner shall be subject to the terms and conditions found in the Declaration and By-Laws in Part II of this plan.

The front part of the cellar houses the electrical, gas and water meter rooms which will service the entire building. These spaces are considered a common element.

The on site sanitary is connected to the New York City sanitary and storm sewers which run beneath west 3rd Street. The on site storm sewers is connected to on site drywells.

Each floor will have a trash room with a compactor connected to the cellar. There is a refuse collection room in the cellar for the collection of both types of refuse. The refuse will be bundled and placed it in the outdoor collection area at the front of the building.

III. LOCATION AND AREA INFORMATION

The property is located at 1549 West 3rd Street near Avenue P in the Section of Brooklyn. (See area map in Part II Section D). The condominium is new construction built on a 40 feet by 100 feet parcel of land. The Final Certificate of Occupancy for the building was issued July 30, 2009.

There are small shops near the site and additional local shopping within a three block radius. There are several established condominium developments nearby.

The Condominium site is in a developed urban area with public transportation, schools, religious facilities, police and fire departments all located in close proximity to the Site. The Condominium faces a public street which is and will be maintained by the City of New York and the Development has the benefit of gas, water and electrical service.

The F line subway station is located on Avenue P and McDonald Avenue which is four blocks away.

The number 82 bus is two blocks away on Kings Highway.

Maimonides Medical Center at 1844 47th Street is 1.3 miles from the site. New York Community Hospital at 2525 Kings Highway is 1.5 miles from the site.

The 66th Police precinct is located at 5822 16th Avenue 1.34 miles from the site. The local firehouse is located on Kings Highway approximately 1 ½ miles from the development.

Public School 117 located at 346 Avenue P is .14 miles away. Intermediate School 96 at pp Avenue P is .42 miles away and Merkaz Bnos High School at 1400 West 6th Street is .18 miles away.

SCHEDULE A
OFFERING PRICE AND RELATED INFORMATION
FIRST YEAR OF OPERATION
(Assumes First Year of Operation Begins January 1, 2012 and ends December 31, 2012

Unit	Rent Regulatory status	Number of bedrooms and baths (1)	Total square footage (1)	Offering price (3)	Percentage of common interest (2)	Monthly common charges (4)	Projected Monthly real estate taxes no 421(a) (5)	Projected Annual real estate taxes no 421(a)	Projected Monthly real estate taxes 421(a) fiscal year 09/10 (5)	Projected Annual real estate taxes 421(a) fiscal year 09/10 (5)	Projected monthly charges no 421(a)	Projected monthly charges with 421(a)
1 A	Multiple dwelling	1 bedroom, 1 bath	504 sq. ft.	$ 210,000	6.34	143.68	210.00	2,520.	16.16	193.93	353.68	159.84
1 B	Multiple dwelling	2 bedroom, 1 bath	732 sq. ft.	$ 390,000	9.20	208.50	304.50	3,654.	23.44	281.30	513.00	231.94
2A	Multiple dwelling	2 bedroom, 1 ½ bath	759 sq. ft.	$ 390,000	9.55	216.33	315.50	3,786.	26.68	320.16	531.83	234.01
2 B	Multiple dwelling	2 bedroom, 1 ½ bath	722 sq. ft.	$ 390,000	9.09	205.91	300.50	3,606.	23.16	277.97	506.41	229.07
3A	Multiple dwelling	2 bedroom, 1 ½ bath, balcony	759 sq. ft.	$ 390,000	9.55	216.33	315.50	3,786.	26.68	320.16.	531.83	243.01
3 B	Multiple dwelling	2 bedroom , 1 ½ bath, balcony	722 sq. ft.	$ 390,000	9.09	205.91	300.50	3,606.	23.16	277.97	506.41	229.07
4A	Multiple dwelling	2 bedroom, 1 ½ bath, balcony	759 sq. ft.	$ 390,000	9.55	216.33	315.50	3,786.	26.68	320.16.	531.83	243.01
4B	Multiple dwelling	2 bedroom, 1 ½ bath, balcony	722 sq. ft.	$ 390,000	9.09	205.91	300.50	3,606.	23.16	277.97	506.41	229.07

Unit	Rent Regulatory Status	Number of Bedrooms and Baths	Total Square footage	Offering Price	Percentage of Common Interest	Monthly common charges	Projected monthly real estate taxes no 421(a)	Projected annual real estate taxes no 421(a)	Monthly real estate taxes 421(a) fiscal year10/11	Annual real estate taxes 4219a) fiscal year 10/11	Projected monthly charges no 421(a)	Projected monthly charges with 421(a)
5 A	Multiple dwelling	2 bedroom, 1 ½ bath, balcony	759 square feet	$ 390,000	9.55	216.33	315.50	3,786.	26.68	320.16	531.83	243.01
5 B	Multiple dwelling	2 bedroom, 1 ½ bath, balcony	722 square feet	$ 390,000	9.09	205.91	300.50	3,606.	23.16	277.97	506.41	229.07
PS 1		Garage Tax Lot 1011	157 square feet	10,000	1.98	45.02	8.00	96.00	3.18	38.05	53.02	48.19
PS 2		Parking space Tax Lot 1012	157 square feet	5,000	1.98	45.02	4.00	48.00	3.18	38.05	49.02	48.19
PS 3		Parking space Tax Lot 1013	157 square feet	5,000	1.98	45.02	4.00	48.00	3.18	38.05	49.02	48.19
PS 4		Parking space Tax Lot 1014	157 square feet	5,000	1.98	45.02	4.00	48.00	3.18	38.05	49.02	48.19
PS 5		Parking space Tax Lot 1015	157 square feet	5,000	1.98	45.02	4.00	48.00	3.18	38.05	49.02	48.19
TOTALS			7,945 sq. ft.	$3,750,000	100.000	$2,266.24	$ 3,002.50	$ 36,030.00	$ 254.86	$ 3,058.32	$5,268.74	$2,521.05

The square footage of the units do not include the square footage of the balconies.

FOOTNOTES TO SCHEDULE A

1. Rooms and baths are according to N.Y.C. zoning room count. For a complete description of the unit layouts consult the description and floor plans in part two of this Offering Plan. The physical dimensions of each unit consists of the area enclosed horizontally by the unexposed faces of the dry walls, including the thickness of such dry walls, located at an exterior wall of the buildings and the unexposed faces of the dry walls, including the thickness of such dry walls, dividing the Unit from the corridors, stairs or other Unit and vertically by the upper face of the subfloor of the Unit up to the unexposed side of the dry wall forming the upper ceiling or the plaster ceiling of the Unit. Doors and windows which open from a Unit and interior walls of a Unit shall be deemed to be part of the Unit. The usable floor area of the units may be significantly less than the above calculated square footage.

2. The percentage of common interest are calculated on floor space, subject to the location of such space and additional factors of relative value to other space in the condominium for each condominium Unit pursuant to New York State Real Property Law Section 339-i(1)(iv).

3. The 1 garage and 4 parking spaces designated PS1 through PS5 will be sold to purchasers who request parking spaces on a first come first serve basis with the purchaser selecting his space from those available at the time the purchaser enters into contract. The sold parking space shall become limited common elements adhering to the unit the purchaser buys.

4. The total cash purchase prices are subject to change. See "Changes in Prices or Units" for an explanation of any price changes. Please note that prices are negotiable. See "Closing Costs and Adjustments" on page 33 for a description of closing costs. For units priced at $ 210,000 and $390,000, these would total approximately $ 4,834. and $ 8,216. respectively plus additional closing costs if purchaser obtains a mortgage, including escrow and attorneys fees, plus working capital of two months maintenance per unit and adjustments.

5. The sponsor at this time is not offering or procuring mortgage financing. If the purchaser obtains financing, debt service on such financing will be an additional monthly expense.

Purchasers should note that monthly carrying charges do not include certain housing costs for which the unit owner is generally responsible such as repairs to the interior or the unit, and separately metered gas and electricity for cooking, lighting and air conditioning and heating. Projections for individual gas and electricity usage set forth and explained in Schedule B-1.

6. The current aggregate monthly rents payable from tenants of occupied units is $ 10,025.00.

7. After the Condominium is divided into individual tax lots, each Unit will be taxed as a separate tax lot for real estate tax purposes and the Unit owner will not be responsible for the payment of, nor will the Unit owner be subject to, any lien arising from the non-payment of taxes on other Units. Under the current tax law, real estate taxes paid on a personal residence are tax deductible as an itemized deduction on personal tax returns.

The amount deductible for taxes may vary depending upon the circumstances of the individual purchaser.

The Sponsor has applied for and received 421(a) tax abatement benefits for the development.

The Department of Finance for the City of New York has assessed the building and applied the 421(a) tax abatement benefits. The abated taxes for the entire building have been set at $3,058 for the fiscal year July 1, 2010 through June 30, 2011.

The Department of Finance assigns the taxes for each unit based upon their percentage common interest.

The projected nonexempt taxes and the present exempt taxes using the percentage common interest method are presented in Schedule A.

Please see page 44 for a discussion of the Tax Exemption Benefits.

The projected tax deduction (where applicable) may vary in future years due to changes in the interest rate on the Unit owners mortgage (if any) or from changes in the allocation of constant debt service payments to interest and principal, or due to changes in real property taxes resulting from the expiration of real estate tax benefits, or from changes in assessed value, the tax rate or the method of assessing real property.

SCHEDULE B
PROJECTED BUDGET FOR THE
FIRST YEAR OF OPERATION OF THE
THE 1549 WEST 3RD STREET CONDOMINIUM
BEGINNING JANUARY 1, 2012

Income

Common Charges	$ 27,195	

Expenses

Labor	8,000	(1)
Heating (natural gas)	-0-	(2)
Utilities (electricity)	1,490	(3)
Water charges and sewer rent	4,185	(4)
Elevator Service Contract	3,120	(5)
Building repairs and maintenance	2,000	(6)
Landscaping	-0-	(7)
Insurance	4,200	(8)
Management fees	1,200	(9)
Legal Fees and Audit Fees	3,000	(10)
Contingencies		(11)
TOTAL	$ 27,195	

In the event that the actual or anticipated date of commencement of condominium operation is delayed more than six (6) months from the budget year projected above, the plan must be amended to include a revised budget disclosing current projections. If such amended projections exceed the original projection by twenty-five percent (25%) or more, the sponsor must offer all purchasers the right to rescind and a reasonable 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 a plan effective where there are material changes to the budget if these changes have not been disclosed by a duly filed amendment to the offering plan.

Sponsor anticipates the first closing to occur on or about January1, 2012. If the actual or anticipated date of commencement of operation of the condominium exceeds twelve (12) months after the commencement date above or more than twelve (12) months after the effective date of the purchase agreement, a right of rescission will be offered all purchasers.

Purchaser should also note that even if the first closing occurs on or before the date projected as the date of commencement of operation of the condominium (January 1, 2012, as of the date of the offering plan) or within the twelve (12) month period thereafter, the closing of

subsequent Units may be substantially delayed beyond such dates if a temporary certificate of occupancy has not been issued for such units or for the floor on which such units are located. In such case, provided that the sponsor is diligently pursuing completion of construction and issuance of a certificate of occupancy and is otherwise in compliance with its obligations under the plan, a Purchaser will not be entitled to a right of rescission or to make claims against the Sponsor for damages or losses as a result of such delays and will not be excused from paying the full purchase price for the Unit. PROSPECTIVE PURCHASERS SHOULD THEREFORE CAREFULLY CONSIDER THE POSSIBILITYOF SUCH DELAYS IN THEIR DETERMINATION AS TO WHETHER TO PURCHASE A UNIT. In the event, however, Sponsor cannot convey title to the unit on or before eighteen (18) months from the date of the Purchase Agreement, at Purchaser's request, all monies advanced by Purchaser shall be returned to Purchaser with interest, if any, and neither party shall have any rights against the other.

FOOTNOTES TO SCHEDULE B

This estimate of operating expenses and income has been certified by the Sponsor's expert Flagg Abstract, Inc. successor to Four Corners Management, Inc. 1573 Richmond Road, Staten Island, N.Y. 10304. Estimates based upon operation of comparable developments in the New York City Area. It cannot be construed as an assurance of the final expenses and is merely based upon information available at this time. These amounts may vary due to changes in operating expenses

1. LABOR There will not be any permanent employees. There will be a part time handyman. Rather than a doorman, there will be a video buzzer type annunciator for the front and rear doors with an automatic lock.

The part time handyman will work 8 hours a week at $20.00 per hour. He will perform the following services: cleaning hallways, taking out garbage, changing light bulbs etc. All other duties would be paid for by the individual apartment user. No health insurance and/or benefits will be provided.

2. HEATING. Each unit will have its own heating and hot water boilers. There is no separate heating system for the building as a whole. Please refer to Schedule B-1 for individual heating costs provided by MPC Plumbing & Heating, Inc. 62 Rector Street, Staten Island, N.Y. 10310.

3. UTILITIES. Each unit will be separately metered for gas usage of the range and dryer. Each unit will be separately metered for electrical usage for lighting, appliances and unit air conditioners. The estimates supplied by the utilities are provided in Schedule B-1. The electricity usage for the common elements covers the water pump, lighting, elevator and small motors etc. Estimate supplied by Delta Phase Electric Corporation, 978 Kent Avenue, Brooklyn, N.Y. 11205. The estimate is based upon 4,260 kilowatt hours per year at a cost of 35 cents per kilowatt hour. This figure includes applicable sales tax of 8.825 %and a 5% inflation factor.

4. WATER CHARGES AND SEWER RENTS. The water and sewer charges will be for the entire building. Estimate supplied by MPC Plumbing & Heating, Inc. 62C Rector Street, Staten Island, N.Y. 10310. Estimate based upon usage of 60 gallons a day per person (two people in a one bedroom and three people in a two bedroom) 633,360 gallons yearly usage at $4.94 per Hundred Cubic feet (748 gallons). The result is 847 HCF x $4.94 equals yearly cost of $4,185. This figure includes a 5% inflation factor. There is no sales tax on water service.

5. SERVICE CONTRACT A proposed service contract for the elevator maintenance has been supplied by Noble Elevator Company, Inc. 2130-G Pond Road, Ronkonkoma, N.Y. 11779. The contract provides for Noble to inspect, lubricate, adjust, and if conditions or usage warrant, repair or replace listed parts as required. The three year contract calls for monthly payments of $260.00 the first year, $270.00 the second year and $280.00 the third year plus sales tax.

6. REPAIRS, MAINTENANCE AND SUPPLIES. Since the condominium is new construction the Sponsor does not anticipate that normal repairs and maintenance will be excessive. A conservative estimate of $2,000 per annum has been made.

7. LANDSCAPING. There is a minimal amount of landscape area. The lot is almost exclusively asphalt with a driveway and parking area at the rear. No landscaping budget is necessary.

8. INSURANCE. Estimate supplied by Inter Insurance Group 425 Broadhollow Road, Suite 417, Melville, N.Y. 11747. This insurance coverage meets the requirements of any mortgage lender procured by the Sponsor.

a. Based on Replacement Cost of Property Values of $ 1,440,000.
b. General Liability Limits of $1,000,000 CSL per occurrence and $2,000,000 Annual
c. Personal injury liability $1,000,000. per each occurrence
d. Water damage legal liability $1,000,000.
e. Directors and Officers Liability $1,000,000.

Boiler and Machinery included. A $2,500 deductible applies. Coverage applies to entire structure excluding personal property of unit owners, and liability coverage applies to all common areas. Replacement cost is based upon $200.00 per square feet.

Projected annual premium $ 4,200.00

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

It is desirable for the individual owners to obtain additional insurance at their own cost to cover such risks as fire and casualty losses to the contents of their unit, and liability coverage for occurrences within their unit.

9. MANAGEMENT FEES. The sponsor has not entered into any management agreements for the seven unit condominium due to the size of the condominium. In event that the board of directors decides to retain a management company the annual cost would be approximately $1,2000 which would be an additional budget item.

10. LEGAL FEES AND AUDIT FEES. The attorney for the Sponsor John Gulino, Esq. has agreed to handle routine matters for the Condominium for the first year of operation under a $2,000 retainer. The services covered by this fee are routine matters such as review of contracts, interpretation of the Declaration and By-laws and ordinary correspondence with the Managers, Unit Owners and any City Agency.

Annual review of the Condominium expenses, certified financial statements and preparation of tax returns, based upon the written estimate of Leff & Bell 1573 Richmond Road, Staten Island, N.Y. will be $1,000. per annum. Paul A. Leff is a principal in the partnership of Leff & Bell.

SCHEDULE B-1
Estimated Individual Utility Expenses
For First Year of Operation
Commencing January 1, 2012

Expenses per unit

GAS for heating, domestic hot water and cooking

Apartment	Square Footage	Therms/yr	Yearly Cost
Unit 1A	504	700	$ 1,274
Unit 1B	732	1,000	$ 1,820
Unit 2A	759	1,000	$ 1,820
Unit 2B	722	1,000	$ 1,820
Unit 3A	759	1,000	$ 1,820
Unit 3B	722	1,000	$ 1,820
Unit 4A	759	1,000	$ 1,820
Unit 4B	722	1,000	$ 1,820
Unit 5A	759	1,000	$ 1,820
Unit 5B	722	1,000	$ 1,820

Estimate provided by MPC Plumbing & Heating, Inc. 62C Rector Street, Staten Island, N.Y. 10310. Estimate is based upon an 8 month heating season where the temperature is maintained at 70 for 16 hours per day and 60 degrees for the remaining 8 hours. The estimate is based upon $ 1.82 per therm which includes a 5% inflation factor and applicable sales tax. All units are one bedroom.

ELECTRICITY

Air conditioning, lighting and appliances

Apartment	Square footage	Kw-hrs/year	Yearly cost
Unit 1A	504	3,500	$ 1,225
Unit 1B	732	4,600	$ 1,610
Unit 2A	759	4,600	$ 1,610
Unit 2B	722	4,600	$ 1,610
Unit 3A	759	4,600	$ 1,610
Unit 3B	722	4,600	$ 1,610
Unit 4A	759	4,600	$ 1,610
Unit 4B	722	4,600	$ 1,610
Unit 5A	759	4,600	$ 1,610
Unit 5B	722	4,600	$ 1,610

Estimate supplied by Delta Phase Electrical Corporation 978 Kent Avenue, Brooklyn, N.Y. 11205

Figures are based upon a cost of $0.35 per KW-HR average residential usage. This includes a 5% inflation factor plus sales tax of 8.825%. Estimate assumes construction with double insulated glass, thermal barrier type windows, R-19 roof insulation and R-11 wall insulation.

Paul A. Leff

LICENSED REAL ESTATE BROKER
1573 RICHMOND ROAD
STATEN ISLAND, NEW YORK 10304
TEL: (718) 667-7112
FAX: (718) 667-0038

COMPLIANCE WITH REAL PROPERTY LAW SECTION 339(i)

June 7, 2010

West 3rd Street Development Corp, LLC
444 3rd Avenue
Brooklyn, N.Y. 11215

Re:1549 West 3rd Street Condominium

Gentlemen:

We have reviewed the percentage common interest for the units shown in the schedule entitled "Schedule A Offering Price and Related Information" for inclusion in the above referenced Offering Plan. The respective percentage of common interest is based upon Real Property Law section 339 (i)(1)(iv), upon floor space, subject to the location of such space and the additional factors of relative value to other spaces in the condominium, the uniqueness of the unit, the availability of common elements for exclusive or shared use, and the overall dimensions of the particular unit.

In our opinion, the percentage common interest as set forth in the offering plan is in compliance with Real Property Law Section 339(i)(1)(iv).

The floor space and overall dimensions were calculated and provided to the undersigned by the architect for the project Sandor Weiss, R.A. 1317 Avenue J, Brooklyn, N.Y. 11230.

The undersigned has provided these compliance reviews for various condominiums over the last twenty four years for new condominiums on Staten Island and Brooklyn.

I have no financial or other beneficial interest in the Sponsor, or in the profitability of the project. I am neither the selling agent nor the prospective managing agent for the property.

You have advised me of your intention to incorporate this letter into the Plan and I hereby consent to such incorporation.

Paul A. Leff

VI. CHANGES IN PRICES AND UNITS

The Units will be offered for sale at the asking prices reflected in Schedule A, plus the prices of any options selected by purchasers. The offering price to be paid by tenants will not increase during any applicable exclusive period.

The Schedule A offering prices may only be increased or decreased by a duly filed amendment to the plan when the change in price is an across the board change affecting one or more lines of Units or Unit models or is to be advertised or is an individually negotiated increase.

Prices are negotiable unless it would constitute a prohibited discriminatory inducement and the sponsor may enter into an agreement with an individual purchaser to sell one or more units at prices lower than those set forth in Schedule A without filing an amendment.

No change in the price of a Unit will vary the estimated annual Common Charges for that Unit or its percentage of interest in the Common Elements. Pursuant to this paragraph, purchasers may pay different prices for similar interests.

No changes will be made in the size or number of Units, and/or their respective percentages of common interest, and no material change will be made in the size or quality of common elements except by amendment to the plan and, when applicable, to the declaration

.

Unless an affected purchaser consents, no material change will be made in Unit size, layout, or percentage of common interest if a purchase agreement has been executed and delivered to sponsor for that Unit and the purchaser is not in default.

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

VII. ACCOUNTANT'S CERTIFIED STATEMENTS

The financial statements for the West 3rd Street Development LLC are attached in Part II of the offering plan in Section K.

VIII. RIGHTS OF EXISTING TENANTS

A. The Exclusive Period.

(i) All bona fide tenants in occupancy on the date the plan is accepted for filing will have the exclusive right to purchase their dwelling units for ninety days after the plan is presented.

(ii) Any bona fide tenant with the right to renew a lease on the date the plan is accepted for filing has the right to purchase as a tenant during the exclusive period.

(iii) Any bona fide tenant who has the right to continued occupancy on the date the plan is accepted for filing has the right to purchase as a tenant during the exclusive period.

(iv) For the purpose of determining who has the right to purchase during the exclusive period, a bona fide tenant of record with an unexpired lease on the date the plan is accepted for filing shall be presumed to be a "tenant in occupancy" even if the tenant has sublet his or her dwelling unit or the dwelling unit is not the tenant's primary residence.

(v) A bona fide sublessee in occupancy on the date the plan is accepted for filing has the right to purchase during the exclusive period if he or she: (a) sublets from a bona fide tenant; or (b) has obtained written permission to purchase his or her dwelling unit from the bona fide tenant of record. Nothing herein shall be construed to deprive an owner of any legal remedy for illegal occupancy.

(vi) A residential occupant entitled to protection under Article 7C of the Multiple Dwelling Law has a right to purchase during the exclusive period.

B. General Rights of Existing Tenants

This offering plan is a non-eviction plan. No tenant may be evicted due to this offering plan. However, the owner retains any and all legal remedies available to a landlord against a tenant for lease or occupancy violations.

The Sponsor shall post periodic statements in a prominent place accessible to all tenants in the building which details the progress of the offering plan listing percentage of bona fide tenants who have signed purchase agreements, exclusivity periods and the other requirements under 13 NYCRR 23.1(o).

Offer of buy-outs during the initial review period of the red herring is not permissible. Any offers received during the red herring period should be referred to the New York State

Department of Law, Real Estate Finance Bureau, 120 Broadway, 23rd Floor, New York, new York 10271.

The Sponsor shall be able to increase rents for non-purchasing tenants as are allowable under the applicable laws. Complaints of unconscionable rent increases proscribed by law may be referred to the New York State Department of Law, Real Estate Financing Bureau, 120 Broadway, 23rd Floor, New York, New York 10271.

Non-purchasing tenants are entitled to the continuance of all services and facilities required by law on a non-discriminatory basis. There will be no interruption or discontinuance of services or harassment of tenants Please refer to the services described in the "Obligations of Owners of Dwelling Units Occupied by Non-Purchasing Tenants" section of this plan.

Tenants or their representatives will be allowed to inspect the building during regular business hours upon prior arrangement with the Sponsor and at such other times during which the building is open to inspection by potential outside purchasers.

Non-purchasing tenants are protected against termination or abridgement of rights acknowledged or granted in this plan in the event of expiration of or amendment to GBL Section 352-e(2-a) and 352-eeee.

The building which is the subject of this offering plan received a Final Certificate of Occupancy on July 30, 2009. As a relatively new building, the Sponsor does not anticipate making any capital improvements to the building or development site.

The by-laws provide that non-purchasing tenants will be promptly notified of changes in ownership by any purchasers of their units and that the board of managers will retain and make available such information.

The Sponsor will not permit the assignment or transfer of purchase agreements by tenants in occupancy prior to declaring the plan effective.

If the Sponsor amends the terms and conditions of the offering prior to the closing of the first unit to be more favorable to non-purchasing tenants, a person entitled to purchase during the exclusivity period set forth above and who executed and submitted a purchase agreement for the unit the tenant occupied on the date that the plan was accepted for filing, shall benefit from the more favorable terms and conditions, even though such purchase agreement was entered into before the sponsor amended the terms. This provision shall not apply to tenants who purchased units other than their own or to assignees of tenant's purchase agreements.

A tenant in occupancy may purchase a vacant apartment or any other apartment not occupied by the tenant for the price such unit is offered to outside third parties by entering into the purchase agreement entered into by outside third parties. In the event two tenants seek the same apartment, that tenant who bids the higher purchase assuming all other conditions are equal will enter into contract with Sponsor.

No tenants in occupancy have access to or an exclusive right to use any portion of the common elements.

A purchase agreement from a tenant in occupancy for his or her own unit executed during any exclusive purchase period shall have priority over and pre-empt any purchase agreement from non-tenants.

The rights of the non-purchasing tenants in occupancy are subject to the provisions of GBL Section 352-eeee and are protected against unreasonable and unlawful rent increase. Those tenants, if any, subject to rent stabilization shall continue to remain subject to rent stabilization guidelines.

IX. OBLIGATIONS OF OWNERS OF DWELLING UNITS OCCUPIED BY NON-PURCHASING TENANTS.

Owners of dwelling units, whether the sponsor or an outside purchaser, have certain obligations to those non-purchasing tenants who continue to occupy units.

1. The existing tenants have a right to continued occupancy.

2. The New York City Multiple Dwelling Law shall continue to apply to the building and non-purchasing tenant units.

These units must be registered under the multiple dwelling laws on an annual basis. The building has not come under the New York City Rent Stabilization Law. The existing tenants rents charged will be regulated under the general landlord tenant laws of the City of New York and will continue to be regulated upon the re-renting of the unit after the non-purchasing tenant vacates.

3. The owner is obligated to pay the amount due as common charges, special assessments and real estate taxes for the unit even if the amount is more than the rent received from the non-purchasing tenant.

4. As the owner/ landlord of the unit there is a continuing obligation to provide to the non-purchasing tenant all services required by law to the extent applicable, including the obligation to make all repairs to the unit which are not the responsibility of the board of managers of the condominium. The non-occupant purchaser of a Unit which is occupied by a tenant will be required to adhere to federal, state, and local law or ordinances in addition to the terms of the lease.

These services may include, but are not limited to, painting, interior decoration, repairs to interior plumbing and wiring and replacement of fixtures and of appliances, doors, hardware and windows. While the sponsor is in control of the board of managers, the sponsor must guarantee that these services will be provided if required by applicable law.

5. All litigation costs, fees, and any dues related to the tenancy, are the sole responsibility of the purchaser.

6. The unit owner is obligated to give renewal leases and riders as required by law and the tenant may be evicted only on grounds permitted by law.

7. All leases may be inspected by potential purchasers, and should be inspected in order to ascertain the purchaser's obligations.

8. The condominium by-laws provide and purchase agreements for dwelling units occupied by non-purchasing tenants will include an agreement by the purchaser to appoint irrevocably the condominium's managing agent and its successors (or the board of managers of the condominium if no managing agent is employed by the condominium) as his or her agent to provide to the non-purchasing tenants all services and facilities required by law.

9. Purchase agreements for dwelling units occupied by non-purchasing tenants and the by-laws of the condominium shall include an agreement by the purchaser (other than the sponsor) to deposit with the managing agent (or the board of managers of the condominium if no managing agent is employed) at the closing a amount not less than the greater of two months' common charges or two months' rent, to be used as working capital to furnish services required under the non-purchasing tenant's lease and the laws and regulations applicable to such unit.

Upon notice by the managing agent (or the board of managers of the condominium) that the deposit has been diminished, the fund shall be replenished by the unit owner within thirty days. The declaration and by-laws will provide that the failure of the unit owner to replenish the fund in a timely fashion shall result in the board of managers, on behalf of the unit owners, having a lien against the dwelling unit. Interest, if any, earned on the fund shall be the property of the unit owner.

10. The owner of a dwelling unit occupied by a non-purchasing tenant shall be subject to the General Obligations Law Section 7-103 with respect to the security deposit.

X. INTERIM LEASES

The owner of the building reserves the right to rent any unit that is vacant before the closing.

The rent will not exceed the maximum rental that may be legally collectible under the appropriated laws.

If the plan is abandoned, the tenant will continue to be subject to the rent regulatory laws.

An uncured default under the purchase agreement is a default under the lease and an uncured default under the lease is a default under the purchase agreement. Before the sponsor may utilize the default under the lease to declare a default under the purchase agreement, the sponsor must either obtain a court order of eviction or other judgment or order from a court or agency of competent jurisdiction against the lessee unless the lessee has vacated the unit.

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

XI. PROCEDURE TO PURCHASE

A. Any person may accept Sponsor's offer to sell the Units by entering into a Purchase Agreement with the Sponsor. The agreement provides that the purchaser will purchase from the Sponsor a designated Unit in the Condominium described in the Declaration creating such Condominium.

Purchasers will be afforded, at the Sponsor's sole option, either (i) no fewer than three (3) business days to review the Plan and all filed amendments prior to executing a purchase agreement, or (ii) a period of no fewer than seven days subsequent to the execution of the Purchase agreement to rescind the purchase agreement.

Upon signing the Purchase Agreement the purchaser shall make a down payment of 10% of the total price of his Unit plus the cost of special work ordered by the Purchaser. At the closing, upon full payment of the purchase price in cash or by mortgage, the purchaser will receive a bargain and sale deed with covenants against grantor's acts and containing the provisions set forth in Section 13 Subdivision 5 of the Lien Law, which will convey good and marketable title of fee ownership in the Unit and such percentage of common interest in the Common Elements as is set forth on Schedule A, free and clear of all liens and encumbrances other than those set forth in the Plan. The purchase agreement may be modified with the consent of the purchaser and the Sponsor in a manner not inconsistent with law subject to the terms of the Plan.

Purchaser obligation to purchase is contingent on obtaining financing. Such contingency is provided for in the purchase contract in Part II exhibit A.

The purchase agreement in Part II at A-3 of this offering plan is contingent upon the purchaser receiving a mortgage commitment within forty five days after the purchase agreement has been fully signed and delivered to the purchaser. The Seller may extend the time period for an extra sixty days.

Once a mortgage commitment is obtained, it is the obligation of the Purchaser to keep the mortgage commitment in full force and effect until the closing of title. The Purchaser must make a good faith effort to fulfill all requirements of the lending institution in order to maintain and extend the commitment, if necessary. If the Purchaser willfully takes action or fails to take action which results in the lender withdrawing the commitment, the Purchaser shall be required to close

title or his deposit shall belong to the Seller. Will-full action or non-action would encompass such things as failure to meet reasonable requests of the lender for documentation required to maintain the commitment or purposely changing purchaser's financial profile so as to disqualify the purchaser for the mortgage already committed. In the event that the financing commitment lapses or expires prior to closing, and the purchaser has made a good faith effort to extend the commitment, the sponsor will grant the purchaser a right of rescission and a reasonable period to exercise the right.

Prospective purchasers must sign three duplicate original purchase agreements and forward them along with the down payment to Sponsor's attorney. Within fifteen days after a purchaser delivers the executed purchase agreements together with the required deposit, the sponsor must either accept the purchase agreements and return two fully executed counterparts to the purchaser or reject the purchase agreement and refund the full deposit previously tendered. If the sponsor takes no action within the above time period, the purchase agreement shall be deemed rejected.

B. Trust Funds

All monies received directly by the Sponsor or through its agents or employees, shall be held in trust pursuant to Section 352-e (2-b) and 352-h of the General Business Law and the escrow and trust fund regulations as promulgated by the Attorney General.

The Sponsors escrow agreement is attached to this Offering Plan as Section F in Part II.

In summary the terms of this escrow agreement are as follows:

(a)within five business days all deposits, down payments or advances made by purchasers prior to closing on an individual transaction will be placed 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. IOLA accounts will have standard maximum federal insurance coverage of $250,000 per depositor, per depository institution for each account ownership category. The aggregate amount of the down payment and other deposits that exceed the maximum amount will not be insured.

(b) For the purpose of this account, the escrow agreement appended to this offering plan shall control. The funds shall be in an account designated "John P. Gulino, Esq. IOLA Account" located in the J.P. Morgan Chase Bank at it branch located on New Dorp Lane, Staten Island, N.Y. The signature of John P. Gulino, Esq. 85 New Dorp Lane, Staten Island, N.Y. 10306 shall be required to withdraw any such funds.

(c) The escrow account shall be an Interest-On-Lawyer's Account (IOLA), with all interest credited to the IOLA fund pursuant to Judiciary Law section 497.

(d) 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.

(e) The Sponsor will comply with Section 71-a(3) of the Lien Law which provides for the escrowing of the down payment as outlined above and restricts the release of the funds as outlined below.

(f) Within ten business days after the tender of the deposit submitted with the purchase agreement, the escrow agent will notify the purchaser that such funds have been deposited in the bank account indicated above and shall provide the account number and initial interest rate if any.

If the purchaser does not receive notice of such deposit within 15 business days after tender of such deposit he or she may cancel the purchase and rescind within 90 days after tender of the deposit, or may apply to the Attorney General for relief. Rescission may not be afforded where proof satisfactory to the Attorney General is submitted establishing that the escrowed funds were timely deposited in accordance with the regulations and requisite notice was timely mailed to the purchaser.

Before funds are transferred to a new escrow account, of if the escrow agent is replaced, the plan will be amended to provide the same full disclosure with respect to the new account, the escrow agent and the escrow agreement as originally provided. A bond, letter of credit or other security may be substituted for the escrow account only after the Department of Law approves in writing the use of such alternative form of security

C. RELEASE OF ESCROW FUNDS

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

(2) The escrow agent shall hold the funds in escrow until otherwise directed in (a) a writing signed by both Sponsor and Purchaser, (b) a determination of the Attorney General pursuant to the dispute resolution outlined below, (c) a judgment or order of a court of competent jurisdiction, or (d) in the event there is no written agreement concerning the escrow after ten days written notice to the purchaser unless application has been made pursuant to the dispute resolution provisions of the regulations.

(3) The sponsor shall not object to the release of the escrow funds to (a) a purchaser who timely rescinds in accordance with an offer of rescission contained in this plan or an amendment hereto, or (b) all purchasers after an amendment abandoning the plan is accepted for filing by the Department of Law.

(4) The down payment shall be released to Sponsor following sponsor's obtaining a bond or letter of credit and the acceptance of an amendment to this offering plan approving of such bond or letter of credit.

(5) 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 no fewer that (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 notified the escrow agent in accordance with such provisions. A copy of the dispute resolution forms are appended in Part II of this Plan.

D. DISPUTES

(a)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. Copies of the forms which are available from the Department of Law are annexed to Part II of this agreement. The party applying shall contemporaneously sent to all other parties a copy of such application.

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

If the application permitting release of the 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 days after its submission to the Department of Law, by either making a determination or notifying the parties that an extension of time in which to do so is necessary for stated reasons.

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

(d) 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, by order or judgment of a court of competent jurisdiction or by written agreement of the sponsor and the purchaser.

E. GENERAL TRUST FUND PROVISIONS

(a) 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 the successor firm and shall notify the Department of law of such transfer.

(b) The Department of Law may perform random reviews and audits of any records involving escrow accounts to determine compliance with statute and regulations.

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

(d) Nothing contained herein shall diminish or impair the sponsor's statutory obligation to each purchaser pursuant to GBL Section 352-h to hold in trust all deposits, advances or payments made in connection with the offer until consummation of the transaction with such purchaser. Consummation of the plan does not relieve sponsor of its obligations pursuant to GBL 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.

(e) Before funds are transferred to a new escrow account, or if the escrow agent is replaced, the plan will be amended to provide the same full disclosure with respect to the new account, the escrow agent and the escrow agreement as was originally provided. A bond, letter of credit or other security may be substituted for the escrow account only after the Department of Law approves in writing the use of such alternate form of security.

F. MISCELLANEOUS PROVISIONS CONCERNING PURCHASES

(1) The Sponsor anticipates the first closing of a unit will occur on or about January 1, 2012. In the event that the closing is delayed by the Sponsor for twelve months or more, purchaser will be offered rescission of the contract of purchase.

The Sponsor is not limiting the condition under which it will rent rather than sell Units. There is no commitment to sell more units that the 15% necessary to declare the plan effective. There are no construction loan contingencies which would affect the sponsor obligation to sell or rent the Units.

(2) After the Plan has been declared effective the Sponsor will fix dates for closing title to all units for which purchase agreements have been executed by serving notice on each purchaser stating the date of the first closing and setting such purchaser's closing date. Such notice shall be served no less than thirty (30) days before the date set for the closing of the units. Sponsor may permit purchasers to waive this thirty (30) day provision by including such waiver in this plan or in an amendment thereto.

(3) The Sponsor is obligated to make written demand for payment after default by purchaser and afford the purchaser a thirty day period to cure said default prior to the purchaser forfeiting any money paid under the purchase agreement.

(4) The purchasers will be afforded, at the Sponsor's sole option, either (i) no fewer than three (3) business days to review the Plan and all filed amendments prior to executing a purchase agreement, or (ii) a period of no fewer than seven days subsequent to the execution of the Purchase agreement to rescind the purchase agreement.

(5) The risk of loss from fire or other casualty remains with the Sponsor until legal title to the home or lot has been conveyed to the purchaser.

(6) The purchasers shall sign a power of attorney to the Board of Managers of the Condominium. This power shall be executed at the closing of title to the unit purchased by the purchaser and recorded simultaneously with the Deed to said unit.

(7) Any conflict between the plan and the purchase agreement will be resolved according to the terms of the plan.

(8) The purchase agreement and plan may not contain, or be modified to contain, a provision waiving purchaser's rights or abrogating sponsor's obligations under Article 23-A of the GBL. The purchase agreement to be used by tenant purchasers who purchase during an exclusive period may not be modified except by a duly filed amendment to the plan.

ASSIGNMENT OF PURCHASE AGREEMENTS

The Sponsor will not permit the assignment or transfer of purchase agreements by tenants prior to the declaration of effectiveness..

EFFECTIVE DATE OF PLAN

Sponsors' offer to sell is contingent upon the plan being declared effective and compliance with the relevant conditions and time periods hereinafter set forth.

The closing of the first unit by the sponsor may not occur before the plan is declared effective and the effectiveness amendment is accepted for filing by the Department of Law.

The plan may be declared effective by (i) an amendment to the Plan or (ii) by personal service of notice on every purchaser or by commencement of service by mail in the manner required by the regulations stating that the Plan is declared effective and submitting an amendment to the Department of Law within five (5) days confirming that the Plan was declared effective on a specific date. The closing of the first unit shall not be fixed until the plan is declared effective and the effectiveness amendment is accepted for filing by the Department of Law.

The plan may not be declared effective unless bona fide purchasers, including investors, have signed purchase agreements for at least fifteen percent (15%) of the units offered under the plan (2 residential units). When calculating the percentage, no more than one purchase agreement by an outside purchaser or by the tenant or tenants of a particular dwelling unit shall

be counted. Only one purchase agreement from any tenant who leases or occupies more than one dwelling unit shall be counted towards effectiveness.

Any Unit which has become vacant because the tenant of such Unit has entered into a buy-out agreement during the red herring period shall not be deducted from the base for the purposes of determining the 15% of Units necessary to declare the Plan effective. Moreover, even if a purchase agreement is entered into with respect to any Unit vacated during the red herring period, said purchase agreement will not be counted towards the percentage necessary to declare the Plan effective.

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

(b) if the purchaser was not afforded (i) not fewer than seven (7) days after delivering an executed purchase agreement together with the required deposit to rescind the purchase agreement and have the full deposit refunded promptly or (ii) not fewer than three (3) business days to review the offering plan and all filed amendments prior to executing a purchase agreement; or

(c) with any purchaser who is the sponsor, the selling agent, or the managing agent or is a principal of the sponsor, the selling agent or the managing agent or is related to the sponsor, the selling agent or the managing agent or to any principal of the sponsor or the selling agent or the managing agent by blood, marriage or adoption or as a business associate, an employee, a shareholder or a limited partner; except that such a purchaser other than the sponsor or a principal of the sponsor may be included if the sponsor has submitted proof satisfactory to the Department of Law establishing that the purchaser is bona fide.

The plan must be declared effective when purchase agreements have been accepted by sponsor for eighty percent (80%) (8 residential units) or more of the units offered under the plan.

This is a non eviction plan. The plan may not be declared effective until written purchase agreements have been executed and delivered for at least fifteen percent (15%) of all dwelling units in the building by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or a specified member of their immediate family occupy the dwelling unit when it becomes vacant. As to tenants who were in occupancy on the date the plan was accepted for filing, the purchase agreement shall be executed and delivered pursuant to an offering made without fraud and discriminatory repurchase agreements or other discriminatory inducements.

The plan will be deemed abandoned, void and of no effect if it does not become effective within fifteen (15) months from the date of issuance of the letter by the Department of Law indicating that the plan has been accepted for filing; and, in the event of such abandonment, no new plan for conversion of such building or group of buildings or development shall be

submitted to the Department of Law for at least twelve (12) months after such abandonment.

Sponsor may not change the non-eviction plan to an eviction plan.

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

The plan may be declared effective by filing an amendment to the offering plan. All purchasers shall be identified by name, address, unit purchased, purchase price exclusive of extra features and total purchase price. No closings will be held until the effectiveness amendment has been accepted for filing.

Sponsor also agrees to submit to the Department of Law, if requested, copies of all purchase agreements (and any amendments or modifications) within five (5) business days after the request is made.

The sponsor may not abandon the Plan after the effectiveness amendment is filed for any reason other than (i) a defect in title which cannot be cured without litigation or cannot be cured for less than one-half of one percent of the total amount of the offering, or (ii) substantial damage or destruction of the buildings by fire or other casualty which cannot be cured for less than one-half of one percent of the total amount of the offering, or (iii) the taking of any material portion of the property by condemnation or eminent domain. Sponsor must provide that any stated dollar amount relied upon as basis for abandonment after effectiveness must exclude any attorney's fees or any such title defects or determinations of any authority or regulatory association which exist on the date of presentation of the plan and are either known to the sponsor or are a matter of public record.

Sponsor cannot abandon the Plan for any judgments or liens against the property resulting from acts of the Sponsor or any of its principals or which are known to the sponsor on the date of the Plan.

XIII. TERMS OF SALE

The form of deed to be delivered to a Unit owner at closing of title to his unit shall be a bargain and sale deed with covenants against grantor's acts in proper form for recording. A form of unit deed is contained in Part II of the Plan.

Closing of title is the actual transfer of ownership of the condominium unit by Sponsor to the purchaser following the contract of sale. Purchaser will receive not less than thirty (30) days written notice by Sponsor prior to the closing date.

Title to each Unit and its appurtenant interest in the common elements will be conveyed at the closing free and clear of all liens, encumbrances and title exceptions other than those described in this plan and the proposed unit deed.

The Sponsor is obligated to repair any damage from a casualty or other cause that occurs before the closing of a purchase's Unit. In the event the damage is extensive and renders the Unit uninhabitable, either the sponsor or the purchaser may cancel the contract of sale and receive a full refund of the down payment. The Sponsor will notify the purchaser within thirty days of discovering the damage whether or not the damage from the casualty will be repaired.

Title to each unit and its appurtenant interest in the common elements will be conveyed at the closing free and clear of all liens, encumbrances and title exceptions other than those described in the plan and the proposed unit deed.

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, if not the sponsor, is included in the conveyance unless specifically excepted in the offering plan.

A date for the closing of title will be set by the Sponsor in accordance with the purchase agreement. The closing of title to the first units are expected to commence on or about January 1, 2012. Closing will take place after or simultaneously with the happening of the following events:

1. The Sponsor has a mortgage on the property. In the event the mortgage is not satisfied at or prior to the closing of the first Unit, at the time of conveyance of the first Unit the mortgagee will either: (i) consent to the formation of a condominium and acknowledge that its lien will be limited to unsold condominium units;(ii) subordinate the lien of its mortgage to the declaration of condominium; or (iii) release its lien on the condominium unit being conveyed and its interest in the common elements.

2. Recordation and filing of the Declaration, by-laws, and floor plans for the Condominium and such other documents, as required by law, will be recorded or filed prior to the first conveyance of title to a unit in accordance with the New York Condominium Act or applicable state and local law in the office of the Kings County Registrar.

3. As required by Real Property Law Section 339-r, the discharge or partial release duly recorded of all liens affecting the unit to be closed except any mortgage requested by the purchaser at the time of closing representing a mortgage taken by the purchaser.

4. The purchaser being served with a written notice of the closing date at least thirty days in advance and opportunity to inspect the unit and other property subject to the declaration.

5. The purchaser shall execute an instrument in the form provided in Part II of this offering plan designating the Board of Managers as his attorneys in fact, coupled with an interest for the purpose of managing, selling, mortgaging, leasing, voting or otherwise dealing with any homes acquired by the Board of Managers in accordance with any of the provisions of the By-Laws and for purposes consistent with the implementation of the offering plan.

6. If so requested by the purchasers, a title insurance company licensed to do business in New York State shall agree to insure that such purchaser has good and marketable fee title in the Unit, free and clear of all liens and encumbrances except those set forth in the offering plan, and subject to the provisions of the Declaration and By-Laws and any mortgage executed by the purchaser and that the Condominium was validly formed pursuant to Article 9-B of the Real Property Law.

The Unit Owner, at his option, may purchase title insurance covering his interest in the Unit. Title to the Unit will be subject to the following:

(1) State of facts of the property as shown on a survey and any additional state of facts which a subsequent survey would show provided such additional state of facts would not render title unmarketable.

(2) Sewer, water, drainage, electric, plumbing, heating, gas telephone, cable television and other utility easements or consents, if any, granted or which may be granted hereafter.

(3) All of the terms, covenants and conditions of the Declaration, the By-Laws, and the Building Plans as filed or recorded and the Offering Plan and amendments thereto.

(4) All easements set forth in the By-Laws and the Declaration as they are subsequently recorded and in the Offering Plan and Purchase Agreement including:

(a) Easements in favor of the Owners of other Units to use the pipes, wires, conduits, cable television and public utility lines located in the Common Elements or in the Units itself servicing such other Units and easements of necessity in favor of the other Units and/or the common elements;

(b) Easements in favor of the Board of Managers, its agents, contractors and employees to have a right of access to the Unit and to the Common Elements to inspect, maintain or repair

or to make repairs to the Unit to prevent damage to the Common Elements or any other Units, to make repairs to the Common Elements, to any wires, pipes, conduits or cable television system servicing any of the Units or to make repairs to any other Unit;

(c) Easements in favor of those Units having restricted use to portions of the Common Elements;

(d) Easements for the continuance of encroachments on the Unit or on the Common Elements by other Units or portions of the Common Elements, now existing by reason of the construction of the Units, or hereafter occurring by reason of the settling or shifting of the Units, or by reason of the repair and/or restoration by the Board of Managers of the Units or such other Units or such Common Elements, after damage by fire or other casualty or after taking in condemnation or eminent domain proceedings, or by reason of an alteration to the Common Elements made by the Board of Managers, so that any such encroachments may remain so long as the Building within which the Unit is located shall stand.

(e) Easements in favor of the Sponsor for sale and construction purposes.

(5) Covenants, restrictions, easements, charges and liens applicable to the Condominium and the Common Properties upon the filing in the Kings County Registrar's office, prior to the transfer of title to the first Unit, of the Declaration of Covenants, Restrictions, Easements, Charges and Liens governing the Properties together with the By-Laws annexed to and made part of said instrument.

The Sponsor has been advised by its counsel that in Counsel's opinion, none of the exceptions to title hereinabove set forth are contrary to the terms of the Purchase Agreement, nor do they interfere with the quiet use and enjoyment of the purchaser's Unit as represented in this Offering Plan.

(6) Prior to the closing, the Sponsor will procure the Real Property Gains Tax Tentative Assessment and Return (or statement of no tax due) and will, at closing ensure that all Real Property Transfer Gains Tax or other transfer taxes due are paid and comply with the requirements of the New York State Department of Taxation and Finance.

XIV. UNIT CLOSING COSTS AND ADJUSTMENTS

At the time of title closing, the Purchaser will pay the following costs and expenses which rates are as of the date of this plan and subject to change without notice. The costs for a typical unit sale of $210,000.and $390,000, the costs would be as follows:

	(a) Title insurance	$ 1,207.	1,923.	(1)
	(b) Recording Deed	200.	200	(2)
	(c) Recording Power of atty	200.	200	(2)
*	(d) State and City transfer taxs	2,980.	5,535	(3)
	(e) Recording Mortgage	200.	200	(2)
	(f) Mortgage Title Insurance	262.	404	(1)
	(g) bank atty and misc bank charges	1,000.	1,000	(4)
	(h) mortgage tax	3,444.	6,396	(5)
	(i) capital contribution	287	433.	(6)
	Total	$ 9,780.	$ 16,291.	

The above mortgage costs are based upon a $168,000. and $312,000. thirty year mortgage and do not include such things as points or mortgage broker fees if applicable.

(1) The title and mortgage insurance are based upon statutory charts which control the amount of these expenses. The charge is based upon the size of the purchase price and the size of the mortgage.

The chart used to determine the rates is as follows:

On policies up to $35,000. the title insurance is $402. and the mortgage insurance is 343. Above $35,000 for each $1,000 or part thereof add as follows:

Up to	owners	mortgage
35,001-50,000	$ 7.92	$ 6.61
50,001-100,000	4.94	4.10
100,000-500,000	3.98	3.31

When owners and mortgage policies are being issued pursuant to the same closing, the mortgage policy shall be issued at a reduced rate known as the simultaneous mortgage rate. A simultaneous mortgage policy is charged at 30% of the applicable mortgage rate up to the amount of the owners policy

(2) The recording fees are standard charges imposed by the Kings County Registrar's office to record the various papers which must be on file in the Clerk's office.

(3) As noted as special risk #3 on page (i) the purchaser will be required to pay the transfer taxes which are ordinarily a seller expense. The fee imposed upon a purchase of less than $500,000 is 1.000% to New York City and .4% to New York State.

This tax is a flat tax based upon the sales price. The following is an example:

Sales price	City Tax	State Tax	total
$210,000	at 1.000%= 2,100.00	at .4%= 840	$ 2,940.00
$325,000	at 1.000%= 3,250.00	at .4%= 1,300	4,550.00
375,000	at 1.000%= 3,750.00	at .4%= 1,500	5,250.00
390,000	at 1.000%= 3,900.00	at .4% = 1,560	5,460.00
405,000.	at 1.000%= 4,050.00	at .4%= 1,620	5,670.00

- Since the purchaser is required to pay the state and city transfer taxes which are ordinarily a seller expense, the taxing authorities consider the amount paid as additional consideration upon which a tax is to be paid.

(4) In the event a purchaser does obtain a mortgage in order to purchase a unit, there will be various bank charges. The bank charges will vary depending upon the type of loan and the requirements of the particular lending institution involved. They include bank attorney fees and such things as inspection and processing fees.

(5) The mortgage tax which is payable by the purchaser is 2.05% of the mortgage and is imposed by statute. The figure provided is based upon a $260,000 or $280,000 mortgage and will change if the mortgage amount is changed. As an example

Mortgage	percentage tax	tax
$150,000	2.05%	3,075
168,000	2.05%	3,444
200,000	2.05%	4,100
250,000	2.05%	5,125
300,000	2.05%	6,150
312,000	2.05%	6,396

Furthermore, purchasers obtaining mortgage loans may be required to escrow with the mortgagee sufficient monies to pay the real estate taxes, insurance, sewer, water, or other items next coming due (the amount of such escrow cannot now be determined and will depend on the number of months remaining between the closing of title and the date these amounts are next due to be paid and the estimated amounts then payable, as well as the discretion of the mortgagee).

To the extent the above escrow is not required by a purchaser's mortgagee, or if purchaser does not have a mortgage, if units have not been separately assessed for real estate tax purposes prior to the closing of title to the first unit, sponsor must place in escrow in the name of the Board of Managers an amount equal to the unpaid real estate taxes which will be levied against the parcel for the six month period following the first closing or until the units are separately assessed, whichever is shorter. The Board of managers will pay the real estate taxes from the escrow account when taxes are due and payable and the sponsor is entitled to a pro rata reimbursement from unit owners.

(6) Purchasers shall also be required to pay two months maintenance as working capital. This amount shall be used to reimburse the sponsor for any prepaid expenses of the Condominium, if any. The working capital shall be turned over to the Board of Managers at each closing of unit owners. This working capital will not be used to reduce common charges. It is anticipated that there will be a surplus working capital after the sponsor's reimbursement of prepaid expenses. It is impossible at this time to estimate the amount of such surplus.

For individuals seeking mortgages in excess of 80% of the sales price, private insurance may be necessary at additional costs, which may include 1/2% of the mortgage at closing plus 1/4% each year until the mortgage principal reaches the level of 80% of the purchase price.

The purchasers of the residential Units shall reimburse the Sponsor at closing an amount equal to 1% of the purchase price for the costs and fees for applying for a partial real estate tax exemption under the provisions of 421(a).

The Seller has a mortgage on the premises. According to the provisions of Real Property Law 339-ee, a credit will be allowed towards a purchase money mortgage for part of the mortgage tax imposed. Purchaser shall reimburse Seller to the extent of such credit at the closing of title.

XV. RIGHTS AND OBLIGATIONS OF SPONSOR

The sponsor shall be obligated to perform the following:

1. Sponsor retains the unconditional right to rent rather than sell Units. Because sponsor is not limiting the conditions under which it will rent rather than sell Units, there is no commitment to sell more Units than the 15% necessary to declare the plan effective and owner-occupants may never gain effective control and management of the condominium. There are no obligations imposed on sponsor by the mortgage holder with regard to selling and/or renting Units.

2. Sponsor is obligated to defend any suits or proceedings arising out of sponsor's acts or omissions and to indemnify the board of managers and the Unit owners.

3. All representations under the offering plan, all obligations pursuant to the GBL, and such additional obligations under the offering plan which are to be performed subsequent to the closing date will survive delivery of the deed.

4. 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. The plan may not include any financial limitation on sponsor's liability for failure to perform its obligations under the offering plan.

5. The sponsor agrees to pay all common charges, special assessments and real estate taxes with respect to unsold Units. Sponsor represents that it has the financial resources to meet its obligations with respect to unsold Units. The sponsor will fund its obligations by either funds on hand or rental income from unsold units. No bond or other security has been furnished to secure sponsors obligations.

6. The Sponsor will cause the board of managers to maintain the property in substantially the same condition and manner as on the date of presentation until the sponsor no longer controls the board of managers.

7. Sponsor is obligated to repair any damage from a casualty or other cause that occurs before the closing of a purchaser's Unit. In the event that there is substantial damage to the structure housing the unit, the purchaser may withdraw from the contract and receive the return of his down payment. Sponsor will inform purchaser within thirty days of discovering the damages whether or not the damages from a casualty will be repaired.

7. Sponsor shall procure fire and casualty insurance pursuant to an agreed amount replacement value policy or in an amount sufficient to avoid coinsurance, as reflected in Schedule B (please refer to footnote 8).

8. In the event of the dissolution or liquidation of the sponsor or the transfer of twenty percent (20%) or more of the total number of Units in the condominium, the principals of the sponsor will provide financially responsible entities or individuals who will assume the status and all of the obligations of the sponsor for those units under the offering plan, applicable laws and regulations. In the event of dissolution or liquidation, the principals of the sponsor shall guarantee the performance of such obligations.

9. There are no terms in the mortgage on the property which apply to sponsor's obligation to market the Units for sale.

10. The Sponsor obtained the Final Certificate of Occupancy on July 30, 2009. According to the Housing Merchant Implied Warranty Law, the terms of the law apply to newly constructed units sold within three years of the certificate of occupancy even if such units have been rented in the interim.

11. Effective March l, l989, a new law went into effect which grants to buyers of most newly constructed units a Housing Merchant Implied Warranty. (General Business Law Article 36-B Section 777, 777-a and 778-b)

The following is a brief summary of that law. The full text of the law appears in Part II of the Plan in Section G.

l. Housing effected: Newly constructed single-family homes and cooperative and condominium units in buildings of five stories or less.

2. Coverage:

(a) For one year, the home 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 by code, 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.

3. 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, refrigerator, air conditioners, etc. There are implied warranties from the manufacturers of such goods which are described in other laws.

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

5. Limitation of the Warranty: The Housing Merchant Implied Warranty can be limited. However, the limited warranty cannot permit construction which is below code or below locally accepted building practices, and the limited warranty time periods cannot be shorter than those described above. The Sponsor has limited the warranty as indicated following the purchase agreement in part II Section A of this plan.

The limited warranty in summary limits the Sponsor's liability to 75% of the purchase price set forth in the purchase agreement. The warranty also does not cover consequential, incidental, special or indirect damages except as required by law.

The limited warranty specifically identifies the builder's responsibility for defects of a latent or hidden nature and specifically excludes all other warranties of every kind, express and implied on the construction and sale of the home, its workmanship and materials and its fitness for use and habitability.

The Sponsors warranty obligations reflects this new law. For a fuller explanation of such warranty see the purchase agreement located in Part II Section A of this Plan and the full text of the law at the end of this Plan.

The warranty law applies to the common areas as well as to the individual units.

XVI CONTROL BY THE SPONSOR

The initial Board of Managers shall be appointed by the Sponsor. There will be two members of the board. During this period, the Sponsor will have control of maintenance, facilities and services to be provided and will determine the Common charges to be paid by all unit owners, including the Sponsor. The Sponsor will call a meeting of unit owners within sixty (60) days of the first closing to discuss the operation of the Condominium. The Sponsor will remain in control of the Board and Association after such meeting.

The Sponsors control will end at the First Annual meeting of the Unit Owners which will occur within thirty (30) days after the earlier of (i) two (2) years after the closing of the first unit, or (ii) whenever the unsold units constitute less than fifty percent (50%) of the common interests. With this time period, the Sponsor shall call the first Annual Unit Owners meeting. At such meeting a new Board of three Managers unrelated to the Sponsor will be elected by a vote of all unit owners, including the Sponsor. The Sponsor shall be entitled to vote the units standing in its name as of the date of the meeting. The Board of Managers so elected shall serve for a period of one year until the second annual meeting of the unit owners. Thereafter, annual meetings shall be held on the anniversary date of the first meeting.

At the second annual meeting of Unit Owners, a Board of Managers will be elected by a vote of all Unit Owners, including the Sponsor, if Sponsor still owns any Units. However, the Sponsor agrees that at that meeting, it will elect no more than a minority of Board members regardless of the number of Units it then owns.

The Sponsor agrees that the By-laws will not be amended while Sponsor is in control of the Board of Managers unless there is a prior approval of such amendment by the vote of 80% in number and in Common Interest of the Unit Owners (other than Sponsor) at a meeting of Unit Owners held for such purpose.

Sponsor may not exercise veto power over expenses described in Schedule B, or over expenses required: (i) to comply with applicable laws and regulations; or (ii) to remedy any notice of violation or; (iii) to remedy an work order by an insurer.

Sponsor may exercise veto power over expenses other than those described above, if the plan so provides, for a period ending not more than five (5) years after the closing of the first unit or whenever the unsold units constitute less than twenty-five percent (25%) of the common interest, whichever is sooner.

During any period that the Sponsor controls the board, the board of managers may not enforce (as a result of sponsor's control thereof) the obligations of the sponsor under the Plan or as otherwise required by law, and in such case, the unit owners may have to undertake, at their expense, enforcement of the obligations of the Sponsor.

XVII BOARD OF MANAGERS

The affairs of the Condominium shall be governed by a Board of Managers. Until the first meeting of the Unit Owners, the Board of Managers shall consist of two (2) persons designated by the Sponsor of the Condominium. The initial Board will be composed of Marino Mazzei and Leonard Schwartz the principals of the sponsor.

The first annual meeting of owners will take place within thirty (30) days after the earlier of (i) two years after the closing of the first unit, or (ii) whenever the unsold units constitute less than fifty percent of the common interests.

After the first annual meeting of unit owners, the Board of Managers shall consist of three persons elected by all unit owners (including the Sponsor), but the Sponsor's right to elect members of the Board shall be subject to the limitations set forth in the by-laws. The by-laws do not include a provision that a majority of the board of managers must be owner-occupants or members of an owner-occupant's household who are unrelated to the sponsor and its principals after the end of the initial sponsor control period.

Purchasers for their own occupancy may never gain control of the Board of Managers under the terms of this plan. Owner-occupants and non-resident owners, including sponsor, may have inherent conflicts on how the condominium should be managed because of their different reasons for purchasing, i.e. purchase as a home as opposed to as an investment.

Subject to the limitation on Sponsor's control, at the first meeting of the unit owners, the term of office of all three members of the Board of Managers shall be fixed at one (1) year. The members of the Board of Managers shall hold office until their respective successors shall have been elected by the unit owners.

A special meeting of the Board of Managers may be called by the President on two (2) days notice of such meeting to each member either personally or by telephone, mail or telegram. Special meetings may be called by the President or Secretary in a like manner and on like notice on the written request of at least two (2) managers.

At any regular or special meeting of unit owners, any one or more of the members of the Board of Managers may be removed with or without cause by a majority of the unit owners and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any member of the Board of Directors whose removal has been proposed by the unit owners shall be given an opportunity to be heard at the meeting.

Officers and members of the Board of Managers serve without compensation.

Powers of the Condominium Board include, but shall not be limited to the following:

1. To determine and levy monthly charges (common charges), and to collect and expend them.

2. To make repairs, restore or alter any units or the common elements after damage or destruction.

3. To enter into and upon the unit for maintenance or repair purposes.

4. To open bank accounts on behalf of the Condominium.

5. To insure and keep insured the common elements and units;

6. To collect delinquent assessments by suit and/or enforce compliance with basic documents and abate nuisances.

7. To purchase any Unit at a foreclosure sale on behalf of all unit owners.

8. To make and amend reasonable rules and regulations.

9. To employ and terminate the employment of employees and independent contractors and to purchase supplies and equipment and to enter into contracts.

10. To bring and defend actions by and against more than one unit owner pertinent to the operation of the Condominium.

11. To act as an agent of each unit owner who has given his written authorization to complain or apply to the local or county real estate tax assessment agency board of review by filing a single complaint on behalf of all such unit owners pursuant to the applicable sections of the Real Property Tax Law.

The members of the Board of Managers shall not be liable to the Unit Owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners shall indemnify and hold harmless each of the members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless such contracts shall have been made in bad faith or contrary to the provisions of the Declaration or of the By-Laws. The indemnification obligation of the unit owners will be limited to their respective interests in the Units and common elements unless otherwise prohibited by law.

It is intended that the members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium. It is also intended that the liability of any unit owners arising out of any contract made by the Board of Managers or out of the aforesaid indemnity in favor of the members of the Board of Managers shall be limited to such proportion of the total liability there under as his interest in the common elements bears to the interests of all unit owners in the common elements. Every agreement made by the Board of Managers or by the Managing agent or the Manager on behalf of the Condominium shall provide that the members of the Board of Managers, or the managing agent, or the manager, as the case may be, are acting only as agents for the Unit Owners and shall have no personal liability there under (except as unit owners), and that each unit owners liability there under shall be limited to such proportion of the total liability there under as his interest in the common elements bears to the interest of all unit owners in the common elements.

The Unit Owners voting rights are determined by their percentage of common interest. It requires a vote of 80% of the common interest to amend the By-Laws of the Condominium. Any change in the Declaration of the Condominium after it is filed requires a 90% vote of the common interest.

XVIII. RIGHTS AND OBLIGATIONS OF UNIT OWNERS AND BOARD

Each Unit Owner is free to sell or lease his Unit provided that he is not in arrears in the payment of Common Charges. A Unit Owner is free to make a gift of his Unit to anyone during his lifetime or to devise his Unit by last will and testament or to have it pass by intestacy without any restriction provided, however, that such new Unit Owner shall be bound by Condominium Plan. No Unit can be sold or leased without a simultaneous sale or lease of the undivided interest in the Common Elements. These provisions are subject to change by amendment to the By-laws. Procedures for their implementation may be set forth in the Rules and Regulations.

The Sponsor or any mortgagee acquiring title to a Unit in foreclosure can sell or lease a Unit free of any of the foregoing restrictions.

In order to provide for congenial occupancy of the Property and for the protection of the values of the units, the use of the Property shall be restricted to and shall be in accordance with the following provisions as per the By-laws.

(a) The units shall be used by unit owners (other than the Sponsor) only for one family residential use and in compliance with the occupancy restrictions imposed and as amended from time to time. While the Sponsor or its designee owns any unit, it shall have the right to use such unit for general and sales office purposes and as sales models. Except upon the prior written consent of the Board of Managers, occupants of a unit must be members of the family of the unit owner or lessee (or if the unit owner is a partnership, a corporation or a trust, members of the family of a partner or of an officer, director, shareholder or employee of the corporation or of the beneficiary of the trust, as the case may be), but not more than one family may occupy a unit at one time. "Members of the family" as used herein shall be deemed to mean spouse, parents, parent-in-law, brothers, sisters, children and grandchildren.

(b) The common elements shall be used only for the furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of units. No unit owner may place furniture or other object on the common elements except limited common elements.

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

(d) No immoral, improper, offensive, or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof, relating to any portion of the Property, shall be complied with, by and at the sole expense of the unit owners or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the Property.

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

(f) Rules and regulations concerning the use of the units may be promulgated and amended from time to time by the Board of Managers provided that copies of such rules and regulations are furnished to each unit owner not less than five (5) days prior to the time that they become effective.

The Board of Managers does not have a right of first refusal with respect to the sale or lease of a unit or other option to acquire a unit except through foreclosure as set out in the Declaration and By-Laws.

B. Mortgage of Unit By Unit Owner

The Unit Owner may mortgage his Unit at any time after he acquires title thereto (or simultaneously with acquiring title) in whatever amount and under whatever terms he can obtain. Any Unit Owner may, upon the resale of his unit, grant a purchase money mortgage to a purchaser of his unit.

C. Common Charges and Assessments

The Board of Managers will prepare and furnish its budget to the Unit Owners (and their mortgagees if requested) from time to time and at least once a year. Based upon such budget and any modification thereof approved by the Board of Managers, the Unit Owners will be charged for the cost of the operation of the Condominium in accordance with their percentage interest in the Common Elements. The charges assessed by the Board of Managers ("Common Charges"), in addition to the cost of repairing and maintaining the Common Elements, fire and liability insurance covering the Common Elements, water, exterminator services, and management, audit and legal expenses, may include, in the discretion of the Board of Managers, reserves, working capital and other sums necessary to carry on the affairs of the Condominium.

The Common Charges do not include maintenance, repairs or decoration of any or all of the Units or portions thereof, the cost of electricity and gas for the Units which are individually metered, payments required pursuant to the terms of any Unit Owner's mortgages or real estate taxes covering the individual Units.

The Board of Managers may commence the collection of Common Charges upon the closing of title to the first Unit or thereafter in such amount as will be necessary to carry out the duties of the Board of Managers as set forth in this Offering Plan and such Common Charges shall be paid by the Unit Owners and the Sponsor as Owner of the unsold Units in accordance with their respective Common Interest percentages as set forth herein. Each Unit Owner will be responsible to pay the Common Charges allocable to his Unit monthly in advance, commencing with the closing of title to his Unit. Common Charges assessed during the month in which title closes shall be adjusted as of the

closing date if collection of charges has commenced.

Where a Unit is damaged by casualty and the proceeds of insurance are not sufficient to cover the repair of the damage, the amount necessary to restore the Unit over and above the proceeds from any fire insurance on the Units will be a Common Charge to all Unit Owners. In order to attempt to protect the Unit Owner against the possibility of such Common Charges, the Board of Managers shall determine the amount of blanket casualty insurance covering all Units (the cost of such insurance is part of the Common Charges) and review the amount of such coverage annually.

The Sponsor shall be liable for monthly Common Charges of all Units, title to which has not been transferred to a bona fide purchaser, commencing with the closing of title to the first Unit.

Under the provisions of Sec. 339-z of the Real Property Law of the State of New York, the Board of Managers, on behalf of the Unit Owners, shall have a lien on each Unit for unpaid Common Charges assessed against such Unit by the Board of Managers. Such lien, however, shall be subordinate to liens for taxes on the Unit and any sums unpaid on a first mortgage of record on such Unit. Any lien for unpaid Common Charges against a Unit shall be effective from and after a filing thereof in the Office of the County Clerk, and until all sums secured thereby with the interest thereon shall have been fully paid or until six years from the date of filing unless foreclosure of such lien is commenced within such six year period, whichever shall be sooner. Such lien may be foreclosed by a suit brought in the name of the Board of Managers, acting on behalf of the Unit Owners, in like manner as a suit for the foreclosure of a mortgage on real property.

The Sponsor will cause the Board of Managers to file a lien as provided in Section 339-aa of the Real Property Law on units in which the Sponsor is more than 30 days in arrears of common charges while it is in control of the Board of Managers.

In addition the board of managers has a lien on each unit for the replenishment of the fund to be maintained pursuant to the section on non-occupying owners above. The non-occupying owner as set forth earlier must deposit two months common charges or two month's rent whichever is greater with the managing agent. The owner is required to replenish this fund once it is drawn down. Failure to replenish such fund in a timely fashion may result in the board of manager filing a lien against such unit. The existence of such a lien may act as a cloud on title in the event the owner wishes to sell the property or might cause the mortgage holder to penalize the unit owner.

The Sponsor will cause the board of managers to file a lien as provided in Section 339-aa of the Real Property Law on units in which the Sponsor is more than 30 days in arrears of common charges while it is in control of the Board of Managers.

The obligation to pay common charges ends at the time of the sale of the unit, except for common charges accruing during the time of ownership.

D. Repairs

All maintenance, repairs and replacement to the common elements of the Condominium including but not limited to exterior walls, roof and roof members as well as all maintenance, repairs and replacements to any pipes, wires, conduits, cables and public utility lines, any portion of which is located in one Unit and services another Unit or more than one Unit or so much of any pipes, wires, conduits and public utility lines as are located in the common elements but service one or more Units shall be made by the Board of Managers and the cost thereof shall be a common expense. The Board of Managers shall repair all plumbing stoppages and electrical problems occurring in the common elements.

Except as is otherwise specifically provided, all maintenance to the Units, including electrical repairs, plumbing stoppages, window cleaning, painting and decorating in the Units, and repairs and replacements to the Units including windows and doors (including all glass breakage) and repairs to pipes, wires, cables and conduits located in and servicing the same Unit, other than as set forth above, shall be made by the respective Unit Owners at their expense.

All irrevocably restricted common elements shall be maintained and repaired by the Unit Owner to whom such common element is restricted in use. However, the Board of Managers shall repair and replace any pipes, wires, conduits, cables and public utility lines located underground or overhead any restricted common element, except where such repair or replacement is necessitated because of the negligence or misuse or neglect of this Unit Owner to which the common element is restricted in use, in which event such cost and expense shall be assessed to and paid for by such Unit Owner.

In the event that a Unit Owner fails to perform any maintenance, painting or repair, which maintenance, painting or repair is necessary to protect any of the common elements, any other Unit, or, in the event of the service of a Building Department violation notice covering the Unit upon the Board of Managers, the Board of Managers shall have the right to perform such maintenance, painting or repairs (after failure of the Unit Owner to do so after ten (10) days written notice, or written or oral notice of a shorter duration in the event of an emergency situation) and to charge the Unit Owner for the cost of all such repairs, painting and/or maintenance. In the event that the Board of Managers charges a Unit Owner for the painting or maintenance to any common element restricted in use to such Unit Owner, and the Unit Owner fails to make prompt payment, such charges shall be considered additional common charges due from said Unit Owner, and the Board of Managers shall be entitled to bring suit thereon. In the event the Board of Managers brings such suit, the Unit Owner shall be liable for the reasonable attorney fees and costs of such suit or proceeding along with interest on all such sums due.

A unit owner shall grant a right of access to his unit to the manager and/or managing agent and/or any other person authorized by the Board of Managers, the manager or the managing agent, for the purpose of making inspections or for the purpose of correcting any condition originating in his unit and threatening another unit or the common element, or for the purpose of performing

installations, alterations or repairs to the mechanical or electrical services or other common elements in his unit or elsewhere in the building, or to correct any condition which violates the provisions of any mortgage covering another unit, provided that requests for entry are made in advance and that such entry is at a time reasonably convenient to the unit owner and further provided that such right shall be exercised in such manner as will not unreasonably interfere with the use of the unit for residential purposes. In case of an emergency, such right of entry shall be immediate, whether the unit owner is present at the time or not.

E. Additions, Alterations and Improvements

The Unit Owner may make any non-structural alterations or improvements to the Unit he desires without obtaining the consent of the Board of Managers so long as such alterations or improvements do not affect the building in which the Unit is located or any other Common Element.

All painting, decorating, maintenance, repairs and replacements to any Unit or the common elements or limited common elements performed by the Board of Managers shall be charged directly to Unit Owners except as otherwise determined by the Board of Managers.

No Unit Owner shall make any structural addition, alteration or improvement in or to his unit or his limited common elements, without the prior written consent thereto of the Board of Managers. The Board of Managers have the obligation to answer any written request by a unit owner for approval of a proposed structural addition, alteration or improvement in such owners unit, within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Board of Managers to the proposed addition, alteration or improvement.

The unit owner may not do any construction or build any structures on his limited common element without the prior written permission of the Board of Managers. The Board of Managers will formulate house rules and procedures which shall govern all alterations and decoration of the limited common elements so as to remain in compliance with the Department of Buildings.

Any application to any governmental authority having or asserting jurisdiction, for a permit to make an addition, alteration or improvement in or to any unit or limited common element shall be executed by the Board of Managers only, without however, incurring liability on the part of the Board of Managers or any of them to any contractor, subcontractor, materialman, architect or engineer on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom. The provisions of this paragraph shall not apply to a unit owned by the Sponsor or its designee until a deed to such unit has been delivered to a purchaser thereof.

Whenever in the judgment of the Board of Managers the common elements shall require additions, alterations or improvements costing in excess of $ 1,000.00 and the making of such additions, alterations or improvements shall have been approved by 66-2/3% in number and in common interest of the unit owners present in person and/or by proxy and voting at a meeting duly held in accordance with these By-Laws, the Board of Managers shall proceed with such additions,

alterations or improvements and shall assess all unit owners for the cost thereof as a common charge.

Any additions, alterations or improvements costing $1,000.00 or less may be made by the Board of Managers without approval of the unit owners. The cost of such work (unless paid from the Working Capital Fund Supplied by the Sponsor in accordance with the Plan of Condominium Ownership) shall constitute part of the common expenses.

The Board of Managers will execute any application or other documents required to be filed with any governmental authority having or asserting jurisdiction in connection with any such installation or structural addition, alteration or improvement made by the Sponsor or its designee to any unit, provided, however, that neither the Board of Managers nor the unit owners other than the Sponsor shall be subjected to any expense or liability by virtue of the execution of the application or such other document.

F. Insurance

The Board of Managers shall obtain and maintain, to the extent obtainable, insurance against loss by fire and other casualties normally covered under broad form fire and extended coverage insurance as written in New York, covering all Common Elements, all structural portions of the Condominium property and all Units, but not including furniture, fixtures, decorations, equipment or the like installed or placed there by Unit Owners. Such insurance shall cover the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees as such respective interests may appear, in an amount equal to at least ninety (90) percent of the full replacement value of the Building. Each of such policies shall contain a New York Standard Mortgage Clause in favor of each mortgagee of the Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject to the loss payment provisions of Real Property Law Section339-bb. The premium for such insurance shall be a Common Expense to be paid by monthly assessments levied by the Board of Managers and shall constitute a lien enforceable in accordance with the By-Laws.

The Board of Managers shall also obtain and continue in force and effect insurance against liability for bodily injury and property damage arising from accidents occurring within the Common Elements and Limited Common Elements in amounts satisfactory to mortgagees holding first mortgages on the Units and against liability for personal injury sustained by any person and arising out of an occurrence involving certain named offenses committed in the operation of the Condominium. The amounts of such insurance shall be determined by the Board of Managers and the premiums therefore shall be a Common Expense.

As of the date of the first closing under this Plan, the Sponsor shall insure the project under a Condominium package policy providing for coverage in the following amounts: (assuming 10 Units). Please refer to Schedule B for details of coverage

1.Physical damage to and loss of use of the buildings in the amount of $ 1,440,000.
2.Bodily injury liability and property damage in the amount of $1,000,000.00 per each occurrence and $2,000,000.00 aggregate;
3.Personal injury liability in the amount of $1,000,000.00 per each occurrence.
4.Water damage legal liability in the amount of $100,000.00;
5.Director's and Officer's liability in the amount of $1,000,000.00.

All policies or physical damage insurance shall contain clauses in which:

a. The insurer waives its right to subrogate on a negligence action against any Unit Owner. In other words, in the event the insurer pays a claim based on the negligence of a Unit Owner, the insurer will not attempt to recoup the amount paid from the Unit Owner at fault.

b. The insurer provides that if at the time of loss there is other insurance in the name of a Unit Owner covering the same loss and property covered by Board of Managers' policy, the insurance afforded by the Board of Managers' policy shall be primary and not contributing with such Unit Owner's insurance.

c. The insurer undertakes to honor a claim resulting from property damage even if such property damage is the result of negligence by a Unit Owner. This is termed a "waiver of invalidity", clause.

The Board of Managers shall give at least ten days' written notice of the terms of insurance coverage and of any substantial change thereto, or termination thereof, to each Unit Owner, without prejudice to the right of each Unit Owner to insure his own Unit for his own benefit. The premium for such insurance on the building shall be deemed Common Expenses, provided, however, that in charging the same to the Unit Owners, consideration may be given to the higher premium rates on some Units than on others.

Damage to or destruction of the Building shall be promptly repaired and reconstructed by the Board of Managers using the proceeds of insurance on the Building for that purpose. In the event that the insurance proceeds are insufficient to cover the cost of repairs to the Building the balance of the cost of such repairs shall constitute Common Expenses. However, if three-fourths or more of the Building is destroyed or substantially damaged and seventy-five percent of the Unit Owners do not promptly resolve to proceed with repair or restoration, then the property shall be subject to an action for partition and the net proceeds of sale together with the net proceeds of insurance policies shall be divided among all Unit Owners in proportion to their respective Common Interests after liens on each Unit have been satisfied.

In addition to the insurance set forth herein, the purchaser may desire to insure his personal effects and the interior of the Unit itself against loss by fire and other casualties and against liability. The cost of such insurance, if taken by the purchaser, will be payable by the purchaser directly. Unit Owners will not be prohibited from carrying other insurance for their own benefit provided such policies contain waivers of subrogation and further provided that the liability of the carriers issuing

insurance procured by the Board of Managers shall not be affected or diminished by reason of any Unit Owner's other insurance.

G. Restrictions on Occupancy

There is no restriction upon ownership of a Unit. Occupancy of a Unit, however, may only be for residential purposes in accordance with the applicable zoning regulations of the municipality having jurisdiction over the Condominium.

The By-Laws of the Condominium contains the following use restrictions: No immoral, improper, offensive or unlawful use shall be made of the Community or any part thereof and all valid laws zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Unit owners, their families, employees, guests and pets shall not use or permit the use of the Units and common elements in any manner that would be illegal, disturbing or a nuisance to other unit owners. No resident shall put any advertisement or posters of any kind in or on the Community without the consent of the Board of Managers. It is prohibited to hang garments, rugs etc. from the window or from the building or to string clothes lines on or over the common elements or use any of the common elements for storage. No unit owner shall paint the exterior surfaces of the windows, walls or doors opening out of his unit or cut through an existing exterior wall in order to put wall air conditioning units in an owners unit.

No unit owner or any of his agents, servants, employees, licensees, or visitors shall at any time bring into or keep in his unit any inflammable, combustible or explosive fluid, material, chemical or substance, except for formal household use.

No animals or reptiles of any kind shall be raised, bred, or kept in any unit or on the common elements, except that dogs, cats or other household pets, not exceeding two per unit, may be kept in the units and in yard areas irrevocably restricted to the owners of the units, subject to the rules and regulations adopted by the Board of Managers, provided that they are not kept, bred or maintained for any commercial purposes; and provided further that any such pet causing or creating a nuisance or unreasonable disturbance or noise shall be permanently removed from the property subject to these restrictions upon three (3) days written notice from the Board of Managers. Unit owners shall be required to clean up after their pets at all times.

The Sponsor, its nominees and agents, shall have the right and privilege to maintain general and local sales offices in and about the condominium building or elsewhere throughout the property, and shall have the right and privilege to have their representatives, employees and agents present on the Condominium premises to show the units to prospective purchasers, to utilize the common elements, and without limitation, to do any and all things necessary and incidental to the sale of units, without charge or contribution other than in the form of common charge payments as otherwise provided herein.

XIX. RENTAL OF UNITS

The condominium offering plan allows the sponsor and purchasers to rent the units. Therefore, there might be a number of unit owners who do not occupy their dwelling units. The provisions of Real Property Law Section 339-kk apply to this offering plan. A summary of this section is provided below.

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 days of the expiration of any grace period after they are due, upon notice in accordance with the paragraph below, all rental payments from the tenant shall be directly payable to the condominium association.

If common charges, assessments or late fees due for any unit has not been paid in full, within sixty days after the expiration of any grace period of the earliest due date, the board of managers shall provide written notice to the tenant and the non-occupying owner providing that, commencing immediately and until such time as all payments for common charges, assessments or late fees are made current, all rental payments due subsequent to the issuance of such notice are to be made payable to the condominium association at the address listed on the notice. Where a majority of the board of managers has been elected by and from among the unit owners who are in occupancy, the board of managers may elect not to require the rental payments be made payable to the condominium association.

At such time as payments for the common charges, assessments and late fees from the non-occupying owner are once again current, notice of such fact shall be given within three business days to the rental tenant and non-occupying owner. Thereafter all rental payments shall be made payable to the non-occupying owner or a designated agent. A non-occupying owner who disputes the association's claim to rental payments pursuant to this section shall be entitled to present facts supporting such owner's position at the next scheduled meeting of the board of managers, which must be held within thirty days of the date that such board receives notice that such owner seeks to dispute such claim.

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

XX. REAL ESTATE TAXES

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

The Sponsor does not anticipate any delay in obtaining separate assessments for the units and will endeavor to obtain such separate assessments prior to the closing of title to the first unit. Since the actual tax lot separation and the separate tax lot assessment will be made by the City of New York, the date of such assessment will depend upon the work flow in the City of New York assessment office.

In the event that the units have not been separately assessed for real estate tax purposes prior to the closing of title to the first unit, the Sponsor shall pay to the Board of Managers the sum required to satisfy the real estate taxes on all of the unsold units for the tax period covered by the closing of title. At the time that the units are separately assessed the unit owner will reimburse the Board of Managers for the taxes paid on his behalf and the Board of Managers will reimburse the sponsor for the excess taxes he paid to the Board of Managers with reference to the real estate tax period covered by the closing of title.

The City of New York Department of Finance assessor will assess the fair market value of the entire building. The assessed value will be divided among the units based upon percentage of common interest as set forth in this Offering Plan. This will form the basis from which the actual real estate taxes for each unit will be determined.

At the present time (tax fiscal year running from July 1, 2010 through June 30, 2011) the tax rate is 13.241% of the assessed value.

The Fair Market Value, Assessed Value percentage and the tax rate may be changed by the City of New York on a yearly basis.

The building has been assessed and the 421(a) tax abatement has been set in place. For the fiscal year the New York City Department of Finance has assessed the building at $540,000 and the taxable assessed value at $3,058. This $3,058 tax has been divided among the units based upon the percentage common interest appearing on Schedule A.

The Sponsor is not aware of any tentative changes in the assessed valuation or the tax rates which will affect the condominium unit. There are no tax certiorari proceedings ending.

The Board of Managers is authorized to act as agent for the unit owners to complain or apply to the local taxing authorities to have the assessed value or real estate taxes changed for individual unit owners.

The particulars of the 421(a) partial tax exemption program are discussed in the following section.

XVI. TAX EXEMPTION BENEFITS

Under the provisions of the 421(a) Partial Tax Abatement a partial real estate tax exemption is granted to owners of newly constructed residential property in New York City for a fifteen (15) year period. The New York City Department of Finance has approved the property for such exemption. The Sponsor anticipates receiving a certificate of exemption upon completion of construction and compliance with the other requirements of law. Sponsor has filed for the tax abatement and has obtained the preliminary certificate of eligibility.

The 421(a) abatement provides that the Units will have a full exemption from real estate taxes for eleven years after the first taxable status date immediately following completion;

During the twelfth year there is an 80% exemption from real estate taxes on the unit;
During the thirteenth year there is a 60% exemption from real estate taxes on the unit;
During the fourteenth year there is a 40% exemption from real estate taxes on the unit;
During the fifteenth year there is a 20% exemption from real estate taxes on the unit.
After the fifteenth year, he will pay a full tax.

The New York City Department of Finance has assessed the building and has implemented 421(a) program real estate taxes for the fiscal year commencing July 1, 2010 through June 30, 2011. The abated taxes for the entire building have been set at $3,058. per annum.

According to the current procedures in effect at the New York City Department of Finance, once the building is divided into condo tax lots, each unit will be taxed in proportion to its percentage common interest. The Schedule A at page 9 of this plan divides the overall abated building taxes using this formula.

Sponsor represents that all information submitted and to be submitted to the local taxing authority to secure such benefits is and will be true and correct and does not and will not omit any material fact or matter.

Sponsor will keep all records required by the New York City Department of Finance and will make them available whenever requested to do so. Finance routinely conducts audits, which can result in a reduction or revocation of benefits if proper documentation is not provided.

Upon closing Sponsor will make all tax benefit documents available to the board of managers for inspection and copying for the life of the benefit; and Sponsor will file all applications and timely comply with all procedures required to properly process and maintain the tax benefits.

The purchasers shall reimburse the Sponsor for the costs of obtaining the tax abatement. Each purchaser shall reimburse the Seller a sum equal to ½% of the purchase price of the Unit. Such reimbursement shall be made at the time of the closing of their Unit.

PAUL A. LEFF, ESQ.
1573 Richmond Road
Staten Island, N.Y. 10304
(718) 667-7111 **fax (718) 667-0038**
Flagg100@aol.com

June 10, 2010

West 3rd Street Development Corp., LLC
444 3rd Avenue
Brooklyn, N.Y. 11215

Gentlemen:

We have reviewed your offering plan for the 1549 West 3rd Street Condominium and the accompanying documents including the Declaration of Condominium and the By-Laws of the Condominium.

Based upon the present law, the regulations of the State of New York covering condominiums, rulings and decisional law, we are able to offer the following opinion based upon the offering plan.

In our opinion, the Declaration of Condominium exhibited in the Plan when recorded will be legal and valid.

Individual unit owners will not be able to deduct for Federal and State Income Tax purposes any portion of the maintenance assessments which may be used by the condominium to pay real property taxes assessed against the common property owned by the condominium. Owners will not be entitled to a tax deduction for any portion of the annual or special assessments.

Each unit owner will be entitled to the income tax deduction applicable to the real estate taxes on his own unit, interest on a mortgage on the unit and to the other normal deductions a condominium unit would be entitled to receive under current Federal, State and City Tax Laws. Under the current New York City real estate tax laws, a unit owner, if he qualifies, may be eligible for a veterans or senior citizens real estate tax exemption.

The condominium will be able to qualify as a tax exempt organization under Section 528 of the Internal Revenue Code of 1986, as amended. The condominium will not be taxed on common charges, dues, fees and assessments received from members of the Condominium so long as such income is received as part of the obligations of ownership of the residential property.

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Under the terms of Section 528 of the Internal Revenue Code, a condominium may apply for such exemption from federal Income tax liability if certain conditions are met. Furthermore, the condominium seeking an exemption must make specific application for exempt status.

In order for a condominium to qualify for an exemption, the following conditions must be met:

(a) The condominium must be organized and operated to provide for management, maintenance and care of commonly owned property;

(b) The condominium must receive 60 percent or more of its gross income from member's dues, fees or assessments of owners units in the community;

(c) 90 percent or more of expenditures of the condominium must be for management, maintenance and care of condominium property;

(d) No part of the net earnings of the condominium may inure to the benefit of any private individual.

The Sponsor is in compliance with Real Property Law Section 339(i)1(iv) in assigning the percentage interest to each unit. The square footage method was used and is based upon the opinion of a licensed real estate broker as provided for in the regulations.

In our opinion, the condominium will be eligible for tax-exempt status, if it elects such status, and unit owners will be entitled to income tax deductions. However, this opinion is not a guarantee; it is based on existing rules of law applied to the facts and documents referred to above. No assurances can be given that the tax laws upon which counsel base this opinion will not change. In no event will the sponsor, the sponsor's counsel, the board of managers of the condominium, the selling agent or any other person be liable if there are changes in the facts on which counsel relied in issuing this opinion or if there are changes in the applicable statutes, regulations, decisional law or Internal Revenue Service rulings on which counsel relied which cause the condominium to cease meeting 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.

Very truly your,

Paul A. Leff, esq.

PAUL A. LEFF, ESQ.
1573 Richmond Road
Staten Island, N.Y. 10304
(718) 667-7111 **fax (718) 667-0038**
Flagg100@aol.com

June 10, 2010

West 3rd Street Development Corp., LLC
444 3rd Avenue
Brooklyn, N.Y. 11215

Gentlemen:

We have reviewed those sections of the proposed offering plan which pertain to the 421(a) partial tax exemption benefits. The statements and representations which appear under the section entitled Tax Exemption Benefits and are included in the Schedule A appear to be a fair and reasonable summation of the applicable laws and rules and of its applicability to this condominium development.

The 421(a) partial tax exemption provides that the increase in real estate taxes resulting from the construction of the building will be abated for a period of eleven years. Beginning on the twelfth year and ending after the fifteenth year the abatement will decrease ratably at 20% per year. The unit owner will always pay their portion of the real estate taxes for the land portion of the property value.

The 421(a) tax abatement is presently in effect for the entire building. Once the condominium tax lots are established, according to the procedures in place at the Department of Finance, the abated real estate taxes will be divided among the units on the basis of percentage common interest.

Assuming all of the required paperwork and documentation is submitted to the New York City Department of Finance, it is our opinion that the development will be entitled to and will continue to receive the benefits of the partial tax exemption for the residential units.

Sincerely,

Paul A. Leff, esq.

XXI. WORKING CAPITAL FUND

Purchasers shall be required to pay two months maintenance closing of title as working capital. This amount shall be used reimburse the Sponsor for prepaid Condominium expenses if any. This payment will not be used to reduce common charges. The working capital shall be turned over to the Board of Manager at each closing to unit owners. The total fund is estimated to be $ 4,532.48. Sponsor will not contribute.

While Sponsor is in control of the Board of Managers, the working capital fund may not be used to reduce projected common charges in the plan.

Neither the Department of Law nor any other government agency has passed upon the adequacy of the fund.

Any adjustments for prepaid expenses between the sponsor and the Board of Managers may be deducted only from the working capital fund. The Sponsor does not anticipate any prepaid expenses nor is any minimum working capital fund contemplated.

No representation is made that the proposed budget will be adequate to cover current or future expenses including repairs or replacements of common elements. If additional funds are required, it may be necessary to increase the common charges payable by the Unit Owners or to collect a special assessment from each unit owner.

XXII. RESERVE FUND

There will be no reserve fund for major capital repairs or improvements other than the reserve for asphalt replacement included in the Schedule B budget. The development is new construction and there is no necessity to hold any other reserves for major repairs in the near future.

Neither the Department of Law nor any other government agency has passed upon the adequacy of this fund.

XXIII - IDENTITY OF PARTIES

The sponsor and selling agent is West 3rd Street Development, LLC a domestic New York limited liability company having its principal office at 444 3rd Avenue, Brooklyn, N.Y. 11215. The Sponsor acquired the property where the condominium is to be located on

The sole members, officers and principals of the Limited Liability Company are Marino Mazzei of 140 Portland Road, Staten Island, N.Y. and Leonard Schwartz of 5312 New Utrecht Avenue, Brooklyn, N.Y.

Neither the Sponsor nor the principals of the sponsor has had any interest in any condominium, cooperative, homeowners association, planned unit development or time share within the last five years.

Neither the Sponsor nor the principals of the Sponsor have had any prior felony convictions; any prior convictions, injunctions or judgments that may be material to the offering plan or an offering of securities generally that occurred within the fifteen (15) years prior to the submission of the proposed offering plan.

The attorney for the sponsor, John P. Gulino, Esq. 85 New Dorp Lane, Staten Island, N.Y. 10306 will represent the sponsor at all contracts and closings and will act as escrow agent for purchaser's down payments.

Paul A. Leff, Esq. of 1573 Richmond Road, Staten Island, New York 10304 prepared the offering plan.

The Sponsor will act as its own selling agent. The principals of the sponsor have had extensive experience building one and two family houses over the last ten years and acting as selling agents for their projects. Neither principal has had experience marketing condominiums.

The firm of Sandor Weiss R.A. Architects, P.C. 1317 Avenue J, Brooklyn, N.Y. 11230 prepared and obtained approval of the condominium plans from the New York City Department of Buildings. The firm has had substantial experience in preparing architectural plans for a variety of projects. The firm has specialized in condominium developments similar to the present development over the last ten years.

There is no relationship between the sponsor and its principals and the engineer or architect or any person or firm who will provide services to the condominium subsequent to the commencement of condominium operation.

XXIV. SPONSOR'S PROFIT

The Sponsor constructed the condominium development and received the Final Certificate of Occupancy July 30, 2009.The units were rented as a hedge against the current recessionary conditions. Now that the economic conditions appear to be stabilizing, the Sponsor has determined to market the units. The Sponsor believes that profits, if any, would be modest at best.

XXV. REPORT TO OWNERS

It is the obligation of the Board of Managers of the condominium to give all unit owners annually the following:

1. A financial statement of the condominium prepared by a certified public accountant or public accountant by March 31 of each year; such statement shall be certified while the sponsor is in control of the Board of Managers.

2. Prior notice of the annual unit owners meeting.

3. A copy of the proposed annual budget of the condominium at least 30days prior to the date of 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 section 20.4(d) of the regulations promulgated by the attorney general.

XXVI. 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 the office of the Sponsor 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.

XXVII. GENERAL

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

The property has not been the subject of any prior cooperative or condominium offerings. There have been no preliminary binding agreements entered into nor has any money been collected from prospective purchasers. The sponsor has not conducted any market test pursuant to cooperative policy Statement No. 1.

No contracts or agreements, written or oral, have been entered into for the sale or transfer of any of the units offered in the plan. No deposits or advances have been taken by or on behalf of sponsor in connection with the reservation, sale or transfer of units, prior to submission of the plan to the Department of Law.

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

If there is a material amendment to the offering plan that adversely affects the purchasers, the Sponsor will grant purchasers a right of rescission and a reasonable period of time that is not less than fifteen (15) days after the date of presentation to exercise the right. Any deposit or down payment will be returned to purchasers who rescind. Purchasers shall have a right to a new exclusive purchase period following substantial amendments.

There are no circumstances or conditions which may affect the use or enjoyment of the property and appurtenances.

XXIX. SPONSORS STATEMENT OF BUILDING CONDITIONS

Sponsor adopts the description of Property and Building Conditions set forth in Part II of this plan. Sponsor has no knowledge of any material defects or need for major repairs to the property except as set forth in the Description of Property and Building Condition.

PART II

SECTION A

The Housing Merchant Implied Warranty has been modified. The Limited Warrany appears as Exhibit A attached to this Contract.

PURCHASE AGREEMENT

AGREEMENT, made as of between West 3rd Street Development Corp, LLC having an office at 444 3rd Avenue, Brooklyn, N.Y. 11215(**"Sponsor"),** and

residing at **("Purchasers").**

WITNESSETH:

1. THE PLAN. Purchaser acknowledges having received and read a copy of the Offering Plan for the 1549 West 3rd Street Condominium and all amendments thereto, if any, filed with the Department of Law of the State of New York (hereinafter, collectively, referred to as the "Plan") at least three business days prior to Purchaser's signing this agreement. If Purchaser has not received the Plan and all amendments thereto at least three (3) full days prior to Purchaser's signing this Agreement, Purchaser shall have the right to rescind this Agreement within seven (7) days from the date of this Agreement. The Plan is incorporated herein by reference and made a part hereof with the same force and effect as if set forth at length. In the event of any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan will govern and be binding.

2. DEFINITIONS. Terms used herein which are also used in the Plan shall have the same meaning herein as therein unless the context otherwise requires.

3. THE UNIT. Upon and subject to the terms and conditions set forth herein, Sponsor agrees to sell and convey, and Purchaser agrees to purchase, the **UNIT No:** ("Unit'), together with % of undivided interest in the Common Elements of the Condominium appurtenant thereto.

4. PURCHASE PRICE.

4.1 The purchase price of the Unit (the "Purchase Price") is $

The purchase price is payable as follows:

(a) $ (the "Down Payment"), due upon Purchaser's signing and submitting this Agreement, by check (subject to collection), receipt of which is hereby acknowledged; and

(b) $,constituting the balance of the Purchase Price, by good certified check of Purchase or official bank check, payable on the delivery of the deed as hereinafter provided.

4.2 All checks shall represent United State currency and shall be drawn on or issued by a New York bank or trust company which is a member of The New York Clearing House Association, unless otherwise agreed to by Sponsor. Checks for the Down Payment shall be **made payable to "** ".

Checks for the balance of the Purchase Price shall be made payable to the direct order of " "or such other party as Sponsor may designate upon not less than two (2) days prior notice. If any check is returned for insufficient funds or any other reason, Sponsor at its option, may declare this Agreement void **ab initio** and of no further force and effect and may institute an action against Purchaser for the collection of the Down Payment as liquidated damages or may declare a default by Purchaser under this Agreement which shall entitle Sponsor to exercise any of the remedies set forth in Article 15 hereof.

5. AGREEMENT CONTINGENT UPON FINANCING. The terms and provisions of this Agreement and Purchaser's obligations hereunder are contingent upon Purchaser securing financing in the amount of $

PURCHASERS do hereby agree to make diligent, truthful and proper application to a lending institution approved by the Seller within ten (10) days from the date of this contract which approval SELLER agrees not to unreasonably withhold and without delay furnish such verifications of bank accounts and employment or any other instruments or information as may be required by said lending institution in the processing of PURCHASER'S application, for the mortgage loan described below. Failure to comply with the foregoing will be deemed a willful, material breach of this Contract by PURCHASER. The said loan is to be secured by a first mortgage against the premises herein described.

In the event the lending institution shall refuse to approve the application aforesaid for the amount set forth within 45 days from the date of contract, then SELLER, in its sole discretion, may elect (i) to require the PURCHASER, within ten (10) days thereafter, to submit truthful and proper application to a second lender designated by SELLER or its agents, and if SELLER elects to require the PURCHASER to make a mortgage application to a second lending institution, the time period referred to above shall be extended for an additional sixty (60) day period, or (ii) to terminate this contract, in which case this Contract shall be deemed cancelled and the monies paid hereunder shall be refunded to PURCHASER, and upon repayment the parties hereto shall be released from any and all liability.

6. CLOSING OF TITLE

6.1 The closing of title shall be held at such place in the County of Richmond and on or about upon ten (10) days written notice by the Sponsor. If Sponsor consents to close at any other location as an accommodation to Purchaser, Purchaser shall pay to Sponsor's attorney at closing an extra fee of $250.00. Sponsor, from time to time, may adjourn the date and hour for closing on written notice to Purchaser, which notice shall fix a new date, hour and place for the closing of title and will be given not less than two (2) business days prior to the new scheduled date and time for closing.

6.2 The term "Closing Date" or "closing of title" or words of similar import, whenever used herein, shall mean the date designated by Sponsor on which the deed to the Unit is delivered to Purchaser, or any adjourned date fixed by Sponsor pursuant to subsection 6.1 hereof.

7. DELIVERY OF THE DEED AND UNIT POWER OF ATTORNEY

7.1 At the closing of title, Sponsor shall deliver to Purchaser a Bargain and Sale Deed with Covenants Against Grantor's acts conveying title to the unit to Purchaser. Purchaser shall pay all New York State and New York City real property transfer taxes, and Sponsor and Purchaser shall duly execute a New York City Real Property Transfer Tax return and any other forms then required by law, all of which shall be prepared by Sponsor.

7.2 At the closing of title and simultaneously with the delivery of the deed conveying the Unit to Purchaser, Purchaser shall execute and acknowledge a power of attorney to the Condominium Board.

7.3 The deed and power of attorney to the Condominium Board and Sponsor shall be delivered to the representative of the title company insuring Purchaser's title (or, if no such representative is present, then to Sponsor's attorney) for recording in the Kings County Registrar's Office, which recording shall be at Purchaser's expense. After being recorded, the deed shall be returned to Purchaser and the power of attorney shall be sent to the managing Agent.

7.4 Sponsor shall deliver to Purchaser a certification stating that Sponsor is not a foreign person in the form then required by the Code Withholding Section and each party shall execute, acknowledge and deliver to the other party such instruments, and take such other actions, as such other party may reasonably request in order to comply with IRS section 6045(e), as amended, or any successor provision or any regulations promulgated pursuant thereto, insofar as the same requires reporting of information in respect of real estate transactions.

8. MARKETABLE TITLE. At the closing of title, Sponsor shall convey to Purchaser fee simple title to the Unit, free and clear of all encumbrances other than those expressly agreed to by Purchaser or set forth in Schedule A annexed hereto and made a part hereof. Any encumbrances to which title is not to be subject shall not be an objection to title if (a) the instrument required to remove it of record is delivered at or prior to the closing of title to the proper party or to Purchaser's title insurance company, together with the attendant recording or filing fee, if any, or (b) , (or such other title insurance company as Purchaser may utilize), is or would be willing, in a fee policy issued by it to the Purchaser, to insure Purchaser that it will not be collected out of the Unit if it is a lien, or will not be enforced against the Unit if it is not a lien.

9. CLOSING ADJUSTMENT.

9.1 Subject to Paragraph 15 hereof, the following adjustments shall be made as of midnight of the day preceding the Closing Date with respect to the Unit:

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

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

(c) Accrued rent and any other charges pursuant to an interim lease, use or occupancy agreement or non-purchasing tenant lease, if any, covering the unit.

9.2 If a Unit has been separately assessed but the closing of title occurs before the tax rate is fixed, adjustment of taxes shall be based upon the latest tax rate applied to the most recent applicable assessed valuation. Installments for tax assessments due after the delivery of the deed, if any, shall be paid by Purchaser and shall not be considered a defect in title. If a Unit has not been separately assessed as of the Closing Date for the then current tax period, the adjustment under subsection 9.1(a) hereof shall be based upon the assessment for the Property and the percentage interest in the Common Elements appurtenant to the Unit.

9.3 Purchase hereby agrees that, if Sponsor obtains a refund for real estate taxes paid (or a credit for such taxes to be paid) on Purchaser's Unit, Purchaser and Sponsor will apportion the refund (as well as the costs and/or fees for obtaining the refund or credit) based upon the percentage of time for which the refund or credit is obtained during which each party hereto owned the Unit in question. The provisions of this subsection shall survive the closing of title.

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

10. MORTGAGE TAX CREDIT. In the event a mortgage recording tax credit becomes available pursuant to Section33-ee(2) of the Condominium Act, it is specifically understood that such credit shall inure to the benefit of Sponsor. Accordingly, at closing, a Purchaser who elects mortgage financing will be responsible to pay the full amount (but not in excess thereof) of the mortgage recording tax chargeable on the entire amount being financed. Sponsor at closing will be reimbursed by Purchaser to the extent of any mortgage tax credit allowed.

11. CLOSING COSTS

(A) In addition to those costs and adjustments described in Articles 9 and 10 herein, Purchaser shall be required to pay the other closing costs which are Purchaser's responsibility. The Closing Costs and Adjustments include, but are not limited to, the following:

(i) The New York City Real Property Transfer Tax;

(ii) The New York State Transfer Tax;

(iii) The New York State Additional Transfer Tax (commonly referred to as the "Mansion Tax") if applicable;

(iv) A working capital contribution equal to two (2) months Common Charges; and

(v) The legal fees of the Sponsor as set forth in the Plan.

12. DOWNPAYMENT The Down Payment made pursuant to this Agreement is subject to the requirements of Section 71-a(3) of the State of New York Lien Law and Section 352-e(2-b) and 352-h of the general Obligations Law and the escrow and trust fund regulations as promulgated by the Attorney General.

The SELLER hereby adopts the escrow agreement which is attached to the Offering Plan as an exhibit. In summary the terms of this escrow agreement are as follows:

(a) Within five business days all deposits, down payments or advances made by PURCHASERS prior to closing on an individual transaction will be placed in a segregated special escrow account in a bank doing business in the State of New York which account is covered by federal bank deposit insurance.

(b) For the purpose of this account, the escrow agreement appended to the Offering Plan shall control. The funds shall be in an account named John P. Gulino, Esq. IOLA Account" located in the J.P. Morgan Chase Bank on New Dorp Lane, Staten Island, N.Y. The signature of John P. Gulino, Esq. shall be required to withdraw any such funds.

(c) The escrow account shall be an IOLA account pursuant to Judiciary Law Section 497. All interest shall be turned over to the IOLA Fund. The interest rate earned shall be the prevailing rate for such accounts. The interest shall begin to accrue at the date of deposit.

The down payment may be released upon the sponsor obtaining a bond agreement upon a prior amendment to the plan.

The liquidated damages shall not exceed 10% of the purchase price plus the cost of extras ordered by PURCHASER. In the event of a failure by the SELLER to convey title as set forth herein to the unit, except for the PURCHASER'S default, the purchaser will have the option to cancel the agreement and have the down payment returned by the seller to the purchaser forthwith.

By signing the Agreement, Purchaser will not object and will deemed to have agreed, without the need for a further written agreement, to the release of the Down Payment to Seller in the event Seller and Purchaser close title under this Agreement.

13. BINDING EFFECT OF DECLARATION, BY-LAWS AND RULES AND REGULATIONS. Purchaser hereby accepts and approves the Plan (including the Declaration, By-laws and Rules and Regulations contained therein) and agrees to abide and be bound by the terms and conditions thereof.

14. AGREEMENT SUBJECT TO MORTGAGE. No encumbrances shall arise against the Property as a result of this Agreement or any monies deposited hereunder. In furtherance and not in limitation of the provisions of the preceding sentence, Purchaser agrees that the provisions of this Agreement are and shall be subject and subordinate to the lien of any mortgage, including, but not limited to, any construction or building loan mortgage, heretofore or hereafter made, any advance heretofore or hereafter made thereon and any payments or expenses made or incurred or which hereafter may be made or incurred, pursuant to the terms thereof, or incidental thereto, or to protect the security thereof, to the full extent thereof without the execution of any further legal documents by Purchaser. This subordination shall apply in all cases, regardless of the timing of, or cause for, the making of advances of money or the incurring of expenses. Sponsor shall, at its option, either satisfy such mortgages or obtain a release of each Unit and its undivided interest in the Common Elements from the lien of such mortgages on or prior to the Closing Date, unless Purchaser voluntarily assumes such mortgage or consents to the

continuation of the lien thereof. The existence of any mortgage or mortgages encumbering the property, or portions thereof, other than the Unit and its(their) undivided interest in the Common Elements, shall not constitute an objection to title or excuse Purchaser from completing payment of the Purchase Price or performing all of its other obligations hereunder or be the basis of any claim against, or liability of, Sponsor, provided that any such mortgage(s) is subordinated to the Declaration.

15. DEFAULT BY PURCHASER.

15.1 TIME IS OF THE ESSENCE with regard to the Purchaser's obligations to pay the balance of the Purchase Price and to perform Purchaser's other obligations under this Agreement. If Purchaser fails to make such payment when required as herein provided or fails to perform any of Purchaser's other obligations hereunder, Sponsor shall give written notice to Purchaser of such default. If such default shall not be cured within ten (10) days thereafter, Sponsor may, at its option, cancel this Agreement by notice of cancellation to Purchaser. If Sponsor elects to cancel this Agreement, (a) Sponsor may retain all sums deposited by Purchaser hereunder (including any amounts paid by Purchaser for additional work in the Unit), together with interest earned thereon, as liquidated damages (Sponsor's actual damages being difficult or impossible to ascertain) and, upon retaining such sum, this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan and (b) Sponsor may sell the Unit to any third party as though this Agreement had never been made (without any obligation to account to Purchaser for any part of the proceeds of such sale).

15.2 If Purchaser fails for any reason to close title to his Unit on the originally schedule closing date (a) the closing apportionments described in Section 9.1 of this Agreement will be made as of midnight of the day preceding the originally scheduled closing date, regardless of when the actual closing of title occurs, and (b) Purchaser will be required to pay to Sponsor, as a reimbursement of Sponsor's higher carrying costs for the Unit by virtue of the delay, and in addition to the other payments to be made to Sponsor under this Agreement and the Plan, an amount equal to 0.03% of the Purchase Price for each day starting from (and including) the originally scheduled closing date to (and including) the day before the actual closing date. If, through no fault of Purchaser, Sponsor postpones the originally scheduled closing date, these provisions shall apply to the rescheduled closing date if Purchaser fails for any reason to close title to his Unit on the rescheduled closing date.

16. WITHDRAWAL OR ABANDONMENT OF PLAN. The Plan may be withdrawn or abandoned by Sponsor only under certain conditions and at certain times, as set forth in the Plan. Provided Purchaser is not then in default under this Agreement beyond any applicable grace period, if the Plan is withdrawn or abandoned, this Agreement shall be deemed cancelled

and, not later than ten (10) days thereafter, Sponsor shall return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, and, upon making such payment, neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan.

17. SPONSOR'S INABILITY TO CONVEY THE UNITS. If Sponsor is unable to deliver title to the Unit to Purchaser in accordance with the provisions of this Agreement and the Plan, Sponsor shall not be obligated to bring any action or proceeding or otherwise incur any cost or expense of any nature whatsoever in excess of its obligations set forth in the Plan in order to cure such inability, and, in such case, if Sponsor notifies Purchaser of its refusal to cure such inability and if Purchaser is not in default hereunder, Purchaser's sole remedy shall be to either (a) take title to the Unit subject to such inability (without any abatement in, or credit against, the Purchase Price, or any claim or right of action against Sponsor for damages or otherwise) or (b) terminate this agreement. If Purchaser so elects to terminate this Agreement, Sponsor shall, within thirty (30) days after receipt of notice of termination from Purchaser, return to Purchaser all sums deposited by Purchaser hereunder, together with interest earned thereon, if any, and, upon making such payment , this Agreement shall be terminated and neither party hereto shall have any further rights, obligations or liability to or against the other under this Agreement or the Plan. The foregoing remedy must be exercised by notice of Purchaser in writing to Sponsor within fifteen (15) days after the giving of Sponsor's notice of refusal to cure such inability, failing which it shall be conclusively deemed that Purchaser elected the remedy described in clause (a) above (i.e. to acquire title subject to such inability).

18. FIXTURES, APPLIANCES AND PERSONAL PROPERTY. Only those fixtures, appliances and items of personal property which are described in the Plan as being part of the Unit are included in the sale of the Unit pursuant to the provisions of this Agreement. At the closing, Sponsor shall transfer to Purchaser any assignable warranties and undertakings received by Sponsor which relate to appliances, equipment or fixtures located in the Unit.

19. ACCEPTANCE OF CONDITION OF PROPERTY. Purchaser shall accept title (without abatement in, or credit against, the Purchase Price or any provision for escrow deposits at the closing of title) notwithstanding the failure to complete construction of (a) minor details of the Unit or the Property, (b) other Units or (c) the common elements of the Property which do not prevent Purchaser's use of the Unit. Purchaser shall carefully inspect the Unit prior to the closing of title and shall execute at such time an inspection statement acknowledging Purchaser's acceptance of the Unit in good condition and in accordance with the terms of the Plan. However, if Purchaser finds that Sponsor's improvements have not been completed, although such improvements have been substantially completed, then Sponsor and Purchaser will agree to include on the inspection statement a list of incomplete work of a material nature to be completed in the Unit by Sponsor following the closing of title. Sponsor shall have no obligation

to complete any work to the Unit which is not specifically designated on the inspection statement by Purchaser, except for work necessary to cure violations. Purchaser will receive two (2) business days notice that the Unit is available for inspection. If Purchaser fails to inspect the Unit within said two (2) day period, Purchaser shall be deemed to have accepted the Unit in good condition and in accordance with the terms of the Plan.

20. DAMAGE TO THE UNIT. If between the date of this Agreement and the closing of title the Unit is damaged by fire or other casualty, the following shall apply:

20.1 The risk of loss to the Unit by fire or other casualty is assumed by Seller until the earlier of closing of title or possession of the Unit by Purchaser, but without any obligation or liability by Sponsor to repair or restore the Unit. If Sponsor elects to repair or restore the Unit, this Agreement shall continue in full force and effect, Purchaser shall not have the right to reject title or receive a credit against, or abatement in, the Purchase Price and Sponsor shall be entitled to a reasonable period of time within which to complete the repair and restoration. Any proceeds received from insurance or in satisfaction of any claim or action in connection with such loss shall, subject to the rights of the respective Boards and other Unit Owners if the Declaration has theretofore been recorded, belong entirely to Sponsor and, if such proceeds are paid to Purchaser, Purchaser shall promptly upon receipt thereof turn them over to Sponsor. The provisions of the proceeding sentence shall survive the closing of title.

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

21. THE HOUSING MERCHANT IMPLIED WARRANTY APPLIES TO THIS CONTRACT. SUCH WARRANTY HAS BEEN MODIFIED AS PROVIDED IN THE LIMITED WARRANTY ANNEXED TO THIS AGREEMENT AS EXHIBIT A. THE EXPRESS TERMS OF THE LIMITED WARRANTY ARE HEREBY INCORPORATED IN THIS AGREEMENT AND THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE FACE THEREOF. The Purchaser acknowledges that a written copy of the express terms of the Limited Warranty has been provided in writing to the Purchaser prior to the time of the Purchasers execution of this Agreement in lieu of any other warranties, express and implied, in

connection with this transaction. The terms and conditions of the Limited Warranty shall survive delivery of the Deed.

22. NO REPRESENTATIONS. Purchaser acknowledges that Purchaser has not relied upon any architect's plans, sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Sponsor, Selling Agent or otherwise, including, but not limited to, any relating to the description or physical condition of the Property, the Building or the Unit, or the size or the dimensions of the Unit or the rooms therein contained or any other physical characteristics thereof, the services to be provided to Unit Owners, the estimated Common Charges allocable to the Unit, the estimated real estate taxes on the Unit, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, the right to any income tax credit with respect to the purchase of the Unit, or any other data, except as herein or in the Plan specifically represented, Purchaser having relied solely on his own judgment and investigation in deciding to enter into this Agreement and purchase the Unit. No person has been authorized to make any representations on behalf of Sponsor except as herein or in the Plan specifically set forth. No oral representations or statements shall be considered a part of this Agreement. Sponsor makes no representations or warranties as to the work, materials, appliances, equipment or fixtures in the Unit, the Common Elements or any other part of the Property other than as set forth herein or in the Plan.

23. PROHIBITION AGAINST ADVERTISING. Prior to the closing of title, Purchaser agrees not to list the Unit for resale or rental with any broker or to advertise or otherwise offer, promote or publicize the availability of the Unit for dale or lease, without Sponsor's prior written consent.

24. BROKER. Purchaser represents to Sponsor that Sponsor, Sponsor's Selling Agent and are the only brokers or sales agents with whom Purchaser has dealt in connection with this transaction, and Sponsor agrees to pay the commission earned by said broker pursuant to a separate agreement. Purchaser agrees that should any claim be made against Sponsor for commissions by any broker, other than the aforementioned broker, on account of any acts of Purchaser or Purchaser's representatives, Purchaser will indemnify and hold Sponsor free and harmless from and against any and all liabilities and expenses in connection therewith, including reasonable legal fees. The provisions of this Article 24 shall survive the closing of title.

25. AGREEMENT MAY NOT BE ASSIGNED. Purchaser does not have the right to assign this Agreement without the prior written consent of Sponsor. Any purported assignment by Purchaser in violation of this Agreement will be voidable at the option of Sponsor. Sponsor's refusal to consent to an assignment will not entitle Purchaser to cancel this Agreement or give rise to any claim for damages against Sponsor. If Sponsor, in its sole discretion, consents to a

Purchaser's request for an assignment of this Agreement, or for the addition, deletion or substitution of names on this Agreement, then Purchaser shall be required to pay Sponsor's reasonable attorney fess in advance $250.00, for preparation of an assignment agreement.

26. BINDING EFFECT. This Agreement shall not be binding on Sponsor until a fully executed counterpart hereof has been delivered to Purchaser. If this Agreement is not accepted within fifteen (15) days from the date hereof by the delivery to Purchaser of a fully executed counterpart, this Agreement shall be deemed to have been rejected and canceled and the deposit paid on the execution hereof shall be promptly returned to Purchaser. If Purchaser has not received the Plan and all amendments thereto at least three full (30 days prior to Purchaser's signing this Agreement, the Purchaser shall have the right to rescind this Agreement within seven (7) days from the date of this Agreement.

27. NOTICES: Any notice, request, letter, consent or other communication hereunder or under the Plan shall be in writing and hand delivered or sent, postage prepaid, by registered or certified mail or by fax with confirmation, to Purchaser's Attorney address at

and to Seller's attorney address at

or to such other address as either party may hereafter designate to the other in writing. Except as otherwise expressly provided herein, the date of hand delivery or mailing shall be deemed to be the date of the giving of notice, except that the date of actual receipt shall be deemed to be the date of the giving of any notice of change of address. Any notice either of the parties hereto receives from the other party's attorneys shall be deemed to be notice from such party itself.

28. JOINT PURCHASERS. The term "Purchaser" shall be read as "Purchasers" if more than one person are purchasers, in which case their obligations shall be joint and several.

29. PERFORMANCE BY AND LIABILITY OF SPONSOR. Purchaser's acceptance of the deed for the Unit shall be deemed to be a full performance and discharge of each and every agreement and obligation on the part of Sponsor to be performed pursuant to the provisions of this Agreement, the Plan 13 NYCRR Part 23 (the regulations of the Attorney General of the State of New York governing the acceptance for filing of the Plan) and General Business Law section 352-e, except those (if any) herein or therein expressly stated to survive delivery of such deed.

30. FURTHER ASSURANCES. Either party shall execute, acknowledge and deliver to the other party such instrument, and take such other actions, in addition to the instruments and actions specifically provided for herein, as such other party may reasonably request in order to effectuate the provisions of this Agreement or of any transaction contemplated herein or to

confirm or perfect any right to be created or transferred hereunder or pursuant to any such transaction.

31. COSTS OF ENFORCING AND DEFENDING AGREEMENT. Purchaser shall be obligated to reimburse Sponsor for any legal fees and disbursements incurred by Sponsor in defending Sponsor's rights under this Agreement or, in the event Purchaser defaults under this Agreement beyond any applicable grace period, in canceling this Agreement or otherwise enforcing Purchaser's obligations hereunder.

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

33. STRICT COMPLIANCE. Any failure by Sponsor to insist upon the strict performance by Purchaser of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and Sponsor, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by Purchaser of any and all of the provisions of this Agreement to be performed by Purchaser.

34. GOVERNING LAW. The provisions of this Agreement shall be governed by and construed in accordance with the internal laws of the State of New York applicable to agreements made and to be performed wholly in the State of new York, without regard to principles of conflicts of law.

35. WAIVER OF JURY. Except as prohibited by law, the parties shall, and they hereby do, expressly waive trial by jury in any litigation arising out of, or connected with, or related to, this Agreement or the relationship created hereby.

36. ENTIRE AGREEMENT. This Agreement supersedes any and all understandings and agreements between the parties with respect to the subject matter hereof.

37. CERTAIN REFERENCES. A reference in this Agreement to any one gender, masculine, feminine or neuter, includes the other two, and the singular includes the plural, and vice versa, unless the context otherwise requires. The terms "herein", "hereof" or "hereunder" or similar terms used in this Agreement refer to this entire Agreement and not to the particular provision in which the term is used, unless the context otherwise requires. Unless otherwise stated, all references herein to Articles, Sections, subsections or other provisions are references to Articles, Sections or other provisions of this Agreement.

38. CAPTIONS. The captions in this Agreement are for convenience of references only and in no way define, limit or describe the scope of this Agreement or the intent of any provisions hereof.

39. RULE OF CONSTRUCTION. There shall be no presumption against the draftsman of this Agreement.

40. SUCCESSORS AND ASSIGNS. The provisions of this Agreement shall bind and inure to the benefit of Purchaser and his heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of Sponsor and its successors and assigns.

41. NO ORAL CHANGES. This Agreement cannot be changed or terminated orally. ANY CHANGES OR ADDITIONAL PROVISIONS MUST BE SET FORTH IN A RIDER ATTACHED HERETO OR IN A SEPARATE WRITTEN AGREEMENT SIGNED BY THE PARTIES HERETO OR BY AN AMENDMENT TO THE PLAN.

42. AMENDMENTS TO THE PLAN. Subject to any provision of the Plan to the contrary, if there is a substantial amendment to the Plan that materially and adversely affects Purchaser, Purchaser will have a period of fifteen (15) days from the date of presentation of said amendment within which to rescind this Agreement and, if Purchaser exercises such right of rescission, Sponsor shall return the Down Payment, together with any interest thereon, pursuant to this Agreement within thirty (30) days.

43. FILING OF DOCUMENTS. PURCHASER herein irrevocably appoints SELLER as his attorney-in-fact to execute any and all documents required by the City of New York to secure the final tax abatement. The provisions of this article shall survive closing of title and delivery of the deed.

44. CONFLICTS. Any conflicts between the language and terms of this contract of sale and the Condominium Offering Plan, Declaration or By-Laws shall be decided in favor of the Condominium Offering Plan, Declaration or By-Laws as the case may be.

In WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and date first above written.

Sponsor:

By_____

Name:

Title: Authorized Signatory

PURCHASERS

_____

_____

PURCHASER(S) ACKNOWLEDGE RECEIPT OF THE HEREIN BELOW LIMITED WARRANTY PURSUANT TO THE PROVISIONS OF THE CONTRACT OF SALE TO WHICH THIS LIMITED WARRANTY IS ANNEXED.

_____ _____

EXHIBIT A

LIMITED WARRANTY

Warranty No._____

NAME OF PURCHASER(S) _____

ADDRESS OF PURCHASER(S) _____

DESIGNATION OF HOME WARRANTED _____

NAME OF BUILDER _____

ADDRESS OF BUILDER _____

BUILDERS LIMIT OF TOTAL LIABILITY:

Seventy-five (75%) percent of the purchase price of the Home set forth in the Purchase Agreement to which this Limited Warranty is annexed as an exhibit.

This limitation is subject to Section 777-(b) of Article 36-B of the General Business Law which is reproduced in Part II of the Offering Plan. Section 777-b(4)(i) provides that "a limited warranty shall not be construed to permit any limitation on or exclusion of property damage to a home proximately caused by a breach of the limited warranty, where the court finds that such limitation or exclusion would cause the limited warranty to fail of its essential purpose"

NOTE: THIS LIMITED WARRANTY EXCLUDES ALL CONSEQUENTIAL, INCIDENTIAL SPECIAL AND INDIRECT DAMAGES EXCEPT AS REQUIRED BY LAW. THIS LIMITED WARRANTY EXCLUDES ALL OTHER WARRANTIES OF EVERY KIND, EXPRESS AND IMPLIED ON THE CONSTRUCTION AND SALE OF THE HOME, ITS WORKMANSHIP AND MATERIALS, AND ITS FITNESS FOR USE AND HABITABILITY. THIS LIMITED WARRANTY IS ACCEPTED BY THE PURCHASERS IN LIEU OF ALL OTHER WARRANTIES. THE BUILDER MAKES NO WARRANTIES WHICH EXTEND BEYOND THE FACE HEREOF. THIS PURPOSE OF THIS LIMITED WARRANTY IS TO IDENTIFY THE BUILDER'S RESPONSIBILITES FOR DEFECTS OF A LATENT OR HIDDEN NATURE THAT WOULD NOT HAVE BEEN FOUND OR DISCLOSED ON THE FINAL INSPECTION.

1. TO WHOM GIVEN. This Limited Warranty is extended exclusively to the Purchaser named on page 1 of this Limited Warranty, while the named Purchaser owns the Home. It does not extend to subsequent owners of the Home, tenants or mortgagees in possession of the Home, any Person who may succeed to the rights of the Purchaser or to any other Person.

2. BY WHOM MADE. This Limited Warranty is made exclusively by the Builder whose name and address appear on page 1 of this Limited Warranty.

3. FINAL INSPECTION OF THE HOME. Before the Purchaser moves into the Home or accepts the deed, the Builder will set up an appointment for the Final Inspection with the Purchaser. The purpose of the Final Inspection is to discover any Defects of a visible, apparent or patent nature, or any unfinished work.

Defects in the Home found on the Final Inspection will be itemized on a Final Inspection Form, annexed hereto as Schedule D, that includes a schedule for each item that will be corrected or completed. The Final Inspection Form will be signed by the Purchaser and the Builder before occupancy of the Home or transfer of the deed.

The purpose of this Limited Warranty is to identify the Builder's responsibilities for Defects of a latent or hidden kind that would not have been found or disclosed on the Final Inspection.

When the Purchaser moves into the Home or accepts the deed, the Builder's responsibility is limited to:

(a) completion of items shown on the Final Inspection Form, as provided in the Final Inspection Form, and

(b) performance of warranty obligations under the provisions of this Limited Warranty, as contained in this document.

4. DEFINITIONS. As used in this Limited Warranty, the following terms have the following meanings:

(a) "Builder" means the Person identified as the Builder on page 1 of this Limited Warranty.

(b) "Building Code" means the Building Code of the City of New York, Title 27 of the Administrative Code of the City of New York, as the Code exists on the Warranty Date.

(c) "Consumer Product" shall include, but not be limited to, any appliance, piece of equipment, or other item which is a "consumer product" under the Magnusson-Moss Warranty Act, 15 USC section 2301 et seq., and which is installed in the Home by the Builder. Examples of Consumer Products include, when installed by the Builder: air purifiers, kitchen appliances, refrigerators, freezers, ovens, stoves, microwaves, mixers, sinks,

toilets, bathtubs, compactors, garbage disposals, dishwashers, fans, faucets and plumbing fixtures, clothes washers, clothes dryers, water heaters, water softeners, humidifiers, pumps, furnaces, oil tanks, gas tanks, heaters, air conditioners, light fixtures, circuit breakers, floor coverings, windows, doors, door openers, siding, brick, and roofing.

(d) "Defect" means defective workmanship performed by the Builder and defective materials supplied by the Builder, determined solely by reference to the specific standards of the Building Code and the Locally Accepted Building Practices. The term Defect does not include a condition in the Home that would have been apparent or ascertainable upon the Final Inspection. A condition that is disclosed to the Purchaser at any time prior to acceptance of the deed, by notation on the Final Inspection Form or otherwise, is not a Defect within the meaning of this Limited Warranty. Unless otherwise indicated, the term "Defect" shall be deemed to include "Major Structural Defects".

(e) "Electrical System" means the following items, if installed in the Home by the Builder: electrical wiring, electrical boxes, switches, outlets and connections up to the public utility connection; cable television systems; intercom systems; burglar, fire and smoke alarm systems. The Electrical System does not include any Consumer Product.

(f) "Final Inspection" means the final inspection of the Home prior to the Purchaser's acceptance of the deed as referred to in Paragraph 12 of the purchase agreement to which this warranty is annexed as a exhibit.

(g) "Heating/Cooling/Ventilation System" means the following items, if installed in the Home by the Builder: all duct work, steam, water and refrigerant lines, registers, convectors, radiation elements and dampers. The Heating/Cooling/Ventilation System does not include any Consumer Product.

(h) "Home" means the property constructed by the Builder and sold to the Purchaser, as identified in the purchase agreement between the Builder and the Purchaser.

(i) "Locally Accepted Building Practices" means the performance standards annexed to and incorporated in this Limited Warranty as Schedule A.

(j) "Major Structural Defects" means Defects resulting in actual physical damage to the Major Structure of the Home caused by failure of the Major Structure which affects its load-bearing functions to the extent that the Home becomes unsafe, unsanitary or otherwise unlivable.

(k) "Major Structure" means the following portions of the Home that are load-bearing: foundation systems and footings, beams, girders, lintels, columns, walls and partitions, floor systems, and roof framing systems. Major Structure does not include nonload-bearing portions of the Home such as: roofing and sheathing; roof shingles and tar paper; drywall, lathes and plaster; exterior siding; brick, stone, stucco and veneer; flooring and subflooring material; floor covering material; wall tile or paper and other wall coverings; non-load bearing walls and partitions; concrete floors in attached garages and basements that are built separately from foundation walls or other structural elements of

the Home; Electrical System, Plumbing System, Heating/Cooling/Ventilation System; Consumer Products, appliances, fixtures and items of equipment; paint and stains; doors and windows; trim; cabinets; hardware; insulation.

(l) "Person" means any individual, partnership, corporation, or other legal entity.

(m) "Plumbing System" means the following items, if installed in the Home by the Builder: gas supply lines and fittings; water supply, waste and vent pipes and their fittings; septic tanks and their drain fields; water, gas and sewer service piping, and their extensions to the tie-in of a public utility connection, or on-site well and sewage disposal system. The Plumbing System does not include any Consumer Product.

(n) "Purchaser" means the Person identified as the Purchaser on page 1 of this Limited Warranty, while such Person owns the Home.

(o) "Purchaser's Family" means "Family Member" as defined in Section 2520.6 (o) of the Rent Stabilization Code for Rent Stabilized Apartments in New York City.

(p) "Residential Occupancy" means occupancy of any portion of the Home for residential purposes by any Person, their designee or invitee.

(q) "Warranty Date" means the date that the Purchaser, or a member of Purchaser's Family, takes title to the Home, or the date on which any Person begins Residential Occupancy of the Home, whichever date is earlier.

5. PRODUCTS AND PARTS COVERED BY LIMITED WARRANTY. Coverage A of this Limited Warranty applies to those parts of the Home that have been constructed by the Builder and to those Consumer Products that have been installed in the Home by the Builder. Coverage A does not apply to any part of the Home that has been constructed, altered or damaged by any Person other than the Builder or to any Consumer Product that has been installed, altered or damaged by any Person other than the Builder.

Coverage B of this Limited Warranty applies to those products or parts of the Plumbing System, Electrical System, and Heating/Cooling/ Ventilation System that have been installed by the Builder. Coverage B does not apply to any products or parts that have been installed, altered or damaged by any Person other than the Builder. Coverage B does not extend to any Consumer Product.

Coverage C of this Limited Warranty applies to those parts of the Major Structure that have been constructed by the Builder. Coverage C does not apply to any part of the Major Structure that has been constructed, altered or damaged by any Person other than the Builder.

Coverages A, B and C are subject to the definitions, limitations, exclusions, and all other terms and conditions of this Limited Warranty.

6. WARRANTY COVERAGE PERIODS. Warranty coverages A, B and C begin on the Warranty Date. The warranty coverages end as follows:

COVERAGE A: one year following the Warranty Date;
COVERAGE B: two years following the Warranty Date;
COVERAGE C: six years following the Warranty Date.

No fact, condition or circumstance delays or extends the Warranty Date or any time or period of warranty coverage.

7. WARRANTY COVERAGES

COVERAGE A: The Builder warrants to the Purchaser that, for one year following the Warranty Date, the Home will be free from Defects due to failure by the Builder to have constructed the Home in accordance with the specific standards of the Building Code or due to noncompliance by the Builder with the Locally Accepted Building Practices. The above coverage shall include, but not be limited to, Builder's warranty that the roof and basement of the Home shall be free from leaks.

The Builder further warrants to the Purchaser that, for one year following the Warranty Date, Consumer Products installed in the Home by the Builder will be free from Defects due solely to faulty installation by the Builder. (For Consumer Products, see further details in paragraph 10 of this Limited Warranty, below.)

COVERAGE B: The Builder warrants to the Purchaser that, for two years following the Warranty Date, the Plumbing System, Electrical System, and Heating/Cooling/Ventilation System of the Home will be free from Defects due to failure by the Builder to have installed such systems in the Home in accordance with the specific standards of the Building Code or due to noncompliance by the Builder with the Locally Accepted Building Practices.

The Builder reserves the right to substitute to the Purchaser at closing written warranties of the Builder's plumbing, electrical, heating, cooling, or ventilation system subcontractors, by providing written copies of such warranties to the Purchaser. Said warranties will be in substantial conformance with the performance standards annexed hereto as Schedule A. In the event of such substitution, the Purchaser's coverage will be limited to said substituted warranties and the Purchaser will address any requests for warranty service under Coverage B and any warranty claims under Coverage B to the subcontractor, with a copy of any written request or claim to the Builder.

COVERAGE C: The Builder warrants to the Purchaser that, for six years after the Warranty Date, the Major Structure of the Home will be free from Major Structural Defects due to faulty workmanship performed by the Builder or defective materials supplied by the Builder.

The Builder reserves the right to substitute to the Purchaser at closing insurance coverage from a licensed insurance carrier or risk retention group to be selected by the Builder by providing written copies of such insurance policy to the Purchaser substantially in conformance with the terms and conditions contained in the standard insurance policy issued by Home Buyers Warranty Corporation for six year structural coverage. In the event of such substitution, the Purchaser's coverage will be limited to said substituted insurance policy and the Purchaser will address any requests for warranty service under Coverage C and any warranty claims under Coverage C to the insurance carrier or risk retention group, with a copy of any written request or claim to the Builder.

8. SPECIAL PROVISIONS FOR CONDOMINIUMS. If the Home is a condominium unit, see the Condominium Rider annexed hereto as Schedule E for special provisions affecting condominium units.

9. EMERGENCY ACCESS: Purchaser also understands and agrees that if emergency repairs are needed on Purchaser's Home or adjoining Home(s) and the Purchaser cannot be contacted within a reasonable period of time, the Purchaser waives advance notice. Such entry, with or without notice, shall be made with as little inconvenience as possible to the Purchaser.

10. CONSUMER PRODUCTS This Limited Warranty covers Consumer Products only during the first year and only to the extent of Defects caused solely by faulty installation by the Builder. Damage caused or made worse by any manufacturer's or distributor's defect, by installation by any Person other than the Builder, from misuse by the Purchaser or user, or from a malfunction of an electric company, gas company, water supplier or any other utility is not covered.

The Builder conveys and assigns to the Purchaser, to the extent that they are assignable, all warranties provided to the Builder on any Consumer Products and manufactured items that have been installed by the Builder in the Home. The Purchaser accepts this assignment and acknowledges that the Builder's only responsibility relating to such assigned warranties is to lend assistance to the Purchaser in settling claims under the assigned warranties.

11. EXCLUSIONS FROM COVERAGE. The following are excluded from coverages A, B, and C, except as otherwise noted below:

(a) Loss or damage caused by workmanship performed by any person other than the Builder.

(b) Loss or damage caused by defective materials supplied by any person other than the Builder.

(c) Loss or damage caused by defective design, unless the design professional was retained exclusively by the Builder.

(d) Loss or damage that would have been apparent or ascertainable upon the Final Inspection.

(e) Loss or damage that is disclosed to the Purchaser at any time prior to acceptance of the deed, by notation on the Final Inspection Form or otherwise.

(f) Defects in outbuildings including, but not limited to, detached garages and detached carports (except outbuildings which contain the Plumbing System, Electrical System, or Heating/Cooling/Ventilation System 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); deck areas; curbs; sidewalks; off-site improvements or any other improvements not a part of the dwelling structure itself.

(g) Defects in concrete floors of basements or concrete floors of attached garages that are built separately from foundation walls or other structural elements of the Home.

(h) Damage to real property which is not part of the Home covered by this Limited Warranty and which is not included in the purchase price of the Home.

(i) Any damage to the extent that it is caused or made worse by:

(i) negligence, improper maintenance, or improper operation by anyone other than the Builder; or

(ii) failure by the Purchaser or anyone other than the Builder to comply with the warranty requirements of manufacturers or suppliers of Consumer Products, appliances, fixtures or items of equipment; or

(iii) failure of the Purchaser to give notice to the Builder of any Defects or damage in the manner set forth in paragraph 14 of this warranty; or

(iv) changes in the grading of the ground by anyone other than the Builder; or

(v) changes, alterations or additions made to the Home by anyone after the Warranty Date shown on page 1; or

(vi) dampness or condensation due to failure of any Person other than the Builder to maintain adequate ventilation.

(j) Any condition which does not result in actual physical damage to the Home, including but not limited to uninhabitability or health risk due to the presence or consequence of unacceptable levels of radon gas, formaldehyde, or other pollutants and contaminants, or the presence of hazardous or toxic on-site materials.

(k) 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, lightning, windstorm, hail, flood, hurricane, tornado, mudslide, earthquake, volcanic eruption, wind-driven water, or changes in the underground water table.

(l) Loss or damage caused by seepage of water unless such loss or damage is the direct result of a Defect and is not due to condensation or improper grading of land other than the grades established by the Builder.

(m) Loss or damage caused by soil movement for which compensation is provided by legislation.

(n) Changes, alterations, or additions made to the Home by anyone after initial occupancy or acceptance of the deed, except those performed by the Builder to meet warranty obligations under this Limited Warranty.

(o) Loss or damage which is covered under any other warranty or insurance policy.

(p) Loss or damage which the Purchaser has not taken timely action to mitigate.

(q) Normal wear and tear and normal deterioration.

(r) Insect, vermin and/or rodent damage and infestation, or damage caused by other animals or pests.

(s) Bodily injury, personal injury, death, or loss or damage to personal property.

(t) Failure of the Builder to complete construction of the Home.

(u) Loss or damage which arises while the Home is being used primarily for nonresidential purposes or which arises as the result of nonresidential use.

(v) Loss or damage due to loading on floors by the Purchaser which exceeds design loads as established by the Building Code.

(w) Costs of shelter, transportation, food, moving, storage or other incidental expenses related to inconvenience, relocation, or loss of use, during repair.

(x) Consequential, incidental, special and indirect damages.

(y) Loss or damage arising from any claim not filed in strict compliance with the procedures set forth below in paragraph 14, "Step-by Step Claims Procedures" with respect

to any claim. PURCHASER'S FAILURE TO COMPLY WITH ANY OF THE PROCEDURES SET FORTH IN PARAGRAPH 14 WITH RESPECT TO A CLAIM WILL VOID SAID CLAIM UNDER THIS LIMITED WARRANTY.

(z) Loss or damage of any kind in excess of the Builder's Total Limit of Liability, as indicated on page 1 of this Limited Warranty.

(aa) Loss or damage to any improvements or additions to the Home made by the Purchaser.

(bb) Loss or damage to the Home which cannot be remedied due to the Builder's inability to gain reasonable access to the affected area because of the Purchaser's improvements or additions to the Home.

(cc) Defects in any work or materials ordered directly by the Purchaser from the Builder's subcontractors or suppliers or other outside suppliers or subcontractors or for incidental, consequential, special or indirect damages resulting from such work or materials;

(dd) 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, electric fixtures and globes, woodwork and doors; dented appliances; broken screens; and minor chips (nicks) to cultured marble floors and countertops;

12. PURCHASER'S RESPONSIBILITIES

The Home requires active maintenance effort on the Purchaser's part to reduce the likelihood of damage due to neglect, improper maintenance, abnormal use or any other use proscribed under applicable law. Some specific Purchaser's responsibilities are set out in the performance standards of the Locally Accepted Building Practices, attached to and included in this Limited Warranty as Schedule A. The Purchaser is required to abide by all operating instructions provided by the Builder or by any manufacturer or supplier of component parts of the Home.

The Purchaser is required, prior to the time that the Builder has received notice of a claim, to use reasonable efforts to timely mitigate damages caused by a Defect. Except in the event of an actual emergency, the Purchaser's obligation to mitigate damages will not require the Purchaser to expend any monies to mitigate damages. The Builder will be required to reimburse the Purchaser for any monies reasonably expended by the Purchaser to mitigate damages in the event of an actual emergency.

NOTE: DAMAGE CAUSED OR MADE WORSE BY HOME OWNER NEGLIGENCE, IMPROPER MAINTENANCE, IMPROPER OPERATION, ILLEGAL USE OR THE PURCHASER'S FAILURE TO TIMELY MITIGATE DAMAGES IS EXPRESSLY EXCLUDED FROM COVERAGE UNDER THIS LIMITED WARRANTY.

Further responsibilities of the Purchaser are described in section 14 of this Limited Warranty, below.

13. WHAT THE BUILDER WILL DO. If a Defect occurs in an item covered by this Limited Warranty, the Builder will repair, replace or pay the Purchaser the reasonable fair market cost of repairing or replacing the defective item(s) within sixty (60) days after the Builder's inspection or testing discloses the problem, subject to Acts of God, weather conditions, availability of materials and other events and circumstances beyond the Builder's control. The choice among repair, replacement or payment is solely that of the Builder. In making any repairs or replacements, the Builder will have the sole right to select the method and materials to be used in performing such repairs or replacements.

In the case of a Defect that is identified in the Locally Accepted Building Practices, the Builder will respond according to the "Builder Correction" as described in the Locally Accepted Building Practices.

In no event will the Builder's total liability for deficiencies under this Limited Warranty exceed the Builder's Limit of Total Liability, shown on page 1. Any payments made by the Builder or the fair market cost of repairs and/or replacements made by the Builder will be applied to reduce the Builder's Limit of Total Liability set forth on page 1 of this Limited Warranty.

Repair, replacement or payment of reasonable cost for any Major Structural Defect is further limited to (i) 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, unsanitary or otherwise unlivable.

When the Builder 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 be signed by the Purchaser and delivered to the Builder. In the event the Purchaser fails to execute a full release, the Builder will notify the Purchaser as to what action(s) it has taken with respect to the applicable Defect and thereafter the Builder will be deemed to have complied with all of its obligations under this Limited Warranty with respect to the applicable Defect.

14. STEP BY STEP CLAIMS PROCEDURES. If the Purchaser believes that a Defect has occurred in an item covered by this Limited Warranty, the Purchaser must take the following steps:

(a) Written notice of any warranty claim must be made on the "Notice of Warranty Claim Form" annexed hereto as Schedule B, and must be actually received by the Builder identified on page 1, no later than the tenth (10th) business day after warranty coverage on that item expires. Notice of any warranty claim must be given by the Purchaser to the Builder as follows: (1) by hand, with a written acknowledgement receipt from the Builder, or (2) by certified or registered mail, return receipt requested. If this Notice of Warranty Claim Form is not properly completed and received by the Builder by that deadline, the Builder will have no duty to respond to any complaint or demand, and any or all claims may be rejected. FAILURE TO COMPLETE AND DELIVER THE NOTICE OF WARRANTY CLAIM TO THE BUILDER VOIDS ANY CLAIMS UNDER THIS LIMITED WARRANTY.

(b) No steps taken by the Builder, Purchaser or any other person to inspect, test or correct defects will extend the period of warranty coverage or any other time period under this Limited Warranty. Steps taken by the Builder in response to an improperly completed or untimely Notice of Warranty Claim will not give rise to any liability of the Builder to the Purchaser and will not prejudice or otherwise affect any right of the Builder, including but not limited to the Builder'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 Builder and the Builder'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 Builder and the Builder's agents during normal business hours, Monday through Friday, to complete inspection, testing and repair or replacement.

"Reasonable Access" by the Purchaser for inspection, testing and completion of the work will (a) require the Purchaser or its representative to be physically present during any work period and (b) require the Purchaser and occupants of the Home to allow the Builder to inspect, test and complete the work and not obstruct the Builder in any way during the Builder's performance of its duties. In the event, after a work appointment has been set by the Builder and the Purchaser, the Purchaser (and/or occupants, as required) fails to provide Reasonable Access to the Builder, the Builder will have the right to assess the Purchaser a $50.00 service fee.

IN THE EVENT, AFTER A SECOND WORK APPOINTMENT HAS BEEN SET BY THE BUILDER AND THE PURCHASER, THE PURCHASER (AND/OR OCCUPANTS, AS REQUIRED) AGAIN FAILS TO PROVIDE REASONABLE ACCESS TO THE BUILDER, THE PURCHASER WILL BE ESTOPPED FROM ASSERTING ANY CLAIMS WITH RESPECT TO THE APPLICABLE DEFECT UNDER THIS LIMITED WARRANTY AND THE BUILDER WILL BE DEEMED TO HAVE COMPLIED WITH ALL OF ITS OBLIGATIONS UNDER THIS LIMITED WARRANTY WITH RESPECT TO THE APPLICABLE DEFECT.

(d) The Builder is not responsible for repairs performed by anyone other than the Builder or an authorized service representative of the Builder. The Builder will not reimburse the Purchaser for the costs of any unauthorized work or materials. The Builder will not repair or replace an item that has been repaired, altered or replaced by anyone other than the Builder or the Builder's authorized service representative. A LIST OF THE BUILDER'S AUTHORIZED SERVICE REPRESENTATIVES IS ATTACHED TO THIS LIMITED WARRANTY AS SCHEDULE C. USE OF UNAUTHORIZED SERVICE VOIDS ANY CLAIMS UNDER THIS LIMITED WARRANTY.

15. 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 Builder 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 Form as provided in paragraph 14 above.

(b) No suit, action and proceeding against the Builder under this Limited Warranty may be commenced in any court or forum more than thirty (30) days after the expiration of the applicable warranty coverage under paragraph 6 of this Limited Warranty.

16. 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 Builder 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 competent jurisdiction, the determination will not affect the enforceability of the remaining provisions.

(d) Use of one gender in this Limited Warranty includes all other genders, and use of the plural includes the singular.

(e) This limited warranty is to be governed in accordance with the laws of New York State.

SCHEDULE A

CONSTRUCTION QUALITY STANDARDS FOR ONE AND TWO YEAR WARRANTY COVERAGE

WORKMANSHIP/SYSTEMS COVERAGE CONSTRUCTION QUALITY STANDARDS

The following Construction Quality Standards are standards that have been developed and accepted by the residential construction industry in general. While it is virtually impossible to develop a construction standard for each possible deficiency, the construction industry and the Builder have attempted to isolate the most common deficiencies that occur and in so doing, list the extent of the Builder's and Homebuyers(s) responsibility. Where a specific deficiency has not been isolated, the standard practice of the construction industry will apply.

Homebuyers(s) should be aware that all new homes go through a period of settlement and movement. During this period, the Home may experience some minor material shrinkage, cracking and other events which are unavoidable and considered normal. The Homebuyer(s) should also be aware that he/she is responsible for proper home maintenance, such as maintaining builder set grades around the house. Damage caused by Homebuyer negligence, improper maintenance or changes, alterations or additions performed by anyone other than the Builder, his/her employees, or subcontractors is excluded from the warranty.

The following Construction Quality Standards are expressed in terms of required standards that the Builder's construction must meet. Non-compliance with these construction standards calls for corrective action by the Builder.

1.1 EXCAVATING AND BACKFILLING
DEFICIENCY: Settling of ground around foundation, utility trenches or other filled areas
CONSTRUCTION STANDARD
Settling of ground around utility trenches or other filled areas; maximum allowable 6 inches. Settling of backfill around foundation shall not interfere with water drainage away from the house.
BUILDER CORRECTION.
Upon request from the buyer, the Builder shall recompact and backfill excessively settled areas one time only during the first year of warranty. The owner shall be responsible for any grass, shrubs or other landscaping affected by placement of such fill.

1.2 SITE DRAINAGE
DEFICIENCY: Improper drainage of the site.
CONSTRUCTION STANDARD:
The necessary grades and swales should be established to insure proper drainage away from the house. Site drainage is limited to the immediate grades and swales affecting the structure. No standing or ponding of water should remain in this immediate area twenty-four (24) hours after a rain, except swales which may drain longer than other areas after a rain, or sump pump discharge. No grading determination shall be made while there is frost or snow on the ground, or while the ground is saturated.
BUILDER CORRECTION:
The Builder is responsible only for establishing the proper grades and swales. The owner is responsible for maintaining such grades and swales once they have been properly established and stabilized by the Builder.

1.3 CRAWL SPACES
DEFICIENCY: Water in crawl space.
CONSTRUCTION STANDARD:
Crawl spaces should be graded and drained properly to prevent water from accumulating in the crawl space area.
BUILDER CORRECTION:
The Builder is responsible for providing proper grading and drainage of crawl space areas. Water should not be present in the crawl space area thirty (30) days after the owner has closed on a Home.

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2. CONCRETE

2.1 EXPANSION AND CONTRACTION JOINTS
DEFICIENCY: Separation or settling of concrete slabs within the structure or at expansion or contraction joints.
CONSTRUCTION STANDARD:
Concrete slabs within the structure are designed to move at expansion and contraction joints. Movement caused by expansion and contraction should not cause cracks and voids to appear in the slab.
BUILDER CORRECTION:
Builder to take whatever corrective action is necessary to repair excessive cracks and voids. If cracking and movement are within designed tolerances then no correction is necessary.
2.2 CAST-IN-PLACE CONCRETE (NON-STRUCTURAL)
DEFICIENCY: Basement or foundation wall cracks.
CONSTRUCTION STANDARD:
Non-structural cracks are not unusual in concrete foundation walls. Such cracks greater than 1/8 inch are considered excessive.
BUILDER CORRECTION:
The Builder shall repair non-structural cracks in excess of 1/8 inch. Surface patching is acceptable for non-structural cracks
DEFICIENCY: Uneven concrete floors
CONSTRUCTION STANDARD:
Concrete floors in basements or rooms designed for habitability should not have pits, depressions or areas of unevenness that would prevent its use as a finished floor or exceeding 1/4 inch slope in 32 inches. The floor slope, unless designed for specific drainage purposes, shall not exceed 1/240 of the room width. Structural slab foundation systems that have experienced some movement but are within the foundation's design performance criteria are excluded from this standard.
BUILDER CORRECTION:
Builder to correct or repair to meet the above standard.
DEFICIENCY: Pitting, scaling or spalling of non-excluded concrete work and attached porch concrete work supported by a foundation system.
CONSTRUCTION STANDARD:
Concrete surfaces should not disintegrate to the extent that the aggregate is exposed under normal conditions of weathering and use.
BUILDER CORRECTION:
Builder to take whatever corrective action necessary to repair or replace defective concrete surfaces. The Builder is not responsible for deterioration caused by salt, chemicals, mechanical implements and other factors beyond the Builder's control.
DEFICIENCY: Excessive powdering or chalking of non-excluded concrete surfaces.
CONSTRUCTION STANDARD:
Powdering or chalking of concrete surfaces is not permissible, but should not be confused with surface dust.
BUILDER CORRECTION:
The Builder shall take whatever corrective action is necessary to repair or resurface defective areas.
DEFICIENCY: Standing water on stoops.
CONSTRUCTION STANDARD:
Water should drain from outdoor stoops and steps. During and immediately following a rain, minor water standing is permissible.
BUILDER CORRECTION:
The Builder shall take corrective action to assure drainage of stoops and steps.
DEFICIENCY: Cracking of basement floor.
CONSTRUCTION STANDARD:
Minor cracks in concrete basement floors are normal. Cracks exceeding 3/16 inch width or 1/8 inch in vertical displacement are considered excessive.
BUILDER CORRECTION:
Builder should repair cracks exceeding maximum tolerances by surface patching or other methods as required.
DEFICIENCY: Cracking of attached garage slab.

CONSTRUCTION STANDARD:
Cracks in garage slabs in excess of 1/4 inch in width or 1/4 inch in vertical displacement are considered excessive and unacceptable. (S expansion joints)
BUILDER CORRECTION:
Builder shall repair excessive cracks as required.
DEFICIENCY: Cracking, settling, heaving or separating of structurally attached stoops or steps.
CONSTRUCTION STANDARD:
Stoops or steps should not settle, heave or separate in excess of 1 inch in relation to the house structure. No cracks except hairline cracl (less than 1/16 inch) are acceptable in structurally attached concrete stoops.
BUILDER CORRECTION:
Builder shall take whatever corrective action is required to meet acceptable standards.
DEFICIENCY: Cracks in structurally attached patios with footing or foundation system.
CONSTRUCTION STANDARD:
Cracks in excess of 1/4 inch in width or 1/8 inch in vertical displacement are considered excessive and unacceptable in structurally attache patios.
BUILDER CORRECTION:
Builder to repair as required.
DEFICIENCY: Cracks in concrete slab-on-grade finished floors.
CONSTRUCTION STANDARD:
Cracks which significantly impair the appearance or performance of the finish flooring material shall not be acceptable.
BUILDER CORRECTION:
The Builder shall repair cracks as necessary so as not to be readily apparent when the finish flooring material is in place.

3. MASONRY

3.1 UNIT MASONRY (NON-STRUCTURAL)
DEFICIENCY: Basement or foundation non-structural wall cracks.
CONSTRUCTION STANDARD:
Small non-structural cracks are not unusual in mortar joints of masonry foundation walls. Such cracks greater than 1/8 inch in width are considered excessive.
BUILDER CORRECTION:
The Builder shall repair non-structural cracks in excess of 1/8 inch by pointing or patching. These repairs should be made toward the end of the first (1st) year of the warranty period.
DEFICIENCY: Cracks in masonry walls or veneer.
CONSTRUCTION STANDARD:
Small cracks are common in mortar joints of masonry construction. Cracks greater than 3/8 inch in width are considered excessive.
BUILDER CORRECTION:
Repair cracks in excess of 3/8 inch by pointing or patching. These repairs should be made toward the end of the first (1st) year of the warranty period to permit normal settling and stabilizing of the home.

4. WOOD AND PLASTICS

4.1 ROUGH CARPENTRY
DEFICIENCY: Floor squeak or subfloor appears loose.
CONSTRUCTION STANDARD:
Floor squeaks and loose subfloor are often temporary conditions common to new home construction.
BUILDER CORRECTION:
Builder should locate and make a reasonable effort to correct the problem.
DEFICIENCY: Uneven wood floors.
CONSTRUCTION STANDARD:
Finished floors should not have ridges or depressions exceeding 1/4 inch in a 32 inch measurement, when measured parallel to the floor joists. Floor slope within any room shall not exceed 1/240 of the room width. Allowable floor and ceiling joist deflections should be taken into consideration when measuring.
BUILDER CORRECTION:
Builder will correct to standard only if caused by an underlying construction defect.
DEFICIENCY: Bowed walls.
CONSTRUCTION STANDARD:
All interior and exterior walls have slight variances on their finished surfaces. Bowing of walls should not detract from or blemish the walls finished surface. Allowable structural deflections are governed by the approved building code specifications, however bowing greater than 1/240 of the wall length will be considered unacceptable.
BUILDER CORRECTION:
Repair interior and exterior walls as required.
DEFICIENCY: Out of plumb walls.
CONSTRUCTION STANDARD:
Walls should not be more than 1/2 inch out of plumb for any 8 foot vertical measurement.
BUILDER CORRECTION:
Builder to repair to meet the above standard.

4.2 FINISH CARPENTRY — INTERIOR
DEFICIENCY: Quality of interior trim workmanship.
CONSTRUCTION STANDARD:
Joints in moldings or joints between moldings and adjacent surfaces should not result in joints exceeding 1/8 inch in width.
BUILDER CORRECTION:
Repair defective joints, as defined above. Caulking is acceptable.

4.3 FINISH CARPENTRY — EXTERIOR
DEFICIENCY: Quality of exterior trim workmanship.
CONSTRUCTION STANDARD:
Joints between exterior trim elements, including siding and masonry, should 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.
BUILDER CORRECTION:
Builder to repair open joints. Caulking is acceptable.

4.4 WOOD TREATMENT
DEFICIENCY: Delamination or deterioration of exterior siding
CONSTRUCTION STANDARD:
Siding should not delaminate beyond the tolerances set out in the manufacturer's specifications. Natural wood sidings can be expected to weather and change color as they age.
BUILDER CORRECTION:
Builder will repair or replace as needed unless caused by owner's failure to maintain siding properly. Repaired area of prefinished material may not match in color and/or texture. The owner can expect that the newly painted surface may not match original surface in color.

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5. THERMAL AND MOISTURE PROTECTION

5.1 WATERPROOFING
DEFICIENCY: Leaks in basement
CONSTRUCTION STANDARD:
Leaks resulting in actual trickling of water are unacceptable. However, leaks caused by improper landscaping installed by owner, or failure of owner to maintain proper grades that have been stabilized by the Builder are not covered by the warranty. Dampness of the walls may occur in new construction and is not considered a deficiency.
BUILDER CORRECTION:
The Builder shall take such action as necessary to correct basement leaks except where the cause is determined to result from owner negligence.

5.2 INSULATION
DEFICIENCY: Insufficient insulation.
CONSTRUCTION STANDARD:
Insulation should be installed in accordance with applicable energy and building code requirements.
BUILDER CORRECTION:
Install insulation in sufficient amounts to meet above standards.

5.3 SHINGLES AND ROOFING TILES
DEFICIENCY: Leaks due to snow or rain being driven into the attic through vents or louvers.
CONSTRUCTION STANDARD:
Attic vents and/or louvers must be provided in order to properly ventilate your house. Infiltration of rain or snow depends on the force and direction of the wind.
BUILDER CORRECTION:
Builder not responsible for force and direction of driving rain or snow.

5.4 ROOFING AND SIDING
DEFICIENCY: Ice build-up on roof.
CONSTRUCTION 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 downspouts freeze up.
BUILDER CORRECTION:
This is a Homeowner(s) maintenance item unless the roof design is found to be improper for the weather conditions associated with the area.
DEFICIENCY: Roof or flashing leaks.
CONSTRUCTION STANDARD:
Roof and flashing should not leak under normally anticipated conditions, except where cause is determined to result from severe weather conditions, such as ice build-up.
BUILDER CORRECTION:
Builder shall correct or repair any verified roof leaks.
DEFICIENCY: Delamination of veneer siding or joint separation.
CONSTRUCTION STANDARD:
All siding shall be installed according to the manufacturer's and industry's accepted standards. Joint separation and delamination are not acceptable except where the manufacturer indicates that some shrinkage may be anticipated.
BUILDER CORRECTION:
Builder shall re-secure, caulk, repair or replace to meet the above standard.

5.5 FLAT BUILT-UP ROOFING
DEFICIENCY: Standing water on flat built-up roof.
CONSTRUCTION STANDARD:
Water should drain from a flat built-up roof, with minimum ponding.
BUILDER CORRECTION:
The Builder shall take corrective action to assure proper drainage of roof.

5.6 FLASHING AND SHEET METAL
DEFICIENCY: Flashing, valley, gutters and/or downspouts leak.
CONSTRUCTION STANDARD:
Flashing, valleys, gutters and downspouts must not leak but gutters may overflow during heavy rain. It shall be the Homeowner's(s') responsibility to keep gutters and downspouts free from leaves and debris which could cause excessive overflow.
BUILDER CORRECTION:
Repair leaks.
DEFICIENCY: Water stands in gutters.
CONSTRUCTION STANDARD:
When gutter is unobstructed by debris, the water level may not exceed 1 inch.
BUILDER CORRECTION:
Industry practice is to install gutters with slight amounts of pitch. It is possible that small amounts of water will stand in certain sections of the gutter immediately after a rain.

5.7 SEALANTS
DEFICIENCY: Leaks in exterior walls due to inadequate caulking.
CONSTRUCTION STANDARD:
Joints and cracks in exterior wall surfaces and around openings should be properly caulked to exclude the entry of water. Properly installed caulking will shrink and must be maintained by the Homeowner(s) during the life of the home.

BUILDER CORRECTION:
Builder shall repair/or caulk joints or cracks in exterior wall surfaces as required to correct deficiency.

6. DOORS AND WINDOWS

6.1 WOOD AND PLASTIC DOORS
DEFICIENCY: Warpage of exterior doors.
CONSTRUCTION STANDARD:
Exterior doors will warp to some degree due to temperature differential on inside and outside faces. However, they should 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).
BUILDER CORRECTION:
Correct or replace and refinish defective doors to match existing doors as nearly as possible.
DEFICIENCY: Warpage of interior passage and closet doors.
CONSTRUCTION STANDARD:
Interior doors (full opening) should not warp to exceed National Woodwork Manufacturers Association standards (1/4 inch), provided the proper levels of humidity have been maintained in the home.
BUILDER CORRECTION:
Correct or replace and refinish defective doors to match existing doors as nearly as possible.
DEFICIENCY: Shrinkage of insert panels showing raw wood edges.
CONSTRUCTION STANDARD:
Panels will shrink and expand and may expose unpainted surface.
BUILDER CORRECTION:
None; Builder not responsible.
DEFICIENCY: Split door panel.
CONSTRUCTION STANDARD:
Split panels should not allow light to be visible or allow the weather to get through the door.
BUILDER CORRECTION:
If light is visible or the weather is getting through the door, fill split to match paint or stain as closely as possible, one time in first (1st) year.

6.2 GARAGE DOORS ON ATTACHED GARAGE
DEFICIENCY: Garage door fails to operate properly.
CONSTRUCTION STANDARD:
Garage door should operate properly.
BUILDER CORRECTION:
The Builder shall correct or adjust garage doors as required, except where the cause is determined to result from the owner installing an electric garage door opener.
DEFICIENCY: Garage door allows entrance of snow or water.
CONSTRUCTION STANDARD:
Garage door should seal properly under normal conditions.
BUILDER CORRECTION:
Some entrance of the elements can be expected under abnormal conditions. Builder shall adjust or correct garage doors or garage slab to meet normal conditions.

6.3 METAL WINDOWS
DEFICIENCY: Malfunction of windows.
CONSTRUCTION STANDARD:
Windows should operate with reasonable ease as designed.
BUILDER CORRECTION:
Builder to correct or repair as required.
DEFICIENCY: Condensation and/or frost on windows.
CONSTRUCTION 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.
BUILDER CORRECTION:
Unless directly attributed to faulty installation, window condensation is a result of conditions beyond the Builder's control. No corrective action required.

6.4 WOOD AND PLASTIC WINDOWS
Refer to 6.3

6.5 WEATHERSTRIPPING AND SEALS
DEFICIENCY: Infiltration around doors and windows.
CONSTRUCTION STANDARD:
Some infiltration is normally noticeable around doors and windows, especially during high winds. Poorly fitted weatherstripping is not permissible. It may be necessary for the owner to have storm windows and doors installed to provide a satisfactory solution in high wind areas.
BUILDER CORRECTION:
The Builder shall adjust or correct open cracks, poorly fitted doors or windows, or poorly fitted weatherstripping.

7. FINISHES

7.1 LATH AND PLASTER
DEFICIENCY: Cracks in interior wall surfaces.
CONSTRUCTION STANDARD:
Hairline cracks are not unusual in interior wall surfaces. Cracks greater than 1/8 inch in width are considered excessive.
BUILDER CORRECTION:
The Builder shall repair cracks exceeding 1/8 inch as required.

7.2 GYPSUM WALLBOARD
DEFICIENCY: Defects caused by poor workmanship such as blisters in tape, excess compound in joints, cracked corner beads, or trowel marks.

CONSTRUCTION STANDARD
Slight "imperfections" such as nail pops, seam lines and cracks are common in plaster and gypsum wallboard installation. However, obvious defects of poor workmanship resulting in blisters in tape or excess compound in joints, trowel marks and cracked corner beads are not acceptable.
BUILDER CORRECTION
Builder to correct such defects to an acceptable tolerance and repaint repaired areas. Builder is not responsible for color variations in paint.

7.3 CERAMIC TILE
DEFICIENCY: Ceramic tile cracks and becomes loose
CONSTRUCTION STANDARD
Ceramic tile should not crack or become loose
BUILDER CORRECTION:
The Builder shall replace any cracked tiles and re-secure any loose tiles unless the defects were caused by the owner's negligence. Builder is not responsible for discontinued patterns or color variations in ceramic tile.
DEFICIENCY: Cracks appear in grouting in ceramic tile joints or at junctions with other material such as a bathtub.
CONSTRUCTION STANDARD:
Cracks in grouting in ceramic tile joints are commonly due to normal shrinkage conditions. Regrouting of these cracks is a maintenance responsibility of the Homeowner(s) within the life of the home. Builder is not responsible for color variations or discontinued color grout.
BUILDER CORRECTION:
Builder will repair grouting (unless cracks are due to normal shrinkage) as necessary one time within the first (1st) year of warranty.

7.4 RESILIENT FLOORING
DEFICIENCY: Nail pops appear on the surfaces of flooring.
CONSTRUCTION STANDARD:
Readily apparent nail pops should be repaired.
BUILDER CORRECTION:
The Builder shall correct nail pops, which have broken the surface. The Builder shall repair or replace resilient floor covering in the affected area with similar material. Builder is not responsible for discontinued patterns or color variation in the floor covering.
DEFICIENCY: Depressions or ridges appear in the flooring due to subfloor irregularities.
CONSTRUCTION STANDARD:
Readily apparent depressions or ridges exceeding 1/8 inch should be repaired. The ridge or depression measurement is taken at the gap created at one end of the 6-inch straight edge placed over the depression or ridge within 3 inches on one side of the defect held tightly to the floor.
BUILDER CORRECTION:
The Builder shall take corrective action, as necessary to bring the defect within acceptable tolerances so that it is not readily visible. Builder is not responsible for discontinued patterns or color variations in floor covering.
DEFICIENCY: Resilient flooring loses adhesion.
CONSTRUCTION STANDARD:
Resilient flooring should not lift, bubble or become unglued.
BUILDER CORRECTION:
The Builder shall repair or replace resilient flooring as required. The Builder shall not be responsible for discontinued patterns or color variation of floor covering or for problems caused by owner neglect or abuse.
DEFICIENCY: Seams or shrinkage gaps show resilient flooring joints.
CONSTRUCTION STANDARD:
Gaps shall not exceed 1/16 inch width in resilient floor covering joints. Where dissimilar materials abut, a gap not to exceed 1/8 inch is permissible.
BUILDER CORRECTION:
The Builder shall take action as necessary to correct the problem.

7.5 CARPETING
DEFICIENCY: Carpeting becomes loose, seams separate or excessive stretching occurs.
CONSTRUCTION STANDARD:
Wall-to-wall carpeting, installed as the primary floor covering, when stretched and secured properly should not come up, become loose, separate or stretch excessively at its points of attachment.
BUILDER CORRECTION:
Builder is to restretch or re-secure carpeting as needed one time within the first (1st) year of warranty.

7.6 SPECIAL COATING
DEFICIENCY: Cracks in exterior stucco wall surfaces.
CONSTRUCTION STANDARD:
Cracks are not unusual in exterior stucco wall surfaces. Cracks greater than 1/8 inch in width are considered excessive.
BUILDER CORRECTION:
The Builder shall repair cracks exceeding 1/8 inch in width as required.

7.7 PAINTING
DEFICIENCY: Mildew or fungus on painted surfaces.
CONSTRUCTION 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).
BUILDER CORRECTION:
Mildew or fungus formation is a condition the Builder cannot control and is a Homeowner(s) maintenance item, unless it is caused by moisture entry into wood. In which case, the Builder shall eliminate the source of water entry and refinish.
DEFICIENCY: Exterior paint or stain peels or deteriorates.
CONSTRUCTION STANDARD:
Exterior paints or stains should not fail during the first (1st) year of ownership. However, fading may occur and the degree varies with climatic conditions.
BUILDER CORRECTION:
Builder shall properly prepare and refinish affected areas, matching color as closely as possible. Where finish deterioration affects the majority of the wall or area, the whole area should be refinished. The warranty on the newly repainted surfaces will not extend beyond the original warranty period.
DEFICIENCY: Painting required as corollary repair because of other work.

Necessary repairs required under this warranty should be refinished to match surrounding areas as closely as possible.
BUILDER CORRECTION:
Refinish repaired areas as indicated.
DEFICIENCY: Deterioration of varnish or lacquer finishes.
CONSTRUCTION STANDARD:
Natural finish on interior woodwork should not deteriorate during the first (1st) year of ownership. However, varnish-type finish used on the exterior will deteriorate rapidly and is not covered by the warranty.
BUILDER CORRECTION:
Retouch affected area of natural finished interior woodwork, matching the color as closely as possible.
DEFICIENCY: Interior paint application and coverage.
CONSTRUCTION STANDARD:
Interior paint shall be applied in a manner sufficient to visually cover wall, ceiling and trim surfaces where specified.
BUILDER CORRECTION:
The Builder shall retouch wall, ceiling or trim surfaces where inadequate paint has been applied to cover original surfaces.

7.8 WALL COVERING
DEFICIENCY: Peeling of wallpaper.
CONSTRUCTION STANDARD: Peeling of wallpaper is unacceptable.
BUILDER CORRECTION:
The Builder shall repair or replace defective wallpaper. Builder is not responsible for minor mismatching in pattern or color.

8. SPECIALTIES

8.1 LOUVERS AND VENTS
DEFICIENCY: Inadequate ventilation of attics and crawl spaces.
CONSTRUCTION STANDARD:
Attic and crawl spaces shall have a natural ventilation area as required by the approved building code specifications.
BUILDER CORRECTION:
The Builder shall provide for adequate ventilation. Builder is not responsible for Homeowner(s) alterations to the original system.

8.2 FIREPLACES
DEFICIENCY: Fireplace or chimney does not draw properly.
CONSTRUCTION STANDARD:
A properly designed and constructed fireplace and chimney should 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 houses may need to have a window opened slightly to create an effective draft.
BUILDER CORRECTION:
Determine the cause of malfunction and correct as required if the problem is one of design and construction.
DEFICIENCY: Chimney separation from structure to which it is attached.
CONSTRUCTION STANDARD:
Newly built fireplaces will often incur slight amounts of separation from the main structure. Separations shall not exceed 1/2 inch from the main structure in any 10 foot vertical measurement.
BUILDER CORRECTION:
Builder to determine the cause of separation and correct as required. Caulking is acceptable for slight separations.

9. EQUIPMENT

9.1 RESIDENTIAL EQUIPMENT
DEFICIENCY: Warpage and operation of kitchen cabinet doors and drawer faces.
CONSTRUCTION STANDARD:
Cabinet doors and drawer faces should not warp to exceed 1/4 inch, provided the proper levels of humidity have been maintained. Both cabinet doors and drawer faces should be properly adjusted and operating in a smooth, efficient manner.
BUILDER CORRECTION:
Adjust, repair or replace defective cabinet doors and drawer faces to correct condition.
DEFICIENCY: Surface cracks, delaminations and chips in high pressure laminated vanity and kitchen cabinet countertops.
CONSTRUCTION STANDARD:
Countertops fabricated with high pressure laminate coverings should not delaminate or have chips or surface cracks. The deck areas joint may have a maximum of 1/16 inch gap. All other areas of the joint may have a maximum of 1/16 inch differential in surface alignment.
BUILDER CORRECTION:
Repair or replace to meet the above criteria.
DEFICIENCY: Countertop separating from finished wall.
CONSTRUCTION STANDARD:
Countertop separation should not exceed 1/8 inch.
BUILDER CORRECTION:
The Builder shall repair or replace the countertop to eliminate or correct the gap caused by separation. Caulking is acceptable.

10. MECHANICAL

10.1 WATER SUPPLY SYSTEM
DEFICIENCY: Plumbing pipes freeze and burst.
CONSTRUCTION STANDARD:
Drain, waste and vent or water pipes should be adequately protected, as required by the applicable code, during normally anticipated cold weather, and as defined in accordance with ASHRAE designed temperatures to prevent freezing.
BUILDER CORRECTION:
The Builder shall correct the condition responsible for pipes freezing, and repair piping damage caused by freezing except where there has been an obvious lack of heat due to Homeowner(s) neglect.
DEFICIENCY: Water supply system fails to deliver water.
CONSTRUCTION STANDARD:
All service connections to municipal water main and private water supplies are the Builder's responsibility. Private systems shall be designed and installed in accordance with all approved building, plumbing and health codes.

BUILDER CORRECTION:
Builder to repair as necessary if failure is the result of defective workmanship or materials. If conditions beyond the Builder's control disrupt or eliminate the source of the supply then it is not the Builder's responsibility.

10.2 SEPTIC TANK SYSTEMS
DEFICIENCY: Septic system fails to operate properly.
CONSTRUCTION STANDARD:
Septic system should be capable of properly handling normal flow of household effluent. It is possible that due to freezing, soil saturation, changes in the ground water table or excessive use of plumbing systems or appliances, an overflow can occur. Periodic pumping of the septic tank is considered Homeowner(s) maintenance, and a normal need for pumping is not a deficiency.
BUILDER CORRECTION:
Builder shall be responsible for the installation of an operational system and shall take corrective action to repair. Builder shall not be responsible for malfunctions which occur through owner negligence or abuse and from conditions that are beyond his/her control. The following are considered owner negligence or abuse as an exclusion under the warranty:
A. Excessive use of water such as overuse of washing machine and dishwasher, including their simultaneous use.
B. Connection of sump pump, roof drains or backwash from water conditioner, to the system.
C. Placing of non-biodegradable items in the system.
D. Addition of any harsh chemicals, greases or cleaning agents, and excessive amounts of bleaches or drain cleaners.
E. Use of a food waste disposer not supplied by Builder.
F. Placement of impervious surfaces over the disposal area.
G. Allowing vehicles to drive or park over the disposal area.
H. Failure to periodically pump out the septic tank, when required.

10.3 PLUMBING
DEFICIENCY: Faucet or valve leak.
CONSTRUCTION STANDARD:
No valve or faucet should leak due to defects in material or workmanship. However, leakage caused by worn washers or seals is a Homeowner(s) maintenance item.
BUILDER CORRECTION:
Builder shall repair or replace the leaking faucet or valve unless leakage is due to a worn washer or seal.
DEFICIENCY: Defective plumbing fixtures, appliances or trim fittings.
CONSTRUCTION STANDARD:
Fixtures, appliances or fittings should comply with their manufacturer's standards.
BUILDER CORRECTION:
The Builder shall replace any fixture or fitting which is outside of acceptable standards as defined by the manufacturer.
DEFICIENCY: Noisy water pipes.
CONSTRUCTION STANDARD:
There will be noise emitting from the water pipe system, due to the flow of water.
BUILDER CORRECTION:
Builder cannot remove all noises due to water flow and pipe expansion. The Builder shall correct any noise problems that are due to faulty workmanship or installation.
DEFICIENCY: Leakage from any piping.
CONSTRUCTION STANDARD:
No leaks of any kind should exist in any soil, waste, vent, gas or water pipe. Condensation on piping does not constitute leakage, and is not covered. Should a gas pipe leak occur, the Homeowner(s) should call the appropriate public utility service immediately.
BUILDER CORRECTION:
Builder shall make necessary repairs to eliminate leakages in any piping he/she installed. If a gas or water leak occurs in a piping system the Builder installed, then the Builder will make the necessary repairs. If a gas or water leak occurs in a piping system installed by a public service utility authority, then the public service utility authority should be contacted to make the necessary repairs.
DEFICIENCY: Stopped up sewers, fixtures and drains.
CONSTRUCTION STANDARD:
Sewers, fixtures and drains should operate properly.
BUILDER CORRECTION:
The Builder is not responsible for sewers, fixtures and drains which are clogged through the owner's negligence. Where defective construction is the cause, the Builder shall assume the cost of the repair; where owner negligence is shown to be the cause, the owner shall assume all repair costs.
DEFICIENCY: Cracking or chipping of porcelain or fiberglass surfaces.
CONSTRUCTION STANDARD:
Chips and cracks on surfaces of bathtubs and kitchen sinks can occur when the surface is hit with sharp or heavy objects.
BUILDER CORRECTION:
Builder to repair any chips or cracks noted prior to first occupancy.

10.4 HEATING
DEFICIENCY: Inadequate heating.
CONSTRUCTION STANDARD:
Heating system should be capable of producing an inside temperature of 70 degrees Fahrenheit, as measured in the center of each room at a height of 5 feet above the floor, under local outside winter design conditions as specified in the ASHRAE handbook. Federal, state or local energy codes shall supersede this standard where such codes have been locally adopted.
BUILDER CORRECTION:
Builder shall correct the heating system as required to provide the required temperatures. The owner shall be responsible for balancing dampers, registers and other minor adjustments.

10.5 COOLING
DEFICIENCY: Inadequate cooling.
CONSTRUCTION STANDARD:
Where air conditioning is provided, the cooling system shall be capable of maintaining a temperature of 78 degrees Fahrenheit, as measured in the center of each room at a height of 5 feet above the floor, under local outside summer design conditions as specified in ASHRAE handbook. In the case of outside temperatures exceeding 95 degrees Fahrenheit, a differential of 15 degrees Fahrenheit from the outside temperature will be maintained. Federal, state or local energy codes shall supersede this standard where such codes have been locally adopted.

BUILDER CORRECTION:
Correct cooling system to meet temperature conditions in accordance with specifications.
DEFICIENCY: Refrigerant line leak.
CONSTRUCTION STANDARD:
Refrigerant lines should not develop leaks during normal operation.
BUILDER CORRECTION:
Repair leaking refrigerant lines and recharge unit.

10.6 CONDENSATION LINES
DEFICIENCY: Condensation lines clog up.
CONSTRUCTION STANDARD:
Condensation lines will clog under normal use. This is a Homeowner(s) maintenance item.
BUILDER CORRECTION:
Builder to provide unobstructed condensation lines at closing.

10.7 EVAPORATIVE COOLING
DEFICIENCY: Improper mechanical operation.
CONSTRUCTION STANDARD:
Equipment must function properly at temperature standard set.
BUILDER CORRECTION:
Correct and adjust so that blower and water system operate as designed.

10.8 AIR DISTRIBUTION
DEFICIENCY: Ductwork noisy.
CONSTRUCTION STANDARD:
When metal is heated it expands and when cooled it contracts. The result is "ticking" or "crackling" which is generally to be expected.
BUILDER CORRECTION:
The stiffening of the ductwork and the gauge of the metal used shall be such that the ducts do not "oilcan". The booming noise caus "oilcanning" is not acceptable and the Builder must take necessary steps to eliminate this sound.
DEFICIENCY: Ductwork separates or becomes unattached.
CONSTRUCTION STANDARD:
Ductwork should remain intact and securely fastened.
BUILDER CORRECTION:
Reattach and resecure all separated or unattached ductwork.

11. ELECTRICAL

11.1 ELECTRICAL CONDUCTORS
DEFICIENCY: Failure of wiring to carry its designed fuse load to the electrical box.
CONSTRUCTION STANDARD:
Wiring should be capable of carrying the designed load for normal residential use to the electrical box.
BUILDER CORRECTION:
Check wiring for conformity with local and state electrical code requirements. Repair wiring if it does not conform to code specifications.

11.2 SWITCHES AND RECEPTACLES
DEFICIENCY: Fuses blow or circuit breakers kick out.
CONSTRUCTION STANDARD:
Fuses and circuit breakers should not activate under normal usage.
BUILDER CORRECTION:
Check wiring for conformity with local and state electrical code requirements. Repair wiring if it does not conform to code specifications.
DEFICIENCY: Malfunction of electrical outlets, switches or fixtures.
CONSTRUCTION STANDARD:
All switches, fixtures and outlets should operate as intended.
BUILDER CORRECTION:
Repair or replace defective switches, fixtures and outlets.

11.3 SERVICE AND DISTRIBUTION
DEFICIENCY: Ground fault interruptor trips frequently.
CONSTRUCTION STANDARD:
Ground fault interruptors are sensitive safety devices installed into the electrical system to provide protection against electrical shock. Th sensitive devices can be tripped very easily.
BUILDER CORRECTION:
Builder is to install ground fault interruptor in accordance with approved electrical code. Tripping is to be expected and is not covered, unless due to faulty installation.

ONE AND TWO YEAR WARRANTY ITEMS

10.9 WATER SUPPLY SYSTEM
DEFICIENCY: Plumbing pipes freeze and cause leaks.
CONSTRUCTION STANDARD:
Drain, waste and vent or water pipes should be adequately protected, as required by applicable codes, during normally anticipated co weather, and as defined in accordance with ASHRAE design temperatures to prevent freezing.
BUILDER CORRECTION:
The Builder shall correct the condition responsible for pipes freezing, and repair piping damage caused by freezing except where there h been an obvious lack of heat and/or Homeowner(s) neglect.
DEFICIENCY: Water supply system fails to deliver water.
CONSTRUCTION STANDARD:
All service connections to municipal water and private water supply are the Builder's responsibility. Private systems shall be designed a installed in accordance with all approved building, plumbing and health codes.

BUILDER CORRECTION:
Builder to repair as necessary if failure is the result of defective workmanship or materials. If conditions beyond the Builder's control disrupt or eliminate the source of the supply then it is not the Builder's responsibility.

10.10 SEPTIC TANK SYSTEMS
DEFICIENCY: Septic system fails to operate properly.
CONSTRUCTION STANDARD:
Septic system should be capable of properly handling normal flow of household effluent. It is possible that due to freezing, soil saturation, changes in the ground water table or excessive use of plumbing systems or appliances, an overflow can occur. Periodic pumping of the septic tank is considered Homeowner(s) maintenance, and a normal need for pumping is not a deficiency.
BUILDER CORRECTION:
Builder shall be responsible for the installation of an operational system and shall take corrective action to repair. Builder shall not be responsible for malfunctions which occur through owner negligence or abuse and from conditions that are beyond its control. The following are considered owner negligence or abuse as an exclusion under the warranty:

A. Excessive use of water such as overuse of washing machine and dishwasher, including their simultaneous use.
B. Connection of sump pump, roof drains or backwash from water conditioner, to the system.
C. Placing of non-biodegradable items in the system.
D. Addition of any harsh chemicals, greases or cleaning agents, and excessive amounts of bleaches or drain cleaners.
E. Use of food waste disposer not supplied by Builder.
F. Placement of impervious surfaces over the disposal area.
G. Allowing vehicles to drive or park over the disposal area.
H. Failure to periodically pump out the septic tank, when required.

10.11 PLUMBING
DEFICIENCY: Leakage from any piping.
CONSTRUCTION STANDARD:
No leaks of any kind should exist in any soil, waste, vent, gas or water pipe. Condensation on piping does not constitute leakage, and is not covered. Should a gas pipe leak occur, the Homeowner(s) should call the appropriate public utility service immediately.
BUILDER CORRECTION:
Builder shall make necessary repairs to eliminate leakages in any piping he/she installed. If a gas or water leak occurs in a piping system the Builder installed, then the Builder will make the necessary repairs. If a gas or water leak occurs in a piping system installed by a public service utility authority, then the public utility authority should be contacted to make the necessary repairs.
CONSTRUCTION STANDARD:
Sewer, fixtures and drains should operate properly.
BUILDER CORRECTION:
The Builder is not responsible for sewers, fixtures and drains which are clogged through the owner's negligence. Where defective construction is shown to be the cause, the Builder shall assume the cost of the repair; where owner negligence is shown to be the cause, the owner shall assume all repair costs.

10.12 COOLING
DEFICIENCY: Cooling lines leak.
CONSTRUCTION STANDARD:
Cooling lines should not develop leaks during normal operation.
BUILDER CORRECTION:
Repair leaking cooling lines and recharge unit.

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11. ELECTRICAL

11.4 ELECTRICAL CONDUCTORS
DEFICIENCY: Failure of wiring to carry its designed fuse load to the electrical box.
CONSTRUCTION STANDARD:
Wiring should be capable of carrying the designed load for normal residential use to the electrical box.
BUILDER CORRECTION:
Check wiring for conformity with local and state electrical code requirements. Repair wiring if it does not conform to code specifications.

SECTION B

POWER OF ATTORNEY

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.

I (We)
(the "principals") the owners of the Condominium Unit No: in the Condominium known as the 1549 WEST 3RD STREET CONDOMINIUM and also designated as Tax Lot in Block 6604 on the Tax Map of the Real Property Assessment Department of the City of New York located in the County of Kings covering the property in the Borough of Brooklyn, County of Kings, and State of New York, do hereby nominate, constitute and appoint members of the Board of Managers of the 1549 West 3rd Street Condominium (as "agent") and their successors, jointly, my true and lawful attorneys-in-fact coupled with an interest and with the power of substitution, in my name and on behalf to acquire, in their own name or in the name of their designees by deed on behalf of all owners of Condominium units in said property, any Condominium Unit together with its Appurtenant Interests, whose owner desires to abandon the same, or which shall be the subject of a foreclosure sale or a deed in lieu of foreclosure sale, at such price and on such terms as my said attorney-in-fact shall, in their sole discretion, deem proper and thereafter convey, sell, lease, sublease, mortgage, vote and otherwise deal in such Condominium Unit so acquired, at such terms as my attorney-in-fact may in their sole discretion determine, granting to my said attorney-in-fact the power to do all things in the said premises which I could do if I were personally present.

I (We), (the "Principals") do hereby further irrevocably nominate, constitute and appoint WEST 3RD STREET DEVELOPMENT CORP., LLC (as "agent") and its successors, my true and lawful attorney-in-fact coupled with an interest in my name and on my behalf to vote at any Unit Owners meeting for, and to file an amendment to the Declaration of the 1549 West 3rd Street Condominium, permitting the certification by a registered architect or professional engineer, certifying that the floor plans filed as part of an Amended Declaration are an accurate copy of portions of the plans of the building and fully and fairly depict the layout, location, designation and approximate dimensions of the units as built or amending such Declaration to create any utility easements or to carry out any of the provisions of the Offering Plan of such Condominium.

Although this document revokes all powers of attorney I(We) have previously executed, this document shall not revoke any powers of attorney previously executed by me(us) for a specific or limited purpose, unless I(We) have specified otherwise herein. It shall not revoke any power executed as part of a contract I(We) signed or for the management of any bank or securities account. In order to revoke a prior power of attorney for a specific or limited purpose, I (We) will execute a revocation specifically referring to the power to be revoked.

Notwithstanding anything set forth herein to the contrary, this power of attorney is irrevocable and shall not be revoked by any subsequent power of attorney I (We) may execute.

Whenever two or more powers of attorney are valid at the same time, the agents appointed on each shall act separately, unless specified differently in the documents.

IMPORTANT INFORMATION FOR 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;
(3) Keep the principal's property separate and distinct from any assets you own or control, unless otherwise permitted by law;
(4) Keep a record of all receipts, payments, and transactions conducted for the principal; and
(5) 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.

In witness Whereof, I (We) have hereunto signed my (our) name(s) this day of 2011.

_____
Principal

_____
Principal

State of New York, County of ss:

On the day of , in the year 2011, before me, the undersigned, personally appeared personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies) and that by his/her/their signatures on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

I/we, , 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: _____ _____

State of New York, County of ss:

On the day of , in the year ,before me, the undersigned, personally appeared
personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose 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 signatures on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

_____
Notary Public

SECTION C

CONDOMINIUM UNIT DEED

THIS INDENTURE, made the day of , between West 3rd Street Development Corp., LLC with offices at 444 3rd Avenue, Brooklyn, New York 11215, as Grantor and party of the first part; and

residing at

as Grantee and party of the second part:

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, and the heirs or successors and assigns of the Grantee, forever:

All that certain plot, piece or parcel of real property with the improvements therein contained, situate, and being a part of a condominium in the City of New York, County of Kings State of New York, known and designated as Unit No. . Tax Lot together with a undivided interest in the common elements of the condominium hereinafter described as the same is defined in the Declaration of Condominium hereinafter referred to:

The real property above described is a Unit shown on the plans of a condominium and filed in the Office of the Registrar of the County of Kings on the th day of , as Map defined in the Declaration of Condominiums entitled 1549 West 3rd Street Condominium made by West 3rd Street Development Corp., LLC. under Article 9-B of the New York Real Property Law dated , , and recorded in the office of the Registrar of the County of Kings on the day of , in Reel of Conveyances at Page , covering the property therein described.

This transaction is made in the regular course of business of the corporation with the unanimous consent of the shareholders.

The area of the Condominium property is described as follows:

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

Bearing and coordinates are in the United States Coast and Geodetic Survey System for the Borough of Brooklyn.

TOGETHER with the appurtenances and all the estate and rights of the party of the first part in and to said premises;

TOGETHER with, and subject to, the rights, obligations, easements restrictions, and other provisions set forth in the Declaration, floor plans and the by-laws of the 1549 West 3rd Street Condominium, as each of the same may have been, and may in the future be, amended from time to time (said by-laws and any amendments thereto are hereinafter collectively referred to as the "By-Laws"), all of which shall constitute covenants running with the Land and shall bind any person having at any time any interest of estate in the unit, as though recited and stipulated at full length herein;

TOGETHER with the benefits, rights, privileges and easements and SUBJECT to the burdens, covenants, restrictions, by-laws, rules, regulations and easements all as set forth in the Condominium Documents;

TOGETHER with and SUBJECT to an easement for the continuance of all encroachments by the unit or any adjoining units or common elements now existing as a result of construction of the building or which may come into existence hereafter as a result of settling or shifting of the building, or as the result of repair or restoration of the building, or of the unit after damage or destruction by fire or other casualty or after the taking in condemnation or eminent domain proceedings made by or with the consent of the Board of Managers so that any such encroachments may remain so long as the building shall stand;

TOGETHER with an easement in common with the owners of other units to use any pipes, wires, ducts, cables, conduits, public utility lines and other common elements located in any of the other units or elsewhere on the property and servicing the unit;

TOGETHER with and SUBJECT to all easements of necessity in favor of the units or in favor of the other units or common elements;

SUBJECT also to an easement in favor of the other units to use the pipes, wires, ducts, conduits, cables, public utilities lines and other common elements located in the unit or elsewhere on the property and serving such other units;

SUBJECT also to such other liens, agreements, covenants, easements, restrictions, consents and other matters of record as pertain to the premises

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

The Grantee accepts and ratifies the provisions of the Declaration and the By-Laws (and any rules and regulations adopted under the By-Laws) and agrees to comply with all the terms and provisions thereof.

AND the party of the first part covenants that the party of the first part has not done or suffered anything whereby the said premises have been encumbered in any way whatever, except as aforesaid.

And the party of the first part in compliance with Section 13 of the Lien Law, covenants that the party of the first part will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose.

The use for which the home is intended is that of a ONE FAMILY residence, subject to the applicable governmental regulations and the restrictions contained in the Declaration.

BEING part of the same property conveyed by deed dated , recorded on , in Reel Page , made by . to .

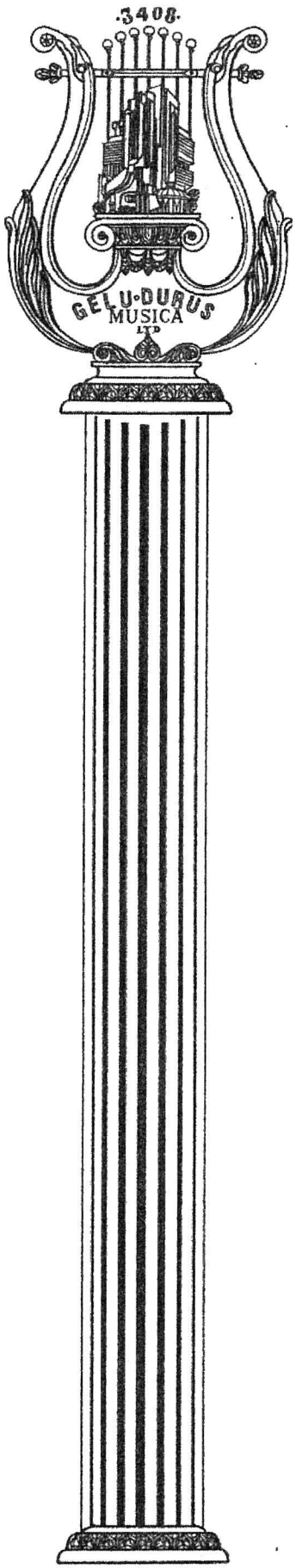
The word "party" shall be construed as if it reads "parties" whenever the sense of this indenture so requires.

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

West 3rd Street Development Corp., LLC

by_____

SECTION D



Sandor Weiss, R.A.
Architect
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May 26, 2009
April 12, 2011 Rev #1

ATTORNEY GENERAL'S REPORT

RE: The 1549 West 3rd Street Condominium
1549 West 3rd Street
Brooklyn, New York 11204

a) Location And Use Of Property: This property and proposed use will comply with all zoning and use requirement at closing.
   (1) Address: 1549 West 3rd Street, Brooklyn, New York
   (2) Block: 6604 Lot 70
   (3) Zoning: The building lies within residential zone district R6 recorded from Map 22d of the New York Zoning Resolution to date.
   (4) Permissible Use: Use group 2 – Residential – J-2

b) Status Of Construction:
   (1) Construction commenced in June 1st, 2005. Currently the construction is completed.
   (2) Certification of Occupancy: **A final Certificate of Occupancy was issued on July 30, 2009.**
   (3) Plans were filed with the New York City Department of Buildings under New Building 301949319 and were approved on May 24, 2005. Description of work: – New Building with cellar + 5-story (10-residential dwelling units).

c) Site:
   (1) Lot: The land and premises is situated on the East Side of West 3rd Street at 410'-0" Northwesterly direction from the intersection formed by West 3rd Street and Avenue P. The land and premises:

- Begin at the aforementioned point
- and runs in a Northeasterly direction 100'-0"
- thence in a Northwesterly direction 40'-0"
- thence in a Southwesterly direction 100'-0"
- thence in a Southeasterly direction 40'-0" to the point of beginning.

Size: Width is 40'-0", and the Length is 100'-0", at the cellar floor level; the Width is 40'-0", and the Length is 47'-0", from the first, second, third, fourth and fifth floors.

(2) Number of buildings and use: There will be one (1) building to be used as residential, J-2 occupancy.

(3) Street owned or maintained by the project: Street is publicly owned.
- (i) Paving: The existing street pavement is composed of asphalt and it is in fair condition.
- (ii) Curbing: The curb will be of newly poured concrete
- (iii) Catch Basins, Drainage: The sidewalk slopes away from the building providing a positive drainage without ponding. Under the current approved plans, this site will be graded to conduct storm water away from the building. Catch basins are located in the roadway to drain the storm water run-off into the existing New York City Sewer System.
- (iv) Street Lighting: Street lighting is provided by the City of New York. Street lamps are located in front of the building and provide sufficient illumination to meet public safety.
- (v) All new construction shall be in conformance with all NYC's agencies, local fire districts, town or municipal building codes.

(4) Handicap Access: This project is designed within the requirements of all applicable federal, state and local codes and regulations governing accessibility to the disable including ADAAG and Handicapped Access law ("Local Law 58").

(d) Utilities:

(1) *Electricity*: Electric service is provided by the Consolidated Edison Company of New York, and is individually metered to each apartment unit. The electrical service provided to each unit is adequate for a full complement of modern appliances. A separate electrical meter obligated to the condominium owners in common areas servicing the public areas, the cellar, mechanical rooms, and all other non-occupied spaces.

(2) *Gas*: Natural gas service is provided by National Grid. Natural gas service is metered to the condominium for cooking purposes, domestic hot water and heating. Each apartment unit shall be supplied with its own individual gas meter and each unit is responsible for the cost of the gas used. All piping is of black iron.

(3) *Water*: Water is furnished by the City of New York's Water Distribution System and is obligated to the condominium owners in common. The building contains one water meter for the entire building.
(4) *Sewer*: City of New York

(e) Subsoil Conditions: Foundation walls and spread footings have been designed to bear on soils whose bearing values have been determined by test borings. There is no evidence of moisture or seepage or groundwater infiltration through the foundation walls and little, if any, potential floods damage due to the water table or from any other bodies of water. The ground surface area of the site is stable.

(f) Landscaping and Enclosures, Describe:
(1) Grass Cover: There shall be no grass coverage at the front or the rear yard of the building.
(2) Planting: There shall be a planting area located at the front yard of the premises.
(3) Trees: There will be one new tree planted in front of the building as required by the City of New York.
(4) Fencing: There is no fence running along the property line.
(5) Gates: There will be one automatic roll down gate located in front of the building to allow access to cars to drive into the auto lift at ground level.
(6) Garden Walls: There will be no garden walls located on the premises.
(7) Retaining Walls: There will be no retaining walls located on the premises. Instead, a 3'-6" high parapet wall from the cellar level below shall be used as a border and screening surrounding the rear yard perimeter.
(8) Display Pools: There will be no display pools located on the premises.

(g) Building Size:
(1) The approximate total feet from the ground level to the highest part of the roof: 45'-0".
(2) Crawl Space: There are no crawl spaces at the premises.
(3) Number of sub-cellars and cellars: There are no sub-cellars only 1 cellar that is approximate 3,419 Sq. Ft.
(4) Number of Floors: In addition to the cellar, there are 5 floors consisting of the first, second, third, fourth and fifth floors. The total number of residential units is 10.
(5) There are equipment room(s) is located in the cellar – A Elevator machine room for the elevator. There shall be for the gas meter room to house the gas meters (total of 10 meters) and an electrical/water meter room to house 11 electric meters (1 for common use) and 1 water meter for common uses.
(6) There are no equipment rooms located in the roof:
(7) Parapet (height above the roof): 3'-6" above roof level. The parapet walls shall be constructed of masonry with limestone coping at the front and the rear parapet walls.

(h) Structural System: The structure is of new non-combustible construction. This type of structure has exterior walls of non-combustible materials and floors and roofs constructed of combustible materials and assemblies as specified by the Department of Buildings requirements of the City of New York.

The structural steel shall conform to the following unless otherwise noted:

- Wide flanges, S HP, Channel and Tee shapes – ASTM A992 Grade 50.
- Angles, plates and bars – ASTM A36.
- Pipes – ASTM A53 Grade B
- Structural Tubing – ASTM A500 Grade A

Shop connections shall be welded. Field connections shall be bolted with ASTM A325 bolts unless otherwise noted. Bolts shall be ¾" diameter minimum. Connections shall be slip critical connections. Welding shall be performed by qualified welders in accordance with laws and specifications latest edition building code. Welding electrodes shall be ASTM A232 E-70 series. Steel details shall be in accordance with AISC standards latest edition. The connections of all members shall be designed for the full capacity of the members unless otherwise noted. Foundation walls are of poured concrete. Testing/Inspection agency to inspect welded and bolted connections. Fillet welds shall be ¼" minimum unless otherwise shown.

Floor construction consists of galvanized steel decking with reinforced (WWF6x6) set in 4" of lightweight concrete. All exterior walls are to be furred with 2 inches of rigid insulation having an average "R" factor of 16. **A way to improve the performance of sound proofing the ceilings is by putting batt insulation between joists. Fiberglass insulation is ideal for absorbing the sound that would otherwise travel through the air spaces. Even though the natural mass of concrete floors provides insulation against airborne sound, concrete can still transfer impact sound. Therefore, a resilient layer is also needed to provide insulation against impact sound by the use of a thick layer or composite floorboard.**

The foundation consists of spread footings of concrete on earth. The foundation walls' are poured concrete.

Over the existing doors and existing windows from the 1st to the 5th floors are steel lintels, which are used to support the existing walls. Over areas where there are new doors and new windows, steel lintels shall be used to support the walls. The lintels over the interior door consist of metal. Windowsills are precast stone on the exterior side of the premise, and the stills shall be finished with 5/8" thick sheet rock, painted, on interior of the premises.

(1) Exterior of Building:

(i) Walls: The 10" load-bearing walls consists of lightweight steel "C" studs, ASTM A-446 Grade D (Gage 16) on the interior side that are in accordance with 1980 "Specification for the Design of Cold-Formed steel Structural Members". On the exterior side of the load-bearing walls, it shall be finished with 4" solid brick. All exterior walls are to be furred with four-inches of batt insulation having an average "R" factor of 16. **In addition, to improve the performance of sound proofing the walls was by putting batt insulation between the studs. The building's use of fiberglass insulation is excellent in absorbing the sound that would otherwise travel through the air spaces of the partitions.** Due to the fact that the proposed build is less than 6-stories in height, Local Law 10 of the City of New York does not apply to this building. In addition, due to the fact this is a new proposed structure; an unsafe designation history has not been established on this structure.

(ii) Windows: All windows shall be of new double pane Anderson Double Hung and/or Casement type windows. The finish shall be of vinyl clad white. All windows and doors are to be insulated glass as per minimum requirements of the New York State Energy code.

The storm sash is made of solid wood core, which is treated, with a water repellent preservative and completely covered with a rigid vinyl (P.V.C.) sheath in white. All windows should use a quality silicone sealant for caulking to withstand adverse weather. To obtain optimum performance they must be properly installed and then maintained by the user.

Window guarantees and warranties to comply with the requirement of NWWDA-IS-2-87 and NWWDA-IA-4 (NWWDA license No. 129) and if not satisfied with the construction or operation of their product due to manufacturing errors or defects, they will take steps to bring the product up to customary standards of material and workmanship. In addition, the windows have been guaranteed for one (1) YEAR. **[ ].**

Air Infiltration Rate

The window unit has been tested in accordance with the ASTM (American Society for Testing Material). E-283 is the method of testing for determining rate of air leakage through windows. The window unit is closed and locked during testing. Air infiltration shall not exceed the value listed in the grades of performance when tested at a static air pressure of 1.56 pounds per square foot (equivalent to 25 mph wind velocity).

Style	Performance Grade	Single Unit Test Results	Average Test Results
Casement	60	0.01 cfm	0.04 cfm

The manufacturer shall provide a warranty for one (1) year limited to glass and one (1) year for product and components other than glass. Contractor's warranty shall also be for (1) year on workmanship and installation.

There are no lot line windows located anywhere on the building.

(iii) Landmark Status: This building does not have a landmark status.

(2) Parapets and Copings: The 3'-6" high parapets, as well as, the coping are new and is firmly secure in place with no evidence of problems such as leakage, spalling or cracking. The parapet walls are of 4" concrete blocks with 4" brick backing construction, the copings shall be of stone.

(3) Chimneys and Caps: The building's chimney is with a new metal liner and with a new approved type Ameri-vent anti-down draft gas metal vent cap. The chimney top shall have a minimum distance in height of at least 3'-0" above any part of roof or within 10'-0" of the chimney. (Approved Ameri-vent or approved equal flue).

(4) Balconies and Terraces: There are (6) six balconies on the front of the building façade; no balconies erected at the rear façade of this building. The balconies area located two on each of the floors from the 2nd thru the 5th floor. The balconies shall be constructed of concrete, and shall be provided with steel bar safety railing 3'-6" high. The building shall have one roof terrace and it shall be located at the rear of the first floor level. There are no porches located on the premises.

(i) Deck Finish: 4" lightweight concrete on galvanized steel decking finished with 5-ply built-up roofing.
(ii) Balustrade: Not Applicable
(iii) Railings: Not Applicable, for there shall be 3'-0" high (minimum) parapet wall instead, and shall be constructed of brick and concrete block.
(iv) Copings: Stone
(v) Soffits: N/A
(vi) Doors to Balconies and Terraces: The doors, manufactured by Anderson, leading out to the terraces shall be a 2'-8" x 7'-0" hollow metal with a tempered glass or a (5'-0" x 6'-8") sliding glass door set in metal frame "White" or "Terratone" in color.

(5) Exterior Entrance:

(i) Exterior Doors and Frame: Building entry door to be metal or hand wood type with triplex glass and integral weather stripping. Doors are self-closing type with electrified hinge for connection to Intercom system. Door strike is electric or magnetic release. Lever type knob lockset is keyed on the exterior of the building and passive from the interior side. The door shall be fitted with an entry lock and shall comply with New York State Energy Code.

(ii) Vestibule Doors and Frame: Vestibule doors to be metal or hand wood type with integral weather stripping. The doors are to be fitted with an entry lock and shall comply with New York State Energy Code.

(iii) Exterior Stair: The are no exterior stairs.

(iv) Railing: N/A

(v) Mail Boxes: Shall be U.S. Postal Service approved type (Superior Steel Door Co. or approved equal) vertically recessed and shall be provide in a central area, where the first floor common lobby is located.

(vi) Lighting: Exterior Entrance Lighting: Under current "Approved Plans," the front entrances for the residential units will be illuminated by weatherproof Sodium or Halogen HID (High intensity discharge) type fixtures, which shall give an illumination of at least two-foot candles and shall be operated by a light sensor device or timer. Exterior lighting shall comply with the New York State Multiple Dwelling Law and New York City Housing and Maintenance Code.

(6) Service Entrance: There are no service entrances therefore the following below are not applicable:

(i) Door and Frames: N/A

(ii) Gates: N/A

(iii) Exterior Stairs: N/A

(iv) Railing: N/A

(7) Roof and Roof Structure:

(i) Type of roof for the 1st floor level:

(a) Material: Is constructed of 4" lightweight concrete on galvanized steel decking finished with 5-ply built-up roofing.

(b) Insulation: 2" tapered ridged insulation

(c) Surface Finish: GAFGLAS 5-ply built-up roofing (MEA# 96-89), manufactured by GAF Material Corporation, or approved equal, with 2" thick insulation board.

(d) Bond or guarantee: Roof and roof material to be guaranteed by the contractor. Roof guaranteed for minimum of one (1) year.

(e) Flashing and counter flashing materials: Aluminum cap or base flashing.

(ii) Type of roof for the 5th floor level:
(a) Material: Is constructed of 4" lightweight concrete on galvanized steel decking finished with 5-ply built-up roofing.
(b) Insulation: 2" tapered ridged insulation
(c) Surface Finish: GAFGLAS 5-ply built-up roofing (MEA# 96-89), manufactured by GAF Material Corporation, or approved equal, with 2" thick insulation board.
(d) Bond or guarantee: Roof and roof material to be guaranteed by the contractor. Roof guaranteed for minimum of one (1) year. **The sponsor shall provide a NDL (no dollar limit) manufacturer warranty for material and labor.**
(e) Flashing and counter flashing materials: Aluminum cap or base flashing.

(iii) Drains:
(a) Location, material, and type: On the first roof terrace and the roof above the fifth floor level, there are (2) two 4" roof drains each with flow control devices. Where the roof drain control devices are located, the roofs shall be properly pitched to permit storm water to flow towards the drains. Theses drains in turn, shall carry the flow of the storm water into the connecting house sewer system.
(b) Gutters and leaders: N/A

(iv) Skylights: There is a skylight located over the stair bulkhead (as required by Sec. 27-375 NYC Building Code) that leads to the roof. It is 48"x60" glazed with plain glass with wire screen over and under and provided with 144 square inch fixed or movable ventilators.

(v) Bulkheads:
(a) Stair: Common to all units and constructed of 8"-concrete block assembly with exterior insulated finish system with cementious stucco finish.
(b) Elevator: 8 Common to all units and constructed of"-concrete block assembly with exterior insulated finish system with cementious stucco finish.
(c) Other: N/A

(vi) Metal Work At Roof Level: Metalwork at the roof consists of.
(a) Exterior, metal stairs (material): N/A
(b) Vertical Ladders, including gooseneck: N/A
(c) Railings (material): 3'-6" high wrought iron fence
(d) Hatches to roof (type, material): N/A
(e) Other: Aluminum mechanical vents that are weather protected and shall be flashed at each roof penetration

(vii) Rooftop Facilities: The main roof has an open deck areas available for individual Units to be assigned as limited common element to certain units.

(8) Fire escapes: Since this building is sprinkled, this building shall have no fire-escapes.

(9) Yard and Court.
- (i) Paving: Front - New 4" thick concrete pavement
- (ii) Drainage: None
- (iii) Railing: N/A
- (iv) Stair: None
- (v) Fencing: None
- (vi) Wall: None

(10) Interior Stairs. Describe:
- (i) Number of Stairs:
  - (a) Exit Stair: One
  - (b) Convenient Stairs: N/A
- (ii) Enclosure:
  - (a) Exit Stair: Common to all units and constructed of 8"-concrete block assembly **(3-hour fire rated).** Paint finish.
  - (b) Convenient Stairs: N/A
- (iii) Stair Construction:
  - (a) Exit Stair: Public stairs are constructed of concrete filled metal pan stairs.
  - (b) Convenient Stairs: N/A
- (iv) Stringer:
  - (a) Exit Stair: Constructed of metal steel
  - (b) Convenient Stairs: N/A
- (v) Treads:
  - (a) Exit Stair: Constructed of filled concrete finished with ceramic tiles.
  - (b) Convenient Stairs: N/A
- (vi) Risers:
  - (a) Exit Stair: Constructed of metal steel.
  - (b) Convenient Stairs: N/A
- (vii) Guard-rails:
  - (a) Exit Stair: Constructed of metal steel.
  - (b) Convenient Stairs: N/A
- (viii) Balustrade:
  - (a) Exit Stair: Constructed of metal steel.
  - (b) Convenient Stairs: Constructed of N/A.

(11) Interior Door and Frames:

(i) Unit Entrance and Interior Door Frames: 1½-hr Fireproof Self-closing (FPSC) hollow steel doors with welded steel frames. Each Unit door has a Unit number, interview peephole, chime, security chain, deadbolt, and lever lock. The knob lock shall be passive from the inside apartment. The deadbolt has a thumb turn type release. All hardware shall be installed as per local law 58/76 and the Multiple Dwelling Law.

(ii) Corridor Doors: Corridor doors are 1½-hr Fireproof Self-closing (FPSC) with welded steel frames.

(iii) Stair Hall Doors and Frames: 1½-hr Fireproof Self-closing (FPSC) with welded steel frames. The knob latchset is passive from both sides.

(iv) Roof Doors, Cellar Doors, and Frames: 1½-hr Fireproof Self-closing (FPSC) with a welded steel frame. The knob latchset is passive from both sides. All mechanical room doors are 1½-hr Fireproof Self-closing (FPSC) with welded steel frames. The mechanical rooms are keyed from outside and passive from inside.

(v) Terrace Doors: Non fire-rated hollow metal with a tempered glass panel.

(vi) Interior Doors and Frames: Interior doors are non-rated solid core wood with knockdown type metal bucks. Saddles will be installed only at bathroom door locations. Bathroom and bedroom doors have a knob lock with panic release from outside and button or thumb turn release inside. Closet doors are passive from both sides.

(12) Elevators: Describe: There is one (1) elevator system located within this structure; installed with a five year maintenance contract by Midtown Elevator. There shall be a motor room located at the roof level equip with a power unit, Manufactured by Canton Tradesman, with isolation mounting pads, and a microcomputer-based controller, Manufactured by Canton Tradesman, with on board diagnostics, permanent display of all calls, car position and direction along with key modes of operation and condition codes. Provisions are made for car traveling lantern with handicap gong, and low oil control. This elevator shall be common and accessible for all condominium residential units' doors.

(13) Elevator Cab: Describe Manufactured by Canton Elevator, Stainless steel finish cab with stainless steel finish sliding doors, overall height is standard 8'-0", Fluorescent lighting is shall be located above a suspended thermoclear ceiling with an aluminum frame. An exhaust fan, certificate frame, and infrared door protection curtain are included. Fixture's hall and cab panels are user-friendly to the handicapped and feature Braille/tactile indications.

The type of alarm-safety system used in the elevator cab shall be Telephone instrument in elevator car and wiring from building source to elevator control panel. In addition, the cab could be furnishing with any special intercom, paging, or television systems, including wiring from building source to elevator control panel.

(i) Auxiliary Facilities:

(1) Laundry Rooms: Describe N/A

(i) Location: N/A

(ii) Electric Stack Washer/Gas Dryer: N/A

(iii) Room Ventilation: N/A

(iv) Dryer Ventilation: N/A

(2) Refuse Disposal: Describe:

(i) Incinerator: N/A

(ii) Compactor: N/A

(iii) Approval by Authority Having Jurisdiction: N/A

(iv) Initial Storage Location: None. (The building does not have a refuse storage area for containers located within the front of the premises. It shall be the unit owner responsibility to properly contain their refuse for New York City Department of Sanitation scheduled refuse collection and removal).

(v) Pickup Schedule: Refuse is removed by the New York City Department of Sanitation. Refuse pickup is twice a week for regular pickup, once a week for recycling pickup by New York City Department of Sanitation.

(3) Parking:

(i) Location: Cellar Level.

(ii) Driveway: Consist of a 7" thick reinforced concrete pavement

(iii) Lift: Auto lift located at front of the building will be used for admittance to the cellar's floor parking area. A safety automatic roll down metal gate shall be activated when the lift is in use.

(j) Plumbing and Drainage:

(1) Water Supply: Water supplied by a combined fire and domestic waster service from NYC water main located on the front of West 3rd Street.

(i) Size: 2" building domestic cold water will be provided from the existing street main.

(ii) Material: All domestic hot and cold-water piping shall be of copper; hard temper type "K" copper tube below grade, and hard temper type "L" copper tube above grade only. **All hot and cold water piping shall be insulated with 3" x ½" x 25' roll, fiberglass pipe wrap insulation (manufactured by Thermwell Production Co. Inc.), and/or with Armaflex Pipe (flexible elasotmeric, rubber clastomerie foam tube type) Insulation, 3/4"thick, mold resistant, and formaldehyde free.**

(2) Fire Protection: There shall be a new automatic fire sprinkler system installed throughout the entire building. Water supplied by a combined fire and domestic waster service from NYC water main located on the front of 6th Avenue.

(i) Size: 4" fire sprinkler riser line will be conceal within the public hall's fire rated stair enclosure.

(ii) Material: Fire sprinkler riser line shall be of cast iron.

(iii) Siamese Connection: The Fire Department inlet Siamese connection shall be flush type (4" x 3" x 3") with caps and chains will be provided outside of the building and will be located between 18" to 36" above the sidewalk grade level.

(iv) Location: The entire building shall be protected with sprinklers. There will be one shut off valve at each floor. All other required control valves, alarms, pumps, and shut offs to be located in the cellar. The sprinkler heads shall be either pendent, recessed, or sidewall hung. Closets of bathrooms less than 75 SF shall be omitted from the system.

(3) Water Storage Tank: None.

(4) Water Pressure: The water supplied from the street main shall be between 42- 60 psig of pressure. Water for domestic and the sprinkler riser will be maintained by a street pressure.

(5) Sanitary Sewage System: Sanitary (10" combined storm and sewage sewer) system is a gravity system, and is connected to the street sewer main.

(i) Sewage Piping: All sewage and vent piping will be of new cast iron piping with gasket fittings, connected to the New York City sewer system on Kingsland Avenue. The sizing of the system will be in accordance with the Code.

(ii) Sewage Pumps: There will be no provision made for sump pumps or sewerage ejectors in the cellar. All plumbing fixtures will be drained by gravity through waste and vent stacks, house drains and house sewers to combine sanitary/storm drain located in the cellar to street main.

(iii) Sewage Disposal: All sewage from the units shall be discharged to the New York City Sewage system.

(6) Permits(s) Required: Before commencing any alteration work, the builder shall obtain all necessary work permits and certifications from the City of New York, Department of Buildings, and other governmental agencies if applicable

The following applicable permit applications shall be obtain from the City of New York, Department of Buildings, or other NYC Agencies (Dept. of Air Resources, & Fire Department): Plumbing (PL), Equipment Use, Equipment Work (EW) – Smoke Detector, and Electrical Permits

The following "Identification of Responsibilities" inspections will be performed by the architect in order to obtain a sign-off from the City of New York, Department of Buildings: Fire Stops, Ventilation System Engineer/Installer, Noise Control Tests, Sprinkler Test (hydrostatic), and Final Inspection.

PERMIT(S) REQUIRED

Before commencing construction, the builder shall obtain all necessary work permits and certifications from the City of New York, Department of Buildings, and other governmental agencies if applicable.

The following applicable permit applications shall be obtain from the City of New York, Department of Buildings, or other NYC Agencies (Dept. of Air Resources, Elevator Safety, Boiler Safety, & Fire Department): Excavation/Demolition, New Building (NB), Equipment-Fence Permit (EQ FN), Plumbing (PL), Equipment Use, Equipment Work (EW) – Smoke Detector, Equipment Work (EW) – Sprinkler, Standpipe, Electrical, and Elevator Permits

The following "Identification of Responsibilities" inspections will be performed by the architect in order to obtain a sign-off from the City of New York, Department of Buildings: Borings/Test Pits, Piling, Controlled Fill, Smoke Test, Soil Percolate Test-Dry Well, Shoring, Spray on Fireproof-New Install., Sub-grade, Fire Stops, Ventilation System Engineer/Installer, Structural Stability, Masonry Units, Reinforced Masonry, Concrete Test Cylinders, Drywell Inst. Ret/Det: TR1 Drywell, Concrete, and Lt Gauge Steel/Wood Fl. Trusses/Lam. I-Beam.

PERMIT(S) REQUIRED

The following permits have been issued:

Job Type	Number	Date Issued	Current Status
Demo	301945144-01-DM	04/21/2005	Issued
Demo	301945153-01-DM	04/21/2005	Issued
New Bld'g.	301949319-01-NB	10/04/2007	Issued
BPP	301949328-01-	05/31/2005	Issued
Structural	301950510	05/26/2005	Issued
Sprinkler	302081244	06/23/2006	Issued

(7) Storm Drainage System: The storm (combined storm and sanitary sewer) drainage system carries both storm and sanitary sewage from each apartment unit. Storm water from the roof and the yard drains are is carried by the gravity into the combined local city sewers. The roof storm drainage is adequate to carry runoff without ponding. Water is disposed of by drains located from all of the building's paved areas to the NYC storm sewer.

(i) Catch Basins: N/A
(ii) Yards and Roof Drains: Roof will be drained by gravity through inside leader, storm water house drains, and house sewer to the existing combine sanitary/storm drain located in the cellar to street main.
(iii) Piping: All storm piping and fittings shall be of cast iron standard weight material.
(iv) Eject or Sump Pump: There will be no ejection or sump pumps, for they are non-applicable.

(k) Heating:

(1) Heating and distribution of domestic hot water heating: Each unit and common public area will be provided with its own individual boiler and hot water located in the Boiler room. Winter design criteria: Outdoor temperature of 15F and indoor temperature of 68F.

(2) Number of Boilers/Location: There will be (1) one boiler and hot water heater combo unit located in each residential unit's mechanical room. Also, the space shall be properly ventilated with a mechanical vent that has a gravity-operated vent with fire damper and fusible links.

(3) Boiler/Hot Hater Heater Combo units: Manufactured by **Laars**, Endurance, model number is EDP-110; MEA number is 141-99-E. **The boilers shall have a twenty-(20) year limited. The warranty extends only to the first retail purchaser of the boilers and only to the boilers that has not been moved from its original installation site. 1st Year: warrants that all parts of the product (including the circulating pumps) to be free from manufacturing defects in material and workmanship for 1-year from the date of installation. If any parts are found to be defective, Laars will provide replacement of such defective parts. 2nd through 10th year – Non-Prorated Limited Parts Warranty For Primary Heat Exchange And Storage Tank: Warrants the heat exchanger and integral storage tank to be free from defects in material and workmanship for 10-years form the date of installation. 11th through 20th year: Prorated Limited Parts Warranty for Primary Heat Exchanger: The primary heat exchanger is covered by Laars' Prorated Limited Warranty for defects in materials and workmanship from the 11the through 20th year after date of installation, at a cost to the consumer equal to the percentage of the retail price, at the time the warranty claim is made, as indicated below:**

Yrs follow Installation:	11-13 yrs	14-17 yrs	18-20 yrs
% Paid by Customef:	50%	70%	90%

(4) Type of Controls: The heating system shall be thermostatically controlled.

(5) Radiators, piping, installation, valves, and pumps: Every habitable spaces, bathrooms, and toilet shall contain baseboard radiator (Slant Fin or approved equal) with metal covers. Radiator unit shall be located, wherever possible, under a window. Behind all baseboard radiators shall be reflective rigid insulation except if baseboard is located within a wall construction. Finned tube piping for the baseboards shall be of copper material.

(6) Fuel: Natural Gas shall be by National Grid.

(7) Oil Tank Location: N/A

(8) Capacity of Oil Tank: N/A

(l) Gas Supply:

(1) Natural gas will be used for the boiler/hot water heater units and kitchen ranges.

(2) Each unit will be provided with its own gas meter. Total of 10 gas meters will be provided in the building.

(3) All gas piping is to be threaded black iron.

(m) Air Conditioning: None

(n) Ventilation: All interior toilets and bathrooms without natural **will be properly** ventilation **(min. 110 cfm) with a ceiling mounted, engineered for a continuous operation ventilation system with exhaust fans, manufactured by Broan, model #QTRE110FLT, or approved equal.** The venting system that will be provided is a "Turbo Ventura," manufactured by Edmonds, or approved equal with 150mm crate grille controllable ceiling register located in every bathroom.

(o) Electrical System:

(1) The service to the building will be single phase 277480 stepped down to 120/240 V for each apartment.

(2) Services to individual units: 60 amps, 3 wire, and 208 volts with #6 copper cables.

(3) Each unit is individually metered. A separate meter, obligated to the condominium owners in common, services the public spaces and utilities meters are located in the cellar.

(4) Each unit will have their own circuit breaker. These circuits include A/C and kitchen appliances. Separate circuits for heating and washing machine system. All bathrooms shall be provided with a ground fault interrupter outlet. Intercoms and bell systems per residential unit shall be of low voltage (24 volts). The electrical system is adequate for modern usage, including air conditioning.

(5) Adequacy:

(i) Service: Each residential unit will also have about 12 circuits with a 100 amp. rating. All units shall have 60-amp sub-feeder main breaker. Main circuit breaker for each meter shall be 100 amps.

(ii) Lighting and fixtures: All public and private light fixtures, are incandescent, one or two bulbs. All light fixtures located on the building exterior, shall be waterproof.

(iii) Convenience outlets, appliance outlets: Convenience outlets and appliance outlets will be provided as per Electrical Code and shall be located throughout the residential unit.

(p) Intercommunication and/or Door Signal Systems, Security Closed Circuit TV: Each apartment unit shall be equipped with an annunciation device, **manufactured by Aiphone, or approved equal, Model # GF Entry Panel, which allows call-in and communication to the called apartment unit for admittance.**

(q) Lighting:

(1) Public Lighting: Public lighting (exterior lighting and interior lighting) in public parts of the building shall comply with the New York State Multiple Dwelling Law and New York City Housing and Maintenance Code.

(2) Outdoor Lighting: Exterior lighting shall be illuminated by weatherproof Sodium or Halogen HID (High Intensity Discharge) type fixture. In addition, all exterior lighting shall give an illumination of at least two-foot candles and shall be operated by a light sensor device or timer.

(3) Indoor Common Area Lighting: Lighting located in the interior common areas (Open cellar, mechanical rooms, public corridors and stair halls) shall have compacted florescent ceiling mounted pill style fixtures with two bulbs or 60 watts incandescent equivalent.

Residential Units Lighting: Lighting located in the interior residential areas shall have ceiling mounted 60 watts incandescent fixtures.

(4) Indoor Closets, Kitchens, and Bathroom Lighting: Closets, kitchens, and bathroom lighting shall have compacted florescent ceiling mounted pill style fixtures with one bulb or 25 watts incandescent equivalent. Indoor Bedrooms, Living/Dining, Entry/Corridors shall have ceiling mounted style fixtures with one bulb or 60 watts incandescent equivalent

(r) Garages and Parking Areas: There shall be a total of 5 parking spaces servicing this structure, one enclosed parking located at first floor level and the remaining 4 located at the rear of the building. **The driveway and the parking spaces shall be paved with 7" thick reinforced poured concrete that shall be properly pitched (slope of 2" per foot) to allow storm water to discharge. The pavement markings used to allocate the parking spaces shall be of, cold applied, a wear resistance paint that is also high retro-reflectivity material, manufactured by Safetrack or approve equal.**

(s) Swimming Pool(s): None

(t) Tennis Courts, Playgrounds and Recreational Facilities: None

(u) Violations: There are no current or outstanding ECB Violations issued on this building. However, there is one active construction violation (#0601RH) issued on 11/20/2006 from the Department of Buildings as of date. This violation shall be removed once all alteration work has been completed, and the alteration application with the New York City Department of Buildings is officially signed off.

(v) Unit Information: Number of Units Inspected is 10. A "Unit" as herein after referred to shall be defined and calculated as following: The dimensions of the units shown on the floor plans reflect the approximate interior dimensions of each unit. Accordingly, they measure the approximate distance from the inner face of the outer wall of the building to the inner face of partitions separating corridors, stairs, vestibules, and other units. Doors and windows, which open from a unit and interior walls of a unit, shall be deemed to be part of the unit.

The description of the units set forth herein pertains to the location of the walls, floors, and ceilings of the units as they are finally set forth in the certified "as built" floor plans to be filed simultaneously with the recording of the declaration. All dimensions are approximate. Plans and dimensions will vary from floor to floor.

Cellar Floor Level:
Open cellar 2,603 Sq. Ft.

UNIT DESIGNATIONS: UNIT 1 A (RESIDENTIAL)
Type of Rooms and Area In Square Footages:

First Floor Level:
- Kitchen: 48.85 Sq. Ft.
- Living/Dining Room: 126.65 Sq. Ft.
- Bedroom (including bedroom's closets): 100.85 Sq. Ft
- Bathroom: 40 Sq. Ft.
- Mechanical room: 22.70 Sq. Ft.

UNIT DESIGNATIONS: UNIT 1 B (RESIDENTIAL)
Type of Rooms and Area In Square Footages:

First Floor Level:
- Kitchen: 45 Sq. Ft.
- Living/Dining Room: 220.82 Sq. Ft.
- Bedroom #1 (including bedroom's closets): 98 Sq. Ft
- Bedroom #2 (including bedroom's closets): 98.76 Sq. Ft.
- Bathroom: 40 Sq. Ft.
- Mechanical room: 19.14 Sq. Ft.

UNIT DESIGNATIONS: UNIT 2A (RESIDENTIAL)
Type of Rooms and Area In Square Footages:

Second Floor Level:
- Kitchen/Living Area: 275.18 Sq. Ft.
- M. Bedroom #1 (including bedroom's closets): 183.09 Sq. Ft
- Bedroom #2 (including bedroom's closets): 103.29 Sq. Ft
- M. Bathroom #1: 19.49 Sq. Ft.
- Bathroom #2: 41.53 Sq. Ft.
- Mechanical room: 34.03 Sq. Ft.

UNIT DESIGNATIONS: UNIT 2B (RESIDENTIAL)
Type of Rooms and Area In Square Footages:

Second Floor Level:
- Kitchen/Living Area: 249.04 Sq. Ft.
- M. Bedroom #1 (including bedroom's closets): 168.79 Sq. Ft
- Bedroom #2 (including bedroom's closets): 103.29 Sq. Ft
- M. Bathroom #1: 22.68 Sq. Ft.
- Bathroom #2: 41.53 Sq. Ft.
- Mechanical room: 32.64 Sq. Ft.

UNIT DESIGNATIONS: UNIT 3A (RESIDENTIAL)
Type of Rooms and Area In Square Footages:

Third Floor Level:
- Kitchen/Living Area: 275.18 Sq. Ft.
- M. Bedroom #1 (including bedroom's closets): 183.09 Sq. Ft
- Bedroom #2 (including bedroom's closets): 103.29 Sq. Ft
- M. Bathroom #1: 19.49 Sq. Ft.
- Bathroom #2: 41.53 Sq. Ft.
- Mechanical room: 34.03 Sq. Ft.

UNIT DESIGNATIONS: UNIT 3B (RESIDENTIAL)
Type of Rooms and Area In Square Footages:

Third Floor Level:
- Kitchen/Living Area: 249.04 Sq. Ft.
- M. Bedroom #1 (including bedroom's closets): 168.79 Sq. Ft
- Bedroom #2 (including bedroom's closets): 103.29 Sq. Ft
- M. Bathroom #1: 22.68 Sq. Ft.
- Bathroom #2: 41.53 Sq. Ft.
- Mechanical room: 32.64 Sq. Ft.

UNIT DESIGNATIONS: UNIT 4A (RESIDENTIAL)
Type of Rooms and Area In Square Footages:

Fourth Floor Level:
- Kitchen/Living Area: 275.18 Sq. Ft.
- M. Bedroom #1 (including bedroom's closets): 183.09 Sq. Ft
- Bedroom #2 (including bedroom's closets): 103.29 Sq. Ft
- M. Bathroom #1: 19.49 Sq. Ft.
- Bathroom #2: 41.53 Sq. Ft.
- Mechanical room: 34.03 Sq. Ft.

UNIT DESIGNATIONS: UNIT 4B (RESIDENTIAL)
Type of Rooms and Area In Square Footages:

Fourth Floor Level:
- Kitchen/Living Area: 249.04 Sq. Ft.
- M. Bedroom #1 (including bedroom's closets): 168.79 Sq. Ft
- Bedroom #2 (including bedroom's closets): 103.29 Sq. Ft
- M. Bathroom #1: 22.68 Sq. Ft.
- Bathroom #2: 41.53 Sq. Ft.
- Mechanical room: 32.64 Sq. Ft.

UNIT DESIGNATIONS: UNIT 5A (RESIDENTIAL)
Type of Rooms and Area In Square Footages:

Fifth Floor Level:
- Kitchen/Living Area: 275.18 Sq. Ft.
- M. Bedroom #1 (including bedroom's closets): 183.09 Sq. Ft
- Bedroom #2 (including bedroom's closets): 103.29 Sq. Ft
- M. Bathroom #1: 19.49 Sq. Ft.
- Bathroom #2: 41.53 Sq. Ft.
- Mechanical room: 34.03 Sq. Ft.

UNIT DESIGNATIONS: UNIT 5B (RESIDENTIAL)
Type of Rooms and Area In Square Footages:

Fifth Floor Level:

- Kitchen/Living Area: 249.04 Sq. Ft.
- M. Bedroom #1 (including bedroom's closets): 168.79 Sq. Ft
- Bedroom #2 (including bedroom's closets): 103.29 Sq. Ft
- M. Bathroom #1: 22.68 Sq. Ft.
- Bathroom #2: 41.53 Sq. Ft.
- Mechanical room: 32.64 Sq. Ft.

(1) Type and Grade of finish material used in each of unit and the number of covering given:

(i) Designation: ST-1
Material: Stone ASTM C 503
Type: Granite
Finish: Honed
Location: Kitchen Countertop

(ii) Designation: CT-1
Material: Ceramic
Type: 12" x 24"
Finish: White Matted
Location: Bathroom Wall

(iii) Designation: CT-2
Material: Ceramic
Type: 12" x 12"
Finish: Light Grey
Location: Bathroom Wall

(iv) Designation: CT-3
Material: Ceramic
Type: 12" x 12"
Finish: Indian White - Matte
Location: Kitchen Floor

(v) Designation: WD-1
Material: **3/8"-Thick Hardwood**
Type: #2 Grade Oak or equal
Finish: Clear Satin
Location: Living Room/Dining, and Bedroom

(vi) Designation: WD-2
Material: **3/8"-Thick Hardwood**
Type: Maple
Finish: Clear Satin
Location: Typical Wall Base

(vii) Designation: LM-1
Material: Plastic Laminate
Type: N/A
Finish: Gloss
Location: Kitchen Cabinets

(viii) Designation: PT-1
Material: **Sherwin-Williams Paint**, or approved equal
Type: **PrepRite® 200 Latex Primer (1-coat), B28W200 Series**
PrepRite® 200 Latex Semi-Gloss (2-coats), B28W2200 Series
Finish: **Eggshell, Satin Finish**
Location: Walls and Ceilings

(ix) Designation: PT-2
Material: **Sherwin-Williams Paint**, or approved equal
Type: **Minwax 250 VOC Oil Stain (1-coat)**
Minwax High Build Polyurethane, Satin (2-coats)
Finish: Satin
Location: All Doors and Frames

(x) Designation: PT-3
Material: Paint
Type: OC-53 Horizon
Finish: Semi-gloss
Location: Cellar -All Walls, Ceiling, Doors, and Frames

(xi) Designation: CN-1
Material: Concrete
Type: Natural
Finish: Sealed
Location: Cellar -Floor

(xii) Designation: VB-1
Material: Vinyl Base
Type: Cove
Finish: Shadow
Location: Cellar

(2) All bathroom fixtures are new in condition:
(i) Item: Lavatory
Manufacturer: Kohler or app'd. equal
Model No./Finish: K-2916/ Cast Enamel Iron
Size/Style/Color: 18"/Devonshire/White
Location: Bathroom

(ii) Item: Lavatory Faucet 4" centerest
Manufacturer: Kohler or app'd. equal
Model No. /Style: K-43-431/Devonshire
Location: Bathroom

(iii) Item: Bath Tub - Model No. /Finish: K-1184-RA/Cast Iron Enamel
Manufacturer: Kohler or app'd. equal
Size/Style/Color: 51' x 28" x 14"/Devonshire/White
Location: Bathroom

Hardware - Trip lever waste
Model No. /Finish: K-41-818
Manufacturer: Kohler or app'd. equal
Location: Bathroom

Shower Body - 3 valve
Model No. /Finish: K-48-031
Manufacturer: Kohler or app'd. equal
Location: Bathroom

(iv) Item: Water Closet
Manufacturer: Kohler or app'd. equal
Model No. /Finish: K-3421 /Vitreous China
Size/Style/Color: 13" rd c/c:/Devonshire/White
Location: Bathroom

(v) Item: Towel bar Accessory
Manufacturer: Danze or app'd equal
Model No. /Finish: Parma, #D446612BN, Pol Chrome
Location: Bathroom

(vi) Item: Towel Ring Accessory
Manufacturer: Danze or app'd equal
Model No. /Finish: Parma, #D446121BN, Pol Chrome
Location: Bathroom

(vii) Item: Toilet Paper Holder
Manufacturer: Danze or app'd equal
Model No. /Finish: Parma, #D446232BN, Pol Chrome
Location: Bathroom

(3) All kitchen and equipments are new in condition. Data is the same for all units

(i) Item: Refrigerator
Manufacturer: GE Energy Star, app'd. equal
Model/Finish: Model GCL22KGRSV, Stainless Steel
Location: Kitchen

(ii) Item: Gas range
Manufacturer: GE Profile, app'd. equal
Model/Finish: Model JPS9685HSS, Stainless Steel
Location: Kitchen

(iii) Item: Kitchen Dishwasher
Manufacturer: GE Energy Star or app'd. equal
Model/Size/Style/Color: PDW9280LSS, Stainless Steel
Location: Kitchen

(iv) Item: Kitchen Microwave (vented Type)
Manufacturer: GE Profile or app'd. equal
Model/Size/Style/Color: JVM1490SH, Stainless Steel
Location: Kitchen

(v) Item: Kitchen Sink
Manufacturer: Culinaire or app'd. equal
Size/Style/Color: 25"x22"x9"/Goosrneck style chrome facet/ brushed Stainless Steel
Location: Kitchen

(w) Finish Schedule of Spaces Other Than Units:

(1) Room: Cellar Recreation Area
(i) Floor: Vinyl Composite Tiles over Concrete
(ii) Walls: Gypsum Board (2-Layers) Assembly
Material: **Sherwin-Williams Paint**, or approved equal
Type: **PrepRite® 200 Latex Primer (1-coat), B28W200 Series**
PrepRite® 200 Latex Semi-Gloss (2-coats), B31W2200 Series
Finish: **Eggshell, Semi-Gloss Finish**
(iii) Ceiling: Gypsum Board (1-Layer) Mounted on Wood Joists
(iv) Remarks: New Wall Assembly

(2) Room: Open Cellar
(i) Floor: Concrete
(ii) Walls: Gypsum Board (2-Layers) Assembly
Material: **Sherwin-Williams Paint**, or approved equal
Type: **PrepRite® 200 Latex Primer (1-coat), B28W200 Series**
PrepRite® 200 Latex Semi-Gloss (2-coats), B31W2200 Series
Finish: **Eggshell, Semi-Gloss Finish**
(iii) Ceiling: Gypsum Board (1-Layer) Mounted on Wood Joists
(iv) Remarks: Existing Wall Assembly

(3) Room: Mechanical Room
(i) Floor: Concrete
(ii) Walls: Gypsum Board (2-Layers) Assembly
Material: **Sherwin-Williams Paint**, or approved equal
Type: **PrepRite® 200 Latex Primer (1-coat), B28W200 Series**
PrepRite® 200 Latex Semi-Gloss (2-coats), B31W2200 Series
Finish: **Eggshell, Semi-Gloss Finish**
(iii) Ceiling: Gypsum Board (1-Layer) Mounted on Wood Joists

(iv) Remarks: New Wall Assembly

(4) Room: Cellar's Recreation Toilet
- (i) Floor: Ceramic Tiles over Concrete
- (ii) Walls: Gypsum Board Assembly Gypsum Board (1/2-Layers) Assembly
  - Material: **Sherwin-Williams Paint**, or approved equal
  - Type: **PrepRite® 200 Latex Primer (1-coat), B28W200 Series**
    PrepRite® 200 Latex Semi-Gloss (2-coats), B31W2200 Series
  - Finish: **Eggshell, Semi-Gloss Finish**
- (iii) Ceiling: Gypsum Board (1-Layer) Mounted on Wood Joists
- (iv) Remarks: Existing and Partially New Wall Assembly

(5) Room: Hallway/Corridor
- (i) Floor: : Ceramic Tiles over Concrete
- (ii) Walls: Gypsum Board Assembly
  - Material: **Sherwin-Williams Paint**, or approved equal
  - Type: **PrepRite® 200 Latex Primer (1-coat), B28W200 Series**
    PrepRite® 200 Latex Semi-Gloss (2-coats), B31W2200 Series
  - Finish: **Eggshell, Semi-Gloss Finish**
- (iii) Ceiling: Gypsum Board (1-Layer) Mounted on Wood Joists
- (iv) Remarks: Existing and Partially New Wall Assembly Wall Assembly

(x) Safety and Warning Devices: A combined smoke and carbon monoxide detector manufactured by Kidde, model No. 900-0114E or approved equal shall be installed in each of the residential unit as per Local Law 62/81 and R.S. 17 of the New York City Building Code. The detectors shall be of AC wire-in type with interconnecting capabilities and shall use only 120 volts of electricity.

Smoke and carbon monoxide detectors shall be located on or near the ceiling, and within fifteen feet of all bedrooms. If ceiling mounted, the closest edge of the detector shall be a minimum of four inches from any wall. If wall mounted, the closest edge of the detector shall be a minimum of four inches and a maximum of twelve inches from the ceiling. The device will have a dual voice and alarm warning activation that will announce "Fire Fire!" or "Warning!" "Carbon Monoxide!", and a low battery indicator. The detectors shall have a 5-year limited warranty. Note: all detectors shall have an approval from the Board of Standards and Appeals.

(y) Additional Information Required:

(1) A site plan attached shows landscape features, street, and the outside dimension of the building, designated common areas, and indicates the building orientation of placement on the lot.

(2) An area map showing the location of the condominium with respect to its surroundings is omitted, as the condominium is located in a highly urban area.

(3) Floor plans for each line or type of unit drawn to scale, indicating room dimensions, and unit boundaries. See attached plans.

(4) Floor to Ceiling Height of Units:

(i) First Floor Level
Unit #1A = 10'-0"
Unit #1B = 10'-0"

(ii) Second Floor Level
Unit #2A = 10'-0"
Unit #2B = 10'-0"

(iii) Third Floor Level
Unit #3A = 10'-0"
Unit #3B = 10'-0"

(iv) Fourth Floor Level
Unit #4A = 10'-0"
Unit #4B = 10'-0"

(v) Fifth Floor Level
Unit #5A = 10'-0"
Unit #5B = 10'-0"

(5) Approximate total area of each unit:

(i) Unit Designation: Unit #1A
Interior Area @ First Floor 503.87 Sq. Ft.
Total Unit Area 503.87 Sq. Ft.

(ii) Unit Designation: Unit #1B
Interior Area @ First Floor 731.76 Sq. Ft.
Total Unit Area 731.76 Sq. Ft.

(iii) Unit Designation: Unit #2A
Interior Area @ Second Floor 758.71 Sq. Ft.
Total Unit Area 758.71 Sq. Ft.

(iv) Unit Designation: Unit #2B
Interior Area @ First Floor 721.60 Sq. Ft.
Total Unit Area 721.60 Sq. Ft.

(v) Unit Designation: Unit #3A
Interior Area @ Third Floor 758.71 Sq. Ft.
Total Unit Area 758.71 Sq. Ft.

(vi) Unit Designation: Unit #3B
Interior Area @ First Floor 721.60 Sq. Ft.
Total Unit Area 721.60 Sq. Ft.

(vii) Unit Designation: Unit #4A
Interior Area @ First Floor 758.71 Sq. Ft.
Total Unit Area 758.71 Sq. Ft.

(viii) Unit Designation: Unit #4B
Interior Area @ First Floor 721.60 Sq. Ft.
Total Unit Area 721.60 Sq. Ft.

(ix) Unit Designation: Unit #5A

Interior Area @ First Floor	758.71 Sq. Ft.
Total Unit Area	758.71 Sq. Ft.

(x) Unit Designation: Unit #5 B

Interior Area @ First Floor	721.60 Sq. Ft.
Total Unit Area	721.60 Sq. Ft.

(6) The master floor plan is included in plans and shows the units boundaries and relationship of units to each other.

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

(aa) Further Development: Not Applicable.

(bb) Asbestos. This statement is to disclose that there will be no Asbestos Containing Material (ACM) made products, partially or in whole, specified or present in insulation or fireproofing material anywhere in the building as per approved plans. See attach report.

(cc) Lead-base Paint: Not Applicable.

(dd) Sponsor to obtain Certificate of Occupancy prior to closing.

The building and site alteration shall be in accordance with the New York City Building Code, The Multiple Dwelling Code, the New York City Zoning Resolution, and all other applicable authorities and in accordance with plans and applications on file with the Department of Buildings of the City of New York. With reference to the preparation of plans and specifications, the sponsor has retained the services of professional engineer who prepared same. The sponsor represents to the best of its knowledge that the plans accurately describe the building units, common elements, and equipment as the same, which will be delivered upon the completion of construction.

Any permits of inspections required by the City of New York will be furnished and updated prior to the first closing.

As of the date of the first closing, the sponsor represents that it will have a Temporary or Final Certificate of Occupancy for the building prior to the first closing, and deliver title without violations or liens on the premises and in accordance with the sponsor's undertakings elsewhere as set forth in this offering.

(ee) As indicated in the New York City Department of Buildings Technical Policy and Procedure Notice #10/87 – Permissible Openings in Exterior Walls particularly Buildings with Lot Line Windows, dated December 11, 1987. Section IV states, "if any neighboring building is later altered or constructed to come within the listed distances, the effected wall openings shall be immediately closed."

(ff) The building has only one storage area and it shall be allocated to residential unit #1. See attached cellar plan.

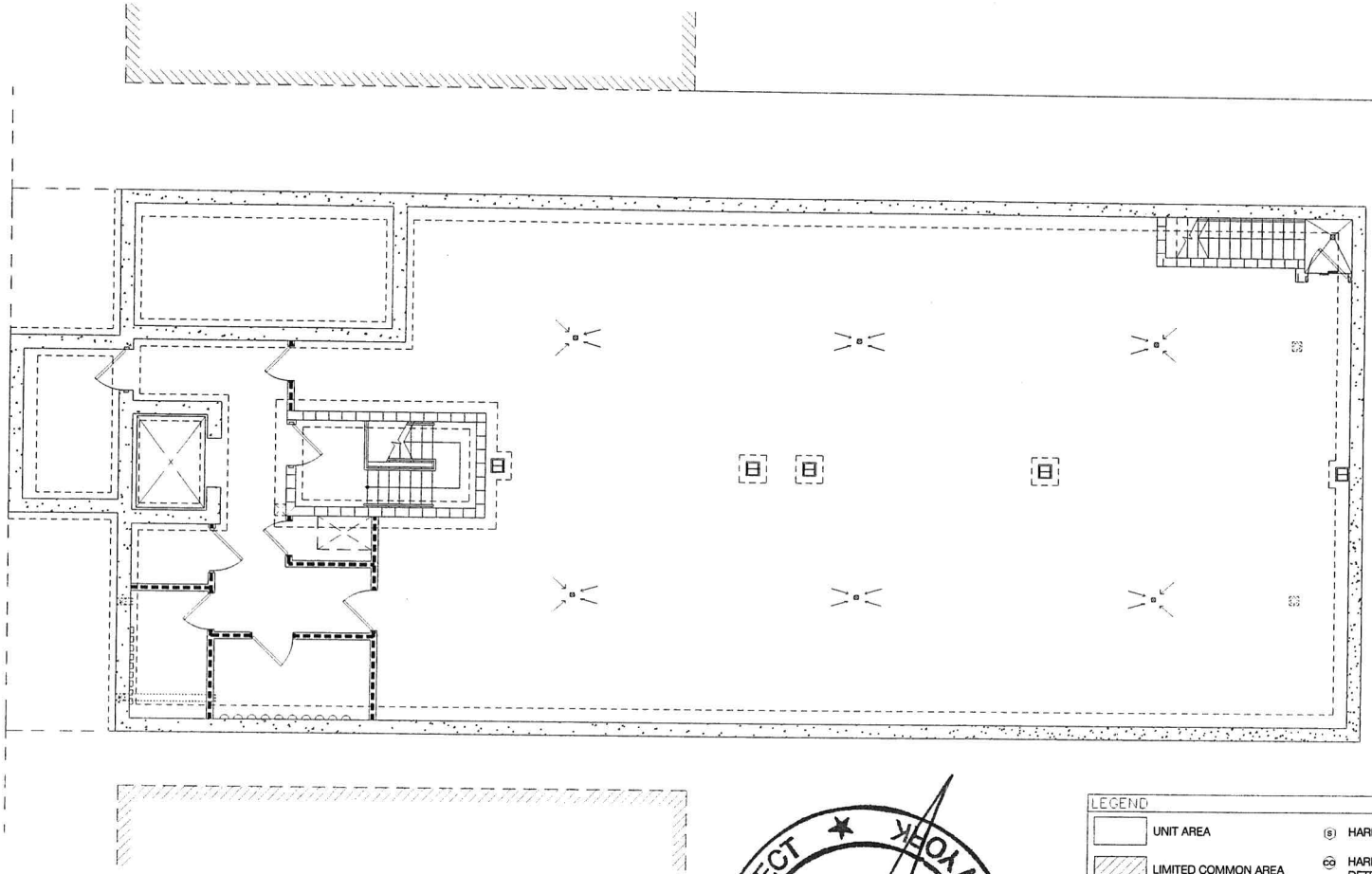
Sandor Weiss, R.A.

REGISTERED ARCHITECT SANDOR WEISS 014318 STATE OF NEW YORK

Sworn to before me this
The 13th day of April, 2011

HEDY WEISS
NOTARY PUBLIC-STATE OF NEW YORK
No. 01WE6179388
Qualified in Kings County
My Commission Expires January 12 2013

Notary Public



CELLAR FLOOR PLAN

SCALE: 1/4" = 1'-0"

REGISTERED ARCHITECT SANDOR WEISS 014318 STATE OF NEW YORK

LEGEND

- UNIT AREA
- LIMITED COMMON AREA
- COMMON AREA
- (S) HARD WIRED SMOKE DETECTOR
- (CO) HARD WIRED CARBON MONOXIDE DETECTOR
- (MV) MECHANICAL VENT., 50 CFM FOR BATHROOM, 75 CFM FOR LAUNDRY LAUNDRY ROOM & KITCHENETTE

A—2

THE 1549 W. 3 STREET CONDOMINIUMS

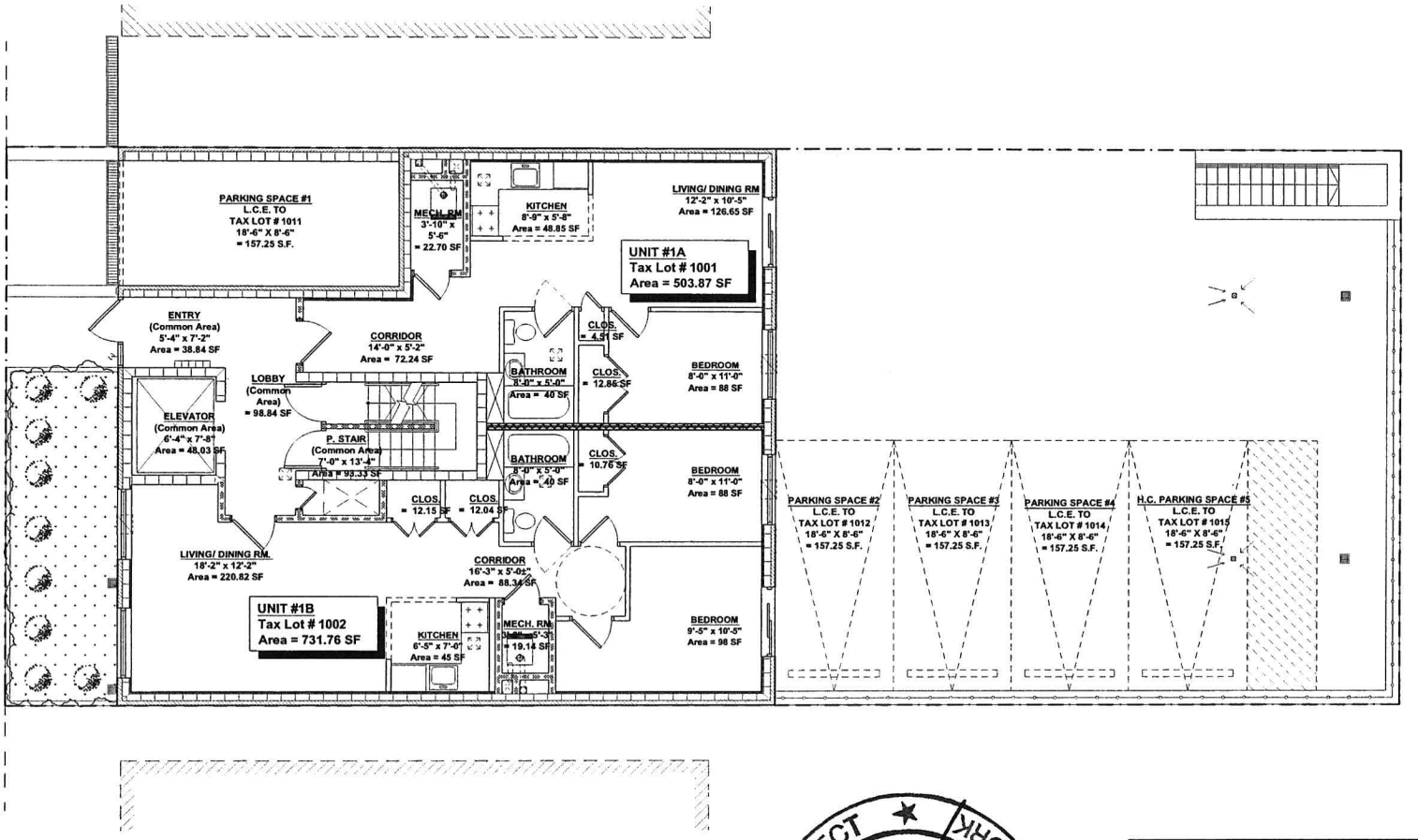
1539 W. 3 STREET
BROOKLYN, NEW YORK

CELLAR FLOOR PLAN

SCALE: 1/4" = 1'-0" | JOB No.: 5764-390

ANNO MUNDI 2928

SANDOR MN. WEISS, R.A., ARCHITECTS, P.C.
1317 AVE. J, BROOKLYN, N.Y. 11230 (718) 692-0800



FIRST FLOOR PLAN

SCALE: 1/4'=1'-0"

REGISTERED ARCHITECT SANDOR WEISS 018316 STATE OF NEW YORK

LEGEND

- UNIT AREA
- LIMITED COMMON AREA
- COMMON AREA
- (S) HARD WIRED SMOKE DETECTOR
- (CO) HARD WIRED CARBON MONOXIDE DETECTOR
- (MV) MECHANICAL VENT., 50 CFM FOR BATHROOM, 75 CFM FOR LAUNDRY LAUNDRY ROOM & KITCHENETTE

A-3

THE 1549 W. 3 STREET CONDOMINIUMS

1539 W. 3 STREET
BROOKLYN, NEW YORK

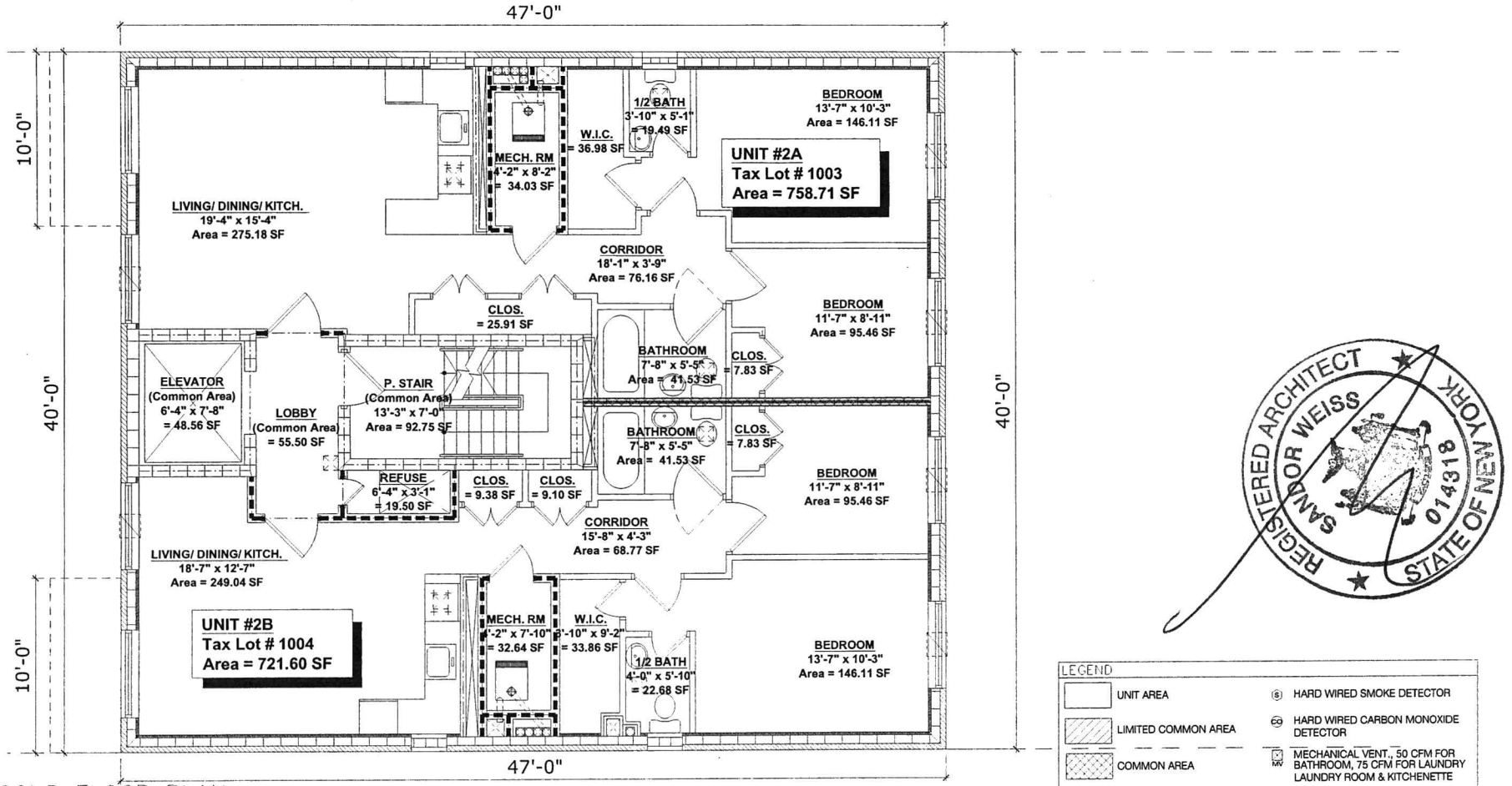
FIRST FLOOR PLAN

SCALE: 1/4" = 1'-0"

JOB No.: 5764-390

ANNO MUNDI 5729

SANDOR MN. WEISS, R.A., ARCHITECTS, P.C.
1317 AVE. J, BROOKLYN, N.Y. 11230 (718) 692-0800



SECOND FLOOR PLAN

SCALE: 1/4" = 1'-0"

REGISTERED ARCHITECT
SANDOR WEISS
014318
STATE OF NEW YORK

LEGEND

- UNIT AREA
- LIMITED COMMON AREA
- COMMON AREA
- (S) HARD WIRED SMOKE DETECTOR
- (CO) HARD WIRED CARBON MONOXIDE DETECTOR
- (MV) MECHANICAL VENT., 50 CFM FOR BATHROOM, 75 CFM FOR LAUNDRY LAUNDRY ROOM & KITCHENETTE

A-4

THE 1549 W. 3 STREET CONDOMINIUMS

1539 W. 3 STREET
BROOKLYN, NEW YORK

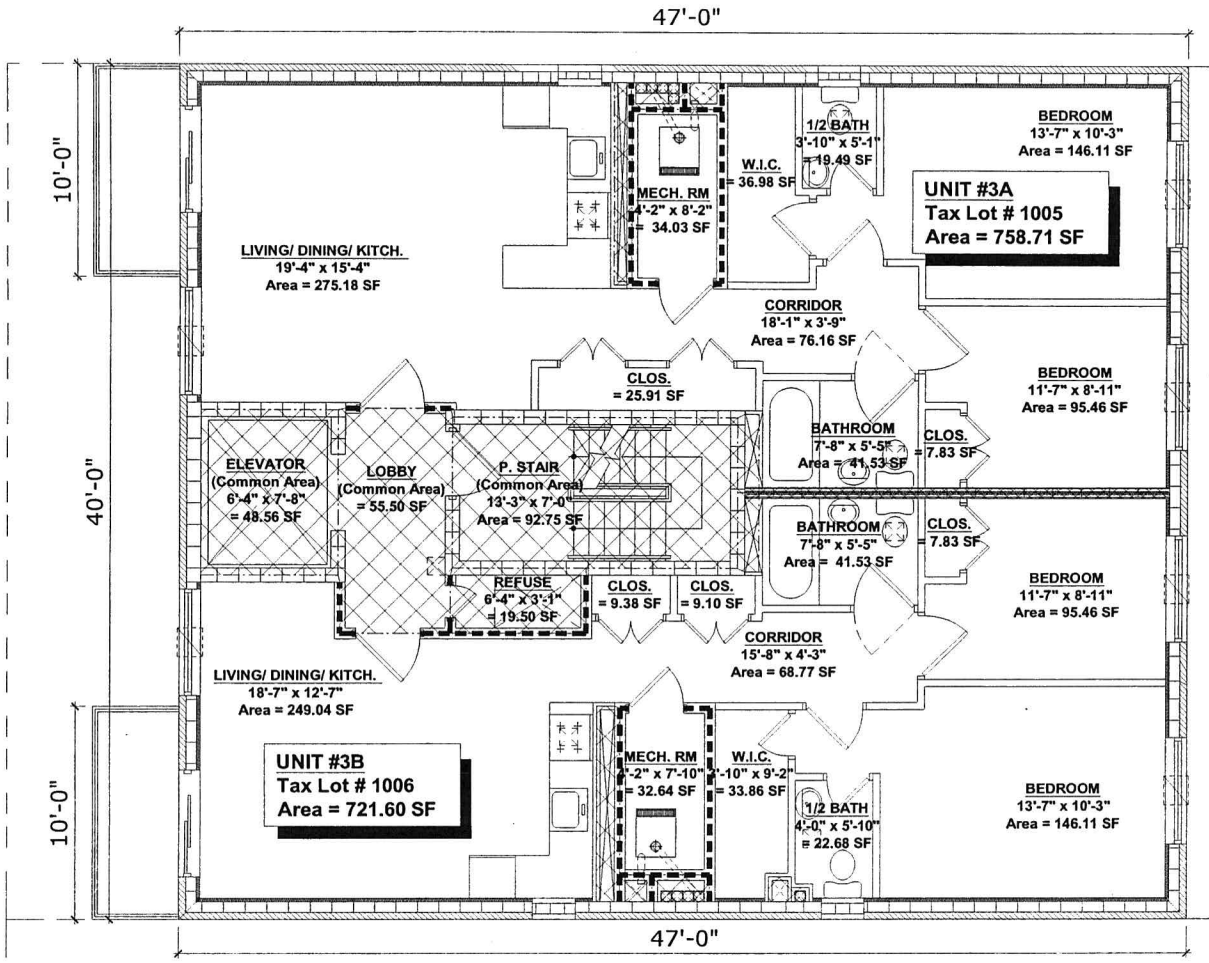
SECOND FLOOR PLAN

SCALE: 1/4" = 1'-0"

JOB No.: 5764-390

ANNO MUNDI 2928

SANDOR MN. WEISS, R.A., ARCHITECTS, P.C.
1317 AVE. J, BROOKLYN, N.Y. 11230 (718) 692-0800



THIRD FLOOR PLAN

SCALE: 1/4" = 1'-0"

REGISTERED ARCHITECT
SANDOR WEISS
014318
STATE OF NEW YORK

LEGEND

- UNIT AREA
- LIMITED COMMON AREA
- COMMON AREA
- (S) HARD WIRED SMOKE DETECTOR
- (CO) HARD WIRED CARBON MONOXIDE DETECTOR
- (MV) MECHANICAL VENT., 50 CFM FOR BATHROOM, 75 CFM FOR LAUNDRY LAUNDRY ROOM & KITCHENETTE

A-5

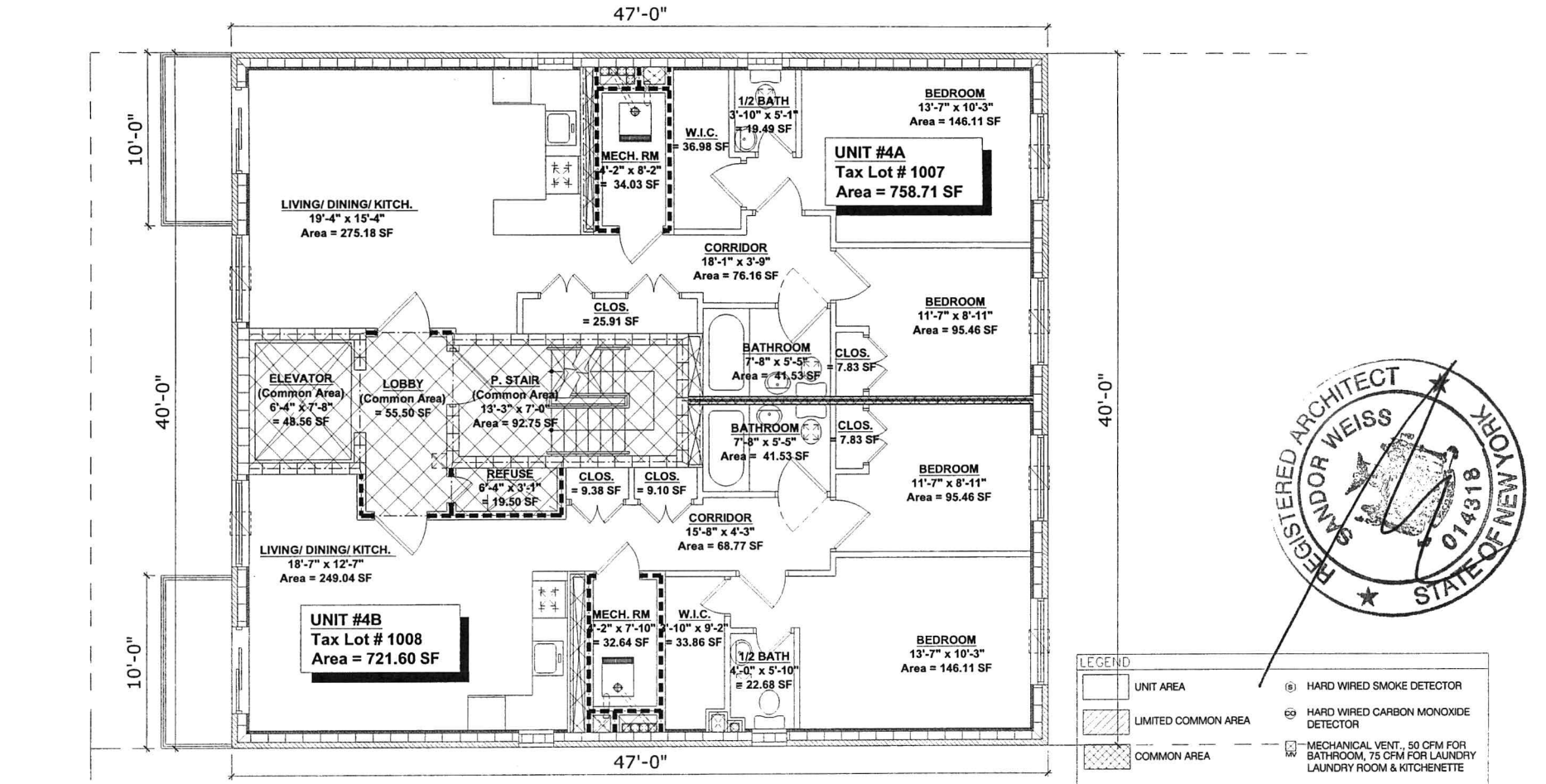
THE 1549 W. 3 STREET CONDOMINIUMS

1539 W. 3 STREET
BROOKLYN, NEW YORK

THIRD FLOOR PLAN

SCALE: 1/4" = 1'-0" | JOB No.: 5764-390

ANNO MUNDI 2928
SANDOR MN. WEISS, R.A., ARCHITECTS, P.C.
1317 AVE. J, BROOKLYN, N.Y. 11230 (718) 692-0800



FOURTH FLOOR PLAN

SCALE: 1/4" = 1'-0"

REGISTERED ARCHITECT
SANDOR WEISS
014318
STATE OF NEW YORK

LEGEND

- UNIT AREA
- LIMITED COMMON AREA
- COMMON AREA
- (S) HARD WIRED SMOKE DETECTOR
- (CO) HARD WIRED CARBON MONOXIDE DETECTOR
- (MV) MECHANICAL VENT., 50 CFM FOR BATHROOM, 75 CFM FOR LAUNDRY LAUNDRY ROOM & KITCHENETTE

A — 6

THE 1549 W. 3 STREET CONDOMINIUMS

1539 W. 3 STREET
BROOKLYN, NEW YORK

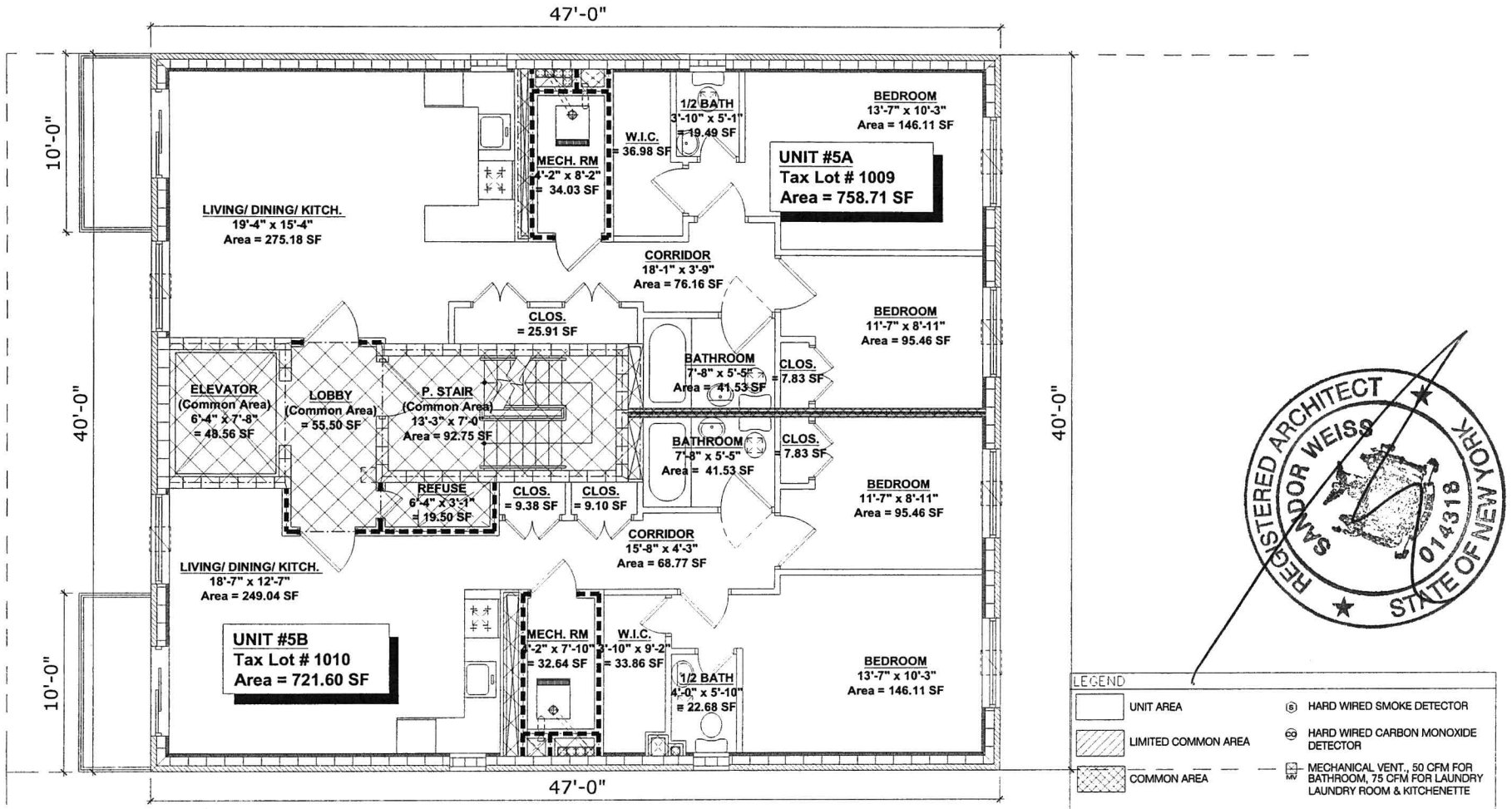
FOURTH FLOOR PLAN

SCALE: 1/4" = 1'-0"

JOB No.: 5764-390

ANNO MUNDI 5928

SANDOR MN. WEISS, R.A., ARCHITECTS, P.C.
1317 AVE. J, BROOKLYN, N.Y. 11230 (718) 692-0800



REGISTERED ARCHITECT SANDOR WEISS 014318 STATE OF NEW YORK

FIFTH FLOOR PLAN

SCALE: 1/4" = 1'-0"

A-7

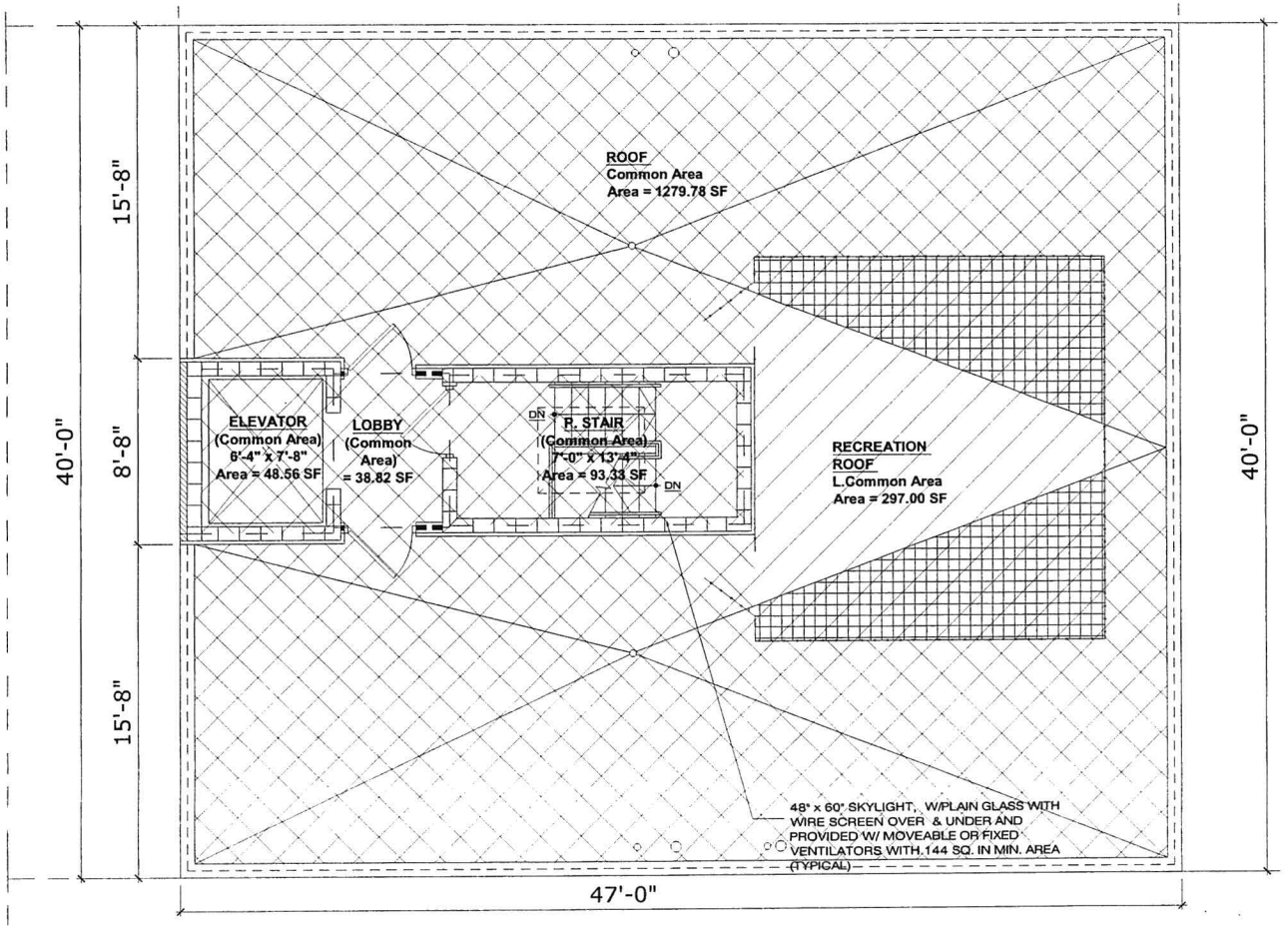
THE 1549 W. 3 STREET CONDOMINIUMS

1539 W. 3 STREET
BROOKLYN, NEW YORK

FIFTH FLOOR PLAN | SCALE: 1/4" = 1'-0" | JOB No.: 5764-390

ANNO MUNDI 2928

SANDOR MN. WEISS, R.A., ARCHITECTS, P.C.
1317 AVE. J, BROOKLYN, N.Y. 11230 (718) 692-0800



REGISTERED ARCHITECT
SANDOR WEISS
014318
STATE OF NEW YORK

LEGEND

- UNIT AREA
- LIMITED COMMON AREA
- COMMON AREA
- (S) HARD WIRED SMOKE DETECTOR
- (CO) HARD WIRED CARBON MONOXIDE DETECTOR
- (MV) MECHANICAL VENT., 50 CFM FOR BATHROOM, 75 CFM FOR LAUNDRY LAUNDRY ROOM & KITCHENETTE

ROOF / STAIR BULKHEAD PLAN

SCALE 1/4"=1'-0"

A-8

THE 1549 W. 3 STREET CONDOMINIUMS

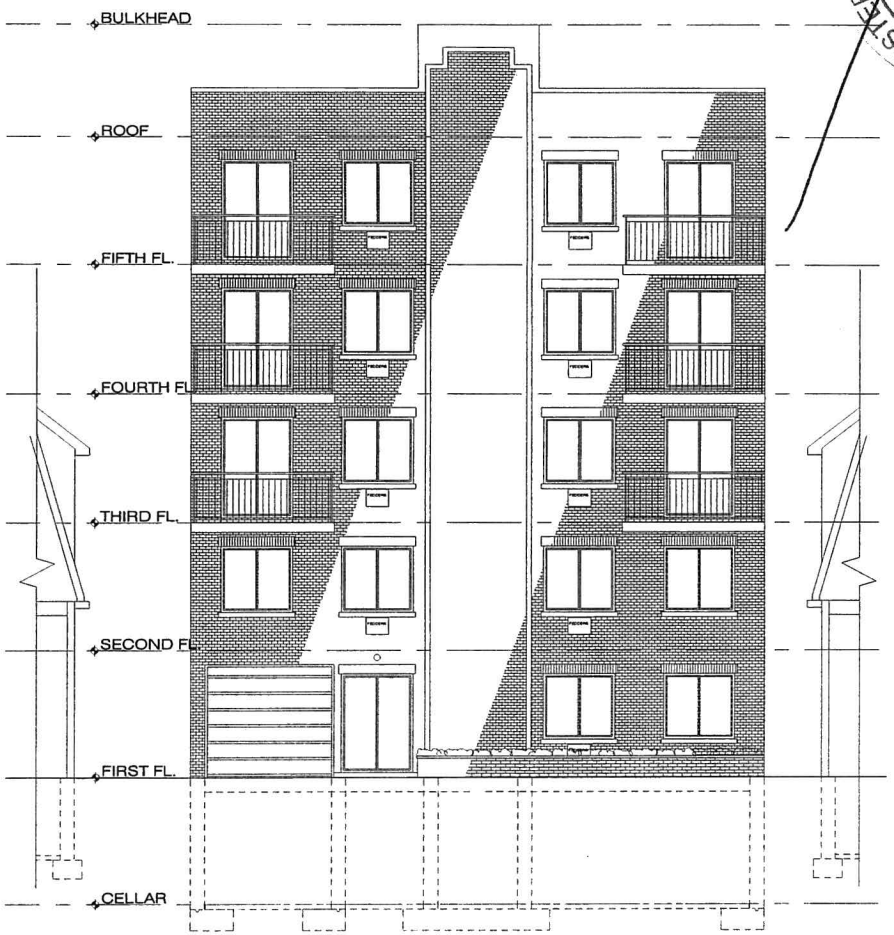
1539 W. 3 STREET
BROOKLYN, NEW YORK

ROOF / STAIR BULKHEAD PLAN

SCALE: 1/4" = 1'-0" | JOB No.: 5764-390

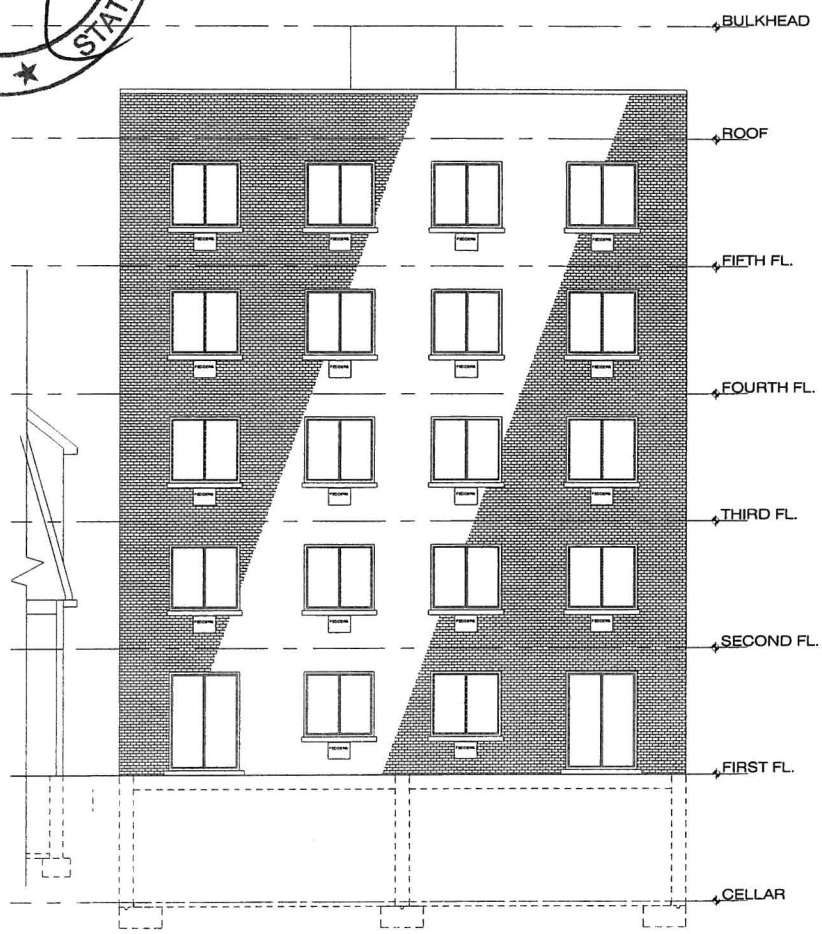
ANNO MUNDI 2928

SANDOR MN. WEISS, R.A., ARCHITECTS, P.C.
1317 AVE. J, BROOKLYN, N.Y. 11230 (718) 692-0800



FRONT ELEVATION

SCALE: 1/4"=1'-0"



REAR ELEVATION

SCALE 1/4"=1'-0"

REGISTERED ARCHITECT
SANDOR WEISS
013410
STATE OF NEW YORK

A—9

THE 1549 W. 3 STREET CONDOMINIUMS

1539 W. 3 STREET
BROOKLYN, NEW YORK

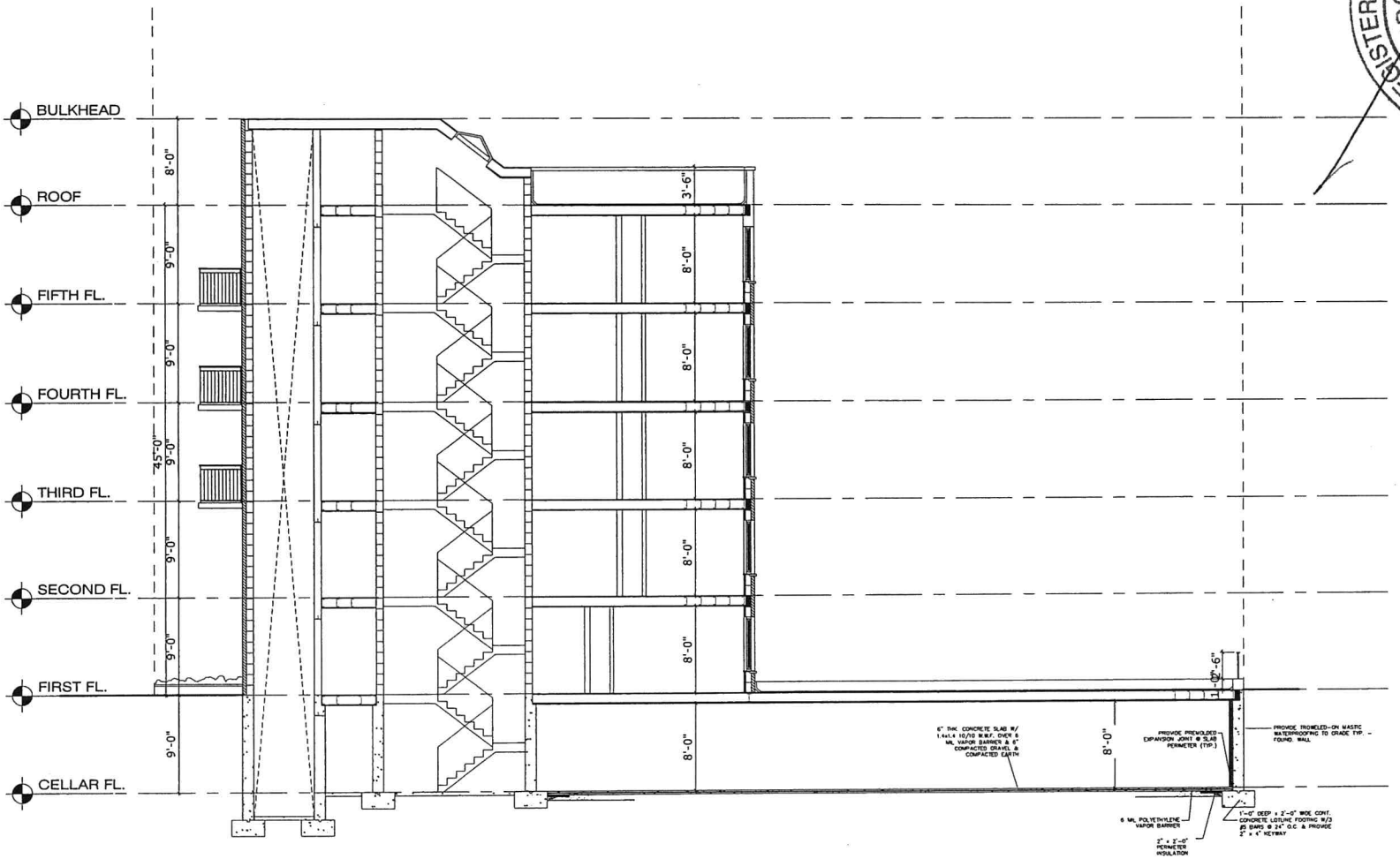
FRONT and REAR ELEVATION VIEW

SCALE: 1/4" = 1'-0"

JOB No.: 5764-390

ANNO MUNDI 2928

SANDOR MN. WEISS, R.A., ARCHITECTS, P.C.
1317 AVE. J, BROOKLYN, N.Y. 11230 (718) 692-0800



REGISTERED ARCHITECT ★ SANDOR WEISS 014318 ★ STATE OF NEW YORK

A—1

THE 1549 W. 3 STREET CONDOMINIUMS
1539 W. 3 STREET
BROOKLYN, NEW YORK

LONGITUDINAL SECTION

SCALE: 1/4" = 1'-0"

JOB No.: 5764-390

ANNO MUNDI 2928

SANDOR MN. WEISS, R.A., ARCHITECTS, P.C.
1317 AVE. J, BROOKLYN, N.Y. 11230 (718) 692-0800

SECTION E

DECLARATION OF THE
1549 WEST 3RD STREET CONDOMINIUM

ESTABLISHING A PLAN OF A CONDOMINIUM OWNERSHIP FOR PREMISES LOCATED AT 1549 West 3rd STREET, IN THE BOROUGH OF BROOKLYN, COUNTY OF KINGS, CITY AND STATE OF NEW YORK, PURSUANT TO ARTICLE 9-B OF THE REAL ESTATE PROPERTY LAW OF THE STATE OF NEW YORK.

NAME: 1549 WEST 3RD STREET CONDOMINIUM
1549 WEST 3RD Street, Brooklyn, N.Y.

SPONSOR: West 3rd Street Development, LLC

DATE OF DECLARATION: January 2, 2011

THE LAND AFFECTED BY THE WITHIN INSTRUMENT LIES IN SECTION , IN BLOCK 6604, F/K/A LOT 70 N/K/A LOTS THROUGH ON THE TAX MAP OF THE BOROUGH OF BROOKLYN, COUNTY OF KINGS, CITY AND STATE OF NEW YORK.

RECORD AND RETURN

Attorney for Sponsor
John P. Gulino, P.C.
85 New Dorp Lane
Staten Island, N.Y. 10306

DECLARATION OF THE
1549 WEST 3RD STREET CONDOMINIUM
PURSUANT TO ARTICLE 9-B OF THE REAL PROPERTY
LAW OF THE STATE OF NEW YORK

In the Borough of Brooklyn, County of Kings, City and State of New York on this 2nd day of January 2011, West 3rd Street Development LLC., whose principal office is situated at , hereinafter referred to as the "Sponsor", does hereby state:

FIRST: Submission of Property. By this Declaration, the Sponsor submits the property described in this Declaration to the provisions of Article 9-B of the Real Property Law of the State of New York.

SECOND: Description of Property. The Sponsor owns all of 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, being more particularly bounded and described on Schedule "A" which is annexed hereto and made part of this Declaration.

THIRD: Definitions.

(a). The record owner of each Unit is hereinafter referred to as the "Unit Owner". Every Unit owner shall be treated for all purposes as a single owner, irrespective of whether such ownership is joint, in common, or tenancy by the entirety. Where such ownership is joint, in common or tenancy by the entirety, majority vote of such owners shall be necessary to cast the Unit Owner's vote as referred to in this Declaration.

(b) A "Unit" as hereinafter referred to shall be defined as follows: Each Unit shall consist of the area enclosed horizontally by the unexposed faces of the drywalls forming the exterior walls of the Unit and vertically by the upper face of the sub-floor of the Unit to the unexposed face of the drywall forming the ceiling of the Unit. Doors and windows which open from a unit and interior walls of a unit shall be deemed to be part of the Unit. The description of the Units set forth herein pertains to the location of the walls, floors and ceilings of the unit as they are set forth in the building plans filed simultaneously with the recording of this Declaration.

"Parking Units" There will be four outdoor parking spaces and one indoor garage. Each parking unit will contain 157 square feet. The four outdoor parking units which are lined asphalt are at the rear of the development. The garage is at the front of the building behind a street facing garage door.

The Condominium shall contain a total of ten residential units and five parking units.

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

(d) "Condominium" as hereinafter referred to shall mean 1549 West 3rd Street Condominium which is composed of the Unit owners.

FOURTH: The Sponsor has constructing one building to be owned as condominium Units located at 1549 West 3rd Street, Brooklyn, N.Y. according to the floor plans filed simultaneously with the recording of this Declaration in the Kings County Clerk's office which plans set forth a description of the building stating the number of stories, the number of units and the principal materials of which they are to be constructed.

The Condominium consists of ten residential Units and five parking units located in one five story building, all as set forth in the floor plans filed as part of this Declaration. Each of the Units has access to each other Unit and the street upon which the Condominium abuts by means of hallways and staircases which form a part of the common elements of the condominium. For the purposes of describing the approximate area, type and number of rooms of each unit and the common elements to which each unit has immediate access, the units are fully described on the filed floor plans and on Schedule "B".

Each Unit will be sold to one or more owners, each owner obtaining fee ownership in and exclusive right of occupancy and possession of the Unit, together with an undivided interest in the common elements of the condominium, as listed hereinafter in this Declaration, and referred to as the "Common Elements", all of the above in accordance with Article 9-B of the Real Property Law of the State of New York.

The aforesaid condominium which is located in one five story building covers a plot area of approximately 4,000 square feet which includes the building and the yard areas.

FIFTH: Common Elements. The Common elements of the condominium will consist of all of the Condominium, except the Units, including without limitation, outside walls and roofs of units, the land, building and improvements (other than the units) comprising the condominium, including the land under the building and under the improvements, all utility or other pipes and material located outside of the units, grass areas and sidewalks.

The common elements shall remain undivided and no Unit owner shall bring any action for partition or division unless otherwise provided by Law. Each Unit owner shall have the right to use the common elements, other than such portions, if any, which by the terms of this Declaration or the annexed By-Laws are irrevocably restricted in use to other Unit owners, in accordance with the purpose for which such common elements are intended, without hindering the exercise of or encroaching upon the rights of the other Unit owners.

The percentages of undivided interest in the Common elements and the rights and obligations of Unit owners respecting irrevocably restricted portions of the common elements established herein shall not be changed except with the consent of all of the affected Unit owners expressed in a duly recorded amendment to this Declaration.

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

Limited Common Elements. Each Unit Owner, his guests, invitees, lesseess and residents of his Unit shall have the exclusive right to use and possess the limited common elements of the building indicated in the attached Exhibit B, subject to the following:

Each Unit Owner shall be solely responsible for the repair and maintenance of the Limited Common Elements appurtenant to his Unit including, but not limited to painting, cleaning, patching and surface repair. In the event a Unit Owner fails to properly maintain his Limited Common Element, the Condominium Board of Managers may take such steps as in its exclusive judgment are necessary to maintain the areas. The cost thereof shall be assessed against the Condominium Unit to which such Limited Common Element is appurtenant. To the extent that any damage to a Limited Common Element is caused by building conditions, or by other conditions for which the Condominium carries insurance, the cost to repair such damage shall be borne by the Condominium.

The limited common elements include the balconies, parking garage and parking spaces which are assigned to specific units.

No withstanding the above, the repair and maintenance of the outdoor parking spaces shall be undertaken by the Condominium.

SIXTH: Easements. All pipes, wires, conduits, cable lines, and public utility lines located within each unit shall be owned by such unit owner. Any portion of such pipes, wires, conduits, cable lines and public utility lines located in the common elements will be owned in common by the unit owners. Every unit owner shall have an easement in common with the owners of other units to maintain and use all pipes, wires, conduits, cable lines and public utility lines located in other units and servicing such owners unit. Each unit shall be subject to an easement in favor of the owners of other units to maintain and use the pipes, wires, conduits, cable lines and public utility lines servicing such other units which are located in such Unit.

The Board of Managers shall have a right of access to each unit for maintenance, repair or improvement to any pipes, wires, conduits, cable lines and public utility lines located in any unit and servicing any other unit. The cost of such repairs shall be a common expense.

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

The Sponsor, on behalf of itself and its successors and assigns who may take title to portions of the Condominium for purposes of development and sale, reserves the right to continue to use the common elements and any facilities, sales offices, model units, and signs located on the common elements, in it efforts to market units in the Condominium. This paragraph shall not be amended

without the written consent of the Sponsor.

SEVENTH: Service of Process and Building Code Violations. Service of process on the unit owners in any action with relation to the common elements or more than one unit and with regard to any violation of local building codes, zoning ordinances and other related building and zoning laws by the Common Elements or one or more units shall be made upon the Board of Managers of the Condominium. The Board of Managers shall have the principal responsibility for curing any violations of such building and zoning laws and service upon the Board of Managers shall be deemed service upon the owner or owners of the Condominium unit or units in which any such violation exists. The provisions of this Article shall not be amended without the consent of the Department of Buildings or any city agency which is a successor thereto.

EIGHTH: Common Interest. Each Unit owner shall have a percentage interest in the Common Elements and shall bear such percentage of the common expenses of the Condominium. The percentage interest of each Unit in the common elements has been determined by the Sponsor and is set forth in the Offering Plan of the Condominium and is recorded with the Plan.

Each Unit owner shall have one vote for all voting purposes at any meeting of the Unit owners unless otherwise mandated by law or expressly provided for herein or in the By-Laws.

NINTH: Administration. The administration of the condominium and the parcel of land described herein shall be in accordance with the provisions of this Declaration and with the provisions of the By-Laws which are made a part of this Declaration and are attached hereto.

TENTH: Amendment and Withdrawal. The property shall not be withdrawn from condominium ownership unless at least 90% of the Unit owners in number and common interest and the first mortgagees, if any, of each of these same units agree to such removal by duly recorded instruments. Such withdrawal of the property from condominium ownership shall not take effect until the withdrawal documents are duly recorded in the office of the clerk of the county of Kings.

Except as provided pursuant to real Property Law section 339-p, the provisions of this Declaration may be modified or amended by an instrument executed by the Board of Managers upon a vote of 90% of the Unit owners in number and in common interest held at a duly called meeting of the unit owners provided, however, that:

(i) No amendment shall alter the percentage interest in the common elements appurtenant to any unit or alter any rights or obligations respecting portions of the Common Elements irrevocably restricted in use to the owners of any Units without the consent of the affected unit owners and the first mortgagees, if any, of the same units, which consents shall be expressed in the instruments of amendment.

(ii) No amendment shall add any parcel of land or Unit to or divest any parcel of land or unit from the Condominium property unless 90% of the unit owners in number and common interest and

the first mortgagees, if any, of each of these same units agree to such change on the instrument or amendment.

(iii) No amendment shall be passed which shall impair or prejudice the rights and priorities of mortgagees.

There shall be a presumption for a period of 60 days subsequent to the recording of the amendment that the vote of the unit owners was made at a duly called meeting and that the requisite voting percentages were obtained. After the 60 day period, such presumption will be deemed conclusive. Any amendment to this Declaration shall not take effect until it is recorded in the Office of the Clerk of the County of Kings.

ELEVENTH: Subject to Declaration, By-Laws, etc. All present and future unit owners, tenants, future tenants, or any other person that might use the facilities of the Condominium in any manner are subject to the provisions of this Declaration, the By-Laws and Rules and regulations of the Condominium and the mere acquisition or rental of any of the Units or the mere act of occupancy of any of the said Units shall signify that the provisions of the Declaration, By-Laws and Rules and regulations of the Condominium are accepted and ratified and all 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 thereof.

TWELFTH: Common Charges. All sums assessed as common charges by the Board of Managers of the Condominium but unpaid, together with interest at the maximum legal rate thereon, chargeable to any Unit owner shall constitute a lien on his Unit prior to all other liens except: (a) tax or assessment liens on the unit by the taxing subdivision of any governmental authority, including but not limited to State, City, County and School District taxing agencies; and (b) all sums unpaid on any first mortgage of record encumbering any unit. Such lien may be foreclosed, when past due in accordance with the laws of the State of New York, by the Condominium, in like manner as a mortgage on real property, and the Condominium shall also have the right to recover all costs incurred including reasonable attorneys fees (but such right shall not be a lien against the unit).

In the event the proceeds of the foreclosure sale are not sufficient to pay such unpaid common charges, the unpaid balance shall be charged to all Unit owners as a common expense. However, where the holder of an institutional mortgage of record, or other purchaser of a Unit at a foreclosure sale of an institutional mortgage, obtains title to the Unit as a result of foreclosure, or the institutional mortgage holder obtains title by conveyance in lieu of foreclosure, such acquirer of title, his successors or assigns, shall not be liable and the unit shall not be subject to a lien for the payment of common charges chargeable to such Unit which were assessed and became due prior to the acquisition of title to such Unit by such acquirer. In such event, the unpaid balance of common charges shall be charged to all other Unit owners as a common expense. The term "institutional mortgage" herein shall mean a first mortgage granted by a federal or state savings and loan

association, savings or commercial bank, life insurance company, pension fund, trust company, agency of the United States Government or of the City or State of New York or other similar institutional lender or a purchase money mortgage granted by the Sponsor.

Every unit owner shall pay the common charges assessed against him when due and no Unit owner may exempt himself from liability for the payment of common charges assessed against him by waiver of the use or enjoyment of any of the common elements or by the abandonment of his Unit. However, no unit owner shall be liable for the payment of any common charges accrued subsequent to a sale, transfer or other conveyance by him of such unit made in accordance with Section 339-x of the Real Property Law or in accordance with the provisions of this Declaration and the By-Laws.

THIRTEENTH: Units acquired by the Board. In the event any Unit owner shall convey his unit to the Board of Managers in accordance with Section 339-x of the Real Property Law or in the event the Board of Managers shall purchase any Unit in a foreclosure sale, title to such unit or the rights to the lease of such unit shall be held by the Board of Managers or its designee on behalf of the other Unit owners.

In order to carry out the provisions of this paragraph, each Unit owner shall, upon becoming such, grant an irrevocable power of attorney, coupled with an interest, to the Board of Managers and their successors to acquire title or lease any such unit under whatever terms the Board may in its sole discretion deem proper and sell, lease, sublease, mortgage, vote or otherwise deal with such Unit under such terms as the Board in its sole discretion shall deem proper.

FOURTEENTH: Encroachments. The unit owners agree that if any portion of a Unit or the common elements (whether restricted in use to an individual unit owner or not) encroaches upon another or shall hereinafter encroach upon another as a result of construction, a valid easement for the encroachment and the maintenance of the same, so long as it stands, shall and does exist. In the event the building is partially or totally destroyed as a result of fire or other casualty or a result of condemnation or eminent domain proceedings and are rebuilt, the unit owners agree that encroachments of any portion of the unit or the common elements as herein described due to construction, shall be permitted, and that a valid easement for said encroachment and the maintenance thereof shall exist so long as the Building or reconstructed building shall stand.

FIFTEENTH: Unit Ownership. Upon the closing of title to a Unit, a purchaser shall automatically become a Unit owner in the Condominium subject to the Declaration, By-Laws and other effective rules and regulations and shall remain such until such time as he ceases to own a Unit for any reason.

SIXTEENTH: Conveyance of a Unit. In any conveyance of a unit, either by voluntary instrument, operation of law or judicial proceeding in accordance with this Declaration or the By-Laws, the grantee of the unit shall be jointly and severally liable with the Grantor for any unpaid common charges against the Grantor assessed and due up to the time of the grant or conveyance

without prejudice to the Grantee's right to recover from the grantor the amount paid by the grantee therefore. Any such grantee shall be entitled to a statement from the Board of Managers setting forth the amount of unpaid common charges against the Grantor and such Grantee shall not be liable for, nor shall the unit conveyed be subject to a lien for any unpaid common charges against the Grantor in excess of the amount set forth in such statement. Grantee as used herein shall not include either the holder of an institutional mortgage of record or other purchaser of a unit at a foreclosure sale of an institutional mortgage.

SEVENTEENTH: Covenants and Restrictions. The use of the Unit by the Unit owner or other occupant shall be subject to the rules, regulations and provisions of this Declaration, the By-Laws and rules and regulations of the Board of Managers and the following covenants and restrictions:

(a) The unit and area restricted to the unit owner's use shall be maintained in good repair and overall appearance.

(b) No alterations to the exterior of the unit or any part of the common elements may be made without the written consent of the Board of Managers. No alterations to the inside of a unit which would impair the structural soundness of the Building may be made without the written consent of the Board of Managers. Consent may be requested by mailing a letter, certified mail, return receipt requested, to the Management Agency, if any, or to the President of the Board of Managers, if no Management Agent is employed. The Board of Managers shall have an obligation to answer within thirty days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.

(c) Any Unit owner who mortgages or sells his unit shall notify the Board of Managers providing the name and address of his mortgagee or purchaser.

(d) The Board of Managers shall, at the request pf the mortgagee of the unit, report any unpaid common charges due from the Unit owner of such Unit.

(e) No nuisance shall be allowed upon the property nor shall any use or practice be allowed which is a source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents.

(f) No immoral, improper, offensive or unlawful use shall be made of the property or any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.

(g) Regulations promulgated by the Board of Managers concerning the use of the property shall be observed by the unit owners provided, however, that copies of such regulations are furnished to each unit owner prior to the time the said regulation becomes effective.

(h) The common charges shall be paid when due.

(i) The use for which the units are intended is residential occupancy, provided that, subject to all applicable governmental laws and regulations, any unit may be used as a professional office, if the owner thereof resides therein.

EIGHTEENTH: Utilities. Gas and electricity consumed in or on the common elements and water covering the units and the common elements shall be paid for by the Board of Managers as an item of common expense, unless otherwise billed separately by the supplier. Each unit shall be individually metered for gas and electricity and the expense of such utilities consumed within the unit shall be paid for by the owner of the Unit.

The Sponsor, while in control of the Condominium, and the Board of Managers and the Unit owners thereafter shall maintain all internal sewers and drains at all times throughout the life of the Condominium. They shall be responsible for the abatement of any nuisance due to the use of the "internal drains" that would have an adverse effect on the health, safety and welfare of the City and State of New York.

The charges and assessments for maintenance and operation of internal drains, shall be a charge upon the land against which the same are made and shall be a continuing lien upon the property so charged and assessed, and in addition, that charge or assessment shall be a personal obligation of the record owner of the unit against which the same is made.

The Sponsor and/or the Board of Managers on behalf of the Condominium and each and every member thereof, shall utilize the "internal drains" in such a manner, that it will not in any way have an adverse effect on the City of New York's completed or pending sanitary and storm water drainage plans for the tributary drainage area of the separate sewer outlets.

NINTEENTH: General Provisions

A. Enforcement

The Condominium, or any owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Condominium or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

B. Severability

Invalidation of any one of these covenants or restrictions by judgment or court order shall in no manner affect the validity of any other provision, all of which shall remain in full force and effect.

C. Amendment

The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety percent (90%) in number and common interest of the Unit Owners, and thereafter by an instrument signed by not less than ninety percent (90%) in number and common interest of the Unit Owners. Any amendment must be recorded.

In Witness Whereof, the undersigned, being the Declarant herein, has hereunto set its hand and seal this day of , 2011.

West 3rd Street Development LLC

by_____

SECTION F

BY-LAWS
OF
THE 1549 WEST 3RD STREET CONDOMINIUM

ARTICLE I

Plan of Unit Ownership

Section 1. The property located at 1549 West 3rd Street, Brooklyn, New York (hereinafter called the property) has been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the Declaration recorded in the office of the Clerk of Kings County simultaneously herewith and shall hereinafter be known as the 1549 West 3rd Street Condominium, Inc, a Condominium (hereinafter the Condominium). The residential apartments and parking spaces as herein sometimes called the Units.

Section 2. The provisions of these By-Laws are applicable to the property of the Condominium and to the land and the building and improvements thereon (including the units and the common elements), owned in fee simple absolute, and all easements, rights and appurtenances belonging thereto, and all other property, real, personal, or mixed, intended to be submitted to the provisions of said Article 9-B of the Real Property Law of the State of New York.

Section 3. All present and future owners, mortgagees, lessees, tenants, their families, guests, licensees, agents and their employees, and other persons who may use the facilities of the Condominium in any manner are subject to these By-Laws, the Declaration and the Rules and Regulations. The mere acquisition or rental of any of the Units or the mere act of occupancy of any of the said Units will signify that these By-Laws, the Declaration, and the Rules and Regulations are accepted, ratified and will be complied with.

Section 4. The office of the Condominium and of the Board of Managers shall be located at 1549 West 3rd Street, Brooklyn, N.Y.

ARTICLE II

Voting

Section 1. The Condominium shall be limited to Unit owners. Unit Owners as referred to herein shall mean all of the deed owners of each Unit.

Section 2. Each Unit owner (including the Sponsor and the Board of Managers, if the Sponsor and Board of Managers shall own or hold title to one or more Units), shall be entitled to cast one vote at all Unit owners meetings for each unit owned by such unit owners, but the Board of Managers shall not cast any votes for the election of any member of the Board.

Section 3. Unit Owners who represent at least 51% of the common interest in the aggregate of all unit owners who are present in person or represented by written proxy shall constitute a quorum at all meetings of the Unit owners for the transaction of business, except as otherwise provided by Statute, by the Declaration, or by these By-Laws. If, however, such quorum is not present or represented at a called meeting of the Unit owners, the Unit owners present shall have the power to adjourn the meeting without notice other than an announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting originally called.

Section 4. When a quorum is present at any meeting, the vote of a majority of the Unit owners present in person or represented by written proxy shall decide any question brought before such meeting. Such vote shall be binding upon all Unit owners, unless the question is one upon which, by express provisions of the Declaration, Statute, or of these By-Laws, a different vote is required, in which case such express provisions shall govern and control the decision of such question.

Section 5. At any meeting of unit owners, every Unit owner having the right to vote shall be entitled to vote in person or by proxy. Such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof.

Section 6. All proxies shall be in writing and shall be filed with the Secretary prior to the meeting at which such proxies are to be used. A notion of such proxies shall be made in the minutes of the meeting.

Section 7. Whenever the vote of Unit owners at a meeting is required or permitted by any provision of the Declaration, Statutes, or of these By-Laws to be taken in connection with any action of the Condominium, the meeting and vote of the unit owners may be dispensed with if all Unit owners who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken.

Section 8. Meetings shall be held at such suitable place convenient to the Unit owners as may be designated by the Board of Managers.

Section 9. Within thirty (30) days after the earlier of (i) two (2) years after the closing of the first unit, or (ii) whenever the unsold units constitute less than fifty percent (50%) of the common interest, the Sponsor shall call the first annual Unit Owners meeting. At such meeting a new Board of three Managers shall be elected by the unit owners and the former members of the Board shall thereupon resign. Thereafter, annual meetings shall be held on the anniversary of such date each succeeding year. At such meetings there shall be elected by ballot of the Unit owners a Board of Managers in accordance with these By-laws. The unit owners may transact such other business of the Condominium as may properly come before them.

ARTICLE III
Board of Managers

Section 1. The affairs of the Condominium shall be governed by a Board of Managers. Until the first meeting of unit owners pursuant to Section 9 of Article II, the Board of Managers shall consist of two people designated by the Sponsor of the Condominium.

After the first meeting of the Unit owners, the Board of Managers shall consist of three persons elected by all Unit owners (including the Sponsor), but the Sponsor's right to elect members of the Board shall be subject to the limitations set forth in Section 1(c) of Article V of these By-Laws. A majority the Board of Managers shall be owners-occupants or members of an owner-occupants household who are unrelated to the sponsor and its principals, or mortgagees of units, or, in the case of partnership owners or mortgagees, shall be members or employees of such partnership, or in the case of corporate owners or mortgagees, shall be officers, directors, stockholders or employees of such corporations, or in the case of fiduciary owners or mortgagees shall be the fiduciaries or officers or employees of such fiduciaries, or in the case of the Sponsor, shall be designees of the Sponsor.

Section 2. Vacancy and Replacement. If the office of any Manager becomes vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining Managers though less than a quorum, at a special meeting of Managers duly called for this purpose, shall choose a successor, who shall hold office for the unexpired term in respect of which such vacancy occurred and until his successor is duly elected and qualified. If the vacancy occurs with respect to any member of the Board of Managers who has been designated by the Sponsor, the Sponsor shall have the sole right to choose such Manager's successor to fill the unexpired portion of his term.

Section 3. Removal. Managers may be removed for cause by an affirmative vote of a majority of the Unit Owners. No Manager other than a designee of the Sponsor, shall continue to serve on the Board if, during his term of office, he shall cease to be either a Unit Owner, or a lessee or occupant entitled to the access of the Common Elements in lieu of the Unit Owner renting or permitting him to occupy the unit in which he resides.

Section 4. Powers.

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

1. To determine and levy monthly assessments (Common Charges) to cover the cost of operating and maintaining the Common Elements, and providing repairs and maintenance, payable in

advance. The Board of Managers may increase the monthly assessments or vote a special assessment in excess of that amount, if required, to meet any additional necessary expenses. Said increase can only be assessed among the unit owners pro rata to their respective common interest.

2. To collect, use and expend the assessments collected to maintain and care for and preserve the Units, building and other common elements.

3. To enter into and upon the Units when necessary and at as little inconvenience to the Unit owners as possible in connection with the maintenance, care and preservation of the property.

4. To make repairs, restore or alter any Units or the common elements after damage or destruction by a casualty or as a result of condemnation or eminent domain proceedings.

5. To open bank accounts on behalf of the Condominium and to designate the signatories to such bank accounts.

6. To insure and keep insured the Common Elements in accordance with Article XII of these By-laws.

7. To collect delinquent assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from unit owners for violations of the house rules or rules and regulations herein referred to.

8. To make reasonable rules and regulations and to amend the same from time to time. Such rules and regulations and amendments thereto shall be binding upon the unit owners when the Board has approved them in writing and delivered a copy of such rules and all amendments to each unit owner. Such rules and regulations may, without limiting the foregoing, include reasonable limitations on access to the Common Elements.

9. To employ workmen and purchase supplies and equipment, to enter into contracts, and generally to have the powers of Managers in connection with the matters hereinabove set forth.

10. To bring and defend actions by or against more than one unit owner and pertinent to the operation of the Condominium. The Board may, in its discretion, fund the cost of any such litigation out of the common charge assessments. The Board shall also have the right to engage in any litigation it deems necessary to carry out the provisions of the Declaration of the Condominium and these By-Laws and may fund the cost of such litigation out of the common charge assessments. Without limiting the foregoing, the Board may engage in litigation pertaining to the maintenance and operation of the common elements.

11. To purchase any Unit at a foreclosure sale on behalf of all Unit owners.

12. To acquire Units in foreclosure or as a result of abandonment and to take any and all steps necessary to repair or renovate any unit so acquired and to vote as unit owner, offer such unit for sale or lease or take any other steps regarding such Unit as shall be deemed proper by the Board of Managers.

13. To grant utility or other easements as may, at any time, be required for the benefit of the Condominium and unit owners without the necessity of consent thereto, or joinder therein, by the unit owners or any mortgagee.

14. To act as an agent of each unit owner who has given his written authorization to complain or apply to the local and county real estate assessment agency board of review by filing a single complaint on behalf of all such unit owners pursuant to the applicable sections of the Real Property Tax Law. The Board of Managers may retain legal counsel on behalf of all unit owners for which it is acting as agent and charge all such unit owners a pro rata share of expenses, disbursements, and legal fees for which charges the Board of Managers shall have a lien pursuant to these By-Laws.

(b) The Board of Managers may, by resolution or resolutions, passed by a majority of the whole Board, designate one or more committees, each of such committees to consist of at least three (3) Managers or unit owners one of whom shall be a Manager, which to the extent provided in said resolution or resolutions, shall have and may exercise the powers of the Board of Managers in the management of the business and affairs of the Condominium and may have power to sign all papers which may be required, provided the said resolution or resolutions shall specifically so provide. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Managers. Committees established by resolution of the Board of Managers shall keep regular minutes of their proceedings and shall report the same to the Board as required.

(c) Notwithstanding anything to the contrary contained in these By-Laws, for two years after the filing of the Condominium Declaration so long as the Sponsor or its designee shall continue to own units representing 5% or more in common interest, the Board of Managers may not, without the Sponsor's prior written consent (i) make any addition, alteration or improvements to the common elements or to any units, (ii) assess any common charge for the creation of, or addition to or replacement of all or part of a reserve for contingencies provided in the estimate of receipts and expenses for the first year of operation set forth in Schedule B of the Plan of Condominium Ownership or (iii) hire any employee in addition to the employees referred to in the Plan of Condominium Ownership or (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date of the first closing of title to a unit or (v) borrow money on behalf of the Condominium.

Section 5. Compensation. Managers and officers, as such shall receive no compensation for their services.

Section 6. Repairs and Maintenance. All maintenance, repairs and replacement to the common elements of the Condominium including but not limited to exterior walls, roof and roof members as well as all maintenance, repairs and replacement to any pipes, wires, conduits, cables and public utility lines, any portion of which is located in one unit and services another unit or more then one unit or so much of any pipes, wires, cables, conduits and public utility lines as are located in the common elements but service one or more units shall be made by the Board of Managers and the cost thereof shall be a common expense. The Board of Managers shall repair all plumbing stoppages and electrical problems occurring in the common elements.

Except as is otherwise specifically provided, all maintenance to the units, including electrical repairs, plumbing stoppages, window cleaning, painting and decorating in the units, and repairs and replacements to the units including windows and doors (including all glass breakage), and repairs to pipes, wires, cables and conduits located in and servicing the same unit, other than as set forth above, shall be made by the respective unit owners at their own expense.

All irrevocably restricted common elements shall be maintained and repaired by the Unit owner to whom such common element is restricted in use. However, the Board of Managers shall repair and replace any pipes, wires, conduits, cables and public utility lines located underground or overhead any irrevocably restricted common element, except where such repair or replacement is necessitated because of the negligence or misuse or neglect of the unit owner to which the common element is restricted in use, in which event such cost and expense shall be assessed to and paid for by such unit owner.

The Board of Managers and its agents, employees, and contractors shall have a right of access to any unit and to all portions of the common elements for the purpose of carrying out any of its obligations under these By-Laws or the Declaration of the Condominium. All repairs, painting or maintenance, whether made by the unit owner or by the Board of Managers to the doors, windows, or the exterior surface of the building, including the roof, or to any generally visible portion of the common elements shall be carried out in such manner as to conform to the materials, style and color initially provided by the Sponsor.

In the event that a Unit owner fails to perform any maintenance, painting or repair, which maintenance, painting or repair is necessary to protect any of the common element, any other unit, or, in the event of service of a Building Department violation notice covering the unit upon the Board of Managers, the Board of Managers shall have the right to perform such maintenance, painting or repairs (after failure of the unit owner to do so after ten (10) days written notice, or written or oral notice of a shorter duration in the event of an emergency situation) and to charge the unit owner for the cost of all such repairs, painting and/or maintenance. In the event that the Board of Managers charges a unit owner for the painting or maintenance to any common element restricted in use to such unit owner, and the unit owner fails to make prompt payment, such charges shall be considered as additional common charges due from said unit owner, and the Board of Managers shall be entitled to bring suit thereon. In the event the Board brings such a suit, the unit owner shall be liable for the reasonable attorney's fees and costs of such suit or proceeding together with interest on all sums.

Section 7. Meeting of Board of Managers

(a) The first meeting of each Board newly elected by the Unit owners shall be held immediately following the adjournment of the meeting at which they are elected, providing a quorum shall then be present or as soon thereafter as may be practicable. The annual meeting of the Board of Managers shall be held at the same place as the unit owners meetings, and immediately after the adjournment of such meeting, at which time the dates, places and times of regularly scheduled meetings of the Board shall be set.

(b) Regularly scheduled meetings of the Board may be held without special notice.

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

(d) At all such meetings of the Board, a majority of the Managers shall be necessary and sufficient to constitute a quorum for the transaction of business, and an act of the majority of the Managers present at any meeting at which there is a quorum shall be the act of the Board of Managers, except as may be otherwise specifically provided by statute or by the Declaration or these By-Laws. If a quorum is not present at any meeting of Managers, the Managers present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

(e) Before, or at any meeting of the Board of Managers, any Manager may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Manager at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

(f) Managers or members of any committee of the Board of Managers may participate in a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other.

Section 8. Annual Statement. The Board of Managers shall furnish to all unit owners, their mortgagees and the Department of Law of the State of New York and shall present annually (at the annual meeting) and when called for by a vote of the unit owners at any special meeting of the unit owners, a full and clear statement of the business conditions and affairs of the Condominium, including a balance sheet and profit and loss statement verified by an independent public accountant and a statement regarding any taxable income attributable to the unit owners and a notice of the holding of the annual meeting of Unit owners.

Section 9. Fidelity Bonds. The Board of Managers may require that all officers and employees of the Condominium handling or responsible for Condominium funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be a common expense of the Condominium.

Section 10. Management Agent. The Board of Managers may employ for the Condominium a management agent under a term contract or otherwise at a compensation established by the Board, to perform such duties and services as the Board shall authorize, including, but not limited to all of the duties of the Board listed in this Article.

Section 11. The members of the Board of Managers shall not be liable to the unit owners for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith. The unit owners shall indemnify and hold harmless each of the members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless such contract shall have been made in bad faith or contrary to the provisions of the Declaration or of these By-Laws.

It is intended that the members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium. It is also intended that the liability of any unit owner arising out of any contract made by the Board of Managers or out of the aforesaid indemnity in favor of the members of the Board of Managers shall be limited to such proportion of the total liability there under as his interest in the common elements bears to the interests of all unit owners in the common elements. Every agreement made by the Board of Managers or by the Managing agent or by the Manager on behalf of the Condominium shall provide that the members of the Board of Managers, or the managing agent, or the manager, as the case may be, are acting only as agents for the Unit Owners and shall have no personal liability there under (except as unit owners), and that each unit owner's liability there under shall be limited to such proportion of the total liability there under as his interest in the common elements bears to the interest of all unit owners in the common elements.

ARTICLE IV OFFICERS

Section 1. Elective Officers. The officers of the Condominium shall be chosen by the Board of Managers and shall be a President, a Vice President, a Secretary and a Treasurer. The Board of Managers may also choose one or more Assistant Secretaries and Assistant Treasurers and such other officers as in their judgment may be necessary. All officers must be either members of the Board of Managers or Unit Owners. Two or more offices may not be held by the same person.

Section 2. Election. The Board of Managers, at its first meeting after each annual meeting of Unit owners, shall elect a President, a Vice President, a Secretary and a Treasurer. Only the President must be a member of the Board.

Section 3. Appointive Offices. The Board may appoint such other officers and agents as it shall deem necessary and who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

Section 4. Term. The officers shall hold office for the term to which they are elected and appointed and until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Managers may be removed with or without cause, at any time, by the affirmative vote of a majority of the whole Board of Managers. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Managers.

Section 5. The President. The President shall be the chief executive officer of the Condominium; he shall preside at all meetings of the Unit Owners and the Board of Managers, shall be an ex-officio member of all standing committees, shall have general and active management of the business of the Condominium, shall see that all orders and resolutions of the Board are carried into effect and shall have such other powers and duties as are usually vested in the office of President of a corporation organized under the Not-for-Profit Corporation Law of the State of New York.

Section 6. The Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act and shall have such other powers and duties as are usually vested in the office of Vice President of a corporation organized under the Not-for-Profit Corporation Law of the State of New York.

Section 7. The Secretary. The Secretary and/or Assistant Secretary shall attend all sessions of the Board and all meetings of Unit Owners and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all meetings of Unit Owners and special meetings of the Board of Managers, and shall perform such other duties as may be prescribed by the Board of Managers or by the President, under whose supervision he shall be.

Section 8. The Treasurer. The Treasurer shall have the custody of the Condominium funds and securities and shall keep full and accurate chronological accounts of receipts and disbursements in books belonging to the Condominium including the vouchers for such disbursements, and shall deposit all monies and other valuable effects in the name and to the credit of the Condominium in such depositories as may be designated by the Board of Managers.

He shall disburse the funds of the Condominium as he may be ordered by the Board, making proper vouchers for such disbursements and shall render to the President and Directors, at the regular meetings of the Board or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Condominium.

He shall keep detailed financial records and books of accounts of the Condominium, including a separate account for each Member, which, among other things, shall contain the amount

of each assessment, the date when due, the amounts paid thereon and the balance remaining unpaid.

Section 9. Agreements, etc. All agreements and other instruments shall be executed by the President or such other person as may be designated by the Board of Managers.

ARTICLE V UNIT OWNERS

Section 1. (a) Within 30 days after (i) the Sponsor's conveyance of title to all units or (ii) the first anniversary of the date of filing the Declaration, whichever shall first occur, the Sponsor shall call the first meeting of unit owners for the election by all unit owners (including Sponsor) of a three member Board of Managers.

(b) Annual meetings of unit owners shall be held March 30th each year beginning in the year following the first meeting of unit owners held pursuant to Section 1(a) unless another date is chosen by the Board of Managers.

(c) So long as the Sponsor of the Condominium or its designee shall continue to own units representing at least 20% in common interest, the Sponsor or its designee shall have the right to elect one of the three members of the Board of Managers. Members of the Board of Managers elected by the Sponsor or its designee shall serve a term of one year. All other members of the Board of Managers shall be elected by the Unit owners. The Unit owners may transact such other business at such meetings as may properly come before them.

Section 2. Meetings of the Unit owners shall be held at the principal office of the Condominium or at such other suitable place convenient to the Unit owners as may be designated by the Board of Managers.

Section 3. It shall be the duty of the president to call a special meeting of the Unit owners if so directed by resolution of the Board of Managers or upon a petition signed and presented to the Secretary by not less than 25% in common interest, in the aggregate, of Unit owners. The notice of special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. It shall be the duty of the Secretary to mail or deliver a notice of each annual or special meeting of the unit owners, at least ten days but not more than twenty days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, to each unit owner of record, at the building or at such other address as such unit owner shall have designated by notice in writing to the Secretary. If the purpose of any meeting shall be to act upon a proposed amendment to the Declaration or to these By-Laws, the notice of meeting shall be mailed at least thirty days prior to such meeting. The mailing of a notice of meeting in the manner provided for in this section shall be considered service of notice.

Section 5. If any meeting of Unit owners cannot be held because a quorum has not attended, a majority in common interest of the Unit owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 6. The order of business at all meetings of the unit owners shall be as follows:

(a) Roll Call
(b) Proof of notice of meeting
(c) Reading of Minutes of preceding meeting
(d) Reports of Officers
(e) Report of Board of Managers
(f) Reports of Committees
(g) Election of inspectors of election
(h) Election of Board of Managers (when so required)
(i) Unfinished business
(j) New Business

Section 7. Title to Units may be taken in the name of an individual or in the name of two or more persons, as tenants in common or as joint tenants or as tenants by the entirety, or in the name of a corporation or in the name of a fiduciary.

ARTICLE VII OWNERS OF OCCUPIED UNITS

Section 1. The condominium has been established by a non-eviction conversion offering plan. Existing tenants have a right of continued occupancy in accordance with the law affecting such tenancy prior to the purchase of the unit occupied by the non-purchasing tenant by a third party. Unit owners who were purchasers of dwelling units occupied by non purchasing tenants irrevocably appoint the condominium's managing agent and its successor (or the board of managers of the condominium if no managing agent is employed by the condominium) as his or her agent to provide to the non purchasing tenants all services and facilities required by law.

Section 2. The occupied unit purchasers (other than the sponsor) shall deposit with the managing agent (or the board of managers of the condominium if no managing agent is employed) at the closing an amount not less than the greater of two months' common charges or two month's rent, to be used as working capital to furnish services required under the non-purchasing tenant's lease and the laws and regulations covering such lease. Interest, if any, earned on the fund shall be the property of the unit owner.

Upon notice by the managing agent (or the board of managers of the condominium) that the deposit has been diminished, the fund shall be replenished by the unit owner within ten business days. Failure of the unit owner to replenish the fund in a timely fashion shall result in the board of managers, on behalf of the unit owners, having a lien against the dwelling unit.

Section 3. The Owners of the dwelling units occupied by non-purchasing tenants by General Obligations Law Section 7-103 with respect to security deposits.

Section 4. Non-purchasing tenants will be promptly notified of changes in ownership by any purchasers of their units. The board of managers will retain and make available such information.

ARTICLE VI NOTICES

Section 1. Definition. Whenever under the provisions of the Declaration or of these By-Laws, notice is required to be given to the Board of Managers or to any Manager or Unit Owners, it shall not be construed to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letterbox in a postpaid sealed wrapper, addressed to the Board of Managers, such Manager or owner at such address as appears on the books of the Condominium.

Section 2. Service of Notice-Waiver. Whenever any notice is required to be given under the provisions of the Declaration, or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE VII OPERATION OF THE PROPERTY

Section 1. The Board of Managers shall from time to time, and at least annually, prepare a budget for the Condominium, determine the amount of common charges payable by the unit owners to meet the common expenses of the Condominium, and allocate and assess such common charges and expenses among the unit owners according to their respective common interests. The common expenses shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Managers pursuant to the provisions of these By-Laws.

The common expenses also include such amounts as the Board of Managers may deem proper of the operation and maintenance of the property, including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a reserve fund for replacements, and to make up any deficit in the common expenses for any prior year. The common expenses may also include such amounts as may be required for the purchase or lease by the Board of Managers or its designee, corporate or otherwise, on behalf of all unit owners, of any unit whose owner has elected to sell or lease such unit or of any unit which is to be sold at a foreclosure or other judicial sale.

The Board of Managers shall advise all unit owners, promptly, in writing, of the amount of common charges and expenses payable by each of them, respectively, as determined by the Board of

Managers, as aforesaid, and shall furnish copies of such budget on which the common charges and expenses are based, to all unit owners. Until the Sponsor has conveyed title to all the units to purchasers, the Board of Managers can reduce the amount of common charges allocated to the units and payable by unit owners (including the Sponsor or its designee as owners of any unsold units) provided that so long as the Sponsor or its designee controls the Board of Managers the common charges will not be reduced below the amount necessary to operate the Property with the services to be provided as set forth in the Plan of Condominium Ownership.

Section 2. The Board of Managers shall be required to obtain and maintain, to the extent obtainable, the following insurance: (i) fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the building (including all of the units and the bathroom and kitchen fixtures installed therein on the date of recordation of the Declaration, partitions, flooring and ceilings within the units, but not including furniture, furnishings or other personal property provided or installed by unit owners), together with all service machinery contained therein and covering the interests of the Condominium, the Board of Managers and all unit owners and their mortgagees, as their interest may appear, in an amount equal to the full replacement value of the Building (exclusive of excavation and foundations), without deduction for depreciation,; each of said policies shall contain a New York Standard mortgagees clause in favor of each mortgagee of a unit which shall provide that the loss, if any, there under shall be payable to such mortgagee as its interest may appear, subject, however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee hereinafter set forth; (ii) water damage legal liability insurance; (iii) rent insurance in an amount equal to the aggregate common charges and expenses payable to the Board of Managers; and (iv) such other insurance as the Board of Managers may determine.

All policies of physical damage insurance shall contain waivers of subrogation and waivers of any defense based upon co-insurance or a pro-rata reduction of liability or of invalidity arising from any acts of the insured, and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days prior written notice to all of the insured, including all mortgagees of units.

Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of Units at least ten (10) days prior to the expiration of the then current policies. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Managers shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the Building, including all of the units and all of the common elements therein, without deduction for depreciation, for the purpose of determining the amount of fire insurance to be effected pursuant to this section.

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the managing agent, the manager, and each unit owner. Such public liability coverage shall also cover cross liability claims of one insured against another. The Board of Managers shall review such limits once each year.

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

Section 3. In event of damage to or destruction of the Building as a result of fire or other casualty (unless such damage or destruction shall give a unit owner or lienor a right of partition as provided by Article 9-B of the Real Property Law of the State of New York), the Board of Managers shall arrange for the prompt repair and restoration of the building (including any damaged units, and any kitchen or bathroom fixtures installed therein on the date of the recording of the Declaration, partitions, flooring and ceilings within the units but not including any wall ceiling, or floor decorations or coverings or other furniture, furnishings fixtures or equipment installed by unit owners in the units), and the Board of Managers shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the insurance proceeds shall constitute a common expense and the Board of Managers may assess all the unit owners for such deficit as part of the common charges.

If, as a result of the damage to or destruction of the Building, by fire or other casualty, the Property becomes subject to an action for partition at the suit of any unit owner or lienor as if owned in common, in accordance with the provisions of Article 9-B of the Real Property Law of the State of New York, the property will not be repaired and the net proceeds of sale, together with the net proceeds of insurance policies (or if there shall have been a repair or restoration pursuant to the first paragraph of this Section 3, and the amount of insurance proceeds shall have exceeded the cost of such repair or restoration, then the excess of such insurance proceeds) shall be divided by the Board of Managers among all the unit owners in proportion to their respective common interests, after first paying out of the share of each unit owner the amount of unpaid liens on his unit, in the order of the priority of such liens.

Section 4. All unit owners shall be obligated to pay the common charges assessed by the Board of Managers pursuant to the provisions of this Article at such time or times as the Board of Managers shall determine.

No unit owner shall be liable for the payment of any part of the common charges assessed against his unit subsequent to a sale, transfer or other conveyance by him (made in accordance with the provisions of Article IX of these By-Laws) of such unit, together with the appurtenant interests.

In addition, any unit owner may, subject to the terms and conditions specified by these By-Laws, provided that his unit is free and clear of liens and encumbrances other than a permissible mortgage and the statutory lien for unpaid common charges, convey his unit, together with the appurtenant interests to the Board of Managers, or its designee, corporate or otherwise, on behalf of all other unit owners, and in such event be exempt from common charges thereafter assessed.

A purchaser of a unit shall be liable for the payment of common charges assessed against such unit prior to the acquisition by him of such unit, except that a mortgagee or other purchaser of a unit at a foreclosure sale of such unit shall not be liable for and such unit shall not be subject to a lien for the payment of common charges assessed prior to the foreclosure sale.

Section 5. The Board of Managers shall assess common charges against the unit owners from time to time and at least annually and shall take prompt action to collect any common charges due from any unit owner which remains unpaid for more than 30 days from the due date for payment thereof.

Section 6. In the event of default by any unit owner in paying to the Board of Managers the common charges as determined by the Board of Managers, such unit owner shall be obligated to pay interest at the legal maximum rate on such common charges from the due date thereof, together with all expenses, including attorney's fees, incurred by the Board of Managers in any proceeding brought to collect such unpaid common charges. The Board of Managers shall have the right and duty to attempt to recover such common charges, together with interest thereon, and the expenses of the proceeding, including attorney's fees, in an action to recover the same brought against such unit owner, or by foreclosure of the lien on such unit granted by section 339-z of the Real Property Law of the State of New York, in the manner provided in Section 339-aa thereof.

Section 7. In any action brought by the Board of Managers to foreclose a lien on a unit because of unpaid common charges, the unit owner shall be required to pay a reasonable rental for the use of his unit and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Board of Managers, acting on behalf of all unit owners, shall have the power to purchase such unit at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to (except that such votes shall not be cast by the Board of Managers for the election of any members of the Board of Managers), convey or otherwise deal with the same. A suit to recover a money judgment for unpaid common charges shall be maintained without foreclosing or waiving the lien securing the same.

Section 8. The Board of Managers shall promptly provide any unit owner so requesting the same in writing, with a written statement of all unpaid common charges due from such unit owner.

Section 9. The violation of any rule or regulation adopted by the Board of Managers, or the breach of any By-Laws contained herein, or the breach of any provision of the Declaration, shall give the Board of Managers the right, in addition to any other rights set forth in these By-Laws: (a) to enter the unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting unit owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board of Managers shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

Section 10. All maintenance of and repairs to any unit, structural or non-structural, ordinary or extraordinary, (other than maintenance of and repairs to any common elements contained therein, and not necessitated by the negligence, misuse or neglect of the owner of such unit) shall be made by the owner of such unit. Each unit owner shall be responsible for all damages to any and all other units and/or to the common elements, that his failure to maintain or repair may engender.

All maintenance, repairs and replacements to the common elements, whether located inside or outside of the units, shall be charged directly to the unit owners, except as the Board of Managers shall otherwise determine.

Due to their location and nature all repairs and maintenance to the "Parking Units" will be the responsibility of the Condominium Association not the individual unit owners.

Section 11. All maintenance, repairs and replacements to the air conditioning system, the heating system and the hot water heater servicing a unit shall be made by the unit owner at the unit owner's expense.

Section 12. In order to provide for congenial occupancy of the Property and for the protection of the values of the units, the use of the property shall be restricted to and shall be in accordance with the following provisions:

(a) The Units shall be used by Unit owners (other than the Sponsor) for residences only and in compliance with the occupancy restrictions imposed and as amended from time to time. While the Sponsor or its designee owns a unit, it shall have the right to use such unit for general and sales office purposes and as a sales model. Except upon the prior written consent of the Board of Managers, occupants of a unit must be members of the family of the unit owner or lessee (or if the unit owner is a partnership, a corporation or a trust, members of the family of a partner or of an officer, director, shareholder or employee of the corporation or of the beneficiary of the trust, as the case may be), but not more than one family my occupy a unit at one time. "Members of the family" as used herein shall be deemed to mean spouse, parents, parents-in-law, brothers, sisters, children and grandchildren.

(b) No nuisances shall be allowed on the Property nor shall any use or practice be allowed which unreasonably interferes with the peaceful possession or proper use of the Property by its residents or occupants.

(c) No immoral, improper, offensive, or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be complied with, by and at the sole expense of the unit owners or the Board of Managers, whichever shall have the obligation to maintain or repair such portion of the property.

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

(e) Rules and regulations concerning the use of the units may be promulgated and amended from time to time by the Board of Managers provided that copies of such rules and regulations are furnished to each unit owner no less than 5 days prior to the time that they become effective.

Section 13. Whenever, in the judgment of the Board of Managers, the common elements shall require additions, alterations or improvements costing in excess of $1,000. And the making of such additions, alterations or improvements shall have been approved by 66 2/3% of the unit owners present in person and/or by proxy and voting at a meeting duly held in accordance with these By-Laws, and by the representative or representatives, if any, appointed pursuant to Section 5 of Article VIII hereof by the holders of mortgages constituting first liens upon units, the Board of Managers shall proceed with such additions, alterations or improvements and shall assess all unit owners for the cost thereof as a common charge. Any additions, alterations or improvements costing $1,000 or less may be made by the Board of Managers without approval of the unit owners, or the representative or representatives, if any, of mortgagees of units and the cost thereof shall constitute part of the common expenses.

Section 14. No unit owner shall make any structural addition, alteration or improvement in or to his unit and/or his limited common element (terrace, balcony), without the prior written consent thereto of the Board of Managers. The Board of Managers shall have the obligation to answer any written request by a unit owner for approval of a proposed structural addition, alteration or improvement in such unit owner's unit, within thirty (30) days after such request, and failure to do so within the stipulated time shall constitute a consent by the Board of Managers to the proposed addition, alteration or improvement. Any application to any governmental authority having or asserting jurisdiction for a permit to make an addition, alteration or improvement in or to any unit shall be executed by the Board of Managers only, without, however, incurring any liability on the part of the Board of Managers or any of them to any contractor, subcontractor, material man, architect or engineer on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising there from. The provisions of this section 14 shall not apply to a unit owned by the Sponsor or its designee until a deed to such unit has been delivered to a purchaser thereof.

The Board of Managers will execute any application or other document required to be filed with any governmental authority having or asserting jurisdiction in connection with any such installation or structural addition, alteration or improvement made by the Sponsor or its designee to any unit provided, however, that neither the Board of Managers nor the unit owners other than the Sponsor or its designee shall be subjected to any expense or liability by virtue of the execution of the application or such other document.

Section 15. (a) A unit owner shall not place or cause to be placed in the common areas or common facilities, other than the areas designated as storage areas, any furniture, packages or objects of any kind.

(b) The common elements and facilities shall be used only for those purposes for which they are reasonably suited and capable. No unit owner shall make any addition, alteration, improvement or change in or to any common element without the prior written consent of the Board of Managers.

(c) While the Sponsor or its designee owns any unit, it shall have the right to maintain general and sales offices on or about the Property, to have its employees present on the Property, to use the common elements and to do all things necessary and appropriate to sell units, to complete construction of the Building and to comply with its obligations under the Plan of Condominium Ownership, including but without being limited to, the right to erect and maintain signs on the common elements. Sponsor shall be obligated to repair and maintain the portions of the Property used by it for such purposes so long as such use by the Sponsor shall continue.

Section 16. A unit owner shall grant a right of access to his unit to the manager and/or the managing agent and/or any other person authorized by the Board of Managers, the manager of the managing agent, for the purpose of making inspections or for the purpose of correcting any condition originating in his unit and threatening another unit or the common element, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other common elements in his unit or elsewhere in the Building, or to correct any condition which violates the provisions of any mortgage covering another unit, providing that requests for entry are made in advance and that any such entry is at a time reasonably convenient to the unit owner and further provided that such right shall be exercised in such manner as will no unreasonable interfere with the use of the units for residential purposes. In case of an emergency, such right of entry shall be immediate, whether the unit owner is present at the time or not.

Section 17. Rules and regulations concerning the use of the units and the common elements may be promulgated and amended by the Board of Managers. Copies of such rules and regulations shall be furnished by the Board of Managers to each unit owner prior to the time when the same shall become effective. Initial rules and regulations, which shall be effective until amended by the Board of Managers, are annexed hereto and made a part hereof as Schedule A.

Section 18. Electricity shall be supplied by the public utility company serving the area directly to each unit through a separate meter and each unit owner shall be required to pay the bills for electricity consumed or used in his unit directly to the utility company. The cost of electricity for the public spaces outside the units, including but not limited to the hallways and walkways, as measured by one or more building meters, will be borne by the unit owners and will be included in the common charges.

ARTICLE VIII MORTGAGES

Section 1. A unit owner who mortgages his unit shall notify the Board of Managers of the name and address of his mortgagee and shall file a conformed copy of the note and mortgage with the Board of Managers. The Board of Managers shall maintain such information in a book entitled "Mortgages of Units".

Section 2. The Board of Managers, whenever so requested in writing by a mortgagee of a unit, shall promptly report any unpaid common charges due or any other default by the owner of the mortgaged Unit.

Section 3. The Board of Managers, when giving notice to a unit owner of a default in paying common charges or other default, shall send a copy of such notice to each holder of a mortgage covering such unit whose name and address has theretofore been furnished to the Board of Managers.

Section 4. Each unit owner and each mortgagee of a unit shall be permitted to examine the books of account of the condominium at reasonable times, on business days, but not more than once a month.

Section 5. The holders of mortgages constituting first liens on the units may, at their election, appoint one or more (but not more than three) representatives who shall be empowered to act on behalf of all mortgagees (first or subordinate) with respect to any matter requiring the consent or approval of mortgagees under the Declaration or these By-Laws. If such representative or representatives are appointed and written notice thereof given to the Board of Managers the act of such representative or representatives shall be deemed binding upon the holders of all mortgages which are liens on units. If no such representative shall be appointed or written notice of the appointment shall not be given to the Board of Managers then notwithstanding any other provision of the Declaration of these By-Laws, the consent of mortgagees shall not be required to any act of the Board of Managers or the unit owners.

ARTICLE IX

Sales, Leases and Mortgages of Units

Section 1. (a) No unit owner may sell his unit or any interest therein except by complying with the following provisions:

Any unit owner who receives a bona fide offer (hereinafter called an "Outside Offer") for the sale of his unit together with: (i) the undivided interest in the common elements appurtenant hereto; (ii) the interest of such unit owner in any units theretofore acquired by the Board of Managers, or its designee, on behalf of all unit owners, or the proceeds of the sale or lease thereof, if any; and (iii) the interest of such unit owner in any other assets of the Condominium (hereinafter called the "Appurtenant Interests"), which he intends to accept, shall give notice to the Board of Managers of such offer and of such intention, the name and address of the proposed purchaser, and such other information as the Board of Managers may reasonably require.

Such deed to an Outside Offeror shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and regulations as the same may be amended from time to time.

(b) No unit owner may lease his unit except by complying with the following provisions:

Any unit owner who receives a bona fide offer for a lease of his unit which he intends to accept shall give notice to the Board of Managers of such offer and of such intention, the name and address of the proposed lessee, references and such other information as the Board of Managers may reasonably require.

Any such lease shall be consistent with theses By-Laws.

The Board of Managers shall have the right to terminate the lease on not less than 30 day's prior written notice upon the foreclosure of the lien granted by Section 339-z of the Real Property Law of the State of New York. Except as hereinbefore set forth, the form of any such lease shall be the then current form of apartment lease recommended by the Real Estate Board of New York, Inc. With such modifications as shall be approved in writing by the Board of Managers.

Any purported lease of a unit in violation of this section shall be voidable at the election of the Board of Managers and if the Board should so elect, the unit owner shall be deemed to have authorized and empowered the Board of Managers to institute legal proceedings to evict the purported tenant in the name of the said unit owner as the purported landlord.

Any purported sale of a unit in violation of this Section shall be voidable at the election of the Board of Managers.

Section 2. No unit owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his unit without including therein the Appurtenant Interests, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage, or other instrument purporting to affect one or more of such interest, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any unit may be sold, transferred or otherwise disposed of, except as part of a sale, transfer or other disposition of the unit to which such interests are appurtenant, or as part of a sale, transfer or other disposition of such part of the Appurtenant Interests of all units.

Section 3. Any unit owner shall be free to convey or transfer his unit by gift, or to devise his unit by will, or to pass the same by intestacy, without restriction.

Section 4. No unit owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease his unit unless and until he shall have paid in full to the Board of Managers all unpaid common charges and expenses theretofore assessed by the Board of Managers against his unit and until he shall have satisfied all unpaid liens against such unit, except permitted mortgages.

Section 5. Each unit owner shall have the right to mortgage his unit without restriction provided that any such mortgage shall be substantially in the form of the New York statutory form of mortgage, except for such changes or additions as may be necessary in order to permit a particular bank, trust company, insurance company, savings and loan association or other institutional lender to make the mortgage loan.

Section 6. This article IX of the By-laws shall not apply to sales or rentals made by the Sponsor. The Board of Managers shall not have any control over the sale, rental or other disposition of Sponsor owned Units.

ARTICLE X
Condemnation

In the event of a taking in condemnation or by eminent domain of part or all of the common elements, the award made by such taking shall be payable to the Board of Managers. If 75% or more in number and common interest of the Unit owners duly and promptly approve the repair and restoration of such common elements, the Board of Managers shall arrange for the repair and restoration of such common elements, and the Board of Managers shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments.

In the event that 75% or more in number and common interest of the Unit owners do not duly and promptly approve the repair and restoration of such common elements, the Board of Managers shall disburse the net proceeds of such award in the same manner as they are required to distribute insurance proceeds when there is no repair or restoration of the damage as provided by these By-Laws.

ARTICLE XI Records

The Board of Managers or the managing agent shall keep detailed records of the actions of the Board of Managers and the managing agent, minutes of meetings of the Board of Managers, minutes of the meetings of unit owners, and financial records and books of account of the Condominium, including a chronological listing of receipts and expenditures, as well as a separate account of each unit, which among other things, shall contain the amount of each assessment of common charges against such unit, the date when due, the amounts paid thereon, and the balance remaining unpaid.

An annual report of the receipts and expenditures of the Condominium audited by an independent certified public accountant shall be rendered by the Board of Managers to all unit owners and to all mortgagees of units who have requested the same, promptly after the end of each fiscal year. The cost of such report shall be paid by the Board of Managers as a common expense.

ARTICLE XII AMENDMENTS

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

The provisions of the By-Laws affecting the Sponsor and the Sponsors rights may not be amended without the consent in writing of the Sponsor or its designee so long as the Sponsor or its designee shall be the owner of one (1) or more Units.

ARTICLE XIII GENERAL PROVISIONS

Section 1. All notices hereunder shall be sent by registered or certified mail to the Board of Managers c/o the Managing agent, or if there is no managing agent, to the office of the Board of Managers or to such other address as the Board of Managers may hereafter designate from time to time, by notice in writing to all unit owners and to all mortgagees of units.

All notices to unit owners shall be sent by registered or certified mail to the Building or to such other address as may have been designated by him from time to time, in writing, to the Board of Managers. All notices to mortgagees of units shall be sent by registered or certified mail to their respective addresses, as designated by them from time to time, in writing, to the Board of Managers.

All notices shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received.

Section 2. Severability. Should any of the covenants, terms or provisions herein imposed be void or be or become unenforceable at law or in equity, the remaining provisions of these By-Laws shall, nevertheless, be and remain in full force and effect.

Section 3. These By-Laws are set forth to comply with the requirements of Article 9-B of the Real Property Laws of the State of New York. In case any of these By-Laws conflict with the provisions of the Statute or the Declaration, the provision of the Statute or of the Declaration, whichever the case may be, shall control.

SECTION G

* § 352-eeee. Conversions to cooperative or condominium ownership in the city of New York. 1. As used in this section, the following words and terms shall have the following meanings:

(a) "Plan". Every offering statement or prospectus submitted to the department of law pursuant to section three hundred fifty-two-e of this article for the conversion of a building or group of buildings or development from residential rental status to cooperative or condominium ownership or other form of cooperative interest in realty, other than an offering statement or prospectus for such conversion pursuant to article two, eight or eleven of the private housing finance law.

(b) "Non-eviction plan". A plan which may not be declared effective until written purchase agreements have been executed and delivered for at least fifteen percent of all dwelling units in the building or group of buildings or development by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family intend to occupy the unit when it becomes vacant. As to tenants who were in occupancy on the date a letter was issued by the attorney general accepting the plan for filing, the purchase agreement shall be executed and delivered pursuant to an offering made in good faith without fraud and discriminatory repurchase agreements or other discriminatory inducements.

(c) "Eviction plan". A plan which, pursuant to the provisions of this section, can result in the eviction of a non-purchasing tenant by reason of the tenant failing to purchase pursuant thereto, and which may not be declared effective until at least fifty-one percent of the bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the attorney general (excluding, for the purposes of determining the number of bona fide tenants in occupancy on such date, eligible senior citizens and eligible disabled persons) shall have executed and delivered written agreements to purchase under the plan pursuant to an offering made in good faith without fraud and with no discriminatory repurchase agreements or other discriminatory inducements.

(d) "Purchaser under the plan". A person who owns the shares allocated to a dwelling unit or who owns such dwelling unit itself.

(e) "Non-purchasing tenant". A person who has not purchased under the plan and who is a tenant entitled to possession at the time the plan is declared effective or a person to whom a dwelling unit is rented subsequent to the effective date. A person who sublets a dwelling unit from a purchaser under the plan shall not be deemed a non-purchasing tenant.

(f) "Eligible senior citizens". Non-purchasing tenants who are sixty-two years of age or older on the date the attorney general has accepted the plan for filing, and the spouses of any such tenants on such date, and who have elected, within sixty days of the date the attorney general has accepted the plan for filing, on forms promulgated by the attorney general and presented to such tenants by the offeror, to become non-purchasing tenants under the provisions of this section; provided that such election shall not preclude any such tenant from subsequently purchasing the dwelling unit on the terms then offered to tenants in occupancy.

(g) "Eligible disabled persons". Non-purchasing tenants who have an impairment which results from anatomical, physiological or psychological conditions, other than addiction to alcohol, gambling, or any controlled substance, which are demonstrable by medically acceptable clinical and laboratory diagnostic techniques, and which are expected to be permanent and which prevent the tenant from engaging in any substantial gainful

employment on the date the attorney general has accepted the plan for filing, and the spouses of any such tenants on such date, and who have elected, within sixty days of the date the attorney general has accepted the plan for filing, on forms promulgated by the attorney general and presented to such tenants by the offeror, to become non-purchasing tenants under the provisions of this section; provided, however, that if the disability first occurs after acceptance of the plan for filing, then such election may be made within sixty days following the onset of such disability unless during the period subsequent to sixty days following the acceptance of the plan for filing but prior to such election, the offeror accepts a written agreement to purchase the apartment from a bona fide purchaser; and provided further that such election shall not preclude any such tenant from subsequently purchasing the dwelling unit or the shares allocated thereto on the terms then offered to tenants in occupancy.

2. The attorney general shall refuse to issue a letter stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this chapter has been filed whenever it appears that the offering statement or prospectus offers for sale residential cooperative apartments or condominium units pursuant to a plan unless:

(a) The plan provides that it will be deemed abandoned, void and of no effect if it does not become effective within fifteen months from the date of issue of the letter of the attorney general stating that the offering statement or prospectus has been accepted for filing and, in the event of such abandonment, no new plan for the conversion of such building or group of buildings or development shall be submitted to the attorney general for at least twelve months after such abandonment.

(b) The plan provides either that it is an eviction plan or that it is a non-eviction plan.

(c) The plan provides, if it is a non-eviction plan, as follows:

(i) The plan may not be declared effective until written purchase agreements have been executed and delivered for at least fifteen percent of all dwelling units in the building or group of buildings or development subscribed for by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family occupy the dwelling unit when it becomes vacant. As to tenants who were in occupancy on the date a letter was issued by the attorney general accepting the plan for filing, the purchase agreement shall be executed and delivered pursuant to an offering made without discriminatory repurchase agreements or other discriminatory inducements.

(ii) No eviction proceedings will be commenced at any time against non-purchasing tenants for failure to purchase or any other reason applicable to expiration of tenancy; provided that such proceedings may be commenced for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the non-purchasing tenant of his obligations to the owner of the dwelling unit or the shares allocated thereto; and provided further that an owner of a unit or of the shares allocated thereto may not commence an action to recover possession of a dwelling unit from a non-purchasing tenant on the grounds that he seeks the dwelling unit for the use and occupancy of himself or his family.

(iii) Non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to the conversion of the building or group of buildings or development to cooperative or condominimum ownership shall continue to be subject thereto.

(iv) The rentals of non-purchasing tenants who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and non-purchasing tenants who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the plan has been accepted for filing by the attorney general shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy. In determining comparability, consideration shall be given to such factors as building services, level of maintenance and operating expenses.

(v) The plan may not be amended at any time to provide that it shall be an eviction plan.

(vi) The rights granted under the plan to purchasers under the plan and to non-purchasing tenants may not be abrogated or reduced notwithstanding any expiration of, or amendment to, this section.

(vii) After the issuance of the letter from the attorney general stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this article has been filed, the offeror shall, on the thirtieth, sixtieth, eighty-eighth and ninetieth day after such date and at least once every thirty days until the plan is declared effective or is abandoned, as the case may be, and on the second day before the expiration of any exclusive purchase period provided in a substantial amendment to the plan, (1) file with the attorney general a written statement, under oath, setting forth the percentage of the dwelling units in the building or group of buildings or development subscribed for by bona fide tenants in occupancy or bona fide purchasers who represent that they intend that they or one or more members of their immediate family occupy the dwelling unit when it becomes vacant as of the date of such statement and, (2) before noon on the day such statement is filed post a copy of such statement in a prominent place accessible to all tenants in each building covered by the plan.

(d) The plan provides, if it is an eviction plan, as follows:

(i) The plan may not be declared effective unless at least fifty-one percent of the bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the attorney general (excluding, for the purposes of determining the number of bona fide tenants in occupancy on such date, eligible senior citizens and eligible disabled persons) shall have executed and delivered written agreements to purchase under the plan pursuant to an offering made in good faith without fraud and with no discriminatory repurchase agreements or other discriminatory inducements.

(ii) No eviction proceedings will be commenced against a non-purchasing tenant for failure to purchase or any other reason applicable to expiration of tenancy until the later to occur of (1) the date which is the expiration date provided in such non-purchasing tenant's lease or rental agreement, and (2) the date which is three years after the date on which the plan is declared effective. Non-purchasing tenants who reside in dwelling units subject to government regulation as to rentals and continued occupancy prior to conversion shall continue to be subject thereto during the period of occupancy provided in this paragraph. Thereafter, if a tenant has not purchased, he may be removed by the owner of the dwelling unit or the shares allocated to such dwelling unit.

(iii) No eviction proceedings will be commenced, except as hereinafter provided, at any time against either eligible senior citizens or eligible disabled persons. The rentals of eligible senior citizens and

eligible disabled persons who reside in dwelling units not subject to government regulation as to rentals and continued occupancy and eligible senior citizens and eligible disabled persons who reside in dwelling units with respect to which government regulation as to rentals and continued occupancy is eliminated or becomes inapplicable after the plan has been accepted for filing shall not be subject to unconscionable increases beyond ordinary rentals for comparable apartments during the period of their occupancy considering, in determining comparability, such factors as building services, level of maintenance and operating expenses; provided that such proceedings may be commenced against such tenants for non-payment of rent, illegal use or occupancy of the premises, refusal of reasonable access to the owner or a similar breach by the tenant of his obligations to the owner of the dwelling unit or the shares allocated thereto.

(iv) Eligible senior citizens and eligible disabled persons who reside in dwelling units subject to government regulation as to rentals and continued occupancy shall continue to be subject thereto.

(v) The rights granted under the plan to eligible senior citizens and eligible disabled persons may not be abrogated or reduced notwithstanding any expiration of, or amendment to, this section.

(vi) Any offeror who disputes the election by a person to be an eligible senior citizen or an eligible disabled person must apply to the attorney general within thirty days of the receipt of the election forms for a determination by the attorney general of such person's eligibility. The attorney general shall, within thirty days thereafter, issue his determination of eligibility. The foregoing shall, in the absence of fraud, be the sole method for determining a dispute as to whether a person is an eligible senior citizen or an eligible disabled person. The determination of the attorney general shall be reviewable only through a proceeding under article seventy-eight of the civil practice law and rules, which proceeding must be commenced within thirty days after such determination by the attorney general becomes final.

(vii) After the issuance of the letter from the attorney general stating that the offering statement or prospectus required in subdivision one of section three hundred fifty-two-e of this article has been accepted for filing, the offeror shall, on the thirtieth, sixtieth, eighty-eighth and ninetieth days after such date and at least once every thirty days until the plan is declared effective or abandoned, as the case may be, and on the second day before the expiration of any exclusive purchase period provided in a substantial amendment to the plan, (1) file with the attorney general a written statement, under oath, setting forth the percentage of bona fide tenants in occupancy of all dwelling units in the building or group of buildings or development on the date the offering statement or prospectus was accepted for filing by the attorney general who have executed and delivered written agreements to purchase under the plan as of the date of such statement, and (2) before noon on the day such statement is filed post a copy of such statement in a prominent place accessible to all tenants in each building covered by the plan.

(viii) If the plan is amended before it is declared effective to provide that it shall be a non-eviction plan, any person who has agreed to purchase under the plan prior to such amendment shall have a period of thirty days after receiving written notice of such amendment to revoke his agreement to purchase under the plan.

(ix) The tenants in occupancy on the date the attorney general accepts the plan for filing shall have the exclusive right to purchase their dwelling units or the shares allocated thereto for ninety days after the plan is accepted for filing by the attorney general, during which time a

tenant's dwelling unit shall not be shown to a third party unless he has, in writing, waived his right to purchase; subsequent to the expiration of such ninety day period, a tenant in occupancy of a dwelling unit who has not purchased shall be given the exclusive right for an additional period of six months from said expiration date to purchase said dwelling unit or the shares allocated thereto on the same terms and conditions as are contained in an executed contract to purchase said dwelling unit or shares entered into by a bona fide purchaser, such exclusive right to be exercisable within fifteen days from the date of mailing by registered mail of notice of the execution of a contract of sale together with a copy of said executed contract to said tenant.

(e) The attorney general finds that an excessive number of long-term vacancies did not exist on the date that the offering statement or prospectus was first submitted to the department of law. "Long-term vacancies" shall mean dwelling units not leased or occupied by bona fide tenants for more than five months prior to the date of such submission to the department of law. "Excessive" shall mean a vacancy rate in excess of the greater of (i) ten percent and (ii) a percentage that is double the normal average vacancy rate for the building or group of buildings or development for two years prior to the January preceding the date the offering statement or prospectus was first submitted to the department of law.

(f) The attorney general finds that, following the submission of the offering statement or prospectus to the department of law, each tenant in the building or group of buildings or development was provided with a written notice stating that such offering statement or prospectus has been submitted to the department of law for filing. Such notice shall be accompanied by a copy of the offering statement or prospectus and a statement that the statements submitted pursuant to subparagraph (vii) of paragraph (c) or subparagraph (vii) of paragraph (d) of this subdivision, whichever is applicable, will be available for inspection and copying at the office of the department of law where the submission was made and at the office of the offeror or a selling agent of the offeror. Such notice shall also be accompanied by a statement that tenants or their representatives may physically inspect the premises at any time subsequent to the submission of the plan to the department of law, during normal business hours, upon written request made by them to the offeror, provided such representatives are registered architects or professional engineers licensed to practice in the state of New York. Such notice shall be sent to each tenant in occupancy on the date the plan is first submitted to the department of law.

3. All dwelling units occupied by non-purchasing tenants shall be managed by the same managing agent who manages all other dwelling units in the building or group of buildings or development. Such managing agent shall provide to non-purchasing tenants all services and facilities required by law on a non-discriminatory basis. The offeror shall guarantee the obligation of the managing agent to provide all such services and facilities until such time as the offeror surrenders control to the board of directors or board of managers, at which time the cooperative corporation or the condominium association shall assume responsibility for the provision of all services and facilities required by law on a non-discriminatory basis.

4. It shall be unlawful for any person to engage in any course of conduct, including, but not limited to, interruption or discontinuance of essential services, which substantially interferes with or disturbs the comfort, repose, peace or quiet of any tenant in his use or occupancy of his dwelling unit or the facilities related thereto. The

attorney general may apply to a court of competent jurisdiction for an order restraining such conduct and, if he deems it appropriate, an order restraining the owner from selling the shares allocated to the dwelling unit or the dwelling unit itself or from proceeding with the plan of conversion; provided that nothing contained herein shall be deemed to preclude the tenant from applying on his own behalf for similar relief.

5. Any local legislative body may adopt local laws and any agency, officer or public body may prescribe rules and regulations with respect to the continued occupancy by tenants of dwelling units which are subject to regulation as to rentals and continued occupancy pursuant to law, provided that in the event that any such local law, rule or regulation shall be inconsistent with the provisions of this section, the provisions of this section shall control.

6. Any provision of a lease or other rental agreement which purports to waive a tenant's rights under this section or rules and regulations promulgated pursuant hereto shall be void as contrary to public policy.

7. The provisions of this section shall only be applicable in the city of New York.

* NB Expires June 15, 2011

SECTION H

ESCROW AGREEMENT

AGREEMENT made this 1st day of June, 2010, between West 3rd Street Development Corp., LLC sponsor of the 1549 West 3rd Street Condominium hereinafter referred to as the Sponsor and John P. Gulino, Esq. hereinafter referred to as "ESCROW AGENT".

WHEREAS, West 3rd Street Development Corp., LLC is the Sponsor of an offering plan to convert to condominium ownership the premises located at 1549 West 3rd Street, Brooklyn, N.Y. to be known as the 1549 West 3rd Street Condominium and

WHEREAS, John P. Gulino, Esq. is authorized to act as Escrow Agent hereunder, in accordance with General Business Law (GBL) Section 352-e(2-b), and the Attorney General's regulations promulgated there under; and

WHEREAS, the Sponsor desires that the Escrow Agent act as escrow agent for deposits and payments made 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:

ESTABLISHMENT OF THE ESCROW ACCOUNT

1. a. The Sponsor and Escrow Agent hereby establish an escrow account with the Escrow Agent for the purposes of holding deposits or payments made by Purchasers or Subscribers. This escrow account has been opened with Chase Bank, at its branch located on New Dorp Lane, Staten Island, N.Y. 10306.

b. The name of the account is "John P. Gulino, Esq. Attorney IOLA Account". The Escrow Agent shall be the sole signatory on the account.

d. The escrow account shall be an interest bearing account as disclosed in the Offering Plan.

e. The escrow account shall be an IOLA, (Interest on Lawyer's Account), established pursuant to Judiciary Law Section 497.

DEPOSITS INTO THE ESCROW ACCOUNT

2. a. Purchasers who have received the plan and all filed amendments will be afforded not fewer than three business days to review the offering plan and all filed amendments prior to executing a purchase agreement. Any conflict between the plan and the contract of sale will be resolved according to the terms of the Plan.

The purchase agreement and Plan shall not contain, or be modified to contain, a provision waiving purchaser's rights or abrogating sponsor's obligations under article 23-A of the general Obligations Law.

b. Within fifteen days after a purchaser delivers an executed contract of sale together with the required deposit, the sponsor must either accept the contract and return a fully executed counterpart to the Purchaser or reject the contract and refund the full deposit previously tendered. If the sponsor takes no action within this time period, it shall be assumed that the sponsor has rejected the contract.

c. All funds received from prospective purchasers or subscribers prior to the 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 John P. Gulino, Esq. as escrow agent for the 1549 West 3rd Street Condominium.

Any instrument payable or endorsed other than as required hereby, and which cannot be deposited into such escrow account, shall be returned to the prospective purchaser or subscriber promptly, but in no event more than five (5) business days following receipt of such instrument by the Escrow Agent. In the event of such return of funds, the instrument shall be deemed not to have been delivered to the Escrow Agent pursuant to the terms of this Agreement.

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

RELEASE OF FUNDS

3. a. The 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.

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

b. The Escrow Agent shall continue to hold the funds in escrow until otherwise directed in (a) a writing signed by both Sponsor and Purchaser or (b) a determination of the Attorney General or (c) a judgment or order of a Court of competent jurisdiction or until released pursuant to the regulations of the Attorney General pertaining to release of escrowed funds.

c. 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.

d. Sponsor anticipates the first closing of a unit to occur about January 1, 2012. If a date set for closing is delayed by the Sponsor 12 months or more, the purchaser will be offered rescission.

e. If there is no written agreement between the parties to release the escrowed funds, the Escrow Agent shall not pay the funds to the Sponsor until the escrow agent has given the purchaser written notice of not fewer than 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 the Escrow Agent in accordance with such provisions.

f. In the event of a dispute, the sponsor shall apply, and the purchaser and escrow agent may apply, to the Attorney General for a determination on the disposition of the down payment and any interest earned thereon. The party applying shall contemporaneously send a copy of such application to all other parties. Pending determination of the Attorney General, all parties shall abide by any interim directive issued by the Attorney General.

RECORD KEEPING

4. a. The Escrow Agent shall maintain all records concerning the escrow account for seven (7) years after release of funds.

b. Upon the dissolution of the law firm which was Escrow Agent, the former partners or members of the firm shall make appropriate arrangements for the maintenance of these records by one of the partners or members of the firm or by the successor firm and shall notify the Department of Law of such transfer.

c. Escrow Agent shall make available to the Attorney General, upon his request, all books and records of the Escrow Agent relating to the funds deposited and disbursed hereunder.

d. The Department of Law may perform random reviews and audits of any records involving escrow accounts.

GENERAL OBLIGATIONS OF ESCROW AGENT

5. a. Escrow Agent shall maintain the accounts called for in this Agreement under the direct supervision and control of the Escrow Agent.

b. A fiduciary relationship shall exist between Escrow Agent and Purchasers and Escrow Agent acknowledges its fiduciary obligations.

c. Any provision of any contract or agreement by which purchaser purports to waive or indemnify obligations of the escrow agent is absolutely void.

RESPONSIBILITY OF SPONSOR

6. a. 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.

b. Sponsor agrees that it shall not interfere with Escrow Agent's performance of its fiduciary duties and compliance with the Attorney General's regulations.

c. The purchase agreement and the Plan shall comply with section 71-a(3) of the Lien Law and any other applicable provisions of law.

TERMINATION OF THIS AGREEMENT

7. a. This agreement shall remain in effect unless and until it is cancelled, by either:

(i) 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

(ii) 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

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

b. Upon termination of the duties of Escrow Agent as described in paragraph 7(a) above, the 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.

SUCCESSORS AND ASSIGNS

8. This agreement shall be binding upon the Sponsor and Escrow Agent and their successors and assigns.

GOVERNING LAW

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

ESCROW AGENTS COMPENSATION

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

SEVERABILITY

11. If any provision of this Agreement or the application thereof to any person or circumstances 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.

ENTIRE AGREEMENT

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

In Witness Whereof, the undersigned have executed this Agreement as of the day and year first written above.

ESCROW AGENT

By _____
John P. Gulino, Esq.

SPONSOR

West 3rd Street Development Corp., LLC

By _____

SECTION I

NEW WARRANTY LAW

General Business Law Article 36-B

WARRANTIES ON SALES OF NEW HOMES

Section 777. Defininitions
777-a. Housing Merchant Implied Warranty
778-b. Exclusion or Modification of Warranties

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

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

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

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

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

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

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

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

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

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

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

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

Section 777-a. Housing Merchant Implied Warranty.

1. Notwithstanding the provisions of section two hundred fifty-one of the real property law, a housing merchant implied warranty is implied in the contract or agreement for the sale of a new home and shall survive the passing of title. A housing merchant implied warranty shall mean that:

a. One year from and after the warranty date the home will be free from defects due to a failure to have been constructed in a skillful manner;

b. Two years from and after the warranty date the plumbing, elecrtical, heating, cooling and ventilation systems of the home will be free from defects due to a failure by the builder to have installed such system in a skillful manner; and

c. Six years from and after the warranty date the home will be free from material defects.

2. Unless the contract or agreement by its terms clearly evidences a diferent intention of the seller, a housing merchant implied warranty does not extend to:

a. Any defect that does not constitute (i) defective workmanship by the builder or an agent, employee, or subcontractor of the builder, (ii) defective materials supplied by the builder or by an agent, employee or subcontractor of the builder, or (iii) defective design provided by a design professional retained exclusively by the builder; or

b. Any patent defect which an examination ought in the circumstances to have revealed, when the buyer before taking title or accepting construction as complete has examined the home as fully as the buyer desired, or has refused to examine the home.

3. In the case of goods sold incidentally with or included in the sale of the new home, such as stoves, refrigerators, freezers, room air conditioners, dishwashers, clothes washers and dryers, a housing merchant implied warranty shall mean that such goods shall be free from defects due to failure by the builder, or any agent, employee or subcontractor of the builder to have installed such systems in a skillful manner. Merchantability, fitness, and all other implied warranties with respect to goods shall be governed by the part three of article two of the uniform commercial code and other applicable statutes.

4. a. Written notice of a warranty claim for breach of a housing merchant implied warranty must be received by the builder prior to the commencement of any action under paragraph b of this subdivision and no later than thirty days after the expiration of the applicable warranty period, as described in subdivision one of this section. The owner and occupant of the home shall afford the builder reasonable opportunity to inspect, test, and repair the portion of the home to which the warranty claim relates.

b. An action for damages or other relief caused by the breach of a housing merchant implied warranty may be commenced prior to the expiration of one year after the applicable warranty period, as described in subdivision one of this section, or within four years after the warranty date, whichever is later. In addition to the foregoing, if the builder makes repairs in response to a warranty claim under paragraph a of this subdivision, an action with respect to such claim may be commenced within one year after the last date on which such repairs are performed. The measure of damages shall be the reasonable cost of repair or replacement and property damage to the home proximately caused by the breach of warranty, not to exceed the replacement cost of the home exclusive of the value of the land, unless the court finds that, under the circumstances, the diminution in value of the home caused by the defect is a more equitable measure of damages.

c. In addition to any other period for the commencement of an action permitted by law, an action for contribution or indemnification may be commenced at any time prior to the expiration of one year after the entry of judgment in an action for damages under paragraph b of this subdivision.

5. Except as otherwise provided in section seven hundred seventy-seven-b of this article, any provision of a contract or agreement for the sale of a new home which excludes of modifies a

housing merchant implied warranty shall be void as contrary to public policy.

6. Except as otherwise provided in section seven hundred seventy-seven-b of this article, other implied warranties may arise from the terms of the contract or agreement or from course of dealing or usage of trade.

777-b. Exclusion or Modification of Warranties.

1. Except in the case of a housing merchant implied warranty, the builder or seller of a new home may exclude or modify all warranties by any clear and conspicuous terms contained in the written contract or agreement of sale which call the buyer's attention to the exclusion or modification of warranties and make the exclusion or modification plain.

2. Except in the case of a housing merchant implied warranty, the builder or seller of a new home may exclude or modify warranties with respect to particular defects by any clear and conspicuous terms contained in the written contract or agreement of sale which identify such defects, call the buyer's attention to the exclusion or modification of warranties and make the exclusion or modification plain.

3. An housing merchant implied warranty may be excluded or modified by the builder or seller of a new home only if the buyer is offered a limited warranty in accordance with the provisions of this subdivision.

a. A copy of the express terms of the limited warranty shall be provided in writing to the buyer for examination prior to the time of the buyer's execution of the contract or agreement to purchase the home.

b. A copy of the express terms of the limited warranty shall be included in, or annexed to and incorporated in, the contract or agreement.

c. The language of the contract or agreement for sale of the hmoe must conspicuously mention the housing merchant implied warranty and provide that the limited warranty excludes or modifies the implied warranty. Language to exclude all implied warranties is sufficient if it states, for example, that "There are no warranties which extend beyond the face hereof'.

d. The limited warranty shall meet or exceed the standards provided in subdivisions four and five of this section.

4. A limited warranty sufficient to exclude or modify a housing merchant implied warranty must be written in plain English and must clearly disclose:

a. That the warranty is a limited warranty which limits implied warranties on the slae of the home; the words "limited warranty" must be clearly and conspicuously captioned at the beginning of the warranty document;

b. The identification of the names and addresses of all warrantors;

c. The identification of the party or parties to whom the warranty is extended and whether it is extended to subsequent owners; the limited warranty must be extended to the first owner of the home and survive the passing of title but may exclude any or all subsequent owners;

d. A statement of the products or parts covered by the limited warranty;

e. The clear and conspicuous identification of any parts or portions of the home or premises that are excepted oe excluded from warranty coverage, and the standards that will be used to determine whether a defect has occurred; provided, however, that:

i. Any exception, exclusion or standard which does not meet or exceed a relevant specific standard of the applicable building code, or in the absence of such relevant specific standard a locally accepted building practice shall be void as contrary to public policy and shall be deemed to establish the applicable building code standard or locally accepted building practice as the warranty standard; and

ii. Any exception, exclusion or standard that fails to ensure that the home is habitable, by permitting conditions to exist which render the home unsafe, shall be void as contrary to public policy.

f. What the builder and any other warrantor will do when a defect covered by the warranty does arise, and the time within which the builder and any other warrantor will act;

g. The term of the warranty coverage and when such term begins, provided, however, that such term shall be equal to or exceed the warranty periods of a housing merchant implied warranty, as defined in subdivision one of section seven hundred seventy-seven-A of this article;

h. Step-by-step claims procedures required to be undertaken by the owner, if any, including directions for notification of the builder and any other warrantor; an owner shall not be required to submit to binding arbitration or to pay any fee or charge for participation in nonbinding arbitration or any mediation process;

i. Any limitations on or exclusions of consequential or incidential damages, and any limitations on the builder's and other warrantor's total liability, conspicuously expressed on the first page of the warranty. Notwithstanding the foregoing, a limited warranty shall not be construed to permit any limitation on or exclusion of property damage to the home proximately

caused by a breach of the limited warranty, where the court finds that such limitation or exclusion would cause the limited warranty to fail of its essential purpose, except that such property damage may be limited by an express limitation on the builder's or other warrantor's total liability in accordance with the provisions of this paragraph.

5. a. This article shall not be construed to authorize or validate any covenant, promise, agreement or understanding which is void and unenforceable under section 5-322.1 of the general obligations law.

b. This article shall preempt any local law inconsistent with the provisions of this article. This article shall not preempt any builder subject to its provisions from complying with any local law with respect to the regulation of home builders except as expressly provided herein.

c. Nothing in this article shall be construed to repeal, invalidate, supersede or restrict any right, liability or remedy provided by any other statute of the state, except where such construction would, as a matter of law, be unreasonable.

SECTION J

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).

[ ] a homeowners association.
[ ] a timeshare.
[ ] other: _____

7. Name and Address of Sponsor: _____

_____

8. Name and Address of Escrow Agent: _____

_____

9. If downpayments are maintained in an escrow account:

(a) Name of account _____

(b) Name and address of bank _____

(c) Account number (if known) _____

(d) Initial interest rate (if known) _____

10. If downpayments have been secured by bonds:

(a) Name and address of bond issuer or surety: _____

_____

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

_____

_____

_____

_____

11. If downpayments have been secured by a letter of credit:

(a) Name and address of bank which issued the letter of credit: _____

_____

_____

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

_____

12. Plan information:

(a) Date of filing of plan: _____

(b) Plan

[ ] has been declared effective. Approximate date: _____

[ ] has not been declared effective.

(c) If effective, the plan

[ ] has closed or the first unit has closed. Approximate date:_____

[ ] has not closed.

[ ] don't know.

(d) Downpayments are secured by

[ ] escrow account.

[ ] bonds..

[ ] letter of credit.

13. Contract information:

(a) Copy of contract and of all riders or modification letters are attached. (DO NOT SEND ORIGINALS.)

(b) Date on which subscription or purchase agreement was signed:_____

(c) Date(s) of downpayment(s): _____

(d) Total amount of downpayment(s):_____

(e) Names and addresses of subscribers or purchasers affected by this application:

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

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

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

In filing this application, I understand that the Attorney General is not my private attorney, but represents the public in enforcing laws designed to protect the public from unlawful business practices. I also understand that if I have any questions

concerning my legal rights or responsibilities I may contact a private attorney. The above application is true and accurate to the best of my knowledge. False statements made herein are punishable as a Class A Misdemeanor under Section 175.30 and/or Section 210.45 of the Penal Law.

Signature: _____ Date: _____

Name (Printed): _____

Telephone: (Home) _____ (Business) _____

Mailing Address: _____

2/6/92

SECTION K

WEST 3RD STREET DEVELOPMENT LLC

AUDITED FINANCIAL STATEMENTS

FOR THE YEARS ENDED
DECEMBER 30, 2010 AND 2009

GRAF REPETTI & CO., LLP
Certified Public Accountants & Business Advisors

WEST 3RD STREET DEVELOPMENT LLC

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GRAF REPETTI & CO., LLP
Certified Public Accountants & Business Advisors

www.grafrepetti.com

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Of West 3rd Street Development LLC

We have audited the accompanying balance sheets of West 3rd Street Development LLC (a New York corporation) as of December 31, 2010 and 2009, and the related statements of operations, and changes in members' deficit, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of West 3rd Street Development LLC as of December 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Graf Repetti & Co. LLP

Plainview, New York
March 9, 2011

WEST 3RD STREET DEVEOLPMENT LLC

BALANCE SHEETS

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010	2009
ASSETS		
CURRENT ASSETS		
Cash	$ 6,093	$ 14,354
Accounts receivable	3,800	10,550
Prepaid expenses	15,210	0
Total Current Assets	25,103	24,904
FIXED ASSETS		
Land	290,516	290,516
Building	1,364,519	1,364,519
	1,655,035	1,655,035
Less: accumulated depreciation	(68,518)	(33,530)
Fixed Assets - Net	1,586,517	1,621,505
OTHER ASSETS		
Security deposits	750	750
Total Assets	$ 1,612,370	$ 1,647,159
LIABILITIES AND MEMBERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 4,159	$ 1,738
Current portion of long-term debt	20,480	19,143
Tennant security deposits	10,912	12,700
Total Current Liabilities	35,551	33,581
LONG TERM LIABILITIES		
Long-term debt	1,553,980	1,574,460
Due to members	51,861	46,052
Total Long Term Liabilities	1,605,841	1,620,512
MEMBERS' DEFICIT	(29,022)	(6,934)
Total Liabilities and Fund Balances	$ 1,612,370	$ 1,647,159

See independent auditors' report and notes to the financial statements.

WEST 3RD STREET DEVEOLPMENT LLC

STATEMENTS OF OPERATIONS AND CHANGES IN MEMBERS' DEFICIT

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010	2009
REVENUES		
Rental income	$ 155,067	$ 138,550
Interest income	33	410
Total Revenues	155,100	138,960
EXPENSES		
Interest expense	106,241	99,120
Utilities	4,023	8,242
Repairs	16,226	12,495
Professional fees	5,130	1,925
Insurance	6,809	6,809
Real estate taxes	3,428	3,910
Office and miscellaneous expense	343	25
Total Expenses	142,200	132,526
Income From Operations before Depreciation	12,900	6,434
Depreciation expense	34,988	33,530
Net (Loss)	(22,088)	(27,096)
Members' deficit - Beginning	(6,934)	20,162
Members' deficit - Ending	$ (29,022)	$ (6,934)

See independent auditors' report and notes to the financial statements.

WEST 3RD STREET DEVEOLPMENT LLC

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss)	$ (22,088)	$ (27,096)
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation	34,988	33,530
Changes in assets and liabilities:		
Decrease (Increase) in accounts receivable	6,750	(10,550)
Increase in prepaid expenses	(15,210)	-
Increase (Decrease) in accounts payable and accrued expenses	2,421	(2,173)
(Decrease) increase in tennants security deposits payable	(1,788)	12,700
Total Adjustments	27,161	33,507
Net Cash Provided by Operating Activities	5,073	6,411
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term debt	-	1,600,000
Payments of long-term debt	(19,143)	(6,397)
Increase (Decrease) in loan to members	5,809	(1,583,988)
Net Cash (Used in) Provided by Financing Activities	(13,334)	9,615
Decrease (Increase) in Cash	(8,261)	16,026
Cash - Beginning of Year	14,354	(1,672)
Cash - End of Year	$ 6,093	$ 14,354
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for:		
Income taxes	$ 59	$ 25
Interest	$ 106,241	$ 99,120

See independent auditors' report and notes to the financial statements.

WEST 3RD STREET DEVELOPMENT LLC

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2010 AND 2009

1. ORGANIZATION

West 3rd Street Development LLC is an organization formed in the State of New York in 2004 for the purpose of operating and maintaining a residential apartment building. The building consists of 10 residential units occupying the land and building at 1549 West 3rd Street, Brooklyn, New York.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting and Financial Statement Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting. Income is recorded when earned rather than when collected. Expenses are recorded when incurred rather than when paid.

b) Basis of Fixed Assets and Depreciation

Building improvements and equipment are stated at cost. Depreciation is computed using the straight-line method over the estimated life of 27.5 years for building and improvements.

c) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

d) Subsequent Events

The Company has evaluated events and transactions for potential recognition or disclosure through March 9, 2011, the date the financial statements were available to be issued.

3. ACCOUNTS RECEIVABLE

Accounts receivable at December 31, 2010 and 2009 are presented without reserves as the Company considers all outstanding receivables collectable.

4. FUTURE MAJOR REPAIRS AND REPLACEMENTS

The Company has not conducted a study to determine the remaining useful lives of the components of common property and current estimates of costs of major repairs and replacements that may be required in the future. The Company has also not developed a plan to fund those needs. When funds are needed to meet future needs for major repairs and replacements, the Company will determine how to fund the necessary building needs.

5. LONG TERM DEBT

Long term debt consists of a mortgage note secured in July 2009. The mortgage calls for principal and interest paid under a ten year amortization schedule with interest thereon at 6.25% per annum for the first five years. Subsequently, the interest rate will adjust to 350 basis points above the monthly average yield on five year U.S. Treasury obligations. The loan is secured by the assets of the Company.

The future annual principal payments due under the mortgage are as follows:

Year Ending	
December 31, 2011	$ 20,480
December 31, 2012	21,797
December 31, 2013	23,199
December 31, 2014	24,691
December 31, 2015	26,280
Thereafter	1,458,013
Total	$1,574,460

SECTION L

Certification of Sponsor Pursuant to Section 20.4(b) of the Regulations issued Pursuant to General Business Law Article 23-A, as Amended.

New York State Department of Law
120 Broadway
New York, New York 10271
Attn: Investment Protection Bureau

RE: 1549 West 3rd Street Condominium

The undersigned, West 3rd Street Development Corp., LLC, Marino Mazzei, and Leonard Schwartz certify as follows:

We are the sponsor and principals of the sponsor of the condominium offering plan for the captioned property. We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law; the regulations promulgated by the Department of Law in Part 23, and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for this certification. We jointly and severally certify that the offering plan does, and that documents submitted hereafter by us which amend or supplement the offering plan will:

(i) set forth the detailed terms of the transaction and be complete, current and accurate;

(ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment;

(iii) not omit any material fact;

(iv) not contain any untrue statement of a material fact;

(v) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;

(vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

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

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

West 3rd Street Development Corp., LLC

by _____
Marino Mazzei

_____
Marino Mazzei

_____
Leonard Schwartz

Sworn to before me this
20th day of July, 2010

_____
Notary Public

JOHN P. GULINO
NOTARY PUBLIC, STATE OF NEW YORK
NO. 02GU6701850
QUALIFIED IN RICHMOND COUNTY
Commission Expires August 31, 2010

ANNO MUNDI
2928
SANDOR MN. WEISS, R.A. · ARCHITECTS, P.C.

The sponsor of the offering plan to convert the captioned property to condominium ownership retained our firm to prepare a report describing the construction and/or renovation of the property (the "Report"). I visually inspected the property on May 19, 2009 and prepare the report dated May 19, 2010 a copy of which is intended to be incorporated into the offering plan so that prospective Purchasers may rely on the Report.

I am a registered architect in the State in which the property is located.

I understand that I am responsible for complying with Article 23-A of the General Business Law and the regulation promulgated by the Department of Law in Part 23 insofar as they are applicable to this Report.

I have read the entire Report and investigated the facts set forth in the Report and the Facts underlying it and conducted the visual inspection referred to above with due diligence in order to form a basis for this certification. I certify that the report and all documents prepared by me disclose all the material facts which were then discernible from a visual inspection of the property. This certification is made for the benefit of all persons to whom this offer is made.

I certify that the Report based on my visual inspection:

(i) sets forth in narrative form the physical condition of the entire property and is current and accurate as of the date of inspection;

(ii) in my professional opinion affords potential investors, purchasers and participants an adequate basis upon which to fund their judgment concerning the physical condition of the property;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

1317 AVENUE J, BROOKLYN, NEW YORK 11230 · (718) 692-0800 · FAX: (718) 692-1914

FLAGG ABSTRACT, INC.
1573 RICHMOND ROAD
STATEN ISLAND, NEW YORK 10304
(718) 667-7112

1549 WEST 3RD STREET CONDOMINIUM

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

The Sponsor of the condominium offering plan for the captioned property retained our firm to review Schedule B containing projections of income and expenses for the first year of condominium operation. Our experience in this field includes:

We have been in the business of managing developments for approximately twenty three years. Management of Milton Avenue Homeowners Association, budgetary and financial advice to Morley Avenue Condominium Association, Red Hill Mountaintop Property Owners Association, Stanwich Estates Homeowners Association and Olympia Manor Homeowners Association.

We understand that we are responsible for complying with Article 23-A of the General Business Law and the regulations promulgated by the Department of Law in Part 23 insofar as they are applicable to Schedule B.

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

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

We certify that the Schedule:

(i) sets forth in detail the projected income and expenses for the first year of condominium operation;

(ii) affords potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the first year of condominium operation;

(iii) does not omit any material fact;

(iv) does not contain any untrue statement of a material fact;

(v) does not contain any fraud, deception, concealment or suppression;

(vi) does not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

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

We further certify that we are not owned or controlled by the sponsor. We understand that a copy of this certification is intended to be incorporated into the offering plan. This statement is not intended as a guarantee or warranty of the income or expenses for the first year of condominium operation.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

DATED: August 20, 2010

FLAGG ABSTRACT, INC.

By: _____
Paul A. Leff, president

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

Sworn to before me this 20th day
of August 2010

_____
NOTARY PUBLIC

MICHAEL SCHAEFFER
Notary Public, State of New York
No. 01SC6100437
Qualified in Richmond County
Commission Expires October 20, 20 11